

CONTINUING DISCLOSURE ANNUAL REPORT

Filed by

BOARD OF REGENTS OF THE TEXAS TECH UNIVERSITY SYSTEM



FISCAL YEAR 2024

Pursuant to Undertaking Provided to
Permit Compliance with SEC Rule 15c2-12
Relating to
Each Issue of the Board's Outstanding Parity Obligations Issued since 1996

Texas Tech University System
Lubbock, Texas

Board of Regents

<u>Name</u>	<u>Term Expiration</u> ⁽¹⁾	<u>Residence</u>
Mrs. Ginger Kerrick Davis	January 31, 2025	Webster, TX
Mr. Mark Griffin	January 31, 2025	Lubbock, TX
Mr. Dusty Womble.....	January 31, 2025	Lubbock, TX
Ms. Arcilia Acosta.....	January 31, 2027	Dallas, TX
Mr. Cody Campbell.....	January 31, 2027	Fort Worth, TX
Mr. Pat Gordon.....	January 31, 2027	El Paso, TX
Mr. Clay Cash.....	January 31, 2029	Lubbock, TX
Mr. Tim Culp.....	January 31, 2029	Midland, TX
Mrs. Shelley Sweatt.....	January 31, 2029	Wichita Falls, TX

Student Regent⁽²⁾

Mr. Jad Zeitouni	May 31, 2025.....	Lubbock, TX
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Officers of the Board

Mr. Mark Griffin	Chairman
Mrs. Ginger Kerrick Davis	Vice Chairman
Mr. Keino McWhinney	Secretary

Principal Administrators

<u>Name</u>	<u>Title</u>
Dr. Tedd L. Mitchell.....	Chancellor
Mr. James Mauldin.....	Vice Chancellor and Chief Financial Officer
Lt. Gen. Ronnie D. Hawkins Jr.	ASU President
Dr. Stacia Haynie	MSU President
Dr. Lawrence Schovanec.....	TTU President
Dr. Lori Rice-Spearman	TTUHSC President
Dr. Richard A. Lange	TTUHSC at El Paso President

⁽¹⁾ The actual expiration date of the term depends on the date the successor is appointed, qualified and takes the oath of office.

⁽²⁾ Student Regent. Current state law does not allow a Student Regent to vote on any matter before the Board.

This information is being provided by the Board of Regents (“Board”) of the Texas Tech University System (“University System” or “TTUS”) in compliance with the contractual undertaking (“Undertaking”) to provide annual reports of quantitative financial information and operating data (the “Annual Report”), as required by Rule 15c2-12 (“Rule”) of the Securities and Exchange Commission, regarding each issue of the Board’s outstanding Parity Obligations issued since 1996 (“Issues”).

This Annual Report contains financial information and operating data with respect to the University System. Information in this Annual Report has been compiled from the University System’s records and other sources which are believed by the Board to be reliable. This Annual Report is provided in satisfaction of the Board’s Undertaking, and 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 for 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. The Board is required by the Undertaking to provide information annually by a date not more than 180 days following the close of its fiscal year, for as long as any of the Issues are outstanding.

General Overview

The Texas Tech University System (“System” or “The University System”) is composed of a central administrative agency, the Texas Tech University System Administration, and five component institutions – Texas Tech University, Texas Tech University Health Sciences Center – Lubbock, Angelo State University, Midwestern State University, and Texas Tech University Health Sciences Center at El Paso. The Board consists of nine members, each of whom are appointed by the Governor of the State of Texas to six-year staggered terms with three new appointments made to the Board every two years. The Board also has one student Regent that serves a one-year term. The Chancellor is the chief executive officer of the University System and is appointed by, and reports directly to, the Board. The Chancellor is supported by the Texas Tech University System Administration.

The University System is committed to providing the highest quality and most efficient resources and services to its components. Throughout all institutions and centers, the University System strives to increase accessibility, enhance instruction and infrastructure formula funding, provide necessary financial aid, produce and commercialize new technologies, strengthen academic quality and reputation, advance research, improve productivity and efficiency, and further the quality and availability of health care for all Texans. The total enrollment across all components is more than 63,700 students.

Texas Tech University (“TTU” or “Texas Tech” or “University”) is a comprehensive public university created by the State Legislature in 1923 and is now home to more than 41,000 students. From its beginning as a regional technological and liberal arts college, the University has grown into the colleges of: Huckabee College of Architecture, College of Arts & Sciences, Davis College of Agricultural Sciences & Natural Resources, College of Education, College of Health and Human Sciences, College of Media and Communication, Rawls College of Business, Talkington College of Visual & Performing Arts, School of Law and Whitacre College of Engineering, as well as the Honors College and the Graduate School. The new Texas Tech University School of Veterinary Medicine, the first new school of veterinary medicine in the State in more than 100 years, is in Amarillo, Texas.

The University’s 1,800-acre main campus in Lubbock showcases Spanish Renaissance architecture and is home to one of the country’s largest public art collections. The University’s 13 colleges and schools offer over 150 undergraduate, 100 graduate, and 50 doctoral degree programs. University students are involved in over 550 student organizations and clubs, participate in robust study abroad and international programs and are deeply engaged in service to our communities. Athletics also plays a central role at Texas Tech, with 17 varsity teams competing in the Big XII Conference.

The University is accredited by its regional accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (“SACSCOC”), and colleges and departments of the University are accredited by their respective professional associations. Texas Tech University is one of only 21 schools in the country classified as a Carnegie “Very High Research Activity” institution and a Hispanic Serving Institution. The University is home to the Center for Advancing Sustainable and Distributed Fertilizer Production (“CASFER”), a \$51 million U.S. National Science Foundation

Engineering Research Center award. CASFER aims to enable resilient and sustainable food production by developing next-generation, modular, distributed, and efficient technology for capturing, recycling and producing nitrogen-based fertilizers.

The University's main library was completed in 1962 and contains over three million bibliographic items. It is one of the two Regional Depositories for U.S. Government Documents in the State. It includes the Southwest Collection/Special Collections Library and the Architecture Library. Other notable facilities include the Museum of Texas Tech University, including the planetarium, the National Ranching Heritage Center; the International Cultural Center, the Fiber and Biopolymer Research Institutes; and the National Wind Institute and its Scaled Wind Farm Technology Institute. The wind research facilities include three active wind turbines provided by Sandia National Laboratories and Vestas, allowing investigation of turbine-to-turbine interactions and innovative rotor technologies, as well as aero-acoustics and structural health of turbines.

Texas Tech University Health Sciences Center ("TTUHSC" or "Health Sciences Center"). In 1969, the 61st Texas Legislature authorized the creation of the Texas Tech University School of Medicine as a separate educational multi-campus institution. In 1979, the State Legislature expanded the charter to become the Texas Tech University Health Sciences Center. The institution has grown into a comprehensive multi-campus institution with Lubbock as the administrative center and campuses in Abilene, Amarillo, Dallas, Midland and Odessa. The Health Sciences Center is composed of a total of six schools: health professions, pharmacy, biomedical sciences, nursing, medicine and population/public health with total enrollment exceeding 5,100 students. These schools are committed to regionalized, multi-campus educational experiences, and to the related biomedical research, graduate studies, patient care and community service required of a health sciences center. A primary effort is made to recruit a balanced group of students, including those who are underserved, diverse in age and with heterogeneous backgrounds in educational and life experiences.

From its inception, the Health Sciences Center has been charged with addressing the health care needs of West Texas, with a special emphasis on rural health care delivery. This geographic service area is predominantly rural with urban population centers interspersed and comprises just over half of the landmass of the State and 35% of the population.

The Health Sciences Center facilities in Lubbock and Amarillo include academic, clinical, and research facilities. Permian Basin facilities are academic and clinical both in Odessa and Midland; Abilene facilities include academic and research facilities; and the institution also has an academic facility in Dallas.

Angelo State University ("ASU" or "Angelo State") is a public, coeducational university located in San Angelo, Texas. Angelo State was created as Angelo State College in 1965 by an act of the 58th Session of the Texas Legislature in 1963. In May of 1967, the first baccalaureate degrees were awarded. The name of the institution was changed to Angelo State University in May of 1969. Angelo State was designated as a member of the Texas State University System in 1975, along with Sam Houston State University, Southwest Texas State University, and Sul Ross State University, when the 64th Legislature changed the name of the governing board to the Board of Regents, Texas State University System.

In March of 2007, H. B. 3564 was introduced in the Legislature to align Angelo State with the University System. The bill was approved by the full House on April 24, 2007, and by the Senate in a unanimous vote on May 15, 2007. On May 23, 2007, Governor Rick Perry signed the bill. A technical correction to the Texas Constitution to provide for the continuation of Angelo State appropriations upon a change of governance went before voters on November 6, 2007. It was approved, and the Texas Constitution was amended. Effective September 1, 2007, the governance, control, management, and property of Angelo State were transferred from the Board of Regents of the Texas State University System to the Board of Regents of the University System.

Angelo State offers 50 bachelor's, 28 master's, and 4 doctoral degrees. The campus houses six academic colleges: Arts and Humanities; Business; Education; Health and Human Services; Science and Engineering; Graduate Studies including Research. Angelo State has been recognized by Princeton Review for the 14th consecutive year and is one of the top six public universities in the State and among the best 388 nationally for 2023. The 268-acre residential campus accommodates an enrollment of 10,599 and is one of the safest and most technologically sophisticated in Texas. The university offers nationally recognized programs in agriculture, educator preparation, nursing, computer science, field biology and physics. In addition to strong academic programs, Angelo State is known for its Academic Scholarship Program, which is funded by an approximate \$152 million Carr Foundation endowment, one of the largest such scholarship endowments at a regional university in the nation. Scholarships funded by the Carr Foundation benefit one of every two

current Angelo State University students. Since the Carr program was first initiated in 1981, Angelo State has awarded more than \$149 million in scholarships to students. For the seventh straight year, Angelo State has been named a national “College of Distinction” by the Colleges of Distinction print and online college guide that recognizes colleges and universities implementing best practices in higher education

Texas Tech University Health Sciences Center at El Paso (“TTUHSC El Paso” or “Health Sciences Center El Paso”)) was established as the fourth member institution of the University System pursuant to legislation signed by Governor Rick Perry on May 18, 2013. From its establishment in 1973 until its designation as a separate member institution in 2013, TTUHSC El Paso operated as a regional campus under the Health Sciences Center. Since 1973, the TTUHSC El Paso campus has grown significantly to serve the El Paso community through education, research, and patient care. Programs include the Paul L. Foster School of Medicine, Gayle Greve Hunt School of Nursing, and L. Frederick Francis Graduate School of Biomedical Sciences where students receive a comprehensive, practical education preparing them for the health care field. In April 2018, the addition of the Woody L. Hunt School of Dental Medicine to the Health Sciences Center at El Paso was acknowledged by the Texas Higher Education Coordinating Board. El Paso, the sixth most populous city in the State and twenty-second in the U.S., is a medical hub of West Texas and Southern New Mexico. The region has been federally designated as a medically underserved area. TTUHSC El Paso is the only health-related educational institution on the U.S.-Mexico border.

Midwestern State University (“MSU” or “Midwestern”) is a public co-educational institution. It was established in 1922 as Wichita Falls Junior College, the first municipal junior college in Texas. In 1937, in honor of a gift to the institution by Mr. and Mrs. John G. Hardin, Wichita Falls Junior College was renamed Hardin Junior College. When the senior college division was established in 1946, the name of the institution became Hardin College. In January 1950, the name was changed to Midwestern University. On September 1, 1961, Midwestern University became a part of the Texas colleges and universities system and the junior college division was dissolved. The institution became Midwestern State University in 1975.

Over its first century, Midwestern State has grown into a comprehensive regional university with 5,800 students at its main Wichita Falls, Texas campus and a distance learning support center in Flower Mound, Texas. Midwestern State became the fifth member of the University System in September 2021, a testament to the growth and exceptional reputation of the university throughout the State. The campus houses six academic colleges and a graduate school: Dillard College of Business Administration, Lamar D. Fain College of Fine Arts, Robert D. & Carol Gunn College of Health Sciences & Human Services, McCoy College of Mathematics, Science & Engineering, Prothro-Yeager College of Humanities & Social Sciences, Gordon T. & Ellen West College of Education, and Dr. Billie Doris McAda Graduate School. Each of the six colleges house programs that are independently accredited by both national and regional accrediting bodies.

Midwestern State offers 49 undergraduate and 27 graduate programs, including its first doctoral program in education in 2021. With a student-to-faculty ratio of 16:1, smaller class sizes allow faculty to provide students individual attention and make meaningful connections to promote high quality education and student success. Midwestern State students represent 44 states and 55 foreign countries. The university provides extensive learning resources and a dedicated teaching faculty of active scholars and experienced professional teachers.

Midwestern State is the only university in Texas to become a member of the Council of Public Liberal Arts Colleges and, in 2009, was designated in State statute by the Texas Legislature as a public liberal arts university. The university boasts small class sizes and a thriving undergraduate research program and offers study abroad programs in Spain, England, France, Germany, and Grenada West Indies.

In addition to the quality education students receive at Midwestern State, they also have opportunities to engage in the campus and local communities through 100 student organizations and 13 NCAA Division II sports offered to enrich the university experience. In 2022, Midwestern State commemorated 100 years since its inception. With the theme “Spirit Always Bold,” the centennial year honored the university’s rich history, celebrated its vibrant present, and envisioned an exciting future for Midwestern State.

Accreditation The institutions, agencies, and services comprising the University System are members of the following professional associations and 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 American Colleges; American Association of State Colleges and Universities, Council on Higher Education; Association of Urban Universities; National Association of State Universities and Land-Grant Colleges; and Liaison Committee on Medical Education.

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Pledged Revenues

As outlined in the Master Resolution, Parity Obligations are secured by Pledged Revenues of the University System's Revenue Financing System. The Pledged Revenues consist of Revenue Funds and lawfully available (unappropriated) reserve and fund balances with certain exceptions. Revenue Funds are defined in Section 55.01 of the Texas Education Code as revenues, incomes, receipts, rentals, rates, charges, fees, grants, and tuition levied or collected from any public or private source by an institution of higher education, including interest or other income from those funds. All financial sums include MSU. At the publishing of this report, MSU's prior encumbered parity obligations are *not* part of the University System Revenue Financing System ("RFS") Parity Obligations and are reported separately within this disclosure.

Set forth below is the information relating to the University System's Pledged Revenues for the last five fiscal years.

Pledged Revenues and Balances Available for Debt Service (\$000)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Available Pledged Revenues Not Including Fund Balances ⁽¹⁾	757,337	834,127	795,951	932,849	1,052,915
Available Pledged Revenues Fund Balances ⁽²⁾	946,493	962,499	1,256,623	1,288,305	1,358,885
Total Pledged Revenues and Pledged Fund Balances⁽³⁾	\$ 1,703,830	\$ 1,796,626	\$ 2,052,574	\$ 2,221,154	\$ 2,411,800

⁽¹⁾ Excludes (i) amounts received from the Higher Education Fund pursuant to Article VII, Section 17 of the State Constitution, and (ii) State appropriations for the reimbursement of debt service on certain revenue bonds issued to fund hereinafter-defined CCAPs. See "Additional Sources of Payment: HEF and Additional Appropriations" below.

⁽²⁾ In addition to current year's Pledged Revenues, any unappropriated or reserve fund balances remaining at Fiscal Year-end are available for payment of debt service on Parity Obligations coming due during the subsequent year. In addition, historically, the Board has set aside certain reserve fund balances for specified University System purposes.

⁽³⁾ All financial sums include revenues attributable to Midwestern State. Outstanding obligations previously issued by or on behalf of Midwestern State, prior to Midwestern State becoming a Participant in the Revenue Financing System on September 1, 2021, constitute Prior Encumbered Obligations under the Master Resolution. The pledge of Midwestern State's revenues as Pledged Revenues under the Master Resolution is subject and subordinate to such outstanding Prior Encumbered Obligations. The Total Pledged Revenues and Pledged Fund Balances attributable to Midwestern State in Fiscal Years 2020, 2021, 2022, 2023 and 2024 were \$90,633,765, \$102,280,310, \$85,629,218, \$92,391,877 and \$90,120,604, respectively.

Additional Sources of Payment: Higher Education Fund "HEF" Appropriations (\$000)

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Available HEF Appropriations	88,811	88,811	91,490	91,490	91,490
Total	\$ 88,811	\$ 88,811	\$ 91,490	\$ 91,490	\$ 91,490

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Outstanding Obligations as of December 31, 2024

TTUS Outstanding Parity Obligations & Other Debt Obligations

	Total
TTUS RFS Tax-Exempt Bonds 2015A ⁽¹⁾	\$54,935,000
TTUS RFS Taxable Bonds 2015B	\$77,920,000
TTUS RFS Tax-Exempt Bonds 2017A	\$53,495,000
TTUS RFS Taxable Bonds 2017B	\$151,970,000
TTUS RFS Taxable Bonds 2020	\$273,565,000
TTUS RFS Tax-Exempt Bonds 2023A	\$193,625,000
TTUS RFS Taxable Bonds 2023B	\$45,240,000
Total TTUS RFS Parity Obligations	\$850,750,000
RRFF - Interim Financing Loans⁽²⁾	\$190,715,154
Total Outstanding Debt Obligations⁽³⁾	\$1,041,465,154

⁽¹⁾ The amount budgeted by the State Legislature for reimbursement to the University System of CCAP debt service for Fiscal Year 2024 is \$60,032,449, of which a portion is reimbursement for debt service of Northwestern State's Prior Encumbered Obligations – Northwestern State Outstanding Obligations". Future reimbursement by the State for CCAP debt service payments is entirely subject to future appropriations by the State Legislature in each subsequent State biennium.

⁽²⁾ Other Debt - Not a Parity Obligation of the University System.

⁽³⁾ Excludes outstanding Commercial Paper Notes amount not to exceed \$150 million

MSU Prior Encumbered Obligations

Prior Encumbered Obligations of Northwestern State and are secured solely by a prior lien on the pledged revenues of Northwestern State.

	Total ⁽²⁾
MSU RFS Series 2015A ⁽¹⁾	\$42,835,000
MSU RFS Series 2016A ⁽¹⁾	\$48,255,000
MSU RFS Series 2016B	\$7,635,000
Total	\$98,725,000

⁽¹⁾ 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⁾ Northwestern State's outstanding Prior Encumbered Obligations are recognized in the University System's Fiscal Year 2024 Annual Combined Financial Report in accordance with GASB guidelines, but do not constitute Parity Obligations under the TTUS Master Resolution.

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Set forth below is a summary of the debt service requirements of the TTUS Parity Obligations & Other Debt of Red Raider Football Foundation “RRFF” loan outstanding as of December 31, 2024, excluding commercial paper:

TTUS Debt Service as of 12/31/2024

Date	Principal	Interest	Total
12/31/2024	190,175,154		190,175,154
8/31/2025	67,880,000	30,118,226	97,998,226
8/31/2026	62,670,000	27,885,869	90,555,869
8/31/2027	56,975,000	25,752,066	82,727,066
8/31/2028	57,885,000	23,677,822	81,562,822
8/31/2029	59,200,000	21,491,976	80,691,976
8/31/2030	69,435,000	19,132,253	88,567,253
8/31/2031	55,850,000	16,791,376	72,641,376
8/31/2032	50,100,000	14,624,703	64,724,703
8/31/2033	41,430,000	12,657,073	54,087,073
8/31/2034	41,725,000	10,832,774	52,557,774
8/31/2035	46,915,000	8,952,325	55,867,325
8/31/2036	33,560,000	7,276,403	40,836,403
8/31/2037	14,280,000	6,285,536	20,565,536
8/31/2038	14,850,000	5,723,142	20,573,142
8/31/2039	13,650,000	5,172,707	18,822,707
8/31/2040	148,575,000	2,729,164	151,304,164
8/31/2041	5,325,000	463,673	5,788,673
8/31/2042	1,845,000	342,640	2,187,640
8/31/2043	1,920,000	269,828	2,189,828
8/31/2044	1,995,000	194,081	2,189,081
8/31/2045	2,075,000	115,295	2,190,295
8/31/2046	495,000	67,993	562,993
8/31/2047	505,000	53,603	558,603
8/31/2048	520,000	38,853	558,853
8/31/2049	535,000	23,672	558,672
8/31/2050	555,000	7,986	562,986
Total	\$1,040,925,154	\$240,681,036	\$1,281,606,193

Note: This debt service does not include any prior encumbered parity obligations of MSU before 9/1/2021 when it became a member of the University System.

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Set forth below is a summary of the debt service requirements of the MSU Prior Encumbered Obligations as of December 31, 2024:

MSU Debt Service as of 12/31/2024			
Date	Principal	Interest	Total
8/31/2025		2,077,531.68	2,077,531.68
8/31/2026	6,505,000.00	4,001,565.86	10,506,565.86
8/31/2027	6,855,000.00	3,685,679.26	10,540,679.26
8/31/2028	7,225,000.00	3,351,212.96	10,576,212.96
8/31/2029	6,835,000.00	3,037,920.56	9,872,920.56
8/31/2030	7,010,000.00	2,750,582.96	9,760,582.96
8/31/2031	7,350,000.00	2,450,539.91	9,800,539.91
8/31/2032	7,695,000.00	2,145,157.46	9,840,157.46
8/31/2033	7,630,000.00	1,834,113.96	9,464,113.96
8/31/2034	7,580,000.00	1,524,650.66	9,104,650.66
8/31/2035	6,350,000.00	1,248,237.66	7,598,237.66
8/31/2036	5,715,000.00	1,007,406.26	6,722,406.26
8/31/2037	1,870,000.00	855,706.26	2,725,706.26
8/31/2038	2,000,000.00	778,306.26	2,778,306.26
8/31/2039	2,135,000.00	695,606.26	2,830,606.26
8/31/2040	2,270,000.00	607,506.26	2,877,506.26
8/31/2041	2,415,000.00	513,806.26	2,928,806.26
8/31/2042	2,565,000.00	412,603.13	2,977,603.13
8/31/2043	2,735,000.00	303,290.63	3,038,290.63
8/31/2044	2,905,000.00	186,965.63	3,091,965.63
8/31/2045	3,080,000.00	63,525.00	3,143,525.00
Total	98,725,000.00	33,531,914.88	132,256,914.88

Note: The MSU debt service is solely for prior encumbered parity obligations as part of the MSU Revenue Finance System (RFS) prior to its membership into the University System on 9/1/2021.

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TTUS Outstanding Obligations as of March 13, 2025

Following the delivery of the Series 2025A&B bonds, the Board will have the obligations set forth in the following table:

<i>Outstanding Parity Obligations</i>	Outstanding Principal As of March 13, 2025
Revenue Financing System Refunding and Improvement Bonds, Sixteenth Series (2015A) ⁽¹⁾	\$ -
Revenue Financing System Refunding and Improvement Bonds, Seventeenth Series (Taxable 2015B) ⁽²⁾	60,870,000
Revenue Financing System Refunding and Improvement Bonds, Series 2017A ⁽²⁾	49,420,000
Revenue Financing System Refunding and Improvement Bonds, Taxable Series 2017B ⁽²⁾	129,655,000
Revenue Financing System Refunding and Improvement Bonds, Taxable Series 2020	263,315,000
Revenue Financing System Refunding and Improvement Bonds, Series 2023A ⁽²⁾	192,580,000
Revenue Financing System Improvement Bonds, Taxable Series 2023B ⁽²⁾	34,230,000
Revenue Financing System Refunding and Improvement Bonds, Series 2025A	304,335,000
<u>Revenue Financing System Refunding and Improvement Bonds, Taxable Series 2025B</u>	<u>37,160,000</u>
Subtotal	\$1,071,565,000
<u>Revenue Financing System Commercial Paper Notes, Series A</u>	<u>46,284,000</u>
Total Outstanding Parity Obligations	\$1,117,849,000
<i>Other Obligations</i>	
<u>Red Raider Facilities Foundation Projected Outstanding Debt⁽³⁾</u>	<u>\$ 209,112,388</u>
Total Outstanding Obligations	\$1,326,961,388

⁽¹⁾ Excludes the Refunded TTUS Bonds.

⁽²⁾ The amount budgeted by the State Legislature for reimbursement to the University System of CCAP debt service for Fiscal Year 2025 is \$60,054,474, of which a portion is reimbursement for debt service of Midwestern State's Prior Encumbered Obligations. Future reimbursement by the State for CCAP debt service payments is entirely subject to future appropriations by the State Legislature in each subsequent State biennium.

⁽³⁾ Not a Parity Obligation of the University System. Amount shown is the outstanding loan balance to be redeemed on March 31, 2025

Midwestern State Outstanding Obligations

Following the delivery of the Series 2025A&B bonds, the Board will have the following described indebtedness which constitutes Prior Encumbered Obligations of Midwestern State and are secured solely by a prior lien on the pledged revenues of Midwestern State.

	Outstanding Principal⁽²⁾ As of March 13, 2025
Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue and Refunding Bonds, Series 2015A ⁽¹⁾⁽³⁾	\$ -
Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue and Refunding Bonds, Series 2016A ⁽¹⁾	48,255,000
Texas Public Finance Authority Midwestern State University Revenue Financing System Revenue Refunding Bonds, Taxable Series 2016B	7,635,000
TOTAL	\$55,890,000

⁽¹⁾ 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⁾ Midwestern State's outstanding Prior Encumbered Obligations are recognized in the University System's Fiscal Year 2024 Annual Combined Financial Report in accordance with GASB guidelines, but do not constitute Parity Obligations under the Master Resolution.

⁽³⁾ Excludes the Series 2025A&B Refunded MSU Bonds.

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Set forth below is a summary of the debt service requirements of the TTUS Parity Obligations & Other Debt of Red Raider Football Foundation “RRFF” loan outstanding as of March 13, 2025, excluding commercial paper:

TTUS Debt Service as of 3/13/2025 ⁽¹⁾			
Date	Principal	Interest	Total
3/13/2025	\$209,112,388		\$209,112,388
8/31/2025	-	20,415,618	20,415,618
8/31/2026	67,320,000	42,153,756	109,473,756
8/31/2027	61,970,000	39,731,199	101,701,199
8/31/2028	63,230,000	37,303,282	100,533,282
8/31/2029	67,145,000	34,693,645	101,838,645
8/31/2030	76,350,000	31,867,131	108,217,131
8/31/2031	62,305,000	29,091,082	91,396,082
8/31/2032	58,595,000	26,502,000	85,097,000
8/31/2033	48,510,000	24,148,980	72,658,980
8/31/2034	48,840,000	21,972,039	70,812,039
8/31/2035	54,740,000	19,718,859	74,458,859
8/31/2036	41,855,000	17,632,776	59,487,776
8/31/2037	24,730,000	16,155,578	40,885,578
8/31/2038	25,910,000	15,032,201	40,942,201
8/31/2039	25,195,000	13,894,503	39,089,503
8/31/2040	160,420,000	10,850,416	171,270,416
8/31/2041	17,865,000	7,968,496	25,833,496
8/31/2042	15,090,000	7,201,893	22,291,893
8/31/2043	15,830,000	6,517,807	22,347,807
8/31/2044	16,530,000	5,870,157	22,400,157
8/31/2045	17,345,000	5,116,800	22,461,800
8/31/2046	8,390,000	4,489,793	12,879,793
8/31/2047	8,805,000	4,070,528	12,875,528
8/31/2048	9,245,000	3,630,153	12,875,153
8/31/2049	9,705,000	3,167,597	12,872,597
8/31/2050	10,200,000	2,681,536	12,881,536
8/31/2051	10,135,000	2,179,050	12,314,050
8/31/2052	10,615,000	1,700,106	12,315,106
8/31/2053	11,075,000	1,239,194	12,314,194
8/31/2054	11,560,000	758,200	12,318,200
8/31/2055	12,060,000	256,275	12,316,275
Total	1,280,677,388	458,010,646	1,738,688,033

Note: This debt service does not include any prior encumbered parity obligations of MSU before 9/1/2021 when it became a member of the University System.

⁽¹⁾ The Series 2025A&B TTUS bonds are expected to be available for delivery on 03/13/2025. A portion of the bond proceeds will be used to redeem the RRFF - Interim Financing Loans on March 31, 2025. The debt service as of 3/13/2025, reflects the Series 2025A bonds in the amount of \$179,633,388 to cover a portion of the outstanding debt. Additionally, the System anticipates issuing commercial paper of approximately \$29,479,000 on 3/5/2025 to cover the remaining outstanding balance required at closing for the System to assume full ownership.

Set forth below is a summary of the debt service requirements of the MSU Prior Encumbered Obligations as of March 13, 2025:

MSU Debt Service as of 03/13/2025			
Date	Principal	Interest	Total
8/31/2025	-	1,144,603.55	1,144,603.55
8/31/2026	4,485,000	2,186,209.60	6,671,209.60
8/31/2027	4,690,000	1,974,948.00	6,664,948.00
8/31/2028	4,905,000	1,752,606.70	6,657,606.70
8/31/2029	5,130,000	1,539,939.30	6,669,939.30
8/31/2030	5,175,000	1,341,101.70	6,516,101.70
8/31/2031	5,375,000	1,136,308.65	6,511,308.65
8/31/2032	5,590,000	922,401.20	6,512,401.20
8/31/2033	5,815,000	698,832.70	6,513,832.70
8/31/2034	6,050,000	465,344.40	6,515,344.40
8/31/2035	4,715,000	252,231.40	4,967,231.40
8/31/2036	3,960,000	79,200.00	4,039,200.00
Total	55,890,000	13,493,727.20	69,383,727.20

Note: The MSU debt service is solely for prior encumbered parity obligations as part of the MSU Revenue Finance System (RFS) prior to its membership into the University System on 9/1/2021.

Enrollment

Set forth below is the fall semester headcount and full-time equivalent enrollment at the University System for each of the last five fall semesters:

	<u>Headcount Enrollment Information</u>				
	Fall 2024	Fall 2023	Fall 2022	Fall 2021	Fall 2020
<u>Undergraduate:</u>					
Texas Tech University	32,580	32,635	32,729	33,256	33,269
Health Sciences Center	1,482	1,374	1,448	1,468	1,393
Health Sciences Center at El Paso	242	235	258	267	288
Angelo State University	9,779	9,623	9,144	9,213	9,190
Midwestern State University	4,303	4,508	4,818	5,041	N/A
Undergraduate Total	48,386	48,375	48,397	49,245	44,140
<u>Graduate & Professional:</u>					
Texas Tech University	8,177	8,138	7,799	7,410	7,053
Health Sciences Center	3,632	3,516	3,688	3,910	3,892
Health Sciences Center at El Paso	755	687	597	518	487
Angelo State University	1,763	1,627	1,456	1,613	1,585
Midwestern State University	1,021	1,065	966	756	N/A
Graduate Total	15,348	15,033	14,506	14,207	13,017
Total	63,734	63,408	62,903	63,452	57,157

Full-Time Equivalent Enrollment Information

	Fall 2024	Fall 2023	Fall 2022	Fall 2021	Fall 2020
<u>Undergraduate:</u>					
Texas Tech University	31,410	30,811	30,645	30,754	30,729
Health Sciences Center	1,415	1,319	1,330	1,393	1,327
Health Sciences Center at El Paso	234	223	243	243	263
Angelo State University	7,255	6,943	6,679	6,862	6,990
Midwestern State University	3,679	3,619	3,827	4,093	N/A
Undergraduate Total	43,993	42,915	42,724	43,345	39,309
<u>Graduate & Professional:</u>					
Texas Tech University	6,773	6,340	6,013	5,550	5,259
Health Sciences Center	3,173	3,029	3,161	3,330	3,364
Health Sciences Center at El Paso	750	682	595	516	486
Angelo State University	1,360	1,321	1,160	1,313	1,283
Midwestern State University	685	701	612	452	N/A
Graduate Total	12,741	12,073	11,541	11,161	10,392
Total	56,734	54,987	54,265	54,506	49,701

Note: Enrollment numbers for MSU are reflected after its membership into the TTUS on 9/1/2021.

Admissions and Matriculation

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

	2024	%	2023	%	2022	%	2021	%	2020	%
<u>Freshman:</u>										
Applications Submitted	60,915	--	56,451	--	55,574	--	57,174	--	47,717	--
Applications Accepted	39,442	65%	34,708	61%	33,931	61%	31,113	54%	25,548	54%
Matriculation	10,975	28%	11,297	33%	10,616	31%	10,611	34%	9,774	38%
Matriculation from outside state	872	8%	762	7%	872	8%	795	7%	539	6%
<u>Transfers:</u>										
Applications Submitted	6,912	--	6,395	--	6,587	--	7,129	--	6,448	--
Applications Accepted	5,535	80%	4,982	78%	4,981	76%	5,606	79%	5,139	80%
Matriculation	3,379	61%	3,201	64%	3,234	65%	3,530	63%	3,301	64%
Matriculation from outside state	411	12%	376	12%	359	11%	391	11%	259	8%
<u>Graduates:</u>										
Applications Submitted	18,993	--	19,911	--	17,546	--	16,790	--	12,814	--
Applications Accepted	8,207	43%	8,324	42%	7,585	43%	6,254	37%	5,447	43%
Matriculation	3,601	44%	3,668	44%	3,517	46%	3,111	50%	2,899	53%
Matriculation from outside state	1,045	29%	1,296	35%	1,198	34%	1,026	33%	721	25%

Note: Admissions and matriculation numbers for MSU are reflected after its membership into the TTUS on 9/1/2021.

Degrees Conferred

Set forth below is a listing of degrees conferred by the member institutions during each of the last five years:

Total Degrees Conferred					
<u>Institutions:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Texas Tech University	8,572	8,980	9,140	9,881	9,973
Angelo State	1,902	1,878	2,002	1,848	1,765
The Health Sciences Center	2,325	2,280	2,458	2,383	2,355
Health Sciences Center at El Paso	305	323	284	286	290
Midwestern State University	N/A	1,349	1,395	1,414	1,364
Total	13,104	14,810	15,279	15,812	15,747

Note: Degree numbers for MSU are reflected after its membership into the TTUS on 9/1/2021. Prior enrollment numbers were reported independently.

Financial Management- Financial Statements

The University System is an agency of the State and its financial records reflect compliance with applicable State statutes and regulations. The fiscal year of the State and the University System begins on September 1 of each year. Annually, an unaudited financial report, dated as of August 31, is prepared for the University System no later than November 20 and then delivered to the Governor and the State Comptroller of Public Accounts. The State in turn issues an audited Annual Comprehensive Financial Report (“ACFR”), prepared in accordance with generally accepted accounting principles, encompassing all activities generally considered part of the State. The State Auditor’s Office annually audits the general-purpose activities of the State and contracts with an outside firm to audit certain portions in compliance with federal audit procedures. Both the State Auditor and contracted auditing firm each express an opinion of the ACFR. However, neither the State Auditor nor the contracted auditing firm express opinions on the financial reports of individual agencies and/or member units, including the University System. Therefore, no independent audit of the University System is required.

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Set forth below reflects the condensed statement of net position of the University System as of August 31, 2020 through 2024.

Condensed Statement of Net Position (unaudited) as of August 31, 2024 (In Thousands)					
Assets and Deferred Outflows:	Restated 2020	Restated 2021	Restated 2022	Restated 2023	2024⁽²⁾
Current Assets	740,275	821,928	929,024	992,299	1,110,291
Capital Assets, Net	1,842,111	1,953,276	2,137,814	2,152,863	2,355,656
Other Assets	2,608,658	3,065,375	3,207,056	3,768,721	4,148,970
Total Assets	\$5,191,043	\$5,840,579	\$6,273,893	\$6,913,883	\$7,614,917
 Total Deferred Outflows	 \$710,618	 \$534,081	 \$406,266	 \$292,510	 \$202,953
 Total Assets and Deferred Outflows	 \$5,901,661	 \$6,374,660	 \$6,680,159	 \$7,206,393	 \$7,817,870
 Liabilities and Deferred Inflows:					
Current Liabilities	554,015	619,824	690,551	722,345	966,969
Non-Current Liabilities	2,062,500	2,021,971	2,071,371	2,294,936	2,213,665
Total Liabilities	\$2,616,515	\$2,641,795	\$2,761,922	\$3,017,281	\$3,180,634
 Total Deferred Inflows	 \$331,763	 \$334,248	 \$391,309	 \$403,633	 \$359,586
 Total Liabilities and Deferred Inflows	 \$2,948,278	 \$2,976,043	 \$3,153,231	 \$3,420,914	 \$3,540,220
 Net Position:					
Net Investment in Capital Assets	1,129,812	1,149,262	1,195,007	1,299,940	1,363,694
Restricted, Expendable	502,413	715,989	769,217	842,731	980,220
Restricted, Non-Expendable	786,164	828,326	895,202	927,485	1,002,712
Unrestricted	534,994	705,040	667,502	715,323	931,025
Total Net Position	\$2,953,383	\$3,398,617⁽¹⁾	\$3,526,928⁽¹⁾	\$3,785,479	\$4,277,651

Note: Totals may not add due to rounding

Net position for 2020-2021 does not include Midwestern State.

(1) Fiscal Year 2021 and Fiscal Year 2022 included restatements related to implementation of GASB 87, which resulted in restatements to capital assets and right to use assets. Fiscal Year 2022 restatement also included adjustments to add Midwestern State University beginning balances related to pension and OPEB into the University System consolidated financial records.

(2) The University System's financial statements for fiscal year 2024 do not reflect Texas Tech University's share of the market value of the TUF as of August 31st as a true endowment for reporting purposes. Based on the TUF's market value as of August 31, 2024 of \$4,216,437,242.31, Texas Tech's University's share was \$1,054,109,311

Set forth below reflects the condensed statement of revenues, expenses, and changes in net position of the University System as of August 31, 2020 through 2024.

	Restated 2020	Restated 2021	Restated 2022	Restated 2023	2024
Operating Revenues	1,332,739	1,348,554	1,585,654	1,652,941	1,710,735
Operating Expenses	2,190,441	2,160,236	2,472,512	2,617,273	2,739,302
Operating Income (Loss)	\$(857,702)	\$(811,682)	\$(886,858)	\$(964,333)	\$(1,028,567)
Non-Operating Revenues (Expenses)	676,123	1,116,084	695,898	1,006,406	1,190,725
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	(181,579)	304,402	(190,960)	42,073	162,158
Other Revenues, Expenses, Gains, Losses and Transfers	143,119	165,391	371,909	200,306	258,725
Changes in Net Position	\$(38,460)	\$469,793	\$180,949	\$242,379	\$420,883
Beginning Net Position (September 1) Restatement	2,991,843	2,953,383	3,398,617	3,526,928	3,765,328
	-	(24,559)	(52,638)	16,171	91,440
Restated Beginning Net Position (September 1)	2,991,843	2,928,824 ⁽¹⁾	3,345,979 ⁽¹⁾	3,543,100 ⁽¹⁾	3,856,768 ⁽¹⁾
Ending Net Position (August 31)	\$2,953,383	\$3,398,617	\$3,526,928	\$3,785,479	\$4,277,651

Note: Changes in net position for 2020-2021 do not include Midwestern State.

⁽¹⁾ Fiscal Year 2021 and Fiscal Year 2022 included restatements related to implementation of GASB 87, which resulted in restatements to capital assets and right to use assets. Fiscal Year 2022 restatement also included adjustments to add Midwestern State University beginning balances related to Pension and OPEB into the University System consolidated financial records. Fiscal Year 2023 restatements included restatements related to implementation of GASB 94 and GASB 96, which resulted in restatements to right to use lease assets. Fiscal Year 2024 beginning net position was restated to include Midwestern State University Foundation's beginning net position as a new component unit of the University System consolidated financials.

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Set forth below reflects the condensed statement of cash flows of the University System as of August 31, 2020 through 2024.

	Restated 2020	Restated 2021	Restated 2022	Restated 2023	2024
Cash Flow From					
Operating Activities	(544,624)	517,477	(620,869)	(675,498)	(760,374)
Non-capital Financing Activities	701,261	689,719	892,495	830,777	890,581
Capital and Related Financing Activities	17,011	165,320	(118,611)	88,668	(194,200)
Investing Activities	(40,320)	(78,541)	(135,451)	(27,173)	40,973
Total Net Cash Flows	133,328	(71,619)	17,564	216,774	(23,020)
Beginning Cash & Cash Equivalents - September 1	335,807	469,135	397,517	415,081	631,855
Restatement to Beginning Cash & Cash Equivalents	-		-		3,365
Restated Cash & Cash Equivalents - Sept 1	335,807	469,135	397,517	415,081	635,220
Ending Cash & Cash Equivalents - August 31	469,135	397,517	415,081	631,855	612,200

Selected Financial Information

State General Revenue Appropriations The operations of the member institutions are heavily dependent upon the continued support of the State pursuant to the biennial appropriations process initiated by the Texas Legislature. State appropriations for public higher education institutions are primarily allocated through funding formulas. TTUS member institutions are eligible to receive additional distributions such as the Higher Education Fund for certain capital expenditures and Capital Construction Assistance Projects for certain debt service. Further information on those are detailed below. The most recent legislative session (the 88th) ended on May 29, 2023 of which the State Legislature adopted a budget for the 2024-25 biennium beginning September 1, 2023. The University 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 University System taking into consideration the availability of financial resources and other potential uses of such resources.

Numbers below indicate State Formula Funding (less Board Authorized Tuition) for each member institution in the following amounts for Fiscal Years 2021 through 2025

	State Formula Funding (\$000)				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Texas Tech University System	\$344,521	\$351,696	\$351,696	\$418,566	\$418,566

Higher Education Fund Appropriations. The Participants each receive a portion of an annual appropriation of funds made by the State Legislature to the Higher Education Fund ("HEF") pursuant to the provisions of Article VII, Section 17 of the State Constitution. The annual allocation to the University System for fiscal years 2021 through 2025 is set forth below:

	Higher Education Fund Appropriations (\$000)				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Texas Tech University System	\$88,811	\$88,811	\$91,490	\$91,490	\$91,490

Capital Construction Assistance Projects (“CCAP”) A portion of future Parity Obligations of the University System will constitute CCAP Bonds authorized by the Texas Legislature for specific capital improvement projects, to be repaid by the institution by revenues from tuition. Though legally secured through an institution’s tuition and fee revenue, historically the state has used general revenue to reimburse the universities for debt service for these bonds. These Parity Obligations are defined by Texas Senate Bill 52 amending Chapter 55 of the Texas Education Code.

Set forth below reflects the Capital Construction Assistance Project Appropriations in Fiscal Year 2022 through 2025

2022-2025 Capital Construction Assistance Projects and Appropriations
(In Thousands)

	FY 2022	FY 2023	FY 2024	FY 2025
Texas Tech University System	\$39,722	\$34,039	\$60,032	\$60,054

Note: The table above reflects State appropriations for the reimbursement of debt service on revenue bonds issued to fund CCAPs authorized under Chapter 55 of the Texas Education Code, including those revenue bonds historically known as “Tuition Revenue Bonds” or “TRBs.”

Texas University Fund In the 2023 88th Legislature, Regular Session, the State Legislature passed House Joint Resolution 3 (“HJR 3”), as enabled by H.B. 1595 (“HB 1595”), which proposed an amendment to the Texas Constitution to rename the National Research University Fund (“NRUF”) as the Texas University Fund (“TUF”) and modify its structure to add funding sources to the TUF and offer certain institutions performance-based funding driven by research expenditures. Enactment of this constitutional amendment was approved at an election held on November 7, 2023. Effective January 1, 2024, the TUF is funded with an initial appropriation of \$3 billion from the State’s general revenue fund, plus the current NRUF balance of over \$900 million, along with annual appropriations of up to \$100 million from the Economic Stabilization Fund (subject to increases in future years based on the consumer price index).

Eligible institutions will receive a base funding amount dependent on the institution’s research expenditures, as well as supplemental funding tied to the amount federal and private research expenditures made and number of research doctoral degrees awarded. Initially, the University, Texas State University, the University of Houston and the University of North Texas are eligible to receive distributions from the TUF. Of the distributions to be made from the TUF, (i) 75% will be allocated to the Permanent Endowment for Education, and (ii) 25% will be allocated on the basis of federal and private grant money and the number of research doctorates awarded.

The University’s share of the fiscal year 2024 and 2025 annual distribution of TUF funding was approximately \$44.4 million and \$60.08 million, respectively. The University System’s financial statements for fiscal year 2024 do not reflect the University’s share of the market value of the TUF as of August 31st as a true endowment for reporting purposes. Based on the TUF’s market value as of August 31, 2024 of \$4,216,437,242.31, the University’s share was \$1,054,109,311. Eligible institutions may use distributions from the TUF only for the support and maintenance of educational and general activities that promote increased research capacity at the institution, in a manner that aligns with the goals of the State’s master plan for higher education developed under Section 61.051, Texas Education Code, as amended. Distributions from the TUF do not constitute Pledged Revenues and are not available to pay debt service on the Bonds.

Tuition and Fees Each component institution that grants degrees charges tuition and fees as set by the State Legislature and the Board under Chapters 54 and 55 of the Texas Education Code. Tuition charges are comprised of “State Mandated Tuition” and “Board Designated Tuition.” Mandatory fees comprise charges of certain activities and services utilized by all students. Each component institution charges various types of fees and in various amounts.

Fixed Rate Tuition. Sections 54.016 and 54.017 of the Texas Education Code authorize the State’s general academic teaching institutions and junior colleges to provide an option for fixed price tuition. The University, Angelo State, and Midwestern State have chosen to offer fixed price tuition plans. This option “freezes” only the designated tuition portion of a student’s cost of attendance for a period of twelve continuous semesters equating to four academic years. Incoming undergraduates, either via transfer from another institution or no prior college attendance, are eligible to choose the fixed rate tuition plan. Dual high school credit is not considered prior college attendance. Students who have previously enrolled at the University, Angelo State, or Midwestern State and are returning from another institution and students classified either

as graduate or non-resident distance education are not eligible for the plan. The opt-in period starts at registration for classes and ends on the day before the first day of class. Students can opt-out one-time at any time but will be reverted to original designated tuition rate in the succeeding semester. Students who elected to not participate will not be able to opt-in at a later date. The fixed tuition rate will be set each academic year for the incoming undergraduate classes.

Any changes in tuition or fees will originate and be recommended by the President of the Participant, reviewed by the Chancellor and approved by the Board. Any changes in tuition will be implemented only after thorough consultation and review. On November 13, 2024, the Texas Governor’s office released a letter stating that the Governor would not support a tuition increase for Fiscal Years 2026 and 2027.

Set forth below is a table showing the State Mandated Tuition, Board Designated Tuition, Board Authorized Tuition, and mandatory fees for resident students by the University, Angelo State and Midwestern State (excludes the Health Sciences Center and the Health Sciences Center at El Paso), for the 2024-25 academic year.

	Resident Tuition and Fees				
	<u>Academic Year 2024-2025</u>				
	State Mandated Tuition	Board Designated Tuition	Board Authorized Tuition	Mandatory Fees	Total Tuition & Fees
Texas Tech University	\$750.00	\$3,195.00	\$750.00	\$1,458.50	\$6,153.50
Angelo State University	\$750.00	\$2,059.50	\$0.00	\$1,912.00	\$4,721.50
Midwestern State University	\$750.00	\$2,188.50	\$0.00	\$2,306.45	\$5,244.95

Note: Excludes the Health Sciences Center and the Health Sciences Center at El Paso. Total tuition and fees include amounts required to be set aside for financial assistance in accordance with applicable provisions of the Texas Education Code. The set-aside amounts are calculated as follows: from State Mandated Tuition not less than 15% nor more than 20% of each resident student’s tuition charge; from Board Designated Tuition no less than 20% charged to resident undergraduate students in excess of \$46 per semester hour (Section 56.011, Texas Education Code).

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. degree is \$6,550 per academic year. State Mandated Tuition for a nonresident student enrolled in a program leading to an M.D. 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. degree would pay during the corresponding academic year. In addition, various other programs have specific annual rates for resident students and maximum rates that may be charged to nonresident students. For more detailed information regarding tuition and fees charged by the University System member institutions, reference is made to the respective member institutions’ websites.

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Investments Programs and Policies

The Board is responsible for investment of University System funds held outside the State Treasury. To facilitate the investment of the University System funds, the Board has created three separate investment pools designated as the Comprehensive Cash & Investment Pool (the “CCIP”), the Mission-Driven Investment Fund (the “MDIF”), and the Long-Term Investment Fund (the “LTIF”), which are governed overall by Regents’ Rules Chapter 09 “Investments and Endowments”, and individually by the Investment Policy Statement of each pool, codified as Board Policy Statements. The CCIP is collaboratively managed between the University System Office of Treasury and the University System Office of Investments under the direction of both the System Treasurer and the Chief Investment Officer with oversight from the Pool Advisory Committee, made up of each institution’s Chief Financial Officer and the University System’s Chief Financial Officer and Treasurer. The LTIF is centrally managed within the University System Office of Investments under the direction of the Chief Investment Officer with oversight from the Investment Resource Council, made up of the University System Chief Financial Officer and Chief Investment Officer, Finance and Investments Committee of the Board and each institution’s Chief Financial Officer.

Set forth below is the market value for each of the funds managed by the Board as of the end of the most recent five Fiscal Years.

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

August 31	Comprehensive Cash & Investment Pool (CCIP)	Long Term Investment Fund (LTIF)	Mission Driven Investment Fund (MDIF)⁽¹⁾	Unspent Debt Proceeds	Total Market Value
2020	\$1,405,397	\$1,175,295	N/A	\$163,544	\$2,744,236
2021	\$1,522,849	\$1,540,826	N/A	\$81,419	\$3,145,094
2022	\$1,675,144	\$1,564,200	N/A	\$61,929	\$3,301,273
2023	\$1,978,056	\$1,605,347	N/A	\$319,073	\$3,902,476
2024	\$2,198,521	\$1,740,995	\$142	\$301,140	\$4,240,798

Note: These values do not include assets held in the LTIF or funds held outside of the CCIP by Midwestern State University, ASU, and the Carr Foundation.

⁽¹⁾ In Fiscal Year 2024, the MDIF that was formerly part of the CCIP funds were removed and managed as a separate fund.

The Comprehensive Cash & Investment Pool (“CCIP”) The CCIP is a pooled fund for the collective investment of the operating funds, non-operating funds and other funds of the University System and component institutions. The CCIP is established to optimize system-wide liquidity and earnings, protect and preserve balances, and control costs of administering the pool and managing the University System’s assets.

The Long-Term Investment Fund (“LTIF”) The University System is benefited by certain eligible endowments and Board-approved institutional funds treated as endowments (“quasi-endowments”) collectively invested in the LTIF. The LTIF is a unitized pooled investment fund consisting of marketable securities and investments, land, and other real estate holdings and mineral rights managed by unaffiliated investment managers selected by the Chief Investment Officer. To qualify for investment in the LTIF, endowment funds must be under the sole control of the Board and must not have donor-imposed restrictions that prevent investment in equity securities or corporate debt or prevent the expenditure of net realized appreciation. Endowment funds not meeting these requirements are invested in the CCIP or, if instructed by the donor, managed and safeguarded in their original form. The LTIF in its entirety is not classified as pledged revenues or fund balance to the payment of debt obligations. However, quasi-endowments and earning distributions are able to be pledged.

The Mission Driven Investment Fund (“MDIF”) The MDIF is a pooled fund for the collective investment of any donor gifted and institutional funds. Quasi-endowments will be established by the respective component institution. The MDIF Advisory committee comprised of the Chancellor, TTUS Vice Chancellor and Chief Executive Officer, respective component CFO(s), TTUS Chief Investment Officer, and TTUS Director of Investment Operations must approve all proposed investments. The MDIF consists of investments that are focused on advancing the overall mission of the institution as the primary objective with returns being a secondary consideration.

Set forth below is the asset allocation policy target and related market value of the CCIP and LTIF as of August 31, 2024.

CCIP	Target Allocation	Target Range	Tactical Range	Allocation Percentage	Market Value as of 8/31/2024 (in millions)
Cash Segment	10%	5% - 15%		10.90%	\$240.7
Contingency Segment	30%	20% -40%		27.80%	\$611.3
Non-current Segment	60%	50%-70%		61.30%	\$1,346.5
Total				100.00%	\$2,198.5
LTIF					
Growth	60%	+/-20%	+/-10%	61.00%	\$1,061.4
Stable Value	40%	+/-20%	+/-10%	39.00%	\$679.6
Total				100.00%	\$1,741.0

ASU Carr Foundation Assets held outside CCIP &
LTIF
(\$000)

	Market Value
Total Cash & Cash Equivalents	\$143

Note: The ASU Carr Foundation mineral rights, previously reported as separate assets, are included in the Board and Third-Party Managed Market Value of Endowments table.

Set forth below is the market value for the University System total endowment funds, which includes endowments managed by third parties as of the end of the most recent five Fiscal Years.

Board Managed and Third-Party Managed

	Market Value of Endowments (in Thousands)				
	FY 2020	FY 2021	FY 2022	FY 2023	FY2024 ⁽¹⁾⁽²⁾
Total TTUS Endowment	\$1,300,405	\$1,692,458	\$1,735,616	\$1,784,748	\$3,058,956

Note: Endowment reporting for Fiscal Years 2020-2021 does not include Midwestern State.

⁽¹⁾ As of August 31, 2024, Texas Tech University’s share of the Texas University Fund is approximately \$1.05 billion.

⁽²⁾ MSU Foundation (MSUF) endowment assets were included into the University System’s endowment market value totals beginning in Fiscal Year 2024 following updates to MSUF organizational documents that established MSUF as a new component unit of the University System.

(End)