

UNAUDITED

ANNUAL FINANCIAL REPORT

of

Prairie View A&M University

For the Year Ended August 31, 2016

With Comparative Totals for the Year Ended August 31, 2015



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

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PRAIRIE VIEW A&M UNIVERSITY
STUDENT ENROLLMENT DATA

CURRENT YEAR

<u>TYPE OF STUDENT</u>	<u>NUMBER OF STUDENTS BY SEMESTER</u>	
	<u>FALL 2015</u>	<u>FALL 2016</u>
Texas Resident	7,540	8,074
Out-of-State	504	516
Foreign	224	276
Total Students	<u>8,268</u>	<u>8,866</u>

HISTORICAL
(Fall Semester)

<u>FISCAL YEAR</u>	<u>HEADCOUNT</u>	<u>SEMESTER CREDIT HOURS</u>
2012-13	8,336	103,179
2013-14	8,250	102,722
2014-15	8,343	103,759
2015-16	8,268	104,851
2016-17	8,866	113,841

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PRAIRIE VIEW A&M UNIVERSITY

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EXHIBIT III
PRAIRIE VIEW A&M UNIVERSITY
STATEMENT OF NET POSITION
FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows		
Current Assets		
Cash & Cash Equivalents [Schedule Three]	\$ 48,227,219.04	\$ 54,147,161.69
Investments		
Derivative Instruments		
Restricted		
Cash & Cash Equivalents [Schedule Three]	7,156,902.09	2,195,891.26
Investments		
Legislative Appropriations	6,476,770.11	5,345,855.86
Receivables, Net [Note 24]		
Federal	5,531,645.64	7,225,615.35
Other Intergovernmental		
Interest and Dividends		
Gifts		
Self-Insured Health and Dental		
Student	1,597,351.14	1,913,015.26
Investment Trades		
Accounts	1,503,813.68	1,130,637.24
Other	1,892,000.00	1,457,000.00
Due From Other Agencies	635,171.79	420,488.64
Due From Other Members	47,978,798.60	30,921,178.43
Due From Other Funds	6,100,633.31	6,708,661.13
Consumable Inventories		
Merchandise Inventories		
Loans and Contracts	25,269.30	17,676.77
Interfund Receivable [Note 12]		
Other Current Assets	13,779,676.49	11,232,773.03
Total Current Assets	<u>\$ 140,905,251.19</u>	<u>\$ 122,715,954.66</u>
Non-Current Assets		
Restricted		
Cash & Cash Equivalents [Schedule Three]	\$ 84,824,348.06	\$ 81,398,598.70
Assets Held By System Office		
Investments [Note 3]		
Loans, Contracts and Other		
Gifts Receivable		
Loans and Contracts	151,931.26	201,579.76
Assets Held By System Office	130,156,219.09	138,991,958.92
Investments [Note 3]		
Interfund Receivable [Note 12]		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	6,797,055.35	6,788,820.35
Construction In Progress	27,158,832.93	18,075,573.86
Other Tangible Capital Assets	474,072.00	474,072.00
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	403,620,432.16	372,095,625.00
Infrastructure	14,467,335.33	13,402,949.76
Facilities and Other Improvements	33,510,246.27	32,658,042.23
Furniture and Equipment	34,646,528.05	30,608,225.72
Vehicles, Boats, and Aircraft	2,931,353.35	3,122,878.33
Other Capital Assets	9,005,445.60	8,873,177.32
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software	1,620,767.40	2,328,123.21
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(236,259,549.85)	(223,542,114.56)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets	<u>\$ 513,105,017.00</u>	<u>\$ 485,477,510.60</u>
Deferred Outflows of Resources [Note 28]		
Unamortized Loss On Refunding Debt	\$	\$
Government Acquisition		
Pensions		
Total Deferred Outflows of Resources	<u>\$</u>	<u>\$</u>
Total Assets and Deferred Outflows	<u>\$ 654,010,268.19</u>	<u>\$ 608,193,465.26</u>

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EXHIBIT III
PRAIRIE VIEW A&M UNIVERSITY
STATEMENT OF NET POSITION
FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities		
Payables		
Accounts	\$ 5,789,918.54	\$ 3,397,920.70
Payroll	5,751,057.73	4,837,858.17
Investment Trades		
Self-Insured Health and Dental		
Student	251,161.94	100,796.83
Other	571,526.08	491,723.55
Interfund Payable [Note 12]		513,308.07
Due to Other Agencies	608,753.23	807,916.92
Due to Other Funds	6,100,633.31	6,708,661.13
Due to Other Members	8,501,081.68	14,658,878.94
Funds Held for Investment		
Unearned Revenue	36,419,563.19	33,242,720.24
Employees' Compensable Leave	483,416.52	529,363.62
Claims and Judgments		
Notes and Loans Payable [Note 5]		
Bonds Payable [Note 6]		
Capital Lease Obligations		
Liabilities Payable From Restricted Assets		
Funds Held for Others	8,181,205.21	7,991,859.54
Other Current Liabilities	59,148.49	53,966.14
Total Current Liabilities	<u>\$ 72,717,465.92</u>	<u>\$ 73,334,973.85</u>
Non-Current Liabilities		
Interfund Payable [Note 12]	\$	\$
Employees' Compensable Leave	4,362,899.27	4,075,610.28
Other Post Employment Benefits [Note 11]		
Pension Liability [Note 9]		
Claims and Judgments		
Notes and Loans Payable [Note 5]		
Bonds Payable [Note 6]		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Funds Held for Others		
Capital Lease Obligations		
Other Non-Current Liabilities	70,000.00	40,000.00
Total Non-Current Liabilities	<u>\$ 4,432,899.27</u>	<u>\$ 4,115,610.28</u>
Deferred Inflows of Resources [Note 28]		
Pension	\$	\$
Total Deferred Inflows of Resources	<u>\$</u>	<u>\$</u>
Total Liabilities and Deferred Inflows	<u>\$ 77,150,365.19</u>	<u>\$ 77,450,584.13</u>
Net Position		
Net Investment In Capital Assets	\$ 297,972,518.59	\$ 264,885,373.22
Restricted for		
Debt Service		
Capital Projects	9,607,243.70	20,728,945.27
Education	18,869,848.55	16,388,018.14
Endowment and Permanent Funds		
Nonexpendable	54,018,771.56	52,537,541.18
Expendable	15,818,414.34	16,472,295.91
Unrestricted	180,573,106.26	159,730,707.41
Total Net Position [Exhibit IV]	<u>\$ 576,859,903.00</u>	<u>\$ 530,742,881.13</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 654,010,268.19</u>	<u>\$ 608,193,465.26</u>

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EXHIBIT IV
PRAIRIE VIEW A&M UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Tuition and Fees	\$ 79,641,255.53	\$ 78,778,923.05
Discounts and Allowances	(38,032,616.91)	(33,675,226.56)
Professional Fees	40,795.39	6,028.76
Auxiliary Enterprises	19,153,169.00	16,734,332.99
Discounts and Allowances	(4,808,164.43)	(4,016,689.52)
Other Sales of Goods and Services	1,823,456.66	3,036,997.28
Discounts and Allowances		
Interest Revenue		
Federal Revenue - Operating	15,655,486.14	12,924,969.48
Federal Pass Through Revenue	114,766.46	315,468.25
State Grant Revenue		
State Pass Through Revenue	10,262,991.34	9,399,871.44
Other Grants and Contracts - Operating	509,177.64	717,212.81
Other Operating Revenue	3,730,956.22	3,806,036.69
Total Operating Revenues	<u>\$ 88,091,273.04</u>	<u>\$ 88,027,924.67</u>
Operating Expenses		
Instruction	\$ 43,270,308.39	\$ 41,428,778.01
Research	12,499,549.76	11,831,979.42
Public Service	9,206,734.68	8,313,039.87
Academic Support	21,554,366.02	22,017,125.24
Student Services	14,412,993.38	12,319,782.64
Institutional Support	17,011,377.66	17,457,876.59
Operation & Maintenance of Plant	17,194,023.75	15,836,155.99
Scholarships & Fellowships	16,528,703.28	18,379,855.86
Auxiliary	27,625,605.53	23,087,489.71
Depreciation/Amortization	14,743,502.60	13,300,338.54
Total Operating Expenses [Schedule IV-1]	<u>\$ 194,047,165.05</u>	<u>\$ 183,972,421.87</u>
Total Operating Income [Loss]	<u>\$ (105,955,892.01)</u>	<u>\$ (95,944,497.20)</u>
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 57,430,831.36	\$ 52,312,968.03
Federal Revenue Non-Operating	32,457,825.01	30,410,968.15
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	2,467,171.10	3,004,826.74
Investment Income	8,003,591.04	(3,258,295.70)
Investing Activities Expense	(382,997.74)	(376,290.99)
Interest Expense	(7,359.51)	(27,533.58)
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets	61,210.26	
Settlement of Claims	(10,000.00)	
Other Nonoperating Revenues	109,692.23	77,545.43
Other Nonoperating [Expenses]	(2,095,501.70)	(1,585,151.03)
Total Nonoperating Revenues [Expenses]	<u>\$ 98,034,462.05</u>	<u>\$ 80,559,037.05</u>
Income [Loss] Before Other Revenues and Transfers	<u>\$ (7,921,429.96)</u>	<u>\$ (15,385,460.15)</u>

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SCHEDULE IV-1
 PRAIRIE VIEW A&M UNIVERSITY
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX
 FOR THE YEAR ENDED AUGUST 31, 2016

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>ACADEMIC SUPPORT</u>	<u>STUDENT SERVICES</u>
Natural Classification					
Cost of Goods Sold	\$	\$	\$	\$ 610.50	\$
Salaries & Wages	31,288,929.94	7,745,020.21	5,275,452.69	9,301,120.21	5,801,811.82
Payroll Related Costs	8,773,736.44	1,727,476.87	1,312,817.22	2,152,927.14	1,524,619.82
Payroll Related Costs-TRS Pension					
Professional Fees & Services	213,543.42	137,361.00	466,470.91	3,956,916.35	1,440,244.59
Travel	460,236.69	294,155.05	443,649.73	627,703.92	478,348.27
Materials & Supplies	1,515,657.79	1,145,656.31	672,801.27	3,602,426.19	1,226,606.64
Communication & Utilities	212,724.58	387,443.58	162,544.19	141,115.80	187,695.68
Repairs & Maintenance	145,529.03	274,351.14	148,778.25	193,778.54	1,804,724.65
Rentals & Leases	240,843.68	82,340.75	109,768.16	183,085.29	550,178.17
Printing & Reproduction	62,553.21	51,358.11	35,387.34	27,382.28	160,061.51
Federal Pass-Through		156,634.51	22,982.18	100,930.43	
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					(43,703.00)
Interest	310.38	20.13	81.56	1,679.70	332.64
Scholarships	75,971.43	47,007.72	3,890.55	379,270.75	339,575.54
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses	<u>280,271.80</u>	<u>450,724.38</u>	<u>552,110.63</u>	<u>885,418.92</u>	<u>942,497.05</u>
Total Operating Expenses	<u>\$ 43,270,308.39</u>	<u>\$ 12,499,549.76</u>	<u>\$ 9,206,734.68</u>	<u>\$ 21,554,366.02</u>	<u>\$ 14,412,993.38</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>
\$	\$	\$	\$	\$	\$ 610.50	\$
8,735,507.48	1,205,190.36	1,473,077.53	5,583,724.29		76,409,834.53	72,925,563.50
3,059,923.00	317,296.58	15,588.64	1,498,762.08		20,383,147.79	19,152,916.51
1,408,591.27	6,961,830.19		3,463,208.36		18,048,166.09	24,940,891.88
238,099.10	15,352.66	2,233.60	1,103,963.42		3,663,742.44	3,267,324.58
445,939.23	751,661.30	2,217.70	1,785,052.63		11,148,019.06	10,040,845.37
59,538.64	4,383,177.16		807,856.72		6,342,096.35	7,321,059.83
615,587.14	3,466,524.06		2,688,426.84		9,337,699.65	5,428,937.65
102,591.04	13,346.80		944,076.09		2,226,229.98	1,961,774.11
295,272.27	1,571.34		82,827.73		716,413.79	451,734.03
					280,547.12	229,007.36
				14,743,502.60	14,743,502.60	13,300,338.54
384.83	23.80		192.01		(43,703.00)	13,865.11
2,347.22		14,922,596.53	1,121,495.58		3,025.05	983.89
2,333.12					16,892,155.32	18,530,510.84
					2,333.12	
<u>2,045,263.32</u>	<u>78,049.50</u>	<u>112,989.28</u>	<u>8,546,019.78</u>		<u>13,893,344.66</u>	<u>6,406,668.67</u>
<u>\$ 17,011,377.66</u>	<u>\$ 17,194,023.75</u>	<u>\$ 16,528,703.28</u>	<u>\$ 27,625,605.53</u>	<u>\$ 14,743,502.60</u>	<u>\$ 194,047,165.05</u>	<u>\$ 183,972,421.87</u>

[Exhibit IV]

UNAUDITED

EXHIBIT V
PRAIRIE VIEW A&M UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities		
Proceeds Received From Tuition and Fees	\$ 45,148,172.18	\$ 45,953,748.21
Proceeds Received From Customers	1,018,912.94	3,155,648.25
Proceeds From Grants and Contracts	25,009,535.84	22,297,005.70
Proceeds From Auxiliary Enterprises	14,260,847.17	14,098,921.41
Proceeds From Loan Programs		
Proceeds From Other Operating Revenues	3,736,138.57	3,785,764.35
Payments to Suppliers for Goods and Services	(63,413,825.27)	(60,437,552.92)
Payments to Employees	(95,638,440.87)	(90,886,181.22)
Payments for Loans Provided	36,110.47	(30,942.20)
Payments for Other Operating Expenses	(19,345,779.05)	(21,099,910.90)
Net Cash Provided [Used] By Operating Activities	\$ (89,188,328.02)	\$ (83,163,499.32)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 56,625,983.63	\$ 49,974,448.20
Proceeds From Gifts	2,467,171.10	3,036,274.82
Proceeds From Endowments	435,158.01	364,522.54
Proceeds From Transfers From Other Funds	258,183.00	209,478.00
Proceeds From Other Grant Receipts	32,457,825.01	31,393,886.22
Proceeds From Other Noncapital Financing Activities	3,581,926.84	98,430.96
Payments of Interest		
Payments for Transfers to Other Funds	(73,880.00)	(884,803.95)
Payments for Grant Disbursements		
Payments for Other Noncapital Financing Uses		(4,535,909.24)
Other Noncapital Transfers From/To System	17,763,622.57	20,295,493.52
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 113,515,990.16	\$ 99,951,821.07
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$ 67,030.00	\$
Proceeds From Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Payables		
Proceeds From Other Financing Activities		
Proceeds From Capital Contributions		
Payments for Additions to Capital Assets	(17,290,354.98)	(10,580,976.67)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments of Interest On Debt Issuance	(7,359.51)	(27,533.58)
Payments for Interfund Receivables	(513,308.07)	(622,991.21)
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	2,007,282.23	1,268,997.70
Intrasystem Transfers for Capital Debt [Mandatory]	(13,599,465.21)	(9,922,192.90)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	(8,981,002.19)	(1,965,285.32)
Net Cash Provided [Used] By Capital and Related Financing Act.	\$ (38,317,177.73)	\$ (21,849,981.98)
Cash Flows From Investing Activities		
Proceeds From Sales of Investments	\$	\$
Sales and Purchases of Investments Held By System	9,628,731.55	(18,030,424.36)
Proceeds From Interest and Investment Income	3,401,852.22	2,897,674.33
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ 13,030,583.77	\$ (15,132,750.03)
Net Increase [Decrease] In Cash and Cash Equivalents	\$ (958,931.82)	\$ (20,194,410.26)
Cash and Cash Equivalents, Beginning of Year Restatement	\$ 56,343,052.95	\$ 76,537,463.21
Cash and Cash Equivalents, Beginning of Year, As Restated	\$ 56,343,052.95	\$ 76,537,463.21
Cash and Cash Equivalents, End of Year [Sch Three]	\$ 55,384,121.13	\$ 56,343,052.95

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SCHEDULE N-2
 PRAIRIE VIEW A&M UNIVERSITY
 NOTE 2 - CAPITAL ASSETS
 FOR THE YEAR ENDED AUGUST 31, 2016

	BALANCE 9-1-15	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 6,788,820.35	\$	\$
Construction In Progress	18,075,573.86		(35,437,916.79)
Other Tangible Capital Assets	474,072.00		
Total Non-Depreciable/Non-Amortizable Assets	\$ 25,338,466.21	\$	\$ (35,437,916.79)
Depreciable Assets			
Buildings	\$ 372,095,625.00	\$	\$ 33,521,327.18
Infrastructure	13,402,949.76		1,064,385.57
Facilities and Other Improvements	32,658,042.23		852,204.04
Furniture and Equipment	30,608,225.72		
Vehicles, Boats and Aircraft	3,122,878.33		
Other Capital Assets	8,873,177.32		
Total Depreciable Assets at Historical Cost	\$ 460,760,898.36	\$	\$ 35,437,916.79
Less Accumulated Depreciation for			
Buildings	\$ (156,456,099.80)	\$	\$
Infrastructure	(3,773,108.72)		
Facilities and Other Improvements	(30,417,986.10)		
Furniture and Equipment	(22,066,197.23)		
Vehicles, Boats and Aircraft	(2,363,466.37)		
Other Capital Assets	(6,137,133.13)		
Total Accumulated Depreciation	\$ (221,213,991.35)	\$	\$
Depreciable Assets, Net	\$ 239,546,907.01	\$	\$ 35,437,916.79
Amortizable Assets - Intangible			
Computer Software	\$ 2,328,123.21	\$	\$
Total Intangible Assets at Historical Cost	\$ 2,328,123.21	\$	\$
Less Accumulated Amortization for			
Computer Software	\$ (2,328,123.21)	\$	\$
Total Accumulated Amortization	\$ (2,328,123.21)	\$	\$
Amortizable Assets, Net	\$	\$	\$
Capital Assets, Net	\$ 264,885,373.22	\$	\$

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	ADDITIONS	DELETIONS	BALANCE 8-31-16
\$	\$	\$ 8,235.00	\$	\$ 6,797,055.35
32,637,916.79		11,883,259.07		27,158,832.93
				474,072.00
<u>\$ 32,637,916.79</u>	<u>\$</u>	<u>\$ 11,891,494.07</u>	<u>\$</u>	<u>\$ 34,429,960.28</u>
\$	\$	\$	\$ (1,996,520.02)	\$ 403,620,432.16
				14,467,335.33
				33,510,246.27
		5,074,830.86	(1,036,528.53)	34,646,528.05
		191,761.77	(383,286.75)	2,931,353.35
		132,268.28		9,005,445.60
<u>\$</u>	<u>\$</u>	<u>\$ 5,398,860.91</u>	<u>\$ (3,416,335.30)</u>	<u>\$ 498,181,340.76</u>
\$	\$	\$ (10,955,094.90)	\$ 1,498.20	\$ (167,409,696.50)
		(499,697.35)		(4,272,806.07)
		(236,919.30)		(30,654,905.40)
		(2,377,993.27)	936,694.15	(23,507,496.35)
		(252,973.85)	380,519.15	(2,235,921.07)
		(420,823.93)		(6,557,957.06)
<u>\$</u>	<u>\$</u>	<u>\$ (14,743,502.60)</u>	<u>\$ 1,318,711.50</u>	<u>\$ (234,638,782.45)</u>
<u>\$</u>	<u>\$</u>	<u>\$ (9,344,641.69)</u>	<u>\$ (2,097,623.80)</u>	<u>\$ 263,542,558.31</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (707,355.81)</u>	<u>\$ 1,620,767.40</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (707,355.81)</u>	<u>\$ 1,620,767.40</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 707,355.81</u>	<u>\$ (1,620,767.40)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 707,355.81</u>	<u>\$ (1,620,767.40)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>\$ 32,637,916.79</u>	<u>\$</u>	<u>\$ 2,546,852.38</u>	<u>\$ (2,097,623.80)</u>	<u>\$ 297,972,518.59</u>