

Texas Tech University System Actual Pledged Revenues

	2004	2005	2006	2007	2008
Available Pledged Revenues Not Including Fund Balances	\$ 322,166,932	\$ 352,957,321	\$ 366,810,609	\$ 415,240,935	\$ 494,884,615
Pledgeable Unappropriated Funds and Reserve Balances	\$ 127,830,064	\$ 138,468,032	\$ 136,847,319	\$ 169,417,039	\$ 220,780,807
Total Pledged Revenues	\$ 449,996,996	\$ 491,425,353	\$ 503,657,928	\$ 584,657,974	\$ 715,665,422

1. The pledge of Educational and General Funds appropriated by the State Legislature is limited to tuition, including general tuition and tuition pledged under the Skiles Act, indirect costs, and sales and services. Non-pledgeable Designated and Auxiliary Enterprise Funds consist of State Appropriations, Student Service Fees, Student Complex Fees, and Higher Education Assistance Fund Income.
2. In addition to current year Pledged Revenues, any un-appropriated or reserve fund balances remaining at year-end are available for payment of the subsequent year's debt service.

Admissions and Matriculation

Texas Tech University. Set forth below is the information relating to undergraduate admissions and matriculation for Texas Tech University for each of the last five fall semesters:

Admissions and Matriculation Information					
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Applications Submitted	13,323	12,583	13,809	13,976	16,143
Applications Accepted	8,939	8,927	9,691	10,759	11,643
Matriculation	3,951	3,801	3,922	4,515	4,407
% Accepted	67.09%	70.94%	70.18%	76.98%	72.12%
% Matriculated	44.20%	42.58%	40.47%	41.96%	37.85%

The Health Sciences Center. Set forth below is the information relating to undergraduate admissions for the Health Sciences Center for each of the last five fall semesters:

Admissions and Matriculation Information					
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Applications Submitted	5,429	5,133	5,658	6,790	6,584
Applications Accepted	842	882	1,182	1,339	1,333
Matriculation	824	861	1,142	1,271	1,253
% Accepted	15.51%	17.18%	20.89%	19.72%	20.25%
% Matriculated	97.86%	97.62%	99.62%	94.92%	94.00%

Angelo State University. Set forth below is the information relating to undergraduate admissions and matriculation for Angelo State University for Fall 2007 and Fall 2008:

Admissions and Matriculation Information					
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Applications Submitted				3,267	3,712
Applications Accepted				3,235	3,315
Matriculation				1,378	1,467
% Accepted				99.02%	89.30%
% Matriculated				42.60%	44.25%

Note: Angelo State University's enrollment information is only included in the 2007 and 2008 statistics since this campus was officially acquired as of September 1, 2007. Angelo State University's enrollment information for prior periods may be available from the NRMSIRs and SID in connection with previous filings made therewith by the TSUS Board with respect to TSUS Revenue Financing System obligations.

The following table is a summary of the debt service requirements of all Parity Obligations outstanding as of August 31, 2008:

Debt Service Requirements 8/31/08

Period Ending	Fixed Rate Debt		Commercial Paper		Total Annual Debt Service
	Principal	Interest	Principal	Interest	
8/15/2009	19,600,000.01	19,156,629.25	74,268,000.00	287,187.59	113,024,629.26
8/15/2010	20,095,000.01	18,253,246.00			38,348,246.01
8/15/2011	18,785,000.00	17,275,878.75			36,060,878.75
8/15/2012	19,020,000.00	16,331,697.50			35,351,697.50
8/15/2013	19,680,000.00	15,333,772.50			35,013,772.50
8/15/2014	20,265,000.01	14,185,397.50			34,450,397.51
8/15/2015	22,380,000.00	13,115,122.50			35,495,122.50
8/15/2016	20,364,999.99	11,975,166.25			32,340,166.24
8/15/2017	21,155,000.00	10,912,747.50			32,067,747.50
8/15/2018	21,190,000.00	9,906,236.25			31,096,236.25
8/15/2019	22,199,999.99	8,904,956.25			31,104,956.24
8/15/2020	23,250,000.00	7,851,203.75			31,101,203.75
8/15/2021	24,355,000.00	6,742,305.00			31,097,305.00
8/15/2022	19,119,999.99	5,683,765.00			24,803,764.99
8/15/2023	20,125,000.00	4,679,940.00			24,804,940.00
8/15/2024	13,700,000.00	3,812,175.00			17,512,175.00
8/15/2025	14,430,000.00	3,085,435.00			17,515,435.00
8/15/2026	15,194,999.99	2,319,685.00			17,514,684.99
8/15/2027	8,775,000.01	1,693,720.00			10,468,720.01
8/15/2028	7,495,000.00	1,258,380.00			8,753,380.00
8/15/2029	7,905,000.00	842,960.00			8,747,960.00
8/15/2030	4,845,000.00	497,887.50			5,342,887.50
8/15/2031	5,115,000.00	226,665.00			5,341,665.00
	389,045,000	194,044,971.49	74,268,000.00		657,357,971.49

Enrollment. Set forth below is the fall semester undergraduate enrollment at Texas Tech University, the Health Sciences Center, and Angelo State University for each of the last five fall semesters:

Headcount Enrollment Information					
<u>Institutions:</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Texas Tech University	28,325	28,001	27,996	28,260	28,422
The Health Sciences Center	2,272	2,391	2,458	2,616	2,904
Angelo State University				6,185	6,113
Total	30,597	30,392	30,454	37,061	37,439

Note: Angelo State University's enrollment information is only included in the 2007 and 2008 statistics since this campus was officially acquired as of September 1, 2007. Angelo State University's enrollment information for prior periods may be available from the NRMSIRs and SID in connection with previous filings made therewith by the TSUS Board with respect to TSUS Revenue Financing System obligations.

Set forth below is the fall semester graduate enrollment at Texas Tech University, the Health Sciences Center, and Angelo State University for each of the last five fall semesters:

Graduate Enrollment Information					
<u>Institutions:</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Texas Tech University	4,996	4,999	5,145	5,239	5,315
The Health Sciences Center	1,775	1,758	1,805	2,008	2,181
Angelo State University				422	465
Total	6,771	6,757	6,950	7,669	7,961

Note: Angelo State University's enrollment information is only included in the 2007 and 2008 statistics since this campus was officially acquired as of September 1, 2007. Angelo State University's enrollment information for prior periods may be available from the NRMSIRs and SID in connection with previous filings made therewith by the TSUS Board with respect to TSUS Revenue Financing System obligations.

Set forth below is the fall semester full-time equivalent enrollment at Texas Tech University, the Health Sciences Center, and Angelo State University for each of the last five fall semesters:

Full-Time Equivalent Enrollment Information					
<u>Institutions:</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Texas Tech University	24,587	24,424	25,892	24,792	24,791
The Health Sciences Center	2,272	2,409	2,217	2,363	2,636
Angelo State University				5,270	5,140
Total	26,859	26,833	28,109	32,425	32,567

Note: Angelo State University's enrollment information is only included in the 2007 and 2008 statistics since this campus was officially acquired as of September 1, 2007. Angelo State University's enrollment information for prior periods may be available from the NRMSIRs and SID in connection with previous filings made therewith by the TSUS Board with respect to TSUS Revenue Financing System obligations.

Condensed Statement of Net Assets
As of August 31
(In Thousands)

Assets:	2005	2006	2007	2008
Current Assets	\$424,019	\$479,942	\$537,982	\$795,422
Capital Assets, Net	803,676	874,293	925,861	1,074,389
Other Assets	766,616	850,206	1,011,601	1,012,742
Total Assets	\$1,994,311	\$2,204,441	\$2,475,444	\$2,882,553
 Liabilities:				
Current Liabilities	\$262,517	\$254,963	\$304,010	\$384,051
Non Current Liabilities	379,928	454,947	437,227	418,010
Total Liabilities	\$642,445	\$709,910	\$741,237	\$802,061
 Net Assets:				
Invested in Capital Assets, Net of Related Debt Restricted	\$455,814	\$485,535	\$499,576	\$612,776
Expendable	134,868	163,215	200,849	258,551
Non-Expendable	348,791	405,040	539,695	609,107
Unrestricted	412,393	440,741	494,087	600,058
Total Net Assets	\$1,351,866	\$1,494,531	\$1,734,207	\$2,080,492
 Liabilities and Net Assets	 \$1,994,311	 \$2,204,441	 \$2,475,444	 \$2,882,553

Texas Tech University System
Statement of Revenues, Expenses, and Changes in Net Assets (Unaudited)
For the Year Ended August 31

Operating Revenues	2006	2007	2008
Tuition and Fees	26,675,909	25,838,009	58,138,488
Tuition and Fees: Pledged	187,641,838	197,848,451	210,039,645
Less Discounts and Allowances	(22,089,674)	(23,871,706)	(33,293,206)
Professional Fees	104,397,258	212,943,165	213,465,149
Sales and Services of Auxiliary Enterprises	70,730,842	70,231,251	89,439,837
Other Sales and Services	4,280,442	3,551,849	5,074,173
Other Sales and Services: Pledged	9,059,342	10,118,993	14,380,954
Federal Grants and Contracts	56,378,661	51,764,647	58,558,054
Federal Grants and Contracts: Pledged	2,401,511	2,386,861	2,483,120
Federal Pass-Through (net of administrative costs)	2,418,555	7,219,210	6,222,125
State Grants and Contracts	101,930,319	7,175,896	9,539,471
State Grants and Contracts: Pledged	74,822	113,093	159,320
State Pass-Through	13,485,860	14,580,368	20,556,481
Local Government Grants and Contracts	66,899,325	78,871,877	84,198,457
Local Government Grants and Contracts: Pledged	658,783	579,153	693,668
Nongovernmental Grants and Contracts	25,431,397	31,415,772	36,550,004
Nongovernmental Grants and Contracts: Pledged	2,546,464	3,295,880	3,380,844
Total Operating Revenues	\$ 652,921,654	\$694,062,768	\$779,586,584
Operating Expenses			
Instruction	358,798,708	386,901,667	439,666,390
Research	59,141,738	59,768,616	62,128,328
Public Service	112,941,299	122,255,004	126,922,318
Academic Support	124,129,067	136,315,674	155,443,394
Student Services	29,069,238	32,080,897	39,420,979
Institutional Support	68,346,973	68,119,822	90,229,139
Operations and Maintenance of Plant	55,271,694	59,969,982	67,508,423
Scholarships and Fellowships	25,646,891	21,745,702	31,949,650
Auxiliary Enterprises	85,030,467	81,752,893	101,432,976
Depreciation and Amortization	45,836,289	51,133,698	61,086,408
Total Operating Expenses	\$ 964,212,364	\$ 1,020,043,953	\$1,175,788,003
Operating Income (Loss)	\$ (311,290,710)	\$ (325,981,185)	(396,201,420)
Non-operating Revenues (Expenses)			
Legislative Revenue	281,637,094	283,644,325	385,181,462
Federal Grants and Contracts (net of refunds to grantors)	1,035,779	552,866	376,543
Private Gifts Pledged	-	13,399,213	94,668,099
Private Gifts	63,245,133	114,916,725	3,726,664
Investment Income	51,100,835	49,720,251	26,489,850
Investment Income: Pledged	30,143,690	25,207,906	21,622,338
Interest Expense on Capital Asset Financing	(16,112,653)	(15,166,371)	(18,635,293)
Loss on Sale and Disposal of Capital Assets	(1,767,120)	(1,292,909)	(3,115,031)
Interest Expense and Fiscal Charges	-	-	-
Net Increase (Decrease) in Fair Value of Investments	778,957	49,182,794	(44,858,196)
Other Non-operating Revenues (Expenses)	(8,523,493)	2,455,562	5,968,761
Other Non-operating Revenues (Expenses): Pledged	18,153,425	16,737,922	7,628,515
Settlement of Claims	-	-	-
Other Non-operating Expenses and Losses	-	-	-
Total Non-operating Revenues (Expenses)	\$ 419,691,647	\$ 539,358,285	\$479,053,711
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	\$ 108,400,937	\$ 213,377,100	\$82,852,292

Other Revenues, Expenses, Gains, Losses and Transfers

Capital Appropriations (HEAF)	29,785,945	29,785,945	48,264,720
Capital Contributions	3,874,563	1,363,916	9,616,129
Lapsed Appropriations	-	-	(18,824.86)
Additions to Permanent Endowments	1,817,755	947,407	2,719,031
Increase Net Assets- Interagency Transfer Capital Assets	-	-	41,343.71
Legislative Transfer Out	-	-	(4,125,475)
Transfers in from Other State Agencies	-	-	215,582,334
Transfer Out to Other State Agencies	(1,214,681)	(5,797,430)	(8,646,861)
Net Other Revenues, Expenses, Gains, Losses and Transfers	\$ 34,263,582	\$ 26,299,838	\$263,432,396
Total Changes in Net Assets	\$ 142,664,519	\$ 239,676,938	\$346,284,688
Beginning Net Assets (September 1)	\$ 1,351,866,205	\$ 1,494,530,724	\$1,734,207,662
Restatements of Beginning Net Assets	-	-	-
Ending Net Assets (August 31)	\$ 1,494,530,724	\$ 1,734,207,662	\$2,080,492,349

2006-2008 Federally Sponsored Research Expenditures**(In Thousands)**

Federal Sources	2006	2007	2008
USDA	4,555	5,058	3,132
Dept. of Health and Human Services	2,224	2,070	1,767
Dept. of Defense	4,272	4,533	5,971
National Science Foundation	4,338	4,259	4,106
NASA	1,388	1,605	790
Dept. of Education	2,145	2,470	2,550
Dept. of Energy	-	-	-
Other Federal Agencies	4,188	3,903	2,994
Total Federal Sources	23,110	23,898	21,310

Market Value of Investment Funds**(in Thousands)**

<u>August 31</u>	<u>Short Intermediate Term Fund</u>	<u>Long Term Fund</u>	<u>ASU & Carr Foundation</u>	<u>Total Market Value</u>
2008	\$622,227	\$684,772	\$78,554	\$1,385,553
2007	549,190	599,560	N/A	1,148,750
2006	510,100	512,370	N/A	1,022,470
2005	472,584	468,978	N/A	941,562
2004	451,641	379,357	N/A	830,998

Asset Allocation for the Short/Intermediate Term Fund (in Thousands)		
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Description	Allocation Percentage	Market Value
U.S. Agency Notes	21.91%	\$136,356
Collateralized Mortgage Obligations ⁽¹⁾	4.44%	27,623
MBSs	0.07%	416
Fixed Income Index Fund	5.47%	34,046
Repurchase Agreements	6.94%	43,151
TexPool ⁽²⁾	61.17%	380,635
Totals	100.00%	\$622,227

- (1) The majority of the collateralized mortgage obligations (“CMOs”) held in the S/ITIF are planned amortization class CMOs. Planned amortization class CMOs are CMOs structured to resemble conventional bonds which pay a set and largely predictable return of interest and principal, and which help to provide a stable yield and reduce the call/extension risks and price volatility associated with mortgage backed securities.
- (2) The S/ITIF utilizes TexPool, a local government investment pool currently managed by the Comptroller of Public Accounts of the State, as a cash management tool.

Asset Allocation for the Long Term Investment Fund (in Thousands)		
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Description	Allocation Percentage	Market Value
Equities	37.47%	\$256,549
Fixed Income	5.62%	38,500
Alternative Assets	48.36%	331,178
Cash and Cash Equivalents	8.55%	58,545
Total	100.00%	\$684,772

Asset Allocation for ASU & Carr Foundation (in Thousands)		
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Description	Allocation Percentage	Market Value
Equities	6.63%	\$5,206
Mineral Rights	8.71%	6,838
MBS/CMOs	0.19%	153
Corporate Bonds	2.86%	2,245
Bond Index Funds	36.12%	28,372
TexPool	44.30%	34,803
Other Cash and Cash Equivalents	1.19%	937
Total	100.00%	\$78,554

Angelo State University was added to Texas Tech University System on September 1, 2007. Its assets and those of its related Carr Foundation are included here as managed investments.

Endowments (in Thousands)				
2004	2005	2006	2007	2008
\$408,135	\$484,358	\$548,250	\$699,242	\$779,810

Footnote: Effective September 1, 2007, the governance, control, management and property of Angelo State University will be transferred from the Board of Regents of the Texas State University System to the Board of Regents of the Texas Tech University System. The transfer is governed by H.B. No. 3564 and S.B. No. 1749.