

UNAUDITED

ANNUAL FINANCIAL REPORT

of

Texas A&M University System Offices

For the Year Ended August 31, 2015

With Comparative Totals for the Year Ended August 31, 2014



John Sharp, Chancellor

Billy Hamilton, Executive Vice Chancellor and Chief Financial Officer

UNAUDITED

TEXAS A&M UNIVERSITY SYSTEM OFFICES

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EXHIBIT III
TEXAS A&M UNIVERSITY SYSTEM OFFICES
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] | \$ 924,726,358.20 | \$ 904,146,406.33 |
| Investments | | |
| Derivative Instruments | 1,479,065.95 | 107,608.30 |
| Restricted | | |
| Cash & Cash Equivalents [Schedule Three] | 365,446,916.75 | 310,427,633.92 |
| Investments | | |
| Legislative Appropriations | 112,392.93 | 79,432.33 |
| Receivables, Net [Note 24] | | |
| Federal | 43,468,695.22 | 15,359,184.91 |
| Other Intergovernmental | | |
| Interest and Dividends | 6,866,027.31 | 6,831,380.07 |
| Gifts | 273,133.33 | 273,133.33 |
| Self-Insured Health and Dental | 27,240,006.11 | 23,035,132.09 |
| Student | | |
| Investment Trades | 48,512,822.34 | 49,225,905.94 |
| Accounts | 387,178.77 | 833,179.36 |
| Other | 77,400.00 | 1,002,239.50 |
| Due From Other Agencies | 1,914,277.71 | 1,115,194.14 |
| Due From Other Members | 80,616,196.81 | 34,033,188.76 |
| Due From Other Funds | | 154,136.15 |
| Consumable Inventories | 21,278.95 | 19,283.92 |
| Merchandise Inventories | | |
| Loans and Contracts | | |
| Interfund Receivable [Note 12] | 37,770,000.00 | 29,005,000.00 |
| Other Current Assets | | 1,004,514.50 |
| Total Current Assets | <u>\$ 1,538,911,750.38</u> | <u>\$ 1,376,652,553.55</u> |
| Non-Current Assets | | |
| Restricted | | |
| Cash & Cash Equivalents [Schedule Three] | \$ 1,698,920.57 | \$ 2,328,221.70 |
| Assets Held By System Office | | |
| Investments [Note 3] | | |
| Loans, Contracts and Other | | |
| Gifts Receivable | 36,666.67 | 296,466.67 |
| Loans and Contracts | | |
| Assets Held By System Office | 251,875,009.26 | 238,633,471.81 |
| Investments [Note 3] | 3,670,739,118.49 | 3,580,024,727.62 |
| Interfund Receivable [Note 12] | 974,653,632.73 | 821,412,528.29 |
| Capital Assets, Non-Depreciable [Note 2] | | |
| Land and Land Improvements | 1,355,862.00 | 1,355,862.00 |
| Construction In Progress | 550,888,266.85 | 436,369,652.83 |
| Other Tangible Capital Assets | 230,000.25 | 230,000.25 |
| Land Use Rights | | |
| Other Intangible Capital Assets | | |
| Capital Assets, Depreciable [Note 2] | | |
| Buildings and Building Improvements | | |
| Infrastructure | | |
| Facilities and Other Improvements | | |
| Furniture and Equipment | 10,456,779.09 | 1,004,559.04 |
| Vehicles, Boats, and Aircraft | 9,417,444.09 | 9,417,444.09 |
| Other Capital Assets | 60,274.70 | 58,371.50 |
| Intangible Capital Assets, Amortized [Note 2] | | |
| Land Use Rights | | |
| Computer Software | 1,424,019.57 | 1,424,019.57 |
| Other Intangible Capital Assets | | |
| Accumulated Depreciation/Amortization | (11,448,626.44) | (9,650,729.02) |
| Assets Held In Trust | | |
| Other Non-Current Assets | | |
| Total Non-Current Assets | <u>\$ 5,461,387,367.83</u> | <u>\$ 5,082,904,596.35</u> |
| Deferred Outflows of Resources [Note 28] | | |
| Unamortized Loss On Refunding Debt | \$ 7,700,377.87 | \$ |
| Government Acquisition | | |
| Pensions | 62,533,706.63 | |
| Total Deferred Outflows of Resources | <u>\$ 70,234,084.50</u> | <u>\$</u> |
| Total Assets and Deferred Outflows | <u>\$ 7,070,533,202.71</u> | <u>\$ 6,459,557,149.90</u> |

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EXHIBIT III
TEXAS A&M UNIVERSITY SYSTEM OFFICES
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 | \$ 3,365,977.74 | \$ 1,834,969.05 |
| Payroll | 2,112,461.98 | 1,826,711.93 |
| Investment Trades | 56,226,926.47 | 54,412,380.11 |
| Self-Insured Health and Dental | 24,261,101.89 | 25,270,531.97 |
| Student | | |
| Other | 1,638,277.45 | 1,526,933.41 |
| Interfund Payable [Note 12] | | |
| Due to Other Agencies | | 154,136.15 |
| Due to Other Funds | | 197,938,800.46 |
| Due to Other Members | 293,788,062.45 | 4,170,804,094.96 |
| Funds Held for Investment | 4,178,875,823.10 | 1,297,635.01 |
| Unearned Revenue | 1,855,292.41 | 262,427.00 |
| Employees' Compensable Leave | 278,692.62 | 3,017,000.00 |
| Claims and Judgments | 3,017,000.00 | 2,445,000.00 |
| Notes and Loans Payable [Note 5] | 27,498,333.34 | 4,752,333.34 |
| Bonds Payable [Note 6] | 176,725,720.23 | 148,081,823.37 |
| Capital Lease Obligations | 1,642,645.52 | |
| Liabilities Payable From Restricted Assets | 54,137,947.34 | 47,844,187.97 |
| Funds Held for Others | 3,394,220.85 | 3,487,871.75 |
| Other Current Liabilities | 230,000.00 | 231,589.87 |
| Total Current Liabilities | <u>\$ 4,829,048,483.39</u> | <u>\$ 4,662,171,426.35</u> |
| Non-Current Liabilities | | |
| Interfund Payable [Note 12] | \$ | \$ |
| Employees' Compensable Leave | 2,270,421.73 | 1,887,925.08 |
| Other Post Employment Benefits [Note 11] | 983,874,345.00 | 859,766,188.00 |
| Pension Liability [Note 9] | 352,410,894.44 | |
| Claims and Judgments | 4,469,000.00 | 6,590,000.00 |
| Notes and Loans Payable [Note 5] | 135,539,999.96 | 116,667,333.30 |
| Bonds Payable [Note 6] | 2,966,841,806.37 | 2,697,638,739.25 |
| Assets Held In Trust | | |
| Liabilities Payable From Restricted Assets | 18,630,001.48 | 17,123,803.31 |
| Funds Held for Others | 93,019,668.16 | 68,891,978.80 |
| Capital Lease Obligations | 4,984,188.35 | |
| Other Non-Current Liabilities | 320,000.00 | 550,000.00 |
| Total Non-Current Liabilities | <u>\$ 4,562,360,325.49</u> | <u>\$ 3,769,115,967.74</u> |
| Deferred Inflows of Resources [Note 28] | | |
| Pension | \$ 107,720,015.87 | \$ |
| Total Deferred Inflows of Resources | <u>\$ 107,720,015.87</u> | <u>\$</u> |
| Total Liabilities and Deferred Inflows | <u>\$ 9,499,128,824.75</u> | <u>\$ 8,431,287,394.09</u> |
| Net Position | | |
| Net Investment In Capital Assets | \$ (2,378,776,224.62) | \$ (2,231,934,718.66) |
| Restricted for | | |
| Debt Service | | |
| Capital Projects | (57,608,723.22) | (104,811,777.50) |
| Education | 1,602,739.17 | 2,170,081.10 |
| Endowment and Permanent Funds | | |
| Nonexpendable | | |
| Expendable | 51,544.62 | 53,238.94 |
| Unrestricted | 6,135,042.01 | 362,792,931.93 |
| Total Net Position [Exhibit IV] | <u>\$ (2,428,595,622.04)</u> | <u>\$ (1,971,730,244.19)</u> |
| Total Liabilities, Deferred Inflows, and Net Position | <u>\$ 7,070,533,202.71</u> | <u>\$ 6,459,557,149.90</u> |

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EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 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 | 657,348.07 | 533,945.00 |
| Auxiliary Enterprises | | |
| Discounts and Allowances | | |
| Other Sales of Goods and Services | 754,050.41 | 1,058,570.76 |
| Discounts and Allowances | | |
| Interest Revenue | | |
| Federal Revenue - Operating | 54,228,842.65 | 37,041,779.84 |
| Federal Pass Through Revenue | | |
| State Grant Revenue | | |
| State Pass Through Revenue | 100,000.00 | 2,300,000.00 |
| Other Grants and Contracts - Operating | 5,793,518.29 | 393,587.73 |
| Other Operating Revenue | 585,262.25 | 549,009.16 |
| Total Operating Revenues | <u>\$ 62,119,021.67</u> | <u>\$ 41,876,892.49</u> |
| Operating Expenses | | |
| Instruction | \$ | \$ 45,959.56 |
| Research | 50,055,751.16 | 32,413,728.31 |
| Public Service | 91,875.00 | 170,921.43 |
| Hospitals and Clinics | | |
| Academic Support | | |
| Student Services | | |
| Institutional Support | 147,388,889.06 | 169,832,912.70 |
| Operation & Maintenance of Plant | 3,836,613.50 | 2,838,397.34 |
| Scholarships & Fellowships | 765,511.00 | 766,411.00 |
| Auxiliary | | |
| Depreciation/Amortization | 1,912,352.16 | 373,372.88 |
| Total Operating Expenses [Schedule IV-1] | <u>\$ 204,050,991.88</u> | <u>\$ 206,441,703.22</u> |
| Total Operating Income [Loss] | <u>\$ (141,931,970.21)</u> | <u>\$ (164,564,810.73)</u> |
| Nonoperating Revenues [Expenses] | | |
| Legislative Revenue | \$ 2,389,834.18 | \$ 2,402,528.96 |
| Federal Revenue Non-Operating | | |
| Federal Pass Through Non-Operating | | |
| State Pass Through Non-Operating | | |
| Gifts | 226,072.05 | 583,922.90 |
| Land Income | 15,848,015.90 | 5,364,198.00 |
| Investment Income | 73,486,112.92 | 87,875,942.71 |
| Investing Activities Expense | (4,274,417.86) | (239,538.03) |
| Interest Expense | (111,509,206.74) | (113,885,525.54) |
| Borrower Rebates and Agent Fees | (3,861,699.30) | (2,566,413.84) |
| Gain [Loss] On Sale or Disposal of Capital Assets | (4,754.58) | (4,872.12) |
| Settlement of Claims | (14,850.00) | |
| Other Nonoperating Revenues | 1,433,109.04 | 6,377,148.42 |
| Other Nonoperating [Expenses] | (2,808,789.61) | (1,790,913.33) |
| Total Nonoperating Revenues [Expenses] | <u>\$ (29,090,574.00)</u> | <u>\$ (15,883,521.87)</u> |
| Income [Loss] Before Other Revenues and Transfers | <u>\$ (171,022,544.21)</u> | <u>\$ (180,448,332.60)</u> |

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EXHIBIT IV
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED AUGUST 31, 2015

| | CURRENT YEAR TOTAL | PRIOR YEAR TOTAL |
|---|------------------------------|------------------------------|
| Other Revenues and Transfers | | |
| Capital Contributions | \$ | \$ |
| Capital Appropriations [Higher Education Fund] | | |
| Additions to Permanent and Term Endowments | | |
| Special Items | | |
| Extraordinary Items | | |
| Transfers In | | |
| Transfers From Other State Agencies | 433,057,636.08 | 420,498,566.30 |
| Mandatory Transfers From Other Members | 139,258,579.14 | 121,903,470.57 |
| Nonmandatory Transfers From Other Members | 105,440,504.95 | 44,057,299.80 |
| Nonmandatory Transfers From Members/Agencies-Cap Assets | 114,219.07 | |
| Transfers Out | | |
| Transfers to Other State Agencies | | |
| Mandatory Transfers to Other Members | | |
| Nonmandatory Transfers to Other Members | (290,658,653.19) | (270,251,127.80) |
| Nonmandatory Transfers to Members/Agencies - Cap Assets | (341,275,648.28) | (231,583,479.04) |
| Legislative Transfers - In | 67,422,102.18 | 68,057,426.07 |
| Legislative Transfers - Out | | |
| Legislative Appropriations Lapsed | | |
| Total Other Revenues and Transfers | \$ 113,358,739.95 | \$ 152,682,155.90 |
| Change In Net Position | \$ (57,663,804.26) | \$ (27,766,176.70) |
| Net Position, Beginning of Year | \$ (1,971,730,244.19) | \$ (1,943,964,067.49) |
| Restatement | (399,201,573.59) | |
| Net Position, Beginning of Year, Restated | \$ (2,370,931,817.78) | \$ (1,943,964,067.49) |
| Net Position, End of Year | \$ (2,428,595,622.04) | \$ (1,971,730,244.19) |
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SCHEDULE IV-1
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 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 & CLINICS</u> | <u>ACADEMIC SUPPORT</u> |
|-----------------------------------|--------------------|-------------------------|-----------------------|------------------------------------|-----------------------------|
| Natural Classification | | | | | |
| Cost of Goods Sold | \$ | \$ | \$ | \$ | \$ |
| Salaries & Wages | | 70,696.00 | | | |
| Payroll Related Costs | | 13,268.44 | | | |
| Payroll Related Costs-TRS Pension | | | | | |
| Professional Fees & Services | | 454,677.97 | | | |
| Travel | | | | | |
| Materials & Supplies | | 5,098.44 | | | |
| Communication & Utilities | | | | | |
| Repairs & Maintenance | | | | | |
| Rentals & Leases | | | | | |
| Printing & Reproduction | | | | | |
| Federal Pass-Through | | 49,518,068.10 | | | |
| State Pass-Through | | (6,481.71) | 91,875.00 | | |
| Depreciation & Amortization | | | | | |
| Bad Debt Expense | | | | | |
| Interest | | 263.12 | | | |
| Scholarships | | | | | |
| Claims & Losses | | | | | |
| Net Change In OPEB Obligation | | | | | |
| Other Operating Expenses | | 160.80 | | | |
| Total Operating Expenses | <u>\$</u> | <u>\$ 50,055,751.16</u> | <u>\$ 91,875.00</u> | <u>\$</u> | <u>\$</u> |

| <u>STUDENT SERVICES</u> | <u>INSTITUTIONAL SUPPORT</u> | <u>OPERATION & MAINTENANCE OF PLANT</u> | <u>SCHOLARSHIPS & FELLOWSHIPS</u> | <u>AUXILIARY</u> | <u>DEPRECIATION & AMORTIZATION</u> | <u>TOTAL</u> | <u>PRIOR YEAR</u> |
|-------------------------|------------------------------|---|---------------------------------------|------------------|--|--------------------------|--------------------------|
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | 12,806,785.58 | | | | | 12,877,481.58 | 12,087,522.20 |
| | 3,758,112.21 | | | | | 3,771,380.65 | 3,584,173.78 |
| | (1,604,369.91) | | | | | (1,604,369.91) | |
| | 4,194,249.00 | 3,232,748.56 | | | | 7,881,675.53 | 12,125,092.30 |
| | 284,755.07 | | | | | 284,755.07 | 306,913.46 |
| | 440,704.02 | 76,378.97 | | | | 522,181.43 | 8,513.06 |
| | 696,945.59 | | | | | 696,945.59 | 1,078,221.27 |
| | 550,327.49 | 35,689.55 | | | | 586,017.04 | 588,015.22 |
| | 1,091,177.37 | | | | | 1,091,177.37 | 892,269.36 |
| | 24,501.78 | | | | | 24,501.78 | 31,326.20 |
| | 104,251.49 | | 763,711.00 | | | 49,518,068.10 | 32,870,510.95 |
| | | | | | | 953,355.78 | 1,027,377.08 |
| | | | | | 1,912,352.16 | 1,912,352.16 | 373,372.88 |
| | 964.08 | 1,283.60 | | | | 2,510.80 | 2,603.90 |
| | 2,475.00 | | 1,800.00 | | | 4,275.00 | 3,100.00 |
| | 373,516.32 | 484,935.00 | | | | 858,451.32 | 541,200.00 |
| | 124,108,157.00 | | | | | 124,108,157.00 | 140,541,593.00 |
| | 556,336.97 | 5,577.82 | | | | 562,075.59 | 379,898.56 |
| <u>\$</u> | <u>\$ 147,388,889.06</u> | <u>\$ 3,836,613.50</u> | <u>\$ 765,511.00</u> | <u>\$</u> | <u>\$ 1,912,352.16</u> | <u>\$ 204,050,991.88</u> | <u>\$ 206,441,703.22</u> |

[Exhibit IV]

UNAUDITED

EXHIBIT V
TEXAS A&M UNIVERSITY SYSTEM OFFICES
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 | 1,848,439.88 | 1,598,974.40 |
| Proceeds From Grants and Contracts | 33,195,673.04 | 30,070,964.10 |
| Proceeds From Auxiliary Enterprises | | |
| Proceeds From Loan Programs | | |
| Proceeds From Other Operating Revenues | 578,400.83 | 549,009.16 |
| Payments to Suppliers for Goods and Services | (1,043,082.83) | (29,437,797.88) |
| Payments to Employees | (15,964,349.91) | (15,822,224.55) |
| Payments for Loans Provided | | |
| Payments for Other Operating Expenses | (12,939,425.35) | (25,105,773.13) |
| Net Cash Provided [Used] By Operating Activities | \$ 5,675,655.66 | \$ (38,146,847.90) |
| Cash Flows From Noncapital Financing Activities | | |
| Proceeds From State Appropriations | \$ 2,356,873.58 | \$ 2,418,496.84 |
| Proceeds From Gifts | 485,872.05 | 1,053,522.90 |
| Proceeds From Endowments | | |
| Proceeds From Transfers From Other Funds | 270,252,448.07 | 302,238,000.34 |
| Proceeds From Other Grant Receipts | | |
| Proceeds From Other Noncapital Financing Activities | 16,552,583.74 | 13,206,925.68 |
| Payments of Interest | | |
| Payments for Transfers to Other Funds | | |
| Payments for Grant Disbursements | | |
| Payments for Other Noncapital Financing Uses | (3,095,297.71) | (1,449,113.79) |
| Other Noncapital Transfers From/To System | (153,906,147.30) | (162,635,108.83) |
| Transfers Between Fund Groups | | |
| Net Cash Provided [Used] By Noncapital Financing Activities | \$ 132,646,332.43 | \$ 154,832,723.14 |
| Cash Flows From Capital and Related Financing Activities | | |
| Proceeds From Sale of Capital Assets | \$ | \$ |
| Proceeds From Debt Issuance | 1,081,919,377.90 | 758,865,913.82 |
| 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 | (457,828,859.14) | (417,772,745.40) |
| Payments of Principal On Debt | (742,453,747.26) | (300,812,439.49) |
| Payments for Capital Leases | | |
| Payments of Interest On Debt Issuance | (119,209,584.61) | (113,885,525.54) |
| Payments for Interfund Receivables | | |
| Payments of Other Costs On Debt Issuance | (3,874,023.02) | (2,555,710.94) |
| Transfer of Capital Debt Proceeds From System [Nonmandatory] | (50,097,360.03) | (43,333,190.93) |
| Intrasystem Transfers for Capital Debt [Mandatory] | 206,680,681.32 | 189,960,896.64 |
| Intrasystem Transfers for Construction Proceeds [Non-Mand] | 22,854,887.13 | 15,208,171.64 |
| Net Cash Provided [Used] By Capital and Related Financing Act. | \$ (62,008,627.71) | \$ 85,675,369.80 |
| Cash Flows From Investing Activities | | |
| Proceeds From Sales of Investments | \$ 2,988,510,481.93 | \$ 2,596,943,188.11 |
| Sales and Purchases of Investments Held By System | 119,076,648.33 | 498,683,920.16 |
| Proceeds From Interest and Investment Income | 24,592,043.43 | 20,705,543.13 |
| Payments to Acquire Investments | (3,132,893,299.37) | (2,813,232,678.90) |
| Net Cash Provided [Used] By Investing Activities | \$ (714,125.68) | \$ 303,099,972.50 |
| Net Increase [Decrease] In Cash and Cash Equivalents | \$ 75,599,234.70 | \$ 505,461,217.54 |
| Cash and Cash Equivalents, Beginning of Year Restatement | \$ 1,214,574,040.25 | \$ 709,112,822.71 |
| Cash and Cash Equivalents, Beginning of Year, As Restated | \$ 1,214,574,040.25 | \$ 709,112,822.71 |
| Cash and Cash Equivalents, End of Year [Sch Three] | \$ 1,290,173,274.95 | \$ 1,214,574,040.25 |

UNAUDITED

EXHIBIT V
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 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] | (141,931,970.21) | (164,564,810.73) |
| Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities | | |
| Amortization and Depreciation | 1,912,352.16 | 373,372.88 |
| Bad Debt Expense | | |
| Operating Income [Loss] and Cash Flow Categories Classification Differences | | |
| Changes In Assets and Liabilities | | |
| [Increase] Decrease In Receivables | (30,933,544.24) | (537,709.56) |
| [Increase] Decrease In Due From Other Funds | | 40,018.08 |
| [Increase] Decrease In Due From System Members | 11,145.08 | (26,949.66) |
| [Increase] Decrease In Inventories | (1,995.03) | (4,500.17) |
| [Increase] Decrease In Prepaid Expenses | 1,004,514.50 | 19,819.50 |
| [Increase] Decrease In Loans and Contracts | | |
| [Increase] Decrease In Other Assets | | |
| [Increase] Decrease In Payables | 8,799,254.70 | (16,953,853.29) |
| [Increase] Decrease In Due to Other Agencies/Funds | | |
| [Increase] Decrease In Due to System Members | 45,185,580.82 | 12,784,528.49 |
| [Increase] Decrease In Unearned Revenue | 1,286,198.60 | (144,424.17) |
| [Increase] Decrease In Deposits | | |
| [Increase] Decrease In Employees' Compensable Leave | 398,762.27 | 116,248.08 |
| [Increase] Decrease In OPEB Liability | (275,093,416.59) | 140,541,593.00 |
| [Increase] Decrease In Pension Liability | 397,597,203.68 | |
| [Increase] Decrease In Self Insured Accrued Liability | (2,558,430.08) | (2,290,180.35) |
| [Increase] Decrease In Other Liabilities | | (7,500,000.00) |
| Total Adjustments | \$ 147,607,625.87 | \$ 126,417,962.83 |
| Net Cash Provided [Used] By Operating Activities | \$ 5,675,655.66 | \$ (38,146,847.90) |
| Non-Cash Transactions | | |
| Donation of Capital Assets | \$ | \$ |
| Net Change In Fair Value of Investments | (11,212,871.90) | 23,354,289.18 |
| Refunding of Long Term Debt | 512,777,000.00 | 76,965,000.00 |
| Amortization of Bond Premiums and Discounts | 20,812,449.94 | 16,833,298.48 |
| Borrowing Under Capital Lease Purchase | | |
| Other | (341,166,183.79) | (231,589,546.64) |

UNAUDITED

Schedule 2A
Texas A&M University System Offices
 Schedule of Miscellaneous Bond Information
 For the Year Ended August 31, 2015

| Description | Bonds Issued to Date | Range of Interest Rates | Maturities | | |
|--|--------------------------------|-------------------------|------------|--------------------|------------------------|
| | | | First Year | First Call Date | Last Year |
| Revenue Bonds - Self Supporting | | | | | |
| Permanent University Fund Bonds, Series 1998 Revenue Bonds | \$ 92,520,000.00 | 3.55 - 5.5% | 7/1/1999 | 7/1/2008 (1) (2) | 7/1/2028 |
| Permanent University Fund Bonds, Series 2006 Revenue Bonds | 165,940,000.00 | 4.5 - 5.0% | 7/1/2007 | 7/1/2016 (1) (2) | 7/1/2036 |
| Permanent University Fund Bonds, Series 2009AB Revenue Bonds | 218,895,000.00 | 2.5 - 5.5% | 7/1/2010 | 7/1/2025 (1) (2) | 7/1/2034 |
| Permanent University Fund Bonds, Series 2011 Revenue Bonds | 87,145,000.00 | 2.0 - 5.0% | 7/1/2012 | 7/1/2021 (1) | 7/1/2031 |
| Permanent University Fund Bonds, Series 2012A Revenue Bonds | 70,680,000.00 | 4.0 - 5.0% | 7/1/2013 | 7/1/2022 (1) | 7/1/2024 |
| Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds | 125,750,000.00 | 0.579 - 3.575% | 7/1/2013 | Make Whole (2) (3) | 7/1/2032 |
| Permanent University Fund Bonds, Series 2013 Revenue Bonds | 208,465,000.00 | 3.0 - 5.0% | 7/1/2014 | 7/1/2023 (1) | 7/1/2033 |
| Permanent University Fund Bonds, Series 2015A Revenue Bonds | 143,555,000.00 | 3.5 - 5.75% | 7/1/2015 | 7/1/2025 (1) | 7/1/2036 |
| Permanent University Fund Bonds, Taxable Series 2015B Revenue Bonds | 145,445,000.00 | 1.0 - 3.60% | 7/1/2015 | 7/1/2025 (1) (2) | 7/1/2036 |
| Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds | 148,895,000.00 | 4.0 - 5.25% | 5/15/2006 | 5/15/2015 (1) | 5/15/2025 |
| Revenue Financing System Bonds, Series 2005B Revenue Bonds | 275,755,000.00 | 4.0 - 5.25% | 5/15/2006 | 5/15/2015 (1) (2) | 5/15/2029 |
| Revenue Financing System Bonds, Series 2008 Revenue Bonds Tuition Revenue Bonds | 164,900,000.00 4,615,000.00 | 4.5 - 5.0% | 5/15/2008 | 5/15/2018 (1) (2) | 5/15/2037 5/15/2027 |
| Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds | 251,735,000.00 | 3.0 - 5.0% | 5/15/2010 | 5/15/2019 (1) | 5/15/2029 |
| Revenue Financing System Bonds, Series 2009B Revenue Bonds | 78,085,000.00 | 2.25 - 5.0% | 5/15/2010 | 5/15/2019 (1) (2) | 5/15/2039 |
| Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds | 54,240,000.00 | 2.0 - 5.0% | 5/15/2010 | 11/15/2019 (1) | 5/15/2029 |
| Revenue Financing System Bonds, Series 2009D Revenue Bonds | 320,760,000.00 | 4.0 - 5.0% | 5/15/2011 | 11/15/2019 (1) (2) | 5/15/2040 |
| Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds | 95,065,000.00 | 1.5 - 5.0% | 8/2/2010 | 5/15/2020 (1) | 5/15/2029 |
| Revenue Financing System Bonds, Series 2010B Revenue Bonds | 146,120,000.00 | 3.0 - 5.0% | 5/15/2011 | 5/15/2020 (1) (2) | 5/15/2039 |
| Revenue Financing System Bonds, Series 2011A Revenue Bonds Tuition Revenue Bonds | 16,605,000.00 5,730,000.00 | 2.5 - 4.0% | 5/15/2011 | 5/15/2020 (1) | 5/15/2021 5/15/2017 |
| Revenue Financing System Bonds, Series 2011B Revenue Bonds | 105,365,000.00 | 3.0 - 5.5% | 5/15/2012 | 5/15/2020 (1) (2) | 5/15/2041 |

UNAUDITED

Schedule 2A
Texas A&M University System Offices
 Schedule of Miscellaneous Bond Information
 For the Year Ended August 31, 2015

| Description | Bonds Issued to Date | Range of Interest Rates | Maturities | | |
|---|----------------------------|-------------------------|------------|--------------------|-----------|
| | | | First Year | First Call Date | Last Year |
| Revenue Bonds - Self Supporting | | | | | |
| Revenue Financing System Bonds, Series 2013A Tuition Revenue Bonds | 40,955,000.00 | 2.0 - 5.0% | 5/15/2014 | N/A | 5/15/2022 |
| Revenue Financing System Bonds, Series 2013B Revenue Bonds | 265,405,000.00 | 3.0 - 5.0% | 5/15/2014 | 5/15/2023 (1) (2) | 5/15/2043 |
| Revenue Financing System Bonds, Taxable Series 2013C Revenue Bonds | 239,965,000.00 | 0.38 - 4.972% | 5/15/2014 | 5/15/2023 (1) (2) | 5/15/2043 |
| Revenue Financing System Bonds, Series 2013D Revenue Bonds | 94,365,000.00 | 1.875 - 5.0% | 5/15/2016 | 5/15/2023 (1) | 5/15/2028 |
| Revenue Financing System Bonds, Series 2015A Tuition Revenue Bonds | 64,670,000.00 | 2.0 - 5.0% | 5/15/2015 | 5/15/2023 (1) | 5/15/2025 |
| Revenue Financing System Bonds, Series 2015B Revenue Bonds | 142,155,000.00 | 2.0 - 5.0% | 5/15/2015 | 5/15/2023 (1) (2) | 5/15/2044 |
| Revenue Financing System Bonds, Taxable Series 2015C Revenue Bonds | 176,925,000.00 | 0.12 - 3.451% | 5/15/2015 | Make Whole (2) (3) | 5/15/2034 |
| Revenue Financing System Bonds, Taxable Series 2015D Revenue Bonds | <u>67,250,000.00</u> | 4.0 - 5.0% | 5/15/2016 | 5/15/2025 (1) (2) | 5/15/2045 |
| | <u>\$ 4,017,955,000.00</u> | | | | |

(1) Option for Partial Redemption

(2) Mandatory Redemption Required

(3) Subject to redemption prior to maturity on any business day at the "Make Whole Redemption Price"

UNAUDITED

Schedule 2B
Texas A&M University System Offices
 Schedule of Changes in Bonded Indebtedness
 For the Year Ended August 31, 2015

| <u>Description</u> | <u>Bonds Outstanding September 1, 2014</u> | <u>Bonds Issued or Converted</u> | <u>Bonds Matured or Retired</u> | <u>Bonds Refunded</u> | <u>Bonds Outstanding August 31, 2015</u> | <u>Amounts Due Within One Year</u> |
|---|--|----------------------------------|---------------------------------|-----------------------|--|------------------------------------|
| Revenue Bonds - Self Supporting | | | | | | |
| Permanent University Fund Bonds, Series 1998 Revenue Bonds | \$ 28,795,000.00 | \$ | \$ | \$ | \$ 28,795,000.00 | \$ - |
| Permanent University Fund Bonds, Series 2006 Revenue Bonds | 114,690,000.00 | | 1,290,000.00 | 112,055,000.00 | 1,345,000.00 | 1,345,000.00 |
| Permanent University Fund Bonds, Series 2009AB Revenue Bonds | 212,230,000.00 | | 650,000.00 | | 211,580,000.00 | 670,000.00 |
| Permanent University Fund Bonds, Series 2011 Revenue Bonds | 80,330,000.00 | | 2,085,000.00 | | 78,245,000.00 | 2,145,000.00 |
| Permanent University Fund Bonds, Series 2012A Revenue Bonds | 70,680,000.00 | | | | 70,680,000.00 | - |
| Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds | 114,915,000.00 | | 5,420,000.00 | | 109,495,000.00 | 5,465,000.00 |
| Permanent University Fund Bonds, Series 2013 Revenue Bonds | 188,790,000.00 | | 19,560,000.00 | | 169,230,000.00 | 20,550,000.00 |
| Permanent University Fund Bonds, Series 2015A Revenue Bonds | - | 143,555,000.00 | 1,295,000.00 | | 142,260,000.00 | - |
| Permanent University Fund Bonds, Taxable Series 2015B Revenue Bonds | - | 145,445,000.00 | 3,930,000.00 | | 141,515,000.00 | 7,595,000.00 |
| Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds | 82,790,000.00 | | 11,550,000.00 | 71,240,000.00 | - | - |
| Revenue Financing System Bonds, Series 2005B Revenue Bonds | 163,915,000.00 | | 14,520,000.00 | 149,395,000.00 | - | - |
| Revenue Financing System Bonds, Series 2008 Revenue Bonds | 112,940,000.00 | | 8,220,000.00 | | 104,720,000.00 | 8,420,000.00 |
| Tuition Revenue Bonds | 3,525,000.00 | | 200,000.00 | | 3,325,000.00 | 210,000.00 |
| Revenue Financing System Bonds, Series 2009A Tuition Revenue Bonds | 197,355,000.00 | | 9,255,000.00 | | 188,100,000.00 | 9,720,000.00 |
| Revenue Financing System Bonds, Series 2009B Revenue Bonds | 66,050,000.00 | | 2,715,000.00 | | 63,335,000.00 | 2,790,000.00 |
| Revenue Financing System Bonds, Series 2009C Tuition Revenue Bonds | 36,910,000.00 | | 1,775,000.00 | | 35,135,000.00 | 1,850,000.00 |
| Revenue Financing System Bonds, Series 2009D Revenue Bonds | 280,325,000.00 | | 10,905,000.00 | | 269,420,000.00 | 10,050,000.00 |
| Revenue Financing System Bonds, Series 2010A Tuition Revenue Bonds | 82,130,000.00 | | 6,480,000.00 | | 75,650,000.00 | 6,735,000.00 |
| Revenue Financing System Bonds, Series 2010B Revenue Bonds | 137,905,000.00 | | 12,980,000.00 | | 124,925,000.00 | 13,660,000.00 |
| Revenue Financing System Bonds, Series 2011A Revenue Bonds | 11,855,000.00 | | 1,555,000.00 | | 10,300,000.00 | 1,620,000.00 |
| Tuition Revenue Bonds | 2,105,000.00 | | 1,055,000.00 | | 1,050,000.00 | 785,000.00 |
| Revenue Financing System Bonds, Series 2011B Revenue Bonds | 99,510,000.00 | | 2,140,000.00 | | 97,370,000.00 | 2,280,000.00 |
| Revenue Financing System Bonds, Series 2013A Tuition Revenue Bonds | 33,805,000.00 | | 3,165,000.00 | | 30,640,000.00 | 3,250,000.00 |
| Revenue Financing System Bonds, Series 2013B Revenue Bonds | 241,490,000.00 | | 12,105,000.00 | | 229,385,000.00 | 12,590,000.00 |
| Revenue Financing System Bonds, Taxable Series 2013C Revenue Bonds | 238,375,000.00 | | 1,360,000.00 | | 237,015,000.00 | 5,250,000.00 |
| Revenue Financing System Bonds, Series 2013D Revenue Bonds | 94,365,000.00 | | | | 94,365,000.00 | 505,000.00 |

UNAUDITED

Schedule 2B - Concluded
Texas A&M University System Offices
 Schedule of Changes in Bonded Indebtedness
 For the Year Ended August 31, 2015

| Description | Bonds Outstanding September 1, 2014 | Bonds Issued or Converted | Bonds Matured or Retired | Bonds Refunded | Bonds Outstanding August 31, 2015 | Amounts Due Within One Year |
|---|-------------------------------------|---|---|--------------------------|---|---|
| Revenue Bonds - Self Supporting | | | | | | |
| Revenue Financing System Bonds, Series 2015A Tuition Revenue Bonds | - | 64,670,000.00 | 995,000.00 | | 63,675,000.00 | 12,065,000.00 |
| Revenue Financing System Bonds, Series 2015B Revenue Bonds | - | 142,155,000.00 | 2,480,000.00 | | 139,675,000.00 | 4,675,000.00 |
| Revenue Financing System Bonds, Taxable Series 2015C Revenue Bonds | - | 176,925,000.00 | 1,490,000.00 | | 175,435,000.00 | 17,875,000.00 |
| Revenue Financing System Bonds, Taxable Series 2015D Revenue Bonds | - | 67,250,000.00 | | | 67,250,000.00 | 1,850,000.00 |
| | <u>\$ 2,695,780,000.00</u> | <u>\$ 740,000,000.00</u> ^[a] | <u>\$ 139,175,000.00</u> (Schedule 2D) | <u>\$ 332,690,000.00</u> | <u>\$ 2,963,915,000.00</u> (Schedule 2C) | <u>\$ 153,950,000.00</u> (Schedule 2C) |

| | Unamortized Premium | Unamortized Discount | Gain (Loss) on Refunding | Net Bonds Outstanding August 31, 2015 | Amounts Due Within One Year |
|--|--------------------------|----------------------|--------------------------|--|-----------------------------|
| Revenue Bonds - Self Supporting | <u>\$ 179,652,526.60</u> | <u>\$</u> | <u>\$</u> | <u>\$ 3,143,567,526.60</u> ^[b] (Exhibit III) | <u>\$ 176,725,720.23</u> |

[a] Bonds Issued or Converted

| | |
|---|--------------------------|
| Permanent University Fund Bonds, Series 2015A | 143,555,000.00 |
| Permanent University Fund Bonds, Taxable Series 2015B | 145,445,000.00 |
| Revenue Financing System Bonds, Series 2015A | 64,670,000.00 |
| Revenue Financing System Bonds, Series 2015B | 142,155,000.00 |
| Revenue Financing System Bonds, Taxable Series 2015C | 176,925,000.00 |
| Revenue Financing System Bonds, Taxable Series 2015D | 67,250,000.00 |
| Total, Bonds Issued or Converted | <u>\$ 740,000,000.00</u> |

[b] Bonds Payable per Exhibit III

| | |
|--------------------------|----------------------------|
| Current Bonds Payable | \$ 176,725,720.23 |
| NonCurrent Bonds Payable | 2,966,841,806.37 |
| Total Bonds Payable | <u>\$ 3,143,567,526.60</u> |

Schedule 2C
Texas A&M University System Offices

Schedule of Debt Service Requirements
For the Year Ended August 31, 2015

| Description | | Year Ended August 31, | | | | |
|---|-----------|-----------------------|---------------|---------------|-----------------|-----------------|
| | | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenue Bonds - Self Supporting | | | | | | |
| Permanent University Fund Bonds, Series 1998 | | | | | | |
| Revenue Bonds | Principal | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 2,235,000.00 | \$ 2,360,000.00 |
| | Interest | 1,583,725.00 | 1,583,725.00 | 1,583,725.00 | 1,583,725.00 | 1,460,800.00 |
| Permanent University Fund Bonds, Series 2006 | | | | | | |
| Revenue Bonds | Principal | 1,345,000.00 | | | | |
| | Interest | 60,525.02 | | | | |
| Permanent University Fund Bonds, Series 2009AB | | | | | | |
| Revenue Bonds | Principal | 670,000.00 | 690,000.00 | 715,000.00 | 5,550,000.00 | 5,695,000.00 |
| | Interest | 10,614,756.28 | 10,592,981.28 | 10,568,831.28 | 10,543,806.28 | 10,266,306.28 |
| Permanent University Fund Bonds, Series 2011 | | | | | | |
| Revenue Bonds | Principal | 2,145,000.00 | 1,720,000.00 | 1,780,000.00 | 2,490,000.00 | 2,675,000.00 |
| | Interest | 3,617,700.00 | 3,553,350.00 | 3,501,750.00 | 3,448,350.00 | 3,348,750.00 |
| Permanent University Fund Bonds, Series 2012A | | | | | | |
| Revenue Bonds | Principal | 0.00 | 0.00 | 0.00 | 10,335,000.00 | 10,875,000.00 |
| | Interest | 3,511,500.00 | 3,511,500.00 | 3,511,500.00 | 3,511,500.00 | 3,017,250.00 |
| Permanent University Fund Bonds, Taxable Series 2012B | | | | | | |
| Revenue Bonds | Principal | 5,465,000.00 | 5,545,000.00 | 5,625,000.00 | 5,720,000.00 | 5,820,000.00 |
| | Interest | 3,005,229.56 | 2,937,518.20 | 2,857,725.66 | 2,760,413.16 | 2,652,877.16 |
| Permanent University Fund Bonds, Series 2013 | | | | | | |
| Revenue Bonds | Principal | 20,550,000.00 | 21,660,000.00 | 22,735,000.00 | 7,785,000.00 | 8,165,000.00 |
| | Interest | 7,794,900.00 | 6,767,400.00 | 5,684,400.00 | 4,547,650.00 | 4,158,400.00 |
| Permanent University Fund Bonds, Series 2015A | | | | | | |
| Revenue Bonds | Principal | 0.00 | 830,000.00 | 875,000.00 | 0.00 | 0.00 |
| | Interest | 6,795,800.02 | 6,795,800.02 | 6,754,300.02 | 6,706,175.02 | 6,706,175.02 |
| Permanent University Fund Bonds, Taxable Series 2015B | | | | | | |
| Revenue Bonds | Principal | 7,595,000.00 | 7,730,000.00 | 7,800,000.00 | 7,740,000.00 | 7,815,000.00 |
| | Interest | 3,619,455.06 | 3,543,505.06 | 3,446,880.06 | 3,349,380.04 | 3,233,280.04 |
| Revenue Financing System Bonds, Series 2008 | | | | | | |
| Revenue Bonds | Principal | 8,420,000.00 | 8,840,000.00 | 7,455,000.00 | 7,115,000.00 | 7,445,000.00 |
| | Interest | 5,147,700.00 | 4,726,700.00 | 4,284,700.00 | 3,911,950.00 | 3,556,200.00 |
| Tuition Revenue Bonds | Principal | 210,000.00 | 220,000.00 | 230,000.00 | 240,000.00 | 255,000.00 |
| | Interest | 164,475.00 | 153,975.00 | 142,975.00 | 131,475.00 | 119,475.00 |
| Revenue Financing System Bonds, Series 2009A | | | | | | |
| Tuition Revenue Bonds | Principal | 9,720,000.00 | 10,145,000.00 | 10,655,000.00 | 11,155,000.00 | 11,655,000.00 |
| | Interest | 9,230,950.00 | 8,801,950.00 | 8,294,700.00 | 7,791,950.00 | 7,293,250.00 |
| Revenue Financing System Bonds, Series 2009B | | | | | | |
| Revenue Bonds | Principal | 2,790,000.00 | 2,875,000.00 | 2,620,000.00 | 2,705,000.00 | 2,810,000.00 |
| | Interest | 2,980,550.00 | 2,896,850.00 | 2,810,600.00 | 2,725,450.00 | 2,617,250.00 |
| Revenue Financing System Bonds, Series 2009C | | | | | | |
| Tuition Revenue Bonds | Principal | 1,850,000.00 | 1,915,000.00 | 2,000,000.00 | 2,075,000.00 | 2,170,000.00 |
| | Interest | 1,688,725.00 | 1,614,725.00 | 1,538,125.00 | 1,458,125.00 | 1,364,750.00 |
| Revenue Financing System Bonds, Series 2009D | | | | | | |
| Revenue Bonds | Principal | 10,050,000.00 | 10,450,000.00 | 10,965,000.00 | 11,500,000.00 | 12,020,000.00 |
| | Interest | 13,295,037.50 | 12,893,037.50 | 12,388,500.00 | 11,840,250.00 | 11,322,750.00 |
| Revenue Financing System Bonds, Series 2010A | | | | | | |
| Tuition Revenue Bonds | Principal | 6,735,000.00 | 7,005,000.00 | 6,810,000.00 | 7,140,000.00 | 7,465,000.00 |
| | Interest | 3,595,775.00 | 3,326,375.00 | 3,001,925.00 | 2,685,875.00 | 2,351,375.00 |
| Revenue Financing System Bonds, Series 2010B | | | | | | |
| Revenue Bonds | Principal | 13,660,000.00 | 7,195,000.00 | 7,560,000.00 | 7,940,000.00 | 7,715,000.00 |
| | Interest | 6,246,250.00 | 5,563,250.00 | 5,203,500.00 | 4,825,500.00 | 4,428,500.00 |
| Revenue Financing System Bonds, Series 2011A | | | | | | |
| Revenue Bonds | Principal | 1,620,000.00 | 1,685,000.00 | 1,680,000.00 | 1,730,000.00 | 1,765,000.00 |
| | Interest | 372,362.50 | 307,562.50 | 240,162.50 | 172,962.50 | 121,062.50 |
| Tuition Revenue Bonds | Principal | 785,000.00 | 265,000.00 | | | |
| | Interest | 42,000.00 | 10,600.00 | | | |
| Revenue Financing System Bonds, Series 2011B | | | | | | |
| Revenue Bonds | Principal | 2,280,000.00 | 2,510,000.00 | 2,730,000.00 | 2,905,000.00 | 3,095,000.00 |
| | Interest | 4,893,812.54 | 4,768,412.56 | 4,630,362.56 | 4,480,212.56 | 4,320,437.56 |

UNAUDITED

Schedule 2C
Texas A&M University System Offices

Schedule of Debt Service Requirements
For the Year Ended August 31, 2015

| Description | | 2021-2025 | 2026-2030 | 2031-2035 | 2036-2040 | 2041-2045 | Total Requirements |
|--|-----------|------------------|------------------|---------------|---------------|--------------|--------------------|
| Revenue Bonds - Self Supporting | | | | | | | |
| Permanent University Fund Bonds, Series 1998 | | | | | | | |
| Revenue Bonds | Principal | \$ 13,895,000.00 | \$ 10,305,000.00 | \$ | \$ | \$ | \$ 28,795,000.00 |
| | Interest | 5,208,500.00 | 1,153,625.00 | | | | 14,157,825.00 |
| Permanent University Fund Refunding Bonds, Series 2006 | | | | | | | |
| Revenue Bonds | Principal | | | | | | 1,345,000.00 |
| | Interest | | | | | | 60,525.02 |
| Permanent University Fund Series 2009AB | | | | | | | |
| Revenue Bonds | Principal | 39,535,000.00 | 85,000,000.00 | 73,725,000.00 | | | 211,580,000.00 |
| | Interest | 46,918,206.34 | 32,329,425.00 | 8,614,725.00 | | | 140,449,037.74 |
| Permanent University Fund Bonds, Series 2011 | | | | | | | |
| Revenue Bonds | Principal | 25,090,000.00 | 34,210,000.00 | 8,135,000.00 | | | 78,245,000.00 |
| | Interest | 13,988,750.00 | 7,474,500.00 | 406,750.00 | | | 39,339,900.00 |
| Permanent University Fund Bonds, Series 2012A | | | | | | | |
| Revenue Bonds | Principal | 49,470,000.00 | | | | | 70,680,000.00 |
| | Interest | 6,328,250.00 | | | | | 23,391,500.00 |
| Permanent University Fund Bonds, Taxable Series 2012B | | | | | | | |
| Revenue Bonds | Principal | 31,295,000.00 | 34,745,000.00 | 15,280,000.00 | | | 109,495,000.00 |
| | Interest | 11,075,531.60 | 6,368,385.20 | 824,395.00 | | | 32,482,075.54 |
| Permanent University Fund Bonds, Series 2013 | | | | | | | |
| Revenue Bonds | Principal | 37,530,000.00 | 29,865,000.00 | 20,940,000.00 | | | 169,230,000.00 |
| | Interest | 14,535,950.00 | 7,865,400.00 | 1,697,400.00 | | | 53,051,500.00 |
| Permanent University Fund Bonds, Series 2015A | | | | | | | |
| Revenue Bonds | Principal | 23,125,000.00 | 43,650,000.00 | 65,575,000.00 | 8,205,000.00 | | 142,260,000.00 |
| | Interest | 33,039,250.10 | 22,289,162.64 | 8,347,612.52 | 328,200.00 | | 97,762,475.36 |
| Permanent University Fund Bonds, Taxable Series 2015B | | | | | | | |
| Revenue Bonds | Principal | 25,150,000.00 | 47,545,000.00 | 29,475,000.00 | 665,000.00 | | 141,515,000.00 |
| | Interest | 13,871,975.18 | 10,383,620.30 | 3,734,104.00 | 23,940.00 | | 45,206,139.74 |
| Revenue Financing System Bonds, Series 2008 | | | | | | | |
| Revenue Bonds | Principal | 36,485,000.00 | 19,150,000.00 | 6,685,000.00 | 3,125,000.00 | | 104,720,000.00 |
| | Interest | 12,150,500.00 | 4,029,762.50 | 1,652,700.00 | 212,400.00 | | 39,672,612.50 |
| Tuition Revenue Bonds | Principal | 1,475,000.00 | 695,000.00 | | | | 3,325,000.00 |
| | Interest | 393,625.00 | 48,950.00 | | | | 1,154,950.00 |
| Revenue Financing System Bonds, Series 2009A | | | | | | | |
| Tuition Revenue Bonds | Principal | 67,585,000.00 | 67,185,000.00 | | | | 188,100,000.00 |
| | Interest | 27,148,750.00 | 8,602,750.00 | | | | 77,164,300.00 |
| Revenue Financing System Bonds, Series 2009B | | | | | | | |
| Revenue Bonds | Principal | 16,325,000.00 | 17,610,000.00 | 7,820,000.00 | 7,780,000.00 | | 63,335,000.00 |
| | Interest | 10,830,750.00 | 6,319,500.00 | 3,156,250.00 | 996,250.00 | | 35,333,450.00 |
| Revenue Financing System Bonds, Series 2009C | | | | | | | |
| Tuition Revenue Bonds | Principal | 12,585,000.00 | 12,540,000.00 | | | | 35,135,000.00 |
| | Interest | 5,084,000.00 | 1,606,250.00 | | | | 14,354,700.00 |
| Revenue Financing System Bonds, Series 2009D | | | | | | | |
| Revenue Bonds | Principal | 69,740,000.00 | 82,450,000.00 | 40,530,000.00 | 21,715,000.00 | | 269,420,000.00 |
| | Interest | 46,976,000.00 | 28,330,500.00 | 11,706,000.00 | 3,363,000.00 | | 152,115,075.00 |
| Revenue Financing System Bonds, Series 2010A | | | | | | | |
| Tuition Revenue Bonds | Principal | 22,605,000.00 | 17,890,000.00 | | | | 75,650,000.00 |
| | Interest | 7,259,375.00 | 2,146,000.00 | | | | 24,366,700.00 |
| Revenue Financing System Bonds, Series 2010B | | | | | | | |
| Revenue Bonds | Principal | 26,810,000.00 | 19,615,000.00 | 17,255,000.00 | 17,175,000.00 | | 124,925,000.00 |
| | Interest | 16,810,750.00 | 11,645,250.00 | 6,966,750.00 | 2,198,500.00 | | 63,888,250.00 |
| Revenue Financing System Bonds, Series 2011A | | | | | | | |
| Revenue Bonds | Principal | 1,820,000.00 | | | | | 10,300,000.00 |
| | Interest | 63,700.00 | | | | | 1,277,812.50 |
| Tuition Revenue Bonds | Principal | | | | | | 1,050,000.00 |
| | Interest | | | | | | 52,600.00 |
| Revenue Financing System Bonds, Series 2011B | | | | | | | |
| Revenue Bonds | Principal | 18,745,000.00 | 22,840,000.00 | 23,200,000.00 | 16,015,000.00 | 3,050,000.00 | 97,370,000.00 |
| | Interest | 18,818,912.80 | 13,562,094.04 | 8,124,287.50 | 2,950,500.00 | 152,500.00 | 66,701,532.12 |

UNAUDITED

Schedule 2C
Texas A&M University System Offices
 Schedule of Debt Service Requirements
 For the Year Ended August 31, 2015

| Description | Year Ended August 31, | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenue Financing System Bonds, Series 2013A | | | | | |
| Tuition Revenue Bonds | | | | | |
| Principal | 3,250,000.00 | 3,375,000.00 | 3,510,000.00 | 3,655,000.00 | 3,805,000.00 |
| Interest | 1,356,050.00 | 1,226,050.00 | 1,091,050.00 | 950,650.00 | 804,450.00 |
| Revenue Financing System Bonds, Series 2013B | | | | | |
| Revenue Bonds | | | | | |
| Principal | 12,590,000.00 | 6,630,000.00 | 6,955,000.00 | 7,290,000.00 | 7,685,000.00 |
| Interest | 11,099,600.00 | 10,470,100.00 | 10,138,600.00 | 9,790,850.00 | 9,426,350.00 |
| Revenue Financing System Bonds, Taxable Series 2013C | | | | | |
| Revenue Bonds | | | | | |
| Principal | 5,250,000.00 | 1,240,000.00 | 0.00 | 0.00 | 0.00 |
| Interest | 11,420,570.00 | 11,365,025.00 | 11,342,953.00 | 11,342,953.00 | 11,342,953.00 |
| Revenue Financing System Bonds, Series 2013D | | | | | |
| Revenue Bonds | | | | | |
| Principal | 505,000.00 | 4,750,000.00 | 6,255,000.00 | 6,565,000.00 | 6,920,000.00 |
| Interest | 4,702,468.76 | 4,693,000.00 | 4,455,500.00 | 4,142,750.00 | 3,814,500.00 |
| Revenue Financing System Bonds, Series 2015A | | | | | |
| Tuition Revenue Bonds | | | | | |
| Principal | 12,065,000.00 | 11,375,000.00 | 4,230,000.00 | 4,445,000.00 | 4,660,000.00 |
| Interest | 2,718,550.00 | 2,356,600.00 | 1,901,600.00 | 1,690,100.00 | 1,467,850.00 |
| Revenue Financing System Bonds, Series 2015B | | | | | |
| Revenue Bonds | | | | | |
| Principal | 4,675,000.00 | 4,805,000.00 | 5,000,000.00 | 3,850,000.00 | 4,040,000.00 |
| Interest | 5,851,300.00 | 5,711,050.00 | 5,518,850.00 | 5,268,850.00 | 5,076,350.00 |
| Revenue Financing System Bonds, Taxable Series 2015C | | | | | |
| Revenue Bonds | | | | | |
| Principal | 17,875,000.00 | 18,005,000.00 | 16,310,000.00 | 16,490,000.00 | 16,790,000.00 |
| Interest | 3,781,200.22 | 3,672,698.96 | 3,488,147.72 | 3,237,626.12 | 2,917,225.42 |
| Revenue Financing System Bonds, Taxable Series 2015D | | | | | |
| Revenue Bonds | | | | | |
| Principal | 1,850,000.00 | 1,355,000.00 | 1,375,000.00 | 1,395,000.00 | 1,450,000.00 |
| Interest | 2,266,784.85 | 2,720,666.26 | 2,666,466.26 | 2,611,466.26 | 2,555,666.26 |
| Total | 285,407,752.31 | 269,379,407.34 | 256,917,829.06 | 255,559,994.94 | 254,894,233.24 |
| Less Interest | (131,457,752.31) | (126,564,407.34) | (121,047,829.06) | (115,509,994.94) | (109,744,233.24) |
| Total Principal | <u>\$ 153,950,000.00</u> | <u>\$ 142,815,000.00</u> | <u>\$ 135,870,000.00</u> | <u>\$ 140,050,000.00</u> | <u>\$ 145,150,000.00</u> |
| | (Schedule 2B) | | | | |

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Schedule 2C
Texas A&M University System Offices

Schedule of Debt Service Requirements
For the Year Ended August 31, 2015

| Description | | 2021-2025 | 2026-2030 | 2031-2035 | 2036-2040 | 2041-2045 | Total Requirements |
|--|-----------|-------------------|-------------------|-------------------|-------------------|-----------------|---------------------|
| Revenue Financing System Bonds, Series 2013A | | | | | | | |
| Tuition Revenue Bonds | Principal | 13,045,000.00 | | | | | 30,640,000.00 |
| | Interest | 1,107,000.00 | | | | | 6,535,250.00 |
| Revenue Financing System Bonds, Series 2013B | | | | | | | |
| Revenue Bonds | Principal | 43,115,000.00 | 50,030,000.00 | 49,970,000.00 | 33,530,000.00 | 11,590,000.00 | 229,385,000.00 |
| | Interest | 41,015,500.00 | 29,973,500.00 | 16,904,000.00 | 5,998,750.00 | 939,200.00 | 145,756,450.00 |
| Revenue Financing System Bonds, Taxable Series 2013C | | | | | | | |
| Revenue Bonds | Principal | 0.00 | 22,105,000.00 | 65,195,000.00 | 82,915,000.00 | 60,310,000.00 | 237,015,000.00 |
| | Interest | 56,714,765.00 | 56,199,627.60 | 45,482,869.00 | 27,760,167.60 | 6,094,180.40 | 249,066,063.60 |
| Revenue Financing System Bonds, Series 2013D | | | | | | | |
| Revenue Bonds | Principal | 40,140,000.00 | 29,230,000.00 | | | | 94,365,000.00 |
| | Interest | 13,524,250.00 | 2,970,750.00 | | | | 38,303,218.76 |
| Revenue Financing System Bonds, Series 2015A | | | | | | | |
| Tuition Revenue Bonds | Principal | 26,900,000.00 | | | | | 63,675,000.00 |
| | Interest | 3,765,900.00 | | | | | 13,900,600.00 |
| Revenue Financing System Bonds, Series 2015B | | | | | | | |
| Revenue Bonds | Principal | 23,085,000.00 | 27,140,000.00 | 30,125,000.00 | 27,130,000.00 | 9,825,000.00 | 139,675,000.00 |
| | Interest | 22,286,150.00 | 16,690,600.00 | 10,770,700.00 | 4,476,450.00 | 1,001,600.00 | 82,651,900.00 |
| Revenue Financing System Bonds, Taxable Series 2015C | | | | | | | |
| Revenue Bonds | Principal | 59,355,000.00 | 24,730,000.00 | 5,880,000.00 | | | 175,435,000.00 |
| | Interest | 9,578,160.42 | 3,106,242.86 | 515,924.56 | | | 30,297,226.28 |
| Revenue Financing System Bonds, Taxable Series 2015D | | | | | | | |
| Revenue Bonds | Principal | 8,230,000.00 | 10,135,000.00 | 12,330,000.00 | 15,100,000.00 | 14,030,000.00 | 67,250,000.00 |
| | Interest | 11,809,081.30 | 9,896,031.30 | 7,697,671.30 | 4,936,055.00 | 1,838,337.50 | 48,998,226.29 |
| Total | | 1,183,438,582.74 | 991,656,926.44 | 608,722,138.88 | 286,599,212.60 | 108,830,817.90 | 4,501,406,895.45 |
| Less Interest | | (450,303,582.74) | (282,991,926.44) | (136,602,138.88) | (53,244,212.60) | (10,025,817.90) | (1,537,491,895.45) |
| Total Principal | | \$ 733,135,000.00 | \$ 708,665,000.00 | \$ 472,120,000.00 | \$ 233,355,000.00 | 98,805,000.00 | \$ 2,963,915,000.00 |

(Schedule 2B)

UNAUDITED

Schedule 2D
Texas A&M University System Offices
 Analysis of Funds Available for Debt Service
 For the Year Ended August 31, 2015

| Description | Pledged Revenues | Operating Expenses From Pledged Revenues | Debt Service | |
|---|---------------------|--|-------------------|-------------------|
| | | | Principal | Interest |
| Permanent University Fund Bonds | \$ 433,817,656.09 | \$ 256,774,955.77 | \$ 34,230,000.00 | \$ 36,110,516.26 |
| Revenue Financing System Bonds | 2,127,585,612.88 | 1,259,309,513.97 | 104,945,000.00 | 89,107,245.46 |
| | \$ 2,561,403,268.97 | \$ 1,516,084,469.74 | \$ 139,175,000.00 | \$ 125,217,761.72 |
| | | | (Schedule 2B) | |
| [a] Interest Expense (Exhibit IV) | | \$ 112,779,081.26 | | |
| Less: | | | | |
| Interest on Permanent University Notes/Bonds | \$ 523.18 | | | |
| Interest on Revenue Financing System Commercial Paper | 148,984.50 | | | |
| Interest on Capital Leases | 1,212,445.85 | | | |
| Interest Expense on Defeased Bonds | 5,185,640.44 | | | |
| Other Interest Expense (non-bonds) | 141,092.90 | | | |
| Subtotal | | (6,688,686.87) | | |
| Plus Capitalized Interest Expense | | 19,127,367.33 | | |
| Total, Debt Service-Interest | | \$ 125,217,761.72 | | |
| | | | | [a] |

UNAUDITED

Schedule 2E
Texas A&M University System Offices
Schedule of Defeased Bonds Outstanding
For the Year Ended August 31, 2015

| <u>Description of Issues</u> | <u>Calendar Year Refunded</u> | <u>Par Value Outstanding August 31, 2015</u> |
|--|---------------------------------------|--|
| The Texas A&M University System Permanent University Fund Bonds, Series 2006 | 2015 | \$ 112,055,000.00 |
| Revenue Financing System Bonds, Series 2005A | 2015 | - |
| Series 2005B | 2015 | - |
| Total | | <u>\$ 112,055,000.00</u> |

UNAUDITED

Schedule 2F

Texas A&M University System Offices

Schedule of Early Extinguishment and Refunding

For the Year Ended August 31, 2015

| <u>Description</u> | <u>Category</u> | <u>Amount Extinguished or Refunded</u> | <u>Refunding Issue Par Value</u> | <u>Cash Flow Increase (Decrease)</u> | <u>Economic Gain/ (Loss)</u> |
|---|-------------------|--|--|--|--------------------------------------|
| Revenue Bonds - Self Supporting | | | | | |
| Permanent University Fund Bonds, Series 2006 Revenue Bonds | Advance Refunding | 112,055,000.00 | 104,865,000.00 | 24,910,286.86 | 17,559,291.68 |
| Revenue Financing System Bonds, Series 2005A Tuition Revenue Bonds | Current Refunding | 71,240,000.00 | 64,670,000.00 | 10,435,304.86 | 9,273,379.02 |
| Revenue Financing System Bonds, Series 2005B Revenue Bonds | Current Refunding | <u>149,395,000.00</u> | <u>152,635,000.00</u> | <u>18,101,516.07</u> | <u>14,994,018.17</u> |
| Total, Early Extinguishment and Refunding | | <u>\$ 332,690,000.00</u> | <u>\$ 322,170,000.00</u> | <u>\$ 53,447,107.79</u> | <u>\$ 41,826,688.87</u> |

UNAUDITED

SCHEDULE N-2
 TEXAS A&M UNIVERSITY SYSTEM OFFICES
 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 | \$ 1,355,862.00 | \$ | \$ |
| Construction In Progress | 436,369,652.83 | | |
| Other Tangible Capital Assets | 230,000.25 | | |
| Total Non-Depreciable/Non-Amortizable Assets | \$ 437,955,515.08 | \$ | \$ |
| Depreciable Assets | | | |
| Furniture and Equipment | \$ 1,004,559.04 | \$ | \$ |
| Vehicles, Boats and Aircraft | 9,417,444.09 | | |
| Other Capital Assets | 58,371.50 | | |
| Total Depreciable Assets at Historical Cost | \$ 10,480,374.63 | \$ | \$ |
| Less Accumulated Depreciation for | | | |
| Furniture and Equipment | \$ (700,681.34) | \$ | \$ |
| Vehicles, Boats and Aircraft | (7,501,296.38) | | |
| Other Capital Assets | (24,731.73) | | |
| Total Accumulated Depreciation | \$ (8,226,709.45) | \$ | \$ |
| Depreciable Assets, Net | \$ 2,253,665.18 | \$ | \$ |
| Amortizable Assets - Intangible | | | |
| Computer Software | \$ 1,424,019.57 | \$ | \$ |
| Total Intangible Assets at Historical Cost | \$ 1,424,019.57 | \$ | \$ |
| Less Accumulated Amortization for | | | |
| Computer Software | \$ (1,424,019.57) | \$ | \$ |
| Total Accumulated Amortization | \$ (1,424,019.57) | \$ | \$ |
| Amortizable Assets, Net | \$ | \$ | \$ |
| Capital Assets, Net | \$ 440,209,180.26 | \$ | \$ |

| INC-INTERAGENCY TRANSACTIONS | DEC-INTERAGENCY TRANSACTIONS | ADDITIONS | DELETIONS | BALANCE 8-31-15 |
|---------------------------------|---------------------------------|---|------------------------|--|
| \$ 114,219.07 | \$ (341,275,648.28) | \$ 455,680,043.23 | \$ | \$ 1,355,862.00 550,888,266.85 230,000.25 |
| <u>\$ 114,219.07</u> | <u>\$ (341,275,648.28)</u> | <u>\$ 455,680,043.23</u> | <u>\$</u> | <u>\$ 552,474,129.10</u> |
| \$ | \$ | \$ 9,602,354.03 | \$ (150,133.98) | \$ 10,456,779.09 9,417,444.09 60,274.70 |
| | | 1,903.20 | | |
| <u>\$</u> | <u>\$</u> | <u>\$ 9,604,257.23</u> | <u>\$ (150,133.98)</u> | <u>\$ 19,934,497.88</u> |
| \$ | \$ | \$ (1,627,227.90) (281,127.36) (3,996.90) | \$ 114,454.74 | \$ (2,213,454.50) (7,782,423.74) (28,728.63) |
| <u>\$</u> | <u>\$</u> | <u>\$ (1,912,352.16)</u> | <u>\$ 114,454.74</u> | <u>\$ (10,024,606.87)</u> |
| <u>\$</u> | <u>\$</u> | <u>\$ 7,691,905.07</u> | <u>\$ (35,679.24)</u> | <u>\$ 9,909,891.01</u> |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ 1,424,019.57</u> |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ 1,424,019.57</u> |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ (1,424,019.57)</u> |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$ (1,424,019.57)</u> |
| <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> | <u>\$</u> |
| <u>\$ 114,219.07</u> | <u>\$ (341,275,648.28)</u> | <u>\$ 463,371,948.30</u> | <u>\$ (35,679.24)</u> | <u>\$ 562,384,020.11</u> |