



TEXAS WOMAN'S UNIVERSITY

DENTON ■ DALLAS ■ HOUSTON

Annual Financial Report

FOR THE YEAR ENDED
AUGUST 31, 2009

About the Cover:

The photograph on the cover of the University's Annual Financial Report shows a sunflower growing on the perimeter fence of construction in progress for the new addition to the existing Science Building on TWU's Denton campus. Construction for this project commenced in fall 2008 and the new building is expected to open in fall 2011.

Construction in progress (CIP) is an important feature of the University's financial outlook in the present and future. In fiscal 2009 CIP climbed to over \$25 Million (see Note 2). A bond issue prepared the way for constructing and equipping a new Institute for Health Sciences – Dallas Center (\$20.4 Million Revenue Financing System Bonds, Series 2009). An additional bond issue is planned for December, 2009 to finance construction of a new Student Fitness and Recreation Center on the Denton campus.

Photo credit to Donna Shahan.

TEXAS WOMAN'S UNIVERSITY
Annual Financial Report
For the Fiscal Year Ended August 31, 2009

UNAUDITED

TABLE OF CONTENTS

<u>Reference</u>	<u>Page</u>
Letter of Transmittal	1
Organizational Data	2
Statement of Net Assets	3
Statement of Revenues, Expenses, and Changes in Net Assets	5
Matrix of Operating Expenses Reported by Function	7
Statement of Cash Flows	9
Notes to the Financial Statements	11
Schedules	
1A Schedule of Expenditures of Federal Awards	27
1B Schedule of State Grant Pass Throughs From/To State Agencies	34
2A Schedule of Miscellaneous Bond Information	35
2B Schedule of Changes in Bond Indebtedness	36
2C Schedule of Debt Service Requirements	37
2D Schedule of Analysis of Funds Available for Debt Service	39
3 Schedule of Reconciliation of Cash in State Treasury	40



Office of the Chancellor and President
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November 18, 2009

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, 2009, 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,

Ann Stuart, Ph.D.
Chancellor and President

Texas Woman's University
Organizational Data
For the Fiscal Year 2008-2009

BOARD OF REGENTS

OFFICERS

Mr. Harry L. Crumpacker, II	Chair/Presiding Officer
Mr. P. Mike McCullough	Vice Chair/Asst. Presiding Officer
Mr. John Lawhon	Secretary

MEMBERS

		Term Expires
		<u>February 1,</u>
Mrs. Sue Schrier Bancroft	Argyle, TX	2015
Ms. Lola Chriss	Rowlett, TX	2015
Mrs. Virginia Chandler Dykes	Dallas, TX	2011
Ms. Rae Lynn McFarlin (Student Regent)	Bonham, TX	2010
Dr. Ann Scanlon McGinity	Pearland, TX	2015
Dr. Cecilia May Moreno	Laredo, TX	2013
Mr. George R. Schrader	Dallas, TX	2013
Mrs. Mary Pincoffs Wilson	Austin, TX	2011

UNIVERSITY FISCAL OFFICERS

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, 2009

ASSETS

Current Assets

Unrestricted		
Cash on Hand	\$	9,865.00
Cash in Bank		3,499,364.15
Cash in State Treasury		5,316,609.24
Short Term Investments		47,131,241.50
Restricted		
Expendable		
Cash in Bank		2,623,445.32
Short Term Investments		69,451,651.38
Non-Expendable		
Cash in Bank		13,441.76
Legislative Appropriations		15,829,740.84
Total Cash and Cash Equivalents	\$	<u>143,875,359.19</u>

Accounts Receivable		
Student Receivable		14,620,474.45
Due From State Treasury		6,404,192.53
Grant Receivable		1,689,689.02
Federal Receivable		5,850,138.42
Employee Receivable		18,707.06
Other Receivable		423,627.92
Interest and Dividends Receivable		760,838.35
Allowance for Doubtful Accounts		(2,291,608.78)
Due from Other Agencies		294,088.74
Consumable Inventories		812,754.79
Prepaid/Deferred Charges		914,830.50
Loans and Contracts		6,399,585.36
Allowance Loans and Contracts		(1,317,019.49)
Total Current Assets	\$	<u>178,455,658.06</u>

Noncurrent Assets

Investments		
Unrestricted	\$	49,672,517.87
Restricted Expendable		21,335,260.42
Restricted Non-Expendable		7,734,284.05
Capital Assets, non-depreciable		
Land and Land Improvements		4,803,055.49
Construction in Progress		25,187,868.92
Capital Assets, depreciable		
Buildings and Building Improvements		229,113,029.69
Less Accumulated Depreciation		(91,221,403.13)
Infrastructure		10,647,913.24
Less Accumulated Depreciation		(10,346,876.17)
Facilities and Other Improvements		6,782,720.38
Less Accumulated Depreciation		(4,928,113.53)
Furniture and Equipment		21,618,260.40
Less Accumulated Depreciation		(14,601,356.70)
Vehicles, Boats, and Aircraft		2,088,483.51
Less Accumulated Depreciation		(1,253,857.90)
Other Capital Assets		
Library Books		20,855,288.76
Less Accumulated Depreciation		(16,085,747.04)
Musuem and Art		47,000.00
Less Accumulated Depreciation		(46,016.66)
Total Noncurrent Assets	\$	<u>261,402,311.60</u>

Total Assets	\$	<u><u>439,857,969.66</u></u>
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Statement of Net Assets

Texas Woman's University
Statement of Net Assets
August 31, 2009

LIABILITIES

Current Liabilities

Accounts Payable	\$	3,109,623.17
Payroll		8,148,892.48
Due to Other Agencies		273,248.03
Deferred Revenues		36,378,719.08
Employees' Compensable Leave		2,162,501.57
Capital Lease Obligations		189,974.69
Revenue Bonds Payable - Current Portion		3,920,000.00
Premium on Bonds Payable - Current Portion		21,168.16
Other Current Liabilities		2,303,482.89

Total Current Liabilities	\$	<u>56,507,610.07</u>
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Noncurrent Liabilities

Capital Lease Obligations	\$	1,802,565.12
Employees' Compensable Leave		1,451,016.53
Combined Fee Revenue Bonds		17,325,000.00
Revenue Fin. Sys. Bonds		59,090,000.00
Premium on Bonds Payable		210,473.83

Total Noncurrent Liabilities	\$	<u>79,879,055.48</u>
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Total Liabilities	\$	<u><u>136,386,665.55</u></u>
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NET ASSETS

Invested in Capital Assets, Net of related Debt		100,332,709.45
Restricted for:		
Endowment		7,556,157.25
Funds Functioning as Endowment		1,261,505.51
Other Restricted		102,825,234.02
Nonexpendable (Loan Programs)		
Perkins & NSL Loan		4,203,588.32
Emergency Loan		4,088,971.71
Reserved for:		
Consumable Inventory		812,254.79
Petty Cash		9,865.00
Encumbrances		4,713,884.26
Inventory for Sale		500.00
Unrestricted		<u>77,666,633.80</u>

Total Net Assets	\$	<u><u>303,471,304.11</u></u>
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Total Liabilities and Net Assets	\$	439,857,969.66
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UNAUDITED

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, 2009

OPERATING REVENUES

Sales of Goods and Services (PR-Chgs for Services)	
Net Tuition and Fees - (Net of waivers, discounts and allowances)	\$ 53,289,473.07
Net Auxiliary Enterprises - (Net of discounts and allowances)	17,202,921.14
Federal Revenue-Operating (PR-OP Grants/Contributions)	2,477,022.31
Federal Pass Through Revenue (PR-OP Grants/Contributions)	515,739.46
State Grant Revenue (PR-OP Grants/Contributions)	0.00
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	7,744,577.52
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	885,452.29
Other Operating Revenues (GR)	1,623,441.14
Total Operating Revenues	<u>\$ 83,738,626.93</u>

OPERATING EXPENSES

Cost of Goods Sold	\$ 219,794.03
Salaries and Wages	80,243,627.75
Payroll Related Costs	18,987,815.53
Professional Fees and Services	2,034,063.33
Travel	1,524,367.43
Materials and Supplies	12,751,537.70
Communication and Utilities	6,758,551.22
Repairs and Maintenance	4,039,487.56
Rentals and Leases	1,066,582.48
Printing and Reproduction	349,193.07
Depreciation and Amortization	10,714,705.43
Bad Debt Expense	448,213.09
Scholarships	8,840,278.32
Other Operating Expenses	5,988,413.03
Total Operating Expenses	<u>\$ 153,966,629.97</u>

Operating Income (Loss)	<u>\$ (70,228,003.04)</u>
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NONOPERATING REVENUES (EXPENSES)

Legislative Revenue (GR)	\$ 56,955,250.00
Additional Appropriations (GR)	10,706,993.59
Federal Revenue (PR-OP Grants/Contributions)	11,624,182.66
Gifts (PR-OP Grants/Contributions)	7,417,133.64
Interest and Investment Income Other	4,012,876.21
Interest Expense and Fiscal Charges	(3,788,379.57)
Gain (Loss) on Sale of Capital Assets (GR)	528,937.93
Net Increase (Decrease) in Fair Value of Investments (PR-OP Grants/Contributions)	1,743,761.17
Other Nonoperating Revenues (Expenses) (PR-Chgs for Services)	462,670.77
Total Nonoperating Revenues (Expenses)	<u>\$ 89,663,426.40</u>

Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	<u>\$ 19,435,423.36</u>
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UNAUDITED

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	8,615,167.00
Transfers - Out	(1,832,611.63)
Legislative Appropriations - Lapsed	-

CHANGE IN NET ASSETS	<u>\$ 26,217,978.73</u>
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Net Assets, Beginning	276,950,844.56
Restatements	302,480.82
Net Assets, Beginning as restated	<u>277,253,325.38</u>

NET ASSETS, ENDING	<u><u>\$ 303,471,304.11</u></u>
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Texas Woman's University
Matrix of Operating Expenses Reported by Function
For the Fiscal Year Ended August 31, 2009

<u>Operating Expenses</u>	<u>Instruction</u>	<u>Research</u>	<u>Public Service</u>	<u>Academic Support</u>
Costs of Goods Sold	\$ -	\$ -	\$ 2,200.00	\$ 1,136.97
Salaries and Wages	45,720,381.49	1,763,104.73	470,264.07	7,218,920.03
Payroll Related Costs	10,670,119.54	288,644.86	82,337.99	1,229,702.06
Professional Fees and Services	105,403.89	15,426.00	174,352.10	259,546.85
Federal Pass-through Expenses	-	-	-	-
State Pass-through Expenses	-	-	-	-
Travel	499,671.90	84,130.33	19,227.28	323,645.69
Materials and Supplies	937,038.36	381,610.73	254,686.98	1,881,625.89
Communications and Utilities	37,498.90	3,357.93	11,376.75	1,259,984.24
Repairs and Maintenance	118,574.66	15,193.13	5,064.90	217,361.27
Rentals and Leases	103,741.35	7,469.51	15,160.24	492,654.90
Printing and Reproduction	8,549.54	4,375.54	216.71	11,376.59
Depreciation and Amortization	-	-	-	-
Bad Debt Expense	-	-	-	-
Scholarships	577,853.65	5,130.43	94,616.60	43,378.50
Other Operating Expenses	651,383.60	412,725.57	432,010.38	221,446.81
Total Operating Expenses	\$ 59,430,216.88	\$ 2,981,168.76	\$ 1,561,514.00	\$ 13,160,779.80

UNAUDITED

<u>Student Services</u>	<u>Institutional Support</u>	<u>Operation and Maintenance of Plant</u>	<u>Scholarships and Fellowships</u>	<u>Auxiliary Enterprises</u>	<u>Depreciation and Amortization</u>	<u>Total Expenditures</u>
\$ -	\$ -	\$ 97,533.01	\$ -	\$ 118,924.05	\$ -	\$ 219,794.03
3,608,466.02	10,049,709.69	4,665,511.49	351,343.86	6,395,926.37	-	80,243,627.75
1,010,366.80	2,530,970.28	1,523,638.20	4,188.00	1,647,847.80	-	18,987,815.53
20,567.00	759,314.31	555,773.68	-	143,679.50	-	2,034,063.33
-	-	-	-	-	-	-
-	-	-	-	-	-	-
72,421.42	182,708.07	26,786.01	316.90	315,459.83	-	1,524,367.43
313,887.52	1,722,183.25	3,455,726.07	39,420.56	3,765,358.34	-	12,751,537.70
85,160.36	309,512.18	3,381,768.47	-	1,669,892.39	-	6,758,551.22
127,531.18	854,788.64	2,285,371.42	2,088.91	413,513.45	-	4,039,487.56
56,494.46	152,061.24	3,437.37	-	235,563.41	-	1,066,582.48
61,002.15	171,121.79	41,431.53	-	51,119.22	-	349,193.07
-	-	-	-	-	10,714,705.43	10,714,705.43
(7,535.48)	-	-	455,748.57	-	-	448,213.09
1,830,300.45	28,615.87	-	6,248,933.83	11,448.99	-	8,840,278.32
258,496.39	2,525,653.15	208,336.42	53,209.69	1,225,151.02	-	5,988,413.03
<u>\$ 7,437,158.27</u>	<u>\$ 19,286,638.47</u>	<u>\$ 16,245,313.67</u>	<u>\$ 7,155,250.32</u>	<u>\$ 15,993,884.37</u>	<u>\$ 10,714,705.43</u>	<u>\$ 153,966,629.97</u>

Statement of Cash Flows

Texas Woman's University

Statement of Cash Flows

For the Fiscal Year Ended August 31, 2009

	<u>Total</u>
Cash Flows from Operating Activities	
Proceeds Received from Students	\$ 46,814,813.99
Proceeds from Grants	11,622,791.58
Proceeds from Other Revenues	18,826,362.28
Payments to Suppliers for Goods and Services	(28,743,576.82)
Payments to Employees	(99,231,443.28)
Payments for Scholarships	(8,840,278.32)
Payments for Other Expenses	(5,988,413.03)
Net Cash Provided (Used) by Operating Activities	<u>\$ (65,539,743.60)</u>
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	\$ 74,444,798.96
Proceeds from Federal Grants	11,624,182.66
Proceeds from Other Revenues	8,529,804.41
Payments for Other Uses	0.00
Net Cash Provided by Noncapital Financing Activities	<u>\$ 94,598,786.03</u>
Cash Flows from Capital and Related Financing Activities	
Proceeds on issue of debt for Capital Projects	\$ 20,400,000.00
Payments for Additions to Capital Assets	(22,639,405.14)
Payments of Principal on Debt Issuance	(4,985,000.00)
Payments of Principal on Capital Lease Obligations	(180,029.41)
Payments of Interest on Debt Issuance	(3,788,379.57)
Net Cash Provided by Capital and Related Financing Activities	<u>\$ (11,192,814.12)</u>
Cash Flows from Investing Activities	
Proceeds from Sales of Investments	\$ 39,116,820.07
Proceeds from Interest and Investment Income	4,012,876.21
Payments to Acquire Investments	(63,068,683.36)
Net Cash Provided by Investing Activities	<u>\$ (19,938,987.08)</u>
Increase (Decrease) in Cash and Cash Equivalents	\$ (2,072,758.77)
Cash and Cash Equivalents, September 1, 2008	\$ 13,535,484.24
Cash and Cash Equivalents, August 31, 2009	<u>\$ 11,462,725.47</u>

Statement of Cash Flows

Texas Woman's University
 Statement of Cash Flows
 For the Fiscal Year Ended August 31, 2009

	<u>Total</u>
Cash and Cash Equivalents, August 31, 2009	\$ 11,462,725.47
Displayed as:	
Total Cash and Cash Equivalents	\$ 11,462,725.47

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

Operating Income	\$ (70,228,003.04)
Depreciation Expense	10,714,705.43
Bad Debt Expense	448,213.09
(Increase) Decrease in Receivables	(8,529,251.30)
(Increase) Decrease in Legislative Appropriations	(1,649,290.42)
(Increase) Decrease in Inventories	68,809.85
(Increase) Decrease in Due from Other Agencies	(129,598.17)
(Increase) Decrease in Prepaid Expenses	77,852.42
Increase (Decrease) in Payables	3,387,200.35
Increase (Decrease) in Compensable Absences	131,134.91
Increase (Decrease) in Due to Other Agencies	(191,124.84)
Increase (Decrease) in Deferred Income	2,591,091.76
Increase (Decrease) in Other Liabilities	(2,231,483.64)
Net Cash Provided (Used) by Operating Activities	<u>\$ (65,539,743.60)</u>

Non Cash Transactions

Net Change in Fair Value of Investments	1,743,761.17
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Notes to the Financial Statements

NOTE 1: Summary of Significant Accounting Policies

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.

UNAUDITED

NOTE 2: Capital Assets

A summary of changes in Capital Assets for the year ended August 31, 2009, is presented below:

	<u>Balance</u>					<u>Balance</u>
	<u>9/1/08</u>	<u>Adjustments</u>	<u>Reclassification</u>	<u>Additions</u>	<u>Deletions</u>	<u>8/31/09</u>
Non-depreciable Assets						
Land and Land Improvements	3,635,115.26	0.00		1,167,940.23		4,803,055.49
Construction in Progress	6,920,086.04	0.00	(97,947.14)	18,365,730.02		25,187,868.92
Other Capital Assets	0.00		0.00			0.00
Total Non-depreciable Assets:	10,555,201.30	0.00	(97,947.14)	19,533,670.25		29,990,924.41
Depreciable Assets:						
Building & Bldg Improvements	228,781,055.05		97,947.14	234,027.50	0.00	229,113,029.69
Infrastructure	10,647,913.24					10,647,913.24
Facilities & Other Improvements	6,782,720.38	0.00	0.00	0.00		6,782,720.38
Furniture and Equipment	20,111,390.96	0.00	0.00	2,123,839.69	(616,970.25)	21,618,260.40
Vehicle, Boats & Aircraft	1,671,833.69		0.00	416,649.82	0.00	2,088,483.51
Other Capital Assets						
Museum & Art	47,000.00				0.00	47,000.00
Library Books (Depreciable)	20,569,717.88	(45,647.00)	0.00	331,217.88	0.00	20,855,288.76
Total depreciable assets at historical costs:	288,611,631.20	(45,647.00)	97,947.14	3,105,734.89	(616,970.25)	291,152,695.98
Accumulated Depreciation						
Less accumulated depreciation for:						
Building & Bldg Improvements	(83,592,546.55)	0.00		(7,628,856.58)	0.00	(91,221,403.13)
Infrastructure	(10,256,880.49)	0.00		(89,995.68)		(10,346,876.17)
Facilities & Other Improvements	(4,684,439.06)	0.00		(243,674.47)		(4,928,113.53)
Furniture and Equipment	(13,266,304.33)	0.00	0.00	(1,830,960.55)	495,908.18	(14,601,356.70)
Vehicle, Boats & Aircraft	(1,079,538.16)	0.00	0.00	(174,319.74)	0.00	(1,253,857.90)
Other Capital Assets						
Museum & Art	(45,816.66)	0.00		(200.00)	0.00	(46,016.66)
Library Books (Depreciable)	(15,384,695.63)	45,647.00	0.00	(746,698.41)	0.00	(16,085,747.04)
Total accumulated depreciation	(128,310,220.88)	45,647.00	0.00	(10,714,705.43)	495,908.18	(138,483,371.13)
Depreciable Assets, net	160,301,410.32	0.00	97,947.14	(7,608,970.54)	(121,062.07)	152,669,324.85

NOTE 3: Deposits, Investments, & Repurchase Agreements

Deposits of Cash in Bank

As of August 31, 2009, the carrying amount of deposits was \$6,136,251.23 as presented below.

Governmental and Business-Type Activities	
CASH IN BANK – CARRYING VALUE	6,136,251.23
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	6,136,251.23
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	3,499,364.15
Proprietary Funds Current Assets Restricted Cash in Bank	2,636,887.08
Proprietary Funds Non-Current Restricted Cash in Bank	
Cash in Bank per AFR	6,136,251.23

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	9999	0.00	6,016,993.20	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 08/31/09 there were letters of credit totaling \$12,000,000.

Investments

As of August 31, 2009, the carrying value and fair value of investments are as presented below.

Governmental and Business-Type Activities	Fair Value
U.S. Government	
U.S. Treasury Securities	11,659,650.44
U.S. Government Agency Obligations (Ginnie Mae, Fannie Mae, Freddie Mac, Sallie Mae, etc)	27,811,254.74
U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	
Corporate Obligations	21,947,229.70
Corporate Asset and Mortgage Backed Securities	11,577,024.68
Equity	5,746,902.78
Other Commingled Funds	1,087,541.69
Other Commingled Funds (Texpool)	115,495,351.19
Real Estate	
Total	195,324,955.22

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, 2009, the following changes occurred in liabilities.

	Balance 9/1/2008	Additions	Reductions	Balance 8/31/2009	Amounts Due Within One Year	Amounts Due Thereafter
Revenue Bonds Payable	65,174,358.13	20,400,000.00	5,007,716.14	80,566,641.99	3,941,168.16	76,625,473.83
Other Non-Current	0.00	0.00	0.00	0.00	0.00	0.00
Capital Lease Oblg.	2,172,569.22	0.00	180,029.41	1,992,539.81	189,974.69	1,802,565.12
Compensable Leave	3,482,383.19	262,269.82	131,134.91	3,613,518.10	2,162,501.57	1,451,016.53
Totals	70,829,310.54	20,662,269.82	5,318,880.46	86,172,699.90	6,293,644.42	79,879,055.48

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 eight to twenty-one 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 532 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, 2009, the accrued liability totaled \$3,613,518.10.

The University made lump sum payments totaling \$215,420.43 for accrued vacation (and/or compensatory time) to employees who separated from state service during fiscal year ending August 31, 2009.

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: Bonded Indebtedness

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 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 bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

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.
- \$17,500,000; all bonds have been 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 including a General Revenue Appropriation.

Revenue Financing System Bonds, Series 2008

- 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 7-15-08.
- \$21,670,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

Revenue Financing System Bonds, Series 2009

- To provide funds for acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, specifically, without limitations, to pay costs of constructing and equipping a new Institute for Health Sciences – Dallas Center on land leased by the University in the City of Dallas, Texas, and (ii) paying certain costs of issuing the Bonds.
- Issued 1-15-09.
- \$20,400,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

Pledged Future Revenues	
Pledged Revenue Required for Future Principal and Interest on Existing Revenue Bonds	121,817,804
Term of Commitment Year Ending 08/31	2035
Percentage of Revenue Pledged	100%
Current Year Pledged Revenue	103,500,755
Current Year Principal and Interest Paid	8,347,524

NOTE 7: 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, 2009:

Assets Under Capital Leases	Business-Type Activities
Building Improvements	2,809,509.96
Less: Accumulated Depreciation	849,238.03
Total	1,960,271.93

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
2010	189,974.69	106,039.81	296,014.50
2011	200,469.38	95,545.12	296,014.50
2012	211,543.82	84,470.68	296,014.50
2013	223,230.05	72,784.45	296,014.50
2014	235,561.85	60,452.65	296,014.50
2015-2019	931,760.02	104,290.73	1,036,050.75
Total Minimum Lease Payments	1,992,539.81	523,583.44	2,516,123.25

NOTE 8: Operating Leases

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, 2009	
2010	166,532.49
2011	101,254.27
2012	46,558.50
2013	2,289.28
Total Minimum Future Lease Rental Payments	316,634.53

Current Year Rental Cost by Fund Type	
Education and General	314,696.44
Designated	119,533.90
Auxiliaries	29,207.28
Restricted	4,620.00
Total Lease Payments FY 2009	468,057.62

NOTE 9: 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 are 6.58% and 6.4%, respectively, of annual compensation. 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 (ORP) for institutions of higher education. For eligible individuals, participation in the ORP is elective in lieu of participation in the TRS. The ORP provides for the purchase of mutual fund and 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 6.58% from the ORP's appropriation and 1.92% from other funding sources. The 6.58% 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 6.58% and 6.65% by the state and each participant, respectively. Since these are individual contracts, the State has no additional or unfunded liability for this program.

NOTE 10: 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 12: Interfund Activity and Transactions

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, 2009, 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)		59,933.50	State P-T
Appd Fund 5015, D23 Fund 5015			
(Agency 601, D23 Fund 5015)	264.00		State P-T
Appd Fund 9999, D23 Fund 9999			
(Agency 530, D23 Fund 0001)	94,121.75		Federal P-T
(Agency 551, D23 Fund 7015)	154,077.56		State P-T
(Agency 781, D23 Fund 0001)	45,625.43		Federal P-T
(Agency 781, D23 Fund 0001)		204,358.70	State P-T
(Agency 781, D23 Fund 0824)		8,955.83	State P-T
Total Due From/To Other Agencies	294,088.74	273,248.03	

	TRANSFERS IN	TRANSFERS OUT	Purpose (Disclosure Required)
PROPRIETARY (02)			
Appd Fund 0001, D23 Fund 0001			
(Agency 347, D23 Fund 0507)	-	1,183,287.75	(Intrafund Transfer)
(Agency 347, D23 Fund 0735)	-	53,996.88	(Intrafund Transfer)
(Agency 781, D23 Fund 5103)	-	573,521.00	(Intrafund Transfer)
Appd Fund 0253, D23 Fund 0253			
(Agency 781, D23 Fund 0001)	-	21,806.00	(Intrafund Transfer)
Total Transfers	-	1,832,611.63	

Note 12 – Interfund Balances/ Activity (Continued)

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

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

NOTE 13: Continuance Subject to Review

Not Applicable.

NOTE 14: Adjustments to Fund Balances and Net Assets

During FY 2009, 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, 2008	276,950,844.56
Adjust loan balances for Perkins Nursing Loans	42,354.33
Adjust grant receivable balance	93,202.83
Adjust items held for others	166,923.66
Fund Bal/Equity Sept. 1, 2008, As Restated	277,253,325.38

NOTE 15: Contingent Liabilities

At August 31, 2009, there were no material pending lawsuits or 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 16: Subsequent Events

None.

NOTE 17: Risk Management

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

UNAUDITED

interest and principal payments. In Fiscal Year 2009 this coverage was also purchased for buildings that are not financed with bonds. The total limit of liability is \$450,000,000 and the carrier is Travelers Insurance Company.

The University carries a Commercial General Liability Policy through Lexington 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 Lexington 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 New Hampshire Insurance Company. 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.

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

NOTE 18: Management Discussion and Analysis
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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 2009 provides evidence of that enduring financial strength, as shown by the year to year comparison below:

Fiscal Year Comparison**Statement of Net Assets**

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>	<u>\$ Change</u>
Total Assets	394,605,361	439,875,970	11.47%	45,270,609
Total Liabilities	117,654,516	136,386,666	15.92%	18,732,150
Net Assets				
Invested in Capital	103,597,119	100,332,709	-3.15%	(3,264,410)
Restricted	91,120,482	125,471,961	37.70%	34,351,479
Unrestricted	<u>82,233,244</u>	<u>77,666,634</u>	-5.55%	<u>(4,566,610)</u>
Total Net Assets	<u>276,950,845</u>	<u>303,471,304</u>	9.58%	<u>26,520,459</u>

Statement of Revenues, Expenditures and Changes in Net Assets

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>	<u>\$ Change</u>
Total Operating Revenue	85,087,931	83,738,627	-1.59%	(1,349,304)
Total Operating Expenses	<u>147,480,002</u>	<u>153,966,630</u>	4.40%	<u>6,486,628</u>
Operating Income (Loss)	(62,392,070)	(70,228,003)	12.56%	(7,835,933)
NonOp Rev (Exp)	76,878,539	87,390,727	13.67%	10,512,188
Gains, (Losses) & Xfrs	<u>(4,779,721)</u>	<u>440,087</u>	-109.21%	<u>5,219,809</u>
Change in Net Assets	<u>35,979,804</u>	<u>26,217,979</u>	-27.13%	<u>(9,761,825)</u>
Net Assets, Beginning	258,986,110	276,950,845	6.94%	17,964,735
Net Assets, Ending	<u>276,950,845</u>	<u>303,471,304</u>	9.58%	<u>26,520,459</u>

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

Nonoperating Revenue (Expenses)

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>	<u>\$ Change</u>
Legislative Revenue	57,028,725	56,955,250	-0.13%	(73,475)
Additional Appropriations	9,580,996	10,706,994	11.75%	1,125,998
HEAF Appropriation	<u>8,424,209</u>	<u>8,615,167</u>	2.27%	<u>190,958</u>
Total State Appropriations	<u>75,033,930</u>	<u>76,277,411</u>	1.66%	<u>1,243,481</u>

NOTE 19: The Financial Reporting Entity

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 audited Annual Financial Report, the University’s financial statements are not independently audited.

NOTE 20: Stewardship, Compliance & Accountability

Not applicable.

NOTE 22: Donor – Restricted Endowments

<u>Donor-Restricted Endowments</u>	<u>Amounts of Net Appreciation</u>	<u>Reported in Net Assets</u>
Endowments	341,307.95	Restricted for Nonexpendable
Term Endowments	0	Restricted for Nonexpendable
Endowments	0	Restricted for Expendable
	<u>341,307.95</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 \$363,507.10.

NOTE 26: Segment Information

Not Applicable. There are no component units.

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
 SCHEDULE 1A - Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended August 31, 2009

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
Department of Justice					
Direct Program:					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, & Stalking on Campus	16.525				
Pass-Through To:					
Other Non-State Entities	16.525				
Total Department of Justice				0.00	0.00
Institute of Museum and Library Services					
National Foundation on the Arts and the Humanities					
Pass-Through From:					
Texas Commission on the Arts Promotion of the Arts_Partnership Agreements	45.025		813	898.00	
Direct Program:					
Laura Bush 21st Century Librarian Program	45.313				
Total Institute of Museum and Library Services				898.00	0.00
National Science Foundation					
Direct Program:					
Education and Human Resources	47.076				
Pass-Through From:					
Other Non-State Entity:					
Harrisburg University of Science & Technology Education and Human Resources	47.076	0618431 SSI 2007			2,489.32
Education and Human Resources	47.076	0717407 SSI 2008			2,301.94
Total National Science Foundation				0.00	4,791.26
Department of Education					
Direct Programs:					
Bilingual Education - Professional Development	84.000	T195N070068-08			
Fund for the Improvement of Postsecondary Education	84.116				
Javits Fellowships	84.170				
Graduate Assistance in Areas of National Need	84.200				
Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325				
Transition to Teaching	84.350				
Pass-Through From:					
Other Non-State Entities:					
Fort Worth Independent School District Transition to Teaching	84.350	U350A060006			46,351.07
Direct Program:					
Improving Teacher Quality State Grants	84.367				
Pass-Through From:					
Texas Higher Education Coordinating Board Improving Teacher Quality State Grants	84.367		781	109,171.57	
Direct Program:					
College Access Challenge Grant Program	84.378				
Pass-Through From:					
Texas Higher Education Coordinating Board College Access Challenge Grant Program	84.378		781	27,357.12	
Total Department of Education				136,528.69	46,351.07

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		
54,656.70	54,656.70				54,656.70	54,656.70
38,102.54	38,102.54			38,102.54	0.00	38,102.54
92,759.24	92,759.24		0.00	38,102.54	54,656.70	92,759.24
	898.00				898.00	898.00
300,515.57	300,515.57				300,515.57	300,515.57
300,515.57	301,413.57		0.00	0.00	301,413.57	301,413.57
155,849.99	155,849.99				155,849.99	155,849.99
	2,489.32				2,489.32	2,489.32
	2,301.94				2,301.94	2,301.94
155,849.99	160,641.25		0.00	0.00	160,641.25	160,641.25
182,252.74	182,252.74				182,252.74	182,252.74
78,485.42	78,485.42				78,485.42	78,485.42
36,404.80	36,404.80				36,404.80	36,404.80
124,416.29	124,416.29				124,416.29	124,416.29
186,169.08	186,169.08				186,169.08	186,169.08
106,534.30	106,534.30				106,534.30	106,534.30
	46,351.07				46,351.07	46,351.07
(332.51)	(332.51)				(332.51)	(332.51)
	109,171.57				109,171.57	109,171.57
3,467.44	3,467.44				3,467.44	3,467.44
	27,357.12				27,357.12	27,357.12
717,397.56	900,277.32		0.00	0.00	900,277.32	900,277.32

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
 SCHEDULE 1A - Schedule of Expenditures of Federal Awards continued
 For the Fiscal Year Ended August 31, 2009

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
Department of Health and Human Services					
Direct Program:					
Nursing Workforce Diversity	93.178				
Pass-Through From:					
University of Southwestern Medical Ctr. at Dallas					
Nursing Workforce Diversity	93.178		729	13,446.52	
Direct Program:					
Advanced Education Nursing Grant Program	93.247				
Advanced Education Nursing Traineeships	93.358				
Foster Care_Title IV-E	93.658				
Pass-Throughs From:					
Department of Family and Protective Services					
Foster Care_Title IV-E	93.658		530	328,191.25	
Other Non-State Entities:					
Baylor College of Medicine					
Geriatric Education Centers	93.969	5 D31 HP08821			39,946.41
Total U.S. Department of Health and Human Services				341,637.77	39,946.41
Research and Development (R&D) Cluster					
Department of Agriculture					
Direct Program:					
Grants for Agricultural Research_Competitive					
Research Grants	10.206				
Pass-Through To:					
Other Non-State Entities	10.206				
Intergrated Programs	10.303				
Pass-Through To:					
Other Non-State Entities	10.303				
Department of Defense					
Direct Program:					
Basic, Applied, and Advanced Research in					
Science and Engineering	12.630				
National Endowment for the Humanities, National Foundation On the Arts and the Humanities					
Direct Program:					
Promotion of the Humanities_Fellowships and Stipends	45.160				
National Science Foundation					
Direct Program:					
Mathematical and Physical Sciences	47.049				
U.S. Department of Health and Human Services					
Direct Program:					
Academic Research Enhancement Award	93.000	1 R15 GM086833-01			
Population Research	93.000	5 R01 HD028419			
Pass-Through From:					
Other Non-State Entities:					
Alliance for North Texas Healthy & Effective Marriages					
Healthy Marriage Promotion and Responsible					
Fatherhood Grants	93.086	90FE0072-03			23,957.69
Direct Program:					
Nursing Research	93.361				
Pass-Through From:					
Other Non-State Entities:					
The Cooper Institute					
Arthritis, Musculoketal and Skin Diseases					
Research	93.846	5 R01 AR052459-03			41,430.94
Direct Programs:					
Biomedical Research and Research Training	93.859				
Pass-Through To:					
Other Non-State Entities	93.859				
Total R&D Cluster Programs				0.00	65,388.63

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		
(1,636.70)	(1,636.70)				(1,636.70)	(1,636.70)
	13,446.52				13,446.52	13,446.52
163,061.99	163,061.99				163,061.99	163,061.99
100,718.00	100,718.00				100,718.00	100,718.00
(124,359.43)	(124,359.43)				(124,359.43)	(124,359.43)
	328,191.25				328,191.25	328,191.25
	39,946.41				39,946.41	39,946.41
<u>137,783.86</u>	<u>519,368.04</u>		<u>0.00</u>	<u>0.00</u>	<u>519,368.04</u>	<u>519,368.04</u>
1,753.20	1,753.20				1,753.20	1,753.20
29,818.78	29,818.78			29,818.78	0.00	29,818.78
48,421.31	48,421.31				48,421.31	48,421.31
46,681.79	46,681.79			46,681.79	0.00	46,681.79
26,180.77	26,180.77				26,180.77	26,180.77
31,219.05	31,219.05				31,219.05	31,219.05
122,505.00	122,505.00				122,505.00	122,505.00
15,308.91	15,308.91				15,308.91	15,308.91
201,825.62	201,825.62				201,825.62	201,825.62
	23,957.69				23,957.69	23,957.69
169,736.54	169,736.54				169,736.54	169,736.54
	41,430.94				41,430.94	41,430.94
196,891.74	196,891.74				196,891.74	196,891.74
25,896.01	25,896.01			25,896.01	0.00	25,896.01
<u>916,238.72</u>	<u>981,627.35</u>		<u>0.00</u>	<u>102,396.58</u>	<u>879,230.77</u>	<u>981,627.35</u>

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
 Schedule 1A - Schedule of Expenditures of Federal Awards *continued*
 For the Fiscal Year Ended August 31, 2009

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Identifying Number	Agy/ Univ. #	Pass-Through From	
				Agencies Or Univ. Amount	Non-State Entities Amount
Special Education Cluster (IDEA)					
Department of Education					
Pass-Through From:					
Texas A&M University - Texarkana					
Special Education_Grants to States	84.027		764	36,675.00	
Total Special Education Cluster (IDEA)				36,675.00	0.00
Student Financial Assistance Cluster					
Department of Education					
Direct Programs:					
Federal Supplemental Education Opportunity Grant	84.007				
Federal Family Education Loans New Loans Processed	84.032				
Federal Work Study Program Administrative Costs Recovered	84.033				
Federal Perkins Loan Program New Loans Processed	84.038				
Federal Pell Grant Program Administrative Costs Recovered	84.063				
Academic Competitive 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				
Department of Health and Human Services					
Direct Program:					
Nursing Student Loans New Loans Processed	93.364				
Total Student Financial Assistance Cluster Programs				0.00	0.00
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 515,739.46	\$ 156,477.37

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		
	<u>36,675.00</u>				<u>36,675.00</u>	<u>36,675.00</u>
<u>0.00</u>	<u>36,675.00</u>		<u>0.00</u>	<u>0.00</u>	<u>36,675.00</u>	<u>36,675.00</u>
339,872.25	339,872.25				339,872.25	339,872.25
65,257,309.51	65,257,309.51				65,257,309.51	65,257,309.51
265,392.50	265,392.50				265,392.50	265,392.50
55,247.22	55,247.22				55,247.22	55,247.22
486,542.00	486,542.00				486,542.00	486,542.00
10,677,019.03	10,677,019.03				10,677,019.03	10,677,019.03
13,540.00	13,540.00				13,540.00	13,540.00
103,052.66	103,052.66				103,052.66	103,052.66
28,471.00	28,471.00				28,471.00	28,471.00
141,588.00	141,588.00				141,588.00	141,588.00
<u>328,632.00</u>	<u>328,632.00</u>				<u>328,632.00</u>	<u>328,632.00</u>
<u>77,696,666.17</u>	<u>77,696,666.17</u>		<u>0.00</u>	<u>0.00</u>	<u>77,696,666.17</u>	<u>77,696,666.17</u>
<u>\$ 80,017,211.11</u>	<u>\$ 80,689,427.94</u>		<u>\$ 0.00</u>	<u>\$ 140,499.12</u>	<u>\$ 80,548,928.82</u>	<u>\$ 80,689,427.94</u>

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
Schedule 1A - Schedule of Expenditures of Federal Awards *concluded*
For the Fiscal Year Ended August 31, 2009

Note 1 - Reconciliation:

Per Statement of Revenues, Expenses and Changes in Net Assets		
Proprietary Funds - Federal Revenue -Operating	\$	2,199,658.98
Proprietary Funds - Federal Revenue -Non-Operating		11,610,642.66
Proprietary Funds - Federal Pass Through Revenue		461,348.77
Proprietary Funds - Indirect/Admin Costs Recovered		345,294.02
Subtotal Per Statement of Revenue, Expenses and Change in Net Assets	\$	14,616,944.43
Reconciling Items:		
New Loans Processed:		
Federal Family Education Loan Program		65,257,309.51
Federal Perkins Loan Program		486,542.00
Nursing Student Loan Program		328,632.00
Total Pass Through and Expenditures Per Federal Schedule	\$	80,689,427.94

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	\$ 65,257,309.51	\$	\$ 65,257,309.51	\$
Federal Perkins Loan Program 84.038	482,542.00		482,542.00	1,919,881.86
Total Department of Education	\$ 65,739,851.51	\$ 0.00	\$ 65,739,851.51	\$ 1,919,881.86
Department of Health and Human Services 93.364				
Nursing Student Loan Program	\$ 328,632.00	\$	\$ 328,632.00	\$ 2,112,661.41
Total Department of Health and Human Services	\$ 328,632.00	\$ 0.00	\$ 328,632.00	\$ 2,112,661.41

Note 3 - Federal Deferred Revenue

CFDA	Balance 09/01/08	Net Change	Balance 08/31/09
45.160	\$ 10,219.05	\$ (10,219.05)	\$ 0.00
47.076	0.00	510.68	510.68
84.350	30,988.80	12,665.93	43,654.73
	\$ 41,207.85	\$ 2,957.56	\$ 44,165.41

The deferred revenue of \$44,165.41 consists of \$44,165.41 federal grant prepayments that have not been earned for fiscal year 2009

UNAUDITED

**Texas Woman's University
 Schedule 1B - Schedule of State Grant Pass Throughs From/To State Agencies
 For the Fiscal Year Ended August 31, 2009**

Pass Through From:

Texas Department of Agriculture (Agy #551)		
Food and Fiber Research Grants	\$	279,574.40
Texas Higher Education Coordinating Board (Agy #781)		
Financial Aid Professional Nursing		83,279.00
Texas Grant Program		3,185,669.00
Advanced Research Program		28,367.41
Professional Nursing Shortage Reduction Program		354,998.91
Higher Education Performance Incentive Initiative		3,312,502.00
College Work Study Program		64,996.96
Work Study Mentorship Program		230,916.30
CRU-Professional Services & Grants		45,231.66
Fifth Year Accounting Scholarship Program		5,000.00
Nursing Allied Health		160,147.04
Technology Workforce Development		(6,105.16)

Total Pass Through From Other Agencies (Exh. II)	\$	<u><u>7,744,577.52</u></u>
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Pass Through To:

	\$	<u><u>-</u></u>
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Total Pass Through To Other Agencies (Exh. II)	\$	<u><u>0.00</u></u>
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UNAUDITED

TEXAS WOMAN'S UNIVERSITY
Schedule 2A - Miscellaneous Bond Information
For the Fiscal Year Ended August 31, 2009

Description of Issue	Bonds Issued To Date	Range of Interest Rates	Scheduled Maturities		First Call Date
			First Year	Last Year	
Revenue Bonds - Self Supporting					
Combined Fee Revenue Bonds, Series 1999	8,500,000	4.00% - 6.00%	2000	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%	2003	2022	7/1/2012
Revenue Financing System Bonds, Series 2004	15,000,000	2.00% - 4.50%	2006	2035	7/1/2014
Revenue Financing System Refunding and Improvement Bonds, Series 2004A	11,820,000	2.50% - 5.00%	2005	2024	7/1/2014
Revenue Financing System Bonds, Series 2008	21,670,000	4.00% - 5.50%	2009	2028	7/1/2018
Revenue Financing System Bonds, Series 2009	20,400,000	3.00% - 5.00%	2009	2028	7/1/2018
Total	<u>\$ 104,890,000</u>				

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
Schedule 2B - Changes in Bond Indebtedness
For the Fiscal Year Ended August 31, 2009

Description of Issue	Bonds Outstanding 9/1/2008	Bonds Issued	Bonds Matured	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2009
Revenue Bonds					
Comb Fee Rev Bonds, Ser '99	5,710,000	-	410,000	-	5,300,000
Comb Fee Rev Bonds, Ser '00	1,280,000	-	1,280,000	-	-
Comb Fee Rev Bonds, Ser '02	13,925,000	-	720,000	-	13,205,000
Rev Fin Sys Bonds Ser '04	14,160,000	-	310,000	-	13,850,000
Rev Fin Sys Bonds Ser '04A	8,175,000	-	925,000	-	7,250,000
Rev Fin Sys Bonds Ser '08	21,670,000	-	840,000	-	20,830,000
Rev Fin Sys Bonds Ser '09	-	20,400,000	500,000	-	19,900,000
Total	<u>\$ 64,920,000</u>	<u>20,400,000</u>	<u>\$ 4,985,000</u>	<u>-</u>	<u>\$ 80,335,000</u>

Description of Issue	Unamortized Premium	Unamortized Discount	Unamortized Gain/(Loss) on Refunding	Net Bonds Outstanding 08/31/2009	Amounts Due Within One Year
Revenue Bonds					
Comb Fee Rev Bonds, Ser '99	-	-	-	5,300,000	425,000
Comb Fee Rev Bonds, Ser '00	-	-	-	-	-
Comb Fee Rev Bonds, Ser '02	-	-	-	13,205,000	755,000
Rev Fin Sys Bonds Ser '04	92,066	-	-	13,942,066	320,164
Rev Fin Sys Bonds Ser '04A	139,576	-	-	7,389,576	976,004
Rev Fin Sys Bonds Ser '08	-	-	-	20,830,000	710,000
Rev Fin Sys Bonds Ser '09	-	-	-	19,900,000	755,000
Total	<u>\$ 231,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,566,642</u>	<u>\$ 3,941,168</u>

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
Schedule 2C - Debt Service Requirements
For the Fiscal Year Ended August 31, 2009

Description of Issue	Year	Principle	Interest
Reveue Bonds			
Comb Fee Rev Bds Ser '99	2010	425,000	246,395
	2011	445,000	228,120
	2012	465,000	208,540
	2013	490,000	187,615
	2014	515,000	165,075
	2015-2019	2,960,000	434,659
		<u>\$ 5,300,000.00</u>	<u>\$ 1,470,404.00</u>
Comb Fee Rev Bds Ser '02	2010	755,000	622,680
	2011	790,000	591,725
	2012	830,000	558,545
	2013	870,000	522,855
	2014	910,000	484,575
	2015-2019	5,235,000	1,747,960
	2020-2024	3,815,000	387,750
	<u>\$ 13,205,000.00</u>	<u>\$ 4,916,090.00</u>	
Rev Fin Sys Bonds Ser '04	2010	315,000	608,219
	2011	325,000	598,769
	2012	335,000	589,019
	2013	345,000	578,969
	2014	355,000	567,756
	2015-2019	2,005,000	2,613,780
	2020-2024	2,450,000	2,169,180
	2025-2029	3,040,000	1,577,805
	2030-2034	3,800,000	814,825
2035-2039	880,000	45,100	
	<u>\$ 13,850,000.00</u>	<u>\$10,163,422.00</u>	

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
 Schedule 2C - Debt Service Requirements
 For the Fiscal Year Ended August 31, 2009

Description of Issue	Year	Principle	Interest
Reveue Bonds			
Rev Fin Sys Bonds Ser '04A	2010	960,000	324,594
	2011	335,000	290,994
	2012	350,000	278,850
	2013	365,000	264,850
	2014	375,000	250,250
	2015-2019	2,140,000	999,900
	2020-2024	2,725,000	421,500
		<u>\$ 7,250,000.00</u>	<u>\$ 2,830,938.00</u>
Rev Fin Sys Bonds Ser '08	2010	710,000	1,033,919
	2011	740,000	1,005,519
	2012	765,000	975,919
	2013	800,000	945,319
	2014	835,000	909,319
	2015-2019	4,745,000	3,963,344
	2020-2024	6,080,000	2,640,070
	2025-2029	6,155,000	814,307
	<u>\$ 20,830,000.00</u>	<u>\$12,287,716.00</u>	
Rev Fin Sys Bonds Ser '09	2010	755,000	805,844
	2011	780,000	783,194
	2012	805,000	759,794
	2013	830,000	735,644
	2014	850,000	710,744
	2015-2019	4,685,000	3,137,832
	2020-2024	5,650,000	2,170,932
	2025-2029	5,545,000	710,250
	<u>\$ 19,900,000.00</u>	<u>\$ 9,814,234.00</u>	

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
 Schedule 2D - Analysis of Funds Available for Debt Service
 For the Year Ended August 31, 2009

REVENUE BONDS

Description of Issue	Pledged and Other Sources and Related Expenditures for FY 2009			
	Net Available for Debt Service		Debt Service	
	Total Pledged and Other Sources	Operating Expenses/ Expenditures and Capital Outlay	Principal	Interest
Revenue Bonds				
Combined Fee Revenue Bonds, Series 1999, 2000, 2002	\$ 20,700,151	\$ 10,396,827	\$ 2,410,000	\$ 987,395
RFSB 2004, 2004A, 2008, 2009 Parity Issues	\$ 82,800,604	\$ 41,587,308	\$ 2,575,000	2,375,129
Total	\$ 103,500,755	\$ 51,984,134	\$ 4,985,000	\$ 3,362,524

UNAUDITED

TEXAS WOMAN'S UNIVERSITY
Schedule 3
Reconciliation of Cash in State Treasury
August 31, 2009

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0253	0.00	0.00	\$ 5,316,609.24
Departmental Suspense Fund 0900	0.00	0.00	0.00
Total Cash in State Treasury (Stmnt of Net Assets)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,316,609.24</u>