Office of the Chief Investment Officer and Treasurer

THE TEXAS A&M UNIVERSITY SYSTEM

February 21, 2025

TO: Municipal Securities Rulemaking Board

The enclosed Continuing Disclosure Annual Report is being filed by the **BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM** in compliance with its respective contractual undertakings to provide annual reports of financial information and operating data, as required by Rule 15c2-12 of the Securities and Exchange Commission, regarding its obligations with CUSIP Prefix No. 882135 and 88213A.

BOARD OF REGENTS OF
THE TEXAS A&M UNIVERSITY SYSTEM

Maria L. Robinson
Chief Investment Officer and Treasurer

Enclosure

CONTINUING DISCLOSURE ANNUAL REPORT

Filed by

BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM

Pursuant to Undertakings Provided to
Permit Compliance with SEC Rule 15c2-12
Relating to

Bonds of the Board
with CUSIP Prefix No. 882135 and 88213A

February 21, 2025

This information is being provided by the BOARD OF REGENTS (the "Board") of THE TEXAS A&M UNIVERSITY SYSTEM (the "A&M System") in compliance with the contractual undertakings (the "Undertakings") to provide annual reports of financial information and operating data, as required by Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission, executed in connection with the above captioned bond issues (the "Issues"). Pursuant to the rules of the Municipal Securities Rulemaking Board (the "MSRB"), the participating underwriters for each Issue were required to file a copy of the final official statement for each Issue with the MSRB, copies of which are available upon request and payment of copying, handling, and mailing costs. The official statement for each Issue should not be considered to speak as of any date other than the dates indicated in such document.

This Continuing Disclosure Annual Report ("Annual Report") contains financial information and operating data with respect to the A&M System. Information in this Annual Report regarding the A&M System has been compiled and provided by the A&M System from the A&M System's records and other sources which are believed by the Board to be reliable and is provided in satisfaction of the Board's Undertakings. This Annual Report contains information prescribed by the Rule. The Board does not make any warranty concerning the usefulness of such information to a decision to invest in, hold, or sell bonds, notes, or other obligations payable, in whole or in part, from the sources pledged to the payment of the Issues. Information agreed to be provided by the Board may be reported in full text herein, or may be incorporated by reference to certain other publicly available documents.

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Annual Update of Quantitative Financial Information and Operating Data for Fiscal Year 2024

In the proceedings authorizing each of the Issues constituting outstanding Parity Obligations (as defined herein), the Board agreed in the Undertakings to update financial information and operating data in the sections of the respective official statements related to those prior Issues. The Undertakings require the Board to provide historical information on a number of items for the last complete fiscal year. Set forth in EXHIBIT A – DESCRIPTION OF THE TEXAS A&M UNIVERSITY SYSTEM and EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM is the quantitative financial information and operating data for the A&M System's fiscal years ended August 31, 2020, 2021, 2022, 2023 and 2024. As explained in Exhibit A, the financial information and operating data was compiled and reported in accordance with Governmental Accounting Standards Board ("GASB") Statement, No. 35. In addition, the information in EXHIBIT A – DESCRIPTION OF THE TEXAS A&M UNIVERSITY SYSTEM relating to the endowments and the investment of funds has been presented in a shortened format to facilitate the analysis of that information.

There follows in this Annual Report, the quantitative financial information and operating data with respect to the A&M System which the Board has agreed to update pursuant to the Undertakings. Capitalized terms used in this Annual Report and not otherwise defined herein shall have the meanings given in Exhibit A, which by this reference is incorporated in, and made a part of, this Annual Report. The information in Exhibit A speaks as of its date and its incorporation in the Annual Report is not a representation that all of the information in Exhibit A has been updated. In addition to Exhibit A, there is incorporated in, and made a part of, this Annual Report the Continuing Disclosure Annual Report dated December 5, 2024, filed by the Board of Regents of The Texas A&M University System on December 5, 2024 relating to the Permanent University Fund bonds bearing the CUSIP Prefix: 882117.

Pledged Revenues

Pursuant to a Master Resolution, adopted on November 19, 1990, as amended on September 17, 1993 and July 25, 1997 (collectively, the "Master Resolution"), the Board created the Revenue Financing System (the "Revenue Financing System") to provide a financing structure for revenue supported indebtedness of those institutions and agencies comprising the A&M System which are included, by Board action, as participants in the Revenue Financing System ("Participants"). Under the Master Resolution, the Board has, with certain exceptions, combined all of the revenues, funds, and balances attributable to Participants of the Revenue Financing System and lawfully available to secure revenue-supported indebtedness into a system-wide pledge of revenues (as defined in the Master Resolution, "Pledged Revenues") to secure the payment of obligations from time to time issued and outstanding under the Master Resolution (collectively, "Parity Obligations").

The table on the following page contains a summary of the Pledged Revenues for the 2024, 2023, 2022, 2021, and 2020 fiscal years, including pledged unappropriated fund balances available September 1 in each such year. The Pledged Revenues consist of Operating and Non-Operating Revenues that are not restricted. The operating category Tuition and Fees is adjusted to reflect discounts/allowances which are reported on the Combined Statement of Revenues, Expenses, and Changes in Net Position in Exhibit B. Pledged Non-Operating Revenues include Gifts, Investment Income, and realized gains/losses on investments.

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	For Fiscal Year Ended August 31,				
	2024	2023	2022	2021	2020
Available Pledged Revenues, Not Including Pledged Unappropriated Fund and Reserve Balances[(1)]	$3,382,179,322	$3,119,289,746	$2,833,827,575	$2,784,850,759	$2,568,612,320
Pledged Unappropriated Fund and Reserve Balances[(2)]	1,544,220,177	1,377,465,110	1,432,360,851	841,575,293	887,823,482
Total Pledged Revenues[(3)]	$4,926,399,499	$4,496,754,856	$4,266,188,426	$3,626,426,052	$3,456,435,802

(1) Excludes State appropriations for the reimbursement of debt service on certain revenue bonds issued for Capital Construction Assistance Projects of the A&M System (formerly known as "Tuition Revenue Bonds"). See "EXHIBIT A – DESCRIPTION OF THE TEXAS A&M UNIVERSITY SYSTEM – Selected Financial Information – Funding for the A&M System – State Government Appropriations – Capital Construction Assistance Projects."

(2) The Pledged Unappropriated Fund and Reserve Balances are impacted by the A&M System's OPEB (as defined herein) and pension liabilities; these liabilities are calculated based on actuarial assumptions that are adjusted every year. For the Fiscal Year 2020, the A&M System recognized pension related expenses of $68.67 million and OPEB related expenses of $83.33 million, which resulted in a $152.00 million increase to Pledged Unappropriated Fund and Reserve Balances for Fiscal Year 2021. For Fiscal Year 2021, the A&M System recognized pension related expenses of $39.66 million and OPEB related expenses of $121.27 million, which resulted in a $160.93 reduction in Pledged Unappropriated Fund and Reserve Balances for Fiscal Year 2022. For Fiscal Year 2022, the A&M System recognized pension related negative expenses of $41.93 million and OPEB related expenses of 168.43 million, which resulted in a $126.50 million reduction in Pledged Unappropriated Fund and Reserve Balances for Fiscal Year 2023. For Fiscal Year 2023, the A&M System recognized pension related expenses of $24.16 million and OPEB related expenses of $118.28 million, which resulted in a $142.44 million reduction in Pledged Unappropriated Fund and Reserve Balances for Fiscal Year 2024. For Fiscal Year 2024, the A&M System recognized pension related expenses of $92.80 million and OPEB related expenses of $11.95 million, which is expected to reduce Pledged Unappropriated Fund and Reserve Balances by approximately $104.75 million, resulting in aggregate Pledged Unappropriated Fund and Reserve Balances of approximately $1.90 billion for Fiscal Year 2025. See "SELECTED FINANCIAL INFORMATION – Retirement Plans" herein.

(3) The Fiscal Year 2020 and 2021 results reflect the operational and financial impact of the COVID-19 worldwide pandemic and measures implemented in response thereto.

Questions concerning this Annual Report should be directed as follows:

Maria L. Robinson
Chief Investment Officer and Treasurer
The Texas A&M University System
301 Tarrow, 5th Floor
College Station, Texas 77840-7896
(979) 458-6330

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EXHIBIT A

Description of The Texas A&M University System

EXHIBIT A

DESCRIPTION OF THE TEXAS A&M UNIVERSITY SYSTEM

GENERAL DESCRIPTION

The Texas A&M University System (the "A&M System") is a land, sea, and space grant university organization devoted to teaching, research, and public service, consisting of institutions and agencies located throughout the State of Texas (the "State" or "Texas").

System Administration

The A&M System is governed, managed, and controlled by a nine-member Board of Regents (the "Board") each of whom is appointed by the Governor of the State subject to confirmation by the State Senate. Each regent serves a six-year term, with three new appointments every two years. The members of the Board elect one of the regents to serve as Chairman of the Board and may elect any other officers they deem necessary. The regents serve without pay except for reimbursement for actual expenses incurred in the performance of their duties, subject to the approval of the Chairman of the Board.

The Texas Education Code requires the Board to establish a central administration office of the A&M System (herein referred to as the "A&M System Administration") to provide oversight and coordination of the activities of each member institution within the A&M System. The Board is required to appoint a chief executive officer (the "Chancellor") and such other executive officers of the A&M System Administration as deemed necessary and is responsible for determining the term of appointment, salaries, and duties of each executive officer. The Chancellor is responsible for the administration of the A&M System. Among other powers and duties, the A&M System Administration is responsible for recommending necessary policies and rules to the Board to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

The Texas Education Code further requires the Board to appoint a president for each of the member institutions and a director for each agency, who is the executive officer thereof under the direction of the Board. Each president and director is required to recommend the plan of organization of his respective institution or agency and is responsible to the Board for the general management and success thereof.

The A&M System is headquartered at College Station, Texas (approximately 90 miles northwest of Houston) and provides services to all of the State's 254 counties.

In July 2024, Chancellor John Sharp announced his upcoming retirement which will be effective June 20, 2025. In October 2024, Russell Reynolds Associates was hired to conduct a national search for his successor.

Los Alamos National Laboratory. The A&M System, together with Battelle Memorial Institute and The Regents of the University of California, is a founding member and co-owner of Triad National Security, LLC ("Triad"), a nonprofit, public service oriented, national security science organization. On November 1, 2018, Triad assumed operational responsibility for Los Alamos National Laboratory pursuant to a management and operating contract with the U.S. Department of Energy's National Nuclear Security Administration, which includes a five-year base term with five one-year options, for a total of 10 years if all options are exercised. Effective November 1, 2023, the management and operating contract was extended by the first of the five one-year extensions. Los Alamos National Laboratory, which conducts multidisciplinary research in fields such as national security, space exploration, renewable energy, medicine, nanotechnology, and supercomputing, is a multidisciplinary research institution dedicated to enhancing national security by ensuring the safety and reliability of the U.S. nuclear stockpile, developing technologies to reduce threats from weapons of mass destruction, and solving problems related to energy, environment, infrastructure, health, and global security concerns. Through its affiliation with Triad, the A&M System provides workforce training services, recovers costs associated with its membership in Triad, and receives a portion of the management fees earned by Triad. See "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Notes to the Combined Financial Statements – Note 19 – The Financial Reporting Entity – Joint Venture."

Member Institutions

Set forth below is a summary description of the A&M System's member institutions, which include eleven general academic institutions and eight research and service agencies, each of which is a Participant of the Revenue Financing System.

Universities

Texas A&M University. Texas A&M University in College Station ("Texas A&M"), the State's first public institution of higher education and among the nation's largest universities, offers more than 140 undergraduate degree programs and 270 master's and Ph.D. programs, as well as professional degrees in medicine, law, and veterinary medicine. For Fall 2024, Texas A&M enrolled approximately 70,667 students in College Station (including Texas A&M University School of Law and excluding Texas A&M Health Science Center) and 2,134 in Galveston. It is one of the few universities in the nation to hold land, sea, and space grant status. Texas A&M is a top tier public research university with annual research expenditures of over $1.15 billion. Texas A&M's 5,200-acre campus is among the nation's largest. Texas A&M also has a health science center, a branch campus in Galveston, an engineering oriented branch campus in the Middle Eastern country of Qatar, and operates centers in Italy, Costa Rica, and Mexico City. Texas A&M is also home to the George Bush Presidential Library and Museum.

Texas A&M's Health Science Center was formed in 1999. On July 12, 2013, the Texas A&M Health Science Center was merged into and realigned as a unit within Texas A&M. The Health Science Center combines the health components of the A&M System into a unit of Texas A&M. The Health Science Center consists of seven components and two geographic centers as follows: Baylor College of Dentistry; College of Medicine; Rangel College of Pharmacy; Graduate School of Biomedical Sciences; Institute of Biosciences and Technology; School of Rural Public Health; College of Nursing; Coastal Bend Health Education Center; and South Texas Center. Student enrollment at the Health Science Center in Fall 2024 was approximately 3,727.

On August 12, 2013, Texas A&M purchased the Texas Wesleyan University School of Law from Texas Wesleyan University and began operations at the location in downtown Fort Worth, Texas. Student enrollment at the Texas A&M University School of Law in Fall 2024 was approximately 394.

On February14, 2024, Texas A&M issued a notice of termination of its agreement (the "Agreement") with the Qatar Foundation for Education, Science and Community Development ("QF") regarding operation of the A&M System campus in Doha, Qatar. Per the Agreement, the termination will occur on or about August 2028. Texas A&M intends to work closely with QF to develop an appropriate transition plan that will wind down its operations in an orderly manner. Texas A&M will seek to minimize any adverse impact on its faculty, staff and students.

Texas A&M University – Central Texas. Texas A&M University-Central Texas ("A&M-Central Texas") is located in Killeen and is one of the newest universities in the A&M System, achieving independent status effective September 1, 2009. It opened in 1999 as a public upper-level institution and currently offers 30 bachelor and 19 graduate degree programs within three colleges including Arts and Sciences; Business Administration; and Education and Human Development. The campus is located on 672 acres of land provided under an agreement with Fort Hood, the nation's largest active-duty military installation. In addition to classes on campus, classes are also offered at the East Williamson County Higher Education Center in Hutto, Texas. Student enrollment at A&M-Central Texas in Fall 2024 was approximately 2,402.

East Texas A&M University. Founded as East Texas Normal College, East Texas A&M University ("ETAMU") offers courses on its main campus in Commerce near Dallas, with additional locations in downtown Dallas, Corsicana, Mesquite, McKinney and Frisco. Student enrollment at ETAMU in Fall 2024 was approximately 13,049. ETAMU offers more than 130 undergraduate, master's and doctoral degrees within six academic colleges, including Business; Education and Human Services; Humanities, Social Sciences and Arts; Science and Engineering; Agriculture and Natural Resources; and Innovation and Design. Prior to November 2024, this university was known as Texas A&M University – Commerce.

Texas A&M University – Corpus Christi. Texas A&M University-Corpus Christi ("A&M-Corpus Christi") is a comprehensive four-year university with two campuses. The Island Campus is located on the university's own 240-acre island minutes from downtown Corpus Christi, while the nearby Momentum Campus is located on 156 acres

across the Oso Bay. With approximately 11,309 students, A&M-Corpus Christi offers over 50 bachelor and over 30 graduate degree programs within six colleges, including Business; Education and Human Development; Nursing and Health Sciences; Engineering and Computer Science; Liberal Arts; and Science.

Texas A&M International University. Located in Laredo, Texas A&M International University ("TAMIU") is a major regional university of choice for the state's fastest growing demographic area. The campus population mirrors the diverse communities it serves. Student enrollment at TAMIU in Fall 2024 was approximately 8,878. TAMIU offers over 50 bachelor and over 30 graduate degree programs within four colleges, including Arts and Sciences; Business; Education; and Nursing and Health Sciences.

Texas A&M University – Kingsville. Texas A&M University-Kingsville ("A&M-Kingsville") is a regional university that strives to serve the educational needs of all South Texans. Student enrollment at A&M-Kingsville in Fall 2024 was approximately 6,883. A&M-Kingsville offers over 100 bachelor and over 50 graduate degree programs within five colleges, including Agriculture and Natural Resources; Arts and Sciences; Business Administration; Education and Human Performance; and Engineering.

Texas A&M University – San Antonio. Texas A&M University-San Antonio ("A&M-San Antonio") is one of the newest universities in the A&M System, achieving independent status effective September 1, 2009. The university opened in 2000 as Texas A&M University-Kingsville System Center-San Antonio, and now offers 62 bachelor and graduate degree programs within three colleges, including Arts & Sciences; Business; and Education and Human Development. A&M-San Antonio's student enrollment in Fall 2024 was approximately 7,906.

Texas A&M University – Texarkana. Located on the Texas-Arkansas border and originally founded as East Texas State University at Texarkana, Texas A&M University-Texarkana ("TAMU-T") offers a career-oriented curriculum with 21 bachelor and 17 graduate degree programs within three colleges, including the College of Arts, Sciences and Education; the College of Business, Engineering, and Technology; and the College of Nursing, Health and Human Services. TAMU-T's student enrollment in Fall 2024 was approximately 2,395 students.

Prairie View A&M University. Prairie View A&M University ("PVAMU") is the second-oldest public institution of higher education in Texas, the first state-supported college in Texas for African Americans and the State's first coeducational institution of higher education. PVAMU's main campus is located in Waller County, 45 miles northwest of Houston. With approximately 9,903 students enrolled in Fall 2024, PVAMU offers over 35 bachelor and over 35 graduate degree programs within eight colleges, including Agriculture, Food and Natural Resources; Architecture; Arts and Sciences; Business; Education; Nursing; Juvenile Justice; and Engineering.

Tarleton State University. Founded in 1899 and now the largest non-land-grant agricultural university in the country, Tarleton State University ("Tarleton") serves as the educational and cultural center of the Cross Timbers and surrounding areas. With approximately 17,254 students enrolled in Fall 2024, Tarleton provides courses at its 150-acre main campus and 700-acre university farm in Stephenville, the 1,170-acre Hunewell Ranch in Erath County, a new campus being developed in Fort Worth, McLennan Community College in Waco, and at Navarro College in Midlothian. Tarleton offers over 75 bachelor and 30 graduate degree programs within seven colleges, including Agriculture and Natural Resources; Business; Education; Health Sciences; Liberal and Fine Arts; Science and Mathematics; and Engineering.

West Texas A&M University. Located in Canyon, West Texas A&M University ("WTAMU") is the northernmost senior institution of higher education in Texas and the most accessible and affordable university for many residents in Texas, New Mexico, Louisiana, Arkansas and Oklahoma. With approximately 9,052 students enrolled in Fall 2024, WTAMU offers over 60 bachelor and 40 graduate degree programs within six colleges, including Agriculture and Natural Sciences; Engineering; Nursing and Health Sciences; Business; Education and Social Sciences; and Fine Arts and Humanities.

Agricultural Agencies

Texas A&M AgriLife Research. Texas A&M AgriLife Research is the State's premier research and technology development agency in agriculture, natural resources and the life sciences. While maintaining their traditional connection to farming and ranching, the agency's researchers are also developing crops with enhanced nutrition,

leading innovative research for renewable energy sources, working with the U.S. military to sustain training lands, and implementing new methods to improve air and water quality. Texas A&M AgriLife Research also places a high priority on working with national and international organizations that support agricultural and life sciences research. Prior to January 2008, this agency was known as the Texas Agricultural Experiment Station.

Texas A&M AgriLife Extension Service. Texas A&M AgriLife Extension Service is a unique education agency with a statewide network of professional educators, trained volunteers, and county offices. With 250 offices serving all 254 counties in Texas, the agency offers educational programs, activities and resources under four broad program areas: agriculture and natural resources; family and community health; volunteer programs; and community economic development. Cooperative extension education is made possible in each state by a partnership among the U.S. Department of Agriculture, county governments, and the state land-grant university system. Prior to January 2008, this agency was known as the Texas Cooperative Extension.

Texas A&M Forest Service. The Texas A&M Forest Service ("TFS") is known for its continuous efforts to develop, protect, and preserve the State's forest resources. While TFS' primary program focus is in the 52 forested counties of East Texas, the agency serves the entire State in efforts including rural fire protection and training, urban forestry, tree improvement, professional forest management assistance to landowners, wood use technology, reforestation, and forest insect and disease control. In addition, TFS is also one of the lead agencies for incident management in the State. From the initial response to ongoing recovery, the agency works to protect Texas from wildfires and other types of disasters.

Texas A&M Veterinary Medical Diagnostic Laboratory. The Texas A&M Veterinary Medical Diagnostic Laboratory ("TVMDL") is composed of two full-service facilities located in College Station and Canyon, as well as two poultry laboratories located in Center and Gonzales. The College Station and Canyon facilities are each equipped with a Biosafety Level 3 (BSL-3) veterinary diagnostic laboratory capable of safely working with and containing high-consequence animal disease agents. With its strategic locations, TVMDL is uniquely positioned to serve the animal industries of Texas. TVMDL receives approximately 200,000 requests per year for assistance in diagnosing animal diseases, and is accredited by the American Association of Veterinary Laboratory Diagnosticians.

Engineering Agencies

Texas A&M Engineering Experiment Station. The Texas A&M Engineering Experiment Station ("TEES") is the State's agency for engineering and technology research. Its mission is to perform engineering and technology-oriented research and development for the enhancement of the educational systems and the economic development of the State and the nation. TEES is structured to maximize research and educational partnership opportunities through its 24 interdisciplinary research centers as well as through regional partnerships with public colleges and universities. TEES performs quality research in the five key areas: energy, healthcare, infrastructure, manufacturing and national security.

Texas A&M Engineering Extension Service. Internationally recognized for its hands-on, customized training, the Texas A&M Engineering Extension Service ("TEEX") offers a wide range of technical training programs to enhance the skills of employed workers and to prepare workers entering the labor force. Major TEEX programs include fire and emergency services; infrastructure and safety training; law enforcement and protective services; business and cyber solutions; and homeland security. Annually, TEEX trains more than 174,000 workers from every U.S. state and territory and 109 countries worldwide through on-site and online resources. TEEX also sponsors the State's elite urban search and rescue teams, Texas A&M Task Force 1 and Texas Task Force 2.

Texas A&M Transportation Institute. For over 70 years, the Texas A&M Transportation Institute ("TTI") has served the people of Texas and the nation by advancing transportation safety, efficiency, and economy. TTI is recognized as one of the premier higher education-affiliated transportation research agencies in the world and has made significant contributions to all modes of transportation. Established during the early years of the ambitious interstate highway program, TTI has played a major role in the successful development of the Texas federal and State road systems. TTI conducts over 700 research projects annually with more than 200 sponsors at all levels of government and the private sector.

Texas Division of Emergency Management

The Texas Division of Emergency Management ("TDEM") became the eighth State agency of the A&M System effective September 1, 2019. TDEM coordinates the State emergency management program, and was previously an operating division of the Texas Department of Public Safety. TDEM works closely with local jurisdictions, state agencies, and federal partners in ensuring Texas becomes more resilient for future disasters. TDEM staff are stationed statewide and serve six different regions: North, Northwest, South, Southeast, West and Central Texas. The State Legislature and the Governor approved the transfer of this agency to the A&M System, which has allowed for better coordination between TDEM and the A&M System's other disaster response operations such as Texas A&M Task Force 1, TFS and Texas A&M AgriLife Extension Service.

Accreditation

The institutions and agencies comprising the A&M System are members of the following professional associations and fully accredited by those which apply accreditation standards: Commission on Colleges of the Southern Association of Colleges and Schools; National Commission on Accrediting; Association of Texas Colleges and Universities; American Council on Education; Association of Public and Land Grant Universities; American Association of State Colleges and Universities; Association of American Universities; Association of American Colleges and Universities; and Association of Urban Universities.

Enrollment

The historic undergraduate and graduate headcount enrollment at each of the general academic institutions of the A&M System during the past five Fall semesters follows:

Total Headcount Enrollment Information

	Fall Semester[1]				
Institutions	**2024**	**2023**	**2022**	**2021**	**2020**
Texas A&M University[2]	70,667	69,524	67,166	66,057	65,272
Texas A&M University at Galveston[3]	2,134	2,155	2,232	2,168	1,653
Texas A&M Health Science Center[4]	3,727	3,456	3,391	3,304	3,084
Texas A&M University – Central Texas	2,402	2,253	2,194	2,218	2,339
East Texas A&M University[5]	13,049	11,894	10,754	10,966	11,624
Texas A&M University – Corpus Christi	11,309	10,867	10,778	10,762	10,820
Texas A&M International University	8,878	8,489	8,193	8,145	8,270
Texas A&M University – Kingsville	6,883	6,575	6,070	6,375	6,915
Texas A&M University – San Antonio	7,906	7,534	7,223	6,858	6,741
Texas A&M University – Texarkana	2,395	2,112	2,073	2,078	2,161
Prairie View A&M University	9,903	9,508	8,998	9,353	9,248
Tarleton State University	17,254	14,519	14,093	13,995	14,022
West Texas A&M University	9,052	9,030	9,242	9,545	10,051
	165,559	157,916	152,407	151,824	152,200

(1) The enrollment data has been certified by the Texas Higher Education Coordinating Board for 2020-2023. Fall 2024 numbers are based on preliminary 20th class day data.
(2) Includes Texas A&M University School of Law.
(3) A branch campus of Texas A&M University.
(4) Effective July 12, 2013, the Health Science Center was merged into Texas A&M University as a unit of Texas A&M University. See "Member Institutions – Universities – Texas A&M University" herein.
(5) Texas A&M University – Commerce changed its name to East Texas A&M University in November 2024.

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The historic graduate enrollment (included in the above headcount enrollment statistics) at each of the general academic institutions of the A&M System during the past five Fall semesters follows:

Graduate Enrollment Information

	Fall Semester – Graduate Enrollment[1]				
Institutions	**2024**	**2023**	**2022**	**2021**	**2020**
Texas A&M University[2]	12,949	12,451	12,535	12,143	11,928
Texas A&M University at Galveston[3]	157	147	175	185	162
Texas A&M Health Science Center[4]	2,559	2,479	2,461	2,353	2,178
Texas A&M University – Central Texas	648	550	484	445	453
East Texas A&M University[5]	3,218	3,726	3,553	3,597	3,562
Texas A&M University – Corpus Christi	2,845	3,039	2,954	2,735	2,337
Texas A&M International University	1,688	1,460	1,291	1,281	1,205
Texas A&M University – Kingsville	1,496	1,387	1,225	1,290	1,241
Texas A&M University – San Antonio	849	821	621	468	643
Texas A&M University – Texarkana	425	350	331	333	368
Prairie View A&M University	973	933	846	865	866
Tarleton State University	2,128	2,114	2,081	2,182	2,129
West Texas A&M University	1,935	1,992	2,169	2,368	2,542
	31,870	31,449	30,726	30,245	29,614

(1) The enrollment data has been certified by the Texas Higher Education Coordinating Board for 2020-2023. Fall 2024 numbers are based on preliminary 20th class day data.
(2) Includes Texas A&M University School of Law.
(3) A branch campus of Texas A&M University.
(4) Effective July 12, 2013, the Health Science Center was merged into Texas A&M University as a unit of Texas A&M University. See "Member Institutions – Universities – Texas A&M University" herein.
(5) Texas A&M University – Commerce changed its name to East Texas A&M University in November 2024.

Admissions Information

The historic admission figures for the general academic institutions for the previous five Fall semesters follows:

	2024	**%[1]**	**2023**	**%**	**2022**	**%**	**2021**	**%**	**2020**	**%**
Freshmen:										
Applicants	140,168	100.0	121,197	100.0	110,381	100.0	101,629	100.0	106,256	100.0
Acceptances	101,048	72.1	88,384	72.9	75,893	68.8	70,923	69.8	73,099	68.8
Matriculants*	26,695	26.4	26,762	30.3	24,454	32.2	23,642	33.3	22,133	30.3
Transfers:										
Applications	29,827	100.0	31,120	100.0	30,280	100.0	32,269	100.0	31,223	100.0
Acceptances	17,760	59.5	18,278	58.7	17,585	58.1	19,150	59.3	19,670	63.0
Matriculants*	12,065	67.9	12,530	68.6	12,122	68.9	13,113	68.5	13,674	69.5

* Calculated as a percentage of acceptances.
(1) Based on preliminary 20th class day data.

Investment Considerations

Weather and Environmental Events

The A&M System and its Participants (as defined in the Master Resolution) are located in a variety of geographic regions throughout the State and, as a result, the A&M System and its Participants may be exposed to differing climatic and environmental events, which may include potentially hazardous, natural disasters or catastrophic events (such as severe winds, heavy rains, flooding and freezing) and expose the A&M System and its Participants to operational disruptions and casualty loses.

Climatic and weather-related events have not materially impacted the A&M System or its Participants thus far; however, the A&M System cannot predict whether similar events will occur in the future and the impact they may have on the A&M System and its Participants.

Cybersecurity

The operations of the A&M System and its Participants are increasingly dependent on information technologies and services, which are exposed to cybersecurity risks and cyber incidents or attacks. The A&M System utilizes the cybersecurity framework prescribed by the Texas Department of Information Resources ("DIR"), which adopts the National Institute of Standards and Technology security and privacy controls for Federal information systems and organizations. This framework is implemented by the A&M System members in a manner that aligns with their business and academic objectives. In implementing these controls, the A&M System provides shared cybersecurity services to all A&M System members, including a centralized security operations center, system-wide negotiated contracts for cybersecurity products and services, tools and venues to facilitate cyber information sharing among industry and government organizations, cyber incident response services, and consulting services delivered by cybersecurity professionals. To ensure compliance with the DIR-prescribed framework and A&M System policies and regulations, A&M System members undergo internal audits every five years, which include assessing the implementation of security and privacy controls. While the A&M System implements the above-described controls, the A&M System cannot guarantee that it will be able to successfully defend against cybersecurity attacks or predict the impact of any such attacks on the A&M System's operations or financial condition.

FINANCIAL MANAGEMENT

The Deputy Chancellor and Chief Financial Officer of the A&M System has direct responsibility for all departments within the A&M System (other than General Counsel and Internal Audit), including the Vice Chancellors, Chief Investment Officer and Treasurer, Chief Business Development Officer and Chief Financial Officers within the A&M System. The Chief Investment Officer and Treasurer is responsible for the debt, cash and investment management of the A&M System's operating and endowment funds, and the Chief Administrative Officer is responsible for budgets, accounting, and financial statements.

State CAFR

The State issues an audited Comprehensive Annual Financial Report ("CAFR"), prepared in accordance with generally accepted accounting principles, for the State as a whole. The CAFR is normally available in April of each year. The CAFR is prepared by the State Comptroller of Public Accounts ("Comptroller") and is audited by the State Auditor's Office. The State Auditor expresses an opinion on the CAFR but does not express an opinion on the financial reports of individual member units, including those of the A&M System.

The Fiscal Year of the State and the A&M System begins on September 1 of each year. Annually, not later than November 20, an unaudited financial report dated as of August 31, prepared from the books of the A&M System, must be delivered to the Governor and the Comptroller. In certifying the financial reports included in the CAFR, the State Auditor examines the financial records at each of the A&M System's member institutions. No independent audit in support of this detailed review is required or obtained by the A&M System.

A&M System Financial Reports

The A&M System is an agency of the State and its financial records reflect compliance with applicable State statutes and regulations. The significant accounting policies followed by the A&M System in maintaining accounts and in the preparation of the combined primary financial statements are materially in accordance with "Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements." The requirements are also in substantial conformity with the *Financial Accounting and Reporting Manual for Higher Education* as revised by GASB No. 34 and No. 35, published by the National Association of College and University Business Officers (NACUBO).

The A&M System's combined primary financial reports cover all financial operations of the A&M System Administration and all member institutions of the A&M System. Amounts due between member institutions, amounts held for member institutions by the A&M System Administration and other duplications in reporting are eliminated in combining the individual financial reports.

Attached to this Annual Report as "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM" are the most recent primary statements of the unaudited combined annual financial reports

of the A&M System (with the relevant portion of the Notes to the unaudited combined annual financial reports) for the A&M System's Fiscal Year ended August 31, 2024, excerpted from the 2024 Combined Annual Financial Report of the A&M System. The A&M System's unaudited combined annual financial statements consist of the Combined Statement of Net Position for the Year Ended August 31, 2024, the Combined Statement of Revenues, Expenses and Changes in Net Position for the Year Ended August 31, 2024 and the Combined Statement of Cash Flows for the Year Ended August 31, 2024.

The following table reflects the unaudited condensed statement of net position of the A&M System as of August 31 for the years 2024, 2023, 2022, 2021, and 2020.

Condensed Statement of Net Position
as of August 31, 2024, 2023, 2022, 2021, and 2020
(In Thousands)[1]

	FY 2024	FY 2022	FY 2021	FY 2020	FY 2019
Assets and Deferred Outflows of Resources:					
Current Assets	$4,773,951	$4,083,627	$3,192,631	$3,311,963	$2,606,774
Capital Assets, Net	7,930,020	7,593,351	7,370,850	7,161,422	6,985,185
Other Assets and Deferred Outflows	9,973,460	9,081,189	8,395,797	8,846,324	7,704,919
Total Assets and Deferred Outflows	22,677,431	20,758,167	18,959,278	19,319,709	17,296,878
Liabilities and Deferred Inflows of Resources:					
Current Liabilities	2,603,972	2,448,905	2,285,953	2,163,674	1,700,257
Non-Current Liabilities	8,200,101	8,152,378	7,987,656	8,107,908	7,528,025
Other Liabilities and Deferred Inflows	1,727,470	1,217,279	968,902	558,504	726,957
Total Liabilities and Deferred Inflows	12,531,543	11,818,562	11,242,511	10,830,086	9,955,239
Net Position:					
Net Investment In Capital Assets	2,368,526	2,358,671	2,133,354	2,514,273	2,381,422
Restricted					
Expendable	1,835,111	1,636,886	1,516,974	1,150,873	1,088,445
Non-Expendable	476,719	467,520	457,596	434,425	421,794
Unrestricted	5,465,532	4,476,528	3,608,843	4,390,052	3,449,978
Total Net Position	10,145,888	8,939,606	7,716,767	8,489,623	7,341,639
Liabilities, Deferred Inflows, and Net Position	$22,677,431	$20,758,167	$18,959,278	$19,319,709	$17,296,878

[1]For more detailed information, see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM—Combined Statement of Net Position for the Year Ended August 31, 2024." The Fiscal Year 2020 and 2021 results reflect the operational and financial impact of the COVID-19 worldwide pandemic and measures implemented in response thereto.

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The table below presents the Combined Statement of Revenues, Expenses and Changes in Net Position of the A&M System (Unaudited) for Fiscal Years 2024, 2023, 2022, 2021 and 2020.

Combined Statement of Revenues, Expenses and Changes in Net Position
for the Years Ended August 31, 2024, 2023, 2022, 2021, and 2020
(In Thousands)[1]

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Operating Revenues:					
Net Tuition and Fees	$1,381,869	$1,354,279	$1,351,773	$1,272,746	$1,209,514
Professional Fees	1,031	1,031	2,218	2,325	2,336
Net Auxiliary Enterprises	419,842	390,559	397,180	293,456	290,513
Net Other Sales of Goods and Services	403,204	372,519	318,708	290,961	285,242
Interest Revenue	752	677	736	690	1,563
Federal Revenue – Operating	766,104	702,554	635,131	633,066	628,034
Federal Pass Through Revenue	48,855	130,667	173,175	216,638	411,576
State Grant Revenue	6,686	6,869	5,296	5,100	5,898
State Pass Through Revenue	149,625	148,229	134,091	122,647	131,709
Other Grants and Contracts – Operating	321,874	335,876	286,058	293,653	284,746
Other Operating Revenue	144,395	97,012	89,468	83,832	63,911
Total Operating Revenue	3,644,237	3,540,272	3,393,834	3,215,114	3,315,042
Operating Expenses:					
Instruction	1,499,164	1,459,082	1,356,016	1,277,893	1,280,060
Research	1,291,326	1,172,589	1,075,818	1,131,888	1,092,463
Public Service	1,487,153	2,372,558	4,186,799	8,652,840	2,018,033
Academic Support	617,107	561,578	515,673	474,627	475,523
Student Services	282,430	267,115	248,857	224,917	226,545
Institutional Support	433,160	389,761	362,468	373,393	312,171
Operations and Maintenance of Plant	412,822	373,013	383,684	341,892	350,213
Scholarships and Fellowships	295,956	280,447	453,370	411,202	300,670
Auxiliary	576,938	502,246	450,801	384,360	401,068
Depreciation/Amortization	586,407	558,093	528,430	514,749	468,756
Total Operating Expenses	7,482,463	7,936,483	9,561,916	13,787,761	6,925,502
Operating Loss	(3,838,226)	(4,396,211)	(6,168,082)	(10,572,647)	(3,610,460)
Non-Operating Revenues (Expenses):					
Legislative Revenue	1,843,225	1,820,839	1,357,437	1,341,820	1,291,892
Federal Revenue Non-Operating	857,202	1,530,785	4,189,609	7,910,554	916,391
Federal Pass Through Non-Operating	25,830	656,163	(80,485)	810,044	785,618
State Pass Through Non-Operating	372,528	226,842	120,499	86,714	43,733
Gifts	283,197	389,708	220,809	199,166	165,041
Investment Income	1,068,461	558,834	(830,506)	1,010,059	583,514
Investing Activities Expense	(26,454)	(22,358)	(23,936)	(22,187)	(16,845)
Interest Expense	(197,250)	(188,746)	(179,825)	(172,696)	(170,496)
Borrower Rebates and Agent Fees	(2,263)	(2,454)	(285)	(2,598)	(3,669)
Gain (Loss) on Sale or Disposal of Capital Assets	(11,263)	2,715	14,282	(122)	(881)
Net Increase (Decrease) in Fair Value	0	0	0	0	0
Settlement of Claims	(4,238)	(812)	(78)	(233)	(1,229)
Other Non-Operating Revenues	62,407	115,586	33,285	74,035	35,918
Other Non-Operating (Expenses)	(57,464)	(124,758)	(41,007)	(78,750)	(44,719)
Total Non-Operating Revenues (Expenses)	4,213,918	4,962,345	4,779,799	11,155,806	3,584,268
Income (Loss) Before Other Revenues and Transfers	375,692	566,134	(1,388,283)	583,159	(26,192)
Capital Contributions	29,314	11,546	13,917	12,915	6,400
Capital Appropriations (Higher Education Fund)	49,881	48,420	48,420	48,420	46,587
Additions to Permanent and Term Endowments	6,190	12,110	12,586	80,771	7,193
Transfers to/from Other State Agencies	745,205	584,629	540,972	422,719	719,128
Change in Net Position	1,206,282	1,222,839	(772,388)	1,147,984	753,116
Net Position, Beginning of Year	8,939,606	7,716,767	8,489,623	7,341,639	6,588,273
Restatement	0)	0)	(468)	0	250
Net Position, Beginning of Year, Restated	8,939,606	7,716,767	8,489,155	7,341,639	6,588,523
Net Position – August 31, 2024-2020	$10,145,888	$8,939,606	$7,716,767	$8,489,623	$7,341,639

[1]For more detailed information, see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Combined Statement of Revenues, Expenses and Changes in Net Position for the Year Ended August 31, 2024." The Fiscal Year 2020 and 2021 results reflect the operational and financial impact of the COVID-19 worldwide pandemic and measures implemented in response thereto.

SELECTED FINANCIAL INFORMATION

Funding for the A&M System

Funding for the A&M System is derived from operating and non-operating revenues. For a discussion of the funding sources for the Fiscal Year ended August 31, 2024 see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – The Texas A&M University System Management's Discussion and Analysis For the Year Ended 2024 – Statement of Revenues, Expenses and Changes in Net Position." The amounts and the sources of such funding vary from year to year and there is no guarantee that the source or amounts of such funding will remain the same in future years.

Following are brief discussions of certain funding sources.

Tuition and Fees

Each member institution granting degrees charges tuition and fees as authorized by the State Legislature and the Board pursuant to Chapter 54 and 55 of the Texas Education Code. Tuition charges are composed of "State Mandated Tuition" and "Board Designated Tuition" as further described below. Unless otherwise stated, all references to statutes shall be to the Texas Education Code.

State Mandated Tuition. Section 54.051 of the Texas Education Code requires (i) undergraduate tuition applicable to state residents to be charged at $50 per semester credit hour; and (ii) tuition of a nonresident student at a general academic teaching institution or medical and dental unit to be an amount per semester credit hour equal to the average of the nonresident undergraduate tuition charged to a resident of the State at a public state university in each of the five most populous states other than the State (the amount of which would be computed by the Texas Higher Education Coordinating Board (the "Coordinating Board") for each academic year). For the 2025-2026 academic year, the Coordinating Board has computed $455 per semester credit hour for nonresident undergraduate tuition.

Board Designated Tuition. In 2003, the Texas Legislature approved and the Governor signed into law House Bill 3015, which provided for the deregulation of a portion of tuition that a governing board of an institution of higher education, such as the Board, has the authority to charge under Section 54.0513 of the Texas Education Code. Prior to the amendment to Section 54.0513, Texas Education Code, the amount of tuition that a board of regents could independently charge students was capped at the levels described above with respect to State Mandated Tuition. Effective for tuition charged for the Fall 2003 semester, a governing board could charge any student the amount of Board Designated Tuition that it considers necessary for the effective operation of the institution. Such legislation also granted authority to the governing board to set a different tuition rate for each program and course level offered by the institution. This authority offers more opportunity for the Board to develop a tuition schedule that assists in meeting the strategic objectives of each Participant in terms of access, affordability, effective use of campus resources, and improvement of graduation rates. The Board must authorize any changes in Board Designated Tuition only after they have been thoroughly evaluated by the Chancellor of the A&M System and the administration of each Participant. No less than 15% of the Board Designated Tuition charged in excess of $46 per semester credit hour shall be set aside to provide financial assistance to resident undergraduate students, consistent with the provisions of Subchapter B, Chapter 56, Texas Education Code. In connection with the authorization of Board Designated Tuition, building use fees, which were historically included in Pledged General Fees under (and as defined in) the Master Resolution, were rededicated as Board Designated Tuition. This rededication does not impact the pledge of Revenue Funds for the payment and security of Parity Obligations. Both the State Mandated Tuition and the Board Designated Tuition are included in Revenue Funds and are pledged for the benefit of Parity Obligations.

As required by Section 54.017 of the Texas Education Code, undergraduate students have the opportunity to participate in a fixed tuition price plan, giving students the choice between a variable one-year optional rate and a four-year guaranteed rate. For A&M System universities, this fixed tuition price plan also includes mandatory fees.

As part of the State of Texas' Higher Education Affordability initiative, in which higher education institutions received additional state funding, the Board has made the commitment not to increase resident undergraduate academic costs, including tuition, mandatory academic fees, all academic-related general fees, and college course fees for both the 2023-24 and 2024-25 academic years.

On November 13, 2024, the Governor distributed a letter to the governing boards of institutions of higher education, including the Board, directing that no institution in the State should approve tuition increases for 2025-26 and 2026-27 academic school years.

The A&M System has no assurance that the State Legislature will not place future limits on the Board's ability to charge Board Designated Tuition in an amount that it considers necessary for the effective operation of its institutions. However, Section 55.16 of the Texas Education Code specifically allows the Board to levy and collect any necessary fees, tuition, rentals, rates, or other charges necessary to provide funds sufficient for the payment of outstanding Parity Obligations.

Set forth below is a table showing the State Mandated Tuition, Board Designated Tuition and mandatory fees, and total tuition and fees for each of the general academic institutions of the A&M System (including the branch campus in Galveston and excluding the Texas A&M Health Science Center) for a full-time resident student for the Fall 2025 semester based on 15 semester credit hours.

Fall 2025 Tuition Rates

	State Mandated Tuition	*Board Designated Tuition and Mandatory Fees	Total Tuition and Fees
Prairie View A&M University	$750	$4,900	$5,650
Tarleton State University	750	4,357 - 5,366	5,107 - 6,116
Texas A&M International University	750	4,211	4,961
Texas A&M University	750	5,231 - 6,455	5,981 - 7,205
Texas A&M University at Galveston	750	5,937	6,687
Texas A&M University - Central Texas	750	2,931 - 3,387	3,681 - 4,137
East Texas A&M University	750	4,514	5,264
Texas A&M University - Corpus Christi	750	4,516 - 4,838	5,266 - 5,588
Texas A&M University - Kingsville	750	4,196	4,946
Texas A&M University - San Antonio	750	4,024	4,774
Texas A&M University - Texarkana	750	3,594 - 3,884	4,344 - 4,634
West Texas A&M University	750	4,082 - 4,780	4,832 - 5,530

* Tuition is based on guaranteed rates and varies by program of study. The table has been updated to reflect tuition ranges resulting from differential tuition rates based on college or program.

The Board may set rates for graduate tuition at different levels for different institutions. State Mandated Tuition for a resident student enrolled in a program leading to an M.D. or D.O. degree is $6,550 per academic year. State Mandated Tuition for a nonresident student enrolled in a program leading to an M.D. or D.O. degree is an amount per year equal to three times the rate that a resident student enrolled in a program leading to an M.D. or D.O. degree would pay during the corresponding academic year. In addition, various other programs, including programs leading to a D.V.M. degree, have specific annual rates for resident students and maximum rates that may be charged to nonresident students.

The Board is authorized by Chapter 55 of the Texas Education Code to set the Pledged General Tuition (as defined in the Master Resolution) and any other necessary fees, rentals, rates, or other revenue funds of the Board at the level necessary, without limit, to enable the Board to meet its obligations with respect to the payment of debt service on the Parity Obligations.

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State Government Appropriations

General Revenue Appropriations. The A&M System receives support annually from the State through general revenue fund appropriations made by the State Legislature. Levels of continued State support to the A&M System are dependent on results of biennial legislative sessions. The State Legislature adopted a budget for the State for the 2024-2025 biennium that began on September 1, 2023, which appropriated approximately $2.24 billion for the A&M System from the general revenue fund for Fiscal Year 2024 and approximately $1.74 billion for Fiscal Year 2025. Based on the original operating budget for the A&M System for the Fiscal Year ending August 31, 2024, State appropriations comprise approximately 24% of A&M System revenues for Fiscal Year 2025. These amounts include legislative revenues and net transfers from other State agencies.

The 88th State Legislature also authorized special general revenue appropriations in the amount of: (1) $200 million to Texas A&M University for construction of facilities adjacent to the Johnson Space Center for mission training, research, and the curation of astronautical materials; (2) $30 million to TEES for a hypersonic wind tunnel and associated research capacity to advance hypersonic research; (3) $15 million to Texas A&M AgriLife Research for Vernon Center repairs resulting from tornado damage; (4) $226.4 million to The Texas A&M University System for quantum and artificial intelligence chip fabrication; and (5) $43 million for dock and other infrastructure improvements needed to accept new and larger vessels from the U.S. Department of Transportation and the U.S. Maritime Administration.

The A&M System has no assurance that the State Legislature will continue to appropriate to it the general revenue funds of the State at the same levels as in previous years. Future levels of State support are dependent upon the ability and willingness of the State Legislature to make appropriations to the A&M System taking into consideration the availability of financial resources and other potential uses of such resources. For financial information concerning the State, reference is made to the bond disclosure appendix (referred to as Appendix A) prepared by the Comptroller and published quarterly, which may be obtained (i) using the MSRB's internet website, www.emma.msrb.org, by using the quick search function and entering the term "State of Texas Comptroller" and (ii) from the Comptroller's website at: http://www.comptroller.texas.gov/treasops/bondapp.html.

Capital Construction Assistance Projects. Pursuant to Chapter 55, Texas Education Code ("Chapter 55"), revenue bonds issued by a university system, such as the A&M System, may be equally secured by and payable from a pledge of all or a portion of certain revenue funds of the university system. All of the Parity Obligations of the A&M System are secured solely by and payable solely from a pledge of and lien on the Pledged Revenues.

Historically, the State Legislature has appropriated general revenue funds in the State's budget each biennium to reimburse institutions of higher education for an amount equal to all or a portion of the debt service on certain revenue bonds (previously known as "Tuition Revenue Bonds") issued pursuant to specific statutory authorizations for individual institutions and projects identified in Chapter 55. Senate Bill 52 ("SB 52"), enacted during the third special session of the 87th State Legislature in 2021, amended Chapter 55 to authorize the issuance of additional revenue bonds designated by SB 52 as "Capital Construction Assistance Projects".

The reimbursement of the payment of debt service on such revenue bonds issued for Capital Construction Assistance Projects ("CCAPs") does not constitute a debt of the State, and the State is not obligated to continue making any such appropriations in the future. Furthermore, the State Legislature is prohibited by the State Constitution from making any appropriations for a term longer than two years. Accordingly, the State Legislature's appropriations for the reimbursement of debt service on such revenue bonds issued for CCAPs may be reduced or discontinued at any time after the current biennium, and the State Legislature is under no legal obligation to continue such appropriations in any future biennium.

Certain of the Parity Obligations of the A&M System constitute revenue bonds issued for CCAPs. See footnotes (1) and (2) in the table under "Outstanding Indebtedness" below for a description of which Parity Obligations of the A&M System constitute revenue bonds issued for CCAPs. Such revenue bonds issued for CCAPs by the A&M System carry no additional pledge or security and constitute Parity Obligations of the A&M System which are equally and ratably secured by and payable from a pledge of and lien on Pledged Revenues on parity with all other Parity Obligations of the A&M System.

The State Legislature appropriated funds to reimburse the A&M System in prior years and in the budget for the 2024-25 biennium in amounts equal to all of the debt service on the A&M System's revenue bonds issued for CCAPs, including $159,157,298 for Fiscal Year 2024 and $159,160,923 for Fiscal Year 2025.

In addition, the State Legislature appropriated general revenue funds totaling $11,348,149 in Fiscal Year 2024 and $11,351,957 in Fiscal Year 2025 to provide special debt service funding by reimbursing the payment of debt service on certain A&M System projects, including special debt service funding for the Texas A&M Health Science Center's purchase of land and a building in Round Rock, Texas, the TVMDL's new laboratories in College Station, Texas and Canyon, Texas, and the TEES's Center for Infrastructure Renewal.

The A&M System can provide no assurances with respect to any future appropriations by the State Legislature. Future levels of State appropriations are dependent upon the ability and willingness of the State Legislature to make appropriations to the A&M System taking into consideration the availability of financial resources and other potential uses of such resources.

Available University Fund Income Appropriations. The Available University Fund is defined by Article VII, Section 18 of the State Constitution (the "PUF Constitutional Provision") to consist of distributions from the "total return" on all investment assets of the Permanent University Fund ("PUF"), including the net income attributable to the surface of PUF land, in the amounts determined by the Board of Regents (the "UT Board") of The University of Texas System (the "UT System"). See "Investment Policy and Procedure and Endowments – Endowments – Permanent University Fund" below. One-third of the total amounts comprising the Available University Fund are constitutionally appropriated to the A&M System first, for the payment of annual debt service on PUF bonds and notes issued by the Board, and second, for the support and maintenance of the A&M System Administration, Texas A&M University, and Prairie View A&M University.

Private Financial Support

In Fiscal Year 2024, the A&M System received contributions (gifts, grants and contracts) exceeding $640.6 million from the private sector, and during the five complete Fiscal Years preceding 2024, the A&M System received contributions averaging in excess of $568.2 million annually from the private sector, making it one of the leading public educational systems in the nation receiving charitable contributions.

Financing Programs

The Board, pursuant to constitutional and statutory provisions, is authorized to issue debt in a number of distinct forms with which to finance capital improvements. The A&M System has two financing programs in addition to the Revenue Financing System.

Permanent University Fund Bonds

The PUF Constitutional Provision authorizes the Board to issue bonds and notes, payable from all or part of its interest in the Available University Fund in an aggregate amount not exceeding, at the time of issuance 10% of the cost value of PUF assets, excluding real estate. Proceeds may be used for the purpose of (i) acquiring land with or without permanent improvements; (ii) constructing and equipping buildings or other permanent improvements; (iii) making major repairs and rehabilitation and other permanent improvements; (iv) acquiring capital equipment, library books, and library materials; and (v) refunding bonds or notes issued under said section or prior law, at or for the A&M System Administration and the member institutions of the A&M System (except ETAMU, A&M – Corpus Christi, TAMIU, A&M – Kingsville, A&M – Texarkana, WTAMU, TVMDL and TDEM). Proceeds may not be used to finance permanent improvements of auxiliary enterprises or athletic facilities.

As of January 31, 2025, the Board's constitutionally authorized PUF bond capacity was approximately $3,257,005,052, and as of January 31, 2025, the aggregate amount of the Board's PUF bonds and notes issued and outstanding under this limit was $1,589,535,000.

Higher Education Fund Bonds

The following member institutions are not eligible to receive proceeds from PUF bonds and notes under the PUF Constitutional Provision: ETAMU; A&M – Corpus Christi; TAMIU; A&M – Kingsville; A&M – Texarkana;

WTAMU; TVMDL; and TDEM. Pursuant to the Higher Education Fund ("HEF") program established by Article VII, Section 17 of the State Constitution (the "HEF Constitutional Provision"), such institutions, except TVMDL and TDEM, are qualified to receive an annual allocation from amounts constitutionally appropriated to fund permanent improvements (except those for auxiliary enterprises or athletic facilities). Under the HEF Constitutional Provision, the Board is authorized to issue bonds and notes to finance permanent improvements at such institutions and to pledge up to 50% of its allocation to secure the payment of principal and interest on the bonds and notes. The A&M System has no bonds or notes issued or outstanding under this program. In addition, the A&M System has the ability to use funds received pursuant to the HEF program to pay debt service on outstanding Parity Obligations. The 88th State Legislature appropriated HEF program funds for A&M System institutions in the amounts of $49,880,728 for Fiscal Year 2024 and $49,880,728 for Fiscal Year 2025. For more detailed information, see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Combined Statement of Revenues, Expenses and Changes in Net Position for the Year Ended August 31, 2024 – Capital Appropriations (Higher Education Fund)."

Debt Management

Debt management for the A&M System is the responsibility of the Chief Investment Officer and Treasurer. Debt is issued pursuant to A&M System debt capacity calculations and annual funding requirements in accordance with the cash flow analyses. Issuance of debt requires approval of the Board and (except for PUF bonds and notes) approval by the Texas Bond Review Board or an exemption from such approval requirement in accordance with State law or the rules of the Texas Bond Review Board. As a general rule, the A&M System issues debt in large increments to finance system-wide capital improvement cash flow requirements in the aggregate as opposed to financing on a project-by-project basis. To minimize debt service costs during construction periods, the A&M System intends to initially finance capital improvements and required equipment with short-term debt. Such short-term debt is refinanced with long-term fixed rate debt when short-term facilities are fully utilized, during periods of low interest rates, or to match projected revenues.

Current Board Policy on Issuance of Debt

Under current policy, the Board must approve the issuance of debt for a Participant in order to ensure that each Participant is self-sufficient and the operation of each Participant is efficient. Prior to the issuance of debt, a Participant must furnish the Board, for its review and approval, information describing the proposed project including a complete description of the new facilities, and the need therefor, estimated costs of construction, financial analysis and feasibility, if expected to generate sources of revenues for operation and maintenance, and status of student-approved fee increases if required to pay debt service or operation and maintenance expenses.

Participants are required to make reports to the Chancellor during each Fiscal Year regarding revenue receipts, expenditures, status of construction projects, compliance with Board policies related to issuance of debt, and compliance with bond covenants and requirements. Such policies are subject to change by the Board without notice. The application of such policies may be waived at the discretion of the Board.

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Outstanding Indebtedness

As of February 21, 2025, the A&M System had the following outstanding indebtedness:

Revenue Financing System	
Revenue Financing System Bonds, Series 2013B	27,865,000
Revenue Financing System Bonds, Series 2015A[(1)]	5,840,000
Revenue Financing System Bonds, Series 2015B	46,775,000
Revenue Financing System Bonds, Taxable Series 2015C	42,070,000
Revenue Financing System Bonds, Taxable Series 2015D	53,395,000
Revenue Financing System Bonds, Taxable Series 2016A[(2)]	37,050,000
Revenue Financing System Bonds, Taxable Series 2016B	247,220,000
Revenue Financing System Bonds, Series 2016C[(2)]	132,235,000
Revenue Financing System Bonds, Taxable Series 2016D[(2)]	122,080,000
Revenue Financing System Bonds, Series 2016E[(2)]	83,495,000
Revenue Financing System Bonds, Taxable Series 2017A[(1)]	208,180,000
Revenue Financing System Bonds, Taxable Series 2017B[(2)]	209,710,000
Revenue Financing System Bonds, Series 2017C[(2)]	75,825,000
Revenue Financing System Bonds, Taxable Series 2017D	131,970,000
Revenue Financing System Bonds, Series 2017E	301,130,000
Revenue Financing System Bonds, Taxable Series 2019A	179,220,000
Revenue Financing System Bonds, Taxable Series 2019B	389,820,000
Revenue Financing System Bonds, Taxable Series 2020A	137,595,000
Revenue Financing System Bonds, Series 2021A	175,340,000
Revenue Financing System Bonds, Taxable Series 2021B	202,635,000
Revenue Financing System Bonds, Series 2022	194,780,000
Revenue Financing System Bonds, Series 2024A	427,395,000
Revenue Financing System Commercial Paper Notes [(3)]	284,844,000
	$ 3,716,469,000
Permanent University Fund	
Permanent University Fund Bonds, Series 1998	13,390,000
Permanent University Fund Bonds, Series 2009AB	173,525,000
Permanent University Fund Bonds, Taxable Series 2012B	56,610,000
Permanent University Fund Bonds, Series 2013	56,160,000
Permanent University Fund Bonds, Series 2015A	132,005,000
Permanent University Fund Bonds, Taxable Series 2015B	78,230,000
Permanent University Fund Bonds, Series 2017A	75,685,000
Permanent University Fund Bonds, Taxable Series 2017B	310,280,000
Permanent University Fund Bonds, Taxable Series 2019	336,585,000
Permanent University Fund Bonds, Series 2023	232,056,000
Permanent University Fund Commercial Paper Notes [(4)]	125,000,000
	$ 1,589,535,000
TOTAL	$ 5,306,004,000

(1) Constitute bonds that qualify for reimbursement from State appropriations for debt service payments on the Board's outstanding revenue bonds issued for Capital Construction Assistance Projects (formerly known as "Tuition Revenue Bonds"). See "Selected Financial Information – Funding for the A&M System – State Government Appropriations – Capital Construction Assistance Projects". Future reimbursement by the State for debt service payments is entirely subject to future appropriations by the State Legislature in each subsequent State biennium.

(2) A portion of these bonds constitute revenue bonds issued for Capital Construction Assistance Projects (formerly known as "Tuition Revenue Bonds"). See footnote (1).

(3) Under current Board authorization, Revenue Financing System Commercial Paper Notes may be issued up to a total of $300 million.

(4) Under current Board authorization, Permanent University Fund Commercial Paper Notes may be issued up to a total of $125 million.

Anticipated Issuance of Debt

Responsibility for the management of the A&M System's obligations is centralized in the Office of Treasury Services. The A&M System maintains a $300 million Revenue Financing System commercial paper program to facilitate interim financing of capital improvement projects. The liquidity support for the full authorization of $300 million of such program is provided by the available assets of the Revenue Financing System. The Revenue Financing System commercial paper program will continue to be used to provide interim financing of the capital improvement needs of the A&M System.

The Board anticipates issuing approximately $484 million in additional Revenue Financing System commercial paper notes or bonds for additional projects during Fiscal Year 2025. The Board also anticipates that it may issue short-term and long-term Parity Obligations for Capital Construction Assistance Projects in the next two years.

Other Financings

Public/Private Partnerships

The A&M System has entered into public/private partnerships that allow private partners to acquire, construct, improve or maintain facilities used to support the A&M System's core mission. Housing projects have previously been financed through public/private partnerships at Texas A&M University in College Station ("Texas A&M"), ETAMU, A&M - Corpus Christi, Texas A&M University - San Antonio, and Tarleton State University. Each of these projects, other than the Texas A&M project, have been purchased by the A&M System and are no longer financed under public/private partnership arrangements. Non-student housing facilities being financed through public/private partnerships include a parking facility, a laboratory, and a hotel and conference center at Texas A&M, as well as a student recreation center at A&M - Texarkana. The A&M System may enter into additional public/private partnerships in the future.

Under such arrangements, the A&M System generally enters into a ground lease with the private partner, and may enter into various service agreements as well, but the responsibility to acquire, construct, operate and maintain the facilities remains with the private partner. The private partners in these transactions may issue or incur debt to finance the acquisition, construction, maintenance or improvement of such facilities. The New Hope Cultural Education Facilities Finance Corporation, acting as a conduit issuer for various private partners in these transactions, has approximately $257.2 million of outstanding debt issued related to public/private partnerships involving the A&M System. Any debt issued by or on behalf of private partners does not constitute an obligation of the Board, the A&M System or any of its components; however, in connection with approximately $167.5 million of such outstanding debt issued by or on behalf of private partners, the A&M System may be required to provide amounts sufficient to cover debt service (to the extent appropriated by the Board) if revenues of a financed facility are insufficient to pay debt service when due.

In addition to public/private partnerships that support the A&M System's core mission, the A&M System has entered into ground leases and related agreements in connection with the development of facilities constructed, maintained and operated by private parties on underutilized property owned by the A&M System. Any debt issued by or on behalf of private partners in connection with such facilities does not constitute an obligation of the Board, the A&M System or any of its components. Notices of voluntary disclosures posted by the A&M System, which describe recent developments concerning such public/private partnerships, are available on the MSRB's internet website, www.emma.msrb.org and can be located by searching the base 6-digit CUSIP number for the bonds.

Other Obligations

The TMC^3 Development Corporation, a Texas nonprofit corporation, wholly controlled by Texas Medical Center, issued its $35,640,000 Taxable Lease Revenue Bonds (TAMUS), Series 2020 (the "A&M System TMC^3 Bonds") secured by lease payments from the A&M System to fund the A&M System's share of certain collaborative facilities and related infrastructure located in the biomedical research hub (known as "TMC^3"). For fiscal years 2023 through 2050, the A&M System's average annual lease payments are approximately $1.7 million. The A&M System's lease payments in respect of the A&M System TMC^3 Bonds are subject to annual appropriation and subordinate to the Parity Obligations.

Investment Policy and Procedures and Endowments

Endowments

General. Although not pledged to the payment of debt obligations, the A&M System controls or is benefited by endowments with a market value at January 31, 2025 of approximately $21.0 billion (including the A&M System's foundations and one-third share of the PUF). As of January 31, 2025, endowment funds under the direct control of the A&M System had a value of approximately $1.57 billion and consisted of marketable securities and investments. Of this amount, approximately $18.0 million was attributable to funds held for investment on behalf of Texas Woman's University System. Distributions are calculated at 5% of the 20-quarter rolling average market value of the endowment. Since distributions are based on 20 quarters, market fluctuations are smoothed and distributions are expected to remain fairly consistent from year to year.

The A&M System is also a beneficiary of the PUF. As of January 31, 2025, the market value of the PUF was approximately $38.0 billion (excluding land), one-third of which is designated for the A&M System. The audited annual financial statements for the PUF for Fiscal Years ended August 31, 2024 and 2023 have been filed by the A&M System with the MSRB and are incorporated by reference into this Annual Report. Copies of each of such documents are available from the A&M System's Office of Treasury Services.

Each endowment is subject to various restrictions as to application and use.

Permanent University Fund. The PUF is a State endowment contributing to the support of eligible institutions of the A&M System and the UT System. The State Constitution of 1876 established the PUF through the appropriation of land grants previously given to The University of Texas plus one million acres. Additional land grants to the PUF were completed in 1883 with the contribution of another one million acres. Currently, the PUF contains 2.1 million acres located in 24 counties primarily in West Texas.

The PUF Constitutional Provision provides for distributions to the Available University Fund from the "total return" on all investment assets of the PUF, including the net income attributable to the surface of PUF land, in the amounts determined by the UT Board. Distributions to the Available University Fund are then allocated one-third to the A&M System and two-thirds to the UT System. The PUF Constitutional Provision requires an appropriation from the first money distributed to each system of an annual sum sufficient to pay debt service due on bonds and notes issued by each board and payable from each system's interest in the Available University Fund. The remainder of each system's annual distributions is to be appropriated by each board for prescribed university purposes.

Management of Investments

The Board is responsible for investment of A&M System funds held outside the State Treasury. As provided in the Texas Education Code, each member of the Board has the legal responsibilities of a fiduciary in the management of funds under the control of the A&M System. The Board has provided for centralized investment management within the Office of Treasury Services under the direction of the Chief Investment Officer and Treasurer. Investments are managed externally, by unaffiliated investment managers. The Board receives quarterly reports regarding asset allocation, investment returns, and market indices.

Authorized Investments

All available funds held by the A&M System and its Participants are authorized to be invested in accordance with State law and with the written investment policy of the Board. Investments are to be made with the judgment and care, under the circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to permanent disposition of their funds, considering the probable income therefrom as well as the probable increase in value and the safety of their capital. In the management of A&M System investments, consideration is given to the requirements of liquidity, diversification, safety of principal, yield, maturity, quality and capability of investment management, with primary emphasis on safety of principal.

Investment Programs

The A&M System operates two investment funds, the System Endowment Fund (the "Endowment Fund") and the Cash Concentration Pool (the "Pool"). The purpose of the Endowment Fund is to provide for the collective investment of all endowment and trust funds held by the A&M System. The purpose of the Pool is to provide for the collective investment of all operating funds. In the management of A&M System investments, consideration is given to the requirements for liquidity, diversification, safety of principal, yield, maturity, quality and capability of investment management, with primary emphasis on safety of principal. All securities which use long-term credit ratings must be rated the equivalent of "B" or better. The fixed income portfolio must have an overall credit rating of "A" or better, and securities using short-term credit ratings must be rated at least "A-2," "P-2," "F-2" or the equivalent.

The Board's investment policy provides for a target asset allocation for the Endowment Fund of approximately 30% of the total fund's market value in equities, approximately 15% of the total fund's market value in fixed income securities, and approximately 55% of the total fund's market value in alternative assets.

The market value of the Pool as of January 31, 2025 was approximately $6.4 billion, which does not include the proceeds of any Revenue Financing System or PUF debt. Of this amount, approximately $228.3 million is attributable to funds held for investment on behalf of Texas Woman's University System. The Pool is invested with 43.6% in fixed income securities, 36.1% in equities and 20.3% in alternative assets. The Revenue Financing System debt proceeds are invested solely in the short-term portfolio.

The Board's current target asset allocations for the Pool are as follows:

Short-Term Portfolio	8%
Fixed Income Portfolio	32%
Global Public Equity	40%
Absolute Return	20%

The A&M System is reporting net returns of 9.9% and 10.4% for the twelve months ended January 31, 2025 for the Endowment Fund and the Pool, respectively. The Board cannot make any representation as to the future performance of the A&M System's endowment or other invested funds.

Set forth below is the market value for the Pool, the Endowment Fund, and the A&M System's one-third interest in the PUF as of the end of the most recent five Fiscal Years.

Market Value of Investment Funds
(In Thousands)*

August 31	Pool**	Endowment Fund***	A&M System's Interest in PUF
2024	$6,255,751	$1,571,858	$15,620,097
2023	5,538,500	1,438,691	14,707,106
2022	5,092,424	1,393,867	14,000,868
2021	5,619,439	1,621,524	13,588,095
2020	4,720,192	1,270,330	10,422,109

* The Fiscal Year 2020 and 2021 results reflect the operational and financial impact of the COVID-19 worldwide pandemic and measures implemented in response thereto.

**Includes funds held for investment on behalf of Texas Woman's University System, which totaled $222.6 million and $193.7 million as of August 31, 2024 and 2023, respectively. Includes funds held for investment on behalf of Stephen F. Austin State University and Texas Woman's University System, which totaled $243.9 million as of August 31, 2022. Includes funds held for investment on behalf of Stephen F. Austin State University, Midwestern State University and Texas Woman's University System, which totaled $328.7 million and $282.9 million as of August 31, 2021 and 2020, respectively.

*** Includes funds held for investment on behalf of Texas Woman's University System, which totaled $18.1 million and $16.8 million as of August 31, 2024 and 2023, respectively. Includes funds held for investment on behalf of Stephen F. Austin State University and Texas Woman's University System, which totaled $31.6 million as of August 31, 2022. Includes funds held for investment on behalf of Stephen F. Austin State University, Midwestern State University and Texas Woman's University System, which totaled $57.1 million and $47.8 million as of August 31, 2021 and 2020, respectively.

For a discussion of investments for Fiscal Year 2024, see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 3: Deposits, Investments and Repurchase Agreements."

In addition to the Endowment Fund and the PUF, the A&M System is benefited by the Permanent Health Fund and the endowments of nine separate foundations. The Permanent Health Fund is managed by the UT Board acting through The University of Texas/Texas A&M Investment Management Company ("UTIMCO") and the foundations are governed by boards separate from the Board. Investment decisions and asset allocations are managed by UTIMCO and the respective foundation boards. Asset allocations are revised from time to time and are not necessarily the same as those used by the A&M System. The market value of these endowments is reported annually to the A&M System as of June 30th with the most recent market value as of June 30, 2024 at $3.3 billion, 82% of which benefits Texas A&M University in College Station.

Management of Funds Held in the State Treasury

The Texas Education Code requires that the A&M System deposit into the State Treasury all funds except those derived from auxiliary enterprises and non-instructional services, agency, designated, restricted funds, endowment and other gift funds, student loan funds, and funds for the payment of overhead expenses of conducting research. All such funds held in the State Treasury, including Higher Education Funds, the Available University Fund and certain cash balances of the PUF, are administered by the Comptroller. The Comptroller invests money in the State Treasury in authorized investments consistent with applicable law. The Comptroller pools funds within the State Treasury for investment purposes and allocates investment earnings on pooled funds proportionately among the various State agencies whose funds are so pooled. The Board utilizes the State Treasury primarily as a depository and anticipates that all funds deposited in the State Treasury will be available upon request and will earn interest equal to an allocated share of investment earnings on pooled funds in the State Treasury. As of January 31, 2025, the amount of A&M System funds held by the State Treasury was $1.51 billion.

Insurance

The A&M System is exposed to various risks of loss related to property – fire, windstorm, or other loss of capital assets; general and employer liability – resulting from alleged wrongdoings by employees and others; net income – due to fraud, theft, administrative errors or omissions, and business interruptions; and personnel – unexpected expense associated with employee health, termination, or death. As an agency of the State, the A&M System and its employees are covered by various immunities and defenses which limit some of these risks of loss. Remaining exposures are managed by self-insurance arrangements, contractual risk transfers, the purchase of commercial insurance, or a combination of these risk financing techniques. For details, see "EXHIBIT B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 17: Risk Management."

Retirement Plans

A&M System employees participate in various retirement plans and programs, which are summarized below. Such summary is qualified in its entirety by the complete description of such plans and programs within Notes 9-11 included in "APPENDIX B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM."

The State has joint contributory retirement plans for substantially all of its employees, including employees of the A&M System. The primary plan that the A&M System participates in is administered by the Teacher Retirement System of Texas ("TRS") and is a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation (the "TRS Plan"). All employees of the A&M System who are employed for one-half or more of the standard work load and are not exempted from membership by State law (including, particularly, Section 822.002, Texas Government Code) are covered by the TRS Plan. The TRS Plan provides retirement, disability annuities and death and survivor benefits. The benefit and contribution provisions of the TRS Plan are authorized by State law and may be amended by the State Legislature at any time. No assurances can be made by the A&M System as to whether any such amendments will occur or, if such amendments do occur, whether such amendments would materially affect the A&M System's liability under the TRS Plan.

During the 2023 measurement period for Fiscal Year 2024 reporting, the amount of the A&M System contributions recognized by the TRS Plan totaled $83,340,203. At August 31, 2024, the A&M System reported a liability of $965,213,562 for its proportionate share of the collective net pension liability under the TRS Plan, which was equal

to 1.4051661528% of the collective net pension liability under the TRS Plan. Pension values are provided by the Texas Comptroller's Office and define the A&M System's proportional share of the collective net pension liability under the TRS Plan.

The State has also established an Optional Retirement Program ("ORP") for institutions of higher education. Participation in the ORP is in lieu of participation in the TRS Plan. For the plan year ended August 31, 2024, the A&M System contributed $47,529,378.98 to the ORP. See "APPENDIX B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 9: Pension Plans and Optional Retirement Program – Optional Retirement Program (ORP)" for more information.

State employees, including A&M System employees, may elect to defer a portion of their earnings for income tax and investment purposes pursuant to State law. All payroll deductions relative to deferred compensation were invested in approved plans during the Fiscal Year ended August 31, 2024. See "APPENDIX B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 10: Deferred Compensation" for more information.

The A&M System also provides certain other postemployment benefits ("OPEBs"), which are benefits provided to the A&M System's current and inactive employees (or their beneficiaries) receiving benefits (collectively, the "OPEB Participants") under the A&M System group healthcare and life insurance programs. The authority under which the obligations of the plan members and the A&M System are established is Chapter 1601, Texas Insurance Code. Chapter 1601, Texas Insurance Code may be amended by the State Legislature at any time, and no assurances can be made by the A&M System as to whether any such amendments will occur or, if such amendments do occur, whether such amendments would materially affect the A&M System's OPEB liability.

The A&M System faces the challenge of funding a portion of the healthcare and life insurance benefits costs for OPEB Participants. As of August 31, 2024, the A&M System is responsible for 65.76% of the OPEB liability related to the OPEB Participants, and the State is responsible for the remaining 34.24% of the OPEB liability related to the OPEB Participants. As of September 1, 2023[1] , there were approximately 37,002 OPEB Participants and 3,629 additional inactive employees entitled to participate but not yet receiving benefits. The A&M System's costs of providing OPEBs, particularly healthcare benefits, to the OPEB Participants continue to escalate. The A&M System cannot predict whether, or at what rate, healthcare benefit costs will escalate in future years.

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("GASB 75"). GASB 75 replaces prior requirements contained in GASB Statement Nos. 45, 57, and 74 (collectively, the "Prior GASB Statements"). The A&M System was required to implement GASB 75 beginning in the Fiscal Year ended August 31, 2018. Among other things, GASB 75 provides new requirements for calculating an entity's total OPEB liability (formerly "actuarial accrued liability" under the Prior GASB Statements) and requires entities to include the total OPEB liability in the Statement of Net Position. In accordance with the Prior GASB Statements, only a portion of the A&M System's total OPEB liability (the "Net OPEB Obligation" under the Prior GASB Statements) was reported within its Statement of Net Position and the total OPEB liability was reported only within the Notes to the A&M System's financial statements.

GASB 75 requires that the A&M System perform an actuarial valuation of its OPEB liability no less frequently than biennially. For the Fiscal Year ending August 31, 2024, the A&M System reported, measured as of September 1, 2023 and determined by an actuarial valuation as of September 1, 2023, that its proportional share of the total OPEB liability was $1,882,455,133 (with a current portion of $61,207,877 and a long-term portion of $1,821,247,256). The information summarized herein was determined as part of an actuarial valuation process using actuarial methods and assumptions, as described in the notes to the A&M System's financial statements. See "APPENDIX B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 11: Postemployment Health Care and Life Insurance Benefits."

Actuarial valuations necessarily involve estimates and assumptions, including those regarding the cost of health care,

[1] As permitted by Paragraph No. 146 and 147 of GASB 75, in the Unaudited Financial Reports of the A&M System for Fiscal Year ending August 31, 2024, the A&M System elected to use a measurement date for its OPEB liability that is twelve months in advance of such Fiscal Year end or September 1, 2023 based on an actuarial valuation as of September 1, 2023 roll forward twelve months.

discount rate, salary increases, inflation, and mortality. See "APPENDIX B – UNAUDITED FINANCIAL REPORTS OF THE TEXAS A&M UNIVERSITY SYSTEM – Note 11: Postemployment Health Care and Life Insurance Benefits – Actuarial Assumptions and Other Inputs" for additional discussion on the estimates and assumptions used in calculating the A&M System's proportional share of the total OPEB liability. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates and assumptions are made about the future.

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EXHIBIT B

Unaudited Financial Reports of
The Texas A&M University System
For Fiscal Year Ended August 31, 2024

UNAUDITED

Annual Financial Report

of

The Texas A&M University System

For the Year Ended August 31, 2024
With Comparative Totals for the Year Ended August 31, 2023

Texas A&M University ■ Texas A&M University at Galveston ■ Texas A&M University Health Science Center ■ Prairie View A&M University ■ Tarleton State University ■ Texas A&M International University ■ Texas A&M University-Central Texas ■ Texas A&M University-Commerce ■ Texas A&M University-Corpus Christi ■ Texas A&M University-Kingsville ■ Texas A&M University-San Antonio ■ Texas A&M University-Texarkana ■ West Texas A&M University ■ Texas A&M AgriLife Research ■ Texas A&M AgriLife Extension Service ■ Texas A&M Forest Service ■ Texas A&M Veterinary Medical Diagnostic Laboratory ■ Texas A&M Engineering Experiment Station ■ Texas A&M Engineering Extension Service ■ Texas A&M Transportation Institute ■ Texas Division of Emergency Management ■ Texas A&M University System Offices ■ Texas A&M System Shared Services Center ■ Texas A&M Research Foundation ■

System Office of Budgets and Accounting
THE TEXAS A&M UNIVERSITY SYSTEM

November 20, 2024

John Sharp
Chancellor
The Texas A&M University System
301 Tarrow
College Station, Texas 77845

Dear Mr. Sharp,

We are submitting herewith the Annual Financial Report of The Texas A&M University System for the fiscal year ended August 31, 2024.

This report has been prepared in conformity with *Texas Government Code* §2101.011, and in accordance with the Annual Financial Reporting Requirements of the Texas Comptroller of Public Accounts.

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

Respectfully submitted,

Teresa Edwards

Teresa Edwards, CPA
Controller

Joseph Duron, CPA
Chief Administrative Officer

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(979) 458-6100 · Fax (979) 458 -6101 · www.tamus.edu

The Texas A&M University System

Board of Regents

Jay Graham	Term Expires February 1, 2025
Mike Hernandez	Term Expires February 1, 2025
Michael J. Plank	Term Expires February 1, 2025
Robert L. Albritton	Term Expires February 1, 2027
Randy Brooks	Term Expires February 1, 2027
Bill Mahomes	Term Expires February 1, 2027
David Baggett	Term Expires February 1, 2029
John Bellinger	Term Expires February 1, 2029
Sam Torn	Term Expires February 1, 2029
Cage Sawyers (Student Regent)	Term Expires May 31, 2025

Officers of the Board

Bill Mahomes	Chairman
Robert L. Albritton	Vice Chairman

Administrative Officers

John Sharp	Chancellor
Billy C. Hamilton	Deputy Chancellor and Chief Financial Officer
Joseph Duron	Chief Administrative Officer
Teresa L. Edwards	Controller

The Texas A&M University System

Chief Executive Officers

Texas A&M University	General (Ret.) Mark A. Welsh III, President
Texas A&M University at Galveston	Col. Michael Fossum (Retired)
Texas A&M Health Science Center	Dr. Indra K. Reddy
Prairie View A&M University	Dr. Tomikia P. LeGrande, President
Tarleton State University	Dr. James L. Hurley, President
Texas A&M International University	Dr. Pablo Arenaz, President, (Deceased on October 2024) Juan J. Castillo Jr., acting President and Vice President for Finance and Administration
Texas A&M University - Central Texas	Dr. Richard M. Rhodes, Interim President
Texas A&M University - Commerce	Dr. Mark Rudin, President
Texas A&M University - Corpus Christi	Dr. Kelly M. Miller, President
Texas A&M University - Kingsville	Dr. Robert H. Vela Jr., President
Texas A&M University - San Antonio	Dr. Salvador H. Ochoa, President
Texas A&M University - Texarkana	Dr. Ross C. Alexander, President
West Texas A&M University	Dr. Walter V. Wendler, President

The Texas A&M University System

Chief Executive Officers

Texas A&M AgriLife	Dr. Jeffrey W. Savell, Vice Chancellor and Dean of Agriculture and Life Sciences
Texas A&M AgriLife Research	Cliff Lamb, Director
Texas A&M AgriLife Extension Service	Dr. Rick Avery, Director
Texas A&M Forest Service	Al Davis, Director
Texas A&M Veterinary Medical Diagnostic Laboratory	Amy K. Swinford, DVM, Director
Texas A&M Engineering Experiment Station	Robert H. Bishop, Vice Chancellor and Dean of Engineering
Texas A&M Engineering Extension Service	David Coatney, Director
Texas A&M Transportation Institute	Gregory D. Winfree, Director
Texas Division of Emergency Management	W. Nim Kidd, Chief and Vice Chancellor for Disaster and Emergency Services
Texas A&M University System Offices	John Sharp, Chancellor
Texas A&M System Shared Services Center	Billy Hamilton, Deputy Chancellor and Chief Financial Officer
Texas A&M Research Foundation	Dr. Jack G. Baldauf, Vice President for Research

The Texas A&M University System

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UNAUDITED

The Texas A&M University System
Management's Discussion and Analysis
For the Year Ended August 31, 2024

Introduction

The Texas Legislature created The Texas A&M University System (A&M System) in 1948 to manage the evolution of a statewide educational, research and service system. Its roots lie in the founding of what are now Texas A&M University and Prairie View A&M University as land-grant colleges in 1876. The A&M System provides oversight and leadership for eleven universities, eight state agencies, a comprehensive health science center, a service unit for shared services and the System administrative offices. The A&M System includes the Texas A&M Research Foundation as a blended component unit.

The agencies of the A&M System include both engineering and agricultural research and extension agencies plus the Texas A&M Forest Service and the Texas Division of Emergency Management. The agencies provide research, public service, and instruction to benefit the state.

The A&M System educates over 165,000 students and reaches 21 million additional educational contacts through service and outreach programs each year. With more than 26,000 faculty and staff, the A&M System has a physical presence in 250 of the state's 254 counties and a programmatic presence in every county in Texas. The A&M System has real property holdings totaling more than 62,000 surface acres and 64,000 mineral acres.

A nine-member Board of Regents governs the A&M System with a total operating budget of $7.8 billion. There is also a non-voting student member. The regents appoint the chancellor, who is the chief executive officer, who oversees the direction and operation of the system.

The A&M institutions of higher education offer a broad range of undergraduate and graduate degrees. The A&M System has many locations across Texas including Amarillo, Bryan, Canyon, College Station, Commerce, Corpus Christi, Corsicana, Dallas, Fort Worth, Frisco, Galveston, Houston, Killeen, Kingsville, Laredo, McAllen, McKinney, Mesquite, Prairie View, Round Rock, San Antonio, Stephenville, Temple, Texarkana, and Waco. In addition, A&M institutions have several international locations including Costa Rica, Mexico, and Qatar.

Overview of the Financial Statements and Financial Analysis

The objective of the Management's Discussion and Analysis (MD&A) is to provide an overview of the A&M System's financial position and activities for the fiscal year ended August 31, 2024, with comparative data to fiscal year 2023 and some data for fiscal year 2022. The emphasis of discussion will be on the current year. The MD&A should be reviewed in conjunction with the accompanying financial statements and notes. The financial section of this report includes:

- MD&A (this section)
- Basic Proprietary Financial Statements
    - Statement of Net Position,
    - Statement of Revenues, Expenses and Changes in Net Position, and
    - Statement of Cash Flows
- Basic Fiduciary Financial Statements

  - Statement of Fiduciary Net Position, and
  - Statement of Changes in Fiduciary Net Position
- Note disclosures related to the financial statements
- Required Supplementation Information

The Texas A&M University System operational activity is included in the Texas Annual Comprehensive Financial Report (ACFR) in both the Proprietary or Business-Type Activity and the Fiduciary Activity financial statements. A&M System reports fiduciary activity for custodial funds. These fiduciary activities are reported separately from other financial activities since the A&M System cannot access these assets.

The accompanying financial statements for the A&M System are prepared in accordance with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) pronouncements, the financial reporting requirements of the Texas Comptroller of Public Accounts, and the guidelines from the National Association of College and University Business Officers (NACUBO).

Financial Highlights for Proprietary Funds

Below are financial highlights for fiscal year 2024 for the proprietary funds.

- Noncurrent investment balances reported on the Proprietary Statement of Net Position are $6.688 billion, which was an increase of $761 million from 2023's $5.927 billion balance. Equity markets generated strong positive gains over the past twelve months as global economies proved to be resilient despite a prolonged period of tight monetary policy. (See the *Economic Outlook section* for more details).

- Investment Income was $1.069 billion on the Proprietary funds, which was a $510 million increase from 2023. The investment income components include the items below.
  - $650 million in unrealized gain on investments,
  - $293 million in interest, dividend, and royalty income, plus
  - $126 million in realized gains on investments.

- The Non-State Funded portion of the *Other Post-Employment Benefits* (OPEB) 2024 current and non-current liability balance is $1.88 billion, which was a material decrease of $441.2 million from the prior year.
  - OPEB expenses were $11.9 million, which was a material decrease compared to the prior year OPEB expense of $118.28 million.
  - The main factor related to the reduction in this liability is the System Office implementing the 65 Plus Medicare Advantage plan, effective January 1, 2024, to help manage the increase in health costs.
  - Another reason for the reduction in the liability is related to an increase in the investment discount rate from 3.64% to 3.81%.
  - Contrasting with a 6% increase in the non-state funded percentage due to the employer contribution increasing at a higher rate than the state's contributions.

- The Non-State Funded *Pension* liability increased by $194 million totaling $965 million for 2024 compared to $771 million Pension liability reported in 2023. (*See Note 9 Pension and ORP.*)
    - There was a $68.6 million increase to deferred outflows of resources related to the changes in pension assumptions, the difference between actual and expected experiences and current year TRS contributions.
    - There was a $32.6 million decrease in deferred inflows of resources, which reflects the difference between projected and actual investment returns.

- Total bonds payable and notes payable increased by $342.9 million in 2024 totaling $5.327 billion. See Note 5 Long-term Liabilities for more information.
    - There was a $157.4 million increase in commercial paper.
    - Bonds payable increased by $185.5 million.

- Operating Revenues increased by 2.9% or $104 million.
    - Net Tuition and Fee revenue remained stable, reporting a slight increase of $28 million, for fiscal year 2024, net tuition and fee revenue was $1.382 billion compared with $1.354 billion in the prior year, which matches with the increased enrollment of over 7,600 students.
    - Net Auxiliary enterprise revenue, which includes dorms and bookstores, reporting a $29.3 million increase related to an increase in students living in dorms on campus and the completion of several dorm facilities.
    - Net Other Sales of Goods and Services increased $30.7 million, for fiscal year 2024 reporting net amount of $403.2 million compared with the prior year of $372.5 million.

- Operating expenses decreased by 5.7% or $454 million, primarily related to the decrease in disaster funding; although, there were also increases on certain expenses related to the increase in state funding for existing and new programs.
    - Salaries and Wages plus benefits increased by $323 million due to the state mandated 5% salary increase and the additional state funding.
    - Operating federal pass-through expenses decreased by $440 million where the need for disaster funding was reduced for other state agencies.
    - Other Operating Expenses decreased by $610 million decrease primarily related to a reduction in need of Texas Cities and Counties for disaster funding.

- Federal and State Operating and Non-Operating Revenue decreased by $1.16 billion as the need for COVID and federal subsidies decreased.

- State appropriations including legislative revenue, capital appropriations and legislative transfers-in reported a slight increase of $53.8 million increasing the total to over $1.93 billion for 2024. These state appropriations are a vital part of the A&M System's funding for operations and defraying tuition costs for students.

- The A&M System's net position totaled $10.146 billion, which is a $1.206 billion increase from 2023, which was $8.940 billion, due to several factors.
    - A $463.5 million increase in Cash and Cash Equivalents, plus an increase in Noncurrent Investments of $761 million and an increase for Deferred Outflows of $162 million.
    - An increase in Capital Assets, net, of $336.7 million.
    - An increase of $202.8 million in Current and Noncurrent Liabilities and a $510 million increase in Deferred Inflows of Resources primarily related to OPEB Deferred Inflows.

Statement of Net Position

The Statement of Net Position presents a snapshot of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position for the A&M System as of the end of the fiscal year. The Statement of Net Position assets and liabilities are presented in the current and non-current format.

Increases or decreases in net position are one indicator of the overall condition of the A&M System's financial health when considered with nonfinancial factors such as enrollment, research, public service, patient levels, and the condition of facilities. The statement provides a picture of net position and the availability of funds for use by the A&M System.

The net position reports three major categories.

The first category, Net Investment in Capital Assets, provides equity in property, plant and equipment owned by the A&M System less the related debt.

The second category, Restricted, is divided into two categories, expendable and non-expendable. Expendable restricted resources are available for use by the A&M System but must be spent for purposes determined by donors and/or external entities who have placed time or purpose restrictions on the use of the assets. The corpus of the non-expendable restricted resources is available for investment purposes and the earnings are used to support the institutions or agencies.

The third category, Unrestricted, is available for any lawful purpose. Although Unrestricted Net Position is not subject to externally imposed stipulations, it has been internally designated for various academic and research programs and initiatives.

See the table on the following page for details.

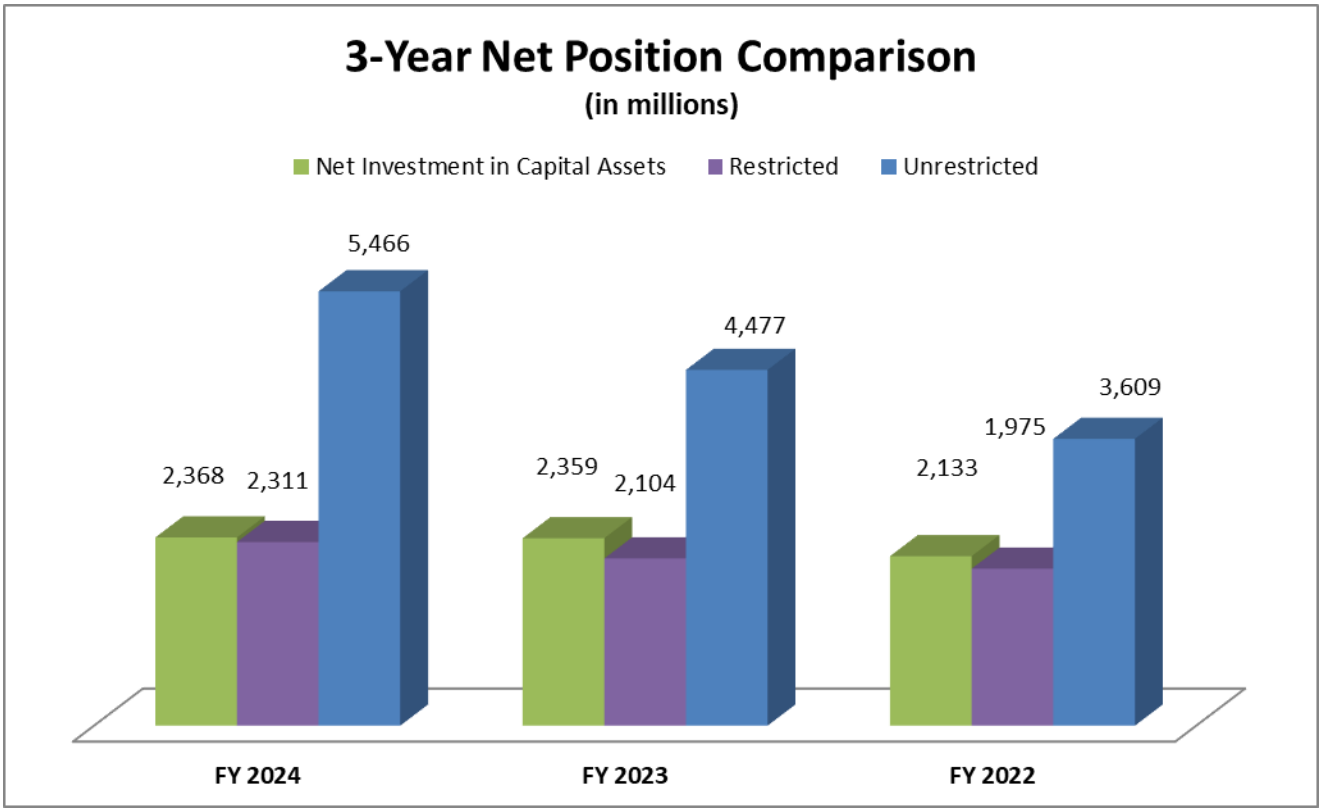
Statement of Net Position (in millions)			
Assets and Deferred Outflows of Resources	**2024**	**2023**	**2022**
Current Assets	$4,774	$4,084	$3,193
Capital Assets, Net	7,930	7,593	7,371
Non-Current Investments	6,688	5,928	5,461
Other Assets	1,992	2,022	1,829
Deferred Outflows	1,293	1,131	1,106
Total Assets and Deferred Outflows of Resources	**$22,677**	**$20,758**	**$18,960**
Liabilities and Deferred Inflows of Resources			
Current Liabilities	$2,604	$2,449	$2,286
Non-Current Liabilities	8,200	8,152	7,988
Deferred Inflows	1,727	1,217	969
Total Liabilities and Deferred Inflows of Resources	**$12,531**	**$11,818**	**$11,243**
Net Position			
Net Investment in Capital Assets	$2,368	$2,359	$2,133
Restricted			
Expendable	1,835	1,637	1,517
NonExpendable	477	467	458
Unrestricted	5,466	4,477	3,609
Total Net Position	**$10,146**	**$8,940**	**$7,717**

The Statement of Net Position reported an increase in total assets and deferred outflows of 9.2%. This was a $1.9 billion increase, primarily attributable to a $761 million increase in non-current investments; and an increase of $336.7 million in net capital assets.

Total liabilities and deferred inflows of resources increased by 6% or $713 million from the previous year. There was a $35.2 million increase in payables. Bonds and Notes payable increased by $343 million while the OPEB Liability decreased by $441.2 million. Deferred Inflows of Resources increased by $510 million, primarily related to OPEB. (See *Note 5 Long-term Liabilities for more details*.)

The final section of the statement reports on the net position of the A&M System totaling $10.1 billion. Total net position reported an increase of $1.2 billion or 13.5% from the 2023 balance.

Below is a graph with a 3-year net position comparison.



The balances defined as unrestricted net position contain reserves and internal restrictions (allocations), as defined in the table below.

Reserves and Allocations for Unrestricted Net Position (in millions)	
Reserves For	
Receivables	$271
Encumbrances	848
Unrealized Gain on Investments	1,140
Portion of Annual Debt Service Payment	245
Inventories	30
Higher Education Fund	37
Self-Insured Plans	96
Prepaid Expenses, Tuition Set Asides and Other Reserves	152
Other State Funds	171
Allocations For	
Capital Projects	1,048
Funds Functioning as Endowments	446
Scholarships and Faculty Initiatives	868
Operations	114
Total Unrestricted Reserves	**$5,466**

The overall *unrestricted* net position was $5.466 billion for fiscal year 2024 compared to $4.477 billion in 2023.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as operating or non-operating. The Governmental Accounting Standards Board (GASB) requires state appropriations (Legislative Revenue), Federal Pell Grants and stimulus funding be reported as non-operating revenue. This will generally result in an operating deficit for most public institutions. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation or amortization, which amortizes the cost of an asset over its expected useful life.

The purpose of this statement is to present the revenues of the A&M System, and the expenses incurred by the A&M System, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent. The change in total net position as presented in the Statement of Net Position is a result of these activities.

Generally, operating revenues are received for providing goods and services to the various students, customers and constituencies of the A&M System. Operating expenses include instruction costs, research expertise plus costs for goods and services provided in return for operating revenues. Non-operating revenues are derived from sources not considered primary operations for an institution of higher education or state agency. State capital appropriations and capital grants and gifts are considered neither operating nor non-operating revenues and are reported after "Income (Loss) Before Other Revenues and Transfers".

Statement of Revenues, Expenses and Changes in Net Position
(in millions)

	2024	2023	2022
Operating Revenues and Expenses			
Operating Revenues	$3,644	$3,540	$3,394
Operating Expenses	(7,482)	(7,936)	(9,562)
Operating (Loss)	(3,838)	(4,396)	(6,168)
Non-Operating Revenues	4,214	4,962	4,780
Income (Loss) Before Other Revenues and Transfers	**376**	**566**	**(1,388)**
Other Revenues and Transfers	830	657	616
Change in Net Position	**1,206**	**1,223**	**(772)**
Net Position, Beginning of Year	$8,940	$7,717	$8,490
Restatement	0	0	(1)
Net Position as Restated	8,940	7,717	8,489
Net Position, End of Year	**$10,146**	**$8,940**	**$7,717**

The condensed Statement of Revenues, Expenses and Changes in Net Position reflects a $1.2 billion increase in net position which is similar to the prior year.

During the 2024 fiscal year, the explanations for the changes are listed below.

- Operating revenues reported a slight increase of 2.9% or $104 million, primarily related to an increase in the number of enrolled students; contrasting with a $17 million decrease in Federal funding as the COVID funding decreased.

- Non-Operating revenues decreased by $785.9 million due to a reduction in stimulus funding of $1.16 billion contrasting with an increase in investment income of $510 million.

During the 2024 fiscal year, operating expenses reported a decrease of 5.7% or $454 million, totaling $7.482 billion compared to $7.936 billion from the prior year. The most significant changes are listed below.

- Operating federal pass-through expenses decreased by $440 million due to a reduction in COVID funding needs by other state agencies.

- Other Operating Expenses decreased by $610 million, primarily attributable to the reduced need for funding to Texas cities, counties and other governmental entities for COVID, wildfires and other disaster funding needs.

- Professional fees and services increased by $100 million.

- Salaries & Wages increased by 11.1% or $257 million due to employees hired to ensure institutions and agencies were able to assist students on campus and assist the public.

- Non-state funded OPEB expenses reported a decrease of $106.3 million based upon the A&M System's actuary report.

- Non-state funded pension expense increased by $68.6 million based upon the Teacher's Retirement System's actuary report.

- Depreciation and amortization expense was $586 million, an increase of $28.3 million, which is consistent with the prior year.

Other Revenues and Transfers increased by $173 million from $657 million to $830 million in 2024. The main factor for the increase was related to the transfer from the University of Texas System, which increased by $123 million.

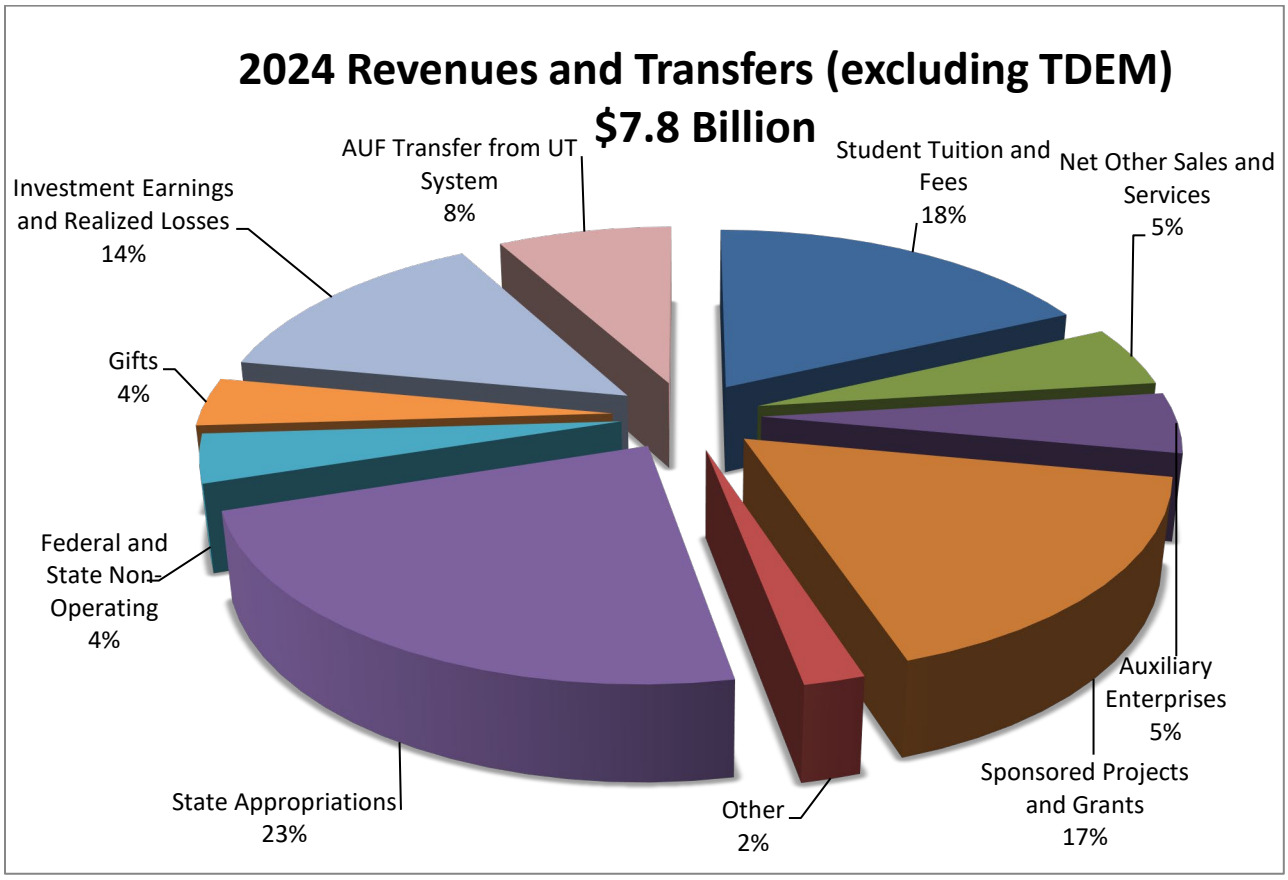
Certain internal activities embedded in the Statement of Revenues, Expenses and Changes in Net Position provide goods and services to internal customers and to other A&M System members. These activities include self-insured programs (health, dental, auto, etc.), repairs & maintenance, utilities, computer services, and other interdepartmental activities. The net operating revenues for these internal activities were eliminated to the extent of operating expenses.

The total elimination of expenses against revenues was approximately $1 billion. Most of this activity relates to the self-insured programs, which reported operating expenses of approximately $553 million. Of the remaining $447 million in operating expenses eliminated, $237 million were professional fees & services; $97 million included utilities, communications, and $82 million in repairs and maintenance. When reviewing the expenses by natural classification approximately $132.2 million represented salaries and wages and $37.5 million represented other payroll related costs.

To analyze the A&M System institutions and agencies, the graph below excludes the Texas Division of Emergency Management (TDEM) who receives various funding to assist the public with disasters; therefore, TDEM experiences unpredictable fluctuations.

There was a $600 million increase in revenue totaling $7.8 billion compared to $7.2 billion in the prior year. The increases are related to the increase in investment income and legislative revenue.

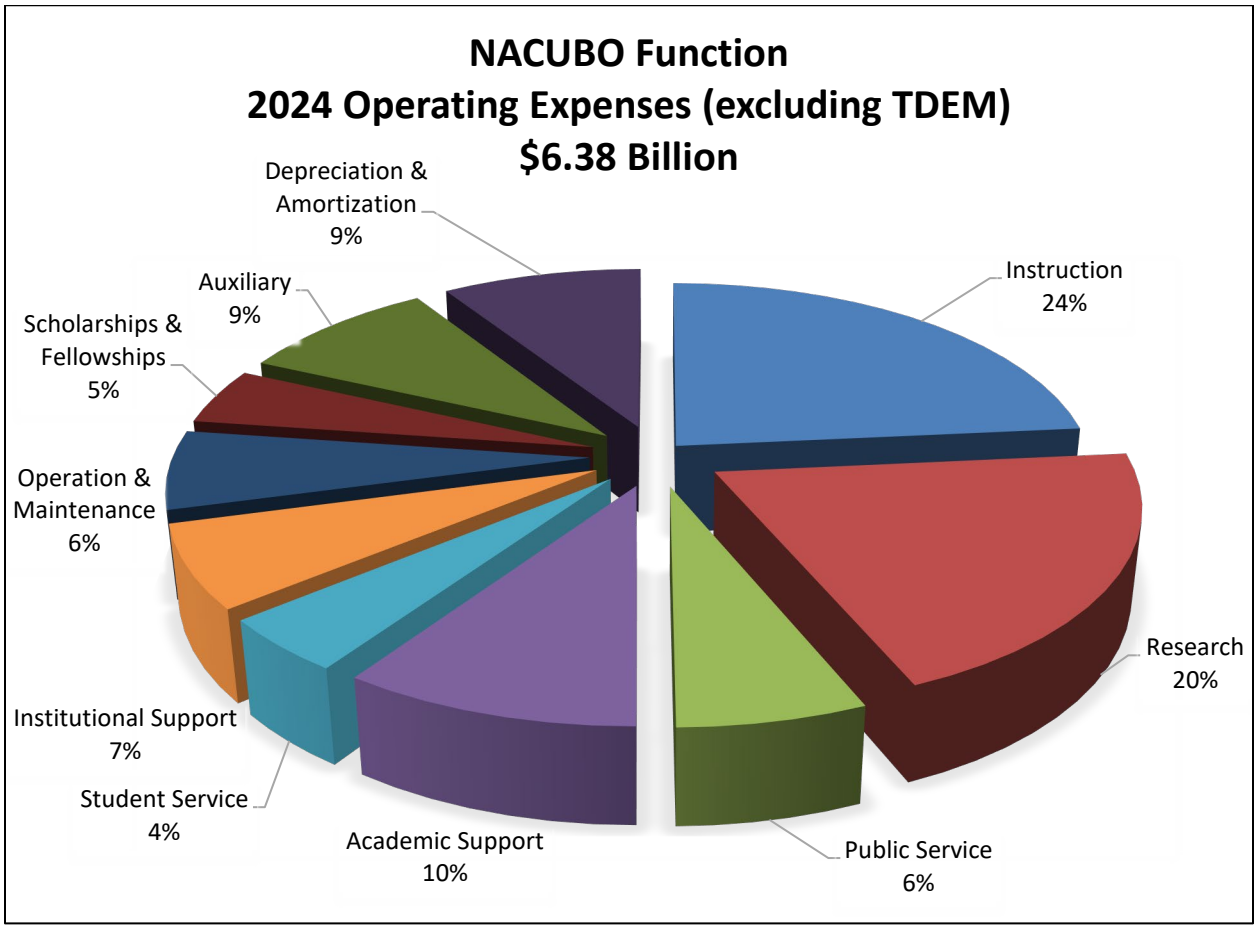
TDEM's total revenues were $1 billion for 2024 compared to $2.2 billion for 2023. As the state of Texas continues to recover from the COVID pandemic, there is a reduction in the need for COVID disaster funding.



To analyze the A&M System institutions and agencies, the graph below excludes the Texas Division of Emergency Management (TDEM).

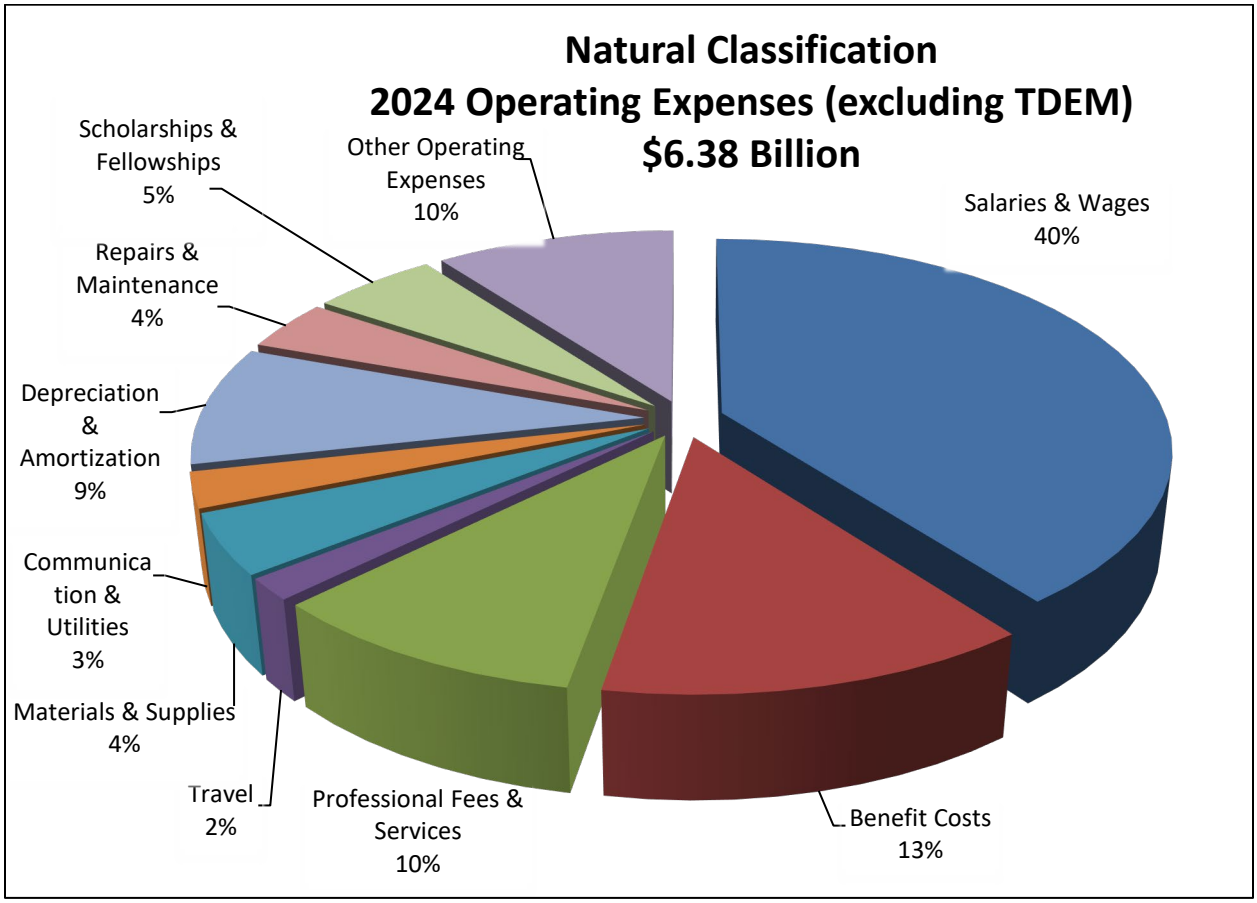
The first graph presents the operating expenses in the National Association of College and University Business Officers (NACUBO) functional classification and the second graph presents operating expenses in the natural classification. As presented below, instruction, research, academic support, auxiliary, depreciation/amortization of capital assets and institutional support are the primary expenses for the A&M System. For fiscal year 2024, total operating expenses were $6.38 billion; instruction and research are the primary functions for A&M members.

TDEM reported $1.1 billion Public Service operating expenses, $641 million was sent to other Texas state agencies and governmental entities; $157 million was used for rental and lease expenses and $153 million was spent on professional fees and services.



To analyze the A&M System institutions and agencies, the graph below excludes the Texas Division of Emergency Management (TDEM) who receives various funding to assist the public with disasters; therefore, TDEM experiences unpredictable fluctuations.

For 2024, total operating expenses were $6.38 billion. The A&M System salaries, wages and benefits are a critical part of the success of our students and the services provided. Each A&M member continues to analyze operating costs and ensure these expenses are appropriate.



Statement of Cash Flows

The final statement presented is the Statement of Cash Flows. This statement presents detailed information on the cash activity during the year. The first section presents operating cash flows, and the net cash used for operating activities. The next section presents the results of non-capital financing activities. This section includes the cash flows from state appropriations and other non-operating activities. The capital and related financing activities section includes cash used for acquisition and construction of capital assets. The investing activities section reports purchases, proceeds, and earnings from investments.

Statement of Cash Flows
(in millions)

	2024	2023	2022
Cash Flows From			
Operating Activities	$(3,091)	($3,519)	($5,599)
Non-Capital Financing Activities	3,997	4,770	6,411
Capital and Related Financing Activities	(720)	(985)	(782)
Investing Activities	277	64	(149)
Net Change in Cash & Cash Equivalents	463	330	(119)
Cash & Cash Equivalents, Beginning of Year	2,372	2,042	2,161
Cash & Cash Equivalents, End of Year	**$2,835**	**$2,372**	**$2,042**

Capital Assets

The A&M System is committed to continuous improvements in the quality of its academic, research, and service programs through the development and renewal of its capital assets and infrastructure. The A&M System continues to implement its long-range plan to modernize existing teaching and research facilities along with plans for new construction.

Construction in progress for 2024 was $1.6 billion, which is a $334 million increase from the prior year. Completed projects totaled $420.9 million.

There are many construction projects in various stages of completion including major projects mostly managed by the System Offices and minor projects managed by the members.

Below and on the next few pages are a list of major construction projects exceeding $4 million in total project costs, some of these projects are debt financed. This list includes over $2.8 billion in construction projects in various stages of completion.

These projects are in progress and scheduled to be completed over the next two to three years.

Texas A&M Member and Project Name	Projected Fiscal Year Completion	Projected Budget (in Dollars)
Texas A&M University System		
Ft. Worth Law & Education Building	2026	$ 185,000,000
STEM Education Center at RELLIS	2025	43,425,406
Sub-total		**$ 228,425,406**
Texas A&M University		
Utility Plant Control Upgrade	2024	$ 7,500,000
HVAC Replacement Walton Hall	2024	8,794,068
CUP Structural Repairs	2024	6,700,000
Interior Finishes Renovation Dunn Hall Phase II	2024	6,947,609
Railroad Quiet Zone	2024	5,500,000
Outdoor Competition Throws and Warm-up Track	2024	9,559,456
Moses Hall HVAC Renovations	2024	9,218,500
Davis-Gary Hall HVAC Renovations	2024	9,218,500
Academic Building Renovations	2024	9,800,000
Space Collaboration Facility	2026	200,000,000
Clinical Veterinary Teaching and Research Complex	2027	181,000,000
CUP Generator Replacement Project	2026	26,500,000
Bright Area Development	2024	237,735,000
Business Education Complex	2025	84,197,309
Sub-total		**$ 802,670,442**
Tarleton State University		
Inter-professional Education Building	2024	$ 66,745,000
Parking Garage	2024	40,000,000
Research Administration Building	2024	7,000,000
Convocation Center	2025	110,000,000
Health Sciences & Human Services Building	2025	80,000,000
Sub-total		**$ 303,745,000**

Texas A&M Member and Project Name	Projected Fiscal Year Completion	Projected Budget (in Dollars)
Prairie View A&M University		
Teaching and Academic Student Support Services Facility	2027	$ 44,922,833
Campus Wide Fire Alarm System Replacement	2025	11,302,000
Sub-total		**$ 56,224,833**
Texas A&M Agrilife Research		
Meat Sciences & Technology Center	2025	$ 114,604,906
Animal Reproductive Biotechnology Center	2025	13,386,800
Borlaug Center Renovation and Addition	2024	56,700,000
AgriLife Vernon Campus Storm Repairs	2025	15,570,330
Amarillo Research & Extension Center at Canyon	2025	30,580,000
Sub-total		**$ 230,842,036**
Texas A&M Engineering Extension Service		
RELLIS Training Props	2024	$ 25,300,000
South Texas Workforce Development	2024	30,000,000
Sub-total		**55,300,000**
Texas A&M University-Galveston		
Infrastructure, Dock Improvements, and Ship FF&E - Phase II	2027	$ 72,500,000
Infrastructure, Dock Improvements, and Ship FF&E-Phase I	2025	37,208,966
Engineering Classroom & Research Building	2026	50,992,125
Sub-total		**$ 160,701,091**
Texas A&M Forest Service		
Hudson Office	2024	**$ 5,000,000**
Texas A&M University-Corpus Christi		
Chaparral Renovation - Phase I	2024	$ 8,500,000
Arts & Media Building	2026	80,922,833
Sub-total		**$ 89,422,833**
Texas A&M University-Kingsville		
Deferred Maintenance	2025	**$ 45,172,833**
Texas A&M International University		
Health Sciences Edu & Rsrch Cntr & Western Hemispheric Trade Center	2026	**$ 71,200,000**
Texas A&M University-Commerce		
Student Services Building	2024	$ 19,500,000
Ag Multi-purpose Education & Training Center	2026	47,322,833
New Event Center/Arena	2026	70,400,000
Morris Recreation Center Expansion	2026	17,500,000
Student Dining Facility	2025	7,400,000
Sub-total		**$ 162,122,833**

Texas A&M Member and Project Name	Projected Fiscal Year Completion	Projected Budget (in Dollars)
West Texas A&M University		
Renovation of Education Bldg and Health/Safety Upgrade	2025	$ 44,922,833
Texas A&M University-Texarkana		
Business, Engineering, & Technology Building	2026	**$ 44,922,833**
Texas A&M University Health Science Center		
Texas A&M Health ESCO 2023	2024	$ 14,745,526
EnMED Discovery Tower Labs & Office Buildout - Phase 1	2025	15,000,000
Nursing Education & Research Building-McAllen	2026	49,948,556
School of Dentistry Main Building Renovation	2026	22,400,000
Alkek Building Roof & Exhaust Fan Replacement (Houston)	2025	6,865,000
Sub-total		**$ 108,959,082**
Texas A&M University-Central Texas		
Central Operational Reliability & Efficiency Facility	2026	**$ 49,900,000**
Texas A&M University-San Antonio		
Educare Building	2024	$ 21,690,000
Multipurpose Field, Competition Track & Softball Field Upgrades	2024	10,000,000
New Recreation Center	2024	19,200,000
TAMU-San Antonio Housing Phase II	2024	34,100,000
Public Health & Education Building	2026	54,922,833
		$ 139,912,833
Texas A&M University System Shared Services		
RELLIS Avenue D South Extension and Utility Upgrades	2025	**$ 13,500,000**
Texas A&M Engineering Experiment Station		
Propulsion Test Facility at TEES Turbomachinery Lab	2024	$ 6,400,000
Ballistic Aero Optics Materials Facility	2024	60,088,600
Hypersonic Wind Tunnel	2024	10,000,000
Sub-total		**$ 76,488,600**
Texas Division of Emergency Management		
TDEM Headquarters and State Emergency Operations Center	2026	**$ 423,241,463**
TOTAL		**$ 2,808,929,951**

Debt Administration

The A&M System understands its role of financial stewardship and works to manage its resources effectively, including the prudent use of debt to finance capital projects.

During fiscal year 2024, the A&M System issued tax-exempt bonds under the Revenue Financing System debt program to refund previously outstanding commercial paper, to provide funding for eligible projects, and to pay the costs of issuing the bonds. The Revenue Financing System Bonds, Series 2024 had a par amount of approximately $427.4 million with a true interest cost of 3.73%.

In fiscal year 2024, there was a total of $470 million in commercial paper issued. Revenue Financing System Commercial Paper Notes in the amount of $180 million, Revenue Financing System Taxable Commercial Paper Notes in the amount of $145 million, Permanent University Fund Commercial Paper Notes in the amount of $60 million and Permanent University Fund Taxable Commercial Paper Notes in the amount of $85 million were issued to fund eligible projects.

The A&M System has sufficient debt capacity to finance planned facilities and other capital improvements. In addition, the State appropriated amounts are sufficient for the reimbursement of debt service on all outstanding and planned Capital Construction Assistance Program debt for the 2024-2025 biennium. For additional information concerning Capital Assets and Debt Administrations, *see the Notes to the Financial Statements*.

Economic Outlook

Equity markets generated strong positive gains over the past twelve months as global economies proved to be resilient despite a prolonged period of tight monetary policy. Fixed income markets also rallied as markets began pricing in future interest rate cuts. The Federal Reserve maintained the Federal Funds rate in the range of 5.25 to 5.50% during the period. Inflation trends have continued to moderate, with inflation indicators slowly trending towards the Federal Reserve's target.

The US economy is expected to grow modestly despite a slight increase in the unemployment rate. Consumer confidence levels have been strong and spending trends have been positive. The geopolitical environment continues to be uncertain, driven by significant conflicts in Ukraine and the Middle East.

The A&M System has invested in a diversified portfolio that has the potential to grow over the long term. During shorter time periods, the portfolios may be impacted by market conditions and negative changes in sentiment. The A&M System will continue to position the portfolios to take advantage of market volatility by acquiring assets at discounted valuations, which will help to enhance the long-term returns of the portfolios.

Fiduciary Funds

Statement of Net Fiduciary Net Position

The Statement of Fiduciary Net Position presents a snapshot of assets, liabilities, and net fiduciary position for the A&M System as of the end of the fiscal year. The Statement of Fiduciary Net Position assets and liabilities are presented in the liquidity format.

Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position presents the additions and deductions incurred during the year. This statement reports on the contributions, investment earnings, additions and deductions which occurred in the custodial funds for the fiscal year.

Financial Highlights for Fiduciary Funds

Below are financial highlights for fiduciary funds for fiscal year 2024. The A&M System Fiduciary statements include balances from several types of entities including Investments Held for Non-A&M Entities, Student Organizations, Foundation/Alumni Associations, Public Private Partnership entities and Other Entities.

- Investments in the Fiduciary Statement of Net Position are $425 million, which was a decrease of $60 million from the prior year's total of $365 million. The investment activity reported a $49.9 million gain due to the unrealized increases in fair value totaling $38.4 million, $8.3 million interest earnings and $3.2 million realized gains.

- Fiduciary funds reported an ending *Restricted for Other Individuals, Organizations and Other Entities* net position of $510 million which was an increase of $57 million from the prior year's net position of $453 million.

- Contributions from various entities accounted for $23.4 million.

- Other Additions totaled $34.7 million, primarily from sales revenue from Public Private Partnerships and revenues from Student Organizations.

- Other Deductions totaled $49 million from various entities.

Leadership Changes in Fiscal Year 2024

Several leadership changes occurred in the A&M System during fiscal year 2024; these changes are included below.

- On December 12, 2023, the Board approved General (Retired) Mark A. Welsh, III as the 27th President of Texas A& M University.
- On February 8, 2024, the Board named Richard Rhodes as President of the Texas A&M University-Central Texas.
- On February 26, 2024, the Board approved Robert H. Bishop as Vice Chancellor and Dean of the College of Engineering at the Texas A&M University.
- On May 7, 2024, the Board approved Dr. Roderic Pettigrew as the Texas A&M University System's Vice Chancellor for Health and Strategic Initiatives.
- On May 10, 2024, the Governor appointed Cage Sawyers who is a third-year Texas A&M Law School student as the student regent.
- On May 10, 2024, the Governor appointed Luke Schwartz, both an Aggie and an Air Force veteran, to serve as the student representative on the Texas Higher Education Coordinating Board; his term begins June 1, 2024, and ends May 31, 2025.
- On June 27, 2024, Dr. E. Steve Putna was appointed as the inaugural director of the Texas A&M Semiconductor Institute to begin July 1, 2024.

Leadership Changes in Fiscal Year 2025

- On October 9, 2024, Texas A&M University System Chancellor John Sharp appointed Juan J. Castillo as the Acting President of Texas A&M International University in Laredo, effective immediately. Castillo has served as the Vice President for Finance and Administration at TAMIU since 2008, will oversee the university's operations following the unexpected passing of President Pablo Arenaz.

Fiscal Year 2024 Announcements

During September 2023, the Texas A&M University System's Board of Regents approved a motion to nearly double Texas A&M-Commerce's educational space in a Dallas high-rise. Since 2021, the university has offered courses in business, education, visual communications and agriculture in the building at 8750 North Central Expressway in Dallas. The Regents authorized adding 41,944 square feet of leased space to the original 51,515 square feet. The additional space will allow the university to expand its academic offerings.

During October 2023, Rebecca A. Seguin-Fowler, Ph.D., R.D.N., L.D., C.S.C.S., was elected to the most prestigious society in the field of nutrition: the National Academy of Medicine. Seguin-Fowler is Co-Director for the Texas A&M Institute for Advancing Health Through Agriculture (IHA) and Professor of Nutrition. Seguin-Fowler is a leading authority on community-engaged diet and physical activity interventions for obesity and chronic disease prevention among rural, low-income, minority, and other at-risk populations. Her work has advanced knowledge related to

social and environmental contextual factors to advance implementation and dissemination research to achieve health equity.

During November 2023, the Texas A&M University System Board of Regents voted to begin construction of the State Emergency Operations Center and agency headquarters for the Texas Division of Emergency Management (TDEM) just east of Austin's Bergstrom International Airport.

On April 11, 2024, the Texas A&M University System was named the winner of the 2023 Elastic Excellence in Security Business Transformation Award. Andrew Stokes director of cyber operations for the Texas A&M University System stated, "I am pleased to receive the Elastic Excellence in Security Business Transformation award and am proud of my team and the work that this award represents".

On June 14, 2024, the Texas A&M University System was chosen by the U.S. Department of Energy's National Nuclear Security Administration as part of a group to manage and operate the Pantex Plant, which maintains the safety, security, and effectiveness of the nation's nuclear weapons stockpile. "It is a privilege to be part of the management of another component of the country's nuclear deterrent," John Sharp, chancellor of the Texas A&M System, said. "We take our national security responsibilities seriously, and we will bring the same level of care and expertise to Pantex as we have done for the past several years to Los Alamos."

On July 1, 2024, Chancellor Sharp announced his retirement effective June 30, 2025; he became the Chancellor in September 2011. "Leading this grand enterprise has been one of the great privileges of my life," Sharp said. "I feel a deep sense of gratitude to all of you who have shown confidence in me and contributed to our collective endeavor. Together we have lifted the Texas A&M System to historic heights." "Texas is grateful for Chancellor John Sharp's unwavering commitment to improving higher education in the State of Texas," Governor Greg Abbott said. "His extraordinary leadership throughout his time as Chancellor of the Texas A&M University System provided young Texans with the tools they need to thrive in our booming economy." The Board of Regents will conduct a national search in the coming months for Sharp's successor, said Chairman Bill Mahomes.

Upcoming Accounting Pronouncements

GASB is continuing their research on modifying the financial reporting model; an exposure draft is being developed and is scheduled to be released in the first quarter of 2025. The A&M System accounting staff is involved with GASB and NACUBO to ensure we understand the impacts of these future pronouncements.

Contact Information for the Texas A&M University System Office of Budgets and Accounting Team

This annual financial report is designed to provide citizens, taxpayers, students, customers, investors and creditors with a general overview of the A&M System's finances and to demonstrate the A&M System's accountability for the funding it receives.

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The Texas A&M University System
Management's Discussion and Analysis
For the Year Ended August 31, 2024

If you have questions about this report or need additional financial information, contact the Texas A&M University System Office, Budgets and Accounting Office, located at 301 Tarrow Street, College Station, Texas 77840-7896.

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Exhibit III
The Texas A&M University System
Combined Proprietary Statement of Net Position
For the Year Ended August 31, 2024

	Current Year	Prior Year
Assets and Deferred Outflows		
Current Assets		
Cash and Cash Equivalents (Schedule Three)	$2,256,474,582.32	$2,136,899,689.95
Restricted		
Cash and Cash Equivalents (Schedule Three)	578,484,840.52	234,606,730.85
Legislative Appropriations	900,901,134.09	731,764,023.28
Receivables, Net (Note 24)		
Federal	263,021,707.35	247,572,277.59
Other Intergovernmental	10,898,389.82	5,828,881.03
Interest and Dividends	19,268,385.08	22,171,650.75
Gifts	31,817,386.15	34,861,458.27
Self-Insured Health and Dental	46,730,689.15	41,678,440.92
Student	62,244,061.50	54,923,713.42
Investment Trades	11,069,968.13	4,404,908.91
Accounts	187,884,590.46	186,774,936.06
Other	11,396,517.69	3,712,218.54
Lease Receivable (Note 8)	4,649,989.53	5,550,272.42
Due from Other Agencies	67,432,977.91	67,848,503.47
Consumable Inventories	21,599,599.42	17,784,558.73
Merchandise Inventories	8,106,233.78	7,478,817.04
Loans and Contracts	19,291,742.30	17,270,720.36
Interfund Receivables (Note 12)	67,028,256.87	65,118,657.82
Other Current Assets	205,650,262.51	197,377,024.77
Total Current Assets	**$4,773,951,314.58**	**$4,083,627,484.18**
Non-Current Assets		
Restricted		
Investments (Note 3)	$1,292,970,981.98	$1,233,617,010.75
Loans, Contracts and Other	5,419,806.35	6,319,125.88
Gifts Receivable	251,998,343.65	272,491,997.99
Public Private Partnership Asset Receivable	26,091,695.25	26,091,695.25
Loans and Contracts	12,844,473.57	11,568,281.14
Investments (Note 3)	5,394,590,970.96	4,693,472,052.88
Lease Receivable (Note 8)	199,528,781.09	202,659,904.52
Interfund Receivables (Note 12)	1,495,390,326.30	1,502,418,583.17
Capital Assets, Net (Note 2)	7,930,019,778.05	7,593,351,363.22
Assets Held in Trust	367,100.00	362,100.00
Other Non-Current Assets	1,051,316.83	974,428.58
Total Non-Current Assets	**$16,610,273,574.03**	**$15,543,326,543.38**

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Exhibit III
The Texas A&M University System
Combined Proprietary Statement of Net Position
For the Year Ended August 31, 2024

	Current Year	Prior Year
Deferred Outflows of Resources (Note 28)		
Unamortized Loss on Refunding Debt	$53,299,741.39	$56,845,765.23
Pension	425,256,135.00	356,787,499.00
Other Post Employment Benefits	814,650,175.00	717,580,049.00
Total Deferred Outflows of Resources (Note 28)	**$1,293,206,051.39**	**$1,131,213,313.23**
Total Assets and Deferred Outflows	**$22,677,430,940.00**	**$20,758,167,340.79**
Liabilities and Deferred Inflows		
Current Liabilities		
Payables		
Accounts	$500,319,168.58	$481,702,560.84
Payroll	219,050,634.93	199,136,676.75
Investment Trade	12,163,122.82	11,714,539.90
Self-Insured Health and Dental	21,804,000.00	24,922,000.00
Student	6,572,995.96	5,098,088.63
Other	7,669,501.05	9,759,367.77
Interfund Payable (Note 12)	1,178,919.44	1,423,436.41
Due to Other Agencies	278,880,086.90	340,655,397.24
Unearned Revenue	1,005,163,176.82	889,858,198.31
Employees Compensable Leave	16,894,365.89	16,315,326.61
Other Post Employment Benefits (Note 11)	61,207,877.00	63,084,598.00
Claims and Judgments	3,394,786.00	1,312,021.00
Notes and Loans Payable (Note 5)	9,895,000.00	4,157,000.00
Notes From Direct Borrowings (Note 5)	3,504,316.33	3,452,375.56
Bonds Payable (Note 6)	322,615,109.72	282,666,412.44
Lease Liability (Note 8)	18,700,018.57	17,627,207.15
Right to Use Software Subscription Liability (Note 8)	18,413,835.19	15,933,987.73
Liabilities Payable from Restricted Assets	45,050,456.00	24,442,235.73
Other Current Liabilities	51,494,476.33	55,643,183.56
Total Current Liabilities	**$2,603,971,847.53**	**$2,448,904,613.63**

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Exhibit III
The Texas A&M University System
Combined Proprietary Statement of Net Position
For the Year Ended August 31, 2024

	Current Year	Prior Year
Non-Current Liabilities		
Interfund Payable (Note 12)	$12,103,599.27	$3,410,278.91
Employees Compensable Leave	120,719,740.21	110,883,913.45
Other Post Employment Benefits (Note 11)	1,821,247,256.00	2,260,576,516.00
Pension Liability (Note 9)	965,213,562.00	771,327,658.00
Claims and Judgments	11,411,799.00	12,251,671.00
Notes and Loans Payable (Note 5)	270,529,000.00	118,857,000.00
Notes From Direct Borrowings (Note 5)	47,751,918.63	51,322,631.37
Bonds Payable (Note 6)	4,724,219,144.15	4,578,623,302.12
Assets Held in Trust	362,100.00	362,100.00
Liabilities Payable from Restricted Assets	10,137,393.28	9,166,189.23
Lease Liability (Note 8)	170,640,337.48	178,388,482.43
Right to Use Software Subscription Liability (Note 8)	9,320,179.13	21,727,081.73
Asset Retirement Obligations (Note 5)	13,326,635.27	12,426,635.27
Other Non-Current Liabilities	23,118,482.76	23,054,318.07
Total Non-Current Liabilities	**$8,200,101,147.18**	**$8,152,377,777.58**
Deferred Inflows of Resources (Note 28)		
Pension	$73,445,773.00	$106,067,301.00
Other Post Employment Benefits	1,431,360,344.00	881,131,703.00
Split-Interest Agreement	1,032,256.08	955,368.83
Lease Income	197,851,974.43	204,189,181.71
Public Private Partnership Asset	23,779,888.93	24,935,792.13
Total Deferred Inflows of Resources (Note 28)	**$1,727,470,236.44**	**$1,217,279,346.67**
Total Liabilities and Deferred Inflows	**$12,531,543,231.15**	**$11,818,561,737.88**
Net Position		
Net Investment in Capital Assets	$2,368,525,633.36	$2,358,670,589.73
Restricted for		
Capital Projects	841,838,129.05	576,421,017.89
Education	528,034,127.18	660,248,176.56
Endowment and Permanent Funds		
Nonexpendable	476,718,961.77	467,520,171.36
Expendable	465,238,531.78	400,217,577.29
Unrestricted	5,465,532,325.71	4,476,528,070.08
Total Proprietary Net Position (Exhibit IV)	**$10,145,887,708.85**	**$8,939,605,602.91**

The Accompanying Summary of Significant Accounting Policies and Notes to Financial Statements are an integral part of this statement.

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Exhibit IV
The Texas A&M University System
Combined Proprietary Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2024

	Current Year	Prior Year
Operating Revenues		
Tuition and Fees	$1,924,048,753.49	$1,856,353,253.61
Discounts and Allowances	(542,179,993.84)	(502,074,031.06)
Professional Fees	1,030,588.04	1,031,220.57
Auxiliary Enterprises	486,071,690.31	445,349,357.75
Discounts and Allowances	(66,229,537.38)	(54,790,343.84)
Other Sales of Goods and Services	414,356,604.87	381,448,584.53
Discounts and Allowances	(11,152,826.36)	(8,929,859.55)
Interest Revenue - Loans	752,130.96	676,852.44
Federal Revenue	766,104,484.89	702,554,356.18
Federal Pass Through Revenue	48,854,824.49	130,667,097.07
State Grant Revenue	6,685,716.76	6,868,508.53
State Pass Through Revenue	149,624,960.10	148,228,507.94
Other Grants and Contracts	321,874,184.18	335,876,410.58
Other Operating Revenue	144,395,816.18	97,011,997.57
Total Operating Revenues	**$3,644,237,396.69**	**$3,540,271,912.32**
Operating Expenses		
Instruction	$1,499,163,753.40	$1,459,082,436.37
Research	1,291,325,626.67	1,172,588,821.88
Public Service	1,487,152,988.96	2,372,558,463.44
Academic Support	617,106,911.49	561,577,852.81
Student Service	282,430,498.38	267,114,777.13
Institutional Support	433,159,867.87	389,761,054.62
Operation & Maintenance of Plant	412,821,783.12	373,012,977.61
Scholarships & Fellowships	295,956,651.76	280,447,107.77
Auxiliary	576,937,882.67	502,246,467.60
Depreciation / Amortization	586,407,632.07	558,093,162.64
Total Operating Expenses (Schedule IV-1)	**$7,482,463,596.39**	**$7,936,483,121.87**
Total Operating Loss	**($3,838,226,199.70)**	**($4,396,211,209.55)**
Nonoperating Revenues (Expenses)		
Legislative Revenue	$1,843,224,694.22	$1,820,839,369.72
Federal Revenue	857,202,242.42	1,530,785,248.83
Federal Pass Through Revenue	25,829,734.81	656,163,329.47
State Pass Through Revenue	372,527,728.29	226,841,522.55
Gifts	283,196,995.99	389,708,349.01
Investment Income	1,068,460,789.30	558,834,005.04
Investing Activities Expense	(26,453,977.40)	(22,358,104.22)

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Exhibit IV
The Texas A&M University System
Combined Proprietary Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2024

	Current Year	Prior Year
Interest Expense	($197,250,330.38)	($188,745,671.84)
Borrower Rebates and Agent Fees	(2,262,903.51)	(2,454,338.04)
Gain (Loss) on Sale or Disposal of Capital Assets	(11,262,747.91)	2,714,888.47
Settlement of Claims	(4,238,071.32)	(811,823.70)
Other Nonoperating Revenues	62,407,448.41	115,586,311.78
Other Nonoperating Expenses	(57,464,044.96)	(124,758,290.80)
Total Nonoperating Revenues (Expenses)	**$4,213,917,557.96**	**$4,962,344,796.27**
Income Before Other Revenues and Transfers	**$375,691,358.26**	**$566,133,586.72**
Capital Contributions, Endowments and Transfers		
Capital Contributions	$29,314,020.48	$11,546,181.21
Capital Appropriation - Higher Education Fund	49,880,728.00	48,419,905.00
Additions to Permanent and Term Endowments	6,189,746.07	12,110,247.28
Transfers In		
Transfers From State Agencies	714,179,447.80	579,996,181.48
Transfers From State Agencies - Capital Assets	769,553.74	6,906.18
Transfers Out		
Transfers To State Agencies	(8,939,143.55)	(1,838,305.70)
Transfers To State Agencies - Capital Assets	(150,477.58)	
Legislative Transfers - In	38,263,643.00	8,330,711.71
Legislative Appropriations Lapsed	1,083,229.72	(1,866,738.77)
Total Capital Contributions, Endowments and Transfers	**$830,590,747.68**	**$656,705,088.39**
Change in Net Position	**$1,206,282,105.94**	**$1,222,838,675.11**
Net Position, Beginning of Year	**$8,939,605,602.91**	**$7,716,766,927.80**
Net Position, End of Year (Exhibit III)	**$10,145,887,708.85**	**$8,939,605,602.91**

The Accompanying Summary of Significant Accounting Policies and Notes to Financial Statements are an integral part of this statement.

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Schedule IV-1
The Texas A University System
Combined Proprietary Statement of NACUBO Function to Natural Classification Matrix
For the Year Ended August 31, 2024

	Instruction	Research	Public Service	Academic Support
Natural Classification				
Salaries and Wages	$947,715,454.19	$550,030,654.58	$222,487,265.89	$305,499,951.74
Payroll Related Costs	296,292,337.18	163,494,061.45	95,670,984.88	97,120,429.33
Cost of Goods Sold	1,305,219.51	376,349.06	224,077.16	251,077.08
Professional Fees and Services	74,373,259.18	159,997,830.96	174,543,941.42	66,578,734.03
Travel	23,877,193.66	27,634,675.58	10,768,996.36	10,604,057.38
Materials and Supplies	49,270,328.26	88,236,914.69	98,137,609.99	56,717,748.70
Communications and Utilities	4,718,008.24	15,905,937.38	9,950,936.52	13,646,635.69
Repairs and Maintenance	9,145,276.03	33,032,087.63	5,942,787.21	13,434,523.30
Rentals and Leases	34,313,838.45	20,793,197.41	167,020,891.52	16,602,027.78
Printing and Reproduction	2,278,797.35	3,418,960.72	1,034,533.59	1,726,488.64
Federal Pass Through	2,134,060.78	20,533,076.50	139,288,968.68	65,836.87
State Pass Through		1,713,624.33	1,510,143.79	
Depreciation and Amortization				
Bad Debt Expense				
Interest	25,812.29	70,106.79	73,132.65	14,516.86
Scholarships	3,340,813.31	52,131,831.96	1,572,724.15	2,300,269.09
Claims and Losses				
Other Operating Expenses	50,373,354.97	153,956,317.63	558,925,995.15	32,544,615.00
Total Proprietary Operating Expenses	**$1,499,163,753.40**	**$1,291,325,626.67**	**$1,487,152,988.96**	**$617,106,911.49**

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Schedule IV-1
The Texas A University System
Combined Proprietary Statement of NACUBO Function to Natural Classification Matrix
For the Year Ended August 31, 2024

	Student Service	Institutional Support	Operation & Maintenance of Plant	Scholarships & Fellowships
Natural Classification				
Salaries and Wages	$118,750,113.76	$191,682,520.49	$38,756,434.31	$26,691,576.74
Payroll Related Costs	46,414,209.70	88,912,683.16	16,442,530.12	3,423,209.07
Cost of Goods Sold	25,323.83	44,103.03	(132,075.35)	6,799.45
Professional Fees and Services	30,941,712.15	69,485,141.64	80,483,355.60	9,835,504.00
Travel	6,612,705.88	3,044,133.50	286,365.37	1,853,066.76
Materials and Supplies	18,280,029.65	12,590,209.28	13,042,229.21	1,959,420.58
Communications and Utilities	3,324,839.56	2,912,740.74	89,480,176.81	1,051,095.00
Repairs and Maintenance	6,069,315.89	8,840,704.50	136,626,513.52	1,243,579.16
Rentals and Leases	14,269,881.36	11,317,986.49	6,596,612.17	1,779,421.10
Printing and Reproduction	1,959,477.40	1,125,754.97	39,107.89	73,561.97
Federal Pass Through				
State Pass Through		47,291.30		46,126.42
Depreciation and Amortization				
Bad Debt Expense	537,330.15			
Interest	9,323.88	17,541.62	9,207.92	254.51
Scholarships	2,946,109.61	15,001,762.86	139,548.85	241,880,014.90
Claims and Losses			41,999.83	
Other Operating Expenses	32,290,125.56	28,137,294.29	31,009,776.87	6,113,022.10
Total Proprietary Operating Expenses	**$282,430,498.38**	**$433,159,867.87**	**$412,821,783.12**	**$295,956,651.76**

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Schedule IV-1
The Texas A University System
Combined Proprietary Statement of NACUBO Function to Natural Classification Matrix
For the Year Ended August 31, 2024

	Auxiliary	Depreciation / Amortization	Current Year	Prior Year
Natural Classification				
Salaries and Wages	$173,792,027.73	$0.00	$2,575,405,999.43	$2,318,371,271.78
Payroll Related Costs	35,292,733.25		843,063,178.14	815,191,232.92
Cost of Goods Sold	3,158,860.20		5,259,733.97	6,578,265.48
Professional Fees and Services	114,976,854.07		781,216,333.05	681,292,339.29
Travel	22,627,175.79		107,308,370.28	95,952,703.57
Materials and Supplies	29,551,269.83		367,785,760.19	328,737,969.66
Communications and Utilities	35,618,897.63		176,609,267.57	159,241,033.41
Repairs and Maintenance	34,289,613.55		248,624,400.79	205,134,624.14
Rentals and Leases	27,832,142.44		300,525,998.72	213,659,139.80
Printing and Reproduction	1,000,853.60		12,657,536.13	13,469,062.98
Federal Pass Through			162,021,942.83	602,132,693.85
State Pass Through			3,317,185.84	4,134,938.22
Depreciation and Amortization		586,407,632.07	586,407,632.07	558,093,162.64
Bad Debt Expense			537,330.15	375,184.82
Interest	12,204.17		232,100.69	181,324.65
Scholarships	19,354,640.54		338,667,715.27	321,193,346.15
Claims and Losses			41,999.83	29,683,198.09
Other Operating Expenses	79,430,609.87		972,781,111.44	1,583,061,630.42
Total Proprietary Operating Expenses	**$576,937,882.67**	**$586,407,632.07**	**$7,482,463,596.39**	**$7,936,483,121.87**

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Exhibit V
The Texas A&M University System
Combined Proprietary Statement of Cash Flows
For the Year Ended August 31, 2024

	Current Year	Prior Year
Cash Flows From Operating Activities		
Proceeds Received From Tuition and Fees	$1,454,079,341.45	$1,359,429,801.00
Proceeds Received From Customers	364,147,370.12	444,939,241.76
Proceeds From Grants and Contracts	1,326,332,047.30	1,255,124,489.11
Proceeds From Auxiliary Enterprises	426,373,483.39	386,912,735.02
Proceeds From Loan Programs	637,069,704.49	615,009,692.77
Proceeds From Other Operating Revenues	144,789,683.64	108,793,657.36
Payments to Suppliers for Goods and Services	(2,935,336,329.89)	(3,336,642,307.87)
Payments to Employees	(3,269,797,041.50)	(2,948,826,617.07)
Payments for Loans Provided	(641,522,756.93)	(623,389,275.71)
Payments for Other Operating Expenses	(597,561,828.97)	(780,038,167.16)
Net Cash Used By Operating Activities	**($3,091,426,326.90)**	**($3,518,686,750.79)**
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	$1,757,742,642.73	$1,437,633,060.91
Proceeds From Gifts	305,255,739.75	399,807,545.45
Proceeds From Endowments	6,189,746.07	12,110,247.28
Proceeds From Transfers From Other Funds	740,037,864.70	512,379,566.80
Proceeds From Other Grant Receipts	1,205,946,777.87	2,409,131,756.81
Proceeds From Other Noncapital Financing Activities	48,830,239.12	120,929,389.83
Payments for Transfers to Other Funds	(18,743,105.26)	(2,322,291.71)
Payments for Other Noncapital Financing Uses	(47,961,891.75)	(119,792,789.38)
Net Cash Provided By Noncapital Financing Activities	**$3,997,298,013.23**	**$4,769,876,485.99**
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	$1,597,780.72	$5,924,232.97
Proceeds From Debt Issuance	956,820,491.06	633,625,395.95
Proceeds From Interfund Payables	10,007,803.99	
Proceeds From Other Financing Activities	28,282,147.69	11,755,585.39
Payments for Additions to Capital Assets	(920,150,736.05)	(709,783,577.51)
Payments of Principal On Debt	(613,865,951.75)	(712,981,967.60)
Payments for Leases/SBITA	(8,781,129.00)	(15,719,055.76)
Payments of Interest On Debt Issuance	(168,471,512.49)	(183,022,710.07)
Payments for Interfund Receivables	(1,551,196.61)	(11,612,292.82)
Payments of Other Costs On Debt Issuance	(3,592,937.89)	(3,606,873.76)
Net Cash Used By Capital & Related Financing Activities	**($719,705,240.33)**	**($985,421,263.21)**
Cash Flows From Investing Activities		
Proceeds From Sales of Investments	$2,769,437,574.47	$2,070,604,185.06
Proceeds From Interest and Investment Income	270,810,874.80	198,839,661.14
Payments to Acquire Investments	(2,762,961,893.23)	(2,206,032,736.24)
Net Cash Provided By Investing Activities	**$277,286,556.04**	**$63,411,109.96**
Net Increase In Cash and Cash Equivalents	**$463,453,002.04**	**$329,179,581.95**
Proprietary Cash and Cash Equivalents, Beginning of Year	$2,371,506,420.80	$2,042,326,838.85
Proprietary Cash and Cash Equivalents, End of Year (Schedule Three)	**$2,834,959,422.84**	**$2,371,506,420.80**

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Exhibit V
The Texas A&M University System
Combined Proprietary Statement of Cash Flows
For the Year Ended August 31, 2024

	Current Year	Prior Year
Reconciliation of Operating Loss to Net Cash Used By Operating Activities		
Operating Loss	($3,838,226,199.70)	($4,396,211,209.55)
Adjustments to Reconcile Operating Loss to Net Cash Used By Operating Activities		
Amortization and Depreciation	$586,407,632.07	$558,093,162.64
Bad Debt Expense	9,611,806.97	4,922,989.79
Pension Expense	176,508,587.00	94,504,755.00
OPEB Expense	68,337,135.00	171,048,559.00
Changes In Assets and Liabilities		
(Increase) Decrease In Receivables	20,859,048.02	(58,996,505.36)
(Increase) Decrease In Due From Agencies/Funds	(737,783.52)	(20,629,409.24)
(Increase) Decrease In Inventories	(4,442,457.43)	3,152,134.29
(Increase) Decrease In Prepaid Expenses	(4,579,261.93)	(23,881,913.17)
(Increase) Decrease In Loans and Contracts	(2,999,965.60)	(7,113,033.16)
(Increase) Decrease In Other Assets	(2,734,855.81)	512,458.05
(Increase) Decrease In Deferred Outflows - Pensions	(68,468,637.00)	(172,309,364.00)
(Increase) Decrease In Deferred Outflows - OPEB	(97,070,126.00)	16,825,109.00
Increase (Decrease) In Payables	(6,707,704.87)	65,408,853.22
Increase (Decrease) In Due to Other Agencies/Funds	(61,506,050.54)	172,320,634.77
Increase (Decrease) In Unearned Revenue	105,043,900.48	38,027,460.50
Increase (Decrease) In Deposits	518,645.39	(192,649.75)
Increase (Decrease) In Employees Compensable Leave	10,414,866.04	7,765,529.54
Increase (Decrease) In OPEB Liability	(453,158,515.00)	(494,842,582.00)
Increase (Decrease) In Pension Liability	101,090,162.00	401,789,991.00
Increase (Decrease) In Self Insured Accrued Liability	(1,875,107.00)	(1,263,058.00)
Increase (Decrease) In Other Liabilities	2,266,329.48	(125,930,467.13)
Increase (Decrease) In Deferred Inflows - Pensions	(116,334,373.00)	(299,827,844.00)
Increase (Decrease) In Deferred Inflows - OPEB	493,844,040.00	425,248,673.00
Increase (Decrease) in Deferred Inflows of Resources – Leases	(7,487,441.95)	97,955,182.64
Increase (Decrease) in Deferred Inflows of Resources – PPP Assets		24,935,792.13
Total Adjustments	**$746,799,872.80**	**$877,524,458.76**
Net Cash Used By Operating Activities	**($3,091,426,326.90)**	**($3,518,686,750.79)**
Non-Cash Transactions		
Donation of Capital Assets	$29,314,020.48	$11,546,181.21
Net Change In Fair Value of Investments	649,630,815.00	351,449,853.11
Amortization of Bond Premiums and Discounts	22,206,412.44	22,185,539.25
Borrowing Under Lease Purchase	21,980,860.81	95,052,474.94
Other	(1,754,485.00)	2,422,674.62

The Accompanying Summary of Significant Accounting Policies and Notes to Financial Statements are an integral part of this statement.

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Exhibit VI
The Texas A&M University System
Combined Statement of Fiduciary Net Position - Custodial Funds
For the Year Ended August 31, 2024

	Current Year	Prior Year
Assets		
Cash and Cash Equivalents (Schedule Three-F)	$1,295,364.92	$9,138,214.53
Investments (Note 3)	1,970,940.91	1,713,821.37
Restricted Cash and Cash Equivalents		
Cash and Cash Equivalents (Schedule Three-F)	40,995,403.17	32,076,668.65
Investments (Note 3)	422,700,456.75	363,081,270.63
Receivables, Net (Note 24)		
Interest and Dividends	1,024,403.32	1,050,461.00
Gifts	46,934,516.40	46,596,038.35
Student	1,416,669.02	1,386,143.11
Investment Trades	691,125.50	258,268.33
Accounts	590,710.43	3,457,398.94
Other	411,739.08	2,250,111.98
Other Assets	12,452.05	677.60
Total Assets	**$518,043,781.55**	**$461,009,074.49**
Liabilities		
Payables (Note 24)		
Accounts	$1,280,682.05	$1,416,807.48
Investment Trades	767,610.47	676,182.85
Other	345,422.20	448,357.56
Other Liabilities	5,511,537.94	5,259,669.52
Total Liabilities	**$7,905,252.66**	**$7,801,017.41**
Net Position		
Restricted for		
Individuals, Organizations, & Other Entities	$510,138,528.89	$453,208,057.08
Total Fiduciary Net Position (Exhibit VII)	**$510,138,528.89**	**$453,208,057.08**

The Accompanying Summary of Significant Accounting Policies and Notes to Financial Statements are an integral part of this statement.

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Exhibit VII
The Texas A&M University System
Combined Statement of Changes in Fiduciary Net Position - Custodial Funds
For the Year Ended August 31, 2024

	Current Year	Prior Year
Additions		
Contributions		
Contributions from Foundations/Alumni Associations	$18,824,205.67	$24,212,811.50
Contributions from External Entities to Student Organizations	4,184,142.11	3,077,711.87
Contributions from Other Organizations	374,486.36	886,651.99
Total Contributions	**$23,382,834.14**	**$28,177,175.36**
Investment Income		
Interest/Dividends/Other Income	$8,289,571.73	$7,081,564.18
Realized Gain Sale of Investments	3,243,453.72	9,532,051.64
Net Increase (Decrease) in Fair Value of Investments	38,389,228.76	12,210,991.30
Total Investment Income	$49,922,254.21	$28,824,607.12
Less: Investment Activity Costs	(2,180,528.42)	(2,007,576.97)
Total Net Investment Income	**$47,741,725.79**	**$26,817,030.15**
Other Additions		
Receipts for Sales Revenue from Public Private Partnerships	$13,126,528.95	$12,230,305.04
Receipts for Dues and Event Revenues from Student Organizations	16,907,920.84	13,233,433.83
Receipts from Other Organizations	1,980,193.26	2,009,110.72
Miscellaneous Additions	2,657,317.99	2,578,236.95
Total Other Additions	**$34,671,961.04**	**$30,051,086.54**
Total Additions	**$105,796,520.97**	**$85,045,292.05**
Deductions		
Refunds of Contributions for Investments Held for Non A&M Entities	$0.00	$81,118,970.20
Payments of Operational Costs for Public Private Partnerships	8,753,879.72	13,307,639.13
Payments of Operational and Event Costs for Student Organizations	18,461,555.74	16,094,904.35
Payments of Operational Costs for Foundations/Alumni Associations	17,421,159.95	15,290,994.72
Miscellaneous Deductions	4,229,453.75	4,267,282.21
Total Deductions	**$48,866,049.16**	**$130,079,790.61**
Net Decrease in Fiduciary Net Position	**$56,930,471.81**	**($45,034,498.56)**
Net Position, Beginning of Year	$453,208,057.08	$498,242,555.64
Fiduciary Net Position, End of Year (Exhibit VI)	**$510,138,528.89**	**$453,208,057.08**

The Accompanying Summary of Significant Accounting Policies and Notes to Financial Statements are an integral part of this statement.

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The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Notes to the Combined Financial Statements

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The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 1 - Summary of Significant Accounting Policies

The accompanying financial statements of the A&M System are prepared in accordance with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) pronouncements, the requirements of the Texas Comptroller of Public Accounts, and the guidelines from the National Association of College and University Business Officers.

Financial Reporting Structure, Basis of Accounting and Measurement Focus

Proprietary Funds
For financial reporting purposes, the A&M System is considered a special-purpose government engaged in business-type activities for the State of Texas Annual Comprehensive Financial Report (ACFR). Accordingly, the A&M System's proprietary financial statements are presented using the economic resources measurement focus and the full accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation is incurred. Operating items are distinguished from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with ongoing operations.

Fiduciary Funds
The A&M System is a fiduciary entity for several different types of custodial funds. These fiduciary activities are reported separately from other financial activities since the A&M System cannot access the assets to finance its operations. The A&M System's fiduciary responsibilities include ensuring assets reported in these funds are secure and outflows occur based upon the custodial entity's intended purposes. Fiduciary funds also use the economic resources measurement focus and the full accrual basis of accounting; additions are recognized in the reporting period they are earned, and deductions are recognized in the reporting period they are incurred.

The A&M System reports on several types of fiduciary custodial funds: investments held for other non-A&M institutions, student organizations, foundation/alumni associations, public private partnerships and other.

Assets

Cash and Cash Equivalents
All highly liquid investments with a maturity of three months or less at the time of purchase are considered cash and cash equivalents. With the exception of residual cash which results from the management of investment portfolios, the A&M System maintains cash and cash equivalents for the purpose of meeting short-term disbursement requirements.

Investments
Current and non-current investments are reported at fair value. Fair value is defined as the price received if an investment were sold in an orderly transaction between market participants at the measurement date. Measuring fair value requires gathering information, or inputs, about the asset or liability being measured. The fair value hierarchy categorizes the inputs used to measure fair value into three levels. Level 1 inputs

are quoted prices in active markets for assets or liabilities identical to the ones being measured, Level 2 inputs are observable for similar assets or liabilities, and Level 3 inputs are unobservable inputs.

The notes to the financial statements disclose the input levels used to determine fair value, and also display the deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Current Assets
On the proprietary Statement of Net Position, items classified as current are defined as resources expected to be realized or consumed within one year.

Receivables
Receivable balances are grouped into several receivable categories. Accounts receivable reflect amounts owed for goods and services provided, or the value of a Public Private Partnership (P3) Asset to be transferred. Refer to Note 27 - Public-Private and Public-Public Partnerships for additional details.

Self-insured health and dental receivable represents August premiums for the A&M System's self-insured arrangement for group health and dental plan insurance coverage. The investment trades category reports pending security sales which have been traded and not settled as of the end of the reporting period. Other receivables include items such as travel advances, returned checks, and various items accrued.

Receivable balances are presented net of an allowance for uncollectible accounts. The allowance is based on management's judgment of potential uncollectible amounts, which includes such factors as historical experience and type of receivable. Refer to Note 24 - Disaggregation of Receivable and Payable Balances, for additional details.

Lease Receivables
Lease receivables are recorded by the A&M System as the present value of lease payments expected to be received under leases meeting the $100,000 threshold per contract excluding short-term. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. Short-term leases, those with a maximum period of 12 months, are recognized as collected. Additional details are provided in Note 8 – Leases.

Other Assets
Balances reported as Other Assets consist mostly of prepaid expenses along with other miscellaneous deposit balances. The Other Assets reported in the Non-Current section include the A&M System's share of a split interest agreement.

Capital Assets
Capital assets are recorded at cost at the date of acquisition or fair value at the date of donation in the case of gifts. Livestock held for educational purposes is recorded at estimated fair value. The capitalization threshold for personal property is $5,000. The capitalization threshold is $100,000 for buildings and building improvements, facilities and other improvements, purchased software, land use rights with terms, and leasehold improvements. Infrastructure has a capitalization threshold of $500,000. Internally developed software has a capitalization threshold of $1,000,000. All land, land improvements, permanent land use rights, library books/materials, museums/collections, and works of art/historical treasures are capitalized.

Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets; generally, 10 to 30 years for buildings and building improvements, 10 to 45 years for infrastructure, 4 to 15 years for equipment, and 15 years for library books.

Right-to-Use-Assets
Right-to-Use (RTU) assets represent the right to use another entity's nonfinancial asset (building, land, equipment, subscription software, etc.) for a specified period of time as defined in the lease contract. RTU assets and the related lease liability are recognized at the lease commencement date and measured based on the present value of future lease payments. The minimum threshold for capitalizing RTU assets is based on the net present value of future payments, $100,000 per unit for leases (building, land, equipment) and $500,000 per contract for software-based information technology arrangements (SBITA).

Liabilities

Payables
Payable balances are grouped into various payable categories on the Statement of Net Position. Accounts payable represents the liability for the value of assets or services received, as of the date of the financial statements, for which payment is pending. Payroll payable includes accrued salary, wages, and benefits. The investment trades category reports pending security purchases traded and not settled as of the end of the reporting period. Self-insured health and dental payable represents a liability for self-insured group health and dental insurance plan coverage. Other payables include a variety of items, including payables for investment manager fees, sales taxes, and student liabilities.

Lease Liabilities
Lease liabilities represent the A&M System's obligation to make lease payments arising from leases meeting the $100,000 threshold per RTU asset, excluding short-term leases. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. Present value of lease payments is discounted based on a borrowing rate determined by the A&M System. Short-term leases, those with a maximum period of 12 months, are expensed as incurred. Additional details are provided in Note 8 - Leases and Software Subscriptions.

Software Subscriptions
Subscription-Based Information Technology Arrangements (SBITA) are contracts that involve control over the right to use another party's IT software or IT software combined with tangible capital assets for a specified period. Software subscription liabilities represent the A&M System's obligation to make software payments arising from contracts meeting the $500,000 threshold per contract, excluding short-term contracts with a term of less than 12 months

Software subscription liabilities are recognized at the commencement date based on the present value of future payments over the remaining term of the contract. The present value of future payments is discounted based on a borrowing rate determined by the A&M System. Short-term leases, those with a maximum period of 12 months, are expensed as incurred. See Note 8 - Leases and Software Subscriptions for additional details.

Asset Retirement Obligations (AROs)
An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. AROs result from the normal operations of tangible capital assets and include legally enforceable liabilities associated with the asset's retirement, disposal, and any associated environmental remediation. The A&M System is reporting AROs related to radioactive material licenses and nuclear research facilities, as detailed in Note 5 - Long-Term Liabilities.

Notes from Direct Borrowings
Notes from Direct Borrowings are reported in the liabilities section of the proprietary Statement of Net Position and represent debt from contractual obligations to make one or more payments over time to settle a contractual obligation. For the A&M System, this is for financed purchases for capital assets. See Note 5 - Long-Term Liabilities for additional details.

Pension Liability, and related Deferred Outflows and Deferred Inflows of Resources
The pension values provided by the Texas Comptroller's Office define the Texas A&M System's proportional share of the Teacher Retirement System of Texas (TRS) unfunded pension liability. TRS is a public employee retirement system (PERS) which is a multiple-employer, cost sharing, defined benefit pension plan. The plan is administered through a trust. For more information, see Note 9 - Pension Plans and Optional Retirement Program.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS plan and additions to/deductions from TRS' fiduciary net position have been determined on the full accrual basis. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Other Post-Employment Benefits (OPEB), and related Deferred Outflows and Deferred Inflows of Resources
In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees in accordance with State statutes. These benefits are provided to the A&M System's retirees under the A&M System group insurance program, which is a single-employer defined benefit Other Post-Employment (OPEB) plan. The State contributes to the cost of each participant's insurance coverage.

The total current and non-current OPEB liability, deferred outflows of resources and deferred inflows of resources is measured based on a calculation prepared by the A&M System's actuary. For more information, see Note 11 – Postemployment Health Care and Life Insurance Benefits.

Unearned Revenue
The A&M System members record receivables when revenue is earned but not collected. Unearned revenue is recognized when cash is received prior to revenue recognition, and is considered a liability.

Deferred Outflows of Resources and Deferred Inflows of Resources
The proprietary Statement of Net Position includes separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources are defined as the consumption of net assets applicable to a future reporting period, and have a positive effect on net position, similar to assets. Deferred inflows of resources are defined as the acquisition of net assets applicable to a future reporting period, and have a negative effect on net position, similar to liabilities.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Revenues and Expenses
Operating revenues include activities such as student tuition and fees, net sales and services of auxiliary enterprises, and most federal, state and local grants and contracts. Operating expenses include salaries and wages, payroll related costs, professional fees and services, materials and supplies, and scholarships.

Nonoperating revenues include activities such as State appropriations, gifts and contributions, investment income and other revenue sources which are defined as nonoperating revenues by the GASB (Governmental Accounting Standards Board). Nonoperating expenses include activities such as interest expense on capital asset financings, and other expenses.

Net Position
Net Position is the difference between assets plus deferred outflows of resources, less liabilities plus deferred inflows of resources.

Net Investment in Capital Assets
Net investment in capital assets, consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances for bond, notes and other debt attributed to the acquisition, construction or improvement of those assets.

Restricted Net Position
Restricted net position results when constraints placed on net resources are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted assets are available for use, restricted resources are used first, then unrestricted resources are used as needed.

Unrestricted Net Position
Unrestricted net position consists of net resources not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management but can be removed or modified.

Other Significant Accounting Policies

The combined financial statements for the A&M System include the proprietary and fiduciary financial statements of each member of the A&M System, including the A&M System Offices, as well as the Texas A&M Research Foundation (Research Foundation). Due to/from, transfers, federal and state pass throughs between A&M System members have been eliminated.

Certain operations provide goods and services to internal customers. These operations include activities such as self- insured programs, repairs & maintenance, utilities, computer services, and other services with interdepartmental activities. The revenues were eliminated to the extent of expenses for these internal transactions in the proprietary Statement of Revenues, Expenses, and Changes in Net Position to avoid inflating revenues and expenses. Receivables and payables between A&M System members were eliminated except those arising from service department operations and auxiliary enterprises, which are considered to be exchange in nature.
An endowment appreciation reserve was created in the fiscal year 1997 for the purpose of providing a consistent and predictable income stream for the System Endowment Fund. The appreciation reserve is

administered by the A&M System Offices. All realized gains and losses are deposited to or funded from the appreciation reserve, and distributions from the reserve are used to supplement current income when the income received is insufficient to meet the required distribution in accordance with the System Endowment Fund spending policy.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 2 - Capital Assets

The proprietary fund summary of changes in Capital Assets for the year ended August 31, 2024 is presented below.

Capital Asset Activity	Beginning Balance	Adjustments	Completed CIP	Interagency Transactions	Additions	Deletions	Ending Balance
Non-Depreciable/Amortizable Assets							
Land and Land Improvements	$ 246,526,429.10	$ -	$ 584,000.28	$ -	$ 24,811,436.56	$ (89,035.22)	$ 271,832,830.72
Construction in Progress	1,305,189,261.79	-	(420,873,057.29)	-	755,185,279.16	(2,921.00)	1,639,498,562.66
Other Tangible Capital Assets	73,752,373.75	-	25,540.96	-	896,093.19	(793,541.00)	73,880,466.90
Land Use Rights	119,070.00	-	-	-	-	-	119,070.00
Non-Depreciable/Amortizable Assets	1,625,587,134.64	-	(420,263,516.05)	-	780,892,808.91	(885,497.22)	1,985,330,930.28
Depreciable Assets							
Buildings	8,333,970,582.33	176,820.01	332,183,666.09	8,357,295.91	9,732,881.12	(43,703,803.78)	8,640,717,441.68
Infrastructure	1,118,192,752.28	-	39,583,385.09	-	890,026.62	(797,692.51)	1,157,868,471.48
Facilities and Other Improvements	1,142,621,334.55	-	21,163,304.67	-	684,772.38	(421,599.85)	1,164,047,811.75
Furniture and Equipment	1,242,011,177.95	66,825.79	20,973,907.42	860,634.29	115,011,102.11	(44,542,417.29)	1,334,381,230.27
Vehicles, Boats and Aircraft	180,865,471.54	(5,018.81)	1,401,428.00	(101,023.60)	27,449,791.77	(4,792,059.64)	204,818,589.26
Other Capital Assets	221,529,238.39	(176,820.01)	7,350.00	-	7,702,433.46	(10,099,104.23)	218,963,097.61
Total Depreciable Assets	12,239,190,557.04	61,806.98	415,313,041.27	9,116,906.60	161,471,007.46	(104,356,677.30)	12,720,796,642.05
Less Accumulated Depreciation							
Buildings	(4,198,655,386.61)	(4,018.62)	-	(7,804,891.10)	(343,147,863.35)	25,513,968.73	(4,524,098,190.95)
Infrastructure	(590,350,898.16)	-	-	-	(45,825,991.28)	-	(636,176,889.44)
Facilities and Other Improvements	(501,671,771.45)	-	-	-	(38,882,798.47)	66,035.25	(540,488,534.67)
Furniture and Equipment	(921,875,668.28)	(66,825.79)	-	(758,479.24)	(89,957,618.66)	27,434,495.74	(985,224,096.23)
Vehicles, Boats and Aircraft	(133,800,253.29)	5,018.81	-	65,539.90	(13,516,538.09)	4,027,211.73	(143,219,020.94)
Other Capital Assets	(171,315,970.83)	4,018.62	-	-	(7,268,551.59)	5,744,405.62	(172,836,098.18)
Total Accumulated Depreciation	(6,517,669,948.62)	(61,806.98)	-	(8,497,830.44)	(538,599,361.44)	62,786,117.07	(7,002,042,830.41)
Depreciable Assets, Net	5,721,520,608.42	-	415,313,041.27	619,076.16	(377,128,353.98)	(41,570,560.23)	5,718,753,811.64
Amortizable Assets - Intangible							
Land Use Rights	255,457.00	-	-	-	-	-	255,457.00
Computer Software	128,251,575.81	-	4,950,474.78	-	1,443,507.45	(156,976.39)	134,488,581.65
Total Intangible Assets-Amortizable	128,507,032.81	-	4,950,474.78	-	1,443,507.45	(156,976.39)	134,744,038.65
Less Accumulated Amortization							
Land Use Rights	(255,457.00)	-	-	-	-	-	(255,457.00)
Computer Software	(118,774,442.62)	-	-	-	(4,926,829.02)	156,976.39	(123,544,295.25)
Total Accumulated Amortization	(119,029,899.62)	-	-	-	(4,926,829.02)	156,976.39	(123,799,752.25)
Amortizable Intangible Assets, Net	9,477,133.19	-	4,950,474.78	-	(3,483,321.57)	-	10,944,286.40
Total Capital Assets, Net	$7,356,584,876.25	$ -	$ -	$ 619,076.16	$ 400,281,133.36	$(42,456,057.45)	$ 7,715,029,028.32

The Texas A&M University System
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Capital Asset Activity-Continued

	Beginning Balance	Adjustments	Completed CIP	Interagency Transactions	Additions	Deletions	Ending Balance
Right-to-Use Assets							
RTU-Land and Land Improvements	$ 123,522.07	$ -	$ -	$ -	$ 5,031,259.28	$ -	$ 5,154,781.35
RTU-Building and Building Improvements	225,182,303.97	-	-	-	8,178,200.23	(6,002,967.62)	227,357,536.58
RTU-Equipment	2,419,254.42	-	-	-	742.48	(329,815.92)	2,090,180.98
RTU-Software Subscription	62,451,034.36				8,632,705.66	(952,158.91)	70,131,581.11
Total Right-to-Use Assets	290,176,114.82	-	-	-	21,842,907.65	(7,284,942.45)	304,734,080.02
Less Accumulated Amortization for RTU Assets							
RTU-Land and Land Improvements	(33,686.64)	-	-	-	(142,642.86)	-	(176,329.50)
RTU-Building and Building Improvements	(35,551,886.95)	-	-	-	(22,860,662.05)	5,265,764.34	(53,146,784.66)
RTU-Equipment	(639,112.32)		-	-	(494,691.48)	329,815.92	(803,987.88)
RTU-Software Subscription	(17,184,941.94)	-	-	-	(19,383,445.22)	952,158.91	(35,616,228.25)
Total Accumulated Amortization-RTU Assets	(53,409,627.85)	-	-	-	(42,881,441.61)	6,547,739.17	(89,743,330.29)
Right-to-Use Assets, Net	$ 236,766,486.97	$ -	$ -	$ -	$ (21,038,533.96)	$ (737,203.28)	$ 214,990,749.73
Total Capital and Right-to-Use Assets, Net	$7,593,351,363.22	$ -	$ -	$ 619,076.16	$ 379,242,599.40	$(43,193,260.73)	$ 7,930,019,778.05

Note 3 - Deposits, Investments and Repurchase Agreements

The *Texas Education Code*, Title III, Chapter 51.0031 grants authority for a governing board to invest funds under prudent person standards "if a governing board has under its control at least $25 million in book value of endowment funds."

The A&M System's investment policy authorizes the following types of investments: U.S. Government obligations, U.S. Government Agency obligations, other government obligations, corporate obligations, equity, international obligations, international equity, certificates of deposit, banker's acceptances, negotiable certificates of deposit, money market mutual funds, mutual funds, repurchase agreements, venture capital, private equity, hedge funds, Real Estate Investment Trusts (REITs), securities lending, derivatives, timber, bank loans, energy and real estate.

Deposits of Cash in Bank

Cash in bank consists of all cash in local and foreign banks. These amounts are reported on the Proprietary and Fiduciary Combined Statements of Net Position as part of the "Cash and Cash Equivalents" line items. The table below summarizes cash balances as of August 31, 2024.

Cash in Bank		
Balance	**Proprietary Funds**	**Fiduciary Funds**
Bank Balance	$12,969,595.35	$443,916.36
Carrying Amount	$12,148,339.33	$443,916.36

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The A&M System's policy requires collateral of 102% pledged against all deposits and limits the amounts of funds which may be deposited with any bank to the lesser of $100,000,000 or 10% of total deposits. The A&M System regulation applicable to working fund bank accounts requires the Chancellor, or designee, to approve a working fund in any bank with which the A&M System does not have a depository agreement. As permitted by the Texas Education Code, Title III, Chapter 51.003, the A&M System maintained foreign bank accounts to accommodate operational needs for educational programs in Qatar. During fiscal year 2024, the A&M System held bank accounts in Doha, Qatar for the operation of Texas A&M University at Qatar and Texas A&M Engineering Experiment Station research centers that have locations in Qatar. The daily average exposure during fiscal year 2024 was $1,342,472.16. No appropriated or tuition funds other than those collected from students enrolled in the affected programs are deposited with the foreign bank. The funds held in Qatar were not insured or collateralized. As of August 31, 2024, the balance was $439,931.24, all of which is proprietary and included in the Bank Balances Exposed to Custodial Credit Risk table on the following page.

Incidental amounts of various foreign currencies are temporarily held through Bank of New York (BNY), its foreign branches, and/or foreign sub-custodian banks. These amounts represent funds related to trade settlement, interest, and/or dividend payments received in foreign currencies that are not yet converted to U.S. dollars. Such deposits of foreign currency are not insured or collateralized and are subject to custodial risk and the risk of fluctuations in exchange rates. As of August 31, 2024, uncollateralized foreign currency

held by or through BNY included proprietary funds of $3,506,262.15 and fiduciary funds of $223,793.46. These amounts are included in the Bank Balances Exposed to Custodial Credit Risk table below.

Funds received by the A&M System's investment custodian after the cut-off time for investment in the money market fund (due to late wire deposits and/or failed transactions) remain as cash and are not invested until the following business day. For each occurrence during fiscal year 2024, the first $250,000.00 of uninvested cash was insured by the FDIC. All balances in excess of the FDIC coverage, were fully collateralized by pledged securities held in a separate pool by the pledging financial institution, BNY. As of August 31, 2024, the uninvested cash balance included $1,907,799.64 of proprietary funds and $119,869.46 of fiduciary funds, of which $250,000.00 was covered by FDIC insurance and the remaining was collateralized as described above.

The bank balances (including foreign currency balances), exposed to custodial credit risk as of August 31, 2024, are presented in the table below.

Bank Balances Exposed to Custodial Credit Risk	
	Uninsured and Uncollateralized
Proprietary Funds	$3,946,193.39
Fiduciary Funds	$223,793.46

Foreign currency risk for deposits is the risk that changes in exchange rates will adversely affect the deposits. The A&M System does not have a deposit policy for foreign currency risk. The exposure to foreign currency risk for deposits as of August 31, 2024, is presented in the following table.

Bank Balances Exposed to Foreign Currency Risk

Currency	Proprietary Funds	Fiduciary Funds
Brazilian Real	$ 56,923.18	$ 3,633.39
British Pound	69.88	7.75
Euro	1,908,656.03	121,813.57
Hong Kong Dollar	752,443.47	48,026.79
Qatar Riyal	439,931.24	-
Swiss Franc	788,169.59	50,311.96
Total	$ 3,946,193.39	$ 223,793.46

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Investments

Investments are presented according to the hierarchy of inputs used to measure fair value.

- Level 1 has been assigned to investments for which quoted prices (unadjusted) are available for identical assets in active markets on the measurement date. These assets include equities (common stock, listed ADRs and listed preferred stock), exchange-traded mutual funds, exchange-traded options, money market funds and U.S. Treasury securities.
- Level 2 has been assigned to investments for which there are inputs, other than quoted prices, that are observable for an asset or liability, either directly or indirectly. These assets include cash equivalents, collateralized mortgage obligations, corporate bonds, mortgage-backed securities, municipal bonds, non-exchange traded options, short-term obligations, U.S. agency securities.
- Level 3 has been assigned to assets to which there are unobservable inputs. Examples of these assets are certain commingled funds and private equity partnerships (discussed below).

The net asset value per share (NAV), or its equivalent, may be used for an investment that does not have a readily determined fair value, provided the NAV is calculated consistent with the Financial Accounting Standards Board's (FASB) measurement principles for investment companies. The NAV is commonly used for certain alternative investments (such as private equity funds, hedge funds and certain commingled funds). The A&M System invests in private investments and limited partnerships including hedge funds, private equity, commingled funds, venture capital, natural resources, energy, and real estate. The fair value of these investments is based on the investment manager determined NAV as allowed by the standard. The valuations at the date provided by the investment managers have been adjusted by rolling forward to August 31, 2024, to include the following events: capital contributions or distributions since the most recent investment manager valuation date reported to the A&M System, changes in the composition of assets or liabilities reported by the investment manager since the valuation date of the NAV, and fair value changes of assets or liabilities reported since the investment manager valuation date. In the case of certain hedge funds, the A&M System has adjusted the reported July 31, 2024, NAV by the estimated performance as of August 31, 2024, as reported by the investment manager and by any cash inflows and outflows since the investment manager valuation date.

The repurchase agreements held by Texas Treasury Safekeeping Trust Company (TTSTC) are reported at amortized cost.

Mineral rights held for the purpose of generating income are reported at fair value based on three times the previous twelve months of income. The fair value reported as of August 31, 2024, is $140,023,507.77 ($139,984,959.06 Proprietary and $38,548.71 Fiduciary).

The A&M System invests in private equity technology partnerships through A&M System Technology Commercialization. The fair value of these investments is estimated based on the cost (pro-rata share of contributed capital based on percentage ownership in the company) or 3rd party pricing of stock (based on fund raising). Adjustments are made for impairments, such as the termination of a license agreement or inactivity of the company. The fair value reported as of August 31, 2024, is $4,951,740.52, all of which is proprietary.

Texas Woman's University (TWU) invests in the A&M System investment pools as authorized by Chapter 51.0031 of the Texas Education Code. As of August 31, 2024, the A&M System Cash Concentration Pool

and System Endowment Fund included investments valued at $239,968,191.56 for TWU. These amounts are categorized as fiduciary funds.

The following tables display the fair value of investments as of August 31, 2024, as reported in the financial statements and detailed by investment type. The investment type table includes categories to show the level of inputs used in determining the fair value of investments.

Proprietary Investments per Financial Statements

Schedule of Cash & Cash Equivalents		
Cash Equivalents	$	717,375,071.51
Restricted Cash Equivalents		571,616,472.18
Statement of Net Position		
Non-Current Investments		5,394,590,970.96
Non-Current Restricted Investments		1,292,970,981.98
Total Investments	$	7,976,553,496.63

Fiduciary Investments per Financial Statements

Schedule of Cash & Cash Equivalents		
Cash Equivalents	$	1,288,575.03
Restricted Cash Equivalents		40,548,276.70
Statement of Net Position		
Investments		1,970,940.91
Restricted Investments		422,700,456.75
Total Investments	$	466,508,249.39

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The Texas A&M University System
Notes to the Combined Financial Statements
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Proprietary Funds - Investment Fair Value						
Investment Type	Fair Value Hierarchy					Total Fair Value
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Amortized Cost	Net Asset Value	
U.S. Treasury Securities	$ 273,204,114.30	$ -	$ -	$ -	$ -	$ 273,204,114.30
U.S. Treasury TIPS	2,226,807.30		-	-	-	2,226,807.30
U.S. Government Agency Obligations	-	250,728,304.11	-	-	-	250,728,304.11
Corporate Obligations	-	430,028,327.21	49,483,996.72	-	-	479,512,323.93
Corporate Asset and Mortgage Backed Securities	-	119,482,881.50	-	-	-	119,482,881.50
U.S. Equity	1,308,061,923.63	-	-	-	-	1,308,061,923.63
International Obligations	-	193,461,363.86	3,972,478.67	-	-	197,433,842.53
International Equity	599,852,537.84	-	-	-	-	599,852,537.84
Repurchase Agreements - TTSTC	-	-	-	405,889.72	-	405,889.72
Fixed Income Money Market & Bond Mutual Fund	1,723,293,652.02	-	-	-	-	1,723,293,652.02
Mutual Funds - U.S. Equity	58,460.78	-	-	-	-	58,460.78
Mutual Funds - International Equity	17,764.24	-	-	-	-	17,764.24
Other Commingled Funds - Fixed Income	21,459,075.44	-	19,322,413.76	-	-	40,781,489.20
International Other Commingled Funds - Equity	511,179,773.65	-	287,805,977.64	-	235,886,770.81	1,034,872,522.10
Real Estate - Mineral Rights	-	-	139,984,959.06	-	-	139,984,959.06
Alternative Investments - Hedge Funds						
Domestic	-	-	-	-	886,486,526.46	886,486,526.46
International	-	-	-	-	514,411,273.70	514,411,273.70
Alternative Investments - Limited Partnerships and Research Commercialization						
Private Equity	-	-	4,951,740.52	-	116,373,972.12	121,325,712.64
International Private Equity	-	-	-	-	93,075,244.90	93,075,244.90
Real Estate	-	-	-	-	38,151,356.77	38,151,356.77
International Real Estate	-	-	-	-	21,127,038.16	21,127,038.16
Natural Resources	-	-	-	-	89,249,508.94	89,249,508.94
International Natural Resources	-	-	-	-	33,054,468.61	33,054,468.61
Other Investments						
Political Subdivisions	-	9,754,894.19	-	-	-	9,754,894.19
Total Investments	$ 4,439,354,109.20	$ 1,003,455,770.87	$505,521,566.37	$405,889.72	$ 2,027,816,160.47	$7,976,553,496.63

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Fiduciary Funds - Investment Fair Value					
Investment Type	Fair Value Hierarchy				Total Fair Value
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Net Asset Value	
U.S. Treasury Securities	$ 14,506,439.76	$ -	$ -	$ -	$ 14,506,439.76
U.S. Treasury - TIPS	127,146.33	-	-	-	127,146.33
U.S. Government Agency Obligations	-	14,447,656.11	-	-	14,447,656.11
Corporate Obligations	-	24,385,430.72	3,080,208.75	-	27,465,639.47
Corporate Asset and Mortgage Backed Securities	-	6,050,121.65	-	-	6,050,121.65
U.S. Equity	83,110,018.79	-	-	-	83,110,018.79
International Obligations		11,022,096.43	250,292.90	-	11,272,389.33
International Equity	38,189,868.72	-	-	-	38,189,868.72
Fixed Income Money Market & Bond Mutual Fund	67,000,913.03	-	-	-	67,000,913.03
Mutual Funds - U.S. Equity	1,530,647.33	-	-	-	1,530,647.33
Mutual Funds - International Equity	52,582.48	-	-	-	52,582.48
Other Commingled Funds - Fixed Income	1,373,976.07	-	1,236,173.15	-	2,610,149.22
International Other Commingled Funds - Equity	32,390,461.35	-	18,052,265.05	15,123,901.85	65,566,628.25
Real Estate - Mineral Rights	-	-	38,548.71	-	38,548.71
Alternative Investments - Hedge Funds					
Domestic	-	-	-	54,400,905.94	54,400,905.94
International	-	-	-	31,661,542.99	31,661,542.99
Alternative Investments - Limited Partnerships					
Private Equity	-	-	-	14,222,435.07	14,222,435.07
International Private Equity	-	-	-	11,375,023.15	11,375,023.15
Real Estate	-	-	-	4,662,599.24	4,662,599.24
International Real Estate	-	-	-	2,582,002.86	2,582,002.86
Natural Resources	-	-	-	10,907,467.74	10,907,467.74
International Natural Resources	-	-	-	4,039,692.25	4,039,692.25
Other Investments					
Political Subdivisions	-	518,572.25	-	-	518,572.25
Annuity	169,258.72	-	-	-	169,258.72
Total Investments	$ 238,451,312.58	$ 56,423,877.16	$ 22,657,488.56	$ 148,975,571.09	$ 466,508,249.39

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The investments measured at Net Asset Value (NAV) as of August 31, 2024, including unfunded commitments, are presented in the following tables.

Proprietary Funds - Investments Reported at Net Asset Value (NAV)						
		Redemption				
Investment Strategy	Fair Value	Frequency Range Low	Frequency Range High	Notice Period Range Low	Notice Period Range High	Unfunded Commitment
Commingled Funds						
International Equity	$ 235,886,770.81	Monthly	Monthly	3 days	10 days	
Hedge Funds*						
Domestic	886,486,526.46	Quarterly	Semi-Annually	65 days	1.75 years	
International	514,411,273.70	Quarterly	Semi-Annually	65 days	1.75 years	
Limited Partnerships						
Private Equity	116,373,972.12	N/A	N/A	N/A	N/A	$ 64,442,549.14
International Private Equity	93,075,244.90	N/A	N/A	N/A	N/A	48,741,096.76
Real Estate	38,151,356.77	N/A	N/A	N/A	N/A	23,885,422.11
International Real Estate	21,127,038.16	N/A	N/A	N/A	N/A	8,590,083.55
Natural Resources	89,249,508.94	N/A	N/A	N/A	N/A	45,899,474.70
International Natural Resources	33,054,468.61	N/A	N/A	N/A	N/A	15,646,843.10
Total	$2,027,816,160.47					$207,205,469.36

*Of the total Hedge Fund Fair Value, $38,900,032.82 is invested in funds that are considered illiquid and not immediately eligible for redemption. The Frequency Range and Notice Period ranges for this portion of Hedge Funds are not applicable. The illiquid portion of Hedge Funds is fully funded.

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Fiduciary Funds - Investments Reported at Net Asset Value (NAV)						
		Redemption				
Investment Strategy	Fair Value	Frequency Range Low	Frequency Range High	Notice Period Range Low	Notice Period Range High	Unfunded Commitment
Commingled Funds						
International Equity	$ 15,123,901.85	Monthly	Monthly	3 days	10 days	
Hedge Funds*						
Domestic	54,400,905.94	Quarterly	Semi-Annually	65 days	1.75 years	
International	31,661,542.99	Quarterly	Semi-Annually	65 days	1.75 years	
Limited Partnerships						
Private Equity	14,222,435.07	N/A	N/A	N/A	N/A	$ 7,875,729.89
International Private Equity	11,375,023.15	N/A	N/A	N/A	N/A	5,956,805.21
Real Estate	4,662,599.24	N/A	N/A	N/A	N/A	2,919,113.78
International Real Estate	2,582,002.86	N/A	N/A	N/A	N/A	1,049,821.56
Natural Resources	10,907,467.74	N/A	N/A	N/A	N/A	5,609,521.50
International Natural Resources	4,039,692.25	N/A	N/A	N/A	N/A	1,912,250.70
Total	$ 148,975,571.09					$ 25,323,242.64

*Of the total Hedge Fund Fair Value, $2,855,700.18 is invested in funds that are considered illiquid and not immediately eligible for redemption. The Frequency Range and Notice Period ranges for this portion of Hedge Funds are not applicable. The illiquid portion of Hedge Funds is fully funded.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The A&M System's investment policy requires that direct repurchase agreements and security lending transactions be fully collateralized by obligations authorized under the A&M System investment policy and such collateral be held by a third party. There was no custodial credit risk related to securities lending or repurchase agreements as of August 31, 2024. The A&M System did not participate in a securities lending program during fiscal year 2024 and the only direct repurchase agreement investments were held through Texas Treasury Safekeeping Trust Company.

Foreign investments are administered in book entry form by the A&M System's custodian, Bank of New York (BNY) Asset Servicing, through a network of international securities depositories and subcustodians. Non-U.S. securities held at international securities depositories are processed through those entities (Euroclear Bank and Clearstream). Securities held at local non-U.S. market depositories are processed through BNY's subcustodian network. Subcustodians settle transactions based on instructions from BNY Asset Servicing. BNY Asset Servicing settles transactions directly in the U.K., the U.S., Germany, France, the Netherlands, Ireland, Italy, Belgium, the Cayman Islands and the Channel Islands. Funds are received upon the delivery of securities in connection with sale transactions and funds are paid in connection with purchase transactions upon receipt of securities, unless contrary to market practice or client instruction. In the event that funds are not received or delivered on the settlement date, the settlement "fails." Failed trades are monitored daily, weekly, or monthly (as appropriate) via the applicable custody system to help facilitate resolution in a timely manner. On a daily basis, the subcustodians send confirmations of settlement to the

custodian which are reconciled to the custody system. Subcustodians are evaluated by the custodian prior to selection and reviewed throughout the year to ensure overall service performance is maintained and verify compliance with various regulatory requirements. Subcustodians must meet high standards and have stringent controls. BNY identifies subcustodians who are leaders in the securities processing industry in their respective countries. Subcustodians are initially selected and annually monitored on operational risk, financial risk, legal/regulatory risk and reputational risk. A full credit review is performed prior to selection and annually thereafter.

Foreign currency risk for investments is the risk that changes in exchange rates will adversely affect the investments. The A&M System's policy authorizes the utilization of derivatives for the purpose of hedging currency risk but does not otherwise address foreign currency risk. The exposure to foreign currency risk as of August 31, 2024, is presented in the following tables.

Proprietary Funds - Investments Exposed to Foreign Currency Risk

Currency	International Obligations	International Equity	International Equity Mutual Funds	International Equity Commingled Funds	International Alternative Investments
U.S. Dollar Foreign Securities	$ 197,433,842.53	$ 284,335,309.80	$ 17,764.24	$ 1,034,872,522.10	$ 652,579,830.45
Brazil Real		8,256,612.72			
British Pound		33,916,218.81			3,556,179.48
Euro		136,708,696.36			5,532,015.44
Hong Kong Dollar		14,579,690.92			
Japanese Yen		61,425,086.89			
Mexican Peso		9,757,184.08			
Singapore Dollar		5,688,579.04			
South Korean Won		17,899,808.34			
Swiss Franc		27,285,350.88			
Total	$ 197,433,842.53	$ 599,852,537.84	$ 17,764.24	$ 1,034,872,522.10	$ 661,668,025.37

Fiduciary Funds - Investments Exposed to Foreign Currency Risk

Currency	International Obligations	International Equity	International Equity Mutual Funds	International Equity Commingled Funds	International Alternative Investments
U.S. Dollar Foreign Securities	$ 11,272,389.33	$ 18,052,501.29	$ 52,582.48	$ 65,566,628.25	$ 48,547,563.91
Brazil Real		527,019.50			
British Pound		2,164,146.94			434,612.06
Euro		8,725,603.81			676,085.28
Hong Kong Dollar		930,594.53			
Japanese Yen		3,920,687.73			
Mexican Peso		622,786.73			
Singapore Dollar		363,101.49			
South Korean Won		1,142,563.02			
Swiss Franc		1,740,863.68			
Total	$ 11,272,389.33	$ 38,189,868.72	$ 52,582.48	$ 65,566,628.25	$ 49,658,261.25

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The A&M System's investment policy requires that traditional fixed income securities have a long-term rating of B or better at the time of purchase and traditional fixed income portfolios maintain an overall credit rating of A or better. Securities using short-term credit ratings must be rated at least A-2, P-2, F-2 or equivalent. As of August 31, 2024, the A&M System's credit quality distribution for securities with credit risk exposure is presented in the following tables.

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Proprietary Funds
Investments Exposed to Credit Risk - Standard & Poor's (in thousands)

Investment Type	AAA	AA	A	BBB	BB	B	CCC	Not Rated by S&P
U.S. Government Agency Obligations	283	233,792		5,709	4,939			6,005
Corporate Obligations	2,674	14,935	79,745	238,432	82,735	53,259	1,185	6,547
Corporate Asset and Mortgage Backed Securities	52,348	18,445	10,893	3,559	430			33,808
International Obligations		601	42,717	114,544	28,149	2,401		9,022
Repurchase Agreements (TTSTC)		406						
Fixed Income Money Market and Bond Mutual Fund	1,723,294							
Other Commingled Funds - Fixed Income								40,781
Other Investments (Municipals)		3,193	3,304					3,258

Fiduciary Funds
Investments Exposed to Credit Risk - Standard & Poor's (in thousands)

Investment Type	AAA	AA	A	BBB	BB	B	CCC	Not Rated by S&P
U.S. Government Agency Obligations	14	13,619		279	242			294
Corporate Obligations	131	806	4,445	13,336	4,915	3,287	74	471
Corporate Asset and Mortgage Backed Securities	2,581	1,037	547	174	29			1,682
International Obligations		29	2,309	6,580	1,715	153		487
Fixed Income Money Market and Bond Mutual Fund	67,001							
Other Commingled Funds - Fixed Income								2,610
Other Investments (Municipals)		184	176					159

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2024, no single issuer represented more than 4.9% of the A&M System's total investments.

The A&M System's investment policy states that no more than 4.9% of the voting stock of any one corporation be owned by the A&M System at any given time. The A&M System maintained compliance with this policy throughout fiscal year 2024.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the A&M System manages its exposure to fair value losses arising from changing interest rates by requiring traditional fixed income managers to maintain duration of +/- 30% of the effective duration of the appropriate index. In addition, the A&M System's policy limits the duration of its short-term investment portfolio to a maximum of one year. The A&M System's exposure to interest rate risk is presented on the following page using the effective duration method.

Investments Exposed to Interest Rate Risk

	Proprietary Funds		Fiduciary Funds	
Investment Type	Effective Duration	Fair Value	Effective Duration	Fair Value
U.S. Treasury Securities	6.244	$ 273,204,114.30	6.575	$14,506,439.76
U.S. Treasury TIPS	22.340	2,226,807.30	22.340	127,146.33
U.S. Government Agency Obligations	5.378	250,728,304.11	5.460	14,447,656.11
Corporate Obligations	3.911	479,512,323.93	4.009	27,465,639.47
Corporate Asset and Mortgage Backed Securities	2.520	119,482,881.50	2.472	6,050,121.65
International Obligations	4.361	197,433,842.53	4.466	11,272,389.33
Repurchase Agreements (TTSTC)	0.003	405,889.72	-	-
Other Commingled Funds - Fixed Income	2.699	40,781,489.20	2.662	2,610,149.22
Other Investments - Municipals	7.117	9,754,894.19	7.198	518,572.25
Total		$ 1,373,530,546.78		$76,998,114.12

Securities Lending

The A&M System did not participate in any securities lending programs during fiscal year 2024.

Derivative Investing

The A&M System Investment Policy allows investment in certain derivative securities to modify risk/return characteristics or to cost-effectively implement a change in asset allocation. A derivative security is a financial instrument which derives its value from another security, currency, commodity or index.
The A&M System entered into forward currency contracts for the purpose of hedging international currency risk on certain non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the A&M System agrees to receive or deliver a fixed quantity of foreign currency for an agreed-

upon price on a certain future date. These contracts are valued daily and the A&M System's net equity in the contracts, representing unrealized gain or loss on the contracts, as measured by the differences between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date is recognized on the Statement of Revenues, Expenses, and Changes in Net Position as investment income or loss. The unrealized gain on open foreign currency exchange contracts is reported as an investment derivative and the unrealized loss is included with trade payables. The foreign currency forwards are traded over-the-counter and categorized as Level 2 of the fair value hierarchy.

These investments involve market and/or credit risk in excess of the amount recognized in the consolidated Statement of Net Position. Risks arise from the possibility that counterparties will be unable to meet the terms of their contracts and from movement in currency, securities values and interest rates. There were no open forward currency exchange derivative contracts as of August 31, 2024.

Several investment strategies in which the A&M System invests may employ the use of forward currency exchange contracts as a hedge in connection with portfolio purchases and sales of securities denominated in foreign currencies. Risks are consistent with those described in the above paragraph regarding direct currency hedging. The contracts are valued at the prevailing forward exchange rate of the underlying currencies and the unrealized gain (loss) is recorded daily. Unrealized gains and losses that represent the difference between the value of the forward contract to buy and the forward contract to sell are included in the net unrealized gain (loss) from the forward contracts.

During the fiscal year the A&M System has also invested in Treasury futures. The instruments are used only for the purpose of managing interest rate risk in the fixed income portfolios. As of August 31, 2024, there were no open Treasury futures in the portfolios.

The A&M System has invested in hedge funds with external managers who invest in equity and fixed income securities of both domestic and international entities. These investment managers may invest in both long-term and short-term securities and may utilize leverage in their portfolios. They may also utilize credit default swaps and total return swaps as part of their investment strategies. The investments may be subject to a lock-up restriction of one or more years before the investment may be withdrawn from the manager without penalty, which in some cases may be significant. There are certain risks associated with these private funds, some of which include investment manager risk, market risk and liquidity risk, as well as the risk of utilizing leverage in the portfolios. When credit default swaps or total return swaps are used, there is additional risk of counterparty non-performance and unanticipated movements in the fair value of the underlying securities.

The A&M System's investment in hedge funds as of August 31, 2024, is presented in the table below:

Hedge Fund Investments		
Net Asset Value	**Proprietary Funds**	**Fiduciary Funds**
Hedge Funds	$ 1,400,897,800.16	$ 86,062,448.93

Private Investments

Private investments in limited partnerships are managed by external investment managers or general partners who invest primarily in private companies. These investments, both domestic and international, are illiquid and may not be realized for a period of several years after the investments are made. There are certain risks associated with these investments, some of which are liquidity risk, market risk, event risk and investment manager risk. As of August 31, 2024, the A&M System has committed to various private investments as shown in the table below. The valuations for the limited partnerships are based on the most recent investment manager determined Net Asset Value (NAV) rolled forward to August 31, 2024, to include the following events: capital contributions or distributions, changes in the composition of assets or liabilities, and fair value changes reported since the last valuation date of the NAV.

The A&M System has also invested directly in companies and partnerships to promote research commercialization. The fair value of the investments in research commercialization is estimated based on the cost (pro-rata share of contributed capital based on percentage ownership in the company) or third-party pricing of stock (based on fund raising). Adjustments are made for impairments, such as the termination of a license agreement or inactivity of the company. Associated risks include those applicable to other private investments as well as the risk of enterprise failure.

Private Investments		
Description	**Proprietary Funds**	**Fiduciary Funds**
Commitments to Limited Partnerships	$ 766,183,423.09	$ 93,637,724.91
Funded Amount to Limited Partnerships	606,460,845.75	74,117,518.25
Net Asset Value (NAV) of Limited Partnerships	391,031,589.50	47,789,220.31
Research Technology Investments	4,951,740.52	

Hedge funds, private investment and public market funds including investments in private placement vehicles, are subject to risks, which could include the loss of invested capital. The risks include the following:

- Non-regulation risk – The A&M System's general partners and investment managers are registered as required with the Securities and Exchange Commission (SEC). Seven investment managers are exempt reporting advisers. One investment manager, not registered with the SEC, is a United Kingdom LLP and registered with the Financial Conduct Authority of the United Kingdom.
- Key personnel risk – The success of certain funds is substantially dependent upon key investment professionals and the loss of those individuals may adversely impact the fund's performance.
- Liquidity risk – The A&M System's investment funds may impose lock-up periods, which may cause the A&M System to incur penalties to redeem its investment prior to a certain period of time elapsing.
- Limited transparency – As private investment vehicles, these funds may not fully disclose the holdings of their portfolios.
- Investment strategy risk – These funds often employ sophisticated investment strategies and the use of leverage, which could result in the loss of invested capital.

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Permanent University Fund

The Permanent University Fund (PUF) is administered by the University of Texas System and is not reflected in the financial statements of the A&M System. Prior to changes in the arbitrage laws, bond proceeds were appropriated only after the bonds had been sold and cash was on hand. Currently, receipt of cash may or may not precede appropriations of bond or note proceeds.

The total carrying value of the PUF assets at August 31, 2024, was $31,198,110,732.87, excluding PUF land grants. By acts of the Legislature and provisions of the State Constitution, the net income of the PUF is divided one-third to the A&M System and two-thirds to the University of Texas System. The A&M System's one-third share of the net distributions and other revenues was $665,017,078.33 for the fiscal year ended August 31, 2024, and was credited to the A&M System Available University Fund.

Note 4 - Short-Term Debt

There was no reportable activity for short-term debt during the year ended August 31, 2024.

The Texas A&M University System
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Note 5 - Long-Term Liabilities

The proprietary funds' long-term liabilities are defined as liabilities whose average maturity is greater than one year. The table below presents a summary of changes in these liabilities.

Long-Term Liabilities Activity

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Thereafter
Employees' Compensable Leave	$ 127,199,240.06	$ 10,765,855.20	$ (350,989.16)	$ 137,614,106.10	$ 16,894,365.89	$ 120,719,740.21
Claims & Judgments	13,563,692.00	3,394,786.00	(2,151,893.00)	14,806,585.00	3,394,786.00	11,411,799.00
Notes and Loans Payable	123,014,000.00	470,000,000.00	(312,590,000.00)	280,424,000.00	9,895,000.00	270,529,000.00
Direct Borrowings - Notes	54,775,006.93	-	(3,518,771.97)	51,256,234.96	3,504,316.33	47,751,918.63
Bonds Payable	4,861,289,714.56	446,004,539.31	(260,460,000.00)	5,046,834,253.87	322,615,109.72	4,724,219,144.15
Lease Liability	196,015,689.58	13,170,998.19	(19,846,331.72)	189,340,356.05	18,700,018.57	170,640,337.48
Subscription Liability	37,661,069.46	8,809,862.62	(18,736,917.76)	27,734,014.32	18,413,835.19	9,320,179.13
Liabilities Payable from Restricted Assets	33,608,424.96	21,579,424.32	-	55,187,849.28	45,050,456.00	10,137,393.28
Asset Retirement Obligations	12,426,635.27	900,000.00	-	13,326,635.27	-	13,326,635.27
Pollution Remediation Obligations (Other Liabilities)	-	16,842.00	-	16,842.00	16,842.00	-
Total	$ 5,459,553,472.82	$974,642,307.64	$(617,654,903.61)	$5,816,540,876.85	$ 438,484,729.70	$ 5,378,056,147.15

Notes and Loans Payable

The proprietary funds' notes payable consists of amounts used to make permanent improvements at various institutions in the A&M System, to refund and retire the Board's Permanent University Fund Commercial Paper Notes, to provide interim financing for capital improvements and acquisition of equipment and land, to pay interest on the notes, to refund outstanding notes as they mature and to pay the costs of issuing the notes. In the event of default or failure to make required note payments, the A&M System will be required to perform any conditions or obligations described in the note agreement. The A&M System is responsible for all reasonable expenses related to the enforcement.

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The Texas A&M University System
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Notes and Loans Payable-Debt Service Requirements

Description	Balances September 1, 2023	Increases	Decreases	Balances August 31, 2024
Permanent University Fund Commercial Paper Notes	$ -	$ 60,000,000.00	$ -	$ 60,000,000.00
Permanent University Fund Commercial Paper Taxable Notes		85,000,000.00	85,000,000.00	
Revenue Financing System Commercial Paper Notes, Series B	26,538,000.00	180,000,000.00	91,764,000.00	114,774,000.00
Revenue Financing System Commercial Paper Taxable Notes, Series B	96,476,000.00	145,000,000.00	135,826,000.00	105,650,000.00
Total	$ 123,014,000.00	$ 470,000,000.00	$ 312,590,000.00	$ 280,424,000.00

Fiscal Year	Principal	Interest*	Total
2025	$ 9,895,000.00	$ 9,870,924.80	$ 19,765,924.80
2026	10,243,000.00	9,522,620.80	19,765,620.80
2027	10,604,000.00	9,162,067.20	19,766,067.20
2028	10,977,000.00	8,788,806.40	19,765,806.40
2029	11,365,000.00	8,402,416.00	19,767,416.00
2030-2034	63,112,000.00	35,722,438.40	98,834,438.40
2035-2039	75,030,000.00	23,804,739.20	98,834,739.20
2040-2044	89,198,000.00	9,636,422.40	98,834,422.40
Total	$ 280,424,000.00	$ 114,910,435.20	$ 395,334,435.20

* For this schedule, the assumption is that Permanent University Fund Commercial Paper Notes, Revenue Financing System Commercial Paper Notes and Revenue Financing System Commercial Paper Taxable Notes in the amount of $280.424 million will be refunded into long-term bonds. For estimated debt service on this exhibit, the rate of 3.52% corresponds to the municipal market data published on August 31, 2024. Notes are remarketed in commercial paper mode at current market rates with maturities between 1 and 270 days.

The Texas A&M University System
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Direct Borrowings – Notes

The A&M System has various leases for the purchase of capital assets where the A&M System takes ownership at the end of the lease. These direct financing arrangements are reported as Direct Borrowings - Notes. The related assets are capitalized at the present value of future minimum payments. The future payment requirements and the cost of the leased assets are presented in the following tables below.

Future Minimum Payments

Fiscal Year	Principal	Interest	Total
2025	$ 3,504,316.33	$ 2,325,736.22	$ 5,830,052.55
2026	3,539,367.50	2,058,394.99	5,597,762.49
2027	3,711,090.67	1,907,198.46	5,618,289.13
2028	3,944,090.05	1,747,333.08	5,691,423.13
2029	4,188,821.67	1,576,984.04	5,765,805.71
2030-2034	24,325,882.79	4,928,117.85	29,254,000.64
3035-2039	6,346,048.65	1,099,510.22	7,445,558.87
2040-2044	1,696,617.30	244,076.28	1,940,693.58
Total	$ 51,256,234.96	$ 15,887,351.14	$ 67,143,586.10

Cost of Assets Financed with Direct Borrowings

Asset Description	Cost	Accumulated Depreciation/ Amortization	Total
Buildings	$ 74,161,534.42	$ 26,834,386.87	$ 47,327,147.55
Infrastructure	730,759.97	179,644.97	551,115.00
Facilities & Other Improvements	259,196.66	84,958.82	174,237.84
Equipment	2,257,808.55	1,467,265.57	790,542.98
Total	$ 77,409,299.60	$ 28,566,256.23	$ 48,843,043.37

The outstanding notes from direct borrowings for equipment and facilities contain provisions where, in the event of default, all remaining payments may be declared immediately due or the lessor may repossess the assets or, in the case of software, render the asset unusable, or the lessor may proceed with court action to enforce performance.

The financing arrangements for capital improvements contain provisions that, in the event of default, the lessor has the right to take one or any combination of several options. These options include demand immediate payment for all remaining payments, retake possession of the leased asset, or require the A&M System to return the leased asset at the A&M System's expense. The A&M System has no unused lines of credit.

Compensated Absences

Full-time State employees earn eight to twenty-one hours per month annual leave depending on years of State employment. Under the State's policy, an employee with 35 or more years of State service may carry up to 532 hours accrued leave forward from one fiscal year to another.

Employees with at least six months of State service who terminate employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The A&M System accrues the dollar value of annual leave benefits which are payable upon retirement, termination, or death of its employees. The amounts of these liabilities and their related benefits are reported in the statement of net position. The estimated liability, $137,614,106.10 as of August 31, 2024, is based on calculations from the A&M System centralized leave tracking system and employer estimates. The A&M System made lump sum payments of $15,868,076.08 for accrued vacation to employees who separated from State service during the fiscal year ended August 31, 2024.

Sick leave accumulation is not limited. Sick leave is earned at the rate of eight hours per month and is paid only when an employee is absent due to illness or to the estate of an employee in the event of his/her death. The maximum sick leave payment to an employee's estate is the lesser of one-half of the employee's accumulated entitlement or 336 hours. The A&M System policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since the historical use of sick leave has been minimal.

Claims and Judgments

Claims and judgments related to the A&M System self-insured worker’s compensation plan include a current portion of $3,394,786.00 and a non-current portion of $11,411,799.00 for a total worker’s compensation liability of $14,806,585.00. This liability represents the current and non-current portion of the incurred but not reported (IBNR) liability based on actuarial analysis of the plan. The IBNR represents claims that will be paid out over future fiscal years. This current portion was estimated based on actual claims paid out over the last five fiscal years.

Asset Retirement Obligations

An Asset Retirement Obligation (ARO) is a legally enforceable liability associated with the retirement of a tangible capital asset. The A&M System’s non-current liabilities include AROs related to radioactive material licenses and nuclear research facilities.

The A&M System has two nuclear reactors which were placed in service in 1957 and 1965, respectively. The U.S. Nuclear Regulatory Commission (NRC) requires a decommissioning plan for the retirement of these assets. The estimated liability for the decommissioning plan is $9,724,884.50. The estimate was calculated using NRC publications NUREG/CR-1756 and NUREG-1307 Rev. 15, adjusted using the consumer price index inflation calculator. A 25% contingency is also included in the estimate.

The A&M System has four radioactive material licenses authorizing the possession and use of radioactive materials. The A&M System is financially accountable for any decommissioning or decontamination costs

as required by the Texas Department of State Health Services (Texas Administrative Code, Title 25, Part 1, Chapter 289, Subchapter F, Rule 289.252), and the U.S. Nuclear Regulatory Commission (10 CFR 30.35). The estimated liability related to these licenses is $3,601,750.77.

Pollution Remediation Obligations (Other Liabilities)

The A&M System was responsible for asbestos removal in buildings that were demolished or remodeled. The A&M System established a $16,842.00 current liability for this pollution remediation obligation in the fiscal year 2024 and this amount was paid off during fiscal year 2025.

Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets reported on the proprietary Statement of Net Position represent payables at year-end from assets with external restrictions. The balance reported represents payables from bond proceeds.

Pledged Future Revenues

Sources of proprietary fund pledged revenues include tuition and fees, auxiliary enterprises, sales of goods and services, and other non-operating activities. The table below provides the pledged future revenue information for the Texas A&M University System Permanent University Fund and Revenue Financing System bonds.

Pledged Future Revenue Information	
Pledged revenue required for future principal and interest on existing revenue bonds	$6,810,701,171.81
Term of commitment year ending 8/31	2057
Percentage of revenue pledged	100%
Current year pledged revenue	$4,079,323,870.52
Current year principal and interest paid	$435,752,101.71

Note 6 – Bonded Indebtedness

A. Financial Reporting

The A&M System has established a financing program known as the Revenue Financing System. Members of the A&M System may use the Revenue Financing System as a long-term debt program to finance capital assets or as a short-term debt program to finance equipment or to interim finance construction projects. Members' financing requests are evaluated for adequate revenue streams and bonding capacity.

Assets created as a result of the expenses of Permanent University Fund and Revenue Financing System Bonds and Notes (see Note 5) proceeds, which are subsequently capitalized, are reported on the applicable members' Statement of Net Position in the Capital Assets category. The associated bond liability is reported in total on the A&M System Offices financial statements.

As of August 31, 2024, $319,486,786.38 of Revenue Financing System debt proceeds had been appropriated prior to the receipt of the proceeds. As of August 31, 2024, $315,875,172.52 of Permanent University Fund debt proceeds had been appropriated prior to the receipt of the proceeds.

B. General Information

At August 31, 2024, the A&M System had outstanding bonds payable of $4,896,160,000.00 as detailed below, which does not include unamortized premium of $150,674,253.87.

Bonds payable are due in annual installments varying from $60,000.00 to $55,740,000.00 with interest rates ranging from 0.741% to 5.50%, with the final installment due in 2057. The debt service requirements table summarizes the principal and interest expense for the next five years and beyond for bonds issued and outstanding.

Revenue for debt service on the Permanent University Fund Bonds and Notes is derived from liens on and pledges of payout distributions from the Permanent University Fund allocable to the A&M System.

Sources of revenue for debt service on the Revenue Financing System Bonds and Notes are pledged revenues from any and all of the revenues, funds, and balances now or hereafter lawfully available to the Board and derived from or attributable to any participant of the Revenue Financing System which are lawfully available to the Board for the payment of Parity Obligations, including unrestricted funds and reserve balances.

All bonds are for the benefit of business-type activities. General information related to bonds payable is summarized in the following tables.

Bonds Payable

	Interest Rates	Maturity Dates	Outstanding Principal
Permanent University Fund Bonds	1.96-5.50%	2025-2049	$ 1,464,535,000.00
Revenue Financing System Bonds	0.741-5.25%	2025-2057	3,431,625,000.00
			$ 4,896,160,000.00

Debt Service Requirements

Fiscal Year	Principal	Interest	Total
2025	$ 298,845,000.00	$ 185,946,627.05	$ 484,791,627.05
2026	296,460,000.00	175,262,261.28	471,722,261.28
2027	307,755,000.00	163,609,699.82	471,364,699.82
2028	291,830,000.00	151,929,868.46	443,759,868.46
2029	297,580,000.00	140,770,984.98	438,350,984.98
2030-2034	1,195,795,000.00	548,023,485.16	1,743,818,485.16
2035-2039	990,425,000.00	339,770,505.12	1,330,195,505.12
2040-2044	764,595,000.00	154,513,437.16	919,108,437.16
2045-2049	406,420,000.00	48,136,202.74	454,556,202.74
2050-2054	38,335,000.00	5,919,900.04	44,254,900.04
2055-2057	8,120,000.00	658,200.00	8,778,200.00
Total	$ 4,896,160,000.00	$ 1,914,541,171.81	$ 6,810,701,171.81

Permanent University Fund Bonds, Series 1998

- Issued September 9, 1998, to refund $65,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Variable Rate Notes, Series B, and $27,860,000.00 of Permanent University Fund Bonds, Series 1992B then outstanding in the aggregate principal amount of $36,360,000.00; and to pay the costs of issuing the bonds.

- $92,520,000.00 authorized; all authorized bonds have been issued. $12,335,000.00 was refunded by Permanent University Fund Bonds, Series 2006. $9,735,000.00 was refunded by Permanent University Fund Bonds, Series 2009AB. $1,015,000.00 was refunded by Permanent University Fund Bonds, Series 2011. Outstanding balance at August 31, 2024 was $13,390,000.00.

Permanent University Fund Bonds, Series 2009AB

- Issued April 7, 2009, to refund $100,000,000.00 of the Board’s previously issued and outstanding Permanent University Fund Commercial Paper Notes; to currently refund $9,735,000.00 of Permanent University Fund Bonds, Series 1998; to provide funding for project costs of approximately $113,700,000.00; and to pay the costs of issuing the bonds.

- $218,895,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $173,525,000.00.

Permanent University Fund Bonds, Series 2012A

- Issued July 18, 2012, to refund $79,715,000.00 of the Board’s previously issued and outstanding Permanent University Fund Bonds, Series 2004; and to pay the cost of issuing the bonds.

- $70,680,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $0.00.

Permanent University Fund Bonds, Taxable Series 2012B

- Issued July 18, 2012, to refund $125,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; and to pay the cost of issuing the bonds.

- $125,750,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $56,610,000.00.

Permanent University Fund Bonds, Series 2013

- Issued December 11, 2013, to currently refund $76,965,000.00 of Permanent University Fund Bonds, Series 2003; to provide funding for eligible projects; and to pay the costs of issuing the bonds.

- $208,465,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $56,160,000.00.

Permanent University Fund Bonds, Series 2015A

- Issued April 23, 2015, to advance refund $103,880,000.00 of Permanent University Fund Bonds, Series 2006; to provide funding for eligible projects; and to pay the costs of issuing the bonds.

- $143,555,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $132,005,000.00.

Permanent University Fund Bonds, Taxable Series 2015B

- Issued April 23, 2015, to advance refund $8,175,000.00 of Permanent University Fund Bonds, Series 2006; to provide funding for eligible projects; and to pay the costs of issuing the bonds.

- $145,445,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $78,230,000.00.

Permanent University Fund Bonds, Series 2017A

- Issued October 31, 2017, to refund $30,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; to advance refund $61,760,000.00 of Permanent University Fund Bonds, Series 2011; and to pay the costs of issuing the bonds.

- $90,365,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $75,685,000.00.

Permanent University Fund Bonds, Taxable Series 2017B

- Issued October 31, 2017, to refund $69,350,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; to advance refund $675,000.00 of Permanent University Fund Bonds, Series 2011; to provide funding for eligible projects and to pay the costs of issuing the bonds.

- $310,515,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $310,280,000.00.

Permanent University Fund Bonds, Taxable Series 2019

- Issued December 17, 2019, to refund $125,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes; to provide funding for eligible projects; and to pay the costs of issuing the bonds.

- $351,890,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $336,585,000.00.

Permanent University Fund Bonds, Series 2023

- Issued March 9, 2023, to refund $125,000,000.00 of the Board's previously issued and outstanding Permanent University Fund Commercial Paper Notes, Series A; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $245,595,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $232,065,000.00.

Revenue Financing System Bonds, Series 2013B

- Issued July 3, 2013, to refund $267,675,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; to refund $3,989,119.00 of Revenue Financing System Bonds, Series 2002; to refund $26,775,000.00 of Revenue Financing System Bonds, Series 2003B; to pay capitalized interest; and to pay the costs of issuing the bonds.

- $265,405,000.00 authorized; all authorized bonds have been issued. $135,010,000.00 was refunded by Revenue Financing System Bonds, Series 2017E. Outstanding balance at August 31, 2024 was $27,865,000.00.

Revenue Financing System Bonds, Series 2015A

- Issued February 18, 2015, to currently refund $71,240,000.00 of Revenue Financing System Bonds, Series 2005A and to pay the cost of issuing the bonds.

- $64,670,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $5,840,000.00.

Revenue Financing System Bonds, Series 2015B

- Issued February 18, 2015, to currently refund $155,972,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes and to pay the cost of issuing the bonds.

- $142,155,000.00 authorized; all authorized bonds have been issued. $65,290,000.00 was refunded by Revenue Financing System Bonds, Series 2017E. Outstanding balance at August 31, 2024 was $46,775,000.00.

Revenue Financing System Bonds, Taxable Series 2015C

- Issued January 27, 2015, to currently refund $149,395,000.00 of Revenue Financing System Bonds, Series 2005B; to refund $24,115,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; and to pay the cost of issuing the bonds.

- $176,925,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $42,070,000.00.

Revenue Financing System Bonds, Taxable Series 2015D

- Issued July 23, 2015, to provide funding for eligible projects and to pay the cost of issuing the bonds.

- $67,250,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $53,395,000.00.

Revenue Financing System Bonds, Taxable Series 2016A

- Issued April 12, 2016, to advance refund $82,670,000.00 of Revenue Financing System Bonds, Series 2008 and to pay the cost of issuing bonds.

- $91,520,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $37,050,000.00.

Revenue Financing System Bonds, Taxable Series 2016B

- Issued April 12, 2016, to refund $139,405,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $325,575,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $247,220,000.00.

Revenue Financing System Bonds, Series 2016C

- Issued July 20, 2016, to advance refund $132,540,000.00 of Revenue Financing System Bonds, Series 2009A; to advance refund $49,420,000.00 of Revenue Financing System Bonds, Series 2009B; to advance refund $43,225,000.00 of Revenue Financing System Bonds, Series 2009D; and to pay the cost of issuing the bonds.

- $207,445,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $132,235,000.00.

Revenue Financing System Bonds, Taxable Series 2016D

- Issued July 20, 2016, to advance refund $13,885,000.00 of Revenue Financing System Bonds, Series 2009A; to advance refund $2,925,000.00 of Revenue Financing System Bonds, Series 2009B; to advance refund $5,995,000.00 of Revenue Financing System Bonds, Series 2009C; to advance refund $60,495,000.00 of Revenue Financing System Bonds, Series 2009D; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $176,860,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $122,080,000.00.

Revenue Financing System Bonds, Series 2016E

- Issued July 20, 2016, to advance refund $21,300,000.00 of Revenue Financing System Bonds, Series 2009C; to advance refund $122,735,000.00 of Revenue Financing System Bonds, Series 2009D; and to pay the cost of issuing the bonds.

- $139,350,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $83,495,000.00.

Revenue Financing System Bonds, Taxable Series 2017A

- Issued January 31, 2017, to refund approximately $5,000,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $388,705,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $208,180,000.00.

Revenue Financing System Bonds, Taxable Series 2017B

- Issued June 21, 2017, to advance refund $4,580,000.00 of Revenue Financing System Bonds, Series 2010A; to advance refund $10,890,000.00 of Revenue Financing System Bonds, Series 2010B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $398,670,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $209,710,000.00.

Revenue Financing System Bonds, Series 2017C

- Issued June 21, 2017, to advance refund $35,915,000.00 of Revenue Financing System Bonds, Series 2010A; to advance refund $69,965,000.00 of Revenue Financing System Bonds, Series 2010B; to pay the cost of issuing the bonds.

- $97,425,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $75,825,000.00.

Revenue Financing System Bonds, Taxable Series 2017D

- Issued December 20, 2017, to refund $157,885,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; and to pay the cost of issuing the bonds.

- $158,680,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $131,970,000.00.

Revenue Financing System Bonds, Series 2017E

- Issued December 20, 2017, to advance refund $83,850,000.00 of Revenue Financing System Bonds, Series 2011B; to advance refund $135,010,000.00 of Revenue Financing System Bonds, Series 2013B; to advance refund $46,470,000.00 of Revenue Financing System Bonds, Series 2013D; to advance refund $65,290,000.00 of Revenue Financing System Bonds, Series 2015B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $341,995,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $301,130,000.00.

Revenue Financing System Bonds, Taxable Series 2019A

- Issued January 29, 2019 to refund $175,215,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $223,730,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $179,220,000.00.

Revenue Financing System Bonds, Taxable Series 2019B

- Issued August 14, 2019, to advance refund $230,525,000.00 of Revenue Financing System Bonds, Taxable Series 2013C; to refund $159,118,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $429,645,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $389,820,000.00.

Revenue Financing System Bonds, Taxable Series 2020A

- Issued July 30, 2020, to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $157,780,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $137,595,000.00.

Revenue Financing System Bonds, Taxable Series 2021A

- Issued April 6, 2021, to refund $141,090,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $189,425,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $175,340,000.00.

Revenue Financing System Bonds, Taxable Series 2021B

- Issued April 7, 2021, to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $226,375,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $202,635,000.00.

Revenue Financing System Bonds, Series 2022

- Issued October 18, 2022, to refund $167,784,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $208,520,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $194,780,000.00.

Revenue Financing System Bonds, Series 2024A

- Issued May 30, 2024, to refund $84,552,000.00 of the Board's previously issued and outstanding Revenue Financing System Commercial Paper Notes, Series B; to provide funding for eligible projects; and to pay the cost of issuing the bonds.

- $427,395,000.00 authorized; all authorized bonds have been issued. Outstanding balance at August 31, 2024 was $427,395,000.00.

C. Advance Refunding Bonds

The A&M System has defeased certain revenue bond issues by placing the proceeds of new bond issues in irrevocable trusts to provide for all future debt service payments on the issues. Accordingly, the liability for the bonds is not included in the financial statements. At August 31, 2024, the principal balance outstanding for the defeased bonds is $0.00.

Note 7 - Derivatives

The A&M System Investment Policy allows investment in certain derivative securities. A derivative security is a financial instrument which derives its value from another security, currency, commodity or index. Investment derivatives are used to manage transaction, interest rate, or currency exchange risk in purchasing, selling or holding investments.

At the fiscal year-end the A&M System did not have any exchange traded futures contracts or any derivative forward currency contracts.

Hedging Derivatives

The A&M System did not enter into hedging derivatives in fiscal year 2024.

Investment Derivatives

Investment derivatives expose the A&M System to certain investment-related risks. More detail about investment derivatives is disclosed in Note 3.

The Texas A&M University System
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Note 8 – Leases and Software Subscriptions

GASB Statement No. 87, Leases, effective 2022, and GASB Statement No. 96, Subscription-Based Information Technology Arrangements, effective 2023, both establish a unified model for financial reporting based on the common principle that leases and subscription-based IT arrangements (SBITAs) represent financings of the right to use underlying assets. Under GASB 87, lessees must recognize a lease liability and an intangible right-to-use lease asset, while lessors recognize a lease receivable and a deferred inflow of resources. Similarly, GASB 96 requires governments to recognize a liability and an intangible right-to-use subscription asset for SBITAs. Limited exceptions are provided for both standards for short-term arrangements, lasting a maximum of twelve months at inception (including extension options) and financed purchases. The recognition and measurement of these arrangements are based on the circumstances existing at the beginning of the reporting period. The State of Texas Comptroller's Office has established materiality thresholds for these standards ($100,000 per asset for GASB 87-Leases and $500,000 per contract for GASB 96-SBITAs), which the A&M System has adopted.

The A&M System has executed various lease contracts for land, buildings, equipment, vehicles, software subscriptions, and other assets, all of which have been assessed in accordance with GASB 87 and 96, along with the State Comptroller Office’s requirements. As of August 31, 2024, the net right-to-use (RTU) assets and corresponding lease/SBITA liabilities associated with future lease payments reported on the statement of net position totaled $215 million and $217 million, respectively.

Detailed information regarding these identified lease and subscription agreements are provided in their respective sections.

Lessee Leases

A comprehensive summary of changes for these RTU assets is presented in the table in Note 2 - Capital Assets.

For fiscal year 2024, the total lease payment for RTU assets was $22,268,449.73. The principal and interest expense payments for the next 5 years and beyond are projected on the Future Lease Payment table.

Future Lease Payments

Fiscal Year	Principal	Interest	Total
2025	$ 18,700,018.57	$ 3,573,306.18	$ 22,273,324.75
2026	16,733,910.45	3,750,467.35	20,484,377.80
2027	13,911,902.97	3,991,779.18	17,903,682.15
2028	12,984,936.52	3,032,364.13	16,017,300.65
2029	11,588,647.09	2,681,974.56	14,270,621.65
2030-2034	46,420,751.98	10,446,856.41	56,867,608.39
2035-2039	42,492,562.28	5,450,085.77	47,942,648.05
2040-2044	20,980,812.77	1,097,472.89	22,078,285.66
2045-2049	5,526,813.42	103,936.58	5,630,750.00
Total	$ 189,340,356.05	$ 34,128,243.05	$ 223,468,599.10

Included in these leases are three agreements which have partially variable payments and therefore were not included in lease assets or lease liabilities. These variable payments are based upon changes in CPI (Consumer Price Index) rates. A total of $3,123.58 was expensed related to these variable payments for the year ended August 31, 2024.

Subleases

The A&M System subleases certain portions of RTU buildings to third parties. The net value of the subleased RTU buildings is $5,933,162.99 and is included in the RTU asset total as of August 31, 2024. These sublease agreements result in lease receivables of $812,200.75 and deferred inflows of resources of $778,467.93, as of August 31, 2024, which are included in the Future Lease Income table.

Future Leases

The A&M System has entered an additional building lease which has not yet commenced as of August 31, 2024. For the future lease, the total value of the right-to-use asset is $156,230.91.

Lessor Leases

The A&M System has various leases for land and buildings where the A&M System is the lessor. As of August 31, 2024, the lease receivables and the corresponding deferred inflow of resources included on the statement of net position were $204 million and $198 million, respectively.

For the year ended August 31, 2024, the A&M System received lease payments of $7,848,953.02 related to lessor leases. The total expected payments for the next five years and beyond are presented below.

Future Lease Income

Fiscal Year	Principal	Interest	Total
2025	$ 4,649,989.53	$ 5,713,091.63	$ 10,363,081.16
2026	3,535,206.20	5,649,768.48	9,184,974.68
2027	3,480,617.85	5,589,100.22	9,069,718.07
2028	3,603,573.72	5,538,850.09	9,142,423.81
2029	3,731,010.02	5,461,710.35	9,192,720.37
2030-2034	13,216,755.60	26,377,914.46	39,594,670.06
2035-2039	13,596,724.55	24,682,619.65	38,279,344.20
2040-2044	16,931,458.57	22,655,621.22	39,587,079.79
2045-2049	20,231,994.44	20,172,218.40	40,404,212.84
2050-2054	24,621,114.41	17,200,100.46	41,821,214.87
2055 and beyond	96,580,325.73	38,169,131.51	134,749,457.24
Total	$ 204,178,770.62	$177,210,126.47	$ 381,388,897.09

The Future Lease Income details above include a total of 34 leases. There is one lease related to medical and engineering technology which accounts for 41% of the totals above. This income is generated from the new EnMed program, founded in 2019, is a collaboration between Texas A&M's School of Engineering Medicine and the state's top-ranked Houston Methodist Hospital established to transform health care through the development and training of physicians, the creation of medical technologies, and translational research. This lease extends until the year 2080, with noteworthy payments concentrated in the latter part of the term.

The A&M System has a total of 4 leases with payments which are completely or partially variable and were not included in lease receivables or deferred inflows of resources. These variable payments were derived from a percentage of sales, facility or classroom usage, or the amount of net cash flow. Total revenue recognized as a result of these variable payments was $2,820,052.92 for the year ended August 31, 2024.

Residual Value Guarantees, Termination Penalties, Sales-Leaseback and Lease-Leaseback

For the year ended August 31, 2024, the A&M System has no reportable activities for residual value guarantees, termination penalties, sale-lease back, or lease-leaseback related to leases where the A&M System is the lessee or the lessor.

Regulated Leases

For certain lease agreements related to airport gates and aprons, specific terms are regulated by the Federal Aviation Administration (FAA). The A&M System entered into various lease agreements to grant the right to use these airport gates and aprons to third parties in accordance with the provisions set by the FAA.

Specified regulated terms include limits on lease rates, consistency of lease rates for all lessees, and leasing opportunities made available to any potential lessees if the facilities are vacant. The lease revenue related

to these regulated agreements amounted to $322,427.40 for the year ended August 31, 2024, this amount includes exclusive and joint use of terminal building space.

Currently there is a holdover provision in place which allows a tenancy to continue month-to-month until a new contract is established, or the tenant may terminate with 30 days' written notice.

Subscription Based Information Technology Arrangements

The A&M System has entered into subscription arrangements for various software. As of August 31, 2024, the net RTU Subscription Asset and the corresponding Subscription liability included on the statement of net position were $34.5 million and $27.7 million, respectively.

For fiscal year 2024, the total lease payment for RTU subscription assets was $19,116,653.13. The future principal and interest expense payments are shown in the table below.

Future Subscription Payments

Fiscal Year	Principal	Interest	Total
2025	$ 18,413,835.19	$ 706,335.73	$ 19,120,170.92
2026	7,774,003.60	243,181.87	8,017,185.47
2027	1,415,343.94	41,675.06	1,457,019.00
2028	130,831.59	3,000.41	133,832.00
Total	$ 27,734,014.32	$ 994,193.07	$ 28,728,207.39

Note 9 - Pension Plans and Optional Retirement Program

Teacher Retirement System (TRS)

Teacher Retirement System is the administrator of the TRS plan, a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation. All employees of the A&M System who are employed for one-half or more of the standard workload and not exempted from membership under the Texas Government Code, Title 8, Section 822.002 are covered by the plan.

The TRS plan provides retirement, disability annuities and death and survivor benefits. The benefit and contribution provisions of the TRS Plan are authorized by state law and may be amended by the Legislature. The pension benefit formulas are based on members' average annual compensation and years of service credit. The standard annuity is 2.3% of the average of the five highest annual salaries multiplied by years of service credit. For grandfathered employees who were hired on or before August 31, 2005 and meet certain criteria, the standard annuity is based on the average of the three highest annual salaries. The plan does not provide an automatic cost of living adjustments (COLAs).

Audited Annual Comprehensive Financial Report (ACFR) for Teacher Retirement System may be obtained from their website at www.trs.texas.gov and searching for financial reports.

During the measurement period of 2023 for the fiscal year 2024 reporting, the amount of the A&M System contributions recognized by the plan was $83,340,203. The contribution rates are based on a percentage of the monthly gross compensation for each member. The contribution requirements for the state and the A&M System in the measurement period are presented in the table below.

Contribution Rates for	TRS Plan
Employer	8.00%
Employees	8.00%

The total pension liability is determined by the annual actuarial valuation. The table on the following page presents the actuarial methods and assumptions used to measure the total pension liability as of the August 31, 2023 measurement date for the fiscal year 2024.

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Summary of Actuarial Methods and Assumptions*-TRS Plan	
Actuarial Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Floating
Asset Valuation Method	Fair Market
Actuarial Assumptions:	
Discount Rate	7.00%
Long-term Expected Rate of Return	7.00%
Municipal Bond Rate as of August, 2020	4.13%*
Inflation	2.30%
Salary Increase	2.95% to 8.95% including inflation
Mortality	
Active	PUB (2010) Mortality Tables for Teachers, below median, with full generational mortality.
Post-Retirement	2021 TRS Healthy Pensioner Mortality Tables with full generation projection using Scale U-MP
Ad Hoc Post-Employment Benefit Changes	None

* Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"

The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023.

The actuarial assumptions used in the determination of the total pension liability were primarily based on the result of an actuarial experience study for the four-year period ending August 31, 2021 and adopted in July 2022.

There were changes in the benefit provisions since the prior measurement date. The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the Net Pension Liability of TRS. In addition, the Legislature also provided for a cost-of-living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023. Otherwise, there have been no changes to the benefit provisions of the plan since the prior measurement date.

The discount rate of 7% was applied to measure the total pension liability. The discount rate was based on the expected rate of return on pension plan investments of 7%. The projected cash flows into and out of the pension plan assumed that active members, employers, and non-employer contributing entity make their contributions at the statutorily required rates. It is assumed that future employer and state contributions will be 9.50% of payroll in fiscal year 2024 gradually increase to 9.56% over the next several years. This includes a factor for all employer and state contributions for active and rehired retirees. Based on these

assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments to determine the total pension liability.

The long-term expected rate of return on plan investments was developed using a building-block method in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class for the plan's investment portfolio are presented below.

TRS Asset Class*	TRS Target Allocation**	TRS Long-term Expected Geometric Real Rate of Return***
Global Equity		
USA	18%	4.0%
Non-US Developed	13%	4.5%
Emerging Markets	9%	4.8%
Private Equity	14%	7.0%
Stable Value		
Government Bonds	16%	2.5%
Absolute Return	-	3.6%
Stable Value Hedge Funds	5%	4.1%
Real Return		
Real Assets	15%	4.9%
Energy, Natural Resources and Infrastructure	6%	4.8%
Commodities	-	4.4%
Risk Parity		
Risk Parity	8%	4.5%
Asset Allocation Leverage		
Cash	2%	3.7%
Asset Allocation Leverage	(6)%	4.4%
Total	100%	

Notes:

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on fiscal year 2023 policy model.

*** Capital Market assumptions come from Aon Hewitt (as of 06/30/2023).

Sensitivity analysis was performed on the impact of changes in the discount rate on the proportionate share of the A&M System's net pension liability. The result of the analysis is presented in the table below.

Sensitivity of A&M System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate		
1% Decrease (6%)	**Current Discount Rate (7%)**	**1% Increase (8%)**
$1,443,047,728	$965,213,562	$ 567,894,196

The pension plan's fiduciary net position is determined using economic resources measurement focus and the accrual basis of accounting, which is the same basis used by TRS. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Fair value is a market-based measurement, not an entity-specific measurement. TRS utilizes one or more of the following valuation techniques in order to measure fair value: the market approach, the cost approach, and the income approach. More detailed information on the plan's investment policy, assets, and fiduciary net position may be obtained from TRS' fiscal 2023 ACFR.

On August 31, 2024, the A&M System reported a liability of $965,213,562 for its proportionate share of the collective net pension liability in the proprietary fund statements. The collective net pension liability was measured as of August 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The A&M System's proportion on August 31, 2024 was 1.4051661528% which was an increase from the 1.2992438459% measured at the prior measurement date. The A&M System's proportion of the collective net pension liability was based on its contributions to the pension plan relative to the contributions of all the employers and non-employer contributing entities to the plan for the period September 1, 2022 through August 31, 2023.

For the year ending August 31, 2024, the A&M System recognized pension expense of $176,508,587 in the proprietary fund statements. On August 31, 2024, the A&M System reported on the proprietary fund statement deferred outflows of resources and deferred inflows of resources related to pensions from the sources listed on the table.

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Elements of Deferred Outflows and Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 34,390,885	$ 11,687,680
Changes of assumptions or other inputs	91,290,297	22,340,815
Net difference between projected and actual investment return	140,462,005	-
Effect of change in proportion and contribution difference	75,772,745	39,417,278
Contributions Subsequent to the measurement date	83,340,203	-
Total	$ 425,256,135	$ 73,445,773

The $83,340,203 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2025.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the following years.

Deferred Outflows and Inflows Recognized in Pension Expense	
Future Years	**Amounts**
2025	$142,455,835
2026	36,397,444
2027	123,077,301
2028	40,593,406
2029	9,286,376
Thereafter	-

Optional Retirement Program (ORP)

The State has also established an Optional Retirement Program (ORP) for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The Optional Retirement Program provides for the purchase of annuity contracts and mutual funds. The contributory percentages of participant salaries during the fiscal year provided by the State and by each participant who was enrolled in the plan on or before August 31, 1995 were 8.5% and 6.65%, respectively. The 8.5% is composed of 6.6% contributed by the State and an additional 1.90% contributed by the A&M System. For participants who enrolled on or after September 1, 1995, the State and participant contributions were 6.6% and 6.65%, respectively.

The contributions for the A&M System ORP retirement program are presented below.

ORP Contributions for the Plan Year Ended August 31, 2024	
Employer	$ 47,529,378.98
Employee	$ 49,485,103.90
Total	$ 97,014,482.88

Since contributions are invested in individual annuity contracts, neither the State nor the System have any 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 *Texas Government Code*, Section 609.001. All payroll deductions have been invested in approved plans during the fiscal year. Two deferred compensation plans are available for A&M System employees.

The State's 457 Plan complies with *Internal Revenue Code* Section 457. This plan is referred to as the Texa$aver Deferred Compensation Plan (DCP) and is available to all employees. The DCP is an employer-sponsored plan administered by the Employees Retirement System of Texas (ERS). A&M System employees are permitted to participate in the plan as an agency of the State. The deductions purchased investments and earnings attributed to the 457 Plan are held in trust and belong to the participants. The State has no liability under the 457 Plan beyond the administrative requirements outlined in the corresponding provisions of the IRC.

The A&M System also administers a Tax-Deferred Account (TDA) Program, created in accordance with IRC Section 403(b). All employees are eligible to participate. The TDA is an employer-sponsored plan. The deductions, purchased investments, and earnings attributed to each employee's 403(b) plan are held by vendors chosen by the employee from an approved vendor list provided by the A&M System. The funds held in the accounts belong to the individual participants. The vendors can include insurance companies, banks, or approved non-bank trustees such as mutual fund companies. The assets of this plan do not belong to the A&M System or the State and thus do not have a liability related to this plan beyond the administrative requirements outlined in the corresponding provisions of the IRC.

The 457(f) Deferred Compensation Plan allows the A&M System to defer income for eligible participants without regard to the amount deferred or an adverse impact on other retirement plans in which the participant is enrolled. The plan is structured under Section 457(f) of the *Internal Revenue Code* of 1986, as amended. It is authorized for use by Texas institutions of higher education in Title 109, Article 6228a-5, Section 3 of Vernon's Texas Civil Statutes. All employees of the A&M System are eligible to participate in this plan subject to the approval of the Board of Regents, the Chancellor, or any Chancellor-designated A&M System member Chief Executive Officer.

Note 11 - Postemployment Health Care and Life Insurance Benefits

Plan Description and Funding Policy

In addition to providing pension benefits, state employees have certain health care and life insurance benefits for retired employees in accordance with State statutes. These benefits are provided by the A&M System and reported in the proprietary fund statements. The A&M System is a single-employer with a defined benefit Other Post Employment (OPEB) plan.

OPEB is provided to the A&M System's retirees under the A&M System group insurance program. The authority under which the obligations of the plan members and the A&M System are established, and may be amended, is Chapter 1601, *Texas Insurance Code*. Retiree eligibility for insurance continuation is determined by the Legislature and is subject to change. The plan does not provide automatic cost of living adjustments (COLAs).

Substantially all of the employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through the group insurance program, and premiums are based on benefits and administrative costs expected to be incurred. The rates are determined annually by the System in consultation with actuary.

Proportionate Share

The A&M System and the State of Texas calculate a proportional share of all elements of the OPEB liability and record their proportional share. Per Chapter 1551 of the *Texas Insurance Code*, Sections 310 and 311, it requires the State to contribute to the cost of each participant's insurance coverage. The funds are appropriated under the General Appropriations Act under the Higher Education Employees Group Insurance (HEGI) Contributions.

The A&M System's proportional share as of August 31, 2024 was 65.76 percent and it was 59.29 percent in fiscal year 2023. The State of Texas' proportional share was 34.24 percent for fiscal year 2024 and 40.71 for fiscal year 2023. Below is a table with the total current and noncurrent OPEB liability. This percentage was applied to all elements of OPEB accounting event including the OPEB liability, deferred outflows and inflows and OPEB expense.

	A&M System Proportional Share	State of Texas Proportional Share*	Total OPEB Liability*
Current OPEB Liability	$ 61,207,877	$ 31,862,306	$ 93,070,183
NonCurrent OPEB Liability	1,821,247,256	948,066,488	2,769,313,744
Total per the AFR	$ 1,882,455,133	$ 979,928,794	$ 2,862,383,927

*Total column matches the current actuary report. Adjustments will be needed for the State of Texas Proportional Share to adjust for the funding percentage which is adjusted annually, based upon the prior year funding.

The Texas A&M University System
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Employees Covered by Benefit Terms

At the measurement dates below, the following employees were covered by the benefit terms.

Employee Type	Valuation Date 09/01/2023
a. Inactive employees or beneficiaries currently receiving benefit payments	11,496
b. Inactive employees entitled to but not yet receiving benefit payments	3,629
c. Active employees	25,506
Total	40,631

The employer and retiree contribution rates are presented below. The rates increased from the prior fiscal year for employer but remained the same for retiree

Required Contribution Rates Retiree Health and Basic Life Premium		
Level of Coverage	**Employer**	**Retiree (Health Premium only)**
Retiree Only	$890.04	$0.00
Retiree/Spouse	$1,452.12	$281.04
Retiree/Children	$1,280.56	$195.26
Retiree/Family	$1,681.04	$395.50

The A&M System and member contribution rates are determined annually by the A&M System based on the recommendations of the A&M System Office of Risk Management and Benefits Administration staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred, the funds appropriated for the plans, and the funding policy established by the Texas Legislature in connection with benefits provided through the plan. The A&M System revises benefits when necessary to match expected benefit and administrative costs with available revenue.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Actuarial Assumptions and Other Inputs

The collective OPEB liability for Fiscal Year was determined by an actuarial valuation as of September 1, 2023 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Summary of Actuarial Assumptions and Other Inputs	
Actuarial Valuation Date (Biennial Valuation)	September 1, 2023
Inflation	2.30%
Salary Increases	2.95% to 8.95% (includes inflation)
Discount Rate	3.81%
Healthcare Cost Trend Rates	
Medical	A&M Care/A&M Care 65+: 5.60% for FY25, 5.50% for FY26, 5.25% for FY27, 5.00% for FY28, 4.75% for FY29, 4.60% for FY30, 4.50% for FY31, 4.40% for FY32 and 4.30% for FY33 and later years 65 Plus Medicare Advantage: 0.00% for FY25, 0.00% for FY26, 5.25% for FY27, 5.00% for FY28, 4.75% for FY29, 4.60% for FY30, 4.50% for FY31, 4.40% for FY32 and 4.30% for FY33 and later
Pharmacy	11.00% for FY25, 10.00% for FY26, 9.50% for FY27, 9.00% for FY28, 8.00% for FY29, 7.00% for FY30, 6.00% for FY31, 5.00% for FY32 and 4.30% for FY33 and later years
Mortality	a. Service Retirees, Survivors and other Inactive Members: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021. b. Disability Retirees: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members. c. Active Members: Sex Distinct RP-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-2021 Projection Scale from the year 2010.

*** Discount Rate**

a. The discount rate used to measure the OPEB liability as of September 1, 2023 was 3.81%

b. Municipal Bond Rate: 3.81% as of September 1, 2023; the source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Other Information

As of the measurement date of September 1, 2023, no changes in benefit terms have occurred. Accordingly, the benefit terms used in this valuation have not been changed since the prior valuation.

The implementation of 65 Plus Medicare Advantage, a fully insured Medicare Advantage Plan for retirees for whom Medicare is primary, effective January 1, 2024 resulted in a decrease in OPEB Liability. The assumption changes associated with the implementation of 65 Plus Medicare Advantage decreased the Total OPEB Liability by approximately $1.36 billion.

Medicare Part D

In fiscal year 2024 the plan received payments from the federal government pursuant to the retiree drug subsidy provisions of Medicare Part D. These on-behalf payments were recorded as revenues and expenses of each plan.

In fiscal year 2024 the A&M System received $20,579,607.13 of Medicare Part D payments from the federal government.

Sensitivity of the A&M System's Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the A&M System's proportionate share of the OPEB liability reported as of August 31, 2024 and measured as of September 1, 2023, as well as what the A&M System's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.81%) or 1-percentage point higher (4.81%) than the fiscal year 2024 discount rate.

	1% Decrease (2.81%)	FY2024 Discount Rate (3.81%)	1% Increase (4.81%)
A&M System's Proportionate Share of OPEB Liability	$2,201,470,529	$1,882,455,133	$1,626,721,493

Sensitivity of the A&M System's Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the A&M System's proportionate share of the OPEB liability reported as of August 31, 2024 and measured as of September 1, 2023, as well as what the A&M System's proportionate share of the OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the fiscal year 2023 healthcare cost trend rate.

	1% Decrease	FY2024 Healthcare Cost Trend Rates*	1% Increase
A&M System's Proportionate Share of OPEB Liability	$1,604,815,523	$1,882,455,133	$2,240,835,091

*Healthcare Cost Trend Rates used and -1%/+1% sensitivities are shown below.

Fiscal Year	Medical (A&M Care/A&M Care 65+) Healthcare			Medical (65 Plus Medicare Advantage) Healthcare			Pharmacy Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase	1% Decrease	Cost Trend Rates	1% Increase	1% Decrease	Cost Trend Rates	1% Increase
2025	4.60%	5.60%	6.60%	-1.00%	0.00%	1.00%	10.00%	11.00%	12.00%
2026	4.50%	5.50%	6.50%	-1.00%	0.00%	1.00%	9.00%	10.00%	11.00%
2027	4.25%	5.25%	6.25%	4.25%	5.25%	6.25%	8.50%	9.50%	10.50%
2028	4.00%	5.00%	6.00%	4.00%	5.00%	6.00%	8.00%	9.00%	10.00%
2029	3.75%	4.75%	5.75%	3.75%	4.75%	5.75%	7.00%	8.00%	9.00%
2030	3.60%	4.60%	5.60%	3.60%	4.60%	5.60%	6.00%	7.00%	8.00%
2031	3.50%	4.50%	5.50%	3.50%	4.50%	5.50%	5.00%	6.00%	7.00%
2032	3.40%	4.40%	5.40%	3.40%	4.40%	5.40%	4.00%	5.00%	6.00%
2033 and beyond	3.30%	4.30%	5.30%	3.30%	4.30%	5.30%	3.30%	4.30%	5.30%

Changes in the A&M System's Proportionate Share of the OPEB Liability

	Increase (Decrease) in A&M System's Proportionate Share of OPEB Liability from 09/01/2022 to 09/01/2023
Beginning Balance of Measurement Year*	$2,323,661,114
Changes for the Year:	
Service Cost	101,071,166
Interest	96,439,107
Changes of benefit terms	0
Differences between expected and actual experience	(10,400,517)
Changes of assumptions or other inputs	(823,903,163)
Benefit payments (employer)	(58,206,641)
Other Changes	253,797,067
Net Changes	(441,205,981)
Ending Balance of Measurement Year**	$1,882,455,133

*Information for the fiscal year ending August 31, 2023 was taken as of the measurement date of September 1, 2022 based on an actuarial valuation as of September 1, 2021 rolled forward twelve months as permitted by Paragraph Nos. 146 and 147of GASB No. 75.
**Information for the fiscal year ending August 31, 2024 was taken as of the measurement date of September 1, 2023 based on an actuarial valuation as of that same date as permitted by Paragraph Nos. 146 and 147 of GASB No. 75.

The A&M System recognized its proportionate share of OPEB expense of $68,337,135 for the fiscal year ended August 31, 2024.

Deferred Outflows and Inflows of Resources

At each fiscal year-end, the A&M System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources listed in the table below.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 147,234,136
Changes of assumptions or other inputs	338,132,972	1,275412,063
Effect of change in proportion and contribution difference	420,132,603	8,714,145
Contributions subsequent to the measurement date	56,384,600	-
Total	$ 814,650,175	$ 1,431,360,344

Amounts reported as Deferred Outflows/ (Inflows) of Resources will be recognized in OPEB expenses as follows.

Fiscal Year	Amount
2025	$ (74,152,719)
2026	(81,170,470)
2027	(116,118,033)
2028	(163,777,489)
2029	(166,753,254)
Thereafter	(71,122,804)

Note 12 - Interfund Activity and Transactions

As of August 31, 2024, amounts to be received or paid between funds and agencies are to be reported as Interfund Receivable or Interfund Payable.

Individual balances as of August 31, 2024 are presented below.

Proprietary Funds

Interfund Receivable/Payables - Current			
Current Portion	**Interfund Receivable**	**Interfund Payable**	**Purpose**
Agency 710, Appd Fund 0047, D23 Fund 0047 From Agency 720, D23 Fund 0011	$ 67,028,256.87	$ -	Permanent University Fund
Agency 711, Appd Fund 0001, D23 Fund 0001 From Agency 907, D23 Fund 0515	-	1,178,919.44	SECO LoanSTAR
Total Current Interfund Receivable/Payable	**$ 67,028,256.87**	**$ 1,178,919.44**	

Interfund Receivable/Payables – Non-Current			
Non-Current Portion	**Interfund Receivable**	**Interfund Payable**	**Purpose**
Agency 710, Appd Fund 0047, D23 Fund 0047 From Agency 720, D23 Fund 0011	$ 1,495,390,326.30	$ -	Permanent University Fund
Agency 711, Appd Fund 0001, D23 Fund 0001 From Agency 907, D23 Fund 0515	-	2,103,599.27	SECO LoanSTAR
Agency 575, Fund 0001, D23 Fund 0001 From Agency 902, D23 Fund 0001	-	10,000,000.00	Cash Flow Contingency, 87th Leg, Article III, Rider 8, Pg 262
Total Non-Current Interfund Receivable/Payable	**$ 1,495,390,326.30**	**$12,103,599.27**	

Fiduciary Funds

Not Applicable.

Note 13 - Continuance Subject to Review

This note does not apply to the A&M System.

The Texas A&M University System
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Note 14 - Restatement of Net Position

There were no restatements to the beginning net position.

Note 15 - Commitments and Contingencies

At August 31, 2024, various lawsuits and claims involving the A&M System and its members had arisen in the course of conducting A&M System business. While the ultimate liability with respect to litigation and other claims cannot be reasonably estimated at this time, management is of the opinion that the liability not provided for by insurance or otherwise, if any, for these legal actions will not have a material adverse effect on the A&M System's financial position.

Private investments in limited partnerships are managed by external investment managers or general partners who invest primarily in private companies. These investments, both domestic and international, are illiquid and may not be realized for a period of several years after the investments are made. There are certain risks associated with these investments, some of which are liquidity risk, market risk, event risk and investment manager risk. The commitments to various private investments are summarized in the table below:

Unfunded Commitments as of August 31, 2024		
	Proprietary	**Fiduciary**
Committed Amount	$766,183,423.09	$93,637,724.91
Unfunded Amount	$207,205,469.36	$25,323,242.64

Note 16 - Subsequent Events

The A&M System is authorized to issue up to $467 million of Revenue Financing System Bonds during fiscal year 2025 to provide funding for project costs, refund previously issued bonds, refund commercial paper and pay the costs of issuing the bonds.

The A&M System is authorized to issue up to $590 million of Permanent University Fund Bonds during fiscal year 2025 to provide funding for eligible projects, refund previously issued bonds, refund commercial paper and pay the costs of issuing the bonds.

The table below lists debt issued after the balance sheet date, August 31, 2024.

Debt Issuance	Amount	Date of Issuance	Purpose
Permanent University Fund Commercial Paper Notes	$65,000,000	10/04/24	Provide interim financing for construction projects.

Note 17 - Risk Management

The A&M System is exposed to various risks of loss related to property – fire, windstorm or other loss of capital assets; general and employer liability – resulting from alleged wrongdoings by employees and others; net income – due to fraud, theft, administrative errors or omissions, and business interruptions; and personnel – unexpected expense associated with employee health, termination or death. As an agency of the State of Texas, the A&M System and its employees are covered by various immunities and defenses which limit some of these risks of loss, particularly in liability actions brought against the A&M System or its employees. Remaining exposures are managed by self-insurance arrangements, contractual risk transfers, the purchase of commercial insurance, or a combination of these risk financing techniques.

All commercial insurance policies include retention amounts (deductibles) for which the A&M System is responsible and for which A&M System members maintain funding reserve pools. On-going analysis of the risks facing the A&M System results in the continual evaluation of insurance policies purchased.

The A&M System has self-insured arrangements for coverage in the areas of workers compensation, group health and dental and certain areas of medical malpractice. Liabilities for claims have been reported where information prior to issuance of the financial statements indicated that it was probable that a liability had been incurred and the amount of the loss could be reasonably estimated.

Worker's Compensation Insurance

The worker's compensation insurance (WCI) plan is considered a funded employer liability pool. The workers' compensation incurred but not reported (IBNR) liability is based on actuarial analysis of all historical claims data. The plan provides claims servicing and claims payments by charging an assessment to each A&M System member based on a percentage of payroll.

Group Health and Dental Insurance

The A&M System's self-insured health and dental plan is also considered a funded employer liability pool. The IBNR liability is based on actuarial analysis of all historical claims data. Premiums are determined through an actuarial pricing process that takes place each spring. Dental benefits under the plan are limited to $1,500 per individual per year.

Automobile Plan

The Texas A&M University System's Auto Plan provides auto claim payments up to the statutory limits of $250,000 per person/$500,000 per accident Bodily Injury/$100,000 property damage liability as outlined in the Texas Civil Practice and Remedies Code; Title 5 Governmental Liability; Chapter 101 Tort Claims for third-party property damage and bodily injury proximately caused by the negligence of an employee acting within the course and scope of his/her employment. The Plan also provides claim payments for physical damage to covered vehicles if purchased by the member. Annual premium rates are determined through actuarial analysis and applied to the total number of covered vehicles, per member.

Property Shared Retention Plan

The System Property Loss Investment Program (SPLIP) provides an interim debt-finance option to members affected by a covered property loss. The Program extends to all scheduled, insured properties submitted for coverage under the overlying commercial insurance policy by participating Members. It is subject to the provisions of the program agreement and the overlying commercial insurance policy.

Other Self-Insured Plans

The Texas A&M University Health Science Center College of Medicine established and maintains a medical student liability self-insurance plan (the Plan) to provide eligible medical students of the Texas A&M Health Science Center College of Medicine with medical malpractice liability indemnity from and against medical malpractice claims. Coverage limits are $25,000 per claim, $75,000 aggregate per student, and $100,000 annual aggregate. The Plan originated in 1977, and until April 2018, was funded by an annual medical student participation fee. Effective April 2018, annual student participation fees will no longer be credited to the existing fund balance, and instead, will be assigned to a commercial claims-made medical malpractice policy with coverage limits of $1 million per claim and $3 million per policy period with no deductible. The Plan will be maintained without additional medical student participation funding and incorporated into the HSC Self-Insured plan reserve fund upon approval per A&M system policy in FY26. As of August 31, 2024, the Plan had a balance of $378,050.06 with no accrued liabilities.

The Texas A&M Forest Service has established a self-insured liability plan for prescribed burn liability as required by Natural Resources Code§ 153.082 and 4 TAC 227.1. This plan provides loss payment on behalf of Texas A&M Forest Service and its employees for a claim resulting from the professional activities of a Texas A&M Forest Service prescribed burn manager employee in the course and scope of employment. The plan will provide $1 million of liability coverage for each single occurrence of bodily injury to or destruction of property, and a policy period minimum aggregate limit of at least $2 million. Funding for the plan is provided by the creation and maintenance of a reserve fund by Texas A&M Forest Service. As of August 31, 2024, the plan had no accrued liabilities.

The Texas A&M Forest Service provides low-cost vehicle liability insurance at a greatly reduced cost to qualified volunteer fire departments through the Volunteer Fire Department Motor Vehicle Self Insurance Program, as described in Texas Insurance Code, Chapter 2154. The vehicle insurance coverage is offered at coverage levels of $100,000 per person for bodily injury (with a maximum of $300,000 per occurrence), and $100,000 for property damage (with a maximum of $100,000 per occurrence). As of August 31, 2024, the plan had no accrued liabilities.

Changes in the A&M System’s claims liabilities for the last two years are presented in the following tables.

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Current Year Changes in Claims and IBNR

Plan Type	Liability Balance 09/01/23	Claims and Changes in Estimates	Claims Payments	Liability Balance 08/31/24
WCI	$13,563,692.00	$ 3,394,786.00	$ (2,151,893.00)	$ 14,806,585.00
Group Health and Dental Insurance	24,922,000.00	501,597,993.38	(504,715,993.38)	21,804,000.00
Total	$38,485,692.00	$504,992,779.38	$(506,867,886.38)	$ 36,610,585.00

Prior Year Changes in Claims and IBNR

Plan Type	Liability Balance 09/01/22	Claims and Changes in Estimates	Claims Payments	Liability Balance 08/31/23
WCI	$14,850,750.00	$ 530,409.70	$ (1,817,467.70)	$ 13,563,692.00
Group Health and Dental Insurance	24,898,000.00	468,506,755.50	(468,482,755.50)	24,922,000.00
Total	$39,748,750.00	$469,037,165.20	$(470,300,223.20)	$ 38,485,692.00

The WCI liability is reported on the proprietary Statement of Net Position as Current and Non-Current Claims and Judgments. The liability for group health and dental insurance claims is included in the Current Liabilities section of the proprietary Statement of Net Position as Self-Insured Health and Dental Payable.

The claims and losses reported in the financial statements include various settlements. These claims and losses for the fiscal year ended August 31, 2024 are summarized in the table below. There are no outstanding claim liabilities as of August 31, 2024.

Claim and Loss Expenses

	Current Year	Prior Year
Beginning Liability Balance	$ -	$ -
Other Settlement Claims-Operating	41,999.83	29,683,198.09
Other Settlement Claims-NonOperating	4,238,071.32	811,823.70
Total Additions	4,280,071.15	30,495,021.79
Payments for Claims	(4,280,071.15)	(30,495,021.79)
Ending Liability Balance	$ -	$ -

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The Texas A&M University System
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Note 18 - Management's Discussion and Analysis (MD&A)

This note is not used by the Texas A&M University System. The A&M System's Management Discussion and Analysis is included as a separate section of the report.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 19 - The Financial Reporting Entity

The A&M System is composed of a series of distinct members, each of which was created to render a specific service for the State within the limits of the A&M System's objectives, and all of which are under the control and direction of the Board of Regents of the A&M System. The combined financial statements include the Texas A&M University System Office and all members of the A&M System.

Blended Component Unit

The Texas A&M Research Foundation (Research Foundation) is included as a blended component unit in the combined financial statements of the A&M System. This determination is based on the close relationship and joint agreements in effect between the Research Foundation and the A&M System in regard to research grant/contract administration. The Research Foundation has a fiscal year end of August 31st and is included in the proprietary financial statements. Complete financial statements of the Research Foundation may be obtained from their administrative offices at 400 Harvey Mitchell Parkway South, Suite 100, College Station, Texas, 77845.

Joint Venture

Triad National Security, LLC (Triad LLC) is a limited liability company which was formed on the effective date of October 4, 2017, and meets the GASB definition of a joint venture. Triad LLC's Operating Agreement names Battelle Memorial Institute, an Ohio 501(c)(3) nonprofit corporation; The Regents of the University of California, a California public corporation; and The Texas A&M University System (the A&M System), an agency of the State of Texas as the members of Triad LLC. Triad LLC has been awarded the management and operation contract (M&O contract) with the National Nuclear Security Administration (NNSA), a semi-autonomous agency within the U.S. Department of Energy (DOE) to manage and operate the Los Alamos National Laboratory (LANL). Triad LLC's current earnings or losses are dependent on the reimbursement of allowable costs and on the percentage of base and incentive fees earned under the terms of the M&O Contract, offset by any unallowable or disallowed costs. For fiscal year 2024, A&M System recognized contract revenue in the amount of $764,909.00.

While the A&M System has a 33.33 percent membership (equity) interest in Triad LLC, the A&M System's income from this activity is determined by the current earnings or losses of Triad LLC which are subject to certain limitations and special allocations of both the fees and costs. As a result, the A&M System's distributable interest in the current earnings or losses of Triad LLC may range from 5.43 to 15.43 percent of fees earned by Triad LLC. Separate financial statements for Triad LLC may be obtained from the Triad LLC principal corporate office, Triad National Security, LLC, 505 King Avenue, Columbus, Ohio 43201.

Note 20 - Stewardship, Compliance and Accountability

The A&M System has no material violations of finance related legal and contract provisions.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 21 - Tobacco Settlement

This note is reserved for the State Comptroller of Public Accounts' use.

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For the Year Ended August 31, 2024

Note 22 - Donor Restricted Endowments

The purpose of The Texas A&M University System Endowment Fund (the Fund) is to provide for the collective investment of all endowment and trust funds held by the A&M System or by the Board of Regents of the A&M System in a fiduciary capacity. The Fund is used to provide funding for scholarships, fellowships, professorships, academic chairs and other uses as specified by donors.

Distribution is made quarterly after the last calendar day of November, February, May, and August of each fiscal year to the endowment and trust funds participating in the Fund during the respective quarter. Income consists of interest earnings, dividends and realized capital gains. The income distribution per unit for each fiscal year will be to distribute, excluding fees, 5% of the 20-quarter average market value per unit as of the end of the previous February.

The amount of net appreciation for donor restricted true endowments presented in the table below is available for authorization and expense by the A&M System.

Net Appreciation - Donor-Restricted Endowments		
Donor-Restricted Endowments	**Amount of Net Appreciation[1]**	**Reported in Net Position**
True Endowments	$228,232,917.03	Restricted for Expendable
Term Endowments	319,158.12	Restricted for Expendable
Total	$228,552,075.15	

[1]The total fiscal year 2024 fair value adjustment to the Fund was $58,974,608.35.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 23 - Extraordinary and Special Items

The A&M System does not have any special or extraordinary items to report for the year ended August 31, 2024.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 24 - Disaggregation of Receivable and Payable Balances

Receivables

A summary of proprietary and fiduciary receivables and the associated allowance for doubtful accounts balances for the year ended August 31, 2024, is presented in the table below.

Proprietary Fund Receivables

Description	Gross Receivable	Allowance for Doubtful Accounts	Net Receivable
Current Receivables			
Federal	$263,021,707.35	$ -	$263,021,707.35
Other Intergovernmental	10,898,389.82	-	10,898,389.82
Interest and Dividends	19,268,385.08		19,268,385.08
Gifts	31,817,386.15	-	31,817,386.15
Self Insured Plans	46,730,689.15	-	46,730,689.15
Student	86,106,680.17	(23,862,618.67)	62,244,061.50
Investment Trades	11,069,968.13	-	11,069,968.13
Accounts	191,476,770.51	(3,592,180.05)	187,884,590.46
Other	11,459,652.12	(63,134.43)	11,396,517.69
Total Current Receivables	$671,849,628.48	$ (27,517,933.15)	$644,331,695.33
Non-Current Receivables			
Gifts	$251,998,343.65	$ -	$251,998,343.65
Public Private Partnership Asset	26,091,695.25		26,091,695.25
Total Non-Current Receivables	$278,090,038.90	$ -	$278,090,038.90

Fiduciary Fund Receivables

Description	Gross Receivable	Allowance for Doubtful Accounts	Net Receivable
Interest and Dividends	$ 1,024,403.32	$ -	$ 1,024,403.32
Gifts	47,319,499.34	(384,982.94)	46,934,516.40
Student	1,598,875.05	(182,206.03)	1,416,669.02
Investment Trades	691,125.50	-	691,125.50
Accounts	590,710.43	-	590,710.43
Other	411,739.08	-	411,739.08
Total Receivables	$ 51,636,352.72	$ (567,188.97)	$ 51,069,163.75

Other Payables

A summary of the proprietary and fiduciary Other Payables is detailed by type of activity in the table below.

Proprietary Other Payables

Description		Amount
Sales Tax Payable	$	3,808,304.47
External Investment Manager Fee Payable		2,949,412.39
Miscellaneous Payables		911,784.19
Total Other Payables	$	7,669,501.05

Fiduciary Other Payables

Description		Amount
Sales Tax Payable	$	13,227.06
Income Distribution Payable		210,849.57
External Investment Manager Fee Payable		90,686.30
Miscellaneous Payables		30,659.27
Total Other Payables	$	345,422.20

Note 25 - Termination Benefits

Health Care Related Termination Benefits

Healthcare continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA) is provided for both voluntary and involuntary terminations. COBRA participants are eligible to continue group coverage for 18 to 36 months, depending on the circumstances leading to the loss of coverage.

For the fully-insured dental plan and vision plan, the carrier and/or third party vendor is responsible for the billing and collection from all COBRA participants. The carrier retains all premiums and is liable for all claims and expenses. For the fiscal year ended August 31, 2024, the fully-insured plan had 6 enrolled participants for the dental plan, and 58 participants for the vision plan.

For the self-insured health and dental plans offered by the A&M System, the carrier and/or third party vendor performs the billing and collections process for COBRA participants. The premiums are then forwarded to the A&M System, net of the 2% administrative fee. Since the plan is self-insured, the A&M System is responsible for any claims or administrative costs associated with COBRA participants. The table below summarizes the self-insured plan COBRA benefits for the fiscal year ended August 31, 2024.

Self-Insured Health and Dental Plan - COBRA	
Number of Participants	152
Claims Paid	$ 2,406,329.75
Administrative Expenses	147,555.56
Total COBRA Expenses	2,553,885.31
Premium Revenue	781,065.40
2% Administrative Fee Revenue	15,940.11
Total COBRA Premium	797,005.51
Net Cost to State	$ 1,756,879.80

Non-Health Care Related Termination Benefits

No reportable activity on non-health care related termination benefits for the fiscal year ended August 31, 2024.

Note 26 - Segment Information

The A&M System does not have any reportable segments.

Note 27 – Public-Private and Public-Public Partnerships

The A&M System has seven arrangements that fit the criteria of a Public-Private or Public-Public Partnership (PPP). These PPP initiatives cover various sectors, including student housing, academic or office buildings, hotels, and bookstores. At the end of these arrangements, the A&M System retains ownership rights and title to assets associated with the PPP contract. For these assets, a receivable and deferred inflow was established based on the estimated carrying value of the assets when ownership is transferred. A general description of each arrangement, including status, term, and duration, is presented in the following table.

Public-Private and Public-Public Partnerships

Arrangement Name	Construction Status	PPP Term	Contract Begin	Contract End
Higher Education Center City of McAllen	Complete	20 years	2017	2037
Park West NHCCD-College Station Properties LLC	Complete	32 years	2015	2047
White Creek CHF-Collegiate Housing College Station I, LLC	Complete	32 years	2014	2046
U Center at Northgate ACC OP	Complete	40 years	2013	2053
Engineering Research Lab ERB A&M Partners I, LLC	Complete	20 years	2014	2034
Clayton W. Williams Jr. Alumni Center The Association of Former Students of Texas A&M University	Complete	50 years	1983	2033
Student Housing Phase IX CHF-Collegiate Housing Prairie View IX, LLC	Complete	32 years	2019	2051

PPP amounts reported as of August 31, 2024 are presented in the following table.

Public-Private and Public-Public Partnerships
Amounts Recognized in Financial Statements
August 31, 2024

Arrangement Name	Receivables for PPP Asset	Deferred Inflows of Resources
Higher Education Center	$ 500,000.00	$ 430,519.24
Park West	14,745,569.45	13,561,978.59
White Creek	4,628,537.85	4,226,056.30
U Center at Northgate	1,783,150.00	1,668,108.06
Engineering Research Lab	1,638,236.20	1,378,656.52
Clayton W. Williams Jr. Alumni Center	1,357,554.85	1,176,547.54
Student Housing Phase IX	1,438,646.90	1,338,022.68
Total	$ 26,091,695.25	$ 23,779,888.93

These contracts exhibit various rent structures, including no fixed rent payment, a nominal $1.00 per year, minimal rent charge, or variable payments. The variable payments are due to underlying payments being derived from a revenue and/or profit-sharing arrangement, usage of the underlying PPP asset, or changes in an index or rate. A total of $2,277,098.25 was recognized as revenue from these variable payments for the year ended August 31, 2024. There are no receivables for installment payments in these contracts due to the variable revenue structures.

However, receivables related to the Underlying PPP Assets purchased or constructed and placed into service by the operator totaled $26,091,695.25. The ownership of the underlying assets of the PPP has not yet been transferred to the A&M System. Deferred Inflow of Resources corresponding to the Receivable for PPP Installment Payments and Receivable for Transfer of Underlying PPP Asset were $23,779,888.93 for the year ended August 31, 2024.

The A&M System has no Availability Payment Arrangements to report as of August 31, 2024.

The Texas A&M University System
Notes to the Combined Financial Statements
For the Year Ended August 31, 2024

Note 28 - Deferred Outflows of Resources and Deferred Inflows of Resources

In fiscal year 2024, the A&M System reported Deferred Inflows of Resources and Deferred Outflows of Resources on the proprietary fund statement of net position in connection with a loss on refunding debt, a government acquisition, changes related to the pension and OPEB liabilities, and split interest agreements. The amounts are summarized in the table below.

Deferred Outflows of Resources and Deferred Inflows of Resources		
Activity	Deferred Outflows of Resources	Deferred Inflows of Resources
Unamortized Loss on Refunding Debt	$ 53,299,741.39	$ -
Pensions (Note 9)	425,256,135.00	73,445,773.00
Other Post-Employment Benefits (Note 11)	814,650,175.00	1,431,360,344.00
Split Interest Agreements	-	1,032,256.08
Lease Income	-	197,851,974.43
Public Private Partnership Asset	-	23,779,888.93
Total	$ 1,293,206,051.39	$ 1,727,470,236.44

Unamortized Loss on Refunding Debt

Deferred Outflows of Resources of $53.3 million represents unamortized losses on refunding bonds.

For debt refundings, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and reported as deferred outflows of resources. The loss is amortized, using the straight-line method, over the remaining life of the old debt or the life of the new debt, whichever is shorter, and reported in the Statement of Revenues, Expenses and Changes in Net Position as a component of Interest Expense. Unamortized losses on refunding debt are reported as Deferred Outflows of Resources. The unamortized amounts are detailed in the table below.

Unamortized Loss on Refunding Debt			
Fiscal Year Refunded	Bonds Refunded	Amortization Period (FY)	Amount Remaining to be Amortized
2015	Permanent University Fund Bonds, Series 2006	2015-2036	4,373,814.61
2016	Revenue Financing System Bonds, Series 2009A and Series 2009B	2016-2039	8,119,926.09
2016	Revenue Financing System Bonds, Series 2009C and Series 2009D	2016-2040	12,572,119.74
2018	Revenue Financing System Bonds, Series 2011B	2018-2041	4,245,023.45
2018	Revenue Financing System Bonds, Series 2013D	2018-2028	1,212,445.37
2019	Revenue Financing System Bonds, Taxable Series 2013C	2019-2043	22,776,412.13
	Total		$53,299,741.39

Deferred Inflows and Deferred Outflows Related to Pensions

The pension values provided by the Texas Comptroller's Office define the Texas A&M System's proportional share of the Teacher Retirement System of Texas (TRS) unfunded pension liability. The related deferred inflows and deferred outflows include changes in assumptions, contributions subsequent to the measurement date, and differences between projected and actual investment return. The A&M System has reported its proportional share of these deferred inflows and deferred outflows. Additional details are provided in Note 9, Pension Plans and Optional Retirement Program.

Deferred Inflows and Deferred Outflows Related to OPEB

The State provides certain health care and life insurance benefits for retired employees in accordance with State statutes. These benefits are provided to the A&M System's retirees under the A&M System group insurance program, which is a single-employer defined benefit Other Post-Employment (OPEB) plan.

The A&M System has reported its proportional share of the OPEB liability and related deferred inflows and outflows, as determined by an actuarial valuation of the plan. The deferred inflows and deferred outflows include changes in assumptions, contributions subsequent to the measurement date, and differences between projected and actual investment return. Additional details are included in Note 11, Post-Employment Health Care and Life Insurance Benefits.

Deferred Inflows for Split-Interest Agreements

Deferred inflows of resources related to irrevocable split-interest agreements represent the estimated value of future distributions from split-interest agreements where the A&M System is named as a beneficiary.

Deferred Inflows for Leases Income

Deferred inflows of resources for leases represents the net present value of future lease payments for contracts where the A&M System is the lessor. The lease receivable and the related deferred inflow are recognized as of the lease commencement date. The deferred inflow is recognized evenly over the lease term.

Deferred Inflows for Public Private Partnership Asset

Deferred inflows of resources for Public Private Partnership Asset represents the residual book value of an asset to be transferred for Public-Public or Public-Private Partnership contracts. See Note 27 for more details.

Note 29 - Troubled Debt Restructuring

The A&M System does not have any reportable troubled debt restructuring.

Note 30 - Non-Exchange Financial Guarantees

The A&M System does not have any reportable non-exchange financial guarantees.

Note 31 - Tax Abatements

The A&M System does not have any reportable tax abatements.

Note 32 - Fund Balances

This note is not applicable to the A&M System.

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The Texas A&M University System
Required Supplementary Information (RSI)
to the Combined Financial Statements
For the Year Ended August 31, 2024

Required Supplementary Information (RSI) Other Than MD&A

Required Supplementary Information (RSI) includes the MD&A which is included in the front portion of this publication. RSI is required additional information required to be reported based upon GASB pronouncements. This data is not considered Basic Financial Statements nor is it considered Note Disclosures. For the A&M System the reportable RSI is related to *GASB 68 Accounting and Financial Reporting of Pensions*.

Schedule of Proportionate Share of Net Pension Liability

The information on the schedules of proportionate share of net pension liability was originally determined as of the August 31, 2015 measurement date of the collective net pension liability. The schedules of proportionate share of the net pension liability for the state's Teacher Retirement System of Texas Plan (TRS Plan) for the A&M System as an employer and as a non-employer contributing entity are presented below.

Schedule of the A&M System's Proportionate Share of the Net Pension Liability[1]

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A&M System's percentage proportionate share of the net pension liability	1.4051661528%	1.299243846%	1.356215639%	1.3292220283%	1.3193401398%	1.29429458%	1.2265395%	1.2107484%	1.1294397%	1.3190594%
A&M System's proportionate share of the net pension liability	$965,213,562	$771,327,658	$345,380,129	$711,904,200	$685,834,250	$712,411,150	$392,181,254	$457,523,817	$399,241,901	$352,410,894
A&M System's covered payroll-non General Revenue[2]	$980,790,133	$876,266,423	$786,173,293	$771,839,560	$728,675,753	$690,738,796	$635,888,799	$594,339,736	$434,248,377	$483,491,868
A&M System's proportionate share of the net pension liability as a percentage of covered payroll	98.41%	88.02%	43.93%	92.23%	94.12%	103.14%	61.67%	76.98%	91.94%	72.89%
Plan fiduciary net position as a percentage of the total pension liability	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

[1]This schedule is intended to present 10 years of information. Currently only nine years of information is available. Information for future years will be added when it becomes available.

[2]Source of Covered Payroll-non General Revenue varied for Fiscal Year 2017. TRS values were unavailable; these numbers are provided by the A&M System payroll reports.

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The Texas A&M University System
Required Supplementary Information (RSI)
to the Combined Financial Statements
For the Year Ended August 31, 2024

Schedule of Employer Contributions

The information on the schedule of employer contributions was determined as of the end of the fiscal years presented. The schedules of employer contributions comparing the actuarially determined contributions and the contributions recognized by the pension plan in relation to the actuarially determined contributions for the state's Teacher Retirement System of Texas Plan (TRS Plan) are presented below.

Schedule of the A&M System's Employer Contributions[1]										
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Statutorily required contributions	$83,340,203	$71,856,250	$62,135,589	$59,569,124	$55,668,520	$47,806,811	$42,838,933	$38,633,263	$38,024,480	$34,182,243
Contributions in relation to the statutorily	$83,340,203	$71,856,250	$62,135,589	$59,569,124	$55,668,520	$47,806,811	$42,838,933	$38,633,263	$38,024,480	$34,182,243
Contribution deficiency	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
A&M System's covered payroll-non General Revenue[2]	$980,790,133	$876,266,423	$786,173,293	$771,839,560	$728,675,753	$690,738,796	$635,888,799	$594,339,736	$434,248,377	$483,491,868
Contributions as a percentage of covered payroll	8.50%	8.20%	7.90%	7.72%	7.64%	6.92%	6.74%	6.80%	8.76%	7.07%

[1]This schedule presents 10 years of information.

[2]Source of Covered Payroll-non-General Revenue varied for Fiscal Year 2017. TRS values were unavailable; these numbers are provided by the A&M System payroll reports.

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The Texas A&M University System
Required Supplementary Information (RSI)
to the Combined Financial Statements
For the Year Ended August 31, 2024

Schedule of Proportionate Share of OPEB Liability- Fiscal Years 2018-2024

The information on the schedules of proportionate share of the OPEB liability was determined as of the measurement date of the OPEB liability. The schedules of proportionate share of the OPEB liability, this is the seventh year the data will be collected for the next 3 years, eventually this table will include 10 years.

	Elements of the OPEB Liability[1-3]	2024	2023	2022	2021	2020	2019	2018
1	OPEB Liability Beginning Balance	$2,323,661,114	$2,700,223,937	$2,390,290,786	$2,023,060,661	$1,852,526,441	$2,313,866,921	$2,768,919,058
	Changes for the Year:							
	Service Cost	101,071,166	138,894,229	107,963,732	80,329,472	68,219,053	95,228,755	127,342,039
	Interest	96,439,107	63,818,211	56,421,527	62,130,988	73,736,653	89,731,375	81,716,351
	Changes of benefit terms[4]		-	-	-	-	(576,118,675)	-
	Differences between expected and actual experience	(10,400,517)	(698,069,570)	(208,258,181)	-	(59,775,841)	-	(48,754,146)
	Changes of assumptions or other inputs[5]	(823,906,163)	-	308,610,354	254,804,901	165,853,936	(198,049,045)	(577,506,807)
	Benefit payments (employer)	(58,206,641)	(48,493,853)	(42,329,210)	(37,195,158)	(37,581,587)	(38,973,287)	(37,849,574)
	Other Changes	253,797,067	167,288,160	87,524,929	7,159,921	(39,917,994)	166,840,397	-
	Net Changes	(441,205,981)	(376,562,823)	309,933,151	367,230,124	170,534,220	(461,340,480)	(455,052,137)
	OPEB Liability Ending Balance	$1,882,455,133	$2,323,661,114	$2,700,223,937	$2,390,290,786	$2,023,060,661	$1,852,526,441	$2,313,866,921
2	Covered Employee Payroll	$1,331,043,253	$1,061,785,265	$970,693,640	$987,409,550	$950,446,721	$888,380,104	$822,477,489
3	Total OPEB Liability as a Percentage of Covered Employee Payroll	141.43%	218.84%	278.17%	242.08%	212.85%	208.53%	281.33%

Notes to the Schedule

1 This schedule is presented using the optional format of combining the required schedules in Paragraph Nos. 170.a. and 170.b. of GASB No. 75. Until a full 10-year trend is compiled, governments should present information for those years for which information is available.

2 Information is presented using measurement date which precedes the fiscal year end by twelve months.

3 No assets are accumulated in a trust that meets the criteria in Paragraph No. 4 of GASB No. 75 to pay related benefits.

4 Changes in benefit terms: Adopted in January 2018 and effective January 1, 2019, prescription drug coverage for all Medicare-primary participants is provided through a self-funded Employer Group Waiver Plan with Commercial Wrap (EGWP plus Wrap).

5 Changes in assumptions or other inputs: Changes of assumptions and other inputs reflect the changes in the discount rate each period. The discount rate for 2024 is 3.81%.

In fiscal year 2024, amounts reflect updated assumed rates of retirement, disability, termination and mortality, assumed salary increases, assumed expenses, assumed per capita health benefit costs and assumed trend for health benefit costs and retiree contributions.

Bond Schedules

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Schedule 2A

The Texas A&M University System

Schedule of Miscellaneous Bond Information

For the Year Ended August 31, 2024

Description	Bonds Issued to Date	Range of Interest Rates	Maturities First Year	Maturities First Call Date		Maturities Last Year
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998 Revenue Bonds	$ 92,520,000.00	3.55 - 5.5%	7/1/1999	7/1/2008	(1) (2)	7/1/2028
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	218,895,000.00	2.5 - 5.5%	7/1/2010	7/1/2025	(1) (2)	7/1/2034
Permanent University Fund Bonds, Series 2012A Revenue Bonds	70,680,000.00	4.0 - 5.0%	7/1/2013	7/1/2022	(1)	7/1/2024
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds	125,750,000.00	0.579 - 3.575%	7/1/2013	Make Whole	(2) (3)	7/1/2032
Permanent University Fund Bonds, Series 2013 Revenue Bonds	208,465,000.00	3.0 - 5.0%	7/1/2014	7/1/2023	(1)	7/1/2033
Permanent University Fund Bonds, Series 2015A Revenue Bonds	143,555,000.00	3.5 - 5.75%	7/1/2015	7/1/2025	(1)	7/1/2036
Permanent University Fund Bonds, Taxable Series 2015B Revenue Bonds	145,445,000.00	1.0 - 3.60%	7/1/2015	7/1/2025	(1) (2)	7/1/2036
Permanent University Fund Bonds, Series 2017A Revenue Bonds	90,365,000.00	3.0 - 5.0%	7/1/2018	7/1/2027	(1)	7/1/2047
Permanent University Fund Bonds, Taxable Series 2017B Revenue Bonds	310,515,000.00	1.52 - 3.66%	7/1/2018	7/1/2027	(1) (2)	7/1/2047
Permanent University Fund Bonds, Taxable Series 2019 Revenue Bonds	351,890,000.00	1.6 - 3.1%	7/1/2020	7/1/2029	(1) (2)	7/1/2049
Permanent University Fund Bonds, Series 2023 Revenue Bonds	245,595,000.00	5.0% - 5.0%	7/1/2023	7/1/2032	(1)	7/1/2042
Revenue Financing System Bonds, Series 2013B Revenue Bonds	265,405,000.00	3.0 - 5.0%	5/15/2014	5/15/2023	(1) (2)	5/15/2043
Revenue Financing System Bonds, Series 2015A Tuition Revenue Bonds	64,670,000.00	2.0 - 5.0%	5/15/2015	5/15/2023	(1)	5/15/2025
Revenue Financing System Bonds, Series 2015B Revenue Bonds	142,155,000.00	2.0 - 5.0%	5/15/2015	5/15/2023	(1) (2)	5/15/2044
Revenue Financing System Bonds, Taxable Series 2015C Revenue Bonds	176,925,000.00	0.12 - 3.451%	5/15/2015	Make Whole	(2) (3)	5/15/2034
Revenue Financing System Bonds, Taxable Series 2015D Revenue Bonds	67,250,000.00	4.0 - 5.0%	5/15/2016	5/15/2025	(1) (2)	5/15/2045

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Schedule 2A
The Texas A&M University System
Schedule of Miscellaneous Bond Information
For the Year Ended August 31, 2024

Description	Bonds Issued to Date	Range of Interest Rates	Maturities First Year	Maturities First Call Date		Maturities Last Year
Revenue Bonds - Self Supporting						
Revenue Financing System Bonds, Taxable Series 2016A						
Revenue Bonds	$ 88,565,000.00	0.510 - 3.993%	5/15/2016	5/15/2026	(1) (2)	5/15/2037
Tuition Revenue Bonds	2,955,000.00					5/15/2027
Revenue Financing System Bonds, Taxable Series 2016B						
Revenue Bonds	325,575,000.00	0.850 - 4.113%	5/15/2017	5/15/2026	(1) (2)	5/15/2045
Revenue Financing System Bonds, Series 2016C						
Revenue Bonds	85,740,000.00	3.0 - 5.0%	5/15/2017	5/15/2026	(1)	5/15/2040
Tuition Revenue Bonds	121,705,000.00					5/15/2029
Revenue Financing System Bonds, Taxable Series 2016D						
Revenue Bonds	154,265,000.00	0.535 - 3.579%	5/15/2017	5/15/2026	(1) (2) (3)	5/15/2040
Tuition Revenue Bonds	22,595,000.00			Make Whole		5/15/2029
Revenue Financing System Bonds, Series 2016E						
Revenue Bonds	118,950,000.00	2.0 - 5.0%	5/15/2017	5/15/2026	(1)	5/15/2035
Tuition Revenue Bonds	20,400,000.00					5/15/2029
Revenue Financing System Bonds, Taxable Series 2017A						
Tuition Revenue Bonds	388,705,000.00	0.700 - 3.531%	5/15/2017	Make Whole	(3)	5/15/2032
Revenue Financing System Bonds, Taxable Series 2017B						
Tuition Revenue Bonds	386,597,008.00	1.455 - 3.386%	5/15/2018	5/15/2027	(1)	5/15/2032
Revenue Financing System Bonds, Series 2017C						
Revenue Bonds	64,980,000.00	3.0 - 5.0%	5/15/2018	5/15/2027	(1) (2)	5/15/2039
Tuition Revenue Bonds	32,445,000.00					5/15/2028
Revenue Financing System Bonds, Taxable Series 2017D						
Revenue Bonds	158,680,000.00	1.797 - 3.822%	5/15/2018	5/15/2027	(1) (2) (3)	5/15/2047
Revenue Financing System Bonds, Series 2017E						
Revenue Bonds	341,995,000.00	2.0 - 5.0%	5/15/2018	5/15/2022	(1) (2)	5/15/2057
Revenue Financing System Bonds, Taxable Series 2019A						
Revenue Bonds	223,730,000.00	2.709 - 4.197%	5/15/2019	5/15/2029	(1) (2) (3)	5/15/2048
Revenue Financing System Bonds, Taxable Series 2019B						
Revenue Bonds	429,645,000.00	1.934 - 3.480%	5/15/2020	5/15/2029	(1) (2) (3)	5/15/2049
Revenue Financing System Bonds, Taxable Series 2020A						
Revenue Bonds	157,780,000.00	0.209 - 2.647%	5/15/2021	5/15/2029	(1) (2) (3)	5/15/2047
Revenue Financing System Bonds, Series 2021A						
Revenue Bonds	189,425,000.00	2.3 - 5.0%	5/15/2022	5/15/2031	(1) (2)	5/15/2051
Revenue Financing System Bonds, Taxable Series 2021B						
Revenue Bonds	226,375,000.00	0.155 - 2.906%	5/15/2022	5/15/2031	(1) (2) (3)	5/15/2048
Revenue Financing System Bonds, Series 2022						
Revenue Bonds	208,520,000.00	4.375% - 5.0%	5/15/2023	5/15/2032	(1) (2)	5/15/2052
Revenue Financing System Bonds, Series 2024A						
Revenue Bonds	80,413,444.00	4.0 - 5.0%	5/15/2025	5/15/2034	(1) (2)	5/15/2054
Tuition Revenue Bonds	346,981,556.00					5/15/2042
	$ 6,897,102,008.00					

(1) Option for Partial Redemption
(2) Mandatory Redemption Required
(3) Subject to redemption prior to maturity on any business day at the "Make Whole Redemption Price"

UNAUDITED

Schedule 2B

The Texas A&M University System

Schedule of Changes in Bonded Indebtedness
For the Year Ended August 31, 2024

Description	Bonds Outstanding September 1, 2023	Bonds Issued or Converted	Bonds Matured or Retired	Bonds Refunded	Bonds Outstanding August 31, 2024
Revenue Bonds - Self Supporting					
Permanent University Fund Bonds, Series 1998 Revenue Bonds	$ 16,315,000.00	$ -	$ 2,925,000.00	$ -	$ 13,390,000.00
Permanent University Fund Bonds, Series 2009AB Revenue Bonds	180,000,000.00		6,475,000.00		173,525,000.00
Permanent University Fund Bonds, Series 2012A Revenue Bonds	13,225,000.00		13,225,000.00		-
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds	63,015,000.00		6,405,000.00		56,610,000.00
Permanent University Fund Bonds, Series 2013 Revenue Bonds	61,305,000.00		5,145,000.00		56,160,000.00
Permanent University Fund Bonds, Series 2015A Revenue Bonds	140,555,000.00		8,550,000.00		132,005,000.00
Permanent University Fund Bonds, Taxable Series 2015B Revenue Bonds	78,285,000.00		55,000.00		78,230,000.00
Permanent University Fund Bonds, Series 2017A Revenue Bonds	80,395,000.00		4,710,000.00		75,685,000.00
Permanent University Fund Bonds, Taxable Series 2017B Revenue Bonds	310,340,000.00		60,000.00		310,280,000.00
Permanent University Fund Bonds, Taxable Series 2019 Revenue Bonds	339,915,000.00		3,330,000.00		336,585,000.00
Permanent University Fund Bonds, Series 2023 Revenue Bonds	239,935,000.00		7,870,000.00		232,065,000.00
Revenue Financing System Bonds, Series 2013B Revenue Bonds	27,865,000.00		-		27,865,000.00
Revenue Financing System Bonds, Series 2015A Tuition Revenue Bonds	11,455,000.00		5,615,000.00		5,840,000.00
Revenue Financing System Bonds, Series 2015B Revenue Bonds	46,775,000.00		-		46,775,000.00
Revenue Financing System Bonds, Taxable Series 2015C Revenue Bonds	53,230,000.00		11,160,000.00		42,070,000.00
Revenue Financing System Bonds, Taxable Series 2015D Revenue Bonds	55,110,000.00		1,715,000.00		53,395,000.00

UNAUDITED

Schedule 2B

The Texas A&M University System

Schedule of Changes in Bonded Indebtedness
For the Year Ended August 31, 2024

Description	Unamortized Premium	Net Bonds Outstanding August 31, 2024	Principal Due Within One Year	Premium Amortization Due Within One Year	Amounts Due Within One Year	Bonds Outstanding August 31, 2024
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998 Revenue Bonds	$ -	$ 13,390,000.00	$ 3,085,000.00	$ -	$ 3,085,000.00	$ 13,390,000.00
Permanent University Fund Bonds, Series 2009AB Revenue Bonds		173,525,000.00	14,800,000.00		14,800,000.00	173,525,000.00
Permanent University Fund Bonds, Series 2012A Revenue Bonds		-	-		-	-
Permanent University Fund Bonds, Taxable Series 2012B Revenue Bonds		56,610,000.00	6,585,000.00		6,585,000.00	56,610,000.00
Permanent University Fund Bonds, Series 2013 Revenue Bonds	316,777.13	56,476,777.13	5,355,000.00	85,479.55	5,440,479.55	56,160,000.00
Permanent University Fund Bonds, Series 2015A Revenue Bonds	8,542,789.75	140,547,789.75	14,575,000.00	1,919,317.12	16,494,317.12	132,005,000.00
Permanent University Fund Bonds, Taxable Series 2015B Revenue Bonds		78,230,000.00	545,000.00		545,000.00	78,230,000.00
Permanent University Fund Bonds, Series 2017A Revenue Bonds	2,426,618.28	78,111,618.28	4,820,000.00	797,624.12	5,617,624.12	75,685,000.00
Permanent University Fund Bonds, Taxable Series 2017B Revenue Bonds		310,280,000.00	60,000.00		60,000.00	310,280,000.00
Permanent University Fund Bonds, Taxable Series 2019 Revenue Bonds		336,585,000.00	3,395,000.00		3,395,000.00	336,585,000.00
Permanent University Fund Bonds, Series 2023 Revenue Bonds	26,597,398.01	258,662,398.01	8,250,000.00	2,755,836.08	11,005,836.08	232,065,000.00
Revenue Financing System Bonds, Series 2013B Revenue Bonds	(139,659.43)	27,725,340.57	-	(6,252.15)	(6,252.15)	27,865,000.00
Revenue Financing System Bonds, Series 2015A Tuition Revenue Bonds	144,699.70	5,984,699.70	5,840,000.00	144,699.70	5,984,699.70	5,840,000.00
Revenue Financing System Bonds, Series 2015B Revenue Bonds	1,267,617.31	48,042,617.31	-	108,883.91	108,883.91	46,775,000.00
Revenue Financing System Bonds, Taxable Series 2015C Revenue Bonds		42,070,000.00	11,460,000.00		11,460,000.00	42,070,000.00
Revenue Financing System Bonds, Taxable Series 2015D Revenue Bonds		53,395,000.00	1,800,000.00		1,800,000.00	53,395,000.00

UNAUDITED

Schedule 2B

The Texas A&M University System

Schedule of Changes in Bonded Indebtedness

For the Year Ended August 31, 2024

Description	Bonds Outstanding September 1, 2023	Bonds Issued or Converted	Bonds Matured or Retired	Bonds Refunded	Bonds Outstanding August 31, 2024
Revenue Bonds - Self Supporting					
Revenue Financing System Bonds, Taxable Series 2016A					
Revenue Bonds	$ 43,220,000.00	$ -	$ 7,160,000.00	$ -	$ 36,060,000.00
Tuition Revenue Bonds	1,305,000.00		315,000.00		990,000.00
Revenue Financing System Bonds, Taxable Series 2016B					
Revenue Bonds	258,385,000.00		11,165,000.00		247,220,000.00
Revenue Financing System Bonds, Series 2016C					
Revenue Bonds	69,680,000.00		4,400,000.00		65,280,000.00
Tuition Revenue Bonds	78,560,000.00		11,605,000.00		66,955,000.00
Revenue Financing System Bonds, Taxable Series 2016D					
Revenue Bonds	117,455,000.00		6,510,000.00		110,945,000.00
Tuition Revenue Bonds	13,220,000.00		2,085,000.00		11,135,000.00
Revenue Financing System Bonds, Series 2016E					
Revenue Bonds	82,400,000.00		10,115,000.00		72,285,000.00
Tuition Revenue Bonds	13,160,000.00		1,950,000.00		11,210,000.00
Revenue Financing System Bonds, Taxable Series 2017A					
Tuition Revenue Bonds	231,630,000.00		23,450,000.00		208,180,000.00
Revenue Financing System Bonds, Taxable Series 2017B					
Tuition Revenue Bonds	235,955,000.00		26,245,000.00		209,710,000.00
Revenue Financing System Bonds, Series 2017C					
Revenue Bonds	62,260,000.00		3,570,000.00		58,690,000.00
Tuition Revenue Bonds	21,090,000.00		3,955,000.00		17,135,000.00
Revenue Financing System Bonds, Taxable Series 2017D					
Revenue Bonds	136,475,000.00		4,505,000.00		131,970,000.00
Revenue Financing System Bonds, Series 2017E					
Revenue Bonds	325,825,000.00		24,695,000.00		301,130,000.00
Revenue Financing System Bonds, Taxable Series 2019A					
Revenue Bonds	187,630,000.00		8,410,000.00		179,220,000.00
Revenue Financing System Bonds, Taxable Series 2019B					
Revenue Bonds	397,515,000.00		7,695,000.00		389,820,000.00
Revenue Financing System Bonds, Taxable Series 2020A					
Revenue Bonds	142,625,000.00		5,030,000.00		137,595,000.00
Revenue Financing System Bonds, Series 2021A					
Revenue Bonds	180,515,000.00		5,175,000.00		175,340,000.00
Revenue Financing System Bonds, Taxable Series 2021B					
Revenue Bonds	210,730,000.00		8,095,000.00		202,635,000.00
Revenue Financing System Bonds, Series 2022					
Revenue Bonds	201,870,000.00		7,090,000.00		194,780,000.00
Revenue Financing System Bonds, Series 2024A					
Revenue Bonds	-	80,413,444.00	-		80,413,444.00
Tuition Revenue Bonds	-	346,981,556.00			346,981,556.00
		[a]			
	$ 4,729,225,000.00	$427,395,000.00	$260,460,000.00	$ -	$ 4,896,160,000.00
			(Schedule 2D)		(Schedule 2C)

[a] Bonds Issued or Converted

Revenue Financing System Bonds, Series 2024A	$427,395,000.00
Total, Bonds Issued or Converted	$427,395,000.00

UNAUDITED

Schedule 2B

The Texas A&M University System

Schedule of Changes in Bonded Indebtedness

For the Year Ended August 31, 2024

Description	Unamortized Premium	Net Bonds Outstanding August 31, 2024	Principal Due Within One Year	Premium Amortization Due Within One Year	Amounts Due Within One Year	Bonds Outstanding August 31, 2024
Revenue Bonds - Self Supporting						
Revenue Financing System Bonds, Taxable Series 2016A						
Revenue Bonds	$ -	$ 36,060,000.00	$ 7,345,000.00	$ -	$ 7,345,000.00	$ 36,060,000.00
Tuition Revenue Bonds		990,000.00	325,000.00		325,000.00	990,000.00
Revenue Financing System Bonds, Taxable Series 2016B						
Revenue Bonds		247,220,000.00	11,445,000.00		11,445,000.00	247,220,000.00
Revenue Financing System Bonds, Series 2016C						
Revenue Bonds	7,738,958.65	73,018,958.65	4,620,000.00	1,079,723.81	5,699,723.81	65,280,000.00
Tuition Revenue Bonds	4,406,299.33	71,361,299.33	12,190,000.00	1,634,005.57	13,824,005.57	66,955,000.00
Revenue Financing System Bonds, Taxable Series 2016D						
Revenue Bonds		110,945,000.00	6,635,000.00		6,635,000.00	110,945,000.00
Tuition Revenue Bonds		11,135,000.00	2,130,000.00		2,130,000.00	11,135,000.00
Revenue Financing System Bonds, Series 2016E						
Revenue Bonds	3,308,648.63	75,593,648.63	10,610,000.00	1,173,054.61	11,783,054.61	72,285,000.00
Tuition Revenue Bonds	502,825.98	11,712,825.98	2,045,000.00	219,667.37	2,264,667.37	11,210,000.00
Revenue Financing System Bonds, Taxable Series 2017A						
Tuition Revenue Bonds		208,180,000.00	24,130,000.00		24,130,000.00	208,180,000.00
Revenue Financing System Bonds, Taxable Series 2017B						
Tuition Revenue Bonds		209,710,000.00	26,910,000.00		26,910,000.00	209,710,000.00
Revenue Financing System Bonds, Series 2017C						
Revenue Bonds	5,718,202.24	64,408,202.24	3,465,000.00	897,011.32	4,362,011.32	58,690,000.00
Tuition Revenue Bonds	1,218,882.03	18,353,882.03	4,150,000.00	499,213.85	4,649,213.85	17,135,000.00
Revenue Financing System Bonds, Taxable Series 2017D						
Revenue Bonds		131,970,000.00	4,625,000.00		4,625,000.00	131,970,000.00
Revenue Financing System Bonds, Series 2017E						
Revenue Bonds	18,290,330.43	319,420,330.43	25,715,000.00	3,812,837.94	29,527,837.94	301,130,000.00
Revenue Financing System Bonds, Taxable Series 2019A						
Revenue Bonds		179,220,000.00	8,650,000.00		8,650,000.00	179,220,000.00
Revenue Financing System Bonds, Taxable Series 2019B						
Revenue Bonds		389,820,000.00	7,860,000.00		7,860,000.00	389,820,000.00
Revenue Financing System Bonds, Taxable Series 2020A						
Revenue Bonds		137,595,000.00	5,075,000.00		5,075,000.00	137,595,000.00
Revenue Financing System Bonds, Series 2021A						
Revenue Bonds	19,788,820.82	195,128,820.82	5,440,000.00	2,786,500.56	8,226,500.56	175,340,000.00
Revenue Financing System Bonds, Taxable Series 2021B						
Revenue Bonds		202,635,000.00	8,135,000.00		8,135,000.00	202,635,000.00
Revenue Financing System Bonds, Series 2022						
Revenue Bonds	9,729,093.26	204,509,093.26	7,440,000.00	1,346,534.75	8,786,534.75	194,780,000.00
Revenue Financing System Bonds, Series 2024A						
Revenue Bonds	4,522,205.93	84,935,649.93	1,364,039.00	533,585.25	1,897,624.25	80,413,444.00
Tuition Revenue Bonds	36,293,745.82	383,275,301.82	27,970,961.00	3,982,386.36	31,953,347.36	346,981,556.00
		[b]				
	$150,674,253.87	$ 5,046,834,253.87	$298,845,000.00	$ 23,770,109.72	$322,615,109.72	$ 4,896,160,000.00
		(Exhibit III)	(Schedule 2C)			(Schedule 2C)

[b] Bonds Payable per Exhibit III

Current Bonds Payable	$ 322,615,109.72
NonCurrent Bonds Payable	4,724,219,144.15
Total Bonds Payable	$ 5,046,834,253.87

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2025	2026	2027	2028	2029
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998						
Revenue Bonds	Principal	$ 3,085,000.00	$ 3,255,000.00	$ 3,430,000.00	$ 3,620,000.00	$ -
	Interest	736,450.00	566,775.00	387,750.00	199,100.00	
Permanent University Fund Bonds, Series 2009AB						
Revenue Bonds	Principal	14,800,000.00	15,050,000.00	15,150,000.00	16,300,000.00	18,500,000.00
	Interest	8,765,525.00	8,045,325.00	7,292,825.00	6,535,325.00	5,690,475.00
Permanent University Fund Bonds, Taxable Series 2012B						
Revenue Bonds	Principal	6,585,000.00	6,775,000.00	6,965,000.00	6,760,000.00	7,000,000.00
	Interest	1,888,619.76	1,703,712.96	1,506,695.96	1,297,188.76	1,055,518.76
Permanent University Fund Bonds, Series 2013						
Revenue Bonds	Principal	5,355,000.00	5,515,000.00	5,735,000.00	5,960,000.00	6,205,000.00
	Interest	2,192,850.00	2,032,200.00	1,811,600.00	1,582,200.00	1,343,800.00
Permanent University Fund Bonds, Series 2015A						
Revenue Bonds	Principal	14,575,000.00	13,525,000.00	6,430,000.00	6,375,000.00	8,675,000.00
	Interest	6,214,550.02	5,412,925.02	4,669,050.02	4,444,000.02	4,109,312.54
Permanent University Fund Bonds, Taxable Series 2015B						
Revenue Bonds	Principal	545,000.00	2,965,000.00	10,630,000.00	10,810,000.00	11,395,000.00
	Interest	2,541,455.06	2,527,285.06	2,445,747.56	2,137,477.56	1,813,177.56
Permanent University Fund Bonds, Series 2017A						
Revenue Bonds	Principal	4,820,000.00	5,005,000.00	6,275,000.00	6,565,000.00	7,235,000.00
	Interest	2,932,600.00	2,691,600.00	2,441,350.00	2,127,600.00	1,799,350.00
Permanent University Fund Bonds, Taxable Series 2017B						
Revenue Bonds	Principal	60,000.00	60,000.00	75,000.00	80,000.00	80,000.00
	Interest	11,340,465.00	11,338,767.00	11,336,967.00	11,334,604.50	11,332,004.50
Permanent University Fund Bonds, Taxable Series 2019						
Revenue Bonds	Principal	3,395,000.00	3,460,000.00	3,535,000.00	3,605,000.00	3,690,000.00
	Interest	10,260,017.00	10,193,475.00	10,122,199.00	10,045,843.00	9,964,370.00
Permanent University Fund Bonds, Series 2023						
Revenue Bonds	Principal	8,250,000.00	8,660,000.00	9,100,000.00	9,555,000.00	10,025,000.00
	Interest	11,603,250.00	11,190,750.00	10,757,750.00	10,302,750.00	9,825,000.00
Revenue Financing System Bonds, Series 2013B						
Revenue Bonds	Principal	0.00	0.00	0.00	0.00	0.00
	Interest	1,114,600.00	1,114,600.00	1,114,600.00	1,114,600.00	1,114,600.00
Revenue Financing System Bonds, Series 2015A						
Tuition Revenue Bonds	Principal	5,840,000.00				
	Interest	292,000.00				
Revenue Financing System Bonds, Series 2015B						
Revenue Bonds	Principal	0.00	0.00	0.00	0.00	0.00
	Interest	1,787,500.00	1,787,500.00	1,787,500.00	1,787,500.00	1,787,500.00
Revenue Financing System Bonds, Taxable Series 2015C						
Revenue Bonds	Principal	11,460,000.00	5,600,000.00	5,760,000.00	5,920,000.00	6,105,000.00
	Interest	1,301,523.64	971,131.84	806,883.82	632,183.02	446,709.42
Revenue Financing System Bonds, Taxable Series 2015D						
Revenue Bonds	Principal	1,800,000.00	1,870,000.00	1,945,000.00	2,025,000.00	2,105,000.00
	Interest	2,206,966.26	2,134,966.26	2,060,166.26	1,982,366.26	1,901,366.26

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2030-2034	2035-2039	2040-2044	2045-2049	2050-2054
Revenue Bonds - Self Supporting						
Permanent University Fund Bonds, Series 1998						
Revenue Bonds	Principal	$ -	$ -	$ -	$ -	$ -
	Interest					
Permanent University Fund Series 2009AB						
Revenue Bonds	Principal	93,725,000.00				
	Interest	13,380,200.00				
Permanent University Fund Bonds, Taxable Series 2012B						
Revenue Bonds	Principal	22,525,000.00				
	Interest	1,629,663.76				
Permanent University Fund Bonds, Series 2013						
Revenue Bonds	Principal	27,390,000.00				
	Interest	2,793,000.00				
Permanent University Fund Bonds, Series 2015A						
Revenue Bonds	Principal	65,935,000.00	16,490,000.00			
	Interest	11,341,887.56	987,800.00			
Permanent University Fund Bonds, Taxable Series 2015B						
Revenue Bonds	Principal	40,540,000.00	1,345,000.00			
	Interest	5,145,616.56	72,360.00			
Permanent University Fund Bonds, Series 2017A						
Revenue Bonds	Principal	18,385,000.00	9,235,000.00	10,795,000.00	7,370,000.00	
	Interest	5,624,100.00	3,879,525.00	2,318,462.50	503,043.76	
Permanent University Fund Bonds, Taxable Series 2017B						
Revenue Bonds	Principal	7,480,000.00	87,320,000.00	126,975,000.00	88,150,000.00	
	Interest	56,502,265.00	50,218,128.00	30,435,462.00	6,535,479.00	
Permanent University Fund Bonds, Taxable Series 2019						
Revenue Bonds	Principal	1,310,000.00	70,860,000.00	81,675,000.00	165,055,000.00	
	Interest	49,330,175.50	44,971,855.00	33,310,585.00	18,793,285.00	
Permanent University Fund Bonds, Series 2023						
Revenue Bonds	Principal	58,170,000.00	74,255,000.00	54,050,000.00		
	Interest	41,085,750.00	25,011,750.00	5,492,750.00		
Revenue Financing System Bonds, Series 2013B						
Revenue Bonds	Principal	0.00	12,705,000.00	15,160,000.00		
	Interest	5,573,000.00	5,202,200.00	1,545,600.00		
Revenue Financing System Bonds, Series 2015A						
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Series 2015B						
Revenue Bonds	Principal	18,030,000.00	16,700,000.00	12,045,000.00		
	Interest	7,552,500.00	4,479,775.00	1,483,400.00		
Revenue Financing System Bonds, Taxable Series 2015C						
Revenue Bonds	Principal	7,225,000.00				
	Interest	765,259.32				
Revenue Financing System Bonds, Taxable Series 2015D						
Revenue Bonds	Principal	11,855,000.00	14,490,000.00	14,260,000.00	3,045,000.00	
	Interest	8,174,431.30	5,542,636.26	2,442,750.00	129,412.50	

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2055-2057	Total Requirements
Revenue Bonds - Self Supporting			
Permanent University Fund Bonds, Series 1998			
Revenue Bonds	Principal	$ -	$ 13,390,000.00
	Interest		1,890,075.00
Permanent University Fund Series 2009AB			
Revenue Bonds	Principal		173,525,000.00
	Interest		49,709,675.00
Permanent University Fund Bonds, Taxable Series 2012B			
Revenue Bonds	Principal		56,610,000.00
	Interest		9,081,399.96
Permanent University Fund Bonds, Series 2013			
Revenue Bonds	Principal		56,160,000.00
	Interest		11,755,650.00
Permanent University Fund Bonds, Series 2015A			
Revenue Bonds	Principal		132,005,000.00
	Interest		37,179,525.18
Permanent University Fund Bonds, Taxable Series 2015B			
Revenue Bonds	Principal		78,230,000.00
	Interest		16,683,119.36
Permanent University Fund Bonds, Series 2017A			
Revenue Bonds	Principal		75,685,000.00
	Interest		24,317,631.26
Permanent University Fund Bonds, Taxable Series 2017B			
Revenue Bonds	Principal		310,280,000.00
	Interest		200,374,142.00
Permanent University Fund Bonds, Taxable Series 2019			
Revenue Bonds	Principal		336,585,000.00
	Interest		196,991,804.50
Permanent University Fund Bonds, Series 2023			
Revenue Bonds	Principal		232,065,000.00
	Interest		125,269,750.00
Revenue Financing System Bonds, Series 2013B			
Revenue Bonds	Principal		27,865,000.00
	Interest		17,893,800.00
Revenue Financing System Bonds, Series 2015A			
Tuition Revenue Bonds	Principal		5,840,000.00
	Interest		292,000.00
Revenue Financing System Bonds, Series 2015B			
Revenue Bonds	Principal		46,775,000.00
	Interest		22,453,175.00
Revenue Financing System Bonds, Taxable Series 2015C			
Revenue Bonds	Principal		42,070,000.00
	Interest		4,923,691.06
Revenue Financing System Bonds, Taxable Series 2015D			
Revenue Bonds	Principal		53,395,000.00
	Interest		26,575,061.36

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2025	2026	2027	2028	2029
Revenue Financing System Bonds, Taxable Series 2016A						
Revenue Bonds	Principal	$ 7,345,000.00	$ 7,545,000.00	$ 7,750,000.00	$ 1,415,000.00	$ 1,145,000.00
	Interest	1,133,034.76	937,217.06	728,522.36	502,532.36	458,582.46
Tuition Revenue Bonds	Principal	325,000.00	330,000.00	335,000.00		
	Interest	27,560.90	18,896.40	9,768.60		
Revenue Financing System Bonds, Taxable Series 2016B						
Revenue Bonds	Principal	11,445,000.00	11,190,000.00	11,505,000.00	11,840,000.00	12,200,000.00
	Interest	9,222,164.32	8,917,040.62	8,607,525.22	8,272,039.42	7,904,289.02
Revenue Financing System Bonds, Series 2016C						
Revenue Bonds	Principal	4,620,000.00	4,850,000.00	5,095,000.00	5,290,000.00	5,510,000.00
	Interest	2,976,250.00	2,745,250.00	2,502,750.00	2,298,950.00	2,087,350.00
Tuition Revenue Bonds	Principal	12,190,000.00	12,800,000.00	13,445,000.00	13,975,000.00	14,545,000.00
	Interest	2,928,100.00	2,318,600.00	1,678,600.00	1,140,800.00	581,800.00
Revenue Financing System Bonds, Taxable Series 2016D						
Revenue Bonds	Principal	6,635,000.00	6,780,000.00	6,930,000.00	7,100,000.00	7,285,000.00
	Interest	3,417,736.74	3,274,553.44	3,124,851.04	2,951,046.64	2,762,328.64
Tuition Revenue Bonds	Principal	2,130,000.00	2,180,000.00	2,220,000.00	2,275,000.00	2,330,000.00
	Interest	275,673.30	229,707.90	181,573.50	125,895.90	65,426.40
Revenue Financing System Bonds, Series 2016E						
Revenue Bonds	Principal	10,610,000.00	10,040,000.00	10,545,000.00	10,955,000.00	11,305,000.00
	Interest	2,745,650.00	2,215,150.00	1,713,150.00	1,291,350.00	962,700.00
Tuition Revenue Bonds	Principal	2,045,000.00	2,140,000.00	2,260,000.00	2,345,000.00	2,420,000.00
	Interest	442,600.00	340,350.00	233,350.00	142,950.00	72,600.00
Revenue Financing System Bonds, Taxable Series 2017A						
Tuition Revenue Bonds	Principal	24,130,000.00	24,855,000.00	25,635,000.00	26,455,000.00	27,325,000.00
	Interest	6,917,095.86	6,185,715.54	5,407,505.50	4,579,238.66	3,698,022.62
Revenue Financing System Bonds, Taxable Series 2017B						
Tuition Revenue Bonds	Principal	26,910,000.00	27,635,000.00	28,390,000.00	29,200,000.00	30,080,000.00
	Interest	6,281,135.10	5,558,332.50	4,796,711.90	3,991,571.50	3,119,659.50
Revenue Financing System Bonds, Series 2017C						
Revenue Bonds	Principal	3,465,000.00	3,640,000.00	3,810,000.00	4,005,000.00	4,210,000.00
	Interest	2,778,506.26	2,605,256.26	2,423,256.26	2,232,756.26	2,032,506.26
Tuition Revenue Bonds	Principal	4,150,000.00	4,360,000.00	4,575,000.00	4,050,000.00	
	Interest	856,750.00	649,250.00	431,250.00	202,500.00	
Revenue Financing System Bonds, Taxable Series 2017D						
Revenue Bonds	Principal	4,625,000.00	4,755,000.00	4,895,000.00	5,040,000.00	5,205,000.00
	Interest	4,735,481.92	4,602,420.68	4,460,864.30	4,312,692.70	4,155,091.88
Revenue Financing System Bonds, Series 2017E						
Revenue Bonds	Principal	25,715,000.00	27,020,000.00	27,870,000.00	29,345,000.00	19,485,000.00
	Interest	13,464,550.00	12,178,800.00	10,827,800.00	9,434,300.00	7,967,050.00
Revenue Financing System Bonds, Taxable Series 2019A						
Revenue Bonds	Principal	8,650,000.00	8,925,000.00	9,225,000.00	9,535,000.00	9,390,000.00
	Interest	6,836,843.44	6,565,838.96	6,275,508.78	5,966,194.48	5,639,811.42
Revenue Financing System Bonds, Taxable Series 2019B						
Revenue Bonds	Principal	7,860,000.00	8,020,000.00	8,220,000.00	8,430,000.00	19,430,000.00
	Interest	12,253,365.20	12,076,043.60	11,887,092.40	11,683,976.22	11,468,083.92

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2030-2034	2035-2039	2040-2044	2045-2049	2050-2054
Revenue Financing System Bonds, Taxable Series 2016A						
Revenue Bonds	Principal	$ 6,390,000.00	$ 4,470,000.00	$ -	$ -	$ -
	Interest	1,658,968.94	361,366.52			
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Taxable Series 2016B						
Revenue Bonds	Principal	67,675,000.00	80,860,000.00	35,665,000.00	4,840,000.00	
	Interest	32,792,726.70	18,432,497.00	4,300,758.64	199,069.22	
Revenue Financing System Bonds, Series 2016C						
Revenue Bonds	Principal	16,425,000.00	20,595,000.00	2,895,000.00		
	Interest	8,071,950.00	3,914,000.00	144,750.00		
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Taxable Series 2016D						
Revenue Bonds	Principal	38,785,000.00	31,315,000.00	6,115,000.00		
	Interest	10,492,077.64	4,258,796.00	218,855.86		
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Series 2016E						
Revenue Bonds	Principal	17,275,000.00	1,555,000.00			
	Interest	1,434,350.00	62,200.00			
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Taxable Series 2017A						
Tuition Revenue Bonds	Principal	79,780,000.00				
	Interest	5,366,312.68				
Revenue Financing System Bonds, Taxable Series 2017B						
Tuition Revenue Bonds	Principal	67,495,000.00				
	Interest	3,547,660.70				
Revenue Financing System Bonds, Series 2017C						
Revenue Bonds	Principal	18,365,000.00	21,195,000.00			
	Interest	7,222,531.30	2,989,768.78			
Tuition Revenue Bonds	Principal					
	Interest					
Revenue Financing System Bonds, Taxable Series 2017D						
Revenue Bonds	Principal	28,795,000.00	33,270,000.00	30,905,000.00	14,480,000.00	
	Interest	17,992,393.18	12,442,724.10	5,994,042.60	1,120,419.30	
Revenue Financing System Bonds, Series 2017E						
Revenue Bonds	Principal	80,315,000.00	49,925,000.00	12,330,000.00	9,420,000.00	11,585,000.00
	Interest	28,581,200.00	14,066,950.00	7,612,500.00	5,215,750.00	3,050,200.00
Revenue Financing System Bonds, Taxable Series 2019A						
Revenue Bonds	Principal	50,115,000.00	46,290,000.00	29,050,000.00	8,040,000.00	
	Interest	22,877,735.80	13,210,639.40	4,984,357.50	860,594.94	
Revenue Financing System Bonds, Taxable Series 2019B						
Revenue Bonds	Principal	103,110,000.00	115,270,000.00	100,000,000.00	19,480,000.00	
	Interest	49,185,114.62	32,555,742.00	12,675,552.00	2,079,996.00	

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2055-2057	Total Requirements
Revenue Financing System Bonds, Taxable Series 2016A			
Revenue Bonds	Principal	$ -	$ 36,060,000.00
	Interest		5,780,224.46
Tuition Revenue Bonds	Principal		990,000.00
	Interest		56,225.90
Revenue Financing System Bonds, Taxable Series 2016B			
Revenue Bonds	Principal		247,220,000.00
	Interest		98,648,110.16
Revenue Financing System Bonds, Series 2016C			
Revenue Bonds	Principal		65,280,000.00
	Interest		24,741,250.00
Tuition Revenue Bonds	Principal		66,955,000.00
	Interest		8,647,900.00
Revenue Financing System Bonds, Taxable Series 2016D			
Revenue Bonds	Principal		110,945,000.00
	Interest		30,500,246.00
Tuition Revenue Bonds	Principal		11,135,000.00
	Interest		878,277.00
Revenue Financing System Bonds, Series 2016E			
Revenue Bonds	Principal		72,285,000.00
	Interest		10,424,550.00
Tuition Revenue Bonds	Principal		11,210,000.00
	Interest		1,231,850.00
Revenue Financing System Bonds, Taxable Series 2017A			
Tuition Revenue Bonds	Principal		208,180,000.00
	Interest		32,153,890.86
Revenue Financing System Bonds, Taxable Series 2017B			
Tuition Revenue Bonds	Principal		209,710,000.00
	Interest		27,295,071.20
Revenue Financing System Bonds, Series 2017C			
Revenue Bonds	Principal		58,690,000.00
	Interest		22,284,581.38
Tuition Revenue Bonds	Principal		17,135,000.00
	Interest		2,139,750.00
Revenue Financing System Bonds, Taxable Series 2017D			
Revenue Bonds	Principal		131,970,000.00
	Interest		59,816,130.66
Revenue Financing System Bonds, Series 2017E			
Revenue Bonds	Principal	8,120,000.00	301,130,000.00
	Interest	658,200.00	113,057,300.00
Revenue Financing System Bonds, Taxable Series 2019A			
Revenue Bonds	Principal		179,220,000.00
	Interest		73,217,524.72
Revenue Financing System Bonds, Taxable Series 2019B			
Revenue Bonds	Principal		389,820,000.00
	Interest		155,864,965.96

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2025	2026	2027	2028	2029
Revenue Financing System Bonds, Taxable Series 2020A						
Revenue Bonds	Principal	$ 5,075,000.00	$ 5,130,000.00	$ 5,195,000.00	$ 5,270,000.00	$ 5,360,000.00
	Interest	2,925,588.66	2,887,982.92	2,835,503.02	2,774,565.66	2,701,997.78
Revenue Financing System Bonds, Series 2021A						
Revenue Bonds	Principal	5,440,000.00	5,705,000.00	5,980,000.00	6,285,000.00	6,600,000.00
	Interest	6,181,010.00	5,909,010.00	5,623,760.00	5,324,760.00	5,010,510.00
Revenue Financing System Bonds, Taxable Series 2021B						
Revenue Bonds	Principal	8,135,000.00	8,195,000.00	8,285,000.00	8,390,000.00	8,520,000.00
	Interest	4,599,240.02	4,526,757.18	4,441,447.24	4,329,185.46	4,202,915.96
Revenue Financing System Bonds, Series 2022						
Revenue Bonds	Principal	7,440,000.00	7,820,000.00	8,210,000.00	8,605,000.00	9,055,000.00
	Interest	9,578,075.08	9,206,075.08	8,815,075.08	8,404,575.08	7,974,325.08
Revenue Financing System Bonds, Series 2024A						
Revenue Bonds	Principal	1,364,039.00	2,158,370.00	2,271,035.00	2,390,000.00	2,500,000.00
	Interest	3,565,644.16	3,652,470.18	3,544,551.70	3,431,000.00	3,311,500.00
Tuition Revenue Bonds	Principal	27,970,961.00	28,646,630.00	30,078,965.00	12,060,000.00	12,665,000.00
	Interest	16,626,199.59	15,950,529.82	14,518,198.30	13,014,250.00	12,411,250.00
Total		484,791,627.05	471,722,261.28	471,364,699.82	443,759,868.46	438,350,984.98
Less Interest		(185,946,627.05)	(175,262,261.28)	(163,609,699.82)	(151,929,868.46)	(140,770,984.98)
Total Principal		$ 298,845,000.00	$ 296,460,000.00	$ 307,755,000.00	$ 291,830,000.00	$ 297,580,000.00

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2030-2034	2035-2039	2040-2044	2045-2049	2050-2054
Revenue Financing System Bonds, Taxable Series 2020A						
Revenue Bonds	Principal	$ 28,110,000.00	$ 31,025,000.00	$ 32,560,000.00	$ 19,870,000.00	$ -
	Interest	12,190,054.32	9,222,026.72	5,217,158.30	1,060,652.96	
Revenue Financing System Bonds, Series 2021A						
Revenue Bonds	Principal	38,075,000.00	45,980,000.00	40,900,000.00	18,180,000.00	2,195,000.00
	Interest	19,993,800.00	12,060,850.00	5,206,480.00	1,078,918.76	78,493.76
Revenue Financing System Bonds, Taxable Series 2021B						
Revenue Bonds	Principal	45,025,000.00	50,105,000.00	46,255,000.00	19,725,000.00	
	Interest	18,582,884.88	13,433,046.16	6,478,860.10	1,216,306.30	
Revenue Financing System Bonds, Series 2022						
Revenue Bonds	Principal	49,485,000.00	46,710,000.00	29,245,000.00	17,455,000.00	10,755,000.00
	Interest	32,686,375.40	19,892,869.18	10,515,112.66	5,104,425.00	1,037,875.00
Revenue Financing System Bonds, Series 2024A						
Revenue Bonds	Principal	14,515,000.00	14,670,000.00	15,435,000.00	11,310,000.00	13,800,000.00
	Interest	14,551,500.00	10,906,750.00	7,197,500.00	4,238,850.00	1,753,331.28
Tuition Revenue Bonds	Principal	73,490,000.00	93,790,000.00	68,280,000.00		
	Interest	51,898,000.00	31,594,250.00	6,938,500.00		
Total		1,743,818,485.16	1,330,195,505.12	919,108,437.16	454,556,202.74	44,254,900.04
Less Interest		(548,023,485.16)	(339,770,505.12)	(154,513,437.16)	(48,136,202.74)	(5,919,900.04)
Total Principal		$ 1,195,795,000.00	$ 990,425,000.00	$ 764,595,000.00	$ 406,420,000.00	$ 38,335,000.00

Schedule 2C

The Texas A&M University System

Schedule of Debt Service Requirements

For the Year Ended August 31, 2024

Description		2055-2057	Total Requirements
Revenue Financing System Bonds, Taxable Series 2020A			
Revenue Bonds	Principal	$ -	$ 137,595,000.00
	Interest		41,815,530.34
Revenue Financing System Bonds, Series 2021A			
Revenue Bonds	Principal		175,340,000.00
	Interest		66,467,592.52
Revenue Financing System Bonds, Taxable Series 2021B			
Revenue Bonds	Principal		202,635,000.00
	Interest		61,810,643.30
Revenue Financing System Bonds, Series 2022			
Revenue Bonds	Principal		194,780,000.00
	Interest		113,214,782.64
Revenue Financing System Bonds, Series 2024A			
Revenue Bonds	Principal		80,413,444.00
	Interest		56,153,097.32
Tuition Revenue Bonds	Principal		346,981,556.00
	Interest		162,951,177.71
Total		8,778,200.00	6,810,701,171.81
Less Interest		(658,200.00)	(1,914,541,171.81)
Total Principal		$ 8,120,000.00	$ 4,896,160,000.00
			(Schedule 2B)

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Schedule 2D

The Texas A&M University System

Schedule of Analysis of Funds Available for Debt Service

For the Year Ended August 31, 2024

Description	Pledged Revenues	Operating Expenses From Pledged Revenues	Debt Service	
			Principal	Interest
Permanent University Fund Bonds	$ 697,144,548.13	$ 490,560,009.70	$ 58,750,000.00	$ 61,185,152.16
Revenue Financing System Bonds	3,382,179,322.39	2,379,939,605.98	201,710,000.00	114,106,949.55 [a]
	$ 4,079,323,870.52	$ 2,870,499,615.68	$ 260,460,000.00 (Schedule 2B)	$ 175,292,101.71
[a] Debt Service-Interest Expense (Exhibit IV)		$ 197,250,330.38		
Less:				
Interest on Permanent University Fund Commercial Paper	$ 615,587.44			
Interest on Revenue Financing System Commercial Paper/Note	9,533,992.21			
Interest on Notes from Direct Borrowings	1,857,558.04			
Interest on Right-to-Use Asset Leases	4,594,833.27			
Interest on Defeased Bonds	3,546,023.84			
Interest Accrual	1,595,092.59			
Other Interest Expense (non-bonds)	215,141.28	(21,958,228.67)		
Subtotal				
Total, Debt Service-Interest		$ 175,292,101.71 [a]		

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Schedule 2E

The Texas A&M University System

Schedule of Defeased Bonds Outstanding
For the Year Ended August 31, 2024

Description of Issues	Calendar Year Refunded	Par Value Outstanding September 1, 2023	Newly Defeased	Principal Paid	Par Value Outstanding August 31, 2024
(None)					
Total		$ -	$ -	$ -	$ -

UNAUDITED

Schedule 2F

The Texas A&M University System

Schedule of Early Extinguishment and Refunding
For the Year Ended August 31, 2024

Description	Category	Amount Extinguished or Refunded	Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain/ (Loss)
Revenue Bonds - Self Supporting					
(None)	Advance Refunding				
Total, Early Extinguishment and Refunding		$ -	$ -	$ -	$ -

UNAUDITED

Schedule Three
The Texas A&M University System
Combined Schedule of Proprietary Cash & Cash Equivalents
For the Year Ended August 31, 2024

	Current Year
Proprietary Cash & Cash Equivalents	
Unrestricted	
Cash on Hand	$595,438.10
Cash In Bank	5,534,130.99
Cash In State Treasury	1,489,233,805.43
Reimbursements Due From State Treasury	43,736,136.29
Cash Equivalents	717,375,071.51
Total Unrestricted Cash & Cash Equivalents (Exhibit III)	**$2,256,474,582.32**
Restricted	
Cash on Hand	$254,160.00
Cash in Bank	6,614,208.34
Cash Equivalents	571,616,472.18
Total Restricted Cash & Cash Equivalents (Exhibit III)	**$578,484,840.52**
Total Proprietary Cash & Cash Equivalents (Exhibit V)	**$2,834,959,422.84**

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Schedule Three-F
The Texas A&M University System
Combined Schedule of Fiduciary Cash & Cash Equivalents
For the Year Ended August 31, 2024

	Current Year
Fiduciary Cash & Cash Equivalents	
Cash In Bank	$6,789.89
Cash Equivalents	1,288,575.03
Total Unrestricted Cash & Cash Equivalents (Exhibit VI)	**$1,295,364.92**
Restricted Cash & Cash Equivalents	
Cash On Hand	$10,000.00
Cash In Bank	437,126.47
Cash Equivalents	40,548,276.70
Total Restricted Cash & Cash Equivalents (Exhibit VI)	**$40,995,403.17**
Total Fiduciary Cash & Cash Equivalents	**$42,290,768.09**