

UNAUDITED

FINANCIAL REPORT

OF

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

FOR THE YEAR ENDED AUGUST 31, 2011

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED AUGUST 31, 2010



TAMMY BECKHAM, DVM, DIRECTOR

VIC SEIDEL, CPA, ASSISTANT AGENCY DIRECTOR FOR FINANCE

COLLEGE STATION, TEXAS

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TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

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TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
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EXHIBIT III
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
CASH & CASH EQUIVALENTS (SCHEDULE THREE).....	\$ 5,005,083.20	\$ 3,520,017.76
SECURITIES LENDING COLLATERAL.....		
SHORT-TERM INVESTMENTS.....		
SHORT-TERM DERIVATIVE INSTRUMENTS.....		
SHORT-TERM HEDGING DERIVATIVE INSTRUMENTS.....		
DEFERRED OUTFLOW OF RESOURCES.....		
RESTRICTED:		
CASH & CASH EQUIVALENTS (SCHEDULE THREE).....	109,887.93	1,566,540.88
SHORT TERM INVESTMENTS.....		
LEGISLATIVE APPROPRIATIONS.....	(89,658.12)	(17,063.18)
ACCOUNTS RECEIVABLE, NET:		
INTERGOVERNMENTAL:		
FEDERAL RECEIVABLES.....	77,888.17	260,943.07
OTHER INTERGOVERNMENTAL RECEIVABLES.....		
INTEREST AND DIVIDENDS.....		
GIFTS, PLEDGES AND DONATIONS RECEIVABLE.....		
SELF-INSURED RECEIVABLE.....		
STUDENT RECEIVABLES.....		
INVESTMENT TRADE RECEIVABLES.....		
OTHER RECEIVABLES.....	970,175.95	1,057,949.03
DUE FROM OTHER AGENCIES.....		
DUE FROM OTHER PARTS.....		
DUE FROM OTHER FUNDS.....		
CONSUMABLE INVENTORIES.....	360,839.80	287,394.95
MERCHANDISE INVENTORIES.....		
DEFERRED CHARGES.....		
LOANS AND CONTRACTS.....		
INTERFUND RECEIVABLE.....		
OTHER CURRENT ASSETS.....		
TOTAL CURRENT ASSETS.....	\$ 6,434,216.93	\$ 6,675,782.51
NON-CURRENT ASSETS AND DEFERRED OUTFLOWS:		
RESTRICTED:		
CASH & CASH EQUIVALENTS (SCHEDULE THREE).....	\$	\$
ASSETS HELD BY SYSTEM OFFICES-LONG TERM.....		
INVESTMENTS.....		
LOANS, CONTRACTS AND OTHER.....		
PLEDGES RECEIVABLE.....		
LEGISLATIVE APPROPRIATIONS.....		
LOANS AND CONTRACTS.....		
ASSETS HELD BY SYSTEM OFFICES-LONG TERM.....		
INVESTMENTS.....		
DERIVATIVE INSTRUMENTS.....		
HEDGING DERIVATIVE INSTRUMENTS.....		
DEFERRED OUTFLOW OF RESOURCES.....		
INTERFUND RECEIVABLE.....		
CAPITAL ASSETS, NON-DEPRECIABLE (NOTE 2)		
LAND AND LAND IMPROVEMENTS.....	105,700.00	105,700.00
CONSTRUCTION IN PROGRESS.....		
OTHER TANGIBLE CAPITAL ASSETS.....		
LAND USE RIGHTS.....		
OTHER INTANGIBLE CAPITAL ASSETS.....		
CAPITAL ASSETS, DEPRECIABLE (NOTE 2)		
BUILDINGS AND BUILDING IMPROVEMENTS.....	9,244,048.96	8,143,808.39
INFRASTRUCTURE.....		
FACILITIES AND OTHER IMPROVEMENTS.....		
FURNITURE AND EQUIPMENT.....	5,612,643.30	5,376,888.14
VEHICLES, BOATS, AND AIRCRAFT.....	164,052.83	156,639.83
OTHER CAPITAL ASSETS.....		
INTANGIBLE CAPITAL ASSETS, AMORTIZED (NOTE 2)		
LAND USE RIGHTS.....		
COMPUTER SOFTWARE.....	369,275.94	369,275.94
OTHER INTANGIBLE CAPITAL ASSETS.....		
ACCUMULATED DEPRECIATION/AMORTIZATION.....	(9,977,547.43)	(9,360,757.04)
ASSETS HELD IN TRUST.....		
OTHER NON-CURRENT ASSETS.....		
TOTAL NON-CURRENT ASSETS AND DEFERRED OUTFLOWS.....	\$ 5,518,173.60	\$ 4,791,555.26
TOTAL ASSETS AND DEFERRED OUTFLOWS.....	\$ 11,952,390.53	\$ 11,467,337.77

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EXHIBIT III
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 BALANCE SHEET
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
LIABILITIES AND DEFERRED INFLOWS		
CURRENT LIABILITIES:		
PAYABLES:		
ACCOUNTS PAYABLE.....	\$ 136,326.93	\$ 149,557.87
PAYROLL PAYABLE.....	777,644.13	748,770.24
INVESTMENT TRADE PAYABLES.....		
SELF-INSURED PAYABLE.....		
OTHER PAYABLES.....		
INTERFUND PAYABLE.....		
DUE TO OTHER AGENCIES.....		
DUE TO OTHER FUNDS.....		
DUE TO OTHER PARTS.....	29,358.78	731,405.07
FUNDS HELD FOR INVESTMENT.....		
HEDGING DERIVATIVE INSTRUMENTS.....		
DEFERRED INFLOW OF RESOURCES.....		
DEFERRED REVENUES.....	795.32	
EMPLOYEES' COMPENSABLE LEAVE.....	80,734.00	56,416.00
OTHER POST EMPLOYMENT BENEFITS.....		245,294.00
NOTES AND LOANS PAYABLE.....		
BONDS PAYABLE.....		
CAPITAL LEASE OBLIGATIONS.....		
LIABILITIES PAYABLE FROM RESTRICTED ASSETS.....		
FUNDS HELD FOR OTHERS.....	192.39	
OBLIGATIONS/SECURITIES LENDING.....		
OTHER CURRENT LIABILITIES.....		
	<u> </u>	<u> </u>
TOTAL CURRENT LIABILITIES.....	\$ 1,025,051.55	\$ 1,931,443.18
NON-CURRENT LIABILITIES AND DEFERRED INFLOWS		
INTERFUND PAYABLE.....	\$	\$
EMPLOYEES' COMPENSABLE LEAVE.....	762,603.00	836,060.00
OTHER POST EMPLOYMENT BENEFITS.....		1,865,517.00
SELF-INSURED PAYABLE.....		
NOTES AND LOANS PAYABLE.....		
BONDS PAYABLE.....		
HEDGING DERIVATIVE INSTRUMENTS.....		
DEFERRED INFLOW OF RESOURCES.....		
ASSETS HELD IN TRUST.....		
LIABILITIES PAYABLE FROM RESTRICTED ASSETS.....		
FUNDS HELD FOR OTHERS.....		
CAPITAL LEASE OBLIGATIONS.....		
OTHER NON-CURRENT LIABILITIES.....		
	<u> </u>	<u> </u>
TOTAL NON-CURRENT LIABILITIES AND DEFERRED INFLOWS.....	\$ 762,603.00	\$ 2,701,577.00
TOTAL LIABILITIES AND DEFERRED INFLOWS.....	\$ 1,787,654.55	\$ 4,633,020.18
NET ASSETS		
INVESTED IN CAPITAL ASSETS, NET OF DEBT.....	\$ 5,518,173.60	\$ 4,791,555.26
RESTRICTED FOR:		
DEBT SERVICE.....		
CAPITAL PROJECTS.....		
EDUCATION.....	76,833.35	23,874.87
ENDOWMENT AND PERMANENT FUNDS:		
NONEXPENDABLE.....		
EXPENDABLE.....		
UNRESTRICTED.....	4,569,729.03	2,018,887.46
	<u> </u>	<u> </u>
TOTAL NET ASSETS [EXHIBIT IV].....	\$ 10,164,735.98	\$ 6,834,317.59
TOTAL LIABILITIES & DEFERRED INFLOWS AND NET ASSETS.....	\$ 11,952,390.53	\$ 11,467,337.77

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EXHIBIT IV
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
	<u> </u>	<u> </u>
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS		
REVENUES AND EXPENSES FROM OPERATIONS		
OPERATING REVENUES		
SALES OF GOODS AND SERVICES		
TUITION AND FEES-PLEDGED.....	\$	\$
DISCOUNTS AND ALLOWANCES.....		
NET TUITION AND FEES - NON-PLEDGED.....		
NET PROFESSIONAL FEES.....		
NET AUXILIARY ENTERPRISES.....		
NET OTHER SALES OF GOODS AND SERVICES.....	9,902,479.92	8,672,931.17
DISCOUNTS AND ALLOWANCES-SALES.....		
	<u> </u>	<u> </u>
TOTAL SALES OF GOODS AND SERVICES.....	\$ 9,902,479.92	\$ 8,672,931.17
PREMIUM REVENUE.....		
INTEREST REVENUE.....		
NET INCREASE (DECREASE) IN FAIR VALUE.....		
FEDERAL REVENUE - OPERATING.....	419,066.65	310,430.43
FEDERAL PASS THROUGH REVENUE.....	62,914.60	
STATE GRANT REVENUE.....		
STATE PASS THROUGH REVENUE.....		
OTHER GRANTS AND CONTRACTS - OPERATING.....	35,000.00	70,000.00
OTHER OPERATING REVENUE.....	13,868.02	5,871.76
	<u> </u>	<u> </u>
TOTAL OPERATING REVENUES.....	\$ 10,433,329.19	\$ 9,059,233.36
OPERATING EXPENSES		
INSTRUCTION.....	\$	\$
RESEARCH.....	21,379.40	103,017.49
PUBLIC SERVICE.....	13,675,878.70	15,788,274.32
HOSPITALS AND CLINICS.....		
ACADEMIC SUPPORT.....		
STUDENT SERVICES.....		
INSTITUTIONAL SUPPORT.....	1,553,335.18	685,242.03
OPERATION & MAINTENANCE OF PLANT.....	24,296.89	5,749.30
SCHOLARSHIPS & FELLOWSHIPS.....		
AUXILIARY.....		
DEPRECIATION/AMORTIZATION.....	655,379.39	636,420.97
	<u> </u>	<u> </u>
TOTAL OPERATING EXPENSES [SCHEDULE IV-1].....	\$ 15,930,269.56	\$ 17,218,704.11
TOTAL OPERATING REVENUES [EXPENSES].....	\$ (5,496,940.37)	\$ (8,159,470.75)
NONOPERATING REVENUES [EXPENSES]		
LEGISLATIVE REVENUE.....	\$ 6,712,679.44	\$ 7,278,451.98
FEDERAL REVENUE NON-OPERATING.....		
FEDERAL PASS THROUGH NON-OPERATING.....		
STATE PASS THROUGH NON-OPERATING.....		
GIFTS.....		570.00
LAND INCOME.....		
INVESTMENT INCOME.....	16,034.81	17,475.64
LOAN PREMIUM/FEES ON SECURITIES LENDING.....		
INVESTING ACTIVITIES EXPENSE.....	(5,699.85)	(5,753.53)
INTEREST EXPENSE AND FISCAL CHARGES.....		
BORROWER REBATES AND AGENT FEES.....		
GAIN [LOSS] ON SALE OR DISPOSAL OF CAPITAL ASSETS.....		9,383.75
NET INCREASE [DECREASE] IN FAIR VALUE.....	(10,782.64)	
SETTLEMENT OF CLAIMS.....		
THE TAMUS AVAILABLE FUND INCOME.....		
OTHER NONOPERATING REVENUES.....		7,924.01
OTHER NONOPERATING [EXPENSES].....		(9,094.30)
	<u> </u>	<u> </u>
TOTAL NONOPERATING REVENUES [EXPENSES].....	\$ 6,712,231.76	\$ 7,298,957.55
INCOME [LOSS] BEFORE OTHER REVENUES, EXPENSES, GAIN, LOSSES.....	\$ 1,215,291.39	\$ (860,513.20)

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EXHIBIT IV
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
OTHER REVENUES, EXPENSES, GAINS, LOSSES AND TRANSFERS		
CAPITAL CONTRIBUTIONS.....	\$	\$
HEP APPROPRIATION.....		
ADDITIONS TO PERMANENT AND TRUE ENDOWMENTS.....		
SPECIAL ITEMS.....		
EXTRAORDINARY ITEMS.....		
TRANSFERS IN		
TRANSFERS FROM OTHER STATE AGENCIES.....		
TRANSFERS FROM UT SYSTEM AUF.....		
MANDATORY TRANSFERS FROM OTHER PARTS.....		
NONMANDATORY TRANSFERS FROM OTHER PARTS.....	4,316.00	3,864.00
NONMANDATORY TRANSFERS FROM PARTS OR AGENCIES - CAP ASSETS....		
TRANSFERS OUT		
TRANSFERS TO OTHER STATE AGENCIES.....		
TRANSFERS TO UT SYSTEM AUF.....		
MANDATORY TRANSFERS TO OTHER PARTS.....		
NONMANDATORY TRANSFERS TO OTHER PARTS.....		(881,418.00)
NONMANDATORY TRANSFERS TO PARTS OR AGENCIES - CAP ASSETS.....		
LEGISLATIVE TRANSFERS - IN.....		
LEGISLATIVE TRANSFERS - OUT.....		
LEGISLATIVE APPROPRIATIONS LAPSED.....		
TOTAL CHANGE IN REVENUES, EXPENSES, GAIN, LOSSES AND TRANSFERS....	\$ 4,316.00	\$ (877,554.00)
CHANGE IN NET ASSETS.....	\$ 1,219,607.39	\$ (1,738,067.20)
BEGINNING NET ASSETS, SEPTEMBER 1, 2010 AND 2009.....	\$ 6,834,317.59	\$ 8,548,384.79
RESTATEMENT.....	2,110,811.00	24,000.00
BEGINNING NET ASSETS, SEPTEMBER 1, 2010 AND 2009 RESTATED.....	\$ 8,945,128.59	\$ 8,572,384.79
NET ASSETS, AUGUST 31, 2011 AND 2010.....	\$ 10,164,735.98	\$ 6,834,317.59

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SCHEDULE IV-1
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2011

	INSTRUCTION	RESEARCH	PUBLIC SERVICE	HOSPITALS & CLINICS	ACADEMIC SUPPORT
NATURAL CLASSIFICATION	\$	\$	\$	\$	\$
COST OF GOODS SOLD.....					
SALARIES & WAGES.....		17,145.00	7,213,313.80		
PAYROLL RELATED COSTS.....		4,234.40	1,836,404.50		
PROFESSIONAL FEES & SERVICES.....			357,500.69		
TRAVEL.....			80,492.49		
MATERIALS & SUPPLIES.....			2,333,656.49		
COMMUNICATION & UTILITIES.....			722,070.95		
REPAIRS & MAINTENANCE.....			556,350.36		
RENTALS & LEASES.....			56,610.55		
PRINTING & REPRODUCTION.....			20,692.14		
FEDERAL PASS-THROUGH.....					
STATE PASS-THROUGH.....			150,000.00		
DEPRECIATION & AMORTIZATION.....					
BAD DEBT EXPENSE.....					
INTEREST.....			(33.16)		
SCHOLARSHIPS.....					
CLAIMS & LOSSES.....					
NET CHANGE IN OPEB OBLIGATION.....					
OTHER OPERATING EXPENSE.....			348,819.89		
TOTAL OPERATING EXPENSE.....	\$	\$ 21,379.40	\$ 13,675,878.70	\$	\$

NACUBO FUNCTION

STUDENT SERVICES	INSTITUTIONAL SUPPORT	OPERATION & MAINTENANCE OF PLANT	SCHOLARSHIPS & FELLOWSHIPS	AUXILIARY	DEPRECIATION & AMORTIZATION	TOTAL	PRIOR YEAR
\$	\$	\$	\$	\$	\$	\$	\$
	1,017,957.31					8,248,416.11	8,753,467.41
	208,748.84					2,049,387.74	2,895,516.64
	196,373.57	380.00				554,254.26	410,275.66
	27,903.16					108,395.65	126,100.81
	37,767.83	3,540.23				2,374,964.55	2,418,207.77
	(23.72)					722,047.23	751,897.25
	28,680.11	20,376.66				605,407.13	549,918.30
	23,850.63					80,461.18	76,999.45
	1,525.00					22,217.14	20,223.62
					655,379.39	150,000.00	150,000.00
						655,379.39	636,420.97
						(33.16)	(36.55)
	10,552.45					359,372.34	429,712.78
\$	\$ 1,553,335.18	\$ 24,296.89	\$	\$	\$ 655,379.39	\$ 15,930,269.56	\$ 17,218,704.11

[EXHIBIT IV]

UNAUDITED

EXHIBIT V
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
STATEMENT OF CASH FLOWS	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
PROCEEDS RECEIVED FROM TUITION AND FEES.....		
PROCEEDS RECEIVED FROM CUSTOMERS.....	9,972,753.00	8,425,963.39
PROCEEDS FROM SPONSORED PROGRAMS.....	718,331.47	295,623.45
PROCEEDS FROM AUXILIARY ENTERPRISES.....		
PROCEEDS FROM LOAN PROGRAMS.....		
PROCEEDS FROM OTHER REVENUES.....	13,868.02	5,871.76
PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES.....	(4,919,455.44)	(5,016,599.61)
PAYMENTS TO EMPLOYEES - SALARIES.....	(8,210,347.84)	(8,933,224.98)
PAYMENTS TO EMPLOYEES - BENEFITS.....	(2,107,721.12)	(2,013,008.93)
PAYMENTS FOR LOANS PROVIDED.....		
PAYMENTS FOR OTHER EXPENSES.....	(150,000.00)	(150,000.00)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ (4,682,571.91)	\$ (7,385,374.92)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
PROCEEDS FROM STATE APPROPRIATIONS.....	\$ 6,785,274.38	\$ 7,402,002.42
PROCEEDS FROM GIFTS.....		570.00
PROCEEDS FROM ENDOWMENTS.....		
PROCEEDS - TRANSFERS FROM OTHER FUNDS.....		
PROCEEDS FROM OTHER GRANT REVENUE.....		
PROCEEDS FROM TAMUS AVAILABLE FUND INCOME.....		
PROCEEDS FROM CONTRIBUTED CAPITAL.....		
PROCEEDS FROM OTHER REVENUES.....		250.00
PAYMENTS OF INTEREST.....		
PAYMENTS - TRANSFERS TO OTHER FUNDS.....		
PAYMENTS FOR GRANT DISBURSEMENTS.....		
PAYMENTS FOR OTHER USES.....	192.39	
OTHER NONCAPITAL TRANSFERS FROM/TO SYSTEM.....	4,316.00	3,864.00
TRANSFERS BETWEEN FUND GROUPS.....		
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES.....	\$ 6,789,782.77	\$ 7,406,686.42
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
PROCEEDS FROM SALE OF CAPITAL ASSETS.....	\$	\$ 9,383.75
PROCEEDS FROM CAPITAL DEBT ISSUANCE.....		
PROCEEDS FROM STATE GRANTS AND CONTRACTS.....		
PROCEEDS FROM FEDERAL GRANTS AND CONTRACTS.....		
PROCEEDS FROM GIFTS.....		
PROCEEDS FROM INTERFUND LOANS.....		
PROCEEDS FROM OTHER FINANCING ACTIVITIES.....		
PAYMENTS FOR ADDITIONS TO CAPITAL ASSETS.....	(1,376,304.40)	(560,094.88)
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]....		
TRANSFER TO SYSTEM FOR CAPITAL RELATED DEBT [MANDATORY].....		
TRANSFER FROM/TO SYSTEM FOR CONSTRUCTION PROCEEDS [NONMAND].....	(702,046.29)	(275,012.93)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINC. ACTIV.....	\$ (2,078,350.69)	\$ (825,724.06)
CASH FLOWS FROM INVESTING ACTIVITIES		
PROCEEDS FROM SALES AND MATURITIES OF INVESTMENTS.....	\$	\$
SALES AND PURCHASES OF INVESTMENTS HELD BY SYSTEM.....	(10,782.64)	
PROCEEDS FROM INTEREST AND INVESTMENT INCOME.....	10,334.96	11,722.11
PAYMENTS TO ACQUIRE INVESTMENTS.....		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES.....	\$ (447.68)	\$ 11,722.11
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	\$ 28,412.49	\$ (792,690.45)
CASH AND CASH EQUIVALENTS, SEPTEMBER 1, 2010 AND 2009.....	\$ 5,086,558.64	\$ 5,879,249.09
RESTATEMENTS TO BEGINNING CASH AND CASH EQUIVALENTS.....		
RESTATED BEGINNING CASH AND CASH EQUIVALENTS.....	\$ 5,086,558.64	\$ 5,879,249.09
CASH AND CASH EQUIVALENTS, AUGUST 31, 2011 and 2010 [SCH THREE].....	\$ 5,114,971.13	\$ 5,086,558.64

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EXHIBIT V
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED AUGUST 31, 2011

	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].....	(5,496,940.37)	(8,159,470.75)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED [USED] BY OPERATING ACTIVITIES		
DEPRECIATION AND AMORTIZATION.....	655,379.39	636,420.97
BAD DEBT EXPENSE.....	3,468.87	16,066.21
OPERATING INCOME AND EXPENSE CLASSIFICATION DIFFERENCES.....		
CHANGES IN ASSETS AND LIABILITIES:		
ACCOUNTS RECEIVABLE, NET.....	267,359.11	(347,840.97)
DUE FROM OTHER AGENCIES/FUNDS.....		
DUE FROM SYSTEM MEMBERS.....		
INVENTORY.....	(73,444.85)	(78,743.85)
DEFERRED CHARGES.....		
PREPAID EXPENSES.....		
LOANS AND CONTRACTS.....		
OTHER ASSETS.....		
PAYABLES.....	9,949.62	(139,995.53)
DUE TO OTHER AGENCIES/FUNDS.....		
DUE TO SYSTEM MEMBERS.....		(1,181.00)
DEFERRED REVENUE.....	795.32	
DEPOSITS.....		
COMPENSATED ABSENCE LIABILITY.....	(49,139.00)	(54,219.00)
OTHER POST EMPLOYMENT BENEFITS LIABILITY.....		743,589.00
SELF INSURED ACCRUED LIABILITY.....		
OTHER LIABILITIES.....		
TOTAL ADJUSTMENTS.....	<u>\$ 814,368.46</u>	<u>\$ 774,095.83</u>
NET CASH PROVIDED [USED] BY OPERATING ACTIVITIES.....	<u>\$ (4,682,571.91)</u>	<u>\$ (7,385,374.92)</u>
NON-CASH TRANSACTIONS		
NONMONETARY GIFTS, INCLUDING CAPITAL ASSETS.....	\$	\$
NET INCREASE [DECREASE] IN FAIR VALUE OF INVESTMENTS.....		
GAIN/LOSS ON SALE OR DISPOSAL OF CAPITAL ASSETS.....		9,383.75
REFUNDING OF LONG TERM DEBT.....		
AMORTIZATION OF BOND PREMIUMS AND DISCOUNTS.....		
OTHER.....		

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SCHEDULE 1 - A
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2011

Federal Grantor/Pass-through Grantor Program Title	CFDA Number	Identifying Number	Pass-through From		Non-State Entities Amount
			Agy/ Univ No.	Agencies of Universities Amount	
U.S. Department of Agriculture					
<u>Direct Programs:</u>					
Homeland Security--Agricultural	10.304			\$ -	\$ -
Totals - U.S. Department of Agriculture				<u>-</u>	<u>-</u>
U.S. Department of Homeland Security					
<u>Pass-Through From:</u>					
Centers for Homeland Security	97.061				
<u>Pass-Through From:</u>					
<i>Texas AgriLife Research</i>			556	62,914.60	
Totals - U.S. Department of Homeland Security				<u>62,914.60</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 62,914.60</u>	<u>\$ -</u>

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SCHEDULE 1 - A
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2011

Direct Program Amount	Total Pass- Through From and Direct Program	Agy/ Univ No.	Pass-through To		Total Pass- Through To and Expenditures
			Agencies or Universities Amount	Non-State Universities Amount	
\$ 328,765.65	\$ 328,765.65		\$ -	\$ -	\$ 328,765.65
<u>328,765.65</u>	<u>328,765.65</u>		<u>-</u>	<u>-</u>	<u>328,765.65</u>
	62,914.60			62,914.60	62,914.60
<u>-</u>	<u>62,914.60</u>		<u>-</u>	<u>-</u>	<u>62,914.60</u>
<u>\$ 328,765.65</u>	<u>\$ 391,680.25</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,680.25</u>

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SCHEDULE 1 - A
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended August 31, 2011

NOTE 1: NON-MONETARY ASSISTANCE

Not Applicable

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

FEDERAL REVENUES:			
Federal Grants and Contracts - Operating		\$	419,066.65
Federal Grants and Contracts - Non-operating			
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Operating	\$	62,914.60	
Federal Pass-Through Grants (State Agencies/Universities and TAMUS Members)-Non-Operating			
LESS Reconciling Items:			
Donation of Federal Surplus Property			
Total Federal Pass-Through Grants		<u>62,914.60</u>	62,914.60
Federal Appropriations			
Total Federal Revenue per Exhibit IV		\$	<u>481,981.25</u>
Reconciling Items:			
ADD:			
Non-Monetary Assistance [NOTE 1]:			
Donation of Federal Surplus Property			
New Loans Processed [NOTE 3]:			
Federal Family Education Loans			
Federal Family Education Loans - Coordinating Board			
Health Education Assistance Programs			
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students			
Federal Direct Student Loans (Direct Loans)			
DEDUCT:			
Federal revenue received on a fixed fee basis contract with USDA			(90,301.00)
Federal Grants from TAMRF			
COBRA 65% Subsidy (CFDA Number 17.151)			
Total Pass Throughs and Expenditures per Federal Schedule		\$	<u><u>391,680.25</u></u>

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SCHEDULE 1 - A
TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2011

NOTE 3: STUDENT LOANS PROCESSED AND ADMINISTRATIVE COSTS RECOVERED

Not Applicable

NOTE 4: DEPOSITORY LIBRARIES FOR GOVERNMENT PUBLICATIONS

Not Applicable

NOTE 5: UNEMPLOYMENT INSURANCE FUNDS

Not Applicable

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

Not Applicable

NOTE 7: FEDERAL DEFERRED REVENUE

Not Applicable

NOTE 8: SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Not Applicable

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SCHEDULE 1-B
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF STATE GRANT PASS-THROUGHS FROM/TO STATE AGENCIES
 For the Year Ended August 31, 2011

Pass-through From:

<u>Program name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
Total Pass-Through From State Agencies			\$ <u> -</u> \$ <u> -</u> <u> </u> (Exhibit IV)

Pass-through To:

<u>Program name</u> <u>Agency Name</u>	<u>Grant ID</u>	<u>Agy #</u>	<u>Amount</u>
TVMDL Protection of Texas Livestock and Public Health Sectors	557.0001		
Texas AgriLife Research		556	\$ <u>150,000.00</u>
Total Pass-Through To State Agencies			\$ <u>150,000.00</u> <u> </u> (Schedule IV-1)

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SCHEDULE THREE
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 SCHEDULE OF CASH & CASH EQUIVALENTS
 FOR THE YEAR ENDED AUGUST 31, 2011

	CURRENT YEAR TOTAL
CASH & CASH EQUIVALENTS	
CURRENT ASSETS	
CASH ON HAND:	
CASHIERS ACCOUNT.....	\$ 125.00
PETTY CASH DEPARTMENT WORKING FUND.....	250.00
	<hr/>
TOTAL CASH ON HAND.....	\$ 375.00
	<hr/>
CASH IN STATE TREASURY:	
ASSETS HELD FOR INVESTMENT BY SYSTEM OFFICES-SHORT TERM.....	\$ 5,004,708.20
	<hr/>
TOTAL CURRENT CASH AND CASH EQUIVALENTS [EXHIBIT III].....	\$ 5,005,083.20
	<hr/>
RESTRICTED:	
CASH IN STATE TREASURY:	
ASSETS HELD FOR INVESTMENT BY SYSTEM OFFICE-SHORT TERM.....	\$ 109,887.93
	<hr/>
TOTAL RESTRICTED CASH AND CASH EQUIVALENTS [EXHIBIT III].....	\$ 109,887.93
	<hr/>
TOTAL CASH & CASH EQUIVALENTS [EXHIBIT V].....	\$ 5,114,971.13
	<hr/> <hr/>

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SCHEDULE N-2
 TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2011

	BALANCE 9-1-10	ADJUSTMENTS	COMPLETED CIP
BUSINESS-TYPE ACTIVITIES:			
NON-DEPRECIABLE/NON-AMORTIZABLE ASSETS			
LAND AND LAND IMPROVEMENTS.....	\$ 105,700.00	\$	\$
TOTAL NON-DEPRECIABLE/NON-AMORTIZABLE ASSETS....	\$ 105,700.00	\$	\$
DEPRECIABLE ASSETS			
BUILDINGS.....	\$ 8,143,808.39	\$	\$
FURNITURE AND EQUIPMENT.....	5,376,888.14		
VEHICLES, BOATS AND AIRCRAFT.....	156,639.83		
TOTAL DEPRECIABLE ASSETS AT HISTORICAL COST.....	\$ 13,677,336.36	\$	\$
LESS ACCUMULATED DEPRECIATION FOR:			
BUILDINGS.....	\$ (5,528,096.62)	\$	\$
FURNITURE AND EQUIPMENT.....	(3,351,153.73)		
VEHICLES, BOATS AND AIRCRAFT.....	(112,230.75)		
TOTAL ACCUMULATED DEPRECIATION.....	\$ (8,991,481.10)	\$	\$
DEPRECIABLE ASSETS, NET.....	\$ 4,685,855.26	\$	\$
AMORTIZABLE ASSETS - INTANGIBLE			
COMPUTER SOFTWARE.....	\$ 369,275.94	\$	\$
TOTAL INTANGIBLE ASSETS AT HISTORICAL COST.....	\$ 369,275.94	\$	\$
LESS ACCUMULATED AMORTIZATION FOR:			
COMPUTER SOFTWARE.....	\$ (369,275.94)	\$	\$
TOTAL ACCUMULATED AMORTIZATION.....	\$ (369,275.94)	\$	\$
AMORTIZABLE ASSETS-NET.....	\$	\$	\$
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET.....	\$ 4,791,555.26	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-11</u>
\$	\$	\$	\$	\$ 105,700.00
\$	\$	\$	\$	\$ 105,700.00
\$	\$	\$ 1,100,240.57	\$	\$ 9,244,048.96
		259,298.16	(23,543.00)	5,612,643.30
		22,459.00	(15,046.00)	164,052.83
\$	\$	\$ 1,381,997.73	\$ (38,589.00)	\$ 15,020,745.09
\$	\$	\$ (174,295.95)	\$	\$ (5,702,392.57)
		(461,294.80)	23,543.00	(3,788,905.53)
		(19,788.64)	15,046.00	(116,973.39)
\$	\$	\$ (655,379.39)	\$ 38,589.00	\$ (9,608,271.49)
\$	\$	\$ 726,618.34	\$	\$ 5,412,473.60
\$	\$	\$	\$	\$ 369,275.94
\$	\$	\$	\$	\$ 369,275.94
\$	\$	\$	\$	\$ (369,275.94)
\$	\$	\$	\$	\$ (369,275.94)
\$	\$	\$	\$	\$
\$	\$	\$ 726,618.34	\$	\$ 5,518,173.60

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TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

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