

**BOARD OF REGENTS
THE TEXAS STATE UNIVERSITY SYSTEM**
601 Colorado Street
Austin, Texas 78701

Annual Report

Updated Financial Information
and
Operating Data

Submitted in Accordance with Provisions of
SEC Rule 15c2-12

For the Fiscal Year Ended
August 31, 2018

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Texas State University System Combined Annual Financial Report - Fiscal Year 2018

TABLE 1
Texas State University System
Revenue Financing System Pledged Revenue

	2014	2015	2016	2017	2018
Available Pledged Revenues					
Not Including Net Position (1)	\$642,094,543	\$700,695,929	\$739,361,077	\$747,065,640	\$753,523,054
Unrestricted Net Position (2)	\$298,276,384	\$192,813,495	\$255,676,641	\$238,044,901	\$173,312,636
Total Pledged Revenues and Unrestricted Net Position	\$940,370,927	\$893,509,424	\$995,037,718	\$985,110,541	\$926,835,690
Available HEF Fund Balance (3)	\$56,825,490	\$57,185,101	\$48,802,357	\$73,559,204	\$99,297,250
Total Pledged Revenues and Balances Available for Debt Service	\$997,196,417	\$950,694,525	\$1,043,840,075	\$1,058,669,744	\$1,026,132,940

(1) The Available Pledged Revenues shown above consist of tuition, designated tuition, student center fees, and recovery of indirect costs for federal grants and contracts, federal pass-through grants from other agencies and State grants and contracts. The prior encumbered revenues of the University System are excluded. Also excludes State appropriations for reimbursement of debt service on tuition revenue bonds ("TRBs").

(2) Texas State University System Combined Annual Financial Report. In addition to current year Pledged Revenues, any unappropriated or reserve fund balances remaining at year-end are available for payment of the subsequent year's debt service.

(3) Certain Higher Education Fund (HEF) funds are carried forward from year to year and the amount of available HEF Funds reflected are eligible to be applied to the payment of debt service on Parity Debt issued for qualifying projects as permitted in accordance with Article VII, Section 17(a) of the Texas Constitution, but HEF funds are not Pledged Revenues.

TABLE 2
Texas State University System
Revenue Financing System Debt Service Requirements

Fiscal Year End August 31	Principal	Interest	Total Annual Debt Service ^{(1)(2)*}
2019	61,105,000	48,057,129	109,162,129
2020	63,655,000	45,274,663	108,929,663
2021	63,950,000	42,341,785	106,291,785
2022	66,610,000	39,356,389	105,966,389
2023	58,100,000	36,213,198	94,313,198
2024	58,900,000	33,485,599	92,385,599
2025	61,375,000	30,718,472	92,093,472
2026	64,285,000	27,823,327	92,108,327
2027	63,205,000	24,785,542	87,990,542
2028	60,750,000	21,827,451	82,577,451
2029	54,920,000	19,110,861	74,030,861
2030	51,405,000	16,575,847	67,980,847
2031	53,685,000	14,251,180	67,936,180
2032	46,405,000	11,770,134	58,175,134
2033	27,320,000	9,613,602	36,933,602
2034	28,640,000	8,326,367	36,966,367
2035	25,990,000	6,996,919	32,986,919
2036	24,760,000	5,759,129	30,519,129
2037	13,825,000	4,614,126	18,439,126
2038	14,450,000	3,995,674	18,445,674
2039	15,120,000	3,326,826	18,446,826
2040	15,815,000	2,626,658	18,441,658
2041	12,435,000	1,893,217	14,328,217
2042	13,005,000	1,331,115	14,336,115
2043	7,035,000	742,983	7,777,983
2044	7,320,000	455,871	7,775,871
2045	3,890,000	157,129	4,047,129
TOTAL	\$ 1,037,955,000	\$ 461,431,194	\$ 1,499,386,194

* A portion of such outstanding Parity Debt constitute Tuition Revenue Bonds that qualify the University System to be reimbursed from State appropriations for debt service payments in the amount of \$34.6 million during fiscal year 2019. Future reimbursement by the State for debt service payments is entirely subject to future appropriations by the State Legislature in each subsequent State Biennium.

⁽¹⁾ Includes outstanding Angelo State University debt issued prior to September 1, 2007 and related refunding bonds.

⁽²⁾ Totals of these columns do not calculate exactly due to rounding of pennies for purposes of tt

TABLE A-1
Headcount Enrollment

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Lamar Institute of Technology	2,708	2,846	2,757	2,983	3,260
Lamar State College - Orange	2,259	2,318	2,338	2,293	2,350
Lamar State College - Port Arthur	2,078	1,802	2,051	2,293	2,413
Lamar University	14,452	14,494	14,391	13,929	14,176
Sam Houston State University	19,573	20,031	20,477	20,938	21,025
Sul Ross State University	1,897	1,973	2,071	1,996	1,885
Sul Ross State University - Rio Grande College	1,009	1,019	1,014	974	890
Texas State University	36,739	37,979	38,808	38,666	38,644
Total	80,715	82,462	83,907	84,072	84,643

Source: Texas Higher Education Coordinating Board Accountability System.

Note: Does not include students enrolled in non-credit formula funded courses.

TABLE A-2
Graduate Enrollment (1)

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Lamar University	5,255	5,411	5,213	4,800	5,364
Sam Houston State University	2,754	2,630	2,575	2,522	2,552
Sul Ross State University	616	614	617	566	546
Sul Ross State University - Rio Grande College	259	219	200	174	141
Texas State University	4,562	4,499	4,564	4,486	4,457
Total	13,446	13,373	13,169	12,548	13,060

(1) Lamar State College-Orange, Lamar State College-Port Arthur and Lamar Institute of Technology are lower-level (freshman and sophomore) institutions which do not offer graduate programs.

Source: Texas Higher Education Coordinating Board Accountability System.

TABLE A-3
Full-Time Equivalent Enrollment (1)

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Lamar University	9,805	9,052	8,791	9,294	9,815
Lamar Institute of Technology	1,833	1,915	1,848	1,981	1,959
Lamar State College - Orange	1,426	1,420	1,416	1,371	1,360
Lamar State College - Port Arthur	1,269	1,107	1,218	1,315	1,477
Sam Houston State University	15,617	16,143	16,496	16,889	17,157
Sul Ross State University	1,412	1,418	1,496	1,442	1,362
Sul Ross State University - Rio Grande College	478	504	519	509	474
Texas State University	29,974	31,039	31,812	31,792	31,845
Total	61,814	62,598	63,596	64,593	65,449

(1) Full-time equivalent enrollment is 15 hours per semester for undergraduate students, 12 semester hours for master's/doctoral-professional, and 9 hours per semester for doctoral-research students.

Note: Does not include students enrolled in non-credit formula funded courses.

Source: GAIs - Texas Higher Education Coordinating Board Accountability System; State Colleges - TSUS Certified Enrollment Report

TABLE A-4
Systemwide Enrollment by Residency

	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Texas Residents	76,938	78,387	80,158	80,706	81,315
Non-Texas Residents	1,950	2,015	1,996	2,016	2,116
Non-US Residents	1,827	2,060	1,753	1,350 ⁽¹⁾	1,212
Total	80,715	82,462	83,907	84,072	84,643

(1) Restated: Updated from preliminary to final headcount.

Source: Texas Higher Education Coordinating Board Accountability System

Note: Table A-4 does not include students enrolled in non-credit formula fundec

TABLE A-5
Admissions and Matriculation (1)

	2014	2015	2016	2017	2018
Applications Submitted	33,498	38,999	42,514	43,986	43,967
Applications Accepted	25,946	28,698	30,687	32,456	34,755
Matriculation	9,840	10,339	10,432	10,691	10,982
Percentage Accepted	77%	74%	72%	74%	79%
Percentage Matriculated	38%	36%	34%	33%	32%

(1) This table reflects admissions and matriculation of first-time undergraduates for Lamar University, Sam Houston State University, Texas State University, and Sul Ross State University. This information is inclusive of summer and fall applicant data..

Source: 2013-2017 - Texas Higher Education Report 'First Time Undergraduate Applicant, Acceptance, and Enrollment Information for Summer/Fall'; 2018 - TSUS Official Supplemental Reports.

TABLE A-9
Texas State University System
Current Investments

Type of Security	Reported Value
U.S. Government:	
U.S. Treasury Securities	\$ 2,099,334.43
U.S. Government Agency Obligations (Ginnie Mae, Fannie Mae, Freddie Mac, etc.)	87,345.80
U.S. Government Agency Obligations (TTS)	10,000.00
Corporate Obligations	53,907,701.99
Corporate Asset and Mortgage Backed Securities	31,646,213.85
Equity	188,978,602.37
International Equity	9,907,437.14
Fixed Income Money Market and Bond Mutual Fund	133,853,914.62
Other Commingled Funds	16,054,173.02
International Other Commingled Funds	11,578,964.50
Real Estate	29,049,383.48
Alternative Investments	2,053,884.80
Subtotal Investments	\$ 479,226,956.00
Other Commingled Funds (TexPool)	\$ 530,884,587.58
Subtotal Cash Equivalents	\$ 530,884,587.58
Total	\$ 1,010,111,543.58
Current Unrestricted Assets - Cash Equivalents	\$ 423,514,543.17
Current Restricted Assets - Cash Equivalents	77,023,849.43
Current Restricted Assets - Short Term Investments	26,535,296.11
Noncurrent Restricted Assets - Cash Equivalents	30,346,194.98
Noncurrent Restricted Assets - Investments	120,351,602.38
Noncurrent Assets - Investments	332,340,057.51
Total	\$ 1,010,111,543.58

TABLE A-10
Texas State University System
Endowment Funds Summary
(as of fiscal year ending August 31)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Lamar University	15,948,717	17,451,150	18,697,052	20,057,710	20,429,562
Sam Houston State University	92,073,515	69,107,671	64,355,361	66,928,874	76,255,989
Sul Ross State University	18,364,295	14,527,463	15,576,019	15,654,102	15,759,243
Sul Ross State University-Rio Grande	0	0	0	0	0
Texas State University	17,139,438	17,635,359	18,281,587	18,730,287	20,297,055
Lamar State College - Orange	30,524	30,524	30,524	5,524	5,524
Lamar State College - Port Arthur	0	0	1,200,302	1,153,494	1,127,435
Lamar Institute of Technology	0	0	0	0	0
System Administration	7,477,582	7,295,969	7,235,466	5,537,815	5,567,228
Total	151,034,072	126,048,135	125,376,311	128,067,806	139,442,035