



# TEXAS WOMAN'S UNIVERSITY

DENTON ■ DALLAS ■ HOUSTON

## *Financial Report*

FOR THE YEAR ENDED  
AUGUST 31, 2007

## **About the Cover:**

The photo on the cover shows a view of 3 prominent buildings on TWU's Denton Campus:

- The “clock tower” on the left is the Administration and Conference Tower (**ACT**).
- The modern black and white, glass and steel structure in the center is the Classroom Faculty Office Building (**CFO**).
- The domed building with classical columns and a wing extending through the foreground in front of CFO is **Old Main**.

Old Main was opened in 1903 as the first building on campus, and, in the early years, it housed the entire university. The three-story building was constructed during an eight-month period at a cost of approximately \$45,000. During Fiscal 2007 a major renovation project was initiated to provide structural stabilization, weatherization of the exterior envelope, and site modifications for entry that will bring the building into compliance with the Americans with Disabilities Act. The renovation project was budgeted at \$4.2 Million and is scheduled for completion in January 2008. If you look closely at the photo you can see a boom crane used to lift materials to workers resurfacing the roof over the building's west wing.

The photo was taken near the intersection of Bell Avenue and Texas Street at the southeastern corner of the campus, looking toward the northwest.

**TEXAS WOMAN'S UNIVERSITY**  
**Annual Financial Report**  
**For the Fiscal Year Ended August 31, 2007**

UNAUDITED

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**Office of the Chancellor and President**

P.O. Box 425587, Denton, TX 76204-5587  
940-898-3201 Fax 940-898-3216

November 19, 2007

Honorable Rick Perry, Governor  
Honorable Susan Combs, State Comptroller  
John S. O'Brien, Director, Legislative Budget Board  
John Keel, CPA, CGAP, CFE, State Auditor

Lady and Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Woman's University for the year ended August 31, 2007, in compliance with TEX, GOV'T CODE ANN §2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

Staff in the TWU Controller's Office have worked diligently to prepare this report of results for our component operating unit of the State Government for consolidation with information from other state agencies and institutions in the State's Comprehensive Annual Financial Report (CAFR).

The financial reports of TWU and other component units will be considered for audit by the State Auditor's Office as part of the audit of the State of Texas. 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 Kelly McCullar at (940) 898-3525. Colette Friar may be contacted at (940) 898-3533 for questions related to the Schedule of Expenditures of Federal Awards.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Ann Stuart".

Ann Stuart, Ph.D  
Chancellor and President

Think SUCCESS  Think TWU

**Texas Woman's University**  
**Organizational Data**  
For the Fiscal Year 2006-2007

**BOARD OF REGENTS**

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**OFFICERS**

Mr. Harry L. Crumpacker, II	Chair/Presiding Officer
Ms. Tegwin Ann Pulley	Vice Chair/Asst. Presiding Officer
Mr. John Lawhon	Secretary

**MEMBERS**

		Term Expires <u>February 1,</u>
Mr. Harry L. Crumpacker, II	Plano, TX	2009
Mrs. Virginia Chandler Dykes	Dallas, TX	2011
Dr. William H. Flemming, III	Houston, TX	2009
Ms. Christianne Kellett ( <i>Student Regent</i> )	Arlington, TX	2008
Mr. P. Mike McCullough	Dallas, TX	2013
Dr. Cecilia May Moreno	Laredo, TX	2013
Ms. Tegwin A. Pulley	Dallas, TX	2009
Dr. Lou Halsell Rodenberger	Baird, TX	2011
Mr. George R. Schrader	Dallas, TX	2013
Ms. Sharon Venable	Dallas, TX	2011

**UNIVERSITY FISCAL OFFICERS**

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Dr. Ann Stuart	Chancellor and President
Dr. Brenda Floyd	Vice President for Finance and Administration
Kelly L. McCullar, C.P.A.	Associate Vice President and Controller

# Statement of Net Assets

**Texas Woman's University  
Statement of Net Assets  
August 31, 2007**

## ASSETS

### Current Assets

#### Unrestricted

Cash on Hand	\$	10,695.00
Cash in Bank		18,116.41
Cash in State Treasury		12,897,011.96
Short Term Investments		31,609,014.95

#### Restricted

##### Expendable

Cash in Bank		4,341,422.13
Short Term Investments		29,922,669.58

##### Non-Expendable

Cash in Bank		10,978.55
Legislative Appropriations		9,683,119.08

Total Cash and Cash Equivalents \$ 88,493,027.66

#### Accounts Receivable

Student Receivable		8,521,938.18
Due From State Treasury		5,088,515.20
Grant Receivable		188,013.02
Federal Receivable		4,215,154.45
Employee Receivable		13,201.33
Other Receivable		1,240,279.03
Interest and Dividends Receivable		800,059.96
Allowance for Doubtful Accounts		(1,206,068.72)
Due from Other Agencies		7,183.16
Consumable Inventories		845,126.12
Prepaid/Deferred Charges		1,084,037.70
Loans and Contracts		7,210,242.31
Allowance Loans and Contracts		(1,417,893.40)

Total Current Assets \$ 115,082,816.00

### Noncurrent Assets

#### Investments

Unrestricted	\$	44,313,898.71
Restricted Expendable		20,648,063.96
Restricted Non-Expendable		8,277,232.19

#### Capital Assets, non-depreciable

Land and Land Improvements		3,635,115.26
Construction in Progress		1,047,246.90

#### Capital Assets, depreciable

Buildings and Building Improvements		226,891,595.51
Less Accumulated Depreciation		(75,970,811.39)
Infrastructure		10,647,913.24
Less Accumulated Depreciation		(10,166,884.81)
Facilities and Other Improvements		6,603,701.61
Less Accumulated Depreciation		(4,413,176.56)
Furniture and Equipment		24,416,620.88
Less Accumulated Depreciation		(17,472,565.62)
Vehicles, Boats, and Aircraft		1,679,724.56
Less Accumulated Depreciation		(1,111,018.85)

#### Other Capital Assets

Library Books		20,094,911.14
Less Accumulated Depreciation		(14,667,587.28)
Museum and Art		72,375.47
Less Accumulated Depreciation		(70,992.13)

Total Noncurrent Assets \$ 244,455,362.79

Total Assets \$ 359,538,178.79

## Statement of Net Assets

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Texas Woman's University  
Statement of Net Assets  
August 31, 2007

### LIABILITIES

#### Current Liabilities

Accounts Payable	\$ 11,579,377.33
Due to Other Agencies	328,623.37
Deferred Revenues	31,148,927.70
Employees' Compensable Leave	1,942,138.35
Capital Lease Obligations	170,604.76
Revenue Bonds Payable - Current Portion	3,495,000.00
Other Current Liabilities	4,793,716.39
Total Current Liabilities	<u>\$ 53,458,387.90</u>

#### Noncurrent Liabilities

Capital Lease Obligations	\$ 2,172,569.22
Employees' Compensable Leave	1,225,731.52
Combined Fee Revenue Bonds	20,915,000.00
Const. Appn Bonds Payable	22,335,000.00
Premium on Bonds Payable	278,456.43
Assets Held in Trust	166,923.66
Total Noncurrent Liabilities	<u>\$ 47,093,680.83</u>

Total Liabilities \$ 100,552,068.73

### NET ASSETS

Invested in Capital Assets, Net of related Debt	121,961,070.29
Restricted for:	
Endowment	7,821,296.07
Funds Functioning as Endowment	1,256,909.51
Other Restricted	49,652,241.24
Nonexpendable (Loan Programs)	
Perkins & NSL Loan	4,008,460.68
Emergency Loan	3,291,821.34
Reserved for:	
Consumable Inventory	844,766.72
Petty Cash	10,695.00
Encumbrances	1,096,698.58
Inventory for Sale	359.40
Unrestricted	<u>69,041,791.23</u>
Total Net Assets	<u>\$ 258,986,110.06</u>
Total Liabilities and Net Assets	\$ 359,538,178.79

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

### **Texas Woman's University**

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

For the Fiscal Year Ended August 31, 2007

#### **OPERATING REVENUES**

Sales of Goods and Services (PR-Chgs for Services)	
Net Tuition and Fees	\$ 59,632,073.57
Tuition Waivers	(5,626,349.50)
Net Auxiliary Enterprises	16,622,919.12
Federal Revenue-Operating (PR-OP Grants/Contributions)	10,787,295.38
Federal Pass Through Revenue (PR-OP Grants/Contributions)	611,194.96
State Grant Revenue (PR-OP Grants/Contributions)	497,710.60
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	2,728,484.65
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	734,254.97
Other Operating Revenues (GR)	986,544.32
Total Operating Revenues	<u>\$ 86,974,128.07</u>

#### **OPERATING EXPENSES**

Cost of Goods Sold	\$ 296,783.60
Salaries and Wages	71,669,644.25
Payroll Related Costs	17,161,167.97
Professional Fees and Services	1,228,259.62
Travel	1,708,624.40
Materials and Supplies	10,558,999.10
Communication and Utilities	5,912,451.51
Repairs and Maintenance	3,413,940.08
Rentals and Leases	1,030,596.34
Printing and Reproduction	304,095.64
Depreciation and Amortization	9,558,543.56
Bad Debt Expense	814,793.61
Scholarships	18,440,228.50
Other Operating Expenses	5,398,096.72
Total Operating Expenses	<u>\$ 147,496,224.90</u>

Operating Income (Loss)	<u>\$ (60,522,096.83)</u>
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#### **NONOPERATING REVENUES (EXPENSES)**

Legislative Revenue (GR)	\$ 54,728,308.00
Additional Appropriations (GR)	11,697,339.46
Gifts (PR-OP Grants/Contributions)	8,344,543.56
Interest and Investment Income Other	6,727,523.11
Interest Expense and Fiscal Charges	(2,381,958.46)
Gain (Loss) on Sale of Capital Assets (GR)	(35,926.22)
Net Increase (Decrease) in Fair Value of Investments (PR-OP Grants/Contributions)	780,523.88
Other Nonoperating Revenues (Expenses) (PR-Chgs for Services)	5,697,420.42
Total Nonoperating Revenues (Expenses)	<u>\$ 85,557,773.75</u>

Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	<u>\$ 25,035,676.92</u>
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## **Statement of Revenues, Expenses, and Changes in Net Assets**

Texas Woman's University

Statement of Revenues, Expenses, and  
Changes in Net Assets

### **OTHER REVENUES, EXPENSES, GAINS, LOSSES AND TRANSFERS**

Capital Appropriation HEAF	\$ 5,616,139.00
Transfers - Out	\$ (1,831,911.51)
<b>CHANGE IN NET ASSETS</b>	<b>\$ 28,819,904.41</b>

Net Assets, Beginning	229,535,671.36
Restatements	630,534.29
Net Assets, Beginning as restated	<u>230,166,205.65</u>
<b>NET ASSETS, ENDING</b>	<b><u>\$ 258,986,110.06</u></b>

## Matrix of Operating Expenses Reported by Function

<u>Operating Expenses</u>	<u>Instruction</u>	<u>Research</u>	<u>Public Service</u>	<u>Academic Support</u>	<u>Student Services</u>
Costs of Goods Sold	\$ 1,457.43	\$ -	\$ (150.00)	\$ 6,150.87	\$ 1,347.50
Salaries and Wages	41,269,261.21	1,532,509.19	560,072.42	5,923,259.67	3,166,579.58
Payroll Related Costs	9,603,598.95	269,633.30	136,505.97	1,119,078.53	842,135.30
Professional Fees and Services	69,210.01	11,209.09	293,791.38	153,711.08	25,577.00
Federal Pass-through Expenses	-	-	-	-	-
State Pass-through Expenses	-	-	-	-	-
Travel	539,998.15	94,050.38	46,334.83	313,092.09	81,423.17
Materials and Supplies	582,065.18	255,607.32	205,903.44	1,984,283.32	344,179.97
Communications and Utilities	13,497.14	5,767.84	2,038.17	541,906.54	395,857.52
Repairs and Maintenance	105,140.35	14,616.51	9,673.64	231,422.53	171,223.62
Rentals and Leases	100,313.12	9,462.56	42,649.95	461,865.96	61,107.79
Printing and Reproduction	2,981.53	641.32	-	5,377.51	46,967.29
Depreciation and Amortization	-	-	-	-	-
Bad Debt Expense	-	-	-	-	64,024.90
Scholarships	1,027,640.19	47,480.66	-	15,455.56	2,174,298.84
Other Operating Expenses	614,396.58	326,864.05	220,781.40	666,261.87	204,088.58
<b>Total Operating Expenses</b>	<b>\$ 53,929,559.84</b>	<b>\$ 2,567,842.22</b>	<b>\$ 1,517,601.20</b>	<b>\$ 11,421,865.53</b>	<b>\$ 7,578,811.06</b>

<b>Institutional Support</b>	<b>Operation and Maintenance of Plant</b>	<b>Scholarships and Fellowships</b>	<b>Auxiliary Enterprises</b>	<b>Depreciation and Amortization</b>	<b>Total Expenditures</b>
\$ -	\$ 122,189.83	\$ -	\$ 165,787.97	\$ -	\$ 296,783.60
9,094,051.23	4,333,037.15	256,126.51	5,534,747.29	-	71,669,644.25
2,295,184.01	1,398,073.96	-	1,496,957.95	-	17,161,167.97
281,295.01	318,258.17	-	75,207.88	-	1,228,259.62
-	-	-	-	-	-
-	-	-	-	-	-
224,526.60	58,548.34	-	350,650.84	-	1,708,624.40
911,125.66	2,956,570.52	6,059.58	3,313,204.11	-	10,558,999.10
130,569.65	3,835,237.44	-	987,577.21	-	5,912,451.51
608,367.34	2,007,340.90	-	266,155.19	-	3,413,940.08
137,598.53	12,612.36	-	204,986.07	-	1,030,596.34
213,860.28	475.00	-	33,792.71	-	304,095.64
-	-	-	-	9,558,543.56	9,558,543.56
-	-	750,768.71	-	-	814,793.61
1,851.00	-	15,173,502.25	-	-	18,440,228.50
2,035,546.64	319,782.82	47,935.00	962,439.78	-	5,398,096.72
<b>\$ 15,933,975.95</b>	<b>\$ 15,362,126.49</b>	<b>\$ 16,234,392.05</b>	<b>\$ 13,391,507.00</b>	<b>\$ 9,558,543.56</b>	<b>\$ 147,496,224.90</b>

## Statement of Cash Flows

Texas Woman's University

### Statement of Cash Flows

For the Year Ended August 31, 2007

	<u>Total</u>
<b>Cash Flows from Operating Activities</b>	
Proceeds Received from Students	\$ 54,005,724.07
Proceeds from Grants	15,358,940.56
Proceeds from Other Revenues	17,609,463.44
Payments to Suppliers for Goods and Services	(24,453,750.29)
Payments to Employees	(88,830,812.22)
Payments for Scholarships	(18,440,228.50)
Payments for Other Expenses	(5,398,096.72)
Net Cash Provided (Used) by Operating Activities	<u>\$ (50,148,759.66)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Proceeds from State Appropriations	\$ 72,041,786.46
Proceeds from Other Revenues	14,041,963.98
Payments for Other Uses	(1,831,911.51)
Net Cash Provided by Noncapital Financing Activities	<u>\$ 84,251,838.93</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for Additions to Capital Assets	\$ (13,442,329.66)
Payments of Principal on Debt Issuance	(3,355,000.00)
Payments of Principal on Capital Lease Obligations	(161,673.51)
Payments of Interest on Debt Issuance	(2,381,958.46)
Payments of Other Costs of Debt Issuance	(25,341.56)
Net Cash Provided by Capital and Related Financing Activities	<u>\$ (19,366,303.19)</u>
<b>Cash Flows from Investing Activities</b>	
Proceeds from Sales of Investments	\$ 15,775,255.36
Proceeds from Interest and Investment Income	7,508,046.99
Payments to Acquire Investments	(37,513,699.67)
Net Cash Provided by Investing Activities	<u>\$ (14,230,397.32)</u>
Increase (Decrease) in Cash and Cash Equivalents	\$ 506,378.76
Cash and Cash Equivalents, September 1, 2006	\$ 16,771,845.29
Cash and Cash Equivalents, August 31, 2007	<u>\$ 17,278,224.05</u>

## Statement of Cash Flows

Texas Woman's University

### Statement of Cash Flows

For the Year Ended August 31, 2007

	<u>Total</u>
Cash and Cash Equivalents, August 31, 2007	\$ 17,278,224.05
Displayed as:	
Total Cash and Cash Equivalents	<u>\$ 17,278,224.05</u>

### Reconciliation of Operating income (Loss) to Net Cash Provided by Operating Activities

Operating Income	\$ (60,522,096.83)
Depreciation Expense	9,558,543.56
Bad Debt Expense	814,793.61
(Increase) Decrease in Receivables	(321,938.28)
(Increase) Decrease in Legislative Appropriations	(1,059,656.53)
(Increase) Decrease in Inventories	(234,556.24)
(Increase) Decrease in Due from Other Agencies	6,273.14
(Increase) Decrease in Prepaid Expenses	(81,573.08)
Increase (Decrease) in Payables	1,495,031.81
Increase (Decrease) in Compensable Absences	187,465.46
Increase (Decrease) in Due to Other Agencies	(94,864.47)
Increase (Decrease) in Deferred Income	(1,185,742.34)
Increase (Decrease) in Other Liabilities	1,289,560.53
Net Cash Provided (Used) by Operating Activities	<u>\$ (50,148,759.66)</u>

### Non Cash Transactions

Net Change in Fair Value of Investments	780,523.88
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## Notes to the Financial Statements

<b>NOTE 1: Summary of Significant Accounting Policies</b>
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### Entity

Texas Woman's University (TWU) was created in 1901 by an Act of the Twenty-Seventh Legislature of the State of Texas, and the enacting statute laid a strong foundation for a multi-purpose institution of higher education. As a publicly funded institution, TWU's financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies and State Colleges and Universities.

Because TWU is a component operating unit of the State Government, the University's financial information is consolidated with other state agencies and institutions in the State's Comprehensive Annual Financial Report (CAFR). The Comptroller of Public Accounts is responsible for preparation of the CAFR, which meets all requirements delineated in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The Comptroller does not require the annual financial report of TWU or other component units to be in compliance with all requirements of this statement. The financial reports of TWU and other component units will be considered for audit by the State Auditor's Office as part of the audit of the State's CAFR. Therefore, an opinion has not been expressed on the financial statements and related information in this report.

As part of the preparation of this financial report, consideration was given to the requirements of Governmental Accounting Standards Board Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. For Texas Woman's University, the results of this consideration show:

#### Blended Component Units

No component units have been identified which should have been blended into an appropriated fund.

#### Discrete Component Units

No component units have been identified which should have been included in a discrete presentation in the financial report.

## **Fund Structure**

Texas Woman's University is an Enterprise Fund reported in the State of Texas' Comprehensive Annual Financial Report as a Proprietary Fund Type. Enterprise funds are used to account for any activity in 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.

## **Measurement Focus and Basis of Accounting**

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

Texas Woman's University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The University has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The University has elected to not apply FASB pronouncements issued after the applicable date.

## **Assets, Liabilities, and Net Assets**

### ***ASSETS***

#### **Cash and Cash Equivalents**

For purposes of the statements of cash flows, the University considers all highly liquid investments with an original maturity of three months or less to be 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. Assets held in reserve for guaranteed student loan defaults are also included.

#### **Inventories**

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories. The cost of these items is expensed when the items are consumed.

### Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of the asset using the straight-line method.

### Other Receivables

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

## ***LIABILITIES***

### Accounts Payable

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

### Employees Compensable Leave Balances

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

### Bonds Payable-Revenue Bonds

Revenue bonds are reported at par. Payables are reported separately as either current or non-current in the statement of net assets.

## ***NET ASSETS***

The difference between fund assets and liabilities is "Net Assets".

### Reserved for Encumbrances

This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenses or liabilities. They represent current resources designated for specific expenses in subsequent operating periods.

### Reserved for Consumable Inventories

This represents the amount of supplies, postage, and prepaid assets to be used in the next fiscal year.

### Unreserved/Undesignated

This represents the un-appropriated balance at year-end.

### Invested in Capital Assets, Net of Related Debt

This amount represents capital assets, net of accumulated depreciation and outstanding balances for bonds, notes and other debt that is attributed to the acquisition, construction, or improvement of those assets.



### Restricted Net Assets

Restricted net assets result when constraints placed on net assets are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. Generally, when an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards the restricted resources and then towards the unrestricted resources.

### Unrestricted Net Assets

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

## ***CLASSIFICATION OF REVENUE***

### Operating Revenues

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most Federal, state and local grants and contracts.

### Non-operating Revenues

Non-operating revenues include activities that have the characteristics of non-exchange transactions such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB No. 9 and GASB No. 34, such as state appropriations and investment income.

<b>NOTE 2: Capital Assets</b>
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A summary of changes in Capital Assets for the year ended August 31, 2007, is presented below:

	Balance 9/1/06	Adjustments	Reclassification	Additions	Deletions	Balance 8/31/07
<b>Non-depreciable Assets</b>						
Land and Land Improvements	3,036,409.49	0.00		598,705.77		3,635,115.26
Construction in Progress	40,563,783.15	(47,503.80)	(50,029,625.08)	10,560,592.63		1,047,246.90
Other Capital Assets	0.00		0.00			0.00
Total Non-depreciable Assets:	<u>43,600,192.64</u>	<u>(47,503.80)</u>	<u>(50,029,625.08)</u>	<u>11,159,298.40</u>		<u>4,682,362.16</u>
<b>Depreciable Assets:</b>						
Building & Bldg Improvements	184,638,914.03		48,903,655.95	0.00	(6,650,974.47)	226,891,595.51
Infrastructure	10,647,913.24					10,647,913.24
Facilities & Other Improvements	5,477,732.48		1,125,969.13			6,603,701.61
Furniture and Equipment	24,107,322.66	255,200.65	22,567.40	1,318,217.63	(1,286,687.46)	24,416,620.88
Vehicle, Boats & Aircraft	1,364,844.56		(22,567.40)	337,447.40	0.00	1,679,724.56
Other Capital Assets						
Museum & Art	72,375.47					72,375.47
Library Books (Depreciable)	19,500,748.91		0.00	627,366.23	(33,204.00)	20,094,911.14
Total depreciable assets at historical costs:	<u>245,809,851.35</u>	<u>255,200.65</u>	<u>50,029,625.08</u>	<u>2,283,031.26</u>	<u>(7,970,865.93)</u>	<u>290,406,842.41</u>
<b>Accumulated Depreciation</b>						
Less accumulated depreciation for:						
Building & Bldg Improvements	(76,432,802.45)	0.00		(6,188,983.41)	6,650,974.47	(75,970,811.39)
Infrastructure	(10,001,061.53)	0.00		(165,823.28)		(10,166,884.81)
Facilities & Other Improvements	(4,232,411.20)	0.00		(180,765.36)		(4,413,176.56)
Furniture and Equipment	(16,957,225.88)	369,508.85	(15,665.38)	(2,119,944.45)	1,250,761.24	(17,472,565.62)
Vehicle, Boats & Aircraft	(1,000,942.73)	0.00	15,665.38	(125,741.50)	0.00	(1,111,018.85)
Other Capital Assets						
Museum & Art	(70,792.13)	0.00		(200.00)		(70,992.13)
Library Books (Depreciable)	(13,923,705.72)	0.00		(777,085.56)	33,204.00	(14,667,587.28)
Total accumulated depreciation	<u>(122,618,941.64)</u>	<u>369,508.85</u>	<u>0.00</u>	<u>(9,558,543.56)</u>	<u>7,934,939.71</u>	<u>(123,873,036.64)</u>
Depreciable Assets, net	<u>123,190,909.71</u>	<u>624,709.50</u>	<u>50,029,625.08</u>	<u>(7,275,512.30)</u>	<u>(35,926.22)</u>	<u>166,533,805.77</u>

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

**Deposits of Cash in Bank**

As of August 31, 2007, the carrying amount of deposits was \$4,370,517.09 as presented below.

<b>Governmental and Business-Type Activities</b>		
CASH IN BANK – CARRYING VALUE		\$ 4,370,517.09
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent		
Less: Uninvested Securities Lending Cash Collateral included in carrying value and reported as Securities Lending Collateral		
Less: Securities Lending CD Collateral included in carrying value and reported as Securities Lending Collateral		
Cash In Bank per AFR		\$ 4,370,517.09
Governmental Funds Current Assets Cash in Bank		
Governmental Funds Current Assets Restricted Cash in Bank		
Governmental Funds Non-Current Assets Restricted Cash in Bank		
Proprietary Funds Current Assets Cash in Bank		\$ 18,116.41
Proprietary Funds Current Assets Restricted Cash in Bank		\$ 4,352,400.68
Proprietary Funds Non-Current Restricted Cash in Bank		
Cash in Bank per AFR		\$ 4,370,517.09

Fund Type	GAAP Fund	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 state's name
05	7999	\$0.00	\$ 4,258,198.14	\$0.00

Texas Woman's University has a depository contract with Compass Bank of Birmingham, AL. Compass Bank holds letters of credit to provide collateral for University deposits. At 08/31/07 there were letters of credit totaling \$12,000,000.

**Investments**

As of August 31, 2007, the carrying value and fair value of investments are as presented below.

<b>Governmental and Business-Type Activities</b>	<b>Fair Value</b>
U.S. Government	
U.S. Treasury Securities	\$ 2,972,411.63
U.S. Government Agency Obligations (Ginnie Mae, Fannie Mae, Freddie Mac, Sallie Mae, etc)	\$ 28,485,378.71
U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	
Corporate Obligations	\$ 31,805,230.85
Corporate Asset and Mortgage Backed Securities	\$ 3,780,008.43
Equity	\$ 6,193,965.24
Other Commingled Funds	\$ 1,036,750.29
Other Commingled Funds (Texpool)	\$ 60,494,934.24
Real Estate	\$ 2,200.00
Total	\$ 134,770,879.39

**NOTE 4: Short-Term Debt**

The University has no short-term debt.

**NOTE 5: Summary of Long-Term Liabilities****Changes in Long Term Liabilities**

During the year ended August 31, 2007, the following changes occurred in liabilities.

	<b>Balance 9/1/2006</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance 8/31/2007</b>	<b>Amounts Due Within One Year</b>	<b>Amounts Due Thereafter</b>
Bond Arbitrage Payable	-0-	-0-	-0-	-0-	-0-	-0-
Gen. Oblg Bnd Payable	-0-	-0-	-0-	-0-	-0-	-0-
Revenue Bonds Payable	50,403,797.99	-0-	3,380,341.56	47,023,456.43	3,495,000.00	43,528,456.43
Other Non-Current	-0-	-0-	-0-	-0-	-0-	-0-
Capital Lease Oblg.	2,504,847.49	-0-	161,673.51	2,343,173.98	170,604.76	2,172,569.22
Compensable Leave	2,980,404.41	374,930.92	187,465.46	3,167,869.87	1,942,138.35	1,225,731.52
Assets Held in Trust	166,923.66	-0-	-0-	166,923.66	-0-	166,923.66
<b>Totals</b>	<b>56,055,973.55</b>	<b>374,930.92</b>	<b>3,729,480.53</b>	<b>52,701,423.94</b>	<b>5,607,743.11</b>	<b>47,093,680.83</b>

**Employees' Compensable Leave**

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months.

Full-time state employees earn annual leave from seven to twenty hours per month depending on the respective employees' years of state employment. The State's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 520 for those employees with 35 or more years of state service. Employees with at least six months of state service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The University recognizes the accrued liability for the unpaid annual leave. For the year ended August 31, 2007, the accrued liability totaled \$3,167,869.87.

The University made lump sum payments totaling \$291,270.64 for accrued vacation (and/or compensatory time) to employees who separated from state service during fiscal year ending August 31, 2007.

Sick leave, the accumulation of which is unlimited, is earned at the rate of eight hours per month and is paid only when an employee is off due to illness or to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid an employee's estate is one-half of the employee's accumulated entitlement or 336 hours, whichever is less. The University's policy is to recognize the cost of sick leave when paid and the liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

**NOTE 6: Capital Leases**

The Agency has entered into long-term leases for financing the purchase of certain fixed assets. Such leases are classified as capital leases for accounting purposes and, therefore, have been 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, 2007:

Assets Under Capital Leases	Business-Type Activities
Building Improvements	2,809,509.96
Less: Accumulated Depreciation	606,598.53
<b>Total</b>	<b>2,202,911.43</b>

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
2008	160,812.05	118,211.22	279,023.27
2009	159,956.13	103,052.75	263,008.88
2010	159,103.80	88,808.34	247,912.14
2011	158,250.53	75,423.32	233,673.85
2012	157,409.76	62,854.63	220,264.39
2013-2017	776,800.66	145,580.52	922,381.18
2018-2020	65,167.85	1,775.83	66,943.68
2021-2025	0	0	0
<b>Total Minimum Lease Payments</b>	<b>1,637,500.78</b>	<b>595,706.62</b>	<b>2,233,207.39</b>

**NOTE 7: Operating Lease Obligations**

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, 2007	
2008	351,379.06
2009	307,749.12
2010	209,251.59
2011	121,393.85
2012	13,876.85
2013	0.00
2014-2020	0
<b>Total Minimum Future Lease Rental Payments</b>	<b>1,003,650.47</b>

Current Year Rental Cost by Fund Type	
Education and General	157,275.51
Designated	77,366.30
Auxiliaries	100,356.71
Restricted	2,635.78
<b>Total Lease Payments FY 2007</b>	<b>337,634.30</b>

**NOTE 8: Interfund Balances/Activity**

Texas Woman’s 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, 2007, follows:

- Interfund Receivables or Interfund Payables
- Due From Other Agencies or Due To Other Agencies
- Transfers In or Transfers Out
- Legislative Transfers In or Legislative Transfers

Current Portion	Current Interfund Receivable	Current Interfund Payable
Not Applicable		

Non-Current Portion	Non-Current Interfund Receivable	Non-Current Interfund Payable
Not Applicable		

	Due From Other Agencies	Due To Other Agencies	Source
PROPRIETARY (02)			
Appd Fund 0001, D23 Fund 0001			
(Agency 781, D23 Fund 0001)		148,505.62	State P-T
Appd Fund 5015, D23 Fund 5015			
(Agency 601, D23 Fund 5015)	1,078.00		State P-T
Appd Fund 5079, D23 Fund 5079			
(Agency 781, D23 Fund 5079)	6,105.16		State P-T
Appd Fund 9999, D23 Fund 9999			
(Agency 530, D23 Fund 0001)		106,444.92	Federal P-T
(Agency 781, D23 Fund 0001)	-	6,140.50	Federal P-T
(Agency 781, D23 Fund 0824)		67,532.33	State P-T
<b>Total Due From/To Other Agencies</b>	<b>7,183.16</b>	<b>328,623.37</b>	

	TRANSFERS IN	TRANSFERS OUT	Purpose (Disclosure Required)
PROPRIETARY (02)			
Appd Fund 0001, D23 Fund 0001			
(Agency 781, D23 Fund 0001)	-	20,706.00	(Intrafund Transfer)
(Agency 781, D23 Fund 5103)	-	256,920.00	(Intrafund Transfer)
Appd Fund 0253, D23 Fund 0253			
(Agency 347, D23 Fund 0507)	-	1,490,383.14	(Intrafund Transfer)
(Agency 347, D23 Fund 0735)	-	63,902.37	(Intrafund Transfer)
<b>Total Transfers</b>	<b>-</b>	<b>1,831,911.51</b>	

*Note 8 – Interfund Balances/ Activity (Continued)*

	Legislative TRANSFERS IN	Legislative TRANSFERS OUT
GENERAL REVENUE (01)		
Appd Fund 0001, D23 Fund 0347		
<b>Total Legislative Transfers</b>	<b>-0-</b>	<b>-0-</b>

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

**NOTE 9: Contingent Liabilities**

At August 31, 2007, there were no pending lawsuits or material claims involving Texas Woman’s University. Any claims incurred but not asserted against the University cannot be reasonably estimated at this time, and any such liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the University.

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

**NOTE 10: Continuance Subject to Review**

Not Applicable.

**NOTE 11: Risk Financing and Related Insurance**

The state now utilizes an allocation program that funds both workers' compensation benefits and risk management costs through annual assessments that participating agencies pay to the State Office of Risk Management (SORM).

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 using pledged Auxiliary Enterprise or other non-Educational and General Funds. 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 2007 this coverage was also purchased for buildings that are not financed with bonds. The total limit of liability is \$466,570,563 and the carrier is Travelers Insurance Company.

The University carries a Commercial General Liability Policy through Travelers Insurance which provides insurance protection to pay for bodily injury or property damages. The policy provides coverage for liability arising from personal injury and advertising injury. While the general total limit of coverage is \$1,000,000 for each occurrence and \$2,000,000 general aggregate. An Umbrella Excess Liability Protection Policy provides additional \$10,000,000 coverage through U.S. Fire Insurance Company.

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 \$20,000/\$40,000 bodily injury and \$15,000 property damage. However, Texas Woman's University has chosen to carry liability insurance on its licensed vehicles in the amount of

\$1,000,000 combined bodily injury and property damage. This coverage is provided by Traveler’s Insurance Group. In addition, the University carries the same coverage for leased vehicles.

A medical Professional Liability Policy is carried to cover Officers of the University, and employees of the Student Health Services Clinic, the University Family Counseling Clinic, the University Dental Hygiene Clinic, the Speech and Hearing Clinic, the TWU Counseling Center, the Stroke Center, the Fitness & Recreation Center, the Dysphagia Clinic, and the Wellness & Sport Evaluation Program..

The University participates in the United Educators Insurance Risk Retention Group, Inc., with a limit of liability of \$5,000,000 for each claim. This legal liability policy covers Directors, Trustee, or Officers of the University.

Police Professional Liability insurance is carried for the Texas Woman’s University Department of Public Safety with policy limits of \$1,000,000. The carrier is Aspen Specialty Insurance Company.

In addition, the University carries crime coverage through Travelers Casualty & Surety as follows:

\$1,000,000	Employee Dishonesty
\$1,000,000	Forgery and Alteration
\$1,000,000	Computer Fraud
\$ 15,000	Theft, Disappearance, and Destruction
\$ 15,000	Robbery and Safe Burglary

Sexual Abuse and Molestation insurance is carried through Lexington with \$1,000,000 coverage.

<b>NOTE 12: Segment Information</b>
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Not Applicable. There are no component units.



<b>NOTE 13: Bonded Indebtedness</b>
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**Bonds Payable**

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

General information related to bonds is summarized below:

**Combined Fee Revenue Bonds, Series 1999**

- To provide funds for the renovation of the TWU Denton Campus Human Development Building, Arts and Science Building, major repairs and renovations of other education and general buildings, and for paying costs of issuance for the bonds.
- Issued 02-01-99.
- \$8,500,000; all authorized bonds have been issued.
- Source of revenue for debt service – Pledged revenues including a General Revenue Appropriation.

**Combined Fee Revenue Bonds, Series 2000**

- To provide funds for the renovation and upgrading of buildings on the Denton, Dallas and Houston campuses, including, but not limited to, fire safety and ADA improvements, elevator, mechanical and electrical upgrades and roof replacements. Most of the buildings to be renovated were constructed in the 1950's and 60's and the upgrades are needed to bring the facilities into compliance with current Federal Fire and Life Safety Codes.
- Issued 03-01-00.
- \$10,000,000; all authorized bonds have been issued.
- Source of revenue for debt service – Tuition Revenue and General Revenue Funds

**Combined Fee Revenue Bonds, Series 2002**

- To provide funds for the renovation and upgrading of buildings on the Denton and Dallas campuses, including, but not limited to, fire safety compliance, ADA improvements, environmental health and safety issues, electrical system upgrades, and for paying costs of issuance for the Bonds.
- Issued 05-01-02.
- \$25,797,500 authorized; \$17,500,000 issued.
- Source of revenue for debt service – Pledged revenues including a General Revenue Appropriation.

### **Revenue Financing System Bonds, Series 2004**

- To provide funds for acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University and paying certain costs of issuing the Bonds.
- Issued 3-15-04.
- \$15,000,000; all bonds have been issued.
- Source of revenue for debt service-Pledged revenues.

### **Revenue Financing System Refunding and Improvement Bonds, Series 2004A**

- To provide funds for acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, refunding certain outstanding debt obligations of the Board, and paying certain costs of issuing the Bonds.
- Issued 12-1-04.
- \$11,820,000; all bonds have been issued.
- Source of revenue for debt service-Pledged revenues.

<b>NOTE 14: Subsequent Events</b>
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None.

<b>NOTE 15: Related Parties</b>
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None.

<b>NOTE 16: Stewardship, Compliance &amp; Accountability</b>
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Not applicable.

<b>NOTE 17: The Financial Reporting Entity</b>
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Texas Woman's University is an Enterprise Fund reported in the State of Texas' Comprehensive Annual Financial Report as a Proprietary Fund Type. The University does not have any component units or related parties to be included in its financial statements. Because the University is considered a component unit of the State of Texas, and because its financial information is included in the State's Annual Financial Report, the University's financial statements are not audited.

**NOTE 18: Restatement of Fund Balances and Net Assets**

During FY 2007, the following adjustments were made which required the restatement of the amounts in fund balances and fund equity as shown and discussed below:

Fund Bal/Equity August 31, 2006	229,535,671.36
Reclass of Perkins Nursing Loans	47,027.20
Asset adjustments per physical inventory	577,205.70
Adjust Receivable Balance	6,301.39
Fund Bal/Equity Sept. 1, 2006, As Restated	230,166,205.65

**NOTE 19: Employees Retirement Plans**

The State of Texas has joint contributory retirement plans for substantially all its 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 were 6.0% and 6.4%, respectively, of annual compensation during FY 2007. As a result of the most recent actuarial evaluation, the rate for State contributions increased to 6.58% effective 1-Sep-07. The Teacher Retirement System 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 the Retirement System's annual financial report (*see <http://www.trs.state.tx.us/about/documents/CAFR.pdf>*).

The State has also established an optional retirement program for institutions of higher education. Participation in the optional retirement program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the purchase of annuity contracts. The contributory percentages on salaries for participants entering the program prior to September 1995 are 8.5% and 6.65% by the state and each participant, respectively. The state's contribution is comprised of 6.00% from the ORP's appropriation and 2.5% from other funding sources. The 6.00% contribution is mandatory with the other two state contributions being at the discretion of the board. TWU's Board of Regents has approved the additional contributions for employees of the University. The contributory percentages on salaries for participants entering the program after August 31, 1995 are 6.00% and 6.65% by the state and each participant, respectively. Since these are individual annuity contracts, the State has no additional or unfunded liability for this program.

**NOTE 20: Deferred Compensation**

State employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the TEXAS GOVERNMENT CODE ANNUNCIATED, §609.001. Two plans are available for employees' deferred compensation plan. Both plans are administered by the Employees Retirement System.

The state also administers another plan; 'TexaSaver' created in accordance with Internal Revenue Code Sec. 401(k). The assets of this plan do not belong to the state. The state has no liability related to this plan.

**NOTE 21: Donor – Restricted Endowments**

<u>Donor-Restricted Endowments</u>	<u>Amounts of Net Appreciation</u>	<u>Reported in Net Assets</u>
Endowments	232,831.10	Restricted for Nonexpendable
Term Endowments	0	Restricted for Nonexpendable
Endowments	0	Restricted for Expendable
	<u>232,831.10</u>	

Endowments are established at Texas Woman’s University for the support of students and programs in the various colleges and schools. When initially created, the endowment contract legally specifies the purpose of the fund and how investment income is to be distributed. The University restricts the expenditure of the annual income based upon terms of the agreement. For each endowment, a separate scholarship account is established and funded annually by the interest income generated from investments of the endowment principal. In the table above, the net negative fair value adjustment is \$62,566.83.

**NOTE 22: Management Discussion and Analysis****Financial Position of the University**

Texas Woman's University continues to maintain a strong financial position as a result of a long-standing tradition for conservative management of fiscal resources. The Annual Financial Report for Fiscal Year 2007 provides evidence of that enduring financial strength, as shown by the year to year comparison below:

**Fiscal Year Comparison****Statement of Net Assets**

	<b><u>FY06</u></b>	<b><u>FY07</u></b>	<b><u>% Change</u></b>	<b><u>\$ Change</u></b>
Total Assets	331,938,304	359,538,179	8.31%	27,599,875
Total Liabilities	102,402,633	100,552,069	-1.81%	(1,850,564)
Net Assets				
Invested in Capital	114,019,331	121,961,070	6.97%	7,941,739
Restricted	60,575,014	67,983,249	12.23%	7,408,235
Unrestricted	54,941,326	69,041,791	25.66%	14,100,465
Total Net Assets	229,535,671	258,986,110	12.83%	29,450,439

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

	<b><u>FY06</u></b>	<b><u>FY07</u></b>	<b><u>% Change</u></b>	<b><u>\$ Change</u></b>
Total Operating Revenue	77,858,579	86,974,128	11.71%	9,115,549
Total Operating Expenses	136,355,903	147,496,225	8.17%	11,140,322
Operating Income (Loss)	(58,497,324)	(60,522,097)	3.46%	(2,024,773)
NonOp Rev (Exp)	87,834,852	84,813,176	-3.44%	(3,021,676)
Gains, (Losses) & Xfrs	(3,117,871)	(1,087,314)	-65.13%	2,030,557
Change in Net Assets	31,835,796	28,819,904	-9.47%	(3,015,892)
Net Assets, Beginning	196,147,182	229,535,671	17.02%	33,388,490
Net Assets, Ending	229,535,671	258,986,110	12.83%	29,450,439

Off-setting the Operating Losses depicted in TWU's Financial Statements are appropriations from the State of Texas:

	<b><u>FY06</u></b>	<b><u>FY07</u></b>	<b><u>% Change</u></b>	<b><u>\$ Change</u></b>
Legislative Revenue	54,800,127	54,728,308	-0.13%	(71,819)
Additional Appropriations	10,118,059	11,697,339	15.61%	1,579,280
HEAF Appropriation	5,616,139	5,616,139	0.00%	0
Total State Appropriations	70,534,325	72,041,786	2.14%	1,507,461

TEXAS WOMAN'S UNIVERSITY  
 SCHEDULE 1A - Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended August 31, 2007

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
<b>Department of Justice</b>					
Direct Program:					
Grants to Combat Domestic Violence, Dating Violence, Sexual Assault, & Stalking on Campus	16.525				
Total Department of Justice				0.00	0.00
<b>Department of Labor</b>					
Direct Program:					
Incentive Grants_WIA Section 503	17.267				
Total Department of Labor				0.00	0.00
<b>Institute of Museum and Library Services</b>					
<b>National Foundation on the Arts and the Humanities</b>					
Direct Program:					
Laura Bush 21st Century Librarian Program	45.313				
Pass-Through To:					
Other Non-State Entities	45.313				
Total Institute of Museum and Library Services				0.00	0.00
<b>National Science Foundation</b>					
Direct Program:					
Education and Human Resources	47.076				
Total National Science Foundation				0.00	0.00
<b>Department of Veterans Affairs</b>					
Direct Program:					
Administrative Costs Recovered	64.000	Public Law 90-77			
Total Department of Veterans Affairs				0.00	0.00
<b>Department of Education</b>					
Direct Programs:					
Bilingual Education - Professional Development	84.000	T195N070068			
Leveraging Educational Assistance Partnership	84.069				
Fund for the Improvement of Post-Secondary Education	84.116				
Pass-Through From:					
Texas Higher Education Coordinating Board Fund for the Improvement of Post-Secondary Education	84.116		781	(6,140.50)	
Direct Programs:					
Graduate Assistance in Areas of National Need	84.200				
Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325				
Gaining Early Awareness and Readiness for Undergraduate Program	84.334				
Transition to Teaching	84.350				
Pass-Through From:					
Other Non-State Entities:					
Fort Worth Independent School District Transition to Teaching	84.350	PO 648186			38,316.48
Direct Program:					
Improving Teacher Quality State Grants	84.367				
Pass-Through From:					
University of Texas at Austin Improving Teacher Quality State Grants	84.367		721	126,567.75	
Total Department of Education				120,427.25	38,316.48

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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		
50,682.91	50,682.91			50,682.91	50,682.91
50,682.91	50,682.91		0.00	50,682.91	50,682.91
4,177.27	4,177.27			4,177.27	4,177.27
4,177.27	4,177.27		0.00	4,177.27	4,177.27
240,085.99	240,085.99			240,085.99	240,085.99
31,726.08	31,726.08			31,726.08	31,726.08
271,812.07	271,812.07		0.00	240,085.99	271,812.07
92,727.11	92,727.11			92,727.11	92,727.11
92,727.11	92,727.11		0.00	92,727.11	92,727.11
1,054.00	1,054.00			1,054.00	1,054.00
1,054.00	1,054.00		0.00	1,054.00	1,054.00
1,617.74	1,617.74			1,617.74	1,617.74
31,151.00	31,151.00			31,151.00	31,151.00
6,140.50	6,140.50			6,140.50	6,140.50
	(6,140.50)			(6,140.50)	(6,140.50)
20,820.24	20,820.24			20,820.24	20,820.24
448,474.73	448,474.73			448,474.73	448,474.73
2,468.93	2,468.93			2,468.93	2,468.93
220,589.35	220,589.35			220,589.35	220,589.35
	38,316.48			38,316.48	38,316.48
(33,840.33)	(33,840.33)			(33,840.33)	(33,840.33)
	126,567.75			126,567.75	126,567.75
697,422.16	856,165.89		0.00	856,165.89	856,165.89

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TEXAS WOMAN'S UNIVERSITY  
 SCHEDULE 1A - Schedule of Expenditures of Federal Awards continued  
 For the Fiscal Year Ended August 31, 2007

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
<b>Department of Health and Human Services</b>					
Direct Program:					
Nursing Workforce Diversity	93.178				
Pass-Through From:					
University of Texas Health Science Center-Houston Nursing Workforce Diversity	93.178		744	135,799.36	
University of Southwestern Medical Ctr. at Dallas Nursing Workforce Diversity	93.178		729	160,791.51	
Direct Program:					
Advanced Education Nursing Traineeships	93.358				
Pass-Throughs From:					
Department of Family and Protective Services Foster Care_Title IV-E	93.658		530	174,267.13	
Other Non-State Entities:					
Baylor College of Medicine Geriatric Education Centers	93.969	2 D31 HP70112-06			20,083.86
Total U.S. Department of Health and Human Services				470,858.00	20,083.86

**Student Financial Assistance Cluster**

**Department of Education**

Direct Programs:

Federal Supplemental Education Opportunity

Grant 84.007

Federal Family Education Loans 84.032

New Loans Processed

Direct Programs:

Federal Work Study 84.033

Administrative Costs Recovered

Federal Perkins Loan Program 84.038

New Loans Processed

Administrative Costs Recovered



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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		
(6,436.16)	(6,436.16)			(6,436.16)	(6,436.16)
	135,799.36			135,799.36	135,799.36
	160,791.51			160,791.51	160,791.51
165,535.00	165,535.00			165,535.00	165,535.00
	174,267.13			174,267.13	174,267.13
	<u>20,083.86</u>			<u>20,083.86</u>	<u>20,083.86</u>
<u>159,098.84</u>	<u>650,040.70</u>		<u>0.00</u>	<u>650,040.70</u>	<u>650,040.70</u>
328,444.50	328,444.50			328,444.50	328,444.50
56,427,461.00	56,427,461.00			56,427,461.00	56,427,461.00
299,949.06	299,949.06			299,949.06	299,949.06
47,935.00	47,935.00			47,935.00	47,935.00
362,713.00	362,713.00			362,713.00	362,713.00
8,120.78	8,120.78			8,120.78	8,120.78

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TEXAS WOMAN'S UNIVERSITY  
 Schedule 1A - Schedule of Expenditures of Federal Awards *continued*  
 For the Fiscal Year Ended August 31, 2007

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
<b>Student Financial Assistance Cluster concluded</b>					
<b>Department of Education concluded</b>					
Federal Pell Grant Program	84.063				
Administrative Costs Recovered					
Academic Competitive Grant	84.375				
National Smart Grant	84.376				
<b>Department of Health and Human Services</b>					
Direct Program:					
Nursing Student Loan Program	93.364				
New Loans Processed					
Total Student Financial Assistance Cluster Programs				<u>0.00</u>	<u>0.00</u>
<b>Research and Development (R&amp;D) Cluster</b>					
<b>Department of Agriculture</b>					
Direct Program:					
Grants for Agricultural Research_Competitive					
Research Grants	10.206				
Pass-Through To:					
Other Non-State Entities	10.206				
<b>Department of Defense</b>					
Direct Program:					
Basic, Applied, and Advanced Research in					
Science and Engineering	12.630				
<b>U.S. Department of Health and Human Services</b>					
Direct Program:					
Population Research	93.000	2 R01 HD28419-13A2			
Pass-Through From:					
Other Non-State Entities:					
Alliance for North Texas Healthy & Effective Marriages					
Healthy Marriage Promotion and Responsible					
Fatherhood Grants	93.086	90FE0072-01			31,586.92
Direct Program:					
Occupational Safety and Health Program	93.262				
Pass-Through From:					
University of Texas Health Science Center-Houston					
Occupational Safety and Health Program	93.262		744	9,909.71	
Direct Program:					
Nursing Research	93.361				
Pass-Throughs From:					
University of Texas Health Science Center-Houston					
Nursing Research	93.361		744	10,000.00	
Other Non-State Entities:					
Martinus Van Breems, Inc.					
Arthritis, Musculoketal and Skin Diseases					
Research	93.846	4 R44 AR48029-03			8,827.43
The Cooper Institute					
Arthritis, Musculoketal and Skin Diseases					
Research	93.846	5 R01 AR052459-02			58,434.23
Direct Programs:					
Biomedical Research and Research Training	93.859				
Pass-Through To:					
Other Non-State Entities	93.859				
Total R&D Cluster Programs				<u>19,909.71</u>	<u>98,848.58</u>
<b>TRIO Cluster</b>					
Direct Program:					
McNair Post - Baccalaureate Achievement	84.217				
Total TRIO Cluster Programs				<u>0.00</u>	<u>0.00</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>				<u>\$ 611,194.96</u>	<u>\$ 157,248.92</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		
7,480,578.00	7,480,578.00			7,480,578.00	7,480,578.00
12,995.00	12,995.00			12,995.00	12,995.00
228,731.00	228,731.00			228,731.00	228,731.00
119,311.00	119,311.00			119,311.00	119,311.00
<u>355,518.00</u>	<u>355,518.00</u>			<u>355,518.00</u>	<u>355,518.00</u>
<u>65,671,756.34</u>	<u>65,671,756.34</u>		<u>0.00</u>	<u>65,671,756.34</u>	<u>65,671,756.34</u>
55,860.34	55,860.34			55,860.34	55,860.34
37,851.16	37,851.16			37,851.16	37,851.16
52,987.88	52,987.88			52,987.88	52,987.88
79,718.93	79,718.93			79,718.93	79,718.93
	31,586.92			31,586.92	31,586.92
(1,540.00)	(1,540.00)			(1,540.00)	(1,540.00)
	9,909.71			9,909.71	9,909.71
(20,883.03)	(20,883.03)			(20,883.03)	(20,883.03)
	10,000.00			10,000.00	10,000.00
	8,827.43			8,827.43	8,827.43
	58,434.23			58,434.23	58,434.23
388,627.51	388,627.51			388,627.51	388,627.51
<u>43,310.79</u>	<u>43,310.79</u>			<u>43,310.79</u>	<u>43,310.79</u>
<u>635,933.58</u>	<u>754,691.87</u>		<u>0.00</u>	<u>673,529.92</u>	<u>754,691.87</u>
<u>191,074.18</u>	<u>191,074.18</u>			<u>191,074.18</u>	<u>191,074.18</u>
<u>191,074.18</u>	<u>191,074.18</u>		<u>0.00</u>	<u>191,074.18</u>	<u>191,074.18</u>
<u>\$ 67,775,738.46</u>	<u>\$ 68,544,182.34</u>		<u>\$ 0.00</u>	<u>\$ 68,431,294.31</u>	<u>\$ 68,544,182.34</u>

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**TEXAS WOMAN'S UNIVERSITY**  
**Schedule 1A - Schedule of Expenditures of Federal Awards *concluded***  
**For the Fiscal Year Ended August 31, 2007**

**Note 1 - Reconciliation:**

Per Statement of Revenues, Expenses and Changes in Net Assets	
Proprietary Funds - Federal Revenue	\$ 10,537,546.01
Proprietary Funds - Federal Pass Through Revenue	563,855.67
Proprietary Funds - Indirect/Admin Costs Recovered	297,088.66
Subtotal Per Statement of Revenue, Expenses and Change in Net Assets	\$ 11,398,490.34
Reconciling Items:	
New Loans Processed:	
Federal Family Education Loan Program	56,427,461.00
Federal Perkins Loan Program	362,713.00
Nursing Student Loan Program	355,518.00
Total Pass Through and Expenditures Per Federal Schedule	\$ 68,544,182.34

**Note 2 - 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	Ending Balances of Previous Year's Loans
Department of Education 84.032				
Federal Family Educational Loan Program	\$ 56,427,461.00	\$	\$ 56,427,461.00	\$
Federal Perkins Loan Program 84.038	362,713.00	8,120.78	370,833.78	1,848,193.44
Total Department of Education	\$ 56,790,174.00	\$ 8,120.78	\$ 56,798,294.78	\$ 1,848,193.44
Department of Health and Human Services 93.364				
Nursing Student Loan Program	\$ 355,518.00	\$ 0.00	\$ 355,518.00	\$ 1,952,010.17
Total Department of Health and Human Services	\$ 355,518.00	\$ 0.00	\$ 355,518.00	\$ 1,952,010.17

**Note 3 - Federal Deferred Revenue**

CFDA	Balance 09/01/06	Net Change	Balance 08/31/07
84.350	\$ 0.00	\$ 18,498.52	\$ 18,498.52
84.367	0.00	10,645.93	10,645.93
	\$ 0.00	\$ 29,144.45	\$ 29,144.45

The deferred revenue of \$29,144.45 consists of \$29,144.45 federal grant prepayments that have not been earned for fiscal year 2007.

**Texas Woman's University**  
**Schedule 1B - Schedule of State Grant Pass Throughs From/To State Agencies**  
**For the Fiscal Year Ended August 31, 2007**

**Pass Through From:**

Texas Higher Education Coordinating Board (Agy #781)	
Financial Aid Professional Nursing	105,115.00
Texas Grant Program	2,172,160.00
College Work Study Program	54,157.57
CRU-Professional Services & Grants	23,252.00
CRU-Professional Services & Grants	35,684.91
Fifth Year Accounting Scholarship Program	3,000.00
Professional Nursing Shortage Program	213,992.07
Nursing Allied Health	79,661.11
Advanced Research Program	41,461.99

Total Pass Through From Other Agencies (Exh. II)	\$ <u>2,728,484.65</u>
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**Pass Through To:**

	\$ _____
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Total Pass Through To Other Agencies (Exh. II)	\$ <u>0.00</u>
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**TEXAS WOMAN'S UNIVERSITY**  
**Schedule 2A - Miscellaneous Bond Information**  
**For the Fiscal Year Ended August 31, 2007**

Description of Issue	Bonds Issued To Date	Range of Interest Rates	Scheduled Maturities		First Call Date
			First Year	Last Year	
<b>Revenue Bonds - Self Supporting</b>					
Combined Fee Revenue Bonds, Series 1999	8,500,000	4.00% - 6.00%	1999	2019	7/1/2009
Combined Fee Revenue Bonds, Series 2000	10,000,000	4.90% - 6.75%	2000	2009	NA
Combined Fee Revenue Bonds, Series 2002	17,500,000	4.00% - 6.00%	2002	2022	7/1/2012
Revenue Financing System Bonds Series 2004	15,000,000	2.00% - 4.50%	2004	2035	7/1/2014
Revenue Financing System Refunding and Improvement Bonds, Series 2004A	<u>11,820,000</u>	2.50% - 5.00%	2005	2024	7/1/2014
Total	<u>\$ 62,820,000</u>				

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**TEXAS WOMAN'S UNIVERSITY**  
**Schedule 2B - Changes in Bond Indebtedness**  
**For the Fiscal Year Ended August 31, 2007**

<b>Description of Issue</b>	<b>Bonds</b>	<b>Bonds</b>	<b>Bonds</b>	<b>Bonds</b>	<b>Bonds</b>	<b>Amounts</b>
	<b>Outstanding</b>			<b>Issued</b>	<b>Matured</b>	
	<b>9/1/2006</b>			<b>Extinguished</b>	<b>8/31/2007</b>	<b>Due Within</b>
						<b>One Year</b>
<b>Revenue Bonds</b>						
Comb Fee Rev Bonds, Ser '99	6,470,000	-	370,000		6,100,000	390,000
Comb Fee Rev Bonds, Ser '00	3,650,000	-	1,155,000		2,495,000	1,215,000
Comb Fee Rev Bonds, Ser '02	15,270,000	\$ -	655,000		14,615,000	690,000
Rev Fin Sys Bonds Ser '04	14,755,000	\$ -	295,000		14,460,000	300,000
Rev Fin Sys Bonds Ser '04A	9,955,000	\$ -	880,000		9,075,000	900,000
<b>Total</b>	<b>\$50,100,000</b>	<b>\$ -</b>	<b>\$3,355,000</b>	<b>-</b>	<b>\$46,745,000</b>	<b>\$3,495,000</b>

**TEXAS WOMAN'S UNIVERSITY**  
**Schedule 2C - Debt Service Requirements**  
**For the Fiscal Year Ended August 31, 2007**

<b>Description of Issue</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>General Obligation Bonds</b>					
<u>Comb Fee Rev Bds Ser '99</u>					
Principal	390,000	410,000	425,000	445,000	465,000
Interest	292,755	269,355	246,395	228,120	208,540
<u>Comb Fee Rev Bds Ser '00</u>					
Principal	1,215,000	1,280,000	-	-	-
Interest	129,133	66,560	-	-	-
<u>Comb Fee Rev Bds Ser '02</u>					
Principal	690,000	720,000	755,000	790,000	830,000
Interest	692,880	651,480	622,680	591,725	558,545
<u>RFS Rev Bonds Ser'04</u>					
Principal	300,000	310,000	315,000	325,000	335,000
Interest	621,969	615,969	608,219	598,769	589,019
<u>RFS Rev Bonds Ser'04A</u>					
Principal	900,000	925,000	960,000	335,000	350,000
Interest	381,656	354,656	324,594	290,994	278,850
<b>Total</b>	<b>\$ 5,613,393</b>	<b>\$ 5,603,020</b>	<b>\$ 4,256,888</b>	<b>\$ 3,604,608</b>	<b>\$ 3,614,954</b>
Less Interest	2,118,393	1,958,020	1,801,888	1,709,608	1,634,954
<b>Total Principal</b>	<b><u>\$ 3,495,000</u></b>	<b><u>\$ 3,645,000</u></b>	<b><u>\$ 2,455,000</u></b>	<b><u>\$ 1,895,000</u></b>	<b><u>\$ 1,980,000</u></b>



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<u>2013-2017</u>	<u>2018-2022</u>	<u>2023-2027</u>	<u>2028-2032</u>	<u>2033-2037</u>	<u>2038-2042</u>	Total Requirements
2,700,000	1,265,000	-	-	-	-	6,100,000
696,623	90,726	-	-	-	-	2,032,514
-	-	-	-	-	-	2,495,000
-	-	-	-	-	-	195,693
4,770,000	6,060,000	-	-	-	-	14,615,000
2,204,140	939,000	-	-	-	-	6,260,450
1,855,000	2,260,000	2,780,000	3,470,000	2,510,000	-	14,460,000
2,762,393	2,361,540	1,833,120	1,148,730	261,632	-	11,401,360
1,965,000	2,470,000	1,170,000	-	-	-	9,075,000
1,173,250	674,750	88,500	-	-	-	3,567,250
<u>\$ 18,126,406</u>	<u>\$ 16,121,016</u>	<u>\$ 5,871,620</u>	<u>\$ 4,618,730</u>	<u>\$ 2,771,632</u>	<u>\$ -</u>	<u>\$70,202,267</u>
<u>6,836,406</u>	<u>4,066,016</u>	<u>1,921,620</u>	<u>1,148,730</u>	<u>261,632</u>	<u>-</u>	<u>23,457,267</u>
<u><u>\$ 11,290,000</u></u>	<u><u>\$ 12,055,000</u></u>	<u><u>\$ 3,950,000</u></u>	<u><u>\$ 3,470,000</u></u>	<u><u>\$ 2,510,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$46,745,000</u></u>

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TEXAS WOMAN'S UNIVERSITY  
 Schedule 2D - Analysis of Funds Available for Debt Service  
 For the Year Ended August 31, 2007

REVENUE BONDS

Description of Issue	PLEGGED AND OTHER SOURCES AND RELATED EXPENDITURES FOR FY 2007						
	Operating Revenues	Interest Earned on Investments	Other Pledged Revenues	a Total Pledged Sources	b Other Sources	c Operating Expenses & Expenditures	d Capital Outlay
Combined Fee Revenue Bonds, Series 1999, 2000, 2002	\$ 48,394,258	\$ 2,270,010	\$ 2,841,220	\$ 53,505,488	\$ -	\$ -	\$ -
RFSBB 2004 & 2004A Parity issues	\$ 38,579,870	\$ 4,457,513	\$ 11,200,744	\$ 54,238,127	\$ -	\$ -	\$ -
Total	<u>\$ 86,974,128</u>	<u>\$ 6,727,523</u>	<u>\$ 14,041,964</u>	<u>\$ 107,743,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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(a+b-c-d) Net Available For Debt Service	Debt Service		Refunded or Extinguished	Interest and Sinking Fund		Reserve Fund	
	Principal	Interest		Minimum	Actual	Minimum	Actual
\$ 53,505,488	\$ 2,180,000	\$ 1,235,173	\$ -	\$ 1,132,095	\$ 1,343,589	Included in Sinking Fund	
\$ 54,238,127	\$ 1,175,000	1,033,725	\$ -	\$ 1,375,129	\$ 1,473,684	Included in Sinking Fund	
<u>\$ 107,743,615</u>	<u>\$ 3,355,000</u>	<u>\$ 2,268,898</u>	<u>\$ -</u>	<u>\$ 2,507,224</u>	<u>\$ 2,817,273</u>		

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**TEXAS WOMAN'S UNIVERSITY**  
**Schedule 3**  
**Reconciliation of Cash in State Treasury**  
**August 31, 2007**

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0253		0.00	\$ 12,897,011.96
Departmental Suspense Fund 0900	0.00	0.00	0.00
<b>Total Cash in State Treasury</b> (Stmt of Net Assets)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,897,011.96</b>