

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

Annual Report

Updated Financial Information
and
Operating Data

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

For the Fiscal Year Ended
August 31, 2024

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The Texas State University System Combined Annual Financial Report - Fiscal Year 2024

TABLE 1
The Texas State University System
Revenue Financing System Pledged Revenue and Additional Sources

| Pledged Revenues and Balances Available for Debt Service | | | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 |
| Available Pledged Revenues Not Including Net Position (1) | \$ 763,587,280 | \$ 807,948,884 | \$ 796,867,642 | \$ 840,566,100 | \$ 909,467,726 |
| Unrestricted Net Position: (2) | | | | | |
| Unrestricted Net Position per Annual Financial Report | 34,621,117 | 59,799,312 | 75,964,624 | 4,425,958 | 66,098,823 |
| Portion attributable to Revenue Streams Unavailable for Debt Service (3) | <u>(152,792,417)</u> | <u>(156,691,541)</u> | <u>(190,462,525)</u> | <u>(221,417,516)</u> | <u>(225,885,760)</u> |
| As Adjusted for Revenue Streams Unavailable for Debt Service (4) | (118,171,300) | (96,892,229) | (114,497,901) | (216,991,558) | (159,786,937) |
| Pension Entry (5) | 193,732,164 | 204,315,904 | 185,785,589 | 188,767,059 | 212,886,875 |
| OPEB Entry (5) | <u>390,336,295</u> | <u>495,013,713</u> | <u>595,833,243</u> | <u>683,270,773</u> | <u>724,945,716</u> |
| Unrestricted Net Position After Adjustments (6) | <u>465,897,159</u> | <u>602,437,388</u> | <u>667,120,931</u> | <u>655,046,274</u> | <u>778,045,654</u> |
| Total Pledged Revenues and Unrestricted Net Position (4) | <u>\$ 1,229,484,439</u> | <u>\$ 1,410,386,272</u> | <u>\$ 1,463,988,573</u> | <u>\$ 1,495,612,374</u> | <u>\$ 1,687,513,380</u> |

| Additional Sources of Payment not Included in Pledged Revenues | | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 |
| Available HEF (7) | \$ 122,784,614 | \$ 134,215,977 | \$ 144,192,825 | \$ 142,392,700 | \$ 144,950,010 |
| Available CCAP (8) | 34,532,862 | 33,680,200 | 34,286,863 | 27,706,612 | 63,459,650 |
| Total Pledged Revenues and Additional Sources | <u>\$ 1,386,801,915</u> | <u>\$ 1,578,282,449</u> | <u>\$ 1,642,468,261</u> | <u>\$ 1,665,711,686</u> | <u>\$ 1,895,923,040</u> |

(1) The Available Pledged Revenues shown above consist of tuition, designated tuition, student center fees, and recovery of indirect costs for federal grants and contracts, federal pass-through grants from other agencies and State grants and contracts. Excludes State appropriations for reimbursement of debt service on Capital Construction Assistance Program bonds.

(2) The Texas State University System Combined Annual Financial Report, as adjusted for revenue streams unavailable for payment of debt service. In addition to current year Pledged Revenues, any unappropriated year-end balances are available for payment of debt service.

(3) Certain revenue streams are unavailable for debt service. The portion of the System's unrestricted net position resulting from those revenue streams has been excluded.

(4) Amounts reported as "As Adjusted for Revenue Streams Unavailable for Debt Service" were formerly reported as "Available Pledged Revenues Fund Balances." This amount is the unappropriated or reserved net position remaining at year-end that is available for payment of the subsequent year's debt service. Amounts formerly reported as "Total Pledged Revenues and Pledged Revenues Fund Balances" are reported as "Total Pledged Revenues and Unrestricted Net Position."

(5) Details concerning the net pension and OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses may be found in the Notes to the Financial Statements of the TSUS Annual Financial Report. Further information may be found on the GASB Requirements webpage published by the Employees Retirement System of Texas, who administers the plan.

(6) The effect on unrestricted net position resulting from the liabilities related to unfunded pension and other post-employment benefits has been excluded to arrive at an unrestricted net position after adjustments. For further details related to the liabilities, see the Notes to the Financial Statements in the System's Annual Financial Report for each year.

(7) Unexpended Higher Education Fund (HEF) funds carry forward to the next fiscal year. The year-end net positions attributable to HEF reflected are eligible to be applied to the payment of debt service on Parity Debt issued for qualifying projects as permitted in accordance with Article VII, Section 17(a) of the Texas Constitution; however, HEF funds are not Pledged Revenues.

(8) Historically, the State Legislature has appropriated general revenue funds in the State's budget each biennium to reimburse institutions of higher education for debt service on certain revenue bonds ("Capital Construction Assistance Program Bonds," formerly "Tuition Revenue Bonds") issued pursuant to specific statutory authorizations for individual institutions and projects identified in Chapter 55 of the Texas Education Code. The annual CCAP/TRB appropriations are not Pledged Revenues.

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

| Fiscal Year End <u>August 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Annual Debt Service ^{(1)*}</u> |
|-------------------------------------|-------------------------|-----------------------|--|
| 2025 | 97,380,000 | 56,087,460 | 153,467,460 |
| 2026 | 95,725,000 | 58,117,790 | 153,842,790 |
| 2027 | 95,925,000 | 53,784,115 | 149,709,115 |
| 2028 | 97,910,000 | 49,408,209 | 147,318,209 |
| 2029 | 94,215,000 | 45,023,973 | 139,238,973 |
| 2030 | 92,250,000 | 40,713,598 | 132,963,598 |
| 2031 | 94,010,000 | 36,486,777 | 130,496,777 |
| 2032 | 92,215,000 | 32,085,384 | 124,300,384 |
| 2033 | 82,635,000 | 27,799,926 | 110,434,926 |
| 2034 | 53,560,000 | 23,893,249 | 77,453,249 |
| 2035 | 52,430,000 | 21,624,678 | 74,054,678 |
| 2036 | 49,415,000 | 19,405,083 | 68,820,083 |
| 2037 | 38,070,000 | 17,327,200 | 55,397,200 |
| 2038 | 39,180,000 | 15,864,255 | 55,044,255 |
| 2039 | 37,705,000 | 14,349,692 | 52,054,692 |
| 2040 | 28,700,000 | 12,867,742 | 41,567,742 |
| 2041 | 25,215,000 | 11,708,242 | 36,923,242 |
| 2042 | 23,645,000 | 10,629,654 | 34,274,654 |
| 2043 | 23,625,000 | 9,572,810 | 33,197,810 |
| 2044 | 24,700,000 | 8,496,334 | 33,196,334 |
| 2045 | 18,485,000 | 7,369,044 | 25,854,044 |
| 2046 | 15,125,000 | 6,675,275 | 21,800,275 |
| 2047 | 15,685,000 | 6,118,425 | 21,803,425 |
| 2048 | 16,270,000 | 5,538,888 | 21,808,888 |
| 2049 | 16,865,000 | 4,937,088 | 21,802,088 |
| 2050 | 17,490,000 | 4,312,538 | 21,802,538 |
| 2051 | 15,330,000 | 3,482,063 | 18,812,063 |
| 2052 | 16,140,000 | 2,677,238 | 18,817,238 |
| 2053 | 16,980,000 | 1,829,888 | 18,809,888 |
| 2054 | 17,875,000 | 938,438 | 18,813,438 |
| TOTAL | <u>\$ 1,404,755,000</u> | <u>\$ 609,125,056</u> | <u>\$ 2,013,880,056</u> |

* A portion of such outstanding Parity Debt constitute Capital Construcion Assistance Projects Bonds that qualify the University System to be reimbursed from State appropriations for debt service payments in the amounts of \$63,459,650 in FY 2024 and \$63,445,900 in FY 2025. Future reimbursement by the State for debt service payments is entirely subject to future appropriations by the State Legislature in each subsequent State Biennium.

⁽¹⁾ Totals of these columns may not calculate exactly due to rounding of pennies for purposes of this table.

TABLE A-1
Headcount Enrollment

| | Fall 2020 | Fall 2021 | Fall 2022 | Fall 2023 | Fall 2024 |
|-----------------------------------|---------------|---------------|----------------------|---------------|---------------|
| Lamar Institute of Technology | 4,402 | 4,470 | 4,788 | 5,261 | 5,606 |
| Lamar State College - Orange | 2,382 | 2,353 | 2,629 | 3,154 | 3,613 |
| Lamar State College - Port Arthur | 2,566 | 2,524 | 2,698 | 3,941 | 4,682 |
| Lamar University | 15,799 | 15,687 | 16,218 | 16,919 | 17,264 |
| Sam Houston State University | 21,725 | 21,404 | 21,326 | 21,245 | 20,910 |
| Sul Ross State University | 2,473 | 2,325 | 2,071 ⁽¹⁾ | 2,091 | 2,518 |
| Texas State University | 37,812 | 37,864 | 38,171 | 38,723 | 40,487 |
| Total | 87,159 | 86,627 | 87,901 | 91,334 | 95,080 |

(1) Restated: Updated from preliminary to final.

Source: Texas Higher Education Coordinating Board Accountability System and TSUS enrollment reports.

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

TABLE A-2
Graduate Enrollment (1)

| | Fall 2020 | Fall 2021 | Fall 2022 | Fall 2023 | Fall 2024 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| Lamar University | 7,326 | 7,363 | 8,063 | 9,000 | 9,133 |
| Sam Houston State University | 2,935 | 3,145 | 3,117 | 3,100 | 3,152 |
| Sul Ross State University | 570 | 506 | 459 (2) | 516 | 519 |
| Texas State University | 4,619 | 4,689 | 4,337 | 4,175 | 4,317 |
| Total | 15,450 | 15,703 | 15,976 | 16,791 | 17,121 |

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

(2) Restated: Updated from preliminary to final.

Source: Texas Higher Education Coordinating Board Accountability System and TSUS enrollment reports.

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

| | Fall 2020 | Fall 2021 | Fall 2022 | Fall 2023 | Fall 2024 |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Lamar Institute of Technology | 2,592 | 2,566 | 2,681 | 2,824 (2) | 2,975 |
| Lamar State College - Orange | 1,389 | 1,364 | 1,488 | 1,672 | 1,892 |
| Lamar State College - Port Arthur | 1,532 | 1,418 | 1,478 | 1,841 (2) | 2,057 |
| Lamar University | 9,455 | 9,201 | 11,214 | 12,393 | 12,869 |
| Sam Houston State University | 17,606 | 17,024 | 17,136 | 17,246 | 17,324 |
| Sul Ross State University | 1,601 | 1,414 | 1,313 (2) | 1,272 (2) | 1,447 |
| Texas State University | 30,832 | 30,729 | 31,491 | 32,688 | 34,533 |
| Total | 65,006 | 63,716 | 66,800 | 69,936 | 73,097 |

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

(2) Restated: Updated from preliminary to final.

Source: Texas Higher Education Coordinating Board Accountability System and TSUS enrollment reports.

TABLE A-4
Systemwide Enrollment by Residency

| | Fall 2020 | Fall 2021 | Fall 2022 | Fall 2023 | Fall 2024 |
|---------------------|---------------|---------------|---------------|---------------|---------------|
| Texas Residents | 84,205 | 83,348 | 83,906 (1) | 86,771 | 90,125 |
| Non-Texas Residents | 2,039 | 2,086 | 2,070 (1) | 2,044 | 2,038 |
| Non-US Residents | 915 | 1,193 | 1,925 | 2,519 | 2,917 |
| Total | 87,159 | 86,627 | 87,901 | 91,334 | 95,080 |

(1) Restated: Updated from preliminary to final.

Source: Texas Higher Education Coordinating Board Accountability System and TSUS enrollment reports.

Note: Excludes non-reportable students and students enrolled in non-credit formula funded courses.

TABLE A-5
Admissions and Matriculation (1)

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------|--------|--------|--------|--------|--------|
| Applications Submitted | 48,038 | 44,151 | 51,650 | 58,851 | 61,015 |
| Applications Accepted | 39,405 | 38,762 | 41,974 | 51,754 | 52,875 |
| Matriculation | 10,396 | 11,238 | 12,381 | 13,329 | 13,239 |
| Percentage Accepted | 82% | 88% | 81% | 88% | 87% |
| Percentage Matriculated | 26% | 29% | 29% | 26% | 25% |

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

Source: TSUS enrollment reports.

TABLE A-6
Systemwide Degrees Awarded

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------------------|---------------|---------------|-----------------------|---------------|---------------|
| Certificate ⁽¹⁾ | 1,816 | 1,824 | 1,797 ⁽²⁾ | 1,924 | 2,097 |
| Associate | 1,072 | 1,137 | 1,156 ⁽²⁾ | 1,212 | 1,306 |
| Baccalaureate | 13,750 | 14,019 | 13,131 ⁽²⁾ | 13,021 | 12,757 |
| Master's | 4,516 | 5,232 | 5,691 | 5,780 | 5,902 |
| Doctoral | 224 | 229 | 237 | 222 | 329 |
| Total | 21,378 | 22,441 | 22,012 | 22,159 | 22,391 |

(1) Includes advanced technology, undergraduate, and graduate certificates.

(2) Restated: Updated from preliminary to final.

Source: Texas Higher Education Coordinating Board Accountability System and TSUS enrollment reports.

TABLE A-7
Faculty and Staff Headcount by Institution

| | Faculty | Staff | Total |
|-----------------------------------|--------------|---------------|---------------|
| System Administration | 0 | 44 | 44 |
| Lamar University | 522 | 1,736 | 2,258 |
| Sam Houston State University | 956 | 3,110 | 4,066 |
| Sul Ross State University | 135 | 482 | 617 |
| Texas State University | 1,983 | 6,001 | 7,984 |
| Lamar Institute of Technology | 233 | 156 | 389 |
| Lamar State College - Orange | 108 | 124 | 232 |
| Lamar State College - Port Arthur | 124 | 162 | 286 |
| Total | 4,061 | 11,815 | 15,876 |

Source: State Auditor Office FTE Report; annual average headcount for fiscal year 2024

TABLE A-9
Investments
For the Fiscal Year Ended August 31, 2024

| Type of Security | Reported Value |
|--|-------------------------|
| U.S. Treasury Securities | \$ 1,153,877 |
| Corporate Obligations | 1,477,562 |
| Corporate Asset and Mortgage Backed Securities | 1,513,798 |
| Equity | 97,492,624 |
| International Obligations (Govt and Corp) | 159,473 |
| International Equity | 90,571,215 |
| Domestic Mutual Funds | 101,054,863 |
| International Mutual Funds | 115,156,407 |
| Fixed Income Money Market and Bond Mutual Fund | 118,924,887 |
| Other Commingled Funds | 124,926,513 |
| Externally Managed Investments - Domestic | 109,892,930 |
| Externally Managed Investments - International | 28,160,992 |
| Subtotal Investments | \$ 790,485,141 |
| Other Commingled Funds (TexPool) | \$ 873,379,438 |
| Subtotal Cash Equivalents | \$ 873,379,438 |
| Total | \$ 1,663,864,579 |
| Current Unrestricted Assets - Cash Equivalents | \$ 604,855,878 |
| Current Restricted Assets - Cash Equivalents | 262,778,042 |
| Current Unrestricted Assets - Short Term Investments | 100,000,000 |
| Current Restricted Assets - Short Term Investments | 13,452,554 |
| Noncurrent Restricted Assets - Cash Equivalents | 12,967,249 |
| Noncurrent Restricted Assets - Investments | 287,638,787 |
| Noncurrent Assets - Investments | 382,172,069 |
| Total | \$ 1,663,864,579 |

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

| | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Lamar University | \$ 21,241,258 | \$ 21,631,713 | \$ 21,886,900 | \$ 22,056,590 | \$ 22,432,644 |
| Sam Houston State University | 92,191,456 | 94,367,165 | 100,650,284 | 102,810,435 | 107,161,348 |
| Sul Ross State University | 21,275,174 | 21,553,196 | 21,904,235 | 17,715,329 | 18,557,106 |
| Texas State University | 15,961,762 | 16,158,068 | 16,377,450 | 22,199,645 | 22,640,696 |
| Lamar State College - Orange | 5,524 | 5,524 | - | - | - |
| Lamar State College - Port Arthur | 1,187,707 | - | - | - | - |
| Lamar Institute of Technology | - | - | - | - | - |
| System Administration | 5,646,185 | 5,791,626 | 5,718,704 | 5,771,410 | 5,875,523 |
| Total | \$ 157,509,066 | \$ 159,507,292 | \$ 166,537,573 | \$ 170,553,409 | \$ 176,667,317 |