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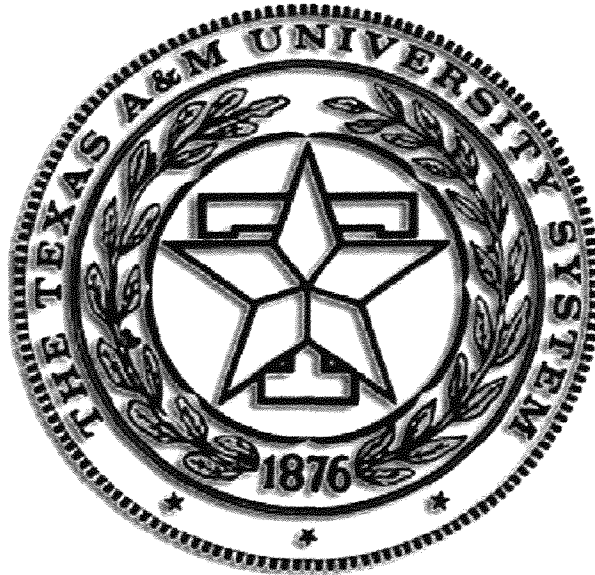
FINANCIAL REPORT

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

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TARLETON STATE UNIVERSITY

CURRENT YEAR
STUDENT ENROLLMENT DATA

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

HISTORICAL
STUDENT ENROLLMENT DATA

(Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
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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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
	<u> </u>	<u> </u>
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
	<u> </u>	<u> </u>
Total Current Liabilities	\$ 41,715,126.22	\$ 37,545,648.70
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
	<u> </u>	<u> </u>
Total Non-Current Liabilities and Deferred Inflows	\$ 2,551,622.00	\$ 2,333,773.00
Total Liabilities and Deferred Inflows	\$ 44,266,748.22	\$ 39,879,421.70
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
	<u> </u>	<u> </u>
Total Net Assets [Exhibit IV]	\$ 258,452,483.09	\$ 236,189,763.28
Total Liabilities & Deferred Inflows and Net Assets	\$ 302,719,231.31	\$ 276,069,184.98
	<u> </u>	<u> </u>

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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
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
	<u> </u>	<u> </u>
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	<u>\$ 5,477,418.87</u>	<u>\$ 37,632,638.14</u>
Change In Net Assets	<u>\$ 22,321,220.63</u>	<u>\$ 57,566,927.72</u>
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	<u>\$ 236,131,262.46</u>	<u>\$ 178,622,835.56</u>
Net Assets, August 31, 2012 and 2011	<u>\$ 258,452,483.09</u>	<u>\$ 236,189,763.28</u>

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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	<u>\$ 38,145,431.77</u>	<u>\$ 8,142,252.58</u>	<u>\$ 3,696,650.80</u>	<u>\$</u>	<u>\$ 7,911,837.42</u>

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	(5,200,086.50)	(4,116,720.46)
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]	5,758,323.16	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><u>\$ 27,003,034.82</u></u>	<u><u>\$ 24,172,235.68</u></u>

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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)
	<u> </u>	<u> </u>
Total Adjustments	\$ 9,280,963.70	\$ 15,604,012.91
Net Cash Provided [Used] By Operating Activities	\$ (36,190,900.35)	\$ (37,252,898.32)
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

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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>					
<i>Texas Tech University</i>			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>					
<i>Texas Commission on Environmental Quality</i>			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>					
<i>Texas A&M University</i>			711	7,000.00	
College Access Challenge Grant Program	84.378				
<u>Pass-Through From:</u>					
<i>Texas Higher Education Coordinating Board</i>			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>					
<i>Department of Family and Protective Services</i>			530	94,981.53	
Totals - U.S. Department of Health and Human Services				94,981.53	
Research & Development Cluster					
<u>U.S. Department of Agriculture</u>					
Environmental Quality Incentives Program	10.912	World Resources Institute/ 431960			55,786.83

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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

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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
<u>Direct Programs:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
Crop Insurance	10.450				
Soil and Water Conservation	10.902				
<u>Pass-Through From:</u>					
Plant and Animal Disease, Pest Control, and Animal Care	10.025				
<i>Pass-Through From:</i> <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				
<i>Pass-Through From:</i> <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				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Research</i>			556	31,823.46	
Water Pollution Control State, Interstate, and Tribal Program Support	66.419				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	194,181.42	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i> <i>Texas A&M AgriLife Extension Service</i>			555	57,931.91	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	166,888.66	
Nonpoint Source Implementation Grants	66.460				
<i>Pass-Through From:</i> <i>Soil and Water Conservation Board</i>			592	122,732.26	
Performance Partnership Grants	66.605				
<i>Pass-Through From:</i> <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					
<u>Direct Programs:</u>					
Federal Supplemental Educational Opportunity Grants	84.007				
<i>Pass-Through To:</i> <i>Texas A&M University - Central Texas</i>					
Federal Work-Study Program	84.033				
Federal Pell Grant Program	84.063				
<i>Pass-Through To:</i> <i>Texas A&M University - Central Texas</i>					
Federal Direct Student Loans	84.268				
<i>Pass-Through To:</i> <i>Texas A&M University - Central Texas</i>					
Totals - U.S. Department of Education					

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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	Pass-through To		Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities 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

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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>State Fiscal Stabilization Fund Cluster</u>					
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>					
<i>Texas Higher Education Coordinating Board</i>			781	88,604.62	
Totals - U.S. Department of Education				88,604.62	
<u>TRIO Cluster</u>					
U.S. Department of Education					
<u>Direct Programs:</u>					
TRIO_Upward Bound	84.047				
Totals - U.S. Department of Education					
<u>WIA Cluster</u>					
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	45.13	
Totals - U.S. Department of Labor				45.13	
Total Expenditures of Federal Awards				\$ 954,234.83	\$ 116,820.50

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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>

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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 THROUGH)

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		\$	30,459,983.61

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			70,082,806.00
Health Education Assistance Loans			
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			

DEDUCT:

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

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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	<u>70,082,806.00</u>	<u>(13,633,015.00)</u>		-
Total, U. S. Department of Education		<u>70,082,806.00</u>	<u>(13,633,015.00)</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		-	-	-	-
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	<u>\$ 2,505,250.32</u>	<u>\$ (2,394,528.04)</u>	<u>\$ 110,722.28</u>
		<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><u>6,018,668.66</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>			
AVID project	713.0002		
Texas A&M University - Central Texas		770	\$ 30,000.00
Total Pass-Through To State Agencies			\$ <u><u>30,000.00</u></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	<u>1,930.00</u>
Total Cash On Hand	<u>\$ 26,930.00</u>
Cash In Bank	\$ 138,865.89
Cash In State Treasury:	
Fund 0243	<u>7,655,663.80</u>
Total Cash In State Treasury	<u>\$ 7,655,663.80</u>
Reimbursements Due From State Treasury	\$ 36,359.76
Assets Held By System Offices-Current	<u>17,085,494.88</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 24,943,314.33</u>
Restricted:	
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 2,059,720.49</u>
Total Restricted Cash and Cash Equivalents [Exhibit III]	<u>\$ 2,059,720.49</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 27,003,034.82</u></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	<u>\$ 8,139,935.00</u>	<u>\$ (184,403.47)</u>	<u>\$ (15,566,916.48)</u>
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	<u>\$ 239,960,699.48</u>	<u>\$ 184,403.47</u>	<u>\$ 15,566,916.48</u>
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	<u>\$ (98,839,123.35)</u>	<u>\$ (58,500.82)</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 141,121,576.13</u>	<u>\$ 125,902.65</u>	<u>\$ 15,566,916.48</u>
Amortizable Assets - Intangible			
Computer Software	\$ 729,238.12	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 729,238.12</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (721,258.21)	\$	\$
Total Accumulated Amortization	<u>\$ (721,258.21)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 7,979.91</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u>\$ 149,269,491.04</u>	<u>\$ (58,500.82)</u>	<u>\$</u>

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-12
\$ 12,885,650.85	\$	\$ 4,132,486.99	\$ (172,523.20)	\$ 3,291,688.69 4,809,686.29 1,132,854.71
\$ 12,885,650.85	\$	\$ 4,132,486.99	\$ (172,523.20)	\$ 9,234,229.69
\$ 61,898.50	\$	\$ 863,332.74 61,676.44 349,023.77	\$ (2,818,451.37) (207,983.14) (430,365.04) (145,247.14) (118,370.61)	\$ 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	\$	\$ 1,274,032.95	\$ (3,720,417.30)	\$ 253,327,533.58
\$ (60,849.50)	\$	\$ (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)
\$ (60,849.50)	\$	\$ (10,377,373.41)	\$ 568,018.23	\$ (108,767,828.85)
\$ 1,049.00	\$	\$ (9,103,340.46)	\$ (3,152,399.07)	\$ 144,559,704.73
\$	\$	\$	\$ (42,895.83)	\$ 686,342.29
\$	\$	\$	\$ (42,895.83)	\$ 686,342.29
\$	\$	\$ (4,065.96)	\$ 42,895.83	\$ (682,428.34)
\$	\$	\$ (4,065.96)	\$ 42,895.83	\$ (682,428.34)
\$	\$	\$ (4,065.96)	\$	\$ 3,913.95
\$ 12,886,699.85	\$	\$ (4,974,919.43)	\$ (3,324,922.27)	\$ 153,797,848.37

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