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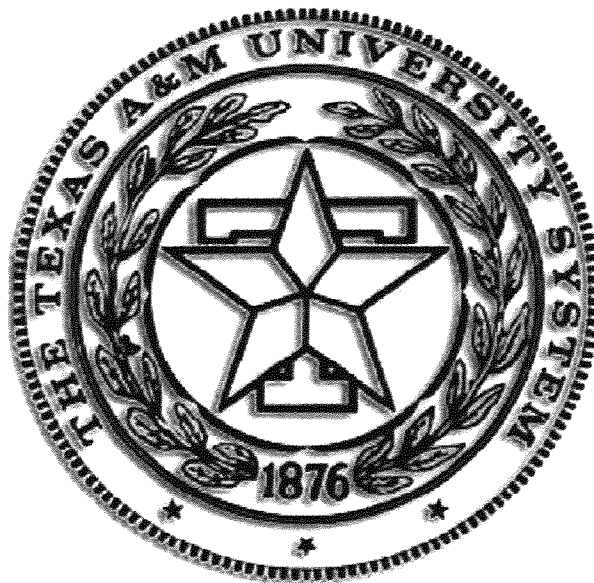
FINANCIAL REPORT

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]	253,548,348.04	203,977,916.21
Investments		
Legislative Appropriations	289,676.20	71,812.83
Receivables, Net:		
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	160,396,351.24	19,474,668.98
Accounts	6,106,336.82	
Other	1,040,631.26	7,105,195.94
Due From Other Agencies	1,779,244.20	1,115,757.58
Due From Other Members	35,040,810.10	39,371,565.82
Due From Other Funds		
Consumable Inventories	16,210.58	18,658.84
Merchandise Inventories		
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]	\$ 2,042,554.09	\$ 1,656,092.39
Assets Held By System Offices		
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>

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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
	<u> </u>	<u> </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	106,837,310.61	124,144,771.18
Funds Held for Investment	3,231,201,303.78	2,879,604,443.45
Hedging Derivative Instruments	2,244,010.00	4,739,941.00
Deferred Inflow of Resources		
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
	<u> </u>	<u> </u>
Total Current Liabilities	\$ 3,616,118,035.00	\$ 3,303,604,848.36
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
	<u> </u>	<u> </u>
Total Non-Current Liabilities and Deferred Inflows	\$ 3,031,060,709.99	\$ 2,624,697,411.21
Total Liabilities and Deferred Inflows	\$ 6,647,178,744.99	\$ 5,928,302,259.57
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
	<u> </u>	<u> </u>
Total Net Assets [Exhibit IV]	\$ (1,613,064,729.70)	\$ (1,127,639,152.22)
Total Liabilities & Deferred Inflows and Net Assets	\$ 5,034,114,015.29	\$ 4,800,663,107.35
	<u> </u>	<u> </u>

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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
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		
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
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
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)
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)

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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
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		
Total Other Revenues and Transfers	<u>\$ (277,311,214.36)</u>	<u>\$ (78,988,709.09)</u>
Change In Net Assets	<u>\$ (486,684,904.72)</u>	<u>\$ (199,902,310.75)</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)
Beginning Net Assets, September 1, 2011 and 2010 Restated	<u>\$ (1,126,379,824.98)</u>	<u>\$ (927,736,841.47)</u>
Net Assets, August 31, 2012 and 2011	<u>\$ (1,613,064,729.70)</u>	<u>\$ (1,127,639,152.22)</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	<u>\$ 416,499.34</u>	<u>\$ 1,802,453.97</u>	<u>\$ 42,715.83</u>	<u>\$</u>	<u>\$</u>

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
			3,600.00			255,739.00	267,400.00
	5,295,279.26					5,295,279.26	1,494,500.64
	127,068,540.00					127,068,540.00	134,429,902.00
	1,864,906.01	4,339.48	113.50			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]

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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	<u>\$ (9,551,846.30)</u>	<u>\$ (16,739,025.24)</u>
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	<u>\$ 47,803,561.28</u>	<u>\$ 78,667,278.93</u>
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.	<u>\$ (38,750,051.74)</u>	<u>\$ (352,412,489.42)</u>
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	<u>\$ 168,352,346.84</u>	<u>\$ 586,216,538.14</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ 167,854,010.08</u>	<u>\$ 295,732,302.41</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 869,380,179.77</u>	<u>\$ 573,647,877.36</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 869,380,179.77</u>	<u>\$ 573,647,877.36</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u>\$ 1,037,234,189.85</u>	<u>\$ 869,380,179.77</u>

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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 1 - 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
	170,521.61				170,521.61	170,521.61
	415,774.07				(1,076.11)	415,774.07
		718	416,850.18			
	415,774.07		416,850.18		(1,076.11)	415,774.07
225,289.94	225,289.94				225,289.94	225,289.94
225,289.94	225,289.94				225,289.94	225,289.94
\$ 225,289.94	\$ 811,585.62		\$ 416,850.18	\$ -	\$ 394,735.44	\$ 811,585.62

UNAUDITED

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	586,295.68
Federal Appropriations	
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><u>\$ 811,585.62</u></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

UNAUDITED

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	<u>13,645.00</u>
			<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)

UNAUDITED

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	5/15/2018	(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	5/15/2020	(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
	<u>\$ 2,137,305,000.00</u>	<u>\$ 283,575,000.00</u>	<u>\$ 98,950,000.00</u>	<u>\$ 80,730,000.00</u>	<u>\$ 2,241,200,000.00</u>	<u>\$ 111,210,000.00</u>
		[a]	(Schedule 2D)	(Schedule 2D)	[b] (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	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				<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	\$	\$	\$	\$	\$
	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		<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		
		[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				\$ 67,976,541.98		
Special Mineral Income Fund Investment Income				972,395.39		68,948,937.37
Total Interest Earned on Investments						<u>\$ 70,119,917.09</u>

[b]Analysis of Other Pledged Revenues

Permanent University Fund Bonds						
Distributions from University of Texas System						\$ 199,829,438.08
Revenue Financing System Bonds						
Other NonOperating Revenues						32,662,432.15
Total Other Pledged Revenues						<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 REQUIRED	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
\$	\$ 1,872,634,029.32	\$ 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							\$	107,068,477.83
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							\$	1,053,876,010.66

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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	<u>105,722,906.83</u>
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	<u>\$ 253,548,348.04</u>
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><u>\$ 626,449,372.81</u></u>	<u><u>\$ 1,259,327.24</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>
\$ 2,954,605.90	\$ (608,786,488.47)	\$ 284,874,188.38	\$	\$ 300,040,184.07
		600.00	(1,800.00)	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	\$ (5,802,556.46)	\$ 1,363,329.23
		1,453,688.79		9,397,638.43
		5,187.85	(220.71)	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)	\$ 98,287.59	\$ (860,264.69)
		(223,969.10)		(6,908,591.50)
		(5,013.66)		(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>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (18,851.78)</u>	<u>\$ 1,424,019.57</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (18,851.78)</u>	<u>\$ 1,424,019.57</u>
<u>\$</u>	<u>\$</u>	<u>\$ (28,115.40)</u>	<u>\$ 18,851.78</u>	<u>\$ (1,418,269.57)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (28,115.40)</u>	<u>\$ 18,851.78</u>	<u>\$ (1,418,269.57)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (28,115.40)</u>	<u>\$</u>	<u>\$ 5,750.00</u>
<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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TEXAS A&M SYSTEM OFFICES

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