ANNUAL FINANCIAL REPORT

of

Tarleton State University

For the Year Ended August 31, 2016 With Comparative Totals for the Year Ended August 31, 2015



F. Dominic Dottavio, Ph.D. President

Tye V. Minckler, Ed.D., CMA, CEFP Vice President for Finance & Administration

Lori L. Beaty, CPA Assistant Vice President for Finance & Administration/Controller

TARLETON STATE UNIVERSITY

STUDENT ENROLLMENT DATA

CURRENT YEAR

	NUMBER OF STUDI	ENTS BY SEMESTER
TYPE OF STUDENT	FALL 2015	FALL 2016
Texas Resident	12,021	12,776
Out-of-State	230	226
Foreign	82	55
Total Students	12,333	13,057

HISTORICAL (Fall Semester)

FISCAL YEAR	HEADCOUNT	SEMESTER CREDIT HOURS
2012-13	10,276	117,791
2013-14	10,937	126,510
2014-15	11,681	136,263
2015-16	12,333	142,504

TARLETON STATE UNIVERSITY

TABLE OF CONTENTS

EXHIBITS

<u>REFERENCE</u>		<u>PAGE</u>
III	Statement of Net Position	713-1-1
IV	Statement of Revenues, Expenses, and Changes in Net Position	713-2-1
IV - 1	Schedule of NACUBO Function to Natural Classification	713-3-1
V	Statement of Cash Flows	713-4-1
	SCHEDULES	
THREE	Schedule of Cash & Cash Equivalents	713-13-1
N-2	Note 2 - Capital Assets	713-14-1

EXHIBIT III TARLETON STATE 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] Investments	\$	27,848,737.30	\$	23,672,234.50
Derivative Instruments				
Restricted				
Cash & Cash Equivalents [Schedule Three]		1,154,616.44		867,043.30
Investments		2 210 712 07		2.460.511.07
Legislative Appropriations Receivables, Net [Note 24]		2,210,712.97		2,469,511.97
Federal		3,450,732.87		10,517,641.49
Other Intergovernmental				
Interest and Dividends Gifts		58,333.00		65,145.65
Self-Insured Health and Dental		36,333.00		05,145.05
Student		986,992.46		2,113,060.78
Investment Trades		000 500 14		207.056.04
Accounts Other		998,589.14 699,700.77		297,856.84 33,759.79
Due From Other Agencies		602,735.64		820,370.89
Due From Other Members		6,154,876.27		6,955,017.50
Due From Other Funds				200 (25 (4
Consumable Inventories Merchandise Inventories		327,433.57		308,635.64
Loans and Contracts		327,966.12		6,704.76 802,298.29
Interfund Receivable [Note 12]		027,500.12		002,2,0.2,
Other Current Assets	_	15,766,757.14	_	7,185,314.93
Total Current Assets	\$	60,588,183.69	\$	56,114,596.33
	1		Ť	,,.,
Non-Current Assets Restricted				
Cash & Cash Equivalents [Schedule Three]	\$		\$	
Assets Held By System Office Investments [Note 3]		32,985,179.18		32,167,155.70
Loans, Contracts and Other Gifts Receivable		58,333.00		116,667.00
Loans and Contracts		30,333.00		110,007.00
Assets Held By System Office		102,984,878.85		100,093,862.13
Investments [Note 3]				
Interfund Receivable [Note 12] Capital Assets, Non-Depreciable [Note 2]				
Land and Land Improvements		4,799,836.72		4,616,922.05
Construction In Progress		26,889,825.60		18,696,817.04
Other Tangible Capital Assets		1,423,800.63		1,423,800.63
Land Use Rights Other Intensible Conited Access				
Other Intangible Capital Assets Capital Assets, Depreciable [Note 2]				
Buildings and Building Improvements		217,815,052.63		214,261,178.21
Infrastructure		24,065,159.50		23,958,763.00
Facilities and Other Improvements		21,891,177.04		17,576,147.97
Furniture and Equipment Vehicles, Boats, and Aircraft		25,305,517.49 1,591,542.09		23,276,671.33 1,603,570.09
Other Capital Assets		8,933,734.93		9,039,548.73
Intangible Capital Assets, Amortized [Note 2] Land Use Rights				
Computer Software		674,186.29		674,186.29
Other Intangible Capital Assets				
Accumulated Depreciation/Amortization Assets Held In Trust		(155,019,476.24)		(142,737,410.78)
Other Non-Current Assets		5,019,060.75		5,019,060.75
one from current rissels	_	0,012,000.70	_	2,015,000.72
Total Non-Current Assets	\$	319,417,808.46	\$	309,786,940.14
Deferred Outflows of Resources [Note 28]				
Unamortized Loss On Refunding Debt	\$		\$	
Government Acquisition	,		Ċ	
Pensions			_	
Total Deferred Outflows of Resources	\$		\$	
Total Deferred Outrons of Resources	<u>\$</u>		Ψ	
Total Assets and Deferred Outflows	\$	380,005,992.15	\$	365,901,536.47

EXHIBIT III TARLETON STATE 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	¢	10,053,016.06	Φ	3.184.920.59
Payroll	\$	5,701,699.29	\$	4,799,184.90
Investment Trades		3,701,077.27		1,777,101.70
Self-Insured Health and Dental				
Student		234,983.66		213,476.94
Other		268,378.99		211,959.33
Interfund Payable [Note 12] Due to Other Agencies				
Due to Other Funds				
Due to Other Members		5,710,238.67		372,262.45
Funds Held for Investment		- , ,		, , , , ,
Unearned Revenue		44,149,781.16		38,226,064.37
Employees' Compensable Leave		467,445.11		451,297.87
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		3,135,601.56		2,329,243.11
Other Current Liabilities		1,106,801.25	_	1,580,643.79
Total Comment Link Weign	.	70 927 045 75	d.	51 260 052 25
Total Current Liabilities	\$	70,827,945.75	\$	51,369,053.35
Non-Current Liabilities				
Interfund Payable [Note 12]	\$		\$	
Employees' Compensable Leave		3,256,270.68		3,049,240.32
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				3,763,509.59
Capital Lease Obligations		100 000 00		110 000 00
Other Non-Current Liabilities	_	100,000.00	_	110,000.00
Total Non-Current Liabilities	\$	3,356,270.68	\$	6,922,749.91
Tom Ton Current Emonates	<u> </u>	5,550,270.00	<u> </u>	0,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Deferred Inflows of Resources [Note 28]				
Pension	\$		\$	
Total Deferred Inflores of Decourage	¢		•	
Total Deferred Inflows of Resources	\$		\$	
Total Liabilities and Deferred Inflows	\$	74,184,216.43	\$	58,291,803.26
Total Elabilities and Deterred Innows	Ψ_	71,101,210.15	Ψ.	30,271,003.20
Net Position				
Net Investment In Capital Assets	\$	178,370,356.68	\$	172,390,194.56
Restricted for				
Debt Service Capital Projects		5,045,987.67		6,429,724.04
Education		19,892,565.65		20,367,644.46
Endowment and Permanent Funds		17,072,505.05		20,507,011.10
Nonexpendable		22,857,763.47		22,342,750.64
Expendable		10,427,602.40		10,670,967.58
Unrestricted	_	69,227,499.85		75,408,451.93
	¢	205 921 775 72	¢	207 600 722 21
Total Nat Desition [Exhibit IV]	\$_	305,821,775.72	\$	307,609,733.21
Total Net Position [Exhibit IV]				
Total Net Position [Exhibit IV] Total Liabilities, Deferred Inflows, and Net Position	\$	380,005,992.15	\$	365,901,536.47

EXHIBIT IV TARLETON STATE 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	\$	89,989,836.55	\$	83,022,004.46
Discounts and Allowances		(17,463,935.83)		(17,844,236.04)
Professional Fees		29 650 021 17		26 502 912 21
Auxiliary Enterprises Discounts and Allowances		28,650,931.17 (4,650,144.91)		26,593,812.21 (4,995,620.02)
Other Sales of Goods and Services		2,839,494.74		2,854,267.32
Discounts and Allowances		2,000,101171		2,00 1,207.02
Interest Revenue		591.35		3,544.58
Federal Revenue - Operating		4,903,759.05		7,985,205.60
Federal Pass Through Revenue		1,205,298.33		1,209,666.62
State Grant Revenue		138,601.19		25,000.00
State Pass Through Revenue		7,657,492.04		6,914,204.81
Other Grants and Contracts - Operating		1,128,129.26		556,413.57
Other Operating Revenue	_	557,059.26		514,449.05
Total Operating Revenues	\$	114,957,112.20	\$	106,838,712.16
Operating Expenses				
Instruction	\$	59,295,934.07	\$	55,956,943.64
Research		8,263,265.89		8,411,792.42
Public Service		2,333,493.46		2,193,255.26
Academic Support		12,185,776.55		11,061,123.84
Academic Support		10,392,362.26		8,244,367.03
Student Services		10,372,302.20		
Student Services Institutional Support		13,059,869.57		10,092,461.23
Student Services Institutional Support Operation & Maintenance of Plant		13,059,869.57 15,365,154.08		15,429,501.06
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships		13,059,869.57 15,365,154.08 13,483,416.17		15,429,501.06 14,331,596.46
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary		13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17		15,429,501.06 14,331,596.46 28,584,273.60
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships	_	13,059,869.57 15,365,154.08 13,483,416.17		15,429,501.06 14,331,596.46
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary	<u> </u>	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17	\$	15,429,501.06 14,331,596.46 28,584,273.60
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization	<u> </u>	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13	<u>\$</u>	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss]		13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35		15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1]		13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35		15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses]	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15)	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense Borrower Rebates and Agent Fees	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10 (249,043.39)	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61) (251,926.87)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense Borrower Rebates and Agent Fees Gain [Loss] On Sale or Disposal of Capital Assets	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10 (249,043.39) (1,482.56)	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense Borrower Rebates and Agent Fees Gain [Loss] On Sale or Disposal of Capital Assets Settlement of Claims	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10 (249,043.39) (1,482.56) (1,021.75)	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61) (251,926.87) 2,046.19
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense Borrower Rebates and Agent Fees Gain [Loss] On Sale or Disposal of Capital Assets	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10 (249,043.39) (1,482.56)	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61) (251,926.87)
Student Services Institutional Support Operation & Maintenance of Plant Scholarships & Fellowships Auxiliary Depreciation/Amortization Total Operating Expenses [Schedule IV-1] Total Operating Income [Loss] Nonoperating Revenues [Expenses] Legislative Revenue Federal Revenue Non-Operating Federal Pass Through Non-Operating State Pass Through Non-Operating Gifts Investment Income Investing Activities Expense Interest Expense Borrower Rebates and Agent Fees Gain [Loss] On Sale or Disposal of Capital Assets Settlement of Claims Other Nonoperating Revenues	\$	13,059,869.57 15,365,154.08 13,483,416.17 31,513,668.17 12,603,483.13 178,496,423.35 (63,539,311.15) 47,106,999.50 18,520,810.55 1,502,655.07 5,311,388.10 (249,043.39) (1,482.56) (1,021.75) 458,685.69	\$	15,429,501.06 14,331,596.46 28,584,273.60 12,024,661.35 166,329,975.89 (59,491,263.73) 43,190,223.62 17,865,527.73 1,442,788.59 (1,260,367.61) (251,926.87) 2,046.19 26,742.49

EXHIBIT IV TARLETON STATE UNIVERSITY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL			PRIOR YEAR TOTAL
Other Revenues and Transfers				
Capital Contributions	\$	22,354.40	\$	480,160.41
Capital Appropriations [Higher Education Fund]				
Additions to Permanent and Term Endowments		479,357.80		1,165,701.24
Special Items				
Extraordinary Items				
Transfers In				
Transfers From Other State Agencies		237,813.00		206,019.00
Mandatory Transfers From Other Members				
Nonmandatory Transfers From Other Members		6,386,396.41		5,413,632.58
Nonmandatory Transfers From Members/Agencies-Cap Assets				7,253,956.12
Transfers Out				
Transfers to Other State Agencies		344,546.67		(1,181,164.39)
Mandatory Transfers to Other Members		(5,986,103.18)		(5,812,644.13)
Nonmandatory Transfers to Other Members		(6,657,639.74)		
Nonmandatory Transfers to Members/Agencies - Cap Assets				
Legislative Transfers - In		313,127.00		
Legislative Transfers - Out		(4,926,012.00)		(4,921,235.00)
Legislative Appropriations Lapsed	_		_	
Total Other Revenues and Transfers	\$	(9,786,159.64)	\$	2,604,425.83
Change In Net Position	\$	(1,787,957.49)	\$	1,699,686.35
Net Position, Beginning of Year	\$	307,609,733.21	\$	305,910,046.86
Restatement	_			
Net Position, Beginning of Year, Restated	\$	307,609,733.21	\$	305,910,046.86
Net Position, End of Year	\$	305,821,775.72	\$	307,609,733.21

SCHEDULE IV-1 TARLETON STATE UNIVERSITY NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX FOR THE YEAR ENDED AUGUST 31, 2016

	I	NSTRUCTION	_	RESEARCH	P	UBLIC SERVICE	_	ACADEMIC SUPPORT	_	STUDENT SERVICES
Natural Classification										
Cost of Goods Sold	\$	203.19	\$		\$	9,021.04	\$	122,526.86	\$	2,171.45
Salaries & Wages		40,730,996.75		4,625,978.05		960,495.82		6,303,102.94		5,189,256.17
Payroll Related Costs Payroll Related Costs-TRS Pension		10,268,329.08		1,198,391.63		175,357.86		1,782,669.13		1,410,245.18
Professional Fees & Services		1,671,191.17		673,554.82		292,078.46		369,089.96		772,259.62
Travel		1,622,986.50		258,124.05		102,925.03		358,439.66		546,011.78
Materials & Supplies		2,525,949.25		545,401.04		210,285.31		1,105,679.58		987,649.33
Communication & Utilities		169,691.29		56,531.35		19,541.35		1,259,804.32		115,513.66
Repairs & Maintenance		637,667.60		514,853.53		22,577.99		265,927.43		101,401.46
Rentals & Leases		871,832.23		45,942.71		310,031.36		161,830.57		371,373.36
Printing & Reproduction		41,044.60		1,048.97		20,227.56		56,854.50		180,672.88
Federal Pass-Through				89,791.41						
State Pass-Through										
Depreciation & Amortization										
Bad Debt Expense										12,539.84
Interest		5.07								17.08
Scholarships		38,343.00		3,047.00		36,500.00		19,548.04		
Claims & Losses										
Net Change In OPEB Obligation										
Other Operating Expenses	_	717,694.34	_	250,601.33	_	174,451.68	_	380,303.56		703,250.45
Total Operating Expenses	\$	59,295,934.07	\$	8,263,265.89	\$	2,333,493.46	\$	12,185,776.55	\$	10,392,362.26

т	NSTITUTIONAL	OPERATION & MAINTENANCE	CCI	HOLARSHIPS &			Г	EPRECIATION &			PRIOR
1						ALIXII IADX	_		TOTAL		
_	SUPPORT	OF PLANT	F	ELLOWSHIPS	_	AUXILIARY		AMORTIZATION	 TOTAL	_	YEAR
\$		\$	\$		\$	35,740.20	\$		\$ 169,662.74	\$	169,771.57
	5,758,997.20	944,568.60		91,672.74		6,231,710.61			70,836,778.88		65,482,132.10
	3,106,715.01	749,415.54		1,293.20		1,662,269.28			20,354,685.91		18,379,182.50
	1,417,690.17	9,734,968.60		1,586.81		12,300,115.12			27,232,534.73		22,791,397.44
	177,784.77	24,450.73				492,720.16			3,583,442.68		3,343,773.64
	497,937.05	882,147.67				1,750,069.57			8,505,118.80		6,895,718.93
	171,182.13	2,100,707.53				1,566,857.60			5,459,829.23		6,023,338.86
	102,508.60	72,053.98				181,449.43			1,898,440.02		2,077,284.49
	195,286.45	782,105.50				4,739,182.27			7,477,584.45		8,186,675.21
	102,744.02	2,868.72				78,948.73			484,409.98		605,495.82
									89,791.41		57,148.38
								12,603,483.13	12,603,483.13		12,024,661.35
									12,539.84		(27,522.62)
	4.95								27.10		154.94
				13,256,863.42		1,333,024.67			14,687,326.13		15,527,174.99
	1 520 010 22	71,867.21		122 000 00		1 1/1 500 52			5 100 769 32		4 702 500 20
-	1,529,019.22	/1,80/.21	_	132,000.00	-	1,141,580.53	-		 5,100,768.32	_	4,793,588.29
\$	13,059,869.57	\$ 15,365,154.08	\$	13,483,416.17	\$	31,513,668.17	\$	12,603,483.13	\$ 178,496,423.35	\$	166,329,975.89
					_		_				

[Exhibit IV]

EXHIBIT V TARLETON STATE 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	\$	73,802,937.44	\$	70,756,752.83
Proceeds Received From Customers		3,652,134.99		2,127,855.48
Proceeds From Grants and Contracts		13,516,742.19		23,134,490.23
Proceeds From Auxiliary Enterprises		23,613,477.73		21,602,155.09
Proceeds From Loan Programs		437,642.37		51,669.24
Proceeds From Other Operating Revenues		75,068.14		635,622.73
Payments to Suppliers for Goods and Services Payments to Employees		(54,212,530.92)		(56,980,279.56)
Payments for Loans Provided		(90,065,772.80)		(83,177,588.50)
Payments for Other Operating Expenses		(23,169,506.33)		(16,384,677.22)
Net Cash Provided [Used] By Operating Activities	\$	(52,349,807.19)	\$	(38,233,999.68)
	Ψ	(32,347,807.17)	Ψ	(38,233,777.08)
Cash Flows From Noncapital Financing Activities	Φ.	47 (70 005 50	¢.	44 240 045 21
Proceeds From State Appropriations	\$	47,678,925.50	\$	44,340,045.21
Proceeds From Gifts Proceeds From Endowments		1,567,801.72 479,357.80		1,274,418.91 1,165,701.24
Proceeds From Transfers From Other Funds		582,359.67		206,019.00
Proceeds From Other Grant Receipts		25,910,338.55		17,436,728.70
Proceeds From Other Noncapital Financing Activities		5,799,564.32		3,977,993.67
Payments of Interest		- , ,		. , ,
Payments for Transfers to Other Funds				(1,181,164.39)
Payments for Grant Disbursements				
Payments for Other Noncapital Financing Uses		(2,070,993.42)		(791,278.88)
Other Noncapital Transfers From/To System		808,756.67		1,651,911.79
Transfers Between Fund Groups	_		_	
Net Cash Provided [Used] By Noncapital Financing Activities	\$	80,756,110.81	\$	68,080,375.25
Cash Flows From Capital and Related Financing Activities				
Proceeds From Sale of Capital Assets	\$	8,805.00	\$	2,046.19
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 Powments for Additions to Conital Accepts		(10.462.419.24)		(15 516 526 45)
Payments for Additions to Capital Assets Payments of Principal On Debt		(19,462,418.24)		(15,516,536.45)
Payments for Capital Leases				
Payments of Interest On Debt Issuance				
Payments for Interfund Receivables				
Payments of Other Costs On Debt Issuance				
Transfer of Capital Debt Proceeds From System [Nonmandatory]		5,534,430.86		4,795,779.79
Intrasystem Transfers for Capital Debt [Mandatory]		(10,912,115.18)		(10,733,879.13)
Intrasystem Transfers for Construction Proceeds [Non-Mand]	_	(464,234.63)	_	331,872.92
Net Cash Provided [Used] By Capital and Related Financing Act.	\$	(25,295,532.19)	\$	(21,120,716.68)
Cash Flows From Investing Activities				
Proceeds From Sales of Investments	\$		\$	
Sales and Purchases of Investments Held By System		(785,654.80)		(4,264,222.11)
Proceeds From Interest and Investment Income		2,138,959.31		2,267,854.87
Payments to Acquire Investments	_			
Net Cash Provided [Used] By Investing Activities	\$	1,353,304.51	\$	(1,996,367.24)
let Increase [Decrease] In Cash and Cash Equivalents	\$	4,464,075.94	\$	6,729,291.65
	\$	24,539,277.80	\$	17,809,986.15
ash and Cash Equivalents, Beginning of Year	Ψ	2.,007,277.00	Ψ	1,,507,700.13
ash and Cash Equivalents, Beginning of Year estatement	_			
estatement	\$	24,539,277.80	\$	17,809,986.15
	<u>\$</u> \$	24,539,277.80 29,003,353.74	\$	17,809,986.15 24,539,277.80

EXHIBIT V TARLETON STATE UNIVERSITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AUGUST 31, 2016

		CURRENT YEAR TOTAL		PRIOR YEAR TOTAL
Reconciliation of Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities	\$		\$	
Operating Income [Loss]	Ψ	(63,539,311.15)	Ψ	(59,491,263.73)
Adjustments to Reconcile Operating Income [Loss] to Net Cash Provided [Used] By Operating Activities				
Amortization and Depreciation		12,603,483.13		12,024,661.35
Bad Debt Expense Operating Income [Loss] and Cash Flow Categories Classification Differences		381,826.09		407,121.35
Changes In Assets and Liabilities				
[Increase] Decrease In Receivables		(2,078,381.22)		7,263,655.56
[Increase] Decrease In Due From Other Funds		217,635.25		(89,590.03)
[Increase] Decrease In Due From System Members		(34,289.63)		57,326.42
[Increase] Decrease In Inventories		(12,093.17) (8,300,416.21)		26,096.68
[Increase] Decrease In Prepaid Expenses [Increase] Decrease In Loans and Contracts		422,992.40		(864,589.31) 7,297.51
[Increase] Decrease In Coans and Conducts		422,332.40		1,291.31
Increase [Decrease] In Payables		6,694,909.12		(2,235,122.59)
Increase [Decrease] In Due to Other Agencies/Funds				
Increase [Decrease] In Due to System Members		22,210.85		(29,351.21)
Increase [Decrease] In Unearned Revenue		1,606,303.25		4,354,696.92
Increase [Decrease] In Employees' Compensable Leave		(437,853.50) 223,177.60		163,559.80 51,501.60
Increase [Decrease] In Employees' Compensable Leave Increase [Decrease] In OPEB Liability Increase [Decrease] In Pension Liability		223,177.00		31,301.00
Increase [Decrease] In Self Insured Accrued Liability				
Increase [Decrease] In Other Liabilities		(120,000.00)		120,000.00
Total Adjustments	\$	11,189,503.96	\$	21,257,264.05
Net Cash Provided [Used] By Operating Activities	\$	(52,349,807.19)	\$	(38,233,999.68)
Non-Cash Transactions				
Non-Cash Transactions Donation of Capital Assets	\$	22,354.40	\$	480,160.41
Donation of Capital Assets Net Change In Fair Value of Investments	\$	22,354.40 1,964,604.52	\$,
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt	\$,	\$	480,160.41 (8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts	\$,	\$,
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts	\$,	\$,
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)
Donation of Capital Assets Net Change In Fair Value of Investments Refunding of Long Term Debt Amortization of Bond Premiums and Discounts Borrowing Under Capital Lease Purchase	\$	1,964,604.52	\$	(8,231,379.64)

SCHEDULE THREE TARLETON STATE UNIVERSITY SCHEDULE OF CASH & CASH EQUIVALENTS FOR THE YEAR ENDED AUGUST 31, 2016

	CURRENT YEAR TOTAL	
Cash & Cash Equivalents		
Current Assets		
Cash On Hand Cashiers Account	\$	10,000,00
Petty Cash Department Working Fund		10,000.00 1,707.00
Tetty Cash Department Working Fund	_	1,707.00
Total Cash On Hand	\$	11,707.00
Cash In Bank	\$	895,730.16
Cash In State Treasury		
Fund 0243		1,826,541.10
Total Cash In State Treasury	\$	1,826,541.10
Reimbursements Due From State Treasury	\$	2 043 732 00
Assets Held By System Offices-Current	Þ	2,043,732.99 23,071,026.05
Assets field by System Offices-Current	_	23,071,020.03
Total Current Cash and Cash Equivalents [Exhibit III]	\$	27,848,737.30
, , , , , , , , , , , , , , , , , , , ,	<u> </u>	.,,
Restricted		
Assets Held By System Offices-Current	\$	1,154,616.44
Total Restricted Cash and Cash Equivalents [Exhibit III]	\$	1,154,616.44
Total Cook & Cook Essentiate (Establish)	¢.	20,002,252,74
Total Cash & Cash Equivalents [Exhibit V]	\$	29,003,353.74

SCHEDULE N-2 TARLETON STATE 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	\$	4,616,922.05	\$	\$	
Construction In Progress		18,696,817.04			(9,032,556.32)
Other Tangible Capital Assets		1,423,800.63		_	
Total Non-Depreciable/Non-Amortizable Assets	\$	24,737,539.72	\$	\$	(9,032,556.32)
Depreciable Assets					
Buildings	\$	214,261,178.21	\$	\$	4,611,130.75
Infrastructure		23,958,763.00			106,396.50
Facilities and Other Improvements		17,576,147.97			4,315,029.07
Furniture and Equipment		23,276,671.33			
Vehicles, Boats and Aircraft		1,603,570.09			
Other Capital Assets		9,039,548.73			
Total Depreciable Assets at Historical Cost	\$	289,715,879.33	\$	\$	9,032,556.32
Less Accumulated Depreciation for					
Buildings	\$	(103,972,946.09)	\$	\$	
Infrastructure		(5,936,709.89)			
Facilities and Other Improvements		(7,595,314.38)			
Furniture and Equipment		(16,186,019.31)			
Vehicles, Boats and Aircraft		(1,293,481.83)			
Other Capital Assets		(7,078,752.99)			
Total Accumulated Depreciation	\$	(142,063,224.49)	\$	\$	
Depreciable Assets, Net	\$	147,652,654.84	\$	\$	9,032,556.32
Amortizable Assets - Intangible					
Computer Software	\$	674,186.29	\$	\$	
Total Intangible Assets at Historical Cost	\$	674,186.29	\$	\$	
Less Accumulated Amortization for					
Computer Software	\$	(674,186.29)	\$	\$	
Total Accumulated Amortization	\$	(674,186.29)	\$	\$	
Amortizable Assets,Net	\$		\$	\$	
Capital Assets, Net	\$	172,390,194.56	\$	\$	
	_			_	

INC-INTERAGENCY TRANSACTIONS	DEC-INTERAGENCY TRANSACTIONS	 ADDITIONS	 DELETIONS	_	BALANCE 8-31-16
\$	\$	\$ 182,914.67 17,225,564.88	\$	\$	4,799,836.72 26,889,825.60 1,423,800.63
\$	\$	\$ 17,408,479.55	\$ 	\$	33,113,462.95
\$	\$	\$	\$ (1,057,256.33)	\$	217,815,052.63 24,065,159.50 21,891,177.04
		2,098,478.86 144,230.73	(69,632.70) (12,028.00) (250,044.53)		25,305,517.49 1,591,542.09 8,933,734.93
\$	\$	\$ 2,242,709.59	\$ (1,388,961.56)	\$	299,602,183.68
\$	\$	\$ (8,270,604.69) (995,950.84) (806,837.37)	\$	\$	(112,243,550.78) (6,932,660.73) (8,402,151.75)
		(2,105,886.29) (91,886.84) (332,317.10)	 59,345.14 12,028.00 250,044.53		(18,232,560.46) (1,373,340.67) (7,161,025.56)
\$	\$	\$ (12,603,483.13)	\$ 321,417.67	\$	(154,345,289.95)
\$	\$	\$ (10,360,773.54)	\$ (1,067,543.89)	\$	145,256,893.73
\$	\$	\$	\$	\$	674,186.29
\$	\$	\$ 	\$ 	\$	674,186.29
\$	\$	\$ 	\$ 	\$	(674,186.29)
\$	\$	\$	\$ 	\$	(674,186.29)
\$	\$	\$	\$	\$	
\$	\$	\$ 7,047,706.01	\$ (1,067,543.89)	\$	178,370,356.68