

UNAUDITED

# ANNUAL FINANCIAL REPORT

of

**Texas A&M Forest Service**

*For the Year Ended August 31, 2020*

*With Comparative Totals for the Year Ended August 31, 2019*



**Tom G. Boggus, Director**  
**Robby DeWitt, Associate Director for Finance and Administration**



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TEXAS A&M FOREST SERVICE

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EXHIBIT III  
TEXAS A&M FOREST SERVICE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2020

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Assets and Deferred Outflows		
Current Assets		
Cash and Cash Equivalents [Schedule Three]	\$ 71,965,394.75	\$ 76,248,074.03
Investments		
Restricted		
Cash and Cash Equivalents [Schedule Three]	42,929.49	46,942.29
Investments		
Legislative Appropriations	2,176,405.55	3,203,797.35
Receivables, Net [Note 24]		
Federal	1,636,583.94	1,899,540.06
Other Intergovernmental	190,079.87	238,610.38
Interest and Dividends		
Gifts		
Self-Insured Health and Dental		
Student		
Investment Trades		
Accounts	244,246.56	158,765.46
Other	129,609.03	149,512.46
Due From Other Agencies	11,695,837.46	52,587,496.73
Due From Other Members	6,803,552.17	91,579.39
Due From Other Funds	47,512.01	
Consumable Inventories	450,705.87	499,984.54
Merchandise Inventories	358,700.36	496,174.81
Loans and Contracts	28,974.24	24,656.10
Interfund Receivable [Note 12]		
Other Current Assets	9,155.00	9,155.00
Total Current Assets	<u>\$ 95,779,686.30</u>	<u>\$ 135,654,288.60</u>
Non-Current Assets		
Restricted		
Cash and Cash Equivalents [Schedule Three]	\$	\$
Assets Held By System Office	444,058.70	127,364.89
Investments [Note 3]		
Loans, Contracts and Other		
Gifts Receivable		
Loans and Contracts	183,411.92	236,880.06
Assets Held By System Office	16,992,817.45	12,245,181.16
Investments [Note 3]		
Interfund Receivable [Note 12]		
Capital Assets, Non-Depreciable [Note 2]		
Land and Land Improvements	2,406,255.86	2,406,255.86
Construction In Progress	3,372,407.46	3,183,870.37
Other Tangible Capital Assets		
Land Use Rights		
Other Intangible Capital Assets		
Capital Assets, Depreciable [Note 2]		
Buildings and Building Improvements	2,538,217.62	2,538,217.62
Infrastructure		
Facilities and Other Improvements		
Furniture and Equipment	39,790,618.35	38,035,219.49
Vehicles, Boats, and Aircraft	31,751,228.21	29,595,053.09
Other Capital Assets		
Intangible Capital Assets, Amortized [Note 2]		
Land Use Rights		
Computer Software		
Other Intangible Capital Assets		
Accumulated Depreciation/Amortization	(52,363,842.94)	(46,388,607.20)
Assets Held In Trust		
Other Non-Current Assets		
Total Non-Current Assets	<u>\$ 45,115,172.63</u>	<u>\$ 41,979,435.34</u>
Deferred Outflows of Resources [Note 28]		
Unamortized Loss On Refunding Debt	\$	\$
Government Acquisition		
Pension		
Other Post Employment Benefits		
Asset Retirement Obligations		
Total Deferred Outflows of Resources	<u>\$</u>	<u>\$</u>
Total Assets and Deferred Outflows	<u><u>\$ 140,894,858.93</u></u>	<u><u>\$ 177,633,723.94</u></u>

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EXHIBIT III  
TEXAS A&M FOREST SERVICE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED AUGUST 31, 2020

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Liabilities and Deferred Inflows		
Current Liabilities		
Payables		
Accounts	\$ 57,170,104.48	\$ 70,946,536.21
Payroll	2,254,338.57	2,050,952.34
Investment Trades		
Self-Insured Health and Dental		
Student		
Other		
Interfund Payable [Note 12]		
Due to Other Agencies	50,000.00	1,278.28
Due to Other Funds	47,512.01	
Due to Other Members		
Funds Held for Investment		
Unearned Revenue	184,212.35	142,265.86
Employees' Compensable Leave	144,357.29	142,912.69
Other Post Employment Benefits		
Claims and Judgments		
Notes and Loans Payable [Note 5]		
Notes From Direct Borrowings [Note 5]		
Bonds Payable [Note 6]		
Capital Lease Obligations [Note 8]		
Asset Retirement Obligations [Note 5]		
Liabilities Payable From Restricted Assets		
Other Current Liabilities	29,163.12	16,964.41
Total Current Liabilities	\$ 59,879,687.82	\$ 73,300,909.79
Non-Current Liabilities		
Interfund Payable [Note 12]	\$	\$
Employees' Compensable Leave	2,542,685.60	2,428,573.55
Other Post Employment Benefits [Note 11]		
Pension Liability [Note 9]		
Claims and Judgments		
Notes and Loans Payable [Note 5]		
Notes From Direct Borrowings [Note 5]		
Bonds Payable [Note 6]		
Assets Held In Trust		
Liabilities Payable From Restricted Assets		
Capital Lease Obligations [Note 8]		
Asset Retirement Obligations [Note 5]		
Other Non-Current Liabilities		
Total Non-Current Liabilities	\$ 2,542,685.60	\$ 2,428,573.55
Deferred Inflows of Resources [Note 28]		
Pension	\$	\$
Other Post Employment Benefits		
Split-Interest Agreements		
Total Deferred Inflows of Resources	\$	\$
Total Liabilities and Deferred Inflows	\$ 62,422,373.42	\$ 75,729,483.34
Net Position		
Net Investment In Capital Assets	\$ 27,494,884.56	\$ 29,370,009.23
Restricted for		
Debt Service		
Capital Projects	6,738,025.98	15,011.08
Education	1,078,069.81	927,531.07
Endowment and Permanent Funds		
Nonexpendable		
Expendable		
Unrestricted	43,161,505.16	71,591,689.22
Clearing Accounts		
Total Net Position [Exhibit IV]	\$ 78,472,485.51	\$ 101,904,240.60
Total Liabilities, Deferred Inflows, and Net Position	\$ 140,894,858.93	\$ 177,633,723.94

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EXHIBIT IV  
 TEXAS A&M FOREST SERVICE  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED AUGUST 31, 2020

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Operating Revenues		
Tuition and Fees	\$	\$
Discounts and Allowances		
Professional Fees		
Auxiliary Enterprises		
Discounts and Allowances		
Other Sales of Goods and Services	1,715,475.42	2,938,728.18
Discounts and Allowances		
Interest Revenue		
Federal Revenue - Operating	6,570,993.29	7,370,897.41
Federal Pass Through Revenue	9,285,702.81	1,581,024.99
State Grant Revenue		
State Pass Through Revenue		
Other Grants and Contracts - Operating	275,946.34	250,399.53
Other Operating Revenue	22,947,767.61	23,199,833.47
Total Operating Revenues	\$ 40,795,885.47	\$ 35,340,883.58
Operating Expenses		
Instruction	\$	\$
Research	2,358,973.16	2,339,122.56
Public Service	101,241,191.09	87,891,267.30
Academic Support		
Student Services		
Institutional Support	2,998,771.14	3,017,595.11
Operation & Maintenance of Plant	1,478,136.37	1,568,359.90
Scholarships & Fellowships		
Auxiliary		
Depreciation/Amortization	6,148,198.09	6,303,993.76
Total Operating Expenses [Schedule IV-1]	\$ 114,225,269.85	\$ 101,120,338.63
Total Operating Income [Loss]	\$ (73,429,384.38)	\$ (65,779,455.05)
Nonoperating Revenues [Expenses]		
Legislative Revenue	\$ 13,379,603.96	\$ 12,835,369.54
Federal Revenue Non-Operating		
Federal Pass Through Non-Operating		
State Pass Through Non-Operating		
Gifts	17,770.23	8,000.00
Investment Income	2,172,891.46	261,096.84
Investing Activities Expense	(40,770.38)	(27,673.30)
Interest Expense		
Borrower Rebates and Agent Fees		
Gain [Loss] On Sale or Disposal of Capital Assets		1,289.12
Settlement of Claims		
Other Nonoperating Revenues	11,616.19	10,506.21
Other Nonoperating [Expenses]	(104,330.39)	(908.42)
Total Nonoperating Revenues [Expenses]	\$ 15,436,781.07	\$ 13,087,679.99
Income [Loss] Before Other Revenues and Transfers	\$ (57,992,603.31)	\$ (52,691,775.06)



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SCHEDULE IV-1  
 TEXAS A&M FOREST SERVICE  
 NACUBO FUNCTION TO NATURAL CLASSIFICATION MATRIX  
 FOR THE YEAR ENDED AUGUST 31, 2020

	<u>INSTRUCTION</u>	<u>RESEARCH</u>	<u>PUBLIC SERVICE</u>	<u>ACADEMIC SUPPORT</u>	<u>STUDENT SERVICES</u>
Natural Classification					
Cost of Goods Sold	\$	\$	\$ 221,670.58	\$	\$
Salaries & Wages		1,587,590.82	22,658,203.25		
Payroll Related Costs		462,455.33	8,909,894.82		
Payroll Related Costs-TRS Pension					
Payroll Related Costs-OPEB					
Professional Fees & Services		5,926.90	1,859,533.71		
Travel		34,891.85	2,250,555.52		
Materials & Supplies		124,445.04	4,566,759.55		
Communication & Utilities		38,930.74	723,569.41		
Repairs & Maintenance		40,008.91	1,708,973.53		
Rentals & Leases		31,909.61	1,201,761.86		
Printing & Reproduction		771.40	84,808.11		
Federal Pass-Through			497.70		
State Pass-Through					
Depreciation & Amortization					
Bad Debt Expense					
Interest		136.51	897.09		
Scholarships					
Claims & Losses					
Net Change In OPEB Obligation					
Other Operating Expenses		31,906.05	57,054,065.96		
Total Operating Expenses	<u>\$</u>	<u>\$ 2,358,973.16</u>	<u>\$ 101,241,191.09</u>	<u>\$</u>	<u>\$</u>



<u>INSTITUTIONAL SUPPORT</u>	<u>OPERATION &amp; MAINTENANCE OF PLANT</u>	<u>SCHOLARSHIPS &amp; FELLOWSHIPS</u>	<u>AUXILIARY</u>	<u>DEPRECIATION &amp; AMORTIZATION</u>	<u>TOTAL</u>	<u>PRIOR YEAR</u>
\$	\$	\$	\$	\$	\$ 221,670.58	\$ 232,079.53
2,070,388.70	198,270.66				26,514,453.43	24,640,404.46
555,874.00	51,597.78				9,979,821.93	9,601,652.12
131,975.98	7,199.55				2,004,636.14	2,354,920.94
27,362.39	2,468.07				2,315,277.83	1,839,604.74
66,268.45	123,876.90				4,881,349.94	4,556,992.36
26,548.87	257,766.78				1,046,815.80	1,228,860.03
17,060.60	146,950.14				1,912,993.18	1,931,557.39
30,808.06	428,499.77				1,692,979.30	1,547,390.54
3,085.90	2.17				88,667.58	102,131.91
					497.70	4,455.41
				6,148,198.09	6,148,198.09	6,303,993.76
48.27	31.34				1,113.21	954.26
<u>69,349.92</u>	<u>261,473.21</u>				<u>57,416,795.14</u>	<u>46,775,341.18</u>
<u>\$ 2,998,771.14</u>	<u>\$ 1,478,136.37</u>	<u>\$</u>	<u>\$</u>	<u>\$ 6,148,198.09</u>	<u>\$ 114,225,269.85</u>	<u>\$ 101,120,338.63</u>

[Exhibit IV]

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EXHIBIT V  
TEXAS A&M FOREST SERVICE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED AUGUST 31, 2020

	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL
Cash Flows From Operating Activities		
Proceeds Received From Tuition and Fees	\$	\$
Proceeds Received From Customers	1,616,131.42	5,991,928.34
Proceeds From Grants and Contracts	16,537,172.95	8,526,335.52
Proceeds From Auxiliary Enterprises		
Proceeds From Loan Programs	49,150.00	59,287.81
Proceeds From Other Operating Revenues	22,959,966.32	23,197,486.67
Payments to Suppliers for Goods and Services	(63,419,543.54)	(16,895,418.23)
Payments to Employees	(36,175,332.48)	(34,539,118.83)
Payments for Loans Provided		
Payments for Pension Benefits to Plan Members		
Payments for OPEB Benefits to Plan Members		
Payments for Other Operating Expenses	(21,632,104.39)	(27,222,136.53)
Net Cash Provided [Used] By Operating Activities	\$ (80,064,559.72)	\$ (40,881,635.25)
Cash Flows From Noncapital Financing Activities		
Proceeds From State Appropriations	\$ 13,836,223.87	\$ 13,333,987.74
Proceeds From Gifts	15,221.23	7,600.00
Proceeds From Endowments		
Proceeds From Transfers From Other Funds	69,751,571.46	33,503,422.30
Proceeds From Other Grant Receipts		
Proceeds From Other Noncapital Financing Activities	11,616.19	10,506.21
Payments of Interest		
Payments for Transfers to Other Funds	(1,337,508.47)	(1,320,115.40)
Payments for Grant Disbursements		
Payments for Other Noncapital Financing Uses		
Other Noncapital Transfers From/To System	425,139.00	59,018.37
Transfers Between Fund Groups		
Net Cash Provided [Used] By Noncapital Financing Activities	\$ 82,702,263.28	\$ 45,594,419.22
Cash Flows From Capital and Related Financing Activities		
Proceeds From Sale of Capital Assets	\$	\$ 2,250.00
Proceeds From Debt Issuance		
Proceeds From State Grants and Contracts		
Proceeds From Federal Grants and Contracts		
Proceeds From Gifts		
Proceeds From Interfund Payables		
Proceeds From Other Financing Activities		
Proceeds From Capital Contributions		
Payments for Additions to Capital Assets	(4,316,234.15)	(4,181,889.50)
Payments of Principal On Debt		
Payments for Capital Leases		
Payments of Interest On Debt Issuance		
Payments for Interfund Receivables		
Payments of Other Costs On Debt Issuance		
Transfer of Capital Debt Proceeds From System [Nonmandatory]	324,047.53	460,552.09
Intrasystem Transfers for Capital Debt [Mandatory]		
Intrasystem Transfers for Construction Projects [Non-Mand]		
Net Cash Provided [Used] By Capital & Related Financing Act.	\$ (3,992,186.62)	\$ (3,719,087.41)
Cash Flows From Investing Activities		
Proceeds From Sales of Investments	\$	\$
Sales and Purchases of Investments Held By System	(3,170,963.01)	(5,109,197.17)
Proceeds From Interest and Investment Income	238,753.99	191,244.52
Payments to Acquire Investments		
Net Cash Provided [Used] By Investing Activities	\$ (2,932,209.02)	\$ (4,917,952.65)
Net Increase [Decrease] In Cash and Cash Equivalents	\$ (4,286,692.08)	\$ (3,924,256.09)
Cash and Cash Equivalents, Beginning of Year	\$ 76,295,016.32	\$ 80,219,272.41
Restatement		
Cash and Cash Equivalents, Beginning of Year, As Restated	\$ 76,295,016.32	\$ 80,219,272.41
Cash and Cash Equivalents, End of Year [Sch Three]	\$ 72,008,324.24	\$ 76,295,016.32





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SCHEDULE THREE  
TEXAS A&M FOREST SERVICE  
SCHEDULE OF CASH & CASH EQUIVALENTS  
FOR THE YEAR ENDED AUGUST 31, 2020

	<u>CURRENT YEAR TOTAL</u>
Cash & Cash Equivalents	
Current Assets	
Cash In State Treasury	
Fund 5064	\$ 64,771,254.05
Fund 5066	<u>4,865,740.08</u>
Total Cash In State Treasury	<u>\$ 69,636,994.13</u>
Reimbursements Due From State Treasury	\$ 708,261.44
Assets Held By System Offices-Current	<u>1,620,139.18</u>
Total Current Cash & Cash Equivalents [Exhibit III]	<u>\$ 71,965,394.75</u>
Restricted	
Assets Held By System Offices-Current	<u>\$ 42,929.49</u>
Total Restricted Cash & Cash Equivalents [Exhibit III]	<u>\$ 42,929.49</u>
Total Cash & Cash Equivalents [Exhibit V]	<u><u>\$ 72,008,324.24</u></u>

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SCHEDULE N-2  
 TEXAS A&M FOREST SERVICE  
 NOTE 2 - CAPITAL ASSETS  
 FOR THE YEAR ENDED AUGUST 31, 2020

	BALANCE 9-1-19	ADJUSTMENTS	COMPLETED CIP
Non-Depreciable/Non-Amortizable Assets			
Land and Land Improvements	\$ 2,406,255.86	\$	\$
Construction In Progress	3,183,870.37		
Total Non-Depreciable/Non-Amortizable Assets	\$ 5,590,126.23	\$	\$
Depreciable Assets			
Buildings	\$ 2,538,217.62	\$	\$
Furniture and Equipment	38,035,219.49	(5,524.12)	
Vehicles, Boats and Aircraft	29,595,053.09	5,524.12	
Total Depreciable Assets at Historical Cost	\$ 70,168,490.20	\$	\$
Less Accumulated Depreciation for			
Buildings	\$ (1,303,234.65)	\$	\$
Furniture and Equipment	(26,084,721.42)	131.52	
Vehicles, Boats and Aircraft	(19,000,651.13)	(131.52)	
Total Accumulated Depreciation	\$ (46,388,607.20)	\$	\$
Depreciable Assets, Net	\$ 23,779,883.00	\$	\$
Capital Assets, Net	\$ 29,370,009.23	\$	\$

<u>INC-INTERAGENCY TRANSACTIONS</u>	<u>DEC-INTERAGENCY TRANSACTIONS</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE 8-31-20</u>
\$	\$	\$	\$	\$ 2,406,255.86
		188,537.09		3,372,407.46
<u>\$</u>	<u>\$</u>	<u>\$ 188,537.09</u>	<u>\$</u>	<u>\$ 5,778,663.32</u>
\$	\$	\$	\$	\$ 2,538,217.62
5,524.12		1,891,378.81	(135,979.95)	39,790,618.35
	(41,750.00)	2,330,732.00	(138,331.00)	31,751,228.21
<u>\$ 5,524.12</u>	<u>\$ (41,750.00)</u>	<u>\$ 4,222,110.81</u>	<u>\$ (274,310.95)</u>	<u>\$ 74,080,064.18</u>
\$	\$	\$	\$	\$ (1,383,712.85)
(263.04)		(80,478.20)		(29,400,018.52)
		(3,451,145.53)	135,979.95	(21,580,111.57)
	695.83	(2,616,574.36)	36,549.61	
<u>\$ (263.04)</u>	<u>\$ 695.83</u>	<u>\$ (6,148,198.09)</u>	<u>\$ 172,529.56</u>	<u>\$ (52,363,842.94)</u>
<u>\$ 5,261.08</u>	<u>\$ (41,054.17)</u>	<u>\$ (1,926,087.28)</u>	<u>\$ (101,781.39)</u>	<u>\$ 21,716,221.24</u>
<u><u>\$ 5,261.08</u></u>	<u><u>\$ (41,054.17)</u></u>	<u><u>\$ (1,737,550.19)</u></u>	<u><u>\$ (101,781.39)</u></u>	<u><u>\$ 27,494,884.56</u></u>