Texas Higher Education Coordinating Board

Annual Financial Report

For the Year Ended August 31, 2012

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

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TEXAS HIGHER EDUCATION
COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

Fred W. Heldenfels IV
CHAIR

Harold W. Hahn
VICE CHAIR

Dennis D. Golden, O.D.
SECRETARY OF THE BOARD

Ryan T. Bridges
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James H. Lee
Janelle Shepard
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Raymund A. Paredes
COMMISSIONER
OF HIGHER EDUCATION

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November 20, 2012

To: Honorable Rick Perry, Governor
Honorable Susan Combs, Texas Comptroller
Ursula Parks, Acting Director, Legislative Budget Board
John Keel, CPA, State Auditor

From: Raymund A. Paredes RAP

RE: Annual Financial Report

We are pleased to submit the annual financial report of the Texas Higher Education Coordinating Board for the year ended 08/31/2012, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

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*, the Comptroller of Public Accounts does not require the accompanying Annual Financial Report to comply with all of 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.

If you have any questions, please contact Ken Martin, Director, Financial Planning and Reporting, at (512) 427-6173. Glenn Osher may be contacted at (512) 427-6174 for questions related to the Schedule of Expenditures of Federal Awards.

Enclosure

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
COMBINED BALANCE SHEET
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2012

	GOVERNMENTAL FUND TYPES				
	General (Exhibit A-1)	Special Revenue (Exhibit B-1)	Debt Service (Exhibit C-1)	Permanent (Exhibit E-1)	TOTALS
ASSETS					
Current Assets:					
Cash:					
Shared Funds	$ 315,370.10	$ 513,224.22	$	$	$ 828,594.32
On Hand	100.00				100.00
In Bank			8,103.48		8,103.48
In State Treasury	139,800,888.52	188,237,652.36	17,802,670.12	7,402,253.15	353,243,464.15
Legislative Appropriations	98,701,622.67				98,701,622.67
Investments			93,008,721.54		93,008,721.54
Receivable From:					
Accounts Receivable	946,215.76		354,767.00	30,519.85	1,331,502.61
Federal	9,490,956.34				9,490,956.34
Interest and Dividends (net of Allowance for Doubtful Accounts of $3,805,665.77)	42,947.67	9,167,726.54	212,405.53	2,624.42	9,425,704.16
Due From Other Agencies (Note 12)	4,150,882.09			778,024.16	4,928,906.25
Prepaid Items	42,950.82				42,950.82
Loans & Contracts (net of Allowance for Doubtful Accounts of $2,457,354.02)	3,768,344.50				3,768,344.50
Restricted:					
Loans & Contracts (net of Allowance for Doubtful Accounts of $15,491,421.29)	7,167,073.46	74,445,945.86			81,613,019.32
Total Current Assets	264,427,351.93	272,364,548.98	111,386,667.67	8,213,421.58	656,391,990.16
Non-Current Assets:					
Investments			7,788,059.90		7,788,059.90
Receivable From:					
Interest and Dividends (net of Allowance for Doubtful Accounts of $478,434.76)	218,103.74				218,103.74
Loans & Contracts (net of Allowance for Doubtful Accounts of $23,588,524.88)	36,172,927.14				36,172,927.14
Restricted:					
Receivable From:					
Interest and Dividends (net of Allowance for Doubtful Accounts of $36,052,745.00)	4,911.37	88,002,217.25			88,007,128.62
Loans & Contracts (net of Allowance for Doubtful Accounts of $148,704,571.50)	68,797,857.08	714,618,257.20			783,416,114.28
Total Non-Current Assets	105,193,799.33	802,620,474.45	7,788,059.90		915,602,333.68
TOTAL ASSETS	$ 369,621,151.26	$ 1,074,985,023.43	$ 119,174,727.57	$ 8,213,421.58	$ 1,571,994,323.84

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT I
COMBINED BALANCE SHEET
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2012

	GOVERNMENTAL FUND TYPES				
	General (Exhibit A-1)	Special Revenue (Exhibit B-1)	Debt Service (Exhibit C-1)	Permanent (Exhibit E-1)	TOTALS
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Payables from:					
Accounts - Vendors	$ 212,089.37	$ 90,060.00	$	$	$ 302,149.37
Accounts - Grants and Loans	10,312,547.80	1,054,357.81	18,482.25	537,673.55	11,923,061.41
Payroll	1,592,767.63				1,592,767.63
Due To Other Agencies (Note 12)	5,348,775.31				5,348,775.31
Deferred Revenues	24,000.00				24,000.00
Total Liabilities	17,490,180.11	1,144,417.81	18,482.25	537,673.55	19,190,753.72
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances (Deficits):					
Nonspendable-Prepaid Items	42,950.82				42,950.82
Nonspendable-LT Contract and Receivables	36,391,030.88				36,391,030.88
Restricted	1,743,331.88	1,073,840,605.62	119,156,245.32		1,194,740,182.82
Committed	216,627,391.79			7,675,748.03	224,303,139.82
Assigned	119,942.98				119,942.98
Unassigned	97,206,322.80				97,206,322.80
Total Fund Balances	352,130,971.15	1,073,840,605.62	119,156,245.32	7,675,748.03	1,552,803,570.12
TOTAL LIABILITIES AND FUND BALANCES	$ 369,621,151.26	$ 1,074,985,023.43	$ 119,174,727.57	$ 8,213,421.58	$ 1,571,994,323.84

The accompanying notes to the financial statements are an integral part of this financial statement.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
For the Year Ended August 31, 2012

	GOVERNMENTAL FUND TYPES				
	General (Exhibit A-2)	Special Revenue (Exhibit B-2)	Debt Service (Exhibit C-2)	Permanent (Exhibit E-2)	TOTALS
REVENUES					
Legislative Appropriations:					
Original Legislative Appropriation Revenue	$ 1,435,164,544.19	$	$	$	$ 1,435,164,544.19
Additional Legislative Appropriation Revenue	1,882,708.06				1,882,708.06
Tax Revenues	34,608,437.27				34,608,437.27
Federal Revenues	15,358,630.25	119,843.80	19,967.12		15,498,441.17
Federal Grant Pass-Through Revenues	31,591,882.73				31,591,882.73
State Grant Pass-Through Revenues	19,924,201.85				19,924,201.85
Licenses, Fees and Permits	2,519,694.03	9,649,153.46			12,168,847.49
Interest and Investment Income	898,454.32	49,808,174.74	1,033,081.75	2,188,144.81	53,927,855.62
Other Revenues	14,979,399.17				14,979,399.17
Total Revenues	1,556,927,951.87	59,577,172.00	1,053,048.87	2,188,144.81	1,619,746,317.55
EXPENDITURES					
Salaries & Wages	15,630,259.73				15,630,259.73
Payroll Related Costs	3,660,751.94				3,660,751.94
Professional Fees & Services	5,551,838.33	436,635.48			5,988,473.81
Travel	181,361.12				181,361.12
Materials & Supplies	854,925.49				854,925.49
Communication & Utilities	328,209.05				328,209.05
Repairs & Maintenance	287,695.13				287,695.13
Rentals & Leases	2,477,561.43				2,477,561.43
Printing & Reproduction	(45,872.28)				(45,872.28)
Federal Grant Pass-Through Expenditures	13,288,111.42				13,288,111.42
State Grant Pass-Through Expenditures	347,878,962.01	2,000.00		1,918,931.68	349,799,893.69
Claims & Judgements	65,000.00				65,000.00
Intergovernmental Payments	1,091,370,956.17			2,905,268.12	1,094,276,224.29
Public Assistance Payments	31,288,144.96				31,288,144.96
Other Expenditures	13,518,792.82	14,934,843.58			28,453,636.40
Debt Service:					
Principal			59,430,000.00		59,430,000.00
Interest			31,724,558.82		31,724,558.82
Other Financing Fees		1,095,764.18			1,095,764.18
Total Expenditures	1,526,336,697.32	16,469,243.24	91,154,558.82	4,824,199.80	1,638,784,699.18
Excess (Deficiency) Of Revenues Over Expenditures	30,591,254.55	43,107,928.76	(90,101,509.95)	(2,636,054.99)	(19,038,381.63)

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
For the Year Ended August 31, 2012

	GOVERNMENTAL FUND TYPES				
	General (Exhibit A-2)	Special Revenue (Exhibit B-2)	Debt Service (Exhibit C-2)	Permanent (Exhibit E-2)	TOTALS
OTHER FINANCING SOURCES (USES)					
Bond and Note Proceeds	$	$ 85,615,000.00	$	$	$ 85,615,000.00
Premium on Sale of Bonds		14,737,131.15			14,737,131.15
Discount on Sale of Bonds		(356,293.75)			(356,293.75)
Appropriations Lapsed	(2,917,906.69)				(2,917,906.69)
Transfers In (Note 12)	67,759,628.17	7,095,923.17	104,135,264.67	3,423,717.28	182,414,533.29
Transfers Out (Note 12)	(4,365,518.22)	(114,360,972.36)	(6,000,000.00)		(124,726,490.58)
Total Other Financing Sources (Uses)	60,476,203.26	(7,269,211.79)	98,135,264.67	3,423,717.28	154,765,973.42
Net Change in Fund Balances\Net Assets	91,067,457.81	35,838,716.97	8,033,754.72	787,662.29	135,727,591.79
Fund Financial Statement-Fund Balances					
Fund Balances-September 1, 2011	260,839,115.96	1,038,001,888.65	111,122,490.60	6,888,085.74	1,416,851,580.95
Restatements (Note 14)	224,397.38				224,397.38
Fund Balances-September 1, 2011, as Restated	261,063,513.34	1,038,001,888.65	111,122,490.60	6,888,085.74	1,417,075,978.33
FUND BALANCES - August 31, 2012	$ 352,130,971.15	$ 1,073,840,605.62	$ 119,156,245.32	$ 7,675,748.03	$ 1,552,803,570.12

The accompanying notes to the financial statements are an integral part of this financial statement.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT VI
COMBINED STATEMENT OF FIDUCIARY NET ASSETS
For the Year Ended August 31, 2012

	Perm Endowment Fund - Baylor College of Medicine Fund (0823) U/F (0823)	Child Support Deds-Suspense Account Fund (0807) U/F (8070)	TOTALS
ASSETS			
Current Assets:			
Cash			
In State Treasury	$ 356,976.17	$ 1,695.97	$ 358,672.14
Receivables From			
Interest and Dividends	1.25		1.25
Total Current Assets	356,977.42	1,695.97	358,673.39
TOTAL ASSETS	356,977.42	1,695.97	358,673.39
LIABILITIES			
Current Liabilities:			
Payables from			
Accounts - Grants and Loans	356,977.42		356,977.42
Funds Held for Others		1,695.97	1,695.97
Total Current Liabilities	356,977.42	1,695.97	358,673.39
TOTAL LIABILITIES	356,977.42	1,695.97	358,673.39
NET ASSETS			
Held in trust for			
Individuals, Organizations, and Other Government	0.00	0.00	0.00
TOTAL NET ASSETS	$ 0.00	$ 0.00	$ 0.00

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT VII
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For the Year Ended August 31, 2012

	Perm Endowment Fund - Baylor College of Medicine Fund (0823) U/F (0823)
ADDITIONS	
Investment Income:	
From Investing Activities:	
Interest and Investment Income	$ 337.63
Total Investing Income	337.63
Net Income from Investing Activities	337.63
Other Additions:	
Transfers In (Note 12)	1,436,508.67
Total Other Additions	1,436,508.67
Total Additions	1,436,846.30
DEDUCTIONS	
Intergovernmental Payments	1,436,846.30
Total Deductions	1,436,846.30
NET INCREASE (DECREASE)	
Net Assets-September 1, 2011	0.00
NET ASSETS-August 31, 2012	$ 0.00

The accompanying notes to the financial statements are an integral part of this financial statement.

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Texas Higher Education Coordinating Board (THECB) 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' *Reporting Requirements for Annual Financial Reports of State Agencies and Universities*.

The Texas Legislature created the THECB in 1965 to achieve excellence for college education for the people of Texas. This purpose is to be pursued through the efficient and effective utilization and concentration of all available resources and the elimination of costly duplication in program offerings, faculties, and physical plants. The THECB is responsible for overall statewide planning for the unified development of the Texas system of higher education.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion 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; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-wide Adjustment Fund Types

General Fund
The general fund is used to account for all financial resources of the state except those required to be accounted for in another fund. As of August 31, 2012, the THECB had several funds which were reported in other fund groups during prior years, but were later consolidated into the state's general fund as directed by the legislature. These consolidated funds include the following: B-On-Time Student Loan, 5th Year Accounting Student Scholarships, Physician Loan Repayment, Collegiate License Plate Scholarships, Houston Livestock Show License Plate Scholarships, Girl Scouts License Plate Scholarships, Cotton Boll License Plate Scholarships, and Boy Scouts License Plate Scholarships.

Special Revenue Funds
Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to use for specified purposes. The funds used by the THECB during FY 2012 consisted of the following: Texas Opportunity Plan, Student Loan Auxiliary, and Student Loan Revenue Bonds.

Debt Service Funds
Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest. The funds used by the THECB during FY 2012 consisted of the following: Texas College Student Loan Bonds Interest and Sinking Fund, and the Student Loan Revenue Bond Interest and Sinking Fund.

Permanent funds
Permanent funds are used to account for the proceeds of specific revenue sources that are legally restricted to use for specified purposes. The funds used by the THECB during FY 2012 consisted of the following: Permanent Fund for Nursing, Allied Health, Baylor COM Permanent Health, and Permanent Fund for Minority Health Research and Education.

Fiduciary Fund Types

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust fund is used.

Agency Funds
Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. The agency funds used by the THECB during FY 2012 consisted of the Child Support Deductions Suspense Account.

Private-Purpose Trust Funds
Private-purpose trust funds are used to account for all other trust arrangements whose principal and interest benefit individuals, private organizations, or other governments. The trust fund used by the THECB during FY 2012 consisted of the Baylor College of Medicine Permanent Endowment Fund.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for fund financial statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid employee compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity will be recognized in these fund types.

Proprietary funds, pension trust funds, external investment trust funds and private-purpose trust funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds principal ongoing operations. Operating expenses for the enterprise and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

D. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the Legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse sixty days after the end of the fiscal year for which they were appropriated.

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET ASSETS

ASSETS

Cash and Cash Equivalents
Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Investments
Investments held in Texas Treasury Safekeeping Trust Company at fair value.

Interest Receivable
Interest Receivable consists of interest earned or accrued that is not due to be received until after the balance sheet date. Interest Receivable is derived from interest due from the State Treasury for the interest bearing cash and loans issued from the student loan program and is reported net of allowance for doubtful accounts.

Student Loan Notes Receivable
Federal and state student loans are reported at their outstanding principal balances net of allowance for doubtful accounts. Student loans are recorded at cost when disbursed and are serviced by THECB throughout the life of the loan – school, grace, and repayment.

Allowance for Doubtful Accounts
The allowance for doubtful accounts includes the estimated amount of student loans that will be forgiven or will not be collected due to default. The allowance is calculated based on loan status, loan type, and current collection trends. Guarantees of certain loans are provided by U.S. Department of Education and U.S. Department of Health and Human Services.

Restricted Assets
Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of special revenue fund general obligation and revenue bonds, contractual commitments due to the THECB from the loan of these proceeds, as well as revenues set aside for statutory or contractual requirements. Assets held in reserve for guaranteed student loan defaults are also included.

LIABILITIES

Accounts Payable
Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees' Compensable Leave Balances
Employees' compensable leave balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the statement of net assets.

Capital Lease Obligations
Capital lease obligations represent the liability for future lease payments under capital lease contracts contingent upon the appropriation of funding by the Legislature. Liabilities are reported separately as either current or non-current in the statement of net assets.

Deferred Revenues
Deferred revenues consist of revenues that have been received but have not met the criteria for recognition.

Bonds Payable
The unmatured principle of bonds is accounted for in the Long-Term Liabilities Adjustment column. Payables are reported separately as either current or non-current in the statement of net assets.

Serial interest bonds payable are recorded at par. The bond proceeds are accounted for as an "Other Financing Source" in the governmental funds when received, and expenditures for payment of principal and interest are recorded in Debt Service Funds when paid.

FUND BALANCE/NET ASSETS

The difference between fund assets and liabilities is 'Net Assets' on the government-wide and fiduciary fund statements, and the 'Fund Balance' is the difference between fund assets and liabilities on the governmental fund statements.

Nonspendable
Fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted
Fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.

Committed
Fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.

Assigned
Fund balance includes amounts constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned
Fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

GASB 54 Note Disclosures:

A. The Special Revenue Fund is comprised of the Texas Opportunity Plan Fund (TOP) and the Student Loan Auxiliary Fund (SLA). These Special Revenue Funds are used to account for the proceeds of bond issues and repayment of student loans in excess of what is required to be deposited in the Debt Service Fund to make loans to students attending Texas colleges and universities. The TOP Fund reflects bonds issued prior to 1992 and the funds are used to make Hinson-Hazlewood loans. The SLA Fund is for bond activity subsequent to 1992 and is used to make Hinson-Hazlewood loans and B-On-Time loans.

B. The State of Texas spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balances.

C. See GASB 54 Fund Balance classification by purpose table (see following pages).

D. There are no stabilization arrangements with THECB.

E. The State of Texas does not have a minimum fund balance policy.

F. INTERFUND ACTIVITIES AND BALANCES

The THECB has the following types of transactions between funds:

Transfers: Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

GASB 54 Fund Balance Classification by Purpose (as of August 31, 2012)

	Consolidated Funds								
	0001	**0542**	**5015**	**5034**	**5052**	**5103**	**5119**	**5126**	**5140**
Fund Balances	General Fund	Physicians Loan Repay	License Plate Scholarships	Houston Rodeo Scholarships	Girl Scout Scholarships	B-On-Time	Cotton Boll Scholarships	Boy Scout Scholarships	College for TX Scholarships
Nonspendable - Prepaids									
Hinson-Hazlewood Loan Program	$ 42,950.82								
Nonspendable - LT Contract and Receivables									
Armed Services Scholarships	454,180.08								
Student Financial Aid Programs	33,213,137.22								
Teach for Texas Programs	2,723,713.58								
Restricted:									
Advise Texas	51,154.90								
Close The Gaps	816,899.31								
Debt Service									
Federal Programs	368,711.16								
Operating & Support	41,605.23								
Physician - LRP	167,025.00								
Student Financial Aid Programs	155,902.96								
Student Loans									
T-STEM Scholarship	53,500.00								
TX HE Res Ctr Adm-Houston End	88,533.32								
Committed:									
Baylor CM Permanent Health Fun									
License Plate Scholarships			87,194.27	3,625.20	808.45		5,654.14	2,533.63	3,294.39
Minority Health Research/Ed									
Nursing & Allied Health									
OAG Attorney – LRP	555,576.24								
Physician - LRP									
Physician Education Loan Repay		16,000.00							
Promote Participation & Success	566,471.64								
Student Financial Aid Programs						161,619,256.00			
Assigned:									
Common Application	1.03								
Conferences	119,841.95								
Petty Cash	100.00								
Unassigned:									
ABE Community College Grants	5,232,863.00								
Advanced Research Program	613,302.07								
Alzhimer's Disease Center	9,487.87								
Armed Services Scholarships	1,782,492.96								
Baylor College of Medicine GME	2,050,000.00								
Border Co PHD Faculty Ed LRP	5,000.00								
Central Administration	411,688.31								
Children's Medicaid LRP	477.26								
Close The Gaps	31,575.73								
College Readiness Initiatives	6,857,450.18								
Dental Education - LRP	385,266.11								
Developmental Ed Program	2,640,135.94								
Doctoral Incentive Program	795,959.87								
Early High School Grad Program	(494.70)								
Engineering Recruitment Prog	11,082.90								
ETEP Graduate Medical Education	62,351.95								
Family Practice Residency	2,000.00								
Finanical Aid for Prof Nursing	9,517.07								
General Academic Enroll Growth	21,036.86								
Higher Educ Perf Incentive	18,571.88								
Hinson-Hazlewood Loan Program	(171,385.40)								
Info Research Tech-Indirect	7,613.42								
Operating & Support	248,195.54								
Prof Nursing Shortage Reduction	2,504,217.35								
Student Financial Aid Programs	58,597,071.68								
Teach for Texas Programs	292,628.25								
Top 10% Scholarships	14,788,216.70								
Grand Total	$ 136,625,627.24	16,000.00	87,194.27	3,625.20	808.45	161,619,256.00	5,654.14	2,533.63	3,294.39

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)
NOTES TO THE FINANCIAL STATEMENTS

GASB 54 Fund Balance Classification by Purpose (as of August 31, 2012)

	Special Revenue Funds			Permanent Funds			Debt Service Funds		
5144	**0387**	**0601**	**1697**	**0810**	**0824**	**0825**	**0388**	**0697**	
Physician Ed Loan Repay	Texas Opportunity Fund	Student Loan Auxiliary Fund	Revenue Bond Student Loan Fund	Baylor COM Perm Health Fund	Perm Fund Nursing Allied Health	Perm Fund Minority Health Research/Edu	GO Bond Fund	Revenue Bond Fund	**Total**
									$ 42,950.82
									454,180.08
									33,213,137.22
									2,723,713.58
									51,154.90
									816,899.31
							119,149,259.95	6,985.37	119,156,245.32
									368,711.16
									41,605.23
									167,025.00
									155,902.96
	188,573,188.46	882,804,684.78	2,462,732.38						1,073,840,605.62
									53,500.00
									88,533.32
				1.88					1.88
									103,110.08
						3,363,957.98			3,363,957.98
					4,311,788.17				4,311,788.17
									555,576.24
53,766,977.83									53,766,977.83
									16,000.00
									566,471.64
									161,619,256.00
									1.03
									119,841.95
									100.00
									5,232,863.00
									613,302.07
									9,487.87
									1,782,492.96
									2,050,000.00
									5,000.00
									411,688.31
									477.26
									31,575.73
									6,857,450.18
									385,266.11
									2,640,135.94
									795,959.87
									(494.70)
									11,082.90
									62,351.95
									2,000.00
									9,517.07
									21,036.86
									18,571.88
									(171,385.40)
									7,613.42
									248,195.54
									2,504,217.35
									58,597,071.68
									292,628.25
									14,788,216.70
53,766,977.83	188,573,188.46	882,804,684.78	2,462,732.38	1.88	4,311,788.17	3,363,957.98	119,149,259.95	6,985.37	$ 1,552,803,570.12

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2012, is presented below:

	PRIMARY GOVERNMENT				
	Balance 09/01/11	Adjustments/ Restatements	Additions	Deletions	Balance 08/31/12
GOVERNMENTAL ACTIVITIES					
Depreciable Assets					
Furniture and Equipment	904,755.50	5,551.06	-	(108,924.14)	801,382.42
Total Depreciable Assets	904,755.50	5,551.06	-	(108,924.14)	801,382.42
Less Accumulated Depreciation for:					
Furniture and Equipment	(770,022.80)	(3,237.92)	(59,940.13)	108,924.14	(724,276.71)
Total Accumulated Depreciation	(770,022.80)	(3,237.92)	(59,940.13)	108,924.14	(724,276.71)
Depreciable Assets, Net	134,732.70	2,313.14	(59,940.13)	-	77,105.71
Amortizable Assets - Intangible					
Computer Software	43,782.00	-	-	(43,782.00)	-
Total Amortizable Assets - Intangible	43,782.00	-	-	(43,782.00)	-
Less Accumulated Amortization for:					
Computer Software	(43,782.00)	-	-	43,782.00	-
Total Accumulated Amortization	(43,782.00)	-	-	43,782.00	-
Amortizable Assets - Intangible, Net	-		-	-	-
Governmental Activities Capital Assets, Net	$ 134,732.70	$ 2,313.14	$ (59,940.13)	$ -	$ 77,105.71

Note 3 - Deposits, Investments and Repurchase Agreements

THECB is authorized to invest in direct obligations of or unconditionally guaranteed by the United States which are scheduled to mature prior to the date money must be available for use for its intended purpose under Article III, Section 50b *et seq*. of the State Constitution, as amended (the "Constitutional Provision") and Chapter 52, Texas Education Code, as amended ("Chapter 52").

The Comptroller designated the Texas Treasury Safekeeping Trust Company (TTSTC) to manage, disburse, transfer, safekeep and invest the moneys within the funds that are remitted to the TTSTC by THECB. The investment agreement between THECB, the Comptroller of Public Accounts and Texas Safekeeping Trust Company (TTSTC) requires debt service funds to be invested with TTSTC. The Comptroller is the sole officer, director, and shareholder of the trust company (Section 404.104 of the Texas Government Code).

Deposits of Cash in Bank

As of August 31, 2012, the Texas Treasury Safekeeping Trust Company (TTSTC) had uninvested cash in bank deposits of $8,103.48, representing the carrying amount of deposits as presented below.

Governmental Activities	Amount
Bank Balance	$ 8,103.48
Carrying Amount - Cash in Bank	$ 8,103.48

Investments

As of August 31, 2012, the fair value of investments held with TTSTC was $100,796,781.44 as presented below.

Governmental and Business - Type Activities	Fair Value
U. S. Government Obligations held at Texas Treasury Safekeeping Trust Co	$ 100,796,781.44
Total Investments	$ 100,796,781.44

Credit Risk

THECB has no deposit or investment policy that addresses a specific type of risk that it is exposed to. As of Aug. 31, 2012, the agency's credit quality distribution for securities with credit risk exposure was as follows.

Standard & Poor's

Investment Type	AA+
U. S. Government Obligations held at Texas Treasury Safekeeping Trust Co	$ 100,796,781.44

Interest Rate Risk

Interest Rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. To minimize the risk of interest rate fluctuations, the THECB holds U.S. government obligations. Interest rate risk is further mitigated by holding investments to maturity.

NOTE 4: SHORT-TERM DEBT

Not Applicable.

NOTE 5: SUMMARY OF LONG-TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES
During the year ended August 31, 2012, the following changes occurred in liabilities:

Governmental Activities	Balance 09/01/2011	Additions	Reductions	Balance 08/31/2012	Amounts Due Within One Year
General Obligation Bonds Payable	$822,597,307.13	$99,995,837.40	(62,215,800.06)	$860,377,344.47	$62,841,748.63
Compensable Leave	1,734,872.99	1,267,940.89	(1,355,943.99)	1,646,869.89	899,429.12
Total Governmental Activities	$824,332,180.12	$101,263,778.29	(63,571,744.05)	$862,024,214.36	$63,741,177.75

The reductions section for General Obligation Bonds Payable includes a net premium amortization recognized in FY 2012 in the amount of $2,785,800.06. The reduction was based on the Long Term Liability Note presentation in SIRS.

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. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding source(s) from which the employee's salary or wage compensation was paid.

NOTE 6: BONDED INDEBTEDNESS

A. BONDS PAYABLE

Detailed supplementary bond information is disclosed in Schedule 2-A - Miscellaneous Bond Information, Schedule 2-B - Changes in Bonded Indebtedness, Schedule 2-C - Debt Service Requirements, and Schedule 2-D - Analysis of Funds Available For Debt Service.

The THECB issues bonds for educational loans to eligible Texas college students. Payments received on the loan contracts are applied to the debt service on the bonds. As of August 31, 2012, bonds payable consisted of sixteen general obligation issues for student loans totaling $825,100,000. Bond issue dates for all College Student Bonds range from August 4, 1999 to July 25, 2012.

The Texas Constitution limits the amount of bonds that can be issued by the THECB. As of August 31, 2012 the authorized but unissued bonds totaled $1,310,390,152.00 in general obligation bonds.

General Obligation Bonds
All bonds are on a parity basis and are secured by the following pledged collateral:

1. **All monies received from loan payments and the interest thereon**
2. **Bond proceeds, if required, and to the extent permitted by the Act**
3. **First monies coming into the Treasury of the State of Texas not otherwise appropriated by the Constitution, if necessary.**

During FY 2012, the THECB sold $85,615,000.00 State of Texas College Student Loan Bonds, Series 2012. They were issued as General Obligation Bonds, with a delivery date of July 25, 2012. The proceeds of the issue included a Net Original Issue Premium of $14,380,837.40. Costs of Issuance totaled $608,953.43, and were paid out of funds on hand. The proceeds from the Series 2012 Bonds will be used to fund an ongoing student loan program which provides low interest loans to eligible Texas college students.

B. EARLY EXTINGUISHMENT

The THECB did not refund any outstanding bonds during FY 2012.

NOTE 7: DERIVATIVE INSTRUMENTS

Not Applicable.

NOTE 8: OPERATING LEASES

Included in the expenditure reported in the financial statements are the following amounts of rent paid or due under operating leases obligations:

Fund Type	Amount
General Fund	1,395,790.50

The terms of the facility lease allows for the total monthly rent to be adjusted for changes in the Consumer Price Index (CPI) beginning on July 1, 2011 and every year thereafter. The future minimum lease rental payments presented below follow the straight line method in accordance with GASB.

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

Year Ended August 31:	Amount
2013	1,446,965.76
2014	1,446,965.76
2015	1,446,965.76
2016	1,446,965.76
2017	1,446,965.76
2018-2020	4,340,897.29
Total minimum future lease rental payments	$11,575,726.12

NOTE 9: PENSION PLANS

Not Applicable.

NOTE 10: DEFERRED COMPENSATION

Not Applicable.

NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not Applicable.

NOTE 12: INTERFUND BALANCES/ACTIVITIES

As explained in Note 1 on Interfund Activities and Balances there are numerous transactions between funds and agencies. At year-end amounts to be received or paid are reported as Interfund Receivable or Interfund Payable, Due From/Due To Other Agencies or Funds, Transfers In or Transfers Out or Legislative Transfers In or Legislative Transfers Out. Individual balances and activity at August 31, 2012, were as follows:

Interagency Balances:	Due From Other Agencies	Due To Other Agencies
GOVERNMENTAL FUNDS:		
GENERAL FUND:		
Fund 0001:	$ 4,060,393.43	$ 5,033,405.21
Fund 0542:		2,053.58
Fund 5015:	87,194.27	
Fund 5103:		313,316.52
Fund 5140:	3,294.39	
SPECIAL REVENUE FUND:		
Fund 0810:	537,673.55	
Fund 0824:	240,350.61	
Total Due From/Due To Other Agencies (Exh I)	$ 4,928,906.25	$ 5,348,775.31

Operating Transfers:	Transfers In	Transfers Out
GOVERNMENTAL FUNDS:		
GENERAL FUND:		
Fund 0001:	$ 13,819,358.69	$ 3,067,807.42
Fund 0106:		75.06
Fund 5103:	53,498,175.20	1,297,635.74
Fund 5144:	442,094.28	
SPECIAL REVENUE FUND:		
Fund 0387:	2,659,000.00	29,854,777.89
Fund 0601:	4,436,923.17	83,910,404.04
Fund 0697:		595,790.43
DEBT SERVICE FUND:		
Fund 0388:	104,135,264.67	6,000,000.00
PERMANENT FUND:		
Fund 0824:	2,200,550.92	
Fund 0825:	1,223,166.36	
Total Operating Transfers In/Out (Exh II)	$ 182,414,533.29	$ 124,726,490.58
FIDUCIARY FUNDS:		
PRIVATE PURPOSE TRUST FUND		
Fund 0823:	1,436,508.67	
Total Transfers In/Out (Exh VII)	$ 1,436,508.67	$

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, THECB will be abolished effective September 1, 2015, unless continued in existence by the 84th Legislature as provided by the Act. If abolished, THECB may continue until September 1, 2016 to close out its operations. The Sunset Commission has performed a review of THECB and is recommending the continuance of the agency for an additional 12 years. This recommendation is subject to Legislative approval in the 2013 session.

NOTE 14: ADJUSTMENTS TO FUND BALANCE AND NET ASSETS

Restatements as a result of an external audit conducted by KPMG for FY11:

Impact to General Funds:

- **An adjustment to interest receivables and allowance on student loans resulted in a $224,397.38 increase to FY12 beginning fund balance in fund 0001.**

Restatements to Capital Assets:

During FY 12, property was found and added back to SPA as a restatement of 9/1/11 beginning capital asset balance. The restatement resulted in a $2,313.14 increase to fund balance in fund type 11 – Capital Assets.

For FY 2012, fund balances have been restated as follows:

RESTATEMENTS BY GOVERNMENTAL FUND TYPE						
Restatements		General (Exhibit A-2)		FT11 Capital Assets		Totals (All Exhibits)
Fund Bal/Net Assets-September 1, 2011	$	119,708,487.23	$	134,732.70	$	119,843,219.93
Restatements		224,397.38		2,313.14		226,710.52
Fund Bal/Net Assets-September 1, 2011, as restated	$	119,932,884.61	$	137,045.84	$	120,069,930.45

NOTE 15: CONTINGENT LIABILITIES

Unpaid Claims and Lawsuits:

A number of claims against THECB are pending with respect to various matters arising in the normal course of THECB's operations. Legal counsel and THECB's management are of the opinion that settlement of these claims and pending litigation will not have a material effect on THECB's financial statements.

The THECB has received several grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Federal and State Financial Assistance Programs:

THECB has received several financial assistance grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Arbitrage:

Bonds issued after 1986 are subject to arbitrage rebate requirements imposed by section 148 (f) of the Internal Revenue Code of 1986. That provision of the Code requires that any excess earnings from the investment of proceeds of a tax-exempt bond, be rebated to the federal government no later than every five years after the date of issue. In effect, any excess amounts, i.e., earnings that represent a yield higher than the yield on the bonds, will be required to be repaid to the United States government.

It is estimated that $915,006.60 in excess earnings may become due to the federal government at some point in the future. This estimate, however, does not take into account predictions of the next year's activity. Therefore, at the time payment is due to the United States government, it is probable that this figure will have changed and cannot be reasonably determined at this time what amount, if any, may be due.

NOTE 16: SUBSEQUENT EVENTS

Not Applicable.

NOTE 17: RISK MANAGEMENT

THECB is exposed to a variety of potential civil claims and assumes certain risks associated with tort and liability claims resulting from the performance of its duties. It is agency policy to periodically assess the proper combination of commercial insurance and assumption of risk to address potential liability claims. Currently there is no purchase of commercial insurance.

Workers' compensation claims are paid in accordance with the provisions of the State Office of Risk Management, through an assessment payment in a closed and non-voluntary pool of risks with other agencies. THECB's assessment for fiscal year 2012 was $22,636.17. For unemployment compensation claims, the State, and THECB by extension, is generally self-insured, and funds such liabilities on a pay-as-you-go basis. THECB's unemployment compensation total payments for fiscal year 2012 were $62,543.46.

THECB's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities will be reevaluated periodically taking into account current settlements, frequency of claims, past experience, and economic factors.

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS

The THECB issued one bond series in FY 2012 for a total par value of $85,615,000.00. For details related to these bond series, please refer to Note 6 – Bonded Indebtedness within the Notes to the Financial Statements.

NOTE 19: THE FINANCIAL REPORTING ENTITY

Not Applicable.

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Not Applicable.

NOTE 22: DONOR RESTRICTED ENDOWMENTS

Not Applicable.

NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS

Not Applicable.

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Not Applicable.

NOTE 25: TERMINATION BENEFITS

Not Applicable.

NOTE 26: SEGMENT INFORMATION

Not Applicable.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
COMBINING BALANCE SHEET
ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

		Consolidated Funds			
	General (0001) (Note A)	5th Year Acctng Students (0106) U/F (0106)	Physicians Loan Repay (0542) U/F (0542)	License Plate Scholar (5015) U/F (5015)	Houston Rodeo Scholar (5034) U/F (5034)
ASSETS					
Current Assets:					
Cash:					
Shared Funds	$	$	$ 2,053.58	$	$
On Hand	100.00				
In State Treasury			16,000.00		3,625.20
Legislative Appropriations	98,701,622.67				
Receivable From:					
Accounts Receivable	940,547.19				
Federal	9,490,956.34				
Interest and Dividends (net of Allowance for Doubtful Accounts of $64,140.82)	22,721.42				
Due From Other Agencies (Note 12)	4,060,393.43			87,194.27	
Prepaid Items	42,950.82				
Loans & Contracts (net of Allowance for Doubtful Accounts of $2,457,354.02)	3,768,344.50				
Restricted					
Loans & Contracts (net of Allowance for Doubtful Accounts of $4,297,916.09)					
Total Current Assets	117,027,636.37		18,053.58	87,194.27	3,625.20
Non-Current Assets:					
Receivable From:					
Interest and Dividends (net of Allowance for Doubtful Accounts of $478,434.76)	218,103.74				
Loans & Contracts (net of Allowance for Doubtful Accounts of $23,588,524.88)	36,172,927.14				
Restricted:					
Receivable From:					
Interest and Dividends (net of Allowance for Doubtful Accounts of $137,262.91)					
Loans & Contracts (net of Allowance for Doubtful Accounts of $41,256,367.56)					
Total Non-Current Assets	36,391,030.88				
TOTAL ASSETS	$ 153,418,667.25	$	$ 18,053.58	$ 87,194.27	$ 3,625.20

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
COMBINING BALANCE SHEET
ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

Consolidated Funds						
Girl Scout License Plates (5052) U/F (5052)	Texas B-On-Time (5103) U/F (5103)	Cotton Boll License Plates (5119) U/F (5119)	Boy Scout License Plates (5126) U/F (5126)	College for TX License Plates (5140) U/F (5140)	Physician Ed LRP (5144) U/F (5144)	TOTALS (Exhibit I)
$	$ 313,316.52	$	$	$	$	$ 315,370.10
						100.00
808.45	85,643,233.88	5,654.14	2,533.63		54,129,033.22	139,800,888.52
						98,701,622.67
	5,668.57					946,215.76
						9,490,956.34
	511.64				19,714.61	42,947.67
				3,294.39		4,150,882.09
						42,950.82
						3,768,344.50
	7,167,073.46					7,167,073.46
808.45	93,129,804.07	5,654.14	2,533.63	3,294.39	54,148,747.83	264,427,351.93
						218,103.74
						36,172,927.14
	4,911.37					4,911.37
	68,797,857.08					68,797,857.08
	68,802,768.45					105,193,799.33
$ 808.45	$ 161,932,572.52	$ 5,654.14	$ 2,533.63	$ 3,294.39	$ 54,148,747.83	$ 369,621,151.26

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
COMBINING BALANCE SHEET
ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

		Consolidated Funds			
	General (0001) (Note A)	5th Year Acctng Students (0106) U/F (0106)	Physicians Loan Repay (0542) U/F (0542)	License Plate Scholar (5015) U/F (5015)	Houston Rodeo Scholar (5034) U/F (5034)
LIABILITIES AND FUND BALANCES					
Current Liabilities:					
Payables from:					
Accounts - Vendors	$ 212,089.37	$	$	$	$
Accounts - Grants and Loans	9,930,777.80				
Payroll	1,592,767.63				
Due To Other Agencies (Note 12)	5,033,405.21		2,053.58		
Deferred Revenues	24,000.00				
Total Liabilities	16,793,040.01		2,053.58		
FUND FINANCIAL STATEMENT-FUND BALANCES					
Fund Balances (Deficits):					
Nonspendable-Prepaid Items	42,950.82				
Nonspendable-LT Contract and Receivables	36,391,030.88				
Restricted	1,743,331.88				
Committed	1,122,047.88		16,000.00	87,194.27	3,625.20
Assigned	119,942.98				
Unassigned	97,206,322.80				
Total Fund Balances	136,625,627.24	0.00	16,000.00	87,194.27	3,625.20
TOTAL LIABILITIES AND FUND BALANCES	$ 153,418,667.25	$ 0.00	$ 18,053.58	$ 87,194.27	$ 3,625.20

Note A: Includes USAS fund numbers 0001, 0002, and 0369.

The accompanying notes to the financial statements are an integral part of this financial statement.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-1
COMBINING BALANCE SHEET
ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

Consolidated Funds						
Girl Scout License Plates (5052) U/F (5052)	Texas B-On-Time (5103) U/F (5103)	Cotton Boll License Plates (5119) U/F (5119)	Boy Scout License Plates (5126) U/F (5126)	College for TX License Plates (5140) U/F (5140)	Physician Ed LRP (5144) U/F (5144)	TOTALS (Exhibit I)
$	$	$	$	$	$	$ 212,089.37
					381,770.00	10,312,547.80
						1,592,767.63
	313,316.52					5,348,775.31
						24,000.00
	313,316.52				381,770.00	17,490,180.11
						42,950.82
						36,391,030.88
						1,743,331.88
808.45	161,619,256.00	5,654.14	2,533.63	3,294.39	53,766,977.83	216,627,391.79
						119,942.98
						97,206,322.80
808.45	161,619,256.00	5,654.14	2,533.63	3,294.39	53,766,977.83	352,130,971.15
$ 808.45	$ 161,932,572.52	$ 5,654.14	$ 2,533.63	$ 3,294.39	$ 54,148,747.83	$ 369,621,151.26

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES
IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

		Consolidated Funds			
	General (0001) (Note A)	5th Year Acctng Stud (0106) U/F (0106)	Physicians Loan Repay (0542) U/F (0542)	License Plate Scholar (5015) U/F (5015)	Houston Rodeo Scholar (5034) U/F (5034)
REVENUES					
Legislative Appropriations:					
Original Legislative Appropriation Revenue	$ 1,435,164,544.19	$	$	$	$
Additional Legislative Appropriation Revenue	1,882,708.06				
Tax Revenues					
Federal Revenues	15,358,630.25				
Federal Grant Pass-Through Revenues	31,591,882.73				
State Grant Pass-Through Revenues	19,924,201.85				
Licenses, Fees and Permits	762,057.52			72,860.72	7,714.45
Interest and Investment Income	578,803.69				
Other Revenues	14,979,399.17				
Total Revenues	1,520,242,227.46			72,860.72	7,714.45
EXPENDITURES					
Salaries & Wages	15,630,255.65				
Payroll Related Costs	3,660,472.37				
Professional Fees & Services	5,551,838.33				
Travel	181,361.12				
Materials & Supplies	854,925.49				
Communication & Utilities	328,209.05				
Repairs & Maintenance	287,695.13				
Rentals & Leases	2,477,561.43				
Printing & Reproduction	(45,872.28)				
Federal Grant Pass-Through Expenditures	13,288,111.42				
State Grant Pass-Through Expenditures	347,873,957.01	5,005.00			
Claims & Judgements	65,000.00				
Intergovernmental Payments	1,091,370,956.17				
Public Assistance Payments	26,014,605.32				5,839.00
Other Expenditures	3,844,053.20				
Total Expenditures	1,511,383,129.41	5,005.00			5,839.00
Excess (Deficiency) Of Revenues Over Expenditures	8,859,098.05	(5,005.00)		72,860.72	1,875.45

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

Consolidated Funds						
Girl Scout License Plates (5052) U/F (5052)	Texas B-On-Time (5103) U/F (5103)	Cotton Boll License Plates (5119) U/F (5119)	Boy Scout License Plates (5126) U/F (5126)	College for TX License Plates (5140) U/F (5140)	Physician Ed LRP (5144) U/F (5144)	TOTALS (Exhibit II)
$	$	$	$	$	$	$ 1,435,164,544.19
						1,882,708.06
					34,608,437.27	34,608,437.27
						15,358,630.25
						31,591,882.73
						19,924,201.85
2,815.93	1,641,603.19	13,592.38	8,548.68	10,501.16		2,519,694.03
	115,223.46				204,427.17	898,454.32
						14,979,399.17
2,815.93	1,756,826.65	13,592.38	8,548.68	10,501.16	34,812,864.44	1,556,927,951.87
					4.08	15,630,259.73
					279.57	3,660,751.94
						5,551,838.33
						181,361.12
						854,925.49
						328,209.05
						287,695.13
						2,477,561.43
						(45,872.28)
						13,288,111.42
						347,878,962.01
						65,000.00
						1,091,370,956.17
2,155.97		10,475.80	6,466.04	8,757.71	5,239,845.12	31,288,144.96
	9,674,739.62					13,518,792.82
2,155.97	9,674,739.62	10,475.80	6,466.04	8,757.71	5,240,128.77	1,526,336,697.32
659.96	(7,917,912.97)	3,116.58	2,082.64	1,743.45	29,572,735.67	30,591,254.55

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES
IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

		Consolidated Funds			
	General (0001) (Note A)	5th Year Acctng Stud (0106) U/F (0106)	Physicians Loan Repay (0542) U/F (0542)	License Plate Scholar (5015) U/F (5015)	Houston Rodeo Scholar (5034) U/F (5034)
OTHER FINANCING SOURCES (USES)					
Appropriations Lapsed	$ (2,917,906.69)	$	$	$	$
Sale of Capital Assets					
Transfers In (Note 12)	13,819,358.69				
Transfers Out (Note 12)	(3,067,807.42)	(75.06)			
Total Other Financing Sources (Uses)	7,833,644.58	(75.06)			
Net Change in Fund Balances\Net Assets	16,692,742.63	(5,080.06)		72,860.72	1,875.45
Fund Financial Statement-Fund Balances					
Fund Balances-September 1, 2011	119,708,487.23	5,080.06	16,000.00	14,333.55	1,749.75
Restatements (Note 14)	224,397.38				
Fund Balances-September 1, 2011, as Restated	119,932,884.61	5,080.06	16,000.00	14,333.55	1,749.75
FUND BALANCES - August 31, 2012	$ 136,625,627.24	$ 0.00	$ 16,000.00	$ 87,194.27	$ 3,625.20

Note A: Includes USAS fund numbers 0001, 0002, and 0369.

The accompanying notes to the financial statements are an integral part of this financial statement

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT A-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES
IN FUND BALANCES-ALL GENERAL AND CONSOLIDATED FUNDS
For the Year Ended August 31, 2012

Consolidated Funds						
Girl Scout License Plates (5052) U/F (5052)	Texas B-On-Time (5103) U/F (5103)	Cotton Boll License Plates (5119) U/F (5119)	Boy Scout License Plates (5126) U/F (5126)	College for TX License Plates (5140) U/F (5140)	Physician Ed LRP (5144) U/F (5144)	TOTALS (Exhibit II)
$	$	$	$	$	$	$ (2,917,906.69)
	53,498,175.20				442,094.28	67,759,628.17
	(1,297,635.74)					(4,365,518.22)
	52,200,539.46				442,094.28	60,476,203.26
659.96	44,282,626.49	3,116.58	2,082.64	1,743.45	30,014,829.95	91,067,457.81
148.49	117,336,629.51	2,537.56	450.99	1,550.94	23,752,147.88	260,839,115.96
						224,397.38
148.49	117,336,629.51	2,537.56	450.99	1,550.94	23,752,147.88	261,063,513.34
$ 808.45	$ 161,619,256.00	$ 5,654.14	$ 2,533.63	$ 3,294.39	$ 53,766,977.83	$ 352,130,971.15

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT B-1
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
For the Year Ended August 31, 2012

	Texas Opportunity Plan Fund (0387) (Note A)	Student Loan Auxiliary Fund (0601) (Note B)	Revenue Bond Student Loan Fund (0697) U/F (1697)	TOTALS (Exhibit I)
ASSETS				
Current Assets:				
Cash				
Shared Funds	$ 513,224.22	$	$	$ 513,224.22
In State Treasury	39,012,103.97	149,137,639.48	87,908.91	188,237,652.36
Receivables from:				
Accounts Receivable				
Interest and Dividends	1,912,800.80	7,234,977.37	19,948.37	9,167,726.54
(Less Allowance for Doubtful Accounts of ($3,741,524.95)				
Due From Other Agencies (Note 12)				
Restricted:				
Loans and Contracts	12,197,879.73	62,043,956.72	204,109.41	74,445,945.86
(Less Allowance for Doubtful Accounts of ($11,193,505.20)				
Total Current Assets	53,636,008.72	218,416,573.57	311,966.69	272,364,548.98
Non-Current Assets:				
Restricted:				
Receivable from:				
Interest and Dividends	18,361,052.13	69,449,677.59	191,487.53	88,002,217.25
(Less Allowance for Doubtful Accounts of ($35,915,482.09)				
Loans and Contracts	117,089,351.83	595,569,627.21	1,959,278.16	714,618,257.20
(Less Allowance for Doubtful Accounts of ($107,448,203.94)				
Total Non-Current Assets	135,450,403.96	665,019,304.80	2,150,765.69	802,620,474.45
TOTAL ASSETS	$ 189,086,412.68	$ 883,435,878.37	$ 2,462,732.38	$ 1,074,985,023.43
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Payables from:				
Accounts - Vendors	$	$ 90,060.00	$	$ 90,060.00
Accounts - Grants and Loans	513,224.22	541,133.59		1,054,357.81
Total Liabilities	513,224.22	631,193.59		1,144,417.81
FUND FINANCIAL STATEMENT-FUND BALANCES				
FUND BALANCES (DEFICITS):				
Restricted	188,573,188.46	882,804,684.78	2,462,732.38	1,073,840,605.62
Total Fund Balances	188,573,188.46	882,804,684.78	2,462,732.38	1,073,840,605.62
TOTAL LIABILITIES AND FUND BALANCES	$ 189,086,412.68	$ 883,435,878.37	$ 2,462,732.38	$ 1,074,985,023.43

Note A: Includes USAS fund numbers 0300, 0387, 0900, 1387, 2387, and 3387.

Note B: Includes USAS fund numbers 0601, 1601, 2601, 3601, 4601, 5601, 6010, 6011, 6012, 6013, 6014, 6015, 6016, 6017, 6018, 6019, 6020, 6021, 6022, 6023, 6024, 6025, 6026, 6601, & 7601.

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT B-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
For the Year Ended August 31, 2012

	Texas Opportunity Plan Fund (0387) (Note A)	Student Loan Auxiliary Fund (0601) (Note B)	Revenue Bond Student Loan Fund (0697) U/F (1697)	TOTALS (Exhibit II)
REVENUES				
Federal Revenues	$ 16,735.57	$ 101,603.90	$ 1,504.33	$ 119,843.80
Licenses, Fees & Permits	1,373,686.42	8,243,025.91	32,441.13	9,649,153.46
Interest and Investment Income	11,426,042.80	38,102,226.36	279,905.58	49,808,174.74
Total Revenues	12,816,464.79	46,446,856.17	313,851.04	59,577,172.00
EXPENDITURES				
Professional Fees & Services		436,635.48		436,635.48
State Grant Pass-Through Expenditures	2,000.00			2,000.00
Other Expenditures	6,341,230.06	8,384,464.55	209,148.97	14,934,843.58
Other Financing Fees		1,095,764.18		1,095,764.18
Total Expenditures	6,343,230.06	9,916,864.21	209,148.97	16,469,243.24
Excess (Deficiency) of Revenues Over Expenditures	6,473,234.73	36,529,991.96	104,702.07	43,107,928.76
OTHER FINANCING SOURCES (USES)				
Bond and Note Proceeds		85,615,000.00		85,615,000.00
Premium on Sale of Bonds		14,737,131.15		14,737,131.15
Discount on Sale of Bonds		(356,293.75)		(356,293.75)
Transfers In (Note 12)	2,659,000.00	4,436,923.17		7,095,923.17
Transfers Out (Note 12)	(29,854,777.89)	(83,910,404.04)	(595,790.43)	(114,360,972.36)
Total Other Financing Sources (Uses)	(27,195,777.89)	20,522,356.53	(595,790.43)	(7,269,211.79)
Net Change in Fund Balances\Net Assets	(20,722,543.16)	57,052,348.49	(491,088.36)	35,838,716.97
Fund Financial Statement-Fund Balances				
Fund Balances-September 1, 2011	209,295,731.62	825,752,336.29	2,953,820.74	1,038,001,888.65
FUND BALANCES - August 31, 2012	$ 188,573,188.46	$ 882,804,684.78	$ 2,462,732.38	$ 1,073,840,605.62

Note A: Includes USAS fund numbers 0300, 0387, 0900, 1387, 2387, and 3387.

Note B: Includes USAS fund numbers 0601, 1601, 2601, 3601, 4601, 5601, 6010, 6011, 6012, 6013, 6014, 6015, 6016, 6017, 6018, 6019, 6020, 6021, 6022, 6023, 6024, 6025, 6026, 6601, & 7601.

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT C-1

COMBINING BALANCE SHEET - DEBT SERVICE FUNDS

For the Year Ended August 31, 2012

	GO Bond Fund (0388) (Note A)	Revenue Bond Fund (0697) U/F (0697)	TOTALS (Exhibit I)
ASSETS			
Current Assets:			
Cash			
In Bank	$ 8,103.48	$	$ 8,103.48
In State Treasury	17,795,684.75	6,985.37	17,802,670.12
Short Term Investments	93,008,721.54		93,008,721.54
Receivables from:			
Accounts Receivable	354,767.00		354,767.00
Interest and Dividends	212,405.53		212,405.53
Total Current Assets	111,379,682.30	6,985.37	111,386,667.67
Non-Current Assets:			
Investments	7,788,059.90		7,788,059.90
Total Non-Current Assets	7,788,059.90		7,788,059.90
TOTAL ASSETS	$ 119,167,742.20	$ 6,985.37	$ 119,174,727.57
LIABILITIES AND FUND BALANCES			
Liabilities			
Current Liabilities:			
Payables from:			
Accounts - Grants and Loans	$ 18,482.25	$	$ 18,482.25
Total Liabilities	18,482.25		18,482.25
FUND FINANCIAL STATEMENT-FUND BALANCES			
FUND BALANCES (DEFICITS):			
Restricted	119,149,259.95	6,985.37	119,156,245.32
Total Fund Balances	119,149,259.95	6,985.37	119,156,245.32
Total Liabilities and Fund Balances	$ 119,167,742.20	$ 6,985.37	$ 119,174,727.57

Note A: Includes USAS fund numbers 0388, 1388, 2388, 3388, 3800, 3801, 3802, 3803, 3804, 3806, 3807, 3808, 3809, 3810, 3811, 3886, 3887, 4388, 5388, 6388, 7388, 3888, 3889, 3880, 3881, 3882, 3883, 3884 and 3885.

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT C-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES &

CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS

For the Year Ended August 31, 2012

	GO Bond Fund (0388) (Note A)	Revenue Bond Fund (0697) U/F (0697)	TOTALS (Exhibit II)
REVENUES			
Federal Revenues	19,967.12		19,967.12
Interest and Investment Income	$ 1,033,081.75	$	$ 1,033,081.75
Total Revenues	1,053,048.87		1,053,048.87
EXPENDITURES			
Debt Service:			
Principal	59,430,000.00		59,430,000.00
Interest	31,724,558.82		31,724,558.82
Total Expenditures	91,154,558.82		91,154,558.82
Excess (Deficiency) Of Revenues Over Expenditures	(90,101,509.95)		(90,101,509.95)
OTHER FINANCING SOURCES (USES)			
Transfers In (Note 12)	104,135,264.67		104,135,264.67
Transfers Out (Note 12)	(6,000,000.00)		(6,000,000.00)
Total Other Financing Sources (Uses)	98,135,264.67		98,135,264.67
Net Change in Fund Balances\Net Assets	8,033,754.72		8,033,754.72
FUND BALANCES (DEFICITS):			
Fund Balances-September 1, 2011	111,115,505.23	6,985.37	111,122,490.60
FUND BALANCES - August 31, 2012	$ 119,149,259.95	$ 6,985.37	$ 119,156,245.32

Note A: Includes USAS fund numbers 0388, 1388, 2388, 3388, 3800, 3801, 3802, 3803, 3804, 3806, 3807, 3808, 3809, 3810, 3811, 3886, 3887, 4388, 5388, 6388, 7388, 3888, 3889, 3880, 3881, 3882, 3883, 3884 and 3885.

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT E-1

COMBINING BALANCE SHEET - PERMANENT FUNDS

For the Year Ended August 31, 2012

	Baylor COM Perm Health Fund Fund (0810) U/F (0810)	Perm Fd Hi Ed Nursing/Allied/ Other Health Fund (0824) U/F (0824)	Perm Fd Minority Health Research/ Education Fund (0825) U/F (0825)	TOTALS (Exhibit I)
ASSETS				
Current Assets:				
Cash				
In State Treasury	$	$ 4,039,412.93	$ 3,362,840.22	$ 7,402,253.15
Receivable From:				
Accounts Receivable		30,519.85		30,519.85
Interest & Dividends	1.88	1,504.78	1,117.76	2,624.42
Due From Other Agencies (Note 12)	537,673.55	240,350.61		778,024.16
Total Current Assets	537,675.43	4,311,788.17	3,363,957.98	8,213,421.58
TOTAL ASSETS	$ 537,675.43	$ 4,311,788.17	$ 3,363,957.98	$ 8,213,421.58
LIABILITIES AND FUND BALANCES				
Liabilities				
Current Liabilities:				
Accounts - Grants and Loans	$ 537,673.55	$	$	$ 537,673.55
Total Liabilities	537,673.55			537,673.55
FUND FINANCIAL STATEMENT-FUND BALANCES				
FUND BALANCES (DEFICITS):				
Committed	1.88	4,311,788.17	3,363,957.98	7,675,748.03
Total Fund Balances	1.88	4,311,788.17	3,363,957.98	7,675,748.03
TOTAL LIABILITIES AND FUND BALANCES	$ 537,675.43	$ 4,311,788.17	$ 3,363,957.98	$ 8,213,421.58

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT E-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - PERMANENT FUNDS

For the Year Ended August 31, 2012

	Baylor COM Perm Health Fund Fund (0810) U/F (0810)	Perm Fd Hi Ed Nursing/Allied/ Other Health Fund (0824) U/F (0824)	Perm Fd Minority Health Research/ Education Fund (0825) U/F (0825)	TOTALS (Exhibit II)
REVENUES				
Interest and Investment Income	$ 2,150,619.69	$ 22,147.77	$ 15,377.35	$ 2,188,144.81
Total Revenues	2,150,619.69	22,147.77	15,377.35	2,188,144.81
EXPENDITURES				
State Grant Pass-Through Expenditures		1,174,018.99	744,912.69	1,918,931.68
Intergovernmental Payments	2,150,627.62	754,640.50		2,905,268.12
Total Expenditures	2,150,627.62	1,928,659.49	744,912.69	4,824,199.80
Excess (Deficiency) of Revenues Over Expenditures	(7.93)	(1,906,511.72)	(729,535.34)	(2,636,054.99)
OTHER FINANCING SOURCES (USES)				
Transfers In (Note 12)		2,200,550.92	1,223,166.36	3,423,717.28
Total Other Financing Sources (Uses)		2,200,550.92	1,223,166.36	3,423,717.28
Net Change in Fund Balances\Net Assets	(7.93)	294,039.20	493,631.02	787,662.29
Fund Financial Statement-Fund Balances				
Fund Balances-September 1, 2011	9.81	4,017,748.97	2,870,326.96	6,888,085.74
FUND BALANCES - August 31, 2012	$ 1.88	$ 4,311,788.17	$ 3,363,957.98	$ 7,675,748.03

The accompanying notes to the financial statements are an integral part of this financial statement.

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

EXHIBIT J-1
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended August 31, 2012

	Balance September 1, 2011	Additions	Deductions	Ending Balance August 31, 2012
UNAPPROPRIATED RECEIPTS				
Child Support Deds-Suspense Fund (0807) (U/F 8070)				
ASSETS				
Current Assets:				
Cash in State Treasury	$ 2,252.00	$ 25,004.87	$ 25,560.90	$ 1,695.97
TOTAL ASSETS	$ 2,252.00	$ 25,004.87	$ 25,560.90	$ 1,695.97
LIABILITIES				
Current Liabilities:				
Funds Held for Others	$ 2,252.00	$ 25,004.87	$ 25,560.90	$ 1,695.97
TOTAL LIABILITIES	$ 2,252.00	$ 25,004.87	$ 25,560.90	$ 1,695.97

The accompanying notes to the financial statements are an integral part of this financial statement.

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UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Pass-Through From Agy/ Univ #	Pass-Through From Agencies or Univ Amount	Pass-Through From Non-State Entities Amount
				$	$
U.S. Dept. of Education					
Direct Programs:					
Leveraging Educational Assistance Partnership	84.069				
Paul Douglas Teacher Scholarship Program	84.176				
Improving Teacher Quality State Grants	84.367				
State Agency Administration					
Pass-Through To:					
Texas A & M University					
University of Texas - Arlington					
University of Texas - El Paso					
University of Houston					
Texas Woman's University					
Lamar University - Beaumont					
Midwestern State University					
Angelo State University					
University of Texas - Permian Basin					
University of Texas - San Antonio					
University of Texas - Brownsville					
University of Texas at Tyler					
Texas A&M University - Commerce					
University of North Texas					
Sam Houston State University					
Texas State University					
Stephen F Austin State University					
West Texas A&M University					
University of Houston - Clear Lake					
Texas A&M University - Corpus Christi					
Texas A&M University - Texarkana					
University of Houston - Victoria					
University of Houston - Downtown					
Other Non-State Entities					
College Access Challenge Grant Program	84.378				
State Agency Administration					
Pass-Through To:					
Texas A&M University					
Tarleton State University					
Texas State Technical College System					
Univeristy of Texas at Austin					
University of Texas - El Paso					
University of Houston					
Texas Woman's University					
Texas Tech University					
University of Texas - Pan American					
University of the Permian Basin					
University of Texas - San Antonio					
UT Health Science Center - Houston					
Texas A&M University - Commerce					
University of North Texas					
Texas State University - San Marcos					
Stephen F Austin State University					
University of Houston - Clear Lake					
Texas A&M International University					
University of Houston - Downtown					
Other Non-State Entities					
American Recovery and Reinvestment Act	84.397				
State Agency Administration					

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

Direct Program Amount	Total PT From & Direct Program	Pass-Through To Agy/ Univ #	Pass-Through To State Agy or Univ Amount	Pass-Through To Non-State Entities Amount	Expenditures Amount	Total PT To & Expenditures
$	$		$	$	$	$
(3,030.00)	(3,030.00)			(3,030.00)		(3,030.00)
(1,140.22)	(1,140.22)				(1,140.22)	(1,140.22)
7,056,797.16	7,056,797.16					0.00
					312,677.51	312,677.51
		711	133,658.42			133,658.42
		714	94,264.00			94,264.00
		724	202,888.83			202,888.83
		730	648,395.67			648,395.67
		731	45,158.75			45,158.75
		734	71,682.00			71,682.00
		735	17,098.00			17,098.00
		737	166,616.39			166,616.39
		742	224,453.00			224,453.00
		743	194,746.00			194,746.00
		747	271,965.23			271,965.23
		750	249,660.35			249,660.35
		751	309,748.99			309,748.99
		752	495,988.00			495,988.00
		753	115,584.85			115,584.85
		754	344,446.44			344,446.44
		755	87,886.72			87,886.72
		757	38,000.00			38,000.00
		759	161,298.52			161,298.52
		760	122,813.63			122,813.63
		764	90,872.00			90,872.00
		765	74,642.16			74,642.16
		784	40,862.21			40,862.21
				2,541,389.49		2,541,389.49
9,861,000.81	9,861,000.81					0.00
					3,171,579.17	3,171,579.17
		711	816,718.78			816,718.78
		713	6,000.00			6,000.00
		719	66,995.14			66,995.14
		721	2,786,715.88			2,786,715.88
		724	96,134.82			96,134.82
		730	22,747.36			22,747.36
		731	37,298.10			37,298.10
		733	104,060.76			104,060.76
		736	264,665.43			264,665.43
		742	54,000.00			54,000.00
		743	64,000.00			64,000.00
		744	16,000.00			16,000.00
		751	13,794.60			13,794.60
		752	18,000.00			18,000.00
		754	35,317.77			35,317.77
		755	59,032.56			59,032.56
		759	1,959.55			1,959.55
		761	50,000.00			50,000.00
		784	272,738.89			272,738.89
				1,903,242.00		1,903,242.00
1,501,422.70	1,501,422.70					0.00
					248,585.01	248,585.01

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Pass-Through From Agy/ Univ #	Pass-Through From Agencies or Univ Amount	Pass-Through From Non-State Entities Amount
				$	$
Pass-Through To:					
Office of the Govenor					
Tx Commission on Enviromental Quality					
Tarleton State University					
Univeristy of Texas at Austin					
Lamar University - Beaumont					
Midwestern State Univeristy					
University of the Permian Basin					
University of Texas - San Antonio					
Other Non-State Entities					
AmeriCorps Texas - A.R.R.A.	94.006				(217.83)
Pass-Through To:					
University of Texas - Arlington					
Pass-Through From:					
Texas Education Agency					
Vocational Education-Basic Grants	84.048		701	28,100,458.84	
State Agency Administration					
Pass-Through To:					
Texas State Technical College					
Lamar University - Orange					
Lamar University - Port Arthur					
Lamar University Institute of Technology					
Other Non-State Entities					
Robert C. Byrd Honors Scholarships	84.185		701	602,966.00	
Tech Prep Education	84.243		701	2,658,460.34	
State Agency Administration					
Pass-Through To:					
Texas State Technical College					
Lamar University - Orange					
Lamar University - Port Arthur					
Lamar University - Orange					
Other Non-State Entities					
Statewide Longitudinal Data System	84.372		701	229,997.55	
Grants					
Pass-Through To:					
Texas A & M University - Kingsville					
Angelo State University					
University of Texas at Tyler					
Texas State University					
University of Houston - Clear Lake					
Total U.S. Dept. of Education				31,591,882.73	(217.83)
U.S. Dept. of Justice					
John R Justice Grant Program	16.816				
Other Non-State Entities					
Total U.S. Dept. of Justice				0.00	0.00
Student Financial Assistance Cluster					
U.S. Dept. of Education					
Direct Programs:					
Federal Family Education Loans	84.032L				
Interest Subsidy on Student Loans					
State Agency Administration					
Total Student Financial Assistance Cluster				0.00	0.00
TOTAL FEDERAL FINANCIAL ASSISTANCE				$ 31,591,882.73	$ (217.83)

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

Direct Program Amount	Total PT From & Direct Program	Pass-Through To Agy/ Univ #	Pass-Through To State Agy or Univ Amount	Pass-Through To Non-State Entities Amount	Expenditures Amount	Total PT To & Expenditures
$	$		$	$	$	$
		300	(131.82)			(131.82)
		582	(69,311.00)			(69,311.00)
		713	88,604.62			88,604.62
		721	19,666.36			19,666.36
		734	272,609.96			272,609.96
		735	20,310.60			20,310.60
		742	144,948.44			144,948.44
		743	628,449.47			628,449.47
				147,691.06		147,691.06
	(217.83)					0.00
		714	(217.83)			(217.83)
(1,208,142.07)	26,892,316.77					0.00
					701,951.31	701,951.31
		719	2,364,363.46			2,364,363.46
		787	275,973.00			275,973.00
		788	70,276.00			70,276.00
		789	387,309.00			387,309.00
				23,092,444.00		23,092,444.00
(143,750.00)	459,216.00			459,216.00		459,216.00
(1,984,758.72)	673,701.62					0.00
					239.91	239.91
		719	61,779.36			61,779.36
		787	7,162.00			7,162.00
		788	3,418.00			3,418.00
		789	8,962.00			8,962.00
				592,140.35		592,140.35
(12,612.58)	217,384.97					0.00
					202,354.97	202,354.97
		732	2,000.00			2,000.00
		737	2,000.00			2,000.00
		750	2,000.00			2,000.00
		754	7,030.00			7,030.00
		759	2,000.00			2,000.00
15,065,787.08	46,657,451.98		13,288,111.42	28,733,092.90	4,636,247.66	46,657,451.98
293,061.00	293,061.00					0.00
				293,061.00		293,061.00
293,061.00	293,061.00		0.00	293,061.00	0.00	293,061.00
139,810.92	139,810.92					0.00
					121,230.57	121,230.57
					18,580.35	18,580.35
139,810.92	139,810.92		0.00	0.00	139,810.92	139,810.92
$ 15,498,659.00	$ 47,090,323.90		$ 13,288,111.42	$ 29,026,153.90	$ 4,776,058.58	$ 47,090,323.90

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

Note 1: Non-Monetary Assistance

Not Applicable

Note 2: Reconciliation

Below is a reconciliation of the total of federal grant pass-through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total federal revenues and federal grant pass-through revenues as reported in the general-purpose financial statements. Generally, federal funds are not earned until expended; therefore, federal revenues equal federal expenditures for the reporting period.

Per Combined Statement of Revenues, Expenditures & Changes in Fund Balance - All Governmental Fund Types (Exh. II):

Federal Revenues (Exh. II)	$	15,498,441.17
Federal Grant Pass-Through Revenues (Exh. II)		31,591,882.73
Subtotal		47,090,323.90
Total Pass-Through & Expenditures per Schedule 1-A	$	47,090,323.90

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-A
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2012

Note 3: Student Loans Processed and Administrative Costs Recovered

Federal Grantor / CFDA Number Program Name	New Loans Processed	Administrative Costs Recovered	Total Loans Processed & Admin. Costs Recovered	Loans Outstanding at Year End
U.S. Department of Education / 84.032L Federal Family Education Loans		$139,810.92	$139,810.92	$42,761,310.04
Dept. of Health and Human Services / 93.108 Health Education Assistance Loans				$10,458,745.68

Note 4: Depository Libraries for Government Publications

Not Applicable

Note 5: Unemployment Insurance

Not Applicable

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

Not Applicable

Note 7: Federal Deferred Revenue

CFDA	Balance 9/1/11	Net Changes	Balance 8/31/12
84.378	-	24,000.00	24,000.00
	$ -	$ 24,000.00	$ 24,000.00

The current deferred revenue of $24,000.00 has not been earned but is available to finance expenditures of the next fiscal year.

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

State Pass-Through Grants From:		
Early High School Graduation Scholarships		
701 - Texas Education Agency	$	3,152,575.32
Early High School Graduation Scholarships Total		**3,152,575.32**
EMS/Trauma Care System		
537 - Department of State Health Services		2,250,000.00
EMS/Trauma Care System Total		**2,250,000.00**
Foundation School Program (FSP) - Formula		
701 - Texas Education Agency		(1,516,789.40)
Foundation School Program (FSP) - Formula Total		**(1,516,789.40)**
Medicaid Loan Repay		
529 - Health and Human Services Commission		16,038,415.93
Medicaid Loan Repay Total		**16,038,415.93**
Total State Pass-Through Grants From Other Agencies (Exh. II)	$	**19,924,201.85**
State Pass-Through Grants To:		
5th Yr Accounting Students Scholarship Program		
731 - Texas Woman's University	$	5,005.00
5th Yr Accounting Students Scholarship Program Total		**5,005.00**
ABE Community College Grants		
719 - Texas State Technical College System		214,897.67
754 - Texas State University - San Marcos		296,296.53
ABE Community College Grants Total		**511,194.20**
Advanced Research Program		
556 - Texas A&M AgriLife Research		80,000.00
711 - Texas A&M University		(149,960.00)
712 - Texas A&M Engineering Experiment Station		80,000.00
714 - University of Texas at Arlington		(5,575.02)
717 - Texas Southern University		(18,400.00)
718 - Texas A&M University at Galveston		(88.60)
721 - University of Texas at Austin		320,000.00
724 - University of Texas at El Paso		(606.54)
730 - University of Houston		199,344.11
733 - Texas Tech University		(226,718.86)
743 - University of Texas at San Antonio		(94.41)
751 - Texas A&M University - Commerce		(100,784.31)
753 - Sam Houston State University		(15,585.55)
754 - Texas State University - San Marcos		80,000.00
Advanced Research Program Total		**241,530.82**
African American Museum Internship		
738 - University of Texas at Dallas		71,398.00
African American Museum Internship Total		**71,398.00**
Alzheimer's Disease Centers		
16 - Texas Council on Alzheimer's Disease and Related Disorders		5,230,625.00
Alzheimer's Disease Centers Total		**5,230,625.00**
Armed Services Scholarships		
752 - University of North Texas		300,000.00
Armed Services Scholarships Total		**300,000.00**

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

ATX - Dell Foundation	
711 - Texas A&M University	213,348.00
ATX - Dell Foundation Total	**213,348.00**
ATX - Ed Rachel	
711 - Texas A&M University	138,889.00
ATX - Ed Rachel Total	**138,889.00**
ATX - Greater TX Foundation	
711 - Texas A&M University	105,000.00
ATX - Greater TX Foundation Total	**105,000.00**
ATX - Hunt	
721 - University of Texas at Austin	30,000.00
ATX - Hunt Total	**30,000.00**
ATX - Kresge	
711 - Texas A&M University	15,000.00
ATX - Kresge Total	**15,000.00**
ATX - Meadows	
721 - University of Texas at Austin	120,000.00
ATX - Meadows Total	**120,000.00**
ATX - New York Life	
711 - Texas A&M University	25,000.00
ATX - New York Life Total	**25,000.00**
ATX - NuStar	
711 - Texas A&M University	15,000.00
ATX - NuStar Total	**15,000.00**
ATX - USAA	
711 - Texas A&M University	30,000.00
ATX - USAA Total	**30,000.00**
CCA-DE MATH	
754 - Texas State University - San Marcos	67,753.34
CCA-DE MATH Total	**67,753.34**
Certified Edu Aide Program	
714 - University of Texas at Arlington	(1,767.00)
730 - University of Houston	2,393.00
733 - Texas Tech University	(1,050.00)
734 - Lamar University	(392.18)
736 - University of Texas - Pan American	643.87
737 - Angelo State University	1,443.31
747 - University of Texas at Brownsville	(128,156.20)
751 - Texas A&M University - Commerce	179,827.42
755 - Stephen F. Austin State University	(298.00)
784 - University of Houston - Downtown	(4,703.00)
787 - Lamar State College - Orange	4,404.00
Certified Edu Aide Program Total	**52,345.22**
College Access State Match	
721 - University of Texas at Austin	150,000.00
College Access State Match Total	**150,000.00**
College Readiness Initiative	
711 - Texas A&M University	904,641.35

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

713 - Tarleton State University	178,878.31
714 - University of Texas at Arlington	4,424.46
717 - Texas Southern University	106,784.59
719 - Texas State Technical College System	5,969.63
721 - University of Texas at Austin	700,112.50
724 - University of Texas at El Paso	18,475.30
730 - University of Houston	169,743.20
731 - Texas Woman's University	329,526.68
732 - Texas A&M University - Kingsville	10,000.00
733 - Texas Tech University	12,000.55
734 - Lamar University	(1,588.94)
736 - University of Texas - Pan American	425,282.59
738 - University of Texas at Dallas	20,000.00
742 - University of Texas of the Permian Basin	192,725.10
743 - University of Texas at San Antonio	163,889.64
747 - University of Texas at Brownsville	128,164.08
750 - University of Texas at Tyler	3,368.61
751 - Texas A&M University - Commerce	91,634.80
752 - University of North Texas	224,854.51
753 - Sam Houston State University	(403.43)
754 - Texas State University - San Marcos	770,206.67
755 - Stephen F. Austin State University	600,396.94
756 - Sul Ross State University	(7,009.28)
757 - West Texas A&M University	(168.00)
758 - Texas State University System	401,500.00
759 - University of Houston - Clear Lake	52,444.06
760 - Texas A&M University - Corpus Christi	295,930.47
761 - Texas A&M International University	220,209.35
783 - University of Houston System	24,154.81
784 - University of Houston - Downtown	33,870.21
788 - Lamar State College - Port Arthur	(9,090.77)
College Readiness Initiative Total	**6,070,927.99**
College Work Study Program	
711 - Texas A&M University	318,191.80
713 - Tarleton State University	32,242.43
714 - University of Texas at Arlington	163,643.94
715 - Prairie View A&M University	45,381.17
717 - Texas Southern University	34,305.05
718 - Texas A&M University at Galveston	9,985.98
719 - Texas State Technical College System	88,780.82
721 - University of Texas at Austin	205,703.11
724 - University of Texas at El Paso	209,458.32
729 - University of Texas Southwestern Medical Center at Dallas	7,955.09
730 - University of Houston	176,418.53
731 - Texas Woman's University	64,523.34
732 - Texas A&M University - Kingsville	56,181.39
733 - Texas Tech University	155,285.66

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

734 - Lamar University	56,525.33
735 - Midwestern State University	28,049.57
736 - University of Texas - Pan American	207,827.70
737 - Angelo State University	75,113.11
738 - University of Texas at Dallas	72,524.90
742 - University of Texas of the Permian Basin	21,084.36
743 - University of Texas at San Antonio	201,473.94
747 - University of Texas at Brownsville	24,607.48
750 - University of Texas at Tyler	11,104.94
751 - Texas A&M University - Commerce	43,428.35
752 - University of North Texas	184,456.58
753 - Sam Houston State University	92,739.15
754 - Texas State University - San Marcos	169,447.68
755 - Stephen F. Austin State University	75,097.22
756 - Sul Ross State University	16,255.69
757 - West Texas A&M University	34,449.58
759 - University of Houston - Clear Lake	32,848.45
760 - Texas A&M University - Corpus Christi	92,958.52
761 - Texas A&M International University	36,943.96
763 - University of North Texas Health Science Center at Fort Worth	6,670.65
764 - Texas A&M University - Texarkana	1,348.50
765 - University of Houston - Victoria	14,474.65
784 - University of Houston - Downtown	61,491.83
787 - Lamar State College - Orange	9,707.91
788 - Lamar State College - Port Arthur	8,839.92
789 - Lamar Institute of Technology	7,472.93
College Work Study Program Total	**3,154,999.53**
Combat Exemption Prog SB297	
711 - Texas A&M University	(2,648.25)
713 - Tarleton State University	(16,577.92)
719 - Texas State Technical College System	(1,716.00)
733 - Texas Tech University	(2,405.46)
737 - Angelo State University	(350.00)
754 - Texas State University - San Marcos	(5,402.00)
755 - Stephen F. Austin State University	(1,358.70)
Combat Exemption Prog SB297 Total	**(30,458.33)**
Developmental Education Program	
719 - Texas State Technical College System	400.00
721 - University of Texas at Austin	56,250.00
753 - Sam Houston State University	39,102.32
754 - Texas State University - San Marcos	28,375.74
758 - Texas State University System	(22,546.45)
Developmental Education Program Total	**101,581.61**
Early High School Program HB1479	
709 - Texas A&M University System Health Science Center	4,304.50
711 - Texas A&M University	193,862.52
713 - Tarleton State University	28,500.00
714 - University of Texas at Arlington	126,121.50

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

715 - Prairie View A&M University	13,960.00
717 - Texas Southern University	3,807.30
718 - Texas A&M University at Galveston	7,942.00
719 - Texas State Technical College System	47,789.82
721 - University of Texas at Austin	93,201.00
723 - University of Texas Medical Branch at Galveston	5,689.88
724 - University of Texas at El Paso	245,361.75
729 - University of Texas Southwestern Medical Center at Dallas	3,000.00
730 - University of Houston	171,679.44
731 - Texas Woman's University	52,201.41
732 - Texas A&M University - Kingsville	36,140.27
733 - Texas Tech University	127,353.05
734 - Lamar University	31,525.20
735 - Midwestern State University	16,951.80
736 - University of Texas - Pan American	271,257.95
737 - Angelo State University	22,178.50
738 - University of Texas at Dallas	62,156.72
742 - University of Texas of the Permian Basin	26,906.25
743 - University of Texas at San Antonio	148,530.01
744 - University of Texas Health Science Center at Houston	2,000.00
745 - University of Texas Health Science Center at San Antonio	560.84
747 - University of Texas at Brownsville	54,483.96
750 - University of Texas at Tyler	26,263.50
751 - Texas A&M University - Commerce	36,670.94
752 - University of North Texas	160,338.44
753 - Sam Houston State University	48,321.00
754 - Texas State University - San Marcos	186,637.90
755 - Stephen F. Austin State University	47,163.40
756 - Sul Ross State University	25,396.57
757 - West Texas A&M University	25,493.50
759 - University of Houston - Clear Lake	28,171.75
760 - Texas A&M University - Corpus Christi	45,217.79
761 - Texas A&M International University	39,271.00
763 - University of North Texas Health Science Center at Fort Worth	500.00
765 - University of Houston - Victoria	3,800.59
773 - University of North Texas at Dallas	1,208.00
784 - University of Houston - Downtown	12,638.00
787 - Lamar State College - Orange	6,068.00
788 - Lamar State College - Port Arthur	5,505.00
789 - Lamar Institute of Technology	2,730.10
Early High School Program HB1479 Total	**2,498,861.15**
Emergency and Trauma Care	
723 - University of Texas Medical Branch at Galveston	40,021.00
724 - University of Texas at El Paso	393,601.00
729 - University of Texas Southwestern Medical Center at Dallas	100,052.50
739 - Texas Tech University Health Sciences Center	120,063.00
744 - University of Texas Health Science Center at Houston	605,889.50

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

745 - University of Texas Health Science Center at San Antonio	265,284.00
Emergency and Trauma Care Total	**1,524,911.00**
Engineering Recruitment Program	
711 - Texas A&M University	(890.22)
715 - Prairie View A&M University	3,425.10
718 - Texas A&M University at Galveston	(5,454.43)
721 - University of Texas at Austin	(1,288.08)
732 - Texas A&M University - Kingsville	(499.58)
734 - Lamar University	(3,461.46)
736 - University of Texas - Pan American	-
738 - University of Texas at Dallas	(293.53)
742 - University of Texas of the Permian Basin	(161.00)
743 - University of Texas at San Antonio	(4,744.65)
747 - University of Texas at Brownsville	(1,672.95)
750 - University of Texas at Tyler	(405.14)
751 - Texas A&M University - Commerce	(200.15)
752 - University of North Texas	(33.35)
754 - Texas State University - San Marcos	(19,968.10)
757 - West Texas A&M University	(8,766.89)
764 - Texas A&M University - Texarkana	(6,555.69)
Engineering Recruitment Program Total	**(50,970.12)**
Family Practice Residency Program	
709 - Texas A&M University System Health Science Center	123,790.42
723 - University of Texas Medical Branch at Galveston	118,517.69
729 - University of Texas Southwestern Medical Center at Dallas	243,690.43
739 - Texas Tech University Health Sciences Center	477,482.61
744 - University of Texas Health Science Center at Houston	185,923.10
745 - University of Texas Health Science Center at San Antonio	192,335.91
763 - University of North Texas Health Science Center at Fort Worth	63,272.76
785 - University of Texas Health Center at Tyler	93,589.14
Family Practice Residency Program Total	**1,498,602.06**
Higher Education Performance Incentive Initiative	
715 - Prairie View A&M University	24,675.93
Higher Education Performance Incentive Initiative Total	**24,675.93**
Joint Admission Medical Program	
720 - University of Texas System	7,006,794.00
Joint Admission Medical Program Total	**7,006,794.00**
Ken Ashworth Scholarship Fund	
739 - Texas Tech University Health Sciences Center	2,000.00
Ken Ashworth Scholarship Fund Total	**2,000.00**
Minority Health Research and Education	
723 - University of Texas Medical Branch at Galveston	305,558.25
744 - University of Texas Health Science Center at Houston	222,355.44
745 - University of Texas Health Science Center at San Antonio	216,999.00
Minority Health Research and Education Total	**744,912.69**
Nursing & Allied Health	
709 - Texas A&M University System Health Science Center	69,388.00
713 - Tarleton State University	45,000.00

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

714 - University of Texas at Arlington	45,000.00
715 - Prairie View A&M University	44,999.80
723 - University of Texas Medical Branch at Galveston	144,253.00
734 - Lamar University	122,713.00
735 - Midwestern State University	190,829.00
739 - Texas Tech University Health Sciences Center	150,654.00
750 - University of Texas at Tyler	35,002.00
754 - Texas State University - San Marcos	59,368.18
755 - Stephen F. Austin State University	115,814.59
757 - West Texas A&M University	14,606.45
760 - Texas A&M University - Corpus Christi	91,417.97
765 - University of Houston - Victoria	44,973.00
Nursing & Allied Health Total	**1,174,018.99**
Outreach and Success	
719 - Texas State Technical College System	(2,500.00)
721 - University of Texas at Austin	50,000.00
730 - University of Houston	4,000.00
736 - University of Texas - Pan American	(3,200.00)
738 - University of Texas at Dallas	(2,427.04)
747 - University of Texas at Brownsville	(800.00)
752 - University of North Texas	(1,000.00)
753 - Sam Houston State University	9,957.32
755 - Stephen F. Austin State University	(718.68)
757 - West Texas A&M University	(1,576.73)
760 - Texas A&M University - Corpus Christi	(563.46)
765 - University of Houston - Victoria	(1,701.00)
Outreach and Success Total	**49,470.41**
Primary Care Residency Program	
745 - University of Texas Health Science Center at San Antonio	(1,002.66)
Primary Care Residency Program Total	**(1,002.66)**
Professional Nursing Shortage Reduction Program	
709 - Texas A&M University System Health Science Center	73,974.00
713 - Tarleton State University	551,085.00
714 - University of Texas at Arlington	2,741,018.00
715 - Prairie View A&M University	(160,856.12)
719 - Texas State Technical College System	(134,958.00)
721 - University of Texas at Austin	(361,000.00)
723 - University of Texas Medical Branch at Galveston	734,082.00
724 - University of Texas at El Paso	(342,000.00)
731 - Texas Woman's University	149,034.73
734 - Lamar University	201,344.00
735 - Midwestern State University	(137,152.00)
736 - University of Texas - Pan American	26,164.00
737 - Angelo State University	413,814.00
739 - Texas Tech University Health Sciences Center	515,017.00
744 - University of Texas Health Science Center at Houston	919,791.00
745 - University of Texas Health Science Center at San Antonio	74,866.00
750 - University of Texas at Tyler	258,241.00

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

754 - Texas State University - San Marcos	192,181.80
755 - Stephen F. Austin State University	129,009.91
757 - West Texas A&M University	113,217.00
760 - Texas A&M University - Corpus Christi	325,507.81
761 - Texas A&M International University	173,710.00
765 - University of Houston - Victoria	(112,783.00)
787 - Lamar State College - Orange	(54,270.00)
788 - Lamar State College - Port Arthur	111,921.00
Professional Nursing Shortage Reduction Program Total	**6,400,959.13**
Promote Participation & Success	
713 - Tarleton State University	26.94
714 - University of Texas at Arlington	1,250.00
715 - Prairie View A&M University	11,987.65
717 - Texas Southern University	103,250.00
721 - University of Texas at Austin	5,000.00
732 - Texas A&M University - Kingsville	5,408.28
734 - Lamar University	6,250.00
742 - University of Texas of the Permian Basin	4,444.96
743 - University of Texas at San Antonio	1,078.35
751 - Texas A&M University - Commerce	9,700.00
752 - University of North Texas	1,211.84
753 - Sam Houston State University	1,555.46
755 - Stephen F. Austin State University	12,618.68
758 - Texas State University System	19,997.07
760 - Texas A&M University - Corpus Christi	2,950.00
761 - Texas A&M International University	1,935.00
765 - University of Houston - Victoria	5,000.00
783 - University of Houston System	927.40
Promote Participation & Success Total	**194,591.63**
Texas Education Opportunity Grant Program	
719 - Texas State Technical College System	835,740.00
787 - Lamar State College - Orange	48,156.00
788 - Lamar State College - Port Arthur	309,315.00
789 - Lamar Institute of Technology	5,310.00
Texas Education Opportunity Grant Program Total	**1,198,521.00**
TEXAS Grant Program	
711 - Texas A&M University	17,450,922.00
713 - Tarleton State University	4,334,037.84
714 - University of Texas at Arlington	12,859,224.00
715 - Prairie View A&M University	5,070,635.00
717 - Texas Southern University	7,130,000.00
718 - Texas A&M University at Galveston	335,000.00
719 - Texas State Technical College System	1,751,500.00
721 - University of Texas at Austin	25,482,271.00
723 - University of Texas Medical Branch at Galveston	(4,677.00)
724 - University of Texas at El Paso	15,085,000.00
730 - University of Houston	17,852,500.00
731 - Texas Woman's University	4,742,050.00

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

732 - Texas A&M University - Kingsville	5,394,375.00
733 - Texas Tech University	9,680,833.00
734 - Lamar University	4,364,500.00
735 - Midwestern State University	2,268,333.00
736 - University of Texas - Pan American	23,701,553.00
737 - Angelo State University	4,164,110.00
738 - University of Texas at Dallas	4,842,500.00
739 - Texas Tech University Health Sciences Center	32,500.00
742 - University of Texas of the Permian Basin	937,084.00
743 - University of Texas at San Antonio	14,295,000.00
745 - University of Texas Health Science Center at San Antonio	27,500.00
747 - University of Texas at Brownsville	3,780,328.00
750 - University of Texas at Tyler	2,474,328.00
751 - Texas A&M University - Commerce	3,053,125.00
752 - University of North Texas	13,907,720.00
753 - Sam Houston State University	7,754,210.00
754 - Texas State University - San Marcos	17,468,266.00
755 - Stephen F. Austin State University	5,585,000.00
756 - Sul Ross State University	998,604.00
757 - West Texas A&M University	2,884,054.00
759 - University of Houston - Clear Lake	1,328,542.00
760 - Texas A&M University - Corpus Christi	3,347,500.00
761 - Texas A&M International University	5,352,500.00
764 - Texas A&M University - Texarkana	475,481.00
765 - University of Houston - Victoria	515,000.00
784 - University of Houston - Downtown	6,740,000.00
787 - Lamar State College - Orange	282,357.00
788 - Lamar State College - Port Arthur	312,317.00
789 - Lamar Institute of Technology	270,000.00
TEXAS Grant Program Total	**258,326,082.84**
Texas Research Incentive Program - HB51	
714 - University of Texas at Arlington	90,663.31
724 - University of Texas at El Paso	1,996,498.06
730 - University of Houston	8,177,743.45
733 - Texas Tech University	3,814,940.87
738 - University of Texas at Dallas	1,715,387.86
743 - University of Texas at San Antonio	1,091,884.29
752 - University of North Texas	925,382.16
Texas Research Incentive Program - HB51 Total	**17,812,500.00**
Top 10% Scholarships	
711 - Texas A&M University	6,544,961.00
713 - Tarleton State University	266,000.00
714 - University of Texas at Arlington	1,238,000.00
715 - Prairie View A&M University	169,425.00
717 - Texas Southern University	70,000.00
718 - Texas A&M University at Galveston	56,000.00
719 - Texas State Technical College System	52,000.00
721 - University of Texas at Austin	8,626,000.00

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

724 - University of Texas at El Paso	1,175,002.00
730 - University of Houston	1,486,000.00
731 - Texas Woman's University	168,000.00
732 - Texas A&M University - Kingsville	262,775.00
733 - Texas Tech University	1,112,355.00
734 - Lamar University	199,896.00
735 - Midwestern State University	184,000.00
736 - University of Texas - Pan American	1,658,591.00
737 - Angelo State University	262,000.00
738 - University of Texas at Dallas	840,000.00
742 - University of Texas of the Permian Basin	46,000.00
743 - University of Texas at San Antonio	877,906.00
747 - University of Texas at Brownsville	450,000.00
750 - University of Texas at Tyler	127,366.00
751 - Texas A&M University - Commerce	235,760.00
752 - University of North Texas	1,418,000.00
753 - Sam Houston State University	523,258.00
754 - Texas State University - San Marcos	1,507,336.00
755 - Stephen F. Austin State University	893,547.00
756 - Sul Ross State University	36,000.00
757 - West Texas A&M University	352,000.00
760 - Texas A&M University - Corpus Christi	334,000.00
761 - Texas A&M International University	492,400.00
764 - Texas A&M University - Texarkana	8,000.00
765 - University of Houston - Victoria	12,000.00
784 - University of Houston - Downtown	8,000.00
Top 10% Scholarships Total	**31,692,578.00**
T-STEM Scholarship Program	
719 - Texas State Technical College System	428,000.00
T-STEM Scholarship Program Total	**428,000.00**
Work Study Mentorship Program	
713 - Tarleton State University	12,449.19
714 - University of Texas at Arlington	152,258.20
717 - Texas Southern University	261,303.68
719 - Texas State Technical College System	184,708.26
724 - University of Texas at El Paso	202,940.11
731 - Texas Woman's University	156,665.59
732 - Texas A&M University - Kingsville	207,024.69
733 - Texas Tech University	75,000.00
736 - University of Texas - Pan American	282,109.00
738 - University of Texas at Dallas	52,227.11
742 - University of Texas of the Permian Basin	58,673.68
743 - University of Texas at San Antonio	130,712.20
747 - University of Texas at Brownsville	59,247.14
751 - Texas A&M University - Commerce	27,767.39
752 - University of North Texas	186,462.20
754 - Texas State University - San Marcos	183,230.92
757 - West Texas A&M University	113,977.12

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 1-B
SCHEDULE OF STATE GRANT PASS-THROUGHS
FROM/TO STATE AGENCIES
For the Year Ended August 31, 2012

760 - Texas A&M University - Corpus Christi		207,469.01
761 - Texas A&M International University		37,386.26
773 - University of North Texas at Dallas		19,344.43
784 - University of Houston - Downtown		44,292.08
Work Study Mentorship Program Total		**2,655,248.26**
Total State Pass-Through Grants To Other Agencies (Exh. II)	$	**349,799,893.69**

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TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-A
MISCELLANEOUS BOND INFORMATION
For the Year Ended August 31, 2012

Governmental Activities

Description of Issue	Bonds Issued To Date	Range of Interest Rates		Terms of Variable Interest Rates	Scheduled Maturities First Year	Scheduled Maturities Last Year	First Call Date	
General Obligation Bonds:								
COL STUD LOAN BDS SER'99	75,000,000.00	4.50%	5.25%		2004	2023	08/01/2013	(A,B)
COL STUD LOAN BDS SER'07A	72,805,000.00	5.00%	5.25%		2011	2031	08/01/2017	(A,B)
COL STUD LOAN RFD BDS SER'07B	26,165,000.00	4.50%	5.00%		2014	2018	N/A	
COL STUD LOAN BDS SER'08A	74,115,000.00	5.00%	5.50%		2012	2032	08/01/2018	(A,B)
COL STUD LOAN RFD BDS SER'08B	27,335,000.00	5.00%	5.50%		2014	2018	N/A	
COL STUD LOAN RFD BDS SER'08C	45,265,000.00	5.25%	5.25%		2009	2017	N/A	
COL STUD LOAN BDS SER'09	71,730,000.00	4.00%	5.00%		2013	2033	08/01/2019	(A,B)
COL STUD LOAN BDS SER'10	113,580,000.00	3.00%	5.00%		2014	2034	08/01/2020	(A,B)
COL STUD LOAN RFD BDS SER'10	51,865,000.00	3.00%	5.00%		2011	2017	N/A	
COL STUD LOAN RFD BDS SER'11A	118,650,000.00	5.00%	5.00%		2015	2036	08/01/2021	(A,B)
COL STUD LOAN RFD BDS SER'11B	27,020,000.00	2.00%	5.00%		2012	2018	N/A	
COL STUD LOAN RFD BDS SER'11C	6,570,000.00	5.00%	5.00%		2019	2022	N/A	
COL STUD LOAN BDS SER'12	85,615,000.00	3.00%	5.50%		2016	2035	08/01/2022	(A,B)
VAR RT COL STUD LOAN RFD BDS SER'03	178,190,000.00	Variable		Weekly	2006	2038	07/01/2003	(C,D)
VAR RT COL STUD LOAN RFD BDS SER'04	52,765,000.00	Variable		Monthly	2011	2016	08/01/2004	(C,D)
VAR RT COL STUD LOAN RFD BDS SER'06	72,005,000.00	Variable		Weekly	2012	2017	08/01/2006	(C,D)
Total General Obligation Bonds	$ 1,098,675,000.00							

NOTE A: Bonds having stated maturities after this date are subject to optional redemption on this date, or on any payment date thereafter.

NOTE B: Additionally, the term bonds maturing on the following dates, are subject to mandatory redemption prior to maturity beginning on August 1 of each of the years listed below and continuing each subsequent year until scheduled maturity:

Description of Issue	Scheduled Maturity Date (August 1,)	First Redemption Date (August 1,)
General Obligation Bonds:		
COL STUD LOAN BDS SER'99	2018	2016
COL STUD LOAN BDS SER'99	2023	2019
COL STUD LOAN BDS SER'07A	2023	2022
COL STUD LOAN BDS SER'07A	2025	2024
COL STUD LOAN BDS SER'07A	2028	2026
COL STUD LOAN BDS SER'07A	2031	2029
COL STUD LOAN BDS SER'08A	2026	2025
COL STUD LOAN BDS SER'08A	2028	2027
COL STUD LOAN BDS SER'08A	2032	2029
COL STUD LOAN BDS SER'09	2033	2031
COL STUD LOAN BDS SER'10	2034	2031
COL STUD LOAN BDS SER'11A	2031	2027
COL STUD LOAN BDS SER'11A	2036	2032

NOTE C: Bonds are subject to optional redemption following the end of any Variable Rate Period beginning with this date.

NOTE D: Additionally, all bonds (other than Purchased Bonds) are subject to special mandatory redemption upon the occurrence of an "Event of Termination" as defined in the Bond Resolution. Purchased Bonds are subject to special mandatory redemption (1) provided that all Purchased Bonds then outstanding shall be redeemed in full on the Amortization End Date, or (2) upon the occurrence of an "Event of Default" under the Liquidity Agreement unless such redemption is waived by the Liquidity Provider.

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-B

CHANGES IN BONDED INDEBTEDNESS

For the Year Ended August 31, 2012

Governmental Activities

Description of Issue	Bonds Outstanding 9/1/2011	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2012	Unamortized Premium/ Discount	Net Bonds Outstanding 8/31/2012	Amounts Due Within One Year
General Obligation Bonds:								
COL STUD LOAN BDS SER'99	18,755,000.00		7,985,000.00		10,770,000.00		10,770,000.00	1,225,000.00
COL STUD LOAN BDS SER'07A	70,790,000.00		2,115,000.00		68,675,000.00		68,675,000.00	2,220,000.00
COL STUD LOAN RFD BDS SER'07B	26,165,000.00				26,165,000.00		26,165,000.00	
COL STUD LOAN BDS SER'08A	74,115,000.00		2,030,000.00		72,085,000.00		72,085,000.00	2,140,000.00
COL STUD LOAN RFD BDS SER'08B	27,335,000.00				27,335,000.00		27,335,000.00	
COL STUD LOAN RFD BDS SER'08C	32,580,000.00		4,760,000.00		27,820,000.00		27,820,000.00	5,010,000.00
COL STUD LOAN BDS SER'09	71,730,000.00				71,730,000.00		71,730,000.00	2,115,000.00
COL STUD LOAN BDS SER'10	113,580,000.00				113,580,000.00	10,246,561.78	123,826,561.78	465,752.80
COL STUD LOAN RFD BDS SER'10	47,300,000.00		13,335,000.00		33,965,000.00	3,249,558.28	37,214,558.28	649,911.65
COL STUD LOAN RFD BDS SER'11A	118,650,000.00				118,650,000.00	5,634,661.64	124,284,661.64	647,089.62
COL STUD LOAN RFD BDS SER'11B	27,020,000.00		7,665,000.00		19,355,000.00	1,191,859.58	20,546,859.58	7,316,151.10
COL STUD LOAN RFD BDS SER'11C	6,570,000.00				6,570,000.00	765,385.68	7,335,385.68	82,213.45
COL STUD LOAN BDS SER'12		85,615,000.00			85,615,000.00	14,189,317.51	99,804,317.51	1,840,630.01
VAR RT STUD LOAN RFD BDS SER'03	75,000,000.00				75,000,000.00		75,000,000.00	
VAR RT STUD LOAN RFD BDS SER'04	17,320,000.00		3,110,000.00		14,210,000.00		14,210,000.00	3,670,000.00
VAR RT STUD LOAN RFD BDS SER'06	72,005,000.00		18,430,000.00		53,575,000.00		53,575,000.00	35,460,000.00
Total General Obligation Bonds	$ 798,915,000.00	$ 85,615,000.00	$ 59,430,000.00	$ 0.00	$ 825,100,000.00	$ 35,277,344.47	$ 860,377,344.47	$ 62,841,748.63

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-C
DEBT SERVICE REQUIREMENTS

For the Year Ended August 31, 2012

Governmental Activities

Description of Issue	Year	Principal	Interest
General Obligation Bonds:			
COL STUD LOAN BDS SER'99	2013	$ 1,225,000.00	$ 541,562.50
	2014	735,000.00	477,250.00
	2015	780,000.00	440,500.00
	2016	820,000.00	401,500.00
	2017	865,000.00	360,500.00
	2018-2022	5,135,000.00	1,101,250.00
	2023-2027	1,210,000.00	60,500.00
		$ 10,770,000.00	$ 3,383,062.50
COL STUD LOAN BDS SER'07A	2013	$ 2,220,000.00	$ 3,512,862.50
	2014	2,330,000.00	3,396,312.50
	2015	2,450,000.00	3,273,987.50
	2016	2,570,000.00	3,145,362.00
	2017	2,700,000.00	3,010,438.00
	2018-2022	15,720,000.00	12,777,362.00
	2023-2027	20,295,000.00	8,254,638.00
	2028-2032	20,390,000.00	2,613,750.00
		$ 68,675,000.00	$ 39,984,712.50
COL STUD LOAN BDS SER'07B	2013	$	$ 1,247,030.00
	2014	6,680,000.00	1,247,030.00
	2015		939,750.00
	2016	6,900,000.00	939,750.00
	2017	5,900,000.00	629,250.00
	2018-2022	6,685,000.00	334,250.00
		$ 26,165,000.00	$ 5,337,060.00
COL STUD LOAN BDS SER'08A	2013	$ 2,140,000.00	$ 3,718,087.50
	2014	2,260,000.00	3,600,387.50
	2015	2,385,000.00	3,476,087.50
	2016	2,500,000.00	3,356,837.50
	2017	2,630,000.00	3,231,837.50
	2018-2022	15,290,000.00	14,004,950.00
	2023-2027	19,680,000.00	9,615,762.50
	2028-2032	25,200,000.00	4,090,712.50
		$ 72,085,000.00	$ 45,094,662.50
COL STUD LOAN BDS SER'08B	2013	$	1,401,475.00
	2014	6,945,000.00	1,401,475.00
	2015		1,019,500.00
	2016	7,070,000.00	1,019,500.00
	2017	6,275,000.00	666,000.00
	2018-2022	7,045,000.00	352,250.00
		$ 27,335,000.00	$ 5,860,200.00
COL STUD LOAN BDS SER'08C	2013	$ 5,010,000.00	1,460,550.00
	2014	5,275,000.00	1,197,525.00
	2015	5,550,000.00	920,587.50
	2016	5,840,000.00	629,212.50
	2017	6,145,000.00	322,612.50
		$ 27,820,000.00	$ 4,530,487.50
COL STUD LOAN BDS SER'09	2013	$ 2,115,000.00	3,427,793.76
	2014	2,200,000.00	3,343,193.76
	2015	2,285,000.00	3,255,193.76
	2016	2,380,000.00	3,163,793.76
	2017	2,475,000.00	3,068,593.76
	2018-2022	14,130,000.00	13,580,468.80
	2023-2027	17,970,000.00	9,741,468.80
	2028-2032	22,895,000.00	4,811,531.28
	2033-2037	5,280,000.00	264,000.00
		$ 71,730,000.00	$ 44,656,037.68
COL STUD LOAN BDS SER'10	2013	$	$ 5,527,875.00
	2014	3,290,000.00	5,527,875.00
	2015	3,455,000.00	5,363,375.00
	2016	3,590,000.00	5,225,175.00
	2017	3,740,000.00	5,076,175.00
	2018-2022	21,370,000.00	22,712,700.00
	2023-2027	27,125,000.00	16,953,250.00
	2028-2032	34,620,000.00	9,459,250.00
	2033-2037	16,390,000.00	1,239,250.00
		$ 113,580,000.00	$ 77,084,925.00

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-C
DEBT SERVICE REQUIREMENTS

For the Year Ended August 31, 2012

Governmental Activities

Description of Issue	Year	Principal	Interest
COL STUD LOAN RFD BDS SER'10	2013	$	$ 1,585,750.00
	2014	1,050,000.00	1,585,750.00
	2015	26,775,000.00	1,533,250.00
	2016	3,000,000.00	307,000.00
	2017	3,140,000.00	157,000.00
		$ 33,965,000.00	$ 5,168,750.00
COL STUD LOAN BDS SER'11A	2013	$	5,932,500.00
	2014		5,932,500.00
	2015	3,080,000.00	5,932,500.00
	2016	3,235,000.00	5,778,500.00
	2017	3,400,000.00	5,616,750.00
	2018-2022	19,710,000.00	25,359,000.00
	2023-2027	25,160,000.00	19,912,750.00
	2028-2032	32,105,000.00	12,962,500.00
	2033-2037	31,960,000.00	4,092,500.00
		$ 118,650,000.00	$ 91,519,500.00
COL STUD LOAN BDS SER'11B	2013	$ 6,685,000.00	941,650.00
	2014	6,560,000.00	607,400.00
	2015	4,240,000.00	279,400.00
	2016	760,000.00	67,400.00
	2017	565,000.00	44,600.00
	2018-2022	545,000.00	16,350.00
		$ 19,355,000.00	$ 1,956,800.00
COL STUD LOAN BDS SER'11C	2013	$	328,500.00
	2014		328,500.00
	2015		328,500.00
	2016		328,500.00
	2017		328,500.00
	2018-2022	6,570,000.00	1,158,500.00
		$ 6,570,000.00	$ 2,801,000.00
COL STUD LOAN BDS SER'12	2013	$	4,262,127.19
	2014		4,192,256.26
	2015		4,192,256.26
	2016	515,000.00	4,192,256.26
	2017	3,905,000.00	4,171,656.26
	2018-2022	51,850,000.00	12,512,631.30
	2023-2027	12,240,000.00	4,327,406.30
	2028-2032	10,120,000.00	2,285,337.52
	2033-2037	6,985,000.00	503,393.78
		$ 85,615,000.00	$ 40,639,321.13
VAR RT COL STUD LOAN RFD BDS SER'03	2013		150,000.04
	2014		150,000.04
	2015		150,000.04
	2016		150,411.00
	2017		150,000.04
	2018-2022		750,411.16
	2023-2027		750,411.16
	2028-2032		750,822.12
	2033-2037		750,411.16
	2038-2042	75,000,000.00	74,383.58
		$ 75,000,000.00	$ 3,826,850.34
VAR RT COL STUD LOAN RFD BDS SER'04	2013	$ 3,670,000.00	$ 41,183.38
	2014	5,565,000.00	35,235.71
	2015		17,412.48
	2016	4,975,000.00	15,981.32
		$ 14,210,000.00	$ 109,812.89
VAR RT COL STUD LOAN RFD BDS SER'06	2013	$ 35,460,000.00	$ 65,958.12
	2014	6,495,000.00	35,126.76
	2015		23,240.02
	2016	6,770,000	22,153.73
	2017	4,850,000	9,700.03
		$ 53,575,000.00	$ 156,178.66

UNAUDITED

TEXAS HIGHER EDUCATION COORDINATING BOARD (781)

SCHEDULE 2-D
ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
For the Year Ended August 31, 2012

Governmental Activities

	Application of Funds	
Description of Issue	Principal	Interest
General Obligation Bonds		
COL STUD LOAN BDS	$ 59,430,000.00	$ 31,724,558.82