

UNAUDITED

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

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GALVESTON, TEXAS

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TEXAS A&M UNIVERSITY AT GALVESTON

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	1,741	1,726
Out-of-State	268	261
Foreign	26	28
Total Students	<u>2,035</u>	<u>2,015</u>

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
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

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TEXAS A&M UNIVERSITY AT GALVESTON
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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 Self-Insured Health and Dental Student		
Investment Trades	514,900.15	452,325.75
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		
Deferred Charges	441,047.12	458,631.74
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 Investments	24,658,862.90	22,423,358.67
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>

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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
	<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		
Due to Other Agencies		918.82
Due to Other Funds	1,760,435.62	2,448,786.87
Due to Other Members		892,818.55
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	<u>1,180,369.94</u>	<u>958,060.72</u>
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	<u>29,165,147.78</u>	<u>24,079,336.54</u>
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>

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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)

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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> </u>	<u> </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> </u>	<u> </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> </u>	<u> </u>
	\$ 112,951,420.28	\$ 107,967,381.79

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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]

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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>

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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)
Uneamed 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

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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
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				
<i>Pass-Through From:</i> <i>Texas A&M University System</i>			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				
<i>Pass-Through From:</i> <i>Texas A&M University</i>			711	129,821.32	
Coastal Zone Management Administration Awards	11.419				
<i>Pass-Through From:</i> <i>General Land Office</i>			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				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			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				
<i>Pass-Through From:</i> <i>Parks and Wildlife Department</i>			802	10,194.28	
Totals - U.S. Department of the Interior				10,194.28	
U.S. Department of Transportation					
Public Transportation Research	20.514				
<i>Pass-Through From:</i> <i>Texas A&M Transportation Institute</i>			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				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	55,740.23	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i>					

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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			-
Total Federal Pass-Through Grants			856,358.05
Federal Appropriations			-
Total Federal Revenue per Exhibit IV		\$	5,047,499.51

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:

Federal Grants to/from TAMRF			(1,060,631.17)
COBRA 65% Subsidy (CFDA Number 17.151)			-
Federal Contract Revenues - Vendor Relationship & Fixed Price			(14,185.27)
Total Pass Throughs and Expenditures per Federal Schedule		\$	<u>12,989,719.05</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

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

<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. Merchant Marine Academy	20.807	<u>\$ 503,017.44</u>	<u>\$ 570,898.76</u>	<u>\$ 1,073,916.20</u>
		<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			\$ -
			<u>(Schedule IV-1)</u>

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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)	\$

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