

UNAUDITED

# ANNUAL FINANCIAL REPORT

of

**Prairie View A&M University**

*For the Year Ended August 31, 2014*

*With Comparative Totals for the Year Ended August 31, 2013*



**Dr. George C. Wright, President**  
**Dr. Corey S. Bradford, Senior Vice President for Business Affairs**

UNAUDITED

PRAIRIE VIEW A&M UNIVERSITY  
STUDENT ENROLLMENT DATA

CURRENT YEAR

| <u>TYPE OF STUDENT</u> | <u>NUMBER OF STUDENTS BY SEMESTER</u> |                  |
|------------------------|---------------------------------------|------------------|
|                        | <u>FALL 2013</u>                      | <u>FALL 2014</u> |
| Texas Resident         | 7,459                                 | 7,720            |
| Out-of-State           | 582                                   | 455              |
| Foreign                | 209                                   | 243              |
| Total Students         | <u>8,250</u>                          | <u>8,418</u>     |

HISTORICAL  
(Fall Semester)

| <u>FISCAL YEAR</u> | <u>HEADCOUNT</u> | <u>SEMESTER CREDIT HOURS</u> |
|--------------------|------------------|------------------------------|
| 2010-11            | 8,781            | 107,087                      |
| 2011-12            | 8,425            | 104,217                      |
| 2012-13            | 8,336            | 103,179                      |
| 2013-14            | 8,250            | 102,722                      |
| 2014-15            | 8,418            | 104,197                      |

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PRAIRIE VIEW A&M UNIVERSITY

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EXHIBIT III  
PRAIRIE VIEW A&M UNIVERSITY  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2014

|   | CURRENT<br>YEAR<br>TOTAL | PRIOR<br>YEAR<br>TOTAL   |
|---|--------------------------|--------------------------|
| Assets and Deferred Outflows                  | \$                       | \$                       |
| Current Assets                                |                          |                          |
| Cash & Cash Equivalents [Schedule Three]      | 68,533,812.50            | 81,895,758.74            |
| Investments                                   |                          |                          |
| Derivative Instruments                        |                          |                          |
| Restricted                                    |                          |                          |
| Cash & Cash Equivalents [Schedule Three]      | 8,003,650.71             | 10,154,826.38            |
| Investments                                   |                          |                          |
| Legislative Appropriations                    | 3,358,265.20             | 2,924,273.42             |
| Receivables, Net [Note 24]                    |                          |                          |
| Federal                                       | 8,338,379.77             | 9,339,565.45             |
| Other Intergovernmental                       |                          |                          |
| Interest and Dividends                        |                          |                          |
| Gifts   |                          |                          |
| Self-Insured Health and Dental                |                          |                          |
| Student                                       | 2,112,160.80             | 2,030,084.29             |
| Investment Trades                             |                          |                          |
| Accounts                                      | 1,341,623.56             | 524,188.35               |
| Other   | 1,350,027.00             | 2,551.91                 |
| Due From Other Agencies                       | 139,626.56               | 188,662.34               |
| Due From Other Members                        | 14,743,916.57            | 16,067,414.80            |
| Due From Other Funds                          | 4,587,180.77             | 12,869,061.92            |
| Consumable Inventories                        |                          |                          |
| Merchandise Inventories                       |                          |                          |
| Loans and Contracts                           | 11,377.60                | 257,704.44               |
| Interfund Receivable [Note 12]                |                          |                          |
| Other Current Assets                          | 7,994,592.40             | 6,162,569.53             |
| Total Current Assets                          | <u>\$ 120,514,613.44</u> | <u>\$ 142,416,661.57</u> |
| Non-Current Assets                            |                          |                          |
| Restricted                                    |                          |                          |
| Cash & Cash Equivalents [Schedule Three]      | \$ 78,836,845.53         | \$ 61,651,497.07         |
| Assets Held By System Offices                 |                          |                          |
| Investments [Note 3]                          |                          |                          |
| Loans, Contracts and Other                    |                          |                          |
| Gifts Receivable                              |                          |                          |
| Loans and Contracts                           | 283,941.16               | 295,122.13               |
| Assets Held By System Offices                 | 130,055,548.75           | 103,077,935.78           |
| Investments [Note 3]                          |                          |                          |
| Interfund Receivable [Note 12]                |                          |                          |
| Capital Assets, Non-Depreciable [Note 2]      |                          |                          |
| Land and Land Improvements                    | 6,719,687.35             | 6,643,331.35             |
| Construction In Progress                      | 10,428,271.32            | 2,826,970.92             |
| Other Tangible Capital Assets                 | 474,072.00               | 474,072.00               |
| Land Use Rights                               |                          |                          |
| Other Intangible Capital Assets               |                          |                          |
| Capital Assets, Depreciable [Note 2]          |                          |                          |
| Buildings and Building Improvements           | 345,698,787.97           | 341,694,674.58           |
| Infrastructure                                | 12,387,529.97            | 4,890,514.02             |
| Facilities and Other Improvements             | 32,307,338.76            | 32,049,763.89            |
| Furniture and Equipment                       | 28,872,236.75            | 27,162,895.11            |
| Vehicles, Boats, and Aircraft                 | 3,011,509.33             | 2,891,191.68             |
| Other Capital Assets                          | 8,667,429.94             | 8,399,438.91             |
| Intangible Capital Assets, Amortized [Note 2] |                          |                          |
| Land Use Rights                               |                          |                          |
| Computer Software                             | 2,393,331.13             | 2,464,610.00             |
| Other Intangible Capital Assets               |                          |                          |
| Accumulated Depreciation/Amortization         | (211,131,753.20)         | (196,733,149.25)         |
| Assets Held In Trust                          |                          |                          |
| Other Non-Current Assets                      |                          |                          |
| Total Non-Current Assets                      | <u>\$ 449,004,776.76</u> | <u>\$ 397,788,868.19</u> |
| Deferred Outflows of Resources                |                          |                          |
| Derivative Instruments [Note 7]               | \$                       | \$                       |
| Government Acquisition [Note 28]              |                          |                          |
| Total Deferred Outflows of Resources          | <u>\$</u>                | <u>\$</u>                |
| Total Assets and Deferred Outflows            | <u>\$ 569,519,390.20</u> | <u>\$ 540,205,529.76</u> |

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EXHIBIT III  
PRAIRIE VIEW A&M UNIVERSITY  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2014

|  | CURRENT<br>YEAR<br>TOTAL | PRIOR<br>YEAR<br>TOTAL   |
|--|--------------------------|--------------------------|
| Liabilities                                |                          |                          |
| Current Liabilities                        |                          |                          |
| Payables                                   |                          |                          |
| Accounts                                   | \$ 2,565,628.75          | \$ 5,008,012.73          |
| Payroll                                    | 4,603,116.04             | 3,856,572.87             |
| Investment Trades                          |                          |                          |
| Self-insured Health and Dental             |                          |                          |
| Other                                      | 720,838.99               | 598,252.91               |
| Interfund Payable [Note 12]                | 684,410.76               | 684,410.76               |
| Due to Other Agencies                      | 568,962.84               | 416,305.66               |
| Due to Other Funds                         | 4,587,180.77             | 12,869,061.92            |
| Due to Other Members                       | 4,191,356.14             | 1,270,042.19             |
| Funds Held for Investment                  |                          |                          |
| Unearned Revenue                           | 32,995,587.94            | 32,437,074.66            |
| Employees' Compensable Leave               | 567,748.00               | 403,564.00               |
| Claims and Judgments                       |                          |                          |
| Notes and Loans Payable [Note 5]           |                          |                          |
| Bonds Payable [Note 6]                     |                          |                          |
| Capital Lease Obligations                  |                          |                          |
| Liabilities Payable From Restricted Assets |                          |                          |
| Funds Held for Others                      | 12,444,513.60            | 14,316,213.68            |
| Other Current Liabilities                  | 74,238.48                | 34,295.39                |
| Total Current Liabilities                  | <u>\$ 64,003,582.31</u>  | <u>\$ 71,893,806.77</u>  |
| Non-Current Liabilities                    |                          |                          |
| Interfund Payable [Note 12]                | \$ 451,888.52            | \$ 1,111,415.75          |
| Employees' Compensable Leave               | 3,079,669.24             | 3,358,343.00             |
| Other Post Employment Benefits [Note 11]   |                          |                          |
| Claims and Judgments                       |                          |                          |
| Notes and Loans Payable [Note 5]           |                          |                          |
| Bonds Payable [Note 6]                     |                          |                          |
| Assets Held In Trust                       |                          |                          |
| Liabilities Payable From Restricted Assets |                          |                          |
| Funds Held for Others                      |                          |                          |
| Capital Lease Obligations                  |                          |                          |
| Other Non-Current Liabilities              | 40,000.00                | 40,000.00                |
| Total Non-Current Liabilities              | <u>\$ 3,571,557.76</u>   | <u>\$ 4,509,758.75</u>   |
| Total Liabilities                          | <u>\$ 67,575,140.07</u>  | <u>\$ 76,403,565.52</u>  |
| Net Position                               |                          |                          |
| Net Investment In Capital Assets           | \$ 239,828,441.32        | \$ 232,764,313.21        |
| Restricted for                             |                          |                          |
| Debt Service                               |                          |                          |
| Capital Projects                           | 15,258,905.34            | 9,256,652.71             |
| Education                                  | 17,927,952.27            | 15,850,803.48            |
| Endowment and Permanent Funds              |                          |                          |
| Nonexpendable                              | 51,122,378.62            | 49,050,273.46            |
| Expendable                                 | 18,803,742.73            | 10,822,223.09            |
| Unrestricted                               | 159,002,829.85           | 146,057,698.29           |
| Total Net Position [Exhibit IV]            | <u>\$ 501,944,250.13</u> | <u>\$ 463,801,964.24</u> |
| Total Liabilities and Net Position         | <u>\$ 569,519,390.20</u> | <u>\$ 540,205,529.76</u> |

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EXHIBIT IV  
 PRAIRIE VIEW A&M UNIVERSITY  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED AUGUST 31, 2014

|   | CURRENT<br>YEAR<br>TOTAL  | PRIOR<br>YEAR<br>TOTAL    |
|---|---------------------------|---------------------------|
| Operating Revenues                                |                           |                           |
| Tuition and Fees-Pledged                          | \$ 70,486,835.74          | \$ 67,559,456.52          |
| Discounts and Allowances                          | (30,831,577.20)           | (28,944,563.58)           |
| Net Tuition and Fees - Non-Pledged                |                           |                           |
| Net Hospitals and Clinics                         |                           |                           |
| Net Professional Fees                             | 7,256.60                  | 15,263.94                 |
| Net Auxiliary Enterprises                         | 18,237,529.08             | 15,278,079.25             |
| Net Other Sales of Goods and Services             | 2,238,356.63              | 2,608,550.89              |
| Discounts and Allowances-Sales                    | (3,651,649.74)            | (3,554,958.84)            |
| Interest Revenue                                  |                           |                           |
| Federal Revenue - Operating                       | 13,726,916.56             | 14,947,323.24             |
| Federal Pass Through Revenue                      | 437,374.07                | 351,889.58                |
| State Grant Revenue                               |                           | 2,114.86                  |
| State Pass Through Revenue                        | 6,695,956.40              | 4,497,465.61              |
| Other Grants and Contracts - Operating            | 1,013,607.69              | 664,956.64                |
| Other Operating Revenue                           | 4,773,432.81              | 3,448,661.78              |
| Total Operating Revenues                          | <u>\$ 83,134,038.64</u>   | <u>\$ 76,874,239.89</u>   |
| Operating Expenses                                |                           |                           |
| Instruction                                       | \$ 37,100,449.39          | \$ 35,937,742.50          |
| Research  | 10,785,392.83             | 9,469,604.65              |
| Public Service                                    | 7,989,840.88              | 7,707,281.86              |
| Hospitals and Clinics                             |                           |                           |
| Academic Support                                  | 21,985,199.79             | 22,512,207.42             |
| Student Services                                  | 11,691,135.61             | 10,402,496.67             |
| Institutional Support                             | 15,609,917.90             | 17,310,250.02             |
| Operation & Maintenance of Plant                  | 14,322,874.69             | 16,258,733.59             |
| Scholarships & Fellowships                        | 15,572,533.24             | 11,973,420.08             |
| Auxiliary   | 24,417,468.42             | 23,736,562.86             |
| Depreciation/Amortization                         | 15,235,831.09             | 12,532,651.28             |
| Total Operating Expenses [Schedule IV-1]          | <u>\$ 174,710,643.84</u>  | <u>\$ 167,840,950.93</u>  |
| Total Operating Income [Loss]                     | <u>\$ (91,576,605.20)</u> | <u>\$ (90,966,711.04)</u> |
| Nonoperating Revenues [Expenses]                  |                           |                           |
| Legislative Revenue                               | \$ 51,654,138.41          | \$ 52,384,440.15          |
| Federal Revenue Non-Operating                     | 29,212,543.02             | 29,553,965.13             |
| Federal Pass Through Non-Operating                |                           |                           |
| State Pass Through Non-Operating                  |                           |                           |
| Gifts   | 3,834,262.99              | 1,993,677.60              |
| Land Income                                       |                           |                           |
| Investment Income                                 | 6,988,020.41              | 8,206,916.76              |
| Investing Activities Expense                      | (329,788.87)              | (242,761.01)              |
| Interest Expense and Fiscal Charges               | (24,883.53)               | (108,888.59)              |
| Borrower Rebates and Agent Fees                   |                           |                           |
| Gain [Loss] On Sale or Disposal of Capital Assets |                           | (724,123.72)              |
| Net Increase [Decrease] In Fair Value             | 18,902,609.90             | (5,976.50)                |
| Settlement of Claims                              | (16,000.00)               |                           |
| Other Nonoperating Revenues                       | 866,957.98                | 15,987,736.28             |
| Other Nonoperating [Expenses]                     | (14,919.52)               | (1,640,313.62)            |
| Total Nonoperating Revenues [Expenses]            | <u>\$ 111,072,940.79</u>  | <u>\$ 105,404,672.48</u>  |
| Income [Loss] Before Other Revenues and Transfers | <u>\$ 19,496,335.59</u>   | <u>\$ 14,437,961.44</u>   |

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EXHIBIT IV  
 PRAIRIE VIEW A&M UNIVERSITY  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED AUGUST 31, 2014

|   | CURRENT<br>YEAR<br>TOTAL    | PRIOR<br>YEAR<br>TOTAL      |
|---|-----------------------------|-----------------------------|
|   | <u>                    </u> | <u>                    </u> |
| Other Revenues and Transfers                            |                             |                             |
| Capital Contributions                                   | \$                          | \$                          |
| Capital Appropriations [Higher Education Fund]          |                             |                             |
| Additions to Permanent and Term Endowments              | 478,404.28                  | 254,372.84                  |
| Special Items   |                             |                             |
| Extraordinary Items                                     |                             |                             |
| Transfers In  |                             |                             |
| Transfers From Other State Agencies                     |                             |                             |
| Mandatory Transfers From Other Members                  |                             |                             |
| Nonmandatory Transfers From Other Members               | 22,387,404.53               | 21,548,015.05               |
| Nonmandatory Transfers From Members/Agencies-Cap Assets | 11,758,704.21               |                             |
| Transfers Out   |                             |                             |
| Transfers to Other State Agencies                       | (742,268.39)                | (1,047,741.31)              |
| Mandatory Transfers to Other Members                    | (4,396,881.78)              | (4,073,592.34)              |
| Nonmandatory Transfers to Other Members                 | (4,670,943.16)              | (800,000.00)                |
| Nonmandatory Transfers to Members/Agencies - Cap Assets |                             | (10,870.50)                 |
| Legislative Transfers - In                              |                             |                             |
| Legislative Transfers - Out                             | (6,168,388.87)              | (6,346,054.00)              |
| Legislative Appropriations Lapsed                       | (80.52)                     | (863.79)                    |
|   | <u>                    </u> | <u>                    </u> |
| Total Other Revenues and Transfers                      | \$ 18,645,950.30            | \$ 9,523,265.95             |
|   | <u>                    </u> | <u>                    </u> |
| Change In Net Position                                  | \$ 38,142,285.89            | \$ 23,961,227.39            |
|   | <u>                    </u> | <u>                    </u> |
| Net Position, Beginning of Year                         | \$ 463,801,964.24           | \$ 439,840,736.85           |
| Restatement   |                             |                             |
|   | <u>                    </u> | <u>                    </u> |
| Net Position, Beginning of Year, Restated               | \$ 463,801,964.24           | \$ 439,840,736.85           |
|   | <u>                    </u> | <u>                    </u> |
| Net Position, End of Year                               | \$ 501,944,250.13           | \$ 463,801,964.24           |
|   | <u>                    </u> | <u>                    </u> |

UNAUDITED

SCHEDULE IV-1  
 PRAIRIE VIEW A&M UNIVERSITY  
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX  
 FOR THE YEAR ENDED AUGUST 31, 2014

|                               | INSTRUCTION             | RESEARCH                | PUBLIC SERVICE         | HOSPITALS &<br>CLINICS | ACADEMIC<br>SUPPORT     |
|-------------------------------|-------------------------|-------------------------|------------------------|------------------------|-------------------------|
| Natural Classification        | \$                      | \$                      | \$                     | \$                     | \$                      |
| Cost of Goods Sold            |                         |                         |                        |                        |                         |
| Salaries & Wages              | 28,939,827.04           | 6,027,995.94            | 4,934,796.54           |                        | 9,878,319.77            |
| Payroll Related Costs         | 6,620,669.47            | 1,570,910.16            | 1,465,378.91           |                        | 2,106,066.47            |
| Professional Fees & Services  | 81,909.60               | 59,550.74               | 317,778.27             |                        | 3,529,619.49            |
| Travel                        | 220,749.26              | 168,143.26              | 248,114.51             |                        | 648,948.60              |
| Materials & Supplies          | 356,483.62              | 1,280,358.21            | 356,625.83             |                        | 3,136,821.95            |
| Communication & Utilities     | 240,365.50              | 398,006.24              | 193,546.74             |                        | 233,912.61              |
| Repairs & Maintenance         | 11,249.47               | 345,309.00              | 27,360.34              |                        | 360,296.14              |
| Rentals & Leases              | 231,248.38              | 79,612.88               | 85,415.82              |                        | 174,970.29              |
| Printing & Reproduction       | 11,005.83               | 25,750.48               | 24,684.40              |                        | 75,556.99               |
| Federal Pass-Through          | 32,755.13               | 71,572.06               | 16,840.00              |                        |                         |
| State Pass-Through            |                         |                         |                        |                        |                         |
| Depreciation & Amortization   |                         |                         |                        |                        |                         |
| Bad Debt Expense              |                         |                         |                        |                        |                         |
| Interest                      | 7.88                    | 67.65                   | 35.05                  |                        | 84.54                   |
| Scholarships                  | 159,288.51              | 36,873.39               | 16,013.91              |                        | 740,397.83              |
| Claims & Losses               |                         |                         |                        |                        |                         |
| Net Change In OPEB Obligation |                         |                         |                        |                        |                         |
| Other Operating Expenses      | 194,889.70              | 721,242.82              | 303,250.56             |                        | 1,100,205.11            |
| Total Operating Expenses      | <u>\$ 37,100,449.39</u> | <u>\$ 10,785,392.83</u> | <u>\$ 7,989,840.88</u> | <u>\$</u>              | <u>\$ 21,985,199.79</u> |



NACUBO FUNCTION

| STUDENT SERVICES        | INSTITUTIONAL SUPPORT   | OPERATION & MAINTENANCE OF PLANT | SCHOLARSHIPS & FELLOWSHIPS | AUXILIARY               | DEPRECIATION & AMORTIZATION | TOTAL                    | PRIOR YEAR               |
|-------------------------|-------------------------|----------------------------------|----------------------------|-------------------------|-----------------------------|--------------------------|--------------------------|
| \$                      | \$                      | \$                               | \$                         | \$                      | \$                          | \$                       | \$                       |
| 4,487,398.00            | 8,452,118.35            | 1,301,866.88                     | 1,455,356.39               | 5,498,829.50            |                             | 70,976,508.41            | 71,538,320.15            |
| 979,019.42              | 2,365,432.20            | 1,639,573.11                     | 13,730.71                  | 1,561,066.39            |                             | 18,321,846.84            | 15,946,692.74            |
| 826,380.50              | 1,596,354.75            | 6,378,586.03                     |                            | 10,529,136.98           |                             | 23,319,316.36            | 17,585,513.88            |
| 251,471.06              | 211,148.02              | 7,796.63                         | 9,665.30                   | 1,126,601.06            |                             | 2,892,637.70             | 3,639,867.99             |
| 1,589,725.88            | 622,544.20              | 504,725.67                       | 107.52                     | 1,122,363.18            |                             | 8,969,756.06             | 9,287,893.64             |
| 186,604.04              | 160,342.80              | 3,514,627.78                     |                            | 882,406.60              |                             | 5,809,812.31             | 6,270,784.98             |
| 1,657,184.45            | 296,088.54              | 850,864.09                       |                            | 748,909.59              |                             | 4,297,261.62             | 9,956,976.87             |
| 355,496.74              | 114,366.17              | 6,602.90                         |                            | 745,415.39              |                             | 1,793,128.57             | 1,682,368.10             |
| 112,428.57              | 157,994.38              | 142.20                           | 250.00                     | 86,897.67               |                             | 494,710.52               | 598,809.58               |
|                         |                         |                                  |                            |                         |                             | 121,167.19               | 89,909.99                |
|                         |                         |                                  |                            |                         | 15,235,831.09               | 15,235,831.09            | 12,532,651.28            |
| (45,037.48)             |                         |                                  |                            |                         |                             | (45,037.48)              | (325,789.62)             |
| 137.51                  | 309.45                  | 202.99                           |                            | 389.22                  |                             | 1,234.29                 | 4,983.35                 |
| 311,552.11              | 770.00                  |                                  | 13,743,765.47              | 1,232,279.61            |                             | 16,240,940.83            | 12,709,478.60            |
| 978,774.81              | 1,632,449.04            | 117,886.41                       | 349,657.85                 | 883,173.23              |                             | 6,281,529.53             | 6,322,489.40             |
| <u>\$ 11,691,135.61</u> | <u>\$ 15,609,917.90</u> | <u>\$ 14,322,874.69</u>          | <u>\$ 15,572,533.24</u>    | <u>\$ 24,417,468.42</u> | <u>\$ 15,235,831.09</u>     | <u>\$ 174,710,643.84</u> | <u>\$ 167,840,950.93</u> |

[Exhibit IV]

UNAUDITED

EXHIBIT V  
PRAIRIE VIEW A&M UNIVERSITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2014

|  | CURRENT<br>YEAR<br>TOTAL  | PRIOR<br>YEAR<br>TOTAL    |
|--|---------------------------|---------------------------|
| Cash Flows From Operating Activities                           | \$                        | \$                        |
| Proceeds Received From Tuition and Fees                        | 39,618,050.98             | 45,363,109.26             |
| Proceeds Received From Customers                               | 2,620,384.61              | 3,488,408.29              |
| Proceeds From Sponsored Programs                               | 20,050,430.29             | 24,607,095.42             |
| Proceeds From Auxiliary Enterprises                            | 13,151,349.51             | 9,420,752.83              |
| Proceeds From Loan Programs                                    |                           |                           |
| Proceeds From Other Operating Revenues                         | 4,813,375.90              | 3,448,642.28              |
| Payments to Suppliers for Goods and Services                   | (55,323,423.12)           | (55,594,446.87)           |
| Payments to Employees - Salaries & Benefits                    | (88,666,301.84)           | (88,223,871.54)           |
| Payments for Loans Provided                                    | (7,564.86)                | (486,427.59)              |
| Payments for Other Operating Expenses                          | (17,858,438.67)           | (10,888,618.70)           |
| Net Cash Provided [Used] By Operating Activities               | <u>\$ (81,602,137.20)</u> | <u>\$ (68,865,356.62)</u> |
| Cash Flows From Noncapital Financing Activities                |                           |                           |
| Proceeds From State Appropriations                             | \$ 51,220,066.11          | \$ 52,160,653.51          |
| Proceeds From Gifts  | 3,834,262.99              | 1,993,677.60              |
| Proceeds From Endowments                                       | 478,404.28                | 254,372.84                |
| Proceeds - Transfers From Other Funds                          |                           | 310,189.28                |
| Proceeds From Other Grant Receipts                             | 30,785,374.14             | 29,553,965.13             |
| Proceeds From Capital Contributions                            |                           |                           |
| Proceeds From Other Noncapital Financing Activities            | 866,957.98                | 183,736.28                |
| Payments of Interest   |                           |                           |
| Payments - Transfers to Other Funds                            | (742,268.39)              | (1,047,741.31)            |
| Payments for Grant Disbursements                               |                           |                           |
| Payments for Other Noncapital Financing Uses                   | (1,887,700.08)            | (1,718,390.91)            |
| Other Noncapital Transfers From/To System                      | 20,771,173.71             | 19,497,680.09             |
| Transfers Between Fund Groups                                  |                           |                           |
| Net Cash Provided [Used] By Noncapital Financing Activities    | <u>\$ 105,326,270.74</u>  | <u>\$ 101,188,142.51</u>  |
| Cash Flows From Capital and Related Financing Activities       |                           |                           |
| Proceeds From Sale of Capital Assets                           | \$                        | \$                        |
| Proceeds From Debt Issuance                                    |                           |                           |
| Proceeds From State Grants and Contracts                       |                           |                           |
| Proceeds From Federal Grants and Contracts                     |                           |                           |
| Proceeds From Gifts  |                           |                           |
| Proceeds From Interfund Loans                                  | 1,136,299.28              | 1,795,826.51              |
| Proceeds From Other Capital & Related Financing Activities     |                           |                           |
| Payments for Additions to Capital Assets                       | (10,556,174.51)           | (2,689,256.66)            |
| Payments of Principal On Debt Issuance                         |                           |                           |
| Payments for Capital Leases                                    |                           |                           |
| Payments for Interest On Debt Issuance                         | (24,883.53)               | (108,888.59)              |
| Payments for Interfund Loans                                   | (1,795,826.51)            | (2,371,348.68)            |
| Payments of Other Costs On Debt Issuance                       |                           |                           |
| Transfer of Capital Debt Proceeds From System [Nonmandatory]   | 2,276,221.31              | 749,962.56                |
| Intrasystem Transfers for Capital Debt [Mandatory]             | (10,565,270.65)           | (10,419,646.34)           |
| Intrasystem Transfers for Construction Proceeds [Non-Mand]     | (1,105,500.85)            | (1,522,479.70)            |
| Net Cash Provided [Used] By Capital and Related Financing Act. | <u>\$ (20,635,135.46)</u> | <u>\$ (14,565,830.90)</u> |
| Cash Flows From Investing Activities                           |                           |                           |
| Proceeds From Sales and Maturities of Investments              | \$                        | \$                        |
| Sales and Purchases of Investments Held By System              | (21,322,056.20)           | (21,583,850.72)           |
| Proceeds From Interest and Investment Income                   | 2,719,936.21              | 2,560,695.82              |
| Payments to Acquire Investments                                |                           |                           |
| Net Cash Provided [Used] By Investing Activities               | <u>\$ (18,602,119.99)</u> | <u>\$ (19,023,154.90)</u> |
| Increase [Decrease] In Cash and Cash Equivalents               | <u>\$ (15,513,121.91)</u> | <u>\$ (1,266,199.91)</u>  |
| Cash and Cash Equivalents, Beginning of Year                   | \$ 92,050,585.12          | \$ 93,316,785.03          |
| Restatement  |                           |                           |
| Restated Beginning Cash and Cash Equivalents                   | <u>\$ 92,050,585.12</u>   | <u>\$ 93,316,785.03</u>   |
| Cash and Cash Equivalents, End of Year [Sch Three]             | <u>\$ 76,537,463.21</u>   | <u>\$ 92,050,585.12</u>   |

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EXHIBIT V  
PRAIRIE VIEW A&M UNIVERSITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2014

|   | CURRENT<br>YEAR<br>TOTAL    | PRIOR<br>YEAR<br>TOTAL      |
|---|-----------------------------|-----------------------------|
|   | <u>                    </u> | <u>                    </u> |
| Reconciliation of Operating Income [Loss] to<br>Net Cash Provided [Used] By Operating Activities        | \$                          | \$                          |
| Operating Income [Loss]   | (91,576,605.20)             | (90,966,711.04)             |
| Adjustments to Reconcile Operating Income [Loss] to<br>Net Cash Provided [Used] By Operating Activities |                             |                             |
| Depreciation and Amortization   | 15,235,831.09               | 12,532,651.28               |
| Bad Debt Expense  | 579,991.81                  | 563,523.04                  |
| Operating Income [Loss] Classification Differences  |                             |                             |
| Changes In Assets and Liabilities   |                             |                             |
| Accounts Receivable, Net  | (3,457,503.42)              | 3,980,006.08                |
| Due From Other Agencies/Funds   | 49,035.78                   | (46,452.48)                 |
| Due From System Members   | (695,471.30)                | (1,082,258.58)              |
| Inventories   |                             | 266,834.23                  |
| Prepaid Expenses  | (1,587,274.96)              | (2,357,118.69)              |
| Loans and Contracts   | 302,545.29                  | (311,692.43)                |
| Other Assets  | (244,747.91)                | 566,805.14                  |
| Payables  | (1,573,254.73)              | 846,619.96                  |
| Due to Other Agencies/Funds   | 152,657.18                  | 140,680.72                  |
| Due to System Members   | 728,692.56                  | 1,239,229.38                |
| Unearned Revenue  | 558,513.28                  | 5,798,716.27                |
| Deposits  | 39,943.09                   | (19.50)                     |
| Compensated Absence Liability   | (114,489.76)                | (36,170.00)                 |
| Other Post Employment Benefits Liability  |                             |                             |
| Self Insured Accrued Liability  |                             |                             |
| Other Liabilities   |                             |                             |
| Total Adjustments   | <u>\$ 9,974,468.00</u>      | <u>\$ 22,101,354.42</u>     |
| Net Cash Provided [Used] By Operating Activities  | <u>\$ (81,602,137.20)</u>   | <u>\$ (68,865,356.62)</u>   |
| Non-Cash Transactions   |                             |                             |
| Donation of Capital Assets  | \$                          | \$                          |
| Net Change In Fair Value of Investments   | 18,902,609.90               | (5,976.50)                  |
| Refunding of Long Term Debt   |                             |                             |
| Amortization of Bond Premiums and Discounts   |                             |                             |
| Other   | 11,758,704.21               | (734,994.22)                |

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SCHEDULE THREE  
 PRAIRIE VIEW A&M UNIVERSITY  
 SCHEDULE OF CASH & CASH EQUIVALENTS  
 FOR THE YEAR ENDED AUGUST 31, 2014

|  | CURRENT<br>YEAR<br>TOTAL       |
|--|--------------------------------|
| Cash & Cash Equivalents                                  |                                |
| Current Assets   |                                |
| Cash On Hand   |                                |
| Cashiers Account   | \$ 10,000.00                   |
| Petty Cash Department Working Fund                       | <u>500.00</u>                  |
| Total Cash On Hand                                       | <u>\$ 10,500.00</u>            |
| Cash In Bank   | \$ 19,702.03                   |
| Cash In State Treasury                                   |                                |
| Fund 0245  | 33,478,435.82                  |
| Fund 5029  | <u>8,664,758.66</u>            |
| Total Cash In State Treasury                             | <u>\$ 42,143,194.48</u>        |
| Reimbursements Due From State Treasury                   | \$ 2,987,754.30                |
| Assets Held By System Offices-Current                    | <u>23,372,661.69</u>           |
| Total Current Cash and Cash Equivalents [Exhibit III]    | <u>\$ 68,533,812.50</u>        |
| Restricted   |                                |
| Assets Held By System Offices-Current                    | <u>\$ 8,003,650.71</u>         |
| Total Restricted Cash and Cash Equivalents [Exhibit III] | <u>\$ 8,003,650.71</u>         |
| Total Cash & Cash Equivalents [Exhibit V]                | <u><u>\$ 76,537,463.21</u></u> |

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SCHEDULE N-2  
 PRAIRIE VIEW A&M UNIVERSITY  
 NOTE 2 - CAPITAL ASSETS  
 FOR THE YEAR ENDED AUGUST 31, 2014

|   | BALANCE<br>9-1-13          | ADJUSTMENTS | COMPLETED CIP             |
|---|----------------------------|-------------|---------------------------|
| <b>Non-Depreciable/Non-Amortizable Assets</b>       |                            |             |                           |
| Land and Land Improvements                          | \$ 6,643,331.35            | \$          | \$                        |
| Construction In Progress                            | 2,826,970.92               |             | (11,758,704.21)           |
| Other Tangible Capital Assets                       | 474,072.00                 |             |                           |
| <b>Total Non-Depreciable/Non-Amortizable Assets</b> | <b>\$ 9,944,374.27</b>     | <b>\$</b>   | <b>\$ (11,758,704.21)</b> |
| <b>Depreciable Assets</b>                           |                            |             |                           |
| Buildings   | \$ 341,694,674.58          | \$          | \$ 4,004,113.39           |
| Infrastructure                                      | 4,890,514.02               |             | 7,497,015.95              |
| Facilities and Other Improvements                   | 32,049,763.89              |             | 257,574.87                |
| Furniture and Equipment                             | 27,162,895.11              |             |                           |
| Vehicles, Boats and Aircraft                        | 2,891,191.68               |             |                           |
| Other Capital Assets                                | 8,399,438.91               |             |                           |
| <b>Total Depreciable Assets at Historical Cost</b>  | <b>\$ 417,088,478.19</b>   | <b>\$</b>   | <b>\$ 11,758,704.21</b>   |
| <b>Less Accumulated Depreciation for</b>            |                            |             |                           |
| Buildings   | \$ (135,009,837.57)        | \$          | \$                        |
| Infrastructure                                      | (2,955,468.32)             |             |                           |
| Facilities and Other Improvements                   | (29,722,352.94)            |             |                           |
| Furniture and Equipment                             | (19,371,808.90)            |             |                           |
| Vehicles, Boats and Aircraft                        | (1,939,154.43)             |             |                           |
| Other Capital Assets                                | (5,281,702.76)             |             |                           |
| <b>Total Accumulated Depreciation</b>               | <b>\$ (194,280,324.92)</b> | <b>\$</b>   | <b>\$</b>                 |
| <b>Depreciable Assets, Net</b>                      | <b>\$ 222,808,153.27</b>   | <b>\$</b>   | <b>\$ 11,758,704.21</b>   |
| <b>Amortizable Assets - Intangible</b>              |                            |             |                           |
| Computer Software                                   | \$ 2,464,610.00            | \$          | \$                        |
| <b>Total Intangible Assets at Historical Cost</b>   | <b>\$ 2,464,610.00</b>     | <b>\$</b>   | <b>\$</b>                 |
| <b>Less Accumulated Amortization for</b>            |                            |             |                           |
| Computer Software                                   | \$ (2,452,824.33)          | \$          | \$                        |
| <b>Total Accumulated Amortization</b>               | <b>\$ (2,452,824.33)</b>   | <b>\$</b>   | <b>\$</b>                 |
| <b>Amortizable Assets, Net</b>                      | <b>\$ 11,785.67</b>        | <b>\$</b>   | <b>\$</b>                 |
| <b>Capital Assets, Net</b>                          | <b>\$ 232,764,313.21</b>   | <b>\$</b>   | <b>\$</b>                 |

| <u>INC-INTERAGENCY<br/>TRANSACTIONS</u> | <u>DEC-INTERAGENCY<br/>TRANSACTIONS</u> | <u>ADDITIONS</u>   | <u>DELETIONS</u>           | <u>BALANCE<br/>8-31-14</u>  |
|---|---|--|----------------------------|---|
| \$ 11,758,704.21                        | \$                                      | \$ 76,356.00<br>7,601,300.40   | \$                         | \$ 6,719,687.35<br>10,428,271.32<br>474,072.00  |
| <u>\$ 11,758,704.21</u>                 | <u>\$</u>                               | <u>\$ 7,677,656.40</u>   | <u>\$</u>                  | <u>\$ 17,622,030.67</u>   |
| \$                                      | \$                                      | \$   | \$                         | \$ 345,698,787.97<br>12,387,529.97<br>32,307,338.76<br>28,872,236.75<br>3,011,509.33<br>8,667,429.94            |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ 2,878,518.11</u>   | <u>\$ (780,867.79)</u>     | <u>\$ 430,944,832.72</u>  |
| \$                                      | \$                                      | \$ (11,592,825.67)<br>(367,859.88)<br>(478,129.78)<br>(2,109,067.47)<br>(248,169.62)<br>(427,993.00) | \$ 673,474.72<br>92,473.55 | \$ (146,602,663.24)<br>(3,323,328.20)<br>(30,200,482.72)<br>(20,807,401.65)<br>(2,094,850.50)<br>(5,709,695.76) |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ (15,224,045.42)</u>  | <u>\$ 765,948.27</u>       | <u>\$ (208,738,422.07)</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ (12,345,527.31)</u>  | <u>\$ (14,919.52)</u>      | <u>\$ 222,206,410.65</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$</u>  | <u>\$ (71,278.87)</u>      | <u>\$ 2,393,331.13</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$</u>  | <u>\$ (71,278.87)</u>      | <u>\$ 2,393,331.13</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ (11,785.67)</u>  | <u>\$ 71,278.87</u>        | <u>\$ (2,393,331.13)</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ (11,785.67)</u>  | <u>\$ 71,278.87</u>        | <u>\$ (2,393,331.13)</u>  |
| <u>\$</u>                               | <u>\$</u>                               | <u>\$ (11,785.67)</u>  | <u>\$</u>                  | <u>\$</u>   |
| <u>\$ 11,758,704.21</u>                 | <u>\$</u>                               | <u>\$ (4,679,656.58)</u>   | <u>\$ (14,919.52)</u>      | <u>\$ 239,828,441.32</u>  |

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