

UNAUDITED

# ANNUAL FINANCIAL REPORT

of

**Texas A&M AgriLife Extension Service**

*For the Year Ended August 31, 2015*

*With Comparative Totals for the Year Ended August 31, 2014*



**Douglas L. Steele, Director**



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TEXAS A&M AGRILIFE EXTENSION SERVICE

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EXHIBIT III  
TEXAS A&M AGRILIFE EXTENSION SERVICE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2015

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows		
Current Assets		
Cash & Cash Equivalents [Schedule Three]	\$ 4,121,386.65	\$ 3,086,500.62
Investments		
Derivative Instruments		
Restricted		
Cash & Cash Equivalents [Schedule Three]	4,068.52	2,913.34
Investments		
Legislative Appropriations	6,190,461.00	5,025,429.32
Receivables, Net [Note 24]		
Federal	22,283,263.62	23,189,055.87
Other Intergovernmental	2,575,149.43	686,095.18
Interest and Dividends		
Gifts		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	1,710,249.70	2,170,895.24
Other	685.91	3,494.97
Due From Other Agencies	1,485,066.41	1,835,235.89
Due From Other Members	801,654.49	701,904.09
Due From Other Funds	4,294,708.70	4,262,450.20
Consumable Inventories	35,156.06	17,022.32
Merchandise Inventories	1,182,955.71	1,199,928.09
Loans and Contracts		
Interfund Receivable [Note 12]		
Other Current Assets		
Total Current Assets	<u>\$ 44,684,806.20</u>	<u>\$ 42,180,925.13</u>
Non-Current Assets		
Restricted		
Cash & Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Office		
Investments [Note 3]		
Loans, Contracts and Other		
Gifts Receivable		
Loans and Contracts		
Assets Held By System Office	20,174,251.62	19,430,529.37
Investments [Note 3]		
Interfund Receivable [Note 12]		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	394,693.64	394,693.64
Construction In Progress		
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	2,032,067.67	2,032,067.67
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	4,909,004.00	4,510,990.77
Vehicles, Boats, and Aircraft	7,113,084.77	6,815,155.01
Other Capital Assets	16,192.00	16,192.00
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software		
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(10,001,244.31)	(9,690,770.20)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets	<u>\$ 24,638,049.39</u>	<u>\$ 23,508,858.26</u>
Deferred Outflows of Resources [Note 28]		
Unamortized Loss On Refunding Debt	\$	\$
Government Acquisition		
Pensions		
Total Deferred Outflows of Resources	<u>\$</u>	<u>\$</u>
Total Assets and Deferred Outflows	<u><u>\$ 69,322,855.59</u></u>	<u><u>\$ 65,689,783.39</u></u>

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EXHIBIT III  
TEXAS A&M AGRILIFE EXTENSION SERVICE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2015

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities		
Payables		
Accounts	\$ 3,275,121.36	\$ 2,135,387.86
Payroll	6,719,386.59	6,010,336.56
Investment Trades		
Self-Insured Health and Dental		
Student		
Other	3,405.56	4,125.36
Interfund Payable [Note 12]		
Due to Other Agencies	601,711.01	176,319.24
Due to Other Funds	4,294,708.70	4,262,450.20
Due to Other Members	275,788.36	86,978.51
Funds Held for Investment		
Unearned Revenue	1,759,898.23	1,376,901.06
Employees' Compensable Leave	867,238.44	977,482.00
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	4,068.52	2,913.34
Other Current Liabilities	1,420.09	1,168.03
Total Current Liabilities	<u>\$ 17,802,746.86</u>	<u>\$ 15,034,062.16</u>
Non-Current Liabilities		
Interfund Payable [Note 12]	\$	\$
Employees' Compensable Leave	7,622,636.76	5,481,249.98
Other Post Employment Benefits [Note 11]		
Pension Liability [Note 9]		
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		
Total Non-Current Liabilities	<u>\$ 7,622,636.76</u>	<u>\$ 5,481,249.98</u>
Deferred Inflows of Resources [Note 28]		
Pension	\$	\$
Total Deferred Inflows of Resources	<u>\$</u>	<u>\$</u>
Total Liabilities and Deferred Inflows	<u>\$ 25,425,383.62</u>	<u>\$ 20,515,312.14</u>
Net Position		
Net Investment In Capital Assets	\$ 4,463,797.77	\$ 4,078,328.89
Restricted for		
Debt Service		
Capital Projects		
Education	19,237,757.66	20,030,809.35
Endowment and Permanent Funds		
Nonexpendable		
Expendable		
Unrestricted	20,195,916.54	21,065,333.01
Total Net Position [Exhibit IV]	<u>\$ 43,897,471.97</u>	<u>\$ 45,174,471.25</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 69,322,855.59</u>	<u>\$ 65,689,783.39</u>

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EXHIBIT IV  
 TEXAS A&M AGRILIFE EXTENSION SERVICE  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED AUGUST 31, 2015

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Tuition and Fees	\$	\$
Discounts and Allowances		
Hospitals and Clinics		
Discounts and Allowances		
Professional Fees		
Auxiliary Enterprises		
Discounts and Allowances		
Other Sales of Goods and Services	6,355,265.96	6,461,442.53
Discounts and Allowances		
Interest Revenue		
Federal Revenue - Operating	11,436,546.74	10,027,601.43
Federal Pass Through Revenue	2,675,954.29	3,184,434.49
State Grant Revenue	133,994.45	62,427.98
State Pass Through Revenue	2,981,038.59	3,106,660.82
Other Grants and Contracts - Operating	12,270,612.80	9,431,714.19
Other Operating Revenue	620,224.21	660,726.15
Total Operating Revenues	<u>\$ 36,473,637.04</u>	<u>\$ 32,935,007.59</u>
Operating Expenses		
Instruction	\$	\$
Research	709,517.76	133,926.03
Public Service	112,415,005.31	103,688,274.95
Hospitals and Clinics		
Academic Support		
Student Services		
Institutional Support	6,863,698.16	6,768,690.17
Operation & Maintenance of Plant		
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	734,156.59	733,782.42
Total Operating Expenses [Schedule IV-1]	<u>\$ 120,722,377.82</u>	<u>\$ 111,324,673.57</u>
Total Operating Income [Loss]	<u>\$ (84,248,740.78)</u>	<u>\$ (78,389,665.98)</u>
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 62,688,501.70	\$ 60,731,122.95
Federal Revenue Non-Operating	17,800,881.49	18,549,010.94
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	1,645,895.43	1,438,838.39
Land Income	18,136.61	38,352.97
Investment Income	(202,327.34)	2,177,198.77
Investing Activities Expense	(48,130.49)	(43,565.62)
Interest Expense		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	48,537.82	46,522.80
Settlement of Claims		
Other Nonoperating Revenues	23,583.27	13,697.92
Other Nonoperating [Expenses]	(57,009.45)	
Total Nonoperating Revenues [Expenses]	<u>\$ 81,918,069.04</u>	<u>\$ 82,951,179.12</u>
Income [Loss] Before Other Revenues and Transfers	<u>\$ (2,330,671.74)</u>	<u>\$ 4,561,513.14</u>



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SCHEDULE IV-1  
 TEXAS A&M AGRILIFE EXTENSION SERVICE  
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX  
 FOR THE YEAR ENDED AUGUST 31, 2015

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>HOSPITALS &amp; CLINICS</u>	<u>ACADEMIC SUPPORT</u>
Natural Classification					
Cost of Goods Sold	\$	\$	\$ 59,229.50	\$	\$
Salaries & Wages		239,497.26	65,184,046.36		
Payroll Related Costs		80,270.14	26,809,733.85		
Payroll Related Costs-TRS Pension					
Professional Fees & Services			3,732,446.34		
Travel			2,596,424.55		
Materials & Supplies			4,473,381.48		
Communication & Utilities			1,339,339.67		
Repairs & Maintenance			748,928.13		
Rentals & Leases			2,163,165.37		
Printing & Reproduction			571,036.61		
Federal Pass-Through			826,605.51		
State Pass-Through		389,750.36	437,402.49		
Depreciation & Amortization					
Bad Debt Expense					
Interest			260.25		
Scholarships			109,038.17		
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses			3,363,967.03		
Total Operating Expenses	<u>\$</u>	<u>\$ 709,517.76</u>	<u>\$ 112,415,005.31</u>	<u>\$</u>	<u>\$</u>



<u>STUDENT SERVICES</u>	<u>INSTITUTIONAL SUPPORT</u>	<u>OPERATION &amp; MAINTENANCE OF PLANT</u>	<u>SCHOLARSHIPS &amp; FELLOWSHIPS</u>	<u>AUXILIARY</u>	<u>DEPRECIATION &amp; AMORTIZATION</u>	<u>TOTAL</u>	<u>PRIOR YEAR</u>
\$	\$	\$	\$	\$	\$	\$ 59,229.50	\$ 18,419.68
	4,827,288.32					70,250,831.94	64,766,397.38
	1,656,083.32					28,546,087.31	26,323,304.33
	8,644.77					3,741,091.11	3,835,318.51
	35,289.09					2,631,713.64	2,488,727.09
	191,824.86					4,665,206.34	4,282,033.88
	68,122.23					1,407,461.90	1,470,854.32
	5,257.79					754,185.92	851,091.86
	30,066.71					2,193,232.08	2,046,802.00
	1,729.49					572,766.10	611,918.63
						826,605.51	454,116.23
						827,152.85	310,539.11
					734,156.59	734,156.59	733,782.42
	.14					260.39	812.99
						109,038.17	110,362.54
	39,391.44					3,403,358.47	3,020,192.60
<u>\$</u>	<u>\$ 6,863,698.16</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 734,156.59</u>	<u>\$ 120,722,377.82</u>	<u>\$ 111,324,673.57</u>

[Exhibit IV]

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EXHIBIT V  
TEXAS A&M AGRILIFE EXTENSION SERVICE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2015

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities		
Proceeds Received From Tuition and Fees	\$	\$
Proceeds Received From Customers	6,461,701.68	6,569,682.45
Proceeds From Grants and Contracts	29,374,384.25	19,537,641.56
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs		
Proceeds From Other Operating Revenues	620,476.27	661,754.47
Payments to Suppliers for Goods and Services	(18,068,997.17)	(18,588,335.06)
Payments to Employees	(96,056,726.00)	(90,306,153.52)
Payments for Loans Provided		
Payments for Other Operating Expenses	(1,146,729.67)	(803,521.38)
Net Cash Provided [Used] By Operating Activities	\$ (78,815,890.64)	\$ (82,928,931.48)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 61,523,470.02	\$ 61,612,887.13
Proceeds From Gifts	1,645,895.43	1,438,838.39
Proceeds From Endowments		
Proceeds From Transfers From Other Funds		
Proceeds From Other Grant Receipts	17,800,881.49	18,549,010.94
Proceeds From Other Noncapital Financing Activities	38,442.26	38,533.57
Payments of Interest		
Payments for Transfers to Other Funds		
Payments for Grant Disbursements		
Payments for Other Noncapital Financing Uses	(380.07)	(971.09)
Other Noncapital Transfers From/To System	551,343.00	575,152.00
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 81,559,652.13	\$ 82,213,450.94
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 49,100.00	\$ 64,551.00
Proceeds From Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Payables		
Proceeds From Other Financing Activities		
Proceeds From Capital Contributions		
Payments for Additions to Capital Assets	(1,170,054.77)	(863,278.72)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments of Interest On Debt Issuance		
Payments for Interfund Receivables		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	407,414.57	282,816.15
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Proceeds [Non-Mand]		
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (713,540.20)	\$ (515,911.57)
Cash Flows From Investing Activities		
Proceeds From Sales of Investments	\$	\$
Sales and Purchases of Investments Held By System	(1,269,971.93)	(3,240,754.69)
Proceeds From Interest and Investment Income	275,791.85	245,169.96
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (994,180.08)	\$ (2,995,584.73)
Net Increase [Decrease] In Cash and Cash Equivalents	\$ 1,036,041.21	\$ (4,226,976.84)
Cash and Cash Equivalents, Beginning of Year	\$ 3,089,413.96	\$ 7,316,390.80
Restatement		
Cash and Cash Equivalents, Beginning of Year, As Restated	\$ 3,089,413.96	\$ 7,316,390.80
Cash and Cash Equivalents, End of Year [Sch Three]	\$ 4,125,455.17	\$ 3,089,413.96

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EXHIBIT V  
 TEXAS A&M AGRILIFE EXTENSION SERVICE  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED AUGUST 31, 2015

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$	\$
Operating Income [Loss]	(84,248,740.78)	(78,389,665.98)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities		
Amortization and Depreciation	734,156.59	733,782.42
Bad Debt Expense	9,121.49	(15,703.40)
Operating Income [Loss] and Cash Flow Categories Classification Differences		
Changes In Assets and Liabilities		
[Increase] Decrease In Receivables	(528,928.89)	(7,158,556.68)
[Increase] Decrease In Due From Other Funds	350,169.48	477,204.49
[Increase] Decrease In Due From System Members	(7,164.97)	43,407.59
[Increase] Decrease In Inventories	(1,161.36)	(28,280.38)
[Increase] Decrease In Prepaid Expenses		
[Increase] Decrease In Loans and Contracts		
[Increase] Decrease In Other Assets		
[Increase] Decrease In Payables	1,848,063.73	728,783.23
[Increase] Decrease In Due to Other Agencies/Funds	425,391.77	61,511.98
[Increase] Decrease In Due to System Members	188,809.85	11,894.26
[Increase] Decrease In Unearned Revenue	382,997.17	286,035.69
[Increase] Decrease In Deposits	252.06	1,028.32
[Increase] Decrease In Employees' Compensable Leave	2,031,143.22	319,626.98
[Increase] Decrease In OPEB Liability		
[Increase] Decrease In Pension Liability		
[Increase] Decrease In Self Insured Accrued Liability		
[Increase] Decrease In Other Liabilities		
Total Adjustments	\$ 5,432,850.14	\$ (4,539,265.50)
Net Cash Provided [Used] By Operating Activities	\$ (78,815,890.64)	\$ (82,928,931.48)
Non-Cash Transactions		
Donation of Capital Assets	\$ 48,763.05	\$ 8,500.00
Net Change In Fair Value of Investments	(1,158,199.99)	1,456,805.80
Refunding of Long Term Debt		
Amortization of Bond Premiums and Discounts		
Borrowing Under Capital Lease Purchase		
Other	(46,995.77)	(27,635.20)





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SCHEDULE N-2  
 TEXAS A&M AGRILIFE EXTENSION SERVICE  
 NOTE 2 - CAPITAL ASSETS  
 FOR THE YEAR ENDED AUGUST 31, 2015

	BALANCE 9-1-14	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 394,693.64	\$	\$
Total Non-Depreciable/Non-Amortizable Assets	\$ 394,693.64	\$	\$
Depreciable Assets			
Buildings	\$ 2,032,067.67	\$	\$
Furniture and Equipment	4,510,990.77		
Vehicles, Boats and Aircraft	6,815,155.01		
Other Capital Assets	16,192.00		
Total Depreciable Assets at Historical Cost	\$ 13,374,405.45	\$	\$
Less Accumulated Depreciation for			
Buildings	\$ (726,030.53)	\$	\$
Furniture and Equipment	(3,194,216.36)		
Vehicles, Boats and Aircraft	(5,769,296.71)		
Other Capital Assets	(1,226.60)		
Total Accumulated Depreciation	\$ (9,690,770.20)	\$	\$
Depreciable Assets, Net	\$ 3,683,635.25	\$	\$
Capital Assets, Net	\$ 4,078,328.89	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-15</u>
\$	\$	\$	\$	\$ 394,693.64
\$	\$	\$	\$	\$ 394,693.64
\$	\$	\$	\$	\$ 2,032,067.67
34,999.20	(73,456.72)	594,446.68	(157,975.93)	4,909,004.00
	(13,560.00)	629,178.76	(317,689.00)	7,113,084.77
				16,192.00
\$ 34,999.20	\$ (87,016.72)	\$ 1,223,625.44	\$ (475,664.93)	\$ 14,070,348.44
\$	\$	\$	\$	\$ (790,605.05)
(10,928.74)	2,952.67	(64,574.52)	129,625.80	(3,374,586.51)
	13,560.00	(302,019.88)	288,472.75	(5,834,090.19)
		(366,826.23)		(1,962.56)
		(735.96)		
\$ (10,928.74)	\$ 16,512.67	\$ (734,156.59)	\$ 418,098.55	\$ (10,001,244.31)
\$ 24,070.46	\$ (70,504.05)	\$ 489,468.85	\$ (57,566.38)	\$ 4,069,104.13
\$ 24,070.46	\$ (70,504.05)	\$ 489,468.85	\$ (57,566.38)	\$ 4,463,797.77