

# UNAUDITED

FINANCIAL REPORT

OF

## TEXAS A&M ENGINEERING EXTENSION SERVICE

FOR THE YEAR ENDED AUGUST 31, 2012

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2011



GARY SERA, AGENCY DIRECTOR

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COLLEGE STATION, TEXAS

UNAUDITED

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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows	\$	\$
Current Assets:		
Cash & Cash Equivalents [Schedule Three]	956,763.32	4,624,074.22
Securities Lending Collateral		
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Restricted:		
Cash & Cash Equivalents [Schedule Three]		
Investments		
Legislative Appropriations		60,482.50
Receivables, Net:		
Federal	3,528,492.26	3,148,393.48
Other Intergovernmental		
Interest and Dividends		
Gifts, Pledges and Donations		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	7,814,147.66	
Other		8,080,905.31
Due From Other Agencies	210,437.22	115,668.78
Due From Other Members	1,915,601.77	269,377.43
Due From Other Funds	1,708,528.29	
Consumable Inventories	640,103.08	892,253.72
Merchandise Inventories		
Deferred Charges		
Loans and Contracts		
Interfund Receivable		
Other Current Assets		
Total Current Assets	<u>\$ 16,774,073.60</u>	<u>\$ 17,191,155.44</u>
Non-Current Assets and Deferred Outflows:		
Restricted:		
Cash & Cash Equivalents [Schedule Three]	\$ 67,385.68	\$ 67,385.68
Assets Held By System Offices		
Investments		
Loans, Contracts and Other		
Pledges Receivable		
Legislative Appropriations		
Loans and Contracts		
Assets Held By System Offices	37,667,847.44	33,218,685.76
Investments		
Derivative Instruments		
Hedging Derivative Instruments		
Deferred Outflow of Resources		
Interfund Receivable		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	438,584.77	438,584.77
Construction In Progress	2,616,545.21	520,218.13
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	13,157,363.11	13,135,705.90
Infrastructure	17,204,558.39	16,619,764.86
Facilities and Other Improvements	6,615,592.03	6,078,226.95
Furniture and Equipment	10,618,488.56	10,121,087.00
Vehicles, Boats, and Aircraft	7,174,699.39	6,442,451.17
Other Capital Assets	1,855,952.40	1,855,952.40
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	581,706.90	615,917.94
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(23,351,586.17)	(20,660,381.00)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets and Deferred Outflows	<u>\$ 74,647,137.71</u>	<u>\$ 68,453,599.56</u>
Total Assets and Deferred Outflows	<u>\$ 91,421,211.31</u>	<u>\$ 85,644,755.00</u>

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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u>                    </u>	<u>                    </u>
Liabilities and Deferred Inflows		
Current Liabilities:		
Payables:		
Accounts	\$ 2,269,582.78	\$ 2,597,181.93
Payroll	1,422,034.34	1,599,961.53
Investment Trades		
Self-Insured Health and Dental		
Other		
Interfund Payable		
Due to Other Agencies	64,388.50	129,696.41
Due to Other Funds	1,708,528.29	
Due to Other Members		16,455.57
Funds Held for Investment		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Unearned Revenue	2,092,123.54	2,177,889.10
Employees' Compensable Leave	331,150.00	221,936.00
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Obligations/Securities Lending		
Other Current Liabilities		
Total Current Liabilities	<u>\$ 7,887,807.45</u>	<u>\$ 6,743,120.54</u>
Non-Current Liabilities and Deferred Inflows		
Interfund Payable	\$ 1,897,805.00	\$ 1,996,501.00
Employees' Compensable Leave		
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable		
Bonds Payable		
Hedging Derivative Instruments		
Deferred Inflow of Resources		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities		
Total Non-Current Liabilities and Deferred Inflows	<u>\$ 1,897,805.00</u>	<u>\$ 1,996,501.00</u>
Total Liabilities and Deferred Inflows	<u>\$ 9,785,612.45</u>	<u>\$ 8,739,621.54</u>
Net Assets		
Invested In Capital Assets, Net of Debt	\$ 36,911,904.59	\$ 35,167,528.12
Restricted For:		
Debt Service		
Capital Projects		
Education	86,027.71	56,137.28
Endowment and Permanent Funds:		
Nonexpendable	67,385.68	67,385.68
Expendable	44,570,280.88	41,614,082.38
Unrestricted		
Total Net Assets [Exhibit IV]	<u>\$ 81,635,598.86</u>	<u>\$ 76,905,133.46</u>
Total Liabilities & Deferred Inflows and Net Assets	<u>\$ 91,421,211.31</u>	<u>\$ 85,644,755.00</u>

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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u>                    </u>	<u>                    </u>
Operating Revenues		
Sales of Goods and Services		
Tuition and Fees-Pledged	\$ 33,584,448.40	\$ 32,383,439.02
Discounts and Allowances		(840,562.10)
Net Tuition and Fees - Non-Pledged		
Net Professional Fees		
Net Auxiliary Enterprises		
Net Other Sales of Goods and Services	14,767,999.55	13,406,122.60
Discounts and Allowances-Sales		
	<u>                    </u>	<u>                    </u>
Total Sales of Goods and Services	\$ 48,352,447.95	\$ 44,948,999.52
Premium Revenue		
Interest Revenue		
Net Increase [Decrease] In Fair Value		
Federal Revenue - Operating	22,127,820.10	23,329,390.29
Federal Pass Through Revenue	1,459,531.59	5,397,718.48
State Grant Revenue	7,212.00	
State Pass Through Revenue	1,620.00	2,257,679.23
Other Grants and Contracts - Operating	216,867.35	422,660.32
Other Operating Revenue		
	<u>                    </u>	<u>                    </u>
Total Operating Revenues	\$ 72,165,498.99	\$ 76,356,447.84
Operating Expenses		
Instruction	\$ 64,699,277.39	\$ 67,430,067.49
Research		
Public Service		
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	11,110,100.90	11,067,239.39
Operation & Maintenance of Plant		
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	3,203,626.28	3,048,499.24
	<u>                    </u>	<u>                    </u>
Total Operating Expenses [Schedule IV-1]	\$ 79,013,004.57	\$ 81,545,806.12
Total Operating Income [Loss]	\$ (6,847,505.58)	\$ (5,189,358.28)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 6,762,931.38	\$ 7,179,072.46
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	111,520.86	236,819.90
Land Income	12,952.55	
Investment Income	675,635.95	612,783.33
Loan Premium/Fees On Securities Lending		
Investing Activities Expense	(78,070.93)	(101,310.65)
Interest Expense and Fiscal Charges		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	47,986.39	(278.85)
Net Increase [Decrease] In Fair Value	1,364,478.53	2,084,713.13
Settlement of Claims		
Other Nonoperating Revenues	47,758.09	35,729.23
Other Nonoperating [Expenses]		(41,034.12)
	<u>                    </u>	<u>                    </u>
Total Nonoperating Revenues [Expenses]	\$ 8,945,192.82	\$ 10,006,494.43
Income [Loss] Before Other Revenues and Transfers	\$ 2,097,687.24	\$ 4,817,136.15

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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u>                    </u>	<u>                    </u>
Other Revenues and Transfers		
Capital Contributions	\$ 84,060.00	\$ 198,415.00
Capital Appropriations [Higher Education Fund]		
Additions to Permanent and Term Endowments		
Special Items		
Extraordinary Items		
Transfers In		
Transfers From Other State Agencies		
Mandatory Transfers From Other Members		
Nonmandatory Transfers From Other Members	2,604,637.49	467,912.92
Nonmandatory Transfers From Members/Agencies-Cap Assets	676,674.27	4,345.27
Transfers Out		
Transfers to Other State Agencies		
Mandatory Transfers to Other Members	(595,725.52)	(627,802.50)
Nonmandatory Transfers to Other Members	(766.13)	
Nonmandatory Transfers to Members/Agencies - Cap Assets	(30,707.59)	(3,483.94)
Legislative Transfers - In		
Legislative Transfers - Out		
Legislative Appropriations Lapsed		(103,760.29)
	<u>2,738,172.52</u>	<u>(64,373.54)</u>
Total Other Revenues and Transfers	\$	\$
Change In Net Assets	<u>4,835,859.76</u>	<u>4,752,762.61</u>
Beginning Net Assets, September 1, 2011 and 2010	\$ 76,905,133.46	\$ 64,483,000.02
Restatement	(105,394.36)	7,669,370.83
	<u>76,799,739.10</u>	<u>72,152,370.85</u>
Beginning Net Assets, September 1, 2011 and 2010 Restated	\$	\$
Net Assets, August 31, 2012 and 2011	<u>81,635,598.86</u>	<u>76,905,133.46</u>

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

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
Natural Classification	\$	\$	\$	\$	\$
Cost of Goods Sold	45,758.40				
Salaries & Wages	28,934,676.56				
Payroll Related Costs	4,460,847.98				
Professional Fees & Services	3,569,093.84				
Travel	6,251,939.25				
Materials & Supplies	6,592,861.00				
Communication & Utilities	1,626,678.58				
Repairs & Maintenance	397,125.56				
Rentals & Leases	6,052,567.09				
Printing & Reproduction	1,519,440.97				
Federal Pass-Through	881,278.75				
State Pass-Through	83,933.85				
Depreciation & Amortization					
Bad Debt Expense					
Interest	116.04				
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	4,282,959.52				
Total Operating Expenses	<u>\$ 64,699,277.39</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	150.00					45,908.40	56,127.06
	5,205,710.86					34,140,387.42	35,705,415.32
	2,780,495.73					7,241,343.71	7,873,490.92
	1,040,853.69					4,609,947.53	4,178,406.15
	161,847.26					6,413,786.51	6,539,102.14
	937,045.86					7,529,906.86	6,335,713.05
	115,209.23					1,741,887.81	1,942,062.62
	409,132.14					806,257.70	1,270,905.13
	41,617.48					6,094,184.57	7,064,897.05
	74,508.15					1,593,949.12	1,830,791.98
						881,278.75	651,336.74
						83,933.85	183,750.00
					3,203,626.28	3,203,626.28	3,048,499.24
	355.27					471.31	718.44
	343,175.23					4,626,134.75	4,864,590.28
\$	\$ 11,110,100.90	\$	\$	\$	\$ 3,203,626.28	\$ 79,013,004.57	\$ 81,545,806.12

[Exhibit IV]



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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities	\$	\$
Proceeds Received From Tuition and Fees	33,498,682.84	31,965,113.43
Proceeds Received From Customers	16,879,099.62	7,631,510.18
Proceeds From Sponsored Programs	21,549,190.88	32,852,779.32
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Revenues		
Payments to Suppliers for Goods and Services	(33,619,646.55)	(30,763,803.73)
Payments to Employees - Salaries	(34,318,314.61)	(35,760,169.88)
Payments to Employees - Benefits	(7,230,825.71)	(8,033,815.92)
Payments for Loans Provided		
Payments for Other Expenses	(965,212.60)	(396,485.79)
Net Cash Provided [Used] By Operating Activities	<u>\$ (4,207,026.13)</u>	<u>\$ (2,504,872.39)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 6,823,413.88	\$ 7,790,276.46
Proceeds From Gifts	111,520.86	236,819.90
Proceeds From Endowments		
Proceeds - Transfers From Other Funds		
Proceeds From Other Grant Revenue		
Proceeds From Contributed Capital		
Proceeds From Other Revenues	60,710.64	35,729.23
Payments of Interest		
Payments - Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Uses		
Other Noncapital Transfers From/To System	3,871.36	17,912.92
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	<u>\$ 6,999,516.74</u>	<u>\$ 8,080,738.51</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 56,083.86	\$ 2,178.25
Proceeds From Capital Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Loans		
Proceeds From Other Financing Activities		
Payments for Additions to Capital Assets	(4,331,467.90)	(1,281,036.98)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments for Interest On Capital Related Debt		
Payments for Interfund Loans		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	898,426.18	365,969.22
Intrasystem Transfers for Capital Debt [Mandatory]	(595,725.52)	(627,802.50)
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	<u>\$ (3,972,683.38)</u>	<u>\$ (1,540,692.01)</u>
Cash Flows From Investing Activities		
Proceeds From Sales and Maturities of Investments	\$	\$
Sales and Purchases of Investments Held By System	(3,084,683.15)	(4,564,678.68)
Proceeds From Interest and Investment Income	597,565.02	511,472.68
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	<u>\$ (2,487,118.13)</u>	<u>\$ (4,053,206.00)</u>
Increase [Decrease] In Cash and Cash Equivalents	<u>\$ (3,667,310.90)</u>	<u>\$ (18,031.89)</u>
Cash and Cash Equivalents, September 1, 2011 and 2010 Restatement	<u>\$ 4,624,074.22</u>	<u>\$ 4,642,106.11</u>
Restated Beginning Cash and Cash Equivalents	<u>\$ 4,624,074.22</u>	<u>\$ 4,642,106.11</u>
Cash and Cash Equivalents, August 31, 2012 and 2011 [Sch Three]	<u><u>\$ 956,763.32</u></u>	<u><u>\$ 4,624,074.22</u></u>

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

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u>                    </u>	<u>                    </u>
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(6,847,505.58)	(5,189,358.28)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Depreciation and Amortization	3,203,626.28	3,048,499.24
Bad Debt Expense	6,770.50	4,960.00
Operating Income and Expense Classification Differences		
Changes In Assets and Liabilities:		
Accounts Receivable, Net	1,581,462.19	(569,029.02)
Due From Other Agencies/Funds	(94,768.44)	715,254.98
Due From System Members	(1,646,224.34)	68,635.36
Inventory	252,150.64	(176,133.97)
Deferred Charges		
Prepaid Expenses		
Loans and Contracts		
Other Assets		
Payables	(505,526.34)	(708,113.66)
Due to Other Agencies/Funds	(65,307.91)	
Due to System Members	(16,455.57)	(846.99)
Unearned Revenue	(85,765.56)	461,584.95
Deposits		
Compensated Absence Liability	10,518.00	(160,325.00)
Other Post Employment Benefits Liability		
Self Insured Accrued Liability		
Other Liabilities		
Total Adjustments	<u>\$ 2,640,479.45</u>	<u>\$ 2,684,485.89</u>
Net Cash Provided [Used] By Operating Activities	<u>\$ (4,207,026.13)</u>	<u>\$ (2,504,872.39)</u>
Non-Cash Transactions		
Nonmonetary Gifts, Including Capital Assets	\$ 140,128.86	\$ 424,159.90
Net Increase [Decrease] In Fair Value of Investments	623,412.39	1,441,570.48
Gain/Loss On Sale or Disposal of Capital Assets	47,986.39	(278.85)
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Other	645,966.68	861.33

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

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<b>U.S. Department of Commerce</b>					
<u>Direct Programs:</u>					
Economic Development_Technical Assistance	11.303			\$	\$
Calibration Program	11.601				
<u>Pass-Through From:</u>					
Manufacturing Extension Partnership	11.611				
<i>Pass-Through From:</i> <i>University of Texas at Arlington</i>			714	402,060.92	
Totals - U.S. Department of Commerce				402,060.92	
<b>U.S. Department of Defense</b>					
Research and Technology Development	12.910				
<i>Pass-Through From:</i> <i>Texas A&amp;M Engineering Experiment Station</i>			712	2,400.00	
Totals - U.S. Department of Defense				2,400.00	
<b>U.S. Department of Justice</b>					
<u>Direct Programs:</u>					
Congressionally Recommended Awards	16.753				
<i>Pass-Through To:</i> <i>Texas State University - San Marcos</i>					
Totals - U.S. Department of Justice					
<b>U.S. Department of Labor</b>					
Occupational Safety and Health_Susan Harwood Training Grants	17.502				
Totals - U.S. Department of Labor					
<b>National Science Foundation</b>					
<u>Pass-Through From:</u>					
Computer and Information Science and Engineering	47.070				
<i>Pass-Through From:</i> <i>Texas A&amp;M Engineering Experiment Station</i>			712	13,592.74	
Totals - National Science Foundation				13,592.74	
<b>Environmental Protection Agency</b>					
Capitalization Grants for Drinking Water State Revolving Funds	66.468				
<i>Pass-Through From:</i> <i>Texas Commission on Environmental Quality</i>			582	26,153.90	
Totals - Environmental Protection Agency				26,153.90	
<b>U.S. Department of Energy</b>					
<u>Direct Programs:</u>					
ARRA - Conservation Research and Development	81.086				
<i>Pass-Through To:</i> <i>Texas A&amp;M Engineering Experiment Station</i>					
Totals - U.S. Department of Energy					
<b>U.S. Department of Education</b>					
<u>Pass-Through From:</u>					
Safe and Drug-Free Schools and Communities_National Programs	84.184				
<i>Pass-Through From:</i> <i>Texas A&amp;M University</i>			711	25,837.15	
Totals - U.S. Department of Education				25,837.15	
<b>U.S. Department of Homeland Security</b>					
Non-Profit Security Program	97.008	NJ Transit Authority/ 038485140			12,531.02

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

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To			Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount	Non-State Entities Amount		
\$ 22,632.29	\$ 22,632.29				\$ 22,632.29	\$ 22,632.29
46,565.12	46,565.12				46,565.12	46,565.12
	402,060.92				402,060.92	402,060.92
69,197.41	471,258.33				471,258.33	471,258.33
	2,400.00				2,400.00	2,400.00
	2,400.00				2,400.00	2,400.00
1,043,295.00	1,043,295.00				486,868.79	1,043,295.00
		754	556,426.21			
1,043,295.00	1,043,295.00		556,426.21		486,868.79	1,043,295.00
24,045.83	24,045.83				24,045.83	24,045.83
24,045.83	24,045.83				24,045.83	24,045.83
	13,592.74				13,592.74	13,592.74
	13,592.74				13,592.74	13,592.74
	26,153.90				26,153.90	26,153.90
	26,153.90				26,153.90	26,153.90
391,659.17	391,659.17				297,325.84	391,659.17
		712	94,333.33			
391,659.17	391,659.17		94,333.33		297,325.84	391,659.17
	25,837.15				25,837.15	25,837.15
	25,837.15				25,837.15	25,837.15
	12,531.02				12,531.02	12,531.02

UNAUDITED

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

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
Non-Profit Security Program		Port Authority of NY/NJ/ 001794205			739,525.09
<b><u>Direct Programs:</u></b>					
State and Local Homeland Security National Training Program	97.005				
<i>Pass-Through To:</i> <i>University of Texas at San Antonio</i>					
National Urban Search and Rescue (US&R) Response System	97.025				
State Fire Training Systems Grants	97.043				
<b><u>Pass-Through From:</u></b>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
<i>Pass-Through From:</i> <i>Department of Public Safety</i>					
			405	10,501.95	
Totals - U.S. Department of Homeland Security				10,501.95	752,056.11
<b><u>Homeland Security Cluster</u></b>					
<b>U.S. Department of Homeland Security</b>					
Homeland Security Grant Program	97.067	Port Authority of NY/NJ/ 001794205			378,168.54
<b><u>Pass-Through From:</u></b>					
Homeland Security Grant Program	97.067				
<i>Pass-Through From:</i> <i>Department of Public Safety</i>					
			405	81,332.68	
Totals - U.S. Department of Homeland Security				81,332.68	378,168.54
<b><u>JAG Program Cluster</u></b>					
<b>U.S. Department of Justice</b>					
<b><u>Pass-Through From:</u></b>					
Edward Byrne Memorial Justice Assistance Grant Program	16.738				
<i>Pass-Through From:</i> <i>Governor - Fiscal</i>					
			300	141,361.52	
Totals - U.S. Department of Justice				141,361.52	
<b><u>Highway Safety Cluster</u></b>					
<b>U.S. Department of Transportation</b>					
<b><u>Pass-Through From:</u></b>					
State and Community Highway Safety	20.600				
<i>Pass-Through From:</i> <i>Texas Department of Transportation</i>					
			601	610,735.69	
Totals - U.S. Department of Transportation				610,735.69	
<b><u>Economic Development Cluster</u></b>					
<b>U.S. Department of Commerce</b>					
<b><u>Direct Programs:</u></b>					
Economic Adjustment Assistance	11.307				
Totals - U.S. Department of Commerce					
<b><u>TANF Cluster</u></b>					
<b>U.S. Department of Health and Human Services</b>					
<b><u>Pass-Through From:</u></b>					
Temporary Assistance for Needy Families	93.558				
<i>Pass-Through From:</i> <i>Texas Workforce Commission</i>					
			320	36,724.80	
Totals - U.S. Department of Health and Human Services				36,724.80	
<b><u>WIA Cluster</u></b>					
<b>U.S. Department of Labor</b>					

UNAUDITED

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

Direct Program Amount	Total Pass Through From Direct Program	Agy/ Univ No.	Pass-through To		Expenditures	Total Pass Through To and Expenditures
			Agencies or Universities Amount	Non-State Entities Amount		
	739,525.09				739,525.09	739,525.09
18,251,608.02	18,251,608.02				18,021,088.81	18,251,608.02
		743	230,519.21			
1,040,351.50 26,000.00	1,040,351.50 26,000.00				1,040,351.50 26,000.00	1,040,351.50 26,000.00
	10,501.95				10,501.95	10,501.95
19,317,959.52	20,080,517.58		230,519.21		19,849,998.37	20,080,517.58
	378,168.54				378,168.54	378,168.54
	81,332.68				81,332.68	81,332.68
	459,501.22				459,501.22	459,501.22
	141,361.52				141,361.52	141,361.52
	141,361.52				141,361.52	141,361.52
	610,735.69				610,735.69	610,735.69
	610,735.69				610,735.69	610,735.69
151,438.52 151,438.52	151,438.52 151,438.52				151,438.52 151,438.52	151,438.52 151,438.52
	36,724.80				36,724.80	36,724.80
	36,724.80				36,724.80	36,724.80

UNAUDITED

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

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	NSE Name/ Identifying Number	Agy/ Univ No	Pass-through From	
				Agencies or Universities Amount	Non-State Entities Amount
<b>Pass-Through From:</b>					
WIA Dislocated Workers	17.260				
<i>Pass-Through From:</i>					
<i>Texas A&amp;M Engineering Experiment Station</i>			712	108,830.24	
Totals - U.S. Department of Labor				108,830.24	
<b>Total Expenditures of Federal Awards</b>				<b>\$ 1,459,531.59</b>	<b>\$ 1,130,224.65</b>

UNAUDITED

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

Direct Program Amount	Total Pass Through From Direct Program	Pass-through To			Expenditures	Total Pass Through To and Expenditures
		Agy/ Univ No.	Agencies or Universities Amount	Non-State Entities Amount		
	108,830.24				108,830.24	108,830.24
	108,830.24				108,830.24	108,830.24
<b>\$ 20,997,595.45</b>	<b>\$ 23,587,351.69</b>		<b>\$ 881,278.75</b>	<b>\$ -</b>	<b>\$22,706,072.94</b>	<b>\$23,587,351.69</b>



UNAUDITED

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

NOTE 1: NONMONETARY ASSISTANCE

Not applicable

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

FEDERAL REVENUES:

Federal Grants and Contracts - Operating	\$ 22,127,820.10
Federal Grants and Contracts - Non-operating	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$ 1,459,531.59
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating	
LESS Reconciling Items:	
Donation of Federal Surplus Property	
Total Federal Pass-Through Grants	1,459,531.59
Federal Appropriations	
Total Federal Revenue per Exhibit IV	\$ 23,587,351.69

Reconciling Items:

ADD:

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

DEDUCT:

Federal Grants to/from TAMRF	
COBRA 65% Subsidy (CFDA Number 17.151)	
Total Pass Throughs and Expenditures per Federal Schedule	\$ 23,587,351.69

UNAUDITED

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

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

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

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

UNAUDITED

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

Pass-through From:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<b>Skills Development</b> Texas Workforce Commission	<b>320.0003</b>	320	\$ 1,620.00
Total Pass-Through From State Agencies			\$ <u>1,620.00</u> (Exhibit IV)

Pass-through To:

<u>Program Name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
<b>TEEX/TCAT Support Agreement</b> Texas A&M Engineering Experiment Station	<b>716.0002</b>	712	\$ 83,933.85
Total Pass-Through To State Agencies			\$ <u>83,933.85</u> (Schedule IV-1)

UNAUDITED

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

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash On Hand:	
Cashiers Account	\$ 200.00
Petty Cash Department Working Fund	<u>600.00</u>
Total Cash On Hand	<u>\$ 800.00</u>
Cash In State Treasury:	
Assets Held By System Offices-Current	<u>\$ 955,963.32</u>
Total Current Cash and Cash Equivalents [Exhibit III]	<u>\$ 956,763.32</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 956,763.32</u></u>

UNAUDITED

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

	BALANCE 9-1-11	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 438,584.77	\$	\$
Construction In Progress	520,218.13	(32,596.68)	(692,079.61)
Total Non-Depreciable/Non-Amortizable Assets	<u>\$ 958,802.90</u>	<u>\$ (32,596.68)</u>	<u>\$ (692,079.61)</u>
Depreciable Assets			
Buildings	\$ 13,135,705.90	\$	\$ 21,657.21
Infrastructure	16,619,764.86		584,793.53
Facilities and Other Improvements	6,078,226.95		85,628.87
Furniture and Equipment	10,121,087.00	(98,591.00)	
Vehicles, Boats and Aircraft	6,442,451.17		
Other Capital Assets	1,855,952.40		
Total Depreciable Assets at Historical Cost	<u>\$ 54,253,188.28</u>	<u>\$ (98,591.00)</u>	<u>\$ 692,079.61</u>
Less Accumulated Depreciation For:			
Buildings	\$ (3,682,948.72)	\$	\$
Infrastructure	(1,947,459.89)		
Facilities and Other Improvements	(1,076,515.80)		
Furniture and Equipment	(6,970,728.48)	25,793.32	
Vehicles, Boats and Aircraft	(5,118,394.21)		
Other Capital Assets	(1,254,412.81)		
Total Accumulated Depreciation	<u>\$ (20,050,459.91)</u>	<u>\$ 25,793.32</u>	<u>\$</u>
Depreciable Assets, Net	<u>\$ 34,202,728.37</u>	<u>\$ (72,797.68)</u>	<u>\$ 692,079.61</u>
Amortizable Assets - Intangible			
Computer Software	\$ 615,917.94	\$	\$
Total Intangible Assets at Historical Cost	<u>\$ 615,917.94</u>	<u>\$</u>	<u>\$</u>
Less Accumulated Amortization For:			
Computer Software	\$ (609,921.09)	\$	\$
Total Accumulated Amortization	<u>\$ (609,921.09)</u>	<u>\$</u>	<u>\$</u>
Amortizable Assets-Net	<u>\$ 5,996.85</u>	<u>\$</u>	<u>\$</u>
Capital Assets, Net	<u><u>\$ 35,167,528.12</u></u>	<u><u>\$ (105,394.36)</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>
\$ 641,328.93	\$	\$ 2,179,674.44	\$	\$ 438,584.77
<u>641,328.93</u>	<u>\$</u>	<u>2,179,674.44</u>	<u>\$</u>	<u>2,616,545.21</u>
\$ 641,328.93	\$	\$ 2,179,674.44	\$	\$ 3,055,129.98
<u>641,328.93</u>	<u>\$</u>	<u>2,179,674.44</u>	<u>\$</u>	<u>3,055,129.98</u>
\$	\$	\$	\$	\$ 13,157,363.11
		451,736.21		17,204,558.39
58,390.25	(125,579.59)	905,096.76	(241,914.86)	6,615,592.03
29,424.28		879,020.49	(176,196.55)	10,618,488.56
				7,174,699.39
				1,855,952.40
<u>87,814.53</u>	<u>(125,579.59)</u>	<u>2,235,853.46</u>	<u>(418,111.41)</u>	<u>56,626,653.88</u>
\$	\$	\$ (572,900.51)	\$	\$ (4,255,849.23)
		(888,693.32)		(2,836,153.21)
		(278,446.26)		(1,354,962.06)
(42,170.70)	94,872.00	(824,440.35)	240,199.25	(7,476,474.96)
(10,298.49)		(459,787.14)	169,814.69	(5,418,665.15)
		(176,060.35)		(1,430,473.16)
<u>(52,469.19)</u>	<u>94,872.00</u>	<u>(3,200,327.93)</u>	<u>410,013.94</u>	<u>(22,772,577.77)</u>
\$ 35,345.34	\$ (30,707.59)	\$ (964,474.47)	\$ (8,097.47)	\$ 33,854,076.11
<u>35,345.34</u>	<u>(30,707.59)</u>	<u>(964,474.47)</u>	<u>(8,097.47)</u>	<u>33,854,076.11</u>
\$	\$	\$	\$ (34,211.04)	\$ 581,706.90
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>(34,211.04)</u>	<u>581,706.90</u>
\$	\$	\$ (3,298.35)	\$ 34,211.04	\$ (579,008.40)
<u>\$</u>	<u>\$</u>	<u>(3,298.35)</u>	<u>34,211.04</u>	<u>(579,008.40)</u>
\$	\$	\$ (3,298.35)	\$	\$ 2,698.50
<u>\$</u>	<u>\$</u>	<u>(3,298.35)</u>	<u>\$</u>	<u>2,698.50</u>
\$ 676,674.27	\$ (30,707.59)	\$ 1,211,901.62	\$ (8,097.47)	\$ 36,911,904.59
<u>676,674.27</u>	<u>(30,707.59)</u>	<u>1,211,901.62</u>	<u>(8,097.47)</u>	<u>36,911,904.59</u>