

# **Stephen F. Austin State University**

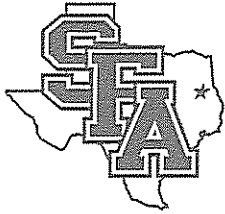
Unaudited Financial Report  
For the Year Ended  
August 31, 2010



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# STEPHEN F. AUSTIN STATE UNIVERSITY

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## Office of the President

P.O. Box 6078, SFA Station • Nacogdoches, Texas 75962-6078  
Phone (936) 468-2201 • Fax (936) 468-2202

November 20, 2010

Honorable Rick Perry, Governor  
Honorable Susan Combs, Comptroller of Public Accounts  
John O'Brien, Director, Legislative Budget Board  
John Keel, CPA, State Auditor

Dear Lady and Gentlemen:

We are pleased to submit the annual financial report of Stephen F. Austin State University for the year ended August 31, 2010, in compliance with Texas Government Code Annotated, Section 2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

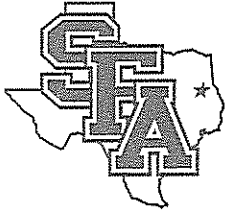
Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report 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.

If you have any questions, please contact Ms. Dora Fuselier at (936) 468-2112. Ms. Letitia Hamilton may be contacted at (936) 468-2250 for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

Baker Pattillo  
President





# STEPHEN F. AUSTIN STATE UNIVERSITY

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## Office of the Controller

P.O. Box 13035, SFA Station • Nacogdoches, Texas 75962-3035  
Phone (936) 468-2303 • Fax (936) 468-2207

November 20, 2010

Dr. Baker Pattillo  
President  
Stephen F. Austin State University  
P. O. Box 6078, SFA Station  
Nacogdoches, Texas 75962

Dear Dr. Pattillo:

Submitted herein is the Annual Financial Report of Stephen F. Austin State University for the fiscal year ended August 31, 2010.

The financial statements in this report have been prepared in conformity with the General Provisions of the Appropriations Act, Article IX, and in accordance with the requirements established by the Comptroller of Public Accounts.

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

If you have any questions, please contact me.

Sincerely,

Dora Fuselier, C.P.A.  
Controller

Approved:

Danny Gallant  
Vice President for Finance and Administration





**STEPHEN F. AUSTIN STATE UNIVERSITY  
ORGANIZATIONAL DATA  
August 31, 2010**

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**Board of Regents**

**Officers**

Melvin R. White, Chairman  
John R. Garrett, Vice Chairman  
Richard B. Boyer, Secretary

**Members**

<b>Name</b>	<b>Town</b>	<b>Term Expires</b>
Richard B. Boyer	The Colony, Texas	January 31, 2011
James A. Thompson	Sugar Land, Texas	January 31, 2011
Melvin R. White	Pflugerville, Texas	January 31, 2011
Carlos Z. Amaral	Plano, Texas	January 31, 2013
James H. Dickerson	New Braunfels, Texas	January 31, 2013
John R. Garrett	Tyler, Texas	January 31, 2013
Scott H. Coleman	Houston, Texas	January 31, 2015
Valerie E. Ertz	Dallas, Texas	January 31, 2015
Steve D. McCarty	Alto, Texas	January 31, 2015
Sydni M. Mitchell (student)	Spring, Texas	May 31, 2011

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**President**

Baker Pattillo, Ph.D.

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**Finance and Administration**

Vice President - Danny Gallant  
Controller - Dora Fuselier, C.P.A.  
Assistant Controller - Dannette Sales, C.P.A.



# STEPHEN F. AUSTIN STATE UNIVERSITY

## Management's Discussion and Analysis

### Unaudited

For the Year Ended August 31, 2010

#### INTRODUCTION

Stephen F. Austin State University (the University) is a comprehensive regional public institution of higher education and an agency of the State of Texas. Named for the "Father of Texas", the University was founded in 1921. It is located in Nacogdoches in the Pineywoods area of East Texas. The main campus includes more than 400 acres, part of the original homestead of Thomas J. Rusk, early Texas patriot and United States Senator. In fall 2009, the University enrolled nearly 13,000 students in 32 academic units and 6 colleges. Degrees are awarded at the bachelor's, master's and doctoral levels.

The University is accredited by the Southern Association of Colleges and Schools Commission on Colleges. Specific academic programs hold numerous other accreditations.

The University does not include any blended components in the Financial Statements.

#### OVERVIEW OF THE FINANCIAL STATEMENTS AND FINANCIAL ANALYSIS

Stephen F. Austin State University presents in this discussion and analysis the Financial Statements for fiscal year 2010 with comparative information for 2009. This discussion, prepared by management, will focus on the University's current year data, trends in data, and overview of the financial activities for the year. It should be read in conjunction with the accompanying Financial Statements and Notes, which offer various financial definitions and accounting information.

Three primary statements are presented: Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; and Statement of Cash Flows. The Financial Statements are prepared in accordance with requirements established by the Texas Comptroller of Public Accounts.

#### FINANCIAL HIGHLIGHTS

- Enrollment for the 2009 fall semester of 12,845 was the highest in the University's history.
- The University issued general revenue bonds on April 1, 2010, for \$35 million to build a new freshmen residence hall and adjacent parking garage.
- The University issued tuition revenue bonds on April 1, 2010, for \$3.4 million to refund the remaining amount of the 1998 tuition revenue bond.
- The University phased in the student and financial aid components as part of its comprehensive software conversion. The registration and accounts receivable modules, both a part of the student component, were converted in April 2010 and August 2010, respectively. The financial aid component was converted in July 2010. The finance component was converted in the previous fiscal year (August 2009).
- Capitalized expenditures totaled approximately \$31.5 million.
- Non-operating federal pass-through revenue increased by \$2 million. This represents payments by the federal government to the State from the American Recovery and Reinvestment Act (ARRA) and used to replace State appropriations for formula and incentive funding.
- The University received a commitment of nearly \$18 million from the State Energy Conservation Office and federal stimulus funds to finance a comprehensive energy management program. Work on the project began in August 2010.

## CONDENSED FINANCIAL INFORMATION AND FINANCIAL HIGHLIGHTS

### *Statement of Net Assets*

The Statement of Net Assets presents the assets, liabilities, and net assets of the University at a specific point in time, in this case August 31, 2010. Net assets are the difference between total assets and total liabilities and represent the residual interest in the University's assets after liabilities are deducted. "Net Assets" are presented in three major categories: Invested in Capital Assets, Net of Related Debt; Restricted Net Assets; and Unrestricted Net Assets. The Invested in Capital Assets, Net of Related Debt category identifies the equity in property, plant and equipment owned by the University. Restricted Net Assets are either expendable or non-expendable. Expendable restricted net assets may be expended only for the purposes designated by the external donor or provider of the assets. Non-expendable net assets are comprised entirely of funds held as permanent endowments. Unrestricted net assets are available for any lawful purpose of the University. Although unrestricted net assets are not subject to externally imposed stipulations, these assets may have other commitments for various future uses in support of the University's mission. These include commitments for encumbrances outstanding at year-end. Also, recognized in unrestricted net assets are unspent Higher Education Funds (HEF), which have restrictions imposed by the State of Texas. Assets and liabilities are generally measured using current values, except capital assets, which are stated at historical cost less an allowance for depreciation.

The Statement of Net Assets presents a snapshot view of assets available for use in the University's continuing operations and enables readers to determine the amounts owed to others. Over time, increases or decreases in net assets are indicators of the improvement or decline of the financial health of the University.

A summarized comparison of the University's Statement of Net Assets at August 31, 2010 and 2009 follows:

#### Statement of Net Assets

	<u>August 31, 2010</u>	<u>August 31, 2009 As restated</u>
<b>Assets</b>		
Current Assets	\$155,540,918.69	\$133,276,982.78
Noncurrent Assets		
Other Noncurrent Assets	42,900,726.26	41,585,293.48
Capital Assets, Net of Depreciation	<u>219,542,961.10</u>	<u>201,403,077.94</u>
<b>Total Assets</b>	<u>417,984,606.05</u>	<u>376,265,354.20</u>
<b>Liabilities</b>		
Current Liabilities	104,857,303.12	95,684,538.38
Noncurrent Liabilities	<u>181,206,012.33</u>	<u>155,442,096.75</u>
<b>Total Liabilities</b>	<u>286,063,315.45</u>	<u>251,126,635.13</u>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	57,609,635.62	60,177,418.41
Restricted Net Assets		
Expendable	20,210,798.47	15,765,712.16
Non-expendable	6,660,524.01	6,558,197.29
Unrestricted Net Assets	<u>47,440,332.50</u>	<u>42,637,391.21</u>
<b>Total Net Assets</b>	<u>\$131,921,290.60</u>	<u>\$125,138,719.07</u>

In fiscal year 2010, total assets of the University increased approximately \$41.7 million from the previous fiscal year.

Current assets increased approximately \$22.3 million. Increases in cash and cash equivalents and short-term investments accounted for approximately \$18.3 million of this increase. This change is primarily attributed to unspent bond proceeds held in short term investments and interest bearing bank accounts, but it also reflects the administration's decision to move money from long-term low income producing investment accounts into bank accounts with higher yields. Legislative appropriations decreased by \$2.2 million. This is money held at the State on the University's behalf and is drawn down to reimburse expenditures. Unspent balances are attributed primarily to the timing of expenditures from the Higher Education Fund. The University has authority to carry these balances forward to a subsequent year. Variances in both cash in State treasury and legislative appropriations between years 2009 and 2010 reflect a timing difference of when reimbursements for expenses are submitted and subsequently received. These fluctuations do not represent changes in revenue from legislative appropriations for the fiscal year.

Other changes in current assets are attributed to an increase of intergovernmental receivables of \$3.5 million and prepaid items of \$1.7 million. The intergovernmental receivables include amounts due from other State agencies of \$2.6 million related to payments due the University for costs associated with the Columbia Regional Geospatial Service Center. Prepaid items (primarily scholarships awarded for the subsequent fiscal year) increased \$1.7 million. This increase is based on both increased awards and increased enrollment.

Changes in noncurrent assets other than capital assets were approximately \$1.3 million. There was an increase in noncurrent investments of approximately \$1 million. An increase in noncurrent student receivables of \$.8 million was offset by a decline in noncurrent student loan receivables of approximately \$.5 million.

Capital assets, net of depreciation, increased approximately \$18.1 million. This is attributed to capital outlay of \$31.5 million offset by depreciation expenditures of \$12.6 million and deletions of capital assets of \$.8 million.

Total liabilities increased by approximately \$34.9 million. Of this amount, current liabilities increased by approximately \$9.2 million. This is attributed to a number of factors. \$2.8 million of this total is due to the increase in fall 2010 deferred revenues related to tuition and fees and room and board rate increases and from increased enrollment. The deferred revenues relate to the billed student payments for tuition and fees and room and board for the subsequent fall semester. \$1.9 million is due to increases in the current portion of long-term debt. Payables from restricted assets increased \$3.8 million. This is primarily due to payables for construction activity related to the bond funded projects.

Funds held for others are fiduciary funds held by the University. They are used to account for assets the University holds on behalf of others in a purely custodial capacity. At year end, undisbursed student refunds of nearly \$13.8 million are accounted for in this category. These refunds are held on the students' behalf until disbursed after the 12<sup>th</sup> class day of each semester.

Of the \$25.8 million increase in noncurrent liabilities, \$25.5 million is attributed to the net change in bonds payable. This is comprised of the \$38.5 million bond proceeds, less current year principal payments of \$7.7 million, less bonds refunded of \$3.4 million, less the amounts recognized as the increases in current liabilities of \$1.9 million.

Expendable restricted net assets increased by \$4.4 million. This is primarily attributed to an increase related to the amounts set aside for debt service retirement of \$2.9 million and bond proceeds restricted for capital projects of \$1 million.

Unrestricted net assets increased by \$4.8 million. This is attributed primarily to increases in tuition and fee and room and board revenues from increased enrollment and increased fees. These changes are included in the discussion that follows.

**Statement of Revenues, Expenses, and Changes in Net Assets**

Changes in total net assets are based on the activity shown on the Statement of Revenues, Expenses, and Changes in Net Assets. This statement presents operating revenues and expenses, non-operating revenues and expenses, and other gains and losses.

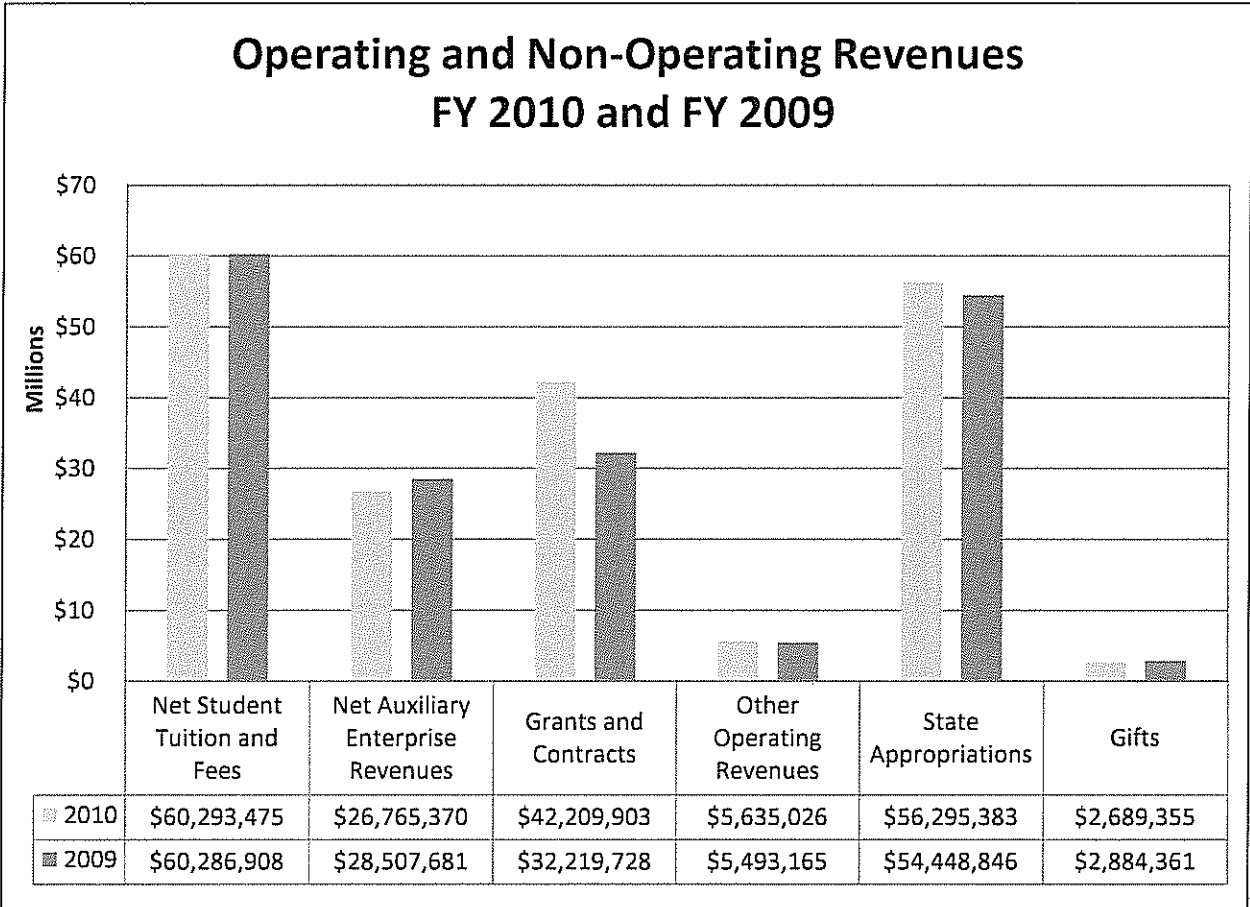
Operating revenues are revenues received for providing goods and services to the various constituencies of the University. Operating expenses are expenses paid to acquire goods and services provided in return for operating revenues to carry out the mission of the University. Non-operating revenues are those for which no goods or services have been provided. This category includes State legislative revenue and other appropriations.

A summarized comparison of the University's Statement of Revenues, Expenses, and Changes in Net Assets for the years ended August 31, 2010 and 2009 follows:

**Statement of Revenues, Expenses, and Changes in Net Assets**

	<u>2010</u>	<u>2009</u>
<b>Operating Revenues:</b>		
Net Student Tuition and Fees	\$60,293,475.00	\$60,286,908.49
Net Auxiliary Enterprise Revenues	26,765,369.84	28,507,680.65
Grants and Contracts	42,209,903.43	32,219,727.83
Other Operating Revenues	5,635,025.84	5,493,165.32
<b>Total Operating Revenues</b>	<u>134,903,774.11</u>	<u>126,507,482.29</u>
<b>Total Operating Expenses</b>	<u>191,463,988.47</u>	<u>179,870,528.46</u>
<b>Operating Income (Loss)</b>	<u>(56,560,214.36)</u>	<u>(53,363,046.17)</u>
<b>Non-Operating Revenues (Expenses):</b>		
Legislative Revenue (State)	44,114,346.00	43,685,586.00
Additional Appropriations	12,181,036.67	10,763,259.61
Federal Pass-Through Revenue	2,059,053.00	0.00
Gifts	2,689,354.98	2,884,361.13
Net Investment Income (Loss)	1,469,968.48	2,020,044.50
Net Increase (Decrease) in Fair Value of Investments	503,595.06	(856,676.66)
Interest Expenses and Fiscal Charges	(5,940,273.51)	(5,397,151.96)
Net Other Non-Operating Revenues (Expenses)	<u>(495,353.84)</u>	<u>149,817.46</u>
<b>Total Non-Operating Revenues (Expenses)</b>	<u>56,581,726.84</u>	<u>53,249,240.08</u>
<b>Income (Loss) Before Other Revenues, Expenses, Gains or Losses</b>	21,512.48	(113,806.09)
Other Revenues, Expenses, Gains (Losses) and Transfers	<u>6,761,059.05</u>	<u>7,624,799.56</u>
Change in Net Assets	<u>6,782,571.53</u>	<u>7,510,993.47</u>
<b>Net Assets, Beginning of Year</b>	125,138,719.07	117,670,218.18
Restatements		(42,492.58)
Restated Net Assets, Beginning of Year	<u>125,138,719.07</u>	<u>117,627,725.60</u>
<b>Net Assets, End of Year</b>	<u>\$131,921,290.60</u>	<u>\$125,138,719.07</u>

The following graph represents operating and non-operating revenues by major source:



\* Other Non-Operating Revenues include Federal Pass-Through Revenue, Net Investment Income, Net Increase (Decrease) in Fair Value of Investments, and Other Non-Operating Revenues.

Some of the fiscal year 2010 highlights presented in the Statement of Revenues, Expenses, and Changes in Net Assets are as follows:

- There was no significant change in net tuition and fees. The increases in revenues were offset by increases in tuition exemptions, discounts and allowances. The University uses a formula provided by the National Association of College and University Business Officers (NACUBO) to calculate tuition discounts, which takes into account student charges, payments both to and from students, loan proceeds, and grants and scholarships. Using this formula, \$21.3 million was reclassified from scholarships to tuition discounts in 2010 compared to \$13.9 million in 2009. Gross tuition increased by approximately \$7.5 million and fees increased by \$.2 million, but these were offset by increases in tuition exemptions, discounts and allowances of \$7.7 million. (See chart below.)
- Net auxiliary enterprise revenues decreased approximately \$1.7 million. This is again attributed to the calculated discounts of \$9.4 million in 2010 compared to \$6.3 million in 2009. While auxiliary revenues increased approximately \$1.6 million, the tuition discounts and allowances increased \$3.3 million. (See chart below.)

<b>Gross Student Revenues, Exemptions, Discounts and Allowances</b>			
	<b>2010</b>	<b>2009</b>	<b>Net Change</b>
Tuition and Fees - Pledged	\$ 79,582,472.23	\$ 72,088,646.20	\$ 7,493,826.03
Tuition and Fees - Non-Pledged	3,771,119.55	3,562,407.60	208,711.95
Exemptions	(1,420,401.85)	(1,280,325.61)	(140,076.24)
Discounts	(21,370,672.69)	(13,883,519.47)	(7,487,153.22)
Allowances for Doubtful Accounts	(269,042.24)	(200,300.23)	(68,742.01)
<b>Net Student Tuition and Fees</b>	<b>\$ 60,293,475.00</b>	<b>\$ 60,286,908.49</b>	<b>\$ 6,566.51</b>
Auxiliary Enterprises - Pledged	\$ 35,171,878.84	\$ 33,593,430.57	\$ 1,578,448.27
Discounts	(9,441,774.24)	(6,337,819.24)	(3,103,955.00)
Allowances for Doubtful Accounts	(388,667.72)	(208,228.47)	(180,439.25)
Auxiliary Enterprises - Non-Pledged	1,423,932.96	1,460,297.79	(36,364.83)
<b>Net Auxiliary Enterprise Revenues</b>	<b>\$ 26,765,369.84</b>	<b>\$ 28,507,680.65</b>	<b>\$ (1,742,310.81)</b>

- Grants and contracts income increased by \$10 million. This is primarily attributed to an increase in Pell grants revenue of \$6.5 million and increased financial aid grants from the State of \$1.6 million.
- There was a \$1.8 million increase in legislative revenue. An increase in amounts paid by the State for insurance and retirement benefits for State employees caused this change.
- Non-operating federal pass-through revenue increased by \$2 million. This represents payments by the federal government to the State from the American Recovery and Reinvestment Act (ARRA) and used to replace State appropriations for formula and incentive funding.
- There was a \$1.2 million increase for interest expenses and fiscal charges. This is attributed to the increased bond debt of the University.

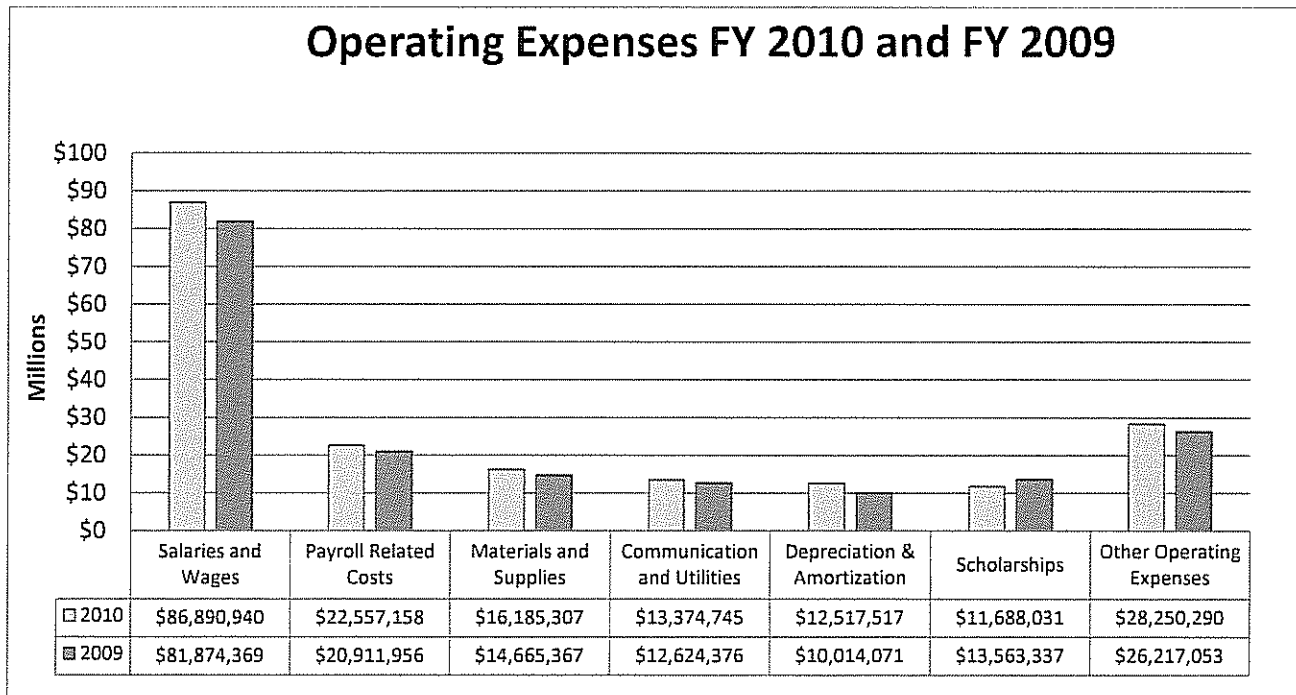


The following data summarizes the operating expenses in the natural classification expense categories for the fiscal years ended August 31, 2010 and 2009:

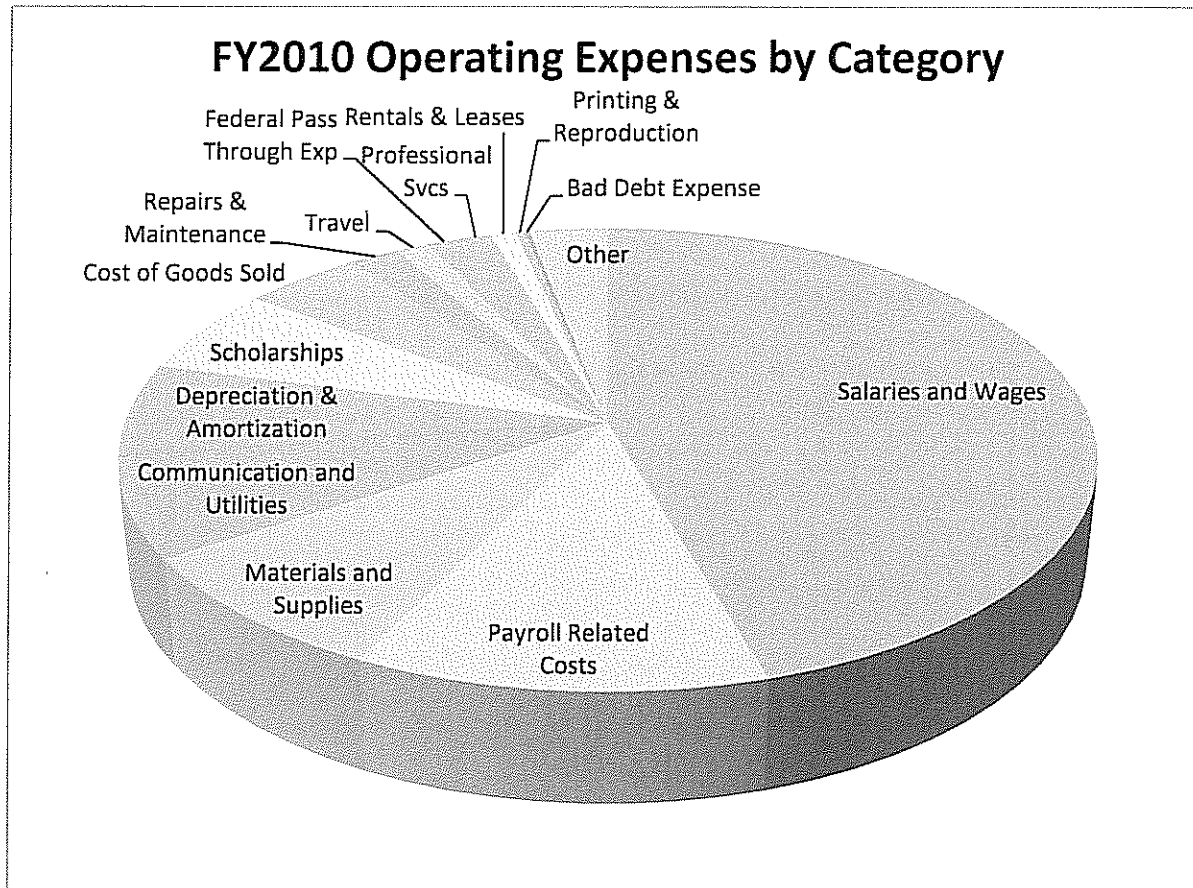
	<u>2010</u>	<u>2009</u>
Cost of Goods Sold	\$ 8,697,461.66	\$ 8,865,591.93
Salaries and Wages	86,890,940.06	81,874,368.98
Payroll Related Costs	22,557,158.24	20,911,955.65
Professional Fees and Services	2,362,478.89	1,694,081.27
Travel	2,436,138.08	2,412,500.87
Materials and Supplies	16,185,307.45	14,665,366.68
Communication and Utilities	13,374,744.93	12,624,375.55
Repairs and Maintenance	3,685,736.73	3,193,878.56
Rentals and Leases	1,810,094.89	1,910,739.25
Printing and Reproduction	681,224.21	560,396.56
Federal Pass-Through Expenditure	2,393,437.43	1,104,067.94
State Pass-Through Expenditure	0.00	27,163.88
Amortization*	401,631.73	0.00
Depreciation	12,115,885.16	10,014,071.45
Bad Debt Expense	380,794.73	251,695.44
Scholarships	11,688,031.22	13,563,336.67
Other Operating Expenses	5,802,923.06	6,196,937.78
<b>Total Operating Expenses</b>	<b>\$ 191,463,988.47</b>	<b>\$ 179,870,528.46</b>

\* Governmental Accounting Standards Board (GASB) Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, requires intangible assets to be valued and amortized effective 2010. Amortization expense for the software conversion is included in this category.

Following is a graphic presentation of the major operating expense categories for the fiscal years ended August 31, 2010 and 2009:



\*Other Operating Expenses include Cost of Goods Sold, Professional Fees and Services, Travel, Repairs and Maintenance, Rentals and Leases, Printing and Reproduction, Federal and State Pass-Through Expenses, Bad Debt Expense, Claims and Settlements and Other Operating Expenses.



Some of the FY 2010 significant changes from the prior year Operating Expenses are:

- Salaries and wages and payroll related costs increased by approximately \$6.7 million. This increase is due to a 3% merit pool raise and equity adjustments for employees, and the related increase in employee benefits.
- Materials and supplies increased by \$1.5 million. This is primarily attributed to purchases associated with bond projects that do not meet capitalization thresholds.
- Depreciation increased by \$2.1 million. This is attributed to the completion of several projects. Costs previously captured as construction in progress were moved into depreciable categories. \$47.9 million was moved from construction in progress – \$45.4 million to buildings, \$1.6 million to computer software, \$.7 million to infrastructure, and \$.2 million to facilities and other improvements.
- Federal pass-through expenditures increased by \$1.3 million. This is attributed primarily to the expenditures related to other universities that have partnered with the University as part of the Columbia Regional Geospatial Service Center contract.
- Reported scholarships decreased by \$1.9 million. However, scholarships awarded actually increased \$8.7 million. As discussed previously, some scholarships are reclassified as either tuition discounts or auxiliary discounts using the NACUBO discount formula. \$30.8 million was reclassified in 2010 compared to \$20.2 million in 2009. The gross amounts and related reclassifications are shown below:

Gross Scholarships and Related Discounts Applied to Revenues			
	2010	2009	Net Change
Scholarships	\$42,500,478.15	\$33,784,675.38	\$ 8,715,802.77
Scholarships- Reclassed to Tuition Discounts	(21,370,672.69)	(13,883,519.47)	(7,487,153.22)
Scholarships- Reclassed to Auxiliary Enterprises	(9,441,774.24)	(6,337,819.24)	(3,103,955.00)
Scholarships (as reported)	\$11,688,031.22	\$13,563,336.67	\$(1,875,305.45)

**Statement of Cash Flows**

The Statement of Cash Flows provides details about the University’s major sources and uses of cash during the year. It presents detailed information about the cash activity and an indication of the University’s liquidity and ability to meet cash obligations. There are four categories of cash flow activity:

1. Cash Flows from Operating Activities – the net cash used by operating activities
2. Cash Flows from Non-Capital Financing Activities – the net cash received and spent for non-operating, non-capital financing and non-investing purposes
3. Cash Flows from Capital and Related Financing Activities – the net cash from capital and related financing activities that is used to acquire, construct or improve capital assets
4. Cash Flows from Investing Activities – the net cash from the acquisition and disposition of debt or equity instruments

The sum of the Net Cash Provided (Used) by these four activity types is the Increase (Decrease) in Cash and Cash Equivalents.

The final section of the Statement of Cash Flows reconciles the Net Cash Provided (Used) by Operating Activities to the Operating Income (Loss) reflected on the Statement of Revenues, Expenses, and Changes in Net Assets. A summarized comparison of the Statement of Cash Flows at August 31, 2010 and 2009 follows:

**Statement of Cash Flows**

	<u>2010</u>	<u>2009</u>
Net Cash Provided (Used) by:		
Operating Activities	\$(42,648,608.69)	\$(35,721,106.79)
Non-Capital Financing Activities	62,477,856.67	54,319,686.08
Capital and Related Financing Activities	(1,742,701.90)	(5,284,309.96)
Investing Activities	<u>181,818.42</u>	<u>(9,278,989.71)</u>
Increase (Decrease) in Cash and Cash Equivalents	18,268,364.50	4,035,279.62
Cash and Cash Equivalents, Beginning of Year	<u>74,250,758.23</u>	<u>70,215,478.61</u>
Cash and Cash Equivalents, End of Year	<u>\$ 92,519,122.73</u>	<u>\$ 74,250,758.23</u>

Net Cash Provided (Used) by Operating Activities should be viewed together with Net Cash Provided (Used) by Non-Capital Financing Activities. State appropriations are significant sources of recurring revenue in support of operating expenses, but under GASB Statement No. 35, they must be classified as Non-Capital Financing Activities instead of Operating Activities.

The increase in cash used for Operating Activities of \$6.9 million is attributed to several factors. The University had increased cash flows of approximately \$8.5 million from grants and contracts, but these were offset by decreased cash receipts for tuition and fees of \$1.8 million and auxiliary services of \$1.4 million, and increased payments to vendors of \$5.1 million, employees of \$6.4 million and students (scholarship expenses) of \$.6 million.

The increase in cash flows from Non-Capital Financing Activities of \$8.2 million is primarily attributed to changes in legislative revenue and additional State appropriations and federal pass-through revenue. These are amounts for State appropriations and ARRA funds used to replace State appropriation. Although the actual State appropriations increased by only \$1.8 million, the rest of the change is attributed to timing differences of reimbursements from the State. These account for \$8.9 million of the change.

The change of \$3.5 million in Capital and Related Financing Activities can be attributed to the increase of debt proceeds of \$5.3 million and the decrease of purchases for capital assets of \$3.8 million, offset by increases for amounts paid for principal and interest on bond issues of \$5.1 million.

The change in Cash Flows from Investing Activities of \$9.5 million is primarily attributed to the proceeds of investments of \$27.9 million offset by increases in short term bond investments of \$19 million.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

The University continues to improve its campus through development and renewal of its facilities and other capital assets. Capital additions totaled approximately \$31.5 million in fiscal year 2010, \$35.3 million in fiscal year 2009, and \$19 million in fiscal year 2008.

In spring 2010, a 108 room, 14 story residence hall (the tallest building in Nacogdoches) was demolished to make way for a new residence hall and parking garage. This project will allow the University to use a state-of-the-art 208 room residence hall facility to recruit new freshmen students. The project is expected to be completed during fiscal year 2011. The 1,000 space parking garage was opened in August 2010 for student use.

Credit ratings assigned to the revenue bonds issued in fiscal year 2010 were A2, stable outlook, from Moody's Corporation and A+, positive outlook, from Fitch Ratings. Credit ratings assigned by Fitch were revised from a stable outlook to a positive outlook in March 2010.

Four parcels of real estate adjacent to the University campus were purchased during the year. The total cost for these additions was approximately \$400,000.

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### **ECONOMIC OUTLOOK**

Management is not aware of any facts, decisions, or conditions that are expected to have a material effect on the financial position or results of operations during the fiscal year 2011. Enrollment trends continue to remain positive. Fall 2010 enrollment was 12,954, surpassing the University's all-time enrollment record set in fall 2009. Housing for the student body for fall 2010 was at 100 percent capacity. Campus improvements and increased marketing efforts are expected to have a continued positive impact on enrollment.

The downturn in the economy may impact State funding levels in 2011. The University is taking measures to offset any potential reductions.

### **SIGNIFICANT EVENTS**

Management is not aware of any significant events that impact the financial statements this year.

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STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Statement of Net Assets  
For the Fiscal Year Ended August 31, 2010

	2010	2009
ASSETS	<hr/>	<hr/>
<b>Current Assets</b>		
Cash and Cash Equivalents:		
Cash on Hand	\$ 770,333.00	\$ 930,083.00
Cash in Bank	64,825,014.95	41,402,633.45
Cash in Transit/Reimburse from Treasury	627,830.21	715,418.80
Cash in State Treasury	53,129.75	1,016,028.34
Cash Equivalents	12,126.59	397,074.02
Short Term Investments	5,084,462.52	16,015,892.05
Restricted:		
Cash and Cash Equivalents		
Cash in Bank	20,105,563.25	15,911,377.01
Cash Equivalents	6,125,124.98	13,878,143.61
Short Term Investments:		
Proceeds from Bond Sales	14,102,907.02	2,390,945.35
Legislative Appropriations	4,260,093.72	6,457,043.69
Receivables:		
Intergovernmental Receivables:		
Federal	2,516,174.02	784,471.06
State	57,837.66	364,400.01
Other Intergovernmental	54,783.85	0.00
Interest and Dividends	155,933.19	191,172.91
Student Receivable	8,289,687.94	7,789,428.65
Accounts Receivable	2,429,195.31	2,669,275.80
Gifts/Pledges Receivables	0.00	260,000.00
Due From Other Agencies:		
Federal	3,467,255.54	1,342,930.02
State	91,820.52	177,725.91
Consumable Inventories	576,625.76	533,241.81
Prepaid Items	19,564,198.81	17,897,914.95
Student Loans Receivables	2,370,820.10	2,151,782.34
<b>Total Current Assets</b>	<u>155,540,918.69</u>	<u>133,276,982.78</u>

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STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Statement of Net Assets  
For the Fiscal Year Ended August 31, 2010

	<u>2010</u>	<u>2009</u>
<b>Noncurrent Assets</b>		
Restricted:		
Investments		
Endowments	8,976,523.28	8,711,490.27
Student Loans Receivables	5,933,417.93	6,272,808.31
Allowance for Doubtful Accounts	(1,063,017.87)	(934,783.46)
Unrestricted:		
Investments:		
Operating	22,045,251.91	21,467,400.15
Quasi-Endowments	4,587,225.03	4,445,521.28
Student Accounts Receivables	7,497,938.70	6,041,759.69
Allowance for Doubtful Accounts	(5,076,612.72)	(4,418,902.76)
Capital Assets, Non-depreciable:		
Land and Land Improvements	7,263,117.44	7,083,322.11
Construction in Progress	8,722,945.38	37,333,078.91
Other Capital Assets	697,419.27	697,419.27
Capital Assets, Depreciable:		
Buildings and Building Improvements	330,611,435.07	288,797,356.34
Less Accumulated Depreciation	(154,961,487.31)	(149,177,547.09)
Infrastructure	10,921,718.91	10,183,040.07
Less Accumulated Depreciation	(5,765,151.75)	(5,205,110.90)
Facilities and Other Improvements	15,177,858.02	6,586,044.30
Less Accumulated Depreciation	(4,079,823.45)	(3,820,962.03)
Furniture and Equipment	16,665,491.25	19,694,749.66
Less Accumulated Depreciation	(10,684,335.65)	(14,259,393.52)
Vehicles, Boats, and Aircraft	4,774,390.68	4,681,571.81
Less Accumulated Depreciation	(3,656,144.47)	(3,457,923.56)
Other Capital Assets	15,632,589.16	15,444,921.26
Less Accumulated Depreciation	(13,464,028.93)	(13,177,488.69)
Intangible Assets	5,130,228.32	0.00
Less Accumulated Depreciation	(3,443,260.84)	0.00
<b>Total Noncurrent Assets</b>	<u>262,443,687.36</u>	<u>242,988,371.42</u>
<b>Total Assets</b>	<u>417,984,606.05</u>	<u>376,265,354.20</u>

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STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Statement of Net Assets  
For the Fiscal Year Ended August 31, 2010

	2010	2009
	<u>                    </u>	<u>                    </u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Payables:		
Accounts Payable	4,435,061.61	5,122,114.94
Payroll Payable	6,745,416.25	6,250,472.64
Deposits	1,709,197.13	1,946,647.99
Benefits Payable	1,735,705.41	1,618,030.69
Due to Other Agencies	834,634.14	465,235.27
Deferred Revenues:		
Tuition and Fees	38,066,160.96	36,018,700.63
Sales and Services	17,410,296.49	16,702,960.85
Grants and Contracts	663,628.58	570,264.40
Employees' Compensable Leave	581,393.78	479,200.51
Capital Lease Obligations	12,946.54	16,289.03
Revenue Bonds Payable	5,640,000.00	4,165,000.00
Tuition Revenue Bonds Payable	2,803,709.35	2,365,000.00
General Obligation Bonds Payable	900,000.00	870,000.00
Accrued Bond Interest Payable	2,908,226.51	2,590,951.43
Funds Held for Others	14,057,353.41	13,926,414.14
Payable From Restricted Assets	6,352,233.77	2,577,255.86
Obligations/Securities Lending	0.00	0.00
Other Current Liabilities	1,339.19	0.00
<b>Total Current Liabilities</b>	<u>104,857,303.12</u>	<u>95,684,538.38</u>
<b>Noncurrent Liabilities:</b>		
Capital Lease Obligations	9,569.82	22,516.36
Employees' Compensable Leave	3,286,442.51	2,971,136.07
Revenue Bonds Payable	121,805,000.00	92,410,000.00
Tuition Revenue Bonds Payable	47,675,000.00	50,708,444.32
General Obligation Bonds Payable	8,430,000.00	9,330,000.00
<b>Total Noncurrent Liabilities</b>	<u>181,206,012.33</u>	<u>155,442,096.75</u>
<b>Total Liabilities</b>	<u>286,063,315.45</u>	<u>251,126,635.13</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	57,609,635.62	60,177,418.41
Restricted for:		
Debt Retirement	2,908,226.51	0.00
Capital Projects	1,543,773.20	499,347.13
Funds Held as Permanent Investments:		
Non-Expendable	6,660,524.01	6,558,197.29
Expendable	2,019,794.37	1,886,108.34
Other	13,739,004.39	13,380,256.69
Unrestricted	47,440,332.50	42,637,391.21
<b>Total Net Assets</b>	<u>\$ 131,921,290.60</u>	<u>\$ 125,138,719.07</u>

See accompanying Notes to the Financial Statements



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**STEPHEN F. AUSTIN STATE UNIVERSITY**  
**Agency No. 755**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**For the Fiscal Year Ended August 31, 2010**

	2010	2009
<b>Operating Revenues:</b>		
Sales of Goods and Services		
Tuition & Fees - Pledged	\$ 79,582,472.23	\$ 72,088,646.20
Tuition & Fees - Non-Pledged	3,771,119.55	3,562,407.60
Discounts and Allowances	(23,060,116.78)	(15,364,145.31)
Auxiliary Enterprise - Pledged	35,171,878.84	33,593,430.57
Auxiliary Enterprise - Non-Pledged	1,423,932.96	1,460,297.79
Discounts and Allowances	(9,830,441.96)	(6,546,047.71)
Other Sales of Goods and Svcs - Pledged	3,752,698.32	4,442,240.45
Other Sales of Goods and Svcs - Non-Pledged	1,858,101.45	931,861.85
Interest and Investment Income	0.00	114,602.65
Federal Revenue	26,904,038.04	19,914,109.33
Federal Pass-Through Rev from Non-State Agency	351,257.42	141,401.93
Federal Pass-Through Revenue	6,026,048.78	3,969,012.84
State Grant Pass-Through Revenue	8,056,442.91	6,883,873.70
Local Contracts and Grants	485,418.39	824,447.91
Other Contracts and Grants	386,697.89	486,882.12
Other Operating Revenues - Non-Pledged	24,226.07	4,460.37
<b>Total Operating Revenues</b>	<b>134,903,774.11</b>	<b>126,507,482.29</b>
<b>Operating Expenses:</b>		
Cost of Goods Sold	8,697,461.66	8,865,591.93
Salaries and Wages	86,890,940.06	81,874,368.98
Payroll Related Costs	22,557,158.24	20,911,955.65
Professional Fees and Services	2,362,478.89	1,694,081.27
Travel	2,436,138.08	2,412,500.87
Materials and Supplies	16,185,307.45	14,665,366.68
Communication and Utilities	13,374,744.93	12,624,375.55
Repairs and Maintenance	3,685,736.73	3,193,878.56
Rentals and Leases	1,810,094.89	1,910,739.25
Printing and Reproduction	681,224.21	560,396.56
Federal Pass-Through Expenditure	2,233,393.72	1,104,067.94
Federal Pass-Through Expenditure to Non-State Entities	160,043.71	0.00
State Pass-Through Expenditure	0.00	27,163.88
Amortization	401,631.73	0.00
Depreciation	12,115,885.16	10,014,071.45
Bad Debt Expense	380,794.73	251,695.44
Interest Expense	108.33	32.16
Scholarships	11,688,031.22	13,563,336.67
Claims and Settlements	1,166.95	(21,793.32)
Other Operating Expenses	5,801,647.78	6,218,698.94
<b>Total Operating Expenses</b>	<b>191,463,988.47</b>	<b>179,870,528.46</b>
<b>Operating Income (Loss)</b>	<b>(56,560,214.36)</b>	<b>(53,363,046.17)</b>

See accompanying Notes to the Financial Statements

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STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Statement of Revenues, Expenses, and Changes in Net Assets  
For the Fiscal Year Ended August 31, 2010

	2010	2009
<b>Non-Operating Revenues (Expenses):</b>		
Legislative Revenue	44,114,346.00	43,685,586.00
Additional Appropriations	12,181,036.67	10,763,259.61
Federal Pass Through Revenue	2,059,053.00	0.00
Gifts - Nonpledged	2,597,517.37	2,682,256.25
Gifts - Pledged	91,837.61	202,104.88
Land Income	2,687.00	0.00
Other Rental Income	3,576.19	10,173.60
Investment Income - Pledged	830,175.90	2,447,307.21
Investment Income - Non-Pledged	244,763.44	(464,636.62)
Net Increase (Decrease) Fair Value - Pledged	323,797.68	(729,315.06)
Net Increase (Decrease) Fair Value - Nonpledged	338,300.04	(127,361.60)
Investing Activities Expenses	(88,362.74)	(50,578.82)
Income on Loans Receivable	201,732.76	103,485.85
Interest Income on Capital Investments-Pledged	281,659.12	(15,533.12)
Net Increase (Decrease) Fair Value-Capital Investments-Pledged	(158,502.66)	0.00
Interest Expenses and Fiscal Charges	(5,935,248.51)	(5,397,151.96)
Gain (Loss) on Sale of Capital Assets	(839,908.29)	71,023.47
Settlement of Claims	282,922.79	68,620.39
Other Non-Operating Revenues (Expenses)	50,343.47	0.00
<b>Total Non-Operating Revenues (Expenses)</b>	<b>56,581,726.84</b>	<b>53,249,240.08</b>
<b>Income (Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers</b>	<b>21,512.48</b>	<b>(113,806.09)</b>
<b>Other Revenues, Expenses, Gains/Losses and Transfers</b>		
Capital Contributions	684,533.25	1,422,276.78
Capital Appropriations (Higher Education Fund)	6,907,643.00	6,907,643.00
Additions to Permanent and Term Endowments	79,326.72	123,723.28
Legislative Transfers In	1,499,875.00	0.00
Legislative Transfers Out	(1,499,875.00)	0.00
Transfers Out	(910,443.92)	(828,843.50)
<b>Total Other Revenue, Expenses, Gain/Losses and Transfers</b>	<b>6,761,059.05</b>	<b>7,624,799.56</b>
<b>Change in Net Assets</b>	<b>6,782,571.53</b>	<b>7,510,993.47</b>
Net Assets, Beginning of Year	125,138,719.07	117,670,218.18
Restatements	0.00	(42,492.58)
Net Assets, Beginning of Year, as Restated	125,138,719.07	117,627,725.60
<b>Net Assets, August 31, 2010</b>	<b>\$ 131,921,290.60</b>	<b>\$ 125,138,719.07</b>

See accompanying Notes to the Financial Statements

STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Matrix of Operating Expenses by Function  
For the Fiscal Year Ended August 31, 2010

<u>Operating Expenses</u>	<u>Instruction</u>	<u>Research</u>	<u>Public Service</u>	<u>Academic Support</u>	<u>Student Services</u>	<u>Institutional Support</u>
Cost of Goods Sold	\$ 0.00	\$ 0.00	\$ 10,114.12	\$ 77,335.86	\$ 23,117.92	\$ 0.00
Salaries and Wages	44,320,117.61	3,864,458.11	1,331,789.72	6,684,989.43	9,028,855.42	8,723,526.68
Payroll Related Costs	9,665,940.75	789,630.24	257,960.92	1,470,535.17	2,018,660.23	4,420,562.75
Professional Fees and Services	330,306.43	278,580.21	381,771.29	229,181.56	276,460.36	479,810.09
Travel	317,114.06	206,705.98	83,768.14	507,458.92	938,719.08	159,530.87
Materials and Supplies	2,785,158.22	721,180.31	478,370.36	1,841,921.45	2,093,218.94	750,525.49
Communications and Utilities	228,547.93	51,184.94	8,070.59	1,005,006.60	191,488.73	(296,363.62)
Repairs and Maintenance	379,662.10	139,538.18	16,313.28	230,347.72	475,802.27	1,523,371.10
Rentals and Leases	339,085.01	84,498.58	147,132.68	78,550.22	737,183.54	136,883.49
Printing and Reproduction	130,720.02	24,237.23	71,564.65	225,366.79	337,444.96	(301,613.03)
Federal Pass-Through Expenses	0.00	2,039,861.13	335,964.96	17,611.34	0.00	0.00
State Pass-Through Expense	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation and Amortization	0.00	0.00	0.00	0.00	0.00	0.00
Bad Debt Expense	0.00	0.00	0.00	0.00	380,794.73	0.00
Interest	0.00	0.00	0.00	0.00	0.00	108.33
Scholarships	0.00	0.00	0.00	0.00	0.00	0.00
Claims and Judgments	0.00	0.00	0.00	0.00	0.00	0.00
Other Operating Expenses	<u>277,379.57</u>	<u>170,801.53</u>	<u>267,560.90</u>	<u>965,335.51</u>	<u>1,137,490.07</u>	<u>1,751,760.87</u>
Total Operating Expenses	<u>\$ 58,774,031.70</u>	<u>\$ 8,370,676.44</u>	<u>\$ 3,390,381.61</u>	<u>\$ 13,333,640.57</u>	<u>\$ 17,639,236.25</u>	<u>\$ 17,348,103.02</u>

STEPHEN F. AUSTIN STATE UNIVERSITY  
Agency No. 755  
Matrix of Operating Expenses by Function  
For the Fiscal Year Ended August 31, 2010

<u>Operating Expenses</u>	<u>Operation and Maintenance of Plant</u>	<u>Scholarships and Fellowships</u>	<u>Auxiliary Enterprises</u>	<u>Depreciation and Amortization</u>	<u>Total Expenses</u>
Cost of Goods Sold	\$ 0.00	\$ 0.00	\$ 8,586,893.76	\$ 0.00	\$ 8,697,461.66
Salaries and Wages	4,762,395.15	0.00	8,174,807.94	0.00	86,890,940.06
Payroll Related Costs	1,416,195.72	0.00	2,517,672.46	0.00	22,557,158.24
Professional Fees and Services	99,087.94	0.00	287,281.01	0.00	2,362,478.89
Travel	13,946.04	0.00	208,894.99	0.00	2,436,138.08
Materials and Supplies	4,535,986.75	0.00	2,978,945.93	0.00	16,185,307.45
Communications and Utilities	6,047,361.22	0.00	6,139,448.54	0.00	13,374,744.93
Repairs and Maintenance	(276,442.61)	0.00	1,197,144.69	0.00	3,685,736.73
Rentals and Leases	46,486.91	0.00	240,274.46	0.00	1,810,094.89
Printing and Reproduction	1,716.82	0.00	191,786.77	0.00	681,224.21
Federal Pass-Through Expenses	0.00	0.00	0.00	0.00	2,393,437.43
State Pass-Through Expense	0.00	0.00	0.00	0.00	0.00
Depreciation and Amortization	0.00	0.00	0.00	12,517,516.89	12,517,516.89
Bad Debt Expense	0.00	0.00	0.00	0.00	380,794.73
Interest	0.00	0.00	0.00	0.00	108.33
Scholarships	0.00	11,688,031.22	0.00	0.00	11,688,031.22
Claims and Judgments	0.00	0.00	1,166.95	0.00	1,166.95
Other Operating Expenses	766,253.00	0.00	465,066.33	0.00	5,801,647.78
<b>Total Operating Expenses</b>	<b>\$ 17,412,986.94</b>	<b>\$ 11,688,031.22</b>	<b>\$ 30,989,383.83</b>	<b>\$ 12,517,516.89</b>	<b>\$ 191,463,988.47</b>

## UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Statement of Cash Flows  
 For the Fiscal Year Ended August 31, 2010

	2010	2009 as restated
<b>Cash Flows from Operating Activities</b>		
Proceeds Received from Tuition and Fees	\$ 61,042,206.99	\$ 62,800,944.38
Proceeds Received from Auxiliary Services	27,472,705.48	28,878,357.26
Proceeds Received from Other Sales and Services	5,567,415.82	5,385,498.32
Proceeds from Grants and Contracts	40,535,862.37	32,028,117.45
Proceeds from Interest Income	-	114,602.65
Proceeds from Other Revenues	24,226.07	4,460.37
Payments to Suppliers for Goods and Services	(55,481,807.46)	(50,392,854.81)
Payments to Employees for Salaries	(85,978,496.74)	(81,152,846.66)
Payments to Employees for Benefits	(22,439,483.52)	(20,886,777.43)
Proceeds (Payments) of Loans Issued to Students and Employees	69,525.06	352,643.07
Proceeds from Other Activities	172.24	21,793.32
Payments to Students for Scholarships	(13,460,826.67)	(12,875,012.55)
Payments for Interest Expense	(108.33)	(32.16)
Net Cash Provided (Used) by Operating Activities	<u>(42,648,608.69)</u>	<u>(35,721,106.79)</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Proceeds from State Appropriations	58,492,332.64	51,601,816.08
Proceeds from Non-Operating Grants and Contracts	2,059,053.00	
Proceeds from Gifts	2,689,354.98	2,884,361.13
Payments of Transfers to Other Agencies	(910,443.92)	(828,843.50)
Proceeds (Payments) for Claims and Settlements	282,922.79	68,620.39
Proceeds from Other Revenues	50,343.47	-
Proceeds (Payments) from Endowment Investments	(185,706.29)	593,731.98
Net Cash Provided (Used) by Noncapital Financing Activities	<u>62,477,856.67</u>	<u>54,319,686.08</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from Sale of Capital Assets	11,253.37	71,023.47
Proceeds from Debt Issuance	39,075,350.95	33,780,145.60
Proceeds from State Appropriations-Higher Education Funds (HEF)	6,907,643.00	6,907,643.00
Proceeds from Capital Grants and Gifts	944,533.25	1,415,826.78
Proceeds from Other Financing Activities	2,687.00	-
Proceeds from Other Rental Income	3,576.19	10,173.60
Proceeds from Interest on Capital Investments	123,156.46	-
Payments for Additions to Capital Assets	(31,508,561.71)	(35,268,468.13)
Payments of Principal on Capital Debt	(11,071,289.03)	(7,209,803.23)
Payments of Interest on Capital Debt	(6,231,051.38)	(4,990,851.05)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,742,701.90)</u>	<u>(5,284,309.96)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds (Payments) from Investments	10,211,874.02	(17,732,371.72)
Proceeds from Interest Income from Investments	1,019,808.35	1,993,669.14
Net Increase (Decrease) in Fair Value	662,097.72	(856,676.66)
Proceeds (Payments) from Redemption of Bond Investments	(11,711,961.67)	7,316,389.53
Net Cash Provided (Used) by Investing Activities	<u>181,818.42</u>	<u>(9,278,989.71)</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<u>\$ 18,268,364.50</u>	<u>\$ 4,035,279.62</u>

See accompanying Notes to the Financial Statements

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Statement of Cash Flows  
 For the Fiscal Year Ended August 31, 2010

	2010	2009 as restated
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>		
Operating Income (Loss)	\$ (56,560,214.36)	\$ (53,363,046.17)
Amortization and Depreciation	12,517,516.89	10,014,071.45
Bad Debt Expense	380,794.73	251,695.44
Operating Income and Cash Flow Categories		
Changes in Current Assets and Liabilities		
(Increase) Decrease in Legislative Appropriations	2,196,949.97	(2,847,029.53)
(Increase) Decrease in Receivables	(1,444,863.54)	932,190.41
(Increase) Decrease in Inventories	(43,383.95)	11,396.02
(Increase) Decrease in Loans to Students	(17,305.00)	560,317.01
(Increase) Decrease in Prepaid Expenses	(1,666,283.86)	(3,158,113.78)
(Increase) Decrease in Due from Other Agencies	(2,038,420.13)	(95,033.97)
Increase (Decrease) in Payables	3,463,092.05	2,823,489.31
Increase (Decrease) in Due to Other Agencies	369,398.87	389,762.40
Increase (Decrease) in Deferred Income	2,848,160.15	2,748,394.86
Increase (Decrease) in Compensated Absences	102,193.27	81,637.08
Increase (Decrease) in Current Portion of Bonds Payable	2,260,984.43	2,310,900.31
Increase (Decrease) in Assets Held for Others	130,939.27	3,316,670.90
Increase (Decrease) in Other Current Liabilities	1,339.19	
Changes in Non-Current Assets and Liabilities		
Increase (Decrease) in Compensated Absences	315,306.44	173,816.34
Increase (Decrease) in Deposits Payable	-	-
(Increase) Decrease in Student Receivables	(798,469.05)	(228,760.62)
(Increase) Decrease in Loans to Students	86,830.06	(186,043.47)
Cash Reported in Other Categories		
Increase (Decrease) in Legislative Appropriations	(2,196,949.97)	2,847,029.53
Increase (Decrease) in Investment Activity	(35,239.72)	
Increase (Decrease) of Gifts Receivable	(260,000.00)	6,450.00
(Increase) Decrease in Current Portion of Bonds Payable	(2,260,984.43)	(2,310,900.31)
Net Cash Provided (Used) by Operating Activities	<u>\$ (42,648,608.69)</u>	<u>\$ (35,721,106.79)</u>
Cash and Cash Equivalents, August 31, 2009	\$ 74,250,758.23	\$ 70,215,478.61
Increase (Decrease) in Cash and Cash Equivalents	<u>18,268,364.50</u>	<u>4,035,279.62</u>
Cash and Cash Equivalents, August 31, 2010	<u>\$ 92,519,122.73</u>	<u>\$ 74,250,758.23</u>
Displayed as:		
Cash on Hand	\$ 770,333.00	\$ 930,083.00
Cash in Bank	64,825,014.95	41,402,633.45
Cash in Transit/Reimb. Due from Treasury	627,830.21	715,418.80
Cash in State Treasury	53,129.75	1,016,028.34
Cash Equivalents	12,126.59	397,074.02
Cash in Bank, Restricted	20,105,563.25	15,911,377.01
Cash Equivalents, Restricted	6,125,124.98	13,878,143.61
Non-Current Cash Equivalents, Restricted	-	-
	<u>\$ 92,519,122.73</u>	<u>\$ 74,250,758.23</u>

See accompanying Notes to the Financial Statements

**NOTE 1: Summary of Significant Accounting Policies**

**Entity**

Stephen F. Austin State University (the University) is an agency of the State of Texas (the State). The University's 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 University serves the State as a public institution of higher education.

The University has six related entities. The University has determined no related entity is a reportable component unit of Stephen F. Austin State University. These related entities are listed in Note 19.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments* and Statement No. 35, *Basic Financial Statements — and Management's Discussion and Analysis — for Public Colleges and Universities*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in these Statements. 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.

Blended Component Units

No component unit has been identified which should be reported as a blended unit.

Discretely Presented Component Units

No component unit has been identified which should be discretely presented.

**Fund Structure**

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

**Proprietary Fund Type**

Enterprise Funds

Enterprise Funds are used to account for any activity for which a fee is charged to external users for goods or services. Activities must be reported as Enterprise Funds if any one of the following criteria is met.

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges.
3. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

**Fiduciary Fund Type**

Fiduciary Funds account for assets held by the University in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

Agency Funds are used to account for assets the University 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. These funds are recognized on the Statement of Net Assets in Restricted Cash and Funds Held for Others.

**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.



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Proprietary 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, subject to materiality. Proprietary Funds distinguish operating from non-operating items. Operating revenues result from providing services or producing and delivering goods in connection with the Proprietary Funds principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, depreciation on capital assets, and other expenses.

**Budget and Budgetary Accounting**

The State of Texas budget is prepared biennially and represents appropriations authorized by the State Legislature and approved by the Governor through the General Appropriations Act. Additionally, the University prepares an annual budget which represents anticipated sources of revenue and authorized uses. This budget is approved by the University's Board of Regents. Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

**Assets, Liabilities, and 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.

**Restricted Assets**

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements.

**Inventories**

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost. The cost of these items is expensed when the items are sold or consumed.

**Deferred Charges**

Deferred charges include prepaid expenses attributable to a subsequent fiscal year, including scholarships attributed to the 2010 fall semester.

**Capital Assets**

Equipment with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year is capitalized. Buildings, infrastructure, facilities, and other assets are capitalized when they meet thresholds set by the State. These assets are capitalized at cost or, if not purchased, at appraised fair value on the date of acquisition. Depreciation is reported on all "exhaustible" assets.

"Inexhaustible" assets, such as works of art and historical treasures, are not depreciated. Assets are depreciated over the estimated useful life of the asset using the straight-line method of depreciation.

**Other Receivables – Current and Noncurrent**

Current receivables are specified in the Statement of Net Assets. They include amounts that are reasonably expected to be received in fiscal year 2011. Noncurrent receivables are those receivables that are not expected to be collected within one year. Included in this category are student accounts receivables and loan receivables that are not expected to be received during fiscal year 2011. The disaggregation of other receivables as reported in the financial statements is shown in Note 24, "Disaggregation of Receivable and Payable Balances."

**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.

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Other Payables – Current and Noncurrent

Other Payables are the accrual at year-end of expenditure transactions not included in any of the other payable descriptions. The disaggregation of other payables as reported in the financial statements is shown in Note 24, “Disaggregation of Receivable and Payable Balances.”

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 noncurrent in the Statement of Net Assets. These obligations are normally paid from the same funding source from which the employee's salary or wage compensation was paid.

Capital Lease Obligations

Capital Lease Obligations represent the liability for future lease payments under capital lease contracts contingent upon the continued appropriation funding by the legislature. Liabilities are reported separately in the Statement of Net Assets as either current, for the amounts due within one year, or noncurrent, for the amounts due thereafter.

Bonds Payable - Revenue Bonds

The principal of revenue bonds is reported separately in the Statement of Net Assets as either current, for the amounts due within one year, or noncurrent, for the amounts due thereafter. Bonds payable are recorded at par. Interest expense is reported on the accrual basis.

Bonds Payable - Tuition Revenue Bonds

The principal of tuition revenue bonds is reported separately in the Statement of Net Assets as either current, for the amounts due within one year, or noncurrent, for the amounts due thereafter. Bonds payable are recorded at par. Interest expense is reported on the accrual basis.

Bonds Payable - General Obligation Bonds

The principal of general obligation bonds is reported separately in the Statement of Net Assets as either current, for the amounts due within one year, or noncurrent, for the amounts due thereafter. Bonds payable are recorded at par. Interest expense is reported on the accrual basis.

Net Assets

The difference between fund assets and liabilities is “Net Assets” on the proprietary fund statements.

Invested in Capital Assets, Net of Related Debt

Invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Assets

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management, but these constraints can be removed or modified.

**Interfund Activities and Balances**

The University has the following types of transactions among state appropriated funds and other state agencies:

- Transfers: Legally required transfers that are reported when incurred as “Transfers In” by the recipient fund or state agency and as “Transfers Out” by the disbursing fund or state agency.

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- Reimbursements: Repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.
- Interfund Receivables and Payables: Interfund loans are reported as interfund receivables and payables. Repayments due during the current year are classified as "Current"; repayments due thereafter are classified as "Noncurrent."
- Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

The composition of the University's interfund activities and balances are presented in Note 12.

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**NOTE 2: Capital Assets**

A summary of changes in Capital Assets for the year ended August 31, 2010, is presented below:

	Balance 09/01/2009	Adjustments	Reclassifications Completed CIP	Additions	Deletions	Balance 08/31/2010
<b>BUSINESS-TYPE ACTIVITIES</b>						
<b>Non-depreciable or Non-amortizable Assets</b>						
Land and Land Improvements Infrastructure	\$7,083,322.11	\$ -	\$ -	\$179,795.33	\$ -	\$7,263,117.44
Construction in Progress	37,333,078.91	-	(47,950,030.22)	19,339,896.69	-	8,722,945.38
Other Tangible Capital Assets	697,419.27	-	-	-	-	697,419.27
<b>Total Non-depreciable or Non-amortizable Assets</b>	<b>45,113,820.29</b>	<b>-</b>	<b>(47,950,030.22)</b>	<b>19,519,692.02</b>	<b>-</b>	<b>16,683,482.09</b>
<b>Depreciable Assets</b>						
Buildings and Building Improvements Infrastructure	288,797,356.34	-	45,429,202.83	767,813.04	(4,382,937.14)	330,611,435.07
Facilities and Other Improvements	6,586,044.30	-	195,849.89	8,395,963.83	-	15,177,858.02
Furniture and Equipment	19,694,749.66	(3,937,220.17)	-	2,265,226.27	(1,357,264.51)	16,665,491.25
Vehicle, Boats and Aircraft	4,681,571.81	-	-	184,304.87	(91,486.00)	4,774,390.68
Other Capital Assets	15,444,921.26	-	-	237,436.68	(49,768.78)	15,632,589.16
<b>Total Depreciable Assets</b>	<b>345,387,683.44</b>	<b>(3,937,220.17)</b>	<b>46,363,731.56</b>	<b>11,850,744.69</b>	<b>(5,881,456.43)</b>	<b>393,783,483.09</b>
<b>Less Accumulated Depreciation for:</b>						
Buildings and Building Improvements	(149,177,547.09)	-	-	(9,497,094.30)	3,713,154.08	(154,961,487.31)
Infrastructure	(5,205,110.90)	-	-	(560,040.85)	-	(5,765,151.75)
Facilities and Other Improvements	(3,820,962.03)	-	-	(258,861.42)	-	(4,079,823.45)
Furniture and Equipment	(14,259,393.52)	3,569,111.05	-	(1,214,070.49)	1,220,017.31	(10,684,335.65)
Vehicles, Boats and Aircraft	(3,457,923.56)	-	-	(289,706.91)	91,486.00	(3,656,144.47)
Other Capital Assets	(13,177,488.69)	-	-	(296,111.19)	9,570.95	(13,464,028.93)
<b>Total Accumulated Depreciation</b>	<b>(189,098,425.79)</b>	<b>3,569,111.05</b>	<b>-</b>	<b>(12,115,885.16)</b>	<b>5,034,228.34</b>	<b>(192,610,971.56)</b>
<b>Depreciable Assets, Net</b>	<b>156,289,257.65</b>	<b>(368,109.12)</b>	<b>46,363,731.56</b>	<b>(265,140.47)</b>	<b>(847,228.09)</b>	<b>201,172,511.53</b>
<b>Amortizable Assets - Intangible</b>						
Computer Software	-	3,937,220.17	1,586,298.66	138,125.00	(531,415.51)	5,130,228.32
<b>Total Amortizable Assets - Intangible</b>	<b>-</b>	<b>3,937,220.17</b>	<b>1,586,298.66</b>	<b>138,125.00</b>	<b>(531,415.51)</b>	<b>5,130,228.32</b>
<b>Less Accumulated Amortization for:</b>						
Computer Software	-	(3,569,111.05)	-	(401,631.73)	527,481.94	(3,443,260.84)
<b>Total Accumulated Amortization</b>	<b>-</b>	<b>(3,569,111.05)</b>	<b>-</b>	<b>(401,631.73)</b>	<b>527,481.94</b>	<b>(3,443,260.84)</b>
<b>Amortizable Assets - Intangible, Net</b>	<b>-</b>	<b>368,109.12</b>	<b>1,586,298.66</b>	<b>(263,506.73)</b>	<b>(3,933.57)</b>	<b>1,686,967.48</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$201,403,077.94</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$18,991,044.82</b>	<b>\$(851,161.66)</b>	<b>\$219,542,961.10</b>

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**NOTE 3: Deposits, Investments and Repurchase Agreements**

The University is authorized by statute to make investments following the "prudent person rule." There were no significant violations of legal provisions during the period.

**Deposits of Cash in Bank**

As of August 31, 2010, the carrying amount of deposits was \$98,403,259.97 as presented below:

CASH IN BANK – CARRYING AMOUNT	\$98,403,259.97
Less: Certificates of Deposit included in carrying amount	(13,472,681.77)
Less: Uninvested Securities Lending Cash Collateral included in carrying amount and reported as Securities Lending Collateral	0.00
Less: Securities Lending CD Collateral included in carrying amount and reported as Securities Lending Collateral	0.00
Cash in Bank per AFR	\$84,930,578.20

Proprietary Funds Current Assets Cash in Bank	\$64,825,014.95
Proprietary Funds Current Assets Restricted Cash in Bank	20,105,563.25
Proprietary Funds Noncurrent Restricted Cash in Bank	0.00
Cash in Bank per AFR	\$84,930,578.20

These amounts consist of all cash in local banks. These amounts are included on the Statement of Net Assets as part of the "Cash and Cash Equivalents" accounts, except for the certificates of deposit.

As of August 31, 2010, the total bank balance was as follows:

Business-Type Activities	\$97,844,198.07	Fiduciary Funds	\$0.00
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Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the University will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Stephen F. Austin State University Board Policy C-41, *Investments*, states that all deposits shall be secured by a pledge of collateral with a market value equal to no less than 100% of the deposits less any amount insured by the FDIC or FSLIC and pursuant to Chapter 2257, the Public Funds Collateral Act. Although there were no significant violations of legal provisions during the fiscal year, some deposits were uninsured/under-collateralized during three days of June 2010.

At August 31, 2010, amounts insured by the FDIC were \$1,562,944.87. The bank balances at August 31, 2010, that are exposed to custodial credit risks are as follows:

Uninsured and uncollateralized	Uninsured and collateralized with securities held by the pledging financial institution	Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the University's name
\$0.00	\$96,281,253.20	\$0.00

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**Investments**

The fair value of the University's investments as of August 31, 2010, is presented below:

Business-Type Activities	Fair Value
U.S. Government	
U.S. Treasury Securities	\$12,899,794.34
U.S. Government Agency Obligations	6,156,445.40
Corporate Obligations	4,892,441.87
Corporate Asset and Mortgage Backed Securities	3,290,141.89
Equity	3,327,183.63
International Obligations (Government and Corporate)	1,260,993.97
International Equity	1,069,022.91
Fixed Income Money Market and Bond Mutual Fund	13,463,742.50
Other Commingled Funds (Texpool)	12,126.59
Alternative Investments	1,089,046.46
<b>Total</b>	<b>\$47,460,939.56</b>

Displayed on Statement of Net Assets as:	
Current Assets:	
Cash Equivalents	\$12,126.59
Short-Term Investments: Certificates of Deposit	5,084,462.52
Restricted Cash Equivalents	6,125,124.98
Restricted Short-Term Investments	14,102,907.02
Noncurrent Assets:	
Restricted:	
Investments: Endowments	8,976,523.28
Unrestricted:	
Investments: Quasi-Endowments	4,587,225.03
Investments: Operating	22,045,251.91
Subtotal	60,933,621.33
Less: Certificates of Deposit	(13,472,681.77)
<b>Total</b>	<b>\$47,460,939.56</b>

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Stephen F. Austin State University Board Policy C-41, *Investments*, limits investments in the following: bankers acceptances must be rated not less than A-1 or P-1 or equivalent by at least one nationally recognized credit rating agency; commercial paper must be rated not less than A-1 or P-1 or equivalent by at least two nationally recognized credit rating agencies, or one nationally recognized credit rating agency and be fully secured by an irrevocable letter of credit issued by a bank.

As of August 31, 2010, the Standard & Poor's credit quality ratings of the University's investments by type of securities with credit risk exposure were as follows:

Investment Type	AAA	AA	A	NR
U.S. Government Agency Obligations (Excludes obligations explicitly guaranteed by the U.S. Government)	\$6,156,445.40	\$0.00	\$0.00	\$0.00
U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	0.00	0.00	0.00	0.00
Corporate Obligations	421,376.33	3,473,983.44	997,082.10	0.00
Corporate Asset and Mortgage Backed Securities	619,242.85	2,548,821.84	122,077.20	0.00
International Obligations	0.00	724,471.08	536,522.89	0.00
Repurchase Agreements	0.00	0.00	0.00	0.00
Alternative Investments	0.00	0.00	0.00	1,089,046.46
	<b>AAAf</b>	<b>AAf</b>	<b>Unrated</b>	
Fixed Income Money Market and Bond Mutual Fund	\$0.00	\$0.00	\$13,463,742.50	
	<b>A-1</b>	<b>A-2</b>	<b>A-3</b>	
Commercial Paper	\$0.00	\$0.00	\$0.00	

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2010, the University's concentration of credit risk is immaterial to any single issuer.

#### Reverse Repurchase Agreements

The University, by statute, is authorized to enter into reverse repurchase agreements. A reverse repurchase agreement is a transaction in which a broker-dealer or financial institution transfers cash to the University and the University transfers securities to the broker-dealer and promises to repay the cash plus interest in exchange for the same or similar securities. Credit risk exposure for the University arises when a broker-dealer does not return the securities or their value at the conclusion of the reverse repurchase agreement. There were no significant violations of legal or contractual provisions during the year.

As of August 31, 2010, the University was not participating in reverse repurchase agreements.

#### Securities Lending

In securities lending transactions, the University would transfer its securities to broker-dealers and other entities for collateral – which may be cash, securities or letters of credit – and simultaneously agree to return the collateral for cash or the same securities in the future. The University did not participate in securities lending transactions during fiscal year 2010.

#### Derivative Investing

Derivatives are generally defined as contracts whose value depends on, or derives from, the value of an underlying asset, reference rate or index. Derivative securities cover a broad range of financial instruments including forward contracts, futures, options, interest rate swaps and collateralized mortgage obligations. The University did not participate in derivative investing transactions during fiscal year 2010.

#### NOTE 4: Short-Term Debt

The University had no short-term debt as of August 31, 2010.

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**NOTE 5: Long-Term Liabilities**

**Changes in Long-Term Liabilities**

During the year ended August 31, 2010, the following changes occurred in liabilities:

Business-Type Activities	Balance 09/01/09	Additions	Reductions	Balance 08/31/10	Amounts Due Within One Year	Amounts Due Thereafter
Revenue Bonds Payable	\$96,575,000.00	\$35,035,000.00	\$4,165,000.00	\$127,445,000.00	\$5,640,000.00	\$121,805,000.00
Tuition Revenue Bonds Payable	53,073,444.32	3,425,265.03	6,020,000.00	50,478,709.35	2,803,709.35	47,675,000.00
General Obligation Bonds Payable	10,200,000.00	0.00	870,000.00	9,330,000.00	900,000.00	8,430,000.00
Capital Lease Obligations	38,805.39	0.00	16,289.03	22,516.36	12,946.54	9,569.82
Employees' Compensable Leave	3,450,336.58	693,557.31	276,057.60	3,867,836.29	581,393.78	3,286,442.51
Total Business-Type Activities	\$163,337,586.29	\$39,153,822.34	\$11,347,346.63	\$191,144,062.00	\$9,938,049.67	\$181,206,012.33

**Claims and Judgments**

The University had no unpaid settlements or judgments as of August 31, 2010.

**Employees' Compensable Leave**

A State employee is entitled to be paid for all unused vacation time (annual leave) 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 at least six months. The University reports the liability for the unpaid annual leave in the Statement of Net Assets. No liability is recorded for sick pay benefits.

**NOTE 6: Bonded Indebtedness**

**Bonds Payable**

Detailed supplemental bond information is disclosed in:  
 Schedule 2A – Miscellaneous Bond Information  
 Schedule 2B – Changes in Bonded Indebtedness  
 Schedule 2C – Debt Service Requirements  
 Schedule 2D – Analysis of Funds Available for Debt Service  
 Schedule 2E – Defeased Bonds Outstanding  
 Schedule 2F – Early Extinguishment and Refunding



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General information related to bonds is summarized below:

**Board of Regents of Stephen F. Austin State University Revenue Financing System, Texas Public Finance Authority Revenue Bonds - Series 1998**

- To provide funds for renovations to Miller Science Building.
- Issued 9-1-98.
- \$6,000,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$295,000; Outstanding subsequent to Principal Payment \$3,390,000; Refunded by Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds – Series 2010A; Outstanding at year end \$0.00.

**Board of Regents of Stephen F. Austin State University Revenue Financing System, Texas Public Finance Authority Revenue Bonds - Series 2000**

- To provide funds for improvements to residence halls and student apartments.
- Issued 3-1-00.
- \$7,000,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$1,000,000; Outstanding at year end \$0.00.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2002**

- To provide funds for construction of a facility to replace the Birdwell Building, construction of a new Telecommunications and Networking building, renovations to Power Plant, and renovations to existing structures at the University.
- Issued 7-9-02.
- \$14,070,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$605,000; Outstanding at year end \$9,910,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2002(A)**

- To provide funds for renovation of the stadium press box.
- Issued 12-19-02.
- \$1,320,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$185,000; Outstanding at year end \$190,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2004**

- To provide funds for renovation and expansion, and equipment for, the Student Center.
- Issued 2-18-04.
- \$26,030,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Pledged Student Center Fees
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$1,015,000; Outstanding at year end \$21,190,000.

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**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2004(A)**

- To provide funds to construct a 400-space parking garage adjacent to the Student Center.
- Issued 8-17-04.
- \$5,460,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Student Tuition
  - Pledged Student Center Fees
  - Other Pledged Revenues
- Changes in Debt: Principal paid during fiscal year \$210,000; Outstanding at year end \$4,480,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2005**

- To provide funds to construct a new student residence hall and associated parking garage; and to pay the costs related to the issuance of the Bonds.
- Issued 6-23-05.
- \$17,215,000; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged Revenues consisting of Unrestricted Current Funds Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; Higher Education Funds; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Principal paid during fiscal year \$655,000; Outstanding at year end \$14,735,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2005(A)**

- To provide funds to construct a new student residence hall and associated parking garage; to construct a new student recreational center and to pay the costs related to the issuance of the Bonds.
- Issued 11-02-05.
- \$55,365,000; All authorized bonds have been issued.
- Source of revenue for debt service:
  - Pledged Recreational Sports Fee
  - Other Pledged Revenues consisting of Unrestricted Current Funds Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; Higher Education Funds; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Principal paid during fiscal year \$1,100,000; Outstanding at year end \$51,815,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2008**

- To provide funds to construct a new Early Childhood Research Center which will provide an early childhood laboratory for the College of Education and a charter school campus.
- Issued 03-04-08.
- \$20,175,000; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged revenues consisting of Unrestricted Current Fund Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; Higher Education Funds; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Principal paid during fiscal year \$645,000; Outstanding at year end \$16,340,000.

**State of Texas Constitutional Appropriation Bonds Stephen F. Austin State University - Series 2008**

- To provide a portion of the funds to complete construction and equipment the Early Childhood Research Center and pay certain costs related to the issuance of the Bonds.
- Issued 12-18-08.
- \$10,200,000; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged revenues consisting of Higher Education Funds.
- Changes in Debt: Principal paid during fiscal year \$870,000; Outstanding at year end \$9,330,000.

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**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2009**

- To provide funds to construct a new nursing facility expansion and provide campus wide deferred maintenance to multiple buildings.
- Issued 02-04-09.
- \$22,994,575; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged revenues consisting of Unrestricted Current Fund Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; Higher Education Funds; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Interest accreted \$10,265.03; Principal paid during fiscal year \$820,000; Outstanding at year end \$21,078,709.35.
- Revenue Financing System Bonds issued include a Serial Bond of \$1,715,000, a Capital Appreciation Bond (CAB) of \$209,575, and Current Interest Serial Bonds of \$21,070,000. The CAB matures October 15, 2010, at \$830,000. CAB bond proceeds include \$603,053.10 of bond premium in addition to the par value of \$209,575 for a total issue price of \$812,628.10. The CAB Bonds have interest accretion of \$17,371.90, of which \$1,290.65 has not been accreted as of August 31, 2010.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2010**

- To provide funds to construct a new freshman residence hall and adjacent parking garage.
- Issued 04-01-10.
- \$35,035,000; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged unappropriated fund balances available at the beginning of the year. Pledged revenues consist of Unrestricted Current Fund Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Principal paid during fiscal year \$0; Outstanding at year end \$35,035,000.

**Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2010A**

- To refund outstanding Board of Regents of Stephen F. Austin State University Revenue Financing System, Texas Public Finance Authority Revenue Bonds - Series 1998.
- Issued 04-01-10.
- \$3,415,000; All authorized bonds have been issued.
- Source of revenue for debt service: Pledged unappropriated fund balances available at the beginning of the year. Pledged revenues consist of Unrestricted Current Fund Revenues excluding: remissions, governmental appropriations and gifts, grants and contracts within the Educational and General Fund Group; and student service fees and private gifts in the Auxiliary Fund Group.
- Changes in Debt: Principal paid during fiscal year \$265,000.00; Outstanding at year end \$3,150,000.

**Refunding Bonds**

- Current refunding of \$3,390,000 of Board of Regents of Stephen F. Austin State University Revenue Financing System, Texas Public Finance Authority Revenue Bonds - Series 1998 to allow the Board of Regents of Stephen F. Austin State University to restructure its debt service requirements and realize a present value debt service savings.
- Refunded by Texas Public Finance Authority Stephen F. Austin State University Revenue Financing System Revenue Bonds - Series 2010A issued 04-01-10.
- After distribution to the escrow agent of \$3,396,444.38, bond proceeds (par value and premium on sale) of \$53,197.12 remained to cover issuance costs related to the refunding.
- Current refunding of the bonds reduced Stephen F. Austin State University's debt service payments over ten years by approximately \$528,922.
- Economic gain was \$352,960.32, the difference between the net present value of the old and new debt service payments.
- Current refunding resulted in the removal of \$3,390,000 of bond liability from the balance sheet and the addition of \$3,415,000 of bond liability, the net of which is an accounting loss of \$25,000.

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**NOTE 7: Capital Leases**

The University has entered into long-term leases for financing the purchase of certain capital assets. Such leases are classified as capital leases for accounting purposes and, therefore, are recorded at the present value of the future minimum lease payments at the inception of the lease. The following is a summary of original capitalized costs of all such property under lease as well as the accumulated depreciation as of August 31, 2010:

Assets Under Capital Leases	Business-Type Activities
Furniture and Equipment	\$97,364.78
Less: Accumulated Depreciation	49,844.64
Vehicles	0.00
Less: Accumulated Depreciation	0.00
Total	\$47,520.14

Future minimum lease payments under these capital leases, together with the present value of the net minimum lease payments at fiscal year-end, are as follows:

Future Minimum Lease Payments	Business-Type Activities		
	Principal	Interest	Total
2011	\$12,946.54	\$1,095.84	\$14,042.38
2012	4,274.18	479.74	4,753.92
2013	4,554.76	206.51	4,761.27
2014	740.88	8.59	749.47
2015	0.00	0.00	0.00
2016-2020	0.00	0.00	0.00
Total Minimum Lease Payments	\$22,516.36	\$1,790.68	\$24,307.04
Less: Amount Representing Interest at Various Rates			1,790.68
Present Value of Net Minimum Lease Payments			\$22,516.36

**NOTE 8: Operating Leases**

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

<u>Fund Type</u>	<u>Amount</u>
Enterprise Fund	\$398,301.32

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	
2011	\$280,444.98
2012	207,778.85
2013	109,412.12
2014	66,872.70
2015	9,415.00
2016-2020	0.00

**NOTE 9: Retirement Plans**

The State of Texas has joint contributory retirement plans for all of its benefits-eligible employees. One of the primary plans in which the University participates is administered by the Teacher Retirement System of Texas (TRS). The contributory percentages of participant salaries currently provided by the State and by each participant are 6.644% and 6.4%, respectively, of annual compensation. TRS does not separately account for each of its component government agencies, since the Retirement System itself bears sole responsibility for retirement commitments beyond contributions fixed by the State Legislature. Further information regarding actuarial assumptions and conclusions, together with audited financial statements, are included in TRS' annual financial report.

The State has also established an Optional Retirement Program (ORP) for institutions of higher education for certain administrative personnel and faculty. Participation in the Optional Retirement Program is in lieu of participation in TRS, and the selection to participate in ORP must be made in the first 90 days of eligibility. The Optional Retirement Program allows participants to select from a variety of companies for the purchase of annuity contracts or to invest in mutual funds. The contributory percentages on salaries for participants entering the program prior to September 1, 1995, are 8.5% and 6.65% by the State and each participant, respectively. The State's contribution is comprised of 6.4% from the ORP appropriation and 2.1% from other funding sources. The 6.4% contribution is mandatory with the other 2.1% being at the discretion of the University's Board of Regents. The Board has approved the additional contributions for these employees. The contributory percentages on salaries for participants entering the program after August 31, 1995, are 6.4% and 6.65% by the State and each participant, respectively. Since these are individual annuity contracts or mutual fund investments, the University has no additional or unfunded liability for this program.

GASB 27, paragraph 27(d) requires that university system offices and independent universities that administer the ORP disclose the amounts contributed by members and by the employer for that plan. The amount contributed by University employees for the 2010 fiscal year was \$2,121,103.00 and the amount contributed by the University was \$2,316,980.00.

**NOTE 10: Deferred Compensation**

University employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the TEX. GOV'T. CODE ANN., Chapter 609. Two plans are available for employees: the 403(b) Tax Sheltered Annuity (TSA) plan and the Texasaver 457(b) plan. The TSA is administered by Stephen F. Austin State University. The 457(b) plan is administered by the Employees Retirement System of Texas. The assets of these plans do not belong to the University or to the State, and thus they have no liability related to the plans.

**NOTE 11: Post Employment Health Care and Life Insurance Benefits - (Not Applicable)**

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**NOTE 12: Interfund Activity and Transactions**

The University experienced routine transfers with other State agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activity at August 31, 2010:

	Due From Other Agencies	Due To Other Agencies	Source
ENTERPRISE FUND (05)			
Appd Fund 5015, D23 Fund 5015			
Agency 608, D23 Fund 5015	\$5,164.45		State Pass Through
Agency 781, D23 Fund 5103	43,878.25		Texas B-On-Time
Appd Fund 9999, D23 Fund 7999			
Agency 721, D23 Fund 7999		\$217.83	Federal Pass Through
Agency 724, D23 Fund 7999		120,763.79	Federal Pass Through
Agency 733, D23 Fund 7999		377,942.98	Federal Pass Through
Agency 734, D23 Fund 7999		111,738.32	Federal Pass Through
Agency 735, D23 Fund 7999		2,217.70	Federal Pass Through
Agency 781, D23 Fund 0001		165,052.35	State Pass Through
Agency 781, D23 Fund 0001		53,422.82	Federal Pass Through
Agency 802, D23 Fund 2231		3,278.35	Federal Pass Through
Agency 401, D23 Fund 0449	2,624,705.37		Federal Pass Through
Agency 530, D23 Fund 0001	57,404.11		Federal Pass Through
Agency 556, D23 Fund 7999	61,052.94		Federal Pass Through
Agency 580, D23 Fund 4831	4,000.01		State Pass Through
Agency 582, D23 Fund 0015	232,628.04		Federal Pass Through
Agency 582, D23 Fund 4153	5,707.12		Federal Pass Through
Agency 701, D23 Fund 0148	68,814.68		Federal Pass Through
Agency 701, D23 Fund 0369	2,326.40		Federal Pass Through
Agency 723, D23 Fund 7999	151,516.94		Federal Pass Through
Agency 739, D23 Fund 7999	27,292.09		Federal Pass Through
Agency 771, D23 Fund 0001	161,500.85		Federal Pass Through
Agency 781, D23 Fund 0001	88.00		State Pass Through
Agency 802, D23 Fund 0920	13,365.35		State Pass Through
Agency 802, D23 Fund 0931	26,282.62		Federal Pass Through
Agency 802, D23 Fund 0951	48,024.38		Federal Pass Through
Agency 802, D23 Fund 4673	21,113.46		State Pass Through
Agency 802, D23 Fund 5043	4,211.00		State Pass Through
Total Due From/To Other Agencies	\$3,559,076.06	\$834,634.14	

	Transfer In	Transfer out	Purpose
ENTERPRISE FUND (05)			
Agency 781, D23 Fund 0001		\$1,494.00	Doctoral Set-Aside
Total Transfers for Fund 0261		1,494.00	
ENTERPRISE FUND (05)			
Appd Fund 5103, D23 Fund 5103			
Agency 781, D23 Fund 5103		\$908,949.92	Texas B-On-Time
Total Transfers for Fund 5103		908,949.92	
Total Transfers		\$910,443.92	

The detailed State Grant Pass-Through information is listed on Schedule 1-B - Schedule of State Grant Pass-Through From/To State Agencies.

**NOTE 13: Continuance Subject to Review - (Not Applicable)**

**NOTE 14: Adjustments to Fund Balances/Net Assets – (Not Applicable)**

**NOTE 15: Contingencies and Commitments**

As of August 31, 2010, two lawsuits and some miscellaneous claims were pending. While the ultimate liability with respect to pending claims asserted against the University cannot be reasonably estimated at this time, such liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the University.

**NOTE 16: Subsequent Events – (Not Applicable)**

**NOTE 17: Risk Management**

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; losses resulting from providing health and other medical benefits to employees; and natural disasters. It is the University's policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The methods the University uses to handle each of these risks are summarized below.

Injuries to Employees: Employees of the University are covered by a workers' compensation insurance policy provided by the State Office of Risk Management (SORM). SORM assesses the University an amount for the insurance coverage in accordance with 28 T.A.C. 251.507. An Interagency Contract in the amount of \$187,276.64 was executed on behalf of the University for Worker's Compensation Insurance during the year ended August 31, 2010. A mid-year assessment adjustment in the amount of \$62,425.54 for 2010 was paid in May 2010 and recorded as an increase in current year expenditures.

Provision for Health and Other Medical Benefits: Employees of the University are eligible for health insurance and optional coverage(s) if they are employed at least 50 percent time. The coverage is provided through the State, under the Texas Employees Group Benefits Program (GBP), which is administered by Blue Cross Blue Shield of Texas. Eligible employees may select health, dental, life, accidental death and dismemberment, dependent life, and long and short-term disability coverage. All risks associated with these benefits are passed to the GBP. The costs of health insurance coverage are jointly paid by the State and the University as follows: 100% for full-time employees and 50% for their dependents; 50% for part-time employees and 25% for their dependents. Employees hired on or after September 1, 2003, have a 90-day waiting period to participate in health insurance coverage. Contributions made by the State on behalf of the University for health and other medical benefits were \$6,287,327.00 for the year ended August 31, 2010.

Damage to Property: The University is required by certain bond covenants to carry fire and extended coverage and boiler insurance on buildings financed through the issuance of bonds. The insurance protects the bondholders from a disruption to the revenue stream that is being utilized to make the bond interest and principal payments. In fiscal year 2010, there were no damage claims.

The Texas Motor Vehicle Safety Responsibility Act requires that every non-governmental vehicle operated on a State highway be insured for minimum limits of liability in the amount of \$25,000 per injured person, up to a total of \$50,000 for everyone injured in an accident (bodily injury) and \$25,000 for property damage. However, the University has chosen to carry liability insurance on its licensed vehicles in the amount of \$250,000/\$500,000/\$100,000. The University also carries physical damage for vehicles six years and newer. One vehicle, a 56-passenger bus, carries a \$1,000,000 limit per contractual requirements. The annual premium was \$64,364.00 with a deductible paid of \$6,088.00.

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Torts and Other Risks: The University is exposed to a variety of civil claims resulting from the performance of its duties. The University has purchased commercial insurance to address this risk.

**NOTE 18: Management Discussion and Analysis**

See *Management's Discussion and Analysis* at the beginning of this financial report.

**NOTE 19: The Financial Reporting Entity**

The University is an agency of the State of Texas. The ten members of its Board of Regents are appointed by the Governor, and include one non-voting student Regent. The University has no component units or joint ventures.

Six entities exist to benefit the University: Stephen F. Austin State University Foundation, Inc.; SFA Real Estate Foundation, Inc.; Stephen F. Austin State University Alumni Association, Inc.; Stephen F. Austin State University Alumni Foundation, Inc.; Stephen F. Austin State University Tip-In Club; and, Stephen F. Austin State University Quarterjack Club. Since the University's Board of Regents is not financially accountable for these entities and does not appoint their board members, they are not considered Related Parties per GASB Statement 14, *The Financial Reporting Entity*, and GASB Statement 39, *Determining Whether Certain Organizations Are Component Units — an amendment of GASB Statement No. 14*. Accordingly, their financial data are not included in this financial report.

The Stephen F. Austin State University Foundation, Inc. is a non-profit organization operating exclusively to solicit, receive, hold, invest and expend private funds for the sole benefit of the University. The University's Vice President for Development serves as the Executive Director of the Foundation and the University's President may serve as an ex officio, non-voting member of the Foundation's Board of Trustees. The University provides personnel, office space, equipment and supplies as necessary for the Foundation to carry out its responsibilities and activities.

The SFA Real Estate Foundation, Inc. is a non-profit organization with the sole purpose of supporting the mission of the University. It receives, holds, manages, and controls real property gifts or acquisitions which benefit the University. The University's Vice President for Development serves as the Executive Director of the Foundation and the University's President may serve as an ex officio, non-voting member of the Foundation's Board of Trustees. The University furnishes certain services, such as office space, utilities, and some staff assistance, to the Foundation.

The Stephen F. Austin State University Alumni Association, Inc. is a non-profit organization dedicated to serving the alumni, friends, and current students of the University through programs, scholarships, and activities that create an attitude of continued loyalty and support. The University's Executive Director for Alumni Affairs serves as the Executive Director of the Alumni Association. The Alumni Association compensates the University for a portion of their employee support costs. The University provides certain services, such as office space, utilities, some staff assistance, and custodial services, to the Association.

The Stephen F. Austin State University Alumni Foundation, Inc. is a non-profit organization which exists to award scholarships to students at the University. The Alumni Foundation is housed within the Alumni Association. Therefore, the University provides the same office space, utilities, staff assistance and custodial services for the Alumni Foundation as it does for the Alumni Association.

The Stephen F. Austin State University Tip-In Club is a non-profit organization which exists for the sole purpose of supporting the Lumberjack Basketball program. It solicits donations and manages and holds gifts for the sole benefit of the intercollegiate men's basketball program. The University's Athletic Director serves as an ex officio, non-voting member of the Club's Board of Directors and reviews and approves activities to ensure compliance with National Collegiate Athletic Association (NCAA) requirements.

The Stephen F. Austin State University Quarterjack Club is a non-profit organization which exists for the sole purpose of supporting the Lumberjack Football program. This organization has been dormant for several years. The University's Athletic Director serves as an ex officio, non-voting member of the Club's Board of Directors and reviews and approves activities to ensure compliance with National Collegiate Athletic Association (NCAA) requirements.



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**NOTE 20: Stewardship, Compliance and Accountability**

The University administration is unaware of any non-compliance items.

**NOTE 21: Tobacco Settlement - (Not Applicable)**

**NOTE 22: Donor-Restricted Endowments**

Donor-Restricted Endowment	Amounts of Net Appreciation	Reported in Net Assets
True Endowments	\$157,624.10	Funds Held as Permanent Endowments, Expendable
Term Endowments	1,193.67	Funds Held as Permanent Endowments, Expendable
Total	\$158,817.77	Change in Net Assets, Expendable

The University spending policy provides for a target distribution rate of between 4% and 5%. If returns permit, an amount equal to the rate of inflation will be added back to each endowment principal balance. Additionally, if there are any returns beyond the inflation rate, then this amount may be added to a contingency reserve for distribution during years of poor investment performance. In 2010, account managers were given the option to replenish principal balances in order to offset prior year losses rather than make distributions, subject to the endowment agreements. Accordingly, 2.79% of total earnings was distributed to spending accounts and 1.50% was added back to the balance of each individual endowment account. Also, .39% was added to the contingency reserve account.

**NOTE 23: Extraordinary and Special Items - (Not Applicable)**

**NOTE 24: Disaggregation of Receivable and Payable Balances**

**Accounts Receivables**

The components of Current Accounts Receivables, as reported in the Statement of Net Assets, are as follows:

Accounts Receivables Category	Current Amount
3 <sup>rd</sup> Party Contracts on Student Receivables	\$1,956,241.10
Private Grants and Contracts Receivables	82,245.38
Miscellaneous Receivables	390,708.83
Total	\$2,429,195.31

Of these amounts, there are no significant receivable balances that the University does not expect to collect within the next fiscal year.

**Accounts Payables**

The components of Current Accounts Payables, as reported in the Statement of Net Assets, are as follows:

Accounts Payables Category	Current Amount
Payables on Construction Activity	\$157,569.97
Utility Payables	1,454,489.11
Procurement Card Payables	910,422.11
Miscellaneous	1,912,580.42
Total	\$4,435,061.61

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**NOTE 25: Termination Benefits – (Not Applicable)**

**NOTE 26: Segment Information - (Not Applicable)**

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Federal Grantor/ Pass-Through Grantor Program Title	CFDA Number	NSE Name/ Identifying Number	Pass-Through From		
			Agy/ Univ. #	Agencies Or Univ. Amount	Non-State Entities Amount
<b>U.S. Department of Agriculture</b>					
Direct Programs:					
Wildlife Services	10.028			\$ 0.00	\$ 0.00
Forestry Research	10.652				
<b>Totals - U. S. Department of Agriculture</b>				<u>0.00</u>	<u>0.00</u>
<b>U.S. Department of Defense</b>					
State Memorandum of Agreement Program for the Reimbursement of Technical Services					
	12.113				
<b>Totals - U.S. Department of Defense</b>				<u>0.00</u>	<u>0.00</u>
<b>U.S. Department of the Interior</b>					
National Historic Landmark					
	15.912	City of Nacogdoches/ 202151			86,180.87
Direct Programs:					
National Historic Landmark Rivers, Trails and Conservation Assistance	15.912 15.921				
<b>Totals - U.S. Department of the Interior</b>				<u>0.00</u>	<u>86,180.87</u>
<b>National Endowment for The Humanities</b>					
Promotion of the Humanities Division of Preservation and Access					
	45.149	Humanities Texas/ 201791			3,500.00
Direct Programs:					
Conservation Project Support	45.303				
<b>Totals - National Endowment For The Humanities</b>				<u>0.00</u>	<u>3,500.00</u>
<b>National Science Foundation</b>					
Education and Human Resources					
	47.076				
Pass Through To: University of Texas at Austin					
ARRA - Trans-NSF Recovery Act Research Support	47.082				
<b>Totals - National Science Foundation</b>				<u>0.00</u>	<u>0.00</u>
<b>Environmental Protection Agency</b>					
Pass-Through From:					
Capitalization Grants for Drinking Water State Revolving Funds	66.468				
Pass-Through From:					
Texas Commission on Environmental Quality			582	137,526.72	
Water Protection Grants to the States	66.474				
Pass-Through From:					
Texas Commission on Environmental Quality			582	183,198.79	
Water Protection Grants to the States	66.474				
Pass-Through From:					
Texas Commission on Environmental Quality			582	120,422.83	
Pass Through To: University of Texas at El Paso					
Water Protection Grants to the States	66.474				
Pass-Through From:					
Texas Commission on Environmental Quality			582	40,436.97	
Pass Through To: Texas Tech University					
Water Protection Grants to the States	66.474				
Pass-Through From:					
Texas Commission on Environmental Quality			582	44,763.83	

UNAUDITED

Direct Program Amount	Total PT From & Direct Program	Pass-Through To		Expenditures Amount	Total PT To & Expenditures
		Agy #/ Univ. #	State Agy. Or Univ. Amount		
\$ 2,107.41 181,077.50	\$ 2,107.41 181,077.50	\$ 0.00	\$ 0.00	\$ 2,107.41 181,077.50	\$ 2,107.41 181,077.50
<u>183,184.91</u>	<u>183,184.91</u>	<u>0.00</u>	<u>0.00</u>	<u>183,184.91</u>	<u>183,184.91</u>
261,316.00	261,316.00			261,316.00	261,316.00
<u>261,316.00</u>	<u>261,316.00</u>	<u>0.00</u>	<u>0.00</u>	<u>261,316.00</u>	<u>261,316.00</u>
	86,180.87			86,180.87	86,180.87
16,876.15 37,051.44	16,876.15 37,051.44			16,876.15 37,051.44	16,876.15 37,051.44
<u>53,927.59</u>	<u>140,108.46</u>	<u>0.00</u>	<u>0.00</u>	<u>140,108.46</u>	<u>140,108.46</u>
	3,500.00			3,500.00	3,500.00
1,125.00	1,125.00			1,125.00	1,125.00
<u>1,125.00</u>	<u>4,625.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,625.00</u>	<u>4,625.00</u>
166,051.05	166,051.05			148,439.71	166,051.05
		721	17,611.34		
224,391.76	224,391.76			224,391.76	224,391.76
<u>390,442.81</u>	<u>390,442.81</u>	<u>17,611.34</u>	<u>0.00</u>	<u>372,831.47</u>	<u>390,442.81</u>
	137,526.72			137,526.72	137,526.72
	183,198.79			183,198.79	183,198.79
	120,422.83				120,422.83
		724	120,422.83		
	40,436.97				40,436.97
		733	40,436.97		
	44,763.83				44,763.83

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Federal Grantor/ Pass-Through Grantor Program Title	CFDA Number	NSE Name/ Identifying Number	Pass-Through From		
			Agy/ Univ. #	Agencies Or Univ. Amount	Non-State Entities Amount
Pass Through To: Lamar University					
<b>Totals - Environmental Protection Agency</b>				<u>526,349.14</u>	<u>0.00</u>
U.S. Department of Education Tech-Prep Education	84.243	Angelina College DET School to Career/ 200681			622.60
		Angelina College DET Tech Prep/ 200701			4,010.66
		Special Health Resources of TX, Inc/ 200801			22,925.50
Direct Programs:					
Undergraduation International Studies and Foreign Language Programs	84.016				
Fund for the Improvement of Postsecondary Education Pass Through To: Lamar State College - Orange	84.116				
Rehabilitation Long-Term Training	84.129				
Special Education--Personnel Development to Improve Services and Results for Children with Disabilities	84.325				
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334				
Transition Teaching	84.350				
School Leadership	84.363				
Pass-Through From: Career and Technical Education -- Basic Grants to States	84.048				
Pass-Through From: Texas Education Agency			701	387,136.39	
Charter Schools	84.282				
Pass-Through From: Texas Education Agency			701	273,255.18	
Improving Teacher Quality State Grants	84.367				
Pass-Through From: Texas Higher Education Coordinating Board			781	69,881.89	
<b>Totals - U.S. Department of Education</b>				<u>730,273.46</u>	<u>27,558.76</u>
U.S. Department of Health and Human Services Direct Programs:					
Rural Health Care Services Outreach and Rural Health Network Development Program	93.912				
Pass-Through From: Model State-Supported Area Health Education Centers	93.107				
Pass-Through From: University of Texas Medical Branch Galveston			723	83,487.72	
Foster Care--Title IV-E	93.658				
Pass-Through From: Department of Family and Protective Services			530	150,052.97	
Social Services Block Grant	93.667				
Pass-Through From: University of Texas Medial Branch at Galveston			530	264,627.64	
Geriatric Education Centers	93.969				
Pass-Through From: University of Texas Medical Branch at Galveston			723	11,292.47	
<b>Totals - U.S. Department of Health &amp; Human Services</b>				<u>509,460.80</u>	<u>0.00</u>
Corporation for National and Community Service Planning and Program Development Grants	94.007	North Carolina Campus Compact/ 200751			734.80

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Direct Program Amount	Total PT From & Direct Program	Pass-Through To			Expenditures Amount	Total PT To & Expenditures
		Agy #/ Univ. #	State Agy. Or Univ. Amount	Non-State Entities Amount		
		734 #	44,763.83			
<u>0.00</u>	<u>526,349.14</u>		<u>205,623.63</u>	<u>0.00</u>	<u>320,725.51</u>	<u>526,349.14</u>
	622.60			622.60	622.60	
	4,010.66			4,010.66	4,010.66	
	22,925.50			22,925.50	22,925.50	
31,491.77	31,491.77			31,491.77	31,491.77	
98,861.47	98,861.47			96,322.05	98,861.47	
		787	2,539.42			
205,979.38	205,979.38			205,979.38	205,979.38	
288,142.45	288,142.45			288,142.45	288,142.45	
907,613.15	907,613.15			907,613.15	907,613.15	
580,276.83	580,276.83			580,276.83	580,276.83	
2,527.45	2,527.45			2,527.45	2,527.45	
	387,136.39			387,136.39	387,136.39	
	273,255.18			273,255.18	273,255.18	
	69,881.89			69,881.89	69,881.89	
<u>2,114,892.50</u>	<u>2,872,724.72</u>		<u>2,539.42</u>	<u>0.00</u>	<u>2,870,185.30</u>	<u>2,872,724.72</u>
201,599.05	201,599.05			55,044.95	146,554.10	201,599.05
	83,487.72			83,487.72	83,487.72	
	150,052.97			150,052.97	150,052.97	
	264,627.64			75,296.38	189,331.26	264,627.64
	11,292.47			11,292.47	11,292.47	
<u>201,599.05</u>	<u>711,059.85</u>		<u>0.00</u>	<u>130,341.33</u>	<u>580,718.52</u>	<u>711,059.85</u>
	734.80			734.80	734.80	

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Federal Grantor/ Pass-Through Grantor Program Title	CFDA Number	NSE Name/ Identifying Number	Pass-Through From		Non-State Entities Amount
			Agy/ Univ. #	Agencies Or Univ. Amount	
Totals - Corporation for National and Community Service				0.00	734.80
<b>RESEARCH &amp; DEVELOPMENT CLUSTER</b>					
U.S. Department of Agriculture					
Direct Programs:					
Agricultural Research--Basic and Applied Research	10.001				
Grants for Agricultural Research, Special Research Grants	10.200				
Cooperative Forestry Research	10.202				
Higher Education Challenge Grants	10.217				
Foreign Market Development Cooperator Program	10.600				
Forestry Research	10.652				
Totals - U. S. Department of Agriculture				0.00	0.00
U.S. Department of Defense					
Aquatic Plant Control	12.100				
Collaborative Research and Development	12.114				
Military Medical Research and Development	12.420				
Mathematical Sciences Grants Program	12.901				
Pass-Through From:					
National Guard Military Operations and Maintenance (O&M) Projects	12.401				
Pass-Through From:					
Adjutant General's Department			401	1,239,231.59	
National Guard Military Operations and Maintenance (O&M) Projects					
Pass-Through From:					
Adjutant General's Department			401	870,731.51	
Pass Through To:					
University of Texas at El Paso					
National Guard Military Operations and Maintenance (O&M) Projects					
Pass-Through From:					
Adjutant General's Department			401	745,274.01	
Pass Through To:					
Texas Tech University					
National Guard Military Operations and Maintenance (O&M) Projects					
Pass-Through From:					
Adjutant General's Department			401	363,749.98	
Pass Through To:					
Lamar University					
Totals - U.S. Department of Defense				3,238,987.09	0.00
U.S. Department of the Interior					
National Land Remote Sensing Education Outreach and Research	15.815	America View/ AV04-TX01			17,735.95
Direct Programs:					
National Historic Landmark Rivers, Trails and Conservation Assistance	15.912				
15.921					
Pass-Through From:					
Wildlife Restoration	15.611				
Pass-Through From:					
Parks and Wildlife Department			802	110,202.97	
State Wildlife Grants					
Pass-Through From:					
Parks and Wildlife Department			802	109,231.65	
National Land Remote Sensing Education Outreach and Research					
Pass-Through To:					
University of Texas at Austin		America View/ AV04-TX01			5,646.13
National Land Remote Sensing Education Outreach and Research					
Pass-Through To:					
Midwestern State University		America View/ AV04-TX01			2,217.70



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Direct Program Amount	Total PT From & Direct Program	Pass-Through To			Expenditures Amount	Total PT To & Expenditures
		Agy #/ Univ. #	State Agy. Or Univ. Amount	Non-State Entities Amount		
0.00	734.80		0.00	0.00	734.80	734.80
825.00	825.00			825.00	825.00	825.00
183,236.16	183,236.16			183,236.16	183,236.16	183,236.16
447,898.37	447,898.37			447,898.37	447,898.37	447,898.37
103,669.26	103,669.26			29,702.38	73,966.88	103,669.26
1,242.77	1,242.77			1,242.77	1,242.77	1,242.77
44,034.84	44,034.84			44,034.84	44,034.84	44,034.84
<u>780,906.40</u>	<u>780,906.40</u>		<u>0.00</u>	<u>29,702.38</u>	<u>751,204.02</u>	<u>780,906.40</u>
62,462.18	62,462.18			62,462.18	62,462.18	62,462.18
12,198.58	12,198.58			12,198.58	12,198.58	12,198.58
85,041.71	85,041.71			85,041.71	85,041.71	85,041.71
12,423.81	12,423.81			12,423.81	12,423.81	12,423.81
	1,239,231.59			1,239,231.59	1,239,231.59	1,239,231.59
	870,731.51				870,731.51	870,731.51
		724	870,731.51			
	745,274.01				745,274.01	745,274.01
		733	745,274.01			
	383,749.98				383,749.98	383,749.98
		734	383,749.98			
<u>172,126.28</u>	<u>3,411,113.37</u>		<u>1,999,755.50</u>	<u>0.00</u>	<u>1,411,357.87</u>	<u>3,411,113.37</u>
	17,735.95			17,735.95	17,735.95	17,735.95
60,813.74	60,813.74			60,813.74	60,813.74	60,813.74
31,258.48	31,258.48			31,258.48	31,258.48	31,258.48
	110,202.97			110,202.97	110,202.97	110,202.97
	109,231.65			109,231.65	109,231.65	109,231.65
	5,646.13				5,646.13	5,646.13
		721	5,646.13			
	2,217.70				2,217.70	2,217.70
		735	2,217.70			

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Federal Grantor/ Pass-Through Grantor Program Title	CFDA Number	NSE Name/ Identifying Number	Pass-Through From		
			Agy/ Univ. #	Agencies Or Univ. Amount	Non-State Entities Amount
Totals - U.S. Department of the Interior				<u>219,434.62</u>	<u>25,599.78</u>
U.S. Department of Labor					
ARRA - WIA Adult Program	17.258				
Pass-Through From:					
Texas Tech University Health Sciences Center			739	103,758.67	
Totals - U.S. Department of Labor				<u>103,758.67</u>	<u>0.00</u>
National Aeronautics & Space Administration					
Aerospace Education Services Program	43.001	Oregon State University/ 200611			130.79
		Sigma Space Corp/ 202591			1,447.64
Direct Programs:					
Aerospace Education Services Program	43.001				
Totals - National Aeronautics & Space Administration				<u>0.00</u>	<u>1,578.43</u>
National Science Foundation					
Social, Behavioral, and Economic Sciences	47.075				
Education and Human Resources	47.076				
Totals - National Science Foundation				<u>0.00</u>	<u>0.00</u>
Environmental Protection Agency					
Congressionally Mandated Projects	66.202				
Pass-Through From:					
Nonpoint Source Implementation Grants	66.460				
Pass-Through From:					
Texas AgriLife Research			556	61,052.94	
Totals - Environmental Protection Agency				<u>61,052.94</u>	<u>0.00</u>
U.S. Department of Education					
Direct Programs:					
Bilingual Education Professional Development	64.195				
School Leadership	64.363				
Totals - U.S. Department of Education				<u>0.00</u>	<u>0.00</u>
U.S. Department of Health and Human Services					
Special Projects of National Significance	93.926	Special Health Resources of TX, Inc/ 201801.000			6,811.98
Direct Programs:					
Social Services Research and Demonstration	93.647				
Totals - U.S. Department of Health and Human Services				<u>0.00</u>	<u>6,811.98</u>
CHILD CARE CLUSTER					
U.S. Department of Health and Human Services					
Child Care and Development Block Grant	93.575	Workforce Solutions Deep East TX/ 202181			99,873.54
ARRA - Child Care And Development Block Grant	93.713	Workforce Solutions Deep East TX/ 2R1861			6,000.00
		Workforce Solutions Deep East TX/ 2R1711			92,419.26
Totals - U.S. Department of Health & Human Services				<u>0.00</u>	<u>198,292.80</u>
Highway Planning and Construction Cluster					
U.S. Department of Transportation					
Pass-Through From:					
Recreational Trails Program	20.219				
Pass-Through From:					
Parks and Wildlife Department			802	15,136.90	
Totals - U.S. Department of Transportation				<u>15,136.90</u>	<u>0.00</u>

UNAUDITED

Direct Program Amount	Total PT From & Direct Program	Pass-Through To			Expenditures Amount	Total PT To & Expenditures
		Agy #/ Univ. #	State Agy. Or Univ. Amount	Non-State Entities Amount		
92,072.22	337,106.62		7,863.83	0.00	329,242.79	337,106.62
	103,758.67				103,758.67	103,758.67
0.00	103,758.67		0.00	0.00	103,758.67	103,758.67
	130.79				130.79	130.79
	1,447.64				1,447.64	1,447.64
16,203.48	16,203.48				16,203.48	16,203.48
16,203.48	17,781.91		0.00	0.00	17,781.91	17,781.91
26,375.21 13,012.62	26,375.21 13,012.62				26,375.21 13,012.62	26,375.21 13,012.62
39,387.83	39,387.83		0.00	0.00	39,387.83	39,387.83
96,606.31	96,606.31				96,606.31	96,606.31
	61,052.94				61,052.94	61,052.94
96,606.31	157,659.25		0.00	0.00	157,659.25	157,659.25
294,711.88 988.39	294,711.88 988.39				294,711.88 988.39	294,711.88 988.39
295,700.27	295,700.27		0.00	0.00	295,700.27	295,700.27
	6,811.98				6,811.98	6,811.98
165,701.49	165,701.49				165,701.49	165,701.49
165,701.49	172,513.47		0.00	0.00	172,513.47	172,513.47
	99,873.54				99,873.54	99,873.54
	6,000.00				6,000.00	6,000.00
	92,419.26				92,419.26	92,419.26
0.00	198,292.80		0.00	0.00	198,292.80	198,292.80
	15,136.90				15,136.90	15,136.90
0.00	15,136.90		0.00	0.00	15,136.90	15,136.90

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Federal Grantor/ Pass-Through Grantor Program Title	CFDA Number	NSE Name/ Identifying Number	Pass-Through From		Non-State Entities Amount
			Agy/ Univ. #	Agencies Or Univ. Amount	
<b>SPECIAL EDUCATION (IDEA) CLUSTER</b>					
U.S. Department of Education					
Pass-Through From:					
Special Education--Grants to States	84.027				
Pass-Through From:					
Texas Education Agency			701	3,394.03	
Special Education--Grants to States	84.027				
Pass-Through From:					
Texas A&M University - Texarkana			764	33,541.61	
Special Education--Grants to States	84.027				
Pass-Through From:					
Texas School for the Blind & Visually Impaired			771	534,994.00	
ARRA - Special Education Grants to States, Recovery Act	84.391				
Pass-Through From:					
Texas Education Agency			701	26,136.44	
<b>Totals - U.S. Department of Education</b>				<u>598,066.08</u>	<u>0.00</u>
<b>PUBLIC ASSISTANCE CLUSTER</b>					
U.S. Department of Homeland Security					
Pass-Through From:					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036				
Pass-Through From:					
Texas Department of Public Safety			405	265.08	
<b>Totals - U.S. Department of Agriculture</b>				<u>265.08</u>	<u>0.00</u>
<b>STUDENT FINANCIAL ASSISTANCE CLUSTER</b>					
U.S. Department of Education					
Direct Programs:					
Federal Supplemental Educational Opportunity Grants	84.007	P007A024129			
Federal Family Education Loans	84.032				
Federal Work-Study Program	84.033	P003A024129			
Federal Perkins Loan Program--Federal Capital Contributions	84.038	P038A014129			
Federal Pell Grant Program	84.063	P063P011677			
Federal Direct Student Loans	84.268				
Academic Competitiveness Grants	84.375				
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376				
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
<b>Totals - U.S. Department of Education</b>				<u>0.00</u>	<u>0.00</u>
<b>State Fiscal Stabilization Fund Cluster</b>					
U.S. Department of Education					
ARRA-State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	Nacogdoches ISD/ 2R2781			1,000.00
Pass-Through From:					
ARRA-State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394				
Pass-Through From:					
Texas Education Agency			701	23,264.00	
ARRA-State Fiscal Stabilization Fund (SFSF) - Government Services, Recovery Act	84.397				
Pass-Through From:					
Texas Higher Education Coordinating Board			781	2,059,053.00	
<b>Totals - U.S. Department of Education</b>				<u>2,082,317.00</u>	<u>1,000.00</u>
<b>Total Expenditures of Federal Awards</b>				<u>\$ 8,085,101.78</u>	<u>\$ 351,257.42</u>

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Direct Program Amount	Total PT From & Direct Program	Pass-Through To			Expenditures Amount	Total PT To & Expenditures
		Agy #/ Univ. #	State Agy. Or Univ. Amount	Non-State Entities Amount		
	3,394.03				3,394.03	3,394.03
	33,541.61				33,541.61	33,541.61
	534,994.00				534,994.00	534,994.00
	26,136.44				26,136.44	26,136.44
<u>0.00</u>	<u>598,066.08</u>	<u>0.00</u>	<u>0.00</u>	<u>598,066.08</u>	<u>598,066.08</u>	
	265.08			265.08	265.08	265.08
<u>0.00</u>	<u>265.08</u>	<u>0.00</u>	<u>0.00</u>	<u>265.08</u>	<u>265.08</u>	
388,281.00	388,281.00			388,281.00	388,281.00	388,281.00
70,814,533.00	70,814,533.00			70,814,533.00	70,814,533.00	70,814,533.00
599,851.91	599,851.91			599,851.91	599,851.91	599,851.91
632,404.32	632,404.32			632,404.32	632,404.32	632,404.32
19,725,231.57	19,725,231.57			19,725,231.57	19,725,231.57	19,725,231.57
23,943,185.00	23,943,185.00			23,943,185.00	23,943,185.00	23,943,185.00
833,963.42	833,963.42			833,963.42	833,963.42	833,963.42
154,181.00	154,181.00			154,181.00	154,181.00	154,181.00
337,337.00	337,337.00			337,337.00	337,337.00	337,337.00
<u>117,428,968.22</u>	<u>117,428,968.22</u>	<u>0.00</u>	<u>0.00</u>	<u>117,428,968.22</u>	<u>117,428,968.22</u>	
	1,000.00			1,000.00	1,000.00	1,000.00
	23,264.00			23,264.00	23,264.00	23,264.00
	2,059,053.00			2,059,053.00	2,059,053.00	2,059,053.00
<u>0.00</u>	<u>2,083,317.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,083,317.00</u>	<u>2,083,317.00</u>	
\$ <u>122,294,160.36</u>	\$ <u>130,730,519.56</u>	\$ <u>2,233,393.72</u>	\$ <u>160,043.71</u>	\$ <u>128,337,082.13</u>	\$ <u>130,730,519.56</u>	

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STEPHEN F. AUSTIN STATE UNIVERSITY  
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 Schedule 1-A-Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2010

Note 1 - Nonmonetary Assistance - N/A

Note 2 - Reconciliation

Below is a reconciliation of the total of federal pass through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total of 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 Changes in Revenues, Expenses and Net Assets

Federal Revenue Operating	\$ 26,904,038.04
Federal Pass-Through Revenue	6,026,048.78
Federal Pass-Through from Non-State Agency	351,257.42
Federal Pass-Through Non-Operating	2,059,053.00
Subtotal	<u>35,340,397.24</u>
<b>Reconciling Items:</b>	
Non-monetary:	0.00
New Loans Processed:	
GSL/SLS/PLUS Loans	70,814,533.00
Federal Direct Student Loans (Direct Loans)	23,943,185.00
Federal Perkins Loans	632,404.32
Total Pass-Through and Expenditures per Federal Schedule	<u>\$130,730,519.56</u>

Note 3 - Student Loans Processed and Administrative Costs Recovered

Federal Grantor/CFDA Number/ Program Name	New Loans Processed	Admin Costs Recovered	Total Loans Processed & Admin Costs Recovered	End Balances of Previous Year's Loans
Department of Education 84.038 Federal Perkins Loans	\$ 632,404.32	\$ 80,360.00	\$ 712,764.32	\$ 5,497,268.96
Department of Education 84.032 GSL/SLS/Plus Loans	70,814,533.00	0.00	70,814,533.00	0.00
Department of Education 84.268 Federal Direct Student Loans (Direct Loans)	23,943,185.00	0.00	23,943,185.00	0.00
Total Department of Education	\$ 95,390,122.32	\$ 80,360.00	\$ 95,470,482.32	\$ 5,497,268.96

Note 4 - Depository Libraries for Government Publications - N/A

Note 5 - Unemployment Insurance - N/A

Note 6 - Rebates from the Special Supplemental Food Program for Women, Infant and Children (WIC) - N/A

Note 7 - Federal Deferred Revenue

Federal Deferred Revenue 9-1-09	\$ 63,583.34
Increase (Decrease)	143,654.03
Federal Deferred Revenue 8-31-10	<u>\$ 207,237.37</u>

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**STEPHEN F. AUSTIN STATE UNIVERSITY**  
**Agency No. 755**  
**Schedule 1-B - Schedule of State Grant Pass-Through From/To State Agencies**  
**For The Fiscal Year Ended August 31, 2010**

**Pass Through From:**

Operating:

Texas Water Development Board (Agy #580)		
Riparian Area Survey	\$ 7,731.57	
Sabine River Woody Debris	8,391.51	
		\$ 16,123.08
Texas Education Agency (Agy #701)		
Charter School YR 1	198,762.76	
Charter School YR 2	1,509,644.00	
Charter School Technology FY10	6,415.00	
		1,714,821.76
UT-System (Agy #720)		
JAMP FY10	15,000.00	
JAMP FY09	(4,198.00)	
JAMP Camp 2010	20,000.00	
		30,802.00
Texas Higher Ed. Coord. Board (Agy #781)		
Deep E TX P16 Council FY10	35,328.86	
MST Academy	200,763.11	
P16 Enhancement	916.35	
Chemistry Vertical Teams (Travel Award)	78.50	
Research Model At Risk Nursing YT2	21,325.97	
P16 Special Advisor	9,419.72	
College Readiness Advisor 10-11	6,016.77	
Nursing Perf Grant	25,000.00	
STEPS CCR Demonstration Project	105,228.88	
Financial Aid-Prof Nursing	8,012.00	
General Academic Enroll Growth	48,076.37	
TEXAS Grant Program	5,038,231.00	
Prof Nursing Shortage Reduc	77,081.00	
Higher Educ Perf Incentive Scholarship	547,550.00	
College Work Study Program	82,542.00	
5th Year Accounting Scholarships	16,502.31	
		6,222,072.84
Texas Parks & Wildlife (Agy #802)		
Mammalian Species Yr 2	(2,723.29)	
Exotic Invasive Plants Yr 2	19,661.97	
Moist-soil Management 10-11	13,365.35	
Nacogdoches Naturally CO-OP	28,923.27	
		59,227.30
State Energy Conservation Office (Agy #907)		
Project Learning Tree 2	13,395.93	
		13,395.93
Total Operating Pass-Through From Other Agencies		\$ 8,056,442.91



UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY

Agency No. 755

Schedule 1-B - Schedule of State Grant Pass-Through From/To State Agencies  
For The Fiscal Year Ended August 31, 2010

Pass Through To:

Operating:

	\$	-
	<hr/>	
Total Operating Pass-Through To Other Agencies	\$	-
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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2A - Miscellaneous Bond Information  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Bonds Issued to Date	Range of Interest Rates		Scheduled Maturities		First Call Date
				First Year	Last Year	
<b>Business-Type Activities</b>						
Revenue Bonds - Self Supporting						
Rev Fin Sys Bds Ser '00	\$ 7,000,000.00	5.125	5.375	2003	2009	n/a
Rev Fin Sys Bds Ser '02 (A)	1,320,000.00	3.590	3.590	2003	2010	n/a
Rev Fin Sys Bds Ser '04	26,030,000.00	2.000	4.375	2005	2024	10/15/2013
Rev Fin Sys Bds Ser '04 (A)	5,460,000.00	4.000	4.625	2005	2024	10/15/2013
Rev Fin Sys Bds Ser '05	17,215,000.00	4.000	5.250	2006	2025	10/15/2015
Rev Fin Sys Bds Ser '05 (A)	55,365,000.00	3.500	5.000	2006	2025	10/15/2015
Rev Fin Sys Bds Ser '10	35,035,000.00	2.000	5.000	2010	2029	10/15/2020
	<u>147,425,000.00</u>					
Tuition Revenue Bonds - Self-Supporting						
Rev Fin Sys Bds Ser '98	6,000,000.00	3.650	5.250	1999	2018	10/15/2008
Rev Fin Sys Bds Ser '02	14,070,000.00	4.000	5.000	2002	2021	10/15/2012
Rev Fin Sys Bds Ser '08	20,175,000.00	3.500	5.000	2008	2027	10/15/2017
Rev Fin Sys Bds Ser '09	23,613,709.35	3.750	5.000	2009	2029	10/15/2017
Rev Fin Sys Bds Ser '10 (A)	3,415,000.00	2.000	3.000	2010	2016	n/a
	<u>67,273,709.35</u>					
Total Revenue Bonds	<u>214,698,709.35</u>					
General Obligation Bonds - Not Self-Supporting						
Constitutional Apprn Bds Ser '08	10,200,000.00	4.000	5.000	2009	2018	n/a
Total General Obligation Bonds	<u>10,200,000.00</u>					
Grand Total	<u>\$ 224,898,709.35</u>					

UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2B-Changes in Bonded Indebtedness  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Bonds Outstanding 9/1/09	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/10
<b>Business-Type Activities</b>					
Revenue Bonds - Self Supporting					
Rev Fin Sys Bds Ser '00	\$ 1,000,000.00	\$ -	\$ 1,000,000.00	\$ -	\$ -
Rev Fin Sys Bds Ser '02 (A)	375,000.00	-	185,000.00	-	190,000.00
Rev Fin Sys Bds Ser '04	22,205,000.00	-	1,015,000.00	-	21,190,000.00
Rev Fin Sys Bds Ser '04 (A)	4,690,000.00	-	210,000.00	-	4,480,000.00
Rev Fin Sys Bds Ser '05	15,390,000.00	-	655,000.00	-	14,735,000.00
Rev Fin Sys Bds Ser '05 (A)	52,915,000.00	-	1,100,000.00	-	51,815,000.00
Rev Fin Sys Bds Ser '10		35,035,000.00	-		35,035,000.00
Tuition Revenue Bonds - Self-Supporting					
Rev Fin Sys Bds Ser '98	3,685,000.00	-	295,000.00	3,390,000.00	-
Rev Fin Sys Bds Ser '02	10,515,000.00	-	605,000.00	-	9,910,000.00
Rev Fin Sys Bds Ser '08	16,985,000.00	-	645,000.00	-	16,340,000.00
Rev Fin Sys Bds Ser '09	21,888,444.32	10,265.03	820,000.00	-	21,078,709.35
Rev Fin Sys Bds Ser '10 (A)		3,415,000.00	265,000.00		3,150,000.00
General Obligation Bonds - Not Self-Supporting					
Constitutional Apprn Bds Ser '08	10,200,000.00	-	870,000.00	-	9,330,000.00
	<u>\$ 159,848,444.32</u>	<u>\$ 38,460,265.03</u>	<u>\$ 7,665,000.00</u>	<u>\$ 3,390,000.00</u>	<u>\$ 187,253,709.35</u>

UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2B-Changes in Bonded Indebtedness  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Unamortized Discount	Issuance Costs	Gain/(Loss) on Refunding	Net Bonds Outstanding 8/31/10	Amounts Due Within One Year
<b>Business-Type Activities</b>					
Revenue Bonds - Self Supporting					
Rev Fin Sys Bds Ser '00	\$ -	\$ -	\$ -	\$ -	\$ -
Rev Fin Sys Bds Ser '02 (A)	-	-	-	190,000.00	190,000.00
Rev Fin Sys Bds Ser '04	-	-	-	21,190,000.00	1,050,000.00
Rev Fin Sys Bds Ser '04 (A)	-	-	-	4,480,000.00	220,000.00
Rev Fin Sys Bds Ser '05	-	-	-	14,735,000.00	675,000.00
Rev Fin Sys Bds Ser '05 (A)	-	-	-	51,815,000.00	2,195,000.00
Rev Fin Sys Bds Ser '10	-	-	-	35,035,000.00	1,310,000.00
Tuition Revenue Bonds - Self-Supporting					
Rev Fin Sys Bds Ser '98	-	-	-	-	-
Rev Fin Sys Bds Ser '02	-	-	-	9,910,000.00	635,000.00
Rev Fin Sys Bds Ser '08	-	-	-	16,340,000.00	665,000.00
Rev Fin Sys Bds Ser '09	-	-	-	21,078,709.35	828,709.35
Rev Fin Sys Bds Ser '10 (A)	-	-	-	3,150,000.00	675,000.00
General Obligation Bonds - Not Self-Supporting					
Constitutional Apprm Bds Ser '08	-	-	-	9,330,000.00	900,000.00
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,253,709.35</u>	<u>\$ 9,343,709.35</u>

UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2C - Debt Service Requirements  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	FY	Principal	Interest	Total
<b>Business-Type Activities</b>				
<b>Revenue Bonds - Self Supporting</b>				
Rev Fin Sys Bds Ser '02 (A)	2011	\$ 190,000.00	\$ 3,410.50	\$ 193,410.50
Rev Fin Sys Bds Ser '04	2011	1,050,000.00	843,431.26	1,893,431.26
Rev Fin Sys Bds Ser '04 (A)	2012	1,095,000.00	800,531.26	1,895,531.26
Rev Fin Sys Bds Ser '04	2013	1,140,000.00	755,831.26	1,895,831.26
Rev Fin Sys Bds Ser '04	2014	1,185,000.00	709,331.26	1,894,331.26
Rev Fin Sys Bds Ser '04	2015	1,235,000.00	660,931.26	1,895,931.26
Rev Fin Sys Bds Ser '04	2016-2020	6,960,000.00	2,507,156.30	9,467,156.30
Rev Fin Sys Bds Ser '04	2021-2025	8,525,000.00	939,890.67	9,464,890.67
		<u>21,190,000.00</u>	<u>7,217,103.27</u>	<u>28,407,103.27</u>
Rev Fin Sys Bds Ser '04 (A)	2011	220,000.00	185,978.76	405,978.76
Rev Fin Sys Bds Ser '04 (A)	2012	230,000.00	176,978.76	406,978.76
Rev Fin Sys Bds Ser '04 (A)	2013	240,000.00	167,578.76	407,578.76
Rev Fin Sys Bds Ser '04 (A)	2014	250,000.00	157,778.76	407,778.76
Rev Fin Sys Bds Ser '04 (A)	2015	260,000.00	147,578.76	407,578.76
Rev Fin Sys Bds Ser '04 (A)	2016-2020	1,465,000.00	568,582.55	2,033,582.55
Rev Fin Sys Bds Ser '04 (A)	2021-2025	1,815,000.00	215,290.67	2,030,290.67
		<u>4,480,000.00</u>	<u>1,619,767.02</u>	<u>6,099,767.02</u>
Rev Fin Sys Bds Ser '05	2011	675,000.00	641,656.25	1,316,656.25
Rev Fin Sys Bds Ser '05	2012	700,000.00	605,562.50	1,305,562.50
Rev Fin Sys Bds Ser '05	2013	725,000.00	568,156.25	1,293,156.25
Rev Fin Sys Bds Ser '05	2014	755,000.00	529,306.25	1,284,306.25
Rev Fin Sys Bds Ser '05	2015	785,000.00	488,881.25	1,273,881.25
Rev Fin Sys Bds Ser '05	2016-2020	4,395,000.00	1,869,431.25	6,264,431.25
Rev Fin Sys Bds Ser '05	2021-2025	5,440,000.00	867,468.75	6,307,468.75
Rev Fin Sys Bds Ser '05	2026	1,260,000.00	26,775.00	1,286,775.00
		<u>14,735,000.00</u>	<u>5,597,237.50</u>	<u>20,332,237.50</u>
Rev Fin Sys Bds Ser '05 (A)	2011	2,195,000.00	2,362,384.38	4,557,384.38
Rev Fin Sys Bds Ser '05 (A)	2012	2,290,000.00	2,279,662.50	4,569,662.50
Rev Fin Sys Bds Ser '05 (A)	2013	2,395,000.00	2,188,825.00	4,583,825.00
Rev Fin Sys Bds Ser '05 (A)	2014	2,510,000.00	2,078,175.00	4,588,175.00
Rev Fin Sys Bds Ser '05 (A)	2015	2,655,000.00	1,949,050.00	4,604,050.00
Rev Fin Sys Bds Ser '05 (A)	2016-2020	15,565,000.00	7,547,250.00	23,112,250.00
Rev Fin Sys Bds Ser '05 (A)	2021-2025	19,720,000.00	3,353,150.00	23,073,150.00
Rev Fin Sys Bds Ser '05 (A)	2026	4,485,000.00	100,912.50	4,585,912.50
		<u>51,815,000.00</u>	<u>21,859,409.38</u>	<u>73,674,409.38</u>
Rev Fin Sys Bds Ser '10	2011	1,310,000.00	1,269,896.25	2,579,896.25
Rev Fin Sys Bds Ser '10	2012	1,295,000.00	1,288,087.50	2,583,087.50
Rev Fin Sys Bds Ser '10	2013	1,315,000.00	1,261,987.50	2,576,987.50
Rev Fin Sys Bds Ser '10	2014	1,345,000.00	1,235,387.50	2,580,387.50
Rev Fin Sys Bds Ser '10	2015	1,380,000.00	1,204,687.50	2,584,687.50
Rev Fin Sys Bds Ser '10	2016-2020	7,550,000.00	5,351,537.50	12,901,537.50
Rev Fin Sys Bds Ser '10	2021-2025	9,235,000.00	3,672,781.25	12,907,781.25
Rev Fin Sys Bds Ser '10	2026-2029	11,605,000.00	1,298,331.26	12,903,331.26
		<u>35,035,000.00</u>	<u>16,582,696.26</u>	<u>51,617,696.26</u>
<b>Total Revenue Bonds - Self Supporting</b>		<u>127,445,000.00</u>	<u>52,879,623.93</u>	<u>180,324,623.93</u>

UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2C - Debt Service Requirements  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	FY	Principal	Interest	Total
<b>Tuition Revenue Bonds - Self-Supporting</b>				
Rev Fin Sys Bds Ser '02	2011	635,000.00	443,068.75	1,078,068.75
Rev Fin Sys Bds Ser '02	2012	665,000.00	414,612.50	1,079,612.50
Rev Fin Sys Bds Ser '02	2013	695,000.00	384,012.50	1,079,012.50
Rev Fin Sys Bds Ser '02	2014	725,000.00	353,150.00	1,078,150.00
Rev Fin Sys Bds Ser '02	2015	760,000.00	321,585.00	1,081,585.00
Rev Fin Sys Bds Ser '02	2016-2020	4,370,000.00	1,047,170.00	5,417,170.00
Rev Fin Sys Bds Ser '02	2021-2022	2,060,000.00	104,250.00	2,164,250.00
		<u>9,910,000.00</u>	<u>3,067,848.75</u>	<u>12,977,848.75</u>
Rev Fin Sys Bds Ser '08	2011	665,000.00	664,600.00	1,329,600.00
Rev Fin Sys Bds Ser '08	2012	685,000.00	637,600.00	1,322,600.00
Rev Fin Sys Bds Ser '08	2013	710,000.00	609,700.00	1,319,700.00
Rev Fin Sys Bds Ser '08	2014	730,000.00	580,900.00	1,310,900.00
Rev Fin Sys Bds Ser '08	2015	755,000.00	553,087.50	1,308,087.50
Rev Fin Sys Bds Ser '08	2016-2020	4,180,000.00	2,243,925.00	6,423,925.00
Rev Fin Sys Bds Ser '08	2021-2025	5,035,000.00	1,292,512.50	6,327,512.50
Rev Fin Sys Bds Ser '08	2026-2028	3,580,000.00	233,325.00	3,813,325.00
		<u>16,340,000.00</u>	<u>6,815,650.00</u>	<u>23,155,650.00</u>
Rev Fin Sys Bds Ser '09	2011	830,000.00	768,950.00	1,598,950.00
Rev Fin Sys Bds Ser '09	2012	840,000.00	759,500.00	1,599,500.00
Rev Fin Sys Bds Ser '09	2013	865,000.00	740,318.75	1,605,318.75
Rev Fin Sys Bds Ser '09	2014	885,000.00	719,525.00	1,604,525.00
Rev Fin Sys Bds Ser '09	2015	905,000.00	696,018.75	1,601,018.75
Rev Fin Sys Bds Ser '09	2016-2020	4,970,000.00	3,048,568.75	8,018,568.75
Rev Fin Sys Bds Ser '09	2021-2025	5,965,000.00	2,044,162.50	8,009,162.50
Rev Fin Sys Bds Ser '09	2026-2029	5,820,000.00	581,006.25	6,401,006.25
		<u>21,080,000.00</u>	<u>9,358,050.00</u>	<u>30,438,050.00</u>
Rev Fin Sys Bds Ser '10 (A)	2011	675,000.00	62,439.17	737,439.17
Rev Fin Sys Bds Ser '10 (A)	2012	390,000.00	54,175.00	444,175.00
Rev Fin Sys Bds Ser '10 (A)	2013	400,000.00	46,275.00	446,275.00
Rev Fin Sys Bds Ser '10 (A)	2014	405,000.00	38,225.00	443,225.00
Rev Fin Sys Bds Ser '10 (A)	2015	420,000.00	28,925.00	448,925.00
Rev Fin Sys Bds Ser '10 (A)	2016-2017	860,000.00	24,887.50	884,887.50
		<u>3,150,000.00</u>	<u>254,926.67</u>	<u>3,404,926.67</u>
<b>Total Tuition Revenue Bonds - Self-Supporting</b>		<u>50,480,000.00</u>	<u>19,496,475.42</u>	<u>69,976,475.42</u>
Constitutional Apprn Bds Ser '08	2011	900,000.00	405,125.00	1,305,125.00
Constitutional Apprn Bds Ser '08	2012	930,000.00	368,525.00	1,298,525.00
Constitutional Apprn Bds Ser '08	2013	960,000.00	325,925.00	1,285,925.00
Constitutional Apprn Bds Ser '08	2014	995,000.00	277,050.00	1,272,050.00
Constitutional Apprn Bds Ser '08	2015	1,030,000.00	226,425.00	1,256,425.00
Constitutional Apprn Bds Ser '08	2016-2019	4,515,000.00	404,762.50	4,919,762.50
		<u>9,330,000.00</u>	<u>2,007,812.50</u>	<u>11,337,812.50</u>
<b>Total Debt Service</b>		<u>\$ 187,255,000.00</u>	<u>* 74,383,911.85</u>	<u>\$ 261,638,911.85</u>

\* Balance includes accreted interest of \$1,290.65

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2D - Analysis of Funds Available for Debt Service - General Obligation Bonds  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Application of Funds		Accrual Basis	
	2010 Principal	2010 Interest	Int Exp	Int cap
General Obligation Bonds - Not Self-Supporting				
Constitutional Apprn Bds Series 2008	\$ 870,000.00	\$ 440,525.00	\$ 427,475.00	\$(166,085.57)
Interest capitalized			(166,085.57)	
Interest expensed			\$ 593,560.57	



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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2D - Analysis of Funds Available for Debt Service - Revenue Bonds  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Net Available for Debt Service		Debt Service		Accrual Basis	
	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	2010 Principal	2010 Interest	Int Exp	Int cap
<b>Business-Type Activities</b>						
Revenue Bonds - Self Supporting						
Rev Fin Sys Bds Ser '00	*	-	\$ 1,000,000.00	\$ 26,875.00	\$ 6,718.75	\$ -
Rev Fin Sys Bds Ser '02 (A)	*	-	185,000.00	10,141.75	7,651.19	-
Rev Fin Sys Bds Ser '04	*	-	1,015,000.00	878,387.51	867,920.32	-
Rev Fin Sys Bds Ser '04 (A)	*	-	210,000.00	194,578.76	191,428.76	-
Rev Fin Sys Bds Ser '05	*	-	655,000.00	676,568.75	663,673.44	-
Rev Fin Sys Bds Ser '05 (A)	*	-	1,100,000.00	2,421,418.76	2,406,981.27	-
Rev Fin Sys Bds Ser '10	*	-	-	-	464,533.13	460,199.27
Tuition Revenue Bonds - Self-Supporting						
Rev Fin Sys Bds Ser '98	*	-	295,000.00	172,350.00	111,674.07	-
Rev Fin Sys Bds Ser '02	*	-	605,000.00	469,418.75	459,776.56	-
Rev Fin Sys Bds Ser '08	*	-	645,000.00	690,800.00	681,125.00	(188,612.35)
Rev Fin Sys Bds Ser '09	*	-	820,000.00	781,250.00	782,290.03	495,411.31
Rev Fin Sys Bds Ser '10 (A)	*	-	265,000.00	1,590.00	26,641.25	-
			<u>\$ 6,795,000.00</u>	<u>\$ 6,323,379.28</u>	<u>\$ 6,670,413.77</u>	<u>\$ 766,998.23</u>
					766,998.23	
					<u>\$ 5,903,415.54</u>	
		Interest capitalized				
		Interest expensed				

Note: Expenditures associated with operations which generated the pledged revenues are \$ 76,868,301.21 for fiscal year 2010.

Analysis of Pledged and Other Sources:	Pledged Sources	
	Tuition and Fees	\$ 79,582,472.23
	Sales and Services	38,924,577.16
	Other Sources	<u>1,369,046.82</u>
	Total Revenues	119,876,096.21
	Pledged Auxiliary	
	Unappropriated Balance	<u>9,532,285.38</u>
	Total Pledged Revenues	<u>\$ 129,408,381.59</u>

UNAUDITED

**STEPHEN F. AUSTIN STATE UNIVERSITY**  
**Agency No. 755**  
**Schedule 2E - Defeased Bonds Outstanding**  
**For the Fiscal Year Ended August 31, 2010**

<u>Description of Issue</u>	<u>Year Refunded</u>	<u>Par Value Outstanding</u>
<b>Revenue Bonds</b>		
Building Revenue Bonds, Series 1965-B	1991	\$ 840,000.00
Housing System Revenue Bonds, Series 1962-D	1991	507,000.00
Housing System Revenue Bonds, Series 1963-A	1991	229,000.00
Housing System Revenue Bonds, Series 1964	1991	270,000.00
		<u>\$ 1,846,000.00</u>

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STEPHEN F. AUSTIN STATE UNIVERSITY  
 Agency No. 755  
 Schedule 2F - Current Year Early Extinguishment and Refunding  
 For the Fiscal Year Ended August 31, 2010

Description of Issue	Category	Amount Extinguished or Refunded	Refunding Issue Par Value	For Refunding Only	
				Cash Flow Increase (Decrease)	Economic Gain/Loss
Rev Fin Sys Bds Ser '10 (A)	Current	\$ 3,390,000.00	\$ 3,415,000.00	\$ 528,922.08	\$ 352,960.32

UNAUDITED

STEPHEN F. AUSTIN STATE UNIVERSITY

Agency No. 755

Schedule 3 - Reconciliation of Cash in State Treasury

August 31, 2010

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Restricted</u>	Current Year <u>Total</u>
Special Mineral Fund 0241	\$ 0.00	\$ 0.00	\$ 0.00
Local Revenue Fund 0261	<u>53,129.75</u>	<u>0.00</u>	<u>53,129.75</u>
 Total Cash in State Treasury (Stmt of Net Assets)	 <u>\$ 53,129.75</u>	 <u>\$ 0.00</u>	 <u>\$ 53,129.75</u>