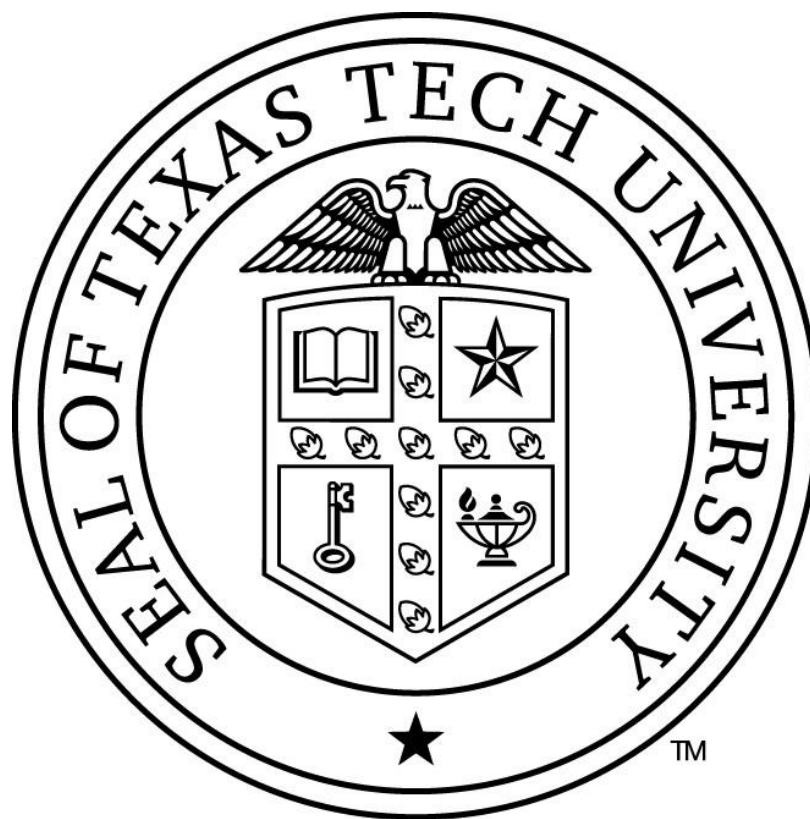


TEXAS TECH UNIVERSITY



ANNUAL FINANCIAL REPORT

FISCAL YEAR 2015

ANNUAL FINANCIAL REPORT

OF

TEXAS TECH UNIVERSITY

LUBBOCK, TEXAS

For the Year Ended August 31, 2015

Texas Tech University

90 years of growth,
progress, educational
excellence, and service
to the State of Texas.

1925-2015

Texas Tech University (733)

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@TEXAS TECH UNIVERSITY

Office of the President

November 15, 2015

Honorable Greg Abbott
Governor of Texas

Honorable Glenn Hegar
Texas Comptroller

Ms. Ursula Parks
Director, Legislative Budget Board

Mr. John Keel, CPA
State Auditor

To Agency Heads Addressed:

We are pleased to submit the annual financial report of Texas Tech University for the year ended August 31, 2015, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements -and Management 'sDiscussion and Analysis for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report* (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

As indicated by the following letter of transmittal, this report has been prepared by the fiscal office of the University to provide a summary of the University's financial records. If you have any questions, please contact Simone Hasie, Managing Director of Accounting Services at 806-834-5384.

Sincerely,



Dr. M. Duane Nellis
President



TEXAS TECH UNIVERSITY

Accounting Services

November 15, 2015

Dr. M. Duane Nellis
President
Texas Tech University
P.O. Box 42005
Lubbock, Texas 79409

President Nellis:

Submitted herein is the Annual Financial Report of Texas Tech University for the fiscal year ended August 31, 2015.

The accompanying Annual Financial Report has been prepared in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

This Annual Financial Report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact me at 806-834-5384.

Sincerely,

Simone Hasie, CPA
Managing Director

Approved:

Sharon Williamson, CPA
Assistant Vice President and Controller

Noel Sloen, JD, CPA
Vice President for Administration and Finance

J. A. O'Leary, CPA
Chief Financial Officer

**Texas Tech University (733)
Organizational Data
August 31, 2015**

Board of Regents

Term Expires

Mickey L. Long (**Chair**)January 31, 2021 Midland, TX

Debbie Montford (**Vice Chair**).January 31, 2017..... San Antonio, TX

Larry K. Anders.....January 31, 2017Dallas, TX

John EsparzaJanuary 31, 2019 Austin, TX

L. Frederick FrancisJanuary 31, 2019El Paso, TX

Ronnie HammondsJanuary 31, 2021 Houston, TX

Christopher M. Huckabee.....January 31, 2021 Fort Worth, TX

Tim Lancaster.....January 31, 2019 Abilene, TX

John D. SteinmetzJanuary 31, 2017Lubbock, TX

Victoria Messer (**Student Regent**).....May 31, 2016Canyon, TX

Ben W. Lock (**Staff**). Secretary

Christina Martinez..... Executive Secretary

Fiscal Officers

M. Duane Nellis President

Noel Sloan.....Vice President for Administration and Finance and CFO

Sharon Williamson..... Assistant Vice President and Controller

Simone Hasie..... Managing Director, Accounting Services

UNAUDITED

TEXAS TECH UNIVERSITY (733)

FINANCIAL STATEMENTS

UNAUDITED

Texas Tech University (733)
Statement of Net Position
August 31, 2015 and 2014

	2015	Restated 2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 66,260,617.12	\$ 95,853,573.60
Restricted		
Cash and Cash Equivalents	19,205,069.79	33,148,402.24
Legislative Appropriations	64,325,267.87	59,227,449.06
Accounts Receivable, net		
Federal Receivables	11,475,156.81	9,348,411.17
Interest and Dividends	484,235.02	322,437.39
Student Receivables	5,409,208.21	6,383,883.14
Gift Receivables	10,437,082.77	10,535,921.09
Accounts Receivable	6,051,789.98	5,113,035.92
Other Receivables	2,084,968.19	2,526,222.72
Due From Other State Agencies	28,437,852.22	22,978,454.60
Prepaid Items	36,628,553.12	31,251,120.66
Inventories	2,702,071.43	2,719,863.88
Loans and Notes Receivable, net	778,350.49	573,753.17
Other Current Assets	450,000.00	450,000.00
Total Current Assets	254,730,223.02	280,432,528.64
Non-Current Assets		
Restricted		
Cash and Cash Equivalents	8,828,313.89	39,612,792.31
Investments (Note 3)	257,212,634.47	264,940,948.36
Gift Receivables	19,039,100.53	21,590,828.53
Loans and Notes Receivable, net	1,155,900.11	1,136,295.17
Investments (Note 3)	435,709,637.29	346,218,604.78
Capital Assets (Note 2)		
Non-Depreciable or Non-Amortizable	95,497,760.27	88,724,934.77
Depreciable or Amortizable	1,898,176,037.79	1,800,751,428.88
Accumulated Depreciation and Amortization	(988,383,667.40)	(910,382,095.56)
Total Non-Current Assets	1,727,235,716.95	1,652,593,737.24
Total Assets	\$ 1,981,965,939.97	\$ 1,933,026,265.88

UNAUDITED

Texas Tech University (733)
Statement of Net Position
August 31, 2015 and 2014

	2015	Restated 2014
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 20,727,362.71	\$ 19,986,338.39
Payroll Payable	29,129,902.82	27,849,530.80
Unearned Revenues	146,520,240.04	140,792,646.39
Due to Other State Agencies	1,754,167.30	1,431,497.48
Employees' Compensable Leave (Note 5)	1,532,094.73	1,444,034.95
Notes and Loans Payable (Note 4)	0.00	102,176,331.01
Revenue Bonds Payable (Note 5, 6)	0.00	20,276,708.13
Funds Held for Others	19,681,134.19	18,929,346.26
Other Current Liabilities	3,428,217.72	4,487,856.27
Total Current Liabilities	222,773,119.51	337,374,289.68
Non-Current Liabilities		
Employees' Compensable Leave (Note 5)	11,235,361.31	10,589,589.71
Revenue Bonds Payable (Note 5, 6)	0.00	298,551,899.58
Total Non-Current Liabilities	11,235,361.31	309,141,489.29
Total Liabilities	\$ 234,008,480.82	\$ 646,515,778.97
NET POSITION		
Invested in Capital Assets, Net of Related Debt	1,005,290,130.66	579,927,762.32
Restricted		
Nonexpendable		
Endowments	75,116,971.07	72,886,567.68
Expendable		
Capital Projects	20,744,190.50	14,323,465.65
Higher Education Assistance Fund	40,488,533.77	37,122,051.54
Debt Service	29,675,195.76	31,210,372.68
Other	147,334,066.75	144,627,869.98
Unrestricted	429,308,370.64	406,412,397.06
Total Net Position	\$ 1,747,957,459.15	\$ 1,286,510,486.91

UNAUDITED

Texas Tech University (733)
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended August 31, 2015 and 2014

	2015	Restated 2014
Operating Revenues		
Tuition and Fees	\$ 10,745,405.16	\$ 9,926,011.95
Tuition and Fees - Pledged	369,053,500.62	336,351,981.76
Less Discounts and Allowances	(85,760,376.80)	(80,004,888.56)
Sales and Services of Auxiliary Enterprises - Pledged	142,406,285.59	130,992,606.95
Other Sales and Services	5,177,625.46	1,997,567.72
Other Sales and Services - Pledged	7,999,117.50	7,532,838.39
Federal Grants and Contracts (Schedule 1A)	36,646,704.62	35,343,746.68
Federal Grants Pass-Throughs from Other State Agencies (Schedule 1A)	3,153,731.66	3,941,365.04
State Grants and Contracts	250,267.75	116,240.90
State Grants Pass-Throughs from Other State Agencies (Schedule 1B)	22,573,868.47	31,501,466.37
Local Governmental Grants and Contracts	690,604.88	829,507.64
Nongovernmental Grants and Contracts	8,343,826.98	9,219,226.73
Total Operating Revenues	521,280,561.89	487,747,671.57
Operating Expenses		
Salaries and Wages	343,485,231.77	328,455,164.38
Payroll Related Costs	86,282,058.80	81,003,669.13
Professional Fees and Services	7,613,068.21	6,262,685.27
Travel	22,083,752.43	22,361,753.15
Materials and Supplies	32,877,559.46	31,291,911.69
Communications and Utilities	29,743,960.47	29,588,222.70
Repairs and Maintenance	20,899,438.71	20,585,778.27
Rentals and Leases	7,892,767.22	7,238,572.17
Printing and Reproduction	2,724,065.11	2,752,494.47
Federal Pass-Through Expenses	1,106,523.50	1,308,146.11
State Pass-Through Expenses (Schedule 1B)	85,616.96	156,228.32
Depreciation and Amortization (Note 2)	87,263,057.51	87,233,279.68
Cost of Goods Sold	15,151,338.09	13,859,500.89
Bad Debt	56,523.40	92,908.09
Interest	5,823.79	16,054.37
Scholarships	50,555,865.98	48,357,107.04
Claims and Losses	99,074.20	0.00
Other Expenses	59,488,487.71	48,988,322.24
Total Operating Expenses	767,414,213.32	729,551,797.97
Operating Income (Loss)	(246,133,651.43)	(241,804,126.40)

Texas Tech University (733)
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended August 31, 2015 and 2014

	2015	Restated 2014
Nonoperating Revenues (Expenses)		
Legislative Revenue	\$ 178,822,411.44	\$ 177,369,312.28
Federal Grants and Contracts (Schedule 1A)	34,712,873.00	34,041,243.00
Private Gifts	33,435,281.14	30,965,385.05
Private Gifts - Pledged	2,843,534.74	4,020,088.56
Investment Income (Expense)	5,935,514.09	12,248,597.16
Investment Income (Expense) - Pledged	9,984,083.44	16,696,339.10
Interest Expense on Capital Asset Financing	(12,284,087.94)	(13,471,619.93)
Gain (Loss) on Sale and Disposal of Capital Assets	(1,113,606.50)	(649,027.14)
Net Increase (Decrease) in Fair Value of Investments	(21,336,408.89)	19,091,198.60
Other Nonoperating Revenues (Expenses)	2,212,294.76	4,201,422.51
Other Nonoperating Revenues (Expenses) - Pledged	3,485,538.16	1,023,136.80
Total Nonoperating Revenues (Expenses)	236,697,427.44	285,536,075.99
Income (Loss) Before Other Revenues, Expenses, Gains, Losses, and Transfers	(9,436,223.99)	43,731,949.59
Other Revenues, Expenses, Gains, Losses, and Transfers		
Capital Appropriations (HEAF)	23,936,088.00	23,936,088.00
Capital Contributions	2,541,971.44	3,432,341.64
Contributions to Permanent and Term Endowments	1,484,017.29	3,295,383.30
Increase Net Assets - Interagency Transfer Capital Assets (Note 2, 12)	431,848.42	520,301.08
Decrease Net Assets - Interagency Transfer Capital Assets (Note 2, 12)	(65,113.78)	(92,524.86)
Legislative Transfer to TTU System Administration	(1,753,337.00)	(1,710,587.00)
Net Transfers from (to) Texas Tech Foundation, Inc.	23,792,794.25	19,622,777.62
Net Transfers from (to) TTU Health Sciences Center	(1,076,715.45)	(1,245,972.98)
Net Transfers from (to) TTU Health Sciences Center - El Paso	0.00	86,295.00
Net Transfers from (to) TTU System Administration	416,316,058.71	(2,498,225.21)
Transfers from Other State Agencies (Note 12)	9,958,553.73	8,815,806.83
Transfers to Other State Agencies (Note 12)	(4,408,230.90)	(3,877,833.72)
Lapsed Appropriations	(274,738.48)	0.00
Net Other Revenues, Expenses, Gains, Losses, and Transfers	470,883,196.23	50,283,849.70
TOTAL CHANGES IN NET POSITION	\$ 461,446,972.24	\$ 94,015,799.29
Beginning Net Position (September 1, 2014 and 2013)	1,286,510,486.91	1,192,494,687.62
Ending Net Position (August 31, 2015 and 2014)	\$ 1,747,957,459.15	\$ 1,286,510,486.91

UNAUDITED

**Texas Tech University (733) Matrix
of Operating Expenses by Function
For the Years Ended August 31, 2015 and 2014**

Natural Classification	Functional Classification					
	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support
Salaries and Wages	\$ 122,523,618.97	\$ 81,400,373.67	\$ 5,802,250.62	\$ 46,188,318.33	\$ 16,983,069.64	\$ 21,835,498.40
Payroll Related Costs	30,162,220.59	19,108,702.80	1,541,438.28	12,531,504.47	4,456,298.51	6,477,585.31
Professional Fees and Services	757,610.94	1,043,672.92	418,379.19	1,392,450.75	439,677.54	1,330,508.13
Travel	4,644,074.75	4,778,178.70	658,759.28	2,853,912.58	2,015,616.09	495,781.26
Materials and Supplies	5,394,725.58	8,252,518.10	802,985.86	4,870,949.38	1,936,525.77	1,004,161.12
Communications and Utilities	630,324.02	1,932,869.15	158,570.81	1,788,298.79	945,024.51	1,241,007.55
Repairs and Maintenance	669,446.19	1,649,964.74	252,790.71	3,000,921.70	371,572.87	534,436.32
Rentals and Leases	1,110,992.10	635,482.10	578,485.04	1,855,911.32	888,499.34	496,750.38
Printing and Reproduction	268,533.85	229,840.55	86,254.67	521,934.56	701,568.04	346,895.18
Federal Pass-Through Expenses	18,717.90	550,867.85	536,937.75			
State Pass-Through Expenses (Schedule 1B)		85,616.96				
Depreciation and Amortization (Note 2)						
Cost of Goods Sold	188,890.91	203.88	28,523.31	1,556.42	8,095.00	974,829.62
Bad Debt	21.73	58,625.68	30.86			(2,154.87)
Interest	387.56	1,095.19	52.00	1,470.45	392.17	(53.54)
Scholarship	4,323,067.22	5,356,824.42	56,601.84	496,802.60	298,313.13	32,081.72
Claims and Losses			1,500.00			97,574.20
Other Expenses	2,289,620.62	8,539,912.36	1,946,662.10	6,551,029.82	10,197,673.95	8,269,549.06
Total Operating Expenses	\$ 172,982,252.93	\$ 133,624,749.07	\$ 12,870,222.32	\$ 82,055,061.17	\$ 39,242,326.56	\$ 43,134,449.84

UNAUDITED

**Texas Tech University (733) Matrix
of Operating Expenses by Function
For the Years Ended August 31, 2015 and 2014**

Natural Classification	Functional Classification					Restated Prior Year
	Operation and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total	
Salaries and Wages	\$ 6,682,079.84	\$ 86,813.35	\$ 41,983,208.95	\$	\$ 343,485,231.77	\$ 328,455,164.38
Payroll Related Costs	1,846,519.52	2,922.45	10,154,866.87		86,282,058.80	81,003,669.13
Professional Fees and Services	1,231,288.55		999,480.19		7,613,068.21	6,262,685.27
Travel	23,471.69	10,891.66	6,603,066.42		22,083,752.43	22,361,753.15
Materials and Supplies	2,924,691.85		7,691,001.80		32,877,559.46	31,291,911.69
Communications and Utilities	15,203,172.16		7,844,693.48		29,743,960.47	29,588,222.70
Repairs and Maintenance	9,145,728.47		5,274,577.71		20,899,438.71	20,585,778.27
Rentals and Leases	151,684.60		2,174,962.34		7,892,767.22	7,238,572.17
Printing and Reproduction	14,496.57		554,541.69		2,724,065.11	2,752,494.47
Federal Pass-Through Expenses					1,106,523.50	1,308,146.11
State Pass-Through Expenses (Schedule 1B)					85,616.96	156,228.32
Depreciation and Amortization (Note 2)				87,263,057.51	87,263,057.51	87,233,279.68
Cost of Goods Sold	68,939.05		13,880,299.90		15,151,338.09	13,859,500.89
Bad Debt					56,523.40	92,908.09
Interest	1,547.50		932.46		5,823.79	16,054.37
Scholarship		39,976,075.99	16,099.06		50,555,865.98	48,357,107.04
Claims and Losses					99,074.20	0.00
Other Expenses	2,869,940.06		18,824,099.74		59,488,487.71	48,988,322.24
Total Operating Expenses	\$ 40,163,559.86	\$ 40,076,703.45	\$ 116,001,830.61	\$ 87,263,057.51	\$ 767,414,213.32	\$ 729,551,797.97

Texas Tech University
Statement of Cash Flows
For the Years Ended August 31, 2015 and 2014

	2015	Restated 2014
Cash Flows from Operating Activities		
Proceeds from Customers	\$ 13,550,925.27	\$ 8,460,190.76
Proceeds from Tuition and Fees	300,216,336.33	277,668,776.24
Proceeds from Grants and Contracts	73,267,186.14	81,252,438.04
Proceeds from Collection of Loans to Students	1,573,765.23	2,169,366.05
Proceeds from Sales and Services of Auxiliary Enterprises	139,988,307.79	134,643,893.02
Payments to Suppliers for Goods and Services	(56,534,481.40)	(55,170,587.27)
Payments to Employees for Salaries	(342,656,239.68)	(327,401,802.44)
Payments to Employees for Benefits	(85,830,678.87)	(78,586,460.98)
Payments for Loans Provided to Students	(1,797,967.49)	(2,868,137.46)
Payments for Other Expenses	(194,786,119.43)	(180,118,542.17)
Net Cash Used By Operating Activities	<u>(153,008,966.11)</u>	<u>(139,950,866.21)</u>
Cash Flows from Noncapital Financing Activities		
Proceeds from State Appropriations	176,879,357.53	161,817,971.24
Proceeds from Gifts	40,413,399.49	40,744,178.65
Proceeds from Transfers from Component Institutions	641,463.25	553,021.85
Proceeds from Transfers from Texas Tech Foundation, Inc.	23,842,967.95	20,919,374.69
Proceeds from Transfers from Other State Agencies	3,872,610.43	3,167,329.27
Proceeds from Nonoperating Grants and Contracts	34,637,602.88	34,041,243.00
Proceeds from Agency Transactions	167,433,444.98	176,185,726.84
Proceeds from Other Financing Activities	4,946,930.72	3,731,533.35
Payments for Transfers to Component Institutions	(6,462,488.92)	(5,921,512.04)
Payments for Transfers to Texas Tech Foundation, Inc.	(50,173.70)	(1,296,597.07)
Payments for Transfers to Other State Agencies	(4,408,230.90)	(3,877,833.72)
Payments for Other Uses	(168,292,945.79)	(174,057,013.96)
Net Cash Provided by Noncapital Financing Activities	<u>273,453,937.92</u>	<u>256,007,422.10</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from Sale of Capital Assets	0.00	8,450.67
Proceeds from Capital Debt Issuance	22,671,363.78	70,200,000.00
Proceeds from Transfers from Component Institutions	14,054,164.60	0.00
Proceeds from Capital Appropriations	20,533,677.26	28,552,632.27
Payments for Transfers to Component Institutions	(4,128,417.05)	0.00
Payments for Additions to Capital Assets	(112,697,943.81)	(131,063,243.62)
Payments for Principal Paid on Capital Debt	(34,295,018.12)	(36,773,875.76)
Payments for Interest Paid on Capital Debt	(13,561,906.92)	(14,661,946.97)
Net Cash Used by Capital and Related Financing Activities	<u>(107,424,080.26)</u>	<u>(83,737,983.41)</u>
Cash Flows from Investing Activities		
Proceeds from Investment Sales and Maturities	99,136,288.69	81,506,282.01
Proceeds from Interest and Investment Income	19,250,618.47	15,637,726.42
Payments to Acquire Investments	(205,728,566.06)	(203,017,398.06)
Net Cash Used by Investing Activities	<u>(87,341,658.90)</u>	<u>(105,873,389.63)</u>
TOTAL NET CASH FLOWS	<u>\$ (74,320,767.35)</u>	<u>\$ (73,554,817.15)</u>
Beginning Cash & Cash Equivalents - September 1	168,614,768.15	242,169,585.30
Ending Cash & Cash Equivalents - August 31	<u>\$ 94,294,000.80</u>	<u>\$ 168,614,768.15</u>

UNAUDITED

Texas Tech University
Statement of Cash Flows
For the Years Ended August 31, 2015 and 2014

	2015	Restated 2014
Reconciliation of Operating Loss to Net Cash Flows from Operating Activities		
Operating Loss	\$ (246,133,651.43)	\$ (241,804,126.40)
Adjustments:		
Depreciation and Amortization Expense	87,263,057.51	87,233,279.68
Bad Debt	56,523.40	92,908.09
(Increase) Decrease in Accounts Receivables	(886,829.69)	(700,767.74)
(Increase) Decrease in Loans and Notes Receivable	(224,202.26)	(698,771.41)
(Increase) Decrease in Inventories	17,792.45	(205,748.26)
(Increase) Decrease in Prepaid Items	(3,767,071.35)	(2,842,127.47)
(Increase) Decrease in Due From Other State Agencies	552,369.97	(188,214.52)
Increase (Decrease) in Accounts Payables	2,424,725.78	271,914.90
Increase (Decrease) in Payroll Payable	828,992.09	1,053,361.94
Increase (Decrease) in Benefits Payable	451,379.93	2,417,208.15
Increase (Decrease) in Unearned Revenues	5,753,983.54	14,899,798.60
Increase (Decrease) in Employees' Compensable Leave	733,831.38	14,538.10
Increase (Decrease) in Due to Other State Agencies	322,669.82	266,810.15
Increase (Decrease) in Other Liabilities	(402,537.25)	239,069.98
Net Cash Used for Operating Activities	<u>\$ (153,008,966.11)</u>	<u>\$ (139,950,866.21)</u>
Noncash Transactions		
Donation of Capital Assets	\$ 2,541,971.44	\$ 3,432,341.64
Net Change in Fair Value of Investments	\$ (21,336,408.89)	\$ 19,091,198.60
Other	\$ 409,327,800.84	\$ 738,420.27

UNAUDITED

TEXAS TECH UNIVERSITY (733)

**NOTES to the
FINANCIAL STATEMENTS**

TEXAS TECH UNIVERSITY (733)**Notes to the Financial Statements****Note 1: Summary of Significant Accounting Policies****Reporting Entity**

Texas Tech University (University) is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements for State Agencies and Universities.

The University is one of five components of the Texas Tech University System (TTU System). The other four components, reported separately, are Texas Tech University Health Sciences Center, Texas Tech University Health Sciences Center at El Paso, Angelo State University, and Texas Tech University System Administration (TTU System Administration). The University has no blended or discretely presented component units reported within this report.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an Amendment of GASB Statement No. 34*, the Texas Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report* (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Basis of Accounting

The accounting records of the University are maintained using a modified accrual basis of accounting. Accounting data for most external reports, including this Annual Financial Report, are converted to full accrual basis of accounting in compliance with GASB Statements 34 and 35. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services, and focus on determining operating income, changes in net position, financial position, and cash flows. Accordingly, the University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Cash and Cash Equivalents

For the purpose of financial statement reporting, cash and cash equivalents are defined as all cash on hand, cash in banks, reimbursements due from the State Treasury, local balances of legislative appropriations (held in the State Treasury), and temporary investments with original maturities of 90 days or less. The University utilizes bank deposits and eligible investment pools as cash equivalents in its Short/Intermediate Term Investment Fund.

The University records and reports its deposits in the general deposit account at cost. It records and reports its special deposit accounts at fair value.

Investments

Most investments are reported at fair value on the Statement of Net Position, as determined by quoted market prices, or in the case of limited partnerships, values as reported by the partnership managers and/or their third party administrators, in accordance with GASB Statement No. 31 – *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Money market and TexPool investments are reported at amortized cost provided the investment has a remaining maturity of one year or less at date of purchase. Changes in unrealized gain (loss) on the carrying value of the investments are reported as a component of net increase (decrease) in fair value of investments in the Statement of Revenues, Expenses, and Changes in Net Position. Investments are addressed in more detail in Note 3.

Legislative Appropriations

This item represents the balance of the General Revenue funds at August 31 as calculated in the Texas Comptroller of Public Accounts' General Revenue Reconciliation.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include revenues set aside for statutory or contractual requirements.

Inventories

Inventories include both merchandise inventories on hand for sale and consumable inventories such as maintenance supplies, housing supplies, janitorial supplies, office supplies, and telecommunications supplies. Inventories are valued at cost, generally utilizing the last-in, first-out method.

Receivables

Student receivables include tuition and fee charges to students and are recorded net of estimated uncollectible amounts. Accounts receivable include services provided to students, faculty, and staff and amounts due from non-federal grants and contracts; amounts are recorded net of estimated uncollectible amounts.

Federal receivables includes amounts due for reimbursement of allowable expenditures made pursuant to the University's federal grants and contracts.

Gift receivables are accounted for at their estimated net realizable value. The estimated net realizable value consists of the present value of long-term pledges and a reduction for an allowance for uncollectible pledges. Pledges vary from one to ten years and are used to support specifically identified University programs and initiatives.

Interest and dividends consists of amounts due from investment holdings, cash management pools, and cash invested in various short-term investment items.

Other receivables include year-end revenue accruals not included in any other receivable category.

Prepaid Items

Disbursements for insurance, subscriptions, prepaid postage, prepaid travel costs and similar services paid in the current or prior fiscal years and benefiting more than one accounting period are allocated among accounting periods. Also included are scholarships paid in the current period for future terms. Disbursements for capital equipment that are paid, but deemed not yet received by year end, are also included in prepaid items.

Loans and Notes Receivable

These receivables are student loans that consist of amounts due from the Federal Perkins Loan Program, and from other loans administered by the University.

Capital Assets

Furniture, equipment, and vehicles with a cost of more than \$5,000 and an estimated useful life in excess of one year are capitalized. Capitalization thresholds for buildings, building improvements, facilities and other improvements are \$100,000. The capitalization threshold for infrastructure is \$500,000. These assets are capitalized at cost. Donated assets are reported at fair value as of the acquisition date. Routine repairs and maintenance and capital assets acquired for less than the threshold amounts are charges to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets; generally 10 to 30 years for buildings and building improvements, 10 to 45 years for facilities and other improvements, 15 to 45 years for infrastructure, 3 to 15 years for furniture and equipment, 5 to 10 years for vehicles, 5 to 7 years for software and 15 years for library books.

Intangible capital assets are defined as assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. These assets are required to be reported if they are identifiable. Land use rights are capitalized if the cost meets or exceeds \$100,000. Purchased computer software is capitalized if the aggregate cost of the purchase meets or exceeds \$100,000. Internally generated computer software has a capitalization threshold of \$1,000,000, and other intangible capital assets must be capitalized if the cost meets or exceeds \$100,000. Intangible assets are amortized based on the estimated useful life of the asset using the straight-line method. Capital Asset activity for the current fiscal year is shown in Note 2.

Payables

Accounts payable and payroll payable represent the liability for the value of assets or services received, and wages/salaries owed at year end for which payment is pending.

Unearned Revenues

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Employees' Compensable Leave

Employees' compensable leave payable balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and the use of leave balances by covered

employees. Liabilities are reported separately as either current or noncurrent in the Statement of Net Position. Employees' compensable leave balances are further explained in Note 5.

Notes and Loans Payable

Notes and loans payable represents amounts owed for commercial paper that was issued during the current accounting period. Notes and loans payable are further explained in Note 4. As of August 31, 2015, the University transferred outstanding commercial paper debt to TTU System Administration for the central administration of all TTU System debt.

Revenue Bonds Payable

The University has a number of bond issues outstanding, most of which are supported either directly or indirectly by tuition revenue. Revenue bonds payable are addressed in more detail in Notes 5 and 6. As of August 31, 2015, the University transferred outstanding bond debt to TTU System Administration for the central administration of all TTU System debt.

Funds Held for Others

Current balances in funds held for others result from the University acting as an agent or fiduciary for faculty and student organizations.

Net Position

Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. They are presented in seven separate classes: invested in capital assets, net of related debt; restricted net position which includes nonexpendable endowments and expendable capital projects, higher education assistance fund, debt service and other; and unrestricted net position.

Invested in Capital Assets, Net of Related Debt

This category represents capital assets, net of accumulated depreciation for fiscal year 2015 and is capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets for fiscal year 2014. As of August 31, 2015, the University transferred outstanding bond and commercial paper debt to TTU System Administration for the central administration of all TTU System debt.

Restricted Net Position

Restricted net position results when constraints placed on net asset use are either externally imposed by a party external to the University such as creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

Unrestricted net position consists of net position, which does not meet the definition of restricted net position. Unrestricted net position often has constraints on resources, which are imposed by management, but can be moved or modified.

Interfund Activity and Transactions

The University is regularly involved in both interfund activity and interfund transactions. Interfund activity is defined as financial interaction between internal funds, including blended component units. Interfund transactions are defined as financial transactions between legally separate entities. Interfund activity and interfund transactions are both clearly identifiable and are eliminated where appropriate. Note 12 includes interfund activity and transactions by agency.

Note 2: Capital Assets

Depreciation of capital assets is recorded as a periodic expense and accumulated as an offset to the asset book values. Depreciation of capital assets is based on allocation methods and estimated lives prescribed by the State Property Accounting (SPA) system. Accumulated depreciation is classified by capital asset category, providing for an estimation of the net book value of each asset category.

Capital assets are categorized as (1) Land and Land Improvements, (2) Construction in Progress, (3) Other Tangible Capital Assets (4) Buildings and Building Improvements, (5) Infrastructure, (6) Facilities and Other Improvements, (7) Furniture and Equipment, (8) Vehicles, Boats and Aircraft, (9) Other Capital Assets, or (10) Computer Software. The changes to capital asset balances are summarized below.

UNAUDITED

Texas Tech University (733) - Notes to the Financial Statements (continued)

As of August 31, 2015:

	PRIMARY GOVERNMENT						Balance 8/31/15
	Balance 9/1/14	Reclassifications Completed CIP	Reclassifications Inc-Int'gy Trans	Reclassifications Dec-Int'gy Trans	Additions	Deletions	
BUSINESS-TYPE ACTIVITIES							
Non-depreciable or Non-amortizable Assets							
Land and Land Improvements	\$ 3,739,851.94						\$ 3,739,851.94
Construction in Progress	8,272,889.25	(42,147,254.40)			46,278,505.87		12,404,140.72
Other Tangible Capital Assets	76,712,193.58				2,958,061.28	(316,487.25)	79,353,767.61
Total Non-depreciable or Non-amortizable Assets	88,724,934.77	(42,147,254.40)	0.00	0.00	49,236,567.15	(316,487.25)	95,497,760.27
Depreciable Assets							
Buildings and Building Improvements	1,164,497,017.05	42,147,254.40			32,016,963.18	(337,499.10)	1,238,323,735.53
Infrastructure	31,426,261.95						31,426,261.95
Facilities and Other Improvements	159,831,766.31				6,428,373.27		166,260,139.58
Furniture and Equipment	166,745,092.16		317,819.98	(129,173.04)	15,158,460.19	(9,129,552.86)	172,962,646.43
Vehicle, Boats and Aircraft	13,753,730.20		209,760.48		730,896.05	(68,403.07)	14,625,983.66
Other Capital Assets	143,331,908.79				9,737,384.21	(531,008.79)	152,538,284.21
Total Depreciable Assets at Historical Cost	1,679,585,776.46	42,147,254.40	527,580.46	(129,173.04)	64,072,076.90	(10,066,463.82)	1,776,137,051.36
Less Accumulated Depreciation for:							
Buildings and Building Improvements	(539,538,513.14)				(39,416,412.80)	182,172.99	(578,772,752.95)
Infrastructure	(12,315,045.52)				(1,075,976.04)		(13,391,021.56)
Facilities and Other Improvements	(70,790,543.45)				(5,235,006.31)		(76,025,549.76)
Furniture and Equipment	(110,586,193.09)		(95,242.67)	64,059.26	(14,834,662.13)	9,018,768.51	(116,433,270.12)
Vehicles, Boats and Aircraft	(10,569,113.44)		(209,760.48)		(957,919.19)	68,403.07	(11,668,390.04)
Other Capital Assets	(66,898,511.06)				(9,573,838.17)		(76,472,349.23)
Total Accumulated Depreciation	(810,697,919.70)	0.00	(305,003.15)	64,059.26	(71,093,814.64)	9,269,344.57	(872,763,333.66)
Depreciable Assets, Net	868,887,856.76	42,147,254.40	222,577.31	(65,113.78)	(7,021,737.74)	(797,119.25)	903,373,717.70
Intangible Capital Assets - Amortizable							
Computer Software - Intangible	121,165,652.42		209,271.11		897,147.89	(233,084.99)	122,038,986.43
Total Intangible Assets at Historical Cost	121,165,652.42	0.00	209,271.11	0.00	897,147.89	(233,084.99)	122,038,986.43
Less Accumulated Amortization for:							
Computer Software - Intangible	(99,684,175.86)				(16,169,242.87)	233,084.99	(115,620,333.74)
Total Accumulated Amortization	(99,684,175.86)	0.00	0.00	0.00	(16,169,242.87)	233,084.99	(115,620,333.74)
Amortizable Assets - Intangible, Net	21,481,476.56	0.00	209,271.11	0.00	(15,272,094.98)	0.00	6,418,652.69
Business-Type Activities Capital Assets, Net	\$ 979,094,268.09	\$ 0.00	\$ 431,848.42	\$ (65,113.78)	\$ 26,942,734.43	\$ (1,113,606.50)	\$ 1,005,290,130.66

Note 3: Deposits, Investments, and Repurchase Agreements

The University's investment portfolio is invested pursuant to the parameters of applicable Texas law and the governing board's Investment Policies. Under Texas law, the University's investments may be "any kind of investment that persons of ordinary prudence, discretion, and intelligence, exercising the judgment and care under the circumstances then prevailing, acquire or retain for their own account in the management of their affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital." Under Texas law, the University is required to invest its institutional funds according to written investment policies adopted by the Board of Regents. No person may invest University funds without express written authority from the governing board.

The governing investment policy is Regents' Rules Chapter 09, "Investments and Endowments." The majority of the University's assets are invested in two investment pools; the Long Term Investment Fund (LTIF) and the Short/Intermediate Term Investment Fund (SITIF), both having their own stand-alone investment policies. Endowment funds and certain eligible long-term institutional funds are invested in the LTIF, which invests in equity and fixed income securities, as well as alternative investments such as hedge funds and private equity, and is operated using a total return philosophy. Other institutional funds not in the LTIF are invested in the SITIF. Other assets include securities gifted to the University with donor instructions to maintain in their original form and debt proceeds.

Deposits of Cash in Bank

The carrying amount of deposits as of August 31, 2015 and August 31, 2014 was \$(6,402,118.08), and \$56,282,887.21 respectively, as presented below:

Business-Type Activities

	FY2015	FY2014
CASH IN BANK – CARRYING VALUE		
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent	\$ (6,402,118.08)	\$ 56,282,887.21
Less: Uninvested Securities Lending Cash Collateral included in carrying value and reported as Securities Lending Collateral		
Less: Securities Lending Cash Collateral included in carrying value and reported as Securities Lending Collateral		
Cash in Bank per AFR	<u>\$ (6,402,118.08)</u>	<u>\$ 56,282,887.21</u>
Proprietary Funds Current Assets Cash in Bank	\$ (4,378,092.94)	\$ 22,105,632.29
Proprietary Funds Current Assets Restricted Cash in Bank	(1,371,341.89)	8,053,126.38
Proprietary Funds Non-Current Assets Restricted Cash in Bank	<u>(652,683.25)</u>	<u>26,124,128.54</u>
Cash in Bank per AFR	<u>\$ (6,402,118.08)</u>	<u>\$ 56,282,887.21</u>

These amounts consist of all cash in local banks and are included on the Statement of Net Position as part of current unrestricted and restricted "Cash and Cash Equivalents" and non-current restricted "Cash and Cash Equivalents".

All of the University's deposits in excess of FDIC limits are fully collateralized. The collateral is held in the University's name by the pledging institution's agent. Also, the University has no foreign currency risk on deposits.

As of August 31, 2015, the total **bank balance** for Business-Type Activities was \$26,046,853.11. At August 31, 2014, the balance was \$53,057,460.38.

Investments

The fair value of investments is as presented below for August 31, 2015 and August 31, 2014, respectively:

Business-Type Activities

Type of Security	Fair Value	
	FY2015	FY2014
U. S. Government		
U.S. Treasury Securities	\$ 91,903,806.13	\$ 71,233,892.68
U.S. Treasury TIPS	14,519,215.62	10,324,252.56
U.S. Government Agency Obligations	146,792,486.03	111,321,578.17
Corporate Obligations	486,633.86	570,161.76
Corporate Asset and Mortgage Backed Securities	1,130,192.85	1,065,795.32
Equity	13,035,709.86	13,454,565.00
International Obligations (Gov't and Corp)	600,372.75	3,417,265.49
Fixed Income Money Market and Bond Mutual Fund	157,002,815.26	159,085,044.59
Mutual Funds - Domestic	17,181,067.25	16,605,734.11
Other Commingled Funds	44,233,025.44	46,641,079.31
Other Commingled Funds (TexPool)	22,142,352.58	37,379,436.74
International Other Commingled Funds	32,597,874.28	49,812,222.38
Real Estate	13,399,750.20	7,933,315.12
Domestic Derivatives	(1,899,281.73)	379,099.90
Externally Managed Investments:		
Domestic	236,068,502.64	187,526,081.24
International	228,569.34	570,057.03
Miscellaneous	278,932.37	278,876.71
Total Investments	\$ 789,702,024.73	\$ 717,598,458.11
Non-Current Investments	\$ 692,922,271.76	\$ 611,159,553.14
Items in Cash and Cash Equivalents:		
Money Market Funds	74,637,400.39	69,059,468.23
TexPool Investments	22,142,352.58	37,379,436.74
Total Investments	\$ 789,702,024.73	\$ 717,598,458.11

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The University's investment policy is to require third party custody for the two investment pools, the LTIF and the SITIF. The balances listed below relate to the securities held outside of those pools at August 31, 2015 and August 31, 2014.

Fiscal Year	Fund Type	GAAP Fund	Type	Uninsured and unregistered with securities held by the counterparty	Uninsured and unregistered with securities held by the counterparty's trust department or agent but not in the state's name
2015	05	9999	Equity	\$ 102,889.51	\$
2014	05	9999	Equity	99,867.42	

Foreign currency risk for investments is the risk that changes in exchange rates will adversely affect the investments. The LTIF and SITIF do not have policy limits specific to international equity or debt. All exposures are through funds managed by external investment managers. The exposure to foreign currency risk as of August 31, 2015, and August 31, 2014 is presented below.

Texas Tech University (733) - Notes to the Financial Statements (continued)

As of August 31, 2015:

Fund Type	GAAP Fund	Foreign Currency	International Obligations (Gov't and Corp.)	International Other Commingled Funds	International Externally Managed Investments
05	9999	Argentine peso	\$	\$ 170,631.14	\$
05	9999	Australian dollar		130,392.07	21.88
05	9999	Brazilian real	93,365.05	1,452,967.01	
05	9999	British pound		4,095,705.31	25,894.70
05	9999	Canadian dollar		459,647.57	
05	9999	Chilean peso	114,638.10	69,793.52	
05	9999	Chinese yuan		1,856,171.99	
05	9999	Czech koruna		203,472.28	
05	9999	Danish krone		54,530.70	
05	9999	Egyptian pound		285,575.13	
05	9999	Euro	9,454.69	6,522,503.75	103,864.13
05	9999	Hong Kong dollar		710,904.43	
05	9999	Hungarian forint		5,054.36	
05	9999	Indian rupee	117,001.78	1,623,798.44	98,788.63
05	9999	Indonesian rupiah		245,244.85	
05	9999	Japanese yen		2,867,963.59	
05	9999	Kazakhstani tenge		34,896.76	
05	9999	Malaysian ringgit		354,299.03	
05	9999	Mexican peso	115,819.94	959,685.89	
05	9999	Norwegian krone		10,906.14	
05	9999	Peruvian nuevo sol		56,707.24	
05	9999	Phillippino peso	48,455.28	182,790.99	
05	9999	Polish zloty		48,016.42	
05	9999	Qatari riyal		171,089.23	
05	9999	Russian ruble		91,845.88	
05	9999	Singapore dollar		466,271.83	
05	9999	South African rand		1,103,601.62	
05	9999	South Korean won	101,637.91	1,840,597.83	
05	9999	Swedish krona		492,075.67	
05	9999	Swiss franc		2,204,807.00	
05	9999	Taiwan dollar		2,475,657.00	
05	9999	Thai baht		461,497.03	
05	9999	Turkish lira		535,246.57	
05	9999	UAE dirham		353,526.01	
		Total	\$ 600,372.75	\$ 32,597,874.28	\$ 228,569.34

At August 31, 2014, the exposure to foreign currency risk was: International Obligations (Gov't and Corp.) - \$3,417,265.49; International Other Commingled Funds - \$49,812,222.38; and International Externally Managed Investments - \$570,057.03.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy limits fixed income securities held by the SITIF to those issued by the U.S. or its agencies and instrumentalities. As of August 31, 2015, the University's credit quality distribution for securities with credit risk exposure was as follows:

Texas Tech University (733) - Notes to the Financial Statements (continued)

Standard & Poor's

Fund Type	GAAP Fund	Investment Type	AAA	AA	A	BBB	BB	Unrated
05	9999	U.S. Government Agency Obligations	\$146,792,486.03					
05	9999	Corporate Obligations					\$268,942.01	\$217,691.85
05	9999	Corporate Asset and Mortgage Backed Securities	\$1,130,192.85					
05	9999	International Obligations (Gov't and Corp)		\$13,208.20	\$106,265.98	\$340,051.13	\$47,549.52	\$93,297.92
			AAAf	Aaf	Af			Unrated
05	9999	Fixed Income Money Market and Bond Mutual Fund	\$74,637,400.39					\$82,365,414.87

The University's credit quality distribution for securities with credit risk exposure as of August 31, 2014 was as follows:

Standard & Poor's

Fund Type	GAAP Fund	Investment Type	AAA	AA	A	BBB	BB	Unrated
05	9999	U.S. Government Agency Obligations	\$111,321,578.17					
05	9999	Corporate Obligations						\$570,161.76
05	9999	Corporate Asset and Mortgage Backed Securities	\$1,065,795.32					
05	9999	International Obligations (Gov't and Corp)		\$56,384.88	\$655,773.25	\$1,757,157.91	\$285,341.67	\$662,607.78
			AAAf	Aaf	Af			Unrated
05	9999	Fixed Income Money Market and Bond Mutual Fund	\$69,059,468.23					\$90,025,576.36

Derivative Investing

The University's Investment Policy Statement for the LTIF allows investment in certain derivative securities. A derivative security is a financial instrument which derives its value from another security, currency, commodity or index.

The University entered into futures contracts, options, and total return swaps as efficient substitutes for traditional securities to reduce portfolio risks created by other securities, or in fully hedged positions to take advantage of market anomalies. The derivative contracts entered into during fiscal year 2015 all used market indices as underlying securities in order to gain and reduce market exposure in an efficient manner. The contracts are valued daily and the University's net equity in the contracts, representing unrealized gain or loss, is reported as a portion of Investments on the Statement of Net Position.

These instruments involve market and/or credit risk in excess of the amount recognized in the Statement of Net Position. Risks arise from the possibility that counterparties will be unable to meet the terms of their contracts and from movement in index values. Futures contracts have reduced counterparty credit risk since they are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-

Texas Tech University (733) - Notes to the Financial Statements (continued)

traded futures, guarantees them against default. Counterparty risk for total return swaps and options is mitigated by master netting agreements between the University and its counterparties, and by the posting of collateral on a daily basis.

The University's gross counterparty exposure, as of August 31, 2015, is presented below.

Investment Derivatives	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	Counterparty Rating
	Notional	Notional	Fair Value at August 31, 2015	Fair Value at August 31, 2015	
Futures Contracts	\$ 24,635,569.24	\$ 8,569,084.76	\$	\$	A
Options	21,868,370.10	25,056,305.02	928,202.52	1,691,625.32	A-
	7,951,240.36	3,964,583.54	143,211.74	803,767.22	BBB+
Total Return Swaps	4,235,281.83			250,286.21	A
	2,036,704.53			225,017.24	A-

The University's gross counterparty exposure, as of August 31, 2014, is presented below.

Investment Derivatives	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	Counterparty Rating
	Notional	Notional	Fair Value at August 31, 2015	Fair Value at August 31, 2015	
Futures Contracts	\$ 35,177,925.79	\$ 2,180,507.84	\$ 298,494.37	\$ 61,158.84	A
Options	20,165,963.09	12,199,411.53	774,214.30	626,017.53	A
Total Return Swaps	3,277,123.80			6,432.40	A

The University's foreign currency risk exposure with respect to derivatives as of August 31, 2015 is presented below.

Fund Type	GAAP Fund	Foreign Currency	Derivatives		
			Futures Contracts	Options	Total Return Swaps
05	9999	Euro	\$	\$ (25,897.43)	\$
05	9999	Pound sterling		(199,055.98)	
		Total	\$ 0.00	\$ (224,953.41)	\$ 0.00

Note 4: Short-Term Debt

During the year ended August 31, 2015, the following changes occurred in short term debt:

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
	9/1/2014			8/31/2015
Notes and Loans Payable	\$ 102,176,331.01	\$ 22,671,363.78	\$ 124,847,694.79	\$ 0.00
Total Business-Type Activities	\$ 102,176,331.01	\$ 22,671,363.78	\$ 124,847,694.79	\$ 0.00

The University transferred the ending commercial paper balance of \$109,689,489.79 to TTU System Administration for the central administration of all TTU System's Revenue Financing System commercial paper debt. For fiscal year 2015, the University's commercial paper activity was recorded on the University's books. The current year activity included an increase of \$22,671,363.78 to short-term

debt for new commercial paper issued during the year and a decrease of \$15,158,205.00 for debt service payments. Beginning with fiscal year 2016, the University's share of commercial paper activity will be recorded on the TTU System Administration books with interagency transfers being recorded between the University and TTU System Administration to transfer cash for the University's share of new debt proceeds and debt service payments.

Note 5: Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2015, the following changes occurred in long-term liabilities:

Business-Type Activities	Balance 9/1/2014	Additions	Reductions	Restatements/ Adjustments	Balance 8/31/2014	Amounts due within one year	Amounts Due Thereafter
Revenue Bonds Payable	\$ 318,828,607.71	\$	\$ 19,136,813.12	\$ (299,691,794.59)	\$	\$	\$
Employees' Compensable Leave	12,033,624.66	733,831.38			12,767,456.04	1,532,094.73	11,235,361.31
Total Business-Type Activities	\$330,862,232.37	\$ 733,831.38	\$19,136,813.12	\$ (299,691,794.59)	\$ 12,767,456.04	\$ 1,532,094.73	\$ 11,235,361.31

Revenue Bonds Payable

The University transferred the ending revenue bonds payable balance of \$299,691,794.59 to TTU System Administration for the central administration of all TTU System's Revenue Financing System revenue bond debt. For fiscal year 2015, the University's revenue bond activity was recorded on the University's books. The current year activity included a decrease of \$19,136,813.12 for debt service payments. Beginning with fiscal year 2016, the University's share of revenue bond debt activity will be recorded on the TTU System Administration books with interagency transfers being recorded between the University and TTU System Administration to transfer cash for the University's share of new debt proceeds and debt service payments.

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Under state law, the accumulated hours are limited based on the employees' length of service, with a maximum accrual of 532 hours for employees with 35 or more years of service. The expense and liability are recorded annually as these benefits accrue for employees. This obligation is paid from a central vacation pool account which collects the funding from the same funding source(s) from which the employee's salary or wage compensation was paid. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Pollution Remediation Obligations

The University is a responsible party for pollution remediation activities on a 5,855-acre parcel of land in Carson County, Texas. The University purchased the land from the United States of America, acting by and through the General Services Administrator, in 1949 to operate an experimental research farm. The remediation costs were not reasonably estimable at the time of this report.

Note 6: Bonded Indebtedness

As of August 31, 2015, the University transferred the ending revenue bonds payable balances to TTU System Administration for the central administration of TTU System Debt. The supplemental bond information previously reported in Note 6 is now included in TTU System Administration's Annual Financial Report.

Note 7: Derivatives

The TTU System Investment Policy Statement for the LTIF allows investment in certain derivative securities. Derivatives are financial instruments whose values are derived in whole or in part from the value of any one or more underlying assets or index of asset values. Investment derivatives are entered into with the intention of managing transaction or currency exchange risk in purchasing, selling or holding investments. These include futures contracts, options, and total return swaps.

The following disclosures summarize the University's derivative activity as reported in the financial statements as of August 31, 2015.

Investment Derivatives	Changes in Fair Value		Fair Value at 8/31/2015		Notional
	Classification	Amount	Classification	Amount	
Futures Contracts	Investment Revenue	\$ (408,714.05)		\$	\$ 16,066,484.48
Options	Investment Revenue	(1,801,671.81)	Investments	(1,423,978.28)	798,721.90
Total Return Swaps	Investment Revenue	(395,676.60)	Investments	(475,303.45)	6,271,986.36

The following disclosures summarize the University's derivative activity as reported in the financial statements as of August 31, 2014.

Investment Derivatives	Changes in Fair Value		Fair Value at 8/31/2014		Notional
	Classification	Amount	Classification	Amount	
Futures Contracts	Investment Revenue	\$ 237,335.53	Investments	\$ 237,335.53	\$ 32,997,417.95
Options	Investment Revenue	148,196.77	Investments	148,196.77	7,966,551.56
Total Return Swaps	Investment Revenue	(6,432.40)	Investments	(6,432.40)	3,277,123.80

Fair Value

Derivative instruments are recorded at fair value. Futures contracts are marked-to-market daily and valued at closing market prices on valuation date. A daily variation margin between the daily value of the contracts and the value on the previous day is recorded and settled in cash with the broker the following morning. Options and total return swaps are valued using broker quotes, proprietary pricing agents or appropriate pricing models with primarily externally verifiable model inputs.

Investment Derivatives

Investment derivatives expose the University to certain investment related risks. The University discloses more detail about investment derivatives in Note 3.

Note 8: Leases

The University had no outstanding capital leases as of August 31, 2015 or August 31, 2014.

The University has entered into various operating leases for buildings and equipment. Expenses for operating lease obligations included in the financial statements were \$833,093.49 and \$1,166,409.92 for the fiscal years ended August 31, 2015, and August 31, 2014.

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2015 are as follows:

Fiscal Year Ended August 31,	
2016	\$ 980,852.48
2017	565,728.21
2018	310,232.55
2019	166,276.10
2020	17,831.76
2021-2025	89,158.80
2026-2030	89,158.80
2031-2035	89,158.80
2036-2040	35,663.52
Total Minimum Future Lease Rental Payments	\$ 2,344,061.02

The University also leases building space to outside parties under various operating leases. Rental income from these leases of \$868,106.96 and \$269,299.60 is included in the financial statements for the fiscal years ended August 31, 2015, and August 31, 2014.

Leased space comprises approximately 14.7% of the total building space at Texas Tech Plaza, 24.4% of the building space at the Texas Tech Innovation Hub at Research Park, as well as 100% of the land and building space at the Pantex farm. The historical cost, carrying value, and accumulated depreciation for these properties for the fiscal years ended August 31, 2015, and August 31, 2014 are as follows:

Fiscal Year Ended August 31,	Historical Cost	Accumulated Depreciation	Carrying Value
2015	\$ 30,046,847.65	\$ 3,459,218.32	\$ 26,587,629.33
2014	5,182,795.13	3,247,128.92	1,935,666.21

Future minimum lease rental income under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2015 are as follows:

Texas Tech University (733) - Notes to the Financial Statements (continued)

Fiscal Year Ended August 31,	
2016	\$ 906,798.96
2017	829,698.96
2018	829,698.96
2019	569,619.00
2020	569,619.00
2021-2025	2,499,960.00
2026-2030	2,499,960.00
2031-2035	1,083,316.00
Total Minimum Future Lease Rental Income	\$ 9,788,670.88

Note 9: Defined Benefit Pension Plans and Defined Contribution Plan**Defined Benefit Plan**

The University participates in the Teacher Retirement System (TRS) which is a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation. Beginning in fiscal year 2015 with the implementation of GASB Statement No. 68, *Accounting and Reporting for Pensions*, the accounting and reporting for the TTU System's proportionate share of the TRS net pension liability will be included in the financial records of TTU System Administration and represents the net pension liability for all of the TTU System component institutions. See Note 9 and Schedules 4A and 4B included in the TTU System Administration Annual Financial Report for additional GASB 68 note disclosures and required supplementary information.

Defined Contribution Plan

The State has established an Optional Retirement Program (ORP) for institutions of higher education. Participation in ORP is in lieu of participation in TRS and is available to certain eligible employees. The contributions made by plan members and the employer for the fiscal years ended August 31, 2015 and August 31, 2014 are:

Description	FY 2015	FY 2014
Member Contributions	\$ 7,734,836.06	\$ 7,527,929.62
Employer Contributions	8,426,797.93	8,239,824.08
Total Contributions	\$ 16,161,633.99	\$ 15,767,753.70

Note 10: Deferred Compensation (administering agencies only)

Not applicable.

Note 11: Postemployment Health Care and Life Insurance Benefits

Not applicable.

Note 12: Interfund Activity and Transactions

As explained in Note 1 on interfund activities and transactions, there are numerous transactions between funds and agencies. At year-end, amounts to be received or paid are reported as:

Texas Tech University (733) - Notes to the Financial Statements (continued)

Interfund Receivables or Interfund Payables
 Due from Other State Agencies or Due to Other State Agencies
 Transfers In or Transfers Out
 Legislative Transfers In or Legislative Transfers Out

The University experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. The University does not have any interfund receivables nor interfund payables to report at August 31, 2015.

Individual balances and activity at August 31, 2015 and August 31, 2014, follow.

Transfers to / from Other State Agencies

As of August 31, 2015:

Agency Name	Agency Number	D23 Fund	Transfers In	Transfers Out
Texas Higher Education Coordinating Board	781	0001	\$	\$ 101,412.54
Texas Higher Education Coordinating Board	781	5103		4,306,818.36
Comptroller of Public Accounts	902	0210	827,321.00	
Comptroller of Public Accounts	902	0214	9,131,232.73	
Total Transfers to / from Other State Agencies			\$ 9,958,553.73	\$ 4,408,230.90

As of August 31, 2014:

Agency Name	Agency Number	D23 Fund	Transfers In	Transfers Out
Texas Higher Education Coordinating Board	781	0001	\$	\$ 99,948.53
Texas Higher Education Coordinating Board	781	5103		3,777,885.19
Comptroller of Public Accounts	902	0214	8,815,806.83	
Total Transfers to / from Other State Agencies			\$ 8,815,806.83	\$ 3,877,833.72

Interagency Capital Asset Transfers to / from Other State Agencies

As of August 31, 2015:

Agency Name	Agency Number	Net Asset Increase	Net Asset Decrease
Texas Department of Transportation	601	\$	\$ 32,314.32
Texas A&M University	711		32,799.46
TTU Health Sciences Center - El Paso	774	4,397.40	
TTU Health Sciences Center	739	427,451.02	
Total Capital Asset Transfers to / from Other State Agencies		\$ 431,848.42	\$ 65,113.78

Texas Tech University (733) - Notes to the Financial Statements (continued)

As of August 31, 2014:

Agency Name	Agency Number	Net Asset Increase	Net Asset Decrease
Texas Health Department	537	\$ 2,367.86	\$
Texas A&M University	711		92,524.86
Texas Tech University Health Sciences Center	739	475,978.64	
University of Texas	754	32,405.44	
Texas Parks and Wildlife	802	9,549.14	
Total Capital Asset Transfers to / from Other State Agencies		\$ 520,301.08	\$ 92,524.86

The detailed State Grant Pass-Through information is listed on Schedule 1B – Schedule of State Grant Pass-Throughs from/to State Agencies.

Note 13: Continuance Subject to Review

The University is not subject to the Texas Sunset Act.

Note 14: Adjustments to Fund Balances and Net Position

The University had no restatements to beginning Net Position for the year ended August 31, 2015.

However, there were corrections on the financial statements for the year ended August 31, 2014 for comparative financial statement purposes which are shown below. These corrections did not result in a change to beginning net position.

Statement	Description	FY2014 As Reported	Correction	FY2014 As Corrected
Correction to scholarship allowance calculation				
SRECNP	Discounts and Allowances	\$ (78,234,415.98)	\$ (1,770,472.58)	\$ (80,004,888.56)
SRECNP	Scholarships	50,127,579.62	(1,770,472.58)	48,357,107.04
Matrix	Scholarships	50,127,579.62	(1,770,472.58)	48,357,107.04
Cash Flow	Proceeds from Tuition and Fees	279,439,248.82	(1,770,472.58)	277,668,776.24
Cash Flow	Payments for Other Expenses	(181,889,014.75)	1,770,472.58	(180,118,542.17)
Reclassification of debt related to capital assets				
SNP	Invested in Capital Assets, Net of Related Debt	593,930,150.16	(14,002,387.84)	579,927,762.32
SNP	Restricted Expendable Capital Projects	321,077.81	14,002,387.84	14,323,465.65

Note 15: Contingencies and Commitments

Unpaid Claims and Lawsuits

At August 31, 2015, and August 31, 2014, various lawsuits and claims involving the University were pending. While the ultimate liability with respect to litigation and other claims asserted against the University cannot be precisely estimated at this time, such liability, to the extent not provided for by insurance or otherwise, is in legal counsel's opinion, not likely to have a material effect on the University's financial position.

Investment Funds

The University entered into capital commitments with investment managers for future funding of investment funds. Investment funds include hedge fund pools, private investment pools, public market funds and other alternative investments managed by external investment managers. As of August 31, 2015 and August 31, 2014, the remaining commitment was \$37,775,128.12 and \$28,793,692.38 respectively.

Note 16: Subsequent Events

The University has no subsequent events to disclose.

Note 17: Risk Management

The University by state law is required to be a participant in the Worker's Compensation Program and Pool managed by the State Office of Risk Management (SORM). The University is assessed fees by SORM based upon claims cost, claim count, payroll and FTE. Total payments to SORM for fiscal year 2015 and 2014 totaled \$814,498.02 and \$749,477.81, respectively. The State Office of Risk Management pays all WCI claims. The Worker's Compensation pool for the fiscal year was funded by a .27 percent charge on non-educational and general gross payroll for paying its proportionate share of the SORM assessment.

The University has self-insured arrangements for Unemployment Compensation Fund coverage. The State of Texas pays 50 percent of claims for employees paid from state funds. The University pays the remainder for employees paid from state funds and 100 percent of the claims paid for employees from non-state funds. Total payments for unemployment compensation for fiscal years 2015 and 2014 amounted to \$122,552.62 and \$135,763.21 respectively. The claims for employees paid from non-state funds are funded by interest earnings on the Unemployment Compensation Fund balance and utilization of fund balance.

Insurance for University vehicles owned or leased is purchased through commercial carriers. Liability limits are \$250,000 per person/\$500,000 per collision bodily injury, and \$100,000 per collision property damage for collisions occurring within Texas. Out of state limits are \$1,000,000 combined single limit per occurrence.

Note 18: Management's Discussion and Analysis (MD&A)

The University does not issue an audited Annual Financial Report or have any material amounts or events to disclose.

Note 19: The Financial Reporting Entity

The University is an agency of the State of Texas, and is one of five components of the TTU System. As required by generally accepted accounting principles, these financial statements present the financial transactions of the University. The University has no component units, related organizations, joint ventures, jointly governed organizations or related parties to report.

As of September 1, 2014 the National Wind Resource Center (NWRC), a not-for-profit 501(c)(3) organization, which was previously reported as a blended component unit of the University, was dissolved and absorbed by the University.

Note 20: Stewardship, Compliance and Accountability

The University has no material stewardship, compliance, and accountability issues.

Note 21:

Not applicable.

Note 22: Donor-Restricted Endowments

Expenditure of endowed funds is not allowed without the express consent of the donor. Most of Texas Tech's endowments are held in perpetuity. In many cases, endowment earnings are expendable for student financial assistance or other purposes as designated by the donor. In other cases, endowment earnings are reinvested.

Endowment assets are invested predominantly in the Long Term Investment Fund (LTIF). The LTIF has experienced varying performance since its inception. The net appreciation (cumulative and unexpended) on donor-restricted endowments presented below is available for authorization and expenditure by the University:

Donor-Restricted Endowments	Amount of Net Appreciation*		Reported in Net Position
	FY 2015	FY 2014	
True Endowments	\$ 19,212,228.21	\$ 24,162,552.15	Restricted Expendable
Term Endowments	90,020.53	117,104.95	Restricted Expendable
Total	\$ 19,302,248.74	\$ 24,279,657.10	

*There was a negative fair value adjustment totaling (\$4,977,408.36) for fiscal year 2015, and a positive fair value adjustment of \$7,651,915.34 for fiscal year 2014.

The TTU System's spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives while protecting the inflation-adjusted value of the principal. The following factors are considered in the spending policy: the duration and preservation of the LTIF, the purposes of the TTU System and the LTIF, general economic conditions, the possible effect of inflation or deflation, the expected total return from income and the appreciation of investments, other resources of the TTU System and the overall investment policy. The distribution of spendable earnings shall not exceed 6% nor be less than 4% of the average net asset value of the LTIF over the preceding 12 quarters just ended.

Note 23: Extraordinary and Special Items

The University has no special or extraordinary items for the fiscal year ended August 31, 2015, or August 31, 2014.

Note 24: Disaggregation of Receivable and Payable Balances

The University has no reportable disaggregation of receivable or payable balances for the years ended August 31, 2015, or August 31, 2014.

Note 25: Termination Benefits

The University has no reportable voluntary or involuntary termination benefits as of August 31, 2015, or August 31, 2014.

Note 26: Segment Information

The University has no reportable segments as of August 31, 2015, or August 31, 2014.

Note 27: Service Concession Arrangements

The University has no reportable service concession arrangements as of August 31, 2015, or August 31, 2014.

Note 28: Deferred Outflows of Resources and Deferred Inflows of Resources

The University had no deferred outflows or deferred inflows of resources for the year ended August 31, 2015, or August 31, 2014.

Note 29: Troubled Debt Restructuring

The University had no outstanding receivables whose terms were modified pursuant to troubled debt restructuring for the year ended August 31, 2015, or August 31, 2014.

Note 30: Non-Exchange Financial Guarantees

The University had no outstanding non-exchange financial guarantees for the year ended August 31, 2015, or August 31, 2014.

TEXAS TECH UNIVERSITY (733)

SUPPORTING SCHEDULES

UNAUDITED

Texas Tech University
 Schedule 1A - Schedule of Expenditures of Federal Awards
 For the Year Ended August 31, 2015

Note 1: Non-Monetary Assistance

Texas Tech University was not the recipient of any non-monetary federal assistance for fiscal year 2015.

Note 2: Reconciliation

Federal Grants and Contracts Operating (SRECNP)	\$ 36,646,704.62
Federal Grants and Contracts Nonoperating (SRECNP)	34,712,873.00
Federal Grants Pass-Throughs from Other State Agencies (SRECNP)	3,153,731.66
Total Federal Revenues	<u>\$ 74,513,309.28</u>

Reconciling Items:

New Loans Processed

Federal Direct Student Loans (84.268)	154,069,558.00
Federal Perkins Loan Program (84.038)	315,700.00

Other

Fixed Price Agreements	(72,675.69)
Total Pass-Through and Expenditures per Federal Schedule	<u>\$ 228,825,891.59</u>

Note 3a: Student Loans Processed and Administrative Costs Recovered

Program	CFDA	New Loans Processed	Administrative Costs Recovered	Total Loans Processed and Admin Costs Recovered	Ending Balance Previous Years' Loans
Federal Direct Student Loans	84.268	\$ 154,069,558.00	\$ 113,877.00	\$ 154,069,558.00	\$ 1,636,921.78
Federal Perkins Loan Program	84.038	315,700.00	113,877.00	429,577.00	1,636,921.78
		<u>\$ 154,385,258.00</u>	<u>\$ 113,877.00</u>	<u>\$ 154,499,135.00</u>	<u>\$ 1,636,921.78</u>

Perkins Loan Program is outsourced to Campus Partners.

Note 3b: Federally Funded Loans Processed and Administrative Cost Recovered

Not applicable.

Note 4: Depository Libraries for Governmental Publications

Texas Tech University participates as a depository library in the government printing office's depository libraries for government publications program, CFDA 40.001. The University is the legal custodian of government publications which remain the property of the federal government. The publications are not assigned a value by the government printing office.

Note 5: Unemployment Insurance Funds

Not applicable.

Note 6: Rebates for the Special Supplemental Food Program For Women, Infants, and Children (WIC)

Not applicable.

Note 7: Federal Deferred Revenue

Texas Tech University is exempt from Note 7 disclosure.

Note 8: Disaster Grants - Public Assistance

Texas Tech University was not the recipient of CFDA 97.036 funding for fiscal year 2015.

Note 9: Economic Adjustment Assistance

Texas Tech University was awarded an Economic Adjustment Assistance grant in November 2013 from the Department of Commerce Economic Development Agency. The grant is a three-year project supporting renewable energy research and technology creation in the Panhandle region of Texas.

Total Grant Award

Grant	Grant Amount	Matching	Total Grant Awarded
Grant Amount	\$ 300,000.00	\$ 300,000.00	\$ 600,000.00

Federal Share

Grant Amount	\$ 300,000.00
Divided by: Total Grant Awarded	600,000.00
Federal Share	0.50

Texas Tech University (733)
 Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies
 For the Year Ended August 31, 2015

Pass-through from:

Agency Number	Agency Name Grant ID / Grant Description	Amount
300	Office of the Governor	
	300.0006 Texas Emerging Technology Grants	\$ 426,792.05
	<i>Total for Office of the Governor</i>	<u>426,792.05</u>
457	Texas State Board of Public Accountancy	
	457.0001 Fifth Year Accounting Student Scholarship Program	30,000.00
	<i>Total for Texas State Board of Public Accountancy</i>	<u>30,000.00</u>
542	Cancer Prevention and Research Institute of Texas	
	542.0403 High Impact/High-Risk Research Awards	85,967.63
	542.0430 Individual Investigator Research Awards	289,470.42
	542.0515 Individual Investigator Research Awards	107,201.92
	542.0534 High-Impact/High-Risk Research Awards	42,427.08
	542.0558 High Impact/High-Risk Research Awards	76,882.91
	<i>Total for Cancer Prevention and Research Institute of Texas</i>	<u>601,949.96</u>
555	Texas A&M AgriLife Extension Service	
	555.0008 Quail Education and Research Initiative	87,878.98
	<i>Total for Texas A&M AgriLife Extension Service</i>	<u>87,878.98</u>
580	Texas Water Development Board	
	580.0018 WSC - Agriculture Water Conservation	600,954.05
	<i>Total for Texas Water Development Board</i>	<u>600,954.05</u>
592	Soil and Water Conservation Board	
	592.0002 Water Supply Enhancement	15,248.85
	<i>Total for Soil and Water Conservation Board</i>	<u>15,248.85</u>
701	Texas Education Agency	
	701.0051 Autism Training	37,409.65
	<i>Total for Texas Education Agency</i>	<u>37,409.65</u>
720	University of Texas System	
	720.0002 Joint Admission Medical Program (JAMP)	14,127.40
	<i>Total for University of Texas System</i>	<u>14,127.40</u>

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Texas Tech University (733)
 Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies (continued)
 For the Year Ended August 31, 2015

Agency Number	Agency Name Grant ID / Grant Description	Amount
781	Texas Higher Education Coordinating Board	
	781.0008 TEXAS Grant Program	11,740,250.00
	781.0010 Advanced Research Program	46,986.06
	781.0020 Engineering Recruitment Program	6,046.16
	781.0021 Texas Research Incentive Program HB51	8,081,615.01
	781.0023 College Work Study Program	145,726.00
	781.0026 College Readiness Initiative	6,941.00
	781.0028 Top 10% Scholarships	347,000.00
	781.0029 Work Study Mentorship Program	65,000.00
	781.0039 Outreach and Success	38,850.29
	<i>Total for Texas Higher Education Coordinating Board</i>	<u>20,478,414.52</u>
802	Texas Parks and Wildlife	
	802.0074 Orchid Conservation: Species Status Assessments and Field Biology	(168.49)
	802.0075 HEG Quail Habitat Improvements on Private Lands in the Rolling Plains of TX	163,425.15
	802.0076 Mapping Suitable Habitat for TX Horned Lizards in Central TX	793.53
	802.0093 Waterfowl Use and Carrying Capacity of Stock Ponds in the Oaks and Prairies and Rolling Plains of Texas	115,420.43
	802.0095 Hill Country STEM Natural Resource Adventures LP Com Research	1,622.39
	<i>Total for Texas Parks and Wildlife</i>	<u>281,093.01</u>
	Total State Grant Pass-through Revenues from Other State Agencies	<u>\$ 22,573,868.47</u>
Pass-through to:		
555	Texas A&M AgriLife Extension Service	
	733.0002 An Integrated Approach to Water Conservation	\$ 79,359.14
	<i>Total for Texas A&M AgriLife Extension Service</i>	<u>79,359.14</u>
556	Texas A&M AgriLife Research	
	733.0002 An Integrated Approach to Water Conservation	6,257.82
	<i>Total for Texas A&M AgriLife Research</i>	<u>6,257.82</u>
	Total State Grant Pass-through Expenditures to Other State Agencies	<u>\$ 85,616.96</u>

Texas Tech University (733)
Schedule 2A - Miscellaneous Bond Information
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
Schedule 2B - Changes in Bonded Indebtedness
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
Schedule 2C - Debt Service Requirements
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
Schedule 2D - Analysis of Funds Available for Debt Service
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
Schedule 2E - Defeased Bonds Outstanding
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
Schedule 2F - Early Extinguishment and Refunding
For the Year Ended August 31, 2015

Schedule Not Applicable

Texas Tech University (733)
 Schedule 3 - Reconciliation of Cash in State Treasury
 For the Year Ended August 31, 2015

Cash in State Treasury	Unrestricted	Restricted	Current Year Total
Local Revenue Fund 0255	\$ 3,694,365.91	\$	\$ 3,694,365.91
Total Cash in State Treasury	\$ 3,694,365.91	\$	\$ 3,694,365.91