

The Texas A&M University System

FINANCIAL REPORT

UNAUDITED

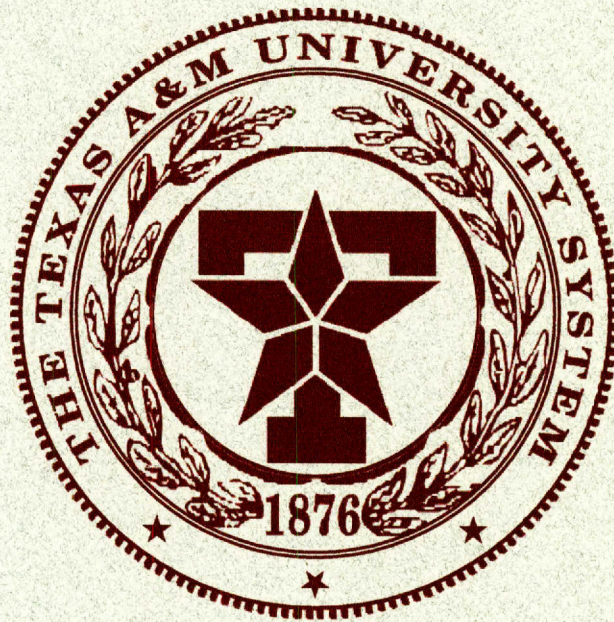
UNAUDITED

Annual

FINANCIAL REPORT

of

The Texas A&M University System
For the Year Ended August 31, 2012
With Comparative Totals for the Year Ended August 31, 2011



November 20, 2012

John Sharp, Chancellor
Gregory R. Anderson, Chief Financial Officer and Treasurer
Joseph Duron, Executive Director, Budgets and Accounting
Teresa Bass, Comptroller

College Station, Texas



THE TEXAS A&M UNIVERSITY SYSTEM

Office of Budgets and Accounting

November 20, 2012

To Whom It May Concern:

Beginning with the fiscal year ended August 31, 1987, the State of Texas has issued audited financial statements, prepared in accordance with generally accepted accounting principles, for the State government as a whole. The State Auditor expresses an opinion on the financial statements of the State of Texas **but not on the financial statements of the individual component units of the State**. You may request a copy of the **audited** fiscal year 2012 State of Texas Comprehensive Annual Financial Report directly from the State Comptroller of Public Accounts.

Sincerely,

Joseph Duron, CPA
Executive Director, Budgets & Accounting
The Texas A&M University System



THE TEXAS A&M UNIVERSITY SYSTEM

Office of Budgets and Accounting

November 20, 2012

John Sharp
Chancellor
The Texas A&M University System
200 Technology Way
College Station, Texas 77845

Dear Mr. Sharp:

We are submitting herewith the Annual Financial Report of The Texas A&M University System for the fiscal year ended August 31, 2012.

This report has been prepared in conformity with the TEX. GOV'T CODE ANN §2101.011 and in accordance with the Annual Financial Reporting Requirements of the Texas Comptroller of Public Accounts.

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

Respectfully submitted,

Teresa Bass, CPA
Comptroller

Joseph Duron, CPA
Executive Director, Budgets & Accounting



THE TEXAS A&M UNIVERSITY SYSTEM

BOARD OF REGENTS

Richard A. Box	Term Expires February 1, 2013
Morris E. Foster	Term Expires February 1, 2013
James P. Wilson	Term Expires February 1, 2013
Phil Adams	Term Expires February 1, 2015
Jim Schwertner	Term Expires February 1, 2015
John D. White	Term Expires February 1, 2015
Elaine Mendoza	Term Expires February 1, 2017
Judy Morgan	Term Expires February 1, 2017
Cliff Thomas	Term Expires February 1, 2017
John "Quinten" Womack (Student Regent)	Term Expires May 31, 2013

OFFICERS OF THE BOARD

Richard A. Box	Chairman
Phil Adams	Vice Chairman

ADMINISTRATIVE OFFICERS

John Sharp	Chancellor
Gregory R. Anderson	Chief Financial Officer and Treasurer
Joseph Duron	Executive Director, Budgets & Accounting
Teresa L. Bass	Comptroller

THE TEXAS A&M UNIVERSITY SYSTEM

CHIEF EXECUTIVE OFFICERS

System Offices	John Sharp, Chancellor
Prairie View A&M University	George C. Wright, President
Tarleton State University	F. Dominic Dottavio, President
Texas A&M University - Central Texas	Marc Nigliazzo, President
Texas A&M International University	Ray M. Keck III, President
Texas A&M University	R. Bowen Loftin, President
Texas A&M University at Galveston	Robert Smith III, President and CEO
Texas A&M University - Commerce	Dan R. Jones, President
Texas A&M University - Corpus Christi	Flavius Killebrew, President
Texas A&M University - Kingsville	Steven H. Tallant, President
Texas A&M University - San Antonio	Maria Hernandez Ferrier, President
Texas A&M University - Texarkana	Keith McFarland, Interim President
West Texas A&M University	J. Patrick O'Brien, President and CEO
Texas A&M AgriLife Research	Craig Nessler, Director
Texas A&M AgriLife Extension	Douglas L. Steele, Director
Texas A&M Engineering Experiment Station	M. Katherine Banks, Director, Vice Chancellor and Dean of Engineering
Texas A&M Engineering Extension Service	Gary Sera, Director
Texas A&M Forest Service	Tom G. Boggus, Director
Texas A&M Transportation Institute	Dennis L. Christiansen, Director
Texas A&M Veterinary Medical Diagnostic Laboratory	Tammy Beckham, Director
Texas A&M University System Health Science Center	E. J. Pederson, Acting President and Vice Chancellor for Health Affairs

THE TEXAS A&M UNIVERSITY SYSTEM

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UNAUDITED

THE TEXAS A&M UNIVERSITY SYSTEM
COMBINED STATEMENTS

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**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
Unaudited**

The Texas A&M University System presents its financial statements for fiscal year 2012, with comparative data to fiscal year 2011. The emphasis of discussion will be on the current year. There are three financial statements presented: the Balance Sheet, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows.

The statements as presented are for the combined Texas A&M University System (A&M System). The A&M System is composed of twelve institutions of higher education, seven agencies, a health science center, and the System administrative offices. The report also includes a blended component unit, the Texas A&M Research Foundation, and four discretely presented component units.

The member institutions of higher education offer a broad range of undergraduate and graduate degrees. With locations in Canyon, Stephenville, Commerce, Texarkana, College Station, Prairie View, Galveston, Corpus Christi, Kingsville, Killeen, San Antonio, and Laredo, the A&M System strives to meet the education needs of Texas.

The agencies of the A&M System include both engineering and agricultural research and extension agencies. The agencies provide educational, research, service, and instruction to benefit the state.

The A&M Health Science Center continues to grow and expand. It includes a college of medicine, a college of dentistry, a school of rural public health, a school of nursing, a pharmacy school and research divisions.

The A&M System educates approximately 126,000 students and reaches another 24.2 million people through service each year. With nearly 27,000 faculty and staff, the A&M System has a physical presence in 250 of the state's 254 counties and a programmatic presence in every Texas county.

Overview of the Financial Statements and Financial Analysis

The A&M System presents its financial statements for fiscal year 2012. The statements are prepared in accordance with Governmental Accounting Standards Board pronouncements, the requirements of the Texas Comptroller of Public Accounts, and the guidelines from the National Association of College and University Business Officers.

Balance Sheet

The Balance Sheet presents a snapshot of current and non-current assets and liabilities and net assets (assets minus liabilities) for the A&M System as of the end of the fiscal year. Current and non-current presentation is discussed in the notes to the financial statements.

Readers of the Balance Sheet are able to determine the assets available to continue the operations of the system. They are also able to determine the amount the system owes to vendors, investors, and lending institutions. The statement also provides a picture of net assets (assets minus liabilities) and their availability by the A&M System.

**The Texas A&M University System
Management's Discussion and Analysis
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Net assets are divided into three major categories. The first category, Invested in Capital Assets, Net of Debt, provides the system's equity in property, plant and equipment owned by the system less the related debt. The second category is restricted net assets which are divided into two categories, expendable and non-expendable. Expendable restricted net assets are available for use by the A&M System, but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The corpus of the non-expendable restricted resources is available for investment purposes and the earnings are used to support the institutions or agencies. The non-expendable restricted net assets consist of the system's endowment funds. The third category is unrestricted net assets. Unrestricted net assets are available for any lawful purpose. Although unrestricted net assets are not subject to externally imposed stipulations, the unrestricted net assets have been internally designated for various academic and research programs and initiatives.

**Balance Sheet
(in millions of dollars)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Assets			
Current Assets	\$ 1,809	\$ 1,524	\$ 1,724
Capital Assets, Net	3,618	3,476	3,084
Other Assets	<u>3,326</u>	<u>3,005</u>	<u>2,731</u>
Total Assets	<u>\$ 8,753</u>	<u>\$ 8,005</u>	<u>\$ 7,539</u>
Liabilities			
Current Liabilities	\$ 1,299	\$ 1,216	\$ 1,093
Non-Current Liabilities	<u>3,221</u>	<u>2,811</u>	<u>2,671</u>
Total Liabilities	<u>\$ 4,520</u>	<u>\$ 4,027</u>	<u>\$ 3,764</u>
Net Assets			
Invested in Capital Assets, Net of Debt	\$ 1,284	\$ 1,287	\$ 1,164
Restricted			
Expendable	481	476	388
Non-Expendable	405	394	359
Unrestricted	<u>2,063</u>	<u>1,821</u>	<u>1,864</u>
Total Net Assets	<u>\$ 4,233</u>	<u>\$ 3,978</u>	<u>\$ 3,775</u>
Total Liabilities & Net Assets	<u>\$ 8,753</u>	<u>\$ 8,005</u>	<u>\$ 7,539</u>

**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
Unaudited**

The Balance Sheet indicates an increase in total assets of 9.3%. The most significant increase in assets is the \$231.6 million in Cash & Cash Equivalents (Unrestricted & Restricted) and \$96 million increase in non-current Investments. The net capital assets in 2012 are \$3.618 billion, an increase of \$142 million from the 2011 balance of \$3.476 billion.

Liabilities increased 12% from the 2011 amount of \$4.0 billion to \$4.5 billion in 2012. The largest factor was an increase in Note Payables of \$92 million and Bond Payables of \$125 million. The second largest factor was a \$127.0 million increase in Other Postemployment Benefits recognized by the A&M System, which increased the total recognized liability to \$603.8 million. This accrued liability is being amortized over 30 years.

The final section of the statement presents the net assets of the system. Net assets increased 6% from the 2011 amount of \$3.9 billion to \$4.2 billion in 2012. Restricted for Capital Projects increase 34% from the 2011 amount of \$62.9 million to \$84.3 million in 2012 provided the largest increase. Unrestricted Net Assets increased by 13% from \$1.8 billion to \$2.1 billion. Even though these balances are defined as unrestricted they do contain internal restrictions, as defined in the table below.

**Unrestricted Net Assets
as of August 31, 2012
(in millions of dollars)**

Reserved For:	
Accounts Receivable	\$ 906
Encumbrances	102
Capital Projects	148
Retirement of Indebtedness	148
Inventories	25
Higher Education Fund	24
Available University Fund	19
Self-Insured Plans	60
Prepaid Expenses and Other Reserves	41
Other State Funds	118
Unreserved	
Allocated	325
Funds Functioning as Endowments	147
Total Unrestricted Net Assets	\$ 2,063

**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
Unaudited**

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets presents the revenues earned and the expenses incurred during the year. Activities are reported as operating or non-operating. The Governmental Accounting Standards Board requires that state appropriations and federal Pell Grants be reported as non-operating revenue. This will generally result in an operating deficit for most public institutions. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation or amortization, which amortizes the cost of an asset over its expected useful life.

The purpose of this statement is to present the revenues received by the A&M System, and the expenses paid by the A&M System, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the system. The change in total net assets as presented on the Balance Sheet is a result of these activities.

Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the A&M System. Operating expenses are those expenses paid to acquire goods and services provided in return for the operating revenues. Non-operating revenues are derived from sources that are not considered primary operations for an institution of higher education or state agency. State capital appropriations and capital grants and gifts are considered neither operating nor non-operating revenues and are reported after "Income before other revenues, expenses, gains or losses."

The condensed Statement of Revenues, Expenses and Changes in Net Assets reflects an increase in Net Assets of \$255 million. The \$255 million increase is primarily due to an increase in transfers from other state agencies of \$112 million as well as tuition and fee revenue of \$74.2 million due to enrollment growth and rate increases and an overall decrease in operating expenses of \$76.6 million. There was also a decrease in federal revenue of \$32 million which is attributable to a reduction in ARRA Stimulus funding.

During the 2012 fiscal year, operating expenses decreased \$76 million. The most significant changes are listed below.

- Depreciation and Amortization increased by \$28.5 million or 13.8%, totaling \$235 million.
- Other Operating expenses decreased by \$81 million mostly attributable to reduction in the Texas Forest Service wildfire related costs.
- Salaries, wages and benefits decreased by \$29 million or 4.9%.

Non-operating Revenues and Expenses for 2012 is \$1.4 billion, a decrease of 11%, or \$164 million, from the 2011 amount of \$1.5 billion. Legislative revenue totaled \$1 billion for 2012, an increase of 6% or \$58 million, from the 2011 amount of \$966 million. This increase was primarily attributable to Texas Forest Service receiving a \$121 million supplemental appropriation to cover fire bills for the 2011 wildfires. The decrease in markets and unrealized gains/losses on investments resulted in an \$87 million decrease in investment income due to a decrease in unrealized gains from the 2011 amount of \$182 million to \$95 million.

**The Texas A&M University System
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Other Revenues, and Transfers increased 39% to \$366 million. The transfers from other state agencies increased by \$112 million which is primarily due to \$78.5 million Available University Fund distribution and the issuance of \$283.6 million Permanent University (PUF) Bonds. When PUF bonds are issued an offsetting interfund receivable and transfer in are recorded to accrue the funds from the University of Texas.

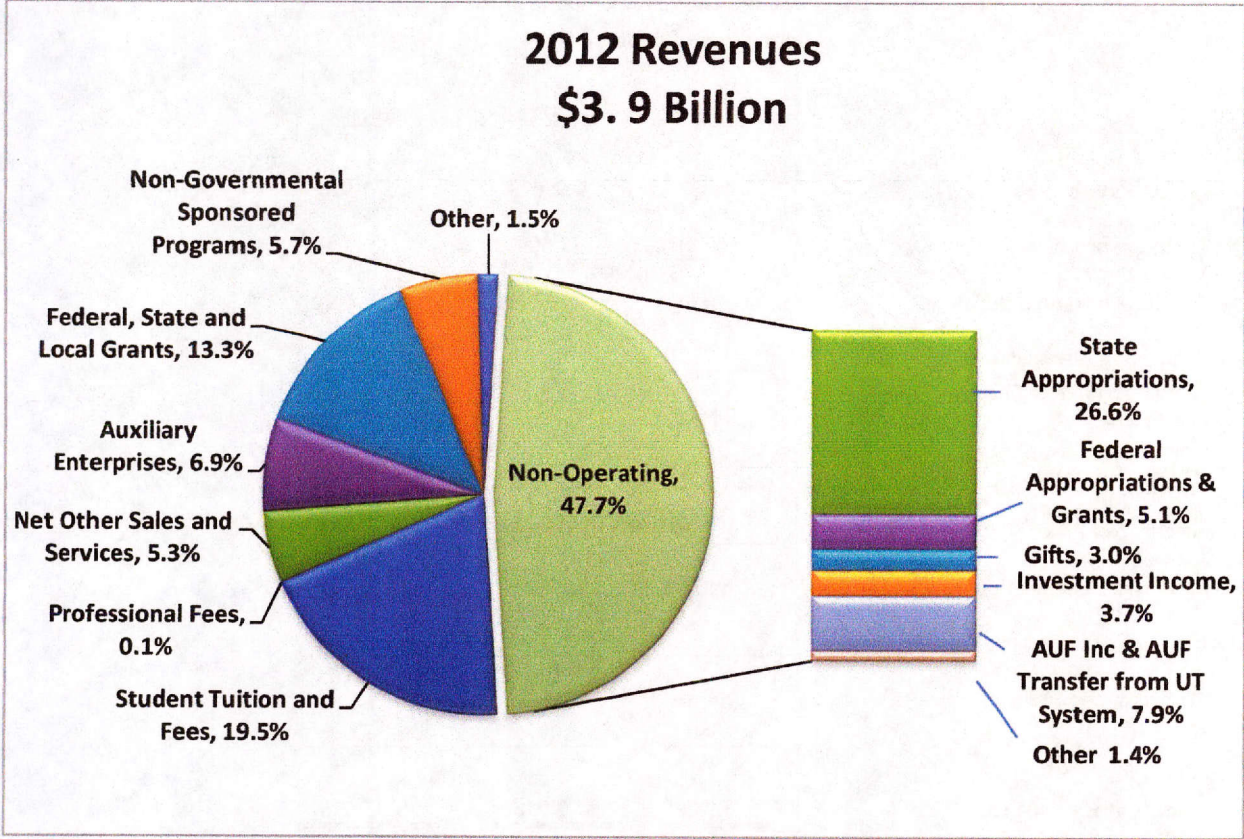
**Statement of Revenues, Expenses and Changes in Net Assets
(in millions of dollars)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Operating Revenues	\$ 2,062	\$ 2,028	\$ 1,918
Operating Expenses	<u>(3,523)</u>	<u>(3,599)</u>	<u>(3,368)</u>
Operating Income (Loss)	(1,461)	(1,571)	(1,450)
NonOperating Revenues and Expenses	<u>1,348</u>	<u>1,511</u>	<u>1,360</u>
Income (Loss) Before Other Revenues, and Transfers	(113)	(60)	(90)
Other Revenues, and Transfers	<u>366</u>	<u>262</u>	<u>273</u>
Change in Net Assets	<u>253</u>	<u>202</u>	<u>183</u>
Net Assets at Beginning of Year	\$ 3,978	\$ 3,775	\$ 3,605
Restatement of Prior Year Balance	<u>2</u>	<u>1</u>	<u>(13)</u>
Net Assets at Beginning of Year-As Restated	<u>\$ 3,980</u>	<u>\$ 3,776</u>	<u>\$ 3,592</u>
Net Assets at End of Year	<u>\$ 4,233</u>	<u>\$ 3,978</u>	<u>\$ 3,775</u>

Certain internal activities embedded in the Statement of Revenues, Expenses and Changes in Net Assets provide goods and services to internal customers and to other A&M System members. These activities include self-insured programs (health, dental, etc.), repairs & maintenance, utilities, computer services, and other interdepartmental activities. The net operating revenues for these internal activities were eliminated to the extent of operating expenses which was approximately \$445.4 million. The majority of this activity relates to the self-insured programs which reported operating expenses of approximately \$194.4 million. Of the remaining \$251 million in operating expenses eliminated, \$64.4 million represented salaries and wages and \$16 million represented other payroll related costs.

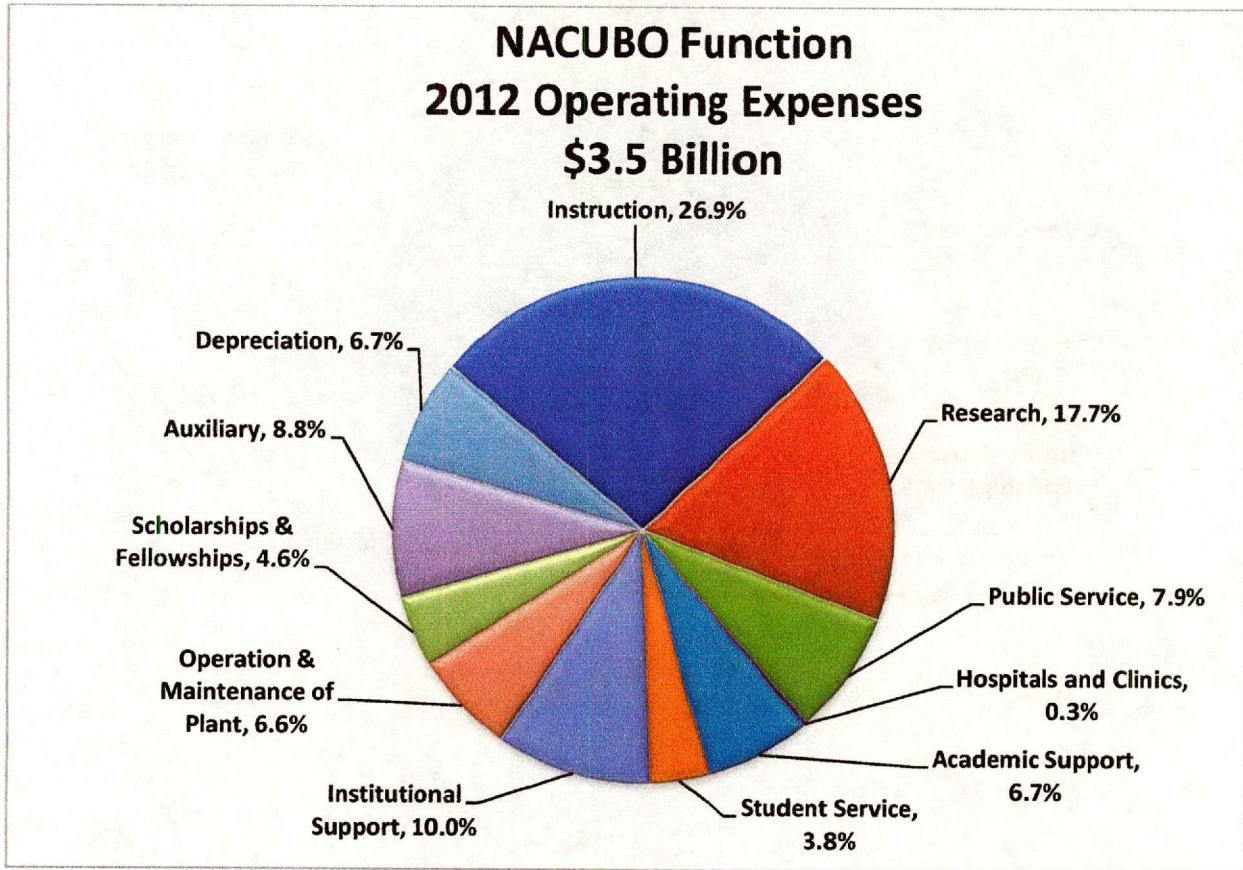
**The Texas A&M University System
 Management's Discussion and Analysis
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 Unaudited**

The following graph presents total revenues for 2012. Revenues are presented as operating and non-operating in the Statement of Revenues, Expenses and Changes in Net Assets. Operating revenues totaled \$2 billion and non-operating revenues plus transfers in totaled \$1.9 billion for a total of \$3.9 billion.

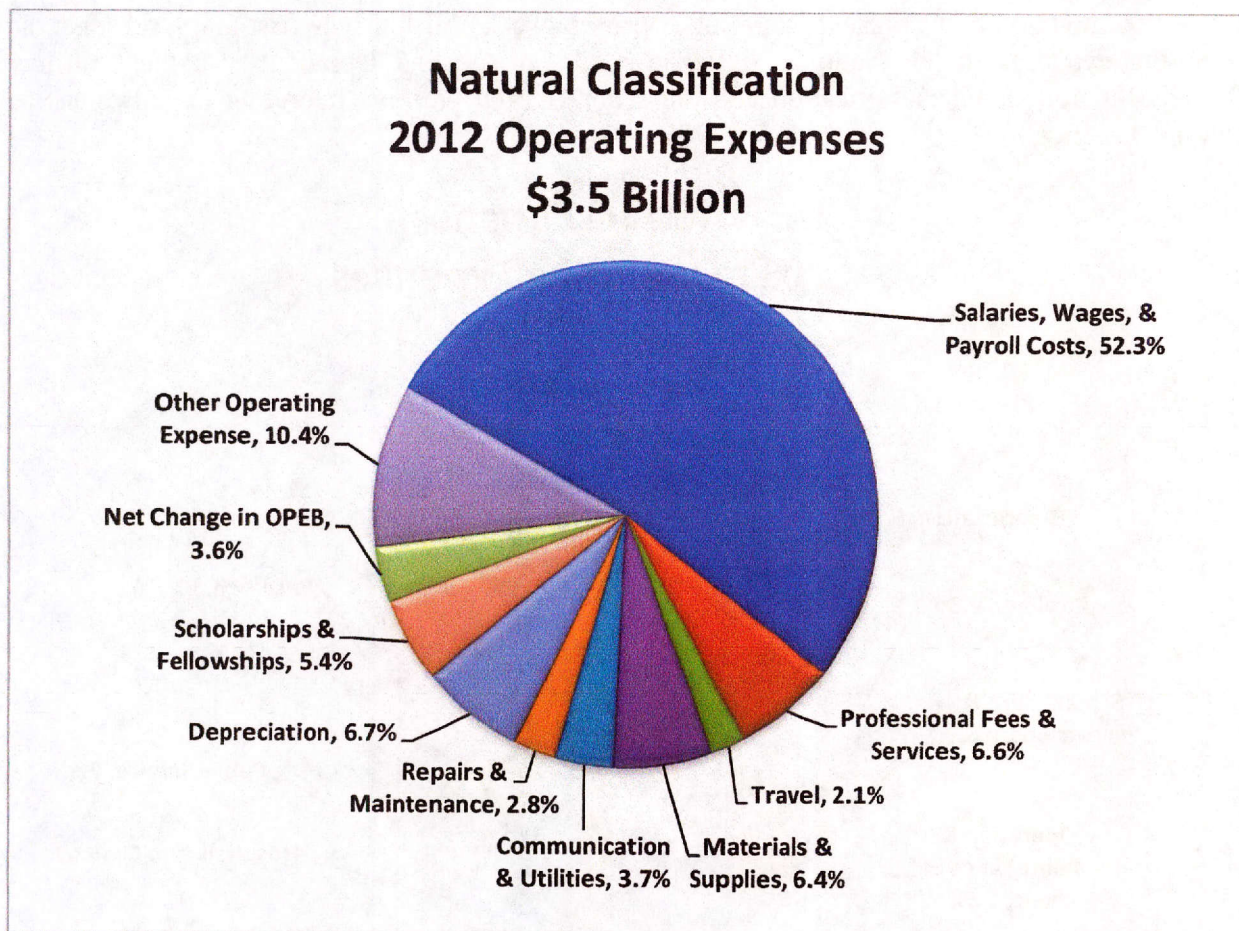


The Texas A&M University System
Management's Discussion and Analysis
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The following two graphs present operating expenses of \$3.5 billion. The first graph presents the operating expenses in the National Association of College and University Business Officer (NACUBO) functional classification and the second graph presents operating expenses in the natural classification.



**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
Unaudited**



Operating expenses totaled \$3.5 billion, as depicted in the graph, and non-operating expenses plus transfers equaled an additional \$174 million. The depreciation and amortization expenses increased by \$28.5 million, or 14% which is attributable to the completion of new facilities.

Statement of Cash Flows

The final statement presented is the Statement of Cash Flows. This statement presents detailed information on the cash activity during the year. The first section presents operating cash flows and the net cash used by operating activities. The next section presents the results of non-capital financing activities. This section includes the cash flows from state appropriations and other non-operating activities. The capital and related financing activities section includes cash used for acquisition and construction of capital assets. The investing activities section reports purchases, proceeds, and earnings from investments. The final section is a reconciliation of net cash from operations to operating income.

**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
Unaudited**

**Statement of Cash Flows
(in millions of dollars)**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cash Flows From			
Operating Activities	\$ (1,002)	\$ (1,009)	\$ (1,163)
Non-Capital Financing Activities	1,605	1,560	1,541
Capital and Related Financing Activities	(302)	(616)	(220)
Investing Activities	(70)	605	(128)
Increase in Cash & Cash Equivalents	231	540	30
Cash & Cash Equivalents, Beginning of Year	<u>862</u>	<u>322</u>	<u>292</u>
Cash & Cash Equivalents, End of Year	<u>\$ 1,093</u>	<u>\$ 862</u>	<u>\$ 322</u>

Capital Asset and Debt Administration

The A&M System is committed to continuous improvements in the quality of its academic, research, and service programs through the development and renewal of its capital assets. The System continues to implement its long-range plan to modernize its older teaching and research facilities along with plans for new construction.

Capitalized expenses for construction in progress during 2012 totaled \$477 million as compared to \$331 million in 2011. This represents projects that have been substantially completed and moved to the appropriate capital asset categories.

The A&M System had significant capital asset additions for facilities in 2012. There are many construction projects in various stages of completion including major projects managed by the System Offices and minor projects managed by the members. These projects represent \$343 million in payments for construction in progress during 2012.

The major construction projects listed below are in progress or scheduled to be completed over the next two years.

<i>Campus/Project Name \$10 Million and Greater</i>	<i>Projected Fiscal Year Completion</i>	<i>Projected Budget</i>
Texas A&M University		
Liberal Arts and Arts & Humanities Building	2013	\$ 46,000,000
Corps Dorm Renovation	2013	13,750,000

**The Texas A&M University System
Management's Discussion and Analysis
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Life Sciences/ETED-Finish Shell Space	2013	10,000,000
Energy Consumption Reduction Project	2013	10,000,000
Northside Residence Hall	2014	68,000,000
Welborn Road Grade Separations	2014	34,000,000
Physical Education Activity Program Facility	2014	23,079,665
Kyle Field District Plan Phase 2	2014	16,000,000
Corps Dorm Renovation-Leonard/LLC	2014	15,200,000
CVM & BioMed Science New Education Building	2015	120,000,000
NCTM Core Retrofit Project	2015	30,542,496
Sub-total		386,572,161
 Prairie View A&M University		
Capital Renewal	2013	11,067,000
Agriculture & Business Multipurpose Classroom Building	2015	37,800,000
Student Recreation Center	2015	31,290,000
Sub-total		80,157,000
 Tarleton State University		
OA Grant Humanities Building Rehab & Expansion	2014	12,000,000
 West Texas A&M University		
Jack B. Kelly Student Center Expansion	2013	10,900,000
Underclassmen Residence Hall-Phase II	2014	35,000,000
Sub-total		45,900,000
 Texas A&M University-Commerce		
New Student Housing-Phase II	2014	26,900,000
Sam Rayburn Student Center Expansion	2015	10,300,000
Sub-total		37,200,000
 Texas A&M University-Texarkana		
Bringle Lake Village Housing Phase II & Dining Facility	2015	15,750,000
 Texas A&M University-Central Texas		
Multipurpose & Library Building	2016	50,000,000

**The Texas A&M University System
Management's Discussion and Analysis
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Texas A&M University-San Antonio

Central Academic Building & Patriot's Casa	2015	75,000,000
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TOTAL	\$	<u>702,579,161</u>
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The A&M System understands its role of financial stewardship and works to manage its resources effectively, including the prudent use of debt to finance capital projects.

During fiscal year 2012, the A&M System issued taxable and tax-exempt bonds under the Permanent University Fund debt program to refund a portion of previously outstanding bonds and commercial paper notes. The Permanent University Fund Bonds, Series 2011 had a par amount of \$87,145,000 with a true interest cost of 3.53%. Refundings associated with this bond issue resulted in approximately \$51,000 of total savings or approximately \$50,000 of net present value savings equating to a net present value benefit of 4.96%. The Permanent University Fund Bonds, Series 2012A had a par amount of \$70,680,000 with a true interest cost of 2.25%. Refundings associated with this bond issue resulted in approximately \$13,640,000 of total savings or approximately \$10,974,000 of net present value savings equating to a net present value benefit of 13.77%. The Permanent University Fund Bonds, Taxable Series 2012B had a par amount of \$125,750,000 with a true interest cost of 2.98%. Revenue Financing System Commercial Paper in the amount of \$204.7 million and Permanent University Fund Commercial Paper in the amount of \$155 million were issued to fund eligible projects. The A&M System has sufficient debt capacity to finance planned facilities and other capital improvements. In addition, the State appropriated amounts are sufficient for the reimbursement of debt service on all outstanding and planned Tuition Revenue Bond debt for the FY2012-13 biennium. For additional information concerning Capital Assets and Debt Administration, see the Notes to the Financial Statements.

Economic Outlook

Markets continue to be volatile on uncertainties for the U.S. economy and the potential risks associated with the "fiscal cliff" as well as the outcome of the European sovereign debt crisis. Confidence and optimism continue to fluctuate and unemployment remains elevated. Continued volatility is expected for the foreseeable future.

The A&M System's investment portfolios are well diversified across asset classes and have participated in the increases and decreases in the market. Uncertainties in the market will affect the performance of the investment pools as the volatility in the markets continues. Market dislocations may see declines in the portfolios, but will also provide opportunities to acquire assets at substantial discounts that will benefit performance over longer-term investment periods.

**The Texas A&M University System
Management's Discussion and Analysis
For the year ended August 31, 2012
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Significant Events

Several leadership changes occurred in the A&M System during fiscal year 2012. Those appointments included the following:

- Mr. John Sharp appointed Chancellor of the Texas A&M University System by the Board of Regents on September 6, 2011
- Dr. Keith McFarland appointed acting President for Texas A&M University – Texarkana
- Dr. Margaret Banks appointed Vice Chancellor and Dean of Engineering, Texas A&M Engineering
- Dr. Frank B. Ashley II named Vice Chancellor of Recruitment and Diversity, Texas A&M University System
- Dr. James Hallmark appointed Vice Chancellor for Academic Affairs of the Texas A&M University System
- Mr. Guy K. Diedrich confirmed by the Board of Regents as Vice Chancellor for Federal and State Relations, Texas A&M University System
- Dr. Douglas Steele named Director of Texas A&M AgriLife Extension
- Mr. Gregory R. Anderson's role expanded to Chief Financial Officer and Treasurer, Texas A&M University System
- Mr. Tye Minkler named Vice President for Finance & Administration for Tarleton
- Dr. Terisa Riley named Interim Senior VP for Fiscal and Student Affairs for Texas A&M University – Kingsville
- Mrs. Debra Cummings named Assistant Director for Fiscal Affairs, the Texas A&M AgriLife Research
- Mr. Daniel Gray named Chief Financial Officer and Associate Agency Director, the Texas A&M Engineering Extension Service

In addition to the changes during the year, the following leadership changes occurred after the reporting period ended August 31, 2012:

- Dr. Jon Mogford appointed Chief Research Officer for the Texas A&M University System
- Mr. E.J. "Jere" Pederson was appointed as acting President of the Texas A&M University System Health Science Center on October 9, 2012

The Texas A&M University System has been awarded a contract to develop one of three U.S. department of Health and Human Services National centers for Innovation. The \$285.6 million contract includes an initial investment of \$176.6 million from the U.S. government, with the remainder cost-shared by commercial and academic proposal partners.

The Texas A&M University System established The Office of Sponsored Research Services to consolidate the sponsored research administration activities for the Texas A&M University System members to create efficiencies and consistency in the area of research administration. This new administration unit functions as a new agency beginning September 1, 2012.

**The Texas A&M University System
Management's Discussion and Analysis
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On August 25, 2011, Texas A&M University notified the Big 12 Conference of its intention to explore other conference affiliation possibilities. On September 25, 2011, The Southeastern Conference Presidents and Chancellors accepted Texas A&M University's application for membership effective July 1, 2012, with competition to begin in all sports for the 2012-13 academic years.

On August 15, 2012 Texas A&M University System Chancellor John Sharp and Texas A&M University President R. Bowen Loftin formalized a contract with Compass Group USA to manage and operate dining services, building maintenance, landscaping services and custodial services located in the Brazos County. The personnel transition involved approximately 1,600 employees.

In June 2012, a letter of intent was signed between Texas A&M and Texas Wesleyan University in Fort Worth for Texas A&M to purchase the Texas Wesleyan Law School.

The Board of Regents also approved a motion at the August 2012 Board meeting to authorize the Chancellor and Texas A&M University President to take any and all action necessary to effectuate an administrative change bringing the Health Science Center under the administration of the university.

The record breaking 2011 Texas wildfire season ended in November 2011. As a result of the continued fire response in fiscal year 2012, an additional \$34.1 million of estimated costs for out-of-state resources were accrued in fiscal year 2012. Net unfunded emergency response expenses, without estimated FEMA reimbursements, is approximately \$198 million. Texas Forest Service expects to receive some FEMA reimbursements, which will take 2-3 years.

The Texas A&M System continues to focus on its mission to serve the needs of the state of Texas. The continued enrollment growth, quality education, expansion of sponsored project activity, and the successful capital improvements are an integral part of the future of the A&M System.

UNAUDITED

EXHIBIT III
THE TEXAS A&M UNIVERSITY SYSTEM
 COMBINED BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
ASSETS AND DEFERRED OUTFLOWS		
Current Assets		
Cash & Cash Equivalents [Schedule Three]	\$ 753,736,564.46	\$ 613,926,438.36
Investments	20,933.41	
Derivative Instruments	(995,896.09)	(33,058.12)
Deferred Outflow of Resources	2,244,010.00	4,739,941.00
Restricted		
Cash & Cash Equivalents [Schedule Three]	339,663,917.68	247,867,909.38
Legislative Appropriations	103,056,733.91	75,680,839.15
Receivables, Net:		
Federal	91,481,012.10	123,746,696.79
Other Intergovernmental	5,586,243.95	5,120,167.23
Interest and Dividends	6,559,836.40	6,892,035.50
Gifts, Pledges and Donations	27,241,475.10	29,895,886.06
Self-Insured Health and Dental	18,667,261.66	17,945,575.55
Student	21,648,990.25	26,300,773.11
Investment Trades	160,396,351.24	19,474,668.98
Accounts	106,710,853.67	3,360,504.80
Other	4,143,233.36	96,458,746.56
Due From Other Agencies	20,162,752.06	18,603,934.33
Consumable Inventories	18,630,776.29	17,759,731.71
Merchandise Inventories	6,276,561.78	6,405,757.35
Loans and Contracts	25,996,788.04	25,843,033.07
Interfund Receivable	22,390,000.00	115,215,000.00
Other Current Assets	75,218,606.78	68,918,140.46
Total Current Assets	\$ 1,808,837,006.05	\$ 1,524,122,721.27
Non-Current Assets and Deferred Outflows		
Restricted		
Investments	\$ 758,816,631.91	\$ 722,193,263.98
Loans, Contracts and Other	4,137,180.21	4,435,582.84
Pledges Receivable	60,512,651.12	74,594,431.89
Loans and Contracts	21,959,475.52	21,344,114.97
Investments	1,744,977,258.76	1,649,214,951.61
Deferred Outflow of Resources		2,244,010.00
Interfund Receivable	734,789,840.87	529,210,000.00
Capital Assets, Non-Depreciable		
Land and Land Improvements	134,634,879.95	136,971,988.97
Construction In Progress	506,946,414.05	828,280,993.91
Other Tangible Capital Assets	42,428,450.03	41,167,793.72
Land Use Rights	47,817.00	47,817.00
Capital Assets, Depreciable		
Buildings and Building Improvements	3,949,512,073.07	3,462,349,580.71
Infrastructure	523,102,666.26	408,607,496.24
Facilities and Other Improvements	311,893,078.65	288,011,547.15
Furniture and Equipment	677,569,662.56	645,049,517.22
Vehicles, Boats, and Aircraft	112,349,943.66	105,135,476.76
Other Capital Assets	198,683,812.40	195,095,096.06
Intangible Capital Assets, Amortized		
Land Use Rights	255,457.00	255,457.00
Computer Software	55,224,570.60	52,840,240.28
Accumulated Depreciation/Amortization	(2,894,164,269.15)	(2,687,252,147.59)
Assets Held In Trust	362,100.00	362,100.00
Other Non-Current Assets	32,078.33	1,270,584.37
Total Non-Current Assets and Deferred Outflows	\$ 6,944,071,772.80	\$ 6,481,429,897.09
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 8,752,908,778.85	\$ 8,005,552,618.36

UNAUDITED

EXHIBIT III
THE TEXAS A&M UNIVERSITY SYSTEM
 COMBINED BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
LIABILITIES		
Current Liabilities		
Payables		
Accounts	\$ 339,156,583.84	\$ 281,130,179.51
Payroll	110,950,744.67	115,427,527.10
Investment Trades	87,549,602.36	29,043,035.19
Self-Insured Health and Dental	23,564,888.32	18,317,472.35
Other	14,143,177.13	19,798,922.20
Interfund Payable	620,263.36	884,040.38
Due to Other Agencies	2,574,114.20	1,505,487.34
Hedging Derivative Instruments	2,244,010.00	4,739,941.00
Unearned Revenue	505,828,551.57	452,054,649.88
Employees Compensable Leave	9,220,406.15	7,595,819.36
Claims and Judgments	2,311,000.00	
Notes and Loans Payable	8,008,333.34	101,568,333.34
Bonds Payable	119,748,150.81	103,324,370.77
Capital Lease Obligations	637,004.01	361,133.96
Liabilities Payable From Restricted Assets	20,837,497.88	30,119,179.03
Funds Held for Others	34,369,030.35	35,042,529.53
Other Current Liabilities	16,828,102.55	15,286,456.86
Total Current Liabilities	\$ 1,298,591,460.54	\$ 1,216,199,077.80
Non-Current Liabilities		
Interfund Payable	\$ 4,091,173.62	\$ 2,371,917.34
Employees Compensable Leave	93,258,726.50	93,616,113.94
Other Post Employment Benefits	603,878,029.00	476,809,489.00
Claims and Judgments	4,257,000.00	5,244,262.00
Notes and Loans Payable	195,324,999.98	9,923,333.32
Bonds Payable	2,222,470,027.95	2,114,248,337.89
Hedging Derivative Instruments		2,244,010.00
Assets Held In Trust	362,100.00	362,100.00
Liabilities Payable From Restricted Assets	2,376,072.07	14,050,403.05
Funds Held for Others	71,170,762.30	68,723,051.37
Capital Lease Obligations	2,733,129.30	2,062,393.64
Other Non-Current Liabilities	21,408,709.75	21,769,510.85
Total Non-Current Liabilities	\$ 3,221,330,730.47	\$ 2,811,424,922.40
TOTAL LIABILITIES	\$ 4,519,922,191.01	\$ 4,027,624,000.20
NET ASSETS		
Invested In Capital Assets, Net of Debt	\$ 1,284,223,421.32	\$ 1,287,275,736.53
Restricted for:		
Capital Projects	84,372,806.48	62,947,448.00
Education	263,085,114.96	278,840,189.04
Endowment and Permanent Funds		
Nonexpendable	404,634,119.29	394,215,398.22
Expendable	133,894,137.14	133,743,486.36
Unrestricted	2,062,776,988.65	1,820,906,360.01
TOTAL NET ASSETS [EXHIBIT IV]	\$ 4,232,986,587.84	\$ 3,977,928,618.16
TOTAL LIABILITIES AND NET ASSETS	\$ 8,752,908,778.85	\$ 8,005,552,618.36

The Accompanying Summary of Significant Accounting Policies and Notes to
 Financial Statements are an integral part of this statement.

UNAUDITED

EXHIBIT IV

THE TEXAS A&M UNIVERSITY SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
OPERATING REVENUES		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 998,027,301.01	\$ 923,746,898.32
Discounts and Allowances	(228,045,342.17)	(233,855,156.63)
Net Professional Fees	1,376,299.32	8,548,466.17
Net Auxiliary Enterprises	271,551,043.30	264,605,948.74
Net Other Sales of Goods and Services	238,190,823.00	242,770,861.10
Discounts and Allowances-Sales	(28,888,029.07)	(30,080,823.70)
Total Sales of Goods and Services	\$ 1,252,212,095.39	\$ 1,175,736,194.00
Interest Revenue	\$ 1,880,713.36	\$ 1,831,908.43
Federal Revenue - Operating	413,849,337.37	446,800,464.13
Federal Pass Through Revenue	33,978,780.21	37,562,827.10
State Grant Revenue	1,165,804.44	961,025.72
State Pass Through Revenue	75,288,158.15	83,755,428.35
Other Grants and Contracts - Operating	225,912,718.38	218,175,583.98
Other Operating Revenue	58,164,151.78	63,187,901.44
TOTAL OPERATING REVENUES	\$ 2,062,451,759.08	\$ 2,028,011,333.15
OPERATING EXPENSES		
Instruction	\$ 948,138,328.36	\$ 993,885,265.95
Research	623,020,757.51	629,222,658.80
Public Service	278,785,948.95	361,785,874.97
Hospitals and Clinics	9,829,181.66	9,640,062.19
Academic Support	237,040,713.32	211,297,116.13
Student Services	133,586,301.96	127,352,084.10
Institutional Support	353,423,989.78	361,772,550.88
Operation & Maintenance of Plant	231,636,566.04	237,669,855.42
Scholarships & Fellowships	161,044,796.29	160,314,202.90
Auxiliary	311,493,348.21	300,148,648.22
Depreciation/Amortization	235,011,570.11	206,547,337.51
TOTAL OPERATING EXPENSES	\$ 3,523,011,502.19	\$ 3,599,635,657.07
TOTAL OPERATING INCOME (LOSS)	\$ (1,460,559,743.11)	\$ (1,571,624,323.92)
NONOPERATING REVENUES (EXPENSES)		
Legislative Revenue	\$ 1,024,337,136.01	\$ 966,047,105.19
Federal Revenue Non-Operating	199,778,086.81	209,923,944.80
Federal Pass Through Non-Operating	88,604.62	22,914,837.48
Gifts	119,697,952.10	155,348,369.54
Land Income	6,398,330.48	8,396,063.55
Investment Income	51,664,251.45	56,618,523.14
Investing Activities Expense	(3,924,652.22)	(5,532,166.25)
Interest Expense and Fiscal Charges	(106,368,180.58)	(89,154,240.68)
Borrower Rebates and Agent Fees	(2,185,240.66)	(1,019,933.32)
Gain [Loss] On Sale or Disposal of Capital Assets	542,650.82	(475,071.83)
Net Increase [Decrease] In Fair Value	95,034,117.98	182,161,140.63
Settlement of Claims	(167,207.21)	(72,827.86)
Other Nonoperating Revenues	15,012,659.92	40,859,027.47
Other Nonoperating (Expenses)	(52,617,317.05)	(34,661,796.54)
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ 1,347,291,192.47	\$ 1,511,352,975.32
INCOME (LOSS) BEFORE OTHER REVENUES AND TRANSFERS	\$ (113,268,550.64)	\$ (60,271,348.60)

UNAUDITED

EXHIBIT IV

THE TEXAS A&M UNIVERSITY SYSTEM

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
OTHER REVENUES AND TRANSFERS		
Capital Contributions	\$ 2,109,254.53	\$ 11,873,297.82
Capital Appropriations (Higher Education Fund)	27,136,522.00	27,136,522.00
Additions to Permanent and Term Endowments	5,399,926.86	5,998,489.01
Transfers In		
Transfers From Other State Agencies	340,515,416.25	228,386,478.12
Nonmandatory Transfers From Members/Agencies-Cap Assets	139,057.31	2,645.52
Transfers Out		
Transfers to Other State Agencies	(8,698,013.53)	(8,783,381.05)
Nonmandatory Transfers to Members/Agencies - Cap Assets	(97,212.42)	(69,068.68)
Legislative Appropriations Lapsed	(535,732.73)	(2,455,720.73)
TOTAL OTHER REVENUES AND TRANSFERS	\$ 365,969,218.27	\$ 262,089,262.01
CHANGE IN NET ASSETS	\$ 252,700,667.63	\$ 201,817,913.41
Beginning Net Assets, September 1, 2011 and 2010	\$ 3,977,928,618.16	\$ 3,775,265,636.10
Restatement	2,357,302.05	845,068.65
Beginning Net Assets, September 1, 2011, and 2010 Restated	\$ 3,980,285,920.21	\$ 3,776,110,704.75
NET ASSETS, AUGUST 31, 2012 AND 2011	\$ 4,232,986,587.84	\$ 3,977,928,618.16

The Accompanying Summary of Significant Accounting Policies and Notes to
Financial Statements are an integral part of this statement.

UNAUDITED

SCHEDULE IV-1

THE TEXAS A&M UNIVERSITY SYSTEM

COMBINED NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
FOR THE YEAR ENDED AUGUST 31, 2012

NATURAL CLASSIFICATION	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT	STUDENT SERVICES
Cost of Goods Sold	\$ 175,896.26	\$ 1,149,445.94	\$ 1,148,356.34	\$ 19,335.11	\$ 107,414.71	\$ 45,693.28
Salaries & Wages	645,733,261.17	302,210,922.68	73,011,536.69	5,270,268.58	121,844,260.41	70,718,035.67
Payroll Related Costs	144,497,977.56	59,298,787.49	21,031,108.51	1,015,869.41	23,009,801.44	15,217,624.57
Professional Fees & Services	30,759,987.72	93,031,571.61	10,818,290.27	279,240.82	16,367,884.54	7,689,527.96
Travel	22,292,459.49	23,548,564.78	4,726,404.81	52,778.03	5,918,654.15	3,651,728.01
Materials & Supplies	43,474,995.78	65,397,201.71	15,277,505.59	771,406.20	38,332,544.81	11,021,668.30
Communication & Utilities	6,214,471.66	5,795,315.31	4,418,854.07	80,617.10	5,764,899.36	2,090,322.36
Repairs & Maintenance	6,584,914.61	10,311,267.85	3,411,852.82	60,312.66	7,273,414.65	4,437,646.69
Rentals & Leases	12,633,698.41	7,352,937.04	4,998,496.30	669,194.81	3,020,875.87	2,796,308.26
Printing & Reproduction	2,767,110.86	1,868,997.24	1,554,965.94	15,591.49	1,470,725.95	1,316,220.29
Federal Pass-Through	154,757.48	875,710.46	176,367.27			
State Pass-Through	31,874.72	216,010.98	46,615.50			
Depreciation & Amortization						
Bad Debt Expense			17,160.86			993,886.72
Interest	4,487.44	10,090.85	6,167.10	545.16	3,750.64	1,534.84
Scholarships	4,298,650.55	23,221,434.96	277,780.35		2,668,948.08	1,689,254.70
Claims & Losses						
Net Change In OPEB Obligation						
Other Operating Expenses	28,513,784.65	28,732,498.61	137,864,486.53	1,594,022.29	11,257,538.71	11,916,850.31
TOTAL OPERATING EXPENSES	\$ 948,138,328.36	\$ 623,020,757.51	\$ 278,785,948.95	\$ 9,829,181.66	\$ 237,040,713.32	\$ 133,586,301.96

<u>INSTITUTIONAL SUPPORT</u>	<u>OPERATION & MAINTENANCE OF PLANT</u>	<u>SCHOLARSHIPS & FELLOWSHIPS</u>	<u>AUXILIARY</u>	<u>DEPRECIATION & AMORTIZATION</u>	<u>TOTAL</u>	<u>PRIOR YEAR</u>
\$ 7,250.00	\$ 835.86	\$ -	\$ 17,605,124.35	\$ -	\$ 20,259,351.85	\$ 16,962,689.68
116,535,024.42	59,175,366.96	7,299,913.49	104,648,129.73		1,506,446,719.80	1,521,691,698.26
35,038,119.75	15,776,001.48	362,877.33	21,933,467.18		337,181,634.72	351,196,038.37
25,346,633.88	9,068,581.19	324,787.77	38,320,623.74		232,007,129.50	246,312,880.44
2,671,169.39	309,252.70	265,030.57	10,614,628.21		74,050,670.14	72,103,228.23
10,649,006.27	12,682,768.33	345,016.38	26,667,219.48		224,619,332.85	219,769,651.45
5,970,663.75	74,324,684.33	2,975.63	27,722,871.61		132,385,675.18	141,722,891.25
2,724,049.60	43,027,310.74	19,420.67	18,887,507.03		96,737,697.32	81,131,806.02
3,073,958.51	4,680,265.21	211,812.05	11,943,834.94		51,381,381.40	43,915,513.50
1,420,173.33	276,875.60	10,469.84	1,563,703.72		12,264,834.26	12,333,951.57
72,995.02		1,706,588.95			2,986,419.18	2,388,775.19
		130,462.04			424,963.24	540,152.83
				235,011,570.11	235,011,570.11	206,547,337.51
					1,011,047.58	173,178.92
11,499.78	7,810.97	2.05	7,256.38		53,145.21	48,216.07
217,978.97	85,800.00	150,011,283.67	9,610,505.31		192,081,636.59	193,839,565.63
5,296,176.84					5,296,176.84	1,502,488.74
127,068,540.00					127,068,540.00	134,429,902.00
17,320,750.27	12,221,012.67	354,155.85	21,968,476.53		271,743,576.42	353,025,691.41
<u>\$ 353,423,989.78</u>	<u>\$ 231,636,566.04</u>	<u>\$ 161,044,796.29</u>	<u>\$ 311,493,348.21</u>	<u>\$ 235,011,570.11</u>	<u>\$ 3,523,011,502.19</u>	<u>\$ 3,599,635,657.07</u>

UNAUDITED

EXHIBIT V
THE TEXAS A&M UNIVERSITY SYSTEM
 COMBINED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds Received From Tuition and Fees	\$ 757,833,901.17	\$ 747,686,036.81
Proceeds Received From Customers	235,479,942.58	240,355,888.89
Proceeds From Sponsored Programs	902,568,570.70	920,617,992.95
Proceeds From Auxiliary Enterprises	232,700,395.48	236,558,176.41
Proceeds From Loan Programs	8,199,059.55	6,293,957.18
Proceeds From Other Revenues	68,850,277.23	57,179,447.96
Payments to Suppliers for Goods and Services	(1,122,728,023.28)	(1,081,144,026.21)
Payments to Employees - Salaries	(1,511,059,615.58)	(1,520,524,308.18)
Payments to Employees - Benefits	(336,271,509.34)	(348,286,252.88)
Payments for Loans Provided	(9,049,992.10)	(5,238,073.83)
Payments for Other Expenses	(228,729,203.78)	(263,158,857.64)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (1,002,206,197.37)	\$ (1,009,660,018.54)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds From State Appropriations	\$ 999,386,089.26	\$ 979,544,478.85
Proceeds From Gifts	135,516,551.27	113,679,139.10
Proceeds From Endowments	5,399,926.86	5,998,489.01
Proceeds - Transfers From Other Funds	227,532,268.29	195,498,766.33
Proceeds From Other Grant Revenue	210,854,290.13	262,406,495.35
Proceeds From Other Revenues	99,976,723.70	69,526,477.82
Payments - Transfers to Other Funds	(9,011,102.81)	(8,791,615.17)
Payments for Other Uses	(64,473,256.15)	(57,667,581.95)
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACT.	\$ 1,605,181,490.55	\$ 1,560,194,649.34
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds From Sale of Capital Assets	\$ 1,573,898.85	\$ 965,213.14
Proceeds From Capital Debt Issuance	691,494,027.75	231,449,711.00
Proceeds From State Grants and Contracts	24,175,941.26	39,905,605.34
Proceeds From Interfund Loans	4,711,436.98	
Proceeds From Other Financing Activities	39,961.89	131,250.00
Payments for Additions to Capital Assets	(436,507,676.96)	(604,841,472.51)
Payments of Principal On Debt	(475,006,890.99)	(192,188,333.34)
Payments for Capital Leases	(416,572.12)	
Payments for Interest On Capital Related Debt	(106,367,114.09)	(89,079,021.86)
Payments for Interfund Loans	(3,255,957.72)	(1,114,907.88)
Payments of Other Costs On Debt Issuance	(2,182,541.36)	(1,003,770.30)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FIN. ACT.	\$ (301,741,486.51)	\$ (615,775,726.41)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds From Sales and Maturities of Investments	\$ 1,603,339,079.52	\$ 3,631,650,757.23
Proceeds From Interest and Investment Income	47,682,127.91	51,054,754.40
Payments to Acquire Investments	(1,720,648,879.70)	(3,077,521,095.01)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ (69,627,672.27)	\$ 605,184,416.62
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 231,606,134.40	\$ 539,943,321.01
Beginning Cash and Cash Equivalents, September 1, 2011 and 2010	\$ 861,794,347.74	\$ 321,851,026.73
CASH AND CASH EQUIVALENTS, AUGUST 31, 2012 AND 2011 (SCH THREE)	\$ 1,093,400,482.14	\$ 861,794,347.74

UNAUDITED

EXHIBIT V

THE TEXAS A&M UNIVERSITY SYSTEM

COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (1,460,559,743.11)	\$ (1,571,624,323.92)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization	235,011,570.11	206,547,337.51
Bad Debt Expense	2,218,006.59	2,988,198.07
Operating Income and Expense Classification Differences	4,686.91	38,867.29
Changes in Assets and Liabilities		
Accounts Receivable, Net	18,143,667.06	12,243,078.89
Due From Other Agencies/Funds	(1,316,098.10)	2,729,589.20
Inventory	(741,849.01)	306,510.53
Prepaid Expenses	(6,812,915.38)	(2,428,817.78)
Loans and Contracts	(951,462.94)	(46,468.38)
Other Assets	586,455.10	(1,656,870.93)
Payables	52,175,904.45	176,160,058.64
Due to Other Agencies/Funds	1,068,626.86	(401,528.11)
Unearned Revenue	21,879,427.73	31,077,846.20
Deposits	2,744,913.60	1,751,617.80
Compensated Absence Liability	1,267,199.35	(3,329,570.58)
Other Post Employment Benefits Liability	127,068,540.00	134,409,902.00
Self Insured Accrued Liability	6,571,153.97	1,305,843.35
Other Liabilities	(564,280.56)	268,711.68
Total Adjustments	<u>\$ 458,353,545.74</u>	<u>\$ 561,964,305.38</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (1,002,206,197.37)</u>	<u>\$ (1,009,660,018.54)</u>
NON-CASH TRANSACTIONS		
Nonmonetary Gifts, Including Capital Assets	\$ 2,082,821.84	\$ 3,868,862.06
Net Increase [Decrease] In Fair Value of Investments	35,425,882.91	137,527,013.00
Gain/Loss On Sale or Disposal of Capital Assets	(606,429.73)	(1,295,478.17)
Refunding of Long Term Debt	301,730,000.00	42,955,000.00
Amortization of Bond Premiums and Discounts	6,718,087.55	6,250,289.00
Other	(942,934.04)	(66,423.16)

The Accompanying Summary of Significant Accounting Policies and Notes to
Financial Statements are an integral part of this statement.

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THE TEXAS A&M UNIVERSITY SYSTEM
COMBINED STATEMENTS

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

General Introduction

This report covers all financial operations of The Texas A&M University System (A&M System) for the fiscal year ended August 31, 2012. The A&M System is an agency of the State of Texas providing education, research, and extension work in the broad fields of Agriculture and Engineering, as well as in Geosciences, Science, the Arts, Architecture, Medicine, Veterinary Medicine, Dentistry, Business, Education, Marine Engineering and Transportation. The financial records of the A&M System reflect compliance with applicable State statutes and regulations.

The significant accounting policies followed by all members of the A&M System in maintaining accounts and in the preparation of the preceding statements are materially in accordance with the Texas Comptroller of Public Accounts' *Financial Reporting Requirements for Annual Financial Reports of State Agencies and Universities*. The requirements are also in substantial conformity with the *Financial Accounting and Reporting Manual for Higher Education*, as revised by GASB No. 34 and No. 35, published by the National Association of College and University Business Officers (NACUBO).

The financial statement presentation provides a comprehensive, entity-wide perspective of the A&M System's assets, liabilities, net assets, revenues, expenses, changes in net assets, and cash flows. The A&M System includes within this report one blended and four discrete component units. The A&M System has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The A&M System has elected not to apply FASB pronouncements issued after the applicable date.

Due to the statewide requirements embedded in GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the state of *Texas Comprehensive Annual Financial Report*, therefore, an opinion has not been expressed on the financial statements and the related information contained in this report.

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THE TEXAS A&M UNIVERSITY SYSTEM
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Note 1: Summary of Significant Accounting Policies

Basis of Accounting

For financial reporting purposes, the A&M System is considered a special-purpose government engaged in business-type activities. Accordingly, the A&M System's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation is incurred. Operating items are distinguished from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less at the time of purchase are considered cash and cash equivalents according to GASB No. 9. With the exception of residual cash which results from the management of investment portfolios, the A&M System maintains cash and cash equivalents for the purpose of meeting short-term disbursement requirements.

Investments

In accordance with GASB No. 31, the A&M System reports investments at fair value on the Balance Sheet. Fair value is defined as the amount at which an investment could be exchanged in a current transaction between parties, other than in a forced or liquidation sale.

GASB No. 40, implemented in fiscal year 2005, requires the disclosure of common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Under GASB 40, disclosure of carrying value of investments is no longer required.

GASB No. 53, *Accounting and Financial Reporting for Derivative Instruments*, is effective for periods beginning in fiscal year 2010. This statement addresses the recognition, measurement and disclosure of information pertaining to derivative instruments. Most derivative instruments are required to be measured at fair value on the Balance Sheet. The statement also makes consideration of hedge accounting necessary. The disclosures required by GASB No. 40 have been incorporated into GASB No. 53.

Current Assets

On the Balance Sheet, items classified as current are defined as resources expected to be realized or consumed within one year.

Receivables

Receivable balances are grouped into several receivable categories. Accounts receivable reflects amounts owed for goods and services provided. Self-insured health and dental represents August premiums for the A&M System's self-insured arrangement for group health and dental plan insurance coverage. The investment trades category reports pending security sales that have been traded and not settled as of the end of the reporting period. Other receivables include items such as travel advances, returned checks, and various items accrued and not yet invoiced.

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THE TEXAS A&M UNIVERSITY SYSTEM NOTES TO THE COMBINED FINANCIAL STATEMENTS August 31, 2012

Receivable balances are presented net of an allowance for uncollectible accounts. The allowance is based on management's judgment of potential uncollectible amounts, which includes such factors as historical experience and type of receivable. Refer to Note 24, Disaggregation of Receivable and Payable Balances, for additional details.

Voluntary Nonexchange Transaction

Voluntary nonexchange transactions (primarily private donations and pledges) are recognized in accordance with GASB No. 33, adopted by the A&M System on September 1, 2000.

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. Livestock held for educational purposes is recorded at estimated fair value. The capitalization threshold for personal property is \$5,000. The capitalization threshold is \$100,000 for buildings/building improvements, facilities and other improvements, software purchased, land use rights with terms, and leasehold improvements. Infrastructure has a capitalization threshold of \$500,000. Internally developed software has a capitalization threshold of \$1,000,000. All land, land improvements, permanent land use rights, library books/materials, museums/collections, and works of art/historical treasures are capitalized.

According to GASB No. 34, No. 35, and No. 51, the A&M System is required to depreciate and amortize capital assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets; generally, 10 to 30 years for buildings, 10 to 45 years for infrastructure, 4 to 15 years for equipment, and 15 years for library books.

GASB No. 51, *Accounting and Financial Reporting for Intangible Assets*, requires all intangible assets not specifically excluded by scope provisions to be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to these intangible assets, as applicable.

Payables

Payable balances are grouped into several payable categories. Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending. Payroll payable includes accrued salary, wages, and benefits. The investment trades category reports pending security purchases traded and not settled as of the end of the reporting period. Self-insured health and dental represents claims owed for the self-insured group health and dental plan insurance coverage. Other payables include a variety of items, including payables for purchasing card activity, manager fees, sales taxes, student liabilities.

Unearned Revenue

The A&M System members record receivables when revenue is earned but not collected. Unearned revenue is recognized when cash is received prior to revenue recognition, and is considered a liability.

Other Postemployment Benefits (OPEB)

The liability and associated expenses for the A&M System's single-employer postemployment health care and life insurance benefit plan is recorded by the A&M System Offices. In accordance with GASB 45, the OPEB liability is classified as noncurrent. Additionally, the net change in OPEB obligation is recorded as a natural classification of expense, which was formerly included in the payroll related costs classification.

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Restricted Net Assets

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted net assets are available for use, restricted resources are used first, then unrestricted resources are used as needed.

Other Significant Accounting Policies

The combined financial statements for the A&M System include the primary financial statements of each member of the A&M System, including the A&M System Offices, as well as the Texas A&M Research Foundation (Research Foundation). Transfers, federal and state pass throughs between A&M System members have been eliminated. Certain operations provide goods and services to internal customers. These operations include activities such as self insured programs, repairs & maintenance, utilities, computer services, and other services with interdepartmental activities. The revenues were eliminated to the extent of expenses for these internal transactions in the Statement of Revenues, Expenses, and Changes in Net Assets to avoid inflating revenues and expenses. Receivables and payables between A&M System members were eliminated except those arising from service department operations and auxiliary enterprises, which are considered to be exchange in nature.

An Appreciation Reserve was created in fiscal year 1997 for the purpose of providing a consistent and predictable income stream for the System Endowment Fund. The Appreciation Reserve is administered by the A&M System Offices and distributions occur when current income is insufficient to meet the distribution of income in accordance with the System Endowment Fund spending policy.

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Note 2: Capital Assets

A summary of changes in Capital Assets for the year ended August 31, 2012, is presented below:

Primary Government								
	Balance 09/01/11	Adjustments	Completed CIP	Inc-Interagency Transactions	Dec-Interagency Transactions	Additions	Deletions	Balance 08/31/12
Business-Type Activities								
Capital Assets Not Depreciated/Amortized								
Land and Land Improvements	\$ 136,971,988.97	\$ (3,076,901.76)	\$ 225,580.00	\$ -	\$ -	\$ 864,262.94	\$ (350,050.20)	\$ 134,634,879.95
Construction in Progress	828,280,993.91	(187,558,660.58)	(476,810,843.23)	-	-	343,034,923.95	-	506,946,414.05
Other Tangible Capital Assets	41,167,793.72	33,918.00	337,500.00	-	-	895,328.31	(6,090.00)	42,428,450.03
Land Use Rights	47,817.00	-	-	-	-	-	-	47,817.00
Total Non-Depreciable/Amortizable Assets	1,006,468,593.60	(190,601,644.34)	(476,247,763.23)	-	-	344,794,515.20	(356,140.20)	684,057,561.03
Capital Assets Depreciated								
Buildings & Building Improvements	3,462,349,580.71	90,761,297.10	408,407,878.24	-	-	10,107,183.48	(22,113,866.46)	3,949,512,073.07
Infrastructure	408,607,496.24	92,490,083.24	26,434,018.86	-	-	1,066,462.14	(5,495,394.22)	523,102,666.26
Facilities and Other Improvements	288,011,547.15	5,867,933.55	20,034,748.54	-	-	603,280.87	(2,624,431.46)	311,893,078.65
Furniture and Equipment	645,049,517.22	2,633,306.02	17,885,424.22	308,923.85	(471,448.53)	50,215,860.51	(38,051,920.73)	677,569,662.56
Vehicles, Boats and Aircraft	105,135,476.76	1,294,566.19	679,742.09	18,833.00	-	9,075,612.25	(3,854,286.63)	112,349,943.66
Other Capital Assets	195,095,096.06	-	-	-	-	4,428,732.21	(840,015.87)	198,683,812.40
Total Depreciated Assets	5,104,248,714.14	193,047,186.10	473,441,811.95	327,756.85	(471,448.53)	75,497,131.46	(72,979,915.37)	5,773,111,236.60
Accumulated Depreciation								
Buildings & Building Improvements	(1,590,130,695.62)	861,768.77	-	-	-	(134,866,493.15)	2,696,008.90	(1,721,439,411.10)
Infrastructure	(229,547,849.09)	(745,336.39)	-	-	-	(17,656,430.19)	-	(247,949,615.67)
Facilities and Other Improvements	(190,517,802.91)	(83,496.48)	-	-	-	(9,731,860.08)	1,141,224.09	(199,191,935.38)
Furniture and Equipment	(434,695,014.41)	17,081.68	-	(169,866.54)	374,236.11	(49,780,831.64)	18,678,847.68	(465,575,547.12)
Vehicles, Boats and Aircraft	(77,585,337.83)	(23,464.81)	-	(18,833.00)	-	(7,997,584.31)	3,686,941.00	(81,938,278.95)
Other Capital Assets	(126,060,477.14)	122,577.60	-	-	-	(8,084,272.26)	411,995.72	(133,610,176.08)
Total Accumulated Depreciation	(2,648,537,177.00)	149,130.37	-	(188,699.54)	374,236.11	(228,117,471.63)	26,615,017.39	(2,849,704,964.30)
Capital Assets Depreciated, Net	2,455,711,537.14	193,196,316.47	473,441,811.95	139,057.31	(97,212.42)	(152,620,340.17)	(46,364,897.98)	2,923,406,272.30
Intangible Capital Assets Amortized								
Land Use Rights	255,457.00	-	-	-	-	-	-	255,457.00
Computer Software	52,840,240.28	257,680.00	2,805,951.28	-	-	1,545,853.07	(2,225,154.03)	55,224,570.60
Total Intangible Capital Assets Amortized	53,095,697.28	257,680.00	2,805,951.28	-	-	1,545,853.07	(2,225,154.03)	55,480,027.60
Less Accumulated Amortization								
Land Use Rights	(38,318.58)	-	-	-	-	(25,545.72)	-	(63,864.30)
Computer Software	(38,676,652.01)	(85,893.33)	-	-	-	(6,868,552.76)	1,235,657.55	(44,395,440.55)
Total Accumulated Amortization	(38,714,970.59)	(85,893.33)	-	-	-	(6,894,098.48)	1,235,657.55	(44,459,304.85)
Intangible Capital Assets Amortized, Net	14,380,726.69	171,786.67	2,805,951.28	-	-	(5,348,245.41)	(989,496.48)	11,020,722.75
Business-Type Activities								
Capital Assets, Net	\$ 3,476,560,857.43	\$ 2,766,458.80	\$ -	\$ 139,057.31	\$ (97,212.42)	\$ 186,825,929.62	\$ (47,710,534.66)	\$ 3,618,484,556.08

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Capital Asset Activity

Discrete Component Units

	Beginning Balance	Adjustments	Completed CIP	Additions	Deletions	Ending Balance
Component Unit Activities						
Capital Assets Not Depreciated/Amortized						
Land and Land Improvements	\$ 3,934.22	\$ -	\$ -	\$ 127.35	\$ -	\$ 4,061.57
Total Non-Depreciable/Amortizable Assets	3,934.22	-	-	127.35	-	4,061.57
Capital Assets Depreciated						
Buildings & Building Improvements	474,073.49	-	-	15,346.11	-	489,419.60
Infrastructure	17,255.29	-	-	3,604.74	-	20,860.03
Furniture and Equipment	399,575.12	-	-	24,877.74	-	424,452.86
Other Capital Assets	60,181.67	-	-	3,997.33	-	64,179.00
Total Depreciated Assets	951,085.57	-	-	47,825.92	-	998,911.49
Less Accumulated Depreciation						
Buildings & Building Improvements	(3,160.49)	-	-	(11,522.10)	-	(14,682.59)
Infrastructure	(841.60)	-	-	(503.82)	-	(1,345.42)
Furniture and Equipment	(172,864.79)	-	-	(56,882.00)	-	(229,746.79)
Other Capital Assets	(5,899.18)	-	-	(3,544.82)	-	(9,444.00)
Total Accumulated Depreciation	(182,766.06)	-	-	(72,452.74)	-	(255,218.80)
Capital Assets Depreciated, Net	768,319.51	-	-	(24,626.82)	-	743,692.69
Component Unit Activities						
Capital Assets, Net	\$ 772,253.73	\$ -	\$ -	\$ (24,499.47)	\$ -	\$ 747,754.26

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Note 3: Deposits, Investments and Repurchase Agreements

The Texas Education Code, Title III, Chapter 51.0031 grants authority for a governing board to invest funds under prudent person standards "if a governing board has under its control at least \$25 million in book value of endowment funds."

The A&M System's investment policy authorizes the following types of investments: U.S. Government obligations, U.S. Government Agency obligations, other government obligations, corporate obligations, corporate asset and mortgage backed securities, equity, international obligations, international equity, certificates of deposit, banker's acceptances, negotiable certificates of deposit, money market mutual funds, mutual funds, repurchase agreements, venture capital, private equity, hedge funds, Real Estate Investment Trusts (REITs), securities lending, derivatives, timber, bank loans, energy and real estate.

Deposits of Cash in Bank

As of August 31, 2012, the carrying amount of deposits was \$34,022,411.78 as presented below:

Cash in Bank – Carrying Amount	
Primary Government	
Cash in Bank per AFR	\$ 34,022,411.78
Discrete Component Units	
Mexico City Center Cash in Bank – Carrying Value (December 31, 2011)	37,471.00
Casa Verde Center Cash in Bank – Carrying Value (September 30, 2012)	1,251.47
Texas 4-H Inc.	16,430.33
Total Discrete Component Units	<u>\$ 55,152.80</u>

These amounts consist of all cash in local banks. These amounts are included on the Combined Balance Sheet as part of the "Cash and Cash Equivalents" line items. As of August 31, 2012, the total bank balances were as follows:

Bank Balances	
Primary Government	<u>\$ 14,892,436.98</u>
Discrete Component Units	
Mexico City Center (December 31, 2010)	\$ 37,374.00
Casa Verde Center (September 30, 2011)	3,102.05
Texas 4-H Inc.	16,430.33
Total Discrete Component Units	<u>\$ 56,906.38</u>

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the agency 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 A&M System's policy requires collateral of 102% pledged against all deposits and limits the amounts of funds which may be deposited with any bank to the lesser of \$100,000,000 or 10% of total deposits. The policy also requires that deposits in federally insured savings and loan associations, building and loan associations,

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and state and national banks not exceed the amount insured by the Federal Savings and Loan Insurance Corporation, Federal Deposits Insurance Corporation (FDIC), or their successors. The A&M System regulation applicable to working fund bank accounts requires the Chancellor, or designee, to approve a working fund in any bank with which the System Member does not have a depository agreement. As permitted by the Texas Education Code, Title III, Chapter 51.003, the A&M System has accounts with two foreign banks to accommodate operational needs for educational programs in foreign countries. As of August 31, 2012, the A&M System had bank accounts held in Doha, Qatar for the operation of Texas A&M University at Qatar. The daily average exposure during fiscal year 2012 was \$811,442.09. As of August 31, 2012, the A&M System also had a working fund bank account in Italy to facilitate Texas A&M University's Santa Chiara Study Center in Arezzo, Italy. The daily average exposure during fiscal year 2012 was \$853.43. No appropriated or tuition funds other than those collected from students enrolled in the affected programs are deposited with the foreign banks. The funds held in Qatar and Italy are not insured or collateralized.

Incidental amounts of various foreign currencies are held through Bank of New York Mellon, their foreign branches and/or foreign sub-custodian banks. These amounts represent interest and/or dividend payments received in foreign currencies that are not yet converted to U.S. dollars. Such deposits of foreign currency are not insured or collateralized and are subject to custodial risk and the risk of fluctuations in exchange rates. The average exposure to these deposits during fiscal year 2012 was \$39,093.79.

Incoming wire deposits are sometimes received by the A&M System's custodian after the cut-off time for investment in the money market fund. When this occurs, the funds are credited to a "late" money account and invested the following day in the money market fund. The first \$250,000.00 in the late money fund is insured by the FDIC and the remaining balance is uninsured, but collateralized with securities held by the pledging financial institution (BNY Mellon). During fiscal year 2012, the balance in the late money account exceeded the FDIC insurance on 26 occasions and the average amount collateralized with securities held by the pledging financial institution was \$628,798.27.

The bank balances exposed to custodial credit risk as of August 31, 2012 are as follows:

Bank Balances Exposed to Custodial Credit Risk	
Primary Government	
Uninsured and uncollateralized	\$ 843,972.45
Uninsured and collateralized with securities held by the pledging financial institution	\$ 583,944.03
Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the state's name	\$ -
Discrete Component Units	
Mexico City Center (December 31, 2011)	
Uninsured and uncollateralized	\$ 37,374.00
Casa Verde Center (September 30, 2012)	
Uninsured and uncollateralized	\$ 3,102.05

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Foreign currency risk for deposits is the risk that changes in exchange rates will adversely affect the deposits. The A&M System does not have a deposit policy for foreign currency risk.

The exposure to foreign currency risk for deposits as of August 31, 2012 is as follows:

Bank Balances Exposed to Foreign Currency Risk		
Primary Government		
Currency		Balance
Canadian Dollar	\$	0.01
Euro		412.69
Japanese Yen		0.05
New Zealand Dollar		0.01
Pound Sterling		1,691.40
Qatar Riyal		804,530.93
Discrete Component Units		
Mexico City Center		
Currency		Balance
Mexican Peso (12/31/11)	\$	37,374.00
Casa Verde Center		
Currency		Balance
Costa Rica Colon (9/30/12)	\$	3,102.05

Investments

The A&M System invests in certain private investments including private equity, venture capital, natural resources, energy, and real estate. Fair value of private investment funds is estimated based on capital account balances for the most recent reporting period provided by the investment manager and adjusted for capital calls and distributions. Hedge fund investments are reported at net asset value as of August 31, 2012 based on information provided by the investment managers and their third party administrators. Mineral rights are held for the purpose of generating income and are carried on a cost basis. Mineral rights do not have an open market and GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, states that if there is no market, cost should be used. The value reported for mineral rights as of August 31, 2012 is \$119,283.57. The A&M System has invested in private equity technology partnerships through its Office of Technology Commercialization. These investments, totaling \$8,541,234.57 are also reported at cost or par.

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As of August 31, 2012, the fair value of investments is presented below:

Investment Fair Value	
U.S. Treasury Securities	\$ 72,641,825.05
U.S. Government Agency Obligations	164,788,534.71
Corporate Obligations	249,175,131.27
Corporate Asset and Mortgage Backed Securities	69,808,263.11
Equity	339,313,066.43
Fixed Income Money Market and Bond Mutual Fund	725,457,972.44
International Obligations	96,403,869.93
International Equity	219,315,414.02
Mutual Funds - U.S.	149,611,875.21
Mutual Funds - International	292,727,866.95
Repurchase Agreements - TTSTC	399,983.68
Other Commingled Funds	
Bank Loans	133,653,133.36
Equity	23,197,166.00
Real Estate	119,283.07
Derivatives	(995,896.09)
Externally Managed Investments	
Hedge Funds	451,900,952.32
Limited Partnerships - Private Equity	92,484,317.21
Limited Partnerships - International Private Equity	16,534,298.52
Limited Partnerships - Real Estate	21,146,500.74
Limited Partnerships - International Real Estate	3,074,420.83
Limited Partnerships - Natural Resources	65,862,877.92
Total Investments	\$ 3,186,620,856.68

Investments per AFR	
Current Cash Equivalents	\$ 360,331,350.89
Current Investments	20,933.41
Current Short-Term Derivative Instruments	(995,896.09)
Current Restricted Cash Equivalents	323,470,577.80
Non-Current Restricted Investments	758,816,631.91
Non-Current Unrestricted Investments	1,744,977,258.76
Total Investments per AFR	\$ 3,186,620,856.68

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Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The A&M System's policy requires that direct repurchase agreements and security lending transactions be fully collateralized by obligations authorized under the A&M System investment policy and such collateral be held by a third party. As of August 31, 2012, there was no custodial credit risk related to securities lending or repurchase agreements. The A&M System did not participate in a securities lending program during fiscal year 2012 and the only repurchase agreement was held through Texas Treasury Safekeeping Trust Company.

Foreign investments are administered in book entry form by the A&M System's custodian, Bank of New York Mellon, through a network of international sub-custodians and securities depositories. Sub-custodians are evaluated by the custodian prior to selection and are monitored on an ongoing basis after selection to help ensure safeguarding of clients' assets. Sub-custodians are monitored according to four categories of risk: operations, financial, legal/regulatory and reputational. To reduce risk, the custodian has a standing policy not to process free of payment transactions unless that transaction is consistent with standard settlement practice for that instrument and market or unless written indemnification is received from the client. On a daily basis, the sub-custodians send a confirmation of settlement to the custodian which is reconciled to the custody system.

Foreign currency risk for investments is the risk that changes in exchange rates will adversely affect the investments. The A&M System's policy authorizes the utilization of derivatives for the purpose of hedging currency risk, but does not otherwise address foreign currency risk. The exposure to foreign currency risk as of August 31, 2012 is as follows:

Investments Exposed to Foreign Currency Risk				
Foreign Currency	International Obligation	International Equity	International Equity Mutual Funds	International Externally Managed
U.S. Dollar Denominated Foreign Securities	\$ 66,451,031.28	\$ 80,826,866.56	\$ 292,727,866.95	\$ 12,481,535.83
Australian Dollar	14,208,413.34	3,188,432.47		
Brazilian Real		19,421,268.74		
Pound Sterling		13,898,289.82		
Canadian Dollar	8,024,817.19	13,898,289.82		
Euro		34,481,660.63		7,127,183.52
Hong Kong Dollar		2,285,519.37		
Japanese Yen		32,279,560.92		
Malaysian Ringgit		957,445.96		
New Turkish Lira		2,963,317.84		
Norwegian Krone		1,943,478.50		
New Zealand Dollar	7,719,608.12			
South African Rand		3,802,944.76		
Singapore Dollar		931,814.38		
Swedish Krona		3,565,422.51		
Swiss Franc		18,769,391.56		
Total	\$ 96,403,869.93	\$ 219,315,414.02	\$ 292,727,866.95	\$ 19,608,719.35

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Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The A&M System's investment policy requires that securities have a long-term rating of B or better and the fixed income portfolio have an overall credit rating of A or better. Securities using short-term credit ratings must be rated at least A-2, P-2, F-2 or equivalent. As of August 31, 2012, the A&M System's credit quality distribution for securities with credit risk exposure is as follows:

Investments Exposed to Credit Risk – Standard & Poor's (in thousands)								
Investment Type	AAA	AA	A	BBB	BB	B	CCC	Unrated
Corporate Obligations	540	9,765	60,592	117,165	38,495	12,631		9,988
Corporate Asset and Mortgage Backed Securities	12,111	6,251	18,220	6,013	1,751	3,910	5,610	15,943
International Obligations	13,038	18,678	26,590	17,485	1,885	943		17,785
Repurchase Agreements (Texas Treasury Safekeeping Trust Co.)		400						
Fixed Income Money Market and Bond Mutual Fund								725,458

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2012, no more than 5% of the A&M System's total investments are represented by a single issuer. The A&M System's investment policy states that no more than 4.9% of the voting stock of any one corporation be owned by the A&M System at any given time.

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Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the A&M System manages its exposure to fair value losses arising from changing interest rates by requiring fixed income managers to maintain duration of +/- 20% of the effective duration of the appropriate index. In addition, the A&M System's policy limits the duration of its short term investment portfolio to a maximum of one year. The A&M System's exposure to interest rate risk is presented using the effective duration method as follows:

Investments Exposed to Interest Rate Risk		
Investment Type	Effective Duration	Market Value
U.S. Treasury Securities	6.554	\$ 72,641,825.05
U.S. Government Agency Obligations		
Agencies and Other U.S. Government Obligations	4.723	9,873,961.55
U.S. Government Mortgages	2.065	154,914,573.16
Corporate Obligations		
Corporates and Other Credits	5.189	203,559,755.22
U.S. Private Placements	3.869	48,441,472.05
Corporate Asset and Mortgage Backed Securities		
CMBS	4.949	26,495,765.69
CMO Corporate	0.167	23,386,926.96
Asset Backed Securities	1.787	17,099,474.46
International Obligations	3.78	96,403,869.93
Repurchase Agreements TTSTC	0.011	399,983.68
Fixed Income Money Market and Bond Mutual Funds	3.958	80,978.66
		80,978.66
Total Fair Value		\$ 653,298,586.41

Securities Lending

The A&M System did not participate in a securities lending program during fiscal year 2012.

Derivative Investing

The A&M System Investment Policy allows investment in certain derivative securities. A derivative security is a financial instrument which derives its value from another security, currency, commodity or index.

The A&M System entered into forward currency contracts for the purpose of hedging international currency risk 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 A&M 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 A&M System's net equity in the contracts, representing unrealized gain or loss on the contracts as measured by the differences between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is reported on the Balance Sheet as derivative instruments.

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These instruments involve market and/or credit risk in excess of the amount recognized in the consolidated Balance Sheet. Risks arise from the possibility counterparties will be unable to meet the terms of their contracts and from movement in currency, securities values and interest rates. The table below summarizes the pending foreign exchange contracts as of August 31, 2012.

Foreign Exchange Contracts					
Currency	Sell	Buy	Unrealized Gain on Foreign Exchange Contract	Unrealized Loss on Foreign Exchange Contract	
Australian Dollar	\$ 30,527,019.25	\$ 15,702,027.70	\$ 67,599.03	\$ (1,056,886.78)	
Canadian Dollar	1,411,910.15	115,957.81	368.23	(7,871.54)	
Euro	3,287,808.92	352,767.29	1,292.09	(15,845.00)	
Japanese Yen	2,851,438.60	298,791.80		(17,055.29)	
Malaysian Ringgit	190,403.51			(517.98)	
New Turkish Lira	247,641.12			(483.56)	
New Zealand Dollar	9,679,307.29	930,495.56	70,056.27	(7,720.40)	
Norwegian Krone	170,818.71			(1,993.50)	
Pound Sterling	1,666,834.41			(11,251.69)	
Singapore Dollar	79,713.70			(415.38)	
South African Rand	320,051.89			(2,394.12)	
Swedish Krona	601,412.91			(6,825.52)	
Swiss Franc	1,546,683.68	610,229.12	2,370.20	(8,321.15)	
	<u>\$ 52,581,044.14</u>	<u>\$ 18,010,269.28</u>	<u>\$ 141,685.82</u>	<u>\$ (1,137,581.91)</u>	

The fair value of open foreign currency exchange contracts as of August 31, 2012 was (\$995,896.09), 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 A&M System had gross counter party exposure as of August 31, 2012 as follows:

Foreign Exchange Contract Exposure to Counterparty Risk				
	Liabilities	Assets	Liabilities	Counterparty
Assets Notional	Notional	Fair Value as of August 31, 2012	Fair Value as of August 31, 2012	Rating
\$ 52,581,044.14	\$ 18,010,269.28	\$ 141,685.82	\$ (1,137,581.91)	AA-

The A&M System has invested in U.S. Treasury futures contracts for the purpose of managing the duration of its liquidity portfolio. These instruments are subject to market, credit risk and counterparty risk. The portfolio manager includes derivatives in the portfolio that would not create additional risk as compared to cash instruments. Futures contracts are used as a way to gain the same risk exposure in a more efficient manner. The manager ensures that counterparty risk is well diversified and meets the credit quality criteria established in the account. Futures contracts are marked to market daily and the daily gain or loss difference is settled in cash with the broker. There were no open contracts as of August 31, 2012.

Several limited partnerships in which the A&M System invests may employ the use of forward currency exchange contracts as a hedge in connection with portfolio purchases and sales of securities denominated in foreign

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currencies. Risks are consistent with those described in an above paragraph regarding direct currency hedging. The contracts are valued at the prevailing forward exchange rate of the underlying currencies and the unrealized gain (loss) is recorded daily. Unrealized gains and losses that represent the difference between the value of the forward contract to buy and the forward contract to sell are included in the net unrealized gain (loss) from the forward contracts.

Hedge fund pools are invested in private placements with external managers who invest in equity and fixed income securities of both domestic and international issuers. These investment managers may invest both long and short in securities and may utilize leverage in their portfolios. They may also utilize credit default swaps and total return swaps as part of their investment strategies. 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. When credit default swaps or total return swaps are used, there is additional risk of counterparty non-performance and unanticipated movements in the fair value of the underlying securities. As of August 31, 2012, the A&M System's investment in hedge funds was \$451,900,952.32.

Private investment pools are invested in limited partnerships with external investment managers or general partners who invest primarily in private equity transactions. These investments, both 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 funds may utilize credit default swaps which have additional risk, including the risk of counterparty non-performance. Collateral in the form of cash or securities may be required to be held in segregated accounts with the fund's custodian. Bi-lateral agreements and daily settlement with counterparties reduce the risk of counterparty non-performance. As of August 31, 2012, the A&M System has committed \$396,483,022.00 to various private investments, of which \$242,028,002.00 has been funded. The fair value of the investments as of August 31, 2012 was \$190,561,180.65. In addition, the A&M System has invested directly in companies and partnerships to promote research technology. As of August 31, 2012, the cost of the investments in research technology was \$8,541,234.57. Associated risks include those applicable to other private investments as well as the risk of enterprise failure.

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

- Non-regulation risk – The A&M System's general partners and investment managers are registered with the Securities and Exchange Commission with the exception of four general partners that are exempt reporting advisers and are not required to comply with most rules that apply to registered advisers.
- 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 A&M System's investment funds may impose lock-up periods, which would cause the A&M System to incur penalties to redeem its investment or prevent the System from redeeming its shares until a certain period of time has elapsed.
- Limited transparency – As private placement vehicles, these funds may not fully disclose the holdings of their portfolios.
- Investment strategy risk – These funds often employ sophisticated investment strategies and the use of leverage, which could result in the loss of invested capital.

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Permanent University Fund

The Permanent University Fund (PUF) is administered by the University of Texas System and is not reflected in the financial statements of the A&M System. Prior to changes in the arbitrage laws, plant funds were appropriated from bond proceeds only after the bonds had been sold and cash was on hand. Currently, receipt of cash may or may not precede appropriations of bond or note proceeds.

The total carrying value of the PUF assets at August 31, 2012, was \$11,781,743,874.78 excluding PUF land grants. By acts of the Legislature and provisions of the State Constitution, the net income of the PUF is divided one-third to the A&M System and two-thirds to the University of Texas System. The A&M System's one-third share of the net revenues was \$199,829,438.08 for the fiscal year ended August 31, 2012, and was credited to the A&M System Available University Fund as reported in Unrestricted Funds.

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Note 4: Short-Term Debt

During the year ended August 31, 2012, there was no reportable activity for short-term debt.

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Note 5: Summary of Long-Term Liabilities

During the year ended August 31, 2012, the following changes occurred in liabilities:

Long-Term Liabilities Activity-Primary Government						
	<u>Balance 9/1/11</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 8/31/12</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due Thereafter</u>
Employees'						
Compensable Leave	\$ 101,211,933.30	\$ 4,416,306.07	\$ (3,149,106.72)	\$ 102,479,132.65	\$ 9,220,406.15	\$ 93,258,726.50
Other Post						
Employment Benefits	476,809,489.00	127,068,540.00	-	\$ 603,878,029.00	-	603,878,029.00
Claims & Judgments *	23,561,734.35	2,311,000.00	(19,304,734.35)	\$ 6,568,000.00	2,311,000.00	4,257,000.00
Notes and Loans						
Payable	111,491,666.66	359,700,000.00	(267,858,333.34)	\$ 203,333,333.32	8,008,333.34	195,324,999.98
Bonds Payable	2,217,572,708.66	304,325,470.10	(179,680,000.00)	\$ 2,342,218,178.76	119,748,150.81	2,222,470,027.95
Assets Held in Trust	362,100.00	-	-	\$ 362,100.00	-	362,100.00
Liabilities Payable						
from Restricted Assets	44,169,582.08	6,531,010.41	(27,487,022.54)	\$ 23,213,569.95	20,837,497.88	2,376,072.07
Funds Held for Others	103,765,580.90	66,522,880.00	(64,748,668.25)	\$ 105,539,792.65	34,369,030.35	71,170,762.30
Capital Lease Obligations	2,423,527.60	1,237,262.03	(290,656.32)	\$ 3,370,133.31	637,004.01	2,733,129.30
Other-Pollution						
Remediation						
Obligations						
Other Non-Current						
Liabilities	37,055,967.71	4,822,280.07	(3,641,435.48)	\$ 38,236,812.30	16,828,102.55	21,408,709.75
Total	<u>\$ 3,118,424,290.26</u>	<u>\$ 876,934,748.68</u>	<u>\$ (566,159,957.00)</u>	<u>\$ 3,429,199,081.94</u>	<u>\$ 211,959,525.09</u>	<u>\$ 3,217,239,556.85</u>

* Starting in fiscal year 2012, Claims and Judgments Long-term Liability no longer includes Self-Insured Accrued Liability which is no longer included in Claims & Judgments.

Long-Term Liabilities Activity-Discrete Component Units						
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due Thereafter</u>
Other Non-Current Liabilities	\$ 1,058,596.33	\$ -	\$ (405,287.24)	\$ 653,309.09	\$ -	\$ 653,309.09
Total	<u>\$ 1,058,596.33</u>	<u>\$ -</u>	<u>\$ (405,287.24)</u>	<u>\$ 653,309.09</u>	<u>\$ -</u>	<u>\$ 653,309.09</u>

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Notes and Loans Payable

Notes payable consists of amounts used to make permanent improvements at various institutions in the A&M System, to refund and retire the Board's Permanent University Fund Commercial Paper Notes and Flexible Rate Notes, to provide interim financing for capital improvements and acquisition of equipment and land, to pay interest on the notes, to refund outstanding notes as they mature and to pay the costs of issuing the notes.

The Revenue Financing System Note (2007 TIPS Project) was issued on July 12, 2007 to fund \$4 million of costs for the Texas Institute for Preclinical Studies (TIPS) within Texas A&M University. The note is structured as a loan with the Office of the Governor, Economic Development and Tourism Division through the Texas Economic Development Bank; all authorized debt has been issued. The outstanding balance at August 31, 2012 was \$3,333,333.32

Notes and Loans Payable-Debt Service Requirements				
<u>Description</u>	<u>Balances</u>			<u>Balances</u>
	<u>September 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>August 31, 2012</u>
Permanent University Fund Commercial Paper Notes	\$ 101,000,000.00	\$ 155,000,000.00	\$ 256,000,000.00	\$ -
Revenue Financing System Commercial Paper Notes, Series B	6,825,000.00	204,700,000.00	11,525,000.00	200,000,000.00
Revenue Financing System Note (2007 TIPS Project)*	3,666,666.66	-	333,333.34	3,333,333.32
Total	<u>\$ 111,491,666.66</u>	<u>\$ 359,700,000.00</u>	<u>\$ 267,858,333.34</u>	<u>\$ 203,333,333.32</u>
<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest**</u>	<u>Total</u>
2013		8,008,333.34	5,465,916.66	\$ 13,474,250.00
2014		8,213,333.34	5,251,932.41	13,465,265.75
2015		8,428,333.34	5,032,413.15	13,460,746.49
2016		8,643,333.34	4,807,209.26	13,450,542.60
2017		8,868,333.34	4,575,959.62	13,444,292.96
2018-2022		47,926,666.62	19,194,610.56	67,121,277.18
2023-2027		52,855,000.00	12,509,910.00	65,364,910.00
2028-2032		60,390,000.00	4,978,395.00	65,368,395.00
TOTAL		<u>\$ 203,333,333.32</u>	<u>\$ 61,816,346.66</u>	<u>\$ 265,149,679.98</u>

* Private Placement note with the Office of the Governor, Economic Development and Tourism Division through the Texas Economic Development Bank. For fiscal years 2013 - 2022, actual principal and interest payments for this note are included in the debt service schedule above.

** For this schedule, assumption is that Revenue Financing System Commercial Paper Notes and Permanent University Fund Commercial Paper Notes will be refunded into long term bonds. For estimated debt service on this exhibit, the rate of 2.70% corresponds to the municipal market data published on August 31, 2012. Notes are remarketed in commercial paper mode at current market rates with maturities between 1 and 270 days.

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Compensated Absences

Full-time State employees earn eight to twenty-one hours per month annual leave depending on years of State employment. Under the State's policy, an employee with 35 or more years of State service may carry up to 520 hours accrued leave forward from one fiscal year to another.

Employees with at least six months of State service who terminate employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The A&M System has accrued the dollar value of annual leave benefits which are payable upon retirement, termination, or death of its employees. This liability (current and noncurrent) for A&M System members is projected to be \$102,479,132.65 as of August 31, 2012. This liability is based on calculations from the A&M System centralized leave tracking system and employer estimates. The accrued liability for the unpaid annual leave has been recognized as a current and non-current liability. The A&M System made lump sum payments of \$12,766,634.46 for accrued vacation to employees who separated from State service during the fiscal year ended August 31, 2012.

Sick leave accumulation is not limited. Sick leave is earned at the rate of eight hours per month and is paid only when an employee is absent due to illness or to the estate of an employee in the event of his/her death. The maximum sick leave payment to an employee's estate is the lesser of one-half of the employee's accumulated entitlement or 336 hours. The A&M System policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since historical use of sick leave has been minimal.

Claims and Judgments

Claims and judgments related to the A&M System self-insured worker's compensation plan include a current portion of \$2,311,000.00 and a non-current portion totaling \$4,257,000.00, for a total worker's compensation liability of \$6,568,000.00. This liability represents the current and non-current portion of the incurred but not reported (IBNR) liability based on actuarial analysis of the plan. The IBNR represents claims that will be paid out over future fiscal years. A current portion has been estimated based on actual claims paid out over the last five fiscal years.

In prior fiscal years, all self-insured liabilities, including the worker's compensation plan, were reported on the financial statements as a current self insured liability. In fiscal year 2012, the self-insured worker's compensation is reported as a Claim and Judgment while other current self-insured liabilities were reported as a current Self-Insured Liability.

Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets represent payables at year-end from assets with external restrictions such as federal and state grants, and bond proceeds.

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Note 6: Bonded Indebtedness

A. Financial Reporting

The A&M System has established a financing program known as the Revenue Financing System. Members of the A&M System may use the Revenue Financing System as a long-term debt program to finance new facilities or as a short-term debt program to finance equipment or to interim finance construction projects. Members' financing requests are evaluated for adequate revenue streams and bonding capacity.

Assets created as a result of the expenditures of Permanent University Fund and Revenue Financing System Bonds and Notes (see Note 5) proceeds, which are subsequently capitalized, are reported on the applicable members' Balance Sheet in the Capital Assets category. The associated bond liability is reported in total by the A&M System Offices.

As of August 31, 2012, \$73,520,822.35 of Revenue Financing System debt proceeds had been appropriated prior to the receipt of the proceeds. As of August 31, 2012, \$41,572,287.37 of Permanent University Fund debt proceeds had been appropriated prior to the receipt of the proceeds.

B. General Information

At August 31, 2012, the A&M System had outstanding bonds payable of \$2,241,200,000.00 as detailed in below, which does not include unamortized premium of \$101,018,178.76.

Bonds payable are due in annual installments varying from \$85,000.00 to \$18,135,000.00 with interest rates ranging from 0.579% to 5.50%, with the final installment due in 2041. The debt service requirements table summarizes the principal and interest expense for the next five years and beyond for bonds issued and outstanding.

Revenue for debt service on the Permanent University Fund Bonds and Notes is derived from liens on and pledges of payout distributions from the Permanent University Fund allocable to the A&M System.

Sources of revenue for debt service on the Revenue Financing System Bonds and Notes are pledged revenue from any or all of the revenues, funds, and balances now or hereafter lawfully available to the Board and derived from or attributable to any participant of the Revenue Financing System which are lawfully available to the Board for the payment of Parity Obligations, including unrestricted funds and reserve balances.

All bonds are for the benefit of business-type activities. General information related to bonds payable is summarized in the following tables.

Bonds Payable			
	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Outstanding Principal</u>
Permanent University Fund Bonds	0.579-5.50%	2013-2036	\$ 730,295,000.00
Revenue Financing System Bonds	2.25-5.50%	2013-2041	1,510,905,000.00
			\$ 2,241,200,000.00

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Debt Service Requirements			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 111,210,000.00	\$ 106,031,356.24	\$ 217,241,356.24
2014	115,745,000.00	101,158,757.24	216,903,757.24
2015	117,490,000.00	95,869,432.70	213,359,432.70
2016	120,025,000.00	90,386,385.96	210,411,385.96
2017	109,150,000.00	84,908,287.18	194,058,287.18
2018-2022	545,675,000.00	350,505,132.76	896,180,132.76
2023-2027	518,055,000.00	223,115,612.78	741,170,612.78
2028-2032	405,575,000.00	102,085,777.98	507,660,777.98
2033-2037	160,165,000.00	29,526,575.00	189,691,575.00
2038-2041	38,110,000.00	3,832,500.00	41,942,500.00
Total	\$ 2,241,200,000.00	\$ 1,187,419,817.84	\$ 3,428,619,817.84

Permanent University Fund Bonds, Series 1998

- Issued September 9, 1998, to refund \$65,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Variable Rate Notes, Series B, and \$27,860,000.00 of Permanent University Fund Bonds, Series 1992B then outstanding in the aggregate principal amount of \$36,360,000.00; and to pay the costs of issuing the bonds.
- \$92,520,000.00 authorized; all authorized bonds have been issued. \$12,335,000.00 was refunded by Permanent University Fund Bonds, Series 2006. \$9,735,000.00 was refunded by Permanent University Fund Bonds, Series 2009AB. \$1,015,000.00 was refunded by Permanent University Fund Bonds, Series 2011. Outstanding balance at August 31, 2012, was \$28,795,000.00.

Permanent University Fund Bonds, Series 2003

- Issued April 3, 2003, to current refund \$28,210,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1992A; to current refund \$35,590,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1993; to advance refund \$31,080,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1996; to advance refund \$12,500,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1996A; and to pay the costs of issuing the bonds.
- \$102,645,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$90,135,000.00.

Permanent University Fund Bonds, Series 2004

- Issued September 1, 2004, to current refund \$73,978,393.00 of the Board's previously issued and outstanding Permanent University Fund Flexible Rate Notes; to provide funds for construction and other capital improvements; and to pay the costs of issuing the bonds.

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- \$79,715,000.00 authorized; all authorized bonds have been issued. \$79,715,000.00 was refunded by Permanent University Fund Bonds, Series 2012A. Outstanding balance at August 31, 2012, was \$0.00.

Permanent University Fund Bonds, Series 2006

- Issued July 6, 2006, to current refund \$29,340,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1996A; to advance refund \$12,335,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 1998; to provide funds for construction and other capital improvements; and to pay for the costs of issuing the bonds.
- \$165,940,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$117,100,000.00.

Permanent University Fund Bonds, Series 2009AB

- Issued April 7, 2009, to refund \$100,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; to currently refund \$9,735,000.00 of Permanent University Fund Bonds, Series 1998; to provide funding for project costs of approximately \$113,700,000.00; and to pay the costs of issuing the bonds.
- \$218,895,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$212,945,000.00.

Permanent University Fund Bonds, Series 2011

- Issued October 18, 2011, to refund \$96,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; to refund \$1,015,000.00 of Permanent University Fund Bonds, Series 1998; and to pay the cost of issuing the bonds.
- \$87,145,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012 was \$84,890,000.00.

Permanent University Fund Bonds, Series 2012A

- Issued July 18, 2012, to refund \$79,715,000.00 of the Board's previously issued and outstanding Permanent University Fund Bonds, Series 2004; and to pay the cost of issuing the bonds.
- \$70,680,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012 was \$70,680,000.00.

Permanent University Fund Bonds, Taxable Series 2012B

- Issued July 18, 2012, to refund \$125,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; and to pay the cost of issuing the bonds.

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- \$125,750,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012 was \$125,750,000.00.

Revenue Financing System Bonds, Series 2002

- Issued October 10, 2002, to refund \$40,000,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide for construction of certain improvements; and to pay the costs of issuing the bonds.
- \$93,835,000.00 authorized; all authorized bonds have been issued. \$40,355,000.00 was refunded by Revenue Financing System Bonds, Series 2010AB. Outstanding balance at August 31, 2012, was \$8,680,000.00.

Revenue Financing System Bonds, Series 2003A

- Issued May 20, 2003, to provide funds for certain improvements in the A&M System.
- \$117,135,000.00 authorized; all authorized bonds have been issued. \$28,560,000.00 was refunded by Revenue Financing System Bonds, Series 2010A. Outstanding balance at August 31, 2012, was \$51,865,000.00.

Revenue Financing System Bonds, Series 2003B

- Issued May 20, 2003, to current refund \$34,705,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1993; to current refund \$3,925,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1993A; to current refund \$9,470,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1993B; to advance refund \$72,775,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1996; and to pay the costs of issuing the bonds.
- \$117,140,000.00 authorized; all authorized bonds have been issued. \$13,210,000.00 was refunded by Revenue Financing System Bonds, Series 2010B. Outstanding balance at August 31, 2012, was \$40,005,000.00.

Revenue Financing System Bonds, Series 2005A

- Issued June 30, 2005, to advance refund \$6,820,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1997; to advance refund \$32,755,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1999; to advance refund \$11,105,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 2001A; to provide funds for certain improvements in the A&M System; and to pay the costs of issuing the bonds.
- \$148,895,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$105,020,000.00.

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Revenue Financing System Bonds, Series 2005B

- Issued June 30, 2005, to advance refund \$40,740,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1996; to advance refund \$15,730,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1997; to advance refund \$98,395,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 1999; to advance refund \$31,605,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 2001B; to provide funds for construction and capital improvements; and to pay the costs of issuing the bonds.
- \$275,755,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$191,045,000.00.

Revenue Financing System Bonds, Series 2008

- Issued February 7, 2008, to refund approximately \$127,912,303.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for project costs of approximately \$55,000,000.00; and to pay the costs of issuing the bonds.
- \$169,515,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$133,845,000.00.

Revenue Financing System Bonds, Series 2009A

- Issued March 11, 2009, to refund approximately \$49,819,793.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for project costs of approximately \$221,400,000.00; and to pay the costs of issuing the bonds.
- \$251,735,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$214,630,000.00.

Revenue Financing System Bonds, Series 2009B

- Issued March 11, 2009, to refund approximately \$14,070,207.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to currently refund \$2,050,000.00 of Revenue Financing System Bonds, Series 1997; to provide funding for project costs of approximately \$64,700,000.00; and to pay the cost of issuing the bonds.
- \$78,085,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$71,255,000.00.

Revenue Financing System Bonds, Series 2009C

- Issued November 10, 2009, to provide funding for project costs of approximately \$57,300,000.00; and to pay the cost of issuing the bonds.
- \$54,240,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$40,305,000.00.

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Revenue Financing System Bonds, Series 2009D

- Issued November 10, 2009, to provide funding for project costs of approximately \$344,600,000.00; and to pay the cost of issuing the bonds.
- \$320,760,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$301,485,000.00.

Revenue Financing System Bonds, Series 2010A

- Issued June 3, 2010, to advance refund \$1,418,558.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 2002; to advance refund \$28,560,000.00 of Revenue Financing System Bonds, Series 2003A; to provide funding for project costs of approximately \$71,000,000.00; and to pay the cost of issuing the bonds.
- \$95,065,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$86,880,000.00.

Revenue Financing System Bonds, Series 2010B

- Issued June 3, 2010, to advance refund \$38,936,442.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 2002; to advance refund \$13,210,000.00 of Revenue Financing System Bonds, Series 2003B; to provide funding for project costs of approximately \$105,200,000.00; and to pay the cost of issuing the bonds.
- \$146,120,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$143,085,000.00.

Revenue Financing System Bonds, Series 2011A

- Issued March 10, 2011, to currently refund \$5,980,000.00 of the Board's previously issued and outstanding Revenue Financing System Bonds, Series 2001A; to currently refund \$16,975,000.00 of Revenue Financing System Bonds, Series 2001B; and to pay the cost of issuing the bonds.
- \$22,335,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$19,320,000.00.

Revenue Financing System Bonds, Series 2011B

- Issued March 10, 2011, to refund \$20,000,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for project costs of approximately \$87,771,000.00; and to pay the cost of issuing the bonds.
- \$105,365,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2012, was \$103,485,000.00.

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C. Advance Refunding Bonds

The A&M System has defeased certain revenue bond issues by placing the proceeds of new bonds issues in irrevocable trusts to provide for all future debt service payments on the issues. Accordingly, the liability for the bonds is not included in the financial statements. At August 31, 2012, the principal balance outstanding for the defeased bonds is \$121,560,000.00.

Permanent University Fund Bonds, Series 2011

- Current refunding of \$1,015,000.00 of Permanent University Fund Bonds, Series 1998 to allow the Board of Regents of the Texas A&M University System to restructure its debt service requirements and realize a present value debt service savings.
- Refunded by Permanent University Fund Bonds, Series 2011 issued October 18, 2011.
- Net proceeds from refunding bonds of \$0.00 after payment of \$655,962.10 which represents issuance costs and underwriter's discount.
- Current refunding of the bonds reduced The Texas A&M University System's debt service payments over the next two years by approximately \$50,748.61.
- Economic gain was \$50,385.28, the difference between the net present value of the old and new debt service payments.
- Current refunding resulted in the removal of \$1,015,000.00 of bond liability from the balance sheet and the addition of \$1,015,000.00 of bond liability, the net of which is neither an accounting gain or loss.

Permanent University Fund Bonds, Series 2012A

- Advance refunding of \$79,715,000.00 of Permanent University Fund Bonds, Series 2004 to allow the Board of Regents of the Texas A&M University System to restructure its debt service requirements and realize a present value debt service savings.
- Refunded by Permanent University Fund Bonds, Series 2012A issued July 18, 2012.
- Net proceeds from refunding bonds of \$0.00 after payment of \$481,883.15 which represents issuance costs and underwriter's discount.
- Advance refunding of the bonds reduced The Texas A&M University System's debt service payments over the next 12 years by approximately \$13,639,670.84.
- Economic gain was \$10,973,646.61, the difference between the net present value of the old and new debt service payments.
- Advance refunding resulted in the removal of \$79,715,000.00 of bond liability from the balance sheet and the addition of \$70,680,000.00 of bond liability, the net of which is an accounting gain of \$9,035,000.00.

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D. Pledged Future Revenues

Sources of pledged revenues include tuition and fees, auxiliary enterprises, sales of goods and services, and other non-operating activities. The following table provides the pledged future revenue information for the Texas A&M University System Permanent University and Revenue Financing System bonds:

Pledged Future Revenue	
Pledged revenue required for future principal and interest on existing revenue bonds	\$ 3,428,619,817.84
Term of commitment year ending 8/31	2041
Percentage of revenue pledged	54.6%
Current year pledged revenue	\$ 1,872,634,029.32
Current year principal and interest paid	\$ 206,018,477.83

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Note 7: Derivative Instruments

The A&M System Investment Policy allows investment in certain derivative securities. A derivative security is a financial instrument which derives its value from another security, currency, commodity or index. Commodity forward contracts are entered into to meet the objective of hedging the risk that changes in the market price of natural gas will adversely affect the cash flows of the expected purchase of natural gas. Investment derivatives are entered into with the intention of managing transaction or currency exchange risk in purchasing, selling or holding investments. Detailed information about investment derivatives is disclosed in Note 3.

The fair values and notional amounts of derivative instruments outstanding as of August 31, 2012, are reported in the financial statements as follows:

	Changes in Fair Value		Fair Value at August 31, 2012		Notional
	Classification	Amount	Classification	Amount	
<i>Cash Flow Hedges</i>					
Commodity Forward	Deferred Outflow	\$ (2,244,010.00)	Derivative Instruments	\$ (2,244,010.00)	960,000 MMBTUs
<i>Investment Derivatives</i>					
Forwards	Investment Revenue	\$ (995,896.09)	Investments	\$ (995,896.09)	\$ 34,570,774.86

Hedging Derivatives

The fair value of the hedging instruments is determined by comparing the term price, which represents the contract price for the commodity, to the NYMEX price.

The outstanding commodity forward contracts as of August 31, 2012, include contracts with future expiration dates extending from September 2012 through August 2013. Contracts will be cash-settled on the expiration date based on NYMEX market price. The totals are summarized below by fiscal year:

Fiscal Year	Number of Contracts	Notional Amount (MMBTU's)	Effective Date Range	Termination Date Range	Terms: Pay (Average)	Terms: Receive	Counterparty Credit Rating
2013							
Forward Contracts	24	960,000	02/06/2009- 02/12/2009	09/01/2012- 08/01/2013	\$7.44/MMBTU	NYMEX market price	AA

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As of August 31, 2012, the A&M System is not exposed to credit risk on its outstanding forward contracts because the contracts have negative fair values. No exposure to interest rate risk exists for commodity forward contracts.

The A&M System is exposed to basis risk on its commodity forward contract because the expected commodity purchase being hedged will price based on a pricing point of Waha Natural Gas Hub, different than the NYMEX pricing point at which the forward contract is expected to settle. As of August 31, 2012, the Waha price is \$2.65 per MMBTU and the NYMEX price is \$2.74 per MMBTU.

The A&M System may terminate a forward contract if the other party fails to perform under the terms of the contract. If at the time of termination a contract is in a liability position, the A&M System would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements. If on any date amounts would otherwise be payable by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

Investment Derivatives

Investment derivatives expose the A&M System to certain investment related risks. More detail about investment derivatives is disclosed in Note 3.

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Note 8: Leases

Capital Leases

Certain leases to finance the purchase of property are capitalized at the present value of future minimum lease payments. At August 31, 2012, the A&M System had various capital lease obligations relating to the acquisition of capital assets. The original capitalized cost of the capital assets under capital lease as of August 31, 2012, is \$5,678,430.90. The following is a schedule of the future minimum lease payments for leased property and the present value of the net minimum lease payments:

Assets Under Capital Leases			
<u>Class of Property</u>	<u>Assets under Capital Lease</u>	<u>Accumulated Depreciation/Amortization</u>	<u>Total</u>
Buildings	\$ 2,372,049.29	\$ (625,957.14)	\$ 1,746,092.15
Furniture and Equipment	2,425,903.61	(598,218.42)	1,827,685.19
Vehicles	223,408.00	(22,482.26)	200,925.74
Computer Software	657,070.00	(99,378.27)	557,691.73
Total	\$ 5,678,430.90	\$ (1,346,036.09)	\$ 4,332,394.81

Future Capital Lease Payments			
<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Minimum Future Lease Payments</u>
2013	\$ 637,004.01	\$ 189,724.53	\$ 826,728.54
2014	620,618.16	161,945.40	782,563.56
2015	621,222.37	114,481.19	735,703.56
2016	576,443.20	67,332.43	643,775.63
2017	103,504.35	43,067.55	146,571.90
2018-2022	327,254.62	164,287.95	491,542.57
2023-2027	419,781.31	71,602.49	491,383.80
2028-2032	64,305.29	1,211.56	65,516.85
	\$ 3,370,133.31	\$ 813,653.10	\$ 4,183,786.41
Summary:			
	Total: Minimum Lease Payments		\$ 4,183,786.41
	Less: Interest at Various Rates		(813,653.10)
	Present Value of Net Minimum Lease Payments		\$ 3,370,133.31

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Operating Leases

The A&M System has included operating expenses for rent paid under operating leases for space and equipment in the amount of \$15,918,458.19 for the primary government for the year ended August 31, 2012. Of this amount, \$4,905.00 represents contingent rentals.

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2012, are as follows:

Operating Lease Obligations	
<u>Fiscal Year</u>	<u>Minimum Future Lease Payments</u>
2013	\$ 12,013,340.99
2014	9,098,753.10
2015	7,373,543.42
2016	5,839,673.25
2017	3,235,778.32
2018-2022	7,817,332.78
2033-2027	1,915,989.40
2028-2032	1,915,989.40
Total: Minimum Future Lease Payments	\$ 49,210,400.66

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The A&M System has also leased portions of buildings and land to outside parties under various operating leases. Operating lease income in the amount of \$4,789,081.30 has been recorded for the primary government for the year ended August 31, 2012. Of this amount, \$686,522.34 represents contingent rentals.

Future minimum lease rentals under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2012, are as follows:

Operating Lease Rentals	
<u>Fiscal Year</u>	<u>Minimum Future Rentals</u>
2013	\$ 4,133,347.57
2014	2,736,220.72
2015	1,498,282.73
2016	1,182,015.01
2017	961,361.24
2018-2022	4,381,780.23
2023-2027	4,362,875.00
2028-2032	4,362,875.00
2033-2037	4,083,870.00
2038-2042	1,812,693.00
2043-2047	298,575.00
2048-2052	238,860.00
Total: Minimum Future Rentals	<u>\$ 30,052,755.50</u>

Carrying Value of Leased Assets			
<u>Class of Property</u>	<u>Leased Assets</u>	<u>Accumulated Depreciation/ Amortization</u>	<u>Total</u>
Land	\$ 1,077,882.93	\$ -	\$ 1,077,882.93
Buildings	86,029,714.72	(32,268,466.78)	53,761,247.94
Total	<u>\$ 87,107,597.65</u>	<u>\$ (32,268,466.78)</u>	<u>\$ 54,839,130.87</u>

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Note 9: Employee Retirement Plans

The State of Texas has joint contributory retirement plans for substantially all its employees. The contribution amounts for both the employee and the A&M System are set by the Texas Legislature and can change over time. One of the primary plans in which the A&M System participates is administered by the Teacher Retirement System of Texas (TRS). The contributory percentages of participant salaries provided by the State and by each participant during the fiscal year were 6.0% and 6.4%, respectively, of annual compensation.

The Teacher Retirement System of Texas does not separately account for each of its component government agencies, since the Retirement System bears sole responsibility for retirement commitments beyond contributions fixed by the State Legislature.

The retirement expense to the State for the A&M System TRS retirement program was \$17,800,589.07 for the year ended August 31, 2012. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the A&M System. Further information regarding actuarial assumptions and conclusions, together with audited financial statements, is included in the Teacher Retirement System's annual financial report.

The State has also established an Optional Retirement Program (ORP) for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The Optional Retirement Program provides for the purchase of annuity contracts and mutual funds. The contributory percentages of participant salaries during the fiscal year provided by the State and by each participant who was enrolled in the plan on or before August 31, 1995 were 8.5% and 6.65%, respectively. The 8.5% is composed of 6.0% contributed by the State and an additional 2.50% contributed by the A&M System. For participants who enrolled on or after September 1, 1995, the State and participant contributions were 6.4% and 6.65%, respectively. The 6.4% is composed of 6.0% contributed by the state and 0.4% contributed by the A&M System.

The contributions for the A&M System ORP retirement program were as follows:

Optional Retirement Program	
	<u>Amount</u>
Employer Contributions	\$ 40,627,092.00
Employee Contributions	<u>36,894,582.00</u>
Total	<u>\$ 77,521,674.00</u>

Effective January 1, 1999, the A&M System implemented an excess benefit arrangement under Section 415(m) of the Internal Revenue Code (IRC).

Since the A&M System bears no responsibility for retirement commitments beyond contributions, GASB No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans*, do not apply to these financial statements or disclosures.

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Note 10: Deferred Compensation

State employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Texas Government Code, Section 609.001. All payroll deductions have been invested in approved plans during the fiscal year. Two deferred compensation plans are available for A&M System employees.

The State's 457 Plan complies with IRC Section 457. This plan is referred to as the TexaSaver Deferred Compensation Plan (DCP) and is available to all employees. The DCP is an employer-sponsored plan administered by the Employees Retirement System of Texas (ERS). A&M System employees are permitted to participate in the plan as an agency of the State. The deductions, purchased investments and earnings attributed to the 457 Plan are held in trust and belong to the participants. The State has no liability under the 457 Plan beyond the administrative requirements outlined in the corresponding provisions of the IRC.

The A&M System also administers a Tax-Deferred Account (TDA) Program, created in accordance with IRC Section 403(b). All employees are eligible to participate. The TDA is an employer-sponsored plan. The deductions, purchased investments, and earnings attributed to each employee's 403(b) plan are held by vendors chosen by the employee from an approved vendor list provided by the A&M System. The funds held in the accounts belong to the individual participants. 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 A&M System or the State and thus do not have a liability related to this plan beyond the administrative requirements outlined in the corresponding provisions of the IRC.

The 457(f) Deferred Compensation Plan allows the A&M System to defer income for eligible participants without regard to the amount deferred or an adverse impact on other retirement plans in which the participant is enrolled. The plan is structured under Section 457(f) of the Internal Revenue Code of 1986, as amended. It is authorized for use by Texas institutions of higher education in Title 109, Article 6228a-5, Section 3 of Vernon's Texas Civil Statutes. All employees of the A&M System are eligible to participate in this plan subject to the approval of the Board of Regents, the Chancellor, or any Chancellor-designated A&M System member Chief Executive Officer.

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Note 11: Postemployment Health Care and Life Insurance Benefits

Plan Description and Funding Policy

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees in accordance with State statutes. Substantially all of the employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through the group insurance program, and premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expensing the annual premiums. For the year ending August 31, 2012, the employer contributions are presented below.

Employer Contribution Rates	
Level of Coverage	Amount
Full-Time Employee/Retiree Only	\$ 366.71
Full-Time Employee/Retiree and Spouse	\$ 551.60
Full-Time Employee/Retiree and Children	\$ 482.27
Full-Time Employee/Retiree and Family	\$ 644.04

For the year ended August 31, 2012, benefit plan expenses totaled \$157,228,099.91. The cost of providing benefits for 7,415 retirees was \$39,855,107.52; and for 22,149 active employees the cost was \$117,372,992.39.

Other Postemployment Benefits (OPEB) are benefits provided to the A&M System's retirees under the A&M System group insurance program. The authority under which the obligations of the plan members and the A&M System are established, and may be amended, is Chapter 1601, *Texas Insurance Code*. Retiree eligibility for insurance continuation is determined by the Legislature and is subject to change.

The A&M System and member contribution rates are determined annually by the A&M System based on the recommendations of the A&M System Office of Benefits Administration. The plan rates are based on the plan costs that are expected to be incurred, the funds appropriated for the plans, and the funding policy established by the Texas Legislature in connection with benefits provided through the plan. The A&M System revises benefits plans and rates as necessary to match expected costs with available revenue. The plan is operated on a pay-as-you-go basis and is unfunded.

Because the OPEB plan described herein is not administered through a trust as defined under Paragraph No. 4 of GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 43 accounting is not applicable to the A&M System.

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For the year ended August 31, 2012, 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 state contributions.

Fiscal Year Ending	Employer Contribution	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation At End of Fiscal Year
8/31/2012	\$ 63,131.00	\$ 190,200.00	33%	\$ 603,878
8/31/2011	\$ 40,489,312	\$ 174,919,214	23%	\$ 476,809,489
8/31/2010	\$ 40,173,687	\$ 162,680,000	25%	\$ 342,379,587

The OPEB expense reflected in the Statement of Revenues, Expenses and Changes in Net Assets is net of the Employer Contributions, as these costs are included as a portion of Payroll Related Costs expense.

Annual OPEB Cost and Net OPEB Obligation

The annual OPEB cost of the plan is calculated and based on the annual required contribution (ARC). The ARC is the amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period of years, not to exceed 30 years. The following table shows the components of the annual OPEB cost for the year for the plan:

Annual Required Contribution (ARC)	\$ 180,940
Interest on Net OPEB Obligation	34,807
Adjustment to ARC	(25,547)
Annual OPEB Cost	190,200
Employer Contributions Made	(63,131)
Increase Net OPEB Obligation	127,069
Net OPEB Obligation 9/1/2011	476,809
Net OPEB Obligation 8/31/2012	\$ 603,878

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Schedule of Funding Progress of the Plan

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The amounts determined for the funded status of the plan and the Annual Required Contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The multiyear schedule of funding progress is presented in the following table:

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over AAL (Unfunded AAL) (a)-(b)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	Ratio of UAAL to Covered Payroll ((a-b)/c)
8/31/2010	\$ -	\$ 1,996,798,639	\$ (1,996,798,639)	0.0%	\$ 1,359,512,304	146.9%
9/1/2010	\$ -	\$ 1,854,690,001	\$ (1,854,690,001)	0.0%	\$ 1,313,538,458	141.2%
9/1/2009	\$ -	\$ 1,864,320,000	\$ (1,864,320,000)	0.0%	\$ 1,315,291,687	141.7%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used in the plan valuation include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional detail about the actuarial assumptions used in the plan valuation is outlined in the following table:

Summary of Actuarial Methods and Assumptions	
Actuarial Valuation Date	September 1, 2011
Actuarial Cost Method	Entry Age Normal
Amortization Method	Open
Remaining Amortization Period of Unfunded Liability	30 years
Actuarial Assumptions:	
Investment Rate of Return	7.3%
Inflation	3.0%
Health Care Trend Rates	9.5% in 2012 Decreasing to 5.0% in 2021

Medicare Part D

In fiscal year 2012 the plan received payments from the federal government pursuant to the retiree drug subsidy provisions of Medicare Part D. GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires that these on-behalf payments be recorded as revenues and expenses of each plan. In fiscal year 2012 the system received \$3,834,331.80 of Medicare Part D payments from the federal government.

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THE TEXAS A&M UNIVERSITY SYSTEM
 NOTES TO THE COMBINED FINANCIAL STATEMENTS
 August 31, 2012

Note 12: Interfund Activity and Transactions

As of August 31, 2012, amounts to be received or paid between funds and agencies are to be reported as interfund receivable or interfund payable. Legislative Transfers In and Legislative Transfers Out between A&M System members have been eliminated.

Individual balances and activity at August 31, 2012, were as follows:

Interfund Receivables/Payables			
Current Portion	Current Interfund Receivable	Current Interfund Payable	Purpose
ENTERPRISE FUND (05)			
Agy# 710, Appd Fund 0047, D23 Fund 0047 from Agy# 720, D23 Fund 0011	\$ 22,390,000.00	\$ -	PUF
Agy# 715, Appd Fund 0515, D23 Fund 0047 from Agy# 907, D23 Fund 0515	-	620,263.36	SECO LoanSTAR Program
Total Current Interfund Receivable/Payable	\$ 22,390,000.00	\$ 620,263.36	
Non-Current Portion	Non-Current Interfund Receivable	Non-Current Interfund Payable	Purpose
ENTERPRISE FUND (05)			
Agy# 710, Appd Fund 0047, D23 Fund 0047 from Agy# 720, D23 Fund 0011	\$ 734,789,840.87	\$ -	PUF
Agy# 711, Appd Fund 0001, D23 Fund 0001 from Agy# 907, D23 Fund 0515	-	2,340,088.30	SECO LoanSTAR Program
Agy# 715, Appd Fund 0047, D23 Fund 0047 from Agy# 907, D23 Fund 0515		1,751,085.32	SECO LoanSTAR Program
Total Non-Current Interfund Receivable/Payable	\$ 734,789,840.87	\$ 4,091,173.62	

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 13: Continuance Subject to Review

This note does not apply to the A&M System.

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 NOTES TO THE COMBINED FINANCIAL STATEMENTS
 August 31, 2012

Note 14: Restatement of Net Assets

Beginning balance of net assets has been restated as presented below:

Restatements of Net Assets-Primary Government			
System Member	Agency Number	Amount	Description
System Offices	710	\$ 1,259,327.24	Prior year airplane renovations and corresponding depreciation for renovations
Prairie View A&M University	715	3,212,348.13	Reclassified building component; Corrected depreciation
Tarleton State University	713	(58,500.82)	Depreciation on CIP closings with prior year effective dates
Texas A&M International University	761	(59,913.98)	Depreciation on CIP closings with prior year effective dates
Texas A&M University	711	(1,324,497.93)	Depreciation on CIP closings with prior year effective dates
Texas A&M University at Galveston	718	(247,673.70)	Depreciation on CIP closings with prior year effective dates
Texas A&M University-Commerce	751	(48,547.86)	Depreciation on CIP closings with prior year effective dates
Texas A&M University-Corpus Christi	760	(31,590.42)	Depreciation on CIP closings with prior year effective dates
Texas A&M University-San Antonio	749	178,123.11	Software agreement amortized over a 3 year period.
Texas A&M Agrilife Research	556	(7,220.61)	Depreciation on CIP closings with prior year effective dates
Texas A&M Engineering Extension Service	716	(105,394.36)	Returned prior year asset to vendor; Interest not capitalized
Texas A&M Transportation Institute	727	(409,156.75)	Correction of prior year billings
Total		<u>\$ 2,357,302.05</u>	

Discrete Component Units

Net assets for the Mexico City Center at December 31, 2011, were restated by \$14,135.83 to recognize the exchange rate difference when converting the financial statements to U.S. currency. Net assets for the Casa Verde Center at September 30, 2012, were restated by \$415,118.69 to restate fiscal year 2011 activity.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 15: Commitments and Contingencies

At August 31, 2012, various lawsuits and claims involving the A&M System and its members had arisen in the course of conducting A&M System business. While the ultimate liability with respect to litigation and other claims cannot be reasonably estimated at this time, management is of the opinion that the liability not provided for by insurance or otherwise, if any, for these legal actions will not have a material adverse effect on the A&M System's financial position.

Private investment pools are invested in limited partnerships with external investment managers or general partners who invest primarily in private equity transactions. These investments, both 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 funds may utilize credit default swaps which have additional risk, including the risk of counterparty nonperformance. Collateral in the form of cash or securities may be required to be held in segregated accounts with the fund's custodian. Bi-lateral agreements and daily settlement with counterparties reduce the risk of counterparty nonperformance. As of August 31, 2012, the A&M System has committed \$396,483,022 to various private investments, of which \$155,204,349 is unfunded. The fair value of the investments as of August 31, 2012 was \$190,561,181.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 16: Subsequent Events

The A&M System is authorized to issue up to \$460 million of Revenue Financing System Bonds during fiscal year 2013 to provide funding for project costs, refund previously issued bonds, refund commercial paper and pay the costs of issuing the bonds. The A&M System is authorized to issue up to \$410 million of Permanent University Fund Bonds during fiscal year 2013 to provide funding for eligible projects, refund previously issued bonds, refund commercial paper and pay the costs of issuing the bonds. In addition, the A&M System expects to issue Revenue Financing System Commercial Paper and/or Permanent University Fund Commercial Paper for interim financing of projects, as needed.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 17: Risk Management

The A&M System is exposed to various risks of loss related to property – fire, windstorm or other loss of capital assets; general and employer liability – resulting from alleged wrongdoings by employees and others; net income – due to fraud, theft, administrative errors or omissions, and business interruptions; and personnel – unexpected expense associated with employee health, termination or death. As an agency of the State of Texas, the A&M System and its employees are covered by various immunities and defenses which limit some of these risks of loss, particularly in liability actions brought against the A&M System or its employees. Remaining exposures are managed by self-insurance arrangements, contractual risk transfers, the purchase of commercial insurance, or a combination of these risk financing techniques.

All commercial insurance policies include retention amounts (deductibles) for which the A&M System is responsible and for which A&M System members maintain funding reserve pools. Ongoing analysis of the risks facing the A&M System results in the continual evaluation of insurance policies purchased.

The A&M System has self-insured arrangements for coverage in the areas of workers' compensation, group health and dental insurance and certain areas of medical malpractice. Based on the requirements of GASB No. 10, liabilities for claims have been reported where information prior to issuance of the financial statements indicated that it was probable that a liability had been incurred and the amount of the loss could be reasonably estimated.

The workers' compensation plan is considered a funded employer liability pool. The workers' compensation incurred but not reported liability is based on actuarial analysis of all historical claims data. The plan provides claims servicing and claims payments by charging a "cost allocation" assessment to each A&M System member based on a percentage of payroll.

The A&M System implemented a self-insured health and dental plan on September 1, 1994, which is also considered a funded pool. Premiums are determined through an actuarial pricing process that takes place each spring. The A&M System maintains an experience stabilization fund of \$51,188,287.56 that is comprised of excess premiums from previous years and is used to offset losses in a given year. Dental benefits under the plan are limited to \$1,500 per individual per year, so the potential for catastrophic loss is not a significant risk.

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The Texas A&M University System Health Science Center College of Medicine has established a medical student liability self-insurance plan (the Plan) to provide eligible medical students of the Texas A&M University System Health Science Center College of Medicine with medical malpractice liability indemnity from and against medical malpractice claims. Limits of liability are \$25,000 per claim, \$75,000 aggregate per participant, and \$100,000 annual aggregate. The Plan is funded through a student participation fee. At August 31, 2012, the Plan had a balance of \$311,423.52 with no accrued liabilities.

IBNR Liability		
Plan	WCI	Health & Dental
IBNR Liability 9/1/11	\$ 7,349,000.00	\$ 10,218,000.00
CY Claims Plus Change in Estimates	2,723,000.00	178,306,499.00
Claims Payments	(3,041,000.00)	(174,433,499.00)
Other Items (changes in estimates)	(463,000.00)	-
IBNR Liability 8/31/12	<u>\$ 6,568,000.00</u>	<u>\$ 14,091,000.00</u>

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 18: Management Discussion and Analysis (MD&A)

This note is not used by the Texas A&M University System. The A&M System's Management Discussion and Analysis is included as a separate section of the report.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 19: The Financial Reporting Entity

The A&M System is composed of a series of distinct members, each of which was created to render a specific service for the State within the limits of the A&M System's objectives, and all of which are under the control and direction of the Board of Regents of the A&M System.

Blended Component Unit

The **Texas A&M Research Foundation (Research Foundation)** has been included as a blended component unit in the combined financial statements of the A&M System since fiscal year 1990, at the direction of the State Auditor's Office. This determination is based on the close relationship and joint agreements in effect between the Research Foundation and the A&M System in regard to research grant/contract administration, as well as the fact that various officials of the A&M System serve as ex-officio voting and non-voting trustees, and members of the executive committee of the Research Foundation. The Research Foundation has a fiscal year end of August 31, 2012 and is Fund Type 05, Appd Fund 9999. Complete financial statements of the Research Foundation may be obtained from their administrative offices at 400 Harvey Mitchell Parkway South, Suite 100, College Station, Texas, 77845.

A new agency Texas A&M University System- Office of Sponsored Research Services now manages a number of the relationships and agreements that the Texas A&M Research Foundation has previously managed beginning in 2012. The intent is to move the majority of fiscal activity to each System member's financial statements. We will begin to see a reduction in the balances and activities reported by the Texas A&M Research Foundation.

Discrete Component Units

The **Mexico City Center (Representacion de Texas A&M University en la Republica Mexicana, A.C.)** has been included in the combined financial statements of the A&M System as a discretely presented component unit. The audited financial statements of the Mexico City Center for the year ended December 31, 2011 are prepared in accordance with the financial accounting standards in Mexico.

The **Casa Verde Research Center, Sociedad Anonimo**, has also been included in the combined financial statements of the A&M System. The financial statements for the Casa Verde Research Center for the year ended September 30, 2012 are prepared in accordance with the financial accounting standards in Costa Rica.

Texas A&M University can appoint a voting majority of the boards of The Mexico City Center and the Casa Verde Research Center. Complete financial statements for the Mexico City Center and the Casa Verde Research Center may be obtained from Texas A&M University, External Reporting at 750 Agronomy Road, Suite 3101 GSC, 6000 TAMU, College Station, Texas, 77843-6000.

The **National Biosecurity Foundation** has been included in the combined financial statements of the A&M System beginning in fiscal year 2011 and was dissolved at the end of fiscal year 2012. The A&M System can appoint a voting majority of the board of the foundation. The foundation's financial statements for the fiscal year ended August 31, 2012 may be obtained from The Texas A&M University System, Office of Budgets and Accounting at 301 Tarrow, Suite 350, College Station, Texas, 77840-7896.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
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The **Texas 4-H Incorporated** has been included in the combined financial statements of the A&M System beginning in fiscal year 2012. Texas A&M Agrilife Research is in control of the board. Texas 4-H's financial statements for the fiscal year ended August 31, 2012 may be obtained from The Texas A&M University System, Office of Budgets and Accounting at 301 Tarrow, Suite 350, College Station, Texas, 77840-7896.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 20: Stewardship, Compliance and Accountability

Changes to the financial reports of the A&M System are discussed in Note 1. The A&M System has no material violations of finance related legal and contract provisions. Per the laws of the State of Texas, the A&M System cannot spend amounts in excess of appropriations granted by the Texas Legislature and there are no deficits reported in net assets or retained earnings.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 21: Tobacco Settlement

This note is reserved for State Comptroller of Public Accounts' use.

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 22: Donor Restricted Endowments

The purpose of The Texas A&M University System Endowment Fund (the Fund) is to provide for the collective investment of all endowment and trust funds held by the A&M System or by the Board of Regents of the A&M System in a fiduciary capacity. The Fund is used to provide funding for scholarships, fellowships, professorships, academic chairs and other uses as specified by donors.

Distribution is made quarterly after the last calendar day of November, February, May, and August of each fiscal year to the endowment and trust funds participating in the Fund during the respective quarter. Income consists of interest earnings, dividends and realized capital gains. The income distribution per unit for each fiscal year will be to distribute, excluding fees, 5% of the 20-quarter average market value per unit as of the end of the previous February.

The amount of net appreciation for donor restricted true endowments presented in the table below is available for authorization and expenditure by the A&M System.

Net Appreciation of Donor-Restricted Endowments		
Donor-Restricted Endowments	Amount of Net Appreciation*	Reported in Net Assets
True Endowments	\$ 65,655,987.30	Restricted for Expendable

* The total fiscal year 2012 fair value adjustment to the Fund was \$39,832,113.02

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 23: Extraordinary and Special Items

The A&M System does not have any special or extraordinary items to report for the year ended August 31, 2012.

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 THE TEXAS A&M UNIVERSITY SYSTEM
 NOTES TO THE COMBINED FINANCIAL STATEMENTS
 August 31, 2012

Note 24: Disaggregation of Receivable and Payable Balances

A summary of accounts receivable and associated allowances for doubtful accounts balances for the year ended August 31, 2012, is presented below for the primary government:

Accounts Receivable-Primary Government			
	<u>Gross</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net</u>
Current Accounts Receivable:			
Federal Receivables	\$ 91,481,012.10	\$ -	\$ 91,481,012.10
Other Intergovernmental	5,586,243.95	-	5,586,243.95
Interest and Dividends	6,559,836.40	-	6,559,836.40
Gift, Pledges, Donations	27,323,465.67	(81,990.57)	27,241,475.10
Student Receivables	31,391,309.12	(9,742,318.87)	21,648,990.25
Investment Trade Receivables	160,396,351.24	-	160,396,351.24
Self Insured Receivables	18,667,261.66	-	18,667,261.66
Accounts Receivables	109,095,312.77	(2,384,459.10)	106,710,853.67
Other Receivables	4,408,472.25	(265,238.89)	4,143,233.36
Total Current Accounts Receivable:	<u>\$ 454,909,265.16</u>	<u>\$ (12,474,007.43)</u>	<u>\$ 442,435,257.73</u>
Non-Current Accounts Receivable:			
Pledges Receivable	<u>\$ 60,512,651.12</u>	<u>\$ -</u>	<u>\$ 60,512,651.12</u>
Total Non-Current Accounts Receivable:	<u>\$ 60,512,651.12</u>	<u>\$ -</u>	<u>\$ 60,512,651.12</u>

Starting in fiscal year 2012, Customer Receivables are recorded in Accounts Receivables rather than Other Receivables. Customer Receivables accounted for \$42,029,900.24 of total Other Receivables in fiscal year 2011.

Payable balances are presented on the Balance Sheet.

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THE TEXAS A&M UNIVERSITY SYSTEM
 NOTES TO THE COMBINED FINANCIAL STATEMENTS
 August 31, 2012

Note 25: Termination Benefits

As of August 31, 2012, the A&M System has not incurred obligations to pay voluntary or involuntary termination benefits in fiscal year 2013.

For the fully-insured HMO health plans, dental plan, and vision plan, the carrier is responsible for the billing and collection from all COBRA participants. The carrier retains all premiums and is liable for all claims and expenses. Enrollment information for these plans is included below; however, the A&M System does not have premium and expense information related to these plans.

For the self-insured health and dental plans, the carrier performs the billing and collections process for COBRA participants. The carrier then forwards the premium to the A&M System, net of the 2% administrative fee, which is intended to cover costs related to the billing and collection functions. However, since the plan is self-insured, the A&M System is responsible for any claims or administrative costs associated with COBRA participants, and these amounts are included below.

As part of the stimulus funding from the federal government, some terminated employees were eligible for the 65% subsidy for COBRA coverage. The Federal Department of Labor agreed to reimburse employers the 65% COBRA reimbursement up to 15 months. This applies to employees who were involuntarily terminated between September 1, 2008 and May 31, 2010. The maximum end of the 15 month payment period was August 31, 2011. The remaining balances received in fiscal year 2012 totaled \$1,805.18.

COBRA benefits for the Texas A&M University System for the year ended August 31, 2012 are as follows:

Termination Benefits - COBRA					
Enrollment					
	<u>Self-Insured Medical Plan</u>	<u>Self-Insured Dental Plan</u>	<u>Fully-Insured Medical HMO Plans</u>	<u>Fully-Insured Dental Plan</u>	<u>Fully- Insured Vision Plan</u>
Number of Participants	208	115	16	27	137
Self-Insured Activity					
Premium Revenue	\$ 940,024	\$ 69,165			
2 Percent Administrative Fee Revenue	<u>18,800</u>	<u>1,383</u>			
Total COBRA Revenue	958,824	70,548			
Claims Paid	1,985,079	154,429			
Administrative Expenses	<u>27,680</u>	<u>6,694</u>			
Total COBRA Expenses	<u>2,012,759</u>	<u>161,123</u>			
Total Cost to State	<u>\$ 1,053,935</u>	<u>\$ 90,575</u>			

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THE TEXAS A&M UNIVERSITY SYSTEM
NOTES TO THE COMBINED FINANCIAL STATEMENTS
August 31, 2012

Note 26: Segment Information

The A&M System does not have any reportable segments.

Exhibit VI
Texas A&M University System
Combining Balance Sheet for
Discretely Presented Component Units
For the Fiscal Year Ended August 31, 2012

	<u>Casa Verde Center</u>	<u>Mexico City Center</u>	<u>National Biosecurity Foundation</u>	<u>Texas 4-H Inc.</u>	<u>Totals</u>
ASSETS					
Current Assets					
Cash and Cash Equivalents					
Cash on Hand	\$ 1,000.00	\$ 510.00	\$ -	\$ -	\$ 1,510.00
Cash in Bank	1,251.47	37,471.00	-	16,430.33	55,152.80
Accounts Receivable	12,101.23	33,898.00	-	-	45,999.23
Prepaid Expenses	1,955.48	-	-	-	1,955.48
Total Current Assets	<u>\$ 16,308.18</u>	<u>\$ 71,879.00</u>	<u>\$ -</u>	<u>\$ 16,430.33</u>	<u>\$ 104,617.51</u>
Non-Current Assets					
Capital Assets					
Non-Depreciable or Non-Amortizable	\$ 4,061.57	\$ -	\$ -	\$ -	\$ 4,061.57
Depreciable or Amortizable, Net	649,334.69	94,358.00	-	-	743,692.69
Other Non-Current Assets	35,809.96	202.00	-	-	36,011.96
Total Non-Current Assets	<u>\$ 689,206.22</u>	<u>\$ 94,560.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 783,766.22</u>
TOTAL ASSETS	<u>\$ 705,514.40</u>	<u>\$ 166,439.00</u>	<u>\$ -</u>	<u>\$ 16,430.33</u>	<u>\$ 888,383.73</u>
LIABILITIES					
Current Liabilities					
Payables					
Payroll	\$ 16,150.05	\$ -	\$ -	\$ -	\$ 16,150.05
Other	704.50	5,675.00	-	-	6,379.50
Total Current Liabilities	<u>\$ 16,854.55</u>	<u>\$ 5,675.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,529.55</u>
Non-Current Liabilities					
Other Non-Current Liabilities	\$ 603,148.09	\$ 50,161.00	\$ -	\$ -	\$ 653,309.09
Total Non-Current Liabilities	<u>\$ 603,148.09</u>	<u>\$ 50,161.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 653,309.09</u>
TOTAL LIABILITIES	<u>\$ 620,002.64</u>	<u>\$ 55,836.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 675,838.64</u>
NET ASSETS					
Unrestricted	\$ 85,511.76	\$ 110,603.00	\$ -	\$ 16,430.33	\$ 212,545.09
TOTAL NET ASSETS	<u>\$ 85,511.76</u>	<u>\$ 110,603.00</u>	<u>\$ -</u>	<u>\$ 16,430.33</u>	<u>\$ 212,545.09</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 705,514.40</u>	<u>\$ 166,439.00</u>	<u>\$ -</u>	<u>\$ 16,430.33</u>	<u>\$ 888,383.73</u>

Exhibit VII
Texas A&M University System
Combining Statement of Revenues, Expenses and Changes in Net Assets for
Discretely Presented Component Units
For the Fiscal Year Ended August 31, 2012

	Casa Verde Center	Mexico City Center	National Biosecurity Foundation	Texas 4-H Inc.	Totals
OPERATING REVENUES					
Sales of Goods and Services - Non-Pledged	\$ -	\$ 105,508.00	\$ -	\$ 80,000.00	\$ 185,508.00
Contract and Grants	-	171,028.00	-	-	171,028.00
Other Operating Revenue	-	24,051.00	-	-	24,051.00
TOTAL OPERATING REVENUES	\$ -	\$ 300,587.00	\$ -	\$ 80,000.00	\$ 380,587.00
OPERATING EXPENSES					
Cost of Goods Sold	\$ -	\$ 126,848.00	\$ -	\$ -	\$ 126,848.00
Salaries and Wages	173,515.50	-	-	-	173,515.50
Payroll Related Costs	49,501.88	-	-	-	49,501.88
Professional Fees and Services	20,920.39	-	32,924.55	850.00	54,694.94
Travel	55,998.32	-	1,845.24	-	57,843.56
Materials and Supplies	51,739.10	-	258.54	35.94	52,033.58
Communication and Utilities	20,275.32	-	-	-	20,275.32
Repairs and Maintenance	13,162.66	-	-	-	13,162.66
Rentals and Leases	6,704.71	-	-	-	6,704.71
Printing and Reproduction	-	-	-	-	-
Depreciation and Amortization	45,783.27	26,669.47	-	-	72,452.74
Other Operating Expenses	6,175.47	198,352.53	-	62,683.73	267,211.73
TOTAL OPERATING EXPENSES	\$ 443,776.62	\$ 351,870.00	\$ 35,028.33	\$ 63,569.67	\$ 894,244.62
OPERATING INCOME (LOSS)	\$ (443,776.62)	\$ (51,283.00)	\$ (35,028.33)	\$ 16,430.33	\$ (513,657.62)
NONOPERATING REVENUES (EXPENSES)					
Nonoperating Revenues	\$ 450,307.06	\$ -	\$ -	\$ -	\$ 450,307.06
Nonoperating (Expenses)	(9,412.42)	(14,029.00)	(2,480.02)	-	(25,921.44)
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ 440,894.64	\$ (14,029.00)	\$ (2,480.02)	\$ -	\$ 424,385.62
CHANGE IN NET ASSETS	\$ (2,881.98)	\$ (65,312.00)	\$ (37,508.35)	\$ 16,430.33	\$ (89,272.00)
Net Assets, September 1, 2011	\$ (326,724.95)	\$ 161,779.17	\$ 37,508.35	\$ -	\$ (127,437.43)
Restatements	415,118.69	14,135.83	-	-	429,254.52
Net Assets, September 1, 2011, as Restated	\$ 88,393.74	\$ 175,915.00	\$ 37,508.35	\$ -	\$ 301,817.09
NET ASSETS, AUGUST 31, 2012	\$ 85,511.76	\$ 110,603.00	\$ -	\$ 16,430.33	\$ 212,545.09

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THE TEXAS A&M UNIVERSITY SYSTEM
COMBINED STATEMENTS

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SCHEDULE 2A
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF MISCELLANEOUS BOND INFORMATION
 For the Year Ended August 31, 2012

DESCRIPTION	BONDS ISSUED TO DATE	RANGE OF INTEREST RATES	MATURITIES		
			FIRST YEAR	LAST YEAR	FIRST CALL DATE
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998 Revenue Bonds	\$ 92,520,000.00	3.55 - 5.5%	7/1/1999	7/1/2028	7/1/2008 (1) (2)
Permanent University Fund Refunding Bonds, Series 2003 Revenue Bonds	102,645,000.00	5.25%	7/1/2012	7/1/2018	7/1/2013 (1)
Permanent University Fund Bonds, Series 2004 Revenue Bonds	79,715,000.00	4.5 - 5.25%	7/1/2019	7/1/2024	7/1/2014 (1)
Permanent University Fund Bonds, Series 2006 Revenue Bonds	165,940,000.00	4.5 - 5.0%	7/1/2007	7/1/2036	7/1/2016 (1)
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	218,895,000.00	2.5 - 5.5%	7/1/2010	7/1/2034	7/1/2019 (1) (2)
Permanent University Fund Bonds, Series 2011 Revenue Bonds	87,145,000.00	2.0 - 5.0%	7/1/2012	7/1/2031	7/1/2021 (1)
Permanent University Fund Bonds, Series 2012A Revenue Bonds	70,680,000.00	4.0 - 5.0%	7/1/2013	7/1/2024	7/1/2022 (1)
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds	125,750,000.00	0.579 - 3.575%	7/1/2013	7/1/2032	Make Whole (2) (3)
Revenue Financing System Bonds, Series 2002 Revenue Bonds Tuition Revenue Bonds	86,935,000.00 6,900,000.00	1.5 - 4.9%	5/15/2003	5/15/2014	5/15/2012 (1)
Revenue Financing System Bonds, Series 2003A Tuition Revenue Bonds	117,135,000.00	4.0 - 5.25%	5/15/2006	5/15/2022	5/15/2013 (1)
Revenue Financing System Refunding Bonds, Series 2003B Revenue Bonds	117,140,000.00	2.0 - 5.25%	5/15/2004	5/15/2016	5/15/2013 (1)
Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds	148,895,000.00	4.0 - 5.25%	5/15/2006	5/15/2025	5/15/2015 (1)
Revenue Financing System Bonds, Series 2005B Revenue Bonds	275,755,000.00	4.0 - 5.25%	5/15/2006	5/15/2029	5/15/2015 (1) (2)
Revenue Financing System Bonds, Series 2008 Revenue Bonds Tuition Revenue Bonds	164,900,000.00 4,615,000.00	4.5 - 5.0%	5/15/2008	5/15/2037 5/15/2027	5/15/2018 (1) (2)
Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds	251,735,000.00	3.0 - 5.0%	5/15/2010	5/15/2029	5/15/2019 (1)
Revenue Financing System Bonds, Series 2009B Revenue Bonds	78,085,000.00	2.25 - 5.0%	5/15/2010	5/15/2039	5/15/2019 (1) (2)
Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds	54,240,000.00	2.0 - 5.0%	5/15/2010	5/15/2029	11/15/2019 (1)
Revenue Financing System Bonds, Series 2009D Revenue Bonds	320,760,000.00	4.0 - 5.0%	5/15/2011	5/15/2040	11/15/2019 (1) (2)
Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds	95,065,000.00	1.5 - 5.0%	8/2/2010	5/15/2029	5/15/2020 (1)
Revenue Financing System Bonds, Series 2010B Revenue Bonds	146,120,000.00	3.0 - 5.0%	5/15/2011	5/15/2039	5/15/2020 (1) (2)
Revenue Financing System Bonds, Series 2011A Revenue Bonds Tuition Revenue Bonds	16,605,000.00 5,730,000.00	2.5 - 4.0%	5/15/2011	5/15/2021 5/15/2017	5/15/2020 (1)
Revenue Financing System Bonds, Series 2011B Revenue Bonds	105,365,000.00	3.0 - 5.5%	5/15/2012	5/15/2041	5/15/2020 (1) (2)
	<u>\$ 2,939,270,000.00</u>				

- (1) Option for Partial Redemption
- (2) Mandatory Redemption Required
- (3) Subject to redemption prior to maturity on any business day at the "Make Whole Redemption Price"

UNAUDITED

SCHEDULE 2B
SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
SCHEDULE OF CHANGES IN BONDED INDEBTEDNESS
For the Year Ended August 31, 2012

DESCRIPTION	BONDS OUTSTANDING SEPT. 1, 2011	BONDS ISSUED OR CONVERTED	BONDS MATURED OR RETIRED	BONDS REFUNDED	BONDS OUTSTANDING AUG. 31, 2012	AMOUNTS DUE WITHIN ONE YEAR
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998 Revenue Bonds	\$ 29,810,000.00	\$	\$	\$ 1,015,000.00	\$ 28,795,000.00	\$
Permanent University Fund Refunding Bonds, Series 2003 Revenue Bonds	102,645,000.00		12,510,000.00		90,135,000.00	13,170,000.00
Permanent University Fund Bonds, Series 2004 Revenue Bonds	79,715,000.00			79,715,000.00		
Permanent University Fund Bonds, Series 2006 Revenue Bonds	118,230,000.00		1,130,000.00		117,100,000.00	1,180,000.00
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	213,025,000.00		80,000.00		212,945,000.00	85,000.00
Permanent University Fund Bonds, Series 2011 Revenue Bonds		87,145,000.00	2,255,000.00		84,890,000.00	2,515,000.00
Permanent University Fund Bonds, Series 2012A Revenue Bonds		70,680,000.00			70,680,000.00	
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds		125,750,000.00			125,750,000.00	5,440,000.00
Revenue Financing System Bonds, Series 2002 Revenue Bonds	11,525,437.00		3,700,838.00		7,824,599.00	3,835,480.00
Tuition Revenue Bonds	1,259,563.00		404,162.00		855,401.00	419,520.00
Revenue Financing System Bonds, Series 2003A Tuition Revenue Bonds	57,905,000.00		6,040,000.00		51,865,000.00	6,355,000.00
Revenue Financing System Refunding Bonds, Series 2003B Revenue Bonds	41,055,000.00		1,050,000.00		40,005,000.00	13,230,000.00
Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds	115,370,000.00		10,350,000.00		105,020,000.00	10,845,000.00
Revenue Financing System Bonds, Series 2005B Revenue Bonds	213,000,000.00		21,955,000.00		191,045,000.00	13,240,000.00
Revenue Financing System Bonds, Series 2008 Revenue Bonds	137,990,000.00		8,040,000.00		129,950,000.00	8,290,000.00
Tuition Revenue Bonds	4,065,000.00		170,000.00		3,895,000.00	180,000.00
Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds	222,655,000.00		8,025,000.00		214,630,000.00	8,425,000.00
Revenue Financing System Bonds, Series 2009B Revenue Bonds	73,735,000.00		2,480,000.00		71,255,000.00	2,555,000.00
Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds	41,925,000.00		1,620,000.00		40,305,000.00	1,670,000.00
Revenue Financing System Bonds, Series 2009D Revenue Bonds	311,315,000.00		9,830,000.00		301,485,000.00	10,325,000.00
Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds	89,140,000.00		2,260,000.00		86,880,000.00	2,330,000.00
Revenue Financing System Bonds, Series 2010B Revenue Bonds	145,525,000.00		2,440,000.00		143,085,000.00	2,545,000.00
Revenue Financing System Bonds, Series 2011A Revenue Bonds	16,385,000.00		1,580,000.00		14,805,000.00	1,455,000.00
Tuition Revenue Bonds	5,665,000.00		1,150,000.00		4,515,000.00	1,180,000.00
Revenue Financing System Bonds, Series 2011B Revenue Bonds	105,365,000.00		1,880,000.00		103,485,000.00	1,940,000.00
	<u>\$ 2,137,305,000.00</u>	<u>\$ 283,575,000.00</u> [a]	<u>\$ 98,950,000.00</u>	<u>\$ 80,730,000.00</u>	<u>\$ 2,241,200,000.00</u> [b]	<u>\$ 111,210,000.00</u>
			(Schedule 2D)	(Schedule 2D)	(Schedule 2C)	(Schedule 2C)

UNAUDITED

SCHEDULE 2B - Concluded
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF CHANGES IN BONDED INDEBTEDNESS
 For the Year Ended August 31, 2012

	UNAMORTIZED PREMIUM	UNAMORTIZED DISCOUNT	GAIN/(LOSS) ON REFUNDING	NET BONDS OUTSTANDING AUG. 31, 2012	AMOUNTS DUE WITHIN ONE YEAR
Revenue Bonds - Self Supporting	<u>\$ 101,018,178.76</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,342,218,178.76</u> (Exhibit III)	<u>\$ 119,748,150.81</u>
[a] Bonds Issued or Converted					
Bond Issuance					
Permanent University Funds Bonds, Series 2011	\$ 87,145,000.00				
Permanent University Funds Bonds, Series 2012A	70,680,000.00				
Permanent University Funds Bonds, Taxable Series 2012B	<u>125,750,000.00</u>				
Total, Bonds Issued or Converted	<u>\$ 283,575,000.00</u>				
[b] Current Bonds Payable				\$ 119,748,150.81	
NonCurrent Bonds Payable				<u>2,222,470,027.95</u>	
Bonds Payable per Exhibit III				<u>\$ 2,342,218,178.76</u>	

UNAUDITED

SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION	YEAR ENDING AUGUST 31,				
	2013	2014	2015	2016	2017
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998					
Revenue Bonds					
Principal	\$ 1,583,725.00	\$ 1,583,725.00	\$ 1,583,725.00	\$ 1,583,725.00	\$ 1,583,725.00
Interest					
Permanent University Fund Refunding Bonds, Series 2003					
Revenue Bonds					
Principal	13,170,000.00	13,860,000.00	14,585,000.00	15,360,000.00	16,160,000.00
Interest	4,732,087.50	4,040,662.50	3,313,012.50	2,547,300.00	1,740,900.00
Permanent University Fund Bonds, Series 2006					
Revenue Bonds					
Principal	1,180,000.00	1,230,000.00	1,290,000.00	1,345,000.00	1,410,000.00
Interest	5,782,000.00	5,728,900.00	5,673,550.00	5,615,500.00	5,554,975.00
Permanent University Fund Bonds, Series 2009AB					
Revenue Bonds					
Principal	85,000.00	630,000.00	650,000.00	670,000.00	690,000.00
Interest	10,655,706.28	10,653,156.28	10,634,256.28	10,614,756.28	10,592,981.28
Permanent University Fund Bonds, Series 2011					
Revenue Bonds					
Principal	2,515,000.00	2,045,000.00	2,085,000.00	2,145,000.00	1,720,000.00
Interest	3,771,450.00	3,721,150.00	3,680,250.00	3,617,700.00	3,553,350.00
Permanent University Fund Bonds, Series 2012A					
Revenue Bonds					
Principal	0.00	0.00	0.00	0.00	0.00
Interest	3,345,679.16	3,511,500.00	3,511,500.00	3,511,500.00	3,511,500.00
Permanent University Fund Bonds, Taxable Series 2012B					
Revenue Bonds					
Principal	5,440,000.00	5,395,000.00	5,420,000.00	5,465,000.00	5,545,000.00
Interest	3,036,813.23	3,078,525.84	3,047,288.80	3,005,229.60	2,937,518.30
Revenue Financing System Bonds, Series 2002					
Revenue Bonds					
Principal	3,835,480.00	3,989,119.00			
Interest	311,143.04	161,559.32			
Tuition Revenue Bonds					
Principal	419,520.00	435,881.00			
Interest	34,014.46	17,653.18			
Revenue Financing System Bonds, Series 2003A					
Tuition Revenue Bonds					
Principal	6,355,000.00	6,685,000.00	3,545,000.00	3,725,000.00	3,915,000.00
Interest	2,634,712.50	2,301,075.00	1,950,112.50	1,764,000.00	1,577,750.00
Revenue Financing System Refunding Bonds, Series 2003B					
Revenue Bonds					
Principal	13,230,000.00	13,415,000.00	6,505,000.00	6,855,000.00	
Interest	2,100,262.50	1,405,687.50	701,400.00	359,887.50	
Revenue Financing System Bonds, Series 2005A					
Tuition Revenue Bonds					
Principal	10,845,000.00	11,385,000.00	11,550,000.00	11,465,000.00	10,990,000.00
Interest	5,008,243.76	4,465,993.78	3,896,743.78	3,319,243.74	2,745,993.76
Revenue Financing System Bonds, Series 2005B					
Revenue Bonds					
Principal	13,240,000.00	13,890,000.00	14,580,000.00	14,875,000.00	15,615,000.00
Interest	8,875,406.27	8,213,406.28	7,518,906.28	6,789,906.28	6,046,156.28
Revenue Financing System Bonds, Series 2008					
Revenue Bonds					
Principal	8,290,000.00	8,720,000.00	8,220,000.00	8,420,000.00	8,840,000.00
Interest	6,409,200.00	5,994,700.00	5,558,700.00	5,147,700.00	4,726,700.00
Tuition Revenue Bonds					
Principal	180,000.00	190,000.00	200,000.00	210,000.00	220,000.00
Interest	192,975.00	183,975.00	174,475.00	164,475.00	153,975.00
Revenue Financing System Bonds, Series 2009A					
Tuition Revenue Bonds					
Principal	8,425,000.00	8,850,000.00	9,255,000.00	9,720,000.00	10,145,000.00
Interest	10,520,450.00	10,099,200.00	9,693,700.00	9,230,950.00	8,801,950.00
Revenue Financing System Bonds, Series 2009B					
Revenue Bonds					
Principal	2,555,000.00	2,650,000.00	2,715,000.00	2,790,000.00	2,875,000.00
Interest	3,223,825.00	3,121,625.00	3,062,000.00	2,980,550.00	2,896,850.00
Revenue Financing System Bonds, Series 2009C					
Tuition Revenue Bonds					
Principal	1,670,000.00	1,725,000.00	1,775,000.00	1,850,000.00	1,915,000.00
Interest	1,861,575.00	1,811,475.00	1,759,725.00	1,688,725.00	1,614,725.00
Revenue Financing System Bonds, Series 2009D					
Revenue Bonds					
Principal	10,325,000.00	10,835,000.00	10,905,000.00	10,050,000.00	10,450,000.00
Interest	14,898,287.50	14,382,037.50	13,840,287.50	13,295,037.50	12,893,037.50
Revenue Financing System Bonds, Series 2010A					
Tuition Revenue Bonds					
Principal	2,330,000.00	2,420,000.00	6,480,000.00	6,735,000.00	7,005,000.00
Interest	4,044,975.00	3,951,775.00	3,854,975.00	3,595,775.00	3,326,375.00

UNAUDITED
SCHEDULE 2C
SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
SCHEDULE OF DEBT SERVICE REQUIREMENTS
For the Year Ended August 31, 2012

DESCRIPTION		2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	TOTAL REQUIREMENTS
Revenue Bonds - Self Supporting							
Permanent University Fund Bonds, Series 1998							
Revenue Bonds	Principal	\$ 9,710,000.00	\$ 15,465,000.00	\$ 3,620,000.00	\$	\$	\$ 28,795,000.00
	Interest	7,153,300.00	3,637,975.00	199,100.00			18,909,000.00
Permanent University Fund Refunding Bonds, Series 2003							
Revenue Bonds	Principal	17,000,000.00					90,135,000.00
	Interest	892,500.00					17,266,462.50
Permanent University Fund Bonds, Series 2006							
Revenue Bonds	Principal	1,475,000.00	21,670,000.00	47,500,000.00	40,000,000.00		117,100,000.00
	Interest	27,192,125.00	26,150,450.00	17,375,000.00	5,000,000.00		104,072,500.00
Permanent University Fund Bonds, Series 2009AB							
Revenue Bonds	Principal	23,990,000.00	57,705,000.00	98,435,000.00	30,090,000.00		212,945,000.00
	Interest	51,047,056.40	42,588,243.78	23,361,250.00	2,244,750.00		172,392,156.58
Permanent University Fund Bonds, Series 2011							
Revenue Bonds	Principal	16,945,000.00	26,955,000.00	30,480,000.00			84,890,000.00
	Interest	16,532,350.00	11,725,500.00	3,911,000.00			50,512,750.00
Permanent University Fund Bonds, Series 2012A							
Revenue Bonds	Principal	44,785,000.00	25,895,000.00				70,680,000.00
	Interest	14,412,500.00	1,956,000.00				33,760,179.16
Permanent University Fund Bonds, Taxable Series 2012B							
Revenue Bonds	Principal	29,215,000.00	32,985,000.00	36,285,000.00			125,750,000.00
	Interest	13,170,663.40	9,386,293.70	3,982,371.56			41,644,704.43
Revenue Financing System Bonds, Series 2002							
Revenue Bonds	Principal						7,824,599.00
	Interest						472,702.36
Tuition Revenue Bonds	Principal						855,401.00
	Interest						51,667.64
Revenue Financing System Bonds, Series 2003A							
Tuition Revenue Bonds	Principal	27,640,000.00					51,865,000.00
	Interest	4,751,000.00					14,978,650.00
Revenue Financing System Refunding Bonds, Series 2003B							
Revenue Bonds	Principal						40,005,000.00
	Interest						4,567,237.50
Revenue Financing System Bonds, Series 2005A							
Tuition Revenue Bonds	Principal	28,535,000.00	20,250,000.00				105,020,000.00
	Interest	8,645,087.52	2,057,750.00				30,139,056.34
Revenue Financing System Bonds, Series 2005B							
Revenue Bonds	Principal	68,190,000.00	40,585,000.00	10,070,000.00			191,045,000.00
	Interest	20,223,425.14	7,443,562.50	665,437.50			65,776,206.53
Revenue Financing System Bonds, Series 2008							
Revenue Bonds	Principal	37,890,000.00	36,125,000.00	6,125,000.00	7,320,000.00		129,950,000.00
	Interest	17,729,750.00	8,514,500.00	2,533,175.00	1,020,787.50		57,635,212.50
Tuition Revenue Bonds	Principal	1,270,000.00	1,625,000.00				3,895,000.00
	Interest	594,125.00	242,375.00				1,706,375.00
Revenue Financing System Bonds, Series 2009A							
Tuition Revenue Bonds	Principal	58,550,000.00	74,455,000.00	35,230,000.00			214,630,000.00
	Interest	36,189,150.00	20,278,500.00	2,663,750.00			107,477,650.00
Revenue Financing System Bonds, Series 2009B							
Revenue Bonds	Principal	14,190,000.00	18,005,000.00	12,775,000.00	8,620,000.00	4,080,000.00	71,255,000.00
	Interest	12,959,050.00	9,157,250.00	4,676,500.00	2,354,750.00	308,500.00	44,740,900.00
Revenue Financing System Bonds, Series 2009C							
Tuition Revenue Bonds	Principal	10,915,000.00	13,875,000.00	6,580,000.00			40,305,000.00
	Interest	6,759,500.00	3,794,250.00	497,500.00			19,787,475.00
Revenue Financing System Bonds, Series 2009D							
Revenue Bonds	Principal	60,345,000.00	74,470,000.00	66,895,000.00	33,550,000.00	13,660,000.00	301,485,000.00
	Interest	56,364,250.00	39,886,750.00	20,464,750.00	7,823,250.00	1,388,000.00	195,235,687.50
Revenue Financing System Bonds, Series 2010A							
Tuition Revenue Bonds	Principal	32,685,000.00	19,850,000.00	9,375,000.00			86,880,000.00
	Interest	11,602,925.00	5,204,875.00	636,750.00			36,218,425.00

UNAUDITED

SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION	YEAR ENDING AUGUST 31,				
	2013	2014	2015	2016	2017
Revenue Financing System Bonds, Series 2010B					
Revenue Bonds	2,545,000.00	2,635,000.00	12,980,000.00	13,660,000.00	7,195,000.00
Interest	7,102,450.00	7,000,650.00	6,895,250.00	6,246,250.00	5,563,250.00
Revenue Financing System Bonds, Series 2011A					
Tuition Revenue Bonds	1,180,000.00	1,230,000.00	1,055,000.00	785,000.00	265,000.00
Interest	168,800.00	133,400.00	84,200.00	42,000.00	10,600.00
Revenue Bonds	1,455,000.00	1,495,000.00	1,555,000.00	1,620,000.00	1,685,000.00
Interest	538,012.50	494,362.50	434,562.50	372,362.50	307,562.50
Revenue Financing System Bonds, Series 2011B					
Revenue Bonds	1,940,000.00	2,035,000.00	2,140,000.00	2,280,000.00	2,510,000.00
Interest	5,199,562.54	5,102,562.56	5,000,812.56	4,893,812.56	4,768,412.56
Total	217,241,356.24	216,903,757.24	213,359,432.70	210,411,385.96	194,058,287.18
Less Interest	(106,031,356.24)	(101,158,757.24)	(95,869,432.70)	(90,386,385.96)	(84,908,287.18)
Total Principal	<u>\$ 111,210,000.00</u>	<u>\$ 115,745,000.00</u>	<u>\$ 117,490,000.00</u>	<u>\$ 120,025,000.00</u>	<u>\$ 109,150,000.00</u>
	(Schedule 2B)				

UNAUDITED
 SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION		2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	TOTAL REQUIREMENTS
Revenue Financing System Bonds, Series 2010B							
Revenue Bonds	Principal	39,820,000.00	17,485,000.00	18,730,000.00	19,035,000.00	9,000,000.00	143,085,000.00
	Interest	22,138,000.00	14,357,000.00	9,705,500.00	5,197,750.00	680,500.00	84,886,600.00
Revenue Financing System Bonds, Series 2011A							
Tuition Revenue Bonds	Principal						4,515,000.00
	Interest						439,000.00
Revenue Bonds	Principal	6,995,000.00					14,805,000.00
	Interest	597,887.50					2,744,750.00
Revenue Financing System Bonds, Series 2011B							
Revenue Bonds	Principal	15,530,000.00	20,655,000.00	23,475,000.00	21,550,000.00	11,370,000.00	103,485,000.00
	Interest	21,550,487.80	16,734,337.80	11,413,693.92	5,885,287.50	1,455,500.00	82,004,469.80
Total		896,180,132.76	741,170,612.78	507,660,777.98	189,691,575.00	41,942,500.00	3,428,619,817.84
Less Interest		(350,505,132.76)	(223,115,612.78)	(102,085,777.98)	(29,526,575.00)	(3,832,500.00)	(1,187,419,817.84)
Total Principal		<u>\$ 545,675,000.00</u>	<u>\$ 518,055,000.00</u>	<u>\$ 405,575,000.00</u>	<u>\$ 160,165,000.00</u>	<u>38,110,000.00</u>	<u>\$ 2,241,200,000.00</u> (Schedule 2B)

UNAUDITED

SCHEDULE 2D
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
 For the Year Ended August 31, 2012

DESCRIPTION	PLEGGED REVENUES, OTHER SOURCES AND RELATED EXPENDITURES					
	OPERATING REVENUES	INTEREST EARNED ON INVESTMENTS	OTHER PLEDGED REVENUES	TOTAL PLEDGED REVENUES	OTHER SOURCES	OPERATING EXPENSES & EXPENDITURES
Permanent University Fund Bonds	\$	\$ 1,170,979.72	\$ 199,829,438.08	\$ 201,000,417.80	\$	\$
Revenue Financing System Bonds	1,570,022,242.00	68,948,937.37	32,662,432.15	1,671,633,611.52		
	\$ 1,570,022,242.00	\$ 70,119,917.09	\$ 232,491,870.23	\$ 1,872,634,029.32	\$	\$

[a] Analysis of Interest Earned on Investments

Permanent University Fund Bonds					\$ 1,170,979.72
Interest Earned on The Texas A&M University System Available Fund					
Revenue Financing System Bonds					
Interest Earned on Local Funds				\$ 67,976,541.98	
Special Mineral Income Fund Investment Income				972,395.39	68,948,937.37
Total Interest Earned on Investments					\$ 70,119,917.09

[b] Analysis of Other Pledged Revenues

Permanent University Fund Bonds					\$ 199,829,438.08
Distributions from University of Texas System					
Revenue Financing System Bonds					
Other NonOperating Revenues					32,662,432.15
Total Other Pledged Revenues					\$ 232,491,870.23

UNAUDITED

SCHEDULE 2D
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
 For the Year Ended August 31, 2012

CAPITAL OUTLAY	NET AVAILABLE FOR DEBT SERVICE	DEBT SERVICE		REFUNDED OR EXTINGUISHED	RESTRICTED ACCOUNT BALANCES			
		PRINCIPAL	INTEREST		INTEREST AND SINKING FUND REQUIRED	SINKING FUND ACTUAL	BOND RESERVE FUND	
							REQUIRED	ACTUAL
\$	\$ 201,000,417.80	\$ 15,975,000.00	\$ 30,084,292.79	\$ 80,730,000.00	\$ N/A	\$ N/A	\$ N/A	\$ N/A
	1,671,633,611.52	82,975,000.00	76,984,185.04	0.00	N/A	N/A	N/A	N/A
			[c]					
\$	0.00	\$ 98,950,000.00	\$ 107,068,477.83	\$ 80,730,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
		(Schedule 2B)		(Schedule 2B)				

[c]Debt Service-Interest (IV)

Interest Expense and Fiscal Charges	\$ 106,368,180.58
Less:	
Interest on Permanent University Fund Notes	\$ 85,264.40
Interest on Revenue Financing System Commercial Paper	105,066.20
Other Member's Interest Expense (non-bonds)	391,678.57
Interest Expense on Defeased Bonds	7,338,215.11
	(7,920,224.28)
Plus Capitalized Interest Expense	8,620,521.53
Total, Debt Service-Interest	<u>\$ 107,068,477.83</u>

Estimated Expenses Associated with Pledged Revenues

Permanent University Fund Bonds	\$ 113,118,481.85
Revenue Financing System Bonds	940,757,528.81
Total Estimated Expenses Associated with Pledged Revenues	<u>\$ 1,053,876,010.66</u>

UNAUDITED

SCHEDULE 2E
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEFEASED BONDS OUTSTANDING
 For the Year Ended August 31, 2012

DESCRIPTION OF ISSUES	CALENDAR YEAR REFUNDED	PAR VALUE OUTSTANDING AUGUST 31, 2012
The Texas A&M University System		
Permanent University Fund Bonds,		
Series 2004	2012	\$ 79,715,000.00
Revenue Financing System		
Series 2003A	2010	28,560,000.00
Series 2003B	2010	13,210,000.00
Tarleton State University		
Housing System Revenue Bonds,		
Series 1983 B	1990	<u>75,000.00</u>
Total		<u>\$ 121,560,000.00</u>

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SCHEDULE 2F

SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF EARLY EXTINGUISHMENT AND REFUNDING
 For the Year Ended August 31, 2012

<u>DESCRIPTION</u>	<u>CATEGORY</u>	<u>REFUNDING ISSUE PAR VALUE</u>	<u>AMOUNT EXTINGUISHED OR REFUNDED</u>	<u>CASH FLOW INCREASE (DECREASE)</u>	<u>ECONOMIC GAIN / (LOSS)</u>
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998 Revenue Bonds	Current Refunding	\$ 1,015,000.00	\$ 1,015,000.00	\$ 50,748.61	\$ 50,385.28
Permanent University Fund Bonds, Series 2004 Revenue Bonds	Advance Refunding	<u>70,680,000.00</u>	<u>79,715,000.00</u>	<u>13,639,670.84</u>	<u>10,973,646.61</u>
Total, Early Extinguishment and Refunding		<u>\$ 71,695,000.00</u>	<u>\$ 80,730,000.00</u>	<u>\$ 13,690,419.45</u>	<u>\$ 11,024,031.89</u>

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THE TEXAS A&M UNIVERSITY SYSTEM
COMBINED STATEMENTS

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SCHEDULE THREE

THE TEXAS A&M UNIVERSITY SYSTEM

COMBINED SCHEDULE OF CASH & CASH EQUIVALENTS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
CASH & CASH EQUIVALENTS	
Unrestricted	
Cash On Hand	
Cashiers Account	\$ 109,217.59
Petty Cash Department Working Fund	411,451.04
Temporary Working Fund	11,948.81
Total Cash On Hand	<u>\$ 532,617.44</u>
Cash In Bank	\$ 18,097,971.90
Cash In State Treasury	
Fund 0047	\$ 105,722,906.83
Fund 0230	12,286,519.52
Fund 0231	6,557,360.28
Fund 0232	5,644,033.46
Fund 0242	57,766,533.69
Fund 0243	7,655,663.80
Fund 0245	47,309,255.14
Fund 0254	10,611,436.58
Fund 0257	8,338,365.01
Fund 0263	739,777.76
Fund 0275	5,745,276.59
Fund 0289	8,698,453.12
Fund 0290	5,667,607.16
Fund 0291	4,135,830.83
Fund 0818	3,165,086.83
Fund 0900	53,798.81
Fund 5029	7,436,159.26
Fund 5056	31,182.86
Fund 5064	65,508,059.41
Fund 5066	3,660,366.77
Fund 5130	7,701.31
Fund 5131	7,751.13
Fund 5132	1,178.79
Fund 5133	5,675.86
Total Cash In State Treasury	<u>\$ 366,755,980.80</u>
Reimbursements Due From State Treasury	\$ 8,018,643.43
Cash Equivalents	360,331,350.89
Total Unrestricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 753,736,564.46</u>
Restricted	
Cash On Hand	
Petty Cash Department Working Fund	\$ 268,900.00
Cash In Bank	\$ 15,924,439.88
Cash Equivalents	323,470,577.80
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 339,663,917.68</u>
TOTAL CASH & CASH EQUIVALENTS [EXHIBIT V]	<u>\$ 1,093,400,482.14</u>

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THE TEXAS A&M UNIVERSITY SYSTEM
COMBINED STATEMENTS

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY SYSTEM OFFICES

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



JOHN SHARP, CHANCELLOR

GREGORY R. ANDERSON, CHIEF FINANCIAL OFFICER AND TREASURER

JOSEPH DURON, EXECUTIVE DIRECTOR, BUDGETS AND ACCOUNTING

TERESA L. BASS, COMPTROLLER

COLLEGE STATION, TEXAS

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TEXAS A&M SYSTEM OFFICES

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TEXAS A&M UNIVERSITY SYSTEM OFFICES
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EXHIBIT III
TEXAS A&M UNIVERSITY SYSTEM OFFICES
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	783,685,841.81	665,402,263.56
Securities Lending Collateral		
Investments		
Derivative Instruments	(995,896.09)	(33,058.12)
Hedging Derivative Instruments		
Deferred Outflow of Resources	2,244,010.00	4,739,941.00
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments	253,548,348.04	203,977,916.21
Legislative Appropriations		
Receivables, Net:	289,676.20	71,812.83
Federal	1,121,500.94	2,616,623.18
Other Intergovernmental		
Interest and Dividends	6,463,063.04	6,862,455.67
Gifts, Pledges and Donations	259,800.00	
Self-Insured Health and Dental	18,667,261.66	17,945,575.55
Student		
Investment Trades		
Accounts	160,396,351.24	19,474,668.98
Other	6,106,336.82	
Due From Other Agencies	1,040,631.26	7,105,195.94
Due From Other Members	1,779,244.20	1,115,757.58
Due From Other Funds	35,040,810.10	39,371,565.82
Consumable Inventories		
Merchandise Inventories	16,210.58	18,658.84
Deferred Charges		
Loans and Contracts		
Interfund Receivable	22,390,000.00	115,215,000.00
Other Current Assets	904,330.50	694,256.50
Total Current Assets	<u>\$ 1,292,957,520.30</u>	<u>\$ 1,084,578,633.54</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices	2,042,554.09	1,656,092.39
Investments		
Loans, Contracts and Other		
Pledges Receivable	779,400.00	
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	197,517,641.34	186,026,870.78
Investments	2,502,713,229.14	2,370,498,127.83
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		2,244,010.00
Interfund Receivable	734,789,840.87	529,210,000.00
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements		
Construction In Progress	300,040,184.07	625,655,328.26
Other Tangible Capital Assets	230,000.25	231,200.25
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements		
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	1,363,329.23	1,131,695.89
Vehicles, Boats, and Aircraft	9,397,638.43	6,594,670.45
Other Capital Assets	84,522.47	79,555.33
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	1,424,019.57	1,442,871.35
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(9,225,864.47)	(8,685,948.72)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 3,741,156,494.99</u>	<u>\$ 3,716,084,473.81</u>
Total Assets and Deferred Outflows	<u>\$ 5,034,114,015.29</u>	<u>\$ 4,800,663,107.35</u>

UNAUDITED

EXHIBIT III
TEXAS A&M UNIVERSITY SYSTEM OFFICES
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 8,996,145.73	\$ 7,542,346.04
Payroll	2,813,111.85	2,287,427.23
Investment Trades	87,549,602.36	29,043,035.19
Self-Insured Health and Dental	23,564,888.32	18,317,472.35
Other	1,385,312.80	1,104,147.90
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members		
Funds Held for Investment	106,837,310.61	124,144,771.18
Hedging Derivative Instruments	3,231,201,303.78	2,879,604,443.45
Deferred Inflow of Resources	2,244,010.00	4,739,941.00
Unearned Revenue	477,834.05	923,421.89
Employees' Compensable Leave	171,969.00	124,613.00
Claims and Judgments	2,311,000.00	
Notes and Loans Payable	8,008,333.34	101,568,333.34
Bonds Payable	119,748,150.81	103,324,370.77
Capital Lease Obligations		
Liabilities Payable From Restricted Assets	18,481,329.20	28,235,745.37
Funds Held for Others	2,267,604.75	2,020,017.10
Obligations/Securities Lending		
Other Current Liabilities	60,128.40	624,762.55
Total Current Liabilities	<u>\$ 3,616,118,035.00</u>	<u>\$ 3,303,604,848.36</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	2,409,580.99	2,152,575.95
Other Post Employment Benefits	603,878,029.00	476,809,489.00
Claims and Judgments	4,257,000.00	5,244,262.00
Notes and Loans Payable	195,324,999.98	9,923,333.32
Bonds Payable	2,222,470,027.95	2,114,248,337.89
Hedging Derivative Instruments		2,244,010.00
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets	2,376,072.07	14,050,403.05
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	345,000.00	25,000.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 3,031,060,709.99</u>	<u>\$ 2,624,697,411.21</u>
Total Liabilities and Deferred Inflows	<u>\$ 6,647,178,744.99</u>	<u>\$ 5,928,302,259.57</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ (2,010,991,728.79)	\$ (1,542,967,390.97)
Restricted For:		
Debt Service		
Capital Projects	(6,885,168.87)	(17,945,968.43)
Education	3,671,129.46	5,006,589.87
Endowment and Permanent Funds:		
Nonexpendable		
Expendable	44,844.92	37,696.17
Unrestricted	401,096,193.58	428,229,921.14
Total Net Assets [Exhibit IV]	<u>\$ (1,613,064,729.70)</u>	<u>\$ (1,127,639,152.22)</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 5,034,114,015.29</u>	<u>\$ 4,800,663,107.35</u>

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		144,741.00
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	6,714,591.99	9,037,485.12
Discounts and Allowances-Sales		
	<u> </u>	<u> </u>
Total Sales of Goods and Services	\$ 6,714,591.99	\$ 9,182,226.12
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	6,426,122.09	6,037,412.68
Federal Pass Through Revenue	586,295.68	386,637.30
State Grant Revenue		
State Pass Through Revenue	617,655.55	209,394.55
Other Grants and Contracts - Operating	74,535.67	878,114.08
Other Operating Revenue	72,002.92	6,673,949.48
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 14,491,203.90	\$ 23,367,734.21
Operating Expenses		
Instruction	\$ 416,499.34	\$ 793,284.22
Research	1,802,453.97	889,369.16
Public Service	42,715.83	105,894.96
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	156,750,682.18	155,839,376.87
Operation & Maintenance of Plant	399,044.48	1,455,171.42
Scholarships & Fellowships	774,424.50	3,300.00
Auxiliary		
Depreciation/Amortization	420,849.19	140,702.91
	<u> </u>	<u> </u>
Total Operating Expenses [Schedule IV-1]	\$ 160,606,669.49	\$ 159,227,099.54
Total Operating Income [Loss]	\$ (146,115,465.59)	\$ (135,859,365.33)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 2,380,767.97	\$ 6,943,900.50
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	1,465,456.79	467,014.85
Land Income	2,263,200.96	3,028,791.88
Investment Income	10,977,964.06	17,654,519.87
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(199,875.34)	(709,307.58)
Interest Expense and Fiscal Charges	(106,049,372.38)	(88,736,415.32)
Borrower Rebates and Agent Fees	(2,185,240.66)	(1,019,933.32)
Gain [Loss] On Sale or Disposal of Capital Assets	(2,222.05)	
Net Increase [Decrease] In Fair Value	30,830,488.29	44,854,696.49
Settlement of Claims		
Other Nonoperating Revenues	5,774,400.15	35,268,787.10
Other Nonoperating [Expenses]	(8,513,792.56)	(2,806,290.80)
	<u> </u>	<u> </u>
Total Nonoperating Revenues [Expenses]	\$ (63,258,224.77)	\$ 14,945,763.67
Income [Loss] Before Other Revenues and Transfers	\$ (209,373,690.36)	\$ (120,913,601.66)

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 58,758.34	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	7,283.33	
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	312,584,278.95	206,801,020.73
Mandatory Transfers From Other Members	103,223,111.56	93,121,400.38
Nonmandatory Transfers From Other Members	35,897,244.89	45,598,743.09
Nonmandatory Transfers From Members/Agencies-Cap Assets	3,231,769.59	3,483.94
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members	(189,835,905.72)	(183,700,641.33)
Nonmandatory Transfers to Members/Agencies - Cap Assets	(608,910,723.56)	(321,539,697.39)
Legislative Transfers - In	66,432,968.26	80,726,981.49
Legislative Transfers - Out		
Legislative Appropriations Lapsed		
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ (277,311,214.36)	\$ (78,988,709.09)
	<u> </u>	<u> </u>
Change In Net Assets	\$ (486,684,904.72)	\$ (199,902,310.75)
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010	\$ (1,127,639,152.22)	\$ (590,337,176.47)
Restatement	1,259,327.24	(337,399,665.00)
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ (1,126,379,824.98)	\$ (927,736,841.47)
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ (1,613,064,729.70)	\$ (1,127,639,152.22)
	<u> </u>	<u> </u>

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SCHEDULE IV-1
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	24,890.69	1,019,104.15	1,782.71		
Payroll Related Costs	4,172.18	206,247.93	395.61		
Professional Fees & Services	18,936.25	45,943.06			
Travel	12,071.14	1,254.51	1,938.97		
Materials & Supplies	(2,944.64)	421,436.85	117.58		
Communication & Utilities	300.00				
Repairs & Maintenance		4,940.00			
Rentals & Leases					
Printing & Reproduction					
Federal Pass-Through					
State Pass-Through	53,606.18	91,875.00			
Depreciation & Amortization					
Bad Debt Expense					
Interest	6.52	2,536.86			
Scholarships	252,139.00				
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	53,322.02	9,115.61	38,480.96		
Total Operating Expenses	\$ 416,499.34	\$ 1,802,453.97	\$ 42,715.83	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	12,716,753.49					13,762,531.04	12,266,841.64
	3,277,111.20					3,487,926.92	2,893,412.76
	3,779,687.07					3,844,566.38	2,945,820.11
	177,097.88					192,362.50	208,964.86
	290,382.67	298,393.21				1,007,385.67	257,571.98
	855,965.77					856,265.77	803,568.28
	176,056.44	93,430.42				274,426.86	221,996.86
	741,485.90					741,485.90	2,076,753.39
	89,427.19					89,427.19	75,131.21
	416,850.18					416,850.18	205,871.53
			770,711.00			916,192.18	289,436.97
					420,849.19	420,849.19	140,702.91
	1,139.12	2,881.37				6,563.87	3,448.06
	5,295,279.26		3,600.00			255,739.00	267,400.00
	127,068,540.00					5,295,279.26	1,494,500.64
	1,864,906.01	4,339.48	113.50			127,068,540.00	134,429,902.00
						1,970,277.58	645,776.34
<u>\$</u>	<u>\$ 156,750,682.18</u>	<u>\$ 399,044.48</u>	<u>\$ 774,424.50</u>	<u>\$</u>	<u>\$ 420,849.19</u>	<u>\$ 160,606,669.49</u>	<u>\$ 159,227,099.54</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY SYSTEM OFFICES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	2,282,679.22	3,650,920.24
Proceeds From Sponsored Programs	8,034,380.22	7,893,365.17
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	4,581,881.32	46,817.09
Payments to Suppliers for Goods and Services	(3,889,792.72)	(7,591,296.97)
Payments to Employees - Salaries	(13,346,179.24)	(12,209,576.45)
Payments to Employees - Benefits	(3,318,995.61)	(2,981,980.67)
Payments for Loans Provided		
Payments for Other Expenses	(3,895,819.49)	(5,547,273.65)
Net Cash Provided [Used] By Operating Activities	\$ (9,551,846.30)	\$ (16,739,025.24)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 2,162,904.60	\$ 7,558,974.90
Proceeds From Gifts	426,256.79	467,014.85
Proceeds From Endowments	7,283.33	
Proceeds - Transfers From Other Funds	199,392,029.09	173,945,370.11
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues	7,524,097.94	5,931,064.03
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses	(2,362,145.07)	(2,713,938.53)
Other Noncapital Transfers From/To System	(159,346,865.40)	(106,521,206.43)
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 47,803,561.28	\$ 78,667,278.93
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets		
Proceeds From Capital Debt Issuance	\$ 691,494,027.75	\$ 231,449,711.00
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(308,781,203.36)	(473,913,162.35)
Payments of Principal On Debt	(475,006,890.99)	(192,188,333.34)
Payments for Capital Leases		
Payments for Interest On Capital Related Debt	(106,049,372.38)	(88,700,723.54)
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance	(2,182,541.36)	(1,003,770.30)
Transfer of Capital Debt Proceeds From System [Nonmandatory]	(34,165,742.18)	(28,554,095.00)
Intrasystem Transfers for Capital Debt [Mandatory]	169,656,079.82	173,848,381.87
Intrasystem Transfers for Construction Proceeds [Non-Mand]	26,285,590.96	26,649,502.24
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (38,750,051.74)	\$ (352,412,489.42)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$ 1,602,144,072.51	\$ 3,633,615,258.77
Sales and Purchases of Investments Held By System	275,986,132.73	13,222,585.63
Proceeds From Interest and Investment Income	10,821,122.28	16,849,042.10
Payments to Acquire Investments	(1,720,598,980.68)	(3,077,470,348.36)
Net Cash Provided [Used] By Investing Activities	\$ 168,352,346.84	\$ 586,216,538.14
Increase [Decrease] In Cash and Cash Equivalents	\$ 167,854,010.08	\$ 295,732,302.41
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 869,380,179.77	\$ 573,647,877.36
Restated Beginning Cash and Cash Equivalents	\$ 869,380,179.77	\$ 573,647,877.36
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 1,037,234,189.85	\$ 869,380,179.77

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(146,115,465.59)	(135,859,365.33)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	420,849.19	140,702.91
Bad Debt Expense		
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	531,663.99	(3,009,451.09)
Due From Other Agencies/Funds	(226,077.63)	1,311,473.13
Due From System Members	(102,946.19)	(8,117.23)
Inventory	2,448.26	4,217.31
Deferred Charges		
Prepaid Expenses	(210,074.00)	203,170.50
Loans and Contracts		
Other Assets		
Payables	1,721,059.80	(4,339,234.02)
Due to Other Agencies/Funds		
Due to System Members	414,597.13	(1,394,364.25)
Unearned Revenue	67,915.33	(9,638,997.47)
Deposits	128.40	
Compensated Absence Liability	304,361.04	115,194.95
Other Post Employment Benefits Liability	127,068,540.00	134,429,902.00
Self Insured Accrued Liability	6,571,153.97	1,305,843.35
Other Liabilities		
Total Adjustments	<u>\$ 136,563,619.29</u>	<u>\$ 119,120,340.09</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (9,551,846.30)</u>	<u>\$ (16,739,025.24)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	1,686,393.33	10,447,118.56
Gain/Loss On Sale or Disposal of Capital Assets	(2,229.74)	
Refunding of Long Term Debt	301,730,000.00	42,955,000.00
Amortization of Bond Premiums and Discounts	6,718,087.55	6,250,289.00
Other	(605,678,953.97)	(321,536,213.45)

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SCHEDULE I - A
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
<u>Pass-Through From:</u>					
Transition to Teaching	84.350			\$	\$
<i>Pass-Through From:</i> <i>University of Texas at San Antonio</i>			743	21,344.91	
Mathematics and Science Partnerships	84.366				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	149,176.70	
Totals - U.S. Department of Education				170,521.61	
U.S. Department of Homeland Security					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<i>Pass-Through From:</i> <i>Department of Public Safety</i>			405	415,774.07	
<i>Pass-Through To:</i> <i>Texas A&M University at Galveston</i>					
Totals - U.S. Department of Homeland Security				415,774.07	
Research & Development Cluster					
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Biomedical Advanced Research and Development Authority (BARDA), Biodefense	93.360				
Medical Countermeasure Development					
Totals - U.S. Department of Health and Human Services					
Total Expenditures of Federal Awards				\$ 586,295.68	\$ -

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 21,344.91		\$	\$	\$ 21,344.91	\$ 21,344.91
	149,176.70				149,176.70	149,176.70
	<u>170,521.61</u>				<u>170,521.61</u>	<u>170,521.61</u>
	415,774.07				(1,076.11)	415,774.07
		718	416,850.18			
	<u>415,774.07</u>		<u>416,850.18</u>		<u>(1,076.11)</u>	<u>415,774.07</u>
225,289.94	225,289.94				225,289.94	225,289.94
225,289.94	225,289.94				225,289.94	225,289.94
<u>\$ 225,289.94</u>	<u>\$ 811,585.62</u>		<u>\$ 416,850.18</u>	<u>\$ -</u>	<u>\$ 394,735.44</u>	<u>\$ 811,585.62</u>

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 6,426,122.09
Federal Grants and Contracts - Non-operating	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 586,295.68
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	<u>586,295.68</u>
Federal Appropriations	586,295.68
Total Federal Revenue per Exhibit IV	<u>\$ 7,012,417.77</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	
Federal Direct Student Loans	
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants to/from TAMRF	(1,005,691.75)
Medicare Part D	(3,834,331.80)
Early Retirement Reinsurance Program	(1,360,808.60)
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	<u>\$ 811,585.62</u>

UNAUDITED

SCHEDULE 1 - A
TEXAS A&M UNIVERSITY SYSTEM OFFICES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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TEXAS A&M SYSTEM OFFICES

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Emerging Tech Governor - Fiscal	300.0005	300	\$ 250,000.00
Regenerative Medicine Research Texas A&M University System Health Science Center	709.0002	709	75,000.00
Teacher Mentoring Program University of Texas at Austin	721.0003	721	292,655.55
Total Pass-Through From State Agencies			\$ <u>617,655.55</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Need Based Scholarships Texas A&M University System Health Science Center	710.0003	709	\$ 628.00
Texas A&M University		711	170,821.00
Tarleton State University		713	60,554.00
Prairie View A&M University		715	105,673.00
Texas A&M University at Galveston		718	8,723.00
Texas A&M University - Kingsville		732	61,540.00
Texas A&M University - San Antonio		749	22,791.00
Texas A&M University - Commerce		751	90,101.00
West Texas A&M University		757	48,715.00
Texas A&M University - Corpus Christi		760	104,922.00
Texas A&M International University		761	73,068.00
Texas A&M University - Texarkana		764	9,530.00
Texas A&M University - Central Texas		770	13,645.00
			<u>770,711.00</u>
Endangered Species Taskforce Texas AgriLife Extension Service	710.0005	555	91,875.00
Beginning Teacher Induction and Mentoring (BTIM) Program Tarleton State University	710.0006	713	53,606.18
Total Pass-Through To State Agencies			\$ <u>916,192.18</u> (Schedule IV-1)

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TEXAS A&M SYSTEM OFFICES

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SCHEDULE 2A
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF MISCELLANEOUS BOND INFORMATION
 For the Year Ended August 31, 2012

DESCRIPTION	BONDS ISSUED TO DATE	RANGE OF INTEREST RATES	MATURITIES			
			FIRST YEAR	LAST YEAR	FIRST CALL DATE	
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998 Revenue Bonds	\$ 92,520,000.00	3.55 - 5.5%	7/1/1999	7/1/2028	7/1/2008	(1) (2)
Permanent University Fund Refunding Bonds, Series 2003 Revenue Bonds	102,645,000.00	5.25%	7/1/2012	7/1/2018	7/1/2013	(1)
Permanent University Fund Bonds, Series 2004 Revenue Bonds	79,715,000.00	4.5 - 5.25%	7/1/2019	7/1/2024	7/1/2014	(1)
Permanent University Fund Bonds, Series 2006 Revenue Bonds	165,940,000.00	4.5 - 5.0%	7/1/2007	7/1/2036	7/1/2016	(1)
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	218,895,000.00	2.5 - 5.5%	7/1/2010	7/1/2034	7/1/2019	(1) (2)
Permanent University Fund Bonds, Series 2011 Revenue Bonds	87,145,000.00	2.0 - 5.0%	7/1/2012	7/1/2031	7/1/2021	(1)
Permanent University Fund Bonds, Series 2012A Revenue Bonds	70,680,000.00	4.0 - 5.0%	7/1/2013	7/1/2024	7/1/2022	(1)
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds	125,750,000.00	0.579 - 3.575%	7/1/2013	7/1/2032	Make Whole	(2) (3)
Revenue Financing System Bonds, Series 2002 Revenue Bonds	86,935,000.00	1.5 - 4.9%	5/15/2003	5/15/2014	5/15/2012	(1)
Tuition Revenue Bonds	6,900,000.00					
Revenue Financing System Bonds, Series 2003A Tuition Revenue Bonds	117,135,000.00	4.0 - 5.25%	5/15/2006	5/15/2022	5/15/2013	(1)
Revenue Financing System Refunding Bonds, Series 2003B Revenue Bonds	117,140,000.00	2.0 - 5.25%	5/15/2004	5/15/2016	5/15/2013	(1)
Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds	148,895,000.00	4.0 - 5.25%	5/15/2006	5/15/2025	5/15/2015	(1)
Revenue Financing System Bonds, Series 2005B Revenue Bonds	275,755,000.00	4.0 - 5.25%	5/15/2006	5/15/2029	5/15/2015	(1) (2)
Revenue Financing System Bonds, Series 2008 Revenue Bonds	164,900,000.00	4.5 - 5.0%	5/15/2008	5/15/2037 5/15/2027	5/15/2018	(1) (2)
Tuition Revenue Bonds	4,615,000.00					
Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds	251,735,000.00	3.0 - 5.0%	5/15/2010	5/15/2029	5/15/2019	(1)
Revenue Financing System Bonds, Series 2009B Revenue Bonds	78,085,000.00	2.25 - 5.0%	5/15/2010	5/15/2039	5/15/2019	(1) (2)
Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds	54,240,000.00	2.0 - 5.0%	5/15/2010	5/15/2029	11/15/2019	(1)
Revenue Financing System Bonds, Series 2009D Revenue Bonds	320,760,000.00	4.0 - 5.0%	5/15/2011	5/15/2040	11/15/2019	(1) (2)
Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds	95,065,000.00	1.5 - 5.0%	8/2/2010	5/15/2029	5/15/2020	(1)
Revenue Financing System Bonds, Series 2010B Revenue Bonds	146,120,000.00	3.0 - 5.0%	5/15/2011	5/15/2039	5/15/2020	(1) (2)
Revenue Financing System Bonds, Series 2011A Revenue Bonds	16,605,000.00	2.5 - 4.0%	5/15/2011	5/15/2021 5/15/2017	5/15/2020	(1)
Tuition Revenue Bonds	5,730,000.00					
Revenue Financing System Bonds, Series 2011B Revenue Bonds	105,365,000.00	3.0 - 5.5%	5/15/2012	5/15/2041	5/15/2020	(1) (2)
	<u>\$ 2,939,270,000.00</u>					

(1) Option for Partial Redemption

(2) Mandatory Redemption Required

(3) Subject to redemption prior to maturity on any business day at the "Make Whole Redemption Price"

UNAUDITED

SCHEDULE 2B
SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
SCHEDULE OF CHANGES IN BONDED INDEBTEDNESS
For the Year Ended August 31, 2012

DESCRIPTION	BONDS OUTSTANDING SEPT. 1, 2011	BONDS ISSUED OR CONVERTED	BONDS MATURED OR RETIRED	BONDS REFUNDED	BONDS OUTSTANDING AUG. 31, 2012	AMOUNTS DUE WITHIN ONE YEAR
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998 Revenue Bonds	\$ 29,810,000.00	\$	\$	\$ 1,015,000.00	\$ 28,795,000.00	\$ -
Permanent University Fund Refunding Bonds, Series 2003 Revenue Bonds	102,645,000.00		12,510,000.00		90,135,000.00	13,170,000.00
Permanent University Fund Bonds, Series 2004 Revenue Bonds	79,715,000.00			79,715,000.00	-	-
Permanent University Fund Bonds, Series 2006 Revenue Bonds	118,230,000.00		1,130,000.00		117,100,000.00	1,180,000.00
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	213,025,000.00		80,000.00		212,945,000.00	85,000.00
Permanent University Fund Bonds, Series 2011 Revenue Bonds	-	87,145,000.00	2,255,000.00		84,890,000.00	2,515,000.00
Permanent University Fund Bonds, Series 2012A Revenue Bonds	-	70,680,000.00			70,680,000.00	-
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds	-	125,750,000.00			125,750,000.00	5,440,000.00
Revenue Financing System Bonds, Series 2002 Revenue Bonds	11,525,437.00		3,700,838.00		7,824,599.00	3,835,480.00
Tuition Revenue Bonds	1,259,563.00		404,162.00		855,401.00	419,520.00
Revenue Financing System Bonds, Series 2003A Tuition Revenue Bonds	57,905,000.00		6,040,000.00		51,865,000.00	6,355,000.00
Revenue Financing System Refunding Bonds, Series 2003B Revenue Bonds	41,055,000.00		1,050,000.00		40,005,000.00	13,230,000.00
Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds	115,370,000.00		10,350,000.00		105,020,000.00	10,845,000.00
Revenue Financing System Bonds, Series 2005B Revenue Bonds	213,000,000.00		21,955,000.00		191,045,000.00	13,240,000.00
Revenue Financing System Bonds, Series 2008 Revenue Bonds	137,990,000.00		8,040,000.00		129,950,000.00	8,290,000.00
Tuition Revenue Bonds	4,065,000.00		170,000.00		3,895,000.00	180,000.00
Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds	222,655,000.00		8,025,000.00		214,630,000.00	8,425,000.00
Revenue Financing System Bonds, Series 2009B Revenue Bonds	73,735,000.00		2,480,000.00		71,255,000.00	2,555,000.00
Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds	41,925,000.00		1,620,000.00		40,305,000.00	1,670,000.00
Revenue Financing System Bonds, Series 2009D Revenue Bonds	311,315,000.00		9,830,000.00		301,485,000.00	10,325,000.00
Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds	89,140,000.00		2,260,000.00		86,880,000.00	2,330,000.00
Revenue Financing System Bonds, Series 2010B Revenue Bonds	145,525,000.00		2,440,000.00		143,085,000.00	2,545,000.00
Revenue Financing System Bonds, Series 2011A Revenue Bonds	16,385,000.00		1,580,000.00		14,805,000.00	1,455,000.00
Tuition Revenue Bonds	5,665,000.00		1,150,000.00		4,515,000.00	1,180,000.00
Revenue Financing System Bonds, Series 2011B Revenue Bonds	105,365,000.00		1,880,000.00		103,485,000.00	1,940,000.00
		[a]			[b]	
	\$ 2,137,305,000.00	\$ 283,575,000.00	\$ 98,950,000.00	\$ 80,730,000.00	\$ 2,241,200,000.00	\$ 111,210,000.00
			(Schedule 2D)	(Schedule 2D)	(Schedule 2C)	(Schedule 2C)

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SCHEDULE 2B - Concluded
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF CHANGES IN BONDED INDEBTEDNESS
 For the Year Ended August 31, 2012

	UNAMORTIZED PREMIUM	UNAMORTIZED DISCOUNT	GAIN/(LOSS) ON REFUNDING	NET BONDS OUTSTANDING AUG. 31, 2012	AMOUNTS DUE WITHIN ONE YEAR
Revenue Bonds - Self Supporting	<u>\$ 101,018,178.76</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,342,218,178.76</u> (Exhibit III)	<u>\$ 119,748,150.81</u>
[a] Bonds Issued or Converted					
Bond Issuance					
Permanent University Funds Bonds, Series 2011	\$ 87,145,000.00				
Permanent University Funds Bonds, Series 2012A	70,680,000.00				
Permanent University Funds Bonds, Taxable Series 2012B	125,750,000.00				
Total, Bonds Issued or Converted	<u>\$ 283,575,000.00</u>				
[b] Current Bonds Payable				\$ 119,748,150.81	
NonCurrent Bonds Payable				2,222,470,027.95	
Bonds Payable per Exhibit III				<u>\$ 2,342,218,178.76</u>	

UNAUDITED

SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION	YEAR ENDING AUGUST 31,				
	2013	2014	2015	2016	2017
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998					
Revenue Bonds					
Principal	\$	\$	\$	\$	\$
Interest	1,583,725.00	1,583,725.00	1,583,725.00	1,583,725.00	1,583,725.00
Permanent University Fund Refunding Bonds, Series 2003					
Revenue Bonds					
Principal	13,170,000.00	13,860,000.00	14,585,000.00	15,360,000.00	16,160,000.00
Interest	4,732,087.50	4,040,662.50	3,313,012.50	2,547,300.00	1,740,900.00
Permanent University Fund Bonds, Series 2006					
Revenue Bonds					
Principal	1,180,000.00	1,230,000.00	1,290,000.00	1,345,000.00	1,410,000.00
Interest	5,782,000.00	5,728,900.00	5,673,550.00	5,615,500.00	5,554,975.00
Permanent University Fund Bonds, Series 2009AB					
Revenue Bonds					
Principal	85,000.00	630,000.00	650,000.00	670,000.00	690,000.00
Interest	10,655,706.28	10,653,156.28	10,634,256.28	10,614,756.28	10,592,981.28
Permanent University Fund Bonds, Series 2011					
Revenue Bonds					
Principal	2,515,000.00	2,045,000.00	2,085,000.00	2,145,000.00	1,720,000.00
Interest	3,771,450.00	3,721,150.00	3,680,250.00	3,617,700.00	3,553,350.00
Permanent University Fund Bonds, Series 2012A					
Revenue Bonds					
Principal	0.00	0.00	0.00	0.00	0.00
Interest	3,345,679.16	3,511,500.00	3,511,500.00	3,511,500.00	3,511,500.00
Permanent University Fund Bonds, Taxable Series 2012B					
Revenue Bonds					
Principal	5,440,000.00	5,395,000.00	5,420,000.00	5,465,000.00	5,545,000.00
Interest	3,036,813.23	3,078,525.84	3,047,288.80	3,005,229.60	2,937,518.30
Revenue Financing System Bonds, Series 2002					
Revenue Bonds					
Principal	3,835,480.00	3,989,119.00			
Interest	311,143.04	161,559.32			
Tuition Revenue Bonds					
Principal	419,520.00	435,881.00			
Interest	34,014.46	17,653.18			
Revenue Financing System Bonds, Series 2003A					
Tuition Revenue Bonds					
Principal	6,355,000.00	6,685,000.00	3,545,000.00	3,725,000.00	3,915,000.00
Interest	2,634,712.50	2,301,075.00	1,950,112.50	1,764,000.00	1,577,750.00
Revenue Financing System Refunding Bonds, Series 2003B					
Revenue Bonds					
Principal	13,230,000.00	13,415,000.00	6,505,000.00	6,855,000.00	
Interest	2,100,262.50	1,405,687.50	701,400.00	359,887.50	
Revenue Financing System Bonds, Series 2005A					
Tuition Revenue Bonds					
Principal	10,845,000.00	11,385,000.00	11,550,000.00	11,465,000.00	10,990,000.00
Interest	5,008,243.76	4,465,993.78	3,896,743.78	3,319,243.74	2,745,993.76
Revenue Financing System Bonds, Series 2005B					
Revenue Bonds					
Principal	13,240,000.00	13,890,000.00	14,580,000.00	14,875,000.00	15,615,000.00
Interest	8,875,406.27	8,213,406.28	7,518,906.28	6,789,906.28	6,046,156.28
Revenue Financing System Bonds, Series 2008					
Revenue Bonds					
Principal	8,290,000.00	8,720,000.00	8,220,000.00	8,420,000.00	8,840,000.00
Interest	6,409,200.00	5,994,700.00	5,558,700.00	5,147,700.00	4,726,700.00
Tuition Revenue Bonds					
Principal	180,000.00	190,000.00	200,000.00	210,000.00	220,000.00
Interest	192,975.00	183,975.00	174,475.00	164,475.00	153,975.00
Revenue Financing System Bonds, Series 2009A					
Tuition Revenue Bonds					
Principal	8,425,000.00	8,850,000.00	9,255,000.00	9,720,000.00	10,145,000.00
Interest	10,520,450.00	10,099,200.00	9,693,700.00	9,230,950.00	8,801,950.00
Revenue Financing System Bonds, Series 2009B					
Revenue Bonds					
Principal	2,555,000.00	2,650,000.00	2,715,000.00	2,790,000.00	2,875,000.00
Interest	3,223,825.00	3,121,625.00	3,062,000.00	2,980,550.00	2,896,850.00
Revenue Financing System Bonds, Series 2009C					
Tuition Revenue Bonds					
Principal	1,670,000.00	1,725,000.00	1,775,000.00	1,850,000.00	1,915,000.00
Interest	1,861,575.00	1,811,475.00	1,759,725.00	1,688,725.00	1,614,725.00
Revenue Financing System Bonds, Series 2009D					
Revenue Bonds					
Principal	10,325,000.00	10,835,000.00	10,905,000.00	10,050,000.00	10,450,000.00
Interest	14,898,287.50	14,382,037.50	13,840,287.50	13,295,037.50	12,893,037.50
Revenue Financing System Bonds, Series 2010A					
Tuition Revenue Bonds					
Principal	2,330,000.00	2,420,000.00	6,480,000.00	6,735,000.00	7,005,000.00
Interest	4,044,975.00	3,951,775.00	3,854,975.00	3,595,775.00	3,326,375.00

UNAUDITED

SCHEDULE 2C
SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
SCHEDULE OF DEBT SERVICE REQUIREMENTS
For the Year Ended August 31, 2012

DESCRIPTION		2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	TOTAL REQUIREMENTS
Revenue Bonds - Self Supporting							
Permanent University Fund Bonds, Series 1998							
Revenue Bonds	Principal	\$ 9,710,000.00	\$ 15,465,000.00	\$ 3,620,000.00	\$	\$	\$ 28,795,000.00
	Interest	7,153,300.00	3,637,975.00	199,100.00			18,909,000.00
Permanent University Fund Refunding Bonds, Series 2003							
Revenue Bonds	Principal	17,000,000.00					90,135,000.00
	Interest	892,500.00					17,266,462.50
Permanent University Fund Bonds, Series 2006							
Revenue Bonds	Principal	1,475,000.00	21,670,000.00	47,500,000.00	40,000,000.00		117,100,000.00
	Interest	27,192,125.00	26,150,450.00	17,375,000.00	5,000,000.00		104,072,500.00
Permanent University Fund Bonds, Series 2009AB							
Revenue Bonds	Principal	23,990,000.00	57,705,000.00	98,435,000.00	30,090,000.00		212,945,000.00
	Interest	51,047,056.40	42,588,243.78	23,361,250.00	2,244,750.00		172,392,156.58
Permanent University Fund Bonds, Series 2011							
Revenue Bonds	Principal	16,945,000.00	26,955,000.00	30,480,000.00			84,890,000.00
	Interest	16,532,350.00	11,725,500.00	3,911,000.00			50,512,750.00
Permanent University Fund Bonds, Series 2012A							
Revenue Bonds	Principal	44,785,000.00	25,895,000.00				70,680,000.00
	Interest	14,412,500.00	1,956,000.00				33,760,179.16
Permanent University Fund Bonds, Taxable Series 2012B							
Revenue Bonds	Principal	29,215,000.00	32,985,000.00	36,285,000.00			125,750,000.00
	Interest	13,170,663.40	9,386,293.70	3,982,371.56			41,644,704.43
Revenue Financing System Bonds, Series 2002							
Revenue Bonds	Principal						7,824,599.00
	Interest						472,702.36
Tuition Revenue Bonds	Principal						855,401.00
	Interest						51,667.64
Revenue Financing System Bonds, Series 2003A							
Tuition Revenue Bonds	Principal	27,640,000.00					51,865,000.00
	Interest	4,751,000.00					14,978,650.00
Revenue Financing System Refunding Bonds, Series 2003B							
Revenue Bonds	Principal						40,005,000.00
	Interest						4,567,237.50
Revenue Financing System Bonds, Series 2005A							
Tuition Revenue Bonds	Principal	28,535,000.00	20,250,000.00				105,020,000.00
	Interest	8,645,087.52	2,057,750.00				30,139,056.34
Revenue Financing System Bonds, Series 2005B							
Revenue Bonds	Principal	68,190,000.00	40,585,000.00	10,070,000.00			191,045,000.00
	Interest	20,223,425.14	7,443,562.50	665,437.50			65,776,206.53
Revenue Financing System Bonds, Series 2008							
Revenue Bonds	Principal	37,890,000.00	36,125,000.00	6,125,000.00	7,320,000.00		129,950,000.00
	Interest	17,729,750.00	8,514,500.00	2,533,175.00	1,020,787.50		57,635,212.50
Tuition Revenue Bonds	Principal	1,270,000.00	1,625,000.00				3,895,000.00
	Interest	594,125.00	242,375.00				1,706,375.00
Revenue Financing System Bonds, Series 2009A							
Tuition Revenue Bonds	Principal	58,550,000.00	74,455,000.00	35,230,000.00			214,630,000.00
	Interest	36,189,150.00	20,278,500.00	2,663,750.00			107,477,650.00
Revenue Financing System Bonds, Series 2009B							
Revenue Bonds	Principal	14,190,000.00	18,005,000.00	12,775,000.00	8,620,000.00	4,080,000.00	71,255,000.00
	Interest	12,959,050.00	9,157,250.00	4,676,500.00	2,354,750.00	308,500.00	44,740,900.00
Revenue Financing System Bonds, Series 2009C							
Tuition Revenue Bonds	Principal	10,915,000.00	13,875,000.00	6,580,000.00			40,305,000.00
	Interest	6,759,500.00	3,794,250.00	497,500.00			19,787,475.00
Revenue Financing System Bonds, Series 2009D							
Revenue Bonds	Principal	60,345,000.00	74,470,000.00	66,895,000.00	33,550,000.00	13,660,000.00	301,485,000.00
	Interest	56,364,250.00	39,886,750.00	20,464,750.00	7,823,250.00	1,388,000.00	195,235,687.50
Revenue Financing System Bonds, Series 2010A							
Tuition Revenue Bonds	Principal	32,685,000.00	19,850,000.00	9,375,000.00			86,880,000.00
	Interest	11,602,925.00	5,204,875.00	636,750.00			36,218,425.00

UNAUDITED

SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION	YEAR ENDING AUGUST 31,				
	2013	2014	2015	2016	2017
Revenue Financing System Bonds, Series 2010B					
Revenue Bonds					
Principal	2,545,000.00	2,635,000.00	12,980,000.00	13,660,000.00	7,195,000.00
Interest	7,102,450.00	7,000,650.00	6,895,250.00	6,246,250.00	5,563,250.00
Revenue Financing System Bonds, Series 2011A					
Tuition Revenue Bonds					
Principal	1,180,000.00	1,230,000.00	1,055,000.00	785,000.00	265,000.00
Interest	168,800.00	133,400.00	84,200.00	42,000.00	10,600.00
Revenue Bonds					
Principal	1,455,000.00	1,495,000.00	1,555,000.00	1,620,000.00	1,685,000.00
Interest	538,012.50	494,362.50	434,562.50	372,362.50	307,562.50
Revenue Financing System Bonds, Series 2011B					
Revenue Bonds					
Principal	1,940,000.00	2,035,000.00	2,140,000.00	2,280,000.00	2,510,000.00
Interest	5,199,562.54	5,102,562.56	5,000,812.56	4,893,812.56	4,768,412.56
Total	217,241,356.24	216,903,757.24	213,359,432.70	210,411,385.96	194,058,287.18
Less Interest	(106,031,356.24)	(101,158,757.24)	(95,869,432.70)	(90,386,385.96)	(84,908,287.18)
Total Principal	\$ 111,210,000.00	\$ 115,745,000.00	\$ 117,490,000.00	\$ 120,025,000.00	\$ 109,150,000.00
	(Schedule 2B)				

UNAUDITED

SCHEDULE 2C
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEBT SERVICE REQUIREMENTS
 For the Year Ended August 31, 2012

DESCRIPTION		2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	TOTAL REQUIREMENTS
Revenue Financing System Bonds, Series 2010B							
Revenue Bonds	Principal	39,820,000.00	17,485,000.00	18,730,000.00	19,035,000.00	9,000,000.00	143,085,000.00
	Interest	22,138,000.00	14,357,000.00	9,705,500.00	5,197,750.00	680,500.00	84,886,600.00
Revenue Financing System Bonds, Series 2011A							
Tuition Revenue Bonds	Principal						4,515,000.00
	Interest						439,000.00
Revenue Bonds	Principal	6,995,000.00					14,805,000.00
	Interest	597,887.50					2,744,750.00
Revenue Financing System Bonds, Series 2011B							
Revenue Bonds	Principal	15,530,000.00	20,655,000.00	23,475,000.00	21,550,000.00	11,370,000.00	103,485,000.00
	Interest	21,550,487.80	16,734,337.80	11,413,693.92	5,885,287.50	1,455,500.00	82,004,469.80
Total		896,180,132.76	741,170,612.78	507,660,777.98	189,691,575.00	41,942,500.00	3,428,619,817.84
Less Interest		(350,505,132.76)	(223,115,612.78)	(102,085,777.98)	(29,526,575.00)	(3,832,500.00)	(1,187,419,817.84)
Total Principal		\$ 545,675,000.00	\$ 518,055,000.00	\$ 405,575,000.00	\$ 160,165,000.00	38,110,000.00	\$ 2,241,200,000.00

(Schedule 2B)

UNAUDITED
 SCHEDULE 2D
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
 For the Year Ended August 31, 2012

DESCRIPTION	PLEGGED REVENUES, OTHER SOURCES AND RELATED EXPENDITURES					
	OPERATING REVENUES	INTEREST EARNED ON INVESTMENTS	OTHER PLEGGED REVENUES	TOTAL PLEGGED REVENUES	OTHER SOURCES	OPERATING EXPENSES & EXPENDITURES
Permanent University Fund Bonds	\$	\$ 1,170,979.72	\$ 199,829,438.08	\$ 201,000,417.80	\$ -	\$
Revenue Financing System Bonds	1,570,022,242.00	68,948,937.37	32,662,432.15	1,671,633,611.52		
		[a]	[b]			
	<u>\$ 1,570,022,242.00</u>	<u>\$ 70,119,917.09</u>	<u>\$ 232,491,870.23</u>	<u>\$ 1,872,634,029.32</u>	<u>\$ -</u>	<u>\$ -</u>

[a] Analysis of Interest Earned on Investments

Permanent University Fund Bonds						
Interest Earned on The Texas A&M University System Available Fund						\$ 1,170,979.72
Revenue Financing System Bonds						
Interest Earned on Local Funds						
Special Mineral Income Fund Investment Income				\$ 67,976,541.98		
Total Interest Earned on Investments				<u>972,395.39</u>		<u>68,948,937.37</u>
						<u>\$ 70,119,917.09</u>

[b] Analysis of Other Pledged Revenues

Permanent University Fund Bonds						
Distributions from University of Texas System						
Revenue Financing System Bonds						\$ 199,829,438.08
Other NonOperating Revenues						
Total Other Pledged Revenues						<u>32,662,432.15</u>
						<u>\$ 232,491,870.23</u>

UNAUDITED

SCHEDULE 2D
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
 For the Year Ended August 31, 2012

CAPITAL OUTLAY	NET AVAILABLE FOR DEBT SERVICE	DEBT SERVICE		REFUNDED OR EXTINGUISHED	RESTRICTED ACCOUNT BALANCES			
		PRINCIPAL	INTEREST		INTEREST AND SINKING FUND		BOND RESERVE FUND	
					REQUIRED	ACTUAL	REQUIRED	ACTUAL
\$	\$ 201,000,417.80	\$ 15,975,000.00	\$ 30,084,292.79	\$ 80,730,000.00	\$ N/A	\$ N/A	\$ N/A	\$ N/A
	1,671,633,611.52	82,975,000.00	76,984,185.04	0.00	N/A	N/A	N/A	N/A
\$	\$ 0.00	\$ 98,950,000.00 (Schedule 2B)	\$ 107,068,477.83 [c]	\$ 80,730,000.00 (Schedule 2B)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

[c]Debt Service-Interest (IV)

Interest Expense and Fiscal Charges		\$ 106,368,180.58
Less:		
Interest on Permanent University Fund Notes		
Interest on Revenue Financing System Commercial Paper	\$ 85,264.40	
Other Member's Interest Expense (non-bonds)	105,066.20	
Interest Expense on Defeased Bonds	391,678.57	
	<u>7,338,215.11</u>	(7,920,224.28)
Plus Capitalized Interest Expense		8,620,521.53
Total, Debt Service-Interest		<u>\$ 107,068,477.83</u>

Estimated Expenses Associated with Pledged Revenues

Permanent University Fund Bonds	\$ 113,118,481.85
Revenue Financing System Bonds	940,757,528.81
Total Estimated Expenses Associated with Pledged Revenues	<u>\$ 1,053,876,010.66</u>

UNAUDITED

SCHEDULE 2E
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF DEFEASED BONDS OUTSTANDING
 For the Year Ended August 31, 2012

DESCRIPTION OF ISSUES	CALENDAR YEAR REFUNDED	PAR VALUE OUTSTANDING AUGUST 31, 2012
The Texas A&M University System		
Permanent University Fund Bonds,		
Series 2004	2012	\$ 79,715,000.00
Revenue Financing System		
Series 2003A	2010	28,560,000.00
Series 2003B	2010	13,210,000.00
Tarleton State University		
Housing System Revenue Bonds,		
Series 1983 B	1990	75,000.00
Total		<u>\$ 121,560,000.00</u>

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SCHEDULE 2F
 SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 SCHEDULE OF EARLY EXTINGUISHMENT AND REFUNDING
 For the Year Ended August 31, 2012

<u>DESCRIPTION</u>	<u>CATEGORY</u>	<u>REFUNDING ISSUE PAR VALUE</u>	<u>AMOUNT EXTINGUISHED OR REFUNDED</u>	<u>CASH FLOW INCREASE (DECREASE)</u>	<u>ECONOMIC GAIN / (LOSS)</u>
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998 Revenue Bonds	Current Refunding	\$ 1,015,000.00	\$ 1,015,000.00	\$ 50,748.61	\$ 50,385.28
Permanent University Fund Bonds, Series 2004 Revenue Bonds	Advance Refunding	<u>70,680,000.00</u>	<u>79,715,000.00</u>	<u>13,639,670.84</u>	<u>10,973,646.61</u>
Total, Early Extinguishment and Refunding		<u>\$ 71,695,000.00</u>	<u>\$ 80,730,000.00</u>	<u>\$ 13,690,419.45</u>	<u>\$ 11,024,031.89</u>

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TEXAS A&M SYSTEM OFFICES

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 200.00
Total Cash On Hand	<u>\$ 200.00</u>
Cash In Bank	\$ (20,374,405.96)
Cash In State Treasury:	
Fund 0047	105,722,906.83
Total Cash In State Treasury	<u>\$ 105,722,906.83</u>
Reimbursements Due From State Treasury	\$ 4,951.93
Assets Held By System Offices-Current	25,958,035.29
Cash Equivalents	<u>672,374,153.72</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 783,685,841.81</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	\$ 253,548,348.04
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 253,548,348.04</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 1,037,234,189.85</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Construction In Progress	\$ 625,655,328.26	\$	\$ (4,657,450.00)
Other Tangible Capital Assets	231,200.25		
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 625,886,528.51</u>	<u>\$</u>	<u>\$ (4,657,450.00)</u>
Depreciable Assets			
Furniture and Equipment	\$ 1,131,695.89	\$	\$ 4,657,450.00
Vehicles, Boats and Aircraft	6,594,670.45	1,349,279.19	
Other Capital Assets	79,555.33		
Total Depreciable Assets at Historical Cost	<u>\$ 7,805,921.67</u>	<u>\$ 1,349,279.19</u>	<u>\$ 4,657,450.00</u>
Less Accumulated Depreciation For:			
Furniture and Equipment	\$ (648,547.27)	\$	\$
Vehicles, Boats and Aircraft	(6,594,670.45)	(89,951.95)	
Other Capital Assets	(33,725.05)		
Total Accumulated Depreciation	<u>\$ (7,276,942.77)</u>	<u>\$ (89,951.95)</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 528,978.90</u>	<u>\$ 1,259,327.24</u>	<u>\$ 4,657,450.00</u>
Amortizable Assets - Intangible			
Computer Software	\$ 1,442,871.35	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 1,442,871.35</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (1,409,005.95)	\$	\$
Total Accumulated Amortization	<u>\$ (1,409,005.95)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 33,865.40</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u>\$ 626,449,372.81</u>	<u>\$ 1,259,327.24</u>	<u>\$</u>

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 2,954,605.90	\$ (608,786,488.47)	\$ 284,874,188.38 600.00	\$ (1,800.00)	\$ 300,040,184.07 230,000.25
<u>\$ 2,954,605.90</u>	<u>\$ (608,786,488.47)</u>	<u>\$ 284,874,788.38</u>	<u>\$ (1,800.00)</u>	<u>\$ 300,270,184.32</u>
\$ 514,398.25	\$ (215,215.67)	\$ 1,077,557.22 1,453,688.79 5,187.85	\$ (5,802,556.46) (220.71)	\$ 1,363,329.23 9,397,638.43 84,522.47
<u>\$ 514,398.25</u>	<u>\$ (215,215.67)</u>	<u>\$ 2,536,433.86</u>	<u>\$ (5,802,777.17)</u>	<u>\$ 10,845,490.13</u>
\$ (237,234.56)	\$ 90,980.58	\$ (163,751.03) (223,969.10) (5,013.66)	\$ 98,287.59	\$ (860,264.69) (6,908,591.50) (38,738.71)
<u>\$ (237,234.56)</u>	<u>\$ 90,980.58</u>	<u>\$ (392,733.79)</u>	<u>\$ 98,287.59</u>	<u>\$ (7,807,594.90)</u>
<u>\$ 277,163.69</u>	<u>\$ (124,235.09)</u>	<u>\$ 2,143,700.07</u>	<u>\$ (5,704,489.58)</u>	<u>\$ 3,037,895.23</u>
\$	\$	\$	\$ (18,851.78)	\$ 1,424,019.57
\$	\$	\$	\$ (18,851.78)	\$ 1,424,019.57
\$	\$	\$ (28,115.40)	\$ 18,851.78	\$ (1,418,269.57)
\$	\$	\$ (28,115.40)	\$ 18,851.78	\$ (1,418,269.57)
\$	\$	\$ (28,115.40)	\$	\$ 5,750.00
<u>\$ 3,231,769.59</u>	<u>\$ (608,910,723.56)</u>	<u>\$ 286,990,373.05</u>	<u>\$ (5,706,289.58)</u>	<u>\$ 303,313,829.55</u>

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FINANCIAL REPORT

OF

PRAIRIE VIEW A&M UNIVERSITY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. GEORGE C. WRIGHT, PRESIDENT

DR. COREY S. BRADFORD, SENIOR VICE PRESIDENT FOR BUSINESS AFFAIRS

ROD MIRELES, ASSOCIATE VICE PRESIDENT FOR FINANCIAL ADMINISTRATION

PRAIRIE VIEW, TEXAS

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PRAIRIE VIEW A&M UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	7,667	7,560
Out-of-State	554	596
Foreign	204	180
Total Students	<u>8,425</u>	<u>8,336</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	6,609	84,588
2001-02	6,747	86,075
2002-03	7,255	90,316
2003-04	7,808	96,221
2004-05	8,350	103,658
2005-06	7,912	96,085
2006-07	8,006	96,364
2007-08	8,456	101,660
2008-09	8,288	97,665
2009-10	8,612	104,129
2010-11	8,785	107,087
2011-12	8,425	104,217
2012-13	8,336	103,179

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PRAIRIE VIEW A&M UNIVERSITY
INDEX

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EXHIBIT III
PRAIRIE VIEW A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	82,850,634.81	67,629,031.49
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	10,466,150.22	(8,026,535.95)
Investments		
Legislative Appropriations	2,701,350.57	1,890,370.67
Receivables, Net:		
Federal	11,749,275.68	36,747,203.07
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student	2,287,213.76	3,618,417.52
Investment Trades		
Accounts	461,812.89	
Other		438,079.97
Due From Other Agencies	452,399.14	128,320.44
Due From Other Members	14,976,146.00	20,706,194.23
Due From Other Funds	11,698,966.11	
Consumable Inventories	266,834.23	180,924.07
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	106,476.86	166,278.27
Interfund Receivable		
Other Current Assets	4,372,255.98	3,286,457.01
Total Current Assets	<u>\$ 142,389,516.25</u>	<u>\$ 126,764,740.79</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 72,543,389.55	\$ 50,632,723.11
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	339,165.19	381,484.11
Assets Held By System Offices	65,204,709.15	72,734,847.37
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	6,643,331.35	6,643,331.35
Construction In Progress	3,635,055.23	3,659,397.32
Other Tangible Capital Assets	474,072.00	474,072.00
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	327,141,852.84	320,176,953.69
Infrastructure	3,962,913.23	3,962,913.23
Facilities and Other Improvements	32,049,763.89	32,802,382.22
Furniture and Equipment	27,798,981.68	24,976,864.09
Vehicles, Boats, and Aircraft	2,819,126.25	2,956,483.86
Other Capital Assets	8,242,764.34	8,077,929.58
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	2,750,093.33	2,750,093.33
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(187,537,920.68)	(179,483,312.85)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 366,067,297.35</u>	<u>\$ 350,746,162.41</u>
Total Assets and Deferred Outflows	<u>\$ 508,456,813.60</u>	<u>\$ 477,510,903.20</u>

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EXHIBIT III
PRAIRIE VIEW A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 3,675,723.55	\$ 4,300,789.84
Payroll	4,559,261.52	4,707,843.87
Investment Trades		
Self-Insured Health and Dental		
Other	381,233.48	484,800.00
Interfund Payable	620,263.36	601,777.64
Due to Other Agencies	275,624.94	264,829.55
Due to Other Funds	11,698,966.11	
Due to Other Members	2,030,812.81	100,787.64
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	26,638,358.39	29,049,714.97
Employees' Compensable Leave	368,878.00	387,868.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	13,112,355.38	15,994,536.82
Obligations/Securities Lending		
Other Current Liabilities	34,314.89	33,814.29
Total Current Liabilities	<u>\$ 63,395,792.43</u>	<u>\$ 55,926,762.62</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 1,751,085.32	\$ 2,371,917.34
Employees' Compensable Leave	3,429,199.00	3,220,049.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	40,000.00	40,000.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 5,220,284.32</u>	<u>\$ 5,631,966.34</u>
Total Liabilities and Deferred Inflows	<u>\$ 68,616,076.75</u>	<u>\$ 61,558,728.96</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 227,980,033.46	\$ 226,997,107.82
Restricted For:		
Debt Service		
Capital Projects	1,219,962.36	1,911,598.31
Education	14,336,157.72	13,746,134.17
Endowment and Permanent Funds:		
Nonexpendable	47,809,481.24	46,317,320.94
Expendable	7,270,005.59	7,469,978.04
Unrestricted	141,225,096.48	119,510,034.96
Total Net Assets [Exhibit IV]	<u>\$ 439,840,736.85</u>	<u>\$ 415,952,174.24</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 508,456,813.60</u>	<u>\$ 477,510,903.20</u>

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EXHIBIT IV
 PRAIRIE VIEW A&M UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 66,144,620.67	\$ 59,449,356.90
Discounts and Allowances	(23,623,586.00)	(24,053,561.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	10,277.49	18,758.00
Net Auxiliary Enterprises	15,628,984.86	15,089,747.88
Net Other Sales of Goods and Services	2,122,038.03	965,892.37
Discounts and Allowances-Sales	(3,020,299.00)	(3,201,953.00)
Total Sales of Goods and Services	\$ 57,262,036.05	\$ 48,268,241.15
Premium Revenue		
Interest Revenue	158.98	7,546.61
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	14,039,104.78	14,783,326.26
Federal Pass Through Revenue	335,527.70	574,613.64
State Grant Revenue	963.83	1,376.72
State Pass Through Revenue	5,332,008.74	7,333,966.99
Other Grants and Contracts - Operating	408,281.63	619,443.90
Other Operating Revenue	3,102,243.67	2,902,029.99
Total Operating Revenues	\$ 80,480,325.38	\$ 74,490,545.26
Operating Expenses		
Instruction	\$ 36,018,907.28	\$ 37,623,653.26
Research	9,459,206.03	9,362,941.49
Public Service	7,965,635.49	7,903,465.05
Hospitals and Clinics		
Academic Support	18,089,010.06	17,579,686.27
Student Services	9,536,616.59	8,540,870.71
Institutional Support	18,266,922.58	18,478,408.96
Operation & Maintenance of Plant	15,082,660.19	15,734,252.54
Scholarships & Fellowships	14,533,133.38	15,218,404.25
Auxiliary	23,083,825.74	22,313,235.74
Depreciation/Amortization	12,502,357.64	15,560,809.96
Total Operating Expenses [Schedule IV-1]	\$ 164,538,274.98	\$ 168,315,728.23
Total Operating Income [Loss]	\$ (84,057,949.60)	\$ (93,825,182.97)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 53,733,183.36	\$ 60,828,514.54
Federal Revenue Non-Operating	31,625,330.51	32,375,364.51
Federal Pass Through Non-Operating		419,305.81
State Pass Through Non-Operating		
Gifts	1,099,474.20	1,070,287.17
Land Income		
Investment Income	2,415,082.15	2,353,903.44
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(180,255.68)	(225,701.90)
Interest Expense and Fiscal Charges	(82,064.46)	(99,464.55)
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	(3,559.32)	
Net Increase [Decrease] In Fair Value	3,651,218.51	7,928,651.06
Settlement of Claims	(84,466.34)	
Other Nonoperating Revenues	4,317,386.38	89,786.25
Other Nonoperating [Expenses]	(41,087.43)	(307,358.30)
Total Nonoperating Revenues [Expenses]	\$ 96,450,241.88	\$ 104,433,288.03
Income [Loss] Before Other Revenues and Transfers	\$ 12,392,292.28	\$ 10,608,105.06

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EXHIBIT IV
 PRAIRIE VIEW A&M UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	296,758.24	449,053.07
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	20,852,926.81	16,526,442.04
Nonmandatory Transfers From Members/Agencies-Cap Assets	402,320.00	252,894.28
Transfers Out		
Transfers to Other State Agencies	(316,111.47)	(702,756.10)
Mandatory Transfers to Other Members	(4,195,956.77)	(4,416,415.49)
Nonmandatory Transfers to Other Members	(2,209,750.96)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(6,350,502.00)	(6,380,732.00)
Legislative Appropriations Lapsed	(195,761.65)	(77,329.98)
Total Other Revenues and Transfers	<u>\$ 8,283,922.20</u>	<u>\$ 5,651,155.82</u>
Change In Net Assets	<u>\$ 20,676,214.48</u>	<u>\$ 16,259,260.88</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 415,952,174.24	\$ 383,244,765.36
Restatement	3,212,348.13	16,448,148.00
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 419,164,522.37</u>	<u>\$ 399,692,913.36</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 439,840,736.85</u>	<u>\$ 415,952,174.24</u>

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SCHEDULE IV-1
 PRAIRIE VIEW A&M UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	27,931,952.05	5,296,914.11	4,557,673.12		8,568,317.09
Payroll Related Costs	5,969,510.27	977,610.75	970,016.78		1,685,250.00
Professional Fees & Services	57,780.17	188,528.81	270,167.09		608,132.03
Travel	166,690.17	179,023.60	504,591.17		478,369.16
Materials & Supplies	856,064.81	1,261,638.47	884,907.02		3,596,462.09
Communication & Utilities	223,835.53	593,732.82	218,186.86		458,510.03
Repairs & Maintenance	77,609.95	628,193.10	66,721.19		826,939.16
Rentals & Leases	247,685.96	47,649.34	8,446.22		120,834.34
Printing & Reproduction	22,707.86	4,529.42	29,975.78		33,241.60
Federal Pass-Through		18,623.82	26,846.84		
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	.24	.03	2.79		124.86
Scholarships	140,191.34	42,283.47	10,000.00		859,343.97
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	324,878.93	220,478.29	418,100.63		853,485.73
Total Operating Expenses	\$ 36,018,907.28	\$ 9,459,206.03	\$ 7,965,635.49	\$	\$ 18,089,010.06

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
3,921,775.70	7,562,518.14	3,828,495.47	1,291,811.13	5,215,588.31		68,175,045.12	69,129,138.87
896,436.53	3,375,849.94	838,700.59	21,299.85	1,459,275.10		16,193,949.81	15,667,085.67
337,768.14	4,904,961.11	615,694.49		8,975,200.56		15,958,232.40	17,442,467.66
230,758.85	237,560.31	13,944.53	4,249.86	1,289,776.60		3,104,964.25	2,846,155.68
1,385,466.73	975,185.13	910,517.83	3,556.39	1,322,770.97		11,196,569.44	10,711,220.19
209,582.79	139,147.78	3,436,052.85		1,227,879.91		6,506,928.57	6,000,010.94
1,491,458.32	(286,338.81)	4,858,233.47		946,973.27		8,609,789.65	8,706,487.30
192,699.49	115,087.64	55,224.91		662,670.51		1,450,298.41	1,567,027.57
96,602.15	89,838.49	215,509.14		124,277.21		616,681.65	522,948.04
						45,470.66	
					12,502,357.64	12,502,357.64	15,560,809.96
27,470.28						27,470.28	(264,285.35)
153.82	1,325.62	137.94		658.83		2,404.13	2,393.30
210,780.26	8,000.00		13,170,547.70	994,096.96		15,435,243.70	15,882,899.67
535,663.53	1,143,787.23	310,148.97	41,668.45	864,657.51		4,712,869.27	4,541,368.73
<u>\$ 9,536,616.59</u>	<u>\$ 18,266,922.58</u>	<u>\$ 15,082,660.19</u>	<u>\$ 14,533,133.38</u>	<u>\$ 23,083,825.74</u>	<u>\$ 12,502,357.64</u>	<u>\$ 164,538,274.98</u>	<u>\$ 168,315,728.23</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
PRAIRIE VIEW A&M UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	40,848,180.47	38,345,756.85
Proceeds Received From Customers	2,524,793.94	1,155,114.40
Proceeds From Sponsored Programs	45,192,273.60	2,988,937.57
Proceeds From Auxiliary Enterprises	12,665,351.95	11,631,019.33
Proceeds From Loan Programs	605,106.79	271,263.60
Proceeds From Other Revenues	3,102,744.27	2,902,385.17
Payments to Suppliers for Goods and Services	(52,656,842.82)	(49,362,749.30)
Payments to Employees - Salaries	(68,090,247.11)	(72,148,713.90)
Payments to Employees - Benefits	(16,237,170.17)	(14,874,695.38)
Payments for Loans Provided		
Payments for Other Expenses	(17,333,469.02)	(15,730,577.43)
Net Cash Provided [Used] By Operating Activities	\$ (49,379,278.10)	\$ (94,822,259.09)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 52,726,441.81	\$ 60,928,353.59
Proceeds From Gifts	1,099,474.20	1,070,287.17
Proceeds From Endowments	296,758.24	449,053.07
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	31,625,330.51	32,794,670.32
Proceeds From Contributed Capital		
Proceeds From Other Revenues	94,376.68	3,568,259.28
Payments of Interest		
Payments - Transfers to Other Funds	(629,200.75)	(702,756.10)
Payments for Grant Disbursements		
Payments for Other Uses	(3,003,567.12)	(71,630.05)
Other Noncapital Transfers From/To System	25,613,530.71	15,877,856.18
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 107,823,144.28	\$ 113,914,093.46
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans	2,371,348.68	
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(5,655,332.86)	(5,753,164.30)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt	(82,064.46)	(99,464.55)
Payments for Interfund Loans	(2,973,694.98)	(584,946.20)
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	733,645.94	
Intrasystem Transfers for Capital Debt [Mandatory]	(10,546,458.77)	(10,797,147.49)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(82,537.00)	(340,509.40)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (16,235,093.45)	\$ (17,575,231.94)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(10,729,309.71)	(13,003,000.80)
Proceeds From Interest and Investment Income	2,234,826.47	2,128,201.54
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (8,494,483.24)	\$ (10,874,799.26)
Increase [Decrease] In Cash and Cash Equivalents	\$ 33,714,289.49	\$ (9,358,196.83)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 59,602,495.54	\$ 68,960,692.37
Restated Beginning Cash and Cash Equivalents	\$ 59,602,495.54	\$ 68,960,692.37
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 93,316,785.03	\$ 59,602,495.54

UNAUDITED

EXHIBIT V
 PRAIRIE VIEW A&M UNIVERSITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(84,057,949.60)	(93,825,182.97)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	12,502,357.64	15,560,809.96
Bad Debt Expense	(614,449.18)	969,682.52
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	26,417,020.16	(23,924,231.69)
Due From Other Agencies/Funds	(13,889.42)	382,069.08
Due From System Members	108,584.43	(27,691.65)
Inventory	(85,910.16)	(48,536.27)
Deferred Charges		
Prepaid Expenses	(927,102.97)	2,908,345.07
Loans and Contracts	604,947.58	443,537.52
Other Assets	(155,796.00)	(271,931.79)
Payables	(877,215.16)	(860,036.00)
Due to Other Agencies/Funds	10,795.39	(236,687.23)
Due to System Members	(69,974.83)	44,863.39
Unearned Revenue	(2,411,356.58)	4,207,163.79
Deposits	500.60	355.18
Compensated Absence Liability	190,160.00	(144,788.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 34,678,671.50</u>	<u>\$ (997,076.12)</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (49,379,278.10)</u>	<u>\$ (94,822,259.09)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	1,681,722.83	7,928,651.06
Gain/Loss On Sale or Disposal of Capital Assets	(3,559.32)	
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	402,320.00	252,894.28

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SCHEDULE 1 - A
 PRAIRIE VIEW A&M UNIVERSITY
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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
Cooperative Extension Service	10.500	National 4-H Council/ 2005-45201-03332		\$	\$ 99.81
<u>Direct Programs:</u>					
1890 Institution Capacity Building Grants	10.216				
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443				
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443				
<u>Pass-Through To:</u>					
<i>Texas A&M AgriLife Extension Service</i>					
Community Outreach and Assistance Partnership Program	10.455				
Cooperative Extension Service	10.500				
1890 Land Grant Institutions Rural Entrepreneurial Outreach Program	10.856				
<u>Pass-Through From:</u>					
Cooperative Extension Service	10.500				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Extension Service</i>			555	1,396.72	
Totals - U.S. Department of Agriculture				1,396.72	99.81
U.S. Department of Defense					
Military Medical Research and Development	12.420	Baylor College of Medicine/ PO5600260963			(191.02)
Military Medical Research and Development		Baylor College of Medicine/ PO5600593985 PRME W81XWH-09-1-0234			3,020.83
Totals - U.S. Department of Defense					2,829.81
U.S. Department of Justice					
<u>Direct Programs:</u>					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525				
<u>Pass-Through From:</u>					
Juvenile Mentoring Program	16.726				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Extension Service</i>			555	4,688.02	
Totals - U.S. Department of Justice				4,688.02	
U.S. Department of Transportation					
Highway Research and Development Program	20.200	Hempstead Independent School District/ G-00028-10			70,979.63
<u>Direct Programs:</u>					
Highway Training and Education	20.215				
Totals - U.S. Department of Transportation					70,979.63
General Services Administration					
<u>Pass-Through From:</u>					
Donation of Federal Surplus Personal Property (Non-monetary)	39.003				
<u>Pass-Through From:</u>					
<i>Texas Facilities Commission</i>			303	3,306.97	
Totals - General Services Administration				3,306.97	
National Aeronautics and Space Administration					
National Aeronautics and Space Administration	43.000	L-3 National Security Solutions/ 2008-SC-4-0136			84,020.90
<u>Pass-Through From:</u>					
Science	43.001				
<u>Pass-Through From:</u>					

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 PRAIRIE VIEW A&M UNIVERSITY
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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$	99.81	\$	\$	\$	99.81 \$
164,070.02	164,070.02				164,070.02	164,070.02
5,000.06	5,000.06				5,000.06	5,000.06
26,846.84	26,846.84					26,846.84
		555	26,846.84			
4,793.00	4,793.00				4,793.00	4,793.00
6,313,271.68	6,313,271.68				6,313,271.68	6,313,271.68
41,289.49	41,289.49				41,289.49	41,289.49
	1,396.72				1,396.72	1,396.72
6,555,271.09	6,556,767.62		26,846.84		6,529,920.78	6,556,767.62
	(191.02)				(191.02)	(191.02)
	3,020.83				3,020.83	3,020.83
	2,829.81				2,829.81	2,829.81
14,538.60	14,538.60				14,538.60	14,538.60
	4,688.02				4,688.02	4,688.02
14,538.60	19,226.62				19,226.62	19,226.62
	70,979.63				70,979.63	70,979.63
15,622.20	15,622.20				15,622.20	15,622.20
15,622.20	86,601.83				86,601.83	86,601.83
	3,306.97				3,306.97	3,306.97
	3,306.97				3,306.97	3,306.97
	84,020.90				84,020.90	84,020.90
	10,043.41				10,043.41	10,043.41

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 PRAIRIE VIEW A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>University of Texas at Austin</i>			721	10,043.41	
Totals - National Aeronautics and Space Administration				10,043.41	84,020.90
National Science Foundation					
<u>Direct Programs:</u>					
Education and Human Resources	47.076				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
<u>Pass-Through From:</u>					
Education and Human Resources	47.076				
<u>Pass-Through From:</u>					
<i>Texas A&M Engineering Experiment Station</i>			712	205,758.56	
Totals - National Science Foundation				205,758.56	
Small Business Administration					
Small Business Development Centers	59.037				
<u>Pass-Through From:</u>					
<i>University of Houston</i>			730	53,399.82	
Totals - Small Business Administration				53,399.82	
Nuclear Regulatory Commission					
<u>Direct Programs:</u>					
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006				
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008				
Totals - Nuclear Regulatory Commission					
U.S. Department of Energy					
Office of Science Financial Assistance Program	81.049				
Totals - U.S. Department of Energy					
U.S. Department of Education					
U.S. Department of Education	84.000	United Negro College Fund/ PVAMU P269A090001			13,716.00
<u>Direct Programs:</u>					
Higher Education Institutional Aid	84.031				
Minority Science and Engineering Improvement	84.120				
Business and International Education Projects	84.153				
Totals - U.S. Department of Education					13,716.00
U.S. Department of Health and Human Services					
U.S. Department of Health and Human Services	93.000	Macro International/ 33179-7S-873			1,416.34
Consolidated Knowledge Development and Application Program	93.230	McFarland & Associates, Inc./ 3800-PRAIRIEFY08			10,161.90
Consolidated Knowledge Development and Application Program		McFarland & Associates, Inc./ 3800-PRAIRIEFY09			(396.43)
Consolidated Knowledge Development and Application Program		McFarland & Associates, Inc./ 3800-PRAIRIEFY10			14,148.68
Biomedical Research and Research Training	93.859	American Society for Cell Biology/ G Regisford 2010 Linkage Fellows			236.09
Biomedical Research and Research Training		Baylor College of Medicine/ POS600757642			21,048.73
Geriatric Education Centers	93.969	Baylor College of Medicine/ IUB4 HP19052-01			22,783.86
<u>Direct Programs:</u>					

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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	94,064.31				94,064.31	94,064.31
466,425.21	466,425.21				466,425.21	466,425.21
2,487.67	2,487.67				2,487.67	2,487.67
	205,758.56				205,758.56	205,758.56
468,912.88	674,671.44				674,671.44	674,671.44
	53,399.82				53,399.82	53,399.82
	53,399.82				53,399.82	53,399.82
58,576.73	58,576.73				58,576.73	58,576.73
22,500.00	22,500.00				22,500.00	22,500.00
81,076.73	81,076.73				81,076.73	81,076.73
(4,351.72)	(4,351.72)				(4,351.72)	(4,351.72)
(4,351.72)	(4,351.72)				(4,351.72)	(4,351.72)
	13,716.00				13,716.00	13,716.00
5,725,369.29	5,725,369.29				5,725,369.29	5,725,369.29
68,115.81	68,115.81				68,115.81	68,115.81
25,817.08	25,817.08				25,817.08	25,817.08
5,819,302.18	5,833,018.18				5,833,018.18	5,833,018.18
	1,416.34				1,416.34	1,416.34
	10,161.90				10,161.90	10,161.90
	(396.43)				(396.43)	(396.43)
	14,148.68				14,148.68	14,148.68
	236.09				236.09	236.09
	21,048.73				21,048.73	21,048.73
	22,783.86				22,783.86	22,783.86

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 PRAIRIE VIEW A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Advanced Nursing Education Grant Program	93.247				
Advanced Nursing Education Traineeships	93.358				
Nurse Education, Practice and Retention Grants	93.359				
Totals - U.S. Department of Health and Human Services					69,399.17
Corporation for National and Community Service					
Program Development and Innovation Grants	94.007	North Carolina Campus Compact/ MLKSERVICE- PVAMU2011			281.88
Totals - Corporation for National and Community Service					281.88
U.S. Department of Homeland Security					
<u>Direct Programs:</u>					
Scholars and Fellows, and Educational Programs	97.062				
Totals - U.S. Department of Homeland Security					
Research & Development Cluster					
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Grants for Agricultural Research, Special Research Grants	10.200				
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205				
1890 Institution Capacity Building Grants	10.216				
1890 Institution Capacity Building Grants	10.216				
<i>Pass-Through To:</i>					
<i>Texas A&M Agrilife Research</i>					
1890 Institution Capacity Building Grants	10.216				
<i>Pass-Through To:</i>					
<i>University of Houston</i>					
Totals - U.S. Department of Agriculture					
U.S. Department of Defense					
Basic Scientific Research	12.431				
Basic, Applied, and Advanced Research in Science and Engineering	12.630				
Totals - U.S. Department of Defense					
U.S. Department of Transportation					
Highway Planning and Construction	20.205	University of Nebraska - Lincoln/ 25-1121-0001-333			8.20
Totals - U.S. Department of Transportation					8.20
National Aeronautics and Space Administration					
National Aeronautics and Space Administration	43.000	United Negro College Fund/ NNX09AV017A-PV			30,554.80
National Aeronautics and Space Administration		Zyvex/ AWD 12.21.2005			(5,000.00)
Totals - National Aeronautics and Space Administration					25,554.80
National Endowment For The Humanities					
<u>Direct Programs:</u>					
Promotion of the Humanities, Fellowships and Stipends	45.160				
Totals - National Endowment For The Humanities					
National Science Foundation					
Education and Human Resources	47.076	Quality Education for Minorities Network/ Fontus M-2			44,769.91
<u>Direct Programs:</u>					
Engineering Grants	47.041				
Mathematical and Physical Sciences	47.049				
Computer and Information Science and Engineering	47.070				

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 PRAIRIE VIEW A&M UNIVERSITY
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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
65,082.33	65,082.33				65,082.33	65,082.33
23,885.00	23,885.00				23,885.00	23,885.00
348,245.19	348,245.19				348,245.19	348,245.19
437,212.52	506,611.69				506,611.69	506,611.69
	281.88				281.88	281.88
	281.88				281.88	281.88
37,172.25	37,172.25				37,172.25	37,172.25
37,172.25	37,172.25				37,172.25	37,172.25
41,693.04	41,693.04				41,693.04	41,693.04
5,400,517.89	5,400,517.89				5,400,517.89	5,400,517.89
147,463.75	147,463.75				147,463.75	147,463.75
16,304.02	16,304.02					16,304.02
		556	16,304.02			
2,319.80	2,319.80					2,319.80
		730	2,319.80			
5,608,298.50	5,608,298.50		18,623.82		5,589,674.68	5,608,298.50
132,694.40	132,694.40				132,694.40	132,694.40
25,254.73	25,254.73				25,254.73	25,254.73
157,949.13	157,949.13				157,949.13	157,949.13
	8.20				8.20	8.20
	8.20				8.20	8.20
	30,554.80				30,554.80	30,554.80
	(5,000.00)				(5,000.00)	(5,000.00)
	25,554.80				25,554.80	25,554.80
8,399.80	8,399.80				8,399.80	8,399.80
8,399.80	8,399.80				8,399.80	8,399.80
	44,769.91				44,769.91	44,769.91
22,982.81	22,982.81				22,982.81	22,982.81
63,568.66	63,568.66				63,568.66	63,568.66
24,478.94	24,478.94				24,478.94	24,478.94

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SCHEDULE I - A
 PRAIRIE VIEW A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Education and Human Resources	47.076				
<u>Pass-Through From:</u> Education and Human Resources	47.076				
<u>Pass-Through From:</u> Texas A&M Engineering Experiment Station			712	16,178.55	
Totals - National Science Foundation				16,178.55	44,769.91
U.S. Department of Energy					
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	Thurgood Marshall Scholarship Fund/ MSI-STEM-PVAMU- BELLAM-2011			72,465.52
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance		Thurgood Marshall Scholarship Fund/ MSI-STEM-PVAMU- YANG-2011			79,901.26
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance		Thurgood Marshall Scholarship Fund/ MSI-VISITING PROF- PVAMU-BELLAM- 2012			8,351.09
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance		Thurgood Marshall Scholarship Fund/ MSISF-PVAMU-LU			13,375.58
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance		Thurgood Marshall Scholarship Fund/ PVAMU 2010			(762.67)
Nuclear Energy Research, Development and Demonstration	81.121	Syracuse University/ 24958-02972-S01			31,750.01
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122	University of Minnesota/ A000211537 (DE- OE000427)			11,911.79
<u>Direct Programs:</u> National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123				
Totals - U.S. Department of Energy					216,992.58
Highway Planning and Construction Cluster					
U.S. Department of Transportation					
<u>Pass-Through From:</u> Highway Planning and Construction	20.205				
<u>Pass-Through From:</u> Texas Department of Transportation			601	44,062.62	
Totals - U.S. Department of Transportation				44,062.62	
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u> Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Academic Competitiveness Grants	84.375				
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376				
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925				
Totals - U.S. Department of Health and Human Services					

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
139,719.07	139,719.07				139,719.07	139,719.07
	16,178.55				16,178.55	16,178.55
250,749.48	311,697.94				311,697.94	311,697.94
	72,465.52				72,465.52	72,465.52
	79,901.26				79,901.26	79,901.26
	8,351.09				8,351.09	8,351.09
	13,375.58				13,375.58	13,375.58
	(762.67)				(762.67)	(762.67)
	31,750.01				31,750.01	31,750.01
	11,911.79				11,911.79	11,911.79
328,702.14	328,702.14				328,702.14	328,702.14
328,702.14	545,694.72				545,694.72	545,694.72
	44,062.62				44,062.62	44,062.62
	44,062.62				44,062.62	44,062.62
1,137,059.24	1,137,059.24				1,137,059.24	1,137,059.24
1,349,449.14	1,349,449.14				1,349,449.14	1,349,449.14
20,798,321.00	20,798,321.00				20,798,321.00	20,798,321.00
70,629,571.00	70,629,571.00				70,629,571.00	70,629,571.00
(60.00)	(60.00)				(60.00)	(60.00)
(2,000.00)	(2,000.00)				(2,000.00)	(2,000.00)
15,000.00	15,000.00				15,000.00	15,000.00
93,927,340.38	93,927,340.38				93,927,340.38	93,927,340.38
650,000.00	650,000.00				650,000.00	650,000.00
650,000.00	650,000.00				650,000.00	650,000.00

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<u>WIA Cluster</u>					
U.S. Department of Labor					
<u>Direct Programs:</u>					
WIA Youth Activities	17.259				
Totals - U.S. Department of Labor					
Total Expenditures of Federal Awards				\$ 338,834.67	\$ 528,652.69

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
74.77	74.77				74.77	74.77
74.77	74.77				74.77	74.77
\$ 114,356,270.93	\$ 115,223,758.29		\$ 45,470.66		\$ 115,178,287.63	\$ 115,223,758.29

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NOTE 1: NONMONETARY ASSISTANCE

Donation of Federal Surplus Property is presented at 23.3 percent of the original federal acquisition cost of \$14,193.00. The surplus property is passed through from the Texas Facilities Commission. The federal grantor agency is the General Services Administration. The CFDA number is 39.003. The estimated fair value for fiscal year 2012 is \$3,306.97.

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 14,039,104.78
Federal Grants and Contracts - Non-operating	31,625,330.51
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 335,527.70
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)- Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	335,527.70
Federal Appropriations	
Total Federal Revenue per Exhibit IV	\$ 45,999,962.99
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	3,306.97
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	70,629,571.00
Federal Perkins Loan Program	
Federal Direct Student Loans	
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants from TAMRF	(1,390,574.82)
Federal Grants to TAMRF	(18,507.85)
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	\$ 115,223,758.29

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 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$ -	\$ -	\$ -	\$ -
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	70,629,571.00			
Total, U. S. Department of Education		<u>70,629,571.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 70,629,571.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
Grants for Agricultural Research, Special Research Grants	10.200	\$ -	\$ 4,606.72	\$ 4,606.72
Cooperative Extension Service	10.500	99.81	46,661.20	46,761.01
Air Force Defense research Sciences Program	12.800	23.99	(23.99)	-
Highway Training and Education	20.215	17,500.00	(12,393.60)	5,106.40
National Aeronautics & Space Administration	43.000	34,446.62	50,778.78	85,225.40
Promotion of the Humanities Fellowships and Stipends	45.160	2,100.40	(2,099.80)	0.60
Education and Human Resources	47.076		22,401.59	22,401.59
Energy Efficiency and Renewal Energy Information	81.117	182,463.14	(90,814.23)	91,648.91
Federal Supplemental Educational Opportunity Grants	84.007		50.00	50.00
U.S. Department of Health and Human Services	93.000	1,124.08	(1,124.08)	-
Consolidated Knowledge Development and Application Program Development and Innovation Grants	93.230 94.007	24,310.58 281.88	(24,310.58) (281.88)	- -
		<u>\$ 262,350.50</u>	<u>\$ (6,549.87)</u>	<u>\$ 255,800.63</u>

Deferred Revenue Explanation:

The deferred revenue consists of federal funds received but not yet expended as of August 31, 2012.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 PRAIRIE VIEW A&M UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Need Based Scholarships Texas A&M University System	710.0003	710	\$ 105,673.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	2,702.21
Nursing & Allied Health Texas Higher Education Coordinating Board	781.0006	781	44,999.80
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	5,070,635.00
Professional Nursing Shortage Reduction Program Texas Higher Education Coordinating Board	781.0013	781	(160,856.12)
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	11,987.65
Higher Education Performance Incentive Initiative Texas Higher Education Coordinating Board	781.0019	781	24,675.93
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.0020	781	3,425.10
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	45,381.17
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	169,425.00
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	13,960.00
Total Pass-Through From State Agencies			\$ <u>5,332,008.74</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

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SCHEDULE THREE
 PRAIRIE VIEW A&M UNIVERSITY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 10,000.00
Petty Cash Department Working Fund	250.00
Total Cash On Hand	<u>\$ 10,250.00</u>
Cash In Bank	\$ 14,272.81
Cash In State Treasury:	
Fund 0245	47,309,255.14
Fund 0900	53,798.81
Fund 5029	7,436,159.26
Total Cash In State Treasury	<u>\$ 54,799,213.21</u>
Reimbursements Due From State Treasury	\$ 3,123,937.07
Assets Held By System Offices-Current	<u>24,902,961.72</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 82,850,634.81</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 10,466,150.22</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 10,466,150.22</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 93,316,785.03</u></u>

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SCHEDULE N-2
 PRAIRIE VIEW A&M UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

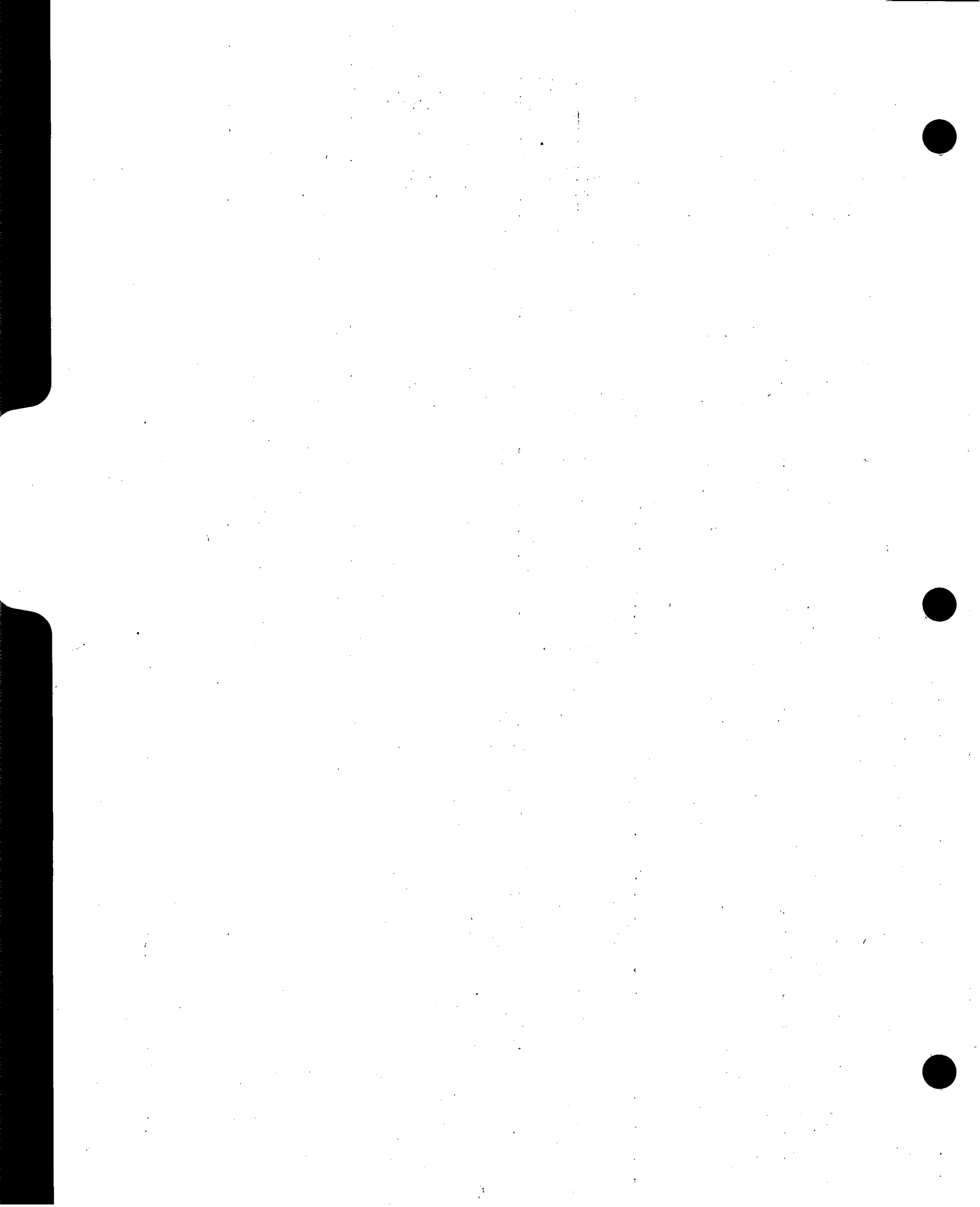
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 6,643,331.35	\$	\$
Construction In Progress	3,659,397.32		(2,384,301.65)
Other Tangible Capital Assets	474,072.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 10,776,800.67	\$	\$ (2,384,301.65)
Depreciable Assets			
Buildings	\$ 320,176,953.69	\$ 597,943.00	\$ 2,139,739.15
Infrastructure	3,962,913.23		
Facilities and Other Improvements	32,802,382.22		244,562.50
Furniture and Equipment	24,976,864.09		
Vehicles, Boats and Aircraft	2,956,483.86		
Other Capital Assets	8,077,929.58		
Total Depreciable Assets at Historical Cost	\$ 392,953,526.67	\$ 597,943.00	\$ 2,384,301.65
Less Accumulated Depreciation For:			
Buildings	\$ (120,483,827.44)	\$ 2,614,405.13	\$
Infrastructure	(2,734,115.28)		
Facilities and Other Improvements	(29,342,473.53)		
Furniture and Equipment	(17,763,823.52)		
Vehicles, Boats and Aircraft	(2,173,556.99)		
Other Capital Assets	(4,454,139.11)		
Total Accumulated Depreciation	\$ (176,951,935.87)	\$ 2,614,405.13	\$
Depreciable Assets, Net	\$ 216,001,590.80	\$ 3,212,348.13	\$ 2,384,301.65
Amortizable Assets - Intangible			
Computer Software	\$ 2,750,093.33	\$	\$
Total Intangible Assets at Historical Cost	\$ 2,750,093.33	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (2,531,376.98)	\$	\$
Total Accumulated Amortization	\$ (2,531,376.98)	\$	\$
Amortizable Assets-Net	\$ 218,716.35	\$	\$
Capital Assets, Net	\$ 226,997,107.82	\$ 3,212,348.13	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 402,320.00	\$	\$ 1,957,639.56	\$	\$ 6,643,331.35 3,635,055.23 474,072.00
<u>\$ 402,320.00</u>	<u>\$</u>	<u>\$ 1,957,639.56</u>	<u>\$</u>	<u>\$ 10,752,458.58</u>
\$	\$	\$ 4,227,217.00	\$	\$ 327,141,852.84 3,962,913.23
		47,437.50	(1,044,618.33)	32,049,763.89
		3,143,226.78	(321,109.19)	27,798,981.68
		337,986.96	(475,344.57)	2,819,126.25
		164,834.76		8,242,764.34
<u>\$</u>	<u>\$</u>	<u>\$ 7,920,703.00</u>	<u>\$ (1,841,072.09)</u>	<u>\$ 402,015,402.23</u>
\$	\$	\$ (8,932,541.28)	\$	\$ (126,801,963.59)
		(106,811.52)		(2,840,926.80)
		(731,400.55)	1,044,618.33	(29,029,255.75)
		(1,983,968.48)	316,941.10	(19,430,850.90)
		(210,508.63)	471,785.25	(1,912,280.37)
		(412,575.43)		(4,866,714.54)
<u>\$</u>	<u>\$</u>	<u>\$ (12,377,805.89)</u>	<u>\$ 1,833,344.68</u>	<u>\$ (184,881,991.95)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (4,457,102.89)</u>	<u>\$ (7,727.41)</u>	<u>\$ 217,133,410.28</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,750,093.33</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,750,093.33</u>
<u>\$</u>	<u>\$</u>	<u>\$ (124,551.75)</u>	<u>\$</u>	<u>\$ (2,655,928.73)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (124,551.75)</u>	<u>\$</u>	<u>\$ (2,655,928.73)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (124,551.75)</u>	<u>\$</u>	<u>\$ 94,164.60</u>
<u>\$ 402,320.00</u>	<u>\$</u>	<u>\$ (2,624,015.08)</u>	<u>\$ (7,727.41)</u>	<u>\$ 227,980,033.46</u>

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PRAIRIE VIEW A&M UNIVERSITY

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FINANCIAL REPORT

OF

TARLETON STATE UNIVERSITY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



F. DOMINIC DOTTAVIO, PH.D., PRESIDENT

TYE MINCKLER, VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

MIKE TATE, ASSISTANT VICE PRESIDENT AND CONTROLLER

STEPHENVILLE, TEXAS

UNAUDITED

TARLETON STATE UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	9,597	9,985
Out-of-State	225	210
Foreign	71	84
Not Reported	12	0
Total Students	<u>9,905</u>	<u>10,279</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	7,545	85,555
2001-02	8,024	90,623
2002-03	8,320	93,779
2003-04	8,845	99,696
2004-05	9,033	102,600
2005-06	9,140	103,410
2006-07	9,464	106,126
2007-08	9,466	105,306
2008-09	9,633	103,903
2009-10	8,596	97,104
2010-11	9,341	104,742
2011-12	9,905	111,292
2012-13	10,279	117,791

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TARLETON STATE UNIVERSITY
INDEX

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EXHIBIT III
TARLETON STATE UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	24,943,314.33	22,333,021.98
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	2,059,720.49	1,839,213.70
Investments		
Legislative Appropriations	2,949,729.15	1,546,651.81
Receivables, Net:		
Federal	4,395,839.00	2,248,624.49
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	6,812.65	6,812.65
Self-Insured Health and Dental		
Student	255,840.71	176,424.78
Investment Trades		
Accounts	435,492.11	
Other	207,805.92	267,631.28
Due From Other Agencies	409,910.33	436,889.82
Due From Other Members	5,482,608.24	6,839,369.11
Due From Other Funds		
Consumable Inventories	655,165.85	644,815.00
Merchandise Inventories	85,397.03	91,828.00
Deferred Charges		
Loans and Contracts	1,570,015.30	1,082,529.58
Interfund Receivable		
Other Current Assets	4,550,678.21	3,830,438.04
Total Current Assets	<u>\$ 48,008,329.32</u>	<u>\$ 41,344,250.24</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 27,905,013.26	\$ 24,380,499.07
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		17,160.86
Pledges Receivable	19,363.35	25,475.42
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	72,969,616.26	59,845,847.60
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	3,291,688.69	3,238,631.89
Construction In Progress	4,809,686.29	3,768,448.40
Other Tangible Capital Assets	1,132,854.71	1,132,854.71
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	193,547,565.28	182,681,414.49
Infrastructure	19,137,862.83	19,137,862.83
Facilities and Other Improvements	15,020,096.92	13,204,586.60
Furniture and Equipment	15,535,491.15	14,997,400.62
Vehicles, Boats, and Aircraft	1,481,123.75	1,564,694.45
Other Capital Assets	8,605,393.65	8,374,740.49
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	686,342.29	729,238.12
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(109,450,257.19)	(99,560,381.56)
Assets Held In Trust		
Other Non-Current Assets	19,060.75	1,186,460.75
Total Non-Current Assets and Deferred Outflows	<u>\$ 254,710,901.99</u>	<u>\$ 234,724,934.74</u>
Total Assets and Deferred Outflows	<u>\$ 302,719,231.31</u>	<u>\$ 276,069,184.98</u>

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EXHIBIT III
TARLETON STATE UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 1,515,692.14	\$ 1,803,890.00
Payroll	3,280,481.80	2,713,062.61
Investment Trades		
Self-Insured Health and Dental		
Other	60,551.30	86,716.07
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members	2,000,000.00	32,104.81
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	32,320,288.63	30,830,811.65
Employees' Compensable Leave	165,405.00	267,795.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets	1,150,411.53	666,917.01
Funds Held for Others	405,747.89	389,723.07
Obligations/Securities Lending		
Other Current Liabilities	816,547.93	754,628.48
Total Current Liabilities	<u>\$ 41,715,126.22</u>	<u>\$ 37,545,648.70</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	2,511,622.00	2,313,773.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	40,000.00	20,000.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 2,551,622.00</u>	<u>\$ 2,333,773.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 44,266,748.22</u>	<u>\$ 39,879,421.70</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 153,797,848.37	\$ 149,269,491.04
Restricted For:		
Debt Service		
Capital Projects	184,759.40	205,123.63
Education	14,883,712.29	8,017,412.13
Endowment and Permanent Funds:		
Nonexpendable	13,650,736.63	13,742,366.59
Expendable	6,554,586.73	6,161,835.13
Unrestricted	69,380,839.67	58,793,534.76
Total Net Assets [Exhibit IV]	<u>\$ 258,452,483.09</u>	<u>\$ 236,189,763.28</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 302,719,231.31</u>	<u>\$ 276,069,184.98</u>

UNAUDITED

EXHIBIT IV
 TARLETON STATE UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 59,143,976.53	\$ 52,051,354.05
Discounts and Allowances	(12,669,074.00)	(12,206,519.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		1,102.50
Net Auxiliary Enterprises	20,921,846.77	15,188,915.74
Net Other Sales of Goods and Services	3,083,903.34	3,648,803.53
Discounts and Allowances-Sales	(3,943,253.00)	(2,936,206.00)
Total Sales of Goods and Services	\$ 66,537,399.64	\$ 55,747,450.82
Premium Revenue		
Interest Revenue	3,442.63	4,751.48
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	11,468,852.99	8,427,650.69
Federal Pass Through Revenue	865,630.21	889,036.13
State Grant Revenue	63,764.11	20,000.00
State Pass Through Revenue	6,018,668.66	5,733,752.67
Other Grants and Contracts - Operating	425,244.42	360,445.45
Other Operating Revenue	473,569.63	732,919.86
Total Operating Revenues	\$ 85,856,572.29	\$ 71,916,007.10
Operating Expenses		
Instruction	\$ 38,145,431.77	\$ 35,869,044.92
Research	8,142,252.58	9,078,073.30
Public Service	3,696,650.80	2,785,374.54
Hospitals and Clinics		
Academic Support	7,911,837.42	8,011,125.05
Student Services	5,541,931.74	5,371,785.48
Institutional Support	9,336,046.44	8,555,279.63
Operation & Maintenance of Plant	11,730,738.52	12,442,488.38
Scholarships & Fellowships	15,349,724.16	15,663,395.25
Auxiliary	21,092,383.54	17,613,427.74
Depreciation/Amortization	10,381,439.37	9,382,924.04
Total Operating Expenses [Schedule IV-1]	\$ 131,328,436.34	\$ 124,772,918.33
Total Operating Income [Loss]	\$ (45,471,864.05)	\$ (52,856,911.23)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 36,262,633.80	\$ 49,783,593.08
Federal Revenue Non-Operating	18,036,895.79	17,796,862.78
Federal Pass Through Non-Operating	88,604.62	1,323,994.88
State Pass Through Non-Operating		
Gifts	7,343,687.49	955,168.77
Land Income		
Investment Income	2,160,463.90	1,964,338.79
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(164,265.82)	(194,786.91)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	(106,919.30)	1,728.77
Net Increase [Decrease] In Fair Value	3,061,373.00	5,805,578.15
Settlement of Claims		
Other Nonoperating Revenues	34,929.21	649,705.62
Other Nonoperating [Expenses]	(4,401,736.88)	(5,294,983.12)
Total Nonoperating Revenues [Expenses]	\$ 62,315,665.81	\$ 72,791,200.81
Income [Loss] Before Other Revenues and Transfers	\$ 16,843,801.76	\$ 19,934,289.58

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EXHIBIT IV
 TARLETON STATE UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 200,511.31	\$ 54,199.57
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	1,066,700.03	504,505.28
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	5,533,644.11	4,668,340.07
Nonmandatory Transfers From Members/Agencies-Cap Assets	12,886,699.85	56,262,445.13
Transfers Out		
Transfers to Other State Agencies	(529,245.50)	(499,978.99)
Mandatory Transfers to Other Members	(6,752,690.11)	(6,305,753.92)
Nonmandatory Transfers to Other Members	(1,997,495.82)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(4,930,705.00)	(17,051,119.00)
Legislative Appropriations Lapsed		
Total Other Revenues and Transfers	\$ 5,477,418.87	\$ 37,632,638.14
Change In Net Assets	\$ 22,321,220.63	\$ 57,566,927.72
Beginning Net Assets, September 1, 2011 and 2010	\$ 236,189,763.28	\$ 164,596,115.56
Restatement	(58,500.82)	14,026,720.00
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 236,131,262.46	\$ 178,622,835.56
Net Assets, August 31, 2012 and 2011	\$ 258,452,483.09	\$ 236,189,763.28

UNAUDITED

SCHEDULE IV-1
 TARLETON STATE UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	2,867.71		7,412.91		100,898.95
Salaries & Wages	28,202,540.41	3,496,863.95	968,519.88		4,391,537.20
Payroll Related Costs	6,303,688.39	763,723.70	190,670.82		1,084,096.01
Professional Fees & Services	159,838.01	2,600,598.57	716,744.76		142,358.46
Travel	558,801.75	226,814.71	99,837.79		157,582.55
Materials & Supplies	1,702,747.22	415,308.76	1,168,214.61		1,556,042.47
Communication & Utilities	187,660.25	60,954.09	118,111.71		75,319.18
Repairs & Maintenance	157,157.27	480,389.04	59,017.85		126,268.37
Rentals & Leases	225,239.88	46,685.10	171,983.42		101,678.47
Printing & Reproduction	40,767.64	2,633.21	18,568.05		32,929.02
Federal Pass-Through					
State Pass-Through	30,000.00				
Depreciation & Amortization					
Bad Debt Expense			17,160.86		
Interest	5.96				43.81
Scholarships	274,489.84	3,600.00	18,000.00		
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	299,627.44	44,681.45	142,408.14		143,082.93
Total Operating Expenses	\$ 38,145,431.77	\$ 8,142,252.58	\$ 3,696,650.80	\$	\$ 7,911,837.42

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$ 5,811.66	\$ 223.49			\$ 31,499.46		\$ 148,714.18	\$ 126,969.78
2,854,953.89	4,321,270.03	4,397,416.33	4,931.84	4,986,107.00		53,624,140.53	50,902,994.46
657,514.20	1,581,646.38	1,542,317.56	9.94	1,162,323.97		13,285,990.97	13,370,512.96
508,532.47	771,096.23	603,744.85	21,321.00	5,983,873.22		11,508,107.57	11,389,116.34
153,778.90	82,725.62	26,790.03	310.71	481,618.36		1,788,260.42	1,515,870.39
456,758.70	1,133,380.81	1,007,292.24		1,555,929.20		8,995,674.01	7,794,761.73
89,941.90	273,825.08	2,416,837.71		1,939,186.86		5,161,836.78	5,124,664.50
28,372.79	11,080.94	1,109,072.34		448,000.29		2,419,358.89	2,690,771.39
117,540.58	74,704.65	535,222.60		2,270,918.07		3,543,972.77	2,216,520.61
167,133.69	61,309.29	2,859.46		183,536.70		509,737.06	478,134.40
			3,587,119.06			3,587,119.06	3,446,249.69
						30,000.00	80,846.04
					10,381,439.37	10,381,439.37	9,382,924.04
120,285.43						137,446.29	(9,073.89)
	186.03	13.01				248.81	741.61
65,495.30			11,735,916.06	1,090,480.75		13,187,981.95	13,396,142.21
315,812.23	1,024,597.89	89,172.39	115.55	958,909.66		3,018,407.68	2,864,772.07
<u>\$ 5,541,931.74</u>	<u>\$ 9,336,046.44</u>	<u>\$ 11,730,738.52</u>	<u>\$ 15,349,724.16</u>	<u>\$ 21,092,383.54</u>	<u>\$ 10,381,439.37</u>	<u>\$ 131,328,436.34</u>	<u>\$ 124,772,918.33</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TARLETON STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	50,253,325.31	45,743,547.08
Proceeds Received From Customers	2,941,625.54	3,609,734.97
Proceeds From Sponsored Programs	14,431,561.06	16,413,015.27
Proceeds From Auxiliary Enterprises	16,978,528.77	12,252,809.74
Proceeds From Loan Programs	2,866,289.85	2,412,418.56
Proceeds From Other Revenues	462,840.74	772,978.59
Payments to Suppliers for Goods and Services	(37,641,623.68)	(33,658,557.37)
Payments to Employees - Salaries	(53,380,001.11)	(50,812,354.41)
Payments to Employees - Benefits	(12,867,252.20)	(13,220,937.07)
Payments for Loans Provided	(3,431,093.62)	(2,431,793.68)
Payments for Other Expenses	(16,805,101.01)	(18,333,760.00)
Net Cash Provided [Used] By Operating Activities	<u>\$ (36,190,900.35)</u>	<u>\$ (37,252,898.32)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 34,859,556.46	\$ 48,703,971.33
Proceeds From Gifts	7,349,799.56	922,880.70
Proceeds From Endowments	1,066,700.03	504,505.28
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	17,799,379.75	18,732,843.60
Proceeds From Contributed Capital		
Proceeds From Other Revenues	1,218,354.03	649,705.62
Payments of Interest		
Payments - Transfers to Other Funds	(529,245.50)	(499,978.99)
Payments for Grant Disbursements		
Payments for Other Uses	(1,167,400.00)	11,830.42
Other Noncapital Transfers From/To System	1,150,696.95	(10,193,238.93)
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 61,747,841.28</u>	<u>\$ 58,832,519.03</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 17,743.96	\$ 9,167.19
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets		
Payments of Principal On Debt	(5,200,086.50)	(4,116,720.46)
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	5,758,323.16	3,013,554.97
Intrasystem Transfers for Capital Debt [Mandatory]	(11,683,395.11)	(11,995,293.92)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(28,015.53)	(2,875.00)
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (11,135,430.02)</u>	<u>\$ (13,092,167.22)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(13,586,909.85)	(6,010,372.99)
Proceeds From Interest and Investment Income	1,996,198.08	1,769,551.88
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (11,590,711.77)</u>	<u>\$ (4,240,821.11)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 2,830,799.14</u>	<u>\$ 4,246,632.38</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 24,172,235.68</u>	<u>\$ 19,925,603.30</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 24,172,235.68</u>	<u>\$ 19,925,603.30</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 27,003,034.82</u>	<u>\$ 24,172,235.68</u>

UNAUDITED

EXHIBIT V
 TARLETON STATE UNIVERSITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(45,471,864.05)	(52,856,911.23)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	10,381,439.37	9,382,924.04
Bad Debt Expense	328,200.08	119,967.64
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(2,520,317.72)	.130,432.15
Due From Other Agencies/Funds	80,366.89	(211,871.43)
Due From System Members	(18,615.13)	170,489.65
Inventory	(3,919.88)	67,948.18
Deferred Charges		
Prepaid Expenses	(670,240.17)	353,046.03
Loans and Contracts	(607,771.15)	27,196.30
Other Assets	(50,000.00)	50,000.00
Payables	736,551.08	6,657.85
Due to Other Agencies/Funds		
Due to System Members	(1,585.10)	(3,208.05)
Unearned Revenue	1,489,476.98	5,283,103.97
Deposits	41,919.45	85,442.58
Compensated Absence Liability	95,459.00	151,884.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		(10,000.00)
Total Adjustments	<u>\$ 9,280,963.70</u>	<u>\$ 15,604,012.91</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (36,190,900.35)</u>	<u>\$ (37,252,898.32)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	1,208,290.32	4,034,046.54
Gain/Loss On Sale or Disposal of Capital Assets	(106,919.30)	1,728.77
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	12,886,699.85	56,262,445.13

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Justice					
<u>Direct Programs:</u>					
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580			\$	\$
Totals - U.S. Department of Justice					
Office of Personnel Management					
Intergovernmental Personnel Act (IPA) Mobility Program	27.011				
Totals - Office of Personnel Management					
National Science Foundation					
Education and Human Resources	47.076				
Totals - National Science Foundation					
Small Business Administration					
<u>Pass-Through From:</u>					
Small Business Development Centers	59.037				
<u>Pass-Through From:</u>					
Texas Tech University					
			733	127,418.29	
Totals - Small Business Administration				127,418.29	
Environmental Protection Agency					
Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality					
			582	15,280.19	
Totals - Environmental Protection Agency				15,280.19	
U.S. Department of Education					
Fund for the Improvement of Postsecondary Education	84.116	Intercultural Development Reserach Association/ 430910			10,489.70
Fund for the Improvement of Postsecondary Education		Intercultural Developmental Research Association/ 431660			806.90
<u>Direct Programs:</u>					
Fund for the Improvement of Education	84.215				
<u>Pass-Through From:</u>					
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities	84.333				
<u>Pass-Through From:</u>					
Texas A&M University					
			711	7,000.00	
College Access Challenge Grant Program	84.378				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board					
			781	6,000.00	
Totals - U.S. Department of Education				13,000.00	11,296.60
U.S. Department of Health and Human Services					
Foster Care Title IV-E	93.658				
<u>Pass-Through From:</u>					
Department of Family and Protective Services					
			530	94,981.53	
Totals - U.S. Department of Health and Human Services				94,981.53	
Research & Development Cluster					
U.S. Department of Agriculture					
Environmental Quality Incentives Program	10.912	World Resources Institute/ 431960			55,786.83

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 1,479,986.60	\$ 1,479,986.60		\$	\$	\$ 1,479,986.60	\$ 1,479,986.60
1,479,986.60	1,479,986.60				1,479,986.60	1,479,986.60
(1,460.46)	(1,460.46)				(1,460.46)	(1,460.46)
(1,460.46)	(1,460.46)				(1,460.46)	(1,460.46)
322,334.29	322,334.29				322,334.29	322,334.29
322,334.29	322,334.29				322,334.29	322,334.29
	127,418.29				127,418.29	127,418.29
	127,418.29				127,418.29	127,418.29
	15,280.19				15,280.19	15,280.19
	15,280.19				15,280.19	15,280.19
	10,489.70				10,489.70	10,489.70
	806.90				806.90	806.90
823,666.92	823,666.92				823,666.92	823,666.92
	7,000.00				7,000.00	7,000.00
	6,000.00				6,000.00	6,000.00
823,666.92	847,963.52				847,963.52	847,963.52
	94,981.53				94,981.53	94,981.53
	94,981.53				94,981.53	94,981.53

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From		
				Agencies or Universities Amount	Non-State Entities Amount	
Environmental Quality Incentives Program		World Resources Institute/ 434240			49,737.07	
Direct Programs:						
Plant and Animal Disease, Pest Control, and Animal Care	10.025					
Crop Insurance	10.450					
Soil and Water Conservation	10.902					
Pass-Through From:						
Plant and Animal Disease, Pest Control, and Animal Care	10.025					
Pass-Through From:						
<i>Texas A&M AgriLife Research</i>						
			556	6,000.00		
Totals - U.S. Department of Agriculture					6,000.00	105,523.90
U.S. Department of the Interior						
Cooperative Endangered Species Conservation Fund	15.615					
Pass-Through From:						
<i>Parks and Wildlife Department</i>						
			802	16,469.78		
Totals - U.S. Department of the Interior					16,469.78	
Environmental Protection Agency						
Water Pollution Control State, Interstate, and Tribal Program Support	66.419					
Pass-Through From:						
<i>Texas A&M AgriLife Research</i>						
			556	31,823.46		
Water Pollution Control State, Interstate, and Tribal Program Support	66.419					
Pass-Through From:						
<i>Texas Commission on Environmental Quality</i>						
			582	194,181.42		
Nonpoint Source Implementation Grants	66.460					
Pass-Through From:						
<i>Texas A&M AgriLife Extension Service</i>						
			555	57,931.91		
Nonpoint Source Implementation Grants	66.460					
Pass-Through From:						
<i>Texas Commission on Environmental Quality</i>						
			582	166,888.66		
Nonpoint Source Implementation Grants	66.460					
Pass-Through From:						
<i>Soil and Water Conservation Board</i>						
			592	122,732.26		
Performance Partnership Grants	66.605					
Pass-Through From:						
<i>Texas Commission on Environmental Quality</i>						
			582	18,877.58		
Totals - Environmental Protection Agency					592,435.29	
Student Financial Assistance Cluster						
U.S. Department of Education						
Direct Programs:						
Federal Supplemental Educational Opportunity Grants	84.007					
Pass-Through To:						
<i>Texas A&M University - Central Texas</i>						
Federal Work-Study Program	84.033					
Federal Pell Grant Program	84.063					
Pass-Through To:						
<i>Texas A&M University - Central Texas</i>						
Federal Direct Student Loans	84.268					
Pass-Through To:						
<i>Texas A&M University - Central Texas</i>						
Totals - U.S. Department of Education						

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	49,737.07				49,737.07	49,737.07
19,149.57	19,149.57				19,149.57	19,149.57
5,045,051.93	5,045,051.93				5,045,051.93	5,045,051.93
2,772.75	2,772.75				2,772.75	2,772.75
	6,000.00				6,000.00	6,000.00
5,066,974.25	5,178,498.15				5,178,498.15	5,178,498.15
	16,469.78				16,469.78	16,469.78
	16,469.78				16,469.78	16,469.78
	31,823.46				31,823.46	31,823.46
	194,181.42				194,181.42	194,181.42
	57,931.91				57,931.91	57,931.91
	166,888.66				166,888.66	166,888.66
	122,732.26				122,732.26	122,732.26
	18,877.58				18,877.58	18,877.58
	592,435.29				592,435.29	592,435.29
316,328.90	316,328.90				203,737.90	316,328.90
		770	112,591.00			
241,765.73	241,765.73				241,765.73	241,765.73
18,036,895.79	18,036,895.79				14,562,367.73	18,036,895.79
		770	3,474,528.06			
70,082,806.00	70,082,806.00				56,449,791.00	70,082,806.00
		770	13,633,015.00			
88,677,796.42	88,677,796.42		17,220,134.06		71,457,662.36	88,677,796.42

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
State Fiscal Stabilization Fund Cluster					
U.S. Department of Education					
<u>Pass-Through From:</u>					
State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	84.397				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board			781	88,604.62	
Totals - U.S. Department of Education				88,604.62	
TRIO Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO Upward Bound	84.047				
Totals - U.S. Department of Education					
WIA Cluster					
U.S. Department of Labor					
<u>Pass-Through From:</u>					
WIA Adult Program	17.258				
<u>Pass-Through From:</u>					
Texas Workforce Commission			320	45.13	
Totals - U.S. Department of Labor				45.13	
Total Expenditures of Federal Awards				\$ 954,234.83	\$ 116,820.50

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	88,604.62				88,604.62	88,604.62
	88,604.62				88,604.62	88,604.62
381,199.96	381,199.96				381,199.96	381,199.96
381,199.96	381,199.96				381,199.96	381,199.96
	45.13				45.13	45.13
	45.13				45.13	45.13
<u>\$ 96,750,497.98</u>	<u>\$ 97,821,553.31</u>		<u>\$ 17,220,134.06</u>	<u>\$ -</u>	<u>\$ 80,601,419.25</u>	<u>\$ 97,821,553.31</u>

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	11,468,852.99
Federal Grants and Contracts - Non-operating			18,036,895.79
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	865,630.21	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		88,604.62	
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			954,234.83
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	<u>30,459,983.61</u>

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			
Federal Perkins Loan Program			
Federal Direct Student Loans			
Health Education Assistance Loans			70,082,806.00
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

Federal Revenue Received on the Fixed Fee Basis Contract			
Federal Grants to/from TAMRF			(2,503,994.20)
COBRA 65% Subsidy (CFDA Number 17.151)			(217,242.10)
Total Pass Throughs and Expenditures per Federal Schedule		\$	<u>97,821,553.31</u>

UNAUDITED

SCHEDULE 1 - A
 TARLETON STATE UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	70,082,806.00	(13,633,015.00)		
Total, U. S. Department of Education		<u>70,082,806.00</u>	<u>(13,633,015.00)</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 70,082,806.00</u>	<u>\$ (13,633,015.00)</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
U.S. Department of Agriculture Crop Insurance	10.450	\$ 2,505,250.32	\$ (2,394,528.04)	\$ 110,722.28
		<u>\$ 2,505,250.32</u>	<u>\$ (2,394,528.04)</u>	<u>\$ 110,722.28</u>

Deferred Revenue Explanation:

Prepaid federal grants that have not been earned by fiscal year-end.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TARLETON STATE UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Recreational Use Attainability Analysis for Mid-Pecan Bayou Texas AgriLife Research	556.0006	556	\$ 22,296.87
TMDL - Bacteria Water Quality Sampling Analysis in Specified Stream Texas Commission on Environmental Quality	582.0029	582	0.46
Upper Oyster Creek Dissolved Oxygen TMDL Texas Commission on Environmental Quality	582.0046	582	7,153.46
Nonpoint Source Pollution Grant Program Soil and Water Conservation Board	592.0001	592	419,318.78
Need Based Scholarships Texas A&M University System	710.0003	710	60,554.00
Beginning Teacher Induction and Mentoring (BTIM) program Texas A&M University System	710.0006	710	53,606.18
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	12,946.99
Native Plant Integration Texas A&M University - Kingsville	732.0004	732	11,150.13
Nursing & Allied Health Texas Higher Education Coordinating Board	781.0006	781	45,000.00
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	4,334,037.84
Professional Nursing Shortage Reduction Program Texas Higher Education Coordinating Board	781.0013	781	551,085.00
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	26.94
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	32,242.43
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	178,878.31
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	266,000.00

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SCHEDULE 1-B
 TARLETON STATE UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Work Study Mentorship Program	781.0029		
Texas Higher Education Coordinating Board		781	12,449.19
Combat Exemption Prog SB297	781.0033		
Texas Higher Education Coordinating Board		781	(16,577.92)
Early High School Program HB1479	781.0036		
Texas Higher Education Coordinating Board		781	28,500.00
Total Pass-Through From State Agencies			\$ <u>6,018,668.66</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
AVID project	713.0002		
Texas A&M University - Central Texas		770	\$ 30,000.00
Total Pass-Through To State Agencies			\$ <u>30,000.00</u> (Schedule IV-1)

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SCHEDULE THREE
 TARLETON STATE UNIVERSITY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 25,000.00
Petty Cash Department Working Fund	1,930.00
	<u>26,930.00</u>
Total Cash On Hand	\$ 26,930.00
Cash In Bank	\$ 138,865.89
Cash In State Treasury:	
Fund 0243	7,655,663.80
	<u>7,655,663.80</u>
Total Cash In State Treasury	\$ 7,655,663.80
Reimbursements Due From State Treasury	\$ 36,359.76
Assets Held By System Offices-Current	17,085,494.88
	<u>17,085,494.88</u>
Total Current Cash and Cash Equivalents [Exhibit III]	\$ 24,943,314.33
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	\$ 2,059,720.49
	<u>2,059,720.49</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	\$ 2,059,720.49
Total Cash & Cash Equivalents [Exhibit V]	<u>\$ 27,003,034.82</u>

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SCHEDULE N-2
 TARLETON STATE UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 3,238,631.89	\$	\$ 225,580.00
Construction In Progress	3,768,448.40	(184,403.47)	(15,792,496.48)
Other Tangible Capital Assets	1,132,854.71		
Total Non-Depreciable/Non-Amortizable Assets	\$ 8,139,935.00	\$ (184,403.47)	\$ (15,566,916.48)
Depreciable Assets			
Buildings	\$ 182,681,414.49	\$	\$ 13,684,602.16
Infrastructure	19,137,862.83		
Facilities and Other Improvements	13,204,586.60	184,403.47	1,839,089.99
Furniture and Equipment	14,997,400.62		43,224.33
Vehicles, Boats and Aircraft	1,564,694.45		
Other Capital Assets	8,374,740.49		
Total Depreciable Assets at Historical Cost	\$ 239,960,699.48	\$ 184,403.47	\$ 15,566,916.48
Less Accumulated Depreciation For:			
Buildings	\$ (74,014,297.65)	\$ (54,710.37)	\$
Infrastructure	(2,639,501.71)		
Facilities and Other Improvements	(4,850,885.32)	(3,671.60)	
Furniture and Equipment	(9,998,830.92)	(118.85)	
Vehicles, Boats and Aircraft	(1,263,472.67)		
Other Capital Assets	(6,072,135.08)		
Total Accumulated Depreciation	\$ (98,839,123.35)	\$ (58,500.82)	\$
Depreciable Assets, Net	\$ 141,121,576.13	\$ 125,902.65	\$ 15,566,916.48
Amortizable Assets - Intangible			
Computer Software	\$ 729,238.12	\$	\$
Total Intangible Assets at Historical Cost	\$ 729,238.12	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (721,258.21)	\$	\$
Total Accumulated Amortization	\$ (721,258.21)	\$	\$
Amortizable Assets-Net	\$ 7,979.91	\$	\$
Capital Assets, Net	\$ 149,269,491.04	\$ (58,500.82)	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 12,885,650.85	\$	\$ 4,132,486.99	\$ (172,523.20)	\$ 3,291,688.69 4,809,686.29 1,132,854.71
<u>\$ 12,885,650.85</u>	<u>\$</u>	<u>\$ 4,132,486.99</u>	<u>\$ (172,523.20)</u>	<u>\$ 9,234,229.69</u>
\$	\$	\$	\$ (2,818,451.37)	\$ 193,547,565.28 19,137,862.83 15,020,096.92 15,535,491.15 1,481,123.75 8,605,393.65
61,898.50		863,332.74 61,676.44 349,023.77	(207,983.14) (430,365.04) (145,247.14) (118,370.61)	
<u>\$ 61,898.50</u>	<u>\$</u>	<u>\$ 1,274,032.95</u>	<u>\$ (3,720,417.30)</u>	<u>\$ 253,327,533.58</u>
\$	\$	\$ (7,293,024.11) (745,215.12) (642,443.72) (1,394,830.89) (95,867.73) (205,991.84)	\$ 1,613.20 422,776.05 141,223.98 2,405.00	\$ (81,360,418.93) (3,384,716.83) (5,497,000.64) (11,031,854.11) (1,218,116.42) (6,275,721.92)
<u>\$ (60,849.50)</u>	<u>\$</u>	<u>\$ (10,377,373.41)</u>	<u>\$ 568,018.23</u>	<u>\$ (108,767,828.85)</u>
<u>\$ 1,049.00</u>	<u>\$</u>	<u>\$ (9,103,340.46)</u>	<u>\$ (3,152,399.07)</u>	<u>\$ 144,559,704.73</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (42,895.83)</u>	<u>\$ 686,342.29</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (42,895.83)</u>	<u>\$ 686,342.29</u>
<u>\$</u>	<u>\$</u>	<u>\$ (4,065.96)</u>	<u>\$ 42,895.83</u>	<u>\$ (682,428.34)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (4,065.96)</u>	<u>\$ 42,895.83</u>	<u>\$ (682,428.34)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (4,065.96)</u>	<u>\$</u>	<u>\$ 3,913.95</u>
<u>\$ 12,886,699.85</u>	<u>\$</u>	<u>\$ (4,974,919.43)</u>	<u>\$ (3,324,922.27)</u>	<u>\$ 153,797,848.37</u>

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TARLETON STATE UNIVERSITY

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - CENTRAL TEXAS

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. MARC NIGLAZZO, PRESIDENT

GAYLENE NUNN, VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

KILLEEN, TEXAS

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TEXAS A&M UNIVERSITY - CENTRAL TEXAS

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	1,841	2,004
Out-of-State	245	230
Foreign	10	19
Unknown		
Total Students	2,096	2,253

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01		
2001-02		
2002-03		
2003-04		
2004-05		
2005-06		
2006-07		
2007-08		
2008-09		
2009-10	2,188	13,935
2010-11	2,317	14,717
2011-12	2,096	14,225
2012-13	2,253	15,687

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TEXAS A&M UNIVERSITY - CENTRAL TEXAS
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EXHIBIT III
TEXAS A&M UNIVERSITY-CENTRAL TEXAS
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	12,146,088.54	9,364,755.08
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		6,373.99
Investments		
Legislative Appropriations	1,439,823.46	1,300,628.39
Receivables, Net:		
Federal		
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades	189,287.53	189,294.26
Accounts		
Other	1,486.25	52,402.40
Due From Other Agencies		
Due From Other Members		
Due From Other Funds	500,000.00	
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	191,265.81	131,279.70
Interfund Receivable		
Other Current Assets	316,764.65	317,121.50
Total Current Assets	<u>\$ 14,784,716.24</u>	<u>\$ 11,361,855.32</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 792,532.53	\$ 766,046.42
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	13,916.13	6,031.95
Assets Held By System Offices	6,058,268.63	5,719,087.69
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	1,740,000.00	1,740,000.00
Construction In Progress		
Other Tangible Capital Assets		
Land Use Rights	37,500.00	
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements		
Infrastructure	23,469,198.23	
Facilities and Other Improvements	6,432,297.47	
Furniture and Equipment	1,307,596.56	
Vehicles, Boats, and Aircraft	2,161,012.01	752,469.69
Other Capital Assets	122,654.30	101,162.30
Intangible Capital Assets, Amortized [Note 2]	1,475,060.45	1,209,908.24
Land Use Rights		
Computer Software	648,065.00	
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(1,579,209.68)	(669,197.28)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 42,678,891.63</u>	<u>\$ 9,625,509.01</u>
Total Assets and Deferred Outflows	<u>\$ 57,463,607.87</u>	<u>\$ 20,987,364.33</u>

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EXHIBIT III
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 934,061.65	\$ 360,491.30
Payroll	1,005,275.77	830,121.81
Investment Trades		
Self-Insured Health and Dental		
Other	15,962.73	11,600.00
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members		
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	3,336,808.55	2,414,606.14
Employees' Compensable Leave	28,391.00	14,789.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	433.00	
Obligations/Securities Lending		
Other Current Liabilities	<u>62,163.04</u>	<u>62,995.46</u>
Total Current Liabilities	<u>\$ 5,383,095.74</u>	<u>\$ 3,694,603.71</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 337,814.00	\$ 282,663.00
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	<u>20,000.00</u>	
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 357,814.00</u>	<u>\$ 282,663.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 5,740,909.74</u>	<u>\$ 3,977,266.71</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 35,814,174.34	\$ 3,134,342.95
Restricted For:		
Debt Service		
Capital Projects		
Education	595,525.59	522,858.86
Endowment and Permanent Funds:		
Nonexpendable	688,820.57	667,586.49
Expendable	100,301.44	101,425.71
Unrestricted	<u>14,523,876.19</u>	<u>12,583,883.61</u>
Total Net Assets [Exhibit IV]	<u>\$ 51,722,698.13</u>	<u>\$ 17,010,097.62</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 57,463,607.87</u>	<u>\$ 20,987,364.33</u>

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 10,441,917.49	\$ 9,562,519.39
Discounts and Allowances	(2,086,436.00)	(1,838,760.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	126,295.47	106,783.50
Net Other Sales of Goods and Services	109,450.16	65,206.84
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 8,591,227.12	\$ 7,895,749.73
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating		
Federal Pass Through Revenue	112,591.00	21,600.00
State Grant Revenue		
State Pass Through Revenue	43,645.00	80,846.04
Other Grants and Contracts - Operating	1,000.00	105,480.00
Other Operating Revenue	136,002.88	15,420.74
Total Operating Revenues	\$ 8,884,466.00	\$ 8,119,096.51
Operating Expenses		
Instruction	\$ 7,303,847.86	\$ 6,557,003.26
Research	260.00	
Public Service	21,545.95	721.50
Hospitals and Clinics		
Academic Support	3,363,825.01	2,268,904.03
Student Services	2,838,300.56	2,583,506.11
Institutional Support	4,019,684.37	4,278,123.83
Operation & Maintenance of Plant	2,177,937.22	2,003,146.55
Scholarships & Fellowships	3,138,576.62	3,011,710.66
Auxiliary	92,674.26	104,884.55
Depreciation/Amortization	910,012.40	173,248.54
Total Operating Expenses [Schedule IV-1]	\$ 23,866,664.25	\$ 20,981,249.03
Total Operating Income [Loss]	\$ (14,982,198.25)	\$ (12,862,152.52)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 14,237,376.95	\$ 1,083,204.31
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating	3,474,528.06	3,651,774.69
State Pass Through Non-Operating		
Gifts	236,246.66	342,796.00
Land Income		
Investment Income	156,413.94	79,638.15
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(13,226.64)	(13,095.95)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value	234,863.92	(254,674.94)
Settlement of Claims		
Other Nonoperating Revenues	7,000.00	5,810.00
Other Nonoperating [Expenses]	(2,216,217.53)	(10,136.00)
Total Nonoperating Revenues [Expenses]	\$ 16,116,985.36	\$ 4,885,316.26
Income [Loss] Before Other Revenues and Transfers	\$ 1,134,787.11	\$ (7,976,836.26)

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 14,868.00	\$ 16,310.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	19,554.00	13,100.00
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	533,672.79	35,017.23
Nonmandatory Transfers From Members/Agencies-Cap Assets	34,724,766.17	
Transfers Out		
Transfers to Other State Agencies	(63,335.54)	(87,923.53)
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members	(1,147.95)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		11,361,579.00
Legislative Transfers - Out	(1,647,150.00)	
Legislative Appropriations Lapsed	(3,414.07)	
Total Other Revenues and Transfers	\$ 33,577,813.40	\$ 11,338,082.70
Change In Net Assets	\$ 34,712,600.51	\$ 3,361,246.44
Beginning Net Assets, September 1, 2011 and 2010 Restatement	\$ 17,010,097.62	\$ 13,074,069.47 574,781.71
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 17,010,097.62	\$ 13,648,851.18
Net Assets, August 31, 2012 and 2011	\$ 51,722,698.13	\$ 17,010,097.62

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SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	6,000,328.06		17,990.00		1,676,373.72
Payroll Related Costs	958,267.10		1,617.95		297,874.98
Professional Fees & Services	88,880.45		500.00		66,274.00
Travel	87,394.90				71,539.45
Materials & Supplies	92,941.65		1,050.00		418,685.95
Communication & Utilities	1,818.94				39,942.05
Repairs & Maintenance	671.38				39,759.94
Rentals & Leases	18,138.61	260.00			660,603.95
Printing & Reproduction	6,195.46		388.00		10,835.57
Federal Pass-Through					
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest					
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	49,211.31				81,935.40
Total Operating Expenses	\$ 7,303,847.86	\$ 260.00	\$ 21,545.95	\$	\$ 3,363,825.01

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
1,321,324.30	2,302,511.84	505,380.17		59,038.92		11,882,947.01	10,620,303.26
426,276.66	639,616.39	122,530.03		11,736.40		2,457,919.51	2,313,306.25
810,213.13	254,724.34	57,150.04	150.00			1,277,891.96	1,068,351.89
44,646.61	92,816.36	3,192.34		1,811.55		301,401.21	193,637.87
(349,772.14)	154,514.67	139,700.45		696.44		457,817.02	1,284,325.87
16,067.19	119,692.17	329,387.70		1,350.72		508,258.77	387,781.43
117,595.49	7,854.78	69,510.98				235,392.57	428,028.53
322,818.00	102,799.28	850,868.63		7,500.00		1,962,988.47	1,055,393.02
28,433.43	36,922.63	1,087.71		4,670.23		88,533.03	63,893.37
					910,012.40	910,012.40	173,248.54
18,084.90						18,084.90	14,575.35
7.09	92.52	17.41				117.02	2,258.28
	897.58		3,137,279.67	5,870.00		3,143,149.67	3,014,720.66
						897.58	7,988.10
82,605.90	307,241.81	99,111.76	1,146.95			621,253.13	353,436.61
<u>\$ 2,838,300.56</u>	<u>\$ 4,019,684.37</u>	<u>\$ 2,177,937.22</u>	<u>\$ 3,138,576.62</u>	<u>\$ 92,674.26</u>	<u>\$ 910,012.40</u>	<u>\$ 23,866,664.25</u>	<u>\$ 20,981,249.03</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY-CENTRAL TEXAS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities		
Proceeds Received From Tuition and Fees	\$ 6,474,922.64	\$ 8,245,602.35
Proceeds Received From Customers	160,366.31	18,683.45
Proceeds From Sponsored Programs	157,236.00	207,970.11
Proceeds From Auxiliary Enterprises	126,295.47	106,783.50
Proceeds From Loan Programs	11,181.59	9,115.09
Proceeds From Other Revenues	123,985.83	7,837.70
Payments to Suppliers for Goods and Services	(4,564,253.93)	(5,131,396.73)
Payments to Employees - Salaries	(11,748,430.53)	(10,856,126.15)
Payments to Employees - Benefits	(2,328,529.03)	(2,253,054.19)
Payments for Loans Provided	(85,955.19)	(29,890.22)
Payments for Other Expenses	(3,457,918.75)	(3,033,908.42)
Net Cash Provided [Used] By Operating Activities	<u>\$ (15,131,099.59)</u>	<u>\$ (12,708,383.51)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 14,094,767.81	\$ 1,663,219.13
Proceeds From Gifts	236,246.66	342,796.00
Proceeds From Endowments	19,554.00	13,100.00
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	3,474,528.06	3,651,774.69
Proceeds From Contributed Capital		
Proceeds From Other Revenues	2,812,533.21	5,810.00
Payments of Interest		
Payments - Transfers to Other Funds	(63,335.54)	(87,923.53)
Payments for Grant Disbursements		
Payments for Other Uses	(19,567.00)	
Other Noncapital Transfers From/To System	32,524.84	11,396,596.23
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 20,587,252.04</u>	<u>\$ 16,985,372.52</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets		
Payments of Principal On Debt	(1,046,427.15)	(513,934.57)
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		
Intrasystem Transfers for Capital Debt [Mandatory]	(1,647,150.00)	
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (2,693,577.15)</u>	<u>\$ (513,934.57)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(130,803.13)	(6,033,718.81)
Proceeds From Interest and Investment Income	143,187.30	66,542.20
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ 12,384.17</u>	<u>\$ (5,967,176.61)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 2,774,959.47</u>	<u>\$ (2,204,122.17)</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 9,371,129.07</u>	<u>\$ 11,575,251.24</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 9,371,129.07</u>	<u>\$ 11,575,251.24</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 12,146,088.54</u>	<u>\$ 9,371,129.07</u>

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(14,982,198.25)	(12,862,152.52)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	910,012.40	173,248.54
Bad Debt Expense	23,799.97	7,700.75
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net		
Due From Other Agencies/Funds	45,207.81	41,068.62
Due From System Members		5,319.46
Inventory		
Deferred Charges		
Prepaid Expenses	356.85	32,274.01
Loans and Contracts	(85,955.19)	(29,890.22)
Other Assets		
Payables		
Due to Other Agencies/Funds	773,086.04	(204,582.13)
Due to System Members		(44.07)
Unearned Revenue	(1,883,329.80)	108,353.26
Deposits	(832.42)	1,256.79
Compensated Absence Liability	68,753.00	19,064.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ (148,901.34)</u>	<u>\$ 153,769.01</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (15,131,099.59)</u>	<u>\$ (12,708,383.51)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 14,868.00	\$ 16,310.00
Net Increase [Decrease] In Fair Value of Investments	234,863.92	(254,674.94)
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	34,724,766.17	

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Pass-Through From:</u>					
Federal Supplemental Educational Opportunity Grants	84.007			\$	\$
<i>Pass-Through From:</i> <i>Tarleton State University</i>			713	112,591.00	
Federal Pell Grant Program	84.063				
<i>Pass-Through From:</i> <i>Tarleton State University</i>			713	3,474,528.06	
Federal Direct Student Loans	84.268				
<i>Pass-Through From:</i> <i>Tarleton State University</i>			713	13,633,015.00	
Totals - U.S. Department of Education				17,220,134.06	
Total Expenditures of Federal Awards				\$ 17,220,134.06	\$ -

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 112,591.00		\$	\$	\$ 112,591.00	\$ 112,591.00
	3,474,528.06				3,474,528.06	3,474,528.06
	13,633,015.00				13,633,015.00	13,633,015.00
	<u>17,220,134.06</u>				<u>17,220,134.06</u>	<u>17,220,134.06</u>
<u>\$</u>	<u>- \$ 17,220,134.06</u>		<u>\$</u>	<u>- \$</u>	<u>\$ 17,220,134.06</u>	<u>\$ 17,220,134.06</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGH)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	
Federal Grants and Contracts - Non-operating			
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	112,591.00	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		3,474,528.06	
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			3,587,119.06
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	3,587,119.06

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			
Federal Perkins Loan Program			
Federal Direct Student Loans			13,633,015.00
Health Education Assistance Loans			
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

Federal Grants to/from TAMRF			
COBRA 65% Subsidy (CFDA Number 17.151)			
Total Pass Throughs and Expenditures per Federal Schedule		\$	17,220,134.06

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	13,633,015.00			
Total, U. S. Department of Education		<u>13,633,015.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 13,633,015.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

UNAUDITED

SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
Need Based Scholarships	710.0003		
Texas A&M University System		710	\$ 13,645.00
AVID project	713.0002		
Tarleton State University		713	30,000.00
Total Pass-Through From State Agencies			\$ <u>43,645.00</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 2,000.00
Total Cash On Hand	<u>\$ 2,000.00</u>
Cash In Bank	\$ 5,616.45
Cash In State Treasury:	
Fund 0291	<u>4,135,830.83</u>
Total Cash In State Treasury	<u>\$ 4,135,830.83</u>
Reimbursements Due From State Treasury	\$ 27,080.36
Assets Held By System Offices-Current	<u>7,975,560.90</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 12,146,088.54</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 12,146,088.54</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY-CENTRAL TEXAS
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 1,740,000.00	\$	\$
Construction In Progress			(34,724,766.17)
Other Tangible Capital Assets			37,500.00
Total Non-Depreciable/Non-Amortizable Assets	\$ 1,740,000.00	\$	\$ (34,687,266.17)
Depreciable Assets			
Buildings	\$	\$	\$ 23,469,198.23
Infrastructure			6,432,297.47
Facilities and Other Improvements			1,296,896.56
Furniture and Equipment	752,469.69		3,488,873.91
Vehicles, Boats and Aircraft	101,162.30		
Other Capital Assets	1,209,908.24		
Total Depreciable Assets at Historical Cost	\$ 2,063,540.23	\$	\$ 34,687,266.17
Less Accumulated Depreciation For:			
Buildings	\$	\$	\$
Infrastructure			
Facilities and Other Improvements			
Furniture and Equipment	(271,042.67)		
Vehicles, Boats and Aircraft	(15,171.52)		
Other Capital Assets	(382,983.09)		
Total Accumulated Depreciation	\$ (669,197.28)	\$	\$
Depreciable Assets, Net	\$ 1,394,342.95	\$	\$ 34,687,266.17
Amortizable Assets - Intangible			
Computer Software	\$	\$	\$
Total Intangible Assets at Historical Cost	\$	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$	\$	\$
Total Accumulated Amortization	\$	\$	\$
Amortizable Assets-Net	\$	\$	\$
Capital Assets, Net	\$ 3,134,342.95	\$	\$

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 34,724,766.17	\$	\$	\$	\$ 1,740,000.00
				37,500.00
\$ 34,724,766.17	\$	\$	\$	\$ 1,777,500.00
\$	\$	\$	\$	\$ 23,469,198.23
		10,700.00		6,432,297.47
		114,499.94	(2,194,831.53)	1,307,596.56
		21,492.00		2,161,012.01
		266,538.21	(1,386.00)	122,654.30
				1,475,060.45
\$	\$	\$ 413,230.15	\$ (2,196,217.53)	\$ 34,967,819.02
\$	\$	\$ (289,793.49)	\$	\$ (289,793.49)
		(90,947.31)		(90,947.31)
		(16,862.10)		(16,862.10)
		(209,132.77)		(480,175.44)
		(20,317.32)		(35,488.84)
		(88,798.74)		(471,781.83)
\$	\$	\$ (715,851.73)	\$	\$ (1,385,049.01)
\$	\$	\$ (302,621.58)	\$ (2,196,217.53)	\$ 33,582,770.01
\$	\$	\$ 648,065.00	\$	\$ 648,065.00
\$	\$	\$ 648,065.00	\$	\$ 648,065.00
\$	\$	\$ (194,160.67)	\$	\$ (194,160.67)
\$	\$	\$ (194,160.67)	\$	\$ (194,160.67)
\$	\$	\$ 453,904.33	\$	\$ 453,904.33
\$ 34,724,766.17	\$	\$ 151,282.75	\$ (2,196,217.53)	\$ 35,814,174.34

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TEXAS A&M UNIVERSITY - CENTRAL TEXAS

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ANNUAL REPORT OF OTHER REQUIRED INFORMATION

OF

TEXAS A&M INTERNATIONAL UNIVERSITY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



RAY M. KECK III, PH.D., PRESIDENT

JUAN J. CASTILLO JR., VICE PRESIDENT FOR FINANCE & ADMINISTRATION

ELENA MARTINEZ, COMPTROLLER

LAREDO, TEXAS

UNAUDITED

TEXAS A&M INTERNATIONAL UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	6,755	6,957
Out-of-State	72	69
Foreign	210	187
Total Students	<u>7,037</u>	<u>7,213</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	3,038	28,472
2001-02	3,372	32,503
2002-03	3,724	36,726
2003-04	4,078	39,788
2004-05	4,269	42,503
2005-06	4,298	43,435
2006-07	4,917	49,268
2007-08	5,188	52,179
2008-09	5,858	57,716
2009-10	6,419	63,317
2010-11	6,856	67,997
2011-12	7,037	70,411
2012-13	7,213	71,554

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TEXAS A&M INTERNATIONAL UNIVERSITY
INDEX

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EXHIBIT III
TEXAS A&M INTERNATIONAL UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	10,732,526.15	10,625,338.93
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	903,999.21	459,679.69
Investments		
Legislative Appropriations	3,765,141.76	3,731,886.05
Receivables, Net:		
Federal	1,925,888.79	2,371,984.87
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	1,241,350.00	750,000.00
Self-Insured Health and Dental		
Student	1,252,993.34	467,121.85
Investment Trades		
Accounts		
Other	98,677.71	114,566.67
Due From Other Agencies	68,593.66	85,146.55
Due From Other Members	11,185.75	2,017,837.79
Due From Other Funds	294,096.68	3,739,152.95
Consumable Inventories	22,355.38	28,135.89
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	1,359,164.55	2,324,974.71
Interfund Receivable		
Other Current Assets	203,711.96	285,792.88
Total Current Assets	<u>\$ 21,879,684.94</u>	<u>\$ 27,001,618.83</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 40,482,799.47	\$ 39,600,070.77
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable	922,826.80	961,988.45
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	25,631,264.31	19,326,928.38
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	7,500,047.50	7,500,047.50
Construction In Progress		2,618,131.73
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	170,049,657.14	166,190,957.08
Infrastructure	17,243,969.69	17,243,969.69
Facilities and Other Improvements	9,544,424.80	8,915,828.15
Furniture and Equipment	11,744,938.54	10,251,094.96
Vehicles, Boats, and Aircraft	112,550.48	93,999.92
Other Capital Assets	6,976,953.78	6,431,116.23
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	1,291,864.14	1,385,066.14
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(107,717,106.74)	(99,216,589.91)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 183,784,189.91</u>	<u>\$ 181,302,609.09</u>
Total Assets and Deferred Outflows	<u>\$ 205,663,874.85</u>	<u>\$ 208,304,227.92</u>

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EXHIBIT III
 TEXAS A&M INTERNATIONAL UNIVERSITY
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 1,278,386.92	\$ 1,162,235.55
Payroll	1,870,884.56	2,223,131.84
Investment Trades		
Self-Insured Health and Dental		
Other	3,134,629.05	3,763,865.92
Interfund Payable		
Due to Other Agencies	6,668.02	
Due to Other Funds	294,096.68	3,739,152.95
Due to Other Members	2,584.20	9,094.24
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	3,463,480.15	3,022,054.44
Employees' Compensable Leave	152,353.00	181,516.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	312,910.55	284,796.47
Obligations/Securities Lending		
Other Current Liabilities	<u>670,227.86</u>	<u>533,885.42</u>
Total Current Liabilities	<u>\$ 11,186,220.99</u>	<u>\$ 14,919,732.83</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	1,576,947.00	1,500,263.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	<u>1,460.05</u>	<u>709.36</u>
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 1,578,407.05</u>	<u>\$ 1,500,972.36</u>
Total Liabilities and Deferred Inflows	<u>\$ 12,764,628.04</u>	<u>\$ 16,420,705.19</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 116,747,299.33	\$ 121,413,621.49
Restricted For:		
Debt Service		
Capital Projects	1,061,736.51	1,945,264.39
Education	10,929,234.28	11,677,540.70
Endowment and Permanent Funds:		
Nonexpendable	30,128,855.88	28,235,943.19
Expendable	4,160,152.23	4,190,592.72
Unrestricted	<u>29,871,968.58</u>	<u>24,420,560.24</u>
Total Net Assets [Exhibit IV]	<u>\$ 192,899,246.81</u>	<u>\$ 191,883,522.73</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 205,663,874.85</u>	<u>\$ 208,304,227.92</u>

UNAUDITED

EXHIBIT IV
 TEXAS A&M INTERNATIONAL UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 35,627,047.31	\$ 33,847,807.60
Discounts and Allowances	(18,166,247.00)	(16,080,506.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	2,751.70	12,170.00
Net Auxiliary Enterprises	3,835,406.21	3,643,078.29
Net Other Sales of Goods and Services	739,324.94	1,061,748.51
Discounts and Allowances-Sales	(690,631.00)	(2,913,562.00)
Total Sales of Goods and Services	\$ 21,347,652.16	\$ 19,570,736.40
Premium Revenue		
Interest Revenue		32,337.53
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	9,106,811.66	8,080,964.53
Federal Pass Through Revenue	441,604.40	473,788.66
State Grant Revenue		
State Pass Through Revenue	6,441,010.24	7,716,759.48
Other Grants and Contracts - Operating	1,394,807.50	1,590,855.26
Other Operating Revenue	206,007.37	392,172.03
Total Operating Revenues	\$ 38,937,893.33	\$ 37,857,613.89
Operating Expenses		
Instruction	\$ 21,993,526.12	\$ 24,102,198.55
Research	2,812,822.60	2,995,543.90
Public Service	2,177,156.06	2,101,799.82
Hospitals and Clinics		
Academic Support	13,805,801.08	10,434,876.05
Student Services	7,864,596.36	8,667,273.57
Institutional Support	6,945,149.61	7,471,917.10
Operation & Maintenance of Plant	6,730,077.09	7,148,785.77
Scholarships & Fellowships	11,716,542.48	13,781,648.71
Auxiliary	6,044,247.75	4,295,922.16
Depreciation/Amortization	8,770,895.77	10,953,208.95
Total Operating Expenses [Schedule IV-1]	\$ 88,860,814.92	\$ 91,953,174.58
Total Operating Income [Loss]	\$ (49,922,921.59)	\$ (54,095,560.69)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 33,399,817.23	\$ 37,592,919.64
Federal Revenue Non-Operating	16,553,007.03	17,696,555.82
Federal Pass Through Non-Operating		454,418.66
State Pass Through Non-Operating		
Gifts	2,234,443.71	2,409,482.36
Land Income	8,290.79	8,151.52
Investment Income	961,861.59	887,478.44
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(67,650.87)	(81,044.51)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		(7,249.22)
Net Increase [Decrease] In Fair Value	1,308,491.07	2,838,481.61
Settlement of Claims	(1,000.00)	
Other Nonoperating Revenues	599,507.80	61,698.71
Other Nonoperating [Expenses]	(622,385.71)	(224,728.41)
Total Nonoperating Revenues [Expenses]	\$ 54,374,382.64	\$ 61,636,164.62
Income [Loss] Before Other Revenues and Transfers	\$ 4,451,461.05	\$ 7,540,603.93

UNAUDITED

EXHIBIT IV
 TEXAS A&M INTERNATIONAL UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$	\$
Capital Appropriations [Higher Education Fund]	3,796,436.00	3,796,436.00
Additions to Permanent and Term Endowments	1,638,121.21	3,090,049.81
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	137,887.00	193,525.00
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	1,406,709.96	1,733,116.77
Nonmandatory Transfers From Members/Agencies-Cap Assets	534,570.60	
Transfers Out		
Transfers to Other State Agencies	(341,344.73)	(508,748.13)
Mandatory Transfers to Other Members	(1,576,721.60)	(1,580,400.68)
Nonmandatory Transfers to Other Members		
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(8,868,880.00)	(10,390,963.94)
Legislative Appropriations Lapsed	(102,601.43)	(1,826.51)
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ (3,375,822.99)	\$ (3,668,811.68)
Change In Net Assets	\$ 1,075,638.06	\$ 3,871,792.25
Beginning Net Assets, September 1, 2011 and 2010	\$ 191,883,522.73	\$ 179,823,209.74
Restatement	(59,913.98)	8,188,520.74
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 191,823,608.75	\$ 188,011,730.48
Net Assets, August 31, 2012 and 2011	<u>\$ 192,899,246.81</u>	<u>\$ 191,883,522.73</u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M INTERNATIONAL UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					1,033.24
Salaries & Wages	16,176,434.08	1,772,511.79	1,459,994.76		6,655,312.32
Payroll Related Costs	3,396,893.25	242,551.29	252,430.06		1,392,120.77
Professional Fees & Services	395,358.12	77,388.26	135,650.32		841,049.81
Travel	332,133.17	116,654.24	46,231.00		298,073.79
Materials & Supplies	543,926.86	162,681.22	142,479.17		1,486,968.54
Communication & Utilities	62,917.45	2,362.12	14,276.83		209,255.62
Repairs & Maintenance	21,065.22	5,016.53	10,321.92		820,975.60
Rentals & Leases	117,488.77	700.81	17,032.44		172,327.54
Printing & Reproduction	1,125.50	2,302.20	1,984.40		2,699.50
Federal Pass-Through		44,885.55			
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	5.22		1.23		101.69
Scholarships	257,940.45	323,154.99			260,147.05
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	688,238.03	62,613.60	96,753.93		1,665,735.61
Total Operating Expenses	\$ 21,993,526.12	\$ 2,812,822.60	\$ 2,177,156.06	\$	\$ 13,805,801.08

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$ 7,437.55	\$	\$ 835.86	\$	\$ 5,798.14	\$	\$ 15,104.79	\$ 3,548.18
4,530,180.19	4,249,561.85	1,800,958.12	305,157.79	1,905,788.05		38,855,898.95	38,874,255.66
937,168.46	1,462,488.14	506,437.61	17,230.08	458,605.69		8,665,925.35	9,000,287.28
157,523.03	411,531.88	565,388.39	13,372.83	1,311,744.67		3,909,007.31	3,406,723.19
225,648.27	66,622.40	21,839.78	59,739.73	414,255.47		1,581,197.85	1,506,334.42
1,186,506.64	133,076.77	588,982.90	21,726.39	389,321.33		4,655,669.82	4,796,718.63
27,373.97	127,259.31	1,825,230.84	480.01	123,658.10		2,392,814.25	2,934,608.87
295,240.95	65,194.16	682,205.92		68,526.76		1,968,547.06	1,851,098.87
21,669.70	14,367.52	46,283.28	3,825.00	173,578.51		567,273.57	289,632.05
24,371.75	25,951.39	157.03	275.00	13,948.60		72,815.37	51,594.33
						44,885.55	94,372.25
					8,770,895.77	8,770,895.77	10,953,208.95
54,923.42						54,923.42	
	34.01	712.78		103.44		958.37	256.22
17,251.30	749.63		11,258,011.10	69,424.93		12,186,679.45	14,115,105.27
379,301.13	388,312.55	691,044.58	36,724.55	1,109,494.06		5,118,218.04	4,075,430.41
<u>\$ 7,864,596.36</u>	<u>\$ 6,945,149.61</u>	<u>\$ 6,730,077.09</u>	<u>\$ 11,716,542.48</u>	<u>\$ 6,044,247.75</u>	<u>\$ 8,770,895.77</u>	<u>\$ 88,860,814.92</u>	<u>\$ 91,953,174.58</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M INTERNATIONAL UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	14,474,600.38	18,455,280.48
Proceeds Received From Customers	1,573,790.70	987,035.65
Proceeds From Sponsored Programs	17,708,392.00	16,824,238.40
Proceeds From Auxiliary Enterprises	3,148,681.36	750,495.89
Proceeds From Loan Programs		191,386.08
Proceeds From Other Revenues	441,186.78	378,596.22
Payments to Suppliers for Goods and Services	(19,970,925.08)	(18,490,017.05)
Payments to Employees - Salaries	(39,006,811.37)	(39,028,872.86)
Payments to Employees - Benefits	(8,819,739.21)	(8,772,175.47)
Payments for Loans Provided	(41,494.72)	
Payments for Other Expenses	(12,228,980.80)	(14,252,593.71)
Net Cash Provided [Used] By Operating Activities	\$ (42,721,299.96)	\$ (42,956,626.37)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 33,263,960.09	\$ 36,438,648.88
Proceeds From Gifts	1,782,255.36	3,444,421.02
Proceeds From Endowments	1,638,121.21	3,090,049.81
Proceeds - Transfers From Other Funds	137,887.00	193,525.00
Proceeds From Other Grant Revenue	16,553,007.03	18,150,974.48
Proceeds From Contributed Capital		
Proceeds From Other Revenues	2,678,396.50	69,850.23
Payments of Interest		
Payments - Transfers to Other Funds	(341,344.73)	(508,748.13)
Payments for Grant Disbursements		
Payments for Other Uses	(464,969.13)	(147,616.03)
Other Noncapital Transfers From/To System	1,406,709.96	1,733,116.77
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 56,654,023.29	\$ 62,464,222.03
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	3,796,436.00	3,796,436.00
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(3,765,525.94)	(3,769,770.50)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	2,017,837.79	1,182,162.21
Intrasystem Transfers for Capital Debt [Mandatory]	(10,445,601.60)	(11,971,364.62)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (8,396,853.75)	\$ (10,762,536.91)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(5,878,573.56)	(12,211,767.60)
Proceeds From Interest and Investment Income	894,210.72	806,433.93
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (4,984,362.84)	\$ (11,405,333.67)
Increase [Decrease] In Cash and Cash Equivalents	\$ 551,506.74	\$ (2,660,274.92)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 11,085,018.62	\$ 13,745,293.54
Restated Beginning Cash and Cash Equivalents	\$ 11,085,018.62	\$ 13,745,293.54
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 11,636,525.36	\$ 11,085,018.62

UNAUDITED

EXHIBIT V
 TEXAS A&M INTERNATIONAL UNIVERSITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(49,922,921.59)	(54,095,560.69)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	8,770,895.77	10,953,208.95
Bad Debt Expense	54,923.42	
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(323,886.45)	(1,100,659.01)
Due From Other Agencies/Funds	16,552.89	(65,108.93)
Due From System Members	(11,185.75)	
Inventory	5,780.51	4,172.69
Deferred Charges		
Prepaid Expenses	24,845.81	(36,729.15)
Loans and Contracts	910,886.74	129,011.23
Other Assets	57,235.11	(100,967.86)
Payables	(860,026.33)	1,579,737.68
Due to Other Agencies/Funds	6,668.02	
Due to System Members	(6,510.04)	(8,884.26)
Unearned Revenue	(1,629,172.20)	(294,986.41)
Deposits	137,093.13	16,633.39
Compensated Absence Liability	47,521.00	63,506.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 7,201,621.63</u>	<u>\$ 11,138,934.32</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (42,721,299.96)</u>	<u>\$ (42,956,626.37)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	679,060.15	2,345,122.69
Gain/Loss On Sale or Disposal of Capital Assets		(7,249.22)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	534,570.60	

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Defense					
<u>Pass-Through From:</u>					
Basic, Applied, and Advanced Research in Science and Engineering	12.630			\$	\$
<u>Pass-Through From:</u>					
University of Texas - Pan American			736	51,444.86	
Totals - U.S. Department of Defense				51,444.86	
National Science Foundation					
<u>Direct Programs:</u>					
Education and Human Resources	47.076				
Totals - National Science Foundation					
Small Business Administration					
<u>Pass-Through From:</u>					
Small Business Development Centers	59.037				
<u>Pass-Through From:</u>					
University of Texas at San Antonio			743	148,010.31	
Totals - Small Business Administration				148,010.31	
U.S. Department of Education					
Higher Education_Institutional Aid	84.031	Laredo Community College/ P03/S070064			280,585.89
National Writing Project	84.928	University of California/ 06-TX15			14,776.02
<u>Direct Programs:</u>					
Higher Education_Institutional Aid	84.031				
Fund for the Improvement of Postsecondary Education	84.116				
Minority Science and Engineering Improvement	84.120				
Migrant Education_High School Equivalency Program	84.141				
Migrant Education_College Assistance Migrant Program	84.149				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334				
<u>Pass-Through From:</u>					
Mathematics and Science Partnerships	84.366				
<u>Pass-Through From:</u>					
University of Texas at Austin			721	192,149.23	
College Access Challenge Grant Program	84.378				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board			781	50,000.00	
Totals - U.S. Department of Education				242,149.23	295,361.91
U.S. Department of Health and Human Services					
Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.107	Mid Rio Grande Border Area Health Educ Ctr/ 420055			12,416.12
<u>Direct Programs:</u>					
Advanced Nursing Education Traineeships	93.358				
Totals - U.S. Department of Health and Human Services					12,416.12
Corporation for National and Community Service					
AmeriCorps	94.006	One-Star National Service Commission/ 06AFHTX0010056			217,247.74
Totals - Corporation for National and Community Service					217,247.74
Research & Development Cluster					
National Aeronautics and Space Administration					
<u>Direct Programs:</u>					
National Aeronautics and Space Administration	43.000	NNX10AG73G			
Totals - National Aeronautics and Space Administration					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 51,444.86		\$	\$	\$ 51,444.86	\$ 51,444.86
	51,444.86				51,444.86	51,444.86
99,872.91	99,872.91				99,872.91	99,872.91
99,872.91	99,872.91				99,872.91	99,872.91
	148,010.31				148,010.31	148,010.31
	148,010.31				148,010.31	148,010.31
	280,585.89				280,585.89	280,585.89
	14,776.02				14,776.02	14,776.02
1,323,664.56	1,323,664.56				1,323,664.56	1,323,664.56
46,248.52	46,248.52				46,248.52	46,248.52
320,632.04	320,632.04				320,632.04	320,632.04
476,697.31	476,697.31				476,697.31	476,697.31
420,180.41	420,180.41				420,180.41	420,180.41
3,852,105.75	3,852,105.75				3,852,105.75	3,852,105.75
	192,149.23				192,149.23	192,149.23
	50,000.00				50,000.00	50,000.00
6,439,528.59	6,977,039.73				6,977,039.73	6,977,039.73
	12,416.12				12,416.12	12,416.12
3,883.99	3,883.99				3,883.99	3,883.99
3,883.99	16,300.11				16,300.11	16,300.11
	217,247.74				217,247.74	217,247.74
	217,247.74				217,247.74	217,247.74
45,560.32	45,560.32				45,560.32	45,560.32
45,560.32	45,560.32				45,560.32	45,560.32

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
National Science Foundation					
Biological Sciences	47.074				
Social, Behavioral, and Economic Sciences	47.075				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
Totals - National Science Foundation					
U.S. Department of Energy					
Renewable Energy Research and Development	81.087				
<i>Pass-Through To:</i>					
<i>Texas A&M Engineering Experiment Station</i>					
Totals - U.S. Department of Energy					
U.S. Department of Education					
Higher Education Institutional Aid	84.031				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283	Mid Rio Grande Border Area Health Educ Ctr/ 420273			7,328.24
<u>Direct Programs:</u>					
Child Health and Human Development Extramural Research	93.865				
Totals - U.S. Department of Health and Human Services					7,328.24
Head Start Cluster					
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Head Start	93.600				
Totals - U.S. Department of Health and Human Services					
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925				
Totals - U.S. Department of Health and Human Services					
TRIO Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO_Student Support Services	84.042				
TRIO_Upward Bound	84.047				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 441,604.40	\$ 532,354.01

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SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
105,000.00	105,000.00				105,000.00	105,000.00
6,926.53	6,926.53				6,926.53	6,926.53
11,706.30	11,706.30				11,706.30	11,706.30
123,632.83	123,632.83				123,632.83	123,632.83
49,539.55	49,539.55				4,654.00	49,539.55
		712	44,885.55			
49,539.55	49,539.55		44,885.55		4,654.00	49,539.55
690,806.17	690,806.17				690,806.17	690,806.17
690,806.17	690,806.17				690,806.17	690,806.17
	7,328.24				7,328.24	7,328.24
75,528.02	75,528.02				75,528.02	75,528.02
75,528.02	82,856.26				82,856.26	82,856.26
19,943.40	19,943.40				19,943.40	19,943.40
19,943.40	19,943.40				19,943.40	19,943.40
143,028.46	143,028.46				143,028.46	143,028.46
201,163.53	201,163.53				201,163.53	201,163.53
16,553,007.03	16,553,007.03				16,553,007.03	16,553,007.03
20,973,446.00	20,973,446.00				20,973,446.00	20,973,446.00
37,870,645.02	37,870,645.02				37,870,645.02	37,870,645.02
126,865.00	126,865.00				126,865.00	126,865.00
126,865.00	126,865.00				126,865.00	126,865.00
238,368.67	238,368.67				238,368.67	238,368.67
257,795.37	257,795.37				257,795.37	257,795.37
496,164.04	496,164.04				496,164.04	496,164.04
\$ 46,041,969.84	\$ 47,015,928.25		\$ 44,885.55	\$ -	\$ 46,971,042.70	\$ 47,015,928.25

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 9,106,811.66
Federal Grants and Contracts - Non-operating	16,553,007.03
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 441,604.40
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	-
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	<u>441,604.40</u>
Federal Appropriations	
Total Federal Revenue per Exhibit IV	<u>\$ 26,101,423.09</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	
Federal Direct Student Loans	20,973,446.00
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal grants to/from TAMRF	(58,940.84)
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	<u>\$ 47,015,928.25</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	20,973,446.00			
Total, U. S. Department of Education		<u>20,973,446.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 20,973,446.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University participates as a depository library in the Government Printing Office's Depository Libraries for Government Publication program, CFDA #40.001. The University is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned value by the Government Printing Office.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE I-B
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	\$ 3,000.00
Need Based Scholarships Texas A&M University System	710.0003	710	73,068.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	10,586.67
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	5,352,500.00
Professional Nursing Shortage Reduction Program Texas Higher Education Coordinating Board	781.0013	781	173,710.00
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	1,935.00
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	36,943.96
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	220,209.35
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	492,400.00
Work Study Mentorship Program Texas Higher Education Coordinating Board	781.0029	781	37,386.26
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	39,271.00
Total Pass-Through From State Agencies			\$ <u>6,441,010.24</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M INTERNATIONAL UNIVERSITY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 3,857.52
Petty Cash Department Working Fund	<u>2,738.11</u>
Total Cash On Hand	<u>\$ 6,595.63</u>
Cash In State Treasury:	
Fund 0231	<u>\$ 6,557,360.28</u>
Total Cash In State Treasury	<u>\$ 6,557,360.28</u>
Reimbursements Due From State Treasury	\$ 186,741.59
Assets Held By System Offices-Current	<u>3,981,828.65</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 10,732,526.15</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 903,999.21</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 903,999.21</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 11,636,525.36</u></u>

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SCHEDULE N-2
 TEXAS A&M INTERNATIONAL UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

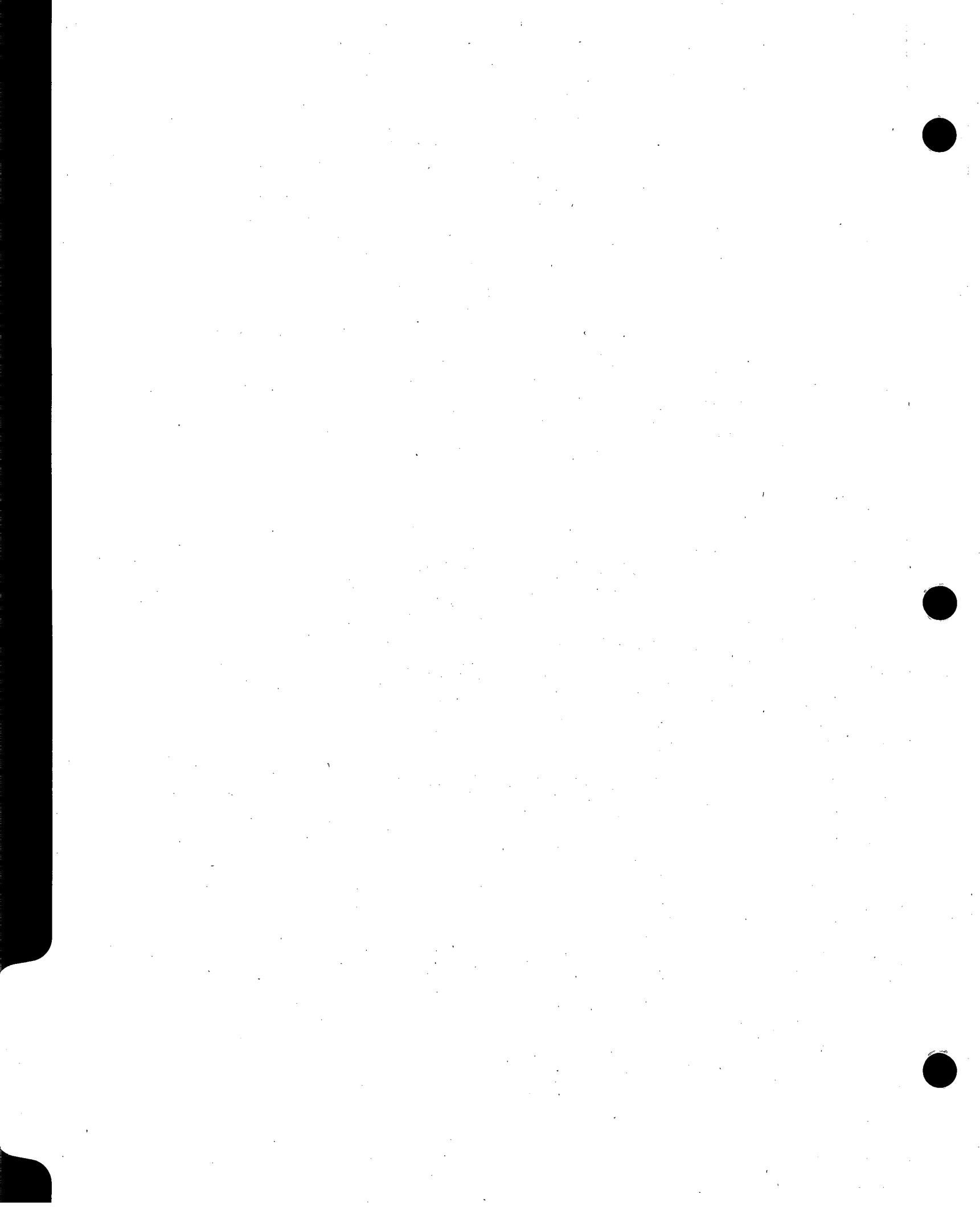
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 7,500,047.50		
Construction In Progress	2,618,131.73	(534,570.60)	(4,205,668.68)
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 10,118,179.23</u>	<u>\$ (534,570.60)</u>	<u>\$ (4,205,668.68)</u>
Depreciable Assets			
Buildings	\$ 166,190,957.08	\$ 417,236.98	\$ 3,577,072.03
Infrastructure	17,243,969.69		
Facilities and Other Improvements	8,915,828.15		628,596.65
Furniture and Equipment	10,251,094.96	109,671.61	
Vehicles, Boats and Aircraft	93,999.92		
Other Capital Assets	6,431,116.23		
Total Depreciable Assets at Historical Cost	<u>\$ 209,126,966.03</u>	<u>\$ 526,908.59</u>	<u>\$ 4,205,668.68</u>
Less Accumulated Depreciation For:			
Buildings	\$ (74,617,471.97)	\$ (25,083.66)	
Infrastructure	(7,054,135.50)		
Facilities and Other Improvements	(4,990,714.66)		
Furniture and Equipment	(7,415,446.17)	(27,168.31)	
Vehicles, Boats and Aircraft	(60,760.91)		
Other Capital Assets	(3,858,919.14)		
Total Accumulated Depreciation	<u>\$ (97,997,448.35)</u>	<u>\$ (52,251.97)</u>	
Depreciable Assets, Net	<u>\$ 111,129,517.68</u>	<u>\$ 474,656.62</u>	<u>\$ 4,205,668.68</u>
Amortizable Assets - Intangible			
Computer Software	\$ 1,385,066.14		
Total Intangible Assets at Historical Cost	<u>\$ 1,385,066.14</u>		
Less Accumulated Amortization For:			
Computer Software	\$ (1,219,141.56)		
Total Accumulated Amortization	<u>\$ (1,219,141.56)</u>		
Amortizable Assets-Net	<u>\$ 165,924.58</u>		
Capital Assets, Net	<u>\$ 121,413,621.49</u>	<u>\$ (59,913.98)</u>	

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 534,570.60	\$	\$ 1,587,536.95	\$	\$ 7,500,047.50
\$ 534,570.60	\$	\$ 1,587,536.95	\$	\$ 7,500,047.50
\$	\$	\$	\$ (135,608.95)	\$ 170,049,657.14
				17,243,969.69
		1,613,600.88	(229,428.91)	9,544,424.80
		18,550.56		11,744,938.54
		545,837.55		112,550.48
				6,976,953.78
\$	\$	\$ 2,177,988.99	\$ (365,037.86)	\$ 215,672,494.43
\$	\$	\$ (6,154,119.39)	\$	\$ (80,796,675.02)
		(716,958.24)		(7,771,093.74)
		(521,774.91)		(5,512,489.57)
		(930,690.00)	229,428.91	(8,143,875.57)
		(11,214.36)		(71,975.27)
		(370,208.58)		(4,229,127.72)
\$	\$	\$ (8,704,965.48)	\$ 229,428.91	\$ (106,525,236.89)
\$	\$	\$ (6,526,976.49)	\$ (135,608.95)	\$ 109,147,257.54
\$	\$	\$	\$ (93,202.00)	\$ 1,291,864.14
\$	\$	\$	\$ (93,202.00)	\$ 1,291,864.14
\$	\$	\$ (65,930.29)	\$ 93,202.00	\$ (1,191,869.85)
\$	\$	\$ (65,930.29)	\$ 93,202.00	\$ (1,191,869.85)
\$	\$	\$ (65,930.29)	\$	\$ 99,994.29
\$ 534,570.60	\$	\$ (5,005,369.83)	\$ (135,608.95)	\$ 116,747,299.33

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TEXAS A&M INTERNATIONAL UNIVERSITY

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. R. BOWEN LOFTIN, PRESIDENT

B.J. CRAIN, VICE PRESIDENT FOR FINANCE & CHIEF FINANCIAL OFFICER

COLLEGE STATION, TEXAS

UNAUDITED

TEXAS A&M UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	42,895	43,135
Out-of-State	2,641	2,666
Foreign	4,325	4,426
Total Students	49,861	50,227

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2000-01	44,026	539,153
2001-02	44,618	552,805
2002-03	45,083	546,232
2003-04	44,813	539,251
2004-05	44,435	531,661
2005-06	44,578	560,075
2006-07	45,380	565,859
2007-08	46,542	597,009
2008-09	48,036	605,037
2009-10	48,885	611,378
2010-11	49,130	613,197
2011-12	49,861	624,773
2012-13	50,227	628,305

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TEXAS A&M UNIVERSITY
INDEX

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EXHIBIT III
TEXAS A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows		
Current Assets:	\$	\$
Cash & Cash Equivalents [Schedule Three]		
Securities Lending Collateral	209,979,217.23	149,494,281.14
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	22,202,979.16	17,635,762.92
Investments		
Legislative Appropriations	24,892.03	5,020,466.29
Receivables, Net:		
Federal	12,521,765.34	10,595,675.52
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	20,275,784.07	26,744,205.77
Self-Insured Health and Dental		
Student	10,982,512.31	15,854,149.68
Investment Trades		
Accounts	46,300,676.86	
Other	436,132.44	32,646,961.88
Due From Other Agencies	2,766,721.02	2,617,852.78
Due From Other Members	76,988,752.65	86,458,408.68
Due From Other Funds	23,233,027.09	21,010,027.09
Consumable Inventories	13,422,535.99	13,374,580.73
Merchandise Inventories	2,722,277.95	3,045,932.79
Deferred Charges		
Loans and Contracts	12,919,804.69	13,160,472.24
Interfund Receivable		
Other Current Assets	47,303,663.47	45,458,905.19
Total Current Assets	<u>\$ 502,080,742.30</u>	<u>\$ 443,117,682.70</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices	404,841,278.23	379,634,153.51
Investments		
Loans, Contracts and Other		
Pledges Receivable	58,519,674.14	72,967,092.54
Legislative Appropriations		
Loans and Contracts	18,541,009.90	17,674,682.49
Assets Held By System Offices	822,696,489.14	767,847,327.67
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	30,737,706.69	30,329,457.20
Construction In Progress	59,366,392.55	51,515,409.77
Other Tangible Capital Assets	38,638,478.61	37,774,436.24
Land Use Rights	2,322.00	2,322.00
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	1,913,622,030.78	1,712,885,018.50
Infrastructure	372,126,479.89	273,556,377.11
Facilities and Other Improvements	167,970,977.55	160,060,765.49
Furniture and Equipment	253,785,709.15	245,405,007.65
Vehicles, Boats, and Aircraft	41,375,220.31	40,048,461.74
Other Capital Assets	78,391,730.35	76,561,569.03
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights	255,457.00	255,457.00
Computer Software	39,114,818.88	39,581,694.13
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(1,602,357,031.95)	(1,502,392,131.14)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 2,697,628,743.22</u>	<u>\$ 2,403,707,100.93</u>
Total Assets and Deferred Outflows	<u>\$ 3,199,709,485.52</u>	<u>\$ 2,846,824,783.63</u>

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EXHIBIT III
TEXAS A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 21,384,701.88	\$ 23,605,916.50
Payroll	42,982,674.14	47,183,619.32
Investment Trades		
Self-Insured Health and Dental		
Other	8,087,688.63	10,578,222.31
Interfund Payable		282,262.74
Due to Other Agencies		22,615.67
Due to Other Funds	23,233,027.09	21,010,027.09
Due to Other Members	26,547,731.93	33,407,750.08
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	260,037,573.18	229,020,889.50
Employees' Compensable Leave	3,956,321.59	2,918,394.92
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations	367,268.26	361,133.96
Liabilities Payable From Restricted Assets		
Funds Held for Others	8,645,637.04	8,069,880.68
Obligations/Securities Lending		
Other Current Liabilities	9,406,832.96	8,513,852.19
Total Current Liabilities	<u>\$ 404,649,456.70</u>	<u>\$ 384,974,564.96</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 2,340,088.30	\$ 42,830,113.07
Employees' Compensable Leave	41,607,651.10	
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations	1,771,737.32	2,062,393.64
Other Non-Current Liabilities	19,389,500.00	19,932,625.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 65,108,976.72</u>	<u>\$ 64,825,131.71</u>
Total Liabilities and Deferred Inflows	<u>\$ 469,758,433.42</u>	<u>\$ 449,799,696.67</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 1,373,840,791.81	\$ 1,146,394,344.72
Restricted For:		
Debt Service		
Capital Projects	80,522,652.88	69,459,186.97
Education	112,090,992.39	144,741,140.84
Endowment and Permanent Funds:		
Nonexpendable	221,799,644.87	217,206,291.89
Expendable	64,955,610.27	64,456,152.87
Unrestricted	876,741,359.88	754,767,969.67
Total Net Assets [Exhibit IV]	<u>\$ 2,729,951,052.10</u>	<u>\$ 2,397,025,086.96</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 3,199,709,485.52</u>	<u>\$ 2,846,824,783.63</u>

UNAUDITED

EXHIBIT IV
TEXAS A&M UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 478,966,485.79	\$ 459,128,097.77
Discounts and Allowances	(102,740,894.67)	(114,625,394.22)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	170,847,982.54	177,473,942.00
Net Other Sales of Goods and Services	107,100,230.18	113,542,620.98
Discounts and Allowances-Sales	(13,944,069.57)	(14,950,492.17)
Total Sales of Goods and Services	\$ 640,229,734.27	\$ 620,568,774.36
Premium Revenue		
Interest Revenue	1,558,301.46	1,474,184.39
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	73,350,033.11	78,043,429.20
Federal Pass Through Revenue	11,769,806.96	6,085,615.13
State Grant Revenue	333,703.78	67,867.28
State Pass Through Revenue	27,865,956.94	29,285,814.48
Other Grants and Contracts - Operating	102,322,092.43	102,565,354.60
Other Operating Revenue	18,828,027.27	18,467,295.98
Total Operating Revenues	\$ 876,257,656.22	\$ 856,558,335.42
Operating Expenses		
Instruction	\$ 474,556,253.92	\$ 503,441,611.47
Research	135,670,883.50	117,512,005.22
Public Service	26,935,127.78	22,125,464.66
Hospitals and Clinics		
Academic Support	113,805,895.93	101,988,442.69
Student Services	60,007,226.33	56,739,726.93
Institutional Support	38,695,940.22	43,269,595.76
Operation & Maintenance of Plant	105,910,811.60	100,528,251.26
Scholarships & Fellowships	56,034,803.99	46,487,113.52
Auxiliary	180,912,032.12	180,338,947.75
Depreciation/Amortization	107,183,731.67	92,067,351.25
Total Operating Expenses [Schedule IV-1]	\$ 1,299,712,707.06	\$ 1,264,498,510.51
Total Operating Income [Loss]	\$ (423,455,050.84)	\$ (407,940,175.09)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 281,463,813.16	\$ 302,493,347.58
Federal Revenue Non-Operating	35,648,085.50	38,222,334.07
Federal Pass Through Non-Operating		2,422,177.00
State Pass Through Non-Operating		
Gifts	73,439,179.28	120,071,940.04
Land Income	1,077,766.54	2,811,149.65
Investment Income	20,382,703.72	19,760,883.62
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(1,964,293.69)	(2,600,364.95)
Interest Expense and Fiscal Charges	(216,696.42)	(278,833.77)
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	93,840.08	(549,732.88)
Net Increase [Decrease] In Fair Value	29,367,253.34	73,585,618.81
Settlement of Claims	(1,971.08)	(50,292.16)
Other Nonoperating Revenues	1,033,206.57	1,744,636.06
Other Nonoperating [Expenses]	(9,745,551.66)	(10,147,085.92)
Total Nonoperating Revenues [Expenses]	\$ 430,577,335.34	\$ 547,485,777.15
Income [Loss] Before Other Revenues and Transfers	\$ 7,122,284.50	\$ 139,545,602.06

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 552,731.93	\$ 5,809,386.35
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	1,415,078.60	237,056.32
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	3,884,580.00	2,923,060.00
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	133,520,015.52	135,200,552.36
Nonmandatory Transfers From Members/Agencies-Cap Assets	290,221,180.31	114,149,134.47
Transfers Out		
Transfers to Other State Agencies	(5,030,043.94)	(4,631,426.51)
Mandatory Transfers to Other Members	(67,422,649.56)	(63,659,684.53)
Nonmandatory Transfers to Other Members	(26,998,657.73)	(41,191,540.57)
Nonmandatory Transfers to Members/Agencies - Cap Assets	(283,582.70)	(5,487,180.69)
Legislative Transfers - In		
Legislative Transfers - Out	(2,730,361.00)	(6,773,988.00)
Legislative Appropriations Lapsed	(112.86)	
Total Other Revenues and Transfers	<u>\$ 327,128,178.57</u>	<u>\$ 136,575,369.20</u>
Change In Net Assets	<u>\$ 334,250,463.07</u>	<u>\$ 276,120,971.26</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 2,397,025,086.96	\$ 1,987,809,562.06
Restatement	<u>(1,324,497.93)</u>	<u>133,094,553.64</u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 2,395,700,589.03</u>	<u>\$ 2,120,904,115.70</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 2,729,951,052.10</u>	<u>\$ 2,397,025,086.96</u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS & CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	18,660.24	47,558.42	30,703.57		312.85
Salaries & Wages	329,039,178.49	80,235,605.10	10,223,348.20		57,450,096.91
Payroll Related Costs	70,039,513.84	13,358,858.46	3,169,278.84		9,049,637.10
Professional Fees & Services	21,585,840.25	10,296,841.56	2,489,457.01		8,973,305.99
Travel	11,267,813.82	4,970,078.53	1,165,002.58		3,541,542.91
Materials & Supplies	21,038,787.34	12,575,495.15	3,746,191.59		20,905,192.88
Communication & Utilities	2,483,857.56	633,604.61	1,087,841.37		1,901,318.57
Repairs & Maintenance	5,076,624.84	1,212,788.61	237,100.61		3,484,619.52
Rentals & Leases	2,777,562.76	2,567,236.85	1,964,317.63		1,601,475.81
Printing & Reproduction	545,112.44	498,125.60	410,830.36		1,107,780.88
Federal Pass-Through		1,039,844.76	25,837.15		
State Pass-Through		80,477.49			
Depreciation & Amortization					
Bad Debt Expense					
Interest	2,229.77	1,981.06	438.48		1,895.58
Scholarships	1,873,203.54	3,602,778.79	21,212.00		239,656.29
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	8,807,869.03	4,549,608.51	2,363,568.39		5,549,060.64
Total Operating Expenses	<u>\$ 474,556,253.92</u>	<u>\$ 135,670,883.50</u>	<u>\$ 26,935,127.78</u>	<u>\$</u>	<u>\$ 113,805,895.93</u>

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	2,056.00			13,213,814.82		13,313,105.90	10,381,172.70
33,666,426.84	23,220,203.85	26,749,858.00	3,413,423.52	66,373,340.26		630,371,481.17	637,087,912.11
7,580,760.02	5,176,071.91	7,162,751.00	201,476.48	12,880,628.34		128,618,975.99	134,157,155.78
2,757,198.56	3,719,176.10	663,236.30	141,079.84	15,759,475.67		66,385,611.28	71,393,170.81
1,838,185.09	358,696.36	58,157.51	153,204.35	4,952,167.79		28,304,848.94	26,485,657.51
4,442,314.72	798,409.40	3,275,642.66	263,858.40	14,566,570.37		81,612,462.51	73,250,296.92
702,821.25	879,115.34	40,057,979.71	2,495.62	17,870,675.04		65,619,709.07	73,719,006.91
1,210,712.65	407,782.14	23,905,829.94	724.99	14,751,834.77		50,288,018.07	36,878,695.43
1,736,986.36	280,877.16	1,035,367.86	191,200.59	6,882,233.39		19,037,258.41	13,713,709.96
498,081.49	104,798.02	13,804.58	751.38	783,600.08		3,962,884.83	3,942,618.03
						1,065,681.91	1,243,137.58
						80,477.49	57,158.92
					107,183,731.67	107,183,731.67	92,067,351.25
42,998.00						42,998.00	17,060.40
501.98	2,608.41	770.44	2.00	5,365.01		15,792.73	9,764.76
66.00			51,554,733.41	2,664,969.20		59,956,619.23	51,307,275.43
5,530,173.37	3,746,145.53	2,987,413.60	111,853.41	10,207,357.38		43,853,049.86	38,787,366.01
<u>\$ 60,007,226.33</u>	<u>\$ 38,695,940.22</u>	<u>\$ 105,910,811.60</u>	<u>\$ 56,034,803.99</u>	<u>\$ 180,912,032.12</u>	<u>\$ 107,183,731.67</u>	<u>\$ 1,299,712,707.06</u>	<u>\$ 1,264,498,510.51</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	389,276,536.55	370,174,767.35
Proceeds Received From Customers	98,141,402.12	120,403,456.36
Proceeds From Sponsored Programs	236,302,465.57	261,034,863.16
Proceeds From Auxiliary Enterprises	145,839,688.44	164,567,670.73
Proceeds From Loan Programs	1,816,221.58	1,669,358.31
Proceeds From Other Revenues	25,230,761.54	19,488,850.58
Payments to Suppliers for Goods and Services	(376,552,316.42)	(357,421,342.69)
Payments to Employees - Salaries	(635,427,621.73)	(633,812,724.13)
Payments to Employees - Benefits	(128,958,995.16)	(131,784,866.86)
Payments for Loans Provided	(1,362,690.93)	(1,022,727.14)
Payments for Other Expenses	(60,705,578.49)	(68,810,431.23)
Net Cash Provided [Used] By Operating Activities	<u>\$ (306,400,126.93)</u>	<u>\$ (255,513,125.56)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 286,459,274.56	\$ 315,486,852.36
Proceeds From Gifts	94,035,706.73	76,779,647.57
Proceeds From Endowments	1,415,078.60	237,056.32
Proceeds - Transfers From Other Funds	3,569,962.46	2,917,023.00
Proceeds From Other Grant Revenue	37,048,840.68	58,185,880.29
Proceeds From Contributed Capital		
Proceeds From Other Revenues	2,665,745.03	5,785,940.53
Payments of Interest		
Payments - Transfers to Other Funds	(5,030,043.94)	(4,631,426.51)
Payments for Grant Disbursements		
Payments for Other Uses	(443,431.53)	(374,177.02)
Other Noncapital Transfers From/To System	125,506,508.81	81,646,424.15
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 545,227,641.40</u>	<u>\$ 536,033,220.69</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 345,693.35	\$ 514,385.82
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans	2,340,088.30	
Proceeds From Other Financing Activities	39,961.89	131,250.00
Payments for Additions to Capital Assets	(57,073,892.32)	(46,838,504.74)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt	(216,696.42)	(278,833.77)
Payments for Interfund Loans	(282,262.74)	(529,961.68)
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	8,579,801.51	4,174,095.74
Intrasystem Transfers for Capital Debt [Mandatory]	(70,153,010.56)	(70,433,672.53)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(25,084,422.33)	(18,387,736.12)
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (141,504,739.32)</u>	<u>\$ (131,648,977.28)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(50,689,032.85)	(63,179,805.96)
Proceeds From Interest and Investment Income	18,418,410.03	17,160,518.67
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (32,270,622.82)</u>	<u>\$ (46,019,287.29)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 65,052,152.33</u>	<u>\$ 102,851,830.56</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 167,130,044.06</u>	<u>\$ 64,278,213.50</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 167,130,044.06</u>	<u>\$ 64,278,213.50</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 232,182,196.39</u>	<u>\$ 167,130,044.06</u>

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(423,455,050.84)	(407,940,175.09)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	107,183,731.67	92,067,351.25
Bad Debt Expense	(315,916.84)	(740,549.73)
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(11,866,827.56)	52,154,172.73
Due From Other Agencies/Funds	165,749.30	(768,524.49)
Due From System Members	(25,414.31)	1,368,132.36
Inventory	275,699.58	(465,963.99)
Deferred Charges		
Prepaid Expenses	(1,754,279.26)	(4,512,342.35)
Loans and Contracts	(668,657.86)	(340,892.92)
Other Assets	(90,479.02)	(57,808.30)
Payables	(8,173,271.51)	4,413,635.08
Due to Other Agencies/Funds	(22,615.67)	22,615.67
Due to System Members	154,521.99	(92,733.43)
Unearned Revenue	31,016,683.68	10,405,097.51
Deposits	1,360,535.02	1,160,479.78
Compensated Absence Liability	(184,535.30)	(2,185,619.64)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 117,054,923.91</u>	<u>\$ 152,427,049.53</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (306,400,126.93)</u>	<u>\$ (255,513,125.56)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	18,464,850.75	73,585,618.81
Gain/Loss On Sale or Disposal of Capital Assets	(251,853.27)	(1,064,118.70)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	289,937,597.61	108,661,953.78

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
<u>Pass-Through From:</u>					
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557			\$	\$
<u>Pass-Through From:</u>					
Department of State Health Services			537	149,227.99	
Totals - U.S. Department of Agriculture				149,227.99	
U.S. Department of Commerce					
<u>Direct Programs:</u>					
Congressionally Identified Awards and Projects	11.469	Consortium for Ocean Leadership/ SA #11-20			13,416.11
Congressionally Identified Awards and Projects		Consortium for Ocean Leadership/ SA #11-24			14,189.87
ARRA - Broadband Technology Opportunities Program (BTOP)	11.557				
Totals - U.S. Department of Commerce					27,605.98
U.S. Department of Defense					
<u>Pass-Through From:</u>					
Basic and Applied Scientific Research	12.300				
<u>Pass-Through From:</u>					
University of Texas at San Antonio			743	14,268.38	
Totals - U.S. Department of Defense				14,268.38	20,000.00
U.S. Department of Housing and Urban Development					
<u>Direct Programs:</u>					
U.S. Department of Housing and Urban Development	14.000	TXLOR0035-08			
Totals - U.S. Department of Housing and Urban Development					
U.S. Department of the Interior					
<u>Pass-Through From:</u>					
Clean Vessel Act	15.616				
<u>Pass-Through From:</u>					
Parks and Wildlife Department			802	7,613.84	
Totals - U.S. Department of the Interior				7,613.84	
U.S. Department of Justice					
Bulletproof Vest Partnership Program	16.607				
<u>Pass-Through From:</u>					
Governor - Fiscal			300	2,883.69	
Totals - U.S. Department of Justice				2,883.69	
U.S. Department of Transportation					
<u>Direct Programs:</u>					
U.S. Department of Transportation	20.000	HSTS0208HSLR057, P00004			
Airport Improvement Program	20.106				
Totals - U.S. Department of Transportation					
General Services Administration					
<u>Pass-Through From:</u>					
Donation of Federal Surplus Personal Property (Non-monetary)	39.003				
<u>Pass-Through From:</u>					
Texas Facilities Commission			303	17,422.00	

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$	149,227.99	\$	\$	\$	\$
					149,227.99	149,227.99
		149,227.99				
		13,416.11			13,416.11	13,416.11
		14,189.87			14,189.87	14,189.87
3,742,176.76	3,742,176.76			74,504.98	3,667,671.78	3,742,176.76
3,742,176.76	3,769,782.74			74,504.98	3,695,277.76	3,769,782.74
		20,000.00			20,000.00	20,000.00
		14,268.38			14,268.38	14,268.38
		34,268.38			34,268.38	34,268.38
19,765.07	19,765.07				19,765.07	19,765.07
19,765.07	19,765.07				19,765.07	19,765.07
		7,613.84			7,613.84	7,613.84
		7,613.84			7,613.84	7,613.84
		2,883.69			2,883.69	2,883.69
		2,883.69			2,883.69	2,883.69
38,803.69	38,803.69				38,803.69	38,803.69
2,530,203.57	2,530,203.57				2,530,203.57	2,530,203.57
2,569,007.26	2,569,007.26				2,569,007.26	2,569,007.26
		17,422.00			17,422.00	17,422.00

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - General Services Administration				17,422.00	
Library of Congress					
Books for the Blind and Physically Handicapped	42.001	Academy for Educational Development/ OWLC-1019 (4268.01.21)			3,000.00
Totals - Library of Congress					3,000.00
U.S. Department of Energy					
Office of Science Financial Assistance Program	81.049	Yale University/ C12E11327(E00146)			3,845.80
Nuclear Energy Research, Development and Demonstration	81.121	Sandia Corporation/ 1238094			14,635.09
<u>Direct Programs:</u>					
ARRA - Conservation Research and Development	81.086				
Totals - U.S. Department of Energy					18,480.89
U.S. Department of Education					
Migrant Education_High School Equivalency Program	84.141				
Safe and Drug-Free Schools and Communities_National Programs	84.184				
<i>Pass-Through To:</i> <i>Texas A&M Engineering Extension Service</i>					
Centers for International Business Education	84.220				
<u>Pass-Through From:</u> Improving Teacher Quality State Grants	84.367				
<i>Pass-Through From:</i> <i>Texas Higher Education Coordinating Board</i>			781	133,658.42	
College Access Challenge Grant Program	84.378				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	15,422.97	
College Access Challenge Grant Program	84.378				
<i>Pass-Through From:</i> <i>Texas Higher Education Coordinating Board</i>			781	816,718.78	
Totals - U.S. Department of Education				965,800.17	
National Archives and Records Administration					
<u>Direct Programs:</u>					
National Historical Publications and Records Grants	89.003				
Totals - National Archives and Records Administration					
U.S. Department of Health and Human Services					
U.S. Department of Health and Human Services	93.000	TMF Health Quality Initiative/ DARE-COL-01 (PRIME HHSM-500-2008- TX9THC)			21,260.48
U.S. Department of Health and Human Services		TMF Health Quality Institute/ DAID-COL-02 (PRIME GS-10F-0214T)			60,074.85
U.S. Department of Health and Human Services		TMF Health Quality Institute/ IOSOW			26,537.21
Centers for Disease Control and Prevention_Investigations and Technical Assistance	93.283	Lance Armstrong Foundation/ 426097-461741			5,075.16
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	Leon County/ 2008-426056-11-03			45,923.19

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	17,422.00				17,422.00	17,422.00
	3,000.00				3,000.00	3,000.00
	3,000.00				3,000.00	3,000.00
	3,845.80				3,845.80	3,845.80
	14,635.09				14,635.09	14,635.09
954,340.49	954,340.49				954,340.49	954,340.49
954,340.49	972,821.38				972,821.38	972,821.38
353,746.91	353,746.91				353,746.91	353,746.91
25,837.15	25,837.15				25,837.15	25,837.15
		716	25,837.15			
198,870.89	198,870.89				198,870.89	198,870.89
	133,658.42				133,658.42	133,658.42
	15,422.97				15,422.97	15,422.97
	816,718.78				816,718.78	816,718.78
578,454.95	1,544,255.12		25,837.15		1,518,417.97	1,544,255.12
1,994,426.19	1,994,426.19				1,994,426.19	1,994,426.19
1,994,426.19	1,994,426.19				1,994,426.19	1,994,426.19
	21,260.48				21,260.48	21,260.48
	60,074.85				60,074.85	60,074.85
	26,537.21				26,537.21	26,537.21
	5,075.16				5,075.16	5,075.16
	45,923.19				45,923.19	45,923.19

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Direct Programs:					
ARRA - National Center For Research Resources, Recovery Act Construction Support	93.702				
Pass-Through From:					
Strengthening Public Health Services at the Outreach Offices of the U.S.-Mexico Border Health Commission	93.018				
Pass-Through From:					
Department of State Health Services			537	1,153.25	
Developmental Disabilities Basic Support and Advocacy Grants	93.630				
Pass-Through From:					
Texas Education Agency			701	136,790.55	
Block Grants for Prevention and Treatment of Substance Abuse	93.959				
Pass-Through From:					
Department of State Health Services			537	136,123.49	
Totals - U.S. Department of Health and Human Services				274,067.29	158,870.89
Corporation for National and Community Service					
AmeriCorps	94.006	OneStar Foundation/ 06AFHTX0010062			290,966.41
Totals - Corporation for National and Community Service					290,966.41
U.S. Department of Homeland Security					
Pass-Through From:					
Centers for Homeland Security	97.061				
Pass-Through From:					
University of Texas at San Antonio			743	(4,012.05)	
Totals - U.S. Department of Homeland Security				(4,012.05)	
Research & Development Cluster					
U.S. Department of Agriculture					
1890 Institution Capacity Building Grants	10.216	Virginia State 011212			32,299.10
Higher Education Challenge Grants	10.217	Purdue University/ USDA-NIFA 2010- 38411-21368			4,446.73
Consumer Data and Information Program	10.256	Rutgers University/ S1380974 (PRIME 58- 4000-9-0064)			(462.12)
ARRA - Trade Adjustment Assistance for Farmers Training Coordination Program (TAAF)	10.315	University of Minnesota/ H001344230			82,476.78
Direct Programs:					
Agriculture and Food Research Initiative	10.310				
Totals - U.S. Department of Agriculture					118,760.49
U.S. Department of Commerce					
Integrated Ocean Observing System (IOOS)	11.012	Mississippi State University/ 191001-363637-02			46,906.54
Integrated Ocean Observing System (IOOS)		Southeastern Universities Research Assoc/ 2010-005			5,249.14
Meteorologic and Hydrologic Modernization Development	11.467	University Corp for Atmospheric Research/ Z12-93224			7,570.16
Direct Programs:					
Sea Grant Support	11.417				
Sea Grant Support	11.417				
Pass-Through To:					
Texas A&M AgriLife Extension Service					

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 TEXAS A&M UNIVERSITY
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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
3,144,472.45	3,144,472.45				3,144,472.45	3,144,472.45
	1,153.25				1,153.25	1,153.25
	136,790.55				136,790.55	136,790.55
	136,123.49				136,123.49	136,123.49
3,144,472.45	3,577,410.63				3,577,410.63	3,577,410.63
	290,966.41				290,966.41	290,966.41
	290,966.41				290,966.41	290,966.41
	(4,012.05)				(4,012.05)	(4,012.05)
	(4,012.05)				(4,012.05)	(4,012.05)
	32,299.10				32,299.10	32,299.10
	4,446.73				4,446.73	4,446.73
	(462.12)				(462.12)	(462.12)
	82,476.78				82,476.78	82,476.78
141,988.81	141,988.81			46,631.21	95,357.60	141,988.81
141,988.81	260,749.30			46,631.21	214,118.09	260,749.30
	46,906.54				46,906.54	46,906.54
	5,249.14				5,249.14	5,249.14
	7,570.16				7,570.16	7,570.16
1,394,883.07	1,394,883.07			27,192.03	1,367,691.04	1,394,883.07
1,889.84	1,889.84					1,889.84
		555	1,889.84			

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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Sea Grant Support <i>Pass-Through To:</i> <i>Texas A&M AgriLife Research</i>	11.417				
Sea Grant Support <i>Pass-Through To:</i> <i>Texas A&M University at Galveston</i>	11.417				
Sea Grant Support <i>Pass-Through To:</i> <i>University of Texas at Austin</i>	11.417				
Sea Grant Support <i>Pass-Through To:</i> <i>University of Texas at Brownsville</i>	11.417				
Sea Grant Support <i>Pass-Through To:</i> <i>University of Houston - Clear Lake</i>	11.417				
Sea Grant Support <i>Pass-Through To:</i> <i>Texas A&M University - Corpus Christi</i>	11.417				
Center for Sponsored Coastal Ocean Research_Coastal Ocean Program <i>Pass-Through From:</i>	11.478				
Coastal Zone Management Administration Awards <i>Pass-Through From:</i> <i>General Land Office</i>	11.419				
			305	104,811.47	
Totals - U.S. Department of Commerce				104,811.47	59,725.84
U.S. Department of Defense					
U.S. Department of Defense	12.000	Battelle Memorial Institute/ <i>US001-0000291711</i>			27,813.58
U.S. Department of Defense		Rand Corporation/ <i>PRIME W74V8H-06-C- 0002</i>			5,763.66
U.S. Department of Defense		Raytheon BBN Technologies Corp/ <i>14026 (PRIME N41756- 11-C-3878)</i>			5,236.36
Direct Programs:					
U.S. Department of Defense	12.000	<i>FA9453-10-C-0214</i>			
U.S. Department of Defense	12.000	<i>N41756-10-C-3393</i>			
U.S. Department of Defense	12.000	<i>2011-13-05 (PN11- 0354)</i>			
Basic Scientific Research	12.431				
Basic, Applied, and Advanced Research in Science and Engineering	12.630				
Information Security Grant Program	12.902				
Totals - U.S. Department of Defense					38,813.60
U.S. Department of the Interior					
<i>Pass-Through From:</i> Coastal Impact Assistance Program <i>Pass-Through From:</i> <i>Texas A&M University - Corpus Christi</i>	15.668				
			760	(2,387.49)	
Totals - U.S. Department of the Interior				(2,387.49)	
U.S. Department of Transportation					
Formula Grants for Other Than Urbanized Areas <i>Pass-Through From:</i> <i>Texas Department of Transportation</i>	20.509				
			601	57,187.56	

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
219,501.15	219,501.15					219,501.15
		556	219,501.15			
129,821.32	129,821.32					129,821.32
		718	129,821.32			
206,583.17	206,583.17					206,583.17
		721	206,583.17			
27,292.33	27,292.33					27,292.33
		747	27,292.33			
24,132.88	24,132.88					24,132.88
		759	24,132.88			
124,250.11	124,250.11					124,250.11
		760	124,250.11			
353,484.33	353,484.33			27,930.46	325,553.87	353,484.33
	104,811.47				104,811.47	104,811.47
2,481,838.20	2,646,375.51		733,470.80	55,122.49	1,857,782.22	2,646,375.51
	27,813.58				27,813.58	27,813.58
	5,763.66				5,763.66	5,763.66
	5,236.36				5,236.36	5,236.36
54,000.26	54,000.26				54,000.26	54,000.26
174,174.01	174,174.01				174,174.01	174,174.01
319.56	319.56				319.56	319.56
830,845.58	830,845.58				830,845.58	830,845.58
5,802.29	5,802.29				5,802.29	5,802.29
34,929.95	34,929.95				34,929.95	34,929.95
1,100,071.65	1,138,885.25				1,138,885.25	1,138,885.25
	(2,387.49)				(2,387.49)	(2,387.49)
	(2,387.49)				(2,387.49)	(2,387.49)
	57,187.56				57,187.56	57,187.56

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - U.S. Department of Transportation				57,187.56	
Office of Personnel Management					
<u>Direct Programs:</u>					
Intergovernmental Personnel Act (IPA) Mobility Program	27.011				
Totals - Office of Personnel Management					
Library of Congress					
Library of Congress	42.000	CRS 11-06			
Totals - Library of Congress					
National Aeronautics and Space Administration					
Science	43.001	American College of Sports Medicine/ 2010-19-05 (PRIME NNX09AQ53G)			1,074.40
Science		American College of Sports Medicine/ 461321 (11-0550)			3,287.74
Science		Johns Hopkins University/ 105226			4,673.90
Science		University of Wisconsin/ 348K272			28,152.81
<u>Direct Programs:</u>					
Science	43.001				
Science	43.001				
<u>Pass-Through To:</u>					
Texas A&M Engineering Experiment Station					
Totals - National Aeronautics and Space Administration					37,188.85
National Endowment For The Humanities					
Promotion of the Humanities Fellowships and Stipends	45.160	Ohomundro Institute of Early American History and Culture/ 426086 (2009-2011 NEH)			36,733.45
Totals - National Endowment For The Humanities					36,733.45
National Science Foundation					
National Science Foundation	47.000	Carnegie Institute of Washington/ GMTO-100507B			67,814.95
National Science Foundation		Carnegie Institute of Washington/ GMTO-100804A			(2,197.47)
Geosciences	47.050	Purdue University/ 4101-49945			8,879.35
Geosciences		University of Southern California/ 157937			3,019.74
Geosciences		University Corp for Atmospheric Research/ Z12-91883			56,349.00
Education and Human Resources	47.076	Association of American Geographers/ 2010-11-19 (PRIME DRL-1049437)			65,654.84
Education and Human Resources		Botanical Society of America/ 01-TX-0733280			170,580.28
Education and Human Resources		Botanical Society of America/ 1,209.17			1,209.17

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	57,187.56				57,187.56	57,187.56
48,545.37	48,545.37				48,545.37	48,545.37
48,545.37	48,545.37				48,545.37	48,545.37
5,931.63	5,931.63				5,931.63	5,931.63
5,931.63	5,931.63				5,931.63	5,931.63
	1,074.40				1,074.40	1,074.40
	3,287.74				3,287.74	3,287.74
	4,673.90				4,673.90	4,673.90
	28,152.81				28,152.81	28,152.81
191,956.91	191,956.91			114,439.30	77,517.61	191,956.91
219,590.44	219,590.44					219,590.44
		712	219,590.44			
411,547.35	448,736.20		219,590.44	114,439.30	114,706.46	448,736.20
	36,733.45				36,733.45	36,733.45
	36,733.45				36,733.45	36,733.45
	67,814.95				67,814.95	67,814.95
	(2,197.47)				(2,197.47)	(2,197.47)
	8,879.35				8,879.35	8,879.35
	3,019.74				3,019.74	3,019.74
	56,349.00				56,349.00	56,349.00
	65,654.84				65,654.84	65,654.84
	170,580.28				170,580.28	170,580.28
	1,209.17				1,209.17	1,209.17

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Education and Human Resources		01-TX-0737669 Council of Graduate Schools/ 2012-30-03 (PRIME NSF 1138814)			1,792.67
International Science and Engineering (OISE)	47.079	CRDF Global/ RUP1-7025-CG-11			1,674.00
<u>Direct Programs:</u>					
Engineering Grants	47.041				
Mathematical and Physical Sciences	47.049				
Geosciences	47.050				
Computer and Information Science and Engineering	47.070				
Biological Sciences	47.074				
Social, Behavioral, and Economic Sciences	47.075				
Education and Human Resources	47.076				
Polar Programs	47.078				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
Totals - National Science Foundation					374,776.53
Nuclear Regulatory Commission					
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006				
<i>Pass-Through To:</i> <i>Texas A&M Engineering Experiment Station</i>					
Totals - Nuclear Regulatory Commission					
U.S. Department of Energy					
U.S. Department of Energy	81.000	Fermi Research Alliance LLC/ 605026			35,152.19
U.S. Department of Energy		Los Alamos National Security LLC/ 162500-1			46,985.10
U.S. Department of Energy		Portland State University/ 200MOO210, PRIME NO. DE-AC26- 07NT42677			81,522.43
U.S. Department of Energy		Stanford University SLAC National Accelerator Lab/ 107611			26,463.97
U.S. Department of Energy		Universities Research Association, Inc./ 11-F-16			2,419.81
U.S. Department of Energy		UChicago Argonne, LLC/ 1F-32142			44,838.14
U.S. Department of Energy		UT-Battelle, LLC/ 4000093209			3,137.19
Office of Science Financial Assistance Program	81.049	Brookhaven Science Associates/ 100586			42,461.65
Office of Science Financial Assistance Program		Regents for University of California, Lawrence Berkeley Lab/ 6992292			30,645.44
Office of Science Financial Assistance Program		Tulane University- Coastal NICCR/ TUL-580-08/09			11,157.70
<u>Direct Programs:</u>					
Office of Science Financial Assistance Program	81.049				
Stewardship Science Grant Program	81.112				
Totals - U.S. Department of Energy					324,783.62

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	1,792.67				1,792.67	1,792.67
	1,674.00				1,674.00	1,674.00
27,311.05	27,311.05				27,311.05	27,311.05
495,224.04	495,224.04				495,224.04	495,224.04
783,407.85	783,407.85				783,407.85	783,407.85
59,949.58	59,949.58				59,949.58	59,949.58
23,350.95	23,350.95				23,350.95	23,350.95
3,323.92	3,323.92				3,323.92	3,323.92
2,305,533.91	2,305,533.91				2,305,533.91	2,305,533.91
14,791.34	14,791.34				14,791.34	14,791.34
66,136.68	66,136.68				66,136.68	66,136.68
3,779,029.32	4,153,805.85				4,153,805.85	4,153,805.85
45,145.52	45,145.52					45,145.52
		712	45,145.52			
45,145.52	45,145.52		45,145.52			45,145.52
	35,152.19				35,152.19	35,152.19
	46,985.10				46,985.10	46,985.10
	81,522.43				81,522.43	81,522.43
	26,463.97				26,463.97	26,463.97
	2,419.81				2,419.81	2,419.81
	44,838.14				44,838.14	44,838.14
	3,137.19				3,137.19	3,137.19
	42,461.65				42,461.65	42,461.65
	30,645.44				30,645.44	30,645.44
	11,157.70				11,157.70	11,157.70
4,464,672.97	4,464,672.97				4,464,672.97	4,464,672.97
213,192.09	213,192.09				213,192.09	213,192.09
4,677,865.06	5,002,648.68				5,002,648.68	5,002,648.68

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
Fund for the Improvement of Postsecondary Education	84.116				
Bilingual Education Professional Development	84.195				
Education Research, Development and Dissemination	84.305				
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325				
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities	84.333				
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities	84.333				
<i>Pass-Through To:</i> <i>Tarleton State University</i>					
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities	84.333				
<i>Pass-Through To:</i> <i>Texas A&M University - Corpus Christi</i>					
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334				
<i>Pass-Through From:</i> Adult Education - Basic Grants to States	84.002				
<i>Pass-Through From:</i> <i>Texas Education Agency</i>			701	1,243,424.52	
Special Education Grants to States	84.027				
<i>Pass-Through From:</i> <i>Texas Education Agency</i>			701	142.83	
Education Research, Development and Dissemination	84.305				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	454,228.37	
Mathematics and Science Partnerships	84.366				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	8,366.35	
Totals - U.S. Department of Education				1,706,162.07	
U.S. Department of Health and Human Services					
Cancer Cause and Prevention Research	93.393	Portland State University/ 200ROB235			16,885.93
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	University of Kansas Center for Research, Inc./ FY2011-075			(986.20)
University Centers for Excellence in Developmental Disabilities Education, Research, and Service		University of Kansas Center for Research, Inc./ FY2012-052			3,024.29
Cardiovascular Diseases Research	93.837	Thoratec, LLC/ MST AGR BA 11-097, TO 2			18,438.00
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	Columbia University/ 5-30224			94,469.16
<i>Direct Programs:</i>					
Mental Health Research Grants	93.242				
Cancer Research Manpower	93.398				
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632				
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632				
<i>Pass-Through To:</i> <i>Texas A&M AgriLife Extension Service</i>					

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
153,154.19	153,154.19				153,154.19	153,154.19
218,822.04	218,822.04				218,822.04	218,822.04
482,036.07	482,036.07			140,645.61	341,390.46	482,036.07
514,787.78	514,787.78			7,646.46	507,141.32	514,787.78
267,140.03	267,140.03				267,140.03	267,140.03
7,000.00	7,000.00					7,000.00
		713	7,000.00			
9,600.00	9,600.00					9,600.00
		760	9,600.00			
408,676.81	408,676.81			106,615.76	302,061.05	408,676.81
	1,243,424.52				1,243,424.52	1,243,424.52
	142.83				142.83	142.83
	454,228.37				454,228.37	454,228.37
	8,366.35				8,366.35	8,366.35
2,061,216.92	3,767,378.99		16,600.00	254,907.83	3,495,871.16	3,767,378.99
	16,885.93				16,885.93	16,885.93
	(986.20)				(986.20)	(986.20)
	3,024.29				3,024.29	3,024.29
	18,438.00				18,438.00	18,438.00
	94,469.16				94,469.16	94,469.16
100,054.89	100,054.89				100,054.89	100,054.89
453,712.32	453,712.32				453,712.32	453,712.32
481,221.08	481,221.08				481,221.08	481,221.08
25,038.00	25,038.00					25,038.00
		555	25,038.00			

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
ARRA - Trans-NIH Recovery Act Research Support	93.701				
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				
Biomedical Research and Research Training	93.859				
Child Health and Human Development Extramural Research	93.865				
<u>Pass-Through From:</u>					
Immunization Grants	93.268				
<u>Pass-Through From:</u>					
Department of State Health Services			537	11,788.00	
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283				
<u>Pass-Through From:</u>					
Department of State Health Services			537	181,743.57	
Developmental Disabilities Basic Support and Advocacy Grants	93.630				
<u>Pass-Through From:</u>					
Texas Education Agency			701	71,386.02	
HIV Prevention Activities_ Health Department Based	93.940				
<u>Pass-Through From:</u>					
Department of State Health Services			537	308,562.78	
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946				
<u>Pass-Through From:</u>					
Department of State Health Services			537	114,545.00	
Maternal and Child Health Services Block Grant to the States	93.994				
<u>Pass-Through From:</u>					
Department of State Health Services			537	13,825.61	
Totals - U.S. Department of Health and Human Services				701,850.98	131,831.18
Highway Planning and Construction Cluster					
U.S. Department of Transportation					
<u>Pass-Through From:</u>					
Highway Planning and Construction	20.205				
<u>Pass-Through From:</u>					
Texas Department of Transportation			601	7,792,333.06	
Totals - U.S. Department of Transportation				7,792,333.06	
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Perkins Loan Program_ Federal Capital Contributions	84.038				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Academic Competitiveness Grants	84.375				
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376				
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
Postsecondary Education Scholarships for Veteran's Dependents	84.408				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342				
ARRA - Scholarships for Disadvantaged Students	93.407				
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925				
Totals - U.S. Department of Health and Human Services					
Total Expenditures of Federal Awards				\$ 11,787,228.96	\$ 1,641,537.73

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
28,593.33	28,593.33				28,593.33	28,593.33
29,318.16	29,318.16				29,318.16	29,318.16
35,610.88	35,610.88				35,610.88	35,610.88
317,006.92	317,006.92			69,496.05	247,510.87	317,006.92
	11,788.00				11,788.00	11,788.00
	181,743.57				181,743.57	181,743.57
	71,386.02				71,386.02	71,386.02
	308,562.78				308,562.78	308,562.78
	114,545.00				114,545.00	114,545.00
	13,825.61				13,825.61	13,825.61
1,470,555.58	2,304,237.74		25,038.00	69,496.05	2,209,703.69	2,304,237.74
	7,792,333.06				7,792,333.06	7,792,333.06
	7,792,333.06				7,792,333.06	7,792,333.06
588,955.86	588,955.86				588,955.86	588,955.86
1,346,982.26	1,346,982.26				1,346,982.26	1,346,982.26
2,511,545.42	2,511,545.42				2,511,545.42	2,511,545.42
35,634,235.50	35,634,235.50				35,634,235.50	35,634,235.50
161,926,881.00	161,926,881.00				161,926,881.00	161,926,881.00
(11,207.00)	(11,207.00)				(11,207.00)	(11,207.00)
(10,000.00)	(10,000.00)				(10,000.00)	(10,000.00)
785,404.14	785,404.14				785,404.14	785,404.14
13,850.00	13,850.00				13,850.00	13,850.00
202,786,647.18	202,786,647.18				202,786,647.18	202,786,647.18
42,125.00	42,125.00				42,125.00	42,125.00
(503.00)	(503.00)				(503.00)	(503.00)
(1,121.00)	(1,121.00)				(1,121.00)	(1,121.00)
40,501.00	40,501.00				40,501.00	40,501.00
\$ 232,053,526.76	\$ 245,482,293.45		\$ 1,065,681.91	\$ 615,101.86	\$ 243,801,509.68	\$ 245,482,293.45

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

The Donation of Federal Surplus Personal Property is presented at 23.3% of the federal acquisition cost of \$74,773. The surplus property is passed from the Texas Facilities Commission. The federal grantor agency is the General Services Administration (GSA) and the federal CFDA number is 39.003. The estimated fair value for the fiscal year 2012 is \$17,422.

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGH)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 73,350,033.11
Federal Grants and Contracts - Non-operating	35,648,085.50
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 11,787,228.96
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	-
LESS Reconciling Items:	
Donation of Federal Surplus Property	(17,422.00)
Total Federal Pass-Through Grants	11,769,806.96
Federal Appropriations	-
Total Federal Revenue per Exhibit IV	<u>\$ 120,767,925.57</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	17,422.00
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	-
Federal Perkins Loan Program	2,292,545.42
Federal Direct Student Loans	161,926,881.00
Health Education Assistance Loans	-
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students	42,125.00
DEDUCT:	
Federal Grants to/from TAMRF	(39,209,101.52)
COBRA 65% Subsidy (CFDA Number 17.151)	-
Federal Contract Revenues - Vendor Relationship & Fixed Price	(355,504.02)
Total Pass Throughs and Expenditures per Federal Schedule	<u>\$ 245,482,293.45</u>

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$ -	\$ -	\$ -	\$ -
Federal Perkins Loan Program	84.038	2,292,545.42	219,000.00	17,923,831.33	18,657,356.97
Federal Direct Student Loans	84.268	161,926,881.00	-	-	-
Total, U. S. Department of Education		<u>164,219,426.42</u>	<u>219,000.00</u>	<u>17,923,831.33</u>	<u>18,657,356.97</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108	-	-	-	-
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342	42,125.00	-	727,174.43	822,253.74
Total, U. S. Department of Health and Human Services		<u>42,125.00</u>	<u>-</u>	<u>727,174.43</u>	<u>822,253.74</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 164,261,551.42</u>	<u>\$ 219,000.00</u>	<u>\$ 18,651,005.76</u>	<u>\$ 19,479,610.71</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University participates as a depository library in the Government Printing Office's Depository Libraries for Government Publication program, CFDA #40.001. The University is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned a value by the Government Printing Office.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
Integrated Ocean Observing System (IOOS)	11.012	\$ -	\$ 1,215.95	\$ 1,215.95
Department of Defense	12.000	-	55,646.55	55,646.55
Books for the Blind and Physically Handicapped	42.001	3,002.85	(3,002.85)	-
Aerospace Education Services Program	43.001	771.61	5,948.35	6,719.96
Promotion of the Humanities--Fellowships and Stipends	45.160	20,881.80	66.55	20,948.35
National Science Foundation	47.000	94,310.69	(68,186.97)	26,123.72
Education and Human Resources	47.076	-	13,207.33	13,207.33
Department of Health and Human Services - NIH	93.000	-	9,925.15	9,925.15
Centers for Disease Control and Prevention - Investigations	93.283	-	2.05	2.05
Rural Health Care Svcs Outreach & RH Network Dev Prog	93.912	45,923.19	(45,923.19)	-
Americorps	94.006	931.56	(931.56)	-
		<u>\$ 165,821.70</u>	<u>\$ (32,032.64)</u>	<u>\$ 133,789.06</u>

Deferred Revenue Explanation:

The deferred revenue consists of funds received from federal or federal pass through sponsors, but not expended from federal or federal pass through awards as of 08/31/2012.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Suspending Kids to School Governor - Fiscal	300.0009	300	\$ 128,685.60
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	36,662.00
Tobacco Use Prevention and Control Department of State Health Services	537.0008	537	232,058.57
Mat/Child Hlth Dir Pt Title V FY10 Department of State Health Services	537.0010	537	79,591.17
Healthy Texas Babies Initiative Department of State Health Services	537.0035	537	127,251.00
Development, Implementation, and Evaluation of a Cancer Genomics Training Program for Texas Health Educators Cancer Prevention and Research Institute of Texas	542.0003	542	152,151.97
More Than A Picnic: It's A Family Affair for Lifestyle Change Cancer Prevention and Research Institute of Texas	542.0005	542	163,926.10
RP121002 - Examination of the Pharmacological Properties of a Novel Antifungal Named Occidiofungin Cancer Prevention and Research Institute of Texas	542.0292	542	49,643.79
Implementing Total Maximum Daily Loads Texas AgriLife Extension Service	555.0003	555	16,899.80
WSC - Research Texas Water Development Board	580.0019	580	25,603.37
1510 TEXAQS II Meteorological Monitoring & Data Analysis and Advanced Atmospheric Chemistry Monitoring Texas Commission on Environmental Quality	582.0006	582	142,866.00
Evaluate Applications for Licensing a low-level radioactive Waste Disposal Facility, a byproduct matrl disp. facil., and proposed source material revo. opt from FY 09-FY14 Texas Commission on Environmental Quality	582.0030	582	114,919.10
Routine Airport Maintenance Program (ramp) Texas Department of Transportation	601.0002	601	100,000.00
Online Bilingual Certification Project Texas Education Agency	701.0026	701	385,536.16

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Need Based Scholarships Texas A&M University System	710.0003	710	170,821.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	22,298.00
Cyanide Remediation: Evolving Improved Enzymes Lamar University	734.0005	734	16,275.27
On-Line Chemical Analysis of Ambient Organic Aerosols Lamar University	734.0012	734	139.61
Completion and Deployment of a FAGE instrument for Urban Hox Measurements and Developments of OH Reactivity Capability Lamar University	734.0038	734	14,688.98
CPRIT ACCION: Against Colorectal Cancer in our Neighborhoods Texas Tech University Health Sciences Center	739.0001	739	3,244.81
Education and Outreach Program University of Texas Health Science Center at San Antonio	745.0001	745	71,326.94
College & Career Readiness Initiative Faculty Collaborative Program Texas State University - San Marcos	754.0003	754	5,050.50
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	17,450,922.00
Advanced Research Program Texas Higher Education Coordinating Board	781.0010	781	(149,960.00)
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.0020	781	(890.22)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	318,191.80
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	904,641.35
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	6,544,961.00
Combat Exemption Prog SB297 Texas Higher Education Coordinating Board	781.0033	781	(2,648.25)
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	193,862.52
ATX - Ed Rachel	781.0043		

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Texas Higher Education Coordinating Board		781	138,889.00
ATX - Greater TX Foundation	781.0044		
Texas Higher Education Coordinating Board		781	105,000.00
ATX - USAA	781.0047		
Texas Higher Education Coordinating Board		781	30,000.00
ATX - NuStar	781.0048		
Texas Higher Education Coordinating Board		781	15,000.00
ATX - New York Life	781.0049		
Texas Higher Education Coordinating Board		781	25,000.00
ATX - Kresge	781.0050		
Texas Higher Education Coordinating Board		781	15,000.00
ATX - Dell Foundation	781.0051		
Texas Higher Education Coordinating Board		781	213,348.00
State Energy Plan (SEP)	907.0001		
Comptroller - State Energy Conservation Office		907	5,000.00
Total Pass-Through From State Agencies			\$ <u>27,865,956.94</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
More Than A Picnic Its A Family Affair for Lifestyle Change	711.0002		
University of Texas at Austin		721	\$ 6,153.95
University of North Texas Health Science Center at Fort Worth		763	17,909.69
			<u>24,063.64</u>
1510 TEXAQS II Meteorological Monitoring & Data Analysis and Advanced Atmospheric Chemistry Monitoring	711.0003		
Texas State University - San Marcos		754	56,413.85
Total Pass-Through To State Agencies			\$ <u>80,477.49</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 4,975.07
Petty Cash Department Working Fund	218,120.99
Temporary Working Fund	<u>2,208.00</u>
Total Cash On Hand	<u>\$ 225,304.06</u>
Cash In State Treasury:	
Fund 0242	<u>\$ 57,766,533.69</u>
Total Cash In State Treasury	<u>\$ 57,766,533.69</u>
Reimbursements Due From State Treasury	\$ 1,141,148.55
Assets Held By System Offices-Current	<u>150,846,230.93</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 209,979,217.23</u>
Restricted:	
Cash On Hand:	
Petty Cash Department Working Fund	<u>\$ 268,400.00</u>
Total Restricted Cash On Hand	<u>\$ 268,400.00</u>
Cash In Bank	<u>\$ 5,091,069.70</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 16,843,509.46</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 22,202,979.16</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 232,182,196.39</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

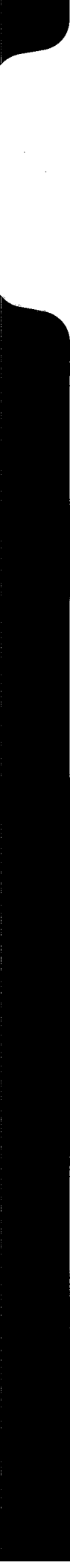
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 30,329,457.20	\$ 233,111.49	\$
Construction In Progress	51,515,409.77	(181,473,938.85)	(122,060,966.48)
Other Tangible Capital Assets	37,774,436.24	21,718.00	
Land Use Rights	2,322.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 119,621,625.21	\$ (181,219,109.36)	\$ (122,060,966.48)
Depreciable Assets			
Buildings	\$ 1,712,885,018.50	\$ 82,403,072.27	\$ 106,856,982.45
Infrastructure	273,556,377.11	92,249,953.87	6,750,959.31
Facilities and Other Improvements	160,060,765.49	5,575,837.70	2,824,335.88
Furniture and Equipment	245,405,007.65	1,684,436.26	4,948,946.75
Vehicles, Boats and Aircraft	40,048,461.74	8,000.00	679,742.09
Other Capital Assets	76,561,569.03		
Total Depreciable Assets at Historical Cost	\$ 2,508,517,199.52	\$ 181,921,300.10	\$ 122,060,966.48
Less Accumulated Depreciation For:			
Buildings	\$ (919,469,169.56)	\$ (1,349,152.69)	\$
Infrastructure	(178,957,372.98)	(744,121.68)	
Facilities and Other Improvements	(124,174,953.03)	(69,878.12)	
Furniture and Equipment	(172,457,884.95)	5,344.66	
Vehicles, Boats and Aircraft	(29,176,196.60)	3,774.14	
Other Capital Assets	(51,543,105.57)	127,345.02	
Total Accumulated Depreciation	\$ (1,475,778,682.69)	\$ (2,026,688.67)	\$
Depreciable Assets, Net	\$ 1,032,738,516.83	\$ 179,894,611.43	\$ 122,060,966.48
Amortizable Assets - Intangible			
Land Use Rights	\$ 255,457.00	\$	\$
Computer Software	39,581,694.13		
Total Intangible Assets at Historical Cost	\$ 39,837,151.13	\$	\$
Less Accumulated Amortization For:			
Land Use Rights	\$ (38,318.58)	\$	\$
Computer Software	(26,575,129.87)		
Total Accumulated Amortization	\$ (26,613,448.45)	\$	\$
Amortizable Assets-Net	\$ 13,223,702.68	\$	\$
Capital Assets, Net	\$ 1,165,583,844.72	\$ (1,324,497.93)	\$

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 279,481,471.17	\$	\$ 175,138.00 31,904,416.94 846,614.37	\$ (4,290.00)	\$ 30,737,706.69 59,366,392.55 38,638,478.61 2,322.00
<u>\$ 279,481,471.17</u>	<u>\$</u>	<u>\$ 32,926,169.31</u>	<u>\$ (4,290.00)</u>	<u>\$ 128,744,899.85</u>
\$ 13,708,348.76	\$	\$ 673,030.14 28,496.54 17,617,908.87 1,866,554.51 2,145,368.25	\$ (2,231,391.20) (1,103,840.54) (518,458.06) (15,459,488.64) (1,258,152.14) (315,206.93)	\$ 1,913,622,030.78 372,126,479.89 167,970,977.55 253,785,709.15 41,375,220.31 78,391,730.35
<u>\$ 13,951,760.01</u>	<u>\$ (623,898.88)</u>	<u>\$ 22,331,358.31</u>	<u>\$ (20,886,537.51)</u>	<u>\$ 2,827,272,148.03</u>
\$ (3,033,261.54)	\$	\$ (61,599,855.68) (11,552,989.40) (3,886,777.15) (17,872,306.20) (3,274,328.06) (3,331,262.09)	\$ 175,444.28 9,663,920.78 1,246,090.58 165,183.33	\$ (985,275,995.19) (191,254,484.06) (128,131,608.30) (180,471,189.03) (31,228,869.77) (54,581,839.31)
<u>\$ (3,212,050.87)</u>	<u>\$ 340,316.18</u>	<u>\$ (101,517,518.58)</u>	<u>\$ 11,250,638.97</u>	<u>\$ (1,570,943,985.66)</u>
<u>\$ 10,739,709.14</u>	<u>\$ (283,582.70)</u>	<u>\$ (79,186,160.27)</u>	<u>\$ (9,635,898.54)</u>	<u>\$ 1,256,328,162.37</u>
\$	\$	\$ 399,740.00	\$ (866,615.25)	\$ 255,457.00 39,114,818.88
<u>\$</u>	<u>\$</u>	<u>\$ 399,740.00</u>	<u>\$ (866,615.25)</u>	<u>\$ 39,370,275.88</u>
\$	\$	\$ (25,545.72) (5,640,667.37)	\$ 866,615.25	\$ (63,864.30) (31,349,181.99)
<u>\$</u>	<u>\$</u>	<u>\$ (5,666,213.09)</u>	<u>\$ 866,615.25</u>	<u>\$ (31,413,046.29)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (5,266,473.09)</u>	<u>\$</u>	<u>\$ 7,957,229.59</u>
<u><u>\$ 290,221,180.31</u></u>	<u><u>\$ (283,582.70)</u></u>	<u><u>\$ (51,526,464.05)</u></u>	<u><u>\$ (9,640,188.54)</u></u>	<u><u>\$ 1,393,030,291.81</u></u>

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TEXAS A&M UNIVERSITY

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY AT GALVESTON

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. R. BOWEN LOFTIN, PRESIDENT, TEXAS A&M UNIVERSITY

ROBERT SMITH III, PRESIDENT AND CEO, TEXAS A&M UNIVERSITY AT GALVESTON

B.J. CRAIN, VICE PRESIDENT FOR FINANCE & CHIEF FINANCIAL OFFICER, TEXAS A&M UNIVERSITY

GALVESTON, TEXAS

UNAUDITED

TEXAS A&M UNIVERSITY AT GALVESTON

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	1,741	1,726
Out-of-State	268	261
Foreign	26	28
Total Students	2,035	2,015

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2000-01	1,363	19,366
2001-02	1,366	18,991
2002-03	1,556	21,306
2003-04	1,620	22,416
2004-05	1,615	22,447
2005-06	1,661	23,097
2006-07	1,553	21,406
2007-08	1,614	22,344
2008-09	1,612	21,959
2009-10	1,791	24,824
2010-11	1,868	25,900
2011-12	2,035	27,561
2012-13	2,015	27,404

UNAUDITED

TEXAS A&M UNIVERSITY AT GALVESTON
INDEX

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<u>SCHEDULES</u>		
1 - A	Schedule of Expenditures of Federal Awards	718-8-1
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THREE	Schedule of Cash & Cash Equivalents	718-16-1
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EXHIBIT III
TEXAS A&M UNIVERSITY AT GALVESTON
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	12,849,155.92	8,632,066.99
Securities Lending Collateral Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	409,000.79	292,483.18
Investments		
Legislative Appropriations	51,184.92	185,999.48
Receivables, Net:		
Federal	775,471.78	433,037.63
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	1,499,792.78	
Self-Insured Health and Dental		
Student	514,900.15	452,325.75
Investment Trades		
Accounts	540,503.39	
Other		673,258.71
Due From Other Agencies	155,995.32	135,479.42
Due From Other Members	1,993,532.03	7,065,429.92
Due From Other Funds	1,760,435.62	2,448,786.87
Consumable Inventories		
Merchandise Inventories	441,047.12	458,631.74
Deferred Charges		
Loans and Contracts	157,160.20	194,199.14
Interfund Receivable		
Other Current Assets	971,626.56	805,815.70
Total Current Assets	<u>\$ 22,119,806.58</u>	<u>\$ 21,777,514.53</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 3,357,917.55	\$ 3,096,124.07
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	370,399.59	327,722.47
Assets Held By System Offices	24,658,862.90	22,423,358.67
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	3,061,124.21	3,061,124.21
Construction In Progress	6,419,542.02	3,865,392.12
Other Tangible Capital Assets	13,956.41	13,956.41
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	100,198,293.02	96,839,357.53
Infrastructure	7,295,696.30	7,276,260.92
Facilities and Other Improvements	3,239,125.38	3,175,183.40
Furniture and Equipment	8,070,703.56	7,177,497.88
Vehicles, Boats, and Aircraft	2,099,894.30	1,853,012.81
Other Capital Assets	1,542,182.47	1,531,685.86
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	327,989.58	327,989.58
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(52,869,246.15)	(47,971,100.37)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 107,786,441.14</u>	<u>\$ 102,997,565.56</u>
Total Assets and Deferred Outflows	<u>\$ 129,906,247.72</u>	<u>\$ 124,775,080.09</u>

UNAUDITED

EXHIBIT III
TEXAS A&M UNIVERSITY AT GALVESTON
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 1,250,194.05	\$ 1,463,722.00
Payroll	1,411,638.76	1,503,951.95
Investment Trades		
Self-Insured Health and Dental		
Other	342,445.53	395,845.88
Interfund Payable		918.82
Due to Other Agencies		2,448,786.87
Due to Other Funds	1,760,435.62	892,818.55
Due to Other Members		
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	9,611,874.27	7,887,425.89
Employees' Compensable Leave	49,475.76	70,979.91
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations	18,267.71	
Liabilities Payable From Restricted Assets		
Funds Held for Others	148,592.32	150,615.73
Obligations/Securities Lending		
Other Current Liabilities	1,180,369.94	958,060.72
Total Current Liabilities	<u>\$ 15,773,293.96</u>	<u>\$ 15,773,126.32</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	1,119,043.87	1,034,571.98
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations	62,489.61	
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 1,181,533.48</u>	<u>\$ 1,034,571.98</u>
Total Liabilities and Deferred Inflows	<u>\$ 16,954,827.44</u>	<u>\$ 16,807,698.30</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 79,399,261.10	\$ 77,150,360.35
Restricted For:		
Debt Service		
Capital Projects	362,679.96	2,656,120.96
Education	1,865,432.26	1,991,571.22
Endowment and Permanent Funds:		
Nonexpendable	1,884,618.17	1,812,897.70
Expendable	274,281.01	277,095.02
Unrestricted	29,165,147.78	24,079,336.54
Total Net Assets [Exhibit IV]	<u>\$ 112,951,420.28</u>	<u>\$ 107,967,381.79</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 129,906,247.72</u>	<u>\$ 124,775,080.09</u>

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY AT GALVESTON
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 17,599,987.68	\$ 16,125,426.23
Discounts and Allowances	(2,359,683.50)	(2,745,493.31)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	7,897,618.65	7,287,998.53
Net Other Sales of Goods and Services	1,623,459.18	1,730,436.69
Discounts and Allowances-Sales	(791,398.50)	(851,892.53)
	<u> </u>	<u> </u>
Total Sales of Goods and Services	\$ 23,969,983.51	\$ 21,546,475.61
Premium Revenue		
Interest Revenue	16,648.20	16,891.53
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	2,206,084.48	1,886,400.18
Federal Pass Through Revenue	856,358.05	601,659.76
State Grant Revenue	211,655.04	225.66
State Pass Through Revenue	660,569.74	726,835.86
Other Grants and Contracts - Operating	727,135.48	1,137,380.38
Other Operating Revenue	442,846.39	437,691.48
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 29,091,280.89	\$ 26,353,560.46
Operating Expenses		
Instruction	\$ 11,798,288.70	\$ 12,220,279.52
Research	3,492,256.24	3,421,233.77
Public Service	1,217,284.61	1,212,853.95
Hospitals and Clinics		
Academic Support	2,187,696.87	2,045,819.18
Student Services	3,221,825.16	2,526,616.14
Institutional Support	5,932,640.36	5,646,048.24
Operation & Maintenance of Plant	8,615,271.93	9,857,973.63
Scholarships & Fellowships	2,437,096.92	1,951,767.82
Auxiliary	6,315,754.66	6,431,184.18
Depreciation/Amortization	4,822,552.12	4,524,950.60
	<u> </u>	<u> </u>
Total Operating Expenses [Schedule IV-1]	\$ 50,040,667.57	\$ 49,838,727.03
Total Operating Income [Loss]	\$ (20,949,386.68)	\$ (23,485,166.57)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 18,001,235.70	\$ 18,261,931.38
Federal Revenue Non-Operating	1,985,056.98	2,130,530.30
Federal Pass Through Non-Operating		72,253.23
State Pass Through Non-Operating		
Gifts	2,552,503.81	682,678.36
Land Income	4,500.00	21,000.00
Investment Income	529,118.97	524,358.27
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(55,057.36)	(75,921.91)
Interest Expense and Fiscal Charges	(1,066.49)	
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	18,340.45	61,763.57
Net Increase [Decrease] In Fair Value	969,112.67	1,690,396.32
Settlement of Claims		
Other Nonoperating Revenues	4,495.27	44,157.47
Other Nonoperating [Expenses]	(1,226,419.58)	(918,189.88)
	<u> </u>	<u> </u>
Total Nonoperating Revenues [Expenses]	\$ 22,781,820.42	\$ 22,494,957.11
Income [Loss] Before Other Revenues and Transfers	\$ 1,832,433.74	\$ (990,209.46)

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY AT GALVESTON
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 60,674.16	\$ 194,652.47
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments	110,500.00	65,599.96
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	2,837,086.75	4,784,412.82
Nonmandatory Transfers From Members/Agencies-Cap Assets	4,911,303.59	46,199.63
Transfers Out		
Transfers to Other State Agencies	(204,006.67)	(190,401.60)
Mandatory Transfers to Other Members	(481,164.38)	(464,750.34)
Nonmandatory Transfers to Other Members	(750.00)	(2,001,392.52)
Nonmandatory Transfers to Members/Agencies - Cap Assets		(13,509.85)
Legislative Transfers - In		
Legislative Transfers - Out	(3,834,365.00)	(4,317,564.00)
Legislative Appropriations Lapsed		(184,223.49)
	<u>3,399,278.45</u>	<u>(2,080,976.92)</u>
Total Other Revenues and Transfers	\$ 3,399,278.45	\$ (2,080,976.92)
Change In Net Assets	\$ 5,231,712.19	\$ (3,071,186.38)
Beginning Net Assets, September 1, 2011 and 2010	\$ 107,967,381.79	\$ 106,052,858.30
Restatement	(247,673.70)	4,985,709.87
	<u>107,719,708.09</u>	<u>111,038,568.17</u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 107,719,708.09	\$ 111,038,568.17
Net Assets, August 31, 2012 and 2011	<u>\$ 112,951,420.28</u>	<u>\$ 107,967,381.79</u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY AT GALVESTON
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	8,430,002.35	2,047,964.53	409,579.30		939,581.38
Payroll Related Costs	2,048,098.00	355,287.07	71,158.57		173,435.59
Professional Fees & Services	451,187.78	123,634.99	116,950.80		168,843.81
Travel	179,448.10	189,740.71	37,070.60		35,780.45
Materials & Supplies	440,862.24	404,432.57	54,360.20		505,352.01
Communication & Utilities	3,905.61	11,360.74	5,551.15		74,463.31
Repairs & Maintenance	45,819.00	80,952.58	1,214.18		151,207.47
Rentals & Leases	32,366.06	44,744.57	171,696.90		4,348.22
Printing & Reproduction	60,819.95	16,389.08	18,147.83		35,869.79
Federal Pass-Through					
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	107.74	70.97			11.58
Scholarships	33.14	112,584.03			5,919.19
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	105,638.73	105,094.40	331,555.08		92,884.07
Total Operating Expenses	\$ 11,798,288.70	\$ 3,492,256.24	\$ 1,217,284.61	\$	\$ 2,187,696.87

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
				1,483,310.68		1,483,310.68	1,668,831.64
1,561,080.37	3,117,374.09	2,323,944.19	445,238.87	1,693,886.76		20,968,651.84	20,334,194.82
355,172.98	690,019.31	581,218.22	44,462.89	468,660.03		4,787,512.66	4,830,326.73
243,198.84	1,109,246.00	2,472,220.17		403,777.55		5,089,059.94	7,693,084.85
127,794.53	59,404.35	24,442.64	12,191.36	16,243.72		682,116.46	657,823.11
534,882.55	232,119.51	531,169.54	1,961.10	312,129.34		3,017,269.06	2,641,498.67
18,895.42	217,059.98	1,761,311.65		414,892.18		2,507,440.04	2,350,271.52
43,904.53	124,171.79	537,305.24		150,856.46		1,135,431.25	248,041.82
12,861.71	23,960.15	26,647.17		802,176.54		1,118,801.32	1,193,228.87
47,083.24	14,810.37	10,525.49	48.60	10,241.88		213,936.23	156,206.47
					4,822,552.12	4,822,552.12	4,524,950.60
(849.60)						(849.60)	(196.40)
137.82	585.55	730.49	.05	81.28		1,725.48	1,314.77
3,777.64			1,924,539.05			2,046,853.05	1,561,712.76
<u>273,885.13</u>	<u>343,889.26</u>	<u>345,757.13</u>	<u>8,655.00</u>	<u>559,498.24</u>		<u>2,166,857.04</u>	<u>1,977,436.80</u>
<u>\$ 3,221,825.16</u>	<u>\$ 5,932,640.36</u>	<u>\$ 8,615,271.93</u>	<u>\$ 2,437,096.92</u>	<u>\$ 6,315,754.66</u>	<u>\$ 4,822,552.12</u>	<u>\$ 50,040,667.57</u>	<u>\$ 49,838,727.03</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY AT GALVESTON
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	15,733,765.04	14,356,029.14
Proceeds Received From Customers	1,911,410.70	1,754,764.05
Proceeds From Sponsored Programs	4,643,019.19	5,743,059.19
Proceeds From Auxiliary Enterprises	7,757,472.30	6,732,428.62
Proceeds From Loan Programs	22,897.25	19,643.72
Proceeds From Other Revenues	520,985.36	502,527.54
Payments to Suppliers for Goods and Services	(17,747,955.61)	(17,951,611.16)
Payments to Employees - Salaries	(20,953,313.82)	(20,299,633.96)
Payments to Employees - Benefits	(4,832,196.13)	(4,775,049.66)
Payments for Loans Provided	(10,999.71)	(44,978.91)
Payments for Other Expenses	(2,179,258.35)	(1,948,846.05)
Net Cash Provided [Used] By Operating Activities	<u>\$ (15,134,173.78)</u>	<u>\$ (15,911,667.48)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 18,136,050.26	\$ 20,887,613.94
Proceeds From Gifts	1,052,711.03	732,678.36
Proceeds From Endowments	110,500.00	65,599.96
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	1,985,056.98	2,318,851.20
Proceeds From Contributed Capital		
Proceeds From Other Revenues	157,587.59	215,773.20
Payments of Interest		
Payments - Transfers to Other Funds	(204,006.67)	(190,401.60)
Payments for Grant Disbursements		
Payments for Other Uses	(167,505.71)	(102,761.56)
Other Noncapital Transfers From/To System	190,244.06	175,722.82
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 21,260,637.54</u>	<u>\$ 24,103,076.32</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 27,402.87	\$ 61,942.22
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(3,486,050.01)	(4,524,071.02)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	5,769,571.28	2,356,568.52
Intrasystem Transfers for Capital Debt [Mandatory]	(4,315,529.38)	(4,782,314.34)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	1,265,871.45	51,508.55
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (738,733.79)</u>	<u>\$ (6,836,366.07)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(1,528,185.04)	(5,080,461.66)
Proceeds From Interest and Investment Income	474,061.61	448,436.36
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (1,054,123.43)</u>	<u>\$ (4,632,025.30)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 4,333,606.54</u>	<u>\$ (3,276,982.53)</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 8,924,550.17</u>	<u>\$ 12,201,532.70</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 8,924,550.17</u>	<u>\$ 12,201,532.70</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 13,258,156.71</u>	<u>\$ 8,924,550.17</u>

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY AT GALVESTON
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(20,949,386.68)	(23,485,166.57)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	4,822,552.12	4,524,950.60
Bad Debt Expense	9,239.18	6,566.06
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(282,342.01)	76,767.31
Due From Other Agencies/Funds	(20,515.90)	63,006.05
Due From System Members	(210,270.70)	1,240,370.08
Inventory	17,584.62	(25,379.40)
Deferred Charges		
Prepaid Expenses	(165,810.86)	(152,843.25)
Loans and Contracts	(4,788.58)	(37,718.34)
Other Assets		(69.64)
Payables	(359,241.49)	1,095,784.54
Due to Other Agencies/Funds	(918.82)	918.82
Due to System Members		(183,080.35)
Unearned Revenue	1,724,448.38	998,289.85
Deposits	222,309.22	1,088.25
Compensated Absence Liability	62,967.74	(35,151.49)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 5,815,212.90</u>	<u>\$ 7,573,499.09</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (15,134,173.78)</u>	<u>\$ (15,911,667.48)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	451,467.15	1,690,396.32
Gain/Loss On Sale or Disposal of Capital Assets	(9,062.42)	(178.65)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	4,911,303.59	32,689.78

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Transportation					
<u>Direct Programs:</u>					
U.S. Merchant Marine Academy	20.807			\$	\$
Totals - U.S. Department of Transportation					
U.S. Department of Homeland Security					
<u>Pass-Through From:</u>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<u>Pass-Through From:</u>					
Texas A&M University System			710	416,850.18	
Totals - U.S. Department of Homeland Security				416,850.18	
Research & Development Cluster					
U.S. Department of Commerce					
Unallied Science Program	11.472	University of Maryland/ CA12-0607-5-25680			50,600.10
<u>Pass-Through From:</u>					
Sea Grant Support	11.417				
<u>Pass-Through From:</u>					
Texas A&M University			711	129,821.32	
Coastal Zone Management Administration Awards	11.419				
<u>Pass-Through From:</u>					
General Land Office			305	182,026.02	
Totals - U.S. Department of Commerce				311,847.34	50,600.10
U.S. Department of Defense					
Air Force Defense Research Sciences Program	12.800				
<u>Pass-Through From:</u>					
Texas A&M AgriLife Research			556	1,173.56	
Totals - U.S. Department of Defense				1,173.56	
U.S. Department of the Interior					
<u>Direct Programs:</u>					
U.S. Department of the Interior	15.000	H50002A271			
U.S. Department of the Interior	15.000	J2310100033			
<u>Pass-Through From:</u>					
State Wildlife Grants	15.634				
<u>Pass-Through From:</u>					
Parks and Wildlife Department			802	10,194.28	
Totals - U.S. Department of the Interior				10,194.28	
U.S. Department of Transportation					
Public Transportation Research	20.514				
<u>Pass-Through From:</u>					
Texas A&M Transportation Institute			727	42,790.71	
Totals - U.S. Department of Transportation				42,790.71	
National Aeronautics and Space Administration					
National Aeronautics and Space Administration	43.000	University of South Florida/ 2500-1430-00-B			9,718.85
Totals - National Aeronautics and Space Administration					9,718.85
Environmental Protection Agency					
<u>Pass-Through From:</u>					
National Estuary Program	66.456				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality			582	55,740.23	
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through From:</u>					

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 648,756.57	\$ 648,756.57				\$ 648,756.57	\$ 648,756.57
648,756.57	648,756.57				648,756.57	648,756.57
	416,850.18				416,850.18	416,850.18
	416,850.18				416,850.18	416,850.18
	50,600.10				50,600.10	50,600.10
	129,821.32				129,821.32	129,821.32
	182,026.02				182,026.02	182,026.02
	362,447.44				362,447.44	362,447.44
	1,173.56				1,173.56	1,173.56
	1,173.56				1,173.56	1,173.56
62,553.47	62,553.47				62,553.47	62,553.47
133,264.55	133,264.55				133,264.55	133,264.55
	10,194.28				10,194.28	10,194.28
195,818.02	206,012.30				206,012.30	206,012.30
	42,790.71				42,790.71	42,790.71
	42,790.71				42,790.71	42,790.71
	9,718.85				9,718.85	9,718.85
	9,718.85				9,718.85	9,718.85
	55,740.23				55,740.23	55,740.23
	17,761.75				17,761.75	17,761.75

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Texas A&M AgriLife Extension Service</i>			555	17,761.75	
Totals - Environmental Protection Agency				73,501.98	
U.S. Department of Energy					
<u>Direct Programs:</u>					
U.S. Department of Energy	81.000	178411			
U.S. Department of Energy	81.000	6984302			
Totals - U.S. Department of Energy					
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Perkins Loan Program_Federal Capital Contributions	84.038				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Academic Competitiveness Grants	84.375				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 856,358.05	\$ 60,318.95

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	73,501.98				73,501.98	73,501.98
149,693.18	149,693.18				149,693.18	149,693.18
24,924.54	24,924.54				24,924.54	24,924.54
174,617.72	174,617.72				174,617.72	174,617.72
43,125.00	43,125.00				43,125.00	43,125.00
9,354.78	9,354.78				9,354.78	9,354.78
76,169.98	76,169.98				76,169.98	76,169.98
1,985,056.98	1,985,056.98				1,985,056.98	1,985,056.98
8,940,866.00	8,940,866.00				8,940,866.00	8,940,866.00
(723.00)	(723.00)				(723.00)	(723.00)
11,053,849.74	11,053,849.74				11,053,849.74	11,053,849.74
\$ 12,073,042.05	\$ 12,989,719.05		\$ -	\$ -	\$ 12,989,719.05	\$ 12,989,719.05

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:		
Federal Grants and Contracts - Operating		\$ 2,206,084.48
Federal Grants and Contracts - Non-operating		1,985,056.98
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 856,358.05	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		856,358.05
Total Federal Pass-Through Grants		-
Federal Appropriations		\$ 5,047,499.51
Total Federal Revenue per Exhibit IV		
Reconciling Items:		
ADD:		
Non-Monetary Assistance [NOTE 1]:		
Donation of Federal Surplus Property		
New Loans Processed [NOTE 3]:		
Federal Family Education Loans		76,169.98
Federal Perkins Loan Program		8,940,866.00
Federal Direct Student Loans		
Health Education Assistance Loans		
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students		
DEDUCT:		(1,060,631.17)
Federal Grants to/from TAMRF		-
COBRA 65% Subsidy (CFDA Number 17.151)		(14,185.27)
Federal Contract Revenues - Vendor Relationship & Fixed Price		
Total Pass Throughs and Expenditures per Federal Schedule		\$ 12,989,719.05

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$ -	\$ -	\$ -	\$ -
Federal Perkins Loan Program	84.038	76,169.98	-	405,798.09	405,861.51
Federal Direct Student Loans	84.268	8,940,866.00	-	-	-
Total, U. S. Department of Education		<u>9,017,035.98</u>	<u>-</u>	<u>405,798.09</u>	<u>405,861.51</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108	-	-	-	-
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342	-	-	-	-
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 9,017,035.98</u>	<u>\$ -</u>	<u>\$ 405,798.09</u>	<u>\$ 405,861.51</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
U. S. Merchant Marine Academy	20.807	\$ 503,017.44	\$ 570,898.76	\$ 1,073,916.20
		<u>\$ 503,017.44</u>	<u>\$ 570,898.76</u>	<u>\$ 1,073,916.20</u>

Deferred Revenue Explanation:

The deferred revenue consists of funds received but not expended from annual subsidy to support the on-going operations of the Texas Maritime Academy, one of six seacoast maritime academies in the United States. In FY 2012, additional funds were awarded to TAMU Galveston from MARAD which resulted from the sale of vessels from the National Defense Reserve Fleet.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Seafood Safety Program Department of State Health Services	537.0002	537	\$ 9,780.19
Biofuels From Algae Texas AgriLife Research	556.0001	556	50,000.00
WSC - Research Texas Water Development Board	580.0019	580	19,896.54
Fate of dioxin in the Houston Ship Channel and Elevation of Natural Remediation Texas Commission on Environmental Quality	582.0048	582	149,773.06
Galveston Bay Restoration Project Texas Commission on Environmental Quality	582.0061	582	10,000.00
Need Based Scholarships Texas A&M University System	710.0003	710	8,723.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	9,012.00
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	335,000.00
Advanced Research Program Texas Higher Education Coordinating Board	781.0010	781	(88.60)
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.0020	781	(5,454.43)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	9,985.98
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	56,000.00
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	7,942.00
Total Pass-Through From State Agencies			\$ <u>660,569.74</u> (Exhibit IV)

Pass-through To:

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SCHEDULE 1-B
TEXAS A&M UNIVERSITY AT GALVESTON
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ -
			(Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY AT GALVESTON
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 2,000.00
Petty Cash Department Working Fund	<u>950.00</u>
Total Cash On Hand	<u>\$ 2,950.00</u>
Cash In State Treasury:	
Fund 0275	<u>\$ 5,745,276.59</u>
Total Cash In State Treasury	<u>\$ 5,745,276.59</u>
Reimbursements Due From State Treasury	\$ 34,051.67
Assets Held By System Offices-Current	<u>7,066,877.66</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 12,849,155.92</u>
Restricted:	
Cash On Hand:	
Cash In Bank	<u>\$ 75,363.26</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 333,637.53</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 409,000.79</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 13,258,156.71</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY AT GALVESTON
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 3,061,124.21	\$	\$
Construction In Progress	3,865,392.12	(4,652,745.87)	
Other Tangible Capital Assets	13,956.41		
Total Non-Depreciable/Non-Amortizable Assets	\$ 6,940,472.74	\$ (4,652,745.87)	\$
Depreciable Assets			
Buildings	\$ 96,839,357.53	\$ 3,358,935.49	\$
Infrastructure	7,276,260.92	240,129.37	
Facilities and Other Improvements	3,175,183.40	107,692.38	
Furniture and Equipment	7,177,497.88	945,988.63	
Vehicles, Boats and Aircraft	1,853,012.81		
Other Capital Assets	1,531,685.86		
Total Depreciable Assets at Historical Cost	\$ 117,852,998.40	\$ 4,652,745.87	\$
Less Accumulated Depreciation For:			
Buildings	\$ (32,272,453.19)	\$ (238,389.91)	\$
Infrastructure	(5,361,408.07)	(1,214.71)	
Facilities and Other Improvements	(2,627,989.77)	(7,992.75)	
Furniture and Equipment	(5,090,752.07)	(1,172.47)	
Vehicles, Boats and Aircraft	(1,233,925.44)		
Other Capital Assets	(1,089,914.02)	1,096.14	
Total Accumulated Depreciation	\$ (47,676,442.56)	\$ (247,673.70)	\$
Depreciable Assets, Net	\$ 70,176,555.84	\$ 4,405,072.17	\$
Amortizable Assets - Intangible			
Computer Software	\$ 327,989.58	\$	\$
Total Intangible Assets at Historical Cost	\$ 327,989.58	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (294,657.81)	\$	\$
Total Accumulated Amortization	\$ (294,657.81)	\$	\$
Amortizable Assets-Net	\$ 33,331.77	\$	\$
Capital Assets, Net	\$ 77,150,360.35	\$ (247,673.70)	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 4,652,745.87	\$	\$ 2,554,149.90	\$	\$ 3,061,124.21 6,419,542.02 13,956.41
<u>\$ 4,652,745.87</u>	<u>\$</u>	<u>\$ 2,554,149.90</u>	<u>\$</u>	<u>\$ 9,494,622.64</u>
\$	\$	\$	\$	\$ 100,198,293.02
486,417.95		770,731.06	(220,693.99)	7,295,696.30
49,432.00		287,137.49	(43,750.40)	3,239,125.38
		14,396.55	(1,309,931.96)	8,070,703.56
			(89,688.00)	2,099,894.30
			(3,899.94)	1,542,182.47
<u>\$ 535,849.95</u>	<u>\$</u>	<u>\$ 1,072,265.10</u>	<u>\$ (1,667,964.29)</u>	<u>\$ 122,445,895.03</u>
\$	\$	\$ (3,861,888.72)	\$	\$ (36,372,731.82)
		(149,820.36)		(5,512,443.14)
		(52,642.92)		(2,688,625.44)
(241,041.95)		(487,782.47)	365,942.89	(5,454,806.07)
(36,250.28)		(191,575.97)	80,625.58	(1,381,126.11)
		(61,821.72)	2,803.80	(1,147,835.80)
<u>\$ (277,292.23)</u>	<u>\$</u>	<u>\$ (4,805,532.16)</u>	<u>\$ 449,372.27</u>	<u>\$ (52,557,568.38)</u>
<u>\$ 258,557.72</u>	<u>\$</u>	<u>\$ (3,733,267.06)</u>	<u>\$ (1,218,592.02)</u>	<u>\$ 69,888,326.65</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 327,989.58</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 327,989.58</u>
<u>\$</u>	<u>\$</u>	<u>\$ (17,019.96)</u>	<u>\$</u>	<u>\$ (311,677.77)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (17,019.96)</u>	<u>\$</u>	<u>\$ (311,677.77)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (17,019.96)</u>	<u>\$</u>	<u>\$ 16,311.81</u>
<u>\$ 4,911,303.59</u>	<u>\$</u>	<u>\$ (1,196,137.12)</u>	<u>\$ (1,218,592.02)</u>	<u>\$ 79,399,261.10</u>

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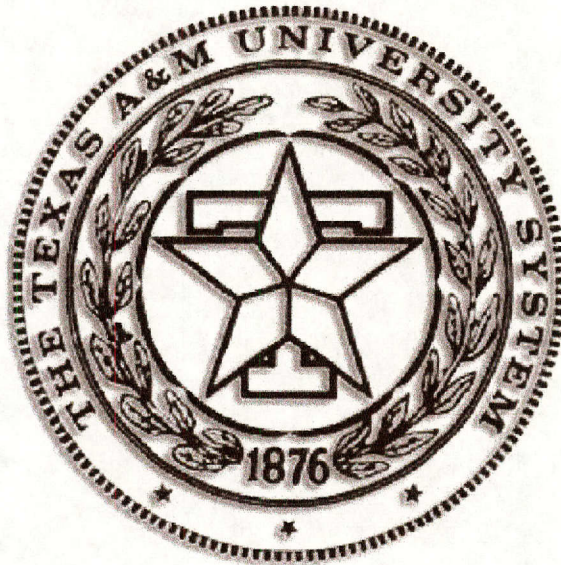
FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - COMMERCE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DAN R. JONES, PH.D., PRESIDENT

BOB BROWN, VICE PRESIDENT FOR BUSINESS AND ADMINISTRATION

COMMERCE, TEXAS

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TEXAS A&M UNIVERSITY - COMMERCE

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	10,064	10,654
Out-of-State	299	196
Foreign	363	337
Total Students	10,726	11,187

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2000-01	7,483	72,467
2001-02	7,934	77,084
2002-03	8,483	83,800
2003-04	8,353	85,130
2004-05	8,547	87,351
2005-06	8,677	86,831
2006-07	8,496	84,773
2007-08	9,071	84,314
2008-09	8,968	85,246
2009-10	9,427	88,521
2010-11	10,757	97,913
2011-12	10,726	105,597
2012-13	11,187	108,968

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TEXAS A&M UNIVERSITY - COMMERCE
INDEX

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<u>SCHEDULES</u>		
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EXHIBIT III
TEXAS A&M UNIVERSITY-COMMERCE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	24,871,021.80	18,859,239.95
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	590,438.14	586,586.58
Investments		
Legislative Appropriations	7,148,069.48	5,613,416.33
Receivables, Net:		
Federal	105,865.20	672,944.14
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	96,255.00	106,250.00
Self-Insured Health and Dental		
Student	2,174,986.80	1,371,772.63
Investment Trades		
Accounts	543,845.76	
Other	397,787.98	850,859.30
Due From Other Agencies	216,168.36	299,841.53
Due From Other Members	405.00	24,490.40
Due From Other Funds		
Consumable Inventories	373,622.23	282,383.86
Merchandise Inventories	130,849.30	17,142.26
Deferred Charges		
Loans and Contracts	335,786.80	457,992.10
Interfund Receivable		
Other Current Assets	6,305,469.46	5,147,136.62
Total Current Assets	\$ 43,290,571.31	\$ 34,290,055.70
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 16,422,440.95	\$ 16,211,523.33
Assets Held By System Offices		
Investments	267,861.46	245,623.08
Loans, Contracts and Other	886,265.02	1,039,824.04
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	474,440.88	363,909.01
Assets Held By System Offices	89,631,165.07	73,458,721.53
Investments	117,750.00	117,750.00
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	3,997,164.94	3,997,164.94
Construction In Progress	1,747,547.21	637,211.20
Other Tangible Capital Assets	72,000.00	72,000.00
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	163,322,179.07	155,032,971.13
Infrastructure	6,785,092.68	6,593,652.68
Facilities and Other Improvements	11,028,685.73	10,636,895.08
Furniture and Equipment	12,703,844.78	11,933,053.59
Vehicles, Boats, and Aircraft	1,635,578.48	1,650,043.48
Other Capital Assets	4,391,500.47	4,359,016.11
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	152,495.00	152,495.00
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(98,556,160.48)	(94,164,036.03)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	\$ 215,079,851.26	\$ 192,337,818.17
Total Assets and Deferred Outflows	\$ 258,370,422.57	\$ 226,627,873.87

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EXHIBIT III
TEXAS A&M UNIVERSITY-COMMERCE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 2,760,234.26	\$ 2,323,098.32
Payroll	3,590,217.65	3,258,319.56
Investment Trades		
Self-Insured Health and Dental		
Other	122,502.81	334,096.09
Interfund Payable		
Due to Other Agencies	10,907.27	60,783.96
Due to Other Funds		
Due to Other Members	1,766,574.33	377,925.56
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	32,314,605.49	24,636,758.05
Employees' Compensable Leave	170,207.00	144,583.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	249,286.49	350,771.98
Obligations/Securities Lending		
Other Current Liabilities	773,244.23	795,239.00
Total Current Liabilities	\$ 41,757,779.53	\$ 32,281,575.52
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	1,727,533.00	1,745,361.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others	16,026,804.27	16,402,295.95
Capital Lease Obligations		
Other Non-Current Liabilities	291,893.87	287,884.89
Total Non-Current Liabilities and Deferred Inflows	\$ 18,046,231.14	\$ 18,435,541.84
Total Liabilities and Deferred Inflows	\$ 59,804,010.67	\$ 50,717,117.36
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 107,279,927.88	\$ 100,900,467.18
Restricted For:		
Debt Service		
Capital Projects		
Education	3,395,064.50	3,898,623.75
Endowment and Permanent Funds:		
Nonexpendable	1,239,412.15	1,018,351.44
Expendable	46,548.71	266,737.98
Unrestricted	86,605,458.66	69,826,576.16
Total Net Assets [Exhibit IV]	\$ 198,566,411.90	\$ 175,910,756.51
Total Liabilities & Deferred Inflows and Net Assets	\$ 258,370,422.57	\$ 226,627,873.87

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY-COMMERCE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 75,265,572.09	\$ 63,211,583.29
Discounts and Allowances	(15,591,690.00)	(12,219,242.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	26,990.00	36,466.50
Net Auxiliary Enterprises	14,499,562.90	11,681,664.58
Net Other Sales of Goods and Services	2,206,228.71	1,411,594.07
Discounts and Allowances-Sales	(3,003,666.00)	(2,264,826.00)
Total Sales of Goods and Services	\$ 73,402,997.70	\$ 61,857,240.44
Premium Revenue		
Interest Revenue	49,169.27	73,167.63
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	4,985,489.64	4,139,324.34
Federal Pass Through Revenue	587,454.19	792,579.22
State Grant Revenue	71,595.58	142,643.42
State Pass Through Revenue	3,670,635.65	4,972,027.56
Other Grants and Contracts - Operating	910,451.61	947,288.12
Other Operating Revenue	324,470.81	311,895.82
Total Operating Revenues	\$ 84,002,264.45	\$ 73,236,166.55
Operating Expenses		
Instruction	\$ 44,407,523.94	\$ 44,474,993.70
Research	1,956,757.70	2,069,102.14
Public Service	1,796,710.21	2,130,768.70
Hospitals and Clinics		
Academic Support	11,293,172.50	7,996,303.49
Student Services	8,809,236.48	8,648,746.53
Institutional Support	11,122,944.10	10,085,908.38
Operation & Maintenance of Plant	10,820,644.52	10,659,706.43
Scholarships & Fellowships	13,299,462.25	14,760,468.54
Auxiliary	18,869,663.84	17,536,665.72
Depreciation/Amortization	7,094,455.14	6,454,268.04
Total Operating Expenses [Schedule IV-1]	\$ 129,470,570.68	\$ 124,816,931.67
Total Operating Income [Loss]	\$ (45,468,306.23)	\$ (51,580,765.12)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 41,051,313.38	\$ 41,682,877.35
Federal Revenue Non-Operating	15,222,574.00	15,783,983.10
Federal Pass Through Non-Operating		2,111,402.75
State Pass Through Non-Operating		
Gifts	1,880,085.95	1,403,117.01
Land Income	28,440.00	27,301.00
Investment Income	1,598,508.16	1,401,986.91
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(190,887.96)	(230,039.53)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	(143,802.77)	(53,450.07)
Net Increase [Decrease] In Fair Value	3,354,361.60	4,977,437.49
Settlement of Claims		
Other Nonoperating Revenues		4,594.55
Other Nonoperating [Expenses]	(3,211,985.07)	(668,209.34)
Total Nonoperating Revenues [Expenses]	\$ 59,588,607.29	\$ 66,441,001.22
Income [Loss] Before Other Revenues and Transfers	\$ 14,120,301.06	\$ 14,860,236.10

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY-COMMERCE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$	\$ 220,000.00
Capital Appropriations [Higher Education Fund]	5,193,232.00	5,193,232.00
Additions to Permanent and Term Endowments		200,000.00
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	125,860.73	103,445.83
Nonmandatory Transfers From Members/Agencies-Cap Assets	12,933,249.30	223,216.31
Transfers Out		
Transfers to Other State Agencies	(450,812.62)	(438,835.21)
Mandatory Transfers to Other Members	(5,179,758.99)	(4,187,629.57)
Nonmandatory Transfers to Other Members	(1,445,000.00)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(2,469,469.11)	(9,390,271.61)
Legislative Appropriations Lapsed	(123,399.12)	(389,928.92)
Total Other Revenues and Transfers	<u>\$ 8,583,902.19</u>	<u>\$ (8,466,771.17)</u>
Change In Net Assets	<u>\$ 22,704,203.25</u>	<u>\$ 6,393,464.93</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 175,910,756.51	\$ 157,198,398.58
Restatement	(48,547.86)	12,318,893.00
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 175,862,208.65</u>	<u>\$ 169,517,291.58</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 198,566,411.90</u>	<u>\$ 175,910,756.51</u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-COMMERCE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold			1,865.69		806.61
Salaries & Wages	30,316,842.30	968,046.54	1,004,282.08		5,002,824.68
Payroll Related Costs	8,286,039.89	147,877.53	175,215.87		1,167,268.29
Professional Fees & Services	2,050,811.82	86,710.56	239,641.31		2,245,275.24
Travel	602,733.54	76,993.74	40,792.31		145,380.64
Materials & Supplies	1,511,467.86	162,775.47	132,140.99		1,257,696.23
Communication & Utilities	216,276.78	2,516.66	37,361.92		76,384.67
Repairs & Maintenance	139,273.20	62,325.34	5,383.44		519,506.90
Rentals & Leases	477,859.79	37,417.83	6,252.15		23,252.47
Printing & Reproduction	50,653.16	7,857.15	12,528.62		19,778.66
Federal Pass-Through		26,138.86			
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	96.13	65.47	.04		42.78
Scholarships	234,409.64	294,332.55	(18,517.20)		611,353.75
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	521,059.83	83,700.00	159,762.99		223,601.58
Total Operating Expenses	\$ 44,407,523.94	\$ 1,956,757.70	\$ 1,796,710.21	\$	\$ 11,293,172.50

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$ 15,048.07	\$ 1,461.33			\$ 7,581.30		\$ 26,763.00	\$ 34,085.47
4,934,450.74	5,592,182.41	3,957,387.48	335,102.00	5,759,642.76		57,870,760.99	55,364,289.96
978,957.19	1,325,187.11	1,115,676.69	9,037.46	1,201,943.90		14,407,203.93	14,418,810.97
335,782.19	176,568.61	459,153.91		1,492,856.72		7,086,800.36	5,126,136.91
231,524.94	180,389.44	14,480.40	10,434.15	655,912.84		1,958,642.00	1,561,596.18
470,082.51	673,829.53	579,611.99	20,844.11	1,330,644.70		6,139,093.39	6,234,733.76
49,829.14	399,051.63	2,412,788.01		1,764,621.22		4,958,830.03	5,643,838.44
72,135.50	588,378.88	1,891,165.87		1,038,223.75		4,316,392.88	2,772,141.74
103,515.09	129,508.95	367,458.55	1,356.40	404,600.44		1,551,221.67	1,379,670.23
44,196.21	300,210.07	1,541.81		88,354.21		525,119.89	610,164.52
						26,138.86	
					7,094,455.14	7,094,455.14	6,454,268.04
489,563.74						489,563.74	251,819.94
18.91	4.44	43.85		110.89		382.51	541.84
606,964.12	17,949.00		12,916,820.16	899,516.96		15,562,828.98	18,738,106.71
477,168.13	1,738,222.70	21,335.96	5,867.97	4,225,654.15		7,456,373.31	6,226,726.96
<u>\$ 8,809,236.48</u>	<u>\$ 11,122,944.10</u>	<u>\$ 10,820,644.52</u>	<u>\$ 13,299,462.25</u>	<u>\$ 18,869,663.84</u>	<u>\$ 7,094,455.14</u>	<u>\$ 129,470,570.68</u>	<u>\$ 124,816,931.67</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY-COMMERCE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	66,204,898.66	54,866,166.63
Proceeds Received From Customers	2,174,578.98	2,386,356.22
Proceeds From Sponsored Programs	10,258,272.64	10,368,754.46
Proceeds From Auxiliary Enterprises	12,006,847.14	9,260,811.88
Proceeds From Loan Programs	63,056.78	281,595.40
Proceeds From Other Revenues	307,153.30	313,430.67
Payments to Suppliers for Goods and Services	(33,251,680.54)	(25,638,515.77)
Payments to Employees - Salaries	(57,568,171.92)	(55,425,135.60)
Payments to Employees - Benefits	(14,350,098.91)	(13,827,989.75)
Payments for Loans Provided	(615,365.83)	(271,768.30)
Payments for Other Expenses	(16,803,686.16)	(24,820,768.79)
Net Cash Provided [Used] By Operating Activities	\$ (31,574,195.86)	\$ (42,507,062.95)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 40,200,088.33	\$ 40,611,905.44
Proceeds From Gifts	1,890,080.95	1,525,177.56
Proceeds From Endowments		200,000.00
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	15,210,706.00	17,895,385.85
Proceeds From Contributed Capital		
Proceeds From Other Revenues	28,440.00	566,949.98
Payments of Interest		
Payments - Transfers to Other Funds	(450,812.62)	(438,835.21)
Payments for Grant Disbursements		
Payments for Other Uses	(517,599.23)	(26,621.01)
Other Noncapital Transfers From/To System	125,860.73	103,445.83
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 56,486,764.16	\$ 60,437,408.44
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	4,386,404.78	10,083,273.86
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(3,920,371.20)	(3,602,178.96)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		772,250.26
Intrasystem Transfers for Capital Debt [Mandatory]	(7,649,228.10)	(13,577,901.18)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(70,122.63)	(154,174.00)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (7,253,317.15)	\$ (6,478,730.02)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$ (22,238.38)	\$ (29,091.94)
Sales and Purchases of Investments Held By System	(13,028,999.56)	(9,453,990.50)
Proceeds From Interest and Investment Income	1,407,620.20	1,171,947.38
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (11,643,617.74)	\$ (8,311,135.06)
Increase [Decrease] In Cash and Cash Equivalents	\$ 6,015,633.41	\$ 3,140,480.41
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 19,445,826.53	\$ 16,305,346.12
Restated Beginning Cash and Cash Equivalents	\$ 19,445,826.53	\$ 16,305,346.12
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 25,461,459.94	\$ 19,445,826.53

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY-COMMERCE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(45,468,306.23)	(51,580,765.12)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	7,094,455.14	6,454,268.04
Bad Debt Expense	1,178,550.26	909,484.64
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(1,004,028.19)	(884,897.15)
Due From Other Agencies/Funds	83,673.17	277,766.83
Due From System Members	24,085.40	12,063.51
Inventory	(204,945.41)	(27,379.91)
Deferred Charges		
Prepaid Expenses	(1,191,623.42)	(550,034.46)
Loans and Contracts	(324,331.29)	(202,446.86)
Other Assets	33,290.58	(101,379.14)
Payables	577,440.75	651,324.55
Due to Other Agencies/Funds	(49,876.69)	60,783.96
Due to System Members	13,771.40	(13,937.45)
Unearned Revenue	7,677,847.44	2,407,880.70
Deposits	(21,994.77)	31,846.91
Compensated Absence Liability	7,796.00	48,358.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 13,894,110.37</u>	<u>\$ 9,073,702.17</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (31,574,195.86)</u>	<u>\$ (42,507,062.95)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	1,638,856.32	4,418,418.74
Gain/Loss On Sale or Disposal of Capital Assets	(143,802.77)	(53,450.07)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	12,933,249.30	223,216.31

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Agriculture and Food Research Initiative	10.310			\$	\$
<u>Pass-Through From:</u>					
Child and Adult Care Food Program	10.558				
<u>Pass-Through From:</u>					
Department of Agriculture			551	41,161.67	
Totals - U.S. Department of Agriculture				41,161.67	
U.S. Department of Justice					
<u>Direct Programs:</u>					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525				
Juvenile Mentoring Program	16.726				
Totals - U.S. Department of Justice					
National Endowment For The Humanities					
Promotion of the Humanities Office of Digital Humanities	45.169				
Totals - National Endowment For The Humanities					
U.S. Department of Education					
Fund for the Improvement of Postsecondary Education	84.116				
Fund for the Improvement of Education	84.215				
Child Care Access Means Parents in School	84.335				
English Language Acquisition Grants	84.365				
<u>Pass-Through From:</u>					
Improving Teacher Quality State Grants	84.367				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board			781	309,748.99	
College Access Challenge Grant Program	84.378				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board			781	13,794.60	
Totals - U.S. Department of Education				323,543.59	
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Mentoring Children of Prisoners	93.616				
<u>Pass-Through From:</u>					
Foster Care Title IV-E	93.658				
<u>Pass-Through From:</u>					
Department of Family and Protective Services			530	222,748.93	
Totals - U.S. Department of Health and Human Services				222,748.93	
Research & Development Cluster					
National Aeronautics and Space Administration					
<u>Direct Programs:</u>					
Science	43.001				
Totals - National Aeronautics and Space Administration					
National Science Foundation					
Mathematical and Physical Sciences	47.049				
Computer and Information Science and Engineering	47.070				
Biological Sciences	47.074				
Education and Human Resources	47.076				
Totals - National Science Foundation					
U.S. Department of Energy					
Office of Science Financial Assistance Program	81.049				
Totals - U.S. Department of Energy					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 277,650.27	\$ 277,650.27		\$	\$	\$ 277,650.27	\$ 277,650.27
	41,161.67				41,161.67	41,161.67
277,650.27	318,811.94				318,811.94	318,811.94
77,284.24	77,284.24				77,284.24	77,284.24
135,688.41	135,688.41				135,688.41	135,688.41
212,972.65	212,972.65				212,972.65	212,972.65
23,772.49	23,772.49				23,772.49	23,772.49
23,772.49	23,772.49				23,772.49	23,772.49
19,399.16	19,399.16				19,399.16	19,399.16
35,792.60	35,792.60				35,792.60	35,792.60
73,894.23	73,894.23				73,894.23	73,894.23
22,240.59	22,240.59				22,240.59	22,240.59
	309,748.99				309,748.99	309,748.99
	13,794.60				13,794.60	13,794.60
151,326.58	474,870.17				474,870.17	474,870.17
16,259.68	16,259.68				16,259.68	16,259.68
	222,748.93				222,748.93	222,748.93
16,259.68	239,008.61				239,008.61	239,008.61
114,448.21	114,448.21				114,448.21	114,448.21
114,448.21	114,448.21				114,448.21	114,448.21
229,251.41	229,251.41				229,251.41	229,251.41
141,587.48	141,587.48				141,587.48	141,587.48
96,758.89	96,758.89				96,758.89	96,758.89
403,800.49	403,800.49				403,800.49	403,800.49
871,398.27	871,398.27				871,398.27	871,398.27
279,120.27	279,120.27				279,120.27	279,120.27
279,120.27	279,120.27				279,120.27	279,120.27

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
Bilingual Education_Professional Development	84.195				
TRIO_McNair Post-Baccalaureate Achievement	84.217				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Drug Abuse and Addiction Research Programs	93.279				
<i>Pass-Through To:</i> <i>University of Texas Southwestern Medical Center at Dallas</i>					
Totals - U.S. Department of Health and Human Services					
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Perkins Loan Program_Federal Capital Contributions	84.038				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
Totals - U.S. Department of Education					
TRIO Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO_Student Support Services	84.042				
TRIO_Upward Bound	84.047				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 587,454.19	\$ -

UNAUDITED

SCHEDULE I - A
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
213,292.56	213,292.56				213,292.56	213,292.56
150,661.47	150,661.47				150,661.47	150,661.47
363,954.03	363,954.03				363,954.03	363,954.03
77,290.40	77,290.40				51,151.54	77,290.40
		729	26,138.86			
77,290.40	77,290.40		26,138.86		51,151.54	77,290.40
177,423.00	177,423.00				177,423.00	177,423.00
260,209.91	260,209.91				260,209.91	260,209.91
42,245.00	42,245.00				42,245.00	42,245.00
15,222,574.00	15,222,574.00				15,222,574.00	15,222,574.00
67,855,424.00	67,855,424.00				67,855,424.00	67,855,424.00
1,457,852.00	1,457,852.00				1,457,852.00	1,457,852.00
85,015,727.91	85,015,727.91				85,015,727.91	85,015,727.91
337,952.94	337,952.94				337,952.94	337,952.94
333,553.82	333,553.82				333,553.82	333,553.82
671,506.76	671,506.76				671,506.76	671,506.76
\$ 88,075,427.52	\$ 88,662,881.71		\$ 26,138.86	\$ -	\$ 88,636,742.85	\$ 88,662,881.71

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	4,985,489.64
Federal Grants and Contracts - Non-operating			15,222,574.00
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	587,454.19	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			587,454.19
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	20,795,517.83

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			42,245.00
Federal Perkins Loan Program			67,855,424.00
Federal Direct Student Loans			
Health Education Assistance Loans			
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

Federal Grants to/from TAMRF			(29,988.10)
COBRA 65% Subsidy (CFDA Number 17.151)			(317.02)
Total Pass Throughs and Expenditures per Federal Schedule		\$	88,662,881.71

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - COMMERCE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038	42,245.00		1,162,902.45	1,120,657.45
Federal Direct Student Loans	84.268	67,855,424.00			
Total, U. S. Department of Education		<u>67,897,669.00</u>	<u>-</u>	<u>1,162,902.45</u>	<u>1,120,657.45</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 67,897,669.00</u>	<u>\$ -</u>	<u>\$ 1,162,902.45</u>	<u>\$ 1,120,657.45</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University participates as a depository library in the Government Printing Office's Depository Libraries for Government Publication program, CFDA #40.001. The University is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned a value by the Government Printing Office.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Need Based Scholarships Texas A&M University System	710.0003	710	\$ 90,101.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	3,605.21
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	3,053,125.00
Advanced Research Program Texas Higher Education Coordinating Board	781.0010	781	(100,784.31)
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	9,700.00
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.0020	781	(200.15)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	43,428.35
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	91,634.80
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	235,760.00
Work Study Mentorship Program Texas Higher Education Coordinating Board	781.0029	781	27,767.39
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	36,670.94
Certified Edu Aide Program Texas Higher Education Coordinating Board	781.0037	781	179,827.42
Total Pass-Through From State Agencies			\$ <u>3,670,635.65</u> (Exhibit IV)

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SCHEDULE 1-B
TEXAS A&M UNIVERSITY-COMMERCE
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

Pass-through To:

Program Name
Agency Name

Grant ID

Agy #

Amount

\$ -

Total Pass-Through To State Agencies

\$ -

(Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY-COMMERCE
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 5,000.00
Petty Cash Department Working Fund	<u>5,085.00</u>
Total Cash On Hand	<u>\$ 10,085.00</u>
Cash In Bank	\$ 37,805.25
Cash In State Treasury:	
Fund 0257	<u>8,338,365.01</u>
Total Cash In State Treasury	<u>\$ 8,338,365.01</u>
Reimbursements Due From State Treasury	\$ 13,737.33
Assets Held By System Offices-Current	<u>16,471,029.21</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 24,871,021.80</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 590,438.14</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 590,438.14</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 25,461,459.94</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY-COMMERCE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 3,997,164.94	\$	\$
Construction In Progress	637,211.20		(14,363,709.10)
Other Tangible Capital Assets	72,000.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 4,706,376.14	\$	\$ (14,363,709.10)
Depreciable Assets			
Buildings	\$ 155,032,971.13	\$	\$ 10,870,160.02
Infrastructure	6,593,652.68		
Facilities and Other Improvements	10,636,895.08		326,880.03
Furniture and Equipment	11,933,053.59		3,166,669.05
Vehicles, Boats and Aircraft	1,650,043.48		
Other Capital Assets	4,359,016.11		
Total Depreciable Assets at Historical Cost	\$ 190,205,632.07	\$	\$ 14,363,709.10
Less Accumulated Depreciation For:			
Buildings	\$ (71,474,682.16)	\$ (46,593.85)	\$
Infrastructure	(6,065,006.85)		
Facilities and Other Improvements	(4,355,878.40)	(1,954.01)	
Furniture and Equipment	(7,700,000.25)		
Vehicles, Boats and Aircraft	(1,087,545.56)		
Other Capital Assets	(3,328,427.81)		
Total Accumulated Depreciation	\$ (94,011,541.03)	\$ (48,547.86)	\$
Depreciable Assets, Net	\$ 96,194,091.04	\$ (48,547.86)	\$ 14,363,709.10
Amortizable Assets - Intangible			
Computer Software	\$ 152,495.00	\$	\$
Total Intangible Assets at Historical Cost	\$ 152,495.00	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (152,495.00)	\$	\$
Total Accumulated Amortization	\$ (152,495.00)	\$	\$
Amortizable Assets-Net	\$	\$	\$
Capital Assets, Net	\$ 100,900,467.18	\$ (48,547.86)	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 12,933,249.30	\$	\$ 2,540,795.81	\$	\$ 3,997,164.94 1,747,547.21 72,000.00
<u>\$ 12,933,249.30</u>	<u>\$</u>	<u>\$ 2,540,795.81</u>	<u>\$</u>	<u>\$ 5,816,712.15</u>
\$	\$	\$ 191,440.00	\$ (2,580,952.08)	\$ 163,322,179.07
		64,910.62		6,785,092.68
		885,364.11	(3,281,241.97)	11,028,685.73
25,496.00			(39,961.00)	12,703,844.78
		240,007.11	(207,522.75)	1,635,578.48
<u>\$ 25,496.00</u>	<u>\$</u>	<u>\$ 1,381,721.84</u>	<u>\$ (6,109,677.80)</u>	<u>\$ 4,391,500.47</u>
\$	\$	\$ (5,334,353.28)	\$ 2,423,605.30	\$ (74,432,023.99)
		(131,660.67)		(6,196,667.52)
		(388,577.28)		(4,746,409.69)
		(1,005,147.67)	123,927.88	(8,581,220.04)
(25,496.00)		(91,425.30)	39,961.00	(1,164,505.86)
		(143,290.94)	188,880.37	(3,282,838.38)
<u>\$ (25,496.00)</u>	<u>\$</u>	<u>\$ (7,094,455.14)</u>	<u>\$ 2,776,374.55</u>	<u>\$ (98,403,665.48)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (5,712,733.30)</u>	<u>\$ (3,333,303.25)</u>	<u>\$ 101,463,215.73</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 152,495.00</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 152,495.00</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (152,495.00)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (152,495.00)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>\$ 12,933,249.30</u>	<u>\$</u>	<u>\$ (3,171,937.49)</u>	<u>\$ (3,333,303.25)</u>	<u>\$ 107,279,927.88</u>

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - CORPUS CHRISTI

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



FLAVIUS KILLEBREW, PH.D., PRESIDENT

KATHRYN FUNK-BAXTER, CPA, EXECUTIVE VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

REBECCA TORRES, CPA, COMPTROLLER

YOLANDA CASTORENA, MBA, DIRECTOR OF ACCOUNTING

CORPUS CHRISTI, TEXAS

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TEXAS A&M UNIVERSITY - CORPUS CHRISTI

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	9,307	9,663
Out-of-State	348	361
Foreign	507	484
Total Students	10,162	10,508

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	6,823	73,133
2001-02	7,369	81,462
2002-03	7,607	85,185
2003-04	7,861	86,796
2004-05	8,227	92,764
2005-06	8,355	94,796
2006-07	8,585	96,915
2007-08	8,568	97,188
2008-09	9,019	102,563
2009-10	9,479	106,193
2010-11	10,040	113,674
2011-12	10,162	115,035
2012-13	10,508	120,295

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TEXAS A&M UNIVERSITY - CORPUS CHRISTI
INDEX

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EXHIBIT III
TEXAS A&M UNIVERSITY-CORPUS CHRISTI
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows		
Current Assets:	\$	\$
Cash & Cash Equivalents [Schedule Three]		
Securities Lending Collateral	26,462,894.47	24,853,782.96
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments	3,686,228.99	2,342,537.20
Legislative Appropriations		
Receivables, Net:	9,630,034.35	11,504,368.26
Federal		
Other Intergovernmental	1,698,178.53	2,092,017.92
Interest and Dividends	65,492.16	7,355.04
Gifts, Pledges and Donations	3,565.85	7,111.64
Self-Insured Health and Dental	733,087.96	559,612.47
Student		
Investment Trades	113,530.89	62,289.63
Accounts		
Other	3,138,025.91	
Due From Other Agencies	336,332.07	2,999,702.12
Due From Other Members	1,677,154.62	1,400,301.20
Due From Other Funds	983,543.94	95,610.48
Consumable Inventories		1,150,068.42
Merchandise Inventories	173,170.61	172,212.30
Deferred Charges	102,808.43	98,953.39
Loans and Contracts		
Interfund Receivable	188,703.43	166,344.82
Other Current Assets		
	<u>765,610.02</u>	<u>470,488.47</u>
Total Current Assets	<u>\$ 49,758,362.23</u>	<u>\$ 47,982,756.32</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Assets Held By System Offices	\$ 16,644,963.69	\$ 18,469,702.49
Investments		
Loans, Contracts and Other		
Pledges Receivable	271,386.83	639,875.48
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	556,621.89	618,882.17
Investments	55,019,962.65	46,104,285.70
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements		
Construction In Progress	6,021,625.03	6,021,625.03
Other Tangible Capital Assets	7,965,951.47	12,705,076.97
Land Use Rights	918,072.28	909,958.34
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements		
Infrastructure	247,999,626.87	204,562,904.09
Facilities and Other Improvements	14,029,434.65	12,284,775.12
Furniture and Equipment	17,828,682.78	11,822,993.79
Vehicles, Boats, and Aircraft	20,223,927.48	19,478,949.23
Other Capital Assets	4,101,493.91	3,588,697.45
Intangible Capital Assets, Amortized [Note 2]	9,868,425.69	9,603,455.97
Land Use Rights		
Computer Software		
Other Intangible Capital Assets	4,696,783.35	2,899,290.18
Accumulated Depreciation/Amortization		
Assets Held In Trust	(116,224,923.76)	(101,350,875.57)
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 289,922,034.81</u>	<u>\$ 248,359,596.44</u>
Total Assets and Deferred Outflows	<u>\$ 339,680,397.04</u>	<u>\$ 296,342,352.76</u>

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EXHIBIT III
TEXAS A&M UNIVERSITY-CORPUS CHRISTI
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 4,278,075.31	\$ 5,156,543.46
Payroll	5,166,141.87	3,956,117.81
Investment Trades		
Self-Insured Health and Dental		
Other	177,364.92	170,910.81
Interfund Payable		
Due to Other Agencies	582,947.12	735,327.11
Due to Other Funds		1,150,068.42
Due to Other Members	2,818,930.24	1,953,327.20
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	22,629,838.86	23,305,270.13
Employees' Compensable Leave	306,034.00	256,476.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	2,218,902.86	2,234,916.97
Obligations/Securities Lending		
Other Current Liabilities	<u>1,890,676.66</u>	<u>931,279.53</u>
Total Current Liabilities	<u>\$ 40,068,911.84</u>	<u>\$ 39,850,237.44</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	2,533,701.00	2,458,468.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	<u>60,000.00</u>	<u>40,000.00</u>
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 2,593,701.00</u>	<u>\$ 2,498,468.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 42,662,612.84</u>	<u>\$ 42,348,705.44</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 217,429,099.75	\$ 182,526,850.60
Restricted For:		
Debt Service		
Capital Projects	6,873.51	
Education	9,088,115.65	9,297,214.39
Endowment and Permanent Funds:		
Nonexpendable	7,059,699.73	6,376,193.91
Expendable	1,276,229.24	1,230,117.32
Unrestricted	<u>62,157,766.32</u>	<u>54,563,271.10</u>
Total Net Assets [Exhibit IV]	<u>\$ 297,017,784.20</u>	<u>\$ 253,993,647.32</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 339,680,397.04</u>	<u>\$ 296,342,352.76</u>

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 71,634,885.76	\$ 65,358,503.72
Discounts and Allowances	(15,777,124.00)	(15,063,885.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	68,885.24	106,421.02
Net Auxiliary Enterprises	4,561,039.92	4,493,177.23
Net Other Sales of Goods and Services	3,168,431.30	3,164,172.07
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 63,656,118.22	\$ 58,058,389.04
Premium Revenue		
Interest Revenue	8,415.02	6,952.05
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	8,051,382.76	9,583,735.29
Federal Pass Through Revenue	3,379,019.07	3,577,403.80
State Grant Revenue	7,916.93	954.45
State Pass Through Revenue	5,461,104.63	6,946,356.24
Other Grants and Contracts - Operating	4,252,964.55	3,290,223.56
Other Operating Revenue	517,310.04	416,667.17
Total Operating Revenues	\$ 85,334,231.22	\$ 81,880,681.60
Operating Expenses		
Instruction	\$ 41,866,923.01	\$ 45,156,321.16
Research	12,602,080.06	13,180,000.20
Public Service	3,958,048.18	3,784,928.56
Hospitals and Clinics		
Academic Support	17,546,524.62	18,088,803.04
Student Services	10,379,448.18	10,392,049.20
Institutional Support	10,620,718.30	10,278,383.70
Operation & Maintenance of Plant	9,354,159.72	9,505,327.19
Scholarships & Fellowships	15,697,458.79	17,287,515.96
Auxiliary	15,565,003.47	15,086,616.78
Depreciation/Amortization	16,093,299.98	12,163,612.18
Total Operating Expenses [Schedule IV-1]	\$ 153,683,664.31	\$ 154,923,557.97
Total Operating Income [Loss]	\$ (68,349,433.09)	\$ (73,042,876.37)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 47,862,848.98	\$ 54,067,319.00
Federal Revenue Non-Operating	15,685,469.00	17,052,648.00
Federal Pass Through Non-Operating		1,447,308.07
State Pass Through Non-Operating		
Gifts	5,504,005.29	6,724,012.71
Land Income		
Investment Income	1,318,290.14	1,296,242.90
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(139,971.42)	(186,742.19)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	(1,537.78)	(79,921.36)
Net Increase [Decrease] In Fair Value	2,639,082.53	4,384,401.28
Settlement of Claims	(23,735.00)	(12,200.00)
Other Nonoperating Revenues	614,340.20	371,687.07
Other Nonoperating [Expenses]	(7,158,477.53)	(3,996,137.82)
Total Nonoperating Revenues [Expenses]	\$ 66,300,314.41	\$ 81,068,617.66
Income [Loss] Before Other Revenues and Transfers	\$ (2,049,118.68)	\$ 8,025,741.29

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 220,970.58	\$ 4,738.92
Capital Appropriations [Higher Education Fund]	7,139,067.00	7,139,067.00
Additions to Permanent and Term Endowments	477,977.13	478,290.65
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	2,745,325.33	630,251.31
Nonmandatory Transfers From Members/Agencies-Cap Assets	50,355,708.26	45,891,077.25
Transfers Out		
Transfers to Other State Agencies	(660,681.06)	(656,237.91)
Mandatory Transfers to Other Members	(2,277,896.74)	(1,597,273.38)
Nonmandatory Transfers to Other Members	(3,625,999.00)	(1,300,000.00)
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(9,227,137.61)	(11,541,731.16)
Legislative Appropriations Lapsed	(42,487.91)	(54,007.51)
Total Other Revenues and Transfers	\$ 45,104,845.98	\$ 38,994,175.17
Change In Net Assets	\$ 43,055,727.30	\$ 47,019,916.46
Beginning Net Assets, September 1, 2011 and 2010	\$ 253,993,647.32	\$ 192,751,068.30
Restatement	(31,590.42)	14,222,662.56
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 253,962,056.90	\$ 206,973,730.86
Net Assets, August 31, 2012 and 2011	\$ 297,017,784.20	\$ 253,993,647.32

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold			481.00		
Salaries & Wages	31,295,179.85	6,642,906.71	1,784,273.23		9,303,973.53
Payroll Related Costs	6,392,672.89	1,418,899.21	343,560.10		2,393,947.17
Professional Fees & Services	330,470.50	813,868.52	298,641.78		347,887.29
Travel	311,178.80	406,889.60	94,594.71		300,593.72
Materials & Supplies	1,646,041.80	1,729,843.83	238,643.42		2,246,544.13
Communication & Utilities	234,367.90	77,106.74	131,183.89		1,723,398.41
Repairs & Maintenance	75,568.89	129,354.50	23,374.94		646,827.42
Rentals & Leases	124,857.42	267,108.84	40,639.89		25,708.97
Printing & Reproduction	163,315.92	81,812.69	38,926.73		84,860.54
Federal Pass-Through		13,697.34			
State Pass-Through	23,719.10				
Depreciation & Amortization					
Bad Debt Expense					
Interest	509.06	318.00	1.32		742.65
Scholarships	716,177.83	319,096.07	34,938.43		158,286.62
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	552,863.05	701,178.01	928,788.74		313,754.17
Total Operating Expenses	\$ 41,866,923.01	\$ 12,602,080.06	\$ 3,958,048.18	\$	\$ 17,546,524.62

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	1,054.18			119,659.15		121,194.33	147,949.57
5,122,292.10	5,480,100.49	2,872,399.68	787,069.44	6,293,000.28		69,581,195.31	71,824,930.11
1,256,249.21	1,343,858.77	797,089.18	77.17	1,459,085.79		15,405,439.49	16,752,960.25
168,148.29	365,709.02	153,244.99	113,868.45	904,185.87		3,496,024.71	3,233,959.80
240,686.37	165,199.25	12,551.64	2,305.39	1,118,096.74		2,652,096.22	2,878,617.55
698,644.00	1,090,831.98	824,587.60	11,113.24	1,237,813.45		9,724,063.45	10,890,433.47
779,091.85	89,943.24	3,181,170.87		839,360.79		7,055,623.69	7,350,942.99
35,019.92	317,798.82	217,183.34	127.76	304,306.89		1,749,562.48	1,598,099.07
37,042.28	528,775.79	129.13	1,930.59	148,821.68		1,175,014.59	936,862.43
168,037.33	123,104.32	13,554.29	9,319.66	193,081.42		876,012.90	854,247.45
						13,697.34	55,085.05
						23,719.10	69,900.72
					16,093,299.98	16,093,299.98	12,163,612.18
141,090.70						141,090.70	117,311.31
2.21	359.36	99.57		82.76		2,114.93	422.59
463,520.49	94,806.00		14,726,572.09	1,910,245.29		18,423,642.82	20,490,810.52
<u>1,269,623.43</u>	<u>1,019,177.08</u>	<u>1,282,149.43</u>	<u>45,075.00</u>	<u>1,037,263.36</u>		<u>7,149,872.27</u>	<u>5,557,412.91</u>
<u>\$ 10,379,448.18</u>	<u>\$ 10,620,718.30</u>	<u>\$ 9,354,159.72</u>	<u>\$ 15,697,458.79</u>	<u>\$ 15,565,003.47</u>	<u>\$ 16,093,299.98</u>	<u>\$ 153,683,664.31</u>	<u>\$ 154,923,557.97</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY-CORPUS CHRISTI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	55,792,773.56	55,334,833.47
Proceeds Received From Customers	2,882,120.63	3,800,686.40
Proceeds From Sponsored Programs	20,895,673.93	25,273,164.18
Proceeds From Auxiliary Enterprises	4,479,187.93	4,546,991.98
Proceeds From Loan Programs	26,293.18	15,932.09
Proceeds From Other Revenues	1,438,829.01	512,053.49
Payments to Suppliers for Goods and Services	(35,147,920.88)	(35,379,092.68)
Payments to Employees - Salaries	(68,788,929.41)	(71,621,906.23)
Payments to Employees - Benefits	(14,822,777.83)	(17,641,665.14)
Payments for Loans Provided	(128,012.33)	(97,007.24)
Payments for Other Expenses	(18,588,061.96)	(22,906,659.52)
Net Cash Provided [Used] By Operating Activities	\$ (51,960,824.17)	\$ (58,162,669.20)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 50,002,180.38	\$ 53,107,245.38
Proceeds From Gifts	5,699,018.45	7,693,585.96
Proceeds From Endowments	477,977.13	478,290.65
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	15,685,469.00	18,499,956.07
Proceeds From Contributed Capital		
Proceeds From Other Revenues	187,529.55	915,471.18
Payments of Interest		
Payments - Transfers to Other Funds	(660,681.06)	(656,237.91)
Payments for Grant Disbursements		
Payments for Other Uses	(229,602.80)	(420,551.22)
Other Noncapital Transfers From/To System	464,303.01	630,251.31
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 71,626,193.66	\$ 80,248,011.42
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	6,831,581.60	13,081,727.39
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets		
Payments of Principal On Debt	(7,487,733.08)	(11,943,793.41)
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		5,476.29
Intrasystem Transfers for Capital Debt [Mandatory]	(11,505,034.35)	(13,139,004.54)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(1,281,389.25)	(5,872,149.57)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (13,442,575.08)	\$ (17,867,743.84)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(4,451,855.62)	(7,653,224.02)
Proceeds From Interest and Investment Income	1,181,864.51	1,112,590.48
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (3,269,991.11)	\$ (6,540,633.54)
Increase [Decrease] In Cash and Cash Equivalents	\$ 2,952,803.30	\$ (2,323,035.16)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 27,196,320.16	\$ 29,519,355.32
Restated Beginning Cash and Cash Equivalents	\$ 27,196,320.16	\$ 29,519,355.32
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 30,149,123.46	\$ 27,196,320.16

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(68,349,433.09)	(73,042,876.37)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	16,093,299.98	12,163,612.18
Bad Debt Expense	207,736.33	172,145.05
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(256,840.48)	(296,206.31)
Due From Other Agencies/Funds	(276,853.42)	(188,987.76)
Due From System Members	(111,295.14)	58,463.92
Inventory	(4,813.35)	(10,053.93)
Deferred Charges		
Prepaid Expenses	(294,779.00)	11,221.54
Loans and Contracts	(101,189.03)	(35,821.17)
Other Assets	(342.55)	(76,683.79)
Payables	445,120.77	(1,786,268.06)
Due to Other Agencies/Funds	(152,379.99)	(248,464.97)
Due to System Members	25,377.29	(22,575.63)
Unearned Revenue	(248,620.62)	4,866,240.74
Deposits	939,397.13	104,366.36
Compensated Absence Liability	124,791.00	169,219.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 16,388,608.92</u>	<u>\$ 14,880,207.17</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (51,960,824.17)</u>	<u>\$ (58,162,669.20)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 574,847.58	\$ 410,180.68
Net Increase [Decrease] In Fair Value of Investments	1,101,143.06	2,581,480.72
Gain/Loss On Sale or Disposal of Capital Assets	(1,537.78)	(79,921.36)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	50,355,708.26	45,891,077.25

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
Hispanic Serving Institutions Education Grants	10.223	Houston Community College/ 201002097		\$	\$ 16,148.20
<u>Direct Programs:</u>					
Hispanic Serving Institutions Education Grants	10.223				
Totals - U.S. Department of Agriculture					16,148.20
U.S. Department of Justice					
Part E - Developing, Testing and Demonstrating Promising New Programs	16.541				
<u>Pass-Through From:</u>					
Enforcing Underage Drinking Laws Program	16.727				
<u>Pass-Through From:</u>					
Texas Alcoholic Beverage Commission			458	15,072.95	
Totals - U.S. Department of Justice				15,072.95	
U.S. Department of Labor					
WIA Pilots, Demonstrations, and Research Projects	17.261	Texas Workforce Solutions/ EA198521060A48			97,661.76
Totals - U.S. Department of Labor					97,661.76
National Aeronautics and Space Administration					
National Aeronautics and Space Administration	43.000	Florida Agricultural & Mechanical University/ 609420000			2,907.15
<u>Direct Programs:</u>					
National Aeronautics and Space Administration	43.000	6001030000			
Totals - National Aeronautics and Space Administration					2,907.15
National Science Foundation					
Geosciences	47.050				
Education and Human Resources	47.076				
<u>Pass-Through From:</u>					
Computer and Information Science and Engineering	47.070				
<u>Pass-Through From:</u>					
University of Texas at El Paso			724	55,862.77	
Totals - National Science Foundation				55,862.77	
Nuclear Regulatory Commission					
<u>Direct Programs:</u>					
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006				
U.S. Nuclear Regulatory Commission Minority Serving Institutions Program (MSIP)	77.007				
Totals - Nuclear Regulatory Commission					
U.S. Department of Energy					
<u>Pass-Through From:</u>					
ARRA - State Energy Program	81.041				
<u>Pass-Through From:</u>					
Comptroller - State Energy Conservation Office			907	450,309.04	
Totals - U.S. Department of Energy				450,309.04	
U.S. Department of Education					
Improving Teacher Quality State Grants	84.367	National Writing Project/ 09-TX19-SEED2012			3,438.40
National Writing Project	84.928	National Writing Project/ 0000001162			8,809.86
<u>Direct Programs:</u>					
Higher Education Institutional Aid	84.031				
Mathematics and Science Partnerships	84.366				
<u>Pass-Through From:</u>					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 16,148.20				\$ 16,148.20	\$ 16,148.20
	119,036.33			17,244.01	101,792.32	119,036.33
119,036.33	135,184.53			17,244.01	117,940.52	135,184.53
121,891.27	121,891.27				121,891.27	121,891.27
	15,072.95				15,072.95	15,072.95
121,891.27	136,964.22				136,964.22	136,964.22
	97,661.76				97,661.76	97,661.76
	97,661.76				97,661.76	97,661.76
	2,907.15				2,907.15	2,907.15
14,293.15	14,293.15				14,293.15	14,293.15
14,293.15	17,200.30				17,200.30	17,200.30
1,956.40	1,956.40				1,956.40	1,956.40
395,622.92	395,622.92				395,622.92	395,622.92
	55,862.77				55,862.77	55,862.77
397,579.32	453,442.09				453,442.09	453,442.09
74,415.60	74,415.60				74,415.60	74,415.60
86,957.00	86,957.00				86,957.00	86,957.00
161,372.60	161,372.60				161,372.60	161,372.60
	450,309.04				450,309.04	450,309.04
	450,309.04				450,309.04	450,309.04
	3,438.40				3,438.40	3,438.40
	8,809.86				8,809.86	8,809.86
748,018.97	748,018.97				748,018.97	748,018.97
2,823.85	2,823.85				2,823.85	2,823.85

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Career and Technical Education -- Basic Grants to States <i>Pass-Through From:</i> <i>Texas Education Agency</i>	84.048		701	150,007.45	
Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrations in Educating Students with Disabilities <i>Pass-Through From:</i> <i>Texas A&M University</i>	84.333		711	9,600.00	
Mathematics and Science Partnerships <i>Pass-Through From:</i> <i>Texas Education Agency</i>	84.366		701	169,507.11	
Improving Teacher Quality State Grants <i>Pass-Through From:</i> <i>Texas Higher Education Coordinating Board</i>	84.367		781	122,813.63	
Totals - U.S. Department of Education				451,928.19	12,248.26
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Centers of Excellence	93.157				
Nursing Workforce Diversity	93.178				
Advanced Nursing Education Traineeships	93.358				
Nurse Education, Practice and Retention Grants	93.359				
<u>Pass-Through From:</u>					
Centers of Excellence <i>Pass-Through From:</i> <i>University of Texas Health Science Center at Houston</i>	93.157		744	13,132.03	
Totals - U.S. Department of Health and Human Services				13,132.03	
Research & Development Cluster					
U.S. Department of Agriculture					
Grants for Agricultural Research, Special Research Grants	10.200	Southern Regional Aquaculture Center/ award 2007-38500- 1847			4,374.16
Hispanic Serving Institutions Education Grants	10.223	Del Mar College/ 5007-38422-18084-s			(70.00)
<u>Direct Programs:</u>					
Hispanic Serving Institutions Education Grants	10.223				
<u>Pass-Through From:</u>					
Integrated Programs <i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>	10.303		556	7,477.06	
Totals - U.S. Department of Agriculture				7,477.06	4,304.16
U.S. Department of Commerce					
Coastal Zone Management Administration Awards	11.419	Nueces County/ 6091300000			12,310.09
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	Mississippi State University/ 19100136364604			10,000.00
Habitat Conservation	11.463	Fish America Foundation/ FAF-11030			46,669.67
Habitat Conservation		Gulf of Mexico Foundation/ GCRP #10-01 NA10NMF4630087			36,310.92
Coastal Services Center	11.473	Florida Dept. of Environmental Protection/			58,392.85

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	150,007.45				150,007.45	150,007.45
	9,600.00				9,600.00	9,600.00
	169,507.11			3,257.43	166,249.68	169,507.11
	122,813.63				122,813.63	122,813.63
750,842.82	1,215,019.27			3,257.43	1,211,761.84	1,215,019.27
(760.50)	(760.50)				(760.50)	(760.50)
318,344.40	318,344.40				318,344.40	318,344.40
50,982.86	50,982.86				50,982.86	50,982.86
381,668.57	381,668.57				381,668.57	381,668.57
	13,132.03				13,132.03	13,132.03
750,235.33	763,367.36				763,367.36	763,367.36
	4,374.16				4,374.16	4,374.16
	(70.00)				(70.00)	(70.00)
86,144.24	86,144.24				86,144.24	86,144.24
	7,477.06				7,477.06	7,477.06
86,144.24	97,925.46				97,925.46	97,925.46
	12,310.09				12,310.09	12,310.09
	10,000.00				10,000.00	10,000.00
	46,669.67				46,669.67	46,669.67
	36,310.92				36,310.92	36,310.92
	58,392.85				58,392.85	58,392.85

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From		
				Agencies or Universities Amount	Non-State Entities Amount	
Coastal Services Center		RM111 Gulf of Mexico Foundation/ 2006			57,001.80	
Educational Partnership Program	11.481	Florida Agricultural & Mechanical University/ 000953; C-2884			1,072.12	
Educational Partnership Program		Florida Agricultural & Mechanical University/ 003499			436,381.13	
<u>Direct Programs:</u>						
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	11.400					
Coastal Zone Management Administration Awards	11.419					
Marine Fisheries Initiative	11.433					
<u>Pass-Through To:</u>						
Texas Tech University						
Unallied Management Projects	11.454					
Unallied Science Program	11.472					
Coastal Services Center	11.473					
Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	11.478					
Educational Partnership Program	11.481					
<u>Pass-Through From:</u>						
Sea Grant Support						
<u>Pass-Through From:</u>						
Texas A&M University						
Coastal Zone Management Administration Awards	11.419		711	124,250.11		
<u>Pass-Through From:</u>						
General Land Office						
Unallied Management Projects	11.454		305	143,645.52		
<u>Pass-Through From:</u>						
Texas Tech University						
			733	72,950.90		
Totals - U.S. Department of Commerce					340,846.53	658,138.58
U.S. Department of Defense						
<u>Direct Programs:</u>						
U.S. Department of Defense	12.000	N69450-10-M-4898				
U.S. Department of Defense	12.000	W9126G-09-P-0312				
Basic and Applied Scientific Research	12.300					
Military Medical Research and Development	12.420					
<u>Pass-Through From:</u>						
Basic, Applied, and Advanced Research in Science and Engineering						
<u>Pass-Through From:</u>						
General Land Office						
			305	1,254,187.98		
Totals - U.S. Department of Defense					1,254,187.98	
U.S. Department of the Interior						
U.S. Department of the Interior	15.000	US Fish and Wildlife/ 0000001386			4,080.12	
<u>Direct Programs:</u>						
U.S. Department of the Interior	15.000	H5000070555				
North American Wetlands Conservation Fund	15.623					
Service Training and Technical Assistance (Generic Training)	15.649					
U.S. Geological Survey_ Research and Data Collection	15.808					
<u>Pass-Through From:</u>						
Cooperative Endangered Species Conservation Fund						
<u>Pass-Through From:</u>						
Parks and Wildlife Department						
			802	33,133.55		
State Wildlife Grants	15.634					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	57,001.80				57,001.80	57,001.80
	1,072.12				1,072.12	1,072.12
	436,381.13				436,381.13	436,381.13
423.80	423.80				423.80	423.80
987.43	987.43				987.43	987.43
56,469.34	56,469.34				40,384.51	56,469.34
		733	16,084.83			
62,576.49	62,576.49				62,576.49	62,576.49
89,597.55	89,597.55			12,000.00	77,597.55	89,597.55
480,410.40	480,410.40			120,015.32	360,395.08	480,410.40
1,000.00	1,000.00				1,000.00	1,000.00
3,582.60	3,582.60				3,582.60	3,582.60
	124,250.11				124,250.11	124,250.11
	143,645.52				143,645.52	143,645.52
	72,950.90				72,950.90	72,950.90
695,047.61	1,694,032.72		16,084.83	132,015.32	1,545,932.57	1,694,032.72
11,540.12	11,540.12				11,540.12	11,540.12
69,779.35	69,779.35				69,779.35	69,779.35
82,500.55	82,500.55				82,500.55	82,500.55
238,149.80	238,149.80				238,149.80	238,149.80
	1,254,187.98				1,254,187.98	1,254,187.98
401,969.82	1,656,157.80				1,656,157.80	1,656,157.80
	4,080.12				4,080.12	4,080.12
46,601.99	46,601.99				46,601.99	46,601.99
3,062.73	3,062.73				3,062.73	3,062.73
36,245.75	36,245.75				36,245.75	36,245.75
27,628.70	27,628.70				27,628.70	27,628.70
	33,133.55				33,133.55	33,133.55
	6,116.08				6,116.08	6,116.08

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Pass-Through From:</i>					
<i>Parks and Wildlife Department</i>			802	6,116.08	
Coastal Impact Assistance Program	15.668				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	17,336.46	
Coastal Impact Assistance Program	15.668				
<i>Pass-Through From:</i> <i>General Land Office</i>			305	277,450.80	
<i>Pass-Through To:</i> <i>Texas A&M University</i>					
Totals - U.S. Department of the Interior				334,036.89	4,080.12
National Aeronautics and Space Administration					
Science	43.001	University of Alabama/ SUB2011-038			9,362.63
<u>Direct Programs:</u>					
National Aeronautics and Space Administration	43.000	NNX09AR55G			
<i>Pass-Through From:</i> Science	43.001				
<i>Pass-Through From:</i> <i>University of Texas at Austin</i>			721	35,709.87	
Totals - National Aeronautics and Space Administration				35,709.87	9,362.63
National Science Foundation					
Geosciences	47.050	University of North Carolina/ 5-54932			2,066.30
<u>Direct Programs:</u>					
Mathematical and Physical Sciences	47.049				
Computer and Information Science and Engineering	47.070				
Biological Sciences	47.074				
Social, Behavioral, and Economic Sciences	47.075				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
Totals - National Science Foundation					2,066.30
Environmental Protection Agency					
Water Quality Management Planning	66.454	Coastal Bend Bays & Estuaries Program/ 1202/6093800000			94,063.96
Gulf of Mexico Program	66.475	University of South Florida/ 0000001138			(110.15)
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	City of Corpus Christi/ 2B-96699101-0 & 2B- 96698801-0			920.64
<u>Direct Programs:</u>					
Environmental Protection Agency	66.000	582-11-90501			
Water Quality Cooperative Agreements	66.463				
Gulf of Mexico Program	66.475				
<i>Pass-Through From:</i> Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	135,000.00	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i> <i>Soil and Water Conservation Board</i>			592	173,223.18	
Beach Monitoring and Notification Program Implementation Grants	66.472				
<i>Pass-Through From:</i> <i>General Land Office</i>			305	27,824.53	

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	17,336.46				17,336.46	17,336.46
	277,450.80				279,838.29	277,450.80
		711	(2,387.49)			
113,539.17	451,656.18		(2,387.49)	-	454,043.67	451,656.18
	9,362.63				9,362.63	9,362.63
30,481.99	30,481.99				30,481.99	30,481.99
	35,709.87				35,709.87	35,709.87
30,481.99	75,554.49				75,554.49	75,554.49
	2,066.30				2,066.30	2,066.30
0.87	0.87				0.87	0.87
70,387.96	70,387.96				70,387.96	70,387.96
239,091.08	239,091.08				239,091.08	239,091.08
59,295.85	59,295.85				59,295.85	59,295.85
136,552.90	136,552.90			28,316.25	108,236.65	136,552.90
505,328.66	507,394.96			28,316.25	479,078.71	507,394.96
	94,063.96				94,063.96	94,063.96
	(110.15)				(110.15)	(110.15)
	920.64				920.64	920.64
148.76	148.76				148.76	148.76
12,962.88	12,962.88				12,962.88	12,962.88
55,374.36	55,374.36				55,374.36	55,374.36
	135,000.00				135,000.00	135,000.00
	173,223.18				173,223.18	173,223.18
	27,824.53				27,824.53	27,824.53

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - Environmental Protection Agency				336,047.71	94,874.45
U.S. Department of Energy					
U.S. Department of Energy	81.000	Savannah River Nuclear Solutions, LLC/ AC814370 AC09- 08SR22470			53,910.89
<u>Direct Programs:</u>					
Fossil Energy Research and Development	81.089				
Totals - U.S. Department of Energy					53,910.89
U.S. Department of Health and Human Services					
Child Health and Human Development Extramural Research	93.865				
<u>Pass-Through From:</u>					
Biomedical Research and Research Training	93.859				
<u>Pass-Through From:</u>					
University of Texas Medical Branch at Galveston			723	39,291.27	
Totals - U.S. Department of Health and Human Services				39,291.27	
<u>Highway Safety Cluster</u>					
U.S. Department of Transportation					
<u>Pass-Through From:</u>					
State and Community Highway Safety	20.600				
<u>Pass-Through From:</u>					
Texas Department of Transportation			601	45,116.78	
Totals - U.S. Department of Transportation				45,116.78	
<u>Economic Development Cluster</u>					
U.S. Department of Commerce					
<u>Direct Programs:</u>					
Investments for Public Works and Economic Development Facilities	11.300				
Totals - U.S. Department of Commerce					
<u>Student Financial Assistance Cluster</u>					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Perkins Loan Program_Federal Capital Contributions	84.038				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925				
Totals - U.S. Department of Health and Human Services					
<u>TRIO Cluster</u>					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO_Student Support Services	84.042				
TRIO_Upward Bound	84.047				
TRIO_McNair Post-Baccalaureate Achievement	84.217				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 3,379,019.07	\$ 955,702.50

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
68,486.00	499,408.16				499,408.16	499,408.16
	53,910.89				53,910.89	53,910.89
1,102.98	1,102.98			1,102.98		1,102.98
1,102.98	55,013.87			1,102.98	53,910.89	55,013.87
22,670.32	22,670.32				22,670.32	22,670.32
	39,291.27				39,291.27	39,291.27
22,670.32	61,961.59				61,961.59	61,961.59
	45,116.78				45,116.78	45,116.78
	45,116.78				45,116.78	45,116.78
83,793.59	83,793.59				83,793.59	83,793.59
83,793.59	83,793.59				83,793.59	83,793.59
177,810.00	177,810.00				177,810.00	177,810.00
287,419.52	287,419.52				287,419.52	287,419.52
82,941.00	82,941.00				82,941.00	82,941.00
15,685,469.00	15,685,469.00				15,685,469.00	15,685,469.00
58,580,418.00	58,580,418.00				58,580,418.00	58,580,418.00
74,814,057.52	74,814,057.52				74,814,057.52	74,814,057.52
119,679.00	119,679.00				119,679.00	119,679.00
119,679.00	119,679.00				119,679.00	119,679.00
267,091.78	267,091.78				267,091.78	267,091.78
162,385.42	162,385.42				162,385.42	162,385.42
261,470.69	261,470.69				261,470.69	261,470.69
690,947.89	690,947.89				690,947.89	690,947.89
\$ 79,948,499.61	\$ 84,283,221.18		\$ 13,697.34	\$ 181,935.99	\$ 84,087,587.85	\$ 84,283,221.18

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 8,051,382.76
Federal Grants and Contracts - Non-operating	15,685,469.00
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 3,379,019.07
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	<u>3,379,019.07</u>
Federal Appropriations	
Total Federal Revenue per Exhibit IV	<u>\$ 27,115,870.83</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	54,500.00
Federal Direct Student Loans	58,580,418.00
Health Education Assistance Loans	
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants to/from TAMRF	(111,249.87)
ARRA COBRA 65% Subsidy (CFDA Number 17.151)	
Federal Contract Revenues - Vendor Relationship & Fixed Price Contract	(1,356,317.78)
Total Pass Through and Expenditures per Federal Schedule	<u>\$ 84,283,221.18</u>

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - CORPUS CHRISTI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$ -	\$ -	\$ -	\$ -
Federal Perkins Loan Program	84.038	54,500.00	28,441.00	681,538.29	627,038.29
Federal Direct Student Loans	84.268	58,580,418.00			
Total, U. S. Department of Education		58,634,918.00	28,441.00	681,538.29	627,038.29
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		-	-	-	-
Total Student Loans Processed and Administrative Costs Recovered		\$ 58,634,918.00	\$ 28,441.00	\$ 681,538.29	\$ 627,038.29

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University participates as a depository library in the Government Printing Office's Depository Libraries for Government Publication program, CFDA#40.001. The University is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned a value by the Government Printing Office.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
Coastal Zone Management Estuarine Research Reserves	11.420	\$ -	\$ 682.26	\$ 682.26
Isnapper	11.454	4,173.58	(4,173.58)	-
Environmental Cooperative	11.481	6,151.91	-	6,151.91
Shorebird Survey - Mutang Island	15.000	4,080.12	(4,080.12)	-
Cooperative Landscape Conservation	15.669	-	428.42	428.42
Stars Project	16.541	3,857.14	(3,857.14)	-
National Aeronautics and Space Administration	43.000		51,292.85	51,292.85
Improving Teacher Quality State Grants	84.367		16,561.60	16,561.60
Coastal Bend Writing Project	84.928		(8,809.86)	8,747.04
		\$ 17,556.90	\$ 48,044.43	\$ 83,864.08
		\$ 35,819.65	\$ 48,044.43	\$ 83,864.08

Deferred Revenue Explanation:

The deferred revenue consists of prepaid federal grants.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	\$ 9,272.00
WSC - Research Texas Water Development Board	580.0019	580	69,690.34
Nueces Bay Zinc Implementation Effectiveness Monitoring Texas Commission on Environmental Quality	582.0026	582	83,045.58
LEP SSI Prof Dev For Teachers Of LEP Students (2008-2010) Texas Education Agency	701.0023	701	238,296.07
Need Based Scholarships Texas A&M University System	710.0003	710	104,922.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	7,102.79 7,102.79
Professional Nursing Aid Texas Higher Education Coordinating Board	781.0002	781	-
Nursing & Allied Health Texas Higher Education Coordinating Board	781.0006	781	91,417.97
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	3,347,500.00
Professional Nursing Shortage Reduction Program Texas Higher Education Coordinating Board	781.0013	781	325,507.81
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	2,950.00
Higher Education Performance Incentive Initiative Texas Higher Education Coordinating Board	781.0019	781	-
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	92,958.52
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	295,930.47
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	334,000.00

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Work Study Mentorship Program	781.0029		
Texas Higher Education Coordinating Board		781	207,469.01
Early High School Program HB1479	781.0036		
Texas Higher Education Coordinating Board		781	45,217.79
Outreach and Success	781.0039		
Texas Higher Education Coordinating Board		781	(563.46)
Oyster reef restoration for increasing fish habitat on lap reef in Copano Bay	802.0045		
Parks and Wildlife Department		802	6,200.00
South Texas Artificial Reef Monitoring - Fish Community Assessment	802.0049		
Parks and Wildlife Department		802	196,394.74
Arts Create	813.0001		
Texas Commission on the Arts		813	3,793.00
Total Pass-Through From State Agencies			\$ <u>5,461,104.63</u> (Exhibit IV)

Pass-through To:

Program Name
Agency Name

	<u>Grant ID</u>	<u>Agcy #</u>	<u>Amount</u>
College Readiness & Retention of Physics	760.0001		
University of Texas at El Paso		724	\$ 10,000.00
Texas Woman's University		731	2,534.05
University of Texas at San Antonio		743	2,884.14
Texas State University - San Marcos		754	8,300.91
			<u>23,719.10</u>
Total Pass-Through To State Agencies			\$ <u>23,719.10</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 23,100.00
Petty Cash Department Working Fund	<u>27,235.00</u>
Total Cash On Hand	<u>\$ 50,335.00</u>
Cash In State Treasury:	
Fund 0230	<u>\$ 12,286,519.52</u>
Total Cash In State Treasury	<u>\$ 12,286,519.52</u>
Reimbursements Due From State Treasury	\$ 531,009.59
Assets Held By System Offices-Current	<u>13,595,030.36</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 26,462,894.47</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 3,686,228.99</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 3,686,228.99</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 30,149,123.46</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY-CORPUS CHRISTI
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

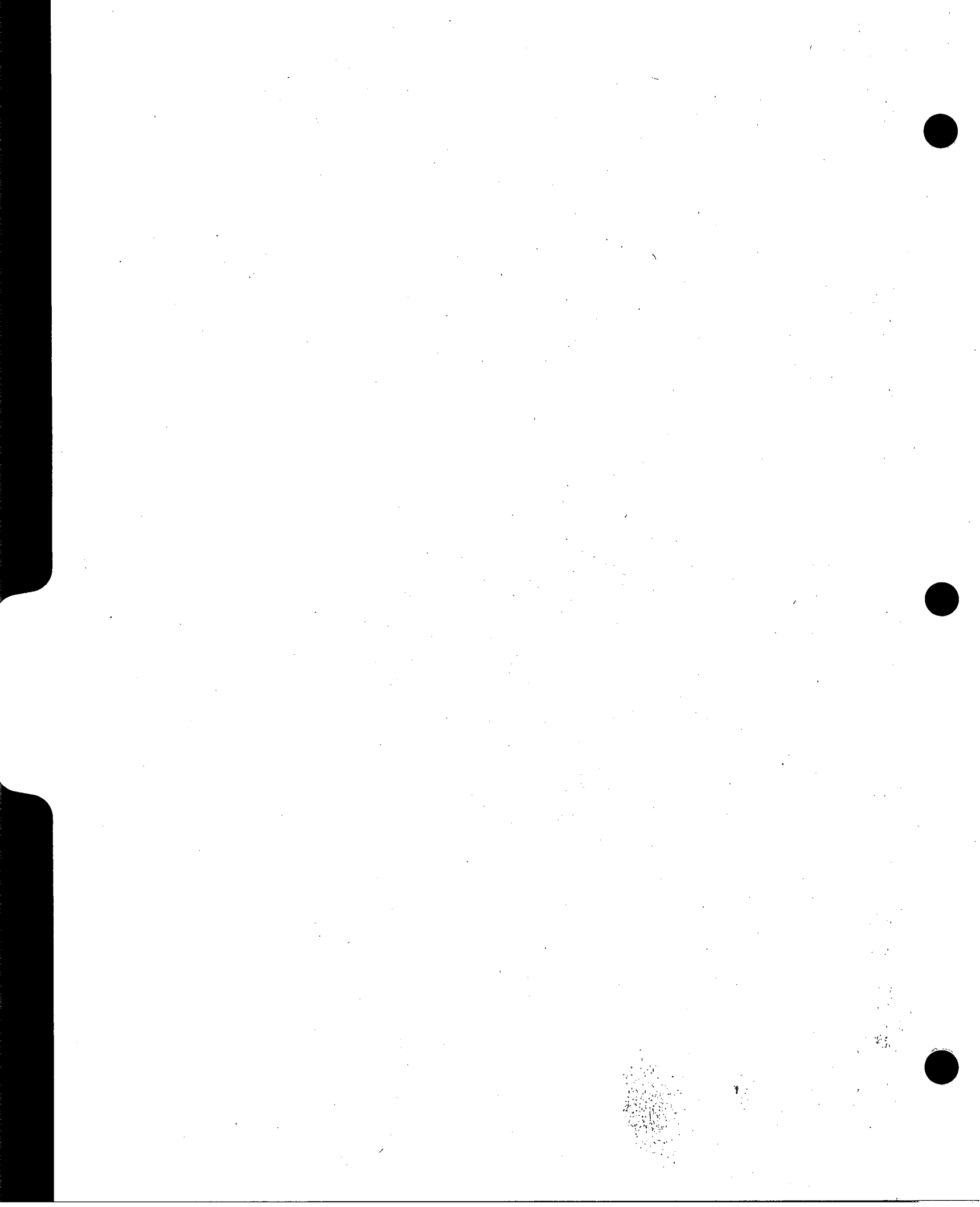
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 6,021,625.03	\$	\$
Construction In Progress	12,705,076.97		(59,822,709.70)
Other Tangible Capital Assets	909,958.34		
Total Non-Depreciable/Non-Amortizable Assets	\$ 19,636,660.34	\$	\$ (59,822,709.70)
Depreciable Assets			
Buildings	\$ 204,562,904.09	\$	\$ 44,402,866.55
Infrastructure	12,284,775.12		5,713,527.22
Facilities and Other Improvements	11,822,993.79		6,674,623.52
Furniture and Equipment	19,478,949.23		225,741.13
Vehicles, Boats and Aircraft	3,588,697.45	(27,345.00)	
Other Capital Assets	9,603,455.97		
Total Depreciable Assets at Historical Cost	\$ 261,341,775.65	\$ (27,345.00)	\$ 57,016,758.42
Less Accumulated Depreciation For:			
Buildings	\$ (63,204,017.41)	\$ (31,590.42)	\$
Infrastructure	(8,331,092.67)		
Facilities and Other Improvements	(7,646,634.45)		
Furniture and Equipment	(11,719,940.18)		
Vehicles, Boats and Aircraft	(1,852,988.76)	27,345.00	
Other Capital Assets	(6,181,177.74)		
Total Accumulated Depreciation	\$ (98,935,851.21)	\$ (4,245.42)	\$
Depreciable Assets, Net	\$ 162,405,924.44	\$ (31,590.42)	\$ 57,016,758.42
Amortizable Assets - Intangible			
Computer Software	\$ 2,899,290.18	\$	\$ 2,805,951.28
Total Intangible Assets at Historical Cost	\$ 2,899,290.18	\$	\$ 2,805,951.28
Less Accumulated Amortization For:			
Computer Software	\$ (2,415,024.36)	\$	\$
Total Accumulated Amortization	\$ (2,415,024.36)	\$	\$
Amortizable Assets-Net	\$ 484,265.82	\$	\$ 2,805,951.28
Capital Assets, Net	\$ 182,526,850.60	\$ (31,590.42)	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 50,341,776.66	\$	\$ 4,741,807.54 8,113.94	\$	\$ 6,021,625.03 7,965,951.47 918,072.28
<u>\$ 50,341,776.66</u>	<u>\$</u>	<u>\$ 4,749,921.48</u>	<u>\$</u>	<u>\$ 14,905,648.78</u>
\$	\$	\$ 201,992.00	\$ (966,143.77) (4,170,859.69) (668,934.53)	\$ 247,999,626.87 14,029,434.65 17,828,682.78
26,596.68		1,681,807.72 613,017.32 319,806.32	(1,189,167.28) (72,875.86) (54,836.60)	20,223,927.48 4,101,493.91 9,868,425.69
<u>\$ 26,596.68</u>	<u>\$</u>	<u>\$ 2,816,623.36</u>	<u>\$ (7,122,817.73)</u>	<u>\$ 314,051,591.38</u>
\$	\$	\$ (11,480,272.78) (616,821.64) (716,125.02) (1,764,341.52) (576,225.55) (381,153.61)	\$ 1,080,275.85 61,876.74	\$ (74,715,880.61) (8,947,914.31) (8,362,759.47) (12,416,670.93) (2,339,992.57) (6,562,331.35)
<u>\$ (12,665.08)</u>	<u>\$</u>	<u>\$ (15,534,940.12)</u>	<u>\$ 1,142,152.59</u>	<u>\$ (113,345,549.24)</u>
<u>\$ 13,931.60</u>	<u>\$</u>	<u>\$ (12,718,316.76)</u>	<u>\$ (5,980,665.14)</u>	<u>\$ 200,706,042.14</u>
<u>\$</u>	<u>\$</u>	<u>\$ 75,048.07</u>	<u>\$ (1,083,506.18)</u>	<u>\$ 4,696,783.35</u>
<u>\$</u>	<u>\$</u>	<u>\$ 75,048.07</u>	<u>\$ (1,083,506.18)</u>	<u>\$ 4,696,783.35</u>
<u>\$</u>	<u>\$</u>	<u>\$ (558,359.86)</u>	<u>\$ 94,009.70</u>	<u>\$ (2,879,374.52)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (558,359.86)</u>	<u>\$ 94,009.70</u>	<u>\$ (2,879,374.52)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (483,311.79)</u>	<u>\$ (989,496.48)</u>	<u>\$ 1,817,408.83</u>
<u>\$ 50,355,708.26</u>	<u>\$</u>	<u>\$ (8,451,707.07)</u>	<u>\$ (6,970,161.62)</u>	<u>\$ 217,429,099.75</u>

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TEXAS A&M UNIVERSITY - CORPUS CHRISTI

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - KINGSVILLE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



STEVEN H. TALLANT, PH.D., PRESIDENT

TERISA RILEY, INTERIM SENIOR VICE PRESIDENT FOR FISCAL AND STUDENT AFFAIRS

PAULA A. HANSON, COMPTROLLER

KINGSVILLE, TEXAS

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TEXAS A&M UNIVERSITY - KINGSVILLE

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	6,165	6,617
Out-of-State	566	180
Foreign	0	439
Unknown		
Total Students	<u>6,731</u>	<u>7,236</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	5,942	67,087
2001-02	6,148	69,464
2002-03	6,554	72,512
2003-04	6,841	74,559
2004-05	7,126	75,541
2005-06	6,662	71,252
2006-07	6,700	72,313
2007-08	6,552	72,986
2008-09	7,134	78,431
2009-10	5,904	68,788
2010-11	6,595	77,119
2011-12	6,731	80,033
2012-13	7,236	85,996

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TEXAS A&M UNIVERSITY - KINGSVILLE
INDEX

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EXHIBIT III
TEXAS A&M UNIVERSITY-KINGSVILLE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	24,325,579.45	19,051,593.13
Securities Lending Collateral Investments Derivative Instruments Hedging Derivative Instruments Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	2,199,880.27	1,831,089.17
Investments		
Legislative Appropriations	6,836,654.55	6,140,795.88
Receivables, Net:		
Federal	1,169,234.19	3,074,737.92
Other Intergovernmental Interest and Dividends Gifts, Pledges and Donations Self-Insured Health and Dental Student		24,480.08
Investment Trades	1,093,070.40	1,394,713.45
Accounts	594,957.40	
Other	84,510.79	684,401.35
Due From Other Agencies	506,466.21	389,525.50
Due From Other Members	3,505,786.56	578,934.70
Due From Other Funds	17,366.00	649,715.00
Consumable Inventories	120,544.65	106,988.66
Merchandise Inventories Deferred Charges		
Loans and Contracts	6,182,751.43	3,968,426.15
Interfund Receivable Other Current Assets	4,940,954.17	3,804,713.13
Total Current Assets	<u>\$ 51,577,756.07</u>	<u>\$ 41,700,114.12</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 26,442,830.40	\$ 24,463,693.35
Assets Held By System Offices Investments Loans, Contracts and Other Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	684,356.94	833,277.77
Assets Held By System Offices Investments	34,237,106.39	35,291,975.21
Derivative Instruments Hedging Derivative Instruments Deferred Outflow of Resources Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	1,574,514.47	1,413,103.47
Construction In Progress	4,985,242.24	4,761,553.25
Other Tangible Capital Assets	86,092.69	86,092.69
Land Use Rights Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	179,295,383.25	127,375,071.83
Infrastructure	12,318,323.24	11,324,237.10
Facilities and Other Improvements	9,643,516.57	8,365,165.77
Furniture and Equipment	16,350,006.03	15,898,715.63
Vehicles, Boats, and Aircraft	2,336,807.24	2,267,510.24
Other Capital Assets	6,309,186.75	6,258,757.79
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	525,578.56	525,578.56
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(103,253,583.88)	(97,402,245.09)
Assets Held In Trust Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 191,535,360.89</u>	<u>\$ 141,462,487.57</u>
Total Assets and Deferred Outflows	<u>\$ 243,113,116.96</u>	<u>\$ 183,162,601.69</u>

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EXHIBIT III
 TEXAS A&M UNIVERSITY-KINGSVILLE
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 2,136,450.31	\$ 1,107,325.25
Payroll	3,679,357.45	3,895,588.38
Investment Trades		
Self-Insured Health and Dental		
Other	95,183.77	2,045,238.73
Interfund Payable		
Due to Other Agencies	42,283.61	37,175.72
Due to Other Funds	17,366.00	649,715.00
Due to Other Members	3,891,520.93	1,106,526.14
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	27,971,599.61	24,320,381.04
Employees' Compensable Leave	295,031.00	291,675.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets	1,054,469.68	936,288.32
Funds Held for Others	489,292.74	427,053.61
Obligations/Securities Lending		
Other Current Liabilities	210,686.27	147,422.56
Total Current Liabilities	<u>\$ 39,883,241.37</u>	<u>\$ 34,964,389.75</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	1,855,969.00	1,868,159.40
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	329,779.41	684,434.48
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 2,185,748.41</u>	<u>\$ 2,552,593.88</u>
Total Liabilities and Deferred Inflows	<u>\$ 42,068,989.78</u>	<u>\$ 37,516,983.63</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 130,171,067.16	\$ 80,873,541.24
Restricted For:		
Debt Service		
Capital Projects	3,094,473.66	937,680.60
Education	19,845,151.59	16,757,106.87
Endowment and Permanent Funds:		
Nonexpendable	14,929,052.27	14,497,253.50
Expendable	2,416,511.02	2,390,112.97
Unrestricted	30,587,871.48	30,189,922.88
Total Net Assets [Exhibit IV]	<u>\$ 201,044,127.18</u>	<u>\$ 145,645,618.06</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 243,113,116.96</u>	<u>\$ 183,162,601.69</u>

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-KINGSVILLE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 42,881,407.99	\$ 39,515,022.95
Discounts and Allowances	(13,861,804.00)	(12,658,872.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		740.00
Net Auxiliary Enterprises	16,074,876.69	14,536,795.35
Net Other Sales of Goods and Services	3,536,419.11	3,232,384.42
Discounts and Allowances-Sales	(1,898,457.00)	(1,675,391.00)
	<u> </u>	<u> </u>
Total Sales of Goods and Services	\$ 46,732,442.79	\$ 42,950,679.72
Premium Revenue		
Interest Revenue	52,029.83	42,078.50
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	8,081,803.04	8,782,538.91
Federal Pass Through Revenue	1,149,819.83	1,193,400.62
State Grant Revenue	29,152.29	31,073.99
State Pass Through Revenue	6,136,382.00	7,242,542.54
Other Grants and Contracts - Operating	2,318,230.25	2,006,737.19
Other Operating Revenue	819,737.54	486,359.06
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 65,319,597.57	\$ 62,735,410.53
Operating Expenses		
Instruction	\$ 31,077,926.56	\$ 35,637,513.33
Research	13,989,112.04	13,595,666.90
Public Service	788,622.80	889,230.18
Hospitals and Clinics		
Academic Support	9,109,507.61	8,283,523.69
Student Services	8,367,631.25	7,149,857.06
Institutional Support	9,770,415.95	11,910,581.76
Operation & Maintenance of Plant	9,371,637.17	11,523,975.65
Scholarships & Fellowships	17,334,942.08	21,707,814.46
Auxiliary	19,167,310.94	17,338,915.64
Depreciation/Amortization	6,160,700.28	5,380,314.05
	<u> </u>	<u> </u>
Total Operating Expenses [Schedule IV-1]	\$ 125,137,806.68	\$ 133,417,392.72
Total Operating Income [Loss]	\$ (59,818,209.11)	\$ (70,681,982.19)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 33,873,766.98	\$ 49,858,443.62
Federal Revenue Non-Operating	19,661,137.93	21,268,710.07
Federal Pass Through Non-Operating		332,251.86
State Pass Through Non-Operating		
Gifts	6,419,253.05	5,824,582.90
Land Income	13,500.00	27,000.00
Investment Income	1,105,440.16	1,146,396.10
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(100,213.03)	(142,760.40)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	(5,018.22)	(175,241.03)
Net Increase [Decrease] In Fair Value	1,807,782.49	4,556,145.23
Settlement of Claims		
Other Nonoperating Revenues		(14,559.00)
Other Nonoperating [Expenses]	(10,135,232.50)	(2,765,737.92)
	<u> </u>	<u> </u>
Total Nonoperating Revenues [Expenses]	\$ 52,640,416.86	\$ 79,915,231.43
Income [Loss] Before Other Revenues and Transfers	\$ (7,177,792.25)	\$ 9,233,249.24

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-KINGSVILLE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 15,732.09	\$ 27,433.40
Capital Appropriations [Higher Education Fund]	5,046,885.00	5,046,885.00
Additions to Permanent and Term Endowments	222,991.94	789,493.95
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	5,840,130.73	821,375.98
Nonmandatory Transfers From Members/Agencies-Cap Assets	60,586,768.67	38,112.16
Transfers Out		
Transfers to Other State Agencies	(313,035.82)	(317,447.27)
Mandatory Transfers to Other Members	(4,437,721.22)	(3,414,975.28)
Nonmandatory Transfers to Other Members	(53,982.02)	(1,643,006.04)
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(4,331,468.00)	(15,521,642.38)
Legislative Appropriations Lapsed		(33,352.33)
Total Other Revenues and Transfers	<u>\$ 62,576,301.37</u>	<u>\$ (14,207,122.81)</u>
Change In Net Assets	<u>\$ 55,398,509.12</u>	<u>\$ (4,973,873.57)</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 145,645,618.06	\$ 135,833,649.92
Restatement		14,785,841.71
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 145,645,618.06</u>	<u>\$ 150,619,491.63</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 201,044,127.18</u>	<u>\$ 145,645,618.06</u>

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SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-KINGSVILLE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	23,604,433.93	7,616,377.03	284,219.50		5,997,199.42
Payroll Related Costs	5,099,605.42	1,523,497.78	26,452.41		882,634.45
Professional Fees & Services	183,102.54	554,120.18	73,542.16		105,023.78
Travel	374,710.27	445,103.89	3,788.59		286,675.33
Materials & Supplies	855,339.06	1,939,176.21	72,031.91		1,242,205.36
Communication & Utilities	25,542.10	51,384.52	3,616.43		11,903.88
Repairs & Maintenance	65,481.38	162,583.77	37,059.15		115,000.49
Rentals & Leases	135,357.59	138,776.88	29,792.14		65,646.47
Printing & Reproduction	12,278.95	60,225.37	6,192.45		33,264.92
Federal Pass-Through	2,489.47	148,800.59			
State Pass-Through		19,074.64			
Depreciation & Amortization					
Bad Debt Expense					
Interest	516.71	371.18	.67		97.01
Scholarships	210,018.79	664,426.13	741.77		15,807.44
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	509,050.35	665,193.87	251,185.62		354,049.06
Total Operating Expenses	\$ 31,077,926.56	\$ 13,989,112.04	\$ 788,622.80	\$	\$ 9,109,507.61

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	2,305.00			3,551.85		5,856.85	6,203.33
3,977,311.17	4,867,292.53	2,551,001.33	475,368.79	6,394,243.77		55,767,447.47	57,657,023.19
821,219.80	2,666,792.96	701,322.70	13,121.52	1,398,353.07		13,133,000.11	14,403,545.29
302,524.39	922,820.24	522,410.31		556,405.82		3,219,949.42	3,953,313.11
233,252.80	120,749.54	35,646.84	5,523.69	819,707.39		2,325,158.34	2,016,164.11
1,268,662.46	402,999.56	829,873.47	18,570.92	5,170,610.51		11,799,469.46	13,139,900.49
97,245.19	28,827.14	3,006,538.70		2,346,745.03		5,571,802.99	5,596,144.75
689,605.86	59,965.06	1,599,255.74		827,882.17		3,556,833.62	3,562,042.56
99,532.93	70,067.73	17,497.46		121,444.23		678,115.43	704,939.70
55,022.14	123,152.06	197.00		125,280.96		415,613.85	409,555.58
			6,158,639.98			6,309,930.04	6,919,988.60
			12,105.50			31,180.14	135,221.43
					6,160,700.28	6,160,700.28	5,380,314.05
149,738.73						149,738.73	(141,437.94)
558.56	97.31	961.93		798.83		3,402.20	3,184.77
117,810.86	37,154.17		10,640,904.07	448,194.01		12,135,057.24	15,358,898.36
555,146.36	468,192.65	106,931.69	10,707.61	954,093.30		3,874,550.51	4,312,391.34
<u>\$ 8,367,631.25</u>	<u>\$ 9,770,415.95</u>	<u>\$ 9,371,637.17</u>	<u>\$ 17,334,942.08</u>	<u>\$ 19,167,310.94</u>	<u>\$ 6,160,700.28</u>	<u>\$ 125,137,806.68</u>	<u>\$ 133,417,392.72</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY-KINGSVILLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	21,266,520.20	31,051,605.11
Proceeds Received From Customers	4,147,696.42	4,323,893.06
Proceeds From Sponsored Programs	18,845,927.81	19,997,206.51
Proceeds From Auxiliary Enterprises	14,064,672.02	12,738,707.36
Proceeds From Loan Programs	65,617.37	369,579.34
Proceeds From Other Revenues	488,072.96	481,853.76
Payments to Suppliers for Goods and Services	(28,695,916.34)	(32,556,490.36)
Payments to Employees - Salaries	(55,906,631.25)	(57,547,465.38)
Payments to Employees - Benefits	(13,198,881.66)	(14,369,850.19)
Payments for Loans Provided	(2,429,985.66)	(41,504.45)
Payments for Other Expenses	(19,287,351.33)	(23,967,263.47)
Net Cash Provided [Used] By Operating Activities	\$ (60,640,259.46)	\$ (59,519,728.71)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 33,795,073.40	\$ 50,824,737.45
Proceeds From Gifts	6,443,733.13	5,838,883.16
Proceeds From Endowments	222,991.94	789,493.95
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	19,686,410.61	21,600,961.93
Proceeds From Contributed Capital		
Proceeds From Other Revenues	11,852,660.74	12,441.00
Payments of Interest		
Payments - Transfers to Other Funds	(313,035.82)	(317,447.27)
Payments for Grant Disbursements		
Payments for Other Uses	45,077.44	(64,999.05)
Other Noncapital Transfers From/To System	686,148.71	(10,467,260.06)
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 72,419,060.15	\$ 68,216,811.11
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$ 4,844.12
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	4,429,719.91	7,040,249.80
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(4,969,572.96)	(5,717,817.95)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	704,451.79	315,878.61
Intrasystem Transfers for Capital Debt [Mandatory]	(8,769,189.22)	(7,661,022.66)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	579,825.82	(609,790.82)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (8,024,764.66)	\$ (6,627,658.90)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$ 883,514.26	\$ 780,140.94
Sales and Purchases of Investments Held By System	1,005,227.13	1,003,635.70
Proceeds From Interest and Investment Income		
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ 1,888,741.39	\$ 1,783,776.64
Increase [Decrease] In Cash and Cash Equivalents	\$ 5,642,777.42	\$ 3,853,200.14
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 20,882,682.30	\$ 17,029,482.16
Restated Beginning Cash and Cash Equivalents	\$ 20,882,682.30	\$ 17,029,482.16
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 26,525,459.72	\$ 20,882,682.30

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EXHIBIT V
 TEXAS A&M UNIVERSITY-KINGSVILLE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(59,818,209.11)	(70,681,982.19)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	6,160,700.28	5,380,314.05
Bad Debt Expense	221,837.40	(36,229.92)
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	2,139,981.27	(1,762,230.68)
Due From Other Agencies/Funds	(142,213.39)	498,368.50
Due From System Members	(131,303.65)	172,500.49
Inventory	(13,555.99)	14,023.53
Deferred Charges		
Prepaid Expenses	(1,140,735.61)	(252,269.94)
Loans and Contracts	(2,215,143.18)	457,717.29
Other Assets	4,494.57	3,917.85
Payables	(998,979.47)	1,999,879.51
Due to Other Agencies/Funds	5,107.89	(1,635.26)
Due to System Members	3,805,168.97	(108,959.15)
Unearned Revenue	(8,187,942.17)	4,818,374.50
Deposits	38,918.80	15,161.20
Compensated Absence Liability	(8,834.40)	(28,233.48)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities	(359,551.67)	(8,445.01)
Total Adjustments	<u>\$ (822,050.35)</u>	<u>\$ 11,162,253.48</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (60,640,259.46)</u>	<u>\$ (59,519,728.71)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	606,506.79	4,556,145.23
Gain/Loss On Sale or Disposal of Capital Assets	(5,018.22)	(175,241.03)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	60,586,768.67	38,112.16

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Hispanic Serving Institutions Education Grants	10.223			\$	\$
Totals - U.S. Department of Agriculture					
U.S. Department of Housing and Urban Development					
Hispanic-Serving Institutions Assisting Communities	14.514				
Totals - U.S. Department of Housing and Urban Development					
U.S. Department of Transportation					
Highway Training and Education	20.215				
Totals - U.S. Department of Transportation					
National Endowment For The Humanities					
Promotion of the Humanities_Federal/State Partnership	45.129	Humanities Texas/ CO12-4247			800.00
<u>Direct Programs:</u>					
Promotion of the Arts_Grants to Organizations and Individuals	45.024				
Totals - National Endowment For The Humanities					800.00
National Science Foundation					
Education and Human Resources	47.076				
Totals - National Science Foundation					
Environmental Protection Agency					
Internships, Training and Workshops for the Office of Air and Radiation	66.037				
<i>Pass-Through To:</i>					
<i>Texas A&M University System Health Science Center</i>					
Greater Research Opportunities (GRO) Fellowships For Undergraduate Environmental Study	66.513				
Totals - Environmental Protection Agency					
U.S. Department of Education					
Mathematics and Science Partnerships	84.366	Alice ISD/ MOU 6-1-11			35,076.70
Mathematics and Science Partnerships		Mathis ISD/ MOU 701-11-103			3,443.86
<u>Direct Programs:</u>					
Higher Education_Institutional Aid	84.031				
Child Care Access Means Parents in School	84.335				
<u>Pass-Through From:</u>					
Adult Education - Basic Grants to States	84.002				
<i>Pass-Through From:</i>					
<i>Texas Education Agency</i>			701	328,318.42	
Career and Technical Education -- Basic Grants to States	84.048				
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Research</i>			556	3,833.94	
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334				
<i>Pass-Through From:</i>					
<i>Texas Education Agency</i>			701	108,471.82	
Totals - U.S. Department of Education				440,624.18	38,520.56
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912				
<u>Pass-Through From:</u>					
Centers of Excellence	93.157				
<i>Pass-Through From:</i>					
<i>University of Texas Health Science Center at Houston</i>			744	13,614.88	

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 73,599.57	\$ 73,599.57				\$ 73,599.57	\$ 73,599.57
73,599.57	73,599.57				73,599.57	73,599.57
209,161.22	209,161.22			175,074.90	34,086.32	209,161.22
209,161.22	209,161.22			175,074.90	34,086.32	209,161.22
11,862.69	11,862.69				11,862.69	11,862.69
11,862.69	11,862.69				11,862.69	11,862.69
	800.00				800.00	800.00
9,250.00	9,250.00				9,250.00	9,250.00
9,250.00	10,050.00				10,050.00	10,050.00
29,383.72	29,383.72				29,383.72	29,383.72
29,383.72	29,383.72				29,383.72	29,383.72
103,159.35	103,159.35				100,669.88	103,159.35
		709	2,489.47			
15,000.00	15,000.00				15,000.00	15,000.00
118,159.35	118,159.35		2,489.47		115,669.88	118,159.35
	35,076.70				35,076.70	35,076.70
	3,443.86				3,443.86	3,443.86
583,196.12	583,196.12			201,984.71	381,211.41	583,196.12
72,821.10	72,821.10				72,821.10	72,821.10
	328,318.42				328,318.42	328,318.42
	3,833.94				3,833.94	3,833.94
	108,471.82				108,471.82	108,471.82
656,017.22	1,135,161.96			201,984.71	933,177.25	1,135,161.96
124,235.01	124,235.01			85,910.62	38,324.39	124,235.01
	13,614.88				13,614.88	13,614.88

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Foster Care_ Title IV-E	93.658				
<i>Pass-Through From:</i> <i>Department of Family and Protective Services</i>			530	40,852.97	
Totals - U.S. Department of Health and Human Services				54,467.85	
Research & Development Cluster					
U.S. Department of Agriculture					
Small Business Innovation Research	10.212	Alpha Scents, Inc./ 10-0107			20,401.23
Cooperative Extension Service	10.500	University of Florida/ UF11232			1,964.07
Direct Programs:					
Agricultural Research_Basic and Applied Research	10.001				
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Wildlife Services	10.028				
Grants for Agricultural Research_Competitive Research Grants	10.206				
Hispanic Serving Institutions Education Grants	10.223				
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through To:</i> <i>Texas A&M AgriLife Research</i>					
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through To:</i> <i>University of Texas - Pan American</i>					
Agriculture and Food Research Initiative	10.310				
Soil and Water Conservation	10.902				
<i>Pass-Through From:</i> Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	8,031.27	
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	8,974.81	
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through From:</i> <i>University of Texas at El Paso</i>			724	121,596.48	
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through From:</i> <i>University of Texas - Pan American</i>			736	36,688.84	
Totals - U.S. Department of Agriculture				175,291.40	22,365.30
U.S. Department of Defense					
Research and Technology Development	12.910	University of California at Riverside/ S-000420			10,807.92
Research and Technology Development		University of California at Riverside/ S-000456			9,389.65
Direct Programs:					
Basic and Applied Scientific Research	12.300				
<i>Pass-Through From:</i> Basic, Applied, and Advanced Research in Science and Engineering	12.630				
<i>Pass-Through From:</i> <i>Texas Tech University</i>			733	7,996.40	
Totals - U.S. Department of Defense				7,996.40	20,197.57
U.S. Department of the Interior					

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To			Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount	Non-State Entities Amount		
	40,852.97				40,852.97	40,852.97
124,235.01	178,702.86			85,910.62	92,792.24	178,702.86
	20,401.23				20,401.23	20,401.23
	1,964.07				1,964.07	1,964.07
191,656.85	191,656.85				191,656.85	191,656.85
1,014,289.01	1,014,289.01				1,014,289.01	1,014,289.01
697.86	697.86				697.86	697.86
44,279.02	44,279.02				44,279.02	44,279.02
645,470.98	645,470.98			29,519.92	615,951.06	645,470.98
36,566.45	36,566.45					36,566.45
		556	36,566.45			
103,690.29	103,690.29					103,690.29
		736	103,690.29			
56,803.76	56,803.76			9,730.70	47,073.06	56,803.76
23,752.12	23,752.12				23,752.12	23,752.12
	8,031.27				8,031.27	8,031.27
	8,974.81				8,974.81	8,974.81
	121,596.48				121,596.48	121,596.48
	36,688.84				36,688.84	36,688.84
2,117,206.34	2,314,863.04		140,256.74	39,250.62	2,135,355.68	2,314,863.04
	10,807.92				10,807.92	10,807.92
	9,389.65				9,389.65	9,389.65
6,472.89	6,472.89				6,472.89	6,472.89
	7,996.40				7,996.40	7,996.40
6,472.89	34,666.86				34,666.86	34,666.86

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Fish, Wildlife and Plant Conservation Resource Management	15.231	Friends Of Laguna Atascosa National Wildlife Refuge/ FLANWRP FY12 1			4,652.58
Fish, Wildlife and Plant Conservation Resource Management		Friends Of Laguna Atascosa National Wildlife Refuge/ NWR 2010-30-07			1,365.99
Migratory Bird Joint Ventures	15.637	Ducks Unlimited, Inc/ US-LA-96-2			707.08
<u>Direct Programs:</u>					
Fish and Wildlife Management Assistance	15.608				
Migratory Bird Joint Ventures	15.637				
Migratory Bird Monitoring, Assessment and Conservation	15.655				
U.S. Geological Survey_ Research and Data Collection	15.808				
<u>Pass-Through From:</u>					
Coastal Program	15.630				
<u>Pass-Through From:</u>					
Texas A&M AgriLife Research			556	845.61	
Totals - U.S. Department of the Interior				845.61	6,725.65
National Endowment For The Humanities					
<u>Direct Programs:</u>					
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162				
Totals - National Endowment For The Humanities					
National Science Foundation					
Engineering Grants	47.041	Advanced Materials And Processes/ 0924122/SUB:11-1			58,465.49
Engineering Grants		Oregon State University/ 0830378 SUB S1148A- B			156.58
Education and Human Resources	47.076	Tennessee Technological University/ 1022934			13,138.48
<u>Direct Programs:</u>					
Engineering Grants	47.041				
Computer and Information Science and Engineering	47.070				
Totals - National Science Foundation					71,760.55
Environmental Protection Agency					
International Financial Assistance Projects Sponsored by the Office of International Affairs	66.931	Border Environment Cooperation Commission/ TAA12-034			4,700.00
<u>Direct Programs:</u>					
Science To Achieve Results (STAR) Research Program	66.509				
<u>Pass-Through From:</u>					
ARRA - Water Quality Management Planning	66.454				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality			582	1,194.99	
ARRA - Water Quality Management Planning	66.454				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality			582	3,712.50	
<u>Pass-Through To:</u>					
University of Texas at Brownsville					
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through From:</u>					

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SCHEDULE I - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	4,652.58				4,652.58	4,652.58
	1,365.99				1,365.99	1,365.99
	707.08				707.08	707.08
1,608.57	1,608.57				1,608.57	1,608.57
33,864.96	33,864.96				33,864.96	33,864.96
21,280.49	21,280.49				21,280.49	21,280.49
28,228.05	28,228.05				28,228.05	28,228.05
	845.61				845.61	845.61
84,982.07	92,553.33				92,553.33	92,553.33
7,009.47	7,009.47				7,009.47	7,009.47
7,009.47	7,009.47				7,009.47	7,009.47
	58,465.49				58,465.49	58,465.49
	156.58				156.58	156.58
	13,138.48				13,138.48	13,138.48
199,025.37	199,025.37			72,756.93	126,268.44	199,025.37
59,658.83	59,658.83				59,658.83	59,658.83
258,684.20	330,444.75			72,756.93	257,687.82	330,444.75
	4,700.00				4,700.00	4,700.00
870.63	870.63				870.63	870.63
	1,194.99				1,194.99	1,194.99
	3,712.50					3,712.50
		747	3,712.50			
	249,051.53			126,809.50	122,242.03	249,051.53

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Texas Commission on Environmental Quality</i>			582	249,051.53	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	70,304.70	
<i>Pass-Through To:</i> <i>University of Texas at Brownsville</i>					
Totals - Environmental Protection Agency				324,263.72	4,700.00
Nuclear Regulatory Commission					
<u>Direct Programs:</u>					
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006				
U.S. Nuclear Regulatory Commission Minority Serving Institutions Program (MSIP)	77.007				
Totals - Nuclear Regulatory Commission					
U.S. Department of Energy					
U.S. Department of Energy	81.000	UT-Battelle, LLC/ DE-AC05-00OR22725 SUB4000099674			7,726.54
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122	University of Minnesota/ DE-OE000427 SUBA002115147			12,075.34
Totals - U.S. Department of Energy					19,801.88
U.S. Department of Education					
Transition to Teaching	84.350	University of Louisiana at Monroe/ SVK010-TAMUK-00			143,491.04
<u>Direct Programs:</u>					
Higher Education Institutional Aid	84.031				
Totals - U.S. Department of Education					143,491.04
U.S. Department of Health and Human Services					
HIV Prevention Activities, Health Department Based	93.940	CHT Resource Group/ HHPMP1101013-01-00 SUB 1082010			31,280.78
<u>Direct Programs:</u>					
National Center for Research Resources	93.389				
Biomedical Research and Research Training	93.859				
Totals - U.S. Department of Health and Human Services					31,280.78
Educational Technology State Grants Cluster					
U.S. Department of Education					
ARRA - Education Technology State Grants, Recovery Act	84.386	Agua Dulce Independent School District/ L0553002711002			6,983.38
ARRA - Education Technology State Grants, Recovery Act		Agua Dulce Independent School District/ L0553002711002 Mathis Independent School			5,500.00
Totals - U.S. Department of Education					12,483.38
Statewide Data Systems Cluster					
U.S. Department of Education					
<u>Pass-Through From:</u> Statewide Data Systems	84.372				
<u>Pass-Through From:</u> <i>Texas Higher Education Coordinating Board</i>			781	2,000.00	
Totals - U.S. Department of Education				2,000.00	

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	70,304.70				65,473.35	70,304.70
		747	4,831.35			
870.63	329,834.35		8,543.85	126,809.50	194,481.00	329,834.35
99,320.23	99,320.23				99,320.23	99,320.23
49,064.58	49,064.58				49,064.58	49,064.58
148,384.81	148,384.81				148,384.81	148,384.81
	7,726.54				7,726.54	7,726.54
	12,075.34				12,075.34	12,075.34
	19,801.88				19,801.88	19,801.88
	143,491.04				143,491.04	143,491.04
785,456.94	785,456.94				785,456.94	785,456.94
785,456.94	928,947.98				928,947.98	928,947.98
	31,280.78				31,280.78	31,280.78
505,858.31	505,858.31				505,858.31	505,858.31
151,209.89	151,209.89				151,209.89	151,209.89
657,068.20	688,348.98				688,348.98	688,348.98
	6,983.38				6,983.38	6,983.38
	5,500.00			5,500.00		5,500.00
	12,483.38			5,500.00	6,983.38	12,483.38
	2,000.00				2,000.00	2,000.00
	2,000.00				2,000.00	2,000.00

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Supplemental Educational Opportunity Grants	84.007				
<u>Pass-Through To:</u>					
<i>Texas A&M University - San Antonio</i>					
Federal Work-Study Program	84.033				
Federal Perkins Loan Program_Federal Capital Contributions	84.038				
Federal Pell Grant Program	84.063				
Federal Pell Grant Program	84.063				
<u>Pass-Through To:</u>					
<i>Texas A&M University - San Antonio</i>					
Federal Direct Student Loans	84.268				
Federal Direct Student Loans	84.268				
<u>Pass-Through To:</u>					
<i>Texas A&M University - San Antonio</i>					
Totals - U.S. Department of Education					
TANF Cluster					
U.S. Department of Health and Human Services					
<u>Pass-Through From:</u>					
Temporary Assistance for Needy Families	93.558				
<u>Pass-Through From:</u>					
<i>Texas Workforce Commission</i>					
			320	108,942.03	
Totals - U.S. Department of Health and Human Services					108,942.03
Title I, Part A Cluster					
U.S. Department of Education					
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	Agua Dulce Independent School District/			144,749.76
<u>Pass-Through From:</u>					
<i>SUB11-0106</i>					
Totals - U.S. Department of Education					144,749.76
TRIO Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO_Student Support Services	84.042				
TRIO_Talent Search	84.044				
TRIO_Upward Bound	84.047				
TRIO_Educational Opportunity Centers	84.066				
TRIO_McNair Post-Baccalaureate Achievement	84.217				
Totals - U.S. Department of Education					
WIA Cluster					
U.S. Department of Labor					
<u>Pass-Through From:</u>					
WIA Adult Program	17.258				
<u>Pass-Through From:</u>					
<i>Texas Workforce Commission</i>					
			320	35,388.64	
Totals - U.S. Department of Labor					35,388.64
Total Expenditures of Federal Awards					\$ 1,149,819.83 \$ 516,876.47

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
425,951.80	425,951.80				425,951.80	425,951.80
57,500.00	57,500.00					57,500.00
		749	57,500.00			
461,486.26	461,486.26				461,486.26	461,486.26
164,504.00	164,504.00				164,504.00	164,504.00
13,559,997.95	13,559,997.95				13,559,997.95	13,559,997.95
6,101,139.98	6,101,139.98					6,101,139.98
		749	6,101,139.98			
36,205,368.00	36,205,368.00				36,205,368.00	36,205,368.00
23,474,147.00	23,474,147.00					23,474,147.00
		749	23,474,147.00			
80,450,094.99	80,450,094.99		29,632,786.98		50,817,308.01	80,450,094.99
	108,942.03				108,942.03	108,942.03
	108,942.03				108,942.03	108,942.03
	144,749.76				144,749.76	144,749.76
	144,749.76				144,749.76	144,749.76
214,218.64	214,218.64				214,218.64	214,218.64
234,814.02	234,814.02				234,814.02	234,814.02
401,425.31	401,425.31				401,425.31	401,425.31
199,136.97	199,136.97				199,136.97	199,136.97
246,589.72	246,589.72				246,589.72	246,589.72
1,296,184.66	1,296,184.66				1,296,184.66	1,296,184.66
	35,388.64				35,388.64	35,388.64
	35,388.64				35,388.64	35,388.64
\$ 87,044,083.98	\$ 88,710,780.28		\$ 29,784,077.04	\$ 707,287.28	\$ 58,219,415.96	\$ 88,710,780.28

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	8,081,803.04
Federal Grants and Contracts - Non-operating			19,661,137.93
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members) -Operating	\$	1,149,819.83	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			1,149,819.83
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	28,892,760.80

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			
Federal Perkins Loan Program			164,504.00
Federal Direct Student Loans			59,679,515.00
Health Education Assistance Loans			
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

Federal Grants to/from TAMRF			(25,999.52)
COBRA 65% Subsidy (CFDA Number 17.151)			
Total Pass Throughs and Expenditures per Federal Schedule		\$	<u>88,710,780.28</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - KINGSVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$ -	\$ -	\$ -	\$ -
Federal Perkins Loan Program	84.038	164,504.00		164,504.00	1,667,931.51
Federal Direct Student Loans	84.268	59,679,515.00	23,474,147.00	36,205,368.00	
Total, U. S. Department of Education		<u>59,844,019.00</u>	<u>23,474,147.00</u>	<u>36,369,872.00</u>	<u>1,667,931.51</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 59,844,019.00</u>	<u>\$ 23,474,147.00</u>	<u>\$ 36,369,872.00</u>	<u>\$ 1,667,931.51</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University participates as a depository library in the Government Printing Office's Depository Libraries of Government Publication program, CFDA 40.001. The University is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned a value by the Government Printing Office.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
Cooperative Forestry Assistance	10.664	\$ 37,798.23	\$ (37,798.23)	\$ -
Highway Training and Education	20.215	-	7,500.00	7,500.00
Engineering Grants	47.041	-	5,164.51	5,164.51
Greater Research Opportunities (GRO) Fellowships For Undergraduate I	66.513	-	10,000.00	10,000.00
U.S. Nuclear Regulatory Commission Nuclear Educ. Grant	77.006	8,967.30	(8,967.30)	-
Department of Energy	81.000	4,933.59	(4,933.59)	-
Federal Supplemental Educational Opportunity Grants	84.007	1,000.00	(1,000.00)	-
Career and Technical Education-Basic Grants to States	84.048	3,844.18	(3,844.18)	-
School Leadership	84.363	3,347.61	(3,347.61)	-
Academic Competitiveness Grants	84.375	375.00	(375.00)	-
National Center for Research Resources	93.389	24.41	(24.41)	-
HIV Prevention Activities Health Department Based	93.940	8,624.87	(1,280.78)	7,344.09
Small Business Innovation Research	10.212	10,284.09	(4,401.23)	5,882.86
		<u>\$ 79,199.28</u>	<u>\$ (43,307.82)</u>	<u>\$ 35,891.46</u>

Deferred Revenue Explanation:

The deferred revenue of \$35,891.46 consists of federal grant payments that have not been earned.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	\$ 1,728.00
HLAE (Hispanic Leaders in Agriculture and Environment) Texas A&M AgriLife Research	556.0005	556	14,343.14
Need Based Scholarships Texas A&M University System	710.0003	710	61,540.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	12,939.00
Ozone Near Non-Attainment University of North Texas	752.0001	752	73,775.81
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	5,394,375.00
Promote Participation & Success Texas Higher Education Coordinating Board	781.0017	781	5,408.28
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.002	781	(499.58)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	56,181.39
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	10,000.00
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	262,775.00
Work Study Mentorship Program Texas Higher Education Coordinating Board	781.0029	781	207,024.69
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	36,140.27
Various Projects Texas Commission on the Arts	813.0003	813	651.00
Total Pass-Through From State Agencies			\$ <u>6,136,382.00</u> (Exhibit IV)

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Texas Grant Program Texas A&M University - San Antonio	732.0002	749	\$ 7,500.00
Native Plant Integration Texas A&M AgriLife Research Tarleton State University	732.0004	556 713	7,924.51 11,150.13 <u>19,074.64</u>
Early High School Program HB1479 Texas A&M University - San Antonio	732.0005	749	4,605.50
Total Pass-Through To State Agencies			\$ <u>31,180.14</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY-KINGSVILLE
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 30,000.00
Petty Cash Department Working Fund	434.00
Temporary Working Fund	<u>6,490.81</u>
Total Cash On Hand	<u>\$ 36,924.81</u>
Cash In State Treasury:	
Fund 0254	\$ 10,611,436.58
Fund 5056	<u>31,182.86</u>
Total Cash In State Treasury	<u>\$ 10,642,619.44</u>
Reimbursements Due From State Treasury	\$ 212,024.11
Assets Held By System Offices-Current	<u>13,434,011.09</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 24,325,579.45</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 2,199,880.27</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 2,199,880.27</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 26,525,459.72</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY-KINGSVILLE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 1,413,103.47	\$	\$
Construction In Progress	4,761,553.25		(64,394,426.92)
Other Tangible Capital Assets	86,092.69		
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 6,260,749.41</u>	<u>\$</u>	<u>\$ (64,394,426.92)</u>
Depreciable Assets			
Buildings	\$ 127,375,071.83	\$	\$ 62,121,989.98
Infrastructure	11,324,237.10		994,086.14
Facilities and Other Improvements	8,365,165.77		1,278,350.80
Furniture and Equipment	15,898,715.63		
Vehicles, Boats and Aircraft	2,267,510.24		
Other Capital Assets	6,258,757.79		
Total Depreciable Assets at Historical Cost	<u>\$ 171,489,458.36</u>	<u>\$</u>	<u>\$ 64,394,426.92</u>
Less Accumulated Depreciation For:			
Buildings	\$ (68,320,175.36)	\$	\$
Infrastructure	(5,284,316.23)		
Facilities and Other Improvements	(4,310,952.82)		
Furniture and Equipment	(11,665,267.84)		
Vehicles, Boats and Aircraft	(1,680,454.00)		
Other Capital Assets	(5,617,513.33)		
Total Accumulated Depreciation	<u>\$ (96,878,679.58)</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 74,610,778.78</u>	<u>\$</u>	<u>\$ 64,394,426.92</u>
Amortizable Assets - Intangible			
Computer Software	\$ 525,578.56	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 525,578.56</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (523,565.51)	\$	\$
Total Accumulated Amortization	<u>\$ (523,565.51)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 2,013.05</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u><u>\$ 80,873,541.24</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 60,586,768.67	\$	\$ 161,411.00 4,031,347.24	\$	\$ 1,574,514.47 4,985,242.24 86,092.69
\$ 60,586,768.67	\$	\$ 4,192,758.24	\$	\$ 6,645,849.40
\$	\$	\$	\$ (10,201,678.56)	\$ 179,295,383.25 12,318,323.24 9,643,516.57 16,350,006.03 2,336,807.24 6,309,186.75
\$	\$	\$ 792,546.81	\$ (10,423,209.01)	\$ 226,253,223.08
\$	\$	\$ (3,952,428.79) (565,208.40) (299,361.63) (1,063,076.73) (185,579.51) (93,319.86)	\$ 95,346.12 171,512.37 42,503.00	\$ (72,177,258.03) (5,849,524.63) (4,610,314.45) (12,556,832.20) (1,823,530.51) (5,710,833.19)
\$	\$	\$ (6,158,974.92)	\$ 309,361.49	\$ (102,728,293.01)
\$	\$	\$ (5,366,428.11)	\$ (10,113,847.52)	\$ 123,524,930.07
\$	\$	\$	\$	\$ 525,578.56
\$	\$	\$	\$	\$ 525,578.56
\$	\$	\$ (1,725.36)	\$	\$ (525,290.87)
\$	\$	\$ (1,725.36)	\$	\$ (525,290.87)
\$	\$	\$ (1,725.36)	\$	\$ 287.69
\$ 60,586,768.67	\$	\$ (1,175,395.23)	\$ (10,113,847.52)	\$ 130,171,067.16

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - SAN ANTONIO

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. MARIA HERNANDEZ FERRIER, PRESIDENT

KEN MITTS, VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

DR. BRENT SNOW, PROVOST AND VICE PRESIDENT FOR ACADEMIC AFFAIRS

SAN ANTONIO, TEXAS

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TEXAS A&M UNIVERSITY - SAN ANTONIO

CURRENT YEAR
STUDENT ENROLLMENT DATA

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2011</u>	<u>FALL 2012</u>
Texas Resident	3,518	4,077
Out-of-State	9	12
Foreign	27	26
Unknown		
Total Students	<u>3,554</u>	<u>4,115</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01		
2001-02		
2002-03		
2003-04		
2004-05		
2005-06		
2006-07		
2007-08		
2008-09		
2009-10	2,343	21,141
2010-11	3,107	28,093
2011-12	3,554	31,570
2012-13	4,115	36,923

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TEXAS A&M UNIVERSITY - SAN ANTONIO
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<u>SCHEDULES</u>		
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EXHIBIT III
TEXAS A&M UNIVERSITY-SAN ANTONIO
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	11,437,810.07	13,608,202.74
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	446,662.15	767,383.37
Investments		
Legislative Appropriations	154,770.39	(72,632.53)
Receivables, Net:		
Federal	17,661.47	
Other Intergovernmental		162,390.92
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student	535,341.92	429,501.01
Investment Trades		
Accounts		
Other	291,121.49	252,718.22
Due From Other Agencies		
Due From Other Members	4,379,409.99	76,573.98
Due From Other Funds		
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	2,171,920.34	1,773,036.85
Interfund Receivable		
Other Current Assets	851,982.05	952,251.40
Total Current Assets	<u>\$ 20,286,679.87</u>	<u>\$ 17,949,425.96</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 624,694.25	\$ 301,686.52
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	3,819,642.91	
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	15,761,847.10	15,761,847.10
Construction In Progress		
Other Tangible Capital Assets	312,200.00	
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	26,929,956.28	
Infrastructure	2,517,023.89	
Facilities and Other Improvements	2,750,745.05	
Furniture and Equipment	1,150,176.96	554,214.20
Vehicles, Boats, and Aircraft	171,196.52	94,688.52
Other Capital Assets	515,391.64	499,568.02
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	257,680.00	
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(1,927,754.84)	(399,672.63)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 52,882,799.76</u>	<u>\$ 16,812,331.73</u>
Total Assets and Deferred Outflows	<u>\$ 73,169,479.63</u>	<u>\$ 34,761,757.69</u>

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EXHIBIT III
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 631,637.24	\$ 1,205,853.90
Payroll	1,154,899.91	1,000,141.22
Investment Trades		
Self-Insured Health and Dental		
Other	164,852.09	
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members	162,971.99	17,905.41
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	8,128,833.57	6,681,660.08
Employees' Compensable Leave	15,121.00	13,031.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	468,577.08	469,173.65
Obligations/Securities Lending		
Other Current Liabilities	124.84	124.84
	<u> </u>	<u> </u>
Total Current Liabilities	\$ 10,727,017.72	\$ 9,387,890.10
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	565,739.00	449,831.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	20,000.00	
	<u> </u>	<u> </u>
Total Non-Current Liabilities and Deferred Inflows	\$ 585,739.00	\$ 449,831.00
Total Liabilities and Deferred Inflows	\$ 11,312,756.72	\$ 9,837,721.10
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 48,438,462.60	\$ 16,510,645.21
Restricted For:		
Debt Service		
Capital Projects	179.76	
Education	2,561,739.58	2,153,841.38
Endowment and Permanent Funds:		
Nonexpendable		
Expendable	262,626.70	267,651.48
Unrestricted	10,593,714.27	5,991,898.52
	<u> </u>	<u> </u>
Total Net Assets [Exhibit IV]	\$ 61,856,722.91	\$ 24,924,036.59
Total Liabilities & Deferred Inflows and Net Assets	\$ 73,169,479.63	\$ 34,761,757.69
	<u> </u>	<u> </u>

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 18,428,341.61	\$ 14,592,214.08
Discounts and Allowances	(3,001,151.00)	(3,401,145.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	175,544.76	183,468.21
Net Other Sales of Goods and Services	147,005.56	73,886.83
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 15,749,740.93	\$ 11,448,424.12
Premium Revenue		
Interest Revenue	20,571.91	19,333.76
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	145,100.33	93,078.05
Federal Pass Through Revenue	57,500.00	114,380.00
State Grant Revenue		
State Pass Through Revenue	34,896.50	712,534.83
Other Grants and Contracts - Operating	9,600.00	2,100.00
Other Operating Revenue	91,908.23	52,048.98
Total Operating Revenues	\$ 16,109,317.90	\$ 12,441,899.74
Operating Expenses		
Instruction	\$ 11,091,750.50	\$ 9,922,122.56
Research	7,843.26	
Public Service	68,248.19	44,255.19
Hospitals and Clinics		
Academic Support	2,498,201.24	1,128,537.69
Student Services	3,694,930.16	3,614,132.78
Institutional Support	7,907,764.45	5,392,230.79
Operation & Maintenance of Plant	2,227,433.55	1,804,053.15
Scholarships & Fellowships	4,947,597.41	5,394,847.45
Auxiliary	202,771.93	47,118.22
Depreciation/Amortization	1,436,325.32	128,884.03
Total Operating Expenses [Schedule IV-1]	\$ 34,082,866.01	\$ 27,476,181.86
Total Operating Income [Loss]	\$ (17,973,548.11)	\$ (15,034,282.12)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 16,763,294.67	\$ 659,215.90
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating	6,101,139.98	6,918,201.54
State Pass Through Non-Operating		
Gifts	601,531.87	509,311.66
Land Income		
Investment Income	73,699.40	46,827.54
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(4,520.28)	(5,748.25)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value	80,941.96	9,750.82
Settlement of Claims		
Other Nonoperating Revenues	3,843.64	4,447.39
Other Nonoperating [Expenses]	(559,640.64)	(590.00)
Total Nonoperating Revenues [Expenses]	\$ 23,060,290.60	\$ 8,141,416.60
Income [Loss] Before Other Revenues and Transfers	\$ 5,086,742.49	\$ (6,892,865.52)

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 7,053.00	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	811,938.09	35,198.10
Nonmandatory Transfers From Members/Agencies-Cap Assets	33,626,275.62	476,615.59
Transfers Out		
Transfers to Other State Agencies	(139,534.46)	(106,795.74)
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members	(1,823.53)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		11,275,595.00
Legislative Transfers - Out	(2,636,088.00)	
Legislative Appropriations Lapsed		
Total Other Revenues and Transfers	\$ 31,667,820.72	\$ 11,680,612.95
Change In Net Assets	\$ 36,754,563.21	\$ 4,787,747.43
Beginning Net Assets, September 1, 2011 and 2010	\$ 24,924,036.59	\$ 19,340,775.91
Restatement	178,123.11	795,513.25
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 25,102,159.70	\$ 20,136,289.16
Net Assets, August 31, 2012 and 2011	\$ 61,856,722.91	\$ 24,924,036.59

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold			1,000.00		
Salaries & Wages	8,134,087.38	7,200.00	9,500.00		1,155,108.83
Payroll Related Costs	1,558,162.84	643.26	1,030.44		496,561.92
Professional Fees & Services	87,146.39		8,537.06		332,986.29
Travel	199,183.77		374.61		16,216.69
Materials & Supplies	282,289.19		8,217.66		57,582.63
Communication & Utilities	683,745.48				366,289.25
Repairs & Maintenance	31,145.44				228.79
Rentals & Leases	40,423.05				1,315.00
Printing & Reproduction	8,437.28		3,290.29		20,377.30
Federal Pass-Through					
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	423.01				118.76
Scholarships			5,309.00		
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	66,706.67		30,989.13		51,415.78
Total Operating Expenses	\$ 11,091,750.50	\$ 7,843.26	\$ 68,248.19	\$	\$ 2,498,201.24

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
						1,000.00	
2,312,540.44	3,627,694.91	382,542.71		138,248.89		15,766,923.16	13,612,000.01
331,806.14	847,153.13	79,419.18		54,781.06		3,369,557.97	2,854,592.88
223,311.30	1,125,404.64	83,925.63		3,425.00		1,864,736.31	1,412,789.02
63,725.59	103,880.17	7,012.55		1,411.34		391,804.72	270,720.26
243,700.34	1,048,178.18	158,199.29		4,131.94		1,802,299.23	1,238,927.63
6,282.21	211,462.95	450,328.25				1,718,108.14	896,849.65
157,974.88	70,274.98	57,874.21		211.83		317,710.13	217,380.44
31,382.11	21,073.22	676,726.72				770,920.10	381,009.81
56,399.88	169,360.73	542.47		100.00		258,507.95	231,301.09
					1,436,325.32	1,436,325.32	128,884.03
62,312.37						62,312.37	62,384.43
39.96	361.10	224.82				1,167.65	257.29
			4,947,597.41			4,952,906.41	5,447,469.15
205,454.94	682,920.44	330,637.72		461.87		1,368,586.55	721,616.17
<u>\$ 3,694,930.16</u>	<u>\$ 7,907,764.45</u>	<u>\$ 2,227,433.55</u>	<u>\$ 4,947,597.41</u>	<u>\$ 202,771.93</u>	<u>\$ 1,436,325.32</u>	<u>\$ 34,082,866.01</u>	<u>\$ 27,476,181.86</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	6,550,519.53	13,154,237.35
Proceeds Received From Customers	1,066,118.44	208,508.21
Proceeds From Sponsored Programs	391,826.28	821,203.58
Proceeds From Auxiliary Enterprises	131,598.97	184,456.61
Proceeds From Loan Programs	53,076.91	54,527.76
Proceeds From Other Revenues	59,403.23	16,979.82
Payments to Suppliers for Goods and Services	(9,268,546.73)	(6,297,751.88)
Payments to Employees - Salaries	(15,669,317.97)	(13,784,227.17)
Payments to Employees - Benefits	(3,194,406.47)	(2,672,685.78)
Payments for Loans Provided	(460,305.86)	(593,950.58)
Payments for Other Expenses	(4,952,906.41)	(5,867,594.76)
Net Cash Provided [Used] By Operating Activities	<u>\$ (25,292,940.08)</u>	<u>\$ (14,776,296.84)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 16,535,891.75	\$ 1,865,273.00
Proceeds From Gifts	601,531.87	509,311.66
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	6,101,139.98	6,918,201.54
Proceeds From Contributed Capital		
Proceeds From Other Revenues	6,114,228.24	185,779.91
Payments of Interest		
Payments - Transfers to Other Funds	(139,534.46)	(106,795.74)
Payments for Grant Disbursements		
Payments for Other Uses	(596.57)	(590.00)
Other Noncapital Transfers From/To System	310,114.56	11,310,793.10
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 29,522,775.37</u>	<u>\$ 20,681,973.47</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(92,331.62)	(293,843.56)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		
Intrasystem Transfers for Capital Debt [Mandatory]	(2,636,088.00)	
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (2,728,419.62)</u>	<u>\$ (293,843.56)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(4,061,708.68)	(47,208.74)
Proceeds From Interest and Investment Income	69,179.12	41,079.29
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (3,992,529.56)</u>	<u>\$ (6,129.45)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ (2,491,113.89)</u>	<u>\$ 5,605,703.62</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 14,375,586.11</u>	<u>\$ 8,769,882.49</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 14,375,586.11</u>	<u>\$ 8,769,882.49</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u><u>\$ 11,884,472.22</u></u>	<u><u>\$ 14,375,586.11</u></u>

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(17,973,548.11)	(15,034,282.12)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	1,436,325.32	128,884.03
Bad Debt Expense	143,054.84	137,725.05
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(80,257.20)	(656,092.87)
Due From Other Agencies/Funds		85,361.27
Due From System Members	(3,802,836.01)	117,749.51
Inventory		
Deferred Charges		
Prepaid Expenses	(508,517.96)	(361,994.65)
Loans and Contracts	(461,195.86)	(596,426.58)
Other Assets	608,787.31	(305,805.08)
Payables	(254,605.88)	162,743.01
Due to Other Agencies/Funds		
Due to System Members	145,066.58	(158,747.38)
Unearned Revenue	(4,663,211.11)	1,684,492.13
Deposits		124.84
Compensated Absence Liability	117,998.00	19,972.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ (7,319,391.97)</u>	<u>\$ 257,985.28</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (25,292,940.08)</u>	<u>\$ (14,776,296.84)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	25,240.28	9,750.82
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	33,626,275.62	476,615.59

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
<u>Direct Programs:</u>					
Fund for the Improvement of Postsecondary Education	84.116			\$	\$
Totals - U.S. Department of Education					
<u>Student Financial Assistance Cluster</u>					
U.S. Department of Education					
<u>Pass-Through From:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
<i>Pass-Through From:</i>					
<i>Texas A&M University - Kingsville</i>			732	57,500.00	
Federal Pell Grant Program	84.063				
<i>Pass-Through From:</i>					
<i>Texas A&M University - Kingsville</i>			732	6,101,139.98	
Federal Direct Student Loans	84.268				
<i>Pass-Through From:</i>					
<i>Texas A&M University - Kingsville</i>			732	23,474,147.00	
Totals - U.S. Department of Education				29,632,786.98	
Total Expenditures of Federal Awards				\$ 29,632,786.98	\$ -

UNAUDITED

SCHEDULE I - A
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 145,100.33	\$ 145,100.33		\$	\$	\$ 145,100.33	\$ 145,100.33
145,100.33	145,100.33				145,100.33	145,100.33
	57,500.00				57,500.00	57,500.00
	6,101,139.98				6,101,139.98	6,101,139.98
	23,474,147.00				23,474,147.00	23,474,147.00
	29,632,786.98				29,632,786.98	29,632,786.98
<u>\$ 145,100.33</u>	<u>\$ 29,777,887.31</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,777,887.31</u>	<u>\$ 29,777,887.31</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - SAN ANTONIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGH)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 145,100.33
Federal Grants and Contracts - Non-operating	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 57,500.00
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	6,101,139.98
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	<u>6,158,639.98</u>
Federal Appropriations	
Total Federal Revenue per Exhibit IV	<u>\$ 6,303,740.31</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	
Federal Direct Student Loans	23,474,147.00
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants to/from TAMRF	
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	<u>\$ 29,777,887.31</u>

UNAUDITED

SCHEDULE I - A
 TEXAS A&M UNIVERSITY - SAN ANTONIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	23,474,147.00			
Total, U. S. Department of Education		<u>23,474,147.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 23,474,147.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

The University does not participate as a depository library in the Government Printing Office's Depository Libraries of Government Publication program, CFDA 40.001.

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

UNAUDITED

SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Need Based Scholarships Texas A&M University System	710.0003	710	\$ 22,791.00
Texas Grant Program Texas A&M University - Kingsville	732.0002	732	7,500.00
Early High School Program HB1479 Texas A&M University - Kingsville	732.0005	732	4,605.50
Total Pass-Through From State Agencies			\$ <u>34,896.50</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

UNAUDITED

SCHEDULE THREE
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 2,550.00
Total Cash On Hand	<u>\$ 2,550.00</u>
Cash In State Treasury:	
Fund 0290	\$ 5,667,607.16
Total Cash In State Treasury	<u>\$ 5,667,607.16</u>
Assets Held By System Offices-Current	<u>\$ 5,767,652.91</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 11,437,810.07</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	\$ 446,662.15
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 446,662.15</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 11,884,472.22</u></u>

UNAUDITED

SCHEDULE N-2
 TEXAS A&M UNIVERSITY-SAN ANTONIO
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

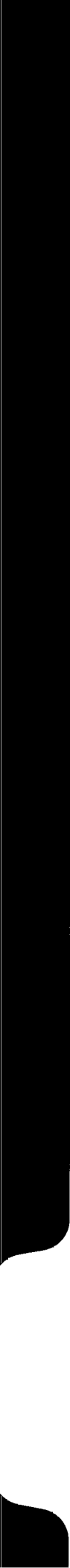
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 15,761,847.10	\$	\$
Construction In Progress			(33,626,275.62)
Other Tangible Capital Assets		12,200.00	300,000.00
Total Non-Depreciable/Non-Amortizable Assets	\$ 15,761,847.10	\$ 12,200.00	\$ (33,326,275.62)
Depreciable Assets			
Buildings	\$	\$	\$ 26,929,956.28
Infrastructure			2,517,023.89
Facilities and Other Improvements			2,750,745.05
Furniture and Equipment	554,214.20		1,128,550.40
Vehicles, Boats and Aircraft	94,688.52		
Other Capital Assets	499,568.02		
Total Depreciable Assets at Historical Cost	\$ 1,148,470.74	\$	\$ 33,326,275.62
Less Accumulated Depreciation For:			
Buildings	\$	\$	\$
Infrastructure			
Facilities and Other Improvements			
Furniture and Equipment	(190,719.45)		
Vehicles, Boats and Aircraft	(28,254.21)		
Other Capital Assets	(180,698.97)	(5,863.56)	
Total Accumulated Depreciation	\$ (399,672.63)	\$ (5,863.56)	\$
Depreciable Assets, Net	\$ 748,798.11	\$ (5,863.56)	\$ 33,326,275.62
Amortizable Assets - Intangible			
Computer Software	\$	\$ 257,680.00	\$
Total Intangible Assets at Historical Cost	\$	\$ 257,680.00	\$
Less Accumulated Amortization For:			
Computer Software	\$	\$ (85,893.33)	\$
Total Accumulated Amortization	\$	\$ (85,893.33)	\$
Amortizable Assets-Net	\$	\$ 171,786.67	\$
Capital Assets, Net	\$ 16,510,645.21	\$ 178,123.11	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 33,626,275.62	\$	\$	\$	\$ 15,761,847.10
				312,200.00
<u>\$ 33,626,275.62</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 16,074,047.10</u>
\$	\$	\$	\$	\$ 26,929,956.28
				2,517,023.89
				2,750,745.05
		7,053.00	(539,640.64)	1,150,176.96
		76,508.00		171,196.52
		15,823.62		515,391.64
<u>\$</u>	<u>\$</u>	<u>\$ 99,384.62</u>	<u>\$ (539,640.64)</u>	<u>\$ 34,034,490.34</u>
\$	\$	\$ (902,181.68)	\$	\$ (902,181.68)
		(87,214.00)		(87,214.00)
		(89,476.96)		(89,476.96)
		(164,743.44)		(355,462.89)
		(19,394.34)		(47,648.55)
		(87,421.57)		(273,984.10)
<u>\$</u>	<u>\$</u>	<u>\$ (1,350,431.99)</u>	<u>\$</u>	<u>\$ (1,755,968.18)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (1,251,047.37)</u>	<u>\$ (539,640.64)</u>	<u>\$ 32,278,522.16</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 257,680.00</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 257,680.00</u>
<u>\$</u>	<u>\$</u>	<u>\$ (85,893.33)</u>	<u>\$</u>	<u>\$ (171,786.66)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (85,893.33)</u>	<u>\$</u>	<u>\$ (171,786.66)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (85,893.33)</u>	<u>\$</u>	<u>\$ 85,893.34</u>
<u>\$ 33,626,275.62</u>	<u>\$</u>	<u>\$ (1,336,940.70)</u>	<u>\$ (539,640.64)</u>	<u>\$ 48,438,462.60</u>

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TEXAS A&M UNIVERSITY - SAN ANTONIO

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FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY - TEXARKANA

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. KEITH MCFARLAND, INTERIM PRESIDENT

RANDY RIKEL, VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

TEXARKANA, TEXAS

UNAUDITED

TEXAS A&M UNIVERSITY - TEXARKANA

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	1,400	1,399
Out-of-State	497	488
Foreign	10	16
Total Students	1,907	1,903

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2000-01	1,195	9,159
2001-02	1,219	9,493
2002-03	1,367	10,789
2003-04	1,429	11,591
2004-05	1,540	12,233
2005-06	1,549	11,740
2006-07	1,625	12,156
2007-08	1,605	12,374
2008-09	1,626	12,292
2009-10	1,602	13,092
2010-11	1,831	16,257
2011-12	1,907	19,106
2012-13	1,903	18,973

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TEXAS A&M UNIVERSITY - TEXARKANA
INDEX

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EXHIBIT III
TEXAS A&M UNIVERSITY-TEXARKANA
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	10,102,665.37	7,553,589.45
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	502,709.87	69,069.70
Investments		
Legislative Appropriations	2,929,921.07	2,603,890.48
Receivables, Net:		
Federal	37,440.25	1,571,611.01
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		407,125.00
Self-Insured Health and Dental		
Student	194,831.55	585,612.74
Investment Trades		
Accounts	6,035.20	
Other	146.04	4,621.74
Due From Other Agencies		337,941.77
Due From Other Members	7,622.57	9,644.05
Due From Other Funds		
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	27,057.17	493,430.19
Interfund Receivable		
Other Current Assets	1,207,451.52	1,449,813.41
Total Current Assets	<u>\$ 15,015,880.61</u>	<u>\$ 15,086,349.54</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 6,532,912.15	\$ 5,106,253.12
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	14,651,629.78	13,887,196.74
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	4,575,858.00	4,575,858.00
Construction In Progress		225.00
Other Tangible Capital Assets		
Land Use Rights	45,495.00	45,495.00
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	91,485,340.80	80,238,489.17
Infrastructure	15,478,119.29	15,146,260.30
Facilities and Other Improvements	3,678,154.61	2,763,396.28
Furniture and Equipment	2,498,568.81	2,351,213.20
Vehicles, Boats, and Aircraft	217,172.21	179,539.46
Other Capital Assets	4,662,424.06	4,584,809.19
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	144,464.17	144,464.17
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(20,639,623.48)	(15,460,520.90)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 123,330,515.40</u>	<u>\$ 113,562,678.73</u>
Total Assets and Deferred Outflows	<u>\$ 138,346,396.01</u>	<u>\$ 128,649,028.27</u>

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EXHIBIT III
TEXAS A&M UNIVERSITY-TEXARKANA
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 308,878.91	\$ 263,891.41
Payroll	736,154.01	790,918.65
Investment Trades		
Self-Insured Health and Dental		
Other	142,529.05	793,103.56
Interfund Payable		
Due to Other Agencies		11,727.99
Due to Other Funds		
Due to Other Members	8,095.91	
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	1,330,856.66	3,785,745.67
Employees' Compensable Leave	78,057.00	101,350.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	(7,614.66)	10,151.15
Obligations/Securities Lending		
Other Current Liabilities	290,201.31	232,938.73
Total Current Liabilities	<u>\$ 2,887,158.19</u>	<u>\$ 5,989,827.16</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 309,810.00	\$ 246,767.00
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		40,000.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 309,810.00</u>	<u>\$ 286,767.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 3,196,968.19</u>	<u>\$ 6,276,594.16</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 102,145,973.47	\$ 94,569,228.87
Restricted For:		
Debt Service		
Capital Projects		
Education	2,283,961.62	2,802,027.69
Endowment and Permanent Funds:		
Nonexpendable	3,842,139.38	3,615,205.59
Expendable	7,380.93	31,263.35
Unrestricted	26,869,972.42	21,354,708.61
Total Net Assets [Exhibit IV]	<u>\$ 135,149,427.82</u>	<u>\$ 122,372,434.11</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 138,346,396.01</u>	<u>\$ 128,649,028.27</u>

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-TEXARKANA
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 8,928,425.41	\$ 7,634,347.98
Discounts and Allowances	(2,473,269.00)	(2,028,166.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	1,484,364.44	54,998.80
Net Other Sales of Goods and Services	332,319.32	278,953.75
Discounts and Allowances-Sales	(161,812.00)	
Total Sales of Goods and Services	\$ 8,110,028.17	\$ 5,940,134.53
Premium Revenue		
Interest Revenue	11,539.71	4,955.45
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	339,573.08	473,603.23
Federal Pass Through Revenue	167,894.38	821,331.52
State Grant Revenue		
State Pass Through Revenue	480,335.81	580,513.34
Other Grants and Contracts - Operating	95,700.00	66,398.59
Other Operating Revenue	65,369.30	14,569.17
Total Operating Revenues	\$ 9,270,440.45	\$ 7,901,505.83
Operating Expenses		
Instruction	\$ 8,634,822.04	\$ 9,000,746.57
Research	143,464.01	130,426.56
Public Service	37,767.66	44,568.51
Hospitals and Clinics		
Academic Support	1,965,903.25	2,220,705.13
Student Services	1,793,696.04	1,287,403.31
Institutional Support	3,298,207.99	4,823,167.82
Operation & Maintenance of Plant	1,919,329.98	2,776,308.39
Scholarships & Fellowships	2,981,492.69	3,040,969.07
Auxiliary	1,127,474.07	440,545.59
Depreciation/Amortization	5,230,936.18	3,847,812.42
Total Operating Expenses [Schedule IV-1]	\$ 27,133,093.91	\$ 27,612,653.37
Total Operating Income [Loss]	\$ (17,862,653.46)	\$ (19,711,147.54)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 16,900,162.45	\$ 17,122,782.91
Federal Revenue Non-Operating	3,061,304.99	2,651,392.45
Federal Pass Through Non-Operating		4,605,693.27
State Pass Through Non-Operating		
Gifts	1,374,969.88	2,547,676.41
Land Income		
Investment Income	387,061.33	332,490.91
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(35,315.71)	(42,631.96)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value	618,690.75	855,459.77
Settlement of Claims		
Other Nonoperating Revenues	103,620.64	87,760.32
Other Nonoperating [Expenses]	(1,096,886.80)	(2,199,070.30)
Total Nonoperating Revenues [Expenses]	\$ 21,313,607.53	\$ 25,961,553.78
Income [Loss] Before Other Revenues and Transfers	\$ 3,450,954.07	\$ 6,250,406.24

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EXHIBIT IV
 TEXAS A&M UNIVERSITY-TEXARKANA
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$	\$ 45,495.00
Capital Appropriations [Higher Education Fund]	1,307,907.00	1,307,907.00
Additions to Permanent and Term Endowments	85,616.17	87,622.04
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	392,281.88	205,079.47
Nonmandatory Transfers From Members/Agencies-Cap Assets	13,698,993.59	73,808,261.68
Transfers Out		
Transfers to Other State Agencies	(57,666.00)	(43,272.60)
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members	(233,000.00)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(5,868,093.00)	(7,256,562.00)
Legislative Appropriations Lapsed		
Total Other Revenues and Transfers	\$ 9,326,039.64	\$ 68,154,530.59
Change In Net Assets	\$ 12,776,993.71	\$ 74,404,936.83
Beginning Net Assets, September 1, 2011 and 2010	\$ 122,372,434.11	\$ 45,506,808.28
Restatement		2,460,689.00
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 122,372,434.11	\$ 47,967,497.28
Net Assets, August 31, 2012 and 2011	\$ 135,149,427.82	\$ 122,372,434.11

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SCHEDULE IV-1
 TEXAS A&M UNIVERSITY-TEXARKANA
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	6,305,645.58	116,429.09	12,110.00		1,029,712.74
Payroll Related Costs	1,651,105.11	13,721.62	1,258.37		186,041.26
Professional Fees & Services	34,995.12		16,550.00		70,730.78
Travel	102,152.98	6,296.57	512.38		12,795.83
Materials & Supplies	295,241.42	3,858.39			121,975.11
Communication & Utilities	2,874.00				382,303.67
Repairs & Maintenance	62,724.16		200.91		61,096.62
Rentals & Leases	36,415.21				7,394.34
Printing & Reproduction	9,511.85	520.00			3,451.48
Federal Pass-Through					
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest					
Scholarships	59,142.71		7,000.00		1,455.54
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	75,013.90	2,638.34	136.00		88,945.88
Total Operating Expenses	\$ 8,634,822.04	\$ 143,464.01	\$ 37,767.66	\$	\$ 1,965,903.25

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
1,090,363.75	1,726,335.82	615,498.30	16,287.80	411,409.71		11,323,792.79	10,805,827.68
237,755.60	410,490.96	140,214.10	1.92	94,883.45		2,735,472.39	2,758,112.01
84,729.34	342,133.84	219,690.44		130,495.79		899,325.31	1,342,151.99
23,443.79	40,157.95	453.71		42,903.57		228,716.78	230,930.50
96,665.63	101,411.64	238,130.29	466.89	135,293.14		993,042.51	1,971,390.69
4,497.35	90,530.22	567,524.17		113,420.41		1,161,149.82	1,101,665.52
106,893.36	165,554.53	79,575.57		11,404.79		487,449.94	522,708.86
8,617.61	12,967.15	7,216.92		20,222.00		92,833.23	510,815.39
14,034.56	30,918.00	652.96		10,722.39		69,811.24	63,402.83
							425,159.58
(27,918.00)					5,230,936.18	5,230,936.18	3,847,812.42
						(27,918.00)	54,833.61
7,000.00	13,500.00		2,962,736.08	21,680.99			501.53
						3,072,515.32	2,729,484.67
147,613.05	364,207.88	50,373.52	2,000.00	135,037.83		865,966.40	1,247,856.09
<u>\$ 1,793,696.04</u>	<u>\$ 3,298,207.99</u>	<u>\$ 1,919,329.98</u>	<u>\$ 2,981,492.69</u>	<u>\$ 1,127,474.07</u>	<u>\$ 5,230,936.18</u>	<u>\$ 27,133,093.91</u>	<u>\$ 27,612,653.37</u>

[Exhibit IV]

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EXHIBIT V
TEXAS A&M UNIVERSITY-TEXARKANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	3,944,993.44	8,190,372.91
Proceeds Received From Customers	818,304.76	268,802.62
Proceeds From Sponsored Programs	2,687,173.22	1,029,555.35
Proceeds From Auxiliary Enterprises	1,326,662.31	60,248.70
Proceeds From Loan Programs	505,830.73	4,955.45
Proceeds From Other Revenues	13,873.06	66,180.72
Payments to Suppliers for Goods and Services	(4,640,424.37)	(7,209,268.26)
Payments to Employees - Salaries	(10,935,377.07)	(11,214,361.85)
Payments to Employees - Benefits	(2,576,895.54)	(3,069,985.87)
Payments for Loans Provided		(214,903.94)
Payments for Other Expenses	(4,140,020.85)	(3,333,179.06)
Net Cash Provided [Used] By Operating Activities	\$ (12,995,880.31)	\$ (15,421,583.23)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 17,803,234.89	\$ 17,483,957.95
Proceeds From Gifts	1,782,094.88	2,140,551.41
Proceeds From Endowments	85,616.17	87,622.04
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	3,327,602.56	7,331,341.38
Proceeds From Contributed Capital		
Proceeds From Other Revenues	103,620.64	87,760.32
Payments of Interest		
Payments - Transfers to Other Funds	(57,666.00)	(43,272.60)
Payments for Grant Disbursements		
Payments for Other Uses	(2,949.37)	(9,848.85)
Other Noncapital Transfers From/To System	192,281.88	205,079.47
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 23,233,835.65	\$ 27,283,191.12
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	78,803.97	1,250,923.29
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets		
Payments of Principal On Debt	(220,390.43)	(584,457.01)
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		
Intrasystem Transfers for Capital Debt [Mandatory]	(5,868,093.00)	(7,256,562.00)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(24,904.09)	
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (6,034,583.55)	\$ (6,590,095.72)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(1,572,401.32)	(5,492,355.11)
Proceeds From Interest and Investment Income	351,745.62	289,858.95
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (1,220,655.70)	\$ (5,202,496.16)
Increase [Decrease] In Cash and Cash Equivalents	\$ 2,982,716.09	\$ 69,016.01
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 7,622,659.15	\$ 7,553,643.14
Restated Beginning Cash and Cash Equivalents	\$ 7,622,659.15	\$ 7,553,643.14
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 10,605,375.24	\$ 7,622,659.15

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EXHIBIT V
 TEXAS A&M UNIVERSITY-TEXARKANA
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(17,862,653.46)	(19,711,147.54)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	5,230,936.18	3,847,812.42
Bad Debt Expense	95,992.00	200,234.00
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	1,799,482.45	(184,508.56)
Due From Other Agencies/Funds	71,644.20	48,283.00
Due From System Members	2,021.48	203.05
Inventory		
Deferred Charges		
Prepaid Expenses	133,693.21	(125,916.63)
Loans and Contracts	494,291.02	(214,903.94)
Other Assets	108,668.68	(794,117.12)
Payables	(675,168.09)	(289,133.53)
Due to Other Agencies/Funds	(11,727.99)	11,727.99
Due to System Members		(5,000.00)
Unearned Revenue	(2,454,889.01)	1,711,947.08
Deposits	32,079.02	51,611.55
Compensated Absence Liability	39,750.00	31,325.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 4,866,773.15</u>	<u>\$ 4,289,564.31</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (12,995,880.31)</u>	<u>\$ (15,421,583.23)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	284,977.86	606,189.68
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	13,698,993.59	73,808,261.68

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-TEXARKANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
Improving Teacher Quality State Grants	84.367	University of California - Berkeley/ 425336		\$	\$ 20,000.00
<u>Pass-Through From:</u>					
Mathematics and Science Partnerships	84.366				
<u>Pass-Through From:</u> University of Texas at Austin			721	77,318.95	
Mathematics and Science Partnerships	84.366				
<u>Pass-Through From:</u> University of Texas at Tyler			750	6,999.00	
Improving Teacher Quality State Grants	84.367				
<u>Pass-Through From:</u> Texas Higher Education Coordinating Board			781	90,872.00	
Totals - U.S. Department of Education				175,189.95	20,000.00
Research & Development Cluster					
National Science Foundation					
<u>Direct Programs:</u>					
ARRA - Trans-NSF Recovery Act Research Support	47.082				
Totals - National Science Foundation					
Special Education (IDEA) Cluster					
U.S. Department of Education					
<u>Pass-Through From:</u>					
Special Education Grants to States	84.027				
<u>Pass-Through From:</u> Texas Education Agency			701	(7,295.57)	
Totals - U.S. Department of Education				(7,295.57)	
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 167,894.38	\$ 20,000.00

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY-TEXARKANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures			
			Agencies or Universities Amount	Non-State Entities Amount					
\$	\$	20,000.00	\$	\$	\$	\$	20,000.00	\$	20,000.00
		77,318.95					77,318.95		77,318.95
		6,999.00					6,999.00		6,999.00
		90,872.00					90,872.00		90,872.00
		195,189.95					195,189.95		195,189.95
	114,743.90	114,743.90					114,743.90		114,743.90
	114,743.90	114,743.90					114,743.90		114,743.90
		(7,295.57)					(7,295.57)		(7,295.57)
		(7,295.57)					(7,295.57)		(7,295.57)
	35,229.00	35,229.00					35,229.00		35,229.00
	17,891.86	17,891.86					17,891.86		17,891.86
	3,061,304.99	3,061,304.99					3,061,304.99		3,061,304.99
	6,614,511.00	6,614,511.00					6,614,511.00		6,614,511.00
	110,182.00	110,182.00					110,182.00		110,182.00
	9,839,118.85	9,839,118.85					9,839,118.85		9,839,118.85
\$	\$	9,953,862.75	\$	\$	\$	\$	10,141,757.13	\$	10,141,757.13

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SCHEDULE I - A
 TEXAS A&M UNIVERSITY - TEXARKANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:		
Federal Grants and Contracts - Operating		\$ 339,573.08
Federal Grants and Contracts - Non-operating		3,061,304.99
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 167,894.38	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		
Total Federal Pass-Through Grants		167,894.38
Federal Appropriations		
Total Federal Revenue per Exhibit IV		\$ 3,568,772.45
Reconciling Items:		
ADD:		
Non-Monetary Assistance [NOTE 1]:		
Donation of Federal Surplus Property		
New Loans Processed [NOTE 3]:		
Federal Family Education Loans		
Federal Perkins Loan Program		
Federal Direct Student Loans		6,614,511.00
Health Education Assistance Loans		
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students		
DEDUCT:		
Federal Grants to/from TAMRF		(41,526.32)
COBRA 65% Subsidy (CFDA Number 17.151)		
Total Pass Throughs and Expenditures per Federal Schedule		\$ 10,141,757.13

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY - TEXARKANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	6,614,511.00			
Total, U. S. Department of Education		6,614,511.00	-	-	-
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		-	-	-	-
Total Student Loans Processed and Administrative Costs Recovered		\$ 6,614,511.00	\$ -	\$ -	\$ -

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY-TEXARKANA
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	\$ (7,468.00)
Need Based Scholarships Texas A&M University System	710.0003	710	9,530.00
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	475,481.00
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.002	781	(6,555.69)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	1,348.50
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	8,000.00
Total Pass-Through From State Agencies			\$ <u>480,335.81</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY-TEXARKANA
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 710.00
Petty Cash Department Working Fund	<u>610.00</u>
Total Cash On Hand	<u>\$ 1,320.00</u>
Cash In State Treasury:	
Fund 0232	<u>\$ 5,644,033.46</u>
Total Cash In State Treasury	<u>\$ 5,644,033.46</u>
Assets Held By System Offices-Current	<u>\$ 4,457,311.91</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 10,102,665.37</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 502,709.87</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 502,709.87</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 10,605,375.24</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY-TEXARKANA
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

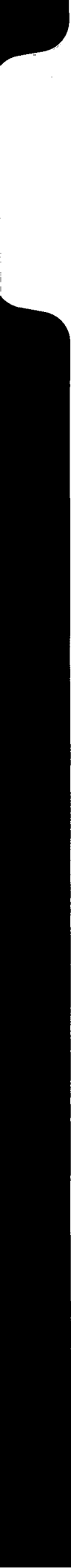
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 4,575,858.00	\$	\$
Construction In Progress	225.00		(13,699,218.59)
Land Use Rights	45,495.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 4,621,578.00	\$	\$ (13,699,218.59)
Depreciable Assets			
Buildings	\$ 80,238,489.17	\$	\$ 12,358,554.87
Infrastructure	15,146,260.30		331,858.99
Facilities and Other Improvements	2,763,396.28		914,758.33
Furniture and Equipment	2,351,213.20		94,046.40
Vehicles, Boats and Aircraft	179,539.46		
Other Capital Assets	4,584,809.19		
Total Depreciable Assets at Historical Cost	\$ 105,263,707.60	\$	\$ 13,699,218.59
Less Accumulated Depreciation For:			
Buildings	\$ (9,297,274.76)	\$	\$
Infrastructure	(880,577.83)		
Facilities and Other Improvements	(446,375.09)		
Furniture and Equipment	(1,194,512.37)		
Vehicles, Boats and Aircraft	(119,754.26)		
Other Capital Assets	(3,377,562.42)		
Total Accumulated Depreciation	\$ (15,316,056.73)	\$	\$
Depreciable Assets, Net	\$ 89,947,650.87	\$	\$ 13,699,218.59
Amortizable Assets - Intangible			
Computer Software	\$ 144,464.17	\$	\$
Total Intangible Assets at Historical Cost	\$ 144,464.17	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (144,464.17)	\$	\$
Total Accumulated Amortization	\$ (144,464.17)	\$	\$
Amortizable Assets-Net	\$	\$	\$
Capital Assets, Net	\$ 94,569,228.87	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 13,698,993.59	\$	\$	\$	\$ 4,575,858.00
				45,495.00
<u>\$ 13,698,993.59</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,621,353.00</u>
\$	\$	\$	\$ (1,111,703.24)	\$ 91,485,340.80
				15,478,119.29
		53,309.21		3,678,154.61
		37,632.75		2,498,568.81
		129,448.47	(51,833.60)	217,172.21
				4,662,424.06
<u>\$</u>	<u>\$</u>	<u>\$ 220,390.43</u>	<u>\$ (1,163,536.84)</u>	<u>\$ 118,019,779.78</u>
\$	\$	\$ (3,884,989.36)	\$	\$ (13,182,264.12)
		(711,841.04)		(1,592,418.87)
		(181,547.24)		(627,922.33)
		(286,691.96)		(1,481,204.33)
		(26,454.02)		(146,208.28)
		(139,412.56)	51,833.60	(3,465,141.38)
<u>\$</u>	<u>\$</u>	<u>\$ (5,230,936.18)</u>	<u>\$ 51,833.60</u>	<u>\$ (20,495,159.31)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (5,010,545.75)</u>	<u>\$ (1,111,703.24)</u>	<u>\$ 97,524,620.47</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 144,464.17</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 144,464.17</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (144,464.17)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (144,464.17)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>\$ 13,698,993.59</u>	<u>\$</u>	<u>\$ (5,010,545.75)</u>	<u>\$ (1,111,703.24)</u>	<u>\$ 102,145,973.47</u>

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TEXAS A&M UNIVERSITY - TEXARKANA

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FINANCIAL REPORT

OF

WEST TEXAS A&M UNIVERSITY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



J. PATRICK O'BRIEN, PH.D., PRESIDENT AND CHIEF EXECUTIVE OFFICER
GARY W. BARNES, VICE PRESIDENT FOR BUSINESS AND FINANCE
RICK JOHNSON, ASSOCIATE VP FOR BUSINESS & FINANCE/CONTROLLER
SHELLY DAVIS, DIRECTOR OF ACCOUNTING

CANYON, TEXAS

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WEST TEXAS A&M UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	6,979	7,018
Out-of-State	664	718
Foreign	243	172
Total Students	7,886	7,908

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2000-01	6,775	76,816
2001-02	6,675	75,637
2002-03	6,780	77,315
2003-04	7,023	78,906
2004-05	7,299	81,789
2005-06	7,293	81,021
2006-07	7,412	81,502
2007-08	7,508	82,493
2008-09	7,552	83,969
2009-10	7,770	87,229
2010-11	7,842	90,202
2011-12	7,886	91,963
2012-13	7,908	92,790

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WEST TEXAS A&M UNIVERSITY
INDEX

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EXHIBIT III
WEST TEXAS A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	13,242,117.86	11,201,544.63
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	1,585,115.37	625,325.68
Investments		
Legislative Appropriations	8,210,711.93	7,173,346.70
Receivables, Net:		
Federal	2,535,899.16	4,245,293.10
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	2,949,959.00	1,216,900.04
Self-Insured Health and Dental		
Student	1,997,087.42	1,675,797.49
Investment Trades		
Accounts	398,218.30	
Other	246,998.36	2,639,038.31
Due From Other Agencies	206,472.19	384,613.92
Due From Other Members	1,000,638.36	3,448,160.85
Due From Other Funds		
Consumable Inventories	449,329.95	622,207.77
Merchandise Inventories	1,081,139.45	817,480.37
Deferred Charges		
Loans and Contracts	434,510.89	1,504,794.53
Interfund Receivable		
Other Current Assets	1,252,611.28	1,138,717.18
Total Current Assets	<u>\$ 35,590,809.52</u>	<u>\$ 36,693,220.57</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices	59,456,519.98	53,858,519.13
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	50,541,572.17	49,699,100.93
Investments	443,046.63	338,995.96
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	2,312,995.04	1,804,870.14
Construction In Progress		2,616,478.17
Other Tangible Capital Assets	157,500.00	117,500.00
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	190,531,238.81	156,534,984.84
Infrastructure	23,772,225.40	22,237,108.35
Facilities and Other Improvements	25,559,540.66	25,216,460.95
Furniture and Equipment	14,655,100.06	14,471,624.69
Vehicles, Boats, and Aircraft	2,454,575.94	2,368,524.61
Other Capital Assets	10,666,005.69	10,573,271.52
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	156,945.67	156,945.67
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(111,339,464.29)	(102,401,353.16)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 269,367,801.76</u>	<u>\$ 237,593,031.80</u>
Total Assets and Deferred Outflows	<u>\$ 304,958,611.28</u>	<u>\$ 274,286,252.37</u>

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EXHIBIT III
WEST TEXAS A&M UNIVERSITY
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 645,971.52	\$ 904,926.66
Payroll	2,676,508.91	2,593,060.81
Investment Trades		
Self-Insured Health and Dental		
Other	18,767.96	17,246.52
Interfund Payable		
Due to Other Agencies	33,502.76	
Due to Other Funds		
Due to Other Members	22.72	25,875.99
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	19,675,941.60	19,523,626.04
Employees' Compensable Leave	202,651.00	189,280.17
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	5,450,640.88	3,915,994.20
Obligations/Securities Lending		
Other Current Liabilities	809,289.43	882,759.81
Total Current Liabilities	<u>\$ 29,513,296.78</u>	<u>\$ 28,052,770.20</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	2,050,487.01	2,006,441.96
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others	39,455,212.47	37,422,952.75
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 41,505,699.48</u>	<u>\$ 39,429,394.71</u>
Total Liabilities and Deferred Inflows	<u>\$ 71,018,996.26</u>	<u>\$ 67,482,164.91</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 158,926,662.98	\$ 133,696,415.78
Restricted For:		
Debt Service		
Capital Projects		
Education	4,315,415.83	4,463,403.35
Endowment and Permanent Funds:		
Nonexpendable	18,553,589.97	18,063,732.75
Expendable	2,023,922.86	2,085,215.05
Unrestricted	50,120,023.38	48,495,320.53
Total Net Assets [Exhibit IV]	<u>\$ 233,939,615.02</u>	<u>\$ 206,804,087.46</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 304,958,611.28</u>	<u>\$ 274,286,252.37</u>

UNAUDITED

EXHIBIT IV
WEST TEXAS A&M UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 50,098,099.38	\$ 45,477,802.36
Discounts and Allowances	(13,907,237.00)	(14,360,809.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises	14,522,610.35	14,165,756.61
Net Other Sales of Goods and Services	6,593,526.92	7,715,262.88
Discounts and Allowances-Sales	(1,434,443.00)	(1,264,350.00)
Total Sales of Goods and Services	\$ 55,872,556.65	\$ 51,733,662.85
Premium Revenue		
Interest Revenue	59,818.75	52,996.24
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	3,195,665.20	3,985,660.39
Federal Pass Through Revenue	736,064.82	1,061,560.19
State Grant Revenue	4,484.80	
State Pass Through Revenue	3,806,849.27	4,705,431.75
Other Grants and Contracts - Operating	760,744.49	1,289,887.59
Other Operating Revenue	294,183.60	375,305.76
Total Operating Revenues	\$ 64,730,367.58	\$ 63,204,504.77
Operating Expenses		
Instruction	\$ 34,445,965.40	\$ 32,966,266.28
Research	5,147,622.80	4,903,286.26
Public Service	3,801,602.77	4,224,446.37
Hospitals and Clinics		
Academic Support	8,067,347.68	6,990,110.13
Student Services	3,097,880.50	4,398,505.32
Institutional Support	8,964,595.98	8,738,679.34
Operation & Maintenance of Plant	13,701,233.11	14,064,341.31
Scholarships & Fellowships	10,059,742.01	9,503,462.83
Auxiliary	18,155,359.09	18,010,645.92
Depreciation/Amortization	9,267,911.00	9,046,070.73
Total Operating Expenses [Schedule IV-1]	\$ 114,709,260.34	\$ 112,845,814.49
Total Operating Income [Loss]	\$ (49,978,892.76)	\$ (49,641,309.72)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 32,433,167.89	\$ 35,068,282.00
Federal Revenue Non-Operating	11,122,543.66	11,706,924.83
Federal Pass Through Non-Operating		1,123,643.73
State Pass Through Non-Operating		
Gifts	6,250,146.45	4,713,653.88
Land Income	260,696.31	277,577.22
Investment Income	1,115,868.00	1,033,205.63
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(120,373.97)	(149,487.14)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value	1,877,910.07	4,140,124.38
Settlement of Claims		(281.08)
Other Nonoperating Revenues	2,038,562.75	306,685.64
Other Nonoperating [Expenses]	(277,273.38)	(1,061,676.99)
Total Nonoperating Revenues [Expenses]	\$ 54,701,247.78	\$ 57,158,652.10
Income [Loss] Before Other Revenues and Transfers	\$ 4,722,355.02	\$ 7,517,342.38

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EXHIBIT IV
 WEST TEXAS A&M UNIVERSITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 59,665.82	\$ 82,242.19
Capital Appropriations [Higher Education Fund]	4,652,995.00	4,652,995.00
Additions to Permanent and Term Endowments	59,346.21	82,162.93
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	865,488.25	5,910,242.86
Nonmandatory Transfers From Members/Agencies-Cap Assets	27,615,689.82	22,241,051.14
Transfers Out		
Transfers to Other State Agencies	(382,112.69)	(389,803.36)
Mandatory Transfers to Other Members	(5,116,482.61)	(2,592,375.63)
Nonmandatory Transfers to Other Members	(97,393.72)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out	(5,244,023.54)	(5,644,446.40)
Legislative Appropriations Lapsed		(23,753.66)
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ 22,413,172.54	\$ 24,318,315.07
	<u> </u>	<u> </u>
Change In Net Assets	\$ 27,135,527.56	\$ 31,835,657.45
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 206,804,087.46	\$ 163,970,586.01
Restatement		10,997,844.00
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 206,804,087.46	\$ 174,968,430.01
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ 233,939,615.02	\$ 206,804,087.46
	<u> </u>	<u> </u>

UNAUDITED

SCHEDULE IV-1
 WEST TEXAS A&M UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold			10,141.56		4,363.06
Salaries & Wages	22,637,244.65	2,761,441.37	1,985,952.56		3,419,997.59
Payroll Related Costs	6,054,555.27	657,508.89	514,674.27		839,406.63
Professional Fees & Services	305,689.69	169,229.50	180,690.96		127,852.62
Travel	794,398.02	126,294.02	191,008.70		165,978.57
Materials & Supplies	2,260,183.55	586,566.08	132,012.26		2,797,751.30
Communication & Utilities	11,354.48	38,915.98	8,710.12		163,001.00
Repairs & Maintenance	262,991.49	183,331.73	38,229.49		35,493.75
Rentals & Leases	527,035.79	37,848.76	95,619.39		33,306.86
Printing & Reproduction	8,392.12	2,813.03	7,551.40		8,120.85
Federal Pass-Through		181,085.65			
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest	48.50	46.20			98.17
Scholarships	126,977.08	185,322.79	40,558.35		57,035.27
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	1,457,094.76	217,218.80	596,453.71		414,942.01
Total Operating Expenses	\$ 34,445,965.40	\$ 5,147,622.80	\$ 3,801,602.77	\$	\$ 8,067,347.68

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$ 396.00	\$	\$	\$	\$	\$	\$	\$
2,171,763.44	3,955,609.41	4,646,968.61	195,522.31	2,513,732.28		2,528,632.90	2,760,540.16
103,102.26	1,363,175.10	1,229,782.79	53,833.70	5,276,188.35		47,050,688.29	46,359,589.22
116,053.02	132,396.63	446,045.43	34,995.65	1,242,780.78		12,058,819.69	12,624,436.65
77,480.47	219,689.74	12,927.09	17,071.33	2,769,300.06		4,282,253.56	4,749,185.81
89,956.85	433,742.71	1,224,794.87	2,817.81	809,361.28		2,414,209.22	2,140,642.97
16,392.60	922,454.16	3,232,088.81		493,528.94		8,021,354.37	6,915,520.69
26,797.62	83,395.65	1,955,895.01	18,567.92	1,046,400.49		5,439,317.64	4,504,372.97
14,000.02	52,732.41	29,000.14		273,628.77		2,878,331.43	3,767,166.41
35,797.98	(43,451.96)	595.11		319,332.38		1,108,875.75	1,069,890.88
				13,049.21		32,867.74	52,831.65
						181,085.65	33,265.38
(89,356.76)					9,267,911.00	9,267,911.00	9,046,070.73
	32.53	285.84		55.34		(89,356.76)	70,554.22
115,857.43	42,996.60	85,800.00	9,717,558.34	1,496,467.39		566.58	589.55
						11,868,573.25	10,973,294.78
<u>419,639.57</u>	<u>1,801,823.00</u>	<u>837,049.41</u>	<u>19,374.95</u>	<u>1,901,533.82</u>		<u>7,665,130.03</u>	<u>7,777,862.42</u>
<u>\$ 3,097,880.50</u>	<u>\$ 8,964,595.98</u>	<u>\$ 13,701,233.11</u>	<u>\$ 10,059,742.01</u>	<u>\$ 18,155,359.09</u>	<u>\$ 9,267,911.00</u>	<u>\$ 114,709,260.34</u>	<u>\$ 112,845,814.49</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
WEST TEXAS A&M UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	26,312,036.00	33,443,565.47
Proceeds Received From Customers	8,808,624.23	8,167,364.89
Proceeds From Sponsored Programs	10,017,695.37	7,299,164.20
Proceeds From Auxiliary Enterprises	13,200,499.08	13,026,130.05
Proceeds From Loan Programs	1,230,168.55	162,524.96
Proceeds From Other Revenues	210,003.82	392,371.02
Payments to Suppliers for Goods and Services	(34,809,682.71)	(33,981,395.28)
Payments to Employees - Salaries	(46,967,240.19)	(46,463,935.74)
Payments to Employees - Benefits	(12,001,403.81)	(12,625,030.52)
Payments for Loans Provided		
Payments for Other Expenses	(12,049,636.18)	(12,992,884.90)
Net Cash Provided [Used] By Operating Activities	\$ (46,048,935.84)	\$ (43,572,125.85)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 31,395,802.66	\$ 34,511,251.55
Proceeds From Gifts	4,517,087.49	4,547,566.98
Proceeds From Endowments	59,346.21	82,162.93
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	11,122,543.66	12,830,568.56
Proceeds From Contributed Capital		
Proceeds From Other Revenues	15,012,881.69	5,804,992.38
Payments of Interest		
Payments - Transfers to Other Funds	(382,112.69)	(389,803.36)
Payments for Grant Disbursements		
Payments for Other Uses		(281.08)
Other Noncapital Transfers From/To System	768,094.53	927,242.86
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 62,493,643.55	\$ 58,313,700.82
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts	4,652,995.00	4,652,995.00
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(6,536,940.16)	(9,284,090.48)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	2,471,225.18	5,310,450.93
Intrasystem Transfers for Capital Debt [Mandatory]	(10,360,506.15)	(8,236,822.03)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (9,773,226.13)	\$ (7,557,466.58)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(4,562,562.02)	(10,109,249.08)
Proceeds From Interest and Investment Income	891,443.36	984,723.46
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (3,671,118.66)	\$ (9,124,525.62)
Increase [Decrease] In Cash and Cash Equivalents	\$ 3,000,362.92	\$ (1,940,417.23)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 11,826,870.31	\$ 13,767,287.54
Restated Beginning Cash and Cash Equivalents	\$ 11,826,870.31	\$ 13,767,287.54
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 14,827,233.23	\$ 11,826,870.31

UNAUDITED

EXHIBIT V
WEST TEXAS A&M UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(49,978,892.76)	(49,641,309.72)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	9,267,911.00	9,046,070.73
Bad Debt Expense	453,764.71	524,719.63
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	2,838,804.19	(4,377,872.61)
Due From Other Agencies/Funds	178,141.73	182,090.57
Due From System Members	(23,702.69)	41,909.76
Inventory	(90,781.26)	43,694.58
Deferred Charges		
Prepaid Expenses	(113,894.10)	(375,060.65)
Loans and Contracts	1,159,640.40	109,459.72
Other Assets		
Payables	(173,985.60)	26,253.41
Due to Other Agencies/Funds	33,502.76	
Due to System Members	(25,853.27)	(28,786.83)
Unearned Revenue	(9,557,536.45)	860,165.17
Deposits	(73,470.38)	17,134.26
Compensated Absence Liability	57,415.88	(593.87)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 3,929,956.92</u>	<u>\$ 6,069,183.87</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (46,048,935.84)</u>	<u>\$ (43,572,125.85)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	828,756.21	4,140,124.38
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	27,615,689.82	22,241,051.14

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Commerce					
<u>Direct Programs:</u>					
U.S. Department of Commerce	11.000	08-66-04834.01		\$	\$
Totals - U.S. Department of Commerce					
U.S. Department of Defense					
Procurement Technical Assistance For Business Firms	12.002				
Totals - U.S. Department of Defense					
U.S. Department of Housing and Urban Development					
Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	14.257	City of Amarillo/ S-09-MY-48-0003			39,779.76
Totals - U.S. Department of Housing and Urban Development					39,779.76
National Science Foundation					
Education and Human Resources	47.076	Tennessee Tech University/ 1022934			3,161.49
<u>Pass-Through From:</u>					
Education and Human Resources	47.076				
<u>Pass-Through From:</u>					
Texas A&M Engineering Experiment Station			712	156,941.07	
Totals - National Science Foundation				156,941.07	3,161.49
Small Business Administration					
Small Business Development Centers	59.037				
<u>Pass-Through From:</u>					
Texas Tech University			733	145,846.86	
Totals - Small Business Administration				145,846.86	
U.S. Department of Energy					
ARRA - State Energy Program	81.041				
<u>Pass-Through From:</u>					
Comptroller - State Energy Conservation Office			907	40,745.05	
Totals - U.S. Department of Energy				40,745.05	
U.S. Department of Education					
<u>Direct Programs:</u>					
Migrant Education_College Assistance Migrant Program	84.149				
Child Care Access Means Parents in School	84.335				
<u>Pass-Through From:</u>					
Improving Teacher Quality State Grants	84.367				
<u>Pass-Through From:</u>					
Texas Higher Education Coordinating Board			781	38,000.00	
Totals - U.S. Department of Education				38,000.00	
U.S. Department of Health and Human Services					
<u>Direct Programs:</u>					
Advanced Nursing Education Traineeships	93.358				
<u>Pass-Through From:</u>					
Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.107				
<u>Pass-Through From:</u>					
Texas Tech University Health Sciences Center			739	86,336.55	
Totals - U.S. Department of Health and Human Services				86,336.55	
U.S. Department of Homeland Security					
State Homeland Security Program (SHSP)	97.073	PRPc/ HSGP			20,000.00
Totals - U.S. Department of Homeland Security					20,000.00

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 55,539.15	\$ 55,539.15				\$ 55,539.15	\$ 55,539.15
55,539.15	55,539.15				55,539.15	55,539.15
63,545.10	63,545.10				63,545.10	63,545.10
63,545.10	63,545.10				63,545.10	63,545.10
	39,779.76				39,779.76	39,779.76
	39,779.76				39,779.76	39,779.76
	3,161.49				3,161.49	3,161.49
	156,941.07				156,941.07	156,941.07
	160,102.56				160,102.56	160,102.56
	145,846.86				145,846.86	145,846.86
	145,846.86				145,846.86	145,846.86
	40,745.05				40,745.05	40,745.05
	40,745.05				40,745.05	40,745.05
357,724.42	357,724.42				357,724.42	357,724.42
55,047.26	55,047.26				55,047.26	55,047.26
	38,000.00				38,000.00	38,000.00
412,771.68	450,771.68				450,771.68	450,771.68
33,203.00	33,203.00				33,203.00	33,203.00
	86,336.55				86,336.55	86,336.55
33,203.00	119,539.55				119,539.55	119,539.55
	20,000.00				20,000.00	20,000.00
	20,000.00				20,000.00	20,000.00

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U. S. Agency for International Development					
USAID Foreign Assistance for Programs Overseas	98.001	Purdue University/ 688-A00-07-00043-00			55,141.39
Totals - U. S. Agency for International Development					55,141.39
Research & Development Cluster					
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Agricultural Research, Basic and Applied Research	10.001				
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<u>Pass-Through To:</u>					
<i>Texas A&M Transportation Institute</i>					
International Science and Education Grants	10.305				
Agriculture and Food Research Initiative	10.310				
<u>Pass-Through From:</u>					
Grants for Agricultural Research, Special Research Grants	10.200				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Research</i>			556	52,967.68	
Totals - U.S. Department of Agriculture				52,967.68	
U.S. Department of Defense					
<u>Direct Programs:</u>					
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351				
<u>Pass-Through To:</u>					
<i>Texas Tech University</i>					
Totals - U.S. Department of Defense					
U.S. Department of the Interior					
Cultural Resource Management	15.224				
Totals - U.S. Department of the Interior					
U.S. Department of Transportation					
<u>Pass-Through From:</u>					
Biobased Transportation Research	20.761				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Research</i>			556	17,553.31	
Totals - U.S. Department of Transportation				17,553.31	
National Science Foundation					
<u>Direct Programs:</u>					
Engineering Grants	47.041				
<u>Pass-Through From:</u>					
Education and Human Resources	47.076				
<u>Pass-Through From:</u>					
<i>Texas A&M Engineering Experiment Station</i>			712	185,955.87	
Totals - National Science Foundation				185,955.87	
Environmental Protection Agency					
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Extension Service</i>			555	11,718.43	
Totals - Environmental Protection Agency				11,718.43	
U.S. Department of Energy					
U.S. Department of Energy	81.000	Pantex/ DE-AC54-00AL66620			79,595.18

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	55,141.39				55,141.39	55,141.39
	55,141.39				55,141.39	55,141.39
377,304.39 71,267.73	377,304.39 71,267.73				377,304.39 45,510.06	377,304.39 71,267.73
		727	25,757.67			
10,657.54 38,685.58	10,657.54 38,685.58				10,657.54 38,685.58	10,657.54 38,685.58
	52,967.68				52,967.68	52,967.68
497,915.24	550,882.92		25,757.67		525,125.25	550,882.92
101,009.00	101,009.00				2,522.72	101,009.00
		733	98,486.28			
101,009.00	101,009.00		98,486.28		2,522.72	101,009.00
17,076.67 17,076.67	17,076.67 17,076.67				17,076.67 17,076.67	17,076.67 17,076.67
	17,553.31				17,553.31	17,553.31
	17,553.31				17,553.31	17,553.31
21,361.26	21,361.26				21,361.26	21,361.26
	185,955.87				185,955.87	185,955.87
21,361.26	207,317.13				207,317.13	207,317.13
	11,718.43				11,718.43	11,718.43
	11,718.43				11,718.43	11,718.43
	79,595.18				79,595.18	79,595.18

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Direct Programs:					
Defense Nuclear Nonproliferation Research <i>Pass-Through To:</i> <i>Texas A&M Engineering Experiment Station</i>	81.113				
Nuclear Energy Research, Development and Demonstration Totals - U.S. Department of Energy	81.121				79,595.18
U.S. Department of Education					
TRIO_McNair Post-Baccalaureate Achievement Totals - U.S. Department of Education	84.217				
U. S. Agency for International Development					
USAID Foreign Assistance for Programs Overseas	98.001	University of Nebraska/ EPP-A-00-06-00016- 00			88,661.07
Totals - U. S. Agency for International Development					88,661.07
Student Financial Assistance Cluster					
U.S. Department of Education					
Direct Programs:					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Work-Study Program	84.033				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Academic Competitiveness Grants	84.375				
Totals - U.S. Department of Education					
TRIO Cluster					
U.S. Department of Education					
Direct Programs:					
TRIO_Talent Search	84.044				
TRIO_Upward Bound	84.047				
Totals - U.S. Department of Education					
Total Expenditures of Federal Awards				\$ 736,064.82	\$ 286,338.89

UNAUDITED

SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
181,075.85	181,075.85				124,234.15	181,075.85
		712	56,841.70			
336,481.81	336,481.81				336,481.81	336,481.81
517,557.66	597,152.84		56,841.70		540,311.14	597,152.84
217,750.94	217,750.94				217,750.94	217,750.94
217,750.94	217,750.94				217,750.94	217,750.94
	88,661.07				88,661.07	88,661.07
	88,661.07				88,661.07	88,661.07
158,357.00	158,357.00				158,357.00	158,357.00
223,737.47	223,737.47				223,737.47	223,737.47
11,122,543.66	11,122,543.66				11,122,543.66	11,122,543.66
38,207,970.00	38,207,970.00				38,207,970.00	38,207,970.00
(375.00)	(375.00)				(375.00)	(375.00)
49,712,233.13	49,712,233.13				49,712,233.13	49,712,233.13
230,000.00	230,000.00				230,000.00	230,000.00
299,812.74	299,812.74				299,812.74	299,812.74
529,812.74	529,812.74				529,812.74	529,812.74
\$ 52,179,775.57	\$ 53,202,179.28		\$ 181,085.65	\$ -	\$ 53,021,093.63	\$ 53,202,179.28

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SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	3,195,665.20
Federal Grants and Contracts - Non-operating			11,122,543.66
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	736,064.82	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			736,064.82
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	15,054,273.68

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			
Federal Perkins Loan Program			
Federal Direct Student Loans			
Health Education Assistance Loans			38,207,970.00
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

Federal revenue received under a vendor relationship			
Federal Grants to/from TAMRF			(59,146.88)
COBRA 65% Subsidy (CFDA Number 17.151)			(917.52)
Total Pass Throughs and Expenditures per Federal Schedule		\$	<u>53,202,179.28</u>

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SCHEDULE 1 - A
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	38,207,970.00			
Total, U. S. Department of Education		<u>38,207,970.00</u>	<u>-</u>	<u>-</u>	<u>1,039,653.00</u>
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342				
Total, U. S. Department of Health and Human Services		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 38,207,970.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,039,653.00</u>

The collections function for the Federal Perkins Loan Program is outsourced to Panhandle Plains Student Loan Center.

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Fifth Year Accounting Student Scholarship Program Texas State Board of Public Accountancy	457.0001	457	\$ 7,128.00
Need Based Scholarships Texas A&M University System	710.0003	710	48,715.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	10,203.25
Basic/Core Area Health Education Center Texas Tech University Health Sciences Center	739.0002	739	213,516.99
Nursing & Allied Health Texas Higher Education Coordinating Board	781.0006	781	14,606.45
TEXAS Grant Program Texas Higher Education Coordinating Board	781.0008	781	2,884,054.00
Professional Nursing Shortage Reduction Program Texas Higher Education Coordinating Board	781.0013	781	113,217.00
Engineering Recruitment Program Texas Higher Education Coordinating Board	781.0020	781	(8,766.89)
College Work Study Program Texas Higher Education Coordinating Board	781.0023	781	34,449.58
College Readiness Initiative Texas Higher Education Coordinating Board	781.0026	781	(168.00)
Top 10% Scholarships Texas Higher Education Coordinating Board	781.0028	781	352,000.00
Work Study Mentorship Program Texas Higher Education Coordinating Board	781.0029	781	113,977.12
Early High School Program HB1479 Texas Higher Education Coordinating Board	781.0036	781	25,493.50
Outreach and Success Texas Higher Education Coordinating Board	781.0039	781	(1,576.73)
Total Pass-Through From State Agencies			\$ <u>3,806,849.27</u> (Exhibit IV)

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SCHEDULE 1-B
WEST TEXAS A&M UNIVERSITY
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

Pass-through To:

Program Name
Agency Name

Grant ID

Agy #

Amount

\$ -

Total Pass-Through To State Agencies

\$ -

(Schedule IV-1)

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SCHEDULE THREE
 WEST TEXAS A&M UNIVERSITY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 108,515.00
Total Cash On Hand	<u>\$ 108,515.00</u>
Cash In State Treasury:	
Fund 0263	<u>\$ 739,777.76</u>
Total Cash In State Treasury	<u>\$ 739,777.76</u>
Reimbursements Due From State Treasury	\$ 313,235.81
Assets Held By System Offices-Current	<u>12,080,589.29</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 13,242,117.86</u>
Restricted:	
Cash On Hand:	
Cash In Bank	<u>\$ 227,424.87</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 1,357,690.50</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 1,585,115.37</u>
Total Cash & Cash Equivalents [Exhibit V]	<u>\$ 14,827,233.23</u>

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SCHEDULE N-2
 WEST TEXAS A&M UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

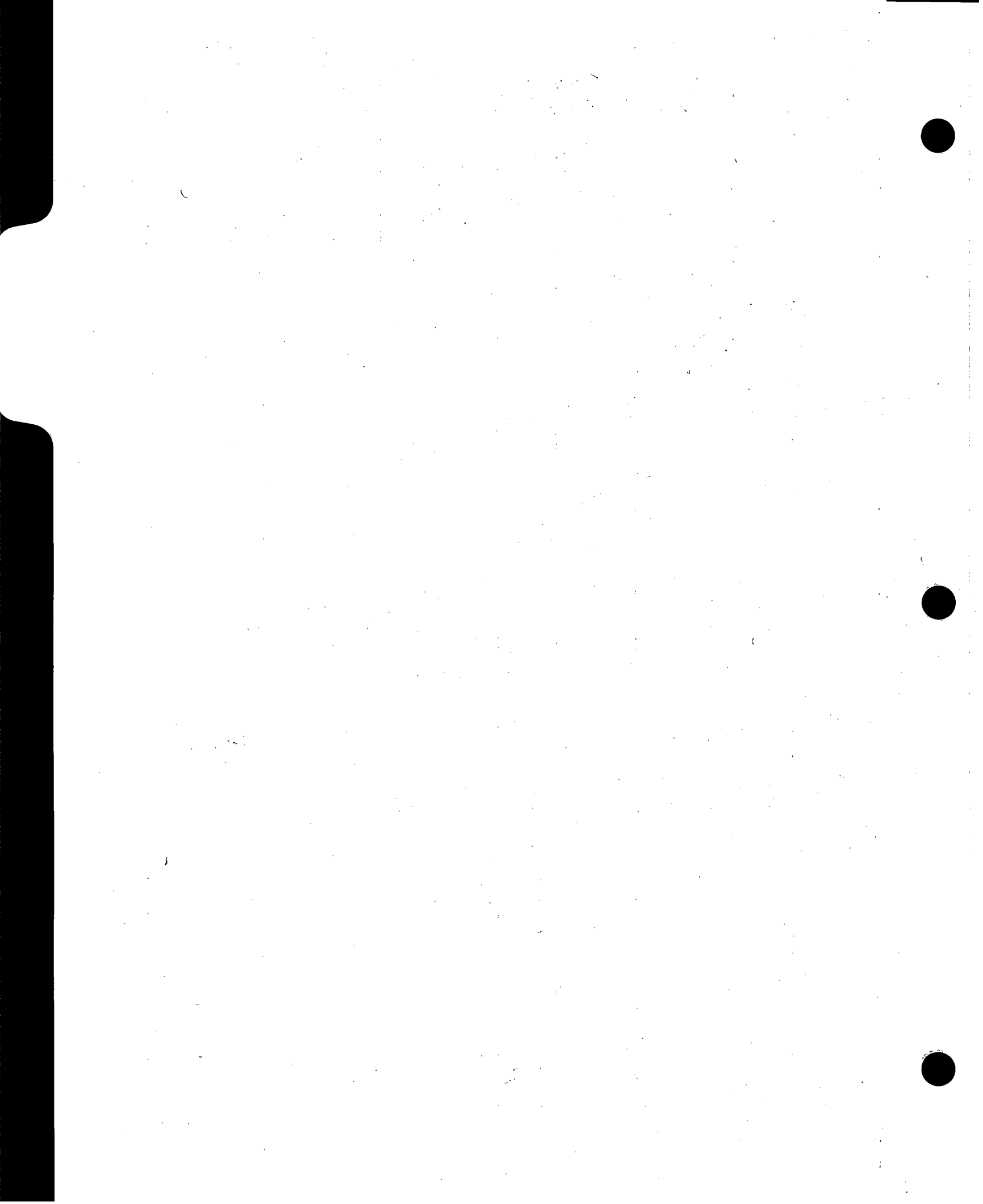
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 1,804,870.14	\$	\$
Construction In Progress	2,616,478.17		(30,232,167.99)
Other Tangible Capital Assets	117,500.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 4,538,848.31	\$	\$ (30,232,167.99)
Depreciable Assets			
Buildings	\$ 156,534,984.84	\$	\$ 28,353,971.23
Infrastructure	22,237,108.35		1,535,117.05
Facilities and Other Improvements	25,216,460.95		343,079.71
Furniture and Equipment	14,471,624.69		
Vehicles, Boats and Aircraft	2,368,524.61		
Other Capital Assets	10,573,271.52		
Total Depreciable Assets at Historical Cost	\$ 231,401,974.96	\$	\$ 30,232,167.99
Less Accumulated Depreciation For:			
Buildings	\$ (67,727,831.04)	\$	\$
Infrastructure	(9,373,589.40)		
Facilities and Other Improvements	(5,045,420.51)		
Furniture and Equipment	(9,827,319.91)		
Vehicles, Boats and Aircraft	(1,968,837.23)		
Other Capital Assets	(8,301,409.40)		
Total Accumulated Depreciation	\$ (102,244,407.49)	\$	\$
Depreciable Assets, Net	\$ 129,157,567.47	\$	\$ 30,232,167.99
Amortizable Assets - Intangible			
Computer Software	\$ 156,945.67	\$	\$
Total Intangible Assets at Historical Cost	\$ 156,945.67	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (156,945.67)	\$	\$
Total Accumulated Amortization	\$ (156,945.67)	\$	\$
Amortizable Assets-Net	\$	\$	\$
Capital Assets, Net	\$ 133,696,415.78	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 27,615,689.82	\$	\$ 508,124.90	\$	\$ 2,312,995.04
		40,000.00		157,500.00
<u>\$ 27,615,689.82</u>	<u>\$</u>	<u>\$ 548,124.90</u>	<u>\$</u>	<u>\$ 2,470,495.04</u>
\$	\$	\$ 5,838,456.90	\$ (196,174.16)	\$ 190,531,238.81
		513,275.24	(329,799.87)	23,772,225.40
		86,051.33		25,559,540.66
		173,833.39	(81,099.22)	14,655,100.06
				2,454,575.94
				10,666,005.69
<u>\$</u>	<u>\$</u>	<u>\$ 6,611,616.86</u>	<u>\$ (607,073.25)</u>	<u>\$ 267,638,686.56</u>
\$	\$	\$ (5,231,264.13)	\$	\$ (72,959,095.17)
		(971,991.91)		(10,345,581.31)
		(1,596,473.41)		(6,641,893.92)
		(1,094,664.00)	329,799.87	(10,592,184.04)
		(119,145.26)		(2,087,982.49)
		(254,372.29)		(8,555,781.69)
<u>\$</u>	<u>\$</u>	<u>\$ (9,267,911.00)</u>	<u>\$ 329,799.87</u>	<u>\$ (111,182,518.62)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (2,656,294.14)</u>	<u>\$ (277,273.38)</u>	<u>\$ 156,456,167.94</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 156,945.67</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 156,945.67</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (156,945.67)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (156,945.67)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>\$ 27,615,689.82</u>	<u>\$</u>	<u>\$ (2,108,169.24)</u>	<u>\$ (277,273.38)</u>	<u>\$ 158,926,662.98</u>

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FINANCIAL REPORT

OF

TEXAS A&M AGRILIFE RESEARCH

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. CRAIG NESSLER, DIRECTOR

DEBRA A. CUMMINGS, ASSISTANT DIRECTOR

COLLEGE STATION, TEXAS

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TEXAS A&M AGRILIFE RESEARCH

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TEXAS A&M AGRILIFE RESEARCH
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EXHIBIT III
TEXAS A&M AGRILIFE RESEARCH
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	4,945,299.20	817,482.49
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	7,443,863.53	140,746.66
Investments		
Legislative Appropriations	7,713,130.75	6,214,878.09
Receivables, Net:		
Federal	10,671,441.69	20,262,089.93
Other Intergovernmental	4,056,013.44	3,586,627.04
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	8,647,105.22	
Other		6,984,709.68
Due From Other Agencies	1,572,134.25	1,467,379.83
Due From Other Members	6,161,415.29	4,190,399.66
Due From Other Funds	565,000.00	4,652,658.13
Consumable Inventories	210,056.60	244,965.42
Merchandise Inventories	288,239.49	546,373.89
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		
Total Current Assets	\$ 52,273,699.46	\$ 49,108,310.82
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 31,435,704.65	\$ 31,449,432.84
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	69,699,771.76	58,926,378.99
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	15,874,229.21	16,032,167.17
Construction In Progress	13,825.00	13,825.00
Other Tangible Capital Assets	36,426.74	36,426.74
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	114,383,023.97	56,385,839.16
Infrastructure	1,574,355.26	
Facilities and Other Improvements	2,300,746.30	1,614,232.65
Furniture and Equipment	67,518,843.67	67,013,006.72
Vehicles, Boats, and Aircraft	11,132,375.32	10,986,733.22
Other Capital Assets	30,000,000.00	30,000,000.00
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	74,439.70	125,133.75
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(100,061,779.34)	(90,615,770.57)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	\$ 243,981,962.24	\$ 181,967,405.67
Total Assets and Deferred Outflows	\$ 296,255,661.70	\$ 231,075,716.49

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EXHIBIT III
TEXAS A&M AGRILIFE RESEARCH
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 6,318,055.65	\$ 4,944,311.95
Payroll	7,628,619.88	8,253,455.70
Investment Trades		
Self-Insured Health and Dental		
Other	822.22	6,528.33
Interfund Payable		
Due to Other Agencies	233,597.18	71,295.47
Due to Other Funds	565,000.00	4,652,658.13
Due to Other Members	254,342.32	1,642,264.48
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	17,757,443.22	12,624,546.05
Employees' Compensable Leave	863,439.00	592,355.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities	48,329.94	20,030.05
Total Current Liabilities	<u>\$ 33,669,649.41</u>	<u>\$ 32,807,445.16</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	6,589,900.00	6,968,640.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	40,000.00	20,000.00
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 6,629,900.00</u>	<u>\$ 6,988,640.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 40,299,549.41</u>	<u>\$ 39,796,085.16</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 142,846,485.83	\$ 91,591,593.84
Restricted For:		
Debt Service		
Capital Projects	2,384,426.83	1,379,677.32
Education	11,329,032.84	11,366,554.73
Endowment and Permanent Funds:		
Nonexpendable	126,311.26	126,225.66
Expendable	31,263,664.08	31,242,477.87
Unrestricted	68,006,191.45	55,573,101.91
Total Net Assets [Exhibit IV]	<u>\$ 255,956,112.29</u>	<u>\$ 191,279,631.33</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 296,255,661.70</u>	<u>\$ 231,075,716.49</u>

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EXHIBIT IV
 TEXAS A&M AGRILIFE RESEARCH
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	22,615,938.75	21,424,700.50
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 22,615,938.75	\$ 21,424,700.50
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	57,131,604.85	60,341,800.34
Federal Pass Through Revenue	4,596,008.94	4,734,544.50
State Grant Revenue	148,805.51	
State Pass Through Revenue	3,783,009.20	1,965,693.35
Other Grants and Contracts - Operating	21,013,616.08	19,719,622.18
Other Operating Revenue	49,029.72	6,072.27
Total Operating Revenues	\$ 109,338,013.05	\$ 108,192,433.14
Operating Expenses		
Instruction	\$	\$
Research	154,558,461.98	161,445,953.27
Public Service	4,552,674.86	4,610,468.53
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	7,559,861.26	7,969,258.45
Operation & Maintenance of Plant	5,670,047.41	6,408,856.55
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	14,661,976.56	8,048,313.90
Total Operating Expenses [Schedule IV-1]	\$ 187,003,022.07	\$ 188,482,850.70
Total Operating Income [Loss]	\$ (77,665,009.02)	\$ (80,290,417.56)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 61,737,908.98	\$ 67,746,325.51
Federal Revenue Non-Operating	8,908,502.00	8,922,542.00
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	1,862,571.14	1,705,993.53
Land Income	583,552.87	38,835.64
Investment Income	1,452,253.79	1,433,221.47
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(125,654.43)	(170,640.76)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	393,592.42	143,381.95
Net Increase [Decrease] In Fair Value	2,820,187.90	6,306,126.82
Settlement of Claims	(308.00)	
Other Nonoperating Revenues	26,897.57	668,902.39
Other Nonoperating [Expenses]	(1,711,182.61)	(496,940.46)
Total Nonoperating Revenues [Expenses]	\$ 75,948,321.63	\$ 86,297,748.09
Income [Loss] Before Other Revenues and Transfers	\$ (1,716,687.39)	\$ 6,007,330.53

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EXHIBIT IV
 TEXAS A&M AGRILIFE RESEARCH
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 105,981.33	\$ 58,000.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	534,163.70	519,806.54
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	3,057,852.26	3,470,056.01
Nonmandatory Transfers From Members/Agencies-Cap Assets	75,873,458.77	35,712,632.50
Transfers Out		
Transfers to Other State Agencies	(59,163.70)	(69,806.54)
Mandatory Transfers to Other Members	(1,976,337.52)	(1,070,060.24)
Nonmandatory Transfers to Other Members	(259,491.05)	(697,500.00)
Nonmandatory Transfers to Members/Agencies - Cap Assets	(10,876,074.83)	(541,177.36)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		(1,500,000.00)
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ 66,400,388.96	\$ 35,881,950.91
	<u> </u>	<u> </u>
Change In Net Assets	\$ 64,683,701.57	\$ 41,889,281.44
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 191,279,631.33	\$ 124,260,399.35
Restatement	(7,220.61)	25,129,950.54
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 191,272,410.72	\$ 149,390,349.89
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ 255,956,112.29	\$ 191,279,631.33
	<u> </u>	<u> </u>

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SCHEDULE IV-1
 TEXAS A&M AGRILIFE RESEARCH
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold		1,101,887.52			
Salaries & Wages		76,047,547.16	2,867,595.04		
Payroll Related Costs		18,634,044.48	702,873.80		
Professional Fees & Services		15,070,066.72	2,644.73		
Travel		3,546,292.19	130,538.02		
Materials & Supplies		16,608,758.87	439,902.52		
Communication & Utilities		2,851,433.65	186,231.41		
Repairs & Maintenance		3,072,597.48	121,320.93		
Rentals & Leases		1,273,493.83	23,387.08		
Printing & Reproduction		312,296.32	14,017.49		
Federal Pass-Through		2,299,606.98			
State Pass-Through		1,029,711.98			
Depreciation & Amortization					
Bad Debt Expense					
Interest		1,583.40	39.27		
Scholarships		3,170,029.59	300.00		
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		9,539,111.81	63,824.57		
Total Operating Expenses	\$	\$ 154,558,461.98	\$ 4,552,674.86	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	4,757,124.80	55,607.86				1,101,887.52	764,705.55
	1,166,014.83	13,630.00				83,727,874.86	89,857,577.71
	9,018.53					20,516,563.11	22,531,127.47
	291,946.86					15,081,729.98	11,402,862.46
	394,096.95					3,968,777.07	4,786,998.79
	108,500.19	3,448,565.00				17,442,758.34	16,738,572.34
	10,991.18	2,152,079.83				6,594,730.25	7,409,497.18
	395,653.81					5,356,989.42	5,072,849.36
	15,604.93					1,692,534.72	1,908,509.78
						341,918.74	370,062.32
						2,299,606.98	2,629,042.88
						1,029,711.98	1,263,464.63
					14,661,976.56	14,661,976.56	8,048,313.90
						1,622.67	3,468.24
						3,170,329.59	3,664,082.85
	410,909.18	164.72				10,014,010.28	12,031,715.24
\$	\$ 7,559,861.26	\$ 5,670,047.41	\$	\$	\$ 14,661,976.56	\$ 187,003,022.07	\$ 188,482,850.70

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M AGRILIFE RESEARCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	22,050,424.03	20,982,073.52
Proceeds From Sponsored Programs	98,162,460.94	84,916,513.07
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	57,329.61	5,827.12
Payments to Suppliers for Goods and Services	(59,245,151.30)	(60,358,120.65)
Payments to Employees - Salaries	(83,942,698.28)	(89,825,350.94)
Payments to Employees - Benefits	(20,994,231.51)	(22,742,595.61)
Payments for Loans Provided		
Payments for Other Expenses	(6,405,635.42)	(7,690,077.12)
Net Cash Provided [Used] By Operating Activities	\$ (50,317,501.93)	\$ (74,711,730.61)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 60,239,656.32	\$ 65,049,776.47
Proceeds From Gifts	1,850,571.14	1,718,993.53
Proceeds From Endowments		
Proceeds - Transfers From Other Funds	534,163.70	519,806.54
Proceeds From Other Grant Revenue	8,908,502.00	8,922,542.00
Proceeds From Contributed Capital		
Proceeds From Other Revenues	589,350.44	245,930.03
Payments of Interest		
Payments - Transfers to Other Funds	(59,163.70)	(69,806.54)
Payments for Grant Disbursements		
Payments for Other Uses	(40,308.00)	
Other Noncapital Transfers From/To System	1,381,266.32	1,662,056.01
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 73,404,038.22	\$ 78,049,298.04
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 752,676.63	\$ 167,154.29
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(2,847,760.39)	(5,193,822.57)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	331,234.58	1,752,222.38
Intrasystem Transfers for Capital Debt [Mandatory]	(1,976,337.52)	(1,070,060.24)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(1,302,538.69)	(688,318.71)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (5,042,725.39)	\$ (5,032,824.85)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(7,939,476.68)	(4,941,827.44)
Proceeds From Interest and Investment Income	1,326,599.36	1,262,580.71
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (6,612,877.32)	\$ (3,679,246.73)
Increase [Decrease] In Cash and Cash Equivalents	\$ 11,430,933.58	\$ (5,374,504.15)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 958,229.15	\$ 6,332,733.30
Restated Beginning Cash and Cash Equivalents	\$ 958,229.15	\$ 6,332,733.30
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 12,389,162.73	\$ 958,229.15

UNAUDITED

EXHIBIT V
 TEXAS A&M AGRILIFE RESEARCH
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(77,665,009.02)	(80,290,417.56)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	14,661,976.56	8,048,313.90
Bad Debt Expense	(57,031.74)	93,026.13
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	7,515,898.04	(1,906,869.95)
Due From Other Agencies/Funds	(104,754.42)	(584,712.45)
Due From System Members	(902,250.21)	(445,143.35)
Inventory	293,043.22	(102,172.57)
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		44.07
Payables	801,071.45	494,805.98
Due to Other Agencies/Funds	162,301.71	8,852.26
Due to System Members	(68,288.58)	(142,339.02)
Unearned Revenue	5,144,897.17	470,443.10
Deposits	8,299.89	(245.15)
Compensated Absence Liability	(107,656.00)	(335,316.00)
Other Post Employment Benefits Liability		(20,000.00)
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 27,347,507.09</u>	<u>\$ 5,578,686.95</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (50,317,501.93)</u>	<u>\$ (74,711,730.61)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 105,981.33	\$ 58,000.00
Net Increase [Decrease] In Fair Value of Investments	1,403,691.34	4,950,023.28
Gain/Loss On Sale or Disposal of Capital Assets	(359,084.21)	(23,772.34)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	64,997,383.94	35,171,455.14

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025			\$	\$
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Environmental Quality Incentives Program	10.912				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
<u>Pass-Through From:</u>					
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Integrated Programs	10.303		555	6,026.90	
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Homeland Security_Agricultural	10.304		555	381,914.98	
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Totals - U.S. Department of Agriculture					416,980.78
U.S. Department of Defense					
<u>Direct Programs:</u>					
U.S. Department of Defense	12.000				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
<i>570589/570458</i>					
Totals - U.S. Department of Defense					
U.S. Department of the Interior					
Assistance to State Water Resources Research Institutes	15.805				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Totals - U.S. Department of the Interior					
U.S. Department of Homeland Security					
Centers for Homeland Security	97.061				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Totals - U.S. Department of Homeland Security					
<u>Research & Development Cluster</u>					
U.S. Department of Agriculture	10.156	Michigan State University/			(551.14)
Federal-State Marketing Improvement Program					
<i>503902</i>					
Federal-State Marketing Improvement Program		Michigan State University/			3,865.35
<i>504450</i>					
Grants for Agricultural Research, Special Research Grants	10.200	Colorado State University/			(2,091.02)

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SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 237,674.35	\$ 237,674.35				\$	\$ 237,674.35
		555	237,674.35			
3,840.08	3,840.08					3,840.08
		555	3,840.08			
18,575.16	18,575.16					18,575.16
		555	18,575.16			
8,238.38	8,238.38					8,238.38
		555	8,238.38			
	6,026.90				6,026.90	6,026.90
	29,038.90				29,038.90	29,038.90
	381,914.98				381,914.98	381,914.98
268,327.97	685,308.75		268,327.97		416,980.78	685,308.75
8,735.01	8,735.01					8,735.01
		555	8,735.01			
8,735.01	8,735.01		8,735.01			8,735.01
4,102.75	4,102.75					4,102.75
		555	4,102.75			
4,102.75	4,102.75		4,102.75			4,102.75
183,156.44	183,156.44					183,156.44
		555	183,156.44			
183,156.44	183,156.44		183,156.44			183,156.44
	(551.14)				(551.14)	(551.14)
	3,865.35				3,865.35	3,865.35
	(2,091.02)				(2,091.02)	(2,091.02)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Grants for Agricultural Research, Special Research Grants		504072 Colorado State University/			56,672.39
Grants for Agricultural Research, Special Research Grants		504296 Fort Valley State University/			(0.03)
Grants for Agricultural Research, Special Research Grants		503752 Iowa State University/			7,217.42
Grants for Agricultural Research, Special Research Grants		504306 Kansas State University/			63,985.04
Grants for Agricultural Research, Special Research Grants		504242 Louisiana State University/			7,678.97
Grants for Agricultural Research, Special Research Grants		504147 New Mexico State University/			134,320.02
Grants for Agricultural Research, Special Research Grants		504201 The Oceanic Institute/			139,381.00
Grants for Agricultural Research, Special Research Grants		504256 University of California/			(1,274.90)
Grants for Agricultural Research, Special Research Grants		503964 University of California at Davis/			71,301.84
Grants for Agricultural Research, Special Research Grants		503991 University of Florida/			10,479.51
Grants for Agricultural Research, Special Research Grants		504191 University of Florida/			16,360.78
Grants for Agricultural Research, Special Research Grants		504308 University of Florida/			8,677.19
Grants for Agricultural Research, Special Research Grants		504362 University of Florida/			6,500.00
Grants for Agricultural Research, Special Research Grants		504363 Virginia State University/			1,818.28
Grants for Agricultural Research, Special Research Grants		503931 Mississippi State University/			0.16
Grants for Agricultural Research, Competitive Research Grants	10.206	503298 Infinite Enzymes, LLC/			11,061.00
Small Business Innovation Research	10.212	406397 University of Georgia/			4,386.99
Sustainable Agriculture Research and Education	10.215	504408 Southern University/			10,164.98
1890 Institution Capacity Building Grants	10.216	504059 New Mexico State University/			46,048.22
Higher Education Challenge Grants	10.217	504167 University of Florida/			28,999.85
Higher Education Challenge Grants		504017 University of Florida/			23,676.77
Higher Education Challenge Grants		504421 Colorado State University/			(8,084.01)
Higher Education Multicultural Scholars Program	10.220	503037 University of Puerto Rico/			9.76
Hispanic Serving Institutions Education Grants	10.223	503947 University of California at Riverside/			42,985.52
Integrated Programs	10.303	504314 University of Nebraska - Lincoln/			12,936.14
Integrated Programs		504125			

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SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	56,672.39				56,672.39	56,672.39
	(0.03)				(0.03)	(0.03)
	7,217.42				7,217.42	7,217.42
	63,985.04				63,985.04	63,985.04
	7,678.97				7,678.97	7,678.97
	134,320.02				134,320.02	134,320.02
	139,381.00				139,381.00	139,381.00
	(1,274.90)				(1,274.90)	(1,274.90)
	71,301.84				71,301.84	71,301.84
	10,479.51				10,479.51	10,479.51
	16,360.78				16,360.78	16,360.78
	8,677.19				8,677.19	8,677.19
	6,500.00				6,500.00	6,500.00
	1,818.28				1,818.28	1,818.28
	0.16				0.16	0.16
	11,061.00				11,061.00	11,061.00
	4,386.99				4,386.99	4,386.99
	10,164.98				10,164.98	10,164.98
	46,048.22				46,048.22	46,048.22
	28,999.85				28,999.85	28,999.85
	23,676.77				23,676.77	23,676.77
	(8,084.01)				(8,084.01)	(8,084.01)
	9.76				9.76	9.76
	42,985.52				42,985.52	42,985.52
	12,936.14				12,936.14	12,936.14

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Biodiesel	10.306	Arkansas State University/ 504433			2,676.37
Biodiesel		Oklahoma State University/ 504417			18,163.59
Biodiesel		Oklahoma State University/ 570783			11,324.36
Specialty Crop Research Initiative	10.309	University of Georgia/ 504430			10,175.67
Agriculture and Food Research Initiative	10.310	Iowa State University/ 503737			41,093.80
Agriculture and Food Research Initiative		Louisiana State University/ 504458			14,425.13
Agriculture and Food Research Initiative		University of Florida/ 504179			1,810.07
Agriculture and Food Research Initiative		University of Maryland/ 503778			48,272.41
Agriculture and Food Research Initiative		University of Minnesota/ 504401			2,261.93
Crop Insurance	10.450	Grazingland Management Systems, Inc./ 405174			6,100.19
Crop Insurance		Grazingland Management Systems, Inc./ 405223			6,100.19
Food Safety Cooperative Agreements	10.479	Wyle Science Technology & Engineering/ 504339			6,000.00
Cooperative Extension Service	10.500	Louisiana State University/ 502616			(712.01)
Cooperative Extension Service		Pennsylvania State University/ 503796			106,525.27
Cooperative Extension Service		Pennsylvania State University/ 570745			16,500.01
Resource Conservation and Development	10.901	Southern Forest Research Partnership/ 503115			5,861.22
Cochran Fellowship Program-International Training-Foreign Participant	10.962	University of California at Davis/ 503449			592.50
Cochran Fellowship Program-International Training-Foreign Participant		University of California at Davis/ 504331			217,588.77
Cochran Fellowship Program-International Training-Foreign Participant		University of California at Davis/ 570375			791,888.16
Cochran Fellowship Program-International Training-Foreign Participant		University Of California At Davis/ 503499			(17,591.92)
Cochran Fellowship Program-International Training-Foreign Participant		University Of California At Davis/ 503670			(370.47)
Cochran Fellowship Program-International Training-Foreign Participant		University Of California At Davis/ 503754			(13,085.02)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	2,676.37				2,676.37	2,676.37
	18,163.59				18,163.59	18,163.59
	11,324.36			11,324.36		11,324.36
	10,175.67				10,175.67	10,175.67
	41,093.80				41,093.80	41,093.80
	14,425.13				14,425.13	14,425.13
	1,810.07				1,810.07	1,810.07
	48,272.41				48,272.41	48,272.41
	2,261.93				2,261.93	2,261.93
	6,100.19				6,100.19	6,100.19
	6,100.19				6,100.19	6,100.19
	6,000.00				6,000.00	6,000.00
	(712.01)				(712.01)	(712.01)
	106,525.27				106,525.27	106,525.27
	16,500.01			15,000.00	1,500.01	16,500.01
	5,861.22				5,861.22	5,861.22
	592.50				592.50	592.50
	217,588.77				217,588.77	217,588.77
	791,888.16			791,888.16		791,888.16
	(17,591.92)				(17,591.92)	(17,591.92)
	(370.47)				(370.47)	(370.47)
	(13,085.02)				(13,085.02)	(13,085.02)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Cochran Fellowship Program-International Training-Foreign Participant		University Of California At Davis/ 570563			(461.87)
<u>Direct Programs:</u>					
U.S. Department of Agriculture	10.000	504485			
Agricultural Research_Basic and Applied Research	10.001				
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through To:</i> <i>Texas A&M Engineering Experiment Station</i>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through To:</i> <i>Tarleton State University</i>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through To:</i> <i>Texas A&M University - Kingsville</i>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through To:</i> <i>University of Houston - Downtown</i>					
Transportation Services	10.167				
Grants for Agricultural Research, Special Research Grants	10.200				
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through To:</i> <i>Texas A&M University - Kingsville</i>					
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through To:</i> <i>Texas Tech University</i>					
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through To:</i> <i>West Texas A&M University</i>					
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203				
Grants for Agricultural Research_Compertitive Research Grants	10.206				
Animal Health and Disease Research	10.207				
Sustainable Agriculture Research and Education	10.215				
Higher Education Challenge Grants	10.217				
Higher Education Challenge Grants	10.217				
<i>Pass-Through To:</i> <i>Texas Tech University</i>					
Biotechnology Risk Assessment Research	10.219				
Higher Education Multicultural Scholars Program	10.220				
Community Food Projects	10.225				
Agricultural and Rural Economic Research	10.250				
Consumer Data and Information Program	10.256				
Agricultural Market and Economic Research	10.290				
Integrated Programs	10.303				
Integrated Programs	10.303				
<i>Pass-Through To:</i> <i>Texas A&M University - Corpus Christi</i>					
Specialty Crop Research Initiative	10.309				
Specialty Crop Research Initiative	10.309				
<i>Pass-Through To:</i> <i>University of Texas at Tyler</i>					
Agriculture and Food Research Initiative	10.310				
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through To:</i>					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	(461.87)			(461.87)		(461.87)
14,187.52	14,187.52				14,187.52	14,187.52
1,777,121.90	1,777,121.90			8,660.55	1,768,461.35	1,777,121.90
775,118.62	775,118.62			22,221.58	752,897.04	775,118.62
315,388.25	315,388.25					315,388.25
		712	315,388.25			
6,000.00	6,000.00					6,000.00
		713	6,000.00			
8,031.27	8,031.27					8,031.27
		732	8,031.27			
17,459.06	17,459.06					17,459.06
		784	17,459.06			
46,572.97	46,572.97				46,572.97	46,572.97
2,889,425.48	2,889,425.48			661,922.68	2,227,502.80	2,889,425.48
8,974.81	8,974.81					8,974.81
		732	8,974.81			
107,918.95	107,918.95					107,918.95
		733	107,918.95			
52,967.68	52,967.68					52,967.68
		757	52,967.68			
8,908,502.00	8,908,502.00				8,908,502.00	8,908,502.00
(31,405.33)	(31,405.33)				(31,405.33)	(31,405.33)
226,318.27	226,318.27				226,318.27	226,318.27
31,100.30	31,100.30				31,100.30	31,100.30
56,615.68	56,615.68			11,213.20	45,402.48	56,615.68
46,408.07	46,408.07					46,408.07
		733	46,408.07			
32,112.31	32,112.31			25,048.60	7,063.71	32,112.31
6,750.00	6,750.00				6,750.00	6,750.00
1,059,296.95	1,059,296.95				1,059,296.95	1,059,296.95
12,087.58	12,087.58				12,087.58	12,087.58
12,246.31	12,246.31				12,246.31	12,246.31
26,447.82	26,447.82				26,447.82	26,447.82
167,682.77	167,682.77			37,693.16	129,989.61	167,682.77
7,477.06	7,477.06					7,477.06
		760	7,477.06			
1,456,714.24	1,456,714.24			559,609.61	897,104.63	1,456,714.24
226,595.67	226,595.67					226,595.67
		750	226,595.67			
1,613,372.24	1,613,372.24			222,835.61	1,390,536.63	1,613,372.24
80,320.75	80,320.75					80,320.75

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 TEXAS A&M AGRILIFE RESEARCH
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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Texas A&M Engineering Experiment Station</i>					
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through To:</i> <i>Texas Tech University</i>					
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475				
Food Safety Cooperative Agreements	10.479				
Cooperative Extension Service	10.500				
Forestry Research	10.652				
Cooperative Forestry Assistance	10.664				
Forest Health Protection	10.680				
Renewable Energy Systems and Energy Efficiency Improvements Program	10.775				
Resource Conservation and Development	10.901				
Soil and Water Conservation	10.902				
Soil Survey	10.903				
Environmental Quality Incentives Program	10.912				
Technical Agricultural Assistance	10.960				
Scientific Cooperation and Research	10.961				
Cochran Fellowship Program-International Training-Foreign Participant	10.962				
<u>Pass-Through From:</u>					
Agricultural Research_Basic and Applied Research	10.001				
<i>Pass-Through From:</i> <i>Texas Tech University</i>			733	254.88	
Specialty Crop Block Grant Program - Farm Bill	10.170				
<i>Pass-Through From:</i> <i>Department of Agriculture</i>			551	183,283.26	
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through From:</i> <i>Texas Tech University</i>			733	237,107.10	
1890 Institution Capacity Building Grants	10.216				
<i>Pass-Through From:</i> <i>Prairie View A&M University</i>			715	16,304.02	
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through From:</i> <i>Texas A&M University - Kingsville</i>			732	36,566.45	
Hispanic Serving Institutions Education Grants	10.223				
<i>Pass-Through From:</i> <i>University of Texas - Pan American</i>			736	49,617.08	
Integrated Programs	10.303				
<i>Pass-Through From:</i> <i>Texas Tech University</i>			733	33,944.84	
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through From:</i> <i>Texas Tech University</i>			733	36,158.62	
Forestry Research	10.652				
<i>Pass-Through From:</i> <i>University of Texas at San Antonio</i>			743	117,579.86	
Totals - U.S. Department of Agriculture				710,816.11	1,971,664.43
U.S. Department of Commerce					8,922.54
Sea Grant Support	11.417	University of Maryland Sea Grant/ 504460			
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427	University of Southern Mississippi/			20,066.65

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 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
		712	80,320.75			
32,269.00	32,269.00					32,269.00
		733	32,269.00			
250,757.40	250,757.40				250,757.40	250,757.40
115,422.24	115,422.24				115,422.24	115,422.24
(0.06)	(0.06)				(0.06)	(0.06)
227,905.50	227,905.50			10,524.19	217,381.31	227,905.50
(325.60)	(325.60)				(325.60)	(325.60)
6,676.45	6,676.45				6,676.45	6,676.45
143,290.68	143,290.68				143,290.68	143,290.68
33,536.51	33,536.51				33,536.51	33,536.51
816,433.27	816,433.27			7,685.95	808,747.32	816,433.27
108,643.56	108,643.56				108,643.56	108,643.56
237,865.20	237,865.20			118,570.16	119,295.04	237,865.20
602,978.50	602,978.50			39,693.40	563,285.10	602,978.50
238,665.95	238,665.95				238,665.95	238,665.95
699,306.58	699,306.58			(8,762.80)	708,069.38	699,306.58
	254.88				254.88	254.88
	183,283.26				183,283.26	183,283.26
	237,107.10				237,107.10	237,107.10
	16,304.02				16,304.02	16,304.02
	36,566.45				36,566.45	36,566.45
	49,617.08				49,617.08	49,617.08
	33,944.84				33,944.84	33,944.84
	36,158.62				36,158.62	36,158.62
	117,579.86				117,579.86	117,579.86
23,471,234.38	26,153,714.92		909,810.57	2,534,666.54	22,709,237.81	26,153,714.92
	8,922.54				8,922.54	8,922.54
	20,066.65				20,066.65	20,066.65

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Unallied Management Projects	11.454	504039 University of California/ 504174			106.78
<u>Direct Programs:</u>					
Sea Grant Support	11.417				
Sea Grant Support	11.417				
<u>Pass-Through To:</u> Texas State University - San Marcos					
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432				
Special Oceanic and Atmospheric Projects	11.460				
<u>Pass-Through From:</u>					
Sea Grant Support	11.417				
<u>Pass-Through From:</u> Texas A&M University			711	219,501.15	
Coastal Zone Management Administration Awards	11.419				
<u>Pass-Through From:</u> General Land Office			305	35,166.09	
Coastal Zone Management Administration Awards	11.419				
<u>Pass-Through From:</u> University of Texas at Austin			721	11,233.61	
Totals - U.S. Department of Commerce				265,900.85	29,095.97
U.S. Department of Defense					
Military Medical Research and Development	12.420	University of California- San Francisco/ 504410			164,634.90
Basic, Applied, and Advanced Research in Science and Engineering	12.630	GTW Consultant & Association, LLC/ 504338			424,113.42
Basic, Applied, and Advanced Research in Science and Engineering		Taa Transformation Advisors, LLC/ 504300			94.50
Air Force Defense Research Sciences Program	12.800	General Atomics/ 405990			(0.01)
Air Force Defense Research Sciences Program		General Atomics/ 504228			(13,056.92)
Air Force Defense Research Sciences Program		General Atomics/ 504266			(920.12)
Air Force Defense Research Sciences Program		General Atomics/ 504267			(59.32)
Air Force Defense Research Sciences Program		General Atomics/ 504269			(2,171.74)
Air Force Defense Research Sciences Program		General Atomics/ 570709			(10,452.44)
Air Force Defense Research Sciences Program		Socafrica/ 504077			20,604.84
<u>Direct Programs:</u>					
Aquatic Plant Control	12.100				
Aquatic Plant Control	12.100				
<u>Pass-Through To:</u> University of Texas at Arlington					
Collaborative Research and Development	12.114				
Basic and Applied Scientific Research	12.300				
Basic Scientific Research	12.431				
Basic, Applied, and Advanced Research in Science and Engineering	12.630				
Air Force Defense Research Sciences Program	12.800				
<u>Pass-Through To:</u> Texas A&M University at Galveston					
Research and Technology Development	12.910				

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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	106.78				106.78	106.78
95,845.89	95,845.89			97,810.68	(1,964.79)	95,845.89
30,135.60	30,135.60					30,135.60
		754	30,135.60			
34,810.34	34,810.34				34,810.34	34,810.34
(6,250.01)	(6,250.01)				(6,250.01)	(6,250.01)
	219,501.15				219,501.15	219,501.15
	35,166.09				35,166.09	35,166.09
	11,233.61				11,233.61	11,233.61
154,541.82	449,538.64		30,135.60	97,810.68	321,592.36	449,538.64
	164,634.90				164,634.90	164,634.90
	424,113.42				424,113.42	424,113.42
	94.50				94.50	94.50
	(0.01)				(0.01)	(0.01)
	(13,056.92)				(13,056.92)	(13,056.92)
	(920.12)				(920.12)	(920.12)
	(59.32)				(59.32)	(59.32)
	(2,171.74)				(2,171.74)	(2,171.74)
	(10,452.44)				(10,452.44)	(10,452.44)
	20,604.84				20,604.84	20,604.84
240,442.13	240,442.13			41,002.27	199,439.86	240,442.13
36,922.41	36,922.41					36,922.41
		714	36,922.41			
591,922.34	591,922.34			-2,852.05	594,774.39	591,922.34
5,513,596.92	5,513,596.92			37,591.74	5,476,005.18	5,513,596.92
95,097.98	95,097.98				95,097.98	95,097.98
193,941.67	193,941.67			72,797.69	121,143.98	193,941.67
1,173.56	1,173.56					1,173.56
		718	1,173.56			
1,545.34	1,545.34				1,545.34	1,545.34

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - U.S. Department of Defense					582,787.11
U.S. Department of the Interior					6,339.66
Coastal Impact Assistance Program (CIAP)	15.426	Houston Advanced Research Center/ 504470			
<u>Direct Programs:</u>					
Recreation Resource Management	15.225				
Wild Horse and Burro Resource Management	15.229				
Fish, Wildlife and Plant Conservation Resource Management	15.231				
Water Reclamation and Reuse Program	15.504				
Water Conservation Field Services Program (WCFSP)	15.530				
Conservation Law Enforcement Training Assistance	15.602				
Fish and Wildlife Management Assistance	15.608				
Coastal Program	15.630				
<u>Pass-Through To:</u>					
<i>Texas A&M University - Kingsville</i>					
Migratory Bird Monitoring, Assessment and Conservation	15.655				
Cooperative Landscape Conservation	15.669				
Assistance to State Water Resources Research Institutes	15.805				
Assistance to State Water Resources Research Institutes	15.805				
<u>Pass-Through To:</u>					
<i>Texas A&M Engineering Experiment Station</i>					
Assistance to State Water Resources Research Institutes	15.805				
<u>Pass-Through To:</u>					
<i>University of Texas at Arlington</i>					
Assistance to State Water Resources Research Institutes	15.805				
<u>Pass-Through To:</u>					
<i>University of Texas at Austin</i>					
Assistance to State Water Resources Research Institutes	15.805				
<u>Pass-Through To:</u>					
<i>Sam Houston State University</i>					
Assistance to State Water Resources Research Institutes	15.805				
<u>Pass-Through To:</u>					
<i>Texas State University - San Marcos</i>					
U.S. Geological Survey, Research and Data Collection	15.808				
Cooperative Research Units Program	15.812				
National Historic Landmark	15.912				
Outdoor Recreation Acquisition, Development and Planning	15.916				
Rivers, Trails and Conservation Assistance	15.921				
National Center for Preservation Technology and Training	15.923				
Cooperative Research and Training Programs - Resources of the National Park System	15.945				
<u>Pass-Through From:</u>					
Wildlife Restoration and Basic Hunter Education	15.611				
<u>Pass-Through From:</u>					
<i>Parks and Wildlife Department</i>			802	93,177.05	
Cooperative Endangered Species Conservation Fund	15.615				
<u>Pass-Through From:</u>					
<i>Parks and Wildlife Department</i>			802	222,913.17	
State Wildlife Grants	15.634				
<u>Pass-Through From:</u>					
<i>Parks and Wildlife Department</i>			802	8,569.12	
Totals - U.S. Department of the Interior				324,659.34	6,339.66
U.S. Department of State					

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 TEXAS A&M AGRILIFE RESEARCH
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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
6,674,642.35	7,257,429.46		38,095.97	148,539.65	7,070,793.84	7,257,429.46
	6,339.66				6,339.66	6,339.66
37,986.53	37,986.53				37,986.53	37,986.53
19,155.65	19,155.65				19,155.65	19,155.65
153,993.43	153,993.43				153,993.43	153,993.43
16,124.00	16,124.00			15,330.72	793.28	16,124.00
31,293.36	31,293.36				31,293.36	31,293.36
(3,934.51)	(3,934.51)				(3,934.51)	(3,934.51)
175,201.37	175,201.37			1,136.95	174,064.42	175,201.37
845.61	845.61					845.61
		732	845.61			
3,281.53	3,281.53				3,281.53	3,281.53
57,066.56	57,066.56				57,066.56	57,066.56
159,957.68	159,957.68				159,957.68	159,957.68
4,998.21	4,998.21					4,998.21
		712	4,998.21			
4,895.92	4,895.92					4,895.92
		714	4,895.92			
4,999.94	4,999.94					4,999.94
		721	4,999.94			
3,920.90	3,920.90					3,920.90
		753	3,920.90			
37,586.15	37,586.15					37,586.15
		754	37,586.15			
37,408.65	37,408.65				37,408.65	37,408.65
10,961.53	10,961.53				10,961.53	10,961.53
15,545.15	15,545.15				15,545.15	15,545.15
180,040.71	180,040.71				180,040.71	180,040.71
(49.59)	(49.59)				(49.59)	(49.59)
(115.97)	(115.97)				(115.97)	(115.97)
119,299.86	119,299.86				119,299.86	119,299.86
	93,177.05				93,177.05	93,177.05
	222,913.17				222,913.17	222,913.17
	8,569.12				8,569.12	8,569.12
1,070,462.67	1,401,461.67		57,246.73	16,467.67	1,327,747.27	1,401,461.67

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				Agencies or Universities Amount	Non-State Entities Amount
Direct Programs:					
U.S. Department of State	19.000	504390			
U.S. Department of State	19.000	504403			
One-Time International Exchange Grant Program	19.014				
Middle East Partnership Initiative (MEPI)	19.500				
Totals - U.S. Department of State					
U.S. Department of Transportation					
Highway Planning and Construction	20.205	Florida Department of Transportation/ 503129			55.04
Biobased Transportation Research	20.761	Oklahoma State University/ 503707			13,000.00
Biobased Transportation Research		Oklahoma State University/ 504113			107,613.25
Biobased Transportation Research		Oklahoma State University/ 504126			32,734.20
Biobased Transportation Research		Oklahoma State University/ 504350			57,726.83
Biobased Transportation Research		Oklahoma State University/ 504399			2,489.52
Biobased Transportation Research		Oklahoma State University/ 570634			9,171.16
Biobased Transportation Research		Oklahoma State University/ 570635			27,881.33
Biobased Transportation Research		Oklahoma State University/ 570648			3,738.49
Biobased Transportation Research		Oklahoma State University/ 570649			13,332.12
Biobased Transportation Research		Oklahoma State University/ 570719			5,931.68
Direct Programs:					
Biobased Transportation Research	20.761				
<i>Pass-Through To:</i>					
<i>Texas Tech University</i>					
Biobased Transportation Research	20.761				
<i>Pass-Through To:</i>					
<i>West Texas A&M University</i>					
Totals - U.S. Department of Transportation					273,673.62
General Services Administration					
Pass-Through From:					
Donation of Federal Surplus Personal Property	39.003				
<i>Pass-Through From:</i>					
<i>Texas Facilities Commission</i>					
Totals - General Services Administration			303	14,186.53	
National Aeronautics and Space Administration					
Science	43.001	Baylor College of Medicine (NSBRI)/ 504519			1,050.00

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
1,049,213.14	1,049,213.14				1,049,213.14	1,049,213.14
953,450.44	953,450.44				953,450.44	953,450.44
10,104.34	10,104.34				10,104.34	10,104.34
2,104.14	2,104.14				2,104.14	2,104.14
2,014,872.06	2,014,872.06				2,014,872.06	2,014,872.06
	55.04				55.04	55.04
	13,000.00				13,000.00	13,000.00
	107,613.25				107,613.25	107,613.25
	32,734.20				32,734.20	32,734.20
	57,726.83				57,726.83	57,726.83
	2,489.52				2,489.52	2,489.52
	9,171.16				9,171.16	9,171.16
	27,881.33			22,305.06	5,576.27	27,881.33
	3,738.49			2,990.79	747.7	3,738.49
	13,332.12			13,332.12		13,332.12
	5,931.68				5,931.68	5,931.68
44,101.62	44,101.62					44,101.62
		733	44,101.62			
17,553.31	17,553.31					17,553.31
		757	17,553.31			
61,654.93	335,328.55		61,654.93	38,627.97	235,045.65	335,328.55
	14,186.53				14,186.53	14,186.53
	14,186.53				14,186.53	14,186.53
	1,050.00				1,050.00	1,050.00

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				Agencies or Universities Amount	Non-State Entities Amount
Science		University of New Mexico/ 504415			60,514.16
<u>Direct Programs:</u>					
Science	43.001				
Totals - National Aeronautics and Space Administration					61,564.16
National Science Foundation					
Engineering Grants	47.041	Stellarray, Inc./ 504212			(0.20)
Biological Sciences	47.074	Purdue University/ 503651			220,379.28
Biological Sciences		Purdue University/ 503862			61,741.19
Biological Sciences		University of Illinois/ 504066			21,916.88
Biological Sciences		Wake Forest University/ 503756			22,267.23
Social, Behavioral, and Economic Sciences	47.075	Resources for the Future/ 504333			291.57
<u>Direct Programs:</u>					
Engineering Grants	47.041				
Biological Sciences	47.074				
Education and Human Resources	47.076				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
Totals - National Science Foundation					326,595.95
Environmental Protection Agency					
Surveys, Studies, Investigations, Demonstrations, and Training Grants - Section 1442 of the Safe Drinking Water Act	66.424	The Cadmus Group/ 504436			10,809.09
Science To Achieve Results (STAR) Research Program	66.509	University of Maryland/ 504463			30,953.22
<u>Direct Programs:</u>					
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034				
Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
<u>Pass-Through To:</u>					
Tarleton State University					
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through To:</u>					
Texas A&M Engineering Experiment Station					
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through To:</u>					
University of Texas at Austin					
Nonpoint Source Implementation Grants	66.460				
<u>Pass-Through To:</u>					
Stephen F. Austin State University					
Science To Achieve Results (STAR) Research Program	66.509				
<u>Pass-Through From:</u>					
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality			582	4.31	
Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
<u>Pass-Through From:</u>					
Texas Commission on Environmental Quality			582	353,800.27	
Nonpoint Source Implementation Grants	66.460				

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 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	60,514.16				60,514.16	60,514.16
33,076.99	33,076.99				33,076.99	33,076.99
33,076.99	94,641.15				94,641.15	94,641.15
	(0.20)				(0.20)	(0.20)
	220,379.28				220,379.28	220,379.28
	61,741.19				61,741.19	61,741.19
	21,916.88				21,916.88	21,916.88
	22,267.23				22,267.23	22,267.23
	291.57				291.57	291.57
106,262.11	106,262.11				106,262.11	106,262.11
690,231.26	690,231.26				690,231.26	690,231.26
30,777.60	30,777.60			15,165.59	15,612.01	30,777.60
55,252.98	55,252.98				55,252.98	55,252.98
882,523.95	1,209,119.90			15,165.59	1,193,954.31	1,209,119.90
	10,809.09				10,809.09	10,809.09
	30,953.22				30,953.22	30,953.22
33,553.99	33,553.99				33,553.99	33,553.99
31,823.46	31,823.46					31,823.46
		713	31,823.46			
14,582.05	14,582.05					14,582.05
		712	14,582.05			
86,553.75	86,553.75					86,553.75
		721	86,553.75			
50,725.63	50,725.63					50,725.63
		755	50,725.63			
664.41	664.41				664.41	664.41
	4.31				4.31	4.31
	353,800.27				353,800.27	353,800.27
	739,572.39				739,572.39	739,572.39

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 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	739,572.39	
Nonpoint Source Implementation Grants <i>Pass-Through From:</i> <i>Soil and Water Conservation Board</i>	66.460		592	626,294.07	
Totals - Environmental Protection Agency				1,719,671.04	41,762.31
U.S. Department of Energy Inventions and Innovations	81.036	Battelle Memorial Institute/ 503838			5,252.36
Office of Science Financial Assistance Program	81.049	University of California at San Diego/ 504416			72,000.38
Office of Science Financial Assistance Program		University of Tennessee- Battelle, LLC/ 503920			13,951.00
Regional Biomass Energy Programs	81.079	South Dakota State University/ 503757			1,303.25
Regional Biomass Energy Programs		South Dakota State University/ 503760			20,917.25
Regional Biomass Energy Programs		South Dakota State University/ 503884			143,742.31
Regional Biomass Energy Programs		South Dakota State University/ 504008			17,903.18
Renewable Energy Research and Development	81.087	Arkansas State University/ 503866			563.73
Renewable Energy Research and Development		AGCO Corporation/ 406141			19,098.98
Renewable Energy Research and Development		Consortium for Plant Biotechnology/ 504307			54,460.17
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504127			289,012.86
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504128			38,678.19
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504129			140,039.74
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504130			158,341.39
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504131			38,409.54
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504132			8,902.12
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504133			187,535.04
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504134			38,296.80
ARRA - Renewable Energy Research and Development		Donald Danforth Plant Science Center/ 504134			235,984.59

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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	626,294.07				626,294.07	626,294.07
217,903.29	1,979,336.64		183,684.89		1,795,651.75	1,979,336.64
	5,252.36				5,252.36	5,252.36
	72,000.38				72,000.38	72,000.38
	13,951.00				13,951.00	13,951.00
	1,303.25				1,303.25	1,303.25
	20,917.25				20,917.25	20,917.25
	143,742.31				143,742.31	143,742.31
	17,903.18				17,903.18	17,903.18
	563.73				563.73	563.73
	19,098.98				19,098.98	19,098.98
	54,460.17				54,460.17	54,460.17
	289,012.86				289,012.86	289,012.86
	38,678.19				38,678.19	38,678.19
	140,039.74				140,039.74	140,039.74
	158,341.39				158,341.39	158,341.39
	38,409.54				38,409.54	38,409.54
	8,902.12				8,902.12	8,902.12
	187,535.04				187,535.04	187,535.04
	38,296.80				38,296.80	38,296.80
	235,984.59				235,984.59	235,984.59

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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
ARRA - Renewable Energy Research and Development		504135 Donald Danforth Plant Science Center/			68,978.40
ARRA - Renewable Energy Research and Development		504136 Donald Danforth Plant Science Center/			84,170.51
ARRA - Renewable Energy Research and Development		504137 Donald Danforth Plant Science Center/			174,582.37
ARRA - Renewable Energy Research and Development		504138 Donald Danforth Plant Science Center/			97,590.29
ARRA - Renewable Energy Research and Development		504139 Donald Danforth Plant Science Center/			174,423.57
ARRA - Renewable Energy Research and Development		504140 Donald Danforth Plant Science Center/			255,488.53
ARRA - Renewable Energy Research and Development		504141 Donald Danforth Plant Science Center/			68,334.41
ARRA - Renewable Energy Research and Development		504142 Donald Danforth Plant Science Center/			11,329.37
ARRA - Renewable Energy Research and Development		504343 Donald Danforth Plant Science Center/			363,969.09
ARRA - Renewable Energy Research and Development		504393 Donald Danforth Plant Science Center/			100,911.00
Fossil Energy Research and Development	81.089	570687 New Mexico Tech/			(2,940.47)
Fossil Energy Research and Development		503389 New Mexico Tech/			(4,550.00)
Fossil Energy Research and Development		570713 University of Arkansas/			50,830.00
ARRA - Fossil Energy Research and Development		504115 New Mexico Tech/			105,412.36
		504185			
<u>Direct Programs:</u>					
ARRA - Renewable Energy Research and Development	81.087				
Advanced Research and Projects Agency - Energy Financial Assistance Program	81.135				
<u>Pass-Through From:</u>					
Renewable Energy Research and Development	81.087				
<u>Pass-Through From:</u>					
Texas A&M Engineering Experiment Station			712	176,880.65	
Totals - U.S. Department of Energy				176,880.65	3,032,922.31
<u>U.S. Department of Education</u>					
<u>Direct Programs:</u>					
Career and Technical Education -- Basic Grants to States	84.048				
<u>Pass-Through To:</u>					
Texas A&M University - Kingsville					
Career and Technical Education -- Basic Grants to States	84.048				
<u>Pass-Through To:</u>					
Sam Houston State University					
Fund for the Improvement of Postsecondary Education	84.116				
<u>Pass-Through From:</u>					
Career and Technical Education -- Basic Grants to States	84.048				
<u>Pass-Through From:</u>					
Texas Education Agency			701	250,395.37	

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 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	68,978.40				68,978.40	68,978.40
	84,170.51				84,170.51	84,170.51
	174,582.37				174,582.37	174,582.37
	97,590.29				97,590.29	97,590.29
	174,423.57				174,423.57	174,423.57
	255,488.53				255,488.53	255,488.53
	68,334.41				68,334.41	68,334.41
	11,329.37				11,329.37	11,329.37
	363,969.09				363,969.09	363,969.09
	100,911.00			100,911.00		100,911.00
	(2,940.47)				(2,940.47)	(2,940.47)
	(4,550.00)				(4,550.00)	(4,550.00)
	50,830.00				50,830.00	50,830.00
	105,412.36				105,412.36	105,412.36
32,137.57	32,137.57				32,137.57	32,137.57
239,917.57	239,917.57			38,002.89	201,914.68	239,917.57
	176,880.65				176,880.65	176,880.65
272,055.14	3,481,858.10			138,913.89	3,342,944.21	3,481,858.10
3,833.94	3,833.94					3,833.94
		732	3,833.94			
16,145.02	16,145.02					16,145.02
		753	16,145.02			
48,061.70	48,061.70				48,061.70	48,061.70
	250,395.37				250,395.37	250,395.37

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - U.S. Department of Education				250,395.37	
U.S. Department of Health and Human Services					
Cancer Detection and Diagnosis Research	93.394	CDG Therapeutics, Inc./ 504456			30,845.25
Allergy, Immunology and Transplantation Research	93.855	KJ Biosciences LLC/ 504351			53,625.52
Allergy, Immunology and Transplantation Research		Nanotherapeutics, Inc/ 504241			64,730.82
Allergy, Immunology and Transplantation Research		University of California at Davis/ 503943			261,685.21
Biomedical Research and Research Training	93.859	University of Nebraska - Lincoln/ 503898			159,530.72
Biomedical Research and Research Training		Washington University In St. Louis/ 503496			(405.48)
<u>Direct Programs:</u>					
Food and Drug Administration Research	93.103				
Environmental Health	93.113				
Alcohol Research Programs	93.273				
National Center for Research Resources	93.389				
Cancer Cause and Prevention Research	93.393				
Ruminant Feed Ban Support Project	93.449				
ARRA - Trans-NIH Recovery Act Research Support	93.701				
Cardiovascular Diseases Research	93.837				
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847				
Allergy, Immunology and Transplantation Research	93.855				
Child Health and Human Development Extramural Research	93.865				
<u>Pass-Through From:</u>					
Food and Drug Administration Research	93.103				
<u>Pass-Through From:</u> <i>Department of State Health Services</i>			537	78,436.53	
National Center for Research Resources	93.389				
<u>Pass-Through From:</u> <i>University of Texas Health Science Center at San Antonio</i>			745	105,798.75	
Allergy, Immunology and Transplantation Research	93.855				
<u>Pass-Through From:</u> <i>University of Texas Medical Branch at Galveston</i>			723	546,469.52	
Totals - U.S. Department of Health and Human Services				730,704.80	570,012.04
U.S. Department of Homeland Security					
<u>Direct Programs:</u>					
Homeland Security Preparedness Technical Assistance Program	97.007				
Centers for Homeland Security	97.061				
Centers for Homeland Security	97.061				
<u>Pass-Through To:</u> <i>Texas Veterinary Medical Diagnostic Laboratory</i>					
Centers for Homeland Security	97.061				
<u>Pass-Through To:</u> <i>Texas A&M Engineering Experiment Station</i>					
Centers for Homeland Security	97.061				
<u>Pass-Through To:</u> <i>University of Texas Medical Branch at Galveston</i>					
Homeland Security-related Science, Technology, Engineering and Mathematics (HS STEM) Career Development Program	97.104				

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 TEXAS A&M AGRILIFE RESEARCH
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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
68,040.66	318,436.03		19,978.96		298,457.07	318,436.03
	30,845.25				30,845.25	30,845.25
	53,625.52				53,625.52	53,625.52
	64,730.82				64,730.82	64,730.82
	261,685.21				261,685.21	261,685.21
	159,530.72				159,530.72	159,530.72
	(405.48)				(405.48)	(405.48)
155,761.09	155,761.09				155,761.09	155,761.09
125,104.43	125,104.43				125,104.43	125,104.43
637,492.87	637,492.87			64,246.38	573,246.49	637,492.87
180,481.81	180,481.81				180,481.81	180,481.81
121,802.52	121,802.52			45,437.58	76,364.94	121,802.52
248,666.67	248,666.67				248,666.67	248,666.67
207,123.79	207,123.79				207,123.79	207,123.79
163,717.38	163,717.38				163,717.38	163,717.38
133,137.21	133,137.21				133,137.21	133,137.21
640,637.59	640,637.59			208,315.26	432,322.33	640,637.59
230,349.55	230,349.55				230,349.55	230,349.55
	78,436.53				78,436.53	78,436.53
	105,798.75				105,798.75	105,798.75
	546,469.52				546,469.52	546,469.52
2,844,274.91	4,144,991.75			317,999.22	3,826,992.53	4,144,991.75
(65,550.54)	(65,550.54)				(65,550.54)	(65,550.54)
1,991,446.99	1,991,446.99			1,143,672.72	847,774.27	1,991,446.99
255,181.91	255,181.91				255,181.91	255,181.91
		557	255,181.91			
73,994.44	73,994.44					73,994.44
		712	73,994.44			
171,459.13	171,459.13					171,459.13
		723	171,459.13			
167,263.37	167,263.37			114,897.51	52,365.86	167,263.37

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 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Homeland Security-related Science, Technology, Engineering and Mathematics (HS STEM) Career Development Program <i>Pass-Through To:</i> <i>University of Texas Medical Branch at Galveston</i>	97.104				
Totals - U.S. Department of Homeland Security					
U. S. Agency for International Development					
USAID Foreign Assistance for Programs Overseas	98.001	Agrilogic/ 503729			(0.02)
USAID Foreign Assistance for Programs Overseas		AECOM International Development, Inc./ 503921		6,000.64	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 504218		313,316.63	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570684		121,822.53	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570688		63,270.99	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570689		14,914.54	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570690		74,703.16	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570691		51,263.60	
USAID Foreign Assistance for Programs Overseas		Colorado State University/ 570692		124,744.82	
USAID Foreign Assistance for Programs Overseas		Development Alternatives, Inc./ 504402		13,304.41	
USAID Foreign Assistance for Programs Overseas		The Louis Berger Group, Inc./ 503589		242,855.25	
USAID Foreign Assistance for Programs Overseas		The Louis Berger Group, Inc./ 503686		115,525.69	
<u>Direct Programs:</u>					
USAID Foreign Assistance for Programs Overseas	98.001				
USAID Development Partnerships for University Cooperation and Development	98.012				1,141,722.24
Totals - U. S. Agency for International Development					
Total Expenditures of Federal Awards				\$ 4,610,195.47	\$ 8,038,139.80

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
34,041.68	34,041.68					34,041.68
		723	34,041.68			
2,627,836.98	2,627,836.98		534,677.16	1,258,570.23	834,589.59	2,627,836.98
	(0.02)				(0.02)	(0.02)
	6,000.64				6,000.64	6,000.64
	313,316.63				313,316.63	313,316.63
	121,822.53			121,822.53		121,822.53
	63,270.99			63,270.99		63,270.99
	14,914.54			14,173.80	740.74	14,914.54
	74,703.16			74,703.26	(0.10)	74,703.16
	51,263.60			62,001.72	(10,738.12)	51,263.60
	124,744.82			124,744.82		124,744.82
	13,304.41				13,304.41	13,304.41
	242,855.25				242,855.25	242,855.25
	115,525.69				115,525.69	115,525.69
3,814,810.65	3,814,810.65			292,249.53	3,522,561.12	3,814,810.65
170,676.23	170,676.23			124,710.00	45,966.23	170,676.23
3,985,486.88	5,127,209.12			877,676.65	4,249,532.47	5,127,209.12
<u>\$ 44,842,929.18</u>	<u>\$ 57,491,264.45</u>		<u>\$ 2,299,606.98</u>	<u>\$ 5,444,438.09</u>	<u>\$ 49,747,219.38</u>	<u>\$ 57,491,264.45</u>

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 TEXAS A&M AGRILIFE RESEARCH
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NOTE 1: NONMONETARY ASSISTANCE

The Donation Federal Surplus Personal Property is presented at 23.3 percent of the original federal acquisition cost of \$60,886.40. The surplus property is passed through from the Texas Facilities Commission. The federal grantor agency is the General Services Administration. The CFDA number is 39.003. The estimated fair value for the fiscal year 2012 is \$14,186.53.

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	57,131,604.85
Federal Grants and Contracts - Non-operating			
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	4,610,195.47	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property		(14,186.53)	
Total Federal Pass-Through Grants			4,596,008.94
Federal Appropriations			
Payments to Texas AgriLife Research under Hatch			6,903,400.00
Payments to Texas AgriLife Research under McIntyre-Stynnis			440,787.00
Payments to Texas AgriLife Research under Multiregional Funding			1,564,315.00
Total Federal Revenue per Exhibit IV	\$		70,636,115.79

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:

Donation of Federal Surplus Property			14,186.53
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New Loans Processed [NOTE 3]:

 Federal Family Education Loans
 Federal Perkins Loan Program
 Federal Direct Student Loans
 Health Education Assistance Loans
 Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students

DEDUCT:

Federal revenue received under a vendor relationship: USDA Food Safety Inspection Service			
Federal Grants to/from TAMRF			(13,159,037.87)
COBRA 65% Subsidy (CFDA Number 17.151)			
Total Pass Throughs and Expenditures per Federal Schedule	\$		<u>57,491,264.45</u>

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 TEXAS A&M AGRILIFE RESEARCH
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NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

<u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>BEGINNING BALANCE 9/1/2011</u>	<u>NET CHANGE</u>	<u>ENDING BALANCE 8/31/2012</u>
U.S. Department of Agriculture	10.000	\$ 1,064,764.50	\$ (917,028.70)	\$ 147,735.80
U.S. Department of Commerce	11.000	-	500.00	500.00
U.S. Department of Defense	12.000	-	209,081.26	209,081.26
U.S. Department of the Interior	15.000	-	24,063.73	24,063.73
U.S. Department of State	19.000	-	770.53	770.53
National Aeronautics and Space Administration	43.000	15,593.90	(13,523.98)	2,069.92
National Science Foundation	47.000	-	1,776.72	1,776.72
Environmental Protection Agency	66.000	25,879.52	(25,879.52)	-
Department of Health & Human Services	93.000	-	25,474.57	25,474.57
Department of Homeland Security	97.000	-	51,981.61	51,981.61
United States Agency for International Development	98.000	701,960.80	(701,856.57)	104.23
		<u>\$ 1,808,198.72</u>	<u>\$ (1,344,640.35)</u>	<u>\$ 463,558.37</u>

Deferred Revenue Explanation:

The deferred revenue of \$463,558.37 consists of revenues that are available to spend, but have not been earned in the current fiscal year.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Identification of selective modifiers of crypt stem cells the cells of origin of intestinal cancer Cancer Prevention and Research Institute of Texas	542.0002	542	\$ 196,895.80
Development of a novel chemogenetic approach to structure/function analysis of human telomerase RNA? a universal anticancer target Cancer Prevention and Research Institute of Texas	542.0004	542	151,943.29
Enology and Viticulture Education and Research Grant Department of Agriculture	551.0003	551	106,992.44
Enology Grant Department of Agriculture	551.0004	551	101,101.83
Food and Fibers Research Grant Department of Agriculture	551.0009	551	199,905.31
Texas-Israel Exchange Grant Department of Agriculture	551.0023	551	49,851.67
Zebra Chip Disease Research Grant Department of Agriculture	551.0027	551	1,087,843.46
Natural Fibers Research Grant Program Department of Agriculture	551.0032	551	310,690.17
TVMDL Protection of Texas Livestock and Public Health Sectors Texas Veterinary Medical Diagnostic Laboratory	557.0001	557	212,500.00
WSC - Agriculture Water Conservation Texas Water Development Board	580.0018	580	143,322.55
WSC - Research Texas Water Development Board	580.0019	580	80,190.20
5820990439-11 East Texas Recreational Use Attainability Analysis Project Texas Commission on Environmental Quality	582.0074	582	50,654.94
5821090492-001 Water Quality Planning & Implementation Texas Commission on Environmental Quality	582.0075	582	65,514.33
Nonpoint Source Pollution Grant Program Soil and Water Conservation Board	592.0001	592	760,898.21

UNAUDITED

SCHEDULE 1-B
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Food and Fibers Research Grant Texas Woman's University	731.0001	731	4,969.47
Native Plant Integration Texas A&M University - Kingsville	732.0004	732	7,924.51
Auditing Irrigation Systems in the Texas High Plains Texas Tech University	733.0004	733	17,365.77
Advanced Research Program Texas Higher Education Coordinating Board	781.001	781	80,000.00
Genotyping Work for Hatchery Broodfish Parks and Wildlife Department	802.0051	802	16,951.97
Integrated Monitoring & Modeling Parks and Wildlife Department	802.0052	802	51,626.95
2008 Amistad Reservoir Angler Survey Parks and Wildlife Department	802.0053	802	44,771.14
Development and Evaluation of A Parts Parks and Wildlife Department	802.0054	802	41,095.19
Total Pass-Through From State Agencies			\$ <u>3,783,009.20</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Biofuels From Algae Texas A&M University at Galveston	556.0001	718	50,000.00
Fire Ant Model Texas A&M AgriLife Extension Service	556.0002	555	485,621.00
University of Texas at Austin		721	63,000.00
University of Texas at San Antonio		743	40,000.00
			<u>588,621.00</u>
HLAE (Hispanic Leaders in Agriculture and Environment) Texas A&M University - Kingsville	556.0005	732	14,343.14
Recreational Use Attainability Analysis for Mid-Pecan Bayou Tarleton State University	556.0006	713	22,296.87
Implementing Total Maximum Daily Loads Texas A&M AgriLife Extension Service	556.001	555	97,449.93
Texas AgriLife Research Zebra Chip	556.0011		

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SCHEDULE 1-B
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

University of Texas at Tyler		750	18,000.00
Evaluate Effects of Elevated Application	556.0012		
Sam Houston State University		753	18,875.89
ANALYSIS OF WATER USE AND WATER	556.0013		
Texas A&M Engineering Experiment Station		712	89,543.39
LAMPASAS AND LEON RIVER BACTERIAL	556.0014		
University of Texas Health Science Center at Houston		744	31,495.76
SUPPORT ANALYTICAL INFRASTRUCTURE	556.0015		
University of Texas Health Science Center at Houston		744	99,086.00
Total Pass-Through To State Agencies			\$ <u>1,029,711.98</u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M AGRILIFE RESEARCH
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012.

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 700.00
Petty Cash Department Working Fund	<u>22,791.94</u>
Total Cash On Hand	<u>\$ 23,491.94</u>
Cash In Bank	\$ (812,555.19)
Cash In State Treasury:	
Reimbursements Due From State Treasury	90,330.43
Assets Held By System Offices-Current	<u>5,644,032.02</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 4,945,299.20</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 7,443,863.53</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 7,443,863.53</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 12,389,162.73</u></u>

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SCHEDULE N-2
 TEXAS A&M AGRILIFE RESEARCH
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 16,032,167.17	\$	\$
Construction In Progress	13,825.00	(680,405.11)	(75,151,527.18)
Other Tangible Capital Assets	36,426.74		
Total Non-Depreciable/Non-Amortizable Assets	\$ 16,082,418.91	\$ (680,405.11)	\$ (75,151,527.18)
Depreciable Assets			
Buildings	\$ 56,385,839.16	\$ 674,096.11	\$ 72,636,349.15
Infrastructure			1,574,355.26
Facilities and Other Improvements	1,614,232.65		827,200.65
Furniture and Equipment	67,013,006.72	809.00	113,622.12
Vehicles, Boats and Aircraft	10,986,733.22	(16,788.00)	
Other Capital Assets	30,000,000.00		
Total Depreciable Assets at Historical Cost	\$ 165,999,811.75	\$ 658,117.11	\$ 75,151,527.18
Less Accumulated Depreciation For:			
Buildings	\$ (27,443,958.60)	\$ (7,115.46)	\$
Infrastructure			
Facilities and Other Improvements	(760,309.67)		
Furniture and Equipment	(45,130,786.40)	5,394.85	
Vehicles, Boats and Aircraft	(9,033,211.94)	16,788.00	
Other Capital Assets	(8,132,630.20)		
Total Accumulated Depreciation	\$ (90,500,896.81)	\$ 15,067.39	\$
Depreciable Assets, Net	\$ 75,498,914.94	\$ 673,184.50	\$ 75,151,527.18
Amortizable Assets - Intangible			
Computer Software	\$ 125,133.75	\$	\$
Total Intangible Assets at Historical Cost	\$ 125,133.75	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (114,873.76)	\$	\$
Total Accumulated Amortization	\$ (114,873.76)	\$	\$
Amortizable Assets-Net	\$ 10,259.99	\$	\$
Capital Assets, Net	\$ 91,591,593.84	\$ (7,220.61)	\$

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 944.27 75,831,932.29	\$	\$ 18,644.77	\$ (177,527.00)	\$ 15,874,229.21 13,825.00 36,426.74
<u>\$ 75,832,876.56</u>	<u>\$</u>	<u>\$ 18,644.77</u>	<u>\$ (177,527.00)</u>	<u>\$ 15,924,480.95</u>
\$	\$ (13,708,348.76)	\$ 19,821.08	\$ (1,624,732.77)	\$ 114,383,023.97 1,574,355.26 2,300,746.30
73,707.46 98,878.00	(605,481.95) (105,542.11)	2,502,510.76 448,445.42	(140,687.00) (1,579,330.44) (279,351.21)	67,518,843.67 11,132,375.32 30,000,000.00
<u>\$ 172,585.46</u>	<u>\$ (14,419,372.82)</u>	<u>\$ 2,970,777.26</u>	<u>\$ (3,624,101.42)</u>	<u>\$ 226,909,344.52</u>
\$	\$ 3,033,261.54	\$ (7,172,066.75) (141,196.50) (173,275.63)	\$	\$ (31,589,879.27) (141,196.50) (836,979.54)
(37,286.25) (94,717.00)	420,080.34 89,956.11	(4,520,673.29) (564,918.70) (2,082,606.72)	96,605.76 1,365,340.88 276,964.97	(47,897,929.87) (9,309,138.56) (10,215,236.92)
<u>\$ (132,003.25)</u>	<u>\$ 3,543,297.99</u>	<u>\$ (14,654,737.59)</u>	<u>\$ 1,738,911.61</u>	<u>\$ (99,990,360.66)</u>
<u>\$ 40,582.21</u>	<u>\$ (10,876,074.83)</u>	<u>\$ (11,683,960.33)</u>	<u>\$ (1,885,189.81)</u>	<u>\$ 126,918,983.86</u>
\$	\$	\$	\$ (50,694.05)	\$ 74,439.70
\$	\$	\$	\$ (50,694.05)	\$ 74,439.70
\$	\$	\$ (7,238.97)	\$ 50,694.05	\$ (71,418.68)
\$	\$	\$ (7,238.97)	\$ 50,694.05	\$ (71,418.68)
\$	\$	\$ (7,238.97)	\$	\$ 3,021.02
<u>\$ 75,873,458.77</u>	<u>\$ (10,876,074.83)</u>	<u>\$ (11,672,554.53)</u>	<u>\$ (2,062,716.81)</u>	<u>\$ 142,846,485.83</u>

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TEXAS A&M AGRILIFE RESEARCH

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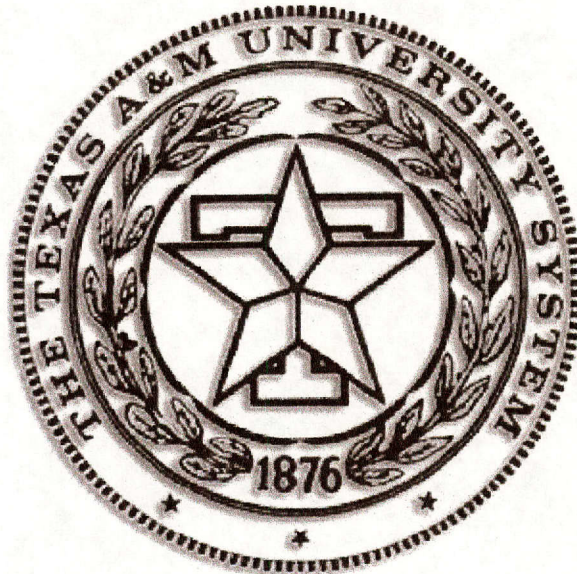
FINANCIAL REPORT

OF

TEXAS A&M AGRILIFE EXTENSION SERVICE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DOUGLAS L. STEELE, DIRECTOR

DONNA ALEXANDER, ASSISTANT DIRECTOR

COLLEGE STATION, TEXAS

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TEXAS A&M AGRILIFE EXTENSION SERVICE
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EXHIBIT III
TEXAS A&M AGRILIFE EXTENSION SERVICE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	5,648,127.83	6,405,915.60
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	4,643.46	10,998.73
Investments		
Legislative Appropriations	4,475,282.28	5,208,667.64
Receivables, Net:		
Federal	19,104,379.69	12,111,599.01
Other Intergovernmental	628,524.89	556,692.30
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	2,673,403.51	
Other	4,173.14	2,535,509.37
Due From Other Agencies	1,410,196.19	1,467,554.85
Due From Other Members	211,582.88	132,726.55
Due From Other Funds	7,110,210.50	4,476,254.29
Consumable Inventories	31,148.16	22,982.39
Merchandise Inventories	884,881.52	1,073,405.34
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		533.48
Total Current Assets	<u>\$ 42,186,554.05</u>	<u>\$ 34,002,839.55</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	11,847,933.15	8,813,388.66
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	389,200.00	389,200.00
Construction In Progress		
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	2,032,067.67	2,032,067.67
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	4,226,122.27	3,944,068.49
Vehicles, Boats, and Aircraft	6,891,877.53	7,015,334.94
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	80,000.00	80,000.00
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(9,602,856.77)	(9,168,812.72)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 15,864,343.85</u>	<u>\$ 13,105,247.04</u>
Total Assets and Deferred Outflows	<u>\$ 58,050,897.90</u>	<u>\$ 47,108,086.59</u>

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EXHIBIT III
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 4,107,586.03	\$ 3,007,969.63
Payroll	5,839,830.94	5,629,291.10
Investment Trades		
Self-Insured Health and Dental		
Other	3,692.43	6,443.72
Interfund Payable		
Due to Other Agencies	124,487.75	40,086.78
Due to Other Funds	7,110,210.50	4,476,254.29
Due to Other Members	94,236.84	223,546.07
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	1,837,432.58	44,235.51
Employees' Compensable Leave	805,273.00	668,452.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	4,643.46	10,998.73
Obligations/Securities Lending		
Other Current Liabilities	526.68	897.76
Total Current Liabilities	<u>\$ 19,927,920.21</u>	<u>\$ 14,108,175.59</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 5,439,272.00	\$ 5,788,670.00
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 5,439,272.00</u>	<u>\$ 5,788,670.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 25,367,192.21</u>	<u>\$ 19,896,845.59</u>
Net Assets		
Invested in Capital Assets, Net of Debt	\$ 4,016,410.70	\$ 4,291,858.38
Restricted For:		
Debt Service		
Capital Projects		
Education	13,586,331.07	9,537,794.76
Endowment and Permanent Funds:		
Nonexpendable		
Expendable		
Unrestricted	15,080,963.92	13,381,587.86
Total Net Assets [Exhibit IV]	<u>\$ 32,683,705.69</u>	<u>\$ 27,211,241.00</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 58,050,897.90</u>	<u>\$ 47,108,086.59</u>

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EXHIBIT IV
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	6,290,538.15	4,969,357.44
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 6,290,538.15	\$ 4,969,357.44
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	10,015,575.71	8,194,610.68
Federal Pass Through Revenue	3,252,105.33	4,572,735.71
State Grant Revenue		
State Pass Through Revenue	2,088,651.36	1,865,853.05
Other Grants and Contracts - Operating	9,941,099.23	13,131,209.72
Other Operating Revenue	295,926.84	134,162.15
Total Operating Revenues	\$ 31,883,896.62	\$ 32,867,928.75
Operating Expenses		
Instruction	\$ 58,309,081.47	\$ 61,733,975.20
Research	325,854.88	
Public Service	41,733,290.11	44,930,393.38
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	7,314,973.51	7,136,929.92
Operation & Maintenance of Plant	99,399.85	33,814.55
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	794,174.24	893,366.90
Total Operating Expenses [Schedule IV-1]	\$ 108,576,774.06	\$ 114,728,479.95
Total Operating Income [Loss]	\$ (76,692,877.44)	\$ (81,860,551.20)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 57,600,764.52	\$ 61,628,920.08
Federal Revenue Non-Operating	22,109,913.42	24,197,848.87
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	1,542,507.61	1,202,678.40
Land Income	40,970.96	28,938.73
Investment Income	196,604.33	156,743.05
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(21,793.72)	(27,626.33)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	23,300.01	68,077.87
Net Increase [Decrease] In Fair Value	371,588.44	385,007.82
Settlement of Claims	(500.00)	
Other Nonoperating Revenues	11,373.30	58,059.26
Other Nonoperating [Expenses]	(1,491.42)	(4,946.04)
Total Nonoperating Revenues [Expenses]	\$ 81,873,237.45	\$ 87,693,701.71
Income [Loss] Before Other Revenues and Transfers	\$ 5,180,360.01	\$ 5,833,150.51

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EXHIBIT IV
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 41,000.00	\$ 1,400,000.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	290,534.00	297,093.00
Nonmandatory Transfers From Members/Agencies-Cap Assets		32,798.43
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members		
Nonmandatory Transfers to Members/Agencies - Cap Assets	(39,429.32)	(114,519.89)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		
Total Other Revenues and Transfers	<u>\$ 292,104.68</u>	<u>\$ 1,615,371.54</u>
Change In Net Assets	<u>\$ 5,472,464.69</u>	<u>\$ 7,448,522.05</u>
Beginning Net Assets, September 1, 2011 and 2010 Restatement	<u>\$ 27,211,241.00</u>	<u>\$ (3,318,030.05)</u> 23,080,749.00
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 27,211,241.00</u>	<u>\$ 19,762,718.95</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 32,683,705.69</u>	<u>\$ 27,211,241.00</u>

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SCHEDULE IV-1
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	25,560.74		3,248.10		
Salaries & Wages	39,184,459.96	272,962.61	18,733,912.42		
Payroll Related Costs	13,964,372.43	52,892.27	6,734,416.12		
Professional Fees & Services	299,051.03		3,370,507.85		
Travel	809,814.87		1,192,855.43		
Materials & Supplies	1,994,126.53		2,237,826.74		
Communication & Utilities	382,541.96		1,008,615.66		
Repairs & Maintenance	73,388.99		1,133,805.76		
Rentals & Leases	968,236.07		1,337,394.41		
Printing & Reproduction	204,461.15		679,829.51		
Federal Pass-Through			886,350.53		
State Pass-Through			67,208.80		
Depreciation & Amortization					
Bad Debt Expense					
Interest	205.56		1,251.23		
Scholarships	25,048.65		156,337.14		
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	377,813.53		4,189,730.41		
Total Operating Expenses	\$ 58,309,081.47	\$ 325,854.88	\$ 41,733,290.11	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	4,785,695.08					28,808.84	33,697.57
	1,706,765.15					62,977,030.07	66,729,168.70
	31,471.87					22,458,445.97	24,097,405.92
	49,144.85					3,701,030.75	3,452,992.16
	540,327.27	3,033.82				2,051,815.15	2,059,708.52
	61,568.92	17,638.45				4,775,314.36	4,799,330.08
	33,509.39	78,719.10				1,470,364.99	1,747,791.16
	30,837.78					1,319,423.24	1,233,540.86
	26,589.93					2,336,468.26	1,359,878.82
						910,880.59	1,059,370.80
						886,350.53	378,950.64
						67,208.80	
					794,174.24	794,174.24	893,366.90
	3.03	8.48				1,468.30	559.68
						181,385.79	164,865.74
	49,060.24					4,616,604.18	6,717,852.40
<u>\$</u>	<u>\$ 7,314,973.51</u>	<u>\$ 99,399.85</u>	<u>\$</u>	<u>\$</u>	<u>\$ 794,174.24</u>	<u>\$ 108,576,774.06</u>	<u>\$ 114,728,479.95</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M AGRILIFE EXTENSION SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	6,354,294.63	5,047,794.16
Proceeds From Sponsored Programs	19,406,641.01	27,073,168.12
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	295,555.76	133,828.81
Payments to Suppliers for Goods and Services	(19,818,628.24)	(21,990,123.15)
Payments to Employees - Salaries	(62,725,142.10)	(67,658,555.07)
Payments to Employees - Benefits	(22,712,371.10)	(23,861,533.96)
Payments for Loans Provided		
Payments for Other Expenses	(1,179,853.38)	(314,513.06)
Net Cash Provided [Used] By Operating Activities	\$ (80,379,503.42)	\$ (81,569,934.15)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 58,334,149.88	\$ 62,331,719.37
Proceeds From Gifts	1,535,147.61	1,209,938.02
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue	22,109,913.42	24,197,848.87
Proceeds From Contributed Capital		
Proceeds From Other Revenues	370,964.57	91,479.16
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses	(5,533.75)	
Other Noncapital Transfers From/To System	90,534.00	97,093.00
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 82,435,175.73	\$ 87,928,078.42
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 23,300.01	\$ 76,924.01
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(525,783.22)	(465,654.23)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	170,813.30	274,538.34
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (331,669.91)	\$ (114,191.88)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(2,662,956.05)	(3,334,978.00)
Proceeds From Interest and Investment Income	174,810.61	129,116.72
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (2,488,145.44)	\$ (3,205,861.28)
Increase [Decrease] In Cash and Cash Equivalents	\$ (764,143.04)	\$ 3,038,091.11
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 6,416,914.33	\$ 3,378,823.22
Restated Beginning Cash and Cash Equivalents	\$ 6,416,914.33	\$ 3,378,823.22
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 5,652,771.29	\$ 6,416,914.33

UNAUDITED

EXHIBIT V
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(76,692,877.44)	(81,860,551.20)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	794,174.24	893,366.90
Bad Debt Expense	137,451.32	(109,728.75)
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(7,344,131.87)	(741,901.63)
Due From Other Agencies/Funds	57,358.66	135,131.05
Due From System Members	(49,669.63)	79,130.10
Inventory	180,358.05	578,283.78
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets	533.48	(533.48)
Payables	1,313,219.35	(150,373.58)
Due to Other Agencies/Funds	84,400.97	38,953.99
Due to System Members	(129,309.23)	190,349.33
Unearned Revenue	1,481,936.76	(145,469.32)
Deposits	(371.08)	(333.34)
Compensated Absence Liability	(212,577.00)	(476,258.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ (3,686,625.98)</u>	<u>\$ 290,617.05</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (80,379,503.42)</u>	<u>\$ (81,569,934.15)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 41,250.00	\$ 1,400,000.00
Net Increase [Decrease] In Fair Value of Investments	154,769.02	234,826.46
Gain/Loss On Sale or Disposal of Capital Assets		(8,846.14)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	(39,429.32)	(81,721.46)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture Plant and Animal Disease, Pest Control, and Animal Care	10.025	New Mexico State University/ 429350	\$	\$	15,545.05
Grants for Agricultural Research, Special Research Grants	10.200	Kansas State University/ 451570			6,546.15
Grants for Agricultural Research, Special Research Grants		Kansas State University/ 451850			(9,702.75)
Grants for Agricultural Research, Special Research Grants		Mississippi State University/ 454320			3,684.04
Grants for Agricultural Research, Special Research Grants		Mississippi State University/ 454690			27,149.82
Grants for Agricultural Research, Special Research Grants		Mississippi State University/ 454990			15,069.01
Grants for Agricultural Research, Special Research Grants		Mississippi State University/ 554140			4,000.00
Grants for Agricultural Research, Special Research Grants		Oklahoma State University/ 551140			18,281.37
Grants for Agricultural Research, Special Research Grants		University of Florida/ 440180			8.00
Grants for Agricultural Research, Special Research Grants		University of Florida/ 520110			1,994.27
Sustainable Agriculture Research and Education	10.215	University of Georgia/ 435280			9,182.38
Sustainable Agriculture Research and Education		University of Georgia/ 450520			8,139.95
Sustainable Agriculture Research and Education		University of Georgia/ 451240			96.45
Sustainable Agriculture Research and Education		University of Georgia/ 451720			8,115.16
Sustainable Agriculture Research and Education		University of Georgia/ 551130			2,340.18
Integrated Programs	10.303	North Carolina State University/ 420390			22,506.60
Integrated Programs		North Carolina State University/ 435560			23,803.97
Integrated Programs		North Carolina State University/ 533110			17,056.79
Homeland Security_Agricultural	10.304	Kansas State University/ 440990			62,454.19
Homeland Security_Agricultural		Purdue University/ 425210			29,169.09
Homeland Security_Agricultural		University of Florida/ 440490			29,013.93
Specialty Crop Research Initiative	10.309	Oklahoma State University/ 437670			4,852.96
Specialty Crop Research Initiative		Washington State University/ 437660			50,170.84
Agriculture and Food Research Initiative	10.310	University of Florida/ 429290			98,232.97
Agriculture and Food Research Initiative		University of Florida/ 432240			65,597.51
Agriculture and Food Research Initiative		University of Florida/ 540110			7,741.27
Agriculture and Food Research Initiative		University of Georgia/ 437660			9,014.33

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	\$ 15,545.05		\$	\$	\$ 15,545.05	\$ 15,545.05
	6,546.15				6,546.15	6,546.15
	(9,702.75)				(9,702.75)	(9,702.75)
	3,684.04				3,684.04	3,684.04
	27,149.82				27,149.82	27,149.82
	15,069.01				15,069.01	15,069.01
	4,000.00				4,000.00	4,000.00
	18,281.37				18,281.37	18,281.37
	8.00				8.00	8.00
	1,994.27				1,994.27	1,994.27
	9,182.38				9,182.38	9,182.38
	8,139.95				8,139.95	8,139.95
	96.45				96.45	96.45
	8,115.16				8,115.16	8,115.16
	2,340.18				2,340.18	2,340.18
	22,506.60				22,506.60	22,506.60
	23,803.97				23,803.97	23,803.97
	17,056.79				17,056.79	17,056.79
	62,454.19				62,454.19	62,454.19
	29,169.09				29,169.09	29,169.09
	29,013.93				29,013.93	29,013.93
	4,852.96				4,852.96	4,852.96
	50,170.84				50,170.84	50,170.84
	98,232.97				98,232.97	98,232.97
	65,597.51				65,597.51	65,597.51
	7,741.27				7,741.27	7,741.27
	9,014.33				9,014.33	9,014.33

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
		435290			
ARRA - Trade Adjustment Assistance for Farmers Training Coordination Program (TAAF)	10.315	University of Minnesota/ 454140			16,806.06
Technical Assistance to Cooperatives	10.350	Mississippi State University/ 522140			14,534.29
Cooperative Extension Service	10.500	Auburn University/ 434910			1,964.27
Cooperative Extension Service		Auburn University/ 458140			25.87
Cooperative Extension Service		Auburn University/ 533160			7,633.00
Cooperative Extension Service		Iowa State University/ 423880			5,231.20
Cooperative Extension Service		Kansas State University/ 455570			23,448.47
Cooperative Extension Service		Kansas State University/ 555110			70,400.09
Cooperative Extension Service		Kansas State University/ 555120			122,603.10
Cooperative Extension Service		Kansas State University/ 555130			38,845.75
Cooperative Extension Service		North Carolina State University/ 532130			971.33
Cooperative Extension Service		University of Arkansas/ 423002			196.72
Cooperative Extension Service		University of Arkansas/ 423003			363.15
Cooperative Extension Service		University of Arkansas/ 423590			1,861.57
Cooperative Extension Service		University of Arkansas/ 437710			4,222.60
Cooperative Extension Service		University of Arkansas/ 523120			48,653.96
Cooperative Extension Service		University of Arkansas/ 523130			36,695.72
Cooperative Extension Service		University of Kentucky/ 449430			64,102.55
Cooperative Extension Service		University of Nebraska/ 454160			49,463.93
Cooperative Extension Service		University of Nebraska/ 457180			34,305.93
Cooperative Extension Service		University of Nebraska - Lincoln/ 458280			10,548.84
Cooperative Extension Service		University of Nebraska - Lincoln/ 458550			(39.60)
Cooperative Extension Service		University of Nebraska - Lincoln/ 558270			5,391.56
Cooperative Forestry Assistance	10.664	Society of Municipal Arboriculture/ 432220			6,639.28
Cooperative Forestry Assistance		University of Georgia/ 432210			949.00
Environmental Quality Incentives Program	10.912	National Fish & Wildlife Foundation/ 454970			32,177.62
<u>Direct Programs:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Grants for Agricultural Research, Special Research Grants	10.200				
<u>Pass-Through To:</u>					
Texas A&M AgriLife Research					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	16,806.06				16,806.06	16,806.06
	14,534.29				14,534.29	14,534.29
	1,964.27				1,964.27	1,964.27
	25.87				25.87	25.87
	7,633.00				7,633.00	7,633.00
	5,231.20				5,231.20	5,231.20
	23,448.47				23,448.47	23,448.47
	70,400.09				70,400.09	70,400.09
	122,603.10				122,603.10	122,603.10
	38,845.75				38,845.75	38,845.75
	971.33				971.33	971.33
	196.72				196.72	196.72
	363.15				363.15	363.15
	1,861.57				1,861.57	1,861.57
	4,222.60				4,222.60	4,222.60
	48,653.96				48,653.96	48,653.96
	36,695.72				36,695.72	36,695.72
	64,102.55				64,102.55	64,102.55
	49,463.93				49,463.93	49,463.93
	34,305.93				34,305.93	34,305.93
	10,548.84				10,548.84	10,548.84
	(39.60)				(39.60)	(39.60)
	5,391.56				5,391.56	5,391.56
	6,639.28				6,639.28	6,639.28
	949.00				949.00	949.00
	32,177.62				32,177.62	32,177.62
383,236.13	383,236.13			9,257.99	373,978.14	383,236.13
6,026.90	6,026.90					6,026.90
		556	6,026.90			

UNAUDITED

SCHEDULE I - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Integrated Programs	10.303				
Integrated Programs	10.303				
<i>Pass-Through To:</i> <i>Texas A&M AgriLife Research</i>					
Homeland Security_Agricultural	10.304				
<i>Pass-Through To:</i> <i>Texas A&M AgriLife Research</i>					
Agriculture and Food Research Initiative	10.310				
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through To:</i> <i>University of Texas Health Science Center at Houston</i>					
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443				
Community Outreach and Assistance Partnership Program	10.455				
Commodity Partnerships for Small Agricultural Risk Management Education Sessions	10.459				
Cooperative Extension Service	10.500				
Cooperative Extension Service	10.500				
<i>Pass-Through To:</i> <i>Prairie View A&M University</i>					
Cooperative Extension Service	10.500				
<i>Pass-Through To:</i> <i>Texas Tech University</i>					
Cooperative Extension Service	10.500				
<i>Pass-Through To:</i> <i>Sam Houston State University</i>					
Cooperative Forestry Assistance	10.664				
Forest Health Protection	10.680				
Soil and Water Conservation	10.902				
Environmental Quality Incentives Program	10.912				
Grassland Reserve Program	10.920				
Technical Agricultural Assistance	10.960				
<i>Pass-Through From:</i> Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	237,674.35	
Specialty Crop Block Grant Program - Farm Bill	10.170				
<i>Pass-Through From:</i> <i>Department of Agriculture</i>			551	115,300.15	
Grants for Agricultural Research, Special Research Grants	10.200				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	3,840.08	
Agriculture and Food Research Initiative	10.310				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	18,575.16	
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443				
<i>Pass-Through From:</i> <i>Prairie View A&M University</i>			715	26,846.84	
Cooperative Forestry Assistance	10.664				
<i>Pass-Through From:</i> <i>Texas A&M Forest Service</i>			576	6,425.31	
Environmental Quality Incentives Program	10.912				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	8,238.38	

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
1,728,923.49 29,038.90	1,728,923.49 29,038.90			1,025,969.82	702,953.67	1,728,923.49 29,038.90
		556	29,038.90			
381,914.98	381,914.98					381,914.98
		556	381,914.98			
611,114.51 272,170.85	611,114.51 272,170.85				611,114.51	611,114.51 272,170.85
		744	272,170.85			
97,397.94 68,744.65 13,901.42 22,522,152.98 1,396.72	97,397.94 68,744.65 13,901.42 22,522,152.98 1,396.72			881,835.46	21,640,317.52	97,397.94 68,744.65 13,901.42 22,522,152.98 1,396.72
		715	1,396.72			
1,581.07	1,581.07					1,581.07
		733	1,581.07			
37,442.76	37,442.76					37,442.76
		753	37,442.76			
26,821.94 9,214.42 (184.40) 279,870.91 (0.30) 397,064.74	26,821.94 9,214.42 (184.40) 279,870.91 (0.30) 397,064.74			24,605.85	255,265.06	26,821.94 9,214.42 (184.40) 279,870.91 (0.30) 397,064.74
	237,674.35				237,674.35	237,674.35
	115,300.15				115,300.15	115,300.15
	3,840.08				3,840.08	3,840.08
	18,575.16				18,575.16	18,575.16
	26,846.84				26,846.84	26,846.84
	6,425.31				6,425.31	6,425.31
	8,238.38				8,238.38	8,238.38

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Totals - U.S. Department of Agriculture				416,900.27	1,128,059.79
U.S. Department of Commerce					
Cooperative Fishery Statistics	11.434	Gulf States Marine Fisheries Commission/ 423870			11,373.79
Unallied Management Projects	11.454	Houston Advanced Research Center/ 522150			15,074.59
Coastal Services Center	11.473	Dauphin Island Sea Lab/ 454290			9,020.00
Fisheries Disaster Relief	11.477	Gulf States Marine Fisheries Commission/ 522110			96,469.87
<u>Pass-Through From:</u> Sea Grant Support <i>Pass-Through From:</i> <i>Texas A&M University</i>	11.417		711	1,889.84	
Coastal Zone Management Administration Awards <i>Pass-Through From:</i> <i>General Land Office</i>	11.419		305	64,402.17	
Totals - U.S. Department of Commerce				66,292.01	131,938.25
U.S. Department of Defense					
Basic and Applied Scientific Research	12.300	North Carolina State University/ 549005			59,254.37
Basic and Applied Scientific Research		North Carolina State University/ 549180			55,258.93
<u>Direct Programs:</u> Basic and Applied Scientific Research	12.300				
Military Medical Research and Development	12.420				
<u>Pass-Through From:</u> U.S. Department of Defense <i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>	12.000	449330/452110	556	8,735.01	
Totals - U.S. Department of Defense				8,735.01	114,513.30
U.S. Department of the Interior					
Coastal Impact Assistance Program (CIAP)	15.426	Matagorta County District/ 454170			8,500.00
<u>Pass-Through From:</u> Cooperative Endangered Species Conservation Fund <i>Pass-Through From:</i> <i>Parks and Wildlife Department</i>	15.615		802	238,336.45	
Coastal Program <i>Pass-Through From:</i> <i>Parks and Wildlife Department</i>	15.630		802	311.72	
Assistance to State Water Resources Research Institutes <i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>	15.805		556	4,102.75	
Totals - U.S. Department of the Interior				242,750.92	8,500.00
U.S. Department of Justice					
Juvenile Mentoring Program	16.726	Coastal Bend Bays & Estuaries Program/			1,000.00

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures	
		Agy/ Univ No.	Agencies or Universities Amount			Non-State Entities Amount
26,867,830.61	28,412,790.67		729,572.18	1,941,669.12	25,741,549.37	28,412,790.67
	11,373.79				11,373.79	11,373.79
	15,074.59				15,074.59	15,074.59
	9,020.00				9,020.00	9,020.00
	96,469.87				96,469.87	96,469.87
	1,889.84				1,889.84	1,889.84
	64,402.17				64,402.17	64,402.17
	198,230.26				198,230.26	198,230.26
	59,254.37			54,879.37	4,375.00	59,254.37
	55,258.93				55,258.93	55,258.93
3,343,335.23 2,591.44	3,343,335.23 2,591.44			784,604.02	2,558,731.21 2,591.44	3,343,335.23 2,591.44
	8,735.01				8,735.01	8,735.01
3,345,926.67	3,469,174.98			839,483.39	2,629,691.59	3,469,174.98
	8,500.00				8,500.00	8,500.00
	238,336.45				238,336.45	238,336.45
	311.72				311.72	311.72
	4,102.75				4,102.75	4,102.75
	251,250.92				251,250.92	251,250.92
	1,000.00				1,000.00	1,000.00

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Juvenile Mentoring Program		554130 National 4-H Council/ 455002			7,264.00
Juvenile Mentoring Program		National 4-H Council/ 455620			9,982.99
Juvenile Meantoring Program		National 4-H Council/ 455650			27,031.69
Direct Programs:					
Juvenile Mentoring Program	16.726				
<i>Pass-Through To:</i> <i>Prairie View A&M University</i>					
Totals - U.S. Department of Justice					45,278.68
U.S. Department of Labor					
Registered Apprenticeship and Other Training	17.201				
<i>Totals - U.S. Department of Labor</i>					
Environmental Protection Agency					
National Estuary Program	66.456	City of League City/ 546110			47,210.41
Nonpoint Source Implementation Grants	66.460	Iowa State University/ 455610			(161.20)
Direct Programs:					
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through To:</i> <i>Texas A&M Forest Service</i>					
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through To:</i> <i>Tarleton State University</i>					
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through To:</i> <i>Texas A&M University at Galveston</i>					
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through To:</i> <i>West Texas A&M University</i>					
Water Quality Cooperative Agreements	66.463				
<i>Pass-Through To:</i> <i>Texas Tech University</i>					
Regional Agricultural IPM Grants	66.714				
Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	66.716				
Pass-Through From:					
ARRA - Water Quality Management Planning	66.454				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>					
National Estuary Program	66.456		582	(7,609.59)	
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>					
Nonpoint Source Implementation Grants	66.460		582	199,935.51	
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>					
Nonpoint Source Implementation Grants	66.460		582	(182,448.38)	
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>					
Nonpoint Source Implementation Grants	66.460		592	1,323,280.04	
<i>Pass-Through From:</i> <i>Soil and Water Conservation Board</i>					
Performance Partnership Grants	66.605				

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SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount		
	7,264.00			7,264.00	7,264.00
	9,982.99			9,982.99	9,982.99
	27,031.69			27,031.69	27,031.69
4,688.02	4,688.02				4,688.02
		715	4,688.02		
4,688.02	49,966.70		4,688.02	7,264.00	38,014.68
33,321.56	33,321.56			33,321.56	33,321.56
33,321.56	33,321.56			33,321.56	33,321.56
	47,210.41			47,210.41	47,210.41
	(161.20)			(161.20)	(161.20)
1,635.59	1,635.59				1,635.59
		576	1,635.59		
57,931.91	57,931.91				57,931.91
		713	57,931.91		
17,761.75	17,761.75				17,761.75
		718	17,761.75		
11,718.43	11,718.43				11,718.43
		757	11,718.43		
45,261.60	45,261.60				45,261.60
		733	45,261.60		
32,904.13	32,904.13			32,904.13	32,904.13
19,539.68	19,539.68			12,420.22	7,119.46
	(7,609.59)			(7,609.59)	(7,609.59)
	199,935.51			199,935.51	199,935.51
	(182,448.38)			(182,448.38)	(182,448.38)
	1,323,280.04			1,323,280.04	1,323,280.04
	43,966.87			43,966.87	43,966.87

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Pass-Through From:</i>					
<i>Texas Commission on Environmental Quality</i>			582	43,966.87	
Totals - Environmental Protection Agency				1,377,124.45	47,049.21
U.S. Department of Education					
Career and Technical Education -- Basic Grants to States	84.048				
<i>Pass-Through From:</i>					
<i>Texas Education Agency</i>			701	132,486.36	
Totals - U.S. Department of Education				132,486.36	
U.S. Department of Health and Human Services					
ARRA - Trans-NIH Recovery Act Research Support	93.701	Baylor College of Medicine/ 458150			26.99
Geriatric Education Centers	93.969	Baylor College of Medicine/ 458340			(211.76)
Geriatric Education Centers		Baylor College of Medicine/ 558190			23,910.47
<u>Direct Programs:</u>					
PPHF 2012: Community Transformation Grants and National Dissemination and Support for Community Transformation Grants	93.531				
<i>Pass-Through To:</i>					
<i>University of Texas at Austin</i>					
Assistance Programs for Chronic Disease Prevention and Control	93.945				
<u>Pass-Through From:</u>					
PPHF 2012: Community Transformation Grants and National Dissemination and Support for Community Transformation Grants	93.531				
<i>Pass-Through From:</i>					
<i>Department of State Health Services</i>			537	81,456.06	
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632				
<i>Pass-Through From:</i>					
<i>Texas A&M University</i>			711	25,038.00	
ARRA - Prevention and Wellness-State, Territories and Pacific Islands	93.723				
<i>Pass-Through From:</i>					
<i>Department of State Health Services</i>			537	57,633.85	
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988				
<i>Pass-Through From:</i>					
<i>Department of State Health Services</i>			537	149,391.66	
Totals - U.S. Department of Health and Human Services				313,519.57	23,725.70
U.S. Department of Homeland Security					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<i>Pass-Through From:</i>					
<i>Department of Public Safety</i>			405	2,098.92	
Centers for Homeland Security	97.061				
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Research</i>			556	183,156.44	
Disaster Assistance Projects	97.088				
<i>Pass-Through From:</i>					
<i>Health and Human Services Commission</i>			529	(286.18)	
Totals - U.S. Department of Homeland Security				184,969.18	

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
186,753.09	1,610,926.75		134,309.28	12,420.22	1,464,197.25	1,610,926.75
	132,486.36				132,486.36	132,486.36
	132,486.36				132,486.36	132,486.36
	26.99				26.99	26.99
	(211.76)				(211.76)	(211.76)
	23,910.47				23,910.47	23,910.47
17,781.05	17,781.05					17,781.05
		721	17,781.05			
129,745.59	129,745.59			72,000.00	57,745.59	129,745.59
	81,456.06				81,456.06	81,456.06
	25,038.00				25,038.00	25,038.00
	57,633.85				57,633.85	57,633.85
	149,391.66				149,391.66	149,391.66
147,526.64	484,771.91		17,781.05	72,000.00	394,990.86	484,771.91
	2,098.92				2,098.92	2,098.92
	183,156.44				183,156.44	183,156.44
	(286.18)				(286.18)	(286.18)
	184,969.18				184,969.18	184,969.18

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SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<u>Fish and Wildlife Cluster</u>					
U.S. Department of the Interior					
<u>Pass-Through From:</u>					
Wildlife Restoration and Basic Hunter Education	15.611				
<u>Pass-Through From:</u>					
<i>Parks and Wildlife Department</i>			802	59,785.26	
Totals - U.S. Department of the Interior				59,785.26	
<u>Highway Safety Cluster</u>					
U.S. Department of Transportation					
<u>Pass-Through From:</u>					
State and Community Highway Safety	20.600				
<u>Pass-Through From:</u>					
<i>Texas Department of Transportation</i>			601	215,486.17	
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601				
<u>Pass-Through From:</u>					
<i>Texas Department of Transportation</i>			601	234,056.13	
Totals - U.S. Department of Transportation				449,542.30	
Total Expenditures of Federal Awards				\$ 3,252,105.33	\$ 1,499,064.93

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SCHEDULE 1 - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount		
	59,785.26			59,785.26	59,785.26
	<u>59,785.26</u>			<u>59,785.26</u>	<u>59,785.26</u>
	215,486.17			215,486.17	215,486.17
	234,056.13			234,056.13	234,056.13
	<u>449,542.30</u>			<u>449,542.30</u>	<u>449,542.30</u>
<u>\$ 30,586,046.59</u>	<u>\$ 35,337,216.85</u>		<u>\$ 886,350.53</u>	<u>\$ 2,872,836.73</u>	<u>\$ 31,578,029.59</u>
				<u>\$ 35,337,216.85</u>	

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SCHEDULE 1 - A
TEXAS A&M AGRILIFE EXTENSION SERVICE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$ 10,015,575.71
Federal Grants and Contracts - Non-operating		
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 3,252,105.33	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		3,252,105.33
Total Federal Pass-Through Grants		<u>22,109,913.42</u>
Federal Appropriations		\$ 35,377,594.46
Total Federal Revenue per Exhibit IV		

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:
Donation of Federal Surplus Property
New Loans Processed [NOTE 3]:
Federal Family Education Loans
Federal Perkins Loan Program
Federal Direct Student Loans
Health Education Assistance Loans
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students

DEDUCT:

Federal Grants to/from TAMRF	(40,377.61)	
COBRA 65% Subsidy (CFDA Number 17.151)		
Total Pass Throughs and Expenditures per Federal Schedule		<u>\$ 35,337,216.85</u>

UNAUDITED

SCHEDULE I - A
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

<u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>BEGINNING BALANCE 9/1/2011</u>	<u>NET CHANGE</u>	<u>ENDING BALANCE 8/31/2012</u>
Department of Agriculture	10.000	\$ 2,407.81	\$ 1,127.79	\$ 3,535.60
Department of Defense	12.000	-	6,859.05	6,859.05
Environmental Protection Agency	66.000	7,521.27	(7,521.27)	-
Department of Education	84.000	829.29	(829.29)	-
Department of Health and Human Services	93.000	26,117.14	(6,604.06)	19,513.08
		<u>\$ 36,875.51</u>	<u>\$ (6,967.78)</u>	<u>\$ 29,907.73</u>

Deferred Revenue Explanation:

The deferred revenue of \$29,907.73 consists of revenues that are available to spend, but have not been earned in the current fiscal year.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Increasing Breast and Cervical Cancer Screening in Rural and Frontier Texas Communities: A Sustainable Strategy to Increase Screening and Early Detection Cancer Prevention and Research Institute of Texas	542.0012	542	\$ 160,299.36
PP120099 - Increasing Breast and Cervical Cancer Screening and Diagnostic Services in 49 Rural, Frontier, and Border Counties: A Strategy to Improve Early Detection Cancer Prevention and Research Institute of Texas	542.0286	542	116,108.99
Enology and Viticulture Education and Research Grant Department of Agriculture	551.0003	551	253,545.72
Enology Grant Department of Agriculture	551.0004	551	50,047.20
Feral Hog Abatement Grant Department of Agriculture	551.0008	551	448,958.92
Food and Fibers Research Grant Department of Agriculture	551.0009	551	442.92
Nutrition Education Department of Agriculture	551.0031	551	2,928.86
Fire Ant Model Texas AgriLife Research	556.0002	556	485,621.00
Implementing Total Maximum Daily Loads Texas AgriLife Research	556.0010	556	97,449.93
WSC - Agriculture Water Conservation Texas Water Development Board	580.0018	580	14,001.06
WSC - Research Texas Water Development Board	580.0019	580	23,291.85
High Strength Waste Water Training - Education Programs for Designated Representative Texas Commission on Environmental Quality	582.0028	582	(6,765.41)
North Bosque Watershed Texas Commission on Environmental Quality	582.0062	582	31,250.00
Nonpoint Source Pollution Grant Program	592.0001		

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SCHEDULE 1-B
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Soil and Water Conservation Board		592	99,807.78
Endangered Species Taskforce	710.0005		
Texas A&M University System		710	91,875.00
An Integrated Approach to Water Conservation	733.0002		
Texas Tech University		733	205,366.03
Texas Entology Teaching Research And Extension Program	733.0003		
Texas Tech University		733	14,422.15
Total Pass-Through From State Agencies			\$ <u>2,088,651.36</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agv #</u>	<u>Amount</u>
Increasing Breast Cancer and Cervical Screening and Diagnostic Services in 49 Rural, Frontier, and Border Counties: A Strategy	555.0002		
University of Texas at Austin		721	\$ 42,575.22
Implementing Total Maximum Daily Loads	555.0003		
Texas A&M University		711	16,899.80
Edwards Aquifer Recovery Implementation	555.0004		
Texas State University - San Marcos		754	7,733.78
Total Pass-Through To State Agencies			\$ <u>67,208.80</u> (Schedule IV-1)

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TEXAS A&M AGRILIFE EXTENSION SERVICE

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SCHEDULE THREE
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 550.00
Petty Cash Department Working Fund	5,000.00
Total Cash On Hand	<u>\$ 5,550.00</u>
Cash In Bank	\$ (49,578.50)
Cash In State Treasury:	
Fund 5130	7,701.31
Fund 5131	7,751.13
Fund 5132	1,178.79
Total Cash In State Treasury	<u>\$ 16,631.23</u>
Reimbursements Due From State Treasury	\$ 614,426.99
Assets Held By System Offices-Current	<u>5,061,098.11</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 5,648,127.83</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	\$ 4,643.46
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 4,643.46</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 5,652,771.29</u></u>

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SCHEDULE N-2
 TEXAS A&M AGRILIFE EXTENSION SERVICE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 389,200.00	\$	\$
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 389,200.00</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets			
Buildings	\$ 2,032,067.67	\$	\$
Furniture and Equipment	3,944,068.49		
Vehicles, Boats and Aircraft	<u>7,015,334.94</u>	<u>(18,580.00)</u>	<u></u>
Total Depreciable Assets at Historical Cost	<u>\$ 12,991,471.10</u>	<u>\$ (18,580.00)</u>	<u>\$</u>
Less Accumulated Depreciation For:			
Buildings	\$ (532,307.63)	\$	\$
Furniture and Equipment	(2,799,264.13)		
Vehicles, Boats and Aircraft	<u>(5,777,653.19)</u>	<u>18,580.00</u>	<u></u>
Total Accumulated Depreciation	<u>\$ (9,109,224.95)</u>	<u>\$ 18,580.00</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 3,882,246.15</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets - Intangible			
Computer Software	\$ 80,000.00	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 80,000.00</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (59,587.77)	\$	\$
Total Accumulated Amortization	<u>\$ (59,587.77)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 20,412.23</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u><u>\$ 4,291,858.38</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$	\$ (944.27)	\$ 944.27	\$	\$ 389,200.00
\$	\$ (944.27)	\$ 944.27	\$	\$ 389,200.00
\$	\$	\$	\$	\$ 2,032,067.67
52,891.80	(65,494.48)	377,273.36	(82,616.90)	4,226,122.27
	(59,377.00)	190,145.59	(235,646.00)	6,891,877.53
\$ 52,891.80	\$ (124,871.48)	\$ 567,418.95	\$ (318,262.90)	\$ 13,150,067.47
\$	\$	\$	\$	\$
(52,891.80)	31,170.43	(64,574.52)	79,803.96	(596,882.15)
	55,216.00	(313,458.33)	228,251.60	(3,054,639.87)
		(399,811.67)		(5,875,417.26)
\$ (52,891.80)	\$ 86,386.43	\$ (777,844.52)	\$ 308,055.56	\$ (9,526,939.28)
\$	\$ (38,485.05)	\$ (210,425.57)	\$ (10,207.34)	\$ 3,623,128.19
\$	\$	\$	\$	\$ 80,000.00
\$	\$	\$	\$	\$ 80,000.00
\$	\$	\$ (16,329.72)	\$	\$ (75,917.49)
\$	\$	\$ (16,329.72)	\$	\$ (75,917.49)
\$	\$	\$ (16,329.72)	\$	\$ 4,082.51
\$	\$ (39,429.32)	\$ (225,811.02)	\$ (10,207.34)	\$ 4,016,410.70

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FINANCIAL REPORT

OF

TEXAS A&M ENGINEERING EXPERIMENT STATION

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DR. M. KATHERINE BANKS, DIRECTOR, VICE CHANCELLOR AND DEAN OF ENGINEERING

CAROL HUFF, CPA, ASSOCIATE AGENCY DIRECTOR AND CHIEF FINANCIAL OFFICER

ANDY B. HINTON, CPA, CONTROLLER

COLLEGE STATION, TEXAS

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TEXAS A&M ENGINEERING EXPERIMENT STATION

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TEXAS A&M ENGINEERING EXPERIMENT STATION
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EXHIBIT III
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	(16,712,495.14)	(13,119,264.68)
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	20,338,282.19	12,617,511.85
Investments		
Legislative Appropriations	2,601,004.60	1,607,319.78
Receivables, Net:		
Federal	7,977,310.42	7,015,929.26
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	13,137,399.50	
Other	50,335.06	14,568,818.80
Due From Other Agencies	755,617.88	1,557,032.19
Due From Other Members	619,768.00	1,702,188.21
Due From Other Funds		
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets	1,210.00	1,210.00
Total Current Assets	<u>\$ 28,768,432.51</u>	<u>\$ 25,950,745.41</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 5,014,879.16	\$ 4,971,093.21
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	105,932,799.67	94,289,564.81
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	1,337,462.54	1,337,462.54
Construction In Progress	3,193,334.61	4,257,804.34
Other Tangible Capital Assets	76,279.00	76,279.00
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	9,166,350.61	9,166,350.61
Infrastructure		
Facilities and Other Improvements	104,795.40	104,795.40
Furniture and Equipment	79,091,233.37	74,655,726.05
Vehicles, Boats, and Aircraft	925,585.51	805,194.93
Other Capital Assets	269,151.10	269,151.10
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software		
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(55,185,371.50)	(49,241,840.08)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 149,926,499.47</u>	<u>\$ 140,691,581.91</u>
Total Assets and Deferred Outflows	<u>\$ 178,694,931.98</u>	<u>\$ 166,642,327.32</u>

UNAUDITED

EXHIBIT III
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 5,319,524.00	\$ 4,250,177.02
Payroll	7,372,284.71	9,326,471.41
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies	35,333.26	78,886.47
Due to Other Funds		
Due to Other Members	206,987.34	547,653.33
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	14,662,945.82	11,777,037.42
Employees' Compensable Leave	367,834.00	292,717.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities	20,000.00	45,000.00
Total Current Liabilities	<u>\$ 27,984,909.13</u>	<u>\$ 26,317,942.65</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 3,797,200.00	\$ 3,732,981.00
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	766,076.42	678,857.12
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 4,563,276.42</u>	<u>\$ 4,411,838.12</u>
Total Liabilities and Deferred Inflows	<u>\$ 32,548,185.55</u>	<u>\$ 30,729,780.77</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 38,212,744.22	\$ 40,752,066.77
Restricted For:		
Debt Service		
Capital Projects		
Education	17,045,394.30	10,955,748.27
Endowment and Permanent Funds:		
Nonexpendable		
Expendable	5,014,879.16	4,971,093.21
Unrestricted	85,873,728.75	79,233,638.30
Total Net Assets [Exhibit IV]	<u>\$ 146,146,746.43</u>	<u>\$ 135,912,546.55</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 178,694,931.98</u>	<u>\$ 166,642,327.32</u>

UNAUDITED

EXHIBIT IV
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	11,954,782.38	13,061,312.44
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 11,954,782.38	\$ 13,061,312.44
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	66,195,892.08	74,223,203.87
Federal Pass Through Revenue	2,089,333.72	4,213,353.37
State Grant Revenue	33,770.90	69,131.98
State Pass Through Revenue	1,203,792.24	884,577.75
Other Grants and Contracts - Operating	41,364,009.35	31,263,534.00
Other Operating Revenue	48,799.47	68,799.40
Total Operating Revenues	\$ 122,890,380.14	\$ 123,783,912.81
Operating Expenses		
Instruction	\$	\$
Research	118,787,388.37	125,674,078.93
Public Service		
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	5,021,782.50	7,993,933.61
Operation & Maintenance of Plant	4,623,069.28	4,832,836.09
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	7,243,074.37	6,890,073.78
Total Operating Expenses [Schedule IV-1]	\$ 135,675,314.52	\$ 145,390,922.41
Total Operating Income [Loss]	\$ (12,784,934.38)	\$ (21,607,009.60)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 18,111,159.37	\$ 17,041,402.83
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		2,909,682.78
State Pass Through Non-Operating		
Gifts	677,085.91	791,955.35
Land Income		
Investment Income	1,978,535.71	1,823,839.22
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(223,695.64)	(286,129.04)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	33,114.03	
Net Increase [Decrease] In Fair Value	4,697,813.19	6,525,275.79
Settlement of Claims		
Other Nonoperating Revenues	9,495.00	23,858.70
Other Nonoperating [Expenses]	(285,002.02)	(1,087,091.41)
Total Nonoperating Revenues [Expenses]	\$ 24,998,505.55	\$ 27,742,794.22
Income [Loss] Before Other Revenues and Transfers	\$ 12,213,571.17	\$ 6,135,784.62

UNAUDITED

EXHIBIT IV
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$	\$ 238,170.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	425,012.69	829,351.29
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	1,254,793.86	1,550,007.13
Nonmandatory Transfers From Members/Agencies-Cap Assets	108,015.54	33,351.42
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members	(361,448.24)	(356,494.77)
Nonmandatory Transfers to Other Members	(39,892.53)	
Nonmandatory Transfers to Members/Agencies - Cap Assets	(3,365,852.61)	(404,947.98)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ (1,979,371.29)	\$ 1,889,437.09
Change In Net Assets	\$ 10,234,199.88	\$ 8,025,221.71
Beginning Net Assets, September 1, 2011 and 2010	\$ 135,912,546.55	\$ 111,931,314.84
Restatement		15,956,010.00
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 135,912,546.55	\$ 127,887,324.84
Net Assets, August 31, 2012 and 2011	\$ 146,146,746.43	\$ 135,912,546.55
	<u> </u>	<u> </u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS & CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages		60,229,243.67			
Payroll Related Costs		9,882,602.37			
Professional Fees & Services		14,031,861.45			
Travel		5,381,802.01			
Materials & Supplies		7,742,402.91			
Communication & Utilities		642,665.66			
Repairs & Maintenance		2,237,705.81			
Rentals & Leases		1,361,952.57			
Printing & Reproduction		426,416.97			
Federal Pass-Through		1,178,054.51			
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest		1,869.07			
Scholarships		9,461,309.99			
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		6,209,501.38			
Total Operating Expenses	<u>\$</u>	<u>\$ 118,787,388.37</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	3,343,179.57					63,572,423.24	64,417,933.24
	826,006.27					10,708,608.64	11,163,032.36
	276,689.33	3,217.78				14,311,768.56	22,591,112.06
	18,169.13					5,399,971.14	5,458,866.50
	393,216.24	716.90				8,136,336.05	7,894,512.58
	42,965.76	193,508.44				879,139.86	774,787.96
	5,849.03	47,830.45				2,291,385.29	1,636,340.87
	22,976.24					1,384,928.81	832,424.66
	30,300.54					456,717.51	435,658.33
						1,178,054.51	2,296,838.18
					7,243,074.37	7,243,074.37	6,890,073.78
	2,823.57					1,869.07	1,496.86
						9,464,133.56	9,953,863.88
	59,606.82	4,377,795.71				10,646,903.91	10,819,736.34
<u>\$</u>	<u>\$ 5,021,782.50</u>	<u>\$ 4,623,069.28</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,243,074.37</u>	<u>\$ 135,675,314.52</u>	<u>\$ 145,390,922.41</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M ENGINEERING EXPERIMENT STATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	13,610,103.97	10,718,710.62
Proceeds From Sponsored Programs	113,530,308.62	114,564,470.26
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	48,799.47	68,799.40
Payments to Suppliers for Goods and Services	(42,646,329.74)	(49,992,497.41)
Payments to Employees - Salaries	(65,526,609.94)	(62,586,247.80)
Payments to Employees - Benefits	(10,594,272.64)	(11,529,776.36)
Payments for Loans Provided		
Payments for Other Expenses	(10,776,768.27)	(12,518,474.38)
Net Cash Provided [Used] By Operating Activities	\$ (2,354,768.53)	\$ (11,275,015.67)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 17,117,474.55	\$ 18,630,253.72
Proceeds From Gifts	672,399.00	736,130.00
Proceeds From Endowments		
Proceeds - Transfers From Other Funds	425,012.69	829,351.29
Proceeds From Other Grant Revenue		2,909,682.78
Proceeds From Contributed Capital		
Proceeds From Other Revenues		
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses		
Other Noncapital Transfers From/To System	214,901.33	258,007.13
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 18,429,787.57	\$ 23,363,424.92
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 135,811.32	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(8,339,793.20)	(8,813,671.96)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	2,101,957.51	1,082,428.16
Intrasystem Transfers for Capital Debt [Mandatory]	(361,448.24)	(356,494.77)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(249,639.00)	
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (6,713,111.61)	\$ (8,087,738.57)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(6,989,207.62)	(14,967,324.97)
Proceeds From Interest and Investment Income	1,754,840.07	1,537,710.18
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (5,234,367.55)	\$ (13,429,614.79)
Increase [Decrease] In Cash and Cash Equivalents	\$ 4,127,539.88	\$ (9,428,944.11)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ (501,752.83)	\$ 8,927,191.28
Restated Beginning Cash and Cash Equivalents	\$ (501,752.83)	\$ 8,927,191.28
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 3,625,787.05	\$ (501,752.83)

UNAUDITED

EXHIBIT V
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(12,784,934.38)	(21,607,009.60)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	7,243,074.37	6,890,073.78
Bad Debt Expense	94,831.12	228,185.37
Operating Income and Expense Classification Differences	4,686.91	38,867.29
Changes In Assets and Liabilities:		
Accounts Receivable, Net	324,871.96	(1,519,004.96)
Due From Other Agencies/Funds	801,414.31	(22,929.68)
Due From System Members	(19,537.30)	169,386.47
Inventory		16,958.06
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		
Payables	(909,839.72)	1,896,736.25
Due to Other Agencies/Funds	(43,553.21)	(24,377.71)
Due to System Members	(91,026.99)	(19,149.80)
Unearned Revenue	2,885,908.40	3,043,992.86
Deposits		
Compensated Absence Liability	139,336.00	(366,744.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	\$ 10,430,165.85	\$ 10,331,993.93
Net Cash Provided [Used] By Operating Activities	\$ (2,354,768.53)	\$ (11,275,015.67)
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 4,686.91	\$ 293,995.35
Net Increase [Decrease] In Fair Value of Investments	1,937,448.82	6,525,275.79
Gain/Loss On Sale or Disposal of Capital Assets	33,114.03	
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	(3,257,837.07)	(371,596.56)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Research & Development Cluster					
U.S. Department of Agriculture					
1890 Institution Capacity Building Grants	10.216	South Carolina State University/ Subgrant Agreement No. 10-576004-CSMET		\$	\$ 48,919.59
Direct Programs:					
Agricultural Research_Basic and Applied Research	10.001				
Pass-Through From:					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Pass-Through From:					
Texas A&M AgriLife Research			556	315,388.25	
Agriculture and Food Research Initiative	10.310				
Pass-Through From:					
Texas A&M AgriLife Research			556	80,320.75	
Totals - U.S. Department of Agriculture				395,709.00	48,919.59
U.S. Department of Commerce					
Congressionally-Identified Projects	11.617	Signal Processing, Inc./ Subcontract No. 128-1			26,681.67
Direct Programs:					
Measurement and Engineering Research and Standards	11.609				
Measurement and Engineering Research and Standards	11.609				
Pass-Through To:					
Texas State University - San Marcos					
National Technical Information Service	11.650				
Pass-Through From:					
Coastal Zone Management Administration Awards	11.419				
Pass-Through From:					
General Land Office			305	284.05	
Totals - U.S. Department of Commerce				284.05	26,681.67
U.S. Department of Defense					
Collaborative Research and Development	12.114	Comtech Aeroastro, Inc./			38,538.07
		Subcontract No. CAA- 04011-11, Mod. 1			
Basic and Applied Scientific Research	12.300	Advanced Cooling Technologies, Inc./ Contract No. 14407			20,000.02
Basic and Applied Scientific Research		Aspen Systems, Inc./ Agreement No. 09-0589			2,479.97
Basic and Applied Scientific Research		ADA Technologies, Inc./			37,846.81
		Subrecipient Agreement No. 11-03225			
Basic and Applied Scientific Research		Boeing Company/ No. 519871, Change No. 02			19,970.36
Basic and Applied Scientific Research		Drexel University/ Subcontract - Drexel No. 204080, Amd 16			38,550.07
Basic and Applied Scientific Research		General Dynamics Information Technology, Inc./ Subcontract No. F5430-11- 04-SC07			2,267.01

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 48,919.59		\$	\$	\$ 48,919.59	\$ 48,919.59
	2,551.32				2,551.32	2,551.32
	315,388.25				315,388.25	315,388.25
	80,320.75				80,320.75	80,320.75
	<u>2,551.32</u>				<u>447,179.91</u>	<u>447,179.91</u>
	26,681.67				26,681.67	26,681.67
167,363.95	167,363.95				167,363.95	167,363.95
36,638.05	36,638.05			11,556.46	36,638.05	36,638.05
		754	25,081.59			
(199.55)	(199.55)				(199.55)	(199.55)
	284.05				284.05	284.05
<u>203,802.45</u>	<u>230,768.17</u>		<u>25,081.59</u>		<u>205,686.58</u>	<u>230,768.17</u>
	38,538.07				38,538.07	38,538.07
	20,000.02				20,000.02	20,000.02
	2,479.97				2,479.97	2,479.97
	37,846.81				37,846.81	37,846.81
	19,970.36				19,970.36	19,970.36
	38,550.07				38,550.07	38,550.07
	2,267.01				2,267.01	2,267.01

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Basic and Applied Scientific Research		Innovative Decisions, Inc./			23,764.74
		<i>Contract No. IDI-TAMU-1213-2012</i>			
Basic and Applied Scientific Research		Polarity LLC/ <i>No. B5850</i>			18,926.26
Basic and Applied Scientific Research		Power and Energy/ <i>No. B3220</i>			66,878.67
Basic and Applied Scientific Research		Stevens Institute of Technology/ <i>Task Order No. 0014, Mod No. 1</i>			19,998.15
Basic and Applied Scientific Research		University of Florida/ <i>Subaward No. UF-EIES-1004011</i>			32,530.03
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351	Board of Trustees of the Leland Stanford Junior University/ <i>Subaward No. 21030240-40031-A</i>			163,563.05
Basic Scientific Research - Combating Weapons of Mass Destruction		Science Applications International Corporation/ <i>No. C12-00767</i>			92,152.72
Military Medical Research and Development	12.420	Board of Trustees of the Leland Stanford Junior University/ <i>Subaward No. 26710080-50965-A</i>			115,262.32
Military Medical Research and Development		BAE Systems/ <i>No. A904E</i>			6,215.73
Military Medical Research and Development		BAE Systems/ <i>Subcontract No. 31-5039001</i>			826,847.05
Basic Scientific Research	12.431	Methodist Hospital Research Institute/ <i>Agreement No. 6847</i>			65,516.63
Basic Scientific Research		Ohio State University Research Foundation/ <i>RF No. 60014918, Amendment No. 1</i>			108,460.99
Basic Scientific Research		OpCoast, LLC/ <i>Subcontract Agmt SC-2010-TEES-1-X</i>			165,747.80
Basic Scientific Research		Shear Form/ <i>Subrecipient Agreement No. 11-1290</i>			31,999.52
Basic Scientific Research		University of California - Irvine/ <i>Subcontract No. 2010-2509, Amd 2</i>			30,024.02
Basic Scientific Research		University of Kansas Center for Research, Inc./ <i>Subaward No. FY2012-033</i>			15,037.48
Basic Scientific Research		VW International, Inc./ <i>Contract No. 6170-073A, Mod 1</i>			30,050.91
Basic Scientific Research		VW International, Inc./ <i>No. A8833</i>			125,080.00
Basic Scientific Research		VW International, Inc./ <i>Subrecipient Agreement No. C09-00332</i>			(1,233.31)

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	23,764.74				23,764.74	23,764.74
	18,926.26				18,926.26	18,926.26
	66,878.67				66,878.67	66,878.67
	19,998.15				19,998.15	19,998.15
	32,530.03				32,530.03	32,530.03
	163,563.05				163,563.05	163,563.05
	92,152.72				92,152.72	92,152.72
	115,262.32				115,262.32	115,262.32
	6,215.73			6,215.73		6,215.73
	826,847.05				826,847.05	826,847.05
	65,516.63				65,516.63	65,516.63
	108,460.99				108,460.99	108,460.99
	165,747.80				165,747.80	165,747.80
	31,999.52				31,999.52	31,999.52
	30,024.02				30,024.02	30,024.02
	15,037.48				15,037.48	15,037.48
	30,050.91				30,050.91	30,050.91
	125,080.00			125,080.00		125,080.00
	(1,233.31)			(1,233.31)		(1,233.31)

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Basic Scientific Research		VW International, Inc./ Subrecipient Agreement No. C10-00287			334,960.00
Basic Scientific Research		VW International, Inc./ Subrecipient Agreement No. C10-00290			95,020.00
Air Force Defense Research Sciences Program	12.800	AMPAC In-Space Propulsion/ No. NF116235			12,464.60
Air Force Defense Research Sciences Program		ATA Engineering, Inc./ Subrecipient Agreement No. 11-0097			22,545.23
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Contract No. TAMU 11- S567-0017-02-C2			22,315.71
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Subcontract No. PVAM 11- S567-0016-02-C2			48,259.93
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Subcontract No. PVAM 11- S567-0017-02-C2			23,677.78
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Subcontract No. TAMU 10- S567-0016-02-C2			75,482.13
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Subcontract No. TAMU 10- S567-0017-02-C2			1,509.34
Air Force Defense Research Sciences Program		Clarkson Aerospace Corporation/ Subcontract No. 10-S567- 0016-02-C2, Mod			(865.38)
Air Force Defense Research Sciences Program		Creare, Inc./ Subcontract No. 57270, Amend No. 3			4,353.47
Air Force Defense Research Sciences Program		Duke University/ Subcontract Number: 10- AFRL-1023, Amd 5			49,238.41
Air Force Defense Research Sciences Program		General Dynamics Information Technology, Inc./ Sub Agrmt No. USAF-3446- 11-50-SC-01, Amd			332,044.37
Air Force Defense Research Sciences Program		Gray Research, Inc./ Sub No. GR-TAMUSK-KEI- 10-0002, Mod 4			(66.83)
Air Force Defense Research Sciences Program		J. M. Waller Associates, Inc./ No. B6360			86,557.73
Air Force Defense Research Sciences Program		Lockheed Aeronautical Systems Company/ No. 7189275			121,723.65

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	334,960.00			334,960.00		334,960.00
	95,020.00			95,020.00		95,020.00
	12,464.60				12,464.60	12,464.60
	22,545.23				22,545.23	22,545.23
	22,315.71				22,315.71	22,315.71
	48,259.93				48,259.93	48,259.93
	23,677.78				23,677.78	23,677.78
	75,482.13				75,482.13	75,482.13
	1,509.34				1,509.34	1,509.34
	(865.38)				(865.38)	(865.38)
	4,353.47				4,353.47	4,353.47
	49,238.41				49,238.41	49,238.41
	332,044.37				332,044.37	332,044.37
	(66.83)				(66.83)	(66.83)
	86,557.73				86,557.73	86,557.73
	121,723.65				121,723.65	121,723.65

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Air Force Defense Research Sciences Program		NanoSonic, Inc./ NanoSonic No. NA1-112P			39,142.46
Air Force Defense Research Sciences Program		Pacific Defense Solutions/ Research Agreement No. 11-1404, Amd 3			189,999.07
Air Force Defense Research Sciences Program		Pacific Defense Solutions/ Subrecipient Agreement Number C10-00388			287,847.71
Air Force Defense Research Sciences Program		Pacific Defense Solutions/ Subrecipient Agreement Number C10-00388,			45,658.46
Air Force Defense Research Sciences Program		Universal Technology Corporation/ Subcontract No. 10-S587- 0094-01-C2, Mod.			16,158.43
Air Force Defense Research Sciences Program		Universal Technology Corporation/ Subcontract No. 11-S5687- 0099-01-C2			28,971.37
Air Force Defense Research Sciences Program		University of Colorado - Boulder/ CU Project #1548384			44,582.60
Air Force Defense Research Sciences Program		University of Dayton Research Institute/ Agreement No. RSC10046			29,382.53
Research and Technology Development	12.910	Boeing Company/ No. 472953			19,066.62
Research and Technology Development		Georgia Institute of Technology/ GIT Subgrant No. R0301- G1			(1,807.98)
Research and Technology Development		Harvard University/ Agreement No. 133503-04, Amd No 4			142,915.97
Research and Technology Development		Harvard University/ Agreement No. 133534- 5044543, Amd 1			44,822.22
Research and Technology Development		Profusa, Inc./ No. C11-00485			18,737.32
Research and Technology Development		Profusa, Inc./ No. C11-00493			28,126.21
Research and Technology Development		Profusa, Inc./ Subrecipient Agreement No. B3551			20,000.00
Research and Technology Development		SRI International/ Subcntr No. 52-009000, Mod. 1			38,495.98
Research and Technology Development		TRAC Labs, Inc./ Subcontract Agreement No. T0045.01-11-00			18,522.13
Research and Technology Development		University of California - Irvine/			10,201.46

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	39,142.46				39,142.46	39,142.46
	189,999.07				189,999.07	189,999.07
	287,847.71				287,847.71	287,847.71
	45,658.46				45,658.46	45,658.46
	16,158.43				16,158.43	16,158.43
	28,971.37				28,971.37	28,971.37
	44,582.60				44,582.60	44,582.60
	29,382.53				29,382.53	29,382.53
	19,066.62				19,066.62	19,066.62
	(1,807.98)				(1,807.98)	(1,807.98)
	142,915.97				142,915.97	142,915.97
	44,822.22				44,822.22	44,822.22
	18,737.32				18,737.32	18,737.32
	28,126.21				28,126.21	28,126.21
	20,000.00			20,000.00		20,000.00
	38,495.98				38,495.98	38,495.98
	18,522.13				18,522.13	18,522.13
	10,201.46				10,201.46	10,201.46

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>No C11-00675</i>					
Direct Programs:					
Navigation Projects	12.107				
Collaborative Research and Development	12.114				
Basic and Applied Scientific Research	12.300				
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351				
Military Medical Research and Development	12.420				
Basic Scientific Research	12.431				
Basic Scientific Research	12.431				
<i>Pass-Through To:</i>					
<i>University of Texas at Dallas</i>					
Basic, Applied, and Advanced Research in Science and Engineering	12.630				
Air Force Defense Research Sciences Program	12.800				
Information Security Grant Program	12.902				
Research and Technology Development	12.910				
<i>Pass-Through From:</i>					
<i>Air Force Defense Research Sciences Program</i>					
<i>Pass-Through From:</i>					
<i>University of Texas at Austin</i>					
			721	22,448.58	
Research and Technology Development	12.910				2,400.00
<i>Pass-Through To:</i>					
<i>Texas A&M Engineering Extension Service</i>					
		TRAC Labs, Inc./ Contract Number 56- 100403			
Totals - U.S. Department of Defense				22,448.58	4,348,917.77
U.S. Department of the Interior					
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423	CSI Technologies, LLC/ <i>Subrecipient Agreement No. 11-1013</i>			33,200.62
Direct Programs:					
Minerals Management Service (MMS) Environmental Studies Program (ESP)	15.423				
<i>Pass-Through From:</i>					
<i>Assistance to State Water Resources Research Institutes</i>					
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Research</i>					
			556	4,998.21	
Totals - U.S. Department of the Interior				4,998.21	33,200.62
U.S. Department of Transportation					
Biobased Transportation Research	20.761	Oklahoma State University/ <i>Subaward No. AB-5- 61770.2</i>			19,798.42
Direct Programs:					
Aviation Education	20.100				
Totals - U.S. Department of Transportation					19,798.42
National Aeronautics and Space Administration					
Science	43.001	AlphaSense, Inc./ <i>Subcontract No. 808-3</i>			38,702.88
Science		Analytical Mechanics Associates, Inc./ <i>Contract No. NNL12AA09C</i>			136,196.97
Science		ATK Space Systems, Inc./ <i>Subcontract Number PO- SP00029509, Mod 6</i>			307,020.26
Science		Dynamic Concepts, Inc./ <i>Subcontract No. 53T-04- 01</i>			75,299.80

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
26,444.57	26,444.57				26,444.57	26,444.57
233,124.48	233,124.48				233,124.48	233,124.48
873,153.56	873,153.56			20,511.84	852,641.72	873,153.56
322,603.68	322,603.68			9,835.68	312,768.00	322,603.68
451,023.14	451,023.14				451,023.14	451,023.14
2,180,140.60	2,180,140.60			552,968.46	1,627,172.14	2,180,140.60
156,649.93	156,649.93				7,581.61	156,649.93
		738	149,068.32			
848,297.97	848,297.97			161,809.33	686,488.64	848,297.97
7,490,015.01	7,490,015.01			1,294,731.69	6,195,283.32	7,490,015.01
141,016.62	141,016.62				141,016.62	141,016.62
414,382.83	414,382.83				414,382.83	414,382.83
	22,448.58				22,448.58	22,448.58
	2,400.00					2,400.00
		716	2,400.00			
13,136,852.39	17,508,218.74		151,468.32	2,619,899.42	14,736,851.00	17,508,218.74
	33,200.62				33,200.62	33,200.62
1,214.47	1,214.47				1,214.47	1,214.47
	4,998.21				4,998.21	4,998.21
1,214.47	39,413.30				39,413.30	39,413.30
	19,798.42				19,798.42	19,798.42
25,050.96	25,050.96				25,050.96	25,050.96
25,050.96	44,849.38				44,849.38	44,849.38
	38,702.88				38,702.88	38,702.88
	136,196.97				136,196.97	136,196.97
	307,020.26				307,020.26	307,020.26
	75,299.80				75,299.80	75,299.80

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Science		Integrated Micro Sensors, Inc./ Subrecipient Agreement No. C11-01000			19,999.41
Science		Jacobs Engineering Group, Inc./ No. N840118FMS, Amend No 1			16,887.11
Science		Materials Modification, Inc./ Subrecipient Agreement No. C12-00040			81,897.86
Science		Physics, Materials, and Applied Mathematics Research, LLC/ Agreement No. 8022-01, Prime Agreement N			176,464.37
Science		Privatran, LLC/ No. FA9453-12-M-0058			24,393.05
Science		Privatran, LLC/ Sub Agrmt No. C11-00556, NNX11CH49P			760.79
Science		San Diego State University Foundation/ No. 55986A P3653 7802 211 RMM/PR FA8750			(5,230.58)
Science		Space Environment Technologies, LLC/ Subcontract Agreement No. CG-2011-1-1			6,061.54
Science		SAAB Sensis Corporation/ Sub Agreement 10-0549			44,648.18
Science		Tao of Systems Integration, Inc./ Subrecipient Agreement No. 11-0662			74,692.08
Science		VectorNav Technologies, LLC/ Subrecipient Agreement No. C12-00414			46,558.82
Science		Zin Technologies, Inc./ Subcontract Agr. ZTI 2010- 003, Amd 1			20,725.77
Aeronautics	43.002	Lynntech, Inc./ No. C12-00845			3,003.33
Aeronautics		National Space Biomedical Research Institute/ Project Number RE01302, Amend No. 3			35,748.39
Education	43.008	University of Alabama - Huntsville/ Subaward Agmt No. SUB2012-053			36,624.78
<u>Direct Programs:</u>					
Science	43.001				
Science	43.001				
<u>Pass-Through To:</u> University of Houston					
Exploration	43.003				
Education	43.008				
Cross Agency Support	43.009				
<u>Pass-Through From:</u>					
Science	43.001				
<u>Pass-Through From:</u>					

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	19,999.41				19,999.41	19,999.41
	16,887.11				16,887.11	16,887.11
	81,897.86				81,897.86	81,897.86
	176,464.37				176,464.37	176,464.37
	24,393.05				24,393.05	24,393.05
	760.79				760.79	760.79
	(5,230.58)				(5,230.58)	(5,230.58)
	6,061.54				6,061.54	6,061.54
	44,648.18				44,648.18	44,648.18
	74,692.08				74,692.08	74,692.08
	46,558.82				46,558.82	46,558.82
	20,725.77				20,725.77	20,725.77
	3,003.33				3,003.33	3,003.33
	35,748.39				35,748.39	35,748.39
	36,624.78				36,624.78	36,624.78
1,987,429.75 (390.02)	1,987,429.75 (390.02)				1,987,429.75	1,987,429.75 (390.02)
		730	(390.02)			
39,618.70	39,618.70				39,618.70	39,618.70
57,584.41	57,584.41				57,584.41	57,584.41
111,747.47	111,747.47				111,747.47	111,747.47
	219,590.44				219,590.44	219,590.44

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>Texas A&M University</i>			711	219,590.44	
Science	43.001				
<i>Pass-Through From: University of Texas at Austin</i>			721	17,955.39	
Education	43.008				
<i>Pass-Through From: Texas Southern University</i>			717	26,033.63	
Totals - National Aeronautics and Space Administration				263,579.46	1,140,454.81
National Science Foundation					
Engineering Grants	47.041	Georgia Institute of Technology/ Subaward RA063- G2/CMMI-0936603			76,736.81
Engineering Grants		Performance Polymer Solutions, Inc./ Subrecipient Agreement No. C11-00288			48,371.43
Engineering Grants		Princeton University/ Subaward No. 00001217			226,549.31
Mathematical and Physical Sciences	47.049	Harvard University/ Subaward No. 133485-01			6,989.32
Mathematical and Physical Sciences		Princeton University/ Subaward No. 00002014			44,275.19
Computer and Information Science and Engineering	47.070	Purdue University/ Subaward Agreement No. 4101-47540			25,285.13
International Science and Engineering (OISE)	47.079	US Civilian Research and Development Foundation/ Grant No. RUE1-2940-TO- 09			1,362.43
ARRA - Trans-NSF Recovery Act Research Support	47.082	Yale University/ Contract No. C11D11060			(20.89)
Direct Programs:					
Engineering Grants	47.041				
Mathematical and Physical Sciences	47.049				
Mathematical and Physical Sciences	47.049				
<i>Pass-Through To: University of Houston</i>					
Geosciences	47.050				
Computer and Information Science and Engineering	47.070				
Computer and Information Science and Engineering	47.070				
<i>Pass-Through To: Texas A&M Engineering Extension Service</i>					
Biological Sciences	47.074				
Education and Human Resources	47.076				
Education and Human Resources	47.076				
<i>Pass-Through To: Prairie View A&M University</i>					
Education and Human Resources	47.076				
<i>Pass-Through To: Texas Tech University</i>					
Education and Human Resources	47.076				
<i>Pass-Through To:</i>					

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Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount		
	17,955.39			17,955.39	17,955.39
	26,033.63			26,033.63	26,033.63
2,195,990.31	3,600,024.58		(390.02)	3,600,414.60	3,600,024.58
	76,736.81			76,736.81	76,736.81
	48,371.43			48,371.43	48,371.43
	226,549.31			226,549.31	226,549.31
	6,989.32			6,989.32	6,989.32
	44,275.19			44,275.19	44,275.19
	25,285.13			25,285.13	25,285.13
	1,362.43			1,362.43	1,362.43
	(20.89)			(20.89)	(20.89)
8,191,041.91	8,191,041.91			221,352.33	8,191,041.91
1,780,173.35	1,780,173.35			153,783.54	1,780,173.35
53,639.16	53,639.16				53,639.16
		730	53,639.16		
67,772.93	67,772.93			3,506.96	67,772.93
4,267,129.66	4,267,129.66			10,943.30	4,267,129.66
13,592.74	13,592.74				13,592.74
		716	13,592.74		
64,511.06	64,511.06			64,511.06	64,511.06
5,937,908.32	5,937,908.32			376,431.97	5,937,908.32
255,501.10	255,501.10			33,563.99	255,501.10
		715	221,937.11		
(8,017.55)	(8,017.55)			(7,781.68)	(8,017.55)
		733	-235.87		
10,171.72	10,171.72				10,171.72

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>University of Texas - Pan American</i>					
Education and Human Resources <i>Pass-Through To:</i> <i>West Texas A&M University</i>	47.076				
International Science and Engineering (OISE) Office of Cyberinfrastructure	47.079 47.080				
ARRA - Trans-NSF Recovery Act Research Support	47.082				
ARRA - Trans-NSF Recovery Act Research Support <i>Pass-Through To:</i> <i>University of Texas at Austin</i>	47.082				
Totals - National Science Foundation					429,548.73
Environmental Protection Agency					
Science To Achieve Results (STAR) Research Program	66.509	University of California - Davis/ Subaward No. 07-003825- 01			52,197.96
<u>Pass-Through From:</u> Nonpoint Source Implementation Grants <i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>	66.460		556	14,582.05	
Capitalization Grants for Drinking Water State Revolving Funds <i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>	66.468		582	67,334.61	
Totals - Environmental Protection Agency				81,916.66	52,197.96
Nuclear Regulatory Commission					
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	Oregon State University/ Subcontract No. X0105A- B, Amend No. 4			44,325.80
<u>Direct Programs:</u> U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008				
U.S. Nuclear Regulatory Commission Office of Research Financial Assistance Program	77.009				
<u>Pass-Through From:</u> U. S. Nuclear Regulatory Commission Nuclear Education Grant Program <i>Pass-Through From:</i> <i>Texas A&M University</i>	77.006		711	45,145.52	
Totals - Nuclear Regulatory Commission				45,145.52	44,325.80
U.S. Department of Energy					
State Energy Program	81.041	State of Louisiana/ No. B2920			13,276.46
ARRA - State Energy Program		Austin Independent School District/ ARRA Sub Agreement C11- 00801			92,581.32
ARRA - State Energy Program		Austin Independent School District/ Task Order No. 68			22,826.01
Office of Science Financial Assistance Program	81.049	Argonne National Laboratory/ No. 2F-31681			18,479.10
Office of Science Financial Assistance Program		Argonne National Laboratory/			211,635.73

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
		736	10,171.72			
375,956.83	375,956.83				33,059.89	375,956.83
		757	342,896.94			
57,724.45	57,724.45				57,724.45	57,724.45
209,023.55	209,023.55				209,023.55	209,023.55
2,755,723.73	2,755,723.73			41,007.33	2,714,716.40	2,755,723.73
83,444.96	83,444.96				17,097.61	83,444.96
		721	66,347.35			
24,115,297.92	24,544,846.65		708,349.15	807,025.43	23,029,472.07	24,544,846.65
	52,197.96				52,197.96	52,197.96
	14,582.05				14,582.05	14,582.05
	67,334.61			63,649.80	3,684.81	67,334.61
	134,114.62			63,649.80	70,464.82	134,114.62
	44,325.80				44,325.80	44,325.80
306,073.54	306,073.54				306,073.54	306,073.54
94,793.22	94,793.22				94,793.22	94,793.22
	45,145.52				45,145.52	45,145.52
400,866.76	490,338.08				490,338.08	490,338.08
	13,276.46				13,276.46	13,276.46
	92,581.32			92,581.32		92,581.32
	22,826.01				22,826.01	22,826.01
	18,479.10				18,479.10	18,479.10
	211,635.73				211,635.73	211,635.73

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
		<i>Subcontract No. 1F-32303, Amend No. M000</i>			
Office of Science Financial Assistance Program		Austin Energy/ Work Order No. 24, Master Agr. C05-00017			33,058.14
Office of Science Financial Assistance Program		Battelle/ Contract No. 00092961			51,376.68
Office of Science Financial Assistance Program		Battelle/ Contract No. 00095441			75,985.28
Office of Science Financial Assistance Program		Battelle/ Contract No. 00100897			19,360.34
Office of Science Financial Assistance Program		Battelle/ Contract No. 00107219			29,003.90
Office of Science Financial Assistance Program		Battelle/ Contract No. 00108462			28,784.17
Office of Science Financial Assistance Program		Battelle/ Contract No. 00114871			5,002.76
Office of Science Financial Assistance Program		Battelle/ Contract No. 00119754			100,441.43
Office of Science Financial Assistance Program		Battelle/ Contract No. 00120553			54,653.89
Office of Science Financial Assistance Program		Battelle/ Contract No. 00121203			149,982.11
Office of Science Financial Assistance Program		Battelle/ Contract No. 00121602			193,910.87
Office of Science Financial Assistance Program		Battelle/ Contract No. 00121934			33,466.64
Office of Science Financial Assistance Program		Battelle/ Research Services Agreement No. C12-0073			12,062.63
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00090311, Amd No. 02			195,247.05
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00090521			202,448.18
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00090581, Amend No. 001			26,386.39
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00090995, Amend No. 002			147,674.86
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00091204, Amd 1			264,801.37
Office of Science Financial Assistance Program		Battelle/ Subcontract No. 00097541, Amend No. 002			8,840.28
Office of Science Financial Assistance Program		Battelle/ Subrecipient Agreement No. B6683			67,240.51
Office of Science Financial Assistance Program		Battelle/ Subrecipient Agreement No. C10-00171			13,718.68
Office of Science Financial Assistance Program		Battelle/ Subrecipient Agreement No. C10-00216			144,569.96
Office of Science Financial Assistance Program		Battelle/ Subrecipient Agreement No. C10-00401			22,458.48

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	33,058.14				33,058.14	33,058.14
	51,376.68				51,376.68	51,376.68
	75,985.28				75,985.28	75,985.28
	19,360.34				19,360.34	19,360.34
	29,003.90				29,003.90	29,003.90
	28,784.17				28,784.17	28,784.17
	5,002.76				5,002.76	5,002.76
	100,441.43				100,441.43	100,441.43
	54,653.89				54,653.89	54,653.89
	149,982.11				149,982.11	149,982.11
	193,910.87				193,910.87	193,910.87
	33,466.64				33,466.64	33,466.64
	12,062.63			12,062.63		12,062.63
	195,247.05				195,247.05	195,247.05
	202,448.18				202,448.18	202,448.18
	26,386.39				26,386.39	26,386.39
	147,674.86				147,674.86	147,674.86
	264,801.37				264,801.37	264,801.37
	8,840.28				8,840.28	8,840.28
	67,240.51			67,240.51		67,240.51
	13,718.68			13,718.68		13,718.68
	144,569.96			144,569.96		144,569.96
	22,458.48			22,458.48		22,458.48

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Office of Science Financial Assistance Program		Calnetix/ Subrecipient Agreement No. 11-0424			60,000.00
Office of Science Financial Assistance Program		DaniMer Scientific, LLC/ Subrecipient Agreement No. 11-0704			19,332.38
Office of Science Financial Assistance Program		Houston Advanced Research Center/ Subcontract No. EFDTIP- T05 Q			28,516.94
Office of Science Financial Assistance Program		Houston Advanced Research Center/ Subcontract No. 08122-35 R05			70,200.38
Office of Science Financial Assistance Program		Idaho State University/ Subaward No. RACL33-09- 265C			26,915.31
Office of Science Financial Assistance Program		Idaho State University/ Subaward No. RACL74-11- 268A			66,611.80
Office of Science Financial Assistance Program		Lawrence Berkeley Laboratory/ Research Subcontract No. 7006108			34,472.48
Office of Science Financial Assistance Program		Lawrence Berkeley National Laboratory/ No. B598353 - Master Task Agmt B575363			3,500.00
Office of Science Financial Assistance Program		Lawrence Berkeley National Laboratory/ Subcontract No. 6924997			203,097.97
Office of Science Financial Assistance Program		Lawrence Berkeley National Laboratory/ Subcontract No. 6983813			19,998.40
Office of Science Financial Assistance Program		Lawrence Berkeley National Laboratory/ Task Order No. B593921, Mod No. 1			51,669.17
Office of Science Financial Assistance Program		Lawrence Livermore National Security, LLC/ No. B598353 - Master Task Agmt B575363			157,197.78
Office of Science Financial Assistance Program		Lawrence Livermore National Security, LLC/ Task Order B599687			160,271.71
Office of Science Financial Assistance Program		Lawrence Livermore National Security, LLC/ Task Order No. B593502, Mod No. 2			20,471.91
Office of Science Financial Assistance Program		Los Alamos National Laboratory/ Subcontract No. 113844-1, Mod No. 1			32,214.28
Office of Science Financial Assistance Program		Los Alamos National Laboratory/ Subcontract No. 72198- 001-09			752.92
Office of Science Financial Assistance Program		Los Alamos National Security, LLC/ Subcontract No. 118769-1, Mod No. 2			169,528.40
Office of Science Financial Assistance Program		Los Alamos National Security, LLC/			36,241.30

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount		
	60,000.00			60,000.00	60,000.00
	19,332.38			19,332.38	19,332.38
	28,516.94			28,516.94	28,516.94
	70,200.38			70,200.38	70,200.38
	26,915.31			26,915.31	26,915.31
	66,611.80			66,611.80	66,611.80
	34,472.48			34,472.48	34,472.48
	3,500.00			3,500.00	3,500.00
	203,097.97			203,097.97	203,097.97
	19,998.40			19,998.40	19,998.40
	51,669.17			51,669.17	51,669.17
	157,197.78			157,197.78	157,197.78
	160,271.71			160,271.71	160,271.71
	20,471.91			20,471.91	20,471.91
	32,214.28			32,214.28	32,214.28
	752.92			752.92	752.92
	169,528.40			169,528.40	169,528.40
	36,241.30			36,241.30	36,241.30

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Office of Science Financial Assistance Program		<i>Subcontract No. 136693-1, Mod No. 1</i> Los Alamos National Security, LLC/			33,668.14
Office of Science Financial Assistance Program		<i>Subcontract No. 87536- 001-11</i> Oak Ridge National Laboratory/			167,653.46
Office of Science Financial Assistance Program		<i>Subcontract No. 400088079</i> Pacific Northwest National Laboratory/			29,602.06
Office of Science Financial Assistance Program		<i>Contract No. 151687, Mod No. 2</i> Pacific Northwest National Laboratory/			45,500.26
Office of Science Financial Assistance Program		<i>Contract No. 155940</i> Pacific Northwest National Laboratory/			321,665.03
Office of Science Financial Assistance Program		<i>Contract No. 156080</i> Pacific Northwest National Laboratory/			185.85
Office of Science Financial Assistance Program		<i>Contract No. 186345</i> Research Partnership To Secure Energy for America/			91,365.01
Office of Science Financial Assistance Program		<i>Subcontract No. 10122- 42</i> Research Partnership To Secure Energy for America/			146,827.84
Office of Science Financial Assistance Program		<i>Subcontract No. 10122- 43</i> Sandia National Laboratories/			68,581.11
Office of Science Financial Assistance Program		<i>Agreement No. 783255</i> Sandia National Laboratories/			8,171.04
Office of Science Financial Assistance Program		<i>No. 1086077</i> Sandia National Laboratories/			253,665.74
Office of Science Financial Assistance Program		<i>No. 1163886, Revision No. 4</i> Sandia National Laboratories/			40,772.07
Office of Science Financial Assistance Program		<i>No. 1190010</i> Sandia National Laboratories/			95,380.84
Office of Science Financial Assistance Program		<i>No. 1203831, Rev 3</i> Sandia National Laboratories/			1,756.20
Office of Science Financial Assistance Program		<i>No. 944909, Rev 4</i> Sandia National Laboratories/			46,347.92
Office of Science Financial Assistance Program		<i>No. 944909, Rev 5</i> Sandia National Laboratories/			173,538.55
Office of Science Financial Assistance Program		<i>No. 969972, Rev 7</i> Sandia National Laboratories/			103,722.31
Office of Science Financial Assistance Program		<i>No. 978619</i> Shear Form/ <i>Subrecipient Agreement</i>			19,666.19
Office of Science Financial Assistance Program		<i>No. C11-00989</i> Shear Form/			10,925.28

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Direct Program Amount	Total Pass Through From Direct Program	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount		
	33,668.14			33,668.14	33,668.14
	167,653.46			167,653.46	167,653.46
	29,602.06			29,602.06	29,602.06
	45,500.26			45,500.26	45,500.26
	321,665.03			321,665.03	321,665.03
	185.85			185.85	185.85
	91,365.01			91,365.01	91,365.01
	146,827.84			146,827.84	146,827.84
	68,581.11			68,581.11	68,581.11
	8,171.04			8,171.04	8,171.04
	253,665.74			253,665.74	253,665.74
	40,772.07			40,772.07	40,772.07
	95,380.84			95,380.84	95,380.84
	1,756.20			1,756.20	1,756.20
	46,347.92			46,347.92	46,347.92
	173,538.55			173,538.55	173,538.55
	103,722.31			103,722.31	103,722.31
	19,666.19			19,666.19	19,666.19
	10,925.28			10,925.28	10,925.28

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Office of Science Financial Assistance Program		<i>Subrecipient Agreement No. 12-0094</i> Tao of Systems Integration, Inc./			52,887.29
Office of Science Financial Assistance Program		<i>Subrecipient Agreement No. 11-0457</i> University of Michigan/ <i>Subcontract No. 3001336236</i>			13,474.27
Office of Science Financial Assistance Program		University of Nevada - Reno/ <i>Subaward No. UNR-10-32, Amend No. 2</i>			168,014.71
Office of Science Financial Assistance Program		University of Wisconsin - Madison/ <i>Agreement No. 182K512, Mod No. 03</i>			40,584.90
Office of Science Financial Assistance Program		University of Wisconsin - Madison/ <i>Agreement No. 356K381, Mod. No. 01</i>			29,884.32
Office of Science Financial Assistance Program		University of Wisconsin - Madison/ <i>Subagreement No. 347K900, Mod No. 01</i>			6,472.08
Office of Science Financial Assistance Program		UT-Battelle, LLC/ <i>Subcontract No. 4000104014</i>			63,395.66
ARRA - Office of Science Financial Assistance Program		Austin Energy/ <i>Work Order No. 21, Master Agr. C05-00017</i>			253,165.96
ARRA - Office of Science Financial Assistance Program		Oklahoma State University/ <i>Subaward No. AA-5-32130- 01</i>			97,518.31
Renewable Energy Research and Development	81.087	Battelle/ <i>Subcontract No. 00088120</i>			176,646.78
Renewable Energy Research and Development		Battelle/ <i>Subrecipient Agreement No. A8741</i>			112,876.19
Renewable Energy Research and Development		Concepts NREC/ <i>Research Agreement No. 07-0637, Amd 3</i>			11,275.88
Renewable Energy Research and Development		Pacific Northwest National Laboratory/ <i>Contract No. 165504</i>			162,677.22
Renewable Energy Research and Development		Shaw Environmental, Inc./ <i>Agmt. No. C08-00703</i>			19,489.96
Renewable Energy Research and Development		Shaw Environmental, Inc./ <i>No. 777276-000 OP</i>			576.62
Renewable Energy Research and Development		Tao of Systems Integration, Inc./ <i>Subrecipient Agreement No. 11-0457</i>			12,906.80
ARRA - Renewable Energy Research and Development		AltaRock Energy, Inc./ <i>No. C10-00675</i>			4,143.56
ARRA - Renewable Energy Research and Development		Building Media, Inc./ <i>ARRA Sub Agreement C11- 00680</i>			(332.14)
Fossil Energy Research and Development	81.089	Research Partnership To Secure Energy for America/ <i>Subcontract No. 07122-33, Mod No 4</i>			142,676.98

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 TEXAS A&M ENGINEERING EXPERIMENT STATION
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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	52,887.29				52,887.29	52,887.29
	13,474.27				13,474.27	13,474.27
	168,014.71				168,014.71	168,014.71
	40,584.90				40,584.90	40,584.90
	29,884.32				29,884.32	29,884.32
	6,472.08				6,472.08	6,472.08
	63,395.66				63,395.66	63,395.66
	253,165.96				253,165.96	253,165.96
	97,518.31				97,518.31	97,518.31
	176,646.78				176,646.78	176,646.78
	112,876.19			112,876.19		112,876.19
	11,275.88				11,275.88	11,275.88
	162,677.22				162,677.22	162,677.22
	19,489.96				19,489.96	19,489.96
	576.62				576.62	576.62
	12,906.80				12,906.80	12,906.80
	4,143.56				4,143.56	4,143.56
	(332.14)				(332.14)	(332.14)
	142,676.98				142,676.98	142,676.98

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				Agencies or Universities Amount	Non-State Entities Amount
Fossil Energy Research and Development		Research Partnership To Secure Energy for America/ <i>Subcontract No. 07123-01, Mod. No. 6</i>			93,424.08
Fossil Energy Research and Development		Research Partnership To Secure Energy for America/ <i>Subcontract No. 08122-48, Mod. 1</i>			146,407.73
Fossil Energy Research and Development		Research Partnership To Secure Energy for America/ <i>Subrecipient Agreement Number A8251</i>			271,876.39
Fossil Energy Research and Development		University of Alaska - Fairbanks/ <i>Subaward No. UAF 09- 0039, Mod 9</i>			32,939.52
Fossil Energy Research and Development		URS Energy and Construction, Inc./ <i>Testing Agreement No. RES1100412</i>			42,819.45
Defense Nuclear Nonproliferation Research	81.113	Lawrence Livermore National Security, LLC/ <i>Subcontract No. B571336</i>			387,633.43
Defense Nuclear Nonproliferation Research		Lawrence Livermore National Security, LLC/ <i>Task Order No. B575366, Mod No. 15</i>			274,006.69
Defense Nuclear Nonproliferation Research		Sandia National Laboratories/ <i>No. No. 1042305</i>			(0.54)
University Reactor Infrastructure and Education Support	81.114	Medical University of South Carolina/ <i>Subaward No. MUSC09- 100</i>			26,221.02
Nuclear Energy Research, Development and Demonstration	81.121	Battelle/ <i>Contact No. 00127371</i>			14,215.29
Nuclear Energy Research, Development and Demonstration		Battelle/ <i>Contract No. 00109479</i>			3,122.24
Nuclear Energy Research, Development and Demonstration		Battelle/ <i>Contract No. 00112135, Amd. 02</i>			47,639.86
Nuclear Energy Research, Development and Demonstration		Battelle/ <i>Contract No. 00124068</i>			140,474.79
Nuclear Energy Research, Development and Demonstration		Battelle/ <i>Contract No. 00124695</i>			37,505.81
Nuclear Energy Research, Development and Demonstration		Battelle/ <i>Subcontract No. 00094810</i>			(0.21)
Nuclear Energy Research, Development and Demonstration		Lawrence Livermore National Security, LLC/ <i>Task Order B598646</i>			3,706.06
Nuclear Energy Research, Development and Demonstration		Lawrence Livermore National Security, LLC/ <i>Task Order No. B598646</i>			13,124.85
Nuclear Energy Research, Development and Demonstration		Medical University of South Carolina/ <i>Subaward No. MUSC09- 100</i>			94.00
Nuclear Energy Research, Development and Demonstration		Medical University of South Carolina/			23,110.60

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Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	93,424.08				93,424.08	93,424.08
	146,407.73				146,407.73	146,407.73
	271,876.39			271,876.39		271,876.39
	32,939.52				32,939.52	32,939.52
	42,819.45				42,819.45	42,819.45
	387,633.43				387,633.43	387,633.43
	274,006.69				274,006.69	274,006.69
	(0.54)				(0.54)	(0.54)
	26,221.02				26,221.02	26,221.02
	14,215.29				14,215.29	14,215.29
	3,122.24				3,122.24	3,122.24
	47,639.86				47,639.86	47,639.86
	140,474.79				140,474.79	140,474.79
	37,505.81				37,505.81	37,505.81
	(0.21)				(0.21)	(0.21)
	3,706.06				3,706.06	3,706.06
	13,124.85				13,124.85	13,124.85
	94.00				94.00	94.00
	23,110.60				23,110.60	23,110.60

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Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Nuclear Energy Research, Development and Demonstration		<i>Subaward No. MUSC12-008</i> Oak Ridge National Laboratory/ <i>Subcontract No.</i> 4000105055			303,430.63
Nuclear Energy Research, Development and Demonstration		Oak Ridge National Laboratory/ <i>Subcontract No.</i> 4000111281			27,163.76
Nuclear Energy Research, Development and Demonstration		Oak Ridge National Laboratory/ <i>Subcontract No.</i> 4000114530			20,792.04
Nuclear Energy Research, Development and Demonstration		Pacific Northwest National Laboratory/ <i>Contract No. 165557</i>			52,005.51
Nuclear Energy Research, Development and Demonstration		Sandia National Laboratories/ <i>No. 1228852, Amend No. 1 and 2</i>			53,397.58
Nuclear Energy Research, Development and Demonstration		Sandia National Laboratories/ <i>No. 1248934</i>			3,485.47
Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122	ABB Inc./ <i>No. DE-OE0000547</i>			210,967.69
Electricity Delivery and Energy Reliability, Research, Development and Analysis		GE Global Research/ <i>No. 400040872, Amend 5</i>			90,460.88
Predictive Science Academic Alliance Program	81.124	University of Michigan/ <i>Subcontract No.</i> 3001058063			353,261.31
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	Austin Energy/ <i>Work Order No. 19, Master Agr. C05-00017</i>			120,875.61
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)		City of Arlington/ <i>No C11-00536</i>			195,842.24
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)		City of San Antonio, Bexar County/ <i>No. C10-00927</i>			255,451.73
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)		City of San Antonio, Bexar County/ <i>No. EE0000970</i>			78,168.82
ARRA - Advanced Research and Projects Agency - Energy Financial Assistance Program	81.135	ADMA Products, Inc./ <i>Contract No. C10-361</i>			66,626.15
Direct Programs:					
ARRA - State Energy Program	81.041				
Office of Science Financial Assistance Program	81.049				
Renewable Energy Research and Development	81.087				
ARRA - Renewable Energy Research and Development	81.087				
Renewable Energy Research and Development	81.087				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Research</i>					
Fossil Energy Research and Development	81.089				
Office of Environmental Waste Processing	81.104				
Stewardship Science Grant Program	81.112				
Defense Nuclear Nonproliferation Research	81.113				
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117				
ARRA - Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117				
<i>Pass-Through To:</i>					
<i>University of Texas at Arlington</i>					

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	303,430.63				303,430.63	303,430.63
	27,163.76				27,163.76	27,163.76
	20,792.04				20,792.04	20,792.04
	52,005.51				52,005.51	52,005.51
	53,397.58				53,397.58	53,397.58
	3,485.47				3,485.47	3,485.47
	210,967.69				210,967.69	210,967.69
	90,460.88				90,460.88	90,460.88
	353,261.31				353,261.31	353,261.31
	120,875.61				120,875.61	120,875.61
	195,842.24				195,842.24	195,842.24
	255,451.73				255,451.73	255,451.73
	78,168.82				78,168.82	78,168.82
	66,626.15				66,626.15	66,626.15
70,090.33	70,090.33			22,000.00	48,090.33	70,090.33
771,033.34	771,033.34				771,033.34	771,033.34
1,240,318.34	1,240,318.34			27,500.00	1,212,818.34	1,240,318.34
140,302.26	140,302.26				140,302.26	140,302.26
176,880.65	176,880.65				176,880.65	176,880.65
		556	176,880.65			
178,275.31	178,275.31				178,275.31	178,275.31
15,109.68	15,109.68				15,109.68	15,109.68
94,904.40	94,904.40				94,904.40	94,904.40
24,658.37	24,658.37			22,773.59	1,884.78	24,658.37
165,394.36	165,394.36				165,394.36	165,394.36
32.04	32.04					32.04
		714	32.04			

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
State Energy Program Special Projects	81.119				
Nuclear Energy Research, Development and Demonstration	81.121				
Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122				
ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122				
Advanced Research and Projects Agency - Energy Financial Assistance Program	81.135				
<u>Pass-Through From:</u> State Energy Program	81.041				
<u>Pass-Through From:</u> Comptroller - State Energy Conservation Office			907	4,754.63	
ARRA - Conservation Research and Development	81.086				
<u>Pass-Through From:</u> Texas A&M Engineering Extension Service			716	94,333.33	
Renewable Energy Research and Development	81.087				
<u>Pass-Through From:</u> University of Texas at El Paso			724	37,997.74	
Renewable Energy Research and Development	81.087				
<u>Pass-Through From:</u> Texas A&M International University			761	44,885.55	
Fossil Energy Research and Development	81.089				7,802.54
<u>Pass-Through To:</u> University of Texas at Austin		Research Partnership To Secure Energy for America/ Subrecipient Agreement No. A3411			
Defense Nuclear Nonproliferation Research	81.113				
<u>Pass-Through From:</u> West Texas A&M University			757	56,841.70	
Predictive Science Academic Alliance Program	81.124				
<u>Pass-Through From:</u> University of Texas at Austin			721	77,008.70	
Totals - U.S. Department of Energy				315,821.65	9,825,649.62
U.S. Department of Education					
<u>Direct Programs:</u> Fund for the Improvement of Postsecondary Education	84.116				
Graduate Assistance in Areas of National Need	84.200				
<u>Pass-Through From:</u> Mathematics and Science Partnerships	84.366				
<u>Pass-Through From:</u> Texas Education Agency			701	424,091.46	
Totals - U.S. Department of Education				424,091.46	
U.S. Department of Health and Human Services					
Environmental Health	93.113	The EMMES Corporation/ No. BG460			67,448.39
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	Yale University/ Subaward No. A06981			(0.13)
Cancer Treatment Research	93.395	Arizona State University/ Subaward No. 09-023			11,739.48
Cancer Treatment Research		University of Pittsburgh/ Subaward No. 0010723			37,895.62
Cancer Control	93.399	Washington University - St. Louis/			29,142.41

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
320,173.40	320,173.40			307,461.95	12,711.45	320,173.40
671,307.62	671,307.62			33,369.99	637,937.63	671,307.62
66,485.85	66,485.85			14,418.22	52,067.63	66,485.85
19,771.23	19,771.23				19,771.23	19,771.23
426,852.79	426,852.79			161,581.04	265,271.75	426,852.79
	4,754.63				4,754.63	4,754.63
	94,333.33				94,333.33	94,333.33
	37,997.74				37,997.74	37,997.74
	44,885.55				44,885.55	44,885.55
	7,802.54					7,802.54
		721	7,802.54			
	56,841.70				56,841.70	56,841.70
	77,008.70				77,008.70	77,008.70
4,381,589.97	14,523,061.24		184,715.23	1,326,488.95	13,011,857.06	14,523,061.24
29,986.99	29,986.99			7,548.72	22,438.27	29,986.99
1,461.93	1,461.93				1,461.93	1,461.93
	424,091.46				424,091.46	424,091.46
31,448.92	455,540.38			7,548.72	447,991.66	455,540.38
	67,448.39				67,448.39	67,448.39
	(0.13)				(0.13)	(0.13)
	11,739.48				11,739.48	11,739.48
	37,895.62				37,895.62	37,895.62
	29,142.41				29,142.41	29,142.41

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
ARRA - Trans-NIH Recovery Act Research Support	93.701	<i>Subaward No. WU-12-83, Amend No. 1 Tufts University/ Subcontract No. C10- 00750, Amd No. 1</i>			318.97
Cardiovascular Diseases Research	93.837	<i>University of Missouri - Columbia/ Subaward No. C00026480- 1, Amd. 2</i>			21,467.01
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	<i>Profusa, Inc./ No. B5690</i>			104,089.67
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	<i>University of Michigan/ Subaward No. 3000911237</i>			136,065.83
Biomedical Research and Research Training	93.859	<i>Pennsylvania State University/ No. B7850</i>			18,752.43
Biomedical Research and Research Training		<i>Tufts University/ No. B1130</i>			68,112.56
<u>Direct Programs:</u>					
Food and Drug Administration Research	93.103				
Research Related to Deafness and Communication Disorders	93.173				
Mental Health Research Grants	93.242				
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286				
National Center for Research Resources	93.389				
Cancer Detection and Diagnosis Research	93.394				
ARRA - Trans-NIH Recovery Act Research Support	93.701				
Cardiovascular Diseases Research	93.837				
Arthritis, Musculoskeletal and Skin Diseases Research	93.846				
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847				
Biomedical Research and Research Training	93.859				
Totals - U.S. Department of Health and Human Services					495,032.24
U.S. Department of Homeland Security					
Homeland Security Advanced Research Projects Agency	97.065	<i>Abraxas Energy Consulting, LLC/ Agreement No. C11-00784, Amd. 1</i>			6,149.72
Homeland Security Advanced Research Projects Agency		<i>Synkera Technologies, Inc./</i>			19,804.83
Homeland Security Research Testing, Evaluation, and Demonstration of Technologies Related to Nuclear Detection	97.077	<i>Subrecipient Agreement No. C10-00115 University of Tennessee - Knoxville/ Subgrant No. A11-0121- S001, A02</i>			5,067.91
<u>Direct Programs:</u>					
Homeland Security Research Testing, Evaluation, and Demonstration of Technologies Related to Nuclear Detection	97.077				
Homeland Security-related Science, Technology, Engineering and Mathematics (HS STEM) Career Development Program	97.104				
<u>Pass-Through From:</u>					
Hazard Mitigation Grant	97.039				
<u>Pass-Through From:</u>					
<i>Department of Public Safety</i>			405	11,549.08	
Centers for Homeland Security	97.061				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Research</i>			556	73,994.44	
Totals - U.S. Department of Homeland Security				85,543.52	31,022.46
<u>Employment Service Cluster</u>					

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	318.97				318.97	318.97
	21,467.01				21,467.01	21,467.01
	104,089.67				104,089.67	104,089.67
	136,065.83				136,065.83	136,065.83
	18,752.43				18,752.43	18,752.43
	68,112.56				68,112.56	68,112.56
12,065.14	12,065.14				12,065.14	12,065.14
37,074.63	37,074.63				37,074.63	37,074.63
36,491.55	36,491.55				36,491.55	36,491.55
1,289,013.43	1,289,013.43			195,119.94	1,093,893.49	1,289,013.43
173,167.86	173,167.86				173,167.86	173,167.86
261,710.88	261,710.88				261,710.88	261,710.88
81,648.67	81,648.67				81,648.67	81,648.67
872,860.71	872,860.71				872,860.71	872,860.71
102,464.48	102,464.48				102,464.48	102,464.48
241,395.65	241,395.65				241,395.65	241,395.65
238,724.31	238,724.31			141,920.45	96,803.86	238,724.31
3,346,617.31	3,841,649.55			337,040.39	3,504,609.16	3,841,649.55
	6,149.72				6,149.72	6,149.72
	19,804.83				19,804.83	19,804.83
	5,067.91				5,067.91	5,067.91
1,402,649.88	1,402,649.88				1,402,649.88	1,402,649.88
68,758.77	68,758.77				68,758.77	68,758.77
	11,549.08				11,549.08	11,549.08
	73,994.44				73,994.44	73,994.44
1,471,408.65	1,587,974.63				1,587,974.63	1,587,974.63

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Labor					
<u>Pass-Through From:</u>					
Employment Service/Wagner-Peyser Funded Activities	17.207				
<u>Pass-Through From:</u>					
Texas Workforce Commission			320	98,458.64	
Totals - U.S. Department of Labor				98,458.64	
WIA Cluster					
U.S. Department of Labor					
<u>Pass-Through From:</u>					
WIA Dislocated Workers	17.260				
<u>Pass-Through From:</u>					
Texas Workforce Commission			320	351,336.97	
<u>Pass-Through To:</u>					
Texas A&M Engineering Extension Service					
Totals - U.S. Department of Labor				351,336.97	
Total Expenditures of Federal Awards				\$ 2,089,333.72	\$ 16,495,749.69

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	98,458.64				98,458.64	98,458.64
	98,458.64				98,458.64	98,458.64
	351,336.97			81,111.03	161,395.70	351,336.97
		716	108,830.24			
	351,336.97		108,830.24	81,111.03	161,395.70	351,336.97
<u>\$ 49,312,691.43</u>	<u>\$ 67,897,774.84</u>		<u>\$ 1,178,054.51</u>	<u>\$ 5,242,763.74</u>	<u>\$ 61,476,956.59</u>	<u>\$ 67,897,774.84</u>

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 66,195,892.08
Federal Grants and Contracts - Non-operating	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 2,089,333.72
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	2,089,333.72
Federal Appropriations	
Total Federal Revenue per Exhibit IV	<u>\$ 68,285,225.80</u>
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	
Federal Direct Student Loans	
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants from TAMRF	(385,191.96)
Federal Grants to TAMRF	(2,259.00)
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	<u>\$ 67,897,774.84</u>

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

<u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>BEGINNING BALANCE 9/1/2011</u>	<u>NET CHANGE</u>	<u>ENDING BALANCE 8/31/2012</u>
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351	\$ 90,224.31	\$ (90,224.31)	\$ -
Basic Scientific Research	12.431	782,691.98	(604,945.90)	177,746.08
Air Force Defense Research Sciences Program	12.800	2,606,624.51	(1,617,424.77)	989,199.74
Research and Technology Development	12.910	126.11	(126.11)	-
Cancer Detection and Diagnosis Research	93.394	1,370.51	(1,370.51)	-
		<u>\$ 3,481,037.42</u>	<u>\$ (2,314,091.60)</u>	<u>\$ 1,166,945.82</u>

Deferred Revenue Explanation:

Federally sponsored projects where funds are received in advance of expenditures (non-expense reimbursable).

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
RP120429 - A Lentivirus-Mediated Dual Library, Dual Selection Approach for the Identification of Surface Biomarkers and Antibodies Specific to Cancer Cells Cancer Prevention and Research Institute of Texas	542.0291	542	\$ 76,855.95
ANALYSIS OF WATER USE AND WATER Texas A&M AgriLife Research	556.0013	556	89,543.39
Computation of Creditable Emissions Reductions Texas Commission on Environmental Quality	582.0004	582	419,920.61
Monthly Stream Flow Disaggregation Texas Commission on Environmental Quality	582.0019	582	1,074.62
Water Quality Permitting Texas Commission on Environmental Quality	582.0078	582	133,419.26
TEEX/TCAT Support Agreement Texas A&M Engineering Extension Service	716.0002	716	83,933.85
TAMU-UTSW Partnership For Cancer Imaging & Spectroscopy University of Texas Southwestern Medical Center at Dallas	729.0003	729	131,337.45
Discovery Investigation of Advanced Reduction Processes Lamar University	734.0019	734	2,995.35
Biodegradation of 1,2,3-Trichloropropane Lamar University	734.0020	734	1,064.93
An Advanced Reduction Process Using Sulfite and Ultraviolet Light Lamar University	734.0021	734	20,428.18
A 3D Eulerian Modeling Study of Ozone and Secondary Organic Aerosol Formation in Texas Using the Master Chemical Mechanism Lamar University	734.0023	734	9,631.30
Texas Analog Research Superiority Program University of Texas at Dallas	738.0001	738	142,818.95
Advanced Research Program Texas Higher Education Coordinating Board	781.001	781	80,000.00
State Energy Plan (SEP) Comptroller - State Energy Conservation Office	907.0001	907	10,768.40
Total Pass-Through From State Agencies			\$ <u>1,203,792.24</u> (Exhibit IV)

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SCHEDULE 1-B
TEXAS A&M ENGINEERING EXPERIMENT STATION
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

Pass-through To:

Program Name
Agency Name

Grant ID

Agv #

Amount

\$ -

Total Pass-Through To State Agencies

\$ -

(Schedule IV-1)

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TEXAS A&M ENGINEERING EXPERIMENT STATION

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SCHEDULE THREE
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 100.00
Temporary Working Fund	3,250.00
Total Cash On Hand	<u>\$ 3,350.00</u>
Cash In Bank	\$ (20,405,012.57)
Cash In State Treasury:	
Reimbursements Due From State Treasury	412,230.14
Assets Held By System Offices-Current	3,276,937.29
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ (16,712,495.14)</u>
Restricted:	
Cash On Hand:	
Cash In Bank	<u>\$ 20,338,282.19</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 20,338,282.19</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 3,625,787.05</u></u>

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SCHEDULE N-2
 TEXAS A&M ENGINEERING EXPERIMENT STATION
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 1,337,462.54	\$	\$
Construction In Progress	4,257,804.34		
Other Tangible Capital Assets	76,279.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 5,671,545.88	\$	\$
Depreciable Assets			
Buildings	\$ 9,166,350.61	\$	\$
Facilities and Other Improvements	104,795.40		
Furniture and Equipment	74,655,726.05		
Vehicles, Boats and Aircraft	805,194.93		
Other Capital Assets	269,151.10		
Total Depreciable Assets at Historical Cost	\$ 85,001,218.09	\$	\$
Less Accumulated Depreciation For:			
Buildings	\$ (2,062,810.81)	\$	\$
Facilities and Other Improvements	(41,256.85)		
Furniture and Equipment	(46,507,388.75)		
Vehicles, Boats and Aircraft	(626,600.20)		
Other Capital Assets	(3,783.47)		
Total Accumulated Depreciation	\$ (49,241,840.08)	\$	\$
Depreciable Assets, Net	\$ 35,759,378.01	\$	\$
Capital Assets, Net	\$ 41,430,923.89	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$	\$ (3,110,435.90)	\$ 2,045,966.17	\$	\$ 1,337,462.54 3,193,334.61 76,279.00
<u>\$</u>	<u>\$ (3,110,435.90)</u>	<u>\$ 2,045,966.17</u>	<u>\$</u>	<u>\$ 4,607,076.15</u>
\$	\$	\$	\$	\$ 9,166,350.61 104,795.40
163,316.92	(387,520.76) (50,092.28)	6,114,972.17 188,349.86	(1,455,261.01) (17,867.00)	79,091,233.37 925,585.51 269,151.10
<u>\$ 163,316.92</u>	<u>\$ (437,613.04)</u>	<u>\$ 6,303,322.03</u>	<u>\$ (1,473,128.01)</u>	<u>\$ 89,557,115.99</u>
\$	\$	\$ (426,636.72) (6,690.30)	\$	\$ (2,489,447.53) (47,947.15)
(55,301.38)	151,229.84 30,966.49	(6,733,144.03) (31,201.68) (45,401.64)	1,154,781.00 17,867.00	(51,989,823.32) (608,968.39) (49,185.11)
<u>\$ (55,301.38)</u>	<u>\$ 182,196.33</u>	<u>\$ (7,243,074.37)</u>	<u>\$ 1,172,648.00</u>	<u>\$ (55,185,371.50)</u>
<u>\$ 108,015.54</u>	<u>\$ (255,416.71)</u>	<u>\$ (939,752.34)</u>	<u>\$ (300,480.01)</u>	<u>\$ 34,371,744.49</u>
<u>\$ 108,015.54</u>	<u>\$ (3,365,852.61)</u>	<u>\$ 1,106,213.83</u>	<u>\$ (300,480.01)</u>	<u>\$ 38,978,820.64</u>

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FINANCIAL REPORT

OF

TEXAS A&M ENGINEERING EXTENSION SERVICE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



GARY SERA, AGENCY DIRECTOR

DAN GRAY, ASSOCIATE AGENCY DIRECTOR AND CHIEF FINANCIAL OFFICER

CAROLYN RECORD, CPA, CONTROLLER

COLLEGE STATION, TEXAS

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TEXAS A&M ENGINEERING EXTENSION SERVICE

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TEXAS A&M ENGINEERING EXTENSION SERVICE
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EXHIBIT III
TEXAS A&M ENGINEERING EXTENSION SERVICE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	956,763.32	4,624,074.22
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments		60,482.50
Legislative Appropriations		
Receivables, Net:	3,528,492.26	3,148,393.48
Federal		
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades	7,814,147.66	
Accounts		8,080,905.31
Other	210,437.22	115,668.78
Due From Other Agencies	1,915,601.77	269,377.43
Due From Other Members	1,708,528.29	
Due From Other Funds	640,103.08	892,253.72
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		
	<u>\$ 16,774,073.60</u>	<u>\$ 17,191,155.44</u>
Total Current Assets		
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 67,385.68	\$ 67,385.68
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	37,667,847.44	33,218,685.76
Assets Held By System Offices		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	438,584.77	438,584.77
Construction In Progress	2,616,545.21	520,218.13
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	13,157,363.11	13,135,705.90
Infrastructure	17,204,558.39	16,619,764.86
Facilities and Other Improvements	6,615,592.03	6,078,226.95
Furniture and Equipment	10,618,488.56	10,121,087.00
Vehicles, Boats, and Aircraft	7,174,699.39	6,442,451.17
Other Capital Assets	1,855,952.40	1,855,952.40
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights	581,706.90	615,917.94
Computer Software		
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(23,351,586.17)	(20,660,381.00)
Assets Held In Trust		
Other Non-Current Assets		
	<u>\$ 74,647,137.71</u>	<u>\$ 68,453,599.56</u>
Total Non-Current Assets and Deferred Outflows		
Total Assets and Deferred Outflows	<u>\$ 91,421,211.31</u>	<u>\$ 85,644,755.00</u>

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EXHIBIT III
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 2,269,582.78	\$ 2,597,181.93
Payroll	1,422,034.34	1,599,961.53
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies	64,388.50	129,696.41
Due to Other Funds	1,708,528.29	
Due to Other Members		16,455.57
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	2,092,123.54	2,177,889.10
Employees' Compensable Leave	331,150.00	221,936.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities		
Total Current Liabilities	<u>\$ 7,887,807.45</u>	<u>\$ 6,743,120.54</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable		
Employees' Compensable Leave	\$ 1,897,805.00	\$ 1,996,501.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 1,897,805.00</u>	<u>\$ 1,996,501.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 9,785,612.45</u>	<u>\$ 8,739,621.54</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 36,911,904.59	\$ 35,167,528.12
Restricted For:		
Debt Service		
Capital Projects		
Education	86,027.71	56,137.28
Endowment and Permanent Funds:		
Nonexpendable	67,385.68	67,385.68
Expendable	44,570,280.88	41,614,082.38
Unrestricted		
Total Net Assets [Exhibit IV]	<u>\$ 81,635,598.86</u>	<u>\$ 76,905,133.46</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 91,421,211.31</u>	<u>\$ 85,644,755.00</u>

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EXHIBIT IV
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 33,584,448.40	\$ 32,383,439.02
Discounts and Allowances		(840,562.10)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	14,767,999.55	13,406,122.60
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 48,352,447.95	\$ 44,948,999.52
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	22,127,820.10	23,329,390.29
Federal Pass Through Revenue	1,459,531.59	5,397,718.48
State Grant Revenue	7,212.00	
State Pass Through Revenue	1,620.00	2,257,679.23
Other Grants and Contracts - Operating	216,867.35	422,660.32
Other Operating Revenue		
Total Operating Revenues	\$ 72,165,498.99	\$ 76,356,447.84
Operating Expenses		
Instruction	\$ 64,699,277.39	\$ 67,430,067.49
Research		
Public Service		
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	11,110,100.90	11,067,239.39
Operation & Maintenance of Plant		
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	3,203,626.28	3,048,499.24
Total Operating Expenses [Schedule IV-1]	\$ 79,013,004.57	\$ 81,545,806.12
Total Operating Income [Loss]	\$ (6,847,505.58)	\$ (5,189,358.28)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 6,762,931.38	\$ 7,179,072.46
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	111,520.86	236,819.90
Land Income	12,952.55	
Investment Income	675,635.95	612,783.33
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(78,070.93)	(101,310.65)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	47,986.39	(278.85)
Net Increase [Decrease] In Fair Value	1,364,478.53	2,084,713.13
Settlement of Claims		
Other Nonoperating Revenues	47,758.09	35,729.23
Other Nonoperating [Expenses]		(41,034.12)
Total Nonoperating Revenues [Expenses]	\$ 8,945,192.82	\$ 10,006,494.43
Income [Loss] Before Other Revenues and Transfers	\$ 2,097,687.24	\$ 4,817,136.15

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EXHIBIT IV
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Other Revenues and Transfers		
Capital Contributions	\$ 84,060.00	\$ 198,415.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	2,604,637.49	467,912.92
Nonmandatory Transfers From Members/Agencies-Cap Assets	676,674.27	4,345.27
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members	(595,725.52)	(627,802.50)
Nonmandatory Transfers to Other Members	(766.13)	
Nonmandatory Transfers to Members/Agencies - Cap Assets	(30,707.59)	(3,483.94)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		(103,760.29)
Total Other Revenues and Transfers	<u>\$ 2,738,172.52</u>	<u>\$ (64,373.54)</u>
Change In Net Assets	<u>\$ 4,835,859.76</u>	<u>\$ 4,752,762.61</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 76,905,133.46	\$ 64,483,000.02
Restatement	(105,394.36)	7,669,370.83
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 76,799,739.10</u>	<u>\$ 72,152,370.85</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 81,635,598.86</u>	<u>\$ 76,905,133.46</u>

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SCHEDULE IV-1
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS & CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	45,758.40				
Salaries & Wages	28,934,676.56				
Payroll Related Costs	4,460,847.98				
Professional Fees & Services	3,569,093.84				
Travel	6,251,939.25				
Materials & Supplies	6,592,861.00				
Communication & Utilities	1,626,678.58				
Repairs & Maintenance	397,125.56				
Rentals & Leases	6,052,567.09				
Printing & Reproduction	1,519,440.97				
Federal Pass-Through	881,278.75				
State Pass-Through	83,933.85				
Depreciation & Amortization					
Bad Debt Expense					
Interest	116.04				
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	4,282,959.52				
Total Operating Expenses	<u>\$ 64,699,277.39</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	150.00					45,908.40	56,127.06
	5,205,710.86					34,140,387.42	35,705,415.32
	2,780,495.73					7,241,343.71	7,873,490.92
	1,040,853.69					4,609,947.53	4,178,406.15
	161,847.26					6,413,786.51	6,539,102.14
	937,045.86					7,529,906.86	6,335,713.05
	115,209.23					1,741,887.81	1,942,062.62
	409,132.14					806,257.70	1,270,905.13
	41,617.48					6,094,184.57	7,064,897.05
	74,508.15					1,593,949.12	1,830,791.98
						881,278.75	651,336.74
						83,933.85	183,750.00
					3,203,626.28	3,203,626.28	3,048,499.24
	355.27					471.31	718.44
	343,175.23					4,626,134.75	4,864,590.28
<u>\$</u>	<u>\$ 11,110,100.90</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,203,626.28</u>	<u>\$ 79,013,004.57</u>	<u>\$ 81,545,806.12</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M ENGINEERING EXTENSION SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	33,498,682.84	31,965,113.43
Proceeds Received From Customers	16,879,099.62	7,631,510.18
Proceeds From Sponsored Programs	21,549,190.88	32,852,779.32
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues		
Payments to Suppliers for Goods and Services	(33,619,646.55)	(30,763,803.73)
Payments to Employees - Salaries	(34,318,314.61)	(35,760,169.88)
Payments to Employees - Benefits	(7,230,825.71)	(8,033,815.92)
Payments for Loans Provided		
Payments for Other Expenses	(965,212.60)	(396,485.79)
Net Cash Provided [Used] By Operating Activities	<u>\$ (4,207,026.13)</u>	<u>\$ (2,504,872.39)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 6,823,413.88	\$ 7,790,276.46
Proceeds From Gifts	111,520.86	236,819.90
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues	60,710.64	35,729.23
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses		
Other Noncapital Transfers From/To System	3,871.36	17,912.92
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 6,999,516.74</u>	<u>\$ 8,080,738.51</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 56,083.86	\$ 2,178.25
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(4,331,467.90)	(1,281,036.98)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	898,426.18	365,969.22
Intrasystem Transfers for Capital Debt [Mandatory]	(595,725.52)	(627,802.50)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (3,972,683.38)</u>	<u>\$ (1,540,692.01)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(3,084,683.15)	(4,564,678.68)
Proceeds From Interest and Investment Income	597,565.02	511,472.68
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (2,487,118.13)</u>	<u>\$ (4,053,206.00)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ (3,667,310.90)</u>	<u>\$ (18,031.89)</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 4,624,074.22</u>	<u>\$ 4,642,106.11</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 4,624,074.22</u>	<u>\$ 4,642,106.11</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u><u>\$ 956,763.32</u></u>	<u><u>\$ 4,624,074.22</u></u>

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EXHIBIT V
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(6,847,505.58)	(5,189,358.28)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	3,203,626.28	3,048,499.24
Bad Debt Expense	6,770.50	4,960.00
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	1,581,462.19	(569,029.02)
Due From Other Agencies/Funds	(94,768.44)	715,254.98
Due From System Members	(1,646,224.34)	68,635.36
Inventory	252,150.64	(176,133.97)
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		
Payables	(505,526.34)	(708,113.66)
Due to Other Agencies/Funds	(65,307.91)	
Due to System Members	(16,455.57)	(846.99)
Unearned Revenue	(85,765.56)	461,584.95
Deposits		
Compensated Absence Liability	10,518.00	(160,325.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 2,640,479.45</u>	<u>\$ 2,684,485.89</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (4,207,026.13)</u>	<u>\$ (2,504,872.39)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 140,128.86	\$ 424,159.90
Net Increase [Decrease] In Fair Value of Investments	623,412.39	1,441,570.48
Gain/Loss On Sale or Disposal of Capital Assets	47,986.39	(278.85)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	645,966.68	861.33

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Commerce					
<u>Direct Programs:</u>					
Economic Development Technical Assistance	11.303			\$	\$
Calibration Program	11.601				
<u>Pass-Through From:</u>					
Manufacturing Extension Partnership	11.611				
<i>Pass-Through From:</i> <i>University of Texas at Arlington</i>			714	402,060.92	
Totals - U.S. Department of Commerce				402,060.92	
U.S. Department of Defense					
Research and Technology Development	12.910				
<i>Pass-Through From:</i> <i>Texas A&M Engineering Experiment Station</i>			712	2,400.00	
Totals - U.S. Department of Defense				2,400.00	
U.S. Department of Justice					
<u>Direct Programs:</u>					
Congressionally Recommended Awards	16.753				
<i>Pass-Through To:</i> <i>Texas State University - San Marcos</i>					
Totals - U.S. Department of Justice					
U.S. Department of Labor					
Occupational Safety and Health Susan Harwood Training Grants	17.502				
Totals - U.S. Department of Labor					
National Science Foundation					
<u>Pass-Through From:</u>					
Computer and Information Science and Engineering	47.070				
<i>Pass-Through From:</i> <i>Texas A&M Engineering Experiment Station</i>			712	13,592.74	
Totals - National Science Foundation				13,592.74	
Environmental Protection Agency					
Capitalization Grants for Drinking Water State Revolving Funds	66.468				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	26,153.90	
Totals - Environmental Protection Agency				26,153.90	
U.S. Department of Energy					
<u>Direct Programs:</u>					
ARRA - Conservation Research and Development	81.086				
<i>Pass-Through To:</i> <i>Texas A&M Engineering Experiment Station</i>					
Totals - U.S. Department of Energy					
U.S. Department of Education					
<u>Pass-Through From:</u>					
Safe and Drug-Free Schools and Communities National Programs	84.184				
<i>Pass-Through From:</i> <i>Texas A&M University</i>			711	25,837.15	
Totals - U.S. Department of Education				25,837.15	
U.S. Department of Homeland Security					
Non-Profit Security Program	97.008	NJ Transit Authority/ 038485140			12,531.02

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SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 22,632.29	\$ 22,632.29				\$ 22,632.29	\$ 22,632.29
46,565.12	46,565.12				46,565.12	46,565.12
	402,060.92				402,060.92	402,060.92
69,197.41	471,258.33				471,258.33	471,258.33
	2,400.00				2,400.00	2,400.00
	2,400.00				2,400.00	2,400.00
1,043,295.00	1,043,295.00				486,868.79	1,043,295.00
		754	556,426.21			
1,043,295.00	1,043,295.00		556,426.21		486,868.79	1,043,295.00
24,045.83	24,045.83				24,045.83	24,045.83
24,045.83	24,045.83				24,045.83	24,045.83
	13,592.74				13,592.74	13,592.74
	13,592.74				13,592.74	13,592.74
	26,153.90				26,153.90	26,153.90
	26,153.90				26,153.90	26,153.90
391,659.17	391,659.17				297,325.84	391,659.17
		712	94,333.33			
391,659.17	391,659.17		94,333.33		297,325.84	391,659.17
	25,837.15				25,837.15	25,837.15
	25,837.15				25,837.15	25,837.15
	12,531.02				12,531.02	12,531.02

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SCHEDULE I - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Non-Profit Security Program		Port Authority of NY/NJ/ 001794205			739,525.09
<u>Direct Programs:</u>					
State and Local Homeland Security National Training Program	97.005				
<u>Pass-Through To:</u> University of Texas at San Antonio					
National Urban Search and Rescue (US&R) Response System	97.025				
State Fire Training Systems Grants	97.043				
<u>Pass-Through From:</u>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<u>Pass-Through From:</u> Department of Public Safety			405	10,501.95	
				10,501.95	752,056.11
Totals - U.S. Department of Homeland Security					
<u>Homeland Security Cluster</u>					
U.S. Department of Homeland Security	97.067	Port Authority of NY/NJ/ 001794205			378,168.54
Homeland Security Grant Program					
<u>Pass-Through From:</u>					
Homeland Security Grant Program	97.067				
<u>Pass-Through From:</u> Department of Public Safety			405	81,332.68	
				81,332.68	378,168.54
Totals - U.S. Department of Homeland Security					
<u>JAG Program Cluster</u>					
U.S. Department of Justice	16.738				
<u>Pass-Through From:</u>					
Edward Byrne Memorial Justice Assistance Grant Program					
<u>Pass-Through From:</u> Governor - Fiscal			300	141,361.52	
				141,361.52	
Totals - U.S. Department of Justice					
<u>Highway Safety Cluster</u>					
U.S. Department of Transportation	20.600				
<u>Pass-Through From:</u>					
State and Community Highway Safety					
<u>Pass-Through From:</u> Texas Department of Transportation			601	610,735.69	
				610,735.69	
Totals - U.S. Department of Transportation					
<u>Economic Development Cluster</u>					
U.S. Department of Commerce	11.307				
<u>Direct Programs:</u>					
Economic Adjustment Assistance					
Totals - U.S. Department of Commerce					
<u>TANF Cluster</u>					
U.S. Department of Health and Human Services	93.558				
<u>Pass-Through From:</u>					
Temporary Assistance for Needy Families					
<u>Pass-Through From:</u> Texas Workforce Commission			320	36,724.80	
				36,724.80	
Totals - U.S. Department of Health and Human Services					
<u>WIA Cluster</u>					
U.S. Department of Labor					

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	739,525.09				739,525.09	739,525.09
18,251,608.02	18,251,608.02				18,021,088.81	18,251,608.02
		743	230,519.21			
1,040,351.50 26,000.00	1,040,351.50 26,000.00				1,040,351.50 26,000.00	1,040,351.50 26,000.00
	10,501.95				10,501.95	10,501.95
19,317,959.52	20,080,517.58		230,519.21		19,849,998.37	20,080,517.58
	378,168.54				378,168.54	378,168.54
	81,332.68				81,332.68	81,332.68
	459,501.22				459,501.22	459,501.22
	141,361.52				141,361.52	141,361.52
	141,361.52				141,361.52	141,361.52
	610,735.69				610,735.69	610,735.69
	610,735.69				610,735.69	610,735.69
151,438.52	151,438.52				151,438.52	151,438.52
151,438.52	151,438.52				151,438.52	151,438.52
	36,724.80				36,724.80	36,724.80
	36,724.80				36,724.80	36,724.80

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<u>Pass-Through From:</u>					
WIA Dislocated Workers	17.260				
<u>Pass-Through From:</u>					
Texas A&M Engineering Experiment Station			712	108,830.24	
				108,830.24	
Totals - U.S. Department of Labor					
Total Expenditures of Federal Awards				\$ 1,459,531.59	\$ 1,130,224.65

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	108,830.24				108,830.24	108,830.24
	108,830.24				108,830.24	108,830.24
\$ 20,997,595.45	\$ 23,587,351.69		\$ 881,278.75		\$ - \$22,706,072.94	\$23,587,351.69

UNAUDITED

SCHEDULE 1 - A
TEXAS A&M ENGINEERING EXTENSION SERVICE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$ 22,127,820.10
Federal Grants and Contracts - Non-operating		
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 1,459,531.59	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		
Total Federal Pass-Through Grants		<u>1,459,531.59</u>
Federal Appropriations		
Total Federal Revenue per Exhibit IV		<u>\$ 23,587,351.69</u>

Reconciling Items:

ADD:

- Non-Monetary Assistance [NOTE 1]:
 - Donation of Federal Surplus Property
- New Loans Processed [NOTE 3]:
 - Federal Family Education Loans
 - Federal Perkins Loan Program
 - Federal Direct Student Loans
 - Health Education Assistance Loans
 - Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students

DEDUCT:

Federal Grants to/from TAMRF		
COBRA 65% Subsidy (CFDA Number 17.151)		
Total Pass Throughs and Expenditures per Federal Schedule		<u>\$ 23,587,351.69</u>

UNAUDITED

SCHEDULE 1 - A
TEXAS A&M ENGINEERING EXTENSION SERVICE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

UNAUDITED

SCHEDULE 1-B
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
Skills Development	320.0003		
Texas Workforce Commission		320	\$ 1,620.00
Total Pass-Through From State Agencies			\$ <u>1,620.00</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
TEEX/TCAT Support Agreement	716.0002		
Texas A&M Engineering Experiment Station		712	\$ 83,933.85
Total Pass-Through To State Agencies			\$ <u>83,933.85</u> (Schedule IV-1)

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SCHEDULE THREE
TEXAS A&M ENGINEERING EXTENSION SERVICE
SCHEDULE OF CASH & CASH EQUIVALENTS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 200.00
Petty Cash Department Working Fund	<u>600.00</u>
Total Cash On Hand	<u>\$ 800.00</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 955,963.32</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 956,763.32</u>
 Total Cash & Cash Equivalents [Exhibit V]	 <u><u>\$ 956,763.32</u></u>

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SCHEDULE N-2
 TEXAS A&M ENGINEERING EXTENSION SERVICE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

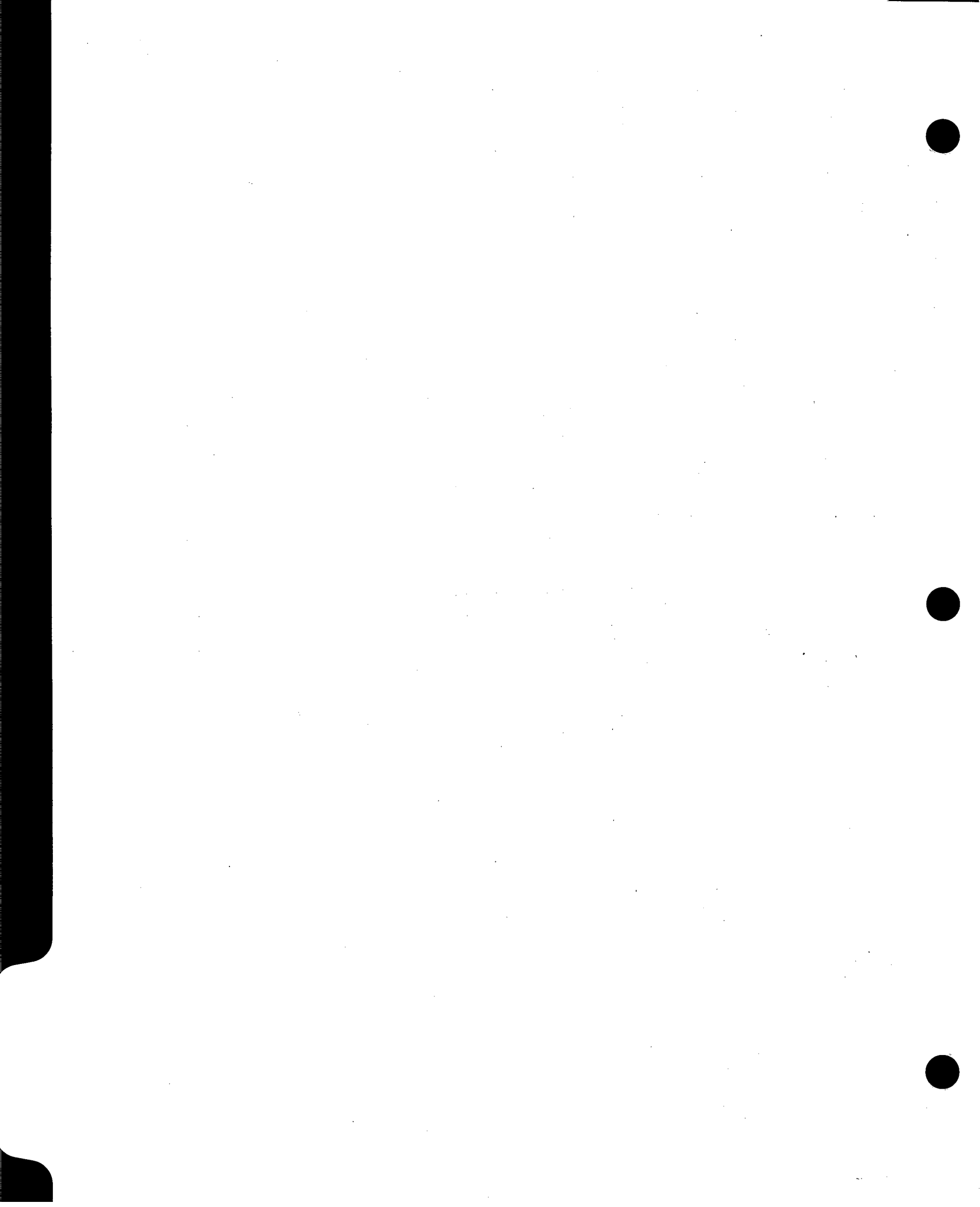
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 438,584.77		
Construction In Progress	520,218.13	(32,596.68)	(692,079.61)
Total Non-Depreciable/Non-Amortizable Assets	\$ 958,802.90	\$ (32,596.68)	\$ (692,079.61)
Depreciable Assets			
Buildings	\$ 13,135,705.90		\$ 21,657.21
Infrastructure	16,619,764.86		584,793.53
Facilities and Other Improvements	6,078,226.95		85,628.87
Furniture and Equipment	10,121,087.00	(98,591.00)	
Vehicles, Boats and Aircraft	6,442,451.17		
Other Capital Assets	1,855,952.40		
Total Depreciable Assets at Historical Cost	\$ 54,253,188.28	\$ (98,591.00)	\$ 692,079.61
Less Accumulated Depreciation For:			
Buildings	\$ (3,682,948.72)		
Infrastructure	(1,947,459.89)		
Facilities and Other Improvements	(1,076,515.80)		
Furniture and Equipment	(6,970,728.48)	25,793.32	
Vehicles, Boats and Aircraft	(5,118,394.21)		
Other Capital Assets	(1,254,412.81)		
Total Accumulated Depreciation	\$ (20,050,459.91)	\$ 25,793.32	
Depreciable Assets, Net	\$ 34,202,728.37	\$ (72,797.68)	\$ 692,079.61
Amortizable Assets - Intangible			
Computer Software	\$ 615,917.94		
Total Intangible Assets at Historical Cost	\$ 615,917.94		
Less Accumulated Amortization For:			
Computer Software	\$ (609,921.09)		
Total Accumulated Amortization	\$ (609,921.09)		
Amortizable Assets-Net	\$ 5,996.85		
Capital Assets, Net	\$ 35,167,528.12	\$ (105,394.36)	

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 641,328.93	\$	\$ 2,179,674.44	\$	\$ 438,584.77 2,616,545.21
\$ 641,328.93	\$	\$ 2,179,674.44	\$	\$ 3,055,129.98
\$	\$	\$	\$	\$ 13,157,363.11 17,204,558.39 6,615,592.03 10,618,488.56 7,174,699.39 1,855,952.40
\$ 87,814.53	\$ (125,579.59)	\$ 2,235,853.46	\$ (418,111.41)	\$ 56,626,653.88
\$	\$	\$ (572,900.51) (888,693.32) (278,446.26) (824,440.35) (459,787.14) (176,060.35)	\$	\$ (4,255,849.23) (2,836,153.21) (1,354,962.06) (7,476,474.96) (5,418,665.15) (1,430,473.16)
\$ (52,469.19)	\$ 94,872.00	\$ (3,200,327.93)	\$ 410,013.94	\$ (22,772,577.77)
\$ 35,345.34	\$ (30,707.59)	\$ (964,474.47)	\$ (8,097.47)	\$ 33,854,076.11
\$	\$	\$	\$ (34,211.04)	\$ 581,706.90
\$	\$	\$	\$ (34,211.04)	\$ 581,706.90
\$	\$	\$ (3,298.35)	\$ 34,211.04	\$ (579,008.40)
\$	\$	\$ (3,298.35)	\$ 34,211.04	\$ (579,008.40)
\$	\$	\$ (3,298.35)	\$	\$ 2,698.50
\$ 676,674.27	\$ (30,707.59)	\$ 1,211,901.62	\$ (8,097.47)	\$ 36,911,904.59

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TEXAS A&M ENGINEERING EXTENSION SERVICE

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FINANCIAL REPORT

OF

TEXAS A&M FOREST SERVICE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



TOM G. BOGGUS, DIRECTOR

ROBBY DEWITT, ASSOCIATE DIRECTOR FOR FINANCE AND ADMINISTRATION

COLLEGE STATION, TEXAS

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TEXAS A&M FOREST SERVICE

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TEXAS FOREST SERVICE
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IV	Statement of Revenues, Expenses, and Changes in Net Assets	576-2-1
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THREE	Schedule of Cash & Cash Equivalents	576-16-1
N-2	Note 2 - Capital Assets	576-17-1

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EXHIBIT III
TEXAS A&M FOREST SERVICE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	72,444,359.43	64,697,326.24
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	186,733.05	285,735.41
Investments		
Legislative Appropriations	18,140,025.41	(476,740.64)
Receivables, Net:		
Federal	2,128,129.55	1,942,638.16
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	84,025.31	
Other	1,176.00	188,792.09
Due From Other Agencies	774,288.18	1,320,890.65
Due From Other Members	119,294.05	25,158.84
Due From Other Funds		2,585,525.09
Consumable Inventories	955,568.93	457,461.21
Merchandise Inventories	539,921.49	256,009.57
Deferred Charges		
Loans and Contracts	103,088.00	134,818.00
Interfund Receivable		
Other Current Assets	16,031.49	126,395.98
	<u> </u>	<u> </u>
Total Current Assets	\$ 95,492,640.89	\$ 71,544,010.60
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices	526,021.33	
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts	979,565.00	1,138,125.00
Assets Held By System Offices	12,357,968.95	6,674,927.50
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	1,840,192.91	1,840,192.91
Construction In Progress	162,999.41	
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	1,879,667.47	1,879,667.47
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	16,974,573.77	14,512,741.46
Vehicles, Boats, and Aircraft	15,024,572.63	13,838,032.78
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software		
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(18,326,988.55)	(16,929,271.85)
Assets Held In Trust		
Other Non-Current Assets		
	<u> </u>	<u> </u>
Total Non-Current Assets and Deferred Outflows	\$ 31,418,572.92	\$ 22,954,415.27
	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	\$ 126,911,213.81	\$ 94,498,425.87

UNAUDITED

EXHIBIT III
TEXAS A&M FOREST SERVICE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 214,315,841.00	\$ 204,533,857.11
Payroll	1,395,966.46	1,829,649.80
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies	72,160.32	52,143.39
Due to Other Funds		2,585,525.09
Due to Other Members	3,925.31	
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	500,929.11	79,394.60
Employees' Compensable Leave	124,185.00	157,808.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets	151,287.47	280,228.33
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities	5,667.49	223,531.23
Total Current Liabilities	<u>\$ 216,569,962.16</u>	<u>\$ 209,742,137.55</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	1,760,706.00	1,811,704.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 1,760,706.00</u>	<u>\$ 1,811,704.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 218,330,668.16</u>	<u>\$ 211,553,841.55</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 17,555,017.64	\$ 15,141,362.77
Restricted For:		
Debt Service		
Capital Projects	106,449.20	19,584.49
Education	1,078,395.12	1,023,670.73
Endowment and Permanent Funds:		
Nonexpendable		
Expendable		
Unrestricted	<u>(110,159,316.31)</u>	<u>(133,240,033.67)</u>
Total Net Assets [Exhibit IV]	<u>\$ (91,419,454.35)</u>	<u>\$ (117,055,415.68)</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 126,911,213.81</u>	<u>\$ 94,498,425.87</u>

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EXHIBIT IV
 TEXAS A&M FOREST SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	3,279,536.15	2,503,459.74
Discounts and Allowances-Sales		
	<u> </u>	<u> </u>
Total Sales of Goods and Services	\$ 3,279,536.15	\$ 2,503,459.74
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	8,252,218.73	8,749,011.48
Federal Pass Through Revenue	3,244,317.64	4,702,839.54
State Grant Revenue		
State Pass Through Revenue	75,714.00	
Other Grants and Contracts - Operating	184,836.58	79,325.00
Other Operating Revenue	31,480,138.74	30,782,212.38
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 46,516,761.84	\$ 46,816,848.14
Operating Expenses		
Instruction	\$	\$
Research	1,763,227.19	1,891,847.55
Public Service	158,202,019.36	244,495,146.99
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	2,637,323.44	2,648,169.46
Operation & Maintenance of Plant	1,575,221.26	1,287,951.14
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	2,569,769.72	2,135,064.02
	<u> </u>	<u> </u>
Total Operating Expenses [Schedule IV-1]	\$ 166,747,560.97	\$ 252,458,179.16
Total Operating Income [Loss]	\$ (120,230,799.13)	\$ (205,641,331.02)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 128,035,972.76	\$ 13,971,348.17
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	1,005,038.93	619,816.48
Land Income		
Investment Income	263,647.24	266,692.91
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(26,666.74)	(37,739.05)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	178,738.00	104,900.79
Net Increase [Decrease] In Fair Value	715,195.56	1,165,952.18
Settlement of Claims	(17,726.79)	(10,054.62)
Other Nonoperating Revenues	55,841.01	1,293.38
Other Nonoperating [Expenses]	(623,211.19)	(107,159.09)
	<u> </u>	<u> </u>
Total Nonoperating Revenues [Expenses]	\$ 129,586,828.78	\$ 15,975,051.15
Income [Loss] Before Other Revenues and Transfers	\$ 9,356,029.65	\$ (189,666,279.87)

UNAUDITED

EXHIBIT IV
 TEXAS A&M FOREST SERVICE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 564,233.00	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	15,471,532.68	9,550,501.69
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	244,166.00	242,264.00
Nonmandatory Transfers From Members/Agencies-Cap Assets		
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members		
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out		(87,538.04)
Legislative Appropriations Lapsed		
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ 16,279,931.68	\$ 9,705,227.65
	<u> </u>	<u> </u>
Change In Net Assets	\$ 25,635,961.33	\$ (179,961,052.22)
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010	\$ (117,055,415.68)	\$ 56,864,752.54
Restatement		6,040,884.00
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ (117,055,415.68)	\$ 62,905,636.54
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ (91,419,454.35)	\$ (117,055,415.68)
	<u> </u>	<u> </u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M FOREST SERVICE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS & CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold			1,093,503.51		
Salaries & Wages		1,128,266.20	17,783,323.58		
Payroll Related Costs		317,515.73	5,337,517.26		
Professional Fees & Services		12,240.47	883,741.37		
Travel		61,711.01	932,556.32		
Materials & Supplies		158,502.11	3,002,914.22		
Communication & Utilities		24,433.00	703,868.44		
Repairs & Maintenance		26,909.84	1,045,859.17		
Rentals & Leases		6,714.15	474,945.54		
Printing & Reproduction		297.49	210,624.32		
Federal Pass-Through			68,140.03		
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest		3.92	4,379.97		
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		26,633.27	126,660,645.63		
Total Operating Expenses	\$	\$ 1,763,227.19	\$ 158,202,019.36	\$	\$

NAUCBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	1,776,000.57	178,800.60				1,093,503.51	701,806.80
	402,376.74	33,768.22				20,866,390.95	21,852,000.20
	148,027.70	3,605.86				6,091,177.95	6,636,648.02
	36,414.54	2,797.84				1,047,615.40	1,005,025.62
	117,247.21	154,267.24				1,033,479.71	1,051,566.72
	56,825.21	186,892.94				3,432,930.78	4,332,572.66
	27,955.25	495,656.69				972,019.59	912,895.05
	5,831.27	255,545.79				1,596,380.95	851,692.72
	11,854.24	182.65				743,036.75	834,481.18
						222,958.70	191,401.27
						68,140.03	24,545.49
					2,569,769.72	2,569,769.72	2,135,064.02
	.89	49.68				4,434.46	1,898.81
							12,290.94
	54,789.82	263,653.75				127,005,722.47	211,914,289.66
\$	\$ 2,637,323.44	\$ 1,575,221.26	\$	\$	\$ 2,569,769.72	\$ 166,747,560.97	\$ 252,458,179.16

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M FOREST SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	3,386,192.41	2,389,134.83
Proceeds From Sponsored Programs	12,093,728.60	12,880,007.02
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs	190,290.00	135,786.00
Proceeds From Other Revenues	31,262,275.00	31,003,846.86
Payments to Suppliers for Goods and Services	(103,940,689.77)	(14,771,594.75)
Payments to Employees - Salaries	(20,958,839.61)	(21,784,107.90)
Payments to Employees - Benefits	(6,517,033.63)	(6,332,682.73)
Payments for Loans Provided		
Payments for Other Expenses	(24,271,357.94)	(29,125,396.46)
Net Cash Provided [Used] By Operating Activities	\$ (108,755,434.94)	\$ (25,605,007.13)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 109,419,206.71	\$ 14,608,656.36
Proceeds From Gifts	430,805.93	517,837.48
Proceeds From Endowments		
Proceeds - Transfers From Other Funds	15,909,991.03	9,299,174.26
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues	26,015.01	1,293.38
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses	(17,726.79)	(10,054.62)
Other Noncapital Transfers From/To System	44,166.00	42,264.00
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 125,812,457.89	\$ 24,459,170.86
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 189,111.10	\$ 106,403.00
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(4,448,716.88)	(5,815,804.92)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	107,500.38	288,804.56
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (4,152,105.40)	\$ (5,420,597.36)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(5,493,867.22)	4,905,014.46
Proceeds From Interest and Investment Income	236,980.50	228,953.86
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (5,256,886.72)	\$ 5,133,968.32
Increase [Decrease] In Cash and Cash Equivalents	\$ 7,648,030.83	\$ (1,432,465.31)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 64,983,061.65	\$ 66,415,526.96
Restated Beginning Cash and Cash Equivalents	\$ 64,983,061.65	\$ 66,415,526.96
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 72,631,092.48	\$ 64,983,061.65

UNAUDITED

EXHIBIT V
 TEXAS A&M FOREST SERVICE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(120,230,799.13)	(205,641,331.02)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	2,569,769.72	2,135,064.02
Bad Debt Expense		
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(81,900.61)	(655,254.11)
Due From Other Agencies/Funds	108,144.12	(140,028.58)
Due From System Members	(1,635.59)	
Inventory	(782,019.64)	333,210.57
Deferred Charges		
Prepaid Expenses	111,407.59	(39,266.51)
Loans and Contracts	190,290.00	135,786.00
Other Assets	(1,043.10)	(1,536.65)
Payables	9,219,359.69	177,972,235.63
Due to Other Agencies/Funds	20,016.93	(34,215.63)
Due to System Members	3,925.31	
Unearned Revenue	421,534.51	34,156.67
Deposits	(217,863.74)	221,634.48
Compensated Absence Liability	(84,621.00)	74,538.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 11,475,364.19</u>	<u>\$ 180,036,323.89</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (108,755,434.94)</u>	<u>\$ (25,605,007.13)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 574,233.00	\$ 101,979.00
Net Increase [Decrease] In Fair Value of Investments	455,666.68	1,165,952.18
Gain/Loss On Sale or Disposal of Capital Assets	178,738.00	104,900.79
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other		

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025			\$	\$
Cooperative Forestry Assistance	10.664				
Cooperative Forestry Assistance	10.664				
<i>Pass-Through To:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
Cooperative Forestry Assistance	10.664				
<i>Pass-Through To:</i>					
<i>University of Texas at Austin</i>					
Forest Legacy Program	10.676				
Forest Stewardship Program	10.678				
Forest Health Protection	10.680				
Forest Health Protection	10.680				
<i>Pass-Through To:</i>					
<i>University of Texas at Austin</i>					
Soil and Water Conservation	10.902				
Totals - U.S. Department of Agriculture					
U.S. Department of Defense					
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113				
Totals - U.S. Department of Defense					
U.S. Department of the Interior					
National Fire Plan - Wildland Urban Interface Community Fire Assistance	15.228				
Fish and Wildlife Management Assistance	15.608				
Totals - U.S. Department of the Interior					
Environmental Protection Agency					
<u>Pass-Through From:</u>					
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i>					
<i>Texas A&M AgriLife Extension Service</i>					
			555	1635.59	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i>					
<i>Soil and Water Conservation Board</i>					
			592	120648.68	
Totals - Environmental Protection Agency				122,284.27	
U.S. Department of Homeland Security					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<i>Pass-Through From:</i>					
<i>Department of Public Safety</i>					
			405	3261.5	
Emergency Management Performance Grants	97.042				
<i>Pass-Through From:</i>					
<i>Department of Public Safety</i>					
			405	780126.13	
Fire Management Assistance Grant	97.046				
<i>Pass-Through From:</i>					
<i>Department of Public Safety</i>					
			405	2,380,113.15	
Totals - U.S. Department of Homeland Security				3,163,500.78	

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SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 48,984.50	\$ 48,984.50				\$ 48,984.50	\$ 48,984.50
5,938,399.54	5,938,399.54				5,938,399.54	5,938,399.54
6,425.31	6,425.31					6,425.31
		555	6,425.31			
31,162.75	31,162.75					31,162.75
		721	31,162.75			
33,435.26	33,435.26				33,435.26	33,435.26
34,209.77	34,209.77				34,209.77	34,209.77
828,137.42	828,137.42				828,137.42	828,137.42
30,551.97	30,551.97				30,551.97	30,551.97
		721	30,551.97			
129,879.31	129,879.31				129,879.31	129,879.31
7,081,185.83	7,081,185.83		68,140.03		7,013,045.80	7,081,185.83
67,571.25	67,571.25				67,571.25	67,571.25
67,571.25	67,571.25				67,571.25	67,571.25
2,256.87	2,256.87				2,256.87	2,256.87
30,153.32	30,153.32				30,153.32	30,153.32
32,410.19	32,410.19				32,410.19	32,410.19
	1,635.59				1,635.59	1,635.59
	120,648.68				120,648.68	120,648.68
	122,284.27				122,284.27	122,284.27
	3,261.50				3,261.50	3,261.50
	780,126.13				780,126.13	780,126.13
	2,380,113.15				2,380,113.15	2,380,113.15
	3,163,500.78				3,163,500.78	3,163,500.78

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<u>Research & Development Cluster</u>					
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Forestry Research	10.652				
Forest Health Protection	10.680				
Totals - U.S. Department of Agriculture					
<u>Homeland Security Cluster</u>					
U.S. Department of Homeland Security					
<u>Pass-Through From:</u>					
Homeland Security Grant Program	97.067				
<i>Pass-Through From:</i>					
<i>Department of Public Safety</i>			405	(41,467.41)	
Totals - U.S. Department of Homeland Security				(41,467.41)	
Total Expenditures of Federal Awards				\$ 3,244,317.64	\$ -

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
1,066,615.33	1,066,615.33				1,066,615.33	1,066,615.33
4,436.13	4,436.13				4,436.13	4,436.13
1,071,051.46	1,071,051.46				1,071,051.46	1,071,051.46
	(41,467.41)				(41,467.41)	(41,467.41)
	(41,467.41)				(41,467.41)	(41,467.41)
<u>\$ 8,252,218.73</u>	<u>\$ 11,496,536.37</u>		<u>\$ 68,140.03</u>	<u>\$ -</u>	<u>\$ 11,428,396.34</u>	<u>\$ 11,496,536.37</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$ 8,252,218.73
Federal Grants and Contracts - Non-operating		
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 3,244,317.64	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		
Total Federal Pass-Through Grants		3,244,317.64
Federal Appropriations		
Total Federal Revenue per Exhibit IV		\$ 11,496,536.37

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:

 Donation of Federal Surplus Property

New Loans Processed [NOTE 3]:

 Federal Family Education Loans

 Federal Perkins Loan Program

 Federal Direct Student Loans

 Health Education Assistance Loans

 Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students

DEDUCT:

 Federal Grants to/from TAMRF

 COBRA 65% Subsidy (CFDA Number 17.151)

Total Pass Throughs and Expenditures per Federal Schedule

\$ 11,496,536.37

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

<u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>BEGINNING BALANCE 9/1/2011</u>	<u>NET CHANGE</u>	<u>ENDING BALANCE 8/31/2012</u>
Cooperative Forestry Assistance	10.664	\$ 7,359.99	\$ (7,359.99)	\$ -
Forest Legacy Program	10.676		4,361.70	4,361.70
Forest Stewardship Program	10.678		12,641.92	12,641.92
		<u>\$ 7,359.99</u>	<u>\$ 9,643.63</u>	<u>\$ 17,003.62</u>

Deferred Revenue Explanation:

Deferred revenue is the result of payroll expenditure changes made after federal funds were received and project funds drawn down completely at the beginning of the project.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

UNAUDITED

SCHEDULE 1-B
TEXAS A&M FOREST SERVICE
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Disaster Grants Governor - Fiscal	300.001	300	\$ 75,714.00
Total Pass-Through From State Agencies			\$ <u>75,714.00</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

UNAUDITED

SCHEDULE THREE
 TEXAS A&M FOREST SERVICE
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 1,100.00
Total Cash On Hand	<u>\$ 1,100.00</u>
Cash In Bank	\$ (846,435.18)
Cash In State Treasury:	
Fund 5064	65,508,059.41
Fund 5066	3,660,366.77
Fund 5133	<u>5,675.86</u>
Total Cash In State Treasury	<u>\$ 69,174,102.04</u>
Reimbursements Due From State Treasury	\$ 493,733.10
Assets Held By System Offices-Current	<u>3,621,859.47</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 72,444,359.43</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 186,733.05</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 186,733.05</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 72,631,092.48</u></u>

UNAUDITED

SCHEDULE N-2
 TEXAS A&M FOREST SERVICE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 1,840,192.91	\$	\$
Construction In Progress			
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 1,840,192.91</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets			
Buildings	\$ 1,879,667.47	\$	\$
Furniture and Equipment	14,512,741.46		
Vehicles, Boats and Aircraft	13,838,032.78		
Total Depreciable Assets at Historical Cost	<u>\$ 30,230,441.71</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Depreciation For:			
Buildings	\$ (682,355.56)	\$	\$
Furniture and Equipment	(8,512,948.02)		
Vehicles, Boats and Aircraft	(7,733,968.27)		
Total Accumulated Depreciation	<u>\$ (16,929,271.85)</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 13,301,169.86</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u><u>\$ 15,141,362.77</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$	\$	\$ 162,999.41	\$	\$ 1,840,192.91
				162,999.41
<u>\$</u>	<u>\$</u>	<u>\$ 162,999.41</u>	<u>\$</u>	<u>\$ 2,003,192.32</u>
\$	\$	\$	\$	\$ 1,879,667.47
	(13,085.00)	2,855,555.40	(380,638.09)	16,974,573.77
		2,024,221.07	(837,681.22)	15,024,572.63
<u>\$</u>	<u>\$ (13,085.00)</u>	<u>\$ 4,879,776.47</u>	<u>\$ (1,218,319.31)</u>	<u>\$ 33,878,813.87</u>
\$	\$	\$	\$	\$ (758,901.52)
	13,085.00	(76,545.96)	348,210.29	(9,363,276.14)
		(1,211,623.41)	810,757.73	(8,204,810.89)
		(1,281,600.35)		
<u>\$</u>	<u>\$ 13,085.00</u>	<u>\$ (2,569,769.72)</u>	<u>\$ 1,158,968.02</u>	<u>\$ (18,326,988.55)</u>
<u>\$</u>	<u>\$</u>	<u>\$ 2,310,006.75</u>	<u>\$ (59,351.29)</u>	<u>\$ 15,551,825.32</u>
<u>\$</u>	<u>\$</u>	<u>\$ 2,473,006.16</u>	<u>\$ (59,351.29)</u>	<u>\$ 17,555,017.64</u>

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FINANCIAL REPORT

OF

TEXAS A&M TRANSPORTATION INSTITUTE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



DENNIS L. CHRISTIANSEN, PH.D., P.E., DIRECTOR

DONALD W. BUGH, EXECUTIVE ASSOCIATE DIRECTOR

JOSEPH N. DUNN, ASSISTANT CHIEF FINANCIAL OFFICER

MARIE ETHRIDGE, DIRECTOR OF ACCOUNTING AND CONTROLLER

AMANDA DOTSON, SENIOR MANAGER OF FINANCIAL REPORTING

COLLEGE STATION, TEXAS

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TEXAS A&M TRANSPORTATION INSTITUTE

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TEXAS A&M TRANSPORTATION INSTITUTE
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EXHIBIT III
TEXAS A&M TRANSPORTATION INSTITUTE
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	1,976,817.85	2,058,427.20
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments		
Legislative Appropriations	120,932.61	102,724.36
Receivables, Net:		
Federal	428,985.85	244,773.49
Other Intergovernmental	836,213.46	807,101.93
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	8,748,491.28	
Other	26,826.12	8,647,993.21
Due From Other Agencies	2,703,498.85	1,697,498.97
Due From Other Members	2,447,448.95	2,492,641.33
Due From Other Funds	6,869,513.38	7,024,376.92
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		
	<u> </u>	<u> </u>
Total Current Assets	\$ 24,158,728.35	\$ 23,075,537.41
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 386,282.94	\$ 386,021.16
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	11,299,264.88	11,279,203.84
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements		
Construction In Progress	418,096.60	114,482.11
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	23,854,154.76	23,854,154.76
Infrastructure		
Facilities and Other Improvements	1,419,329.52	1,419,329.52
Furniture and Equipment	12,989,105.68	12,681,156.20
Vehicles, Boats, and Aircraft	1,734,363.26	1,580,321.45
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	279,138.80	307,134.80
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(16,168,593.70)	(14,503,128.68)
Assets Held In Trust	362,100.00	362,100.00
Other Non-Current Assets		
	<u> </u>	<u> </u>
Total Non-Current Assets and Deferred Outflows	\$ 36,573,242.74	\$ 37,480,775.16
	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	\$ 60,731,971.09	\$ 60,556,312.57

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EXHIBIT III
 TEXAS A&M TRANSPORTATION INSTITUTE
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 899,945.77	\$ 689,641.48
Payroll	2,702,478.17	2,671,369.45
Investment Trades		
Self-Insured Health and Dental		
Other	2.69	154.03
Interfund Payable		
Due to Other Agencies	7,360.94	
Due to Other Funds	6,869,513.38	7,024,376.92
Due to Other Members	5,928.76	
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	367,068.45	346,922.58
Employees' Compensable Leave	158,119.00	118,683.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities		
	<u> </u>	<u> </u>
Total Current Liabilities	\$ 11,010,417.16	\$ 10,851,147.46
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	3,264,940.00	3,173,030.84
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust	362,100.00	362,100.00
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
	<u> </u>	<u> </u>
Total Non-Current Liabilities and Deferred Inflows	\$ 3,627,040.00	\$ 3,535,130.84
Total Liabilities and Deferred Inflows	\$ 14,637,457.16	\$ 14,386,278.30
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 24,525,594.92	\$ 25,453,450.16
Restricted For:		
Debt Service		
Capital Projects	982,483.89	538,925.33
Education	2,009,724.41	1,923,280.99
Endowment and Permanent Funds:		
Nonexpendable		
Expendable	386,282.94	386,021.16
Unrestricted	18,190,427.77	17,868,356.63
	<u> </u>	<u> </u>
Total Net Assets [Exhibit IV]	\$ 46,094,513.93	\$ 46,170,034.27
Total Liabilities & Deferred Inflows and Net Assets	\$ 60,731,971.09	\$ 60,556,312.57

UNAUDITED

EXHIBIT IV
 TEXAS A&M TRANSPORTATION INSTITUTE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	6,059,852.68	5,233,530.07
Discounts and Allowances-Sales		
Total Sales of Goods and Services	\$ 6,059,852.68	\$ 5,233,530.07
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	8,716,530.22	10,558,508.54
Federal Pass Through Revenue	2,003,375.12	2,080,366.89
State Grant Revenue		
State Pass Through Revenue	620,000.00	415,000.00
Other Grants and Contracts - Operating	32,836,141.58	30,258,416.42
Other Operating Revenue	86,183.31	9,925.50
Total Operating Revenues	\$ 50,322,082.91	\$ 48,555,747.42
Operating Expenses		
Instruction	\$	\$
Research	43,756,865.68	47,170,756.21
Public Service	3,710,004.20	
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	6,322,327.58	5,122,908.62
Operation & Maintenance of Plant	1,860,538.34	1,944,912.80
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	2,162,457.41	1,861,981.84
Total Operating Expenses [Schedule IV-1]	\$ 57,812,193.21	\$ 56,100,559.47
Total Operating Income [Loss]	\$ (7,490,110.30)	\$ (7,544,812.05)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 772,723.15	\$ 905,281.47
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	51,080.01	50,000.00
Land Income		
Investment Income	220,833.05	215,284.27
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(23,297.03)	(35,537.77)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	6,991.25	203.34
Net Increase [Decrease] In Fair Value	437,806.11	682,512.70
Settlement of Claims		
Other Nonoperating Revenues	31,598.10	2,654.21
Other Nonoperating [Expenses]	(106,522.65)	(61,141.08)
Total Nonoperating Revenues [Expenses]	\$ 1,391,211.99	\$ 1,759,257.14
Income [Loss] Before Other Revenues and Transfers	\$ (6,098,898.31)	\$ (5,785,554.91)

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EXHIBIT IV
 TEXAS A&M TRANSPORTATION INSTITUTE
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 63,680.00	\$ 1,055,897.20
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies	7,477,961.23	7,569,212.87
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	636,436.17	589,280.82
Nonmandatory Transfers From Members/Agencies-Cap Assets	15,024.96	4,545,622.70
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members	(1,651,615.91)	(1,620,246.68)
Nonmandatory Transfers to Other Members	(2,682.14)	
Nonmandatory Transfers to Members/Agencies - Cap Assets	(38,313.90)	(57,291.19)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed	<u>(67,955.69)</u>	
Total Other Revenues and Transfers	<u>\$ 6,432,534.72</u>	<u>\$ 12,082,475.72</u>
Change In Net Assets	<u>\$ 333,636.41</u>	<u>\$ 6,296,920.81</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 46,170,034.27	\$ 33,509,158.66
Restatement	<u>(409,156.75)</u>	<u>6,363,954.80</u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ 45,760,877.52</u>	<u>\$ 39,873,113.46</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 46,094,513.93</u>	<u>\$ 46,170,034.27</u>

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SCHEDULE IV-1
 TEXAS A&M TRANSPORTATION INSTITUTE
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS & CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages		27,970,206.94	1,163,348.24		
Payroll Related Costs		5,748,825.59	253,061.61		
Professional Fees & Services		3,619,499.71	973,002.99		
Travel		1,214,543.56	123,309.49		
Materials & Supplies		1,281,284.78	147,591.20		
Communication & Utilities		318,143.18	1,214.25		
Repairs & Maintenance		572,947.46	44,410.06		
Rentals & Leases		1,163,923.15	173,319.26		
Printing & Reproduction		166,283.70	20,001.70		
Federal Pass-Through		50,151.65			
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest		365.63			
Scholarships		323,106.60			
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		1,327,583.73	810,745.40		
Total Operating Expenses	<u>\$</u>	<u>\$ 43,756,865.68</u>	<u>\$ 3,710,004.20</u>	<u>\$</u>	<u>\$</u>

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	2,623,624.12					31,757,179.30	31,324,180.06
	783,485.48					6,785,372.68	6,849,893.79
	1,695,513.93	770,950.00				7,058,966.63	6,896,036.29
	40,375.86					1,378,228.91	1,097,158.37
	83,287.99	14,875.45				1,527,039.42	1,383,872.42
	874,589.05	823,787.54				2,017,734.02	1,760,391.33
	6,180.81	250,925.35				874,463.68	1,114,379.93
	6,595.76					1,343,838.17	1,293,157.77
	61,694.90					247,980.30	268,639.79
						50,151.65	
					2,162,457.41	2,162,457.41	1,861,981.84
	3.29					368.92	118.38
						323,106.60	214,387.34
	146,976.39					2,285,305.52	2,036,362.16
\$	\$ 6,322,327.58	\$ 1,860,538.34	\$	\$	\$ 2,162,457.41	\$ 57,812,193.21	\$ 56,100,559.47

[Exhibit IV]

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EXHIBIT V
TEXAS A&M TRANSPORTATION INSTITUTE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	5,947,605.86	5,162,066.47
Proceeds From Sponsored Programs	43,788,267.76	41,809,481.03
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	86,183.31	9,925.50
Payments to Suppliers for Goods and Services	(16,611,679.56)	(15,984,419.86)
Payments to Employees - Salaries	(31,682,570.45)	(31,369,371.64)
Payments to Employees - Benefits	(6,697,527.65)	(6,705,804.56)
Payments for Loans Provided		
Payments for Other Expenses	(359,968.55)	(214,387.34)
Net Cash Provided [Used] By Operating Activities	<u>\$ (5,529,689.28)</u>	<u>\$ (7,292,510.40)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 686,559.21	\$ 1,018,174.31
Proceeds From Gifts	51,080.01	50,000.00
Proceeds From Endowments		
Proceeds - Transfers From Other Funds	6,811,790.75	7,794,516.13
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues	31,598.10	2,654.21
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses	(1,384.93)	(902.93)
Other Noncapital Transfers From/To System	33,754.03	32,594.99
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 7,613,397.17</u>	<u>\$ 8,897,036.71</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 6,991.25	\$ 203.34
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(1,299,348.83)	(656,358.45)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	163,636.94	365,532.74
Intrasystem Transfers for Capital Debt [Mandatory]	(1,651,615.91)	(1,620,246.68)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		56,589.12
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (2,780,336.55)</u>	<u>\$ (1,854,279.93)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	417,483.29	869,283.75
Proceeds From Interest and Investment Income	197,536.02	179,746.50
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ 615,019.31</u>	<u>\$ 1,049,030.25</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ (81,609.35)</u>	<u>\$ 799,276.63</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 2,058,427.20</u>	<u>\$ 1,259,150.57</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 2,058,427.20</u>	<u>\$ 1,259,150.57</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u><u>\$ 1,976,817.85</u></u>	<u><u>\$ 2,058,427.20</u></u>

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EXHIBIT V
 TEXAS A&M TRANSPORTATION INSTITUTE
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(7,490,110.30)	(7,544,812.05)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	2,162,457.41	1,861,981.84
Bad Debt Expense	3,575.82	
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(753,380.65)	(1,081,897.21)
Due From Other Agencies/Funds	(339,829.40)	313,471.35
Due From System Members	481,555.44	(380,910.28)
Inventory		
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		
Payables	241,261.67	122,098.51
Due to Other Agencies/Funds	7,360.94	
Due to System Members	5,928.76	(171,680.27)
Unearned Revenue	20,145.87	(471,317.75)
Deposits		
Compensated Absence Liability	131,345.16	60,555.46
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 1,960,421.02</u>	<u>\$ 252,301.65</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (5,529,689.28)</u>	<u>\$ (7,292,510.40)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 63,680.00	\$ 1,055,897.20
Net Increase [Decrease] In Fair Value of Investments	180,165.79	446,379.04
Gain/Loss On Sale or Disposal of Capital Assets	6,991.25	203.34
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	(23,288.94)	4,488,331.51

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SCHEDULE 1 - A
 TEXAS A&M TRANSPORTATION INSTITUTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Research & Development Cluster					
U.S. Department of Agriculture					
<u>Pass-Through From:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025			\$	\$
<u>Pass-Through From:</u>					
West Texas A&M University			757	25,757.67	
Totals - U.S. Department of Agriculture				25,757.67	
U.S. Department of Transportation					
U.S. Department of Transportation	20.000	American Road and Transportation Builders Assoc/ DTFH61-11-H- 00029A			26,328.52
U.S. Department of Transportation		Jackson State University/ P0032086			14,400.00
U.S. Department of Transportation		National Academy of Sciences/ c2011154			9,940.22
U.S. Department of Transportation		National Academy of Sciences/ TRB-P210238			4,912.46
U.S. Department of Transportation		University of Michigan Transportation Research Institute/ 3002203676			1,364.63
U.S. Department of Transportation		Wisconsin Department of Transportation/ 0092-11-15			57,595.52
Highway Research and Development Program	20.200	California Department of Transportation/ 65A0401			103,686.48
Highway Research and Development Program		National Academy of Sciences/ TRB-P211071			4,943.54
Highway Research and Development Program		National Academy of Sciences/ TRB-2000000982			4,544.19
Highway Research and Development Program		National Academy of Sciences/ TRB-2000001097			4,111.38
Highway Research and Development Program		National Academy of Sciences/ TRB-2000001227			1,350.52
Highway Planning and Construction	20.205	Gulf Coast Rail District/ 83-2XXIA006			21,766.35
Highway Planning and Construction		Iowa State University/ 404-17-29- P01294406923			737.45
University Transportation Centers Program	20.701	University of Wisconsin/ 344K783			26,395.24
<u>Direct Programs:</u>					
U.S. Department of Transportation	20.000	DTFH68-11-E-00051			
U.S. Department of Transportation	20.000	DTFH6811E00043			
U.S. Department of Transportation	20.000	DTFH6811E00054			
Highway Planning and Construction	20.205				
Public Transportation Research	20.514				
<u>Pass-Through To:</u>					
Texas A&M University at Galveston					
University Transportation Centers Program	20.701				
University Transportation Centers Program	20.701				
<u>Pass-Through To:</u>					

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SCHEDULE 1 - A
 TEXAS A&M TRANSPORTATION INSTITUTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$ 25,757.67		\$	\$	\$ 25,757.67	\$ 25,757.67
	25,757.67				25,757.67	25,757.67
	26,328.52				26,328.52	26,328.52
	14,400.00				14,400.00	14,400.00
	9,940.22				9,940.22	9,940.22
	4,912.46				4,912.46	4,912.46
	1,364.63				1,364.63	1,364.63
	57,595.52				57,595.52	57,595.52
	103,686.48				103,686.48	103,686.48
	4,943.54				4,943.54	4,943.54
	4,544.19				4,544.19	4,544.19
	4,111.38				4,111.38	4,111.38
	1,350.52				1,350.52	1,350.52
	21,766.35				21,766.35	21,766.35
	737.45				737.45	737.45
	26,395.24				26,395.24	26,395.24
61,188.10	61,188.10				61,188.10	61,188.10
75,177.86	75,177.86				75,177.86	75,177.86
45,508.88	45,508.88				45,508.88	45,508.88
216,915.92	216,915.92				216,915.92	216,915.92
81,707.83	81,707.83				38,917.12	81,707.83
		718	42,790.71			
66,225.08	66,225.08				66,225.08	66,225.08
7,360.94	7,360.94					7,360.94

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SCHEDULE 1 - A
 TEXAS A&M TRANSPORTATION INSTITUTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<i>University of Texas at Austin</i>					
<u>Pass-Through From:</u> Highway Planning and Construction	20.205				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>			601	1,022.19	
State and Community Highway Safety	20.600				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>			601	1,054,050.72	
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>			601	577,548.44	
Occupant Protection Incentive Grants	20.602				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>			601	45,085.43	
Safety Belt Performance Grants	20.609				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>			601	298,910.67	
Totals - U.S. Department of Transportation				1,976,617.45	282,076.50
Environmental Protection Agency Performance Partnership Grants	66.605				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	1,000.00	
Totals - Environmental Protection Agency				1,000.00	
U.S. Department of Energy U.S. Department of Energy	81.000	Sandia National Laboratories/ <i>various</i>			85,937.94
Totals - U.S. Department of Energy					85,937.94
Total Expenditures of Federal Awards				\$ 2,003,375.12	\$ 368,014.44

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M TRANSPORTATION INSTITUTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
		721	7,360.94			
	1,022.19				1,022.19	1,022.19
	1,054,050.72				1,054,050.72	1,054,050.72
	577,548.44				577,548.44	577,548.44
	45,085.43				45,085.43	45,085.43
	298,910.67				298,910.67	298,910.67
554,084.61	2,812,778.56		50,151.65		2,762,626.91	2,812,778.56
	1,000.00				1,000.00	1,000.00
	1,000.00				1,000.00	1,000.00
	85,937.94				85,937.94	85,937.94
	85,937.94				85,937.94	85,937.94
<u>\$ 554,084.61</u>	<u>\$ 2,925,474.17</u>		<u>\$ 50,151.65</u>	<u>\$ -</u>	<u>\$ 2,875,322.52</u>	<u>\$ 2,925,474.17</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M TRANSPORTATION INSTITUTE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:	
Federal Grants and Contracts - Operating	\$ 8,716,530.22
Federal Grants and Contracts - Non-operating	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 2,003,375.12
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	2,003,375.12
Federal Appropriations	
Total Federal Revenue per Exhibit IV	\$ 10,719,905.34
Reconciling Items:	
ADD:	
Non-Monetary Assistance [NOTE 1]:	
Donation of Federal Surplus Property	
New Loans Processed [NOTE 3]:	
Federal Family Education Loans	
Federal Perkins Loan Program	
Federal Direct Student Loans	
Health Education Assistance Loans	
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students	
DEDUCT:	
Federal Grants to/from TAMRF	(7,794,431.17)
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	\$ 2,925,474.17

UNAUDITED

SCHEDULE 1 - A
TEXAS A&M TRANSPORTATION INSTITUTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
TEXAS A&M TRANSPORTATION INSTITUTE
SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agv #</u>	<u>Amount</u>
On-road Emissions research for Motor Vehicles Texas Commission on Environmental Quality	582.0080	582	\$ 620,000.00
Total Pass-Through From State Agencies			\$ <u>620,000.00</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agv #</u>	<u>Amount</u>
			\$ -
Total Pass-Through To State Agencies			\$ <u>-</u> (Schedule IV-1)

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SCHEDULE THREE
TEXAS A&M TRANSPORTATION INSTITUTE
SCHEDULE OF CASH & CASH EQUIVALENTS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 1,000.00
Petty Cash Department Working Fund	<u>50.00</u>
Total Cash On Hand	<u>\$ 1,050.00</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 1,975,767.85</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 1,976,817.85</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 1,976,817.85</u></u>

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SCHEDULE N-2
 TEXAS A&M TRANSPORTATION INSTITUTE
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

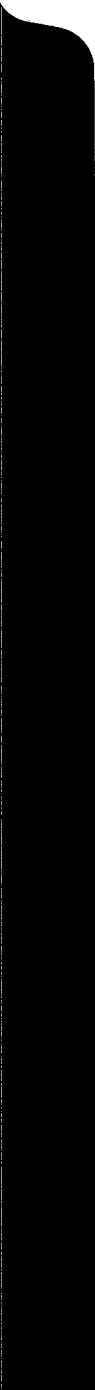
	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Construction In Progress	\$ 114,482.11	\$	\$ (18,300.13)
Total Non-Depreciable/Non-Amortizable Assets	\$ 114,482.11	\$	\$ (18,300.13)
Depreciable Assets			
Buildings	\$ 23,854,154.76	\$	\$
Facilities and Other Improvements	1,419,329.52		
Furniture and Equipment	12,681,156.20	(9,008.48)	18,300.13
Vehicles, Boats and Aircraft	1,580,321.45		
Total Depreciable Assets at Historical Cost	\$ 39,534,961.93	\$ (9,008.48)	\$ 18,300.13
Less Accumulated Depreciation For:			
Buildings	\$ (3,994,083.04)	\$	\$
Facilities and Other Improvements	(375,812.77)		
Furniture and Equipment	(8,625,425.41)	9,008.48	
Vehicles, Boats and Aircraft	(1,225,274.74)		
Total Accumulated Depreciation	\$ (14,220,595.96)	\$ 9,008.48	\$
Depreciable Assets, Net	\$ 25,314,365.97	\$	\$ 18,300.13
Amortizable Assets - Intangible			
Computer Software	\$ 307,134.80	\$	\$
Total Intangible Assets at Historical Cost	\$ 307,134.80	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (282,532.72)	\$	\$
Total Accumulated Amortization	\$ (282,532.72)	\$	\$
Amortizable Assets-Net	\$ 24,602.08	\$	\$
Capital Assets, Net	\$ 25,453,450.16	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$	\$	\$ 321,914.62	\$	\$ 418,096.60
\$	\$	\$ 321,914.62	\$	\$ 418,096.60
\$	\$	\$	\$	\$ 23,854,154.76
44,850.00	(162,247.50)	744,836.40	(328,781.07)	1,419,329.52
		296,277.81	(142,236.00)	12,989,105.68
<u>44,850.00</u>	<u>(162,247.50)</u>	<u>1,041,114.21</u>	<u>(471,017.07)</u>	<u>39,996,953.22</u>
\$	\$	\$ (1,040,714.76)	\$	\$ (5,034,797.80)
(29,825.04)	123,933.60	(56,294.04)		(432,106.81)
		(937,709.98)	296,564.07	(9,163,454.28)
		(116,215.80)	69,315.28	(1,272,175.26)
<u>(29,825.04)</u>	<u>123,933.60</u>	<u>(2,150,934.58)</u>	<u>365,879.35</u>	<u>(15,902,534.15)</u>
\$ 15,024.96	\$ (38,313.90)	\$ (1,109,820.37)	\$ (105,137.72)	\$ 24,094,419.07
\$	\$	\$	\$ (27,996.00)	\$ 279,138.80
\$	\$	\$	\$ (27,996.00)	\$ 279,138.80
\$	\$	\$ (11,522.83)	\$ 27,996.00	\$ (266,059.55)
\$	\$	\$ (11,522.83)	\$ 27,996.00	\$ (266,059.55)
\$	\$	\$ (11,522.83)	\$	\$ 13,079.25
<u>\$ 15,024.96</u>	<u>\$ (38,313.90)</u>	<u>\$ (799,428.58)</u>	<u>\$ (105,137.72)</u>	<u>\$ 24,525,594.92</u>

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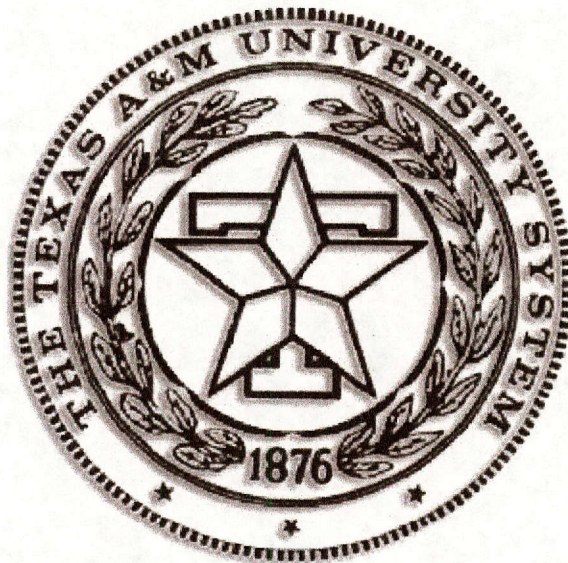
FINANCIAL REPORT

OF

TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



TAMMY BECKHAM, DVM, DIRECTOR

VIC SEIDEL, CPA, ASSISTANT AGENCY DIRECTOR FOR FINANCE

COLLEGE STATION, TEXAS

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TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY

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TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
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EXHIBIT III
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	5,641,311.14	5,005,083.20
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	6,404.19	109,887.93
Investments		
Legislative Appropriations	(33,605.63)	(89,658.12)
Receivables, Net:		
Federal	24,585.27	77,888.17
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	923,746.30	
Other		970,175.95
Due From Other Agencies		
Due From Other Members	43,572.12	
Due From Other Funds		
Consumable Inventories	393,662.20	360,839.80
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		
	<u>6,999,675.59</u>	<u>6,434,216.93</u>
Total Current Assets	\$	\$
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	105,700.00	105,700.00
Construction In Progress		
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	10,003,486.03	9,244,048.96
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	5,747,908.92	5,612,643.30
Vehicles, Boats, and Aircraft	169,271.83	164,052.83
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	369,275.94	369,275.94
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(10,502,156.92)	(9,977,547.43)
Assets Held In Trust		
Other Non-Current Assets		
	<u>5,893,485.80</u>	<u>5,518,173.60</u>
Total Non-Current Assets and Deferred Outflows	\$	\$
Total Assets and Deferred Outflows	<u>\$ 12,893,161.39</u>	<u>\$ 11,952,390.53</u>

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EXHIBIT III
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 233,990.16	\$ 136,326.93
Payroll	719,977.81	777,644.13
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members		29,358.78
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	222.00	795.32
Employees' Compensable Leave	122,150.00	80,734.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	192.39	192.39
Obligations/Securities Lending		
Other Current Liabilities		
Total Current Liabilities	\$ 1,076,532.36	\$ 1,025,051.55
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	746,893.00	762,603.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	15,000.00	
Total Non-Current Liabilities and Deferred Inflows	\$ 761,893.00	\$ 762,603.00
Total Liabilities and Deferred Inflows	\$ 1,838,425.36	\$ 1,787,654.55
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 5,893,485.80	\$ 5,518,173.60
Restricted For:		
Debt Service		
Capital Projects		
Education	36,772.34	76,833.35
Endowment and Permanent Funds:		
Nonexpendable		
Expendable		
Unrestricted	5,124,477.89	4,569,729.03
Total Net Assets [Exhibit IV]	\$ 11,054,736.03	\$ 10,164,735.98
Total Liabilities & Deferred Inflows and Net Assets	\$ 12,893,161.39	\$ 11,952,390.53

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EXHIBIT IV
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	9,777,159.86	9,902,479.92
Discounts and Allowances-Sales		
	<u> </u>	<u> </u>
Total Sales of Goods and Services	\$ 9,777,159.86	\$ 9,902,479.92
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	205,795.13	419,066.65
Federal Pass Through Revenue	255,181.91	62,914.60
State Grant Revenue		
State Pass Through Revenue		
Other Grants and Contracts - Operating		35,000.00
Other Operating Revenue	1,140.74	13,868.02
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 10,239,277.64	\$ 10,433,329.19
Operating Expenses		
Instruction	\$	\$
Research	392,721.36	21,379.40
Public Service	14,067,521.58	13,675,878.70
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	1,549,264.82	1,553,335.18
Operation & Maintenance of Plant	32,747.00	24,296.89
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	658,724.99	655,379.39
	<u> </u>	<u> </u>
Total Operating Expenses [Schedule IV-1]	\$ 16,700,979.75	\$ 15,930,269.56
Total Operating Income [Loss]	\$ (6,461,702.11)	\$ (5,496,940.37)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 6,588,700.15	\$ 6,712,679.44
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts		
Land Income		
Investment Income	14,051.37	16,034.81
Loan Premium/Fees On Securities Lending		
Investing Activities Expense		(5,699.85)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value		(10,782.64)
Settlement of Claims		
Other Nonoperating Revenues		
Other Nonoperating [Expenses]	(262,030.36)	
	<u> </u>	<u> </u>
Total Nonoperating Revenues [Expenses]	\$ 6,340,721.16	\$ 6,712,231.76
Income [Loss] Before Other Revenues and Transfers	\$ (120,980.95)	\$ 1,215,291.39

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EXHIBIT IV
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	26,202.07	4,316.00
Nonmandatory Transfers From Members/Agencies-Cap Assets	984,778.93	
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members		
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		
 Total Other Revenues and Transfers	 <u>\$ 1,010,981.00</u>	 <u>\$ 4,316.00</u>
 Change In Net Assets	 <u>\$ 890,000.05</u>	 <u>\$ 1,219,607.39</u>
 Beginning Net Assets, September 1, 2011 and 2010 Restatement	 <u>\$ 10,164,735.98</u>	 <u>\$ 6,834,317.59</u> <u>2,110,811.00</u>
 Beginning Net Assets, September 1, 2011 and 2010 Restated	 <u>\$ 10,164,735.98</u>	 <u>\$ 8,945,128.59</u>
 Net Assets, August 31, 2012 and 2011	 <u><u>\$ 11,054,736.03</u></u>	 <u><u>\$ 10,164,735.98</u></u>

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SCHEDULE IV-1
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages		217,096.97	7,066,515.72		
Payroll Related Costs		41,335.27	1,794,509.13		
Professional Fees & Services		6,333.75	412,535.80		
Travel		1,597.19	110,251.20		
Materials & Supplies		117,418.11	2,563,012.27		
Communication & Utilities			823,989.18		
Repairs & Maintenance		5,781.56	583,657.44		
Rentals & Leases			87,838.93		
Printing & Reproduction			22,225.74		
Federal Pass-Through					
State Pass-Through			212,500.00		
Depreciation & Amortization					
Bad Debt Expense					
Interest			52.10		
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		3,158.51	390,434.07		
Total Operating Expenses	\$	\$ 392,721.36	\$ 14,067,521.58	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	1,002,666.17					8,286,278.86	8,248,416.11
	197,973.47					2,033,817.87	2,049,387.74
	187,966.06					606,835.61	554,254.26
	19,967.99					131,816.38	108,395.65
	130,557.36					2,810,987.74	2,374,964.55
	2,376.00					826,365.18	722,047.23
	7,674.80	32,747.00				629,860.80	605,407.13
	5,784.95					93,623.88	80,461.18
	574.12					22,799.86	22,217.14
						212,500.00	150,000.00
					658,724.99	658,724.99	655,379.39
	.96					53.06	(33.16)
	(6,277.06)					387,315.52	359,372.34
\$	\$ 1,549,264.82	\$ 32,747.00	\$	\$	\$ 658,724.99	\$ 16,700,979.75	\$ 15,930,269.56

[Exhibit IV]

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EXHIBIT V
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	9,823,589.51	9,972,753.00
Proceeds From Sponsored Programs	470,196.50	718,331.47
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues	1,140.74	13,868.02
Payments to Suppliers for Goods and Services	(5,439,185.87)	(4,919,455.44)
Payments to Employees - Salaries	(8,338,417.25)	(8,210,347.84)
Payments to Employees - Benefits	(2,013,639.80)	(2,107,721.12)
Payments for Loans Provided		
Payments for Other Expenses	(212,500.00)	(150,000.00)
Net Cash Provided [Used] By Operating Activities	\$ (5,708,816.17)	\$ (4,682,571.91)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 6,532,647.66	\$ 6,785,274.38
Proceeds From Gifts		
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues		
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses		192.39
Other Noncapital Transfers From/To System	4,563.00	4,316.00
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 6,537,210.66	\$ 6,789,782.77
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(301,981.95)	(1,376,304.40)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(7,719.71)	(702,046.29)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (309,701.66)	\$ (2,078,350.69)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System		(10,782.64)
Proceeds From Interest and Investment Income	14,051.37	10,334.96
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ 14,051.37	\$ (447.68)
Increase [Decrease] In Cash and Cash Equivalents	\$ 532,744.20	\$ 28,412.49
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 5,114,971.13	\$ 5,086,558.64
Restated Beginning Cash and Cash Equivalents	\$ 5,114,971.13	\$ 5,086,558.64
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 5,647,715.33	\$ 5,114,971.13

UNAUDITED

EXHIBIT V
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(6,461,702.11)	(5,496,940.37)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	658,724.99	655,379.39
Bad Debt Expense	20,018.91	3,468.87
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	79,713.64	267,359.11
Due From Other Agencies/Funds		
Due From System Members	(43,572.12)	
Inventory	(32,822.40)	(73,444.85)
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		
Payables	45,690.24	9,949.62
Due to Other Agencies/Funds		
Due to System Members		
Unearned Revenue	(573.32)	795.32
Deposits		
Compensated Absence Liability	25,706.00	(49,139.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 752,885.94</u>	<u>\$ 814,368.46</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (5,708,816.17)</u>	<u>\$ (4,682,571.91)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments		
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other		

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SCHEDULE 1 - A
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Research & Development Cluster					
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Homeland Security_Agricultural	10.304			\$	\$
Totals - U.S. Department of Agriculture					
U.S. Department of Homeland Security					
<u>Pass-Through From:</u>					
Centers for Homeland Security	97.061				
<u>Pass-Through From:</u>					
<i>Texas A&M AgriLife Research</i>			556	255,181.91	
Totals - U.S. Department of Homeland Security				255,181.91	
Total Expenditures of Federal Awards				\$ 255,181.91	\$ -

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SCHEDULE 1 - A
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 188,291.73	\$ 188,291.73		\$	\$	\$ 188,291.73	\$ 188,291.73
188,291.73	188,291.73				188,291.73	188,291.73
	255,181.91				255,181.91	255,181.91
	255,181.91				255,181.91	255,181.91
<u>\$ 188,291.73</u>	<u>\$ 443,473.64</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,473.64</u>	<u>\$ 443,473.64</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NON-MONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:		
Federal Grants and Contracts - Operating		\$ 205,795.13
Federal Grants and Contracts - Non-operating		
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 255,181.91	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating		
LESS Reconciling Items:		
Donation of Federal Surplus Property		
Total Federal Pass-Through Grants	<u>255,181.91</u>	255,181.91
Federal Appropriations		
Total Federal Revenue per Exhibit IV		<u>\$ 460,977.04</u>
Reconciling Items:		
ADD:		
Non-Monetary Assistance [NOTE 1]:		
Donation of Federal Surplus Property		
New Loans Processed [NOTE 3]:		
Federal Family Education Loans		
Federal Perkins Loan Program		
Federal Direct Student Loans		
Health Education Assistance Loans		
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students		
DEDUCT:		
Federal revenue received on a fixed fee basis contract with USDA		(17,503.40)
Federal Grants from TAMRF		
COBRA 65% Subsidy (CFDA Number 17.151)		
Total Pass Throughs and Expenditures per Federal Schedule		<u>\$ 443,473.64</u>

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SCHEDULE 1 - A
TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
			\$ -
Total Pass-Through From State Agencies			\$ <u>-</u>
			(Exhibit IV)

Pass-through To:

<u>Program Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<u>Agency Name</u>			
TVMDL Protection of Texas Livestock and Public Health Sectors	557.0001		
Texas A&M AgriLife Research		556	\$ 212,500.00
Total Pass-Through To State Agencies			\$ <u>212,500.00</u>
			(Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 125.00
Petty Cash Department Working Fund	<u>250.00</u>
Total Cash On Hand	<u>\$ 375.00</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 5,640,936.14</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 5,641,311.14</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 6,404.19</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 6,404.19</u>
Total Cash & Cash Equivalents [Exhibit V]	<u>\$ 5,647,715.33</u>

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SCHEDULE N-2
 TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 105,700.00	\$	\$
Construction In Progress			(984,778.93)
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 105,700.00</u>	<u>\$</u>	<u>\$ (984,778.93)</u>
Depreciable Assets			
Buildings	\$ 9,244,048.96	\$	\$ 984,778.93
Furniture and Equipment	5,612,643.30		
Vehicles, Boats and Aircraft	164,052.83		
Total Depreciable Assets at Historical Cost	<u>\$ 15,020,745.09</u>	<u>\$</u>	<u>\$ 984,778.93</u>
Less Accumulated Depreciation For:			
Buildings	\$ (5,702,392.57)	\$	\$
Furniture and Equipment	(3,788,905.53)		
Vehicles, Boats and Aircraft	(116,973.39)		
Total Accumulated Depreciation	<u>\$ (9,608,271.49)</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 5,412,473.60</u>	<u>\$</u>	<u>\$ 984,778.93</u>
Amortizable Assets - Intangible			
Computer Software	\$ 369,275.94	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 369,275.94</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (369,275.94)	\$	\$
Total Accumulated Amortization	<u>\$ (369,275.94)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u>\$ 5,518,173.60</u>	<u>\$</u>	<u>\$</u>

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$ 984,778.93	\$	\$	\$	\$ 105,700.00
\$ 984,778.93	\$	\$	\$	\$ 105,700.00
\$	\$	\$ 21,688.50	\$ (247,030.36)	\$ 10,003,486.03
		255,381.12	(120,115.50)	5,747,908.92
		19,219.00	(14,000.00)	169,271.83
\$	\$	\$ 296,288.62	\$ (381,145.86)	\$ 15,920,666.78
\$	\$	\$ (210,356.62)	\$	\$ (5,912,749.19)
		(430,418.17)	120,115.50	(4,099,208.20)
		(17,950.20)	14,000.00	(120,923.59)
\$	\$	\$ (658,724.99)	\$ 134,115.50	\$ (10,132,880.98)
\$	\$	\$ (362,436.37)	\$ (247,030.36)	\$ -5,787,785.80
\$	\$	\$	\$	\$ 369,275.94
\$	\$	\$	\$	\$ 369,275.94
\$	\$	\$	\$	\$ (369,275.94)
\$	\$	\$	\$	\$ (369,275.94)
\$	\$	\$	\$	\$
\$ 984,778.93	\$	\$ (362,436.37)	\$ (247,030.36)	\$ 5,893,485.80

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TEXAS A&M VETERINARY MEDICAL DIAGNOSTIC LABORATORY

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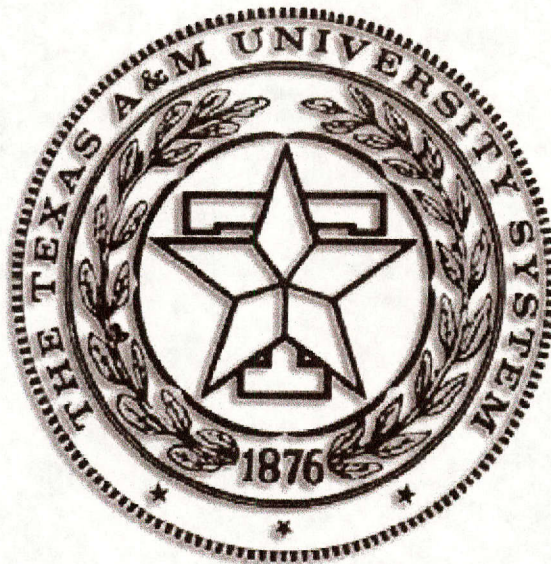
FINANCIAL REPORT

OF

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



E.J. "JERE" PEDERSON, ACTING PRESIDENT AND VICE CHANCELLOR FOR HEALTH AFFAIRS
BARRY C. NELSON, PH.D., VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

BRYAN / COLLEGE STATION, TEXAS

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TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

CURRENT YEAR
STUDENT ENROLLMENT DATA

TYPE OF STUDENT	NUMBER OF STUDENTS BY SEMESTER	
	FALL 2011	FALL 2012
Texas Resident	1,821	1,973
Out-of-State	177	178
Foreign	124	135
Not Reported		
Total Students	2,122	2,286

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2000-01	1,014	Not Required
2001-02	1,031	Not Required
2002-03	1,123	Not Required
2003-04	1,125	Not Required
2004-05	1,147	Not Required
2005-06	1,169	Not Required
2006-07	1,313	Not Required
2007-08	1,411	Not Required
2008-09	1,695	Not Required
2009-10	1,952	Not Required
2010-11	1,954	Not Required
2011-12	2,122	Not Required
2012-13	2,286	Not Required

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TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
INDEX

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EXHIBIT III
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	16,665,193.06	15,254,188.59
Securities Lending Collateral		
Investments	20,933.41	
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	12,680,483.30	12,301,244.62
Investments		
Legislative Appropriations	23,908,004.03	16,342,164.90
Receivables, Net:		
Federal	1,125,685.79	241,939.51
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations	178,633.64	80,500.05
Self-Insured Health and Dental		
Student	57,393.47	23,352.32
Investment Trades		
Accounts	3,017,107.95	3,360,504.80
Other		220.00
Due From Other Agencies	4,497,454.44	3,646,238.55
Due From Other Members	10,204,803.94	9,746,252.77
Due From Other Funds		
Consumable Inventories	900,467.85	350,322.05
Merchandise Inventories		
Deferred Charges		
Loans and Contracts	249,082.57	284,456.79
Interfund Receivable		
Other Current Assets	1,237,412.13	1,109,816.00
Total Current Assets	<u>\$ 74,742,655.58</u>	<u>\$ 62,741,200.95</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 66,326,238.92	\$ 65,493,323.15
Assets Held By System Offices		
Investments		
Loans, Contracts and Other	3,250,915.19	3,378,597.94
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	77,109,346.05	67,934,578.73
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	27,126,304.16	30,436,317.41
Construction In Progress	111,572,012.14	111,572,012.14
Other Tangible Capital Assets	243,017.34	243,017.34
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	145,779,042.91	142,469,029.66
Infrastructure	3,224,314.05	3,224,314.05
Facilities and Other Improvements	1,831,304.90	1,831,304.90
Furniture and Equipment	46,736,592.35	42,476,372.45
Vehicles, Boats, and Aircraft	972,166.07	914,329.21
Other Capital Assets	24,827,167.09	24,824,609.20
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	483,132.09	67,313.99
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(102,684,439.36)	(92,851,531.00)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 406,797,113.90</u>	<u>\$ 402,013,589.17</u>
Total Assets and Deferred Outflows	<u>\$ 481,539,769.48</u>	<u>\$ 464,754,790.12</u>

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EXHIBIT III
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 3,127,232.55	\$ 4,454,941.35
Payroll	8,942,944.16	8,396,378.92
Investment Trades		
Self-Insured Health and Dental		
Other	9,635.67	2.33
Interfund Payable		
Due to Other Agencies	1,084,852.53	
Due to Other Funds		
Due to Other Members		40.95
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	11,977,269.28	11,333,433.18
Employees' Compensable Leave	464,399.00	463,199.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations	251,468.04	
Liabilities Payable From Restricted Assets		
Funds Held for Others	601,828.18	713,706.98
Obligations/Securities Lending		
Other Current Liabilities	465,721.68	237,456.35
Total Current Liabilities	<u>\$ 26,925,351.09</u>	<u>\$ 25,599,159.06</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$	\$
Employees' Compensable Leave	7,605,390.00	7,079,910.00
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others	15,688,745.56	14,897,802.67
Capital Lease Obligations	898,902.37	
Other Non-Current Liabilities	50,000.00	
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 24,243,037.93</u>	<u>\$ 21,977,712.67</u>
Total Liabilities and Deferred Inflows	<u>\$ 51,168,389.02</u>	<u>\$ 47,576,871.73</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 260,110,613.74	\$ 265,207,089.35
Restricted For:		
Debt Service		
Capital Projects	1,331,297.39	1,840,254.43
Education	16,033,403.14	16,269,743.15
Endowment and Permanent Funds:		
Nonexpendable	42,921,757.17	42,536,028.57
Expendable	7,715,736.19	8,059,491.91
Unrestricted	102,258,572.83	83,265,310.98
Total Net Assets [Exhibit IV]	<u>\$ 430,371,380.46</u>	<u>\$ 417,177,918.39</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 481,539,769.48</u>	<u>\$ 464,754,790.12</u>

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 29,282,084.90	\$ 25,409,422.98
Discounts and Allowances	(1,787,146.00)	(1,732,242.00)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	343,486.23	424,949.60
Net Auxiliary Enterprises	974,909.74	699,622.02
Net Other Sales of Goods and Services	25,046,794.00	24,954,912.71
Discounts and Allowances-Sales		(22,151.00)
Total Sales of Goods and Services	\$ 53,860,128.87	\$ 49,734,514.31
Premium Revenue		
Interest Revenue	100,617.60	96,713.26
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	21,914,441.82	23,350,562.81
Federal Pass Through Revenue	504,947.30	566,070.78
State Grant Revenue		
State Pass Through Revenue	3,070,612.92	2,033,719.33
Other Grants and Contracts - Operating	5,453,253.32	5,800,489.91
Other Operating Revenue	154,558.75	88,913.76
Total Operating Revenues	\$ 85,058,560.58	\$ 81,670,984.16
Operating Expenses		
Instruction	\$ 64,295,778.54	\$ 68,355,821.04
Research	37,151,846.90	33,243,877.95
Public Service	5,143,791.15	6,585,319.31
Hospitals and Clinics	9,829,181.66	9,640,062.19
Academic Support	27,443,854.13	24,313,977.93
Student Services	7,033,850.88	5,759,220.18
Institutional Support	16,575,697.87	14,198,176.92
Operation & Maintenance of Plant	19,735,475.39	23,634,161.30
Scholarships & Fellowships	1,434,364.10	1,511,612.47
Auxiliary	864,846.80	590,538.23
Depreciation/Amortization	10,660,894.61	10,360,557.43
Total Operating Expenses [Schedule IV-1]	\$ 200,169,582.03	\$ 198,193,324.95
Total Operating Income [Loss]	\$ (115,111,021.45)	\$ (116,522,340.79)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 116,363,593.18	\$ 115,415,743.42
Federal Revenue Non-Operating	158,266.00	118,248.00
Federal Pass Through Non-Operating		5,776,614.83
State Pass Through Non-Operating		
Gifts	4,047,163.21	3,019,383.76
Land Income	2,104,459.50	2,127,317.91
Investment Income	3,451,310.93	3,319,852.87
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(166,098.88)	(209,849.62)
Interest Expense and Fiscal Charges	(18,980.83)	
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	9,807.63	10,745.29
Net Increase [Decrease] In Fair Value	4,446,340.98	8,668,532.97
Settlement of Claims	(37,500.00)	
Other Nonoperating Revenues	103,535.95	225,204.78
Other Nonoperating [Expenses]	(100,233.57)	(669,175.95)
Total Nonoperating Revenues [Expenses]	\$ 130,361,664.10	\$ 137,802,618.26
Income [Loss] Before Other Revenues and Transfers	\$ 15,250,642.65	\$ 21,280,277.47

UNAUDITED

EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$ 59,334.97	\$ 2,468,357.72
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		1,555.00
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	7,496,998.77	7,660,932.65
Nonmandatory Transfers From Members/Agencies-Cap Assets	199,281.56	8,959,540.16
Transfers Out		
Transfers to Other State Agencies	(150,919.33)	(139,947.56)
Mandatory Transfers to Other Members	(1,196,942.39)	(1,227,537.37)
Nonmandatory Transfers to Other Members	(170,208.16)	
Nonmandatory Transfers to Members/Agencies - Cap Assets		(34,585,396.93)
Legislative Transfers - In		
Legislative Transfers - Out	(8,294,726.00)	(9,095,135.00)
Legislative Appropriations Lapsed		
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$ (2,057,180.58)	\$ (25,957,631.33)
	<u> </u>	<u> </u>
Change In Net Assets	\$ 13,193,462.07	\$ (4,677,353.86)
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 417,177,918.39	\$ 402,862,146.25
Restatement		18,993,126.00
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 417,177,918.39	\$ 421,855,272.25
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ 430,371,380.46	\$ 417,177,918.39
	<u> </u>	<u> </u>

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	83,049.17			19,335.11	
Salaries & Wages	39,515,364.83	24,364,234.76	2,677,616.35	5,270,268.58	16,254,225.00
Payroll Related Costs	8,310,472.70	4,955,144.29	490,970.50	1,015,869.41	3,361,527.27
Professional Fees & Services	1,141,805.76	1,917,078.68	623,032.95	279,240.82	2,338,164.44
Travel	233,827.31	508,368.05	51,150.94	52,778.03	408,125.06
Materials & Supplies	3,365,059.89	3,152,814.16	301,235.83	771,406.20	2,140,086.11
Communication & Utilities	66,795.04	128,408.19	70,094.85	80,617.10	282,809.72
Repairs & Maintenance	98,267.84	541,714.39	4,175.78	60,312.66	445,490.62
Rentals & Leases	852,464.36	233,999.17	395,830.90	669,194.81	202,983.43
Printing & Reproduction	113,890.61	78,314.58	59,738.87	15,591.49	77,515.84
Federal Pass-Through					
State Pass-Through		75,000.00			
Depreciation & Amortization					
Bad Debt Expense					
Interest	216.98	879.06		545.16	473.75
Scholarships	108,878.54	364,258.90	1,900.86		459,942.96
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	10,405,685.51	831,632.67	468,043.32	1,594,022.29	1,472,509.93
Total Operating Expenses	\$ 64,295,778.54	\$ 37,151,846.90	\$ 5,143,791.15	\$ 9,829,181.66	\$ 27,443,854.13

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$ 17,000.00						\$ 345,560.95	\$ 277,051.87
3,253,572.74	9,118,534.01	4,309,108.11	30,000.00			104,934,571.05	102,514,773.14
635,205.52	2,449,858.59	911,143.61	2,326.32			22,172,927.81	22,000,424.84
252,503.57	3,314,834.91	1,428,902.60				11,325,446.54	10,347,088.33
160,801.80	126,827.54	75,015.80				1,628,256.09	1,515,525.42
497,799.31	567,495.50	1,902,978.58	101.13			12,846,755.86	13,550,676.81
59,364.46	125,757.34	6,977,052.69				7,825,580.25	9,184,987.64
161,934.82	281,708.85	2,912,814.27				4,572,076.51	4,732,222.22
93,466.25	62,495.27	777,076.05	13,499.47			3,431,346.90	2,936,234.30
81,026.44	72,695.92	15,665.90	75.20			527,355.68	451,060.92
						75,000.00	139.96
					10,660,894.61	10,660,894.61	10,360,557.43
5,543.51						5,543.51	(366.76)
114.49	230.28	873.36				3,333.08	4,232.40
80,731.30			1,314,468.53	9,558.83		2,339,739.92	2,384,396.72
<u>1,734,786.67</u>	<u>455,259.66</u>	<u>424,844.42</u>	<u>73,893.45</u>	<u>14,515.35</u>		<u>17,475,193.27</u>	<u>17,934,319.71</u>
<u>\$ 7,033,850.88</u>	<u>\$ 16,575,697.87</u>	<u>\$ 19,735,475.39</u>	<u>\$ 1,434,364.10</u>	<u>\$ 864,846.80</u>	<u>\$ 10,660,894.61</u>	<u>\$ 200,169,582.03</u>	<u>\$ 198,193,324.95</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	27,202,146.55	24,359,159.19
Proceeds Received From Customers	26,149,919.16	26,341,600.20
Proceeds From Sponsored Programs	30,792,592.20	30,736,868.13
Proceeds From Auxiliary Enterprises	974,909.74	699,622.02
Proceeds From Loan Programs	743,028.97	695,870.82
Proceeds From Other Revenues	117,272.12	60,489.88
Payments to Suppliers for Goods and Services	(61,808,748.76)	(60,307,188.92)
Payments to Employees - Salaries	(104,595,670.24)	(102,554,338.01)
Payments to Employees - Benefits	(21,438,583.38)	(22,438,077.34)
Payments for Loans Provided	(484,088.25)	(489,549.37)
Payments for Other Expenses	(1,705,786.86)	(1,857,668.12)
Net Cash Provided [Used] By Operating Activities	<u>\$ (104,053,008.75)</u>	<u>\$ (104,753,211.52)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 108,797,754.05	\$ 113,258,342.88
Proceeds From Gifts	3,949,029.62	3,194,617.77
Proceeds From Endowments		1,555.00
Proceeds - Transfers From Other Funds	751,431.57	
Proceeds From Other Grant Revenue	215,859.89	7,465,011.79
Proceeds From Contributed Capital		
Proceeds From Other Revenues	48,447,633.10	45,349,594.15
Payments of Interest		
Payments - Transfers to Other Funds	(150,919.33)	(148,181.68)
Payments for Grant Disbursements		
Payments for Other Uses	(46,498,378.55)	(43,081,747.19)
Other Noncapital Transfers From/To System	1,126,790.61	1,060,932.65
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 116,639,200.96</u>	<u>\$ 127,100,125.37</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 19,084.50	\$ 22,010.90
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(3,759,941.69)	(5,981,269.17)
Payments of Principal On Debt		
Payments for Capital Leases	(416,572.12)	
Payments for Interest On Capital Related Debt	(18,980.83)	
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	4,357,316.64	7,294,162.07
Intrasystem Transfers for Capital Debt [Mandatory]	(9,491,668.39)	(10,322,672.37)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (9,310,761.89)</u>	<u>\$ (8,987,768.57)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(4,770,399.22)	(14,733,912.01)
Proceeds From Interest and Investment Income	3,285,212.05	3,110,003.25
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (1,485,187.17)</u>	<u>\$ (11,623,908.76)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 1,790,243.15</u>	<u>\$ 1,735,236.52</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 27,555,433.21</u>	<u>\$ 25,820,196.69</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 27,555,433.21</u>	<u>\$ 25,820,196.69</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 29,345,676.36</u>	<u>\$ 27,555,433.21</u>

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(115,111,021.45)	(116,522,340.79)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	10,660,894.61	10,360,557.43
Bad Debt Expense	225,658.49	496,840.76
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	(794,285.56)	57,422.43
Due From Other Agencies/Funds	(1,660,241.35)	694,157.25
Due From System Members	1,384,132.19	628,639.33
Inventory	(550,145.80)	173,066.72
Deferred Charges		
Prepaid Expenses	(127,596.13)	(181,170.85)
Loans and Contracts	157,513.46	108,923.59
Other Assets		
Payables	(771,510.22)	(2,098,359.77)
Due to Other Agencies/Funds	1,084,852.53	
Due to System Members	(40.95)	(9,740.69)
Unearned Revenue	643,836.10	1,431,443.35
Deposits	278,265.33	45,060.72
Compensated Absence Liability	526,680.00	62,289.00
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 11,058,012.70</u>	<u>\$ 11,769,129.27</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (104,053,008.75)</u>	<u>\$ (104,753,211.52)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 563,146.16	\$ 108,339.93
Net Increase [Decrease] In Fair Value of Investments	1,752,113.99	5,973,612.66
Gain/Loss On Sale or Disposal of Capital Assets	9,807.63	10,745.29
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	199,281.56	(25,625,856.77)

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
U.S. Department of Education					
<u>Direct Programs:</u>					
Fund for the Improvement of Postsecondary Education	84.116			\$	\$
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283	Hidalgo County - WIC Program/ DSHS2011038300			11,999.83
<u>Direct Programs:</u>					
Ryan White HIV/AIDS Dental Reimbursements Community Based Dental Partnership	93.924				
Totals - U.S. Department of Health and Human Services					11,999.83
Research & Development Cluster					
U.S. Department of Defense					
U.S. Department of Defense	12.000	Nano Release Technologies, LLC/ 021512			27,851.16
Military Medical Research and Development	12.420	Baylor Univeristy/ 43030111011			28,696.97
Totals - U.S. Department of Defense					56,548.13
U.S. Department of Veterans Affairs					
U.S. Department of Veterans Affairs	64.000	Altarum Institute/ SC-11-018 (GS-10F- 0261K/VA798-11- F0102)			76,153.39
<u>Direct Programs:</u>					
Veterans State Hospital Care	64.016				
Sharing Specialized Medical Resources	64.018				
Totals - U.S. Department of Veterans Affairs					76,153.39
Environmental Protection Agency					
International Financial Assistance Projects Sponsored by the Office of International Affairs	66.931	Border Environment Cooperation Commission/ TAA12-014 PID 20198 B2012 R6 .974			10,395.70
<u>Pass-Through From:</u>					
Internships, Training and Workshops for the Office of Air and Radiation	66.037				
<u>Pass-Through From:</u>					
Texas A&M University - Kingsville			732	2,489.47	
Totals - Environmental Protection Agency				2,489.47	10,395.70
U.S. Department of Health and Human Services					
U.S. Department of Health and Human Services	93.000	National Council on Aging/ interim funding			49,061.86
U.S. Department of Health and Human Services		University of Colorado- Denver/ FY11.001.006 AMD FY12.001.011			27,184.60
Cooperative Agreements to Improve the Health Status of Minority Populations	93.004	The American Legacy Foundation/ 7008-TEXAS CONTRACT			53,491.35
Innovations in Applied Public Health Research	93.061	Positive Motion, LLC/ (PRIME 1R43DP003339)			37,319.74
Oral Diseases and Disorders Research	93.121	Rice University/ R22091			11,189.54
Occupational Safety and Health Program	93.262	Old Dominion University/ 12-174-395071			3,585.53

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$ 20,000.00	\$ 20,000.00				\$ 20,000.00	\$ 20,000.00
20,000.00	20,000.00				20,000.00	20,000.00
	11,999.83				11,999.83	11,999.83
24,727.00	24,727.00				24,727.00	24,727.00
24,727.00	36,726.83				36,726.83	36,726.83
	27,851.16				27,851.16	27,851.16
	28,696.97				28,696.97	28,696.97
	56,548.13				56,548.13	56,548.13
	76,153.39				76,153.39	76,153.39
130,166.02	130,166.02				130,166.02	130,166.02
19,676.84	19,676.84				19,676.84	19,676.84
149,842.86	225,996.25				225,996.25	225,996.25
	10,395.70				10,395.70	10,395.70
	2,489.47				2,489.47	2,489.47
	12,885.17				12,885.17	12,885.17
	49,061.86				49,061.86	49,061.86
	27,184.60				27,184.60	27,184.60
	53,491.35				53,491.35	53,491.35
	37,319.74				37,319.74	37,319.74
	11,189.54				11,189.54	11,189.54
	3,585.53				3,585.53	3,585.53

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283	Edinburg Independent School District/ 2011-038171			4,200.16
Cardiovascular Diseases Research	93.837	Baylor College of Medicine/ 101548679			89,040.62
Allergy, Immunology and Transplantation Research	93.855	Indiana University/ EP-391212			103,298.86
Allergy, Immunology and Transplantation Research		University of California- Irvine/ interim			6,706.46
Biomedical Research and Research Training	93.859	Iowa State University/ 4304603A			14,244.51
<u>Direct Programs:</u>					
Environmental Health	93.113				
Oral Diseases and Disorders Research	93.121				
Centers of Excellence	93.157				
Research Related to Deafness and Communication Disorders	93.173				
Research and Training in Complementary and Alternative Medicine	93.213				
Research on Healthcare Costs, Quality and Outcomes	93.226				
Occupational Safety and Health Program	93.262				
Minority Health and Health Disparities Research	93.307				
Research Infrastructure Programs	93.351				
Cancer Biology Research	93.396				
ARRA - Trans-NIH Recovery Act Research Support	93.701				
Cardiovascular Diseases Research	93.837				
Arthritis, Musculoskeletal and Skin Diseases Research	93.846				
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847				
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				
Allergy, Immunology and Transplantation Research	93.855				
Microbiology and Infectious Diseases Research	93.856				
Biomedical Research and Research Training	93.859				
Child Health and Human Development Extramural Research	93.865				
Aging Research	93.866				
Vision Research	93.867				
<u>Pass-Through From:</u>					
Public Health Emergency Preparedness	93.069				
<u>Pass-Through From:</u>					
Department of State Health Services			537	105,196.75	
Occupational Safety and Health Program	93.262				
<u>Pass-Through From:</u>					
University of Texas Health Center at Tyler			785	67,512.58	
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283				
<u>Pass-Through From:</u>					
Department of State Health Services			537	59,919.89	
ARRA - Trans-NIH Recovery Act Research Support	93.701				
<u>Pass-Through From:</u>					
University of Texas Health Science Center at Houston			744	4,591.76	
Allergy, Immunology and Transplantation Research	93.855				
<u>Pass-Through From:</u>					
University of Texas M.D. Anderson Cancer Center			506	8,256.25	
Allergy, Immunology and Transplantation Research	93.855				
<u>Pass-Through From:</u>					
University of Texas Medical Branch at Galveston			723	233,085.09	
Allergy, Immunology and Transplantation Research	93.855				
<u>Pass-Through From:</u>					
University of Texas Health Science Center at Houston			744	23,895.51	
Totals - U.S. Department of Health and Human Services				502,457.83	399,323.23

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	4,200.16				4,200.16	4,200.16
	89,040.62			18,981.00	70,059.62	89,040.62
	103,298.86				103,298.86	103,298.86
	6,706.46				6,706.46	6,706.46
	14,244.51				14,244.51	14,244.51
574,057.40	574,057.40				574,057.40	574,057.40
369,645.64	369,645.64				369,645.64	369,645.64
433.00	433.00				433.00	433.00
307,849.92	307,849.92				307,849.92	307,849.92
36,023.66	36,023.66				36,023.66	36,023.66
40,712.01	40,712.01				40,712.01	40,712.01
4,388.28	4,388.28				4,388.28	4,388.28
89,149.25	89,149.25				89,149.25	89,149.25
167,481.47	167,481.47				167,481.47	167,481.47
828,959.45	828,959.45				828,959.45	828,959.45
307,403.01	307,403.01				307,403.01	307,403.01
469,057.78	469,057.78				469,057.78	469,057.78
219,208.33	219,208.33				219,208.33	219,208.33
179,140.85	179,140.85				179,140.85	179,140.85
264,666.67	264,666.67				264,666.67	264,666.67
239,976.07	239,976.07				239,976.07	239,976.07
7,005.50	7,005.50				7,005.50	7,005.50
68,926.17	68,926.17				68,926.17	68,926.17
166,323.41	166,323.41				166,323.41	166,323.41
155,249.90	155,249.90				155,249.90	155,249.90
230,024.35	230,024.35				230,024.35	230,024.35
	105,196.75				105,196.75	105,196.75
	67,512.58			5,597.14	61,915.44	67,512.58
	59,919.89				59,919.89	59,919.89
	4,591.76				4,591.76	4,591.76
	8,256.25				8,256.25	8,256.25
	233,085.09				233,085.09	233,085.09
	23,895.51				23,895.51	23,895.51
4,725,682.12	5,627,463.18			24,578.14	5,602,885.04	5,627,463.18

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Student Financial Assistance Cluster					
U.S. Department of Education					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
Federal Pell Grant Program	84.063				
Federal Direct Student Loans	84.268				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students	93.342				
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925				
Totals - U.S. Department of Health and Human Services					
Total Expenditures of Federal Awards				\$ 504,947.30	\$ 554,420.28

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SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
38,576.00	38,576.00				38,576.00	38,576.00
158,266.00	158,266.00				158,266.00	158,266.00
42,599,530.00	42,599,530.00				42,599,530.00	42,599,530.00
42,796,372.00	42,796,372.00				42,796,372.00	42,796,372.00
433,500.00	433,500.00				433,500.00	433,500.00
161,475.00	161,475.00				161,475.00	161,475.00
594,975.00	594,975.00				594,975.00	594,975.00
<u>\$ 48,311,598.98</u>	<u>\$ 49,370,966.56</u>		<u>\$ -</u>	<u>\$ 24,578.14</u>	<u>\$ 49,346,388.42</u>	<u>\$ 49,370,966.56</u>

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
 AND DISBURSEMENTS (PASS THROUGHS)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating		\$	21,914,441.82
Federal Grants and Contracts - Non-operating			158,266.00
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	504,947.30	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants			504,947.30
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	<u>22,577,655.12</u>

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:

 Donation of Federal Surplus Property

New Loans Processed [NOTE 3]:

 Federal Family Education Loans

 Federal Perkins Loan Program

 Federal Direct Student Loans

 Health Education Assistance Loans

 Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students

42,599,530.00

433,500.00

DEDUCT:

 Federal Grants to/from TAMRF

 COBRA 65% Subsidy (CFDA Number 17.151)

Total Pass Throughs and Expenditures per Federal Schedule

(16,239,718.56)

\$ 49,370,966.56

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

FEDERAL GRANT/PASS THROUGH GRANT OR PROGRAM TITLE	CFDA NUMBER	NEW LOANS PROCESSED	ADMINISTRATIVE COSTS RECOVERED	LOANS OR LOAN GUARANTEES OUTSTANDING AT YEAR-END	ENDING BALANCE OF PREVIOUS YEARS LOANS
U. S. Department of Education					
Federal Family Education Loans	84.032	\$	\$	\$	\$
Federal Perkins Loan Program	84.038				
Federal Direct Student Loans	84.268	42,599,530.00			
Total, U. S. Department of Education		<u>42,599,530.00</u>			
U.S. Department of Health and Human Services					
Health Education Assistance Loans	93.108				
Health Professions Student Loans, including Primary Care Loans/Loans for Disadvantaged Students (HPSL)	93.342	433,500.00		3,542,409.69	3,673,553.64
Total, U. S. Department of Health and Human Services		<u>433,500.00</u>		<u>3,542,409.69</u>	<u>3,673,553.64</u>
Total Student Loans Processed and Administrative Costs Recovered		<u>\$ 43,033,030.00</u>	<u>\$</u>	<u>\$ 3,542,409.69</u>	<u>\$ 3,673,553.64</u>

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Emerging Tech Governor - Fiscal	300.0005	300	\$ 415,147.47
KG081048 The Impact Of Obesity and Obesity Treatments On Breast Cancer University of Texas M.D. Anderson Cancer Center	506.0004	506	157,479.37
Tobacco Use Prevention and Control Department of State Health Services	537.0008	537	(381.24)
Texas Veteran Resource Program Department of State Health Services	537.0034	537	(1,866.59)
Military Veteran Peer Network Department of State Health Services	537.0037	537	214,852.18
Texas Youth Tobacco Awareness Program Department of State Health Services	537.0038	537	37,656.51
Administrative Core Cancer Prevention and Research Institute of Texas	542.0061	542	376,818.51
P2: Combinatorial Drug Discovery Program Cancer Prevention and Research Institute of Texas	542.0062	542	561,387.74
PP110176 - Enhanced Colorectal Cancer Screening in a Family Medicine Residency Program Serving Low-Income & Underserved: Translating Research Into Practice Cancer Prevention and Research Institute of Texas	542.0287	542	672,806.31
PP110241 - EPICO: Education to Promote Improved Cancer Outcomes Cancer Prevention and Research Institute of Texas	542.0288	542	194,961.00
RP120855 - P1: Targeting Cellular Energetics Pathways in Endometrial Cancer Cancer Prevention and Research Institute of Texas	542.0289	542	3,029.79
Need Based Scholarships Texas A&M University System	710.0003	710	628.00
Joint Admission Medical Program (JAMP) University of Texas System	720.0002	720	137,348.00
Personalized Online Adaptive Radiation Therapy University of Texas Southwestern Medical Center at Dallas	729.0002	729	29,288.95

UNAUDITED

SCHEDULE 1-B
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2012

Family Practice Residency Program	781.0001		
Texas Higher Education Coordinating Board		781	123,790.42
Nursing & Allied Health	781.0006		
Texas Higher Education Coordinating Board		781	69,388.00
Professional Nursing Shortage Reduction Program	781.0013		
Texas Higher Education Coordinating Board		781	73,974.00
Early High School Program HB1479	781.0036		
Texas Higher Education Coordinating Board		781	4,304.50
Total Pass-Through From State Agencies			\$ <u><u>3,070,612.92</u></u> (Exhibit IV)

Pass-through To:

Program Name
Agency Name

	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Regenerative Medicine Research	709.0002		
Texas A&M University System		710	75,000.00
Total Pass-Through To State Agencies			\$ <u><u>75,000.00</u></u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 12,941.00
Total Cash On Hand	<u>\$ 12,941.00</u>
Cash In State Treasury:	
Fund 0289	\$ 8,698,453.12
Fund 0818	<u>3,165,086.83</u>
Total Cash In State Treasury	<u>\$ 11,863,539.95</u>
Reimbursements Due From State Treasury	\$ 783,645.00
Assets Held By System Offices-Current	<u>4,005,067.11</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 16,665,193.06</u>
Restricted:	
Cash On Hand:	
Petty Cash Department Working Fund	\$ 500.00
Total Restricted Cash On Hand	<u>\$ 500.00</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 12,679,983.30</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 12,680,483.30</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 29,345,676.36</u></u>

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SCHEDULE N-2
 TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 30,436,317.41	\$ (3,310,013.25)	\$
Construction In Progress	111,572,012.14		
Other Tangible Capital Assets	243,017.34		
Total Non-Depreciable/Non-Amortizable Assets	\$ 142,251,346.89	\$ (3,310,013.25)	\$
Depreciable Assets			
Buildings	\$ 142,469,029.66	\$ 3,310,013.25	\$
Infrastructure	3,224,314.05		
Facilities and Other Improvements	1,831,304.90		
Furniture and Equipment	42,476,372.45		
Vehicles, Boats and Aircraft	914,329.21		
Other Capital Assets	24,824,609.20		
Total Depreciable Assets at Historical Cost	\$ 215,739,959.47	\$ 3,310,013.25	\$
Less Accumulated Depreciation For:			
Buildings	\$ (43,867,027.10)	\$	\$
Infrastructure	(919,272.68)		
Facilities and Other Improvements	(471,630.24)		
Furniture and Equipment	(24,608,430.48)		
Vehicles, Boats and Aircraft	(683,747.37)		
Other Capital Assets	(22,247,939.93)		
Total Accumulated Depreciation	\$ (92,798,047.80)	\$	\$
Depreciable Assets, Net	\$ 122,941,911.67	\$ 3,310,013.25	\$
Amortizable Assets - Intangible			
Computer Software	\$ 67,313.99	\$	\$
Total Intangible Assets at Historical Cost	\$ 67,313.99	\$	\$
Less Accumulated Amortization For:			
Computer Software	\$ (53,483.20)	\$	\$
Total Accumulated Amortization	\$ (53,483.20)	\$	\$
Amortizable Assets-Net	\$ 13,830.79	\$	\$
Capital Assets, Net	\$ 265,207,089.35	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$	\$	\$	\$	\$ 27,126,304.16
				111,572,012.14
				243,017.34
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	\$	\$	\$	\$ 138,941,333.64
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	\$	\$	\$	\$ 145,779,042.91
				3,224,314.05
				1,831,304.90
340,734.20		4,901,934.82	(982,449.12)	46,736,592.35
		57,836.86		972,166.07
		3,447.51	(889.62)	24,827,167.09
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\$ 340,734.20	\$	\$ 4,963,219.19	\$ (983,338.74)	\$ 223,370,587.37
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	\$	\$ (6,346,156.15)	\$	\$ (50,213,183.25)
		(179,060.76)		(1,098,333.44)
		(93,690.96)		(565,321.20)
(141,452.64)		(3,722,293.49)	961,367.37	(27,510,809.24)
		(78,115.94)		(761,863.31)
		(205,560.66)	889.62	(22,452,610.97)
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\$ (141,452.64)	\$	\$ (10,624,877.96)	\$ 962,256.99	\$ (102,602,121.41)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 199,281.56	\$	\$ (5,661,658.77)	\$ (21,081.75)	\$ 120,768,465.96
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	\$	\$ 423,000.00	\$ (7,181.90)	\$ 483,132.09
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\$	\$	\$ 423,000.00	\$ (7,181.90)	\$ 483,132.09
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\$	\$	\$ (36,016.65)	\$ 7,181.90	\$ (82,317.95)
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\$	\$	\$ (36,016.65)	\$ 7,181.90	\$ (82,317.95)
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\$	\$	\$ 386,983.35	\$	\$ 400,814.14
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\$ 199,281.56	\$	\$ (5,274,675.42)	\$ (21,081.75)	\$ 260,110,613.74
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FINANCIAL REPORT

OF

TEXAS A&M RESEARCH FOUNDATION

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



LEO J. PATERRA, PRESIDENT AND CHIEF EXECUTIVE OFFICER

LINDA F. WOODMAN, CHIEF FINANCIAL OFFICER

COLLEGE STATION, TEXAS

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TEXAS A&M RESEARCH FOUNDATION
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1 - A	Schedule of Expenditures of Federal Awards	014-8-1
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EXHIBIT III
TEXAS A&M RESEARCH FOUNDATION
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	16,652,578.94	12,602,492.76
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments		
Legislative Appropriations		
Receivables, Net:		
Federal	8,437,981.25	12,031,692.93
Other Intergovernmental		
Interest and Dividends	93,207.51	22,468.19
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	3,139,522.30	
Other	919,092.73	5,752,184.26
Due From Other Agencies		
Due From Other Members	37,725.95	28,284.52
Due From Other Funds		
Consumable Inventories		
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets	16,843.33	38,277.97
Total Current Assets	\$ 29,296,952.01	\$ 30,475,400.63
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Offices		
Investments	252,003.44	207,718.72
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	10,038,030.10	12,524,723.02
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	305,303.34	305,303.34
Construction In Progress		
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	1,664,594.17	1,664,594.17
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	45,625,004.53	44,652,914.23
Vehicles, Boats, and Aircraft		27,536.94
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	1,179,737.63	1,179,737.63
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(35,602,349.25)	(34,146,499.05)
Assets Held In Trust		
Other Non-Current Assets	13,017.58	84,123.62
Total Non-Current Assets and Deferred Outflows	\$ 23,475,341.54	\$ 26,500,152.62
Total Assets and Deferred Outflows	\$ 52,772,293.55	\$ 56,975,553.25

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EXHIBIT III
TEXAS A&M RESEARCH FOUNDATION
BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>	<u>PRIOR YEAR TOTAL</u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 3,712,603.85	\$ 5,314,741.88
Payroll		
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies		
Due to Other Funds		
Due to Other Members	19,999,677.90	20,751,043.34
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	8,695,224.56	8,268,030.63
Employees' Compensable Leave	23,962.80	37,584.36
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities	83,049.00	287,777.89
Total Current Liabilities	<u>\$ 32,514,518.11</u>	<u>\$ 34,659,178.10</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 121,523.53	\$ 193,036.74
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 121,523.53</u>	<u>\$ 193,036.74</u>
Total Liabilities and Deferred Inflows	<u>\$ 32,636,041.64</u>	<u>\$ 34,852,214.84</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 13,172,290.42	\$ 13,683,587.26
Restricted For:		
Debt Service		
Capital Projects		
Education	2,018,401.27	2,554,960.56
Endowment and Permanent Funds:		
Nonexpendable		
Expendable	53,187.44	51,142.72
Unrestricted	4,892,372.78	5,833,647.87
Total Net Assets [Exhibit IV]	<u>\$ 20,136,251.91</u>	<u>\$ 22,123,338.41</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 52,772,293.55</u>	<u>\$ 56,975,553.25</u>

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EXHIBIT IV
 TEXAS A&M RESEARCH FOUNDATION
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$	\$
Discounts and Allowances		
Net Tuition and Fees - Non-Pledged		
Net Professional Fees	923,908.66	7,803,117.55
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	921,292.74	1,386,537.62
Discounts and Allowances-Sales		
	<hr/>	<hr/>
Total Sales of Goods and Services	\$ 1,845,201.40	\$ 9,189,655.17
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	158,743,052.48	182,465,309.90
Federal Pass Through Revenue		
State Grant Revenue	252,779.67	627,752.22
State Pass Through Revenue		
Other Grants and Contracts - Operating	7,833,727.18	9,703,218.53
Other Operating Revenue	674,694.56	805,622.44
	<hr/>	<hr/>
Total Operating Revenues	\$ 169,349,455.29	\$ 202,791,558.26
Operating Expenses		
Instruction	\$ 106,321.00	\$ 35,728.68
Research	163,082,726.59	184,960,784.54
Public Service	17,668.29	1,012,539.87
Hospitals and Clinics		
Academic Support		
Student Services	1,725,661.21	1,889,067.99
Institutional Support	4,081,244.71	9,572,065.08
Operation & Maintenance of Plant		
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	2,781,405.87	2,829,943.31
	<hr/>	<hr/>
Total Operating Expenses [Schedule IV-1]	\$ 171,795,027.67	\$ 200,300,129.47
Total Operating Income [Loss]	\$ (2,445,572.38)	\$ 2,491,428.79
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$	\$
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts		
Land Income		
Investment Income	228,903.56	291,800.64
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(23,467.08)	
Interest Expense and Fiscal Charges		(39,527.04)
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		
Net Increase [Decrease] In Fair Value	379,137.07	981,735.39
Settlement of Claims		
Other Nonoperating Revenues	194,868.29	1,218,128.34
Other Nonoperating [Expenses]	(320,955.96)	(1,794,113.59)
	<hr/>	<hr/>
Total Nonoperating Revenues [Expenses]	\$ 458,485.88	\$ 658,023.74
Income [Loss] Before Other Revenues and Transfers	\$ (1,987,086.50)	\$ 3,149,452.53

UNAUDITED

EXHIBIT IV
 TEXAS A&M RESEARCH FOUNDATION
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Other Revenues and Transfers		
Capital Contributions	\$	\$
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members		
Nonmandatory Transfers From Members/Agencies-Cap Assets		
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members		
Nonmandatory Transfers to Other Members		
Nonmandatory Transfers to Members/Agencies - Cap Assets		
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		
	<u> </u>	<u> </u>
Total Other Revenues and Transfers	\$	\$
Change In Net Assets	\$ (1,987,086.50)	\$ 3,149,452.53
Beginning Net Assets, September 1, 2011 and 2010 Restatement	\$ 22,123,338.41	\$ 18,973,885.88
	<u> </u>	<u> </u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$ 22,123,338.41	\$ 18,973,885.88
	<u> </u>	<u> </u>
Net Assets, August 31, 2012 and 2011	\$ 20,136,251.91	\$ 22,123,338.41

UNAUDITED

SCHEDULE IV-1
 TEXAS A&M RESEARCH FOUNDATION
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2012

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold					
Salaries & Wages	49,401.63	50,048,072.29	2,397.85		
Payroll Related Costs	6,872.38	9,268,115.84	462.30		
Professional Fees & Services		43,417,626.82	5,751.33		
Travel	8,167.63	6,089,106.65			
Materials & Supplies		16,672,807.77	4,656.40		
Communication & Utilities		358,293.35			
Repairs & Maintenance		903,736.11			
Rentals & Leases		124,425.19			
Printing & Reproduction		208,180.43	144.40		
Federal Pass-Through					
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest					
Scholarships	20,000.00	4,355,151.06			
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	21,879.36	31,637,211.08	4,256.01		
Total Operating Expenses	\$ 106,321.00	\$ 163,082,726.59	\$ 17,668.29	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
73,851.48	1,183,080.38					51,356,803.63	59,682,567.38
7,757.78	565,682.19					9,848,890.49	12,148,729.82
1,392,041.69	626,802.15					45,442,221.99	50,728,831.62
	21,485.99					6,118,760.27	6,972,790.71
	17,669.33					16,695,133.50	21,232,136.24
12,937.04	228,537.28					599,767.67	854,704.31
	149,878.79					1,053,614.90	1,149,808.52
4,176.13	333,758.40					462,359.72	510,014.85
						208,324.83	192,720.05
					2,781,405.87	2,781,405.87	2,829,943.31
	4,080.06					4,080.06	10,081.85
						4,375,151.06	4,162,357.97
<u>234,897.09</u>	<u>950,270.14</u>					<u>32,848,513.68</u>	<u>39,825,442.84</u>
<u>\$ 1,725,661.21</u>	<u>\$ 4,081,244.71</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,781,405.87</u>	<u>\$ 171,795,027.67</u>	<u>\$ 200,300,129.47</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
 TEXAS A&M RESEARCH FOUNDATION
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees		
Proceeds Received From Customers	1,845,201.40	1,374,925.39
Proceeds From Sponsored Programs	173,209,287.30	199,171,877.38
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues		
Payments to Suppliers for Goods and Services	(169,816,150.24)	(191,387,336.80)
Payments to Employees - Salaries	(1,183,080.38)	(5,550,785.27)
Payments to Employees - Benefits	(565,682.19)	(1,664,278.73)
Payments for Loans Provided		
Payments for Other Expenses		
Net Cash Provided [Used] By Operating Activities	\$ 3,489,575.89	\$ 1,944,401.97
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$	\$
Proceeds From Gifts		
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues		
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses		
Other Noncapital Transfers From/To System		
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$	\$
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(2,417,025.31)	(4,402,040.52)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]		
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (2,417,025.31)	\$ (4,402,040.52)
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	2,821,998.14	(202,179.65)
Proceeds From Interest and Investment Income	205,436.48	252,273.60
Payments to Acquire Investments	(49,899.02)	(50,746.65)
Net Cash Provided [Used] By Investing Activities	\$ 2,977,535.60	\$ (652.70)
Increase [Decrease] In Cash and Cash Equivalents	\$ 4,050,086.18	\$ (2,458,291.25)
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	\$ 12,602,492.76	\$ 15,060,784.01
Restated Beginning Cash and Cash Equivalents	\$ 12,602,492.76	\$ 15,060,784.01
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	\$ 16,652,578.94	\$ 12,602,492.76

UNAUDITED

EXHIBIT V
 TEXAS A&M RESEARCH FOUNDATION
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2012

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(2,445,572.38)	2,491,428.79
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	2,781,405.87	2,829,943.31
Bad Debt Expense		
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	5,287,280.91	(1,119,717.06)
Due From Other Agencies/Funds		
Due From System Members	(9,441.43)	39,869.37
Inventory		
Deferred Charges		
Prepaid Expenses	21,434.64	650,753.51
Loans and Contracts		
Other Assets	71,106.04	
Payables	(1,602,602.59)	(510,163.48)
Due to Other Agencies/Funds		
Due to System Members	(751,365.44)	(1,196,653.85)
Unearned Revenue	427,193.93	(1,164,907.80)
Deposits		
Compensated Absence Liability	(85,134.77)	(363,307.51)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities	(204,728.89)	287,156.69
Total Adjustments	<u>\$ 5,935,148.27</u>	<u>\$ (547,026.82)</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ 3,489,575.89</u>	<u>\$ 1,944,401.97</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$	\$
Net Increase [Decrease] In Fair Value of Investments	26,485.91	700,984.50
Gain/Loss On Sale or Disposal of Capital Assets		
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other		

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Research & Development Cluster					
U.S. Department of Agriculture					
Rosbreed: Enabling Marker Assisted Breeding in Rosaceae	10.000	61-4296H (2009-51181-05808)	\$	-	\$ 46,048.37
Federal-State Marketing Improvement Program	10.156	RC064760TAMU			6,956.52
Grants for Agricultural Research-Special Research Grants	10.200	S11050			3,966.92
1890 Institution Capacity Building Grants	10.216	CR-0645-0001(USDA 2010-38821-21476)			12,048.95
1890 Institution Capacity Building Grants	10.216	10048			
Higher Education Challenge Grants	10.217	60025469 (2010-38411-21368)			14,909.00
Hispanic Serving Institutions Education Grants	10.223	1001151			32,380.45
Research Innovation and Development Grants in Economic (RIDGE)	10.255	018000-321470-02			22,984.42
Integrated Programs	10.303	G-1420-5 (USDA 2009-51110-06067)			39,482.90
Integrated Programs	10.303	AB-5-67490-TAMU-RF			145,219.62
Integrated Programs	10.303	S11059 (2010-51110-21083)			51,442.96
Specialty Crop Research Initiative	10.309	2010-03728-01			8,140.05
Agriculture and Food Research Initiative (AFRI)	10.310	3048081100-07-291 (2007-35600-17829)			342.70
		RD317100/4784286 (2011-68003-30012)			59,391.99
		201015739-02			67,022.46
		422198-19819			4,878.51
		Z541306 (USDA 2011-85204-30046)			24,586.10
		Z541305 (USDA 2011-85204-30046)			15,271.34
		25606 (2011-67003-30342)			47,464.69
		UF11099 (USDA 2011-68002-30185)			224,351.22
		25-6321-0212-003 (2011-67003-30206)			106,067.85
		58396			56,549.51
		58396			14,733.69
		C00031587-7 (USDA 2011-68004-30214)			6,577.78
		TAMRF-30213 (2011-657003-30213)			67,045.08
Direct Programs:					
Agricultural Research Basic and Applied Research	10.001				
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Grants for Agricultural Research-Special Research Grants	10.200				
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.210				
1890 Institution Capacity Building Grants	10.216				
Food Assistance and Nutrition Research Programs	10.253				
Integrated Programs	10.303				
International Science and Education Grants	10.305				
Organic Agriculture Research and Extension Initiative	10.307				
Specialty Crop Research Initiative	10.309				
Agriculture and Food Research Initiative (AFRI)	10.310				
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443				
Environmental Quality Incentives Program	10.912				
Scientific Cooperation and Research	10.961				
Totals - U.S. Department of Agriculture					1,077,863.08
U.S. Department of Commerce					
South West Academy for Nanoelectronics (SWAN)	11.000	UTA06-824			
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	11.400	052304TAMRF			11,472.92
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432	08112011			86,310.34
		329K453 (DOCNOAA NAI0NES4400013)			29,701.56
Unaffiliated Management Projects	11.454	011-004 (NA10NMF4540112 - NOAA)			12,360.86
		CA11-17			13,565.19
Habitat Conservation	11.463	1050/DG133C006NC1729/GSA10F0224J			2,722.93
Coastal Services Center	11.473	100019824			7,781.40
Direct Programs:					
Integrated Ocean Observing System	11.012				
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427				
Climate and Atmospheric Research	11.431				
Marine Fisheries Initiative	11.433				
Unaffiliated Management Projects	11.454				
Special Oceanic and Atmospheric Projects	11.460				
Applied Meteorological Research	11.468				
Coastal Services Center	11.473				
Center for Sponsored Coastal Ocean Research-Coastal Ocean Program	11.478				
Totals - U.S. Department of Commerce					163,915.20
U.S. Department of Defense					
Transportation Rates & Closure Response Research Calcasieu Lock	12.000	MURC 210145, P1000933			4,500.16

UNAUDITED

SCHEDULE I - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
\$	\$		\$	\$	\$	\$
	46,048.37				46,048.37	46,048.37
	6,956.52				6,956.52	6,956.52
	3,966.92				3,966.92	3,966.92
	12,048.95				12,048.95	12,048.95
18,507.85	18,507.85				18,507.85	18,507.85
	14,909.00				14,909.00	14,909.00
	32,380.45				32,380.45	32,380.45
	22,984.42				22,984.42	22,984.42
	39,482.90				39,482.90	39,482.90
	145,219.62				145,219.62	145,219.62
	51,442.96				51,442.96	51,442.96
	8,140.05				8,140.05	8,140.05
	342.70				342.70	342.70
	59,391.99				59,391.99	59,391.99
	67,022.46				67,022.46	67,022.46
	4,878.51				4,878.51	4,878.51
	24,586.10				24,586.10	24,586.10
	15,271.34				15,271.34	15,271.34
	47,464.69				47,464.69	47,464.69
	224,351.22				224,351.22	224,351.22
	106,067.85				106,067.85	106,067.85
	56,549.51				56,549.51	56,549.51
	14,733.69				14,733.69	14,733.69
	6,577.78				6,577.78	6,577.78
	67,045.08				67,045.08	67,045.08
16,318.35	16,318.35				16,318.35	16,318.35
246,818.22	246,818.22				246,818.22	246,818.22
184,665.34	184,665.34			7,645.43	177,019.91	184,665.34
227,370.84	227,370.84			12,250.02	215,120.82	227,370.84
72,947.24	72,947.24				72,947.24	72,947.24
84,545.56	84,545.56				84,545.56	84,545.56
144,620.87	144,620.87				144,620.87	144,620.87
25,412.35	25,412.35				25,412.35	25,412.35
75,074.07	75,074.07				75,074.07	75,074.07
731,298.99	731,298.99			589,444.60	141,854.39	731,298.99
3,840,203.36	3,840,203.36			1,721,058.42	2,119,144.94	3,840,203.36
27,187.61	27,187.61				27,187.61	27,187.61
55,227.73	55,227.73				55,227.73	55,227.73
16,704.96	16,704.96				16,704.96	16,704.96
5,766,903.34	6,844,766.42			2,330,398.47	4,514,367.95	6,844,766.42
76,306.77	76,306.77				76,306.77	76,306.77
	11,472.92				11,472.92	11,472.92
	86,310.34				86,310.34	86,310.34
	29,701.56				29,701.56	29,701.56
	12,360.86				12,360.86	12,360.86
	13,565.19				13,565.19	13,565.19
	2,722.93				2,722.93	2,722.93
	7,781.40				7,781.40	7,781.40
809,275.23	809,275.23			508,257.32	301,017.91	809,275.23
106,254.22	106,254.22			4,899.49	101,354.73	106,254.22
464,857.79	464,857.79				464,857.79	464,857.79
59,902.08	59,902.08				59,902.08	59,902.08
80,253.64	80,253.64				80,253.64	80,253.64
43,679.61	43,679.61				43,679.61	43,679.61
132,429.07	132,429.07			12,661.74	119,767.33	132,429.07
591,097.45	591,097.45			213,943.51	377,153.94	591,097.45
57,840.98	57,840.98				57,840.98	57,840.98
2,421,896.84	2,585,812.04			739,762.06	1,846,049.98	2,585,812.04
	4,500.16				4,500.16	4,500.16

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
High Heat Flux Removal (HHER) Systems for Aerodynamic and Aerospace Thermal Management	12.000	08-S590-0004-02-C1			30,241.56
Peaking Factor (PF) Correlation Development & Helical Wire Insert Enhancement for Thermal Management	12.000	11-S590-0004-02-C19			113,900.50
Science Applications International Corporation Mentor Protege Program with Characterization of Chlorinated Aliphatic Hydrocarbon Degrading Lineages Within the Camp Stanley Sotrage Activity Bioreactor	12.000	010111883			28,872.95
Basic and Applied Scientific Research	12.000	33038			16,735.73
Military Medical Research and Development	12.420	UTA09-000726 (N00014-09-1-1054)			
		127561 126994			
		003233, C-3290			54,022.22
Basic Scientific Research	12.431	07-1410, 13060 FA35			58,183.59
Basic Scientific Research	12.431	S08020			423,793.94
Basic, Applied, and Advanced Research in Science and Engineering	12.630	2009-ROTC-U634007-1-TAMU			259,436.25
Research and Technology Development	12.910	N00014-11-C-0593			55,223.24
Direct Programs:					
REQ - Army Research Laboratory	12.000	W911QX-10-C-0003			
Long-Term Monitoring of Human Impacts at McMurdo Station, Antarctica - Phase 6	12.000	W913E5-10-C-0017			
Discovery of Host-Based Therapeutics Targets for Biothreat Agents Using High-Throughput Screening of Mouse Embryonic Stem Cell	12.000	HDTRAI-10-C-0063			
Discovery of Host-Based Therapeutics Targets for Biothreat Agents Using High-Throughput Screening of Mouse Embryonic Stem Cell	12.000	HDTRAI-10-C-0063			
University Affiliation for Principles of Military Preventative Medicine Program of Instruction - Option Year 3	12.000	P00001			
University Affiliation for Principles of Military Preventative Medicine Program Instruction - Option Year 4	12.000	W81K04-08-D0001			
		0004, 01			
University Affiliation for Principles of Military Preventative Medicine Program Instruction - Option Year 4	12.000	W81K04-08-D0001 005.			
		01			
Long-Term Monitoring of Human Impacts at McMurdo Station, Antarctica - Phase 7	12.000	W913E5-11-C-0004			
Realistic Spin-Fets and Efficient Spin-Logic Architectures for Low Power Logic Computing	12.000	N00014-11-1-0672			
Long-Term Monitoring of Human Impacts at McMurdo Station, Antarctica - Phase 8	12.000	W913E5-12-C-0006			
Basic and Applied Scientific Research	12.300				
Military Medical Research and Development	12.420				
Basic Scientific Research	12.431				
Air Force Defense Research Sciences Program	12.800				
Mathematical Sciences Grants Program	12.901				
Totals - U.S. Department of Defense					1,044,910.14
U.S. Department of Housing and Urban Development					
Demolition and Revitalization of Severely Distressed Public Housing	14.866	01012007-04152011			1,551.76
Totals - U.S. Department of Housing and Urban Development					1,551.76
U.S. Department of the Interior					
Construction of a Computer Model of the St. Croix River Watershed to Address Non-Point Pollution Loads	15.000	01122009 (NPS 1659005002C)			27,683.23
Exploration and Research of Mid-Atlantic Deepwater Hard Bottom Habitats and Shipwrecks with Emphasis on Canyons and Coral	15.000	CSA JOB 2314			18,437.59
Coastal Impact Assistance Program (CIAP)	15.426	411172			
Direct Programs:					
B-Laboratory Analysis of Animal Tissue, Oil and Sediment Samples for Residue of Inorganic Contaminants	15.000	982107D004			
U.S. Fish and Wildlife Service Analysis of Environmental Materials for Organic Contaminants	15.000	982108D105/F12PC00080			
Water Conservation Field Services Program (WCFSF)	15.530				
Migratory Bird Monitoring, Assessment and Conservation	15.655				
Totals - U.S. Department of the Interior					46,120.82
U.S. Department of Justice					
Direct Programs:					
Part E - Developing, Testing and Demonstrating Promising New Programs	16.541				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560				
Totals - U.S. Department of Justice					-
U.S. Department of State					
Breeding Sorghum for Improved Resistance to Biotic and Abiotic Stresses and Enhanced End-Use Characteristics for Southern Africa	19.000	25-6805-0016-906 (TAM-102)			96,814.51
Direct Programs:					
RDT&E of Vehicle Anti-Ram Barriers	19.000	S-DSASD-10-CA-201			
Totals - U.S. Department of State					96,814.51
U.S. Department of Transportation					

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 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass-Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	30,241.56				30,241.56	30,241.56
	113,900.50				113,900.50	113,900.50
	28,872.95				28,872.95	28,872.95
	16,735.73				16,735.73	16,735.73
183,623.31	183,623.31				183,623.31	183,623.31
220,608.75	220,608.75				220,608.75	220,608.75
	54,022.22				54,022.22	54,022.22
	58,183.59				58,183.59	58,183.59
	423,793.94				423,793.94	423,793.94
	259,436.25				259,436.25	259,436.25
	55,223.24				55,223.24	55,223.24
11,660.55 (840.00)	11,660.55 (840.00)				11,660.55 (840.00)	11,660.55 (840.00)
48,674.13	48,674.13				48,674.13	48,674.13
1,899,258.79	1,899,258.79				1,899,258.79	1,899,258.79
28,340.03	28,340.03				28,340.03	28,340.03
21,099.13	21,099.13				21,099.13	21,099.13
99,076.06	99,076.06			24,020.00	75,056.06	99,076.06
91,744.60	91,744.60				91,744.60	91,744.60
183,098.49	183,098.49			41,019.00	142,079.49	183,098.49
899,279.34	899,279.34			77,070.43	822,208.91	899,279.34
1,883,125.23	1,883,125.23			355,858.51	1,527,266.72	1,883,125.23
80,009.81	80,009.81				80,009.81	80,009.81
331,681.63	331,681.63				331,681.63	331,681.63
80,190.03	80,190.03				80,190.03	80,190.03
<u>6,060,629.88</u>	<u>7,105,540.02</u>			<u>497,967.94</u>	<u>6,607,572.08</u>	<u>7,105,540.02</u>
	1,551.76				1,551.76	1,551.76
	<u>1,551.76</u>				<u>1,551.76</u>	<u>1,551.76</u>
	27,683.23				27,683.23	27,683.23
	18,437.59				18,437.59	18,437.59
223,373.73	223,373.73			147,500.00	75,873.73	223,373.73
25,073.96	25,073.96				25,073.96	25,073.96
264,162.01	264,162.01				264,162.01	264,162.01
44,211.79	44,211.79				44,211.79	44,211.79
50,444.03	50,444.03				50,444.03	50,444.03
<u>607,265.52</u>	<u>653,386.34</u>			<u>147,500.00</u>	<u>505,886.34</u>	<u>653,386.34</u>
3,719.75	3,719.75				3,719.75	3,719.75
167,684.73	167,684.73			100,066.36	67,618.37	167,684.73
<u>171,404.48</u>	<u>171,404.48</u>			<u>100,066.36</u>	<u>71,338.12</u>	<u>171,404.48</u>
	96,814.51				96,814.51	96,814.51
854,895.94	854,895.94				854,895.94	854,895.94
<u>854,895.94</u>	<u>951,710.45</u>				<u>951,710.45</u>	<u>951,710.45</u>

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SCHEDULE I - A
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 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Pavement Marking Concepts	20.000	TO4400128959; 4600006508			38,145.82
National Work Zone Safety Information Clearinghouse	20.000	03192007			190,871.59
Work Zone Safety Grants	20.000	06042007			22,740.81
Performance Measurement Tool Box and Reporting System for Research Programs and Projects	20.000	HR 20-63A			1,988.53
WZ Performance Measures Pilot Test	20.000	600112-8			3,638.45
Enhanced Safety Prediction Methodology and Analysis Tool for Freeways and Interchanges	20.000	HR 17-45			161,751.54
Increased Understanding of Driver Visibility Requirements	20.000	4400150454			26,363.07
Measuring Border Delay and Crossing Times at the US/Mexico Border	20.000	60011214			50,599.64
Trip-Generation Rates for Transportation Impact Analyses of Infill Developments	20.000	04/11/08 (HR 08-66)			963.44
UPA Evaluation	20.000	600112-15			147,600.35
Context Sensitive Solutions Designing for Major Urban Thoroughfares for Walkable Communities	20.000	ITF 00-21.11			2,424.14
Development of Clear Recovery Area Guidelines	20.000	HR 17-11(002)			8,717.89
Roadway Departure Focus State Initiatives: Technical Assistance and Support	20.000	TO4400159334-4600006508			38,257.35
Development of Methodologies to Evaluate the Nighttime Safety Implications of the Roadway Visual Scene Under Varying Cognitive Task Loads	20.000	CR19819425891			252.80
Motivations for Speeding	20.000	223724			189.90
Identification of Utility Conflicts and Solutions	20.000	SHR R-15(B)			3,863.12
Using Both Infrared and High-Speed Ground Penetrating Radar for Uniformity Measurements on New HMA Layers	20.000	SHRP R-06(C)			78,065.69
Recommended Laboratory Test for Predicting the Initial Retroreflectivity of Pavement Markings from Glass Bead Quality	20.000	4281716(NCHRP 0438)			32,061.66
Applying Intelligent Transportation Systems to Improve Airport Traveler Access Information	20.000	ACRP A10-08			6,316.29
Assessing Alternative Methods for Measuring Regional Mobility in Metropolitan Regions	20.000	7315, TO #102			3,499.73
Sustainability Performance Measures for State Departments of Transportation and Other Transportation Agencies	20.000	NAS 138, TO1, HR 08-74			2,057.96
Effectiveness of Different Approaches to Disseminating Traveler Information on Travel Time Reliability	20.000	SHRP L-14			236,028.08
High-Speed Nondestructive Testing Methods for Mapping Voids, Debonding, Delaminations, Moisture, and Other Defects	20.000	SHRP R-06G			685,573.81
Urban Congestion Report Program	20.000	600112-26			19.44
Development in Weather Responsive Traffic Management (WRTM) Strategies	20.000	600112.29			16,149.28
Introduction to Statewide Transportation Planning TPE05-30	20.000	3854 PO1409855 430264			13,166.20
Traffic Incident Management (TIM) Incident-Performance Metric Adoption Campaign	20.000	600112-30			5,320.07
Support to FHWA in the Development of Congestion Pricing Marketing Material Transportation Planning Process	20.000	600112-32			1,783.61
Work Plan for 2007 TOPR No. 6 - Task 2.2 - Highways for Life Projects	20.000	L00028.09003			37,467.42
NHI Operations Courses (Items IDIQ)	20.000	22709NHI (DOTFHWA6108D0036)			13,393.23
Production of the New AASHTO Practical Guide to Estimating	20.000	1546560, PO0000072559			1,091.77
Assessing Public Benefits and Costs of Freight Transportation Projects	20.000	211K481			26,194.19
Improved Right-of-Way Procedures and Business Practices	20.000	NAS 128,HR-20-84, 4			50,387.55
Highway Infrastructure and Operations Safety Research Needs	20.000	W005771, UNC-CH 5-43641			867.56
Effective Removal of Pavement Markings	20.000	NAS 138, TO 4: HR 14-22			83,434.49
Support to FHWA for Developing a White Paper on How Operations Supports Livability, Sustainability, and Climate Change Goals	20.000	600112-35			292.43
Guidelines for Cost Effective Safety Treatments of Roadside Ditches	20.000	NAS 138 TO 01, HR 16-05			77,442.66
Design Guidelines for TI-3 Through TI-5 Roadside Barrier Systems Placed on Mechanically Stabilized Earth (MSE) Retaining Walls	20.000	NCHRP 22-20(002)			156,802.87
Incorporating Reliability Performance Measures into the Transportation Planning and Programming Processes	20.000	8353-001			54,552.25
Transit Data Collection and Analysis in State DOT Transit Units and a Toolkit for Next Generation Transit Data Analysis	20.000	1			2,417.06
Long-Range Strategic Issues Affecting Preservation, Maintenance, and Renewal of Highway Infrastructure	20.000	NAS 138, TO 07, HR 20-83(003)			10,067.75
Performance-Related Specifications for Pavement Preservation Treatments	20.000	NAS 138, TO 05, HR 10-82			13,101.38
Developing a Congestion Mitigation Toolbox	20.000	2009-0661			1,933.61
Performance of WMA Technologies: Stage I - Moisture Susceptibility	20.000	NAS 138, TO 06, HR 09-49			186,141.54
Project Management - Technical Support for Highway Safety	20.000	PO10052675-R1 4600006508			11,738.47
TACTICS - Crew Resource MGT Safety Training Initiative	20.000	PON6583			33,547.04
Private Sector Data for Performance Management	20.000	600112-37			3,375.62
Transit Capacity and Quality of Service Manual, 3rd Edition	20.000	10800 TCRP A-15C			14,459.30
ITS Standards Training Year 1 Module Development - Task IT42-019	20.000	ITF-00-21.12.2, TO IT42-019			(3,795.58)
Best Practices for Intelligent Interfaces	20.000	8172-S-010, TO 1			262.71
An Investigation of Teen Driver Parental Involvement Programs in the U.S.	20.000	DTNH22-09-D-00134/TO0001			6,967.13
Bottleneck Initiative - Unique Challenges Overcome	20.000	600112-39			19,109.68

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			Agencies or Universities Amount	Non-State Entities Amount		
	38,145.82			23,526.72	14,619.10	38,145.82
	190,871.59				190,871.59	190,871.59
	22,740.81				22,740.81	22,740.81
	1,988.53				1,988.53	1,988.53
	3,638.45				3,638.45	3,638.45
	161,751.54			46,452.24	115,299.30	161,751.54
	26,363.07				26,363.07	26,363.07
	50,599.64				50,599.64	50,599.64
	963.44				963.44	963.44
	147,600.35				147,600.35	147,600.35
	2,424.14				2,424.14	2,424.14
	8,717.89				8,717.89	8,717.89
	38,257.35				38,257.35	38,257.35
	252.80				252.80	252.80
	189.90				189.90	189.90
	3,863.12				3,863.12	3,863.12
	78,065.69				78,065.69	78,065.69
	32,061.66				32,061.66	32,061.66
	6,316.29				6,316.29	6,316.29
	3,499.73				3,499.73	3,499.73
	2,057.96				2,057.96	2,057.96
	236,028.08			91,812.72	144,215.36	236,028.08
	685,573.81			387,429.59	298,144.22	685,573.81
	19.44				19.44	19.44
	16,149.28				16,149.28	16,149.28
	13,166.20				13,166.20	13,166.20
	5,320.07				5,320.07	5,320.07
	1,783.61				1,783.61	1,783.61
	37,467.42				37,467.42	37,467.42
	13,393.23				13,393.23	13,393.23
	1,091.77				1,091.77	1,091.77
	26,194.19				26,194.19	26,194.19
	50,387.55			4,824.11	45,563.44	50,387.55
	867.56				867.56	867.56
	83,434.49				83,434.49	83,434.49
	292.43				292.43	292.43
	77,442.66			7,247.00	70,195.66	77,442.66
	156,802.87				156,802.87	156,802.87
	54,552.25				54,552.25	54,552.25
	2,417.06				2,417.06	2,417.06
	10,067.75			9,682.94	384.81	10,067.75
	13,101.38				13,101.38	13,101.38
	1,933.61				1,933.61	1,933.61
	186,141.54				186,141.54	186,141.54
	11,738.47				11,738.47	11,738.47
	33,547.04				33,547.04	33,547.04
	3,375.62				3,375.62	3,375.62
	14,459.30				14,459.30	14,459.30
	(3,795.58)				(3,795.58)	(3,795.58)
	262.71				262.71	262.71
	6,967.13				6,967.13	6,967.13
	19,109.68				19,109.68	19,109.68

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 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Mining Recovery Act Jobs Data for Opportunities to Improve the State-of-the-Practice for Overall Economic Impact and Performance	20.000	7315, TO 03			2,921.20
Integration of Weigh-in-Motion Technology into NIST's Handbook #44	20.000	600112-38			6,152.54
ITS Standards Training Year 1 Module Development - Task IT42-019	20.000	ITE-00-21-12.1 TO IT42-019			3,795.58
Long-Distance and Rural Travel Transferable Parameters for Statewide Travel Forecasting	20.000	08488-001			8,523.29
Recent Geometric Design Research for Improved Safety, Operations, and Maintenance	20.000	NAS 138, TO8, HR14-22			13,672.00
Border-Wide Assessment of Intelligent Transportation Systems (ITS) Technology-Current and Future Concepts	20.000	600112-41			2,657.66
Support to FHWA in the Development of the Active Transportation and Demand Management (ATDM) Program	20.000	600112-40			51,198.83
Roundabouts Peer-to-Peer Program	20.000	P010052675-T-10-005			594.99
Improving Signing and Markings at Complex Interchanges	20.000	601119-2			98,008.80
Evaluation of Pedestrians Safety Engineering Countermeasures at Urban and Suburban Midblock Crossing Locations	20.000	601119-1			190,698.17
Deployment of the Teens in the Driver Seat - Johnston County, North Carolina	20.000	11162010			2,984.81
Air Cargo in the Mississippi Valley Freight Coalition Region	20.000	266K630			39,405.91
Practices to Manage Traffic Sign Retroreflectivity	20.000	NAS 138, TO 9, HR 20-05 (42-12)			1,962.27
Traffic Analysis Framework - Developing Traffic Data Collection Format and Procedures	20.000	7877 TO 131			23,743.74
Recommended Guidelines for the Selection of Test Levels 2 Through 5 Bridge Rails	20.000	12202010			12,054.60
Marine Highway Transport of Toxic Inhalation Hazard (TIH) Materials	20.000	HCFRP-17(001)			81,475.05
Exploratory Research on Technology Options for Collection of Road User Fees	20.000	600112-43			194,207.42
Truck Size and Weight Research	20.000	NAS 138 TO 4 HR07(303)			25.50
Signal Phase and Timing & Related Messages for Intellidrivem Applications	20.000	600112-44			313,064.15
Guidelines for Nighttime Visibility of Overhead Guide Signs	20.000	NAS 138, TO 4, HR 05-20			298,002.78
Development of Improved Economic Analysis Tools Based on Recommendations from Project CO3	20.000	SHRP2 C11			73,139.42
Improving the Quality of Motorcycle Travel Data Collection	20.000	NAS 138 TO13 HR08-81			164,948.85
Testing of Cable Median Barrier in a Narrow Ditch	20.000	HR 22-14(004)			18,065.18
Incorporation of Travel Time Reliability into the Highway Capacity Manual	20.000	11000			8,359.26
Design Guidance for Intersection Auxiliary Lanes	20.000	NAS 138 TO 14, HR03-102			85,661.88
Highway Safety Visibility Program (HSVP) Outreach, Technical Assistance, and Rulemaking	20.000	P010052675 R6 T-11-002			15,927.16
Task IT42-020-Traffic Signal Operations Resource Development and Self Assessment/Traffic Signal Report Card	20.000	ITE-00-21.13 TO IT42-020			1,744.48
Update of the Signal Timing Manual	20.000	11109			3,426.67
Safety Support Services - Review of States' Railway-Highway Crossing Reports and Preparation of the Draft 2011	20.000	P010052675-R4, T-11-003			48,207.96
Evaluating the Performance of Corridors with Roundabouts	20.000	11334			43,301.90
Real-Time Adaptive Traffic Control System Evaluation	20.000	01-422-001			3,243.68
International Border Crossing Electronic Screening System for Trucks and Buses	20.000	US001-0000276212			61,569.75
Roadway Departure Roadside Safety System Product Acceptance	20.000	P010052675-T-11-005			29,803.14
Transportation Rates Research - GIWW-E, Arkansas River, Red River	20.000	MURC 211258, P1200305-1			45,887.96
Impacts of Exempted Vehicles on Managed Lanes	20.000	600112-45			25,084.99
Data Needs, Availability and Opportunities for Work Zone Performance Measures	20.000	US001-600112-46			69,289.29
Corridor and Gateway Concepts - FHWA Transportation Planning IDIQ - DTFH61-10-D-00005 TOPR PLO116	20.000	83050 TO 40			37,651.42
Urban Congestion Report Program FY11	20.000	600112-47			78,924.19
Support to FHWA in the Development and Delivery of Workshops on Active TDM	20.000	600112-48			42,690.61
A Guidebook for Construction Manager-at-Risk Contracting for Highway Projects	20.000	ISU 428-17-19			23,921.87
CITE WRTM O-Line Training Development Support	20.000	Q072102			31,524.47
Evaluation of International Applications of ATM Lane Control Signing for Use in the United States	20.000	600112-49			71,795.32
Design and Operations Elements of Dynamic Shoulder Use	20.000	600112-50			41,253.96
High Occupancy Toll (HOT) Outreach and Marketing Support Follow-On	20.000	600112-52			5,662.44
Use of Technology and Data for Effective Work Zone Management	20.000	600112-51			16,419.67
DYNUST-VISSIM Conversion Tool Improvement	20.000	TO MS12-03 435-B			35,276.19
Improving Travel Behavior Data for Alternative Fuel Vehicles	20.000	08551 TO 108			22,507.40
Guidelines for the Use of Variable Speed Limit Signs in Wet Weather	20.000	P010052675 T-11-004			6,441.28
Signalized Intersections Guide and Workshop Update	20.000	P010052675 T-11-006			7,973.59
Developing a Long-Range Strategic Plan for the MUTCD	20.000	NAS 138, HR 20-07(323) TO 18			28,225.91
Short-Term Laboratory Conditioning of Asphalt Mixtures	20.000	NCHRP 9-52			36,990.55
Integrating MTS Commerce Data with Multimodal Freight Transportation Performance Measures to Support MTS Maintenance	20.000	NAS 138, TO 17			23,340.91
Guidelines for Slope Traversability	20.000	NAS 138 TO 19 / HR 17-55			11,247.73
Advanced Weather Responsive Traffic Management Strategies	20.000	600112-53			5,444.30
Effective Project Scoping Practices to Improve On-Time and On-Budget Delivery of Highway Projects	20.000	NAS 138 TO 23 HR 08-88			17,021.52
Properties of Foamed Asphalt for Warm Mix Asphalt Applications	20.000	HR9-53; NAS 138, TO 21			36,864.73

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Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	2,921.20				2,921.20	2,921.20
	6,152.54				6,152.54	6,152.54
	3,795.58				3,795.58	3,795.58
	8,523.29				8,523.29	8,523.29
	13,672.00				13,672.00	13,672.00
	2,657.66				2,657.66	2,657.66
	51,198.83				51,198.83	51,198.83
	594.99				594.99	594.99
	98,008.80				98,008.80	98,008.80
	190,698.17			25,969.00	164,729.17	190,698.17
	2,984.81				2,984.81	2,984.81
	39,405.91				39,405.91	39,405.91
	1,962.27				1,962.27	1,962.27
	23,743.74				23,743.74	23,743.74
	12,054.60				12,054.60	12,054.60
	81,475.05			17,179.22	64,295.83	81,475.05
	194,207.42			37,500.00	156,707.42	194,207.42
	25.50				25.50	25.50
	313,064.15				313,064.15	313,064.15
	298,002.78			46,036.54	251,966.24	298,002.78
	73,139.42				73,139.42	73,139.42
	164,948.85			16,610.50	148,338.35	164,948.85
	18,065.18				18,065.18	18,065.18
	8,359.26				8,359.26	8,359.26
	85,661.88				85,661.88	85,661.88
	15,927.16				15,927.16	15,927.16
	1,744.48				1,744.48	1,744.48
	3,426.67				3,426.67	3,426.67
	48,207.96				48,207.96	48,207.96
	43,301.90				43,301.90	43,301.90
	3,243.68				3,243.68	3,243.68
	61,569.75				61,569.75	61,569.75
	29,803.14				29,803.14	29,803.14
	45,887.96				45,887.96	45,887.96
	25,084.99				25,084.99	25,084.99
	69,289.29				69,289.29	69,289.29
	37,651.42				37,651.42	37,651.42
	78,924.19				78,924.19	78,924.19
	42,690.61				42,690.61	42,690.61
	23,921.87				23,921.87	23,921.87
	31,524.47				31,524.47	31,524.47
	71,795.32				71,795.32	71,795.32
	41,253.96				41,253.96	41,253.96
	5,662.44				5,662.44	5,662.44
	16,419.67				16,419.67	16,419.67
	35,276.19				35,276.19	35,276.19
	22,507.40				22,507.40	22,507.40
	6,441.28				6,441.28	6,441.28
	7,973.59				7,973.59	7,973.59
	28,225.91				28,225.91	28,225.91
	36,990.55				36,990.55	36,990.55
	23,340.91				23,340.91	23,340.91
	11,247.73				11,247.73	11,247.73
	5,444.30				5,444.30	5,444.30
	17,021.52				17,021.52	17,021.52
	36,864.73				36,864.73	36,864.73

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 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Traffic Control Device Guidelines for Curves	20.000	NAS 138 TO22 HR 03 106			3,031.79
Highway Research and Development Program	20.200	TT000			1,331,058.47
Highway Training and Education	20.215	VARIOUS			6,936.15
Highway Training and Education	20.215	VARIOUS			1,874.20
Highway Training and Education	20.215	CSSFT000900150, 0009150			125,405.17
Public Transportation Research	20.514	4165 POS1418972 430264			28,603.62
University Transportation Centers Program	20.701	3592 PO1409853 430264			15,675.71
University Transportation Centers Program	20.701	258K635			11,706.23
Biobased Transportation Research	20.761	AB-5-61770.2.TAMRF4YUAN			46,284.73
Biobased Transportation Research	20.761	AB-5-61770.2.TAMRF5GANJEGUNTE			6,407.10
Direct Programs:					
Transportation Planning Analysis Technology Transfer and Program Support for the Travel Model Improvement Program (TMIP)	20.000	DTFH61-06-C-00047			
Field Evaluation of the Effectiveness of Detection-Control System (D-CS)	20.000	DTFH61-08-C-00033			
Development of Minimum Roadway Guidance Information	20.000	DTFH68-09-E-00105			
Transportation Economics Center - Years 2 - 5	20.000	DTOS59-10-D-00504			
Developing Safety Education Material for CMV Drivers and Pedalcyclists to Reduce CMV-Bicycle Crashes	20.000	MH10480-A&MU0000000			
Develop a Turn-Key System for Remote Traffic Monitoring for Federal Land Management Agencies	20.000	DTFH70-10-E-00020			
Develop Traffic Counting/Monitoring Training for Federal Land Management Agencies	20.000	DTFH70-10-E-00021			
Public Transportation Research	20.514				
University Transportation Centers Program	20.701				
Totals - U.S. Department of Transportation					6,780,634.48
National Aeronautics and Space Administration					
Team Leader - Musculoskeletal Alterations Team	43.000	NCC 9-58 42, MA01701, 3			24,415.32
Maintaining Musculoskeletal Health in the Lunar Environment	43.000	NCC-9-58-42, MA01602.4600575969			270,174.05
Survey of Paschen Alpha in High Redshift Galaxies	43.000	RSA NO. 1344439			32,524.16
Ultra-Deep MIPS Imaging of the Lockman Hole	43.000	RSA NO. 1365085			9,422.08
SEDS: The Spitzer Extended Deep Survey	43.000	RSA NO. 1366981			1,894.80
The Great Observatories Origins Deep Survey: Far-Infrared Imaging with Herschel	43.000	RSA NO. 1374214			31,808.58
IRS Observations of a Strongly Lensed LIRG Behind the Bullet Cluster and the Spitzer Lyman Alpha Survey	43.000	RSA NO. 1379626			551.79
Narrowing in on the Hubble Constant and Dark Energy	43.000	HST-GO-11570.09-A			2,273.82
Directly Probing the Star-Forming and Gas Properties of High-Redshift Lyman Alpha Galaxies	43.000	RSA 1396478 NASA NMO711085			199.24
NSBRI Website and Special Public Outreach Project Support	43.000	NCC9-58-42, A000010			6,136.91
LMSO Storefront Property	43.000	7200005451			1,654,356.76
RFID & RTIS Enhancement for Inventory Management & Logistics of Space Transportation Systems	43.000	26-1111-0089-002			14,494.32
Student Intern Rates for USA	43.000	6000167439			71,304.45
Investigation of the Properties of Martian Atmospheric Dust and Its Effect on the Illumination of the Martian Surface	43.000	1242728			24,868.44
PHD Training Program in Critical Areas of Space	43.000	NCC9-58-42 EO01001			149,708.19
Student Intern Rates for Teledyne Brown Engineering	43.000	PO00092259			5,595.70
Star Cluster Dissolution in Various Environments	43.000	HST-AR-12148.01-A			45,613.09
Cosmic Assembly Near-IR Deep Extragalactic Survey (CANDELS)	43.000	HST-AR-12127.47			37,931.80
Understanding the Vertical Distribution of Water Vapor at the Phoenix Landing Site	43.000	1422184			9,850.85
Atmospheric Imaging Investigation for the Mars Science Laboratory Imaging Science Team	43.000	11-0156 (NMO710846)			106,746.39
Cosmic Assembly Near-IR Deep Extragalactic Survey (CANDELS)	43.000	HST-GO-12590.01A			17,784.71
Measuring the Hubble Flow Hubble Constant	43.000	HST-GO-12476.06-A			24,362.26
Super-Group 1120-1202: A Unique Laboratory for Tracing Galaxy Evolution in an Assembling Cluster	43.000	HST-GO-12470.01-A			22,345.63
Science	43.001	C10-00189			
Science	43.001	301K630			28,166.90
Direct Programs:					
Ocean Acidification of the Greater Caribbean Region 1999-2009	43.000	NNX08AW98G			
A Study of Tropospheric Water Vapor Using Aura MLS and TES Measurements	43.000	NNX08AR27G			
Research in Light Scattering and Radiative Transfer for Improving the Retrieval of Ice Cloud Properties	43.000	NNX09AP63G			
Participation in GPM Intersatellite Calibration and Radar Enhanced Radiometer Algorithm Working Groups	43.000	NNX10AG79G			
TRMM Precipitation Radar Algorithm Evaluation and Model Simulator	43.000	NNX10AG89G			
Development of an Algorithm to Retrieve the Habit and Relative Size Distribution of Ice Crystals in Cirrus Clouds	43.000	NNX10AL55G			

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 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	3,031.79				3,031.79	3,031.79
	1,331,058.47			473,711.21	857,347.26	1,331,058.47
	6,936.15				6,936.15	6,936.15
	1,874.20				1,874.20	1,874.20
	125,405.17				125,405.17	125,405.17
	28,603.62				28,603.62	28,603.62
	15,675.71				15,675.71	15,675.71
	11,706.23				11,706.23	11,706.23
	46,284.73				46,284.73	46,284.73
	6,407.10			2,271.49	4,135.61	6,407.10
					-	-
73,554.92	73,554.92			8,500.00	65,054.92	73,554.92
60,866.44	60,866.44				60,866.44	60,866.44
167,733.40	167,733.40				167,733.40	167,733.40
3,958.61	3,958.61				3,958.61	3,958.61
31,560.21	31,560.21				31,560.21	31,560.21
63,228.41	63,228.41				63,228.41	63,228.41
117,476.74	117,476.74				117,476.74	117,476.74
51,435.17	51,435.17				51,435.17	51,435.17
2,755,796.86	2,755,796.86			666,114.70	2,089,682.16	2,755,796.86
3,325,610.76	10,106,245.24			1,864,867.98	8,241,377.26	10,106,245.24
					-	-
	24,415.32				24,415.32	24,415.32
	270,174.05				270,174.05	270,174.05
	32,524.16				32,524.16	32,524.16
	9,422.08				9,422.08	9,422.08
	1,894.80				1,894.80	1,894.80
	31,808.58				31,808.58	31,808.58
	551.79				551.79	551.79
	2,273.82				2,273.82	2,273.82
	199.24				199.24	199.24
	6,136.91				6,136.91	6,136.91
	1,654,356.76			1,392,041.69	262,315.07	1,654,356.76
	14,494.32				14,494.32	14,494.32
	71,304.45				71,304.45	71,304.45
	24,868.44				24,868.44	24,868.44
	149,708.19				149,708.19	149,708.19
	5,595.70				5,595.70	5,595.70
	45,613.09				45,613.09	45,613.09
	37,931.80				37,931.80	37,931.80
	9,850.85				9,850.85	9,850.85
	106,746.39				106,746.39	106,746.39
	17,784.71				17,784.71	17,784.71
	24,362.26				24,362.26	24,362.26
	22,345.63				22,345.63	22,345.63
2,269.47	2,269.47				2,269.47	2,269.47
	28,166.90				28,166.90	28,166.90
92,729.28	92,729.28				92,729.28	92,729.28
156,118.18	156,118.18				156,118.18	156,118.18
44,165.29	44,165.29				44,165.29	44,165.29
125,146.66	125,146.66				125,146.66	125,146.66
75,446.05	75,446.05				75,446.05	75,446.05
55,776.94	55,776.94				55,776.94	55,776.94

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 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Investigation of Precipitating Marine Stratocumulus Clouds in the Southeastern Pacific Using Cloudsat	43.000	NNX10AM21G			
Data Analysis and Modeling Simulation in Support of NASA's Far- Infrared Spectroscopy of Troposphere (FIRST) Project	43.000	NNX10AJ.53A			
Measurements of Cloud Radiative Impact on the Climate Using Calipso, Cloudsat, and Other A-Train Sensors	43.000	NNX10AM27G			
Plant Growth at Sub-Ambient Atmospheric Pressures with Control of the Partial Pressures of Constituent Gases	43.000	NNJ04HF31G			
Analysis of Tropopause Level Clouds Using Calipso, AIRS, and MIS Data	43.000	NNX07AR12G			
Maintenance of the AMSR-F Level-3 Oceanic Precipitation Algorithm	43.000	NNX08AD30G			
Study of the Properties and Radiative Forcing of Global Ice Clouds Using the Synergetic MODIS AIRS, and Ceres Products	43.000	NNX08AF68G			
Midlevel Cloud Characterization Using A-Train Observations and the GISS GCM	43.000	NNX10AP06G			
Increasing Electrocardiography (ECG) Predictive Power by Using the Random Forest Technique	43.000	NNX11AN08H			
Science	43.001				
Totals - National Aeronautics and Space Administration					<u>2,592,530.24</u>
National Endowment for the Arts and the Humanities					
<u>Direct Programs:</u>					
Promotion of the Humanities-Professional Development	45.163				
Totals - National Endowment for the Arts and the Humanities					<u>-</u>
National Science Foundation					
Development of a Motion Hydraulic Delivery Telemetry System	47.000	UTA09-000484			
Towards Spin-Preserving, Heterogeneous Spin Networks	47.000	60018555			55,418.05
Linking Molecular Microbiology to Geochemistry in Deep Marine Subsurface Sediments	47.000	SAF-11-03			12,397.97
Engineering Grants	47.041	44931			(3,181.10)
Engineering Grants	47.041	00001214 EEC-0540832			84,806.25
Engineering Grants	47.041	SA 5286- 12210			(0.02)
Engineering Grants	47.041	12.579.003 (CCMI-1143922)			42,940.22
Mathematical and Physical Sciences	47.049	68D-1086296			53,518.76
Mathematical and Physical Sciences	47.049	20653 (DMR-0906815)			85,317.46
Mathematical and Physical Sciences	47.049	44E-1088029 (PHY-0919599)			292,703.18
Mathematical and Physical Sciences	47.049	RES504475; 114064 (PHY-0919261)			34,484.90
Mathematical and Physical Sciences	47.049	S5165A.CHE-0715423			3,916.09
Mathematical and Physical Sciences	47.049	68D-1089182			2,293.08
Mathematical and Physical Sciences	47.049	R39863 OISE-0530220			40,175.32
Mathematical and Physical Sciences	47.049	R3C75E			51,465.08
Geosciences	47.050	JSC 4-02			50,818,010.23
Geosciences	47.050	129099			28,936.20
Geosciences	47.050	EAR 0732947-05			84,595.89
Geosciences	47.050	T321C13			20,062.75
Geosciences	47.050	T321B13			6,922.16
Geosciences	47.050	T324A13			5,860.00
Geosciences	47.050	T324B13			32,272.57
Geosciences	47.050	T323A13			1,732.36
Geosciences	47.050	T325A13			5,701.59
Geosciences	47.050	20091128101			129,036.09
Geosciences	47.050	124359			19,016.83
Geosciences	47.050	SA 11-13			12,844.49
Geosciences	47.050	Z11-90981			9,851.00
Geosciences	47.050	T329A13			2,610.03
Geosciences	47.050	T336A13			31,220.33
Geosciences	47.050	T334A13			804.29
Geosciences	47.050	T343A13			35,019.45
Biological Sciences	47.074	II-RR 014195-TAMU			1,181.75
Biological Sciences	47.074	0980 G HF009/ EF-0623664			14,822.91
Biological Sciences	47.074	S-00000259 (DEB-0730616)			59,711.51
Biological Sciences	47.074	UTA10-000935 (NSF IOS-1025947)			
Biological Sciences	47.074	S-000500 (EF-1115144)			38,894.37
Social, Behavioral, and Economic Sciences	47.075	G30031			804.94
Education and Human Resources	47.076	X496344			44,887.13
Education and Human Resources	47.076	PROJ0001653 (NSF DRL-0908130)			40,867.34
International Science and Engineering	47.079	RUB1-2996VL-11			8,138.80
ARRA: Trans-NSF Recovery Act Research Support-RECOVERY	47.082	SPO 000073544, CU 1546775			35,333.93
		S1083054 (NSF BCS-0912154)			5,083.95
<u>Direct Programs:</u>					
Engineering Grants	47.041				
Mathematical and Physical Sciences	47.049				
Geosciences	47.050				

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Direct Program Amount	Total Pass-Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
53,473.92	53,473.92				53,473.92	53,473.92
6,329.97	6,329.97				6,329.97	6,329.97
87,681.04	87,681.04				87,681.04	87,681.04
2,897.33	2,897.33				2,897.33	2,897.33
22,575.02	22,575.02				22,575.02	22,575.02
28,817.73	28,817.73				28,817.73	28,817.73
6,595.10	6,595.10				6,595.10	6,595.10
80,130.33	80,130.33				80,130.33	80,130.33
23,983.96	23,983.96			23,983.96		23,983.96
544,536.01	544,536.01			47,640.33	496,895.68	544,536.01
<u>1,408,672.28</u>	<u>4,001,202.52</u>			<u>1,439,682.02</u>	<u>2,561,520.50</u>	<u>4,001,202.52</u>
<u>289,534.38</u>	<u>289,534.38</u>			<u>40,023.00</u>	<u>249,511.38</u>	<u>289,534.38</u>
<u>289,534.38</u>	<u>289,534.38</u>			<u>40,023.00</u>	<u>249,511.38</u>	<u>289,534.38</u>
28,445.43	28,445.43			28,445.43		28,445.43
	55,418.05			55,418.05		55,418.05
	12,397.97			12,397.97		12,397.97
	(3,181.10)			(3,181.10)		(3,181.10)
	84,806.25			84,806.25		84,806.25
	(0.02)			(0.02)		(0.02)
	42,940.22			42,940.22		42,940.22
	53,518.76			53,518.76		53,518.76
	85,317.46			85,317.46		85,317.46
	292,703.18			292,703.18		292,703.18
	34,484.90			34,484.90		34,484.90
	3,916.09			3,916.09		3,916.09
	2,293.08			2,293.08		2,293.08
	40,175.32			40,175.32		40,175.32
	51,465.08			51,465.08		51,465.08
	50,818,010.23			50,818,010.23		50,818,010.23
	28,936.20			28,936.20		28,936.20
	84,595.89			84,595.89		84,595.89
	20,062.75			20,062.75		20,062.75
	6,922.16			6,922.16		6,922.16
	5,860.00			5,860.00		5,860.00
	32,272.57			32,272.57		32,272.57
	1,732.36			1,732.36		1,732.36
	5,701.59			5,701.59		5,701.59
	129,036.09			129,036.09		129,036.09
	19,016.83			19,016.83		19,016.83
	12,844.49			12,844.49		12,844.49
	9,851.00			9,851.00		9,851.00
	2,610.03			2,610.03		2,610.03
	31,220.33			31,220.33		31,220.33
	804.29			804.29		804.29
	35,019.45			35,019.45		35,019.45
	1,181.75			1,181.75		1,181.75
	14,822.91			14,822.91		14,822.91
	59,711.51			59,711.51		59,711.51
264,680.46	264,680.46			264,680.46		264,680.46
	38,894.37			38,894.37		38,894.37
	804.94			804.94		804.94
	44,887.13			44,887.13		44,887.13
	40,867.34			40,867.34		40,867.34
	8,138.80			8,138.80		8,138.80
	35,333.93			35,333.93		35,333.93
	5,083.95			5,083.95		5,083.95
850,122.37	850,122.37			850,122.37		850,122.37
7,680,584.65	7,680,584.65			7,679,485.72		7,680,584.65
3,360,334.19	3,360,334.19		1,098.93	78,600.00	3,281,734.19	3,360,334.19

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Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
<i>Computer and Information Science and Engineering</i>	47.070				
<i>Biological Sciences</i>	47.074				
<i>Social, Behavioral, and Economic Sciences</i>	47.075				
<i>Education and Human Resources</i>	47.076				
<i>Polar Programs</i>	47.078				
<i>International Science and Engineering</i>	47.079				
<i>Office of Cyberinfrastructure</i>	47.080				
<i>ARRA: Trans-NSF Recovery Act Research Support-RECOVERY</i>	47.082				
Totals - National Science Foundation					<u>52,250,478.13</u>
Department of Veterans Affairs					
<i>Evaluation of a VHA Project ARCH Pilot Program</i>	64.000	502841			(2,551.44)
Totals - Department of Veterans Affairs					<u>(2,551.44)</u>
Environmental Protection Agency					
<i>Methods to Investigate the Effects of Multiple Air Pollution Constituents</i>	66.000	4785-FRA09-1/10-1-2			78,656.16
<i>FASOMGHG Modeling of Renewable Fuels Policy</i>	66.000	8-312-0210826 TO18 (EP-W-07-069)			86,726.37
<i>Science to Achieve Results (STAR) Research Program</i>	66.509	8000001508.1			
Direct Programs:					
<i>Deployment of Nett Bluemaxtm SCR System in TXDOT's Construction Fleet</i>	66.000	DE-83420001			
<i>Auxiliary Power Unit Testing for Smartway Idle Reduction Technology Verification</i>	66.000	EP-11-H-000527			
<i>Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act</i>	66.034				
<i>Gulf of Mexico Program</i>	66.475				
<i>Science to Achieve Results (STAR) Research Program</i>	66.509				
<i>P3 Award: National Student Design Competition for Sustainability</i>	66.516				
<i>Protection of Children from Environmental Health Risks</i>	66.609				
Totals - Environmental Protection Agency					<u>165,382.53</u>
U.S. Department of Energy					
<i>Quantifying Protein Abundance from Mass Spectrometry Experiments Using the AMT Tag Pipeline</i>	81.000	72845			19,339.55
<i>Separation of Americium from Curium by Ion Exchange</i>	81.000	AC70059-O (DOE: DE-AC09-08SR22470)			38,440.36
<i>US CMS Endcap Muon M&O Subsystem</i>	81.000	584823			133,296.57
<i>US CMS Upgrade R&D M&O Subsystem</i>	81.000	584808			82,498.05
<i>Graduate Research Fellowship</i>	81.000	942500. R1			20,368.80
<i>Super CDMS Soudan Project</i>	81.000	592192			90,281.32
<i>Multi-Chamber Gas Proportional Counter for Screening Ultra-Low Background Materials & Identifying Radioactive Materials</i>	81.000	11162007-DE-FG02-06ER86287			(60.47)
<i>Spectrophotometric Calibration System for the Dark Energy Survey Camera</i>	81.000	596588			31,283.25
<i>Riverine and Lacustrine Adaptations: 2010 Idaho National Laboratory (INL) Archaeological Testing Project</i>	81.000	00106760			5,511.58
<i>Tandem Differential Mobility Analyzer/Aerodynamic Particle Sizer Support</i>	81.000	0F-34561			12,053.30
<i>Postdoctoral Support from Fermi National Accelerator Laboratory</i>	81.000	598229			26,385.32
<i>Nanoscale Characterization of Bandgap Engineered III-V Superlattices and Quantum Wells</i>	81.000	1123033. 1			7,658.43
<i>Statement of Work for US CMS Texas A&M Research Foundation for Activities Related to the US CMS FPIX Subsystem</i>	81.000	599464			4,880.96
<i>Graduate Student Support from Fermi National Accelerator Laboratory</i>	81.000	600784			4,701.18
<i>Investigation of Cloud and Precipitation Processes Using WRF with a Two-Moment Microphysics</i>	81.000	208018			9,650.27
<i>OHEP Supplemental Distribution</i>	81.000	602673			14,640.97
<i>Office of Science Financial Assistance Program</i>	81.049	00006785 (DE-SC0001015)			185,098.13
<i>Office of Science Financial Assistance Program</i>	81.049	41922			139,642.65
<i>Office of Science Financial Assistance Program</i>	81.049	7261 (C175635)			72,894.00
<i>Office of Science Financial Assistance Program</i>	81.049	09112007-07-SC-NICCR-1058			15,041.92
<i>Office of Science Financial Assistance Program</i>	81.049	61-3242 TAM			51,930.46
<i>Office of Science Financial Assistance Program</i>	81.049	92911			32,768.91
<i>Regional Biomass Energy Programs</i>	81.079	3TM160 (DE-FG36-08GO88073)			77,410.38
Direct Programs:					
<i>The Institute for High Heat Flux Removal</i>	81.000	DE-FG02-97ER54452			
<i>Office of Science Financial Assistance Program</i>	81.049				
<i>ARRA: Office of Science Financial Assistance Program-RECOVERY</i>	81.049				
<i>Renewable Energy Research and Development</i>	81.087				
<i>ARRA: Advanced Research and Projects Agency - Energy Financial Assistance Program-RECOVERY</i>	81.135				
Totals - U.S. Department of Energy					<u>1,075,715.89</u>

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
424,501.23	424,501.23				424,501.23	424,501.23
4,137,301.01	4,137,301.01			108,085.00	4,029,216.01	4,137,301.01
512,206.46	512,206.46				512,206.46	512,206.46
1,715,395.84	1,715,395.84			177,379.58	1,538,016.26	1,715,395.84
300,540.84	300,540.84			10,990.23	289,550.61	300,540.84
10,325.70	10,325.70				10,325.70	10,325.70
118,397.28	118,397.28			18,522.13	99,875.15	118,397.28
1,706,494.12	1,706,494.12				1,706,494.12	1,706,494.12
<u>21,109,329.58</u>	<u>73,359,807.71</u>			<u>394,675.87</u>	<u>72,965,131.84</u>	<u>73,359,807.71</u>
	(2,551.44)				(2,551.44)	(2,551.44)
	<u>(2,551.44)</u>				<u>(2,551.44)</u>	<u>(2,551.44)</u>
	78,656.16			26,236.08	52,420.08	78,656.16
	86,726.37				86,726.37	86,726.37
14,304.78	14,304.78				14,304.78	14,304.78
105,111.74	105,111.74				105,111.74	105,111.74
64,086.45	64,086.45				64,086.45	64,086.45
59,393.61	59,393.61				59,393.61	59,393.61
169,333.37	169,333.37				169,333.37	169,333.37
156,578.95	156,578.95				156,578.95	156,578.95
29,052.58	29,052.58				29,052.58	29,052.58
85,760.79	85,760.79			45,780.16	39,980.63	85,760.79
<u>683,622.27</u>	<u>849,004.80</u>			<u>72,016.24</u>	<u>776,988.56</u>	<u>849,004.80</u>
	19,339.55				19,339.55	19,339.55
	38,440.36				38,440.36	38,440.36
	133,296.57				133,296.57	133,296.57
	82,498.05				82,498.05	82,498.05
	20,368.80				20,368.80	20,368.80
	90,281.32				90,281.32	90,281.32
	(60.47)				(60.47)	(60.47)
	31,283.25				31,283.25	31,283.25
	5,511.58				5,511.58	5,511.58
	12,053.30				12,053.30	12,053.30
	26,385.32				26,385.32	26,385.32
	7,658.43				7,658.43	7,658.43
	4,880.96				4,880.96	4,880.96
	4,701.18				4,701.18	4,701.18
	9,650.27				9,650.27	9,650.27
	14,640.97				14,640.97	14,640.97
	185,098.13				185,098.13	185,098.13
	139,642.65				139,642.65	139,642.65
	72,894.00				72,894.00	72,894.00
	15,041.92				15,041.92	15,041.92
	51,930.46				51,930.46	51,930.46
	32,768.91				32,768.91	32,768.91
	77,410.38			3,775.22	73,635.16	77,410.38
154,378.10	154,378.10				154,378.10	154,378.10
4,969,173.53	4,969,173.53			37,569.08	4,931,604.45	4,969,173.53
315,492.06	315,492.06				315,492.06	315,492.06
197,356.56	197,356.56				197,356.56	197,356.56
<u>393,697.84</u>	<u>393,697.84</u>				<u>393,697.84</u>	<u>393,697.84</u>
<u>6,030,098.09</u>	<u>7,105,813.98</u>			<u>41,344.30</u>	<u>7,064,469.68</u>	<u>7,105,813.98</u>

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor/ Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
U.S. Department of Education					
Mathematics and Science Partnerships	84.366	UTA11-000232			
Direct Programs:					
Undergraduate International Studies and Foreign Language Programs	84.016				
Fund for the Improvement of Postsecondary Education	84.116				
Education Research, Development and Dissemination	84.305				
Research in Special Education	84.324				
Transition to Teaching	84.350				
School Leadership	84.363				
Totals - U.S. Department of Education					
U.S. Department of Health and Human Services					
Standardized Antibiotic Use in Long-Term Care Settings (SAUL) Study	93.000	02434.008 (HHS A2902006000191 T.O.8)			191,340.15
S10-38: Delivery of Brefeldin A with Triazine Dendrimers	93.000	10X5108			44,029.15
Integrated Nanosystems for Diagnosis and Therapy	93.000	PO NO. 2911033P, NO. WU-11-71			613,584.33
Fitness Annotation of Bacterial Genomes	93.000	2010-2517			44,389.33
IHS Coordinating Center	93.000	11.001.006			22,375.46
ARRA: Special Programs for the Aging-Title IV-and Title II-Discretionary Projects-RECOVERY	93.048	08192010			91,422.39
Environmental Health	93.113	10-212-396531			7,884.70
Oral Diseases and Disorders Research	93.121	2616016162 5U01DE010713			
Oral Diseases and Disorders Research	93.121	66983 TAMU03 S0014109			15,178.97
Oral Diseases and Disorders Research	93.121	2R44DE01782902A1			138,240.29
Research Related to Deafness and Communication Disorders	93.173	210591237668A (2R01DC00389611)			42,712.18
Mental Health Research Grants	93.242	0130GGC638			103,145.03
Public Health Training Centers Grant Program	93.249	0007939A (UB6HP20188)			
Public Health Training Centers Grant Program	93.249	449833			
Occupational Safety and Health Program	93.262	0006008A (5U50OH07541-10)			
Alcohol Research Programs	93.273	53253FP16607809211			(6,822.57)
Alcohol Research Programs	93.273	53253HP16607809211			35,687.10
Alcohol Research Programs	93.273	1015640 (NIH R01A.A018365)			286,281.75
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	27177490-50754-C (U01DD000489)			77,396.49
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	2717749050754C			126,671.08
Minority Health and Health Disparities Research	93.307	3177498017816			
Cancer Cause and Prevention Research	93.393	520354, PO95963			12,910.78
Cancer Cause and Prevention Research	93.393	0000726091			80,523.80
Cancer Centers Support Grants	93.397	3260398015674			
Developmental Disabilities Basic Support and Advocacy Grants	93.630	10-577			
ARRA: Trans-NIH Recovery Act Research Support-RECOVERY	93.701	3048107714-11-127			12,108.87
		3295898013924			
		643			101,653.58
		090651 (1RC4AG03818301)			47,753.67
Cardiovascular Diseases Research	93.837	C00017558-1			22,637.51
Cardiovascular Diseases Research	93.837	MUSC09-104			95,212.80
Cardiovascular Diseases Research	93.837	UF10091 (R18HL087800)			10,697.47
Cardiovascular Diseases Research	93.837	C000161431			5,417.48
Cardiovascular Diseases Research	93.837	503731			64,015.86
Cardiovascular Diseases Research	93.837	725280			99,198.00
Blood Diseases and Resources Research	93.839	5U54HL090503-03			1,842.89
Blood Diseases and Resources Research	93.839	5U54HL090503-04			19,818.32
Blood Diseases and Resources Research	93.839	00146090 (5R01HL08570702)			8,298.01
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	5-31135			50,248.18
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	WU-11-54 PO 2910814P			79,325.65
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	1000955724 (1R24DK091211-01 R)			2,779.77
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	120501			
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	5991SC			95,273.95
Allergy, Immunology and Transplantation Research	93.855	20082034			869.10
Allergy, Immunology and Transplantation Research	93.855	2008-2034			65,994.01
Allergy, Immunology and Transplantation Research	93.855	RA208356NGO			14,678.07
Allergy, Immunology and Transplantation Research	93.855	11-045 (5U54AJ057156-08)			
Allergy, Immunology and Transplantation Research	93.855	11-062 (UOPSPC-0000000588)			
Allergy, Immunology and Transplantation Research	93.855	6032010			37,597.47
Allergy, Immunology and Transplantation Research	93.855	11-044 (5U54AJ057156-08)			
Allergy, Immunology and Transplantation Research	93.855	0007356A			
Allergy, Immunology and Transplantation Research	93.855	4624838, POEP391212			54,942.33
Allergy, Immunology and Transplantation Research	93.855	10091340 (R01AJ092573)			120,324.09
Allergy, Immunology and Transplantation Research	93.855	12040466 (5R01AJ092573-02)			140,397.93
Allergy, Immunology and Transplantation Research	93.855	3168298012252			

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
146,735.03	146,735.03				146,735.03	146,735.03
46,777.82	46,777.82				46,777.82	46,777.82
162,782.24	162,782.24				162,782.24	162,782.24
557,123.09	557,123.09			156,215.94	400,907.15	557,123.09
30,589.58	30,589.58			(249.93)	30,839.51	30,589.58
218,773.01	218,773.01			84,154.57	134,618.44	218,773.01
701,989.26	701,989.26			354,329.70	347,659.56	701,989.26
1,864,770.03	1,864,770.03		-	594,450.28	1,270,319.75	1,864,770.03
	191,340.15				191,340.15	191,340.15
	44,029.15			32,265.00	11,764.15	44,029.15
	613,584.33				613,584.33	613,584.33
	44,389.33				44,389.33	44,389.33
	22,375.46				22,375.46	22,375.46
	91,422.39			6,824.76	84,597.63	91,422.39
	7,884.70				7,884.70	7,884.70
33,938.11	33,938.11				33,938.11	33,938.11
	15,178.97				15,178.97	15,178.97
	138,240.29				138,240.29	138,240.29
	42,712.18				42,712.18	42,712.18
	103,145.03				103,145.03	103,145.03
6,370.34	6,370.34				6,370.34	6,370.34
168,991.01	168,991.01				168,991.01	168,991.01
41,453.75	41,453.75				41,453.75	41,453.75
	(6,822.57)				(6,822.57)	(6,822.57)
	35,687.10				35,687.10	35,687.10
	286,281.75				286,281.75	286,281.75
	77,396.49				77,396.49	77,396.49
	126,671.08				126,671.08	126,671.08
87,647.43	87,647.43				87,647.43	87,647.43
	12,910.78				12,910.78	12,910.78
	80,523.80				80,523.80	80,523.80
85,324.38	85,324.38				85,324.38	85,324.38
3,556.54	3,556.54				3,556.54	3,556.54
	12,108.87				12,108.87	12,108.87
55,167.06	55,167.06				55,167.06	55,167.06
	101,653.58				101,653.58	101,653.58
	47,753.67				47,753.67	47,753.67
	22,637.51				22,637.51	22,637.51
	95,212.80				95,212.80	95,212.80
	10,697.47				10,697.47	10,697.47
	5,417.48				5,417.48	5,417.48
	64,015.86				64,015.86	64,015.86
	99,198.00				99,198.00	99,198.00
	1,842.89				1,842.89	1,842.89
	19,818.32				19,818.32	19,818.32
	8,298.01				8,298.01	8,298.01
	50,248.18				50,248.18	50,248.18
	79,325.65				79,325.65	79,325.65
	2,779.77				2,779.77	2,779.77
10,689.75	10,689.75				10,689.75	10,689.75
	95,273.95				95,273.95	95,273.95
	869.10				869.10	869.10
	65,994.01				65,994.01	65,994.01
	14,678.07				14,678.07	14,678.07
30,706.26	30,706.26				30,706.26	30,706.26
153,218.54	153,218.54				153,218.54	153,218.54
	37,597.47				37,597.47	37,597.47
54,361.79	54,361.79				54,361.79	54,361.79
52,417.99	52,417.99				52,417.99	52,417.99
	54,942.33				54,942.33	54,942.33
	120,324.09				120,324.09	120,324.09
	140,397.93				140,397.93	140,397.93
4,061.53	4,061.53				4,061.53	4,061.53

UNAUDITED

SCHEDULE I - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
Allergy, Immunology and Transplantation Research	93.855	RS201J0200-01 (2R01AJ037657-15)			116,246.57
Microbiology and Infectious Diseases Research	93.856	G-4401-1 (P318238)			13,836.63
Microbiology and Infectious Diseases Research	93.856	4600550773			7,157.78
Biomedical Research and Research Training	93.859	579			86,696.25
Biomedical Research and Research Training	93.859	578			398,842.76
Biomedical Research and Research Training	93.859	27-001349			36,621.69
Biomedical Research and Research Training	93.859	2009-01303-02			351,266.05
Biomedical Research and Research Training	93.859	60027355 (NIH R01 GM088670)			46,188.33
Biomedical Research and Research Training	93.859	2010-00365-04			139,000.41
Biomedical Research and Research Training	93.859	2010-00365-05			66,213.94
Biomedical Research and Research Training	93.859	H47299			3,188.68
Biomedical Research and Research Training	93.859	H50842			271,267.10
Aging Research	93.866	UF1 1058 RO1AG029421			20,855.90
Geriatric Education Centers	93.969	131949/131473/151273			
Geriatric Education Centers	93.969	500983			
Maternal and Child Health Services Block Grant to the States	93.994	2010034879001			
Direct Programs:					
Genetic and Molecular Study of Meiotic Transvection	93.000	2R01GM058770-06A2			
Fibronectin Binding MSCRAMMS	93.000	2R01AR044415-10A2			
Growth Regulation of the Intrahepatic Biliary Tree	93.000	5RO1DK054811-06A2			
Regulation of Bile Duct Growth in Bile Duct Ligated Rats	93.000	2R01DK062975-05A1			
Regulation of Circadian Transcription	93.000	2R01NS052854-05A1			
Characterization of LPHN3 Function Using a Mutant Murine Model	93.000	1R21MH097067-01			
Special Programs for the Aging-Title IV-and Title H-Discretionary Projects	93.048				
Public Health Emergency Preparedness	93.069				
Environmental Health	93.113				
Oral Diseases and Disorders Research	93.121				
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135				
Health Program for Toxic Substances and Disease Registry	93.161				
Research Related to Deafness and Communication Disorders	93.173				
Contraception and Infertility Research Loan Repayment Program	93.209				
Research and Training in Complementary and Alternative Medicine	93.213				
Research on Healthcare Costs, Quality and Outcomes	93.226				
Mental Health Research Grants	93.242				
Occupational Safety and Health Program	93.262				
Alcohol Research Programs	93.273				
Drug Abuse and Addiction Research Programs	93.279				
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283				
Minority Health and Health Disparities Research	93.307				
Trans-NIH Research Support	93.310				
National Center for Research Resources	93.389				
Cancer Cause and Prevention Research	93.393				
Cancer Treatment Research	93.395				
Cancer Biology Research	93.396				
Cancer Research Manpower	93.398				
ARRA: Public Health Traineeship Program-RECOVERY	93.405				
Affordable Care Act - Preparedness and Emergency Response Learning Centers	93.606				
ARRA: Trans-NIH Recovery Act Research Support-RECOVERY	93.701				
ARRA: Health Information Technology Regional Extension Centers Program-RECOVERY	93.718				
Health Careers Opportunity Program	93.822				
Cardiovascular Diseases Research	93.837				
Arthritis, Musculoskeletal and Skin Diseases Research	93.846				
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847				
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				
Allergy, Immunology and Transplantation Research	93.855				
Biomedical Research and Research Training	93.859				
Child Health and Human Development Extramural Research	93.865				
Aging Research	93.866				
Vision Research	93.867				
Grants for Training in Primary Care Medicine and Dentistry	93.884				
Public Health Traineeships	93.964				
Totals - U.S. Department of Health and Human Services					4,635,417.51
Department of Homeland Security					
Centers for Homeland Security	97.061	DHSJ08T061-TSCOE-PROJECTS			

Direct Programs:

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	116,246.57				116,246.57	116,246.57
	13,836.63				13,836.63	13,836.63
	7,157.78				7,157.78	7,157.78
	86,696.25				86,696.25	86,696.25
	398,842.76			267,326.79	131,515.97	398,842.76
	36,621.69				36,621.69	36,621.69
	351,266.05				351,266.05	351,266.05
	46,188.33				46,188.33	46,188.33
	139,000.41				139,000.41	139,000.41
	66,213.94				66,213.94	66,213.94
	3,188.68				3,188.68	3,188.68
	271,267.10				271,267.10	271,267.10
	20,855.90				20,855.90	20,855.90
31,337.15	31,337.15				31,337.15	31,337.15
901.45	901.45				901.45	901.45
3,661.71	3,661.71				3,661.71	3,661.71
6,518.18	6,518.18				6,518.18	6,518.18
54,881.85	54,881.85				54,881.85	54,881.85
28,371.56	28,371.56			11,613.73	16,757.83	28,371.56
229,846.04	229,846.04				229,846.04	229,846.04
299,087.49	299,087.49				299,087.49	299,087.49
1,611.50	1,611.50				1,611.50	1,611.50
2,143.18	2,143.18				2,143.18	2,143.18
396,466.37	396,466.37			100,231.19	296,235.18	396,466.37
323,542.54	323,542.54			2,026.44	321,516.10	323,542.54
1,966,586.15	1,966,586.15			12,311.30	1,954,274.85	1,966,586.15
1,566,205.55	1,566,205.55			72,325.68	1,493,879.87	1,566,205.55
276,177.40	276,177.40			154,031.67	122,145.73	276,177.40
573,945.11	573,945.11				573,945.11	573,945.11
81,960.29	81,960.29				81,960.29	81,960.29
48,885.81	48,885.81				48,885.81	48,885.81
262,116.56	262,116.56			83,002.65	179,113.91	262,116.56
203,429.59	203,429.59			57,361.99	146,067.60	203,429.59
67,596.35	67,596.35				67,596.35	67,596.35
1,085,763.84	1,085,763.84				1,085,763.84	1,085,763.84
458,612.89	458,612.89			8,961.22	449,651.67	458,612.89
113,772.54	113,772.54				113,772.54	113,772.54
1,565,569.27	1,565,569.27			149,280.58	1,416,288.69	1,565,569.27
1,911.24	1,911.24				1,911.24	1,911.24
1,528,051.29	1,528,051.29			161,645.00	1,366,406.29	1,528,051.29
1,279,916.74	1,279,916.74			6,916.68	1,273,000.06	1,279,916.74
661,673.90	661,673.90				661,673.90	661,673.90
635,334.42	635,334.42				635,334.42	635,334.42
18,278.34	18,278.34				18,278.34	18,278.34
7,101.35	7,101.35				7,101.35	7,101.35
294,504.19	294,504.19			262,198.41	32,305.78	294,504.19
1,453,632.54	1,453,632.54			168,513.34	1,285,119.20	1,453,632.54
1,428,615.16	1,428,615.16			84,166.00	1,344,449.16	1,428,615.16
737,456.98	737,456.98				737,456.98	737,456.98
2,558,529.28	2,558,529.28			256,092.71	2,302,436.57	2,558,529.28
41,665.85	41,665.85				41,665.85	41,665.85
1,310,811.25	1,310,811.25				1,310,811.25	1,310,811.25
1,457,081.08	1,457,081.08			7,041.94	1,450,039.14	1,457,081.08
3,261,226.42	3,261,226.42			750,552.92	2,510,673.50	3,261,226.42
7,107,573.45	7,107,573.45			1,003,603.83	6,103,969.62	7,107,573.45
447,350.20	447,350.20				447,350.20	447,350.20
847,809.66	847,809.66			18,438.98	829,370.68	847,809.66
713,029.62	713,029.62				713,029.62	713,029.62
119,166.87	119,166.87				119,166.87	119,166.87
12,622.00	12,622.00				12,622.00	12,622.00
36,360,236.68	40,995,654.19			3,676,732.81	37,318,921.38	40,995,654.19
8,448.65	8,448.65				8,448.65	8,448.65

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SCHEDULE I - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

Federal Grantor/Pass-through Grantor / Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No	Agencies or Universities Amount	
2-1-1 Texas Database Analysis for Katrina-Rita Community Needs, 2005 (Option Year 2)	97.000	HSHQDC-08-P-00161			
Development of Multi-Component Vaccines for African Swine Fever	97.000	HSHQDC-11-C-00116			
Assistance to Firefighters Grant	97.044				
Totals - Department of Homeland Security					
United States Agency for International Development					
Increasing Utilization of Beans/Cowpeas to Promote Health in Malawi and Kenya	98.000	61-2858			220,746.61
Improve Road Design Capabilities of Local Road Design Companies Kosovo Private Enterprise Program	98.000	97687XSBOF, 3			12,032.31
USAID Foreign Assistance for Programs Overseas	98.001	25-6805-0016-906 (TAM 101)			91,697.83
USAID Foreign Assistance for Programs Overseas	98.001	25-6805-0016-906 (TAM 103)			17,903.94
USAID Foreign Assistance for Programs Overseas	98.001	25-6805-0010-060			35,626.04
USAID Development Partnerships for University Cooperation and Development	98.012	RC710-025/3842068			321,955.38
USAID Development Partnerships for University Cooperation and Development	98.012	RC710-025/3842438			104,449.69
Direct Programs:					
Assistance for Programs Overseas	98.001				
Totals - United States Agency for International Development					804,411.80
Total Expenditures of Federal Awards					\$ 70,733,194.65

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SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2009

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
156,956.41	156,956.41			63,029.41	93,927.00	156,956.41
89,735.62	89,735.62				89,735.62	89,735.62
580,662.08	580,662.08				580,662.08	580,662.08
<u>835,802.76</u>	<u>835,802.76</u>			<u>63,029.41</u>	<u>772,773.35</u>	<u>835,802.76</u>
	220,746.61			94,773.00	125,973.61	220,746.61
	12,032.31				12,032.31	12,032.31
	91,697.83				91,697.83	91,697.83
	17,903.94				17,903.94	17,903.94
	35,626.04				35,626.04	35,626.04
	321,955.38			76,763.00	245,192.38	321,955.38
	104,449.69				104,449.69	104,449.69
219,185.00	219,185.00			67,724.70	151,460.30	219,185.00
<u>219,185.00</u>	<u>1,023,596.80</u>			<u>239,260.70</u>	<u>784,336.10</u>	<u>1,023,596.80</u>
<u>\$ 88,009,857.83</u>	<u>\$ 158,743,052.48</u>		<u>\$ -</u>	<u>\$ 12,241,777.44</u>	<u>\$ 146,501,275.04</u>	<u>\$ 158,743,052.48</u>

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SCHEDULE 1 - A
TEXAS A&M RESEARCH FOUNDATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

NOTE 1: NONMONETARY ASSISTANCE

Not Applicable

NOTE 2: RECONCILIATION OF REVENUES AND RECEIPTS TO EXPENDITURES
AND DISBURSEMENTS (PASS THROUGH)

FEDERAL REVENUES:

Federal Grants and Contracts - Operating \$ 158,743,052.48

Federal Grants and Contracts - Non-operating

Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members) \$

LESS Reconciling Items:

Donation of Federal Surplus Property

Total Federal Pass-Through Grants

Federal Appropriations

Total Federal Revenue per Exhibit IV \$ 158,743,052.48

Reconciling Items:

ADD:

Non-Monetary Assistance [NOTE 1]:

Donation of Federal Surplus Property

New Loans Processed [NOTE 3]:

Federal Family Education Loans

Federal Family Education Loans - Coordinating Board

Health Education Assistance Programs

DEDUCT:

Federal Grants to/from TAMRF

COBRA 65% Subsidy (CFDA Number 17.151)

Total Pass Throughs and Expenditures per Federal Schedule

\$ 158,743,052.48

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

NOTE 6: REBATES FROM THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANT AND CHILDREN (WIC)

Not Applicable

UNAUDITED

SCHEDULE 1 - A
 TEXAS A&M RESEARCH FOUNDATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2012

NOTE 7: FEDERAL DEFERRED REVENUE

PROGRAM NAME	CFDA NUMBER	BEGINNING BALANCE 9/1/2011	NET CHANGE	ENDING BALANCE 8/31/2012
Grants for Agricultural Research-Competitive Research Grants	10.206	\$ 6,365.53	\$ (6,365.53)	\$ -
Food and Agricultural Sciences National Needs Graduate	10.210	32,542.04	(32,542.04)	-
1890 Institution Capacity Building Grants	10.216	2,918.95	(2,918.95)	-
Research Innovation and Development Grants in Economic (RIDGE)	10.255	-	1,778.11	1,778.11
International Science and Education Grants	10.305	13,387.64	(13,387.64)	-
Organic Agriculture Research and Extension Initiative	10.307	10,605.64	(10,605.64)	-
Agriculture and Food Research Institute (AFRI)	10.310	0.75	140,156.67	140,157.42
Grants and Cooperative Agreements Program	11.427	5.18	(5.18)	-
Climate and Atmospheric Research	11.431	1,205.89	(1,205.89)	-
Marine Fisheries Initiative	11.433	1,458.79	(1,458.79)	-
Special Oceanic and Atmospheric Projects	11.460	1,358.33	(1,358.33)	-
Habitat Conservation	11.463	-	0.01	0.01
Coastal Services Center	11.473	787.37	(397.47)	389.90
Long Term Monitoring of Human Impacts at McMurdo Station	12.000	-	47,664.47	47,664.47
Characterization of Chlorinated Aliphatic Hydrocarbon Degrading	12.000	-	2,291.26	2,291.26
University Affiliation for Principles of Military Preventative Program of Instruction	12.000	44,935.46	15,344.11	60,279.57
Aquatic Plant Control	12.100	33,118.36	(33,118.36)	-
Basic and Applied Scientific Research	12.300	-	3.00	3.00
Military Medical Research and Development	12.420	2,284,719.06	428,684.53	2,713,403.59
Basic Scientific Research	12.431	51,156.70	(51,156.70)	-
Air Force Defense Research Sciences Program	12.800	408,598.94	(363,143.56)	45,455.38
Mathematical Sciences Grants Program	12.901	26,752.04	(26,752.04)	-
Research and Technology Development	12.910	-	40,435.76	40,435.76
Demolition and Revitalization of Severely Distressed Public Housing	14.866	-	625.72	625.72
Technical Science	15.000	-	6,831.00	6,831.00
St. Croix River Watershed/Non-Point Pollution Loads	15.000	-	82,024.75	82,024.75
B-Laboratory Analysis of Animal Tissue	15.000	255,224.90	21,628.40	276,853.30
Coastal Erosion Post Hurricane Katrina	15.000	8,414.87	(8,414.87)	-
Part E - Developing, Testing and Demonstrating Promising New Programs	16.541	1,298.89	(1,298.89)	-
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	715.83	(715.83)	-
Mexico Multimodal Corridors	19.000	-	321.71	321.71
Transportation and Highway Research	20.000	2,348.89	240,809.27	243,158.16
Highway Training and Education	20.215	-	11,784.79	11,784.79
Public Transportation Research	20.514	-	203.94	203.94
University Transportation Centers Program	20.701	24,603.62	30,672.92	55,276.54
National Aeronautics and Space Administration Research	43.000	73,236.66	367,732.94	440,969.60
Engineering Grants	47.041	10,871.13	(10,871.13)	-
Geosciences	47.050	-	301,117.84	301,117.84
Biological Sciences	47.074	-	0.01	0.01
Education and Human Resources	47.076	-	0.03	0.03
Trans-NSF Recovery Act Research Support	47.082	151,575.70	(151,575.70)	-
Small Business Development Centers	59.037	-	1,131.19	1,131.19
Special Purpose Activities Relating to the Clean Air Act	66.034	60,716.24	(59,393.61)	1,322.63
Congressionally Mandated Projects	66.202	-	7,000.00	7,000.00
Science to Achieve Results (STAR) Research Programs	66.509	12,696.48	(12,696.48)	-
Graduate Research Fellowship	81.000	-	267.95	267.95
Office of Science Financial Assistance Program	81.049	333,227.58	(333,227.58)	-
Renewable Energy Research and Development	81.087	14,213.20	(14,213.20)	-
Funds for the Improvement of Postsecondary Education	81.116	158.23	(158.23)	-
Mathematics and Science Partnerships	84.366	-	3,093.52	3,093.52
S10-38: Delivery of Brefeldin A with Triazine Denonimers	93.000	-	16,295.72	16,295.72
Special Programs for the Aging-Title IV-and Title II-Discretionary Projects-RECOVERY	93.048	-	344,768.49	344,768.49
Occupational Safety and Health Program	93.262	-	0.01	0.01
Trans-NIH Recovery Act Research Support	93.701	12,948.70	(12,939.92)	8.78
Cardiovascular Diseases Research	93.837	-	22,680.74	22,680.74
Blood Diseases and Resources Research	93.839	-	23.22	23.22
Allergy, Immunology and Transplantation Research	93.855	-	898.59	898.59
Biomedical Research and Research Training	93.859	-	5,015.62	5,015.62
Aging Research	93.866	-	2,635.35	2,635.35
Geriatric Education Centers	93.969	-	1,408.71	1,408.71
2-1-1 Texas Database Analysis for Katrina-Rita Community Needs, 2005	97.000	-	11,086.26	11,086.26
Assistance to Firefighters Grant	97.044	-	0.85	0.85
Improve road Design Capabilities - Kosovo	98.000	-	224.65	224.65
		<u>\$ 3,882,167.59</u>	<u>\$ 1,006,720.55</u>	<u>\$ 4,888,888.14</u>

Deferred Revenue Explanation:

The deferred revenue consists of \$3,768,930.13 federal prepayment installments not yet earned and \$1,119,958.01 in revenues received but not expended as of August 31, 2012.

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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TEXAS A&M RESEARCH FOUNDATION

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SCHEDULE THREE
TEXAS A&M RESEARCH FOUNDATION
SCHEDULE OF CASH & CASH EQUIVALENTS
FOR THE YEAR ENDED AUGUST 31, 2012

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cash In Bank	\$ 1,525,600.49
Cash In State Treasury:	
Assets Held By System Offices-Current	3,699,173.79
Cash Equivalents	<u>11,427,804.66</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 16,652,578.94</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 16,652,578.94</u></u>

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SCHEDULE N-2
 TEXAS A&M RESEARCH FOUNDATION
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2012

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 305,303.34	\$	\$
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 305,303.34</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets			
Buildings	\$ 1,664,594.17	\$	\$
Furniture and Equipment	44,652,914.23		
Vehicles, Boats and Aircraft	27,536.94		
Total Depreciable Assets at Historical Cost	<u>\$ 46,345,045.34</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Depreciation For:			
Buildings	\$ (1,281,611.05)	\$	\$
Furniture and Equipment	(31,807,049.64)		
Vehicles, Boats and Aircraft	(13,925.92)		
Total Accumulated Depreciation	<u>\$ (33,102,586.61)</u>	<u>\$</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 13,242,458.73</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets - Intangible			
Computer Software	\$ 1,179,737.63	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 1,179,737.63</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (1,043,912.44)	\$	\$
Total Accumulated Amortization	<u>\$ (1,043,912.44)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 135,825.19</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u><u>\$ 13,683,587.26</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-12</u>
\$	\$	\$	\$	\$ 305,303.34
\$	\$	\$	\$	\$ 305,303.34
\$	\$	\$ 2,591,064.99	\$ (1,618,974.69) (27,536.94)	\$ 1,664,594.17 45,625,004.53
\$	\$	\$ 2,591,064.99	\$ (1,646,511.63)	\$ 47,289,598.70
\$	\$	\$ (39,828.47) (2,665,943.43) (1,977.68)	\$ 1,309,652.07 15,903.60	\$ (1,321,439.52) (33,163,341.00)
\$	\$	\$ (2,707,749.58)	\$ 1,325,555.67	\$ (34,484,780.52)
\$	\$	\$ (116,684.59)	\$ (320,955.96)	\$ 12,804,818.18
\$	\$	\$	\$	\$ 1,179,737.63
\$	\$	\$	\$	\$ 1,179,737.63
\$	\$	\$ (73,656.29)	\$	\$ (1,117,568.73)
\$	\$	\$ (73,656.29)	\$	\$ (1,117,568.73)
\$	\$	\$ (73,656.29)	\$	\$ 62,168.90
\$	\$	\$ (190,340.88)	\$ (320,955.96)	\$ 13,172,290.42

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TEXAS A&M RESEARCH FOUNDATION

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