

TEXAS A&M UNIVERSITY - KINGSVILLE FOUNDATION, INC.
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

For the Twelve Months Ended December 31, 2014

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Texas A&M University - Kingsville Foundation, Inc.
Kingsville, Texas

We have compiled the Interim Statement of Financial Position of Texas A&M University Kingsville Foundation, Inc. (a nonprofit corporation) as of December 31, 2014 and December 31, 2013 and the related Statement of Activities, and Statement of Cash Flows for the Twelve and Twelve months then ended, and the accompanying supplementary information – Supplemental Schedule of Pooled Investment Funds, Total Assets Chart, and Selected Information, which are presented only for analysis purposes. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statement of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide assurance that there are no material modifications that should be made to the financial statements.

The financial statements for the year ended December 31, 2013, were audited by John Womack & Co., P.C. and they expressed an unqualified opinion on them in their report dated August 8, 2014, but they have not performed any auditing procedures since that date.

Management has elected to omit substantially all of the disclosures required by accounting principles accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Texas A&M University Kingsville Foundation, Inc.

February 11, 2015

Hahn & Oldham, PC

Texas A&M University - Kingsville Foundation, Inc.
Statement of Financial Position

| | 12/31/2014 | Audited 12/31/2013 |
|---|-----------------------------|-----------------------------|
| ASSETS: | | |
| Cash and Cash Equivalents | \$ 3,190,264 | \$ 616,738 |
| Undeposited Receipts | 33,790 | 697,049 |
| Prepaid Expenses - UBTI Tax | 38,130 | 8,165 |
| PR & TR Pooled Investment Funds, at market | 50,682,978 | 47,268,048 |
| UR Pooled Investment Fund, at market | 1,805,291 | 1,439,044 |
| UR Pooled Investment Fund, Board Designated Funds | 8,792,826 | 8,504,359 |
| Charitable Gift Annuity Assets Pooled Investment Funds, at market | 15,741 | 20,601 |
| Unconditional Promises to Receive | 1,041,663 | 1,899,815 |
| Land, Property & Equipment | <u>126,950</u> | <u>225,924</u> |
| TOTAL ASSETS | <u>\$ 65,727,633</u> | <u>\$ 60,679,742</u> |
| LIABILITIES & NET ASSETS: | | |
| Distributions Payable | \$ 1,046,848 | \$ 144,312 |
| Accounts Payable | <u>35,563</u> | <u>56,858</u> |
| TOTAL LIABILITIES | <u>1,082,411</u> | <u>201,170</u> |
| Net Assets: | | |
| Unrestricted | 10,642,650 | 9,965,394 |
| Temporarily Restricted | 12,197,705 | 11,748,371 |
| Permanently Restricted | <u>41,804,867</u> | <u>38,764,807</u> |
| TOTAL NET ASSETS | <u>64,645,222</u> | <u>60,478,572</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 65,727,633</u> | <u>\$ 60,679,742</u> |

Texas A&M University - Kingsville Foundation, Inc.
Statement of Financial Position

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| Temporarily Restricted | 12,197,705 | 11,748,371 |
| Permanently Restricted | <u>41,804,867</u> | <u>38,764,807</u> |
| TOTAL NET ASSETS | <u>64,645,222</u> | <u>60,478,572</u> |
| TOTAL LIABILITIES AND NET ASSET | <u>\$ 65,727,633</u> | <u>\$ 60,679,742</u> |

Texas A&M University - Kingsville Foundation, Inc.
Statement of Activities

| | January 1, 2014 -December 31, 2014 | | | | Audit 1/1/13 - 12/31/13 |
|---|------------------------------------|----------------------|---------------------------|----------------------|-------------------------------|
| | Unrestricted | Temp Restricted | Permanently Restricted | Totals | Totals |
| SUPPORT & REVENUE: | | | | | |
| Contributions: | | | | | |
| Cash | \$ 475 | \$ 1,382,922 | \$ 2,560,424 | \$ 3,943,821 | \$ 2,154,705 |
| Securities | 0 | 164,615 | 355,513 | 520,128 | 464,650 |
| Undeposited Funds | 0 | 400 | 31,500 | 31,900 | 697,049 |
| Unrestricted Promises to Receive | 0 | 0 | 19,600 | 19,600 | 17,000 |
| Interest & Dividends | 194,552 | 901,873 | 1,682 | 1,098,107 | 1,062,928 |
| Pooled Fund Portfolio Gains (Losses), Realized | 982,710 | 1,770,534 | 3,111 | 2,756,355 | 1,369,902 |
| Realized Gains - Sale of Real Property | 0 | 0 | 62,750 | 62,750 | 0 |
| Other Gains (Losses), Realized | 0 | 346 | (2,395) | (2,049) | 3,528 |
| Portfolio Gains (Losses), Unrealized | 217,215 | (852,831) | (1,457) | (637,073) | 7,858,201 |
| Royalty Income (Net of Production Taxes) | 26,589 | 0 | 0 | 26,589 | 31,953 |
| Miscellaneous Income (Loss) | 0 | 0 | 0 | 0 | 1,610 |
| Pooled Investments Fees | 207,287 | (207,287) | 0 | 0 | 0 |
| Administration Management Fee | 808,169 | (808,169) | 0 | 0 | 0 |
| Reclassification | (1,176,115) | 1,156,384 | 19,731 | 0 | 0 |
| Net Assets Released From Restrictions | 3,050,726 | (3,050,726) | 0 | 0 | 0 |
| Total Support & Revenue | 4,311,608 | 458,061 | 3,050,459 | 7,820,128 | 13,661,526 |
| EXPENSES: | | | | | |
| Program Service: | | | | | |
| Distributions to Beneficiaries | 2,971,012 | 0 | 0 | 2,971,012 | 1,687,017 |
| Distributions to Benefit Foundation | 9,679 | 0 | 0 | 9,679 | 9,679 |
| Total Program Service | 2,980,691 | 0 | 0 | 2,980,691 | 1,696,696 |
| Administration: | | | | | |
| Pooled Investments Fees | 207,287 | 0 | 0 | 207,287 | 242,476 |
| Operating Expenses: | | | | | |
| CEO Director Expense | 261,678 | 0 | 0 | 261,678 | 180,598 |
| Staff Expense | 21,716 | 0 | 0 | 21,716 | 21,838 |
| Accounting Fees | 60,505 | 0 | 0 | 60,505 | 74,030 |
| Audit Fees | 22,000 | 0 | 0 | 22,000 | 24,778 |
| Office Expense | 11,087 | 0 | 0 | 11,087 | 12,874 |
| Travel, Mileage and Meals | 4,400 | 0 | 0 | 4,400 | 9,284 |
| Board Liability Insurance | 7,047 | 0 | 0 | 7,047 | 7,047 |
| Conferences, Seminars & Meetings | 18,158 | 0 | 0 | 18,158 | 14,565 |
| Consulting Fees | 48,437 | 0 | 0 | 48,437 | 14,413 |
| Publications and Printing | 368 | 0 | 0 | 368 | 422 |
| Miscellaneous | 10,780 | 0 | 0 | 10,780 | 6,812 |
| Depreciation Expense | 913 | 0 | 0 | 913 | 1,115 |
| UBTI Tax Expense | 70,035 | 0 | 0 | 70,035 | 70,035 |
| Property Management | 970 | 0 | 0 | 970 | 970 |
| Totals | 745,381 | 0 | 0 | 745,381 | 681,257 |
| Fundraising | 2,025 | 0 | 0 | 2,025 | 4,126 |
| Total Expenses | 3,728,097 | 0 | 0 | 3,728,097 | 2,382,079 |
| Change in Net Assets | 583,511 | 458,061 | 3,050,459 | 4,092,031 | 11,279,447 |
| Net Assets As of the Beginning of Period (Adjusted)* | 10,059,139 | 11,739,644 | 38,754,408 | 60,553,191 | 49,199,121 |
| Net Assets As of the End of the Period | \$ 10,642,650 | \$ 12,197,705 | \$ 41,804,867 | \$ 64,645,222 | 60,478,568 |

* See Accountant's Notes

Texas A&M University - Kingsville Foundation, Inc.
Statement of Cash Flows

| | 1/1/14 - 12/31/2014 | Audit 1/1/13 - 12/31/2013 |
|---|------------------------|---------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in Net Assets | \$ 4,092,031 | \$ 11,279,447 |
| Adjustments to reconcile increase(decrease) in nets assets to net cash provided by operating activities: | | |
| Fees Paid from Investment Account (Invest Mgr. & MAP Fees) | 207,287 | 242,476 |
| (Increase) Decrease in Undeposited Funds & Other Receivables | 663,259 | (697,049) |
| (Increase) Decrease in Prepaid Expense Accounts | (29,965) | (78,200) |
| (Increase) Decrease in Unconditional Promise to Receive | 20,513 | 484,872 |
| Increase (Decrease) in Distribution Payable | 1,718,676 | (461,855) |
| Increase (Decrease) in Accounts Payable | 196 | 8,368 |
| Increase (Decrease) in UBTI Federal Taxes Payable | 0 | 39,002 |
| Increase (Decrease) in Payroll Taxes Payable | 0 | (89) |
| Increase (Decrease) in Annuity Payable | 0 | (1,380) |
| Depreciation Expense | 913 | 1,115 |
| Unrealized Net Losses (Gains) on Investments | 637,073 | (7,858,201) |
| | <u>7,309,983</u> | <u>2,958,506</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | 7,309,983 | 2,958,506 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Land Improvements & Purchase of Equipment | 0 | (6,175) |
| Sale of Real Property | 98,060 | 0 |
| Contributions to Various Investment Accounts | (3,587,072) | (4,713,468) |
| Withdrawals from Various Investment Accounts | 2,606,827 | 1,876,556 |
| Reinvestment of Net Realized (Gains) Losses in Various Investment Accounts | (2,756,355) | (1,369,970) |
| Reinvestment of Dividends, Interest, and Other Miscellaneous Investment Income in Investment Accounts | (1,097,917) | (1,062,487) |
| | <u>(4,736,457)</u> | <u>(5,275,544)</u> |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES | (4,736,457) | (5,275,544) |
| NET INCREASE (DECREASE) IN CASH | 2,573,526 | (2,317,038) |
| CASH, BEGINNING OF THE YEAR | 616,738 | 2,933,776 |
| CASH & Equivalents at End of Period | \$ 3,190,264 | \$ 616,738 |

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

Texas A&M University - Kingsville Foundation, Inc.
 Supplemental Schedule of Pooled Account Investment Funds
 January 1, 2014 - December 31, 2014

| Endowed | Balance 1/1/2014 | Deposits in Fund | Withdrawals from Fund | Interest & Dividends | Realized Gains (Losses) | Unrealized Gains (Losses) | Balance 12/31/2014 |
|--|---------------------|---------------------|--------------------------|-------------------------|----------------------------|------------------------------|-----------------------|
| Agriculture, Bee County Wildlife Mgmt Assoc. | 34,368 | \$ 0 | \$ (1,180) | \$ 670 | \$ 1,238 | \$ (579) | \$ 34,505 |
| Agriculture, Cumberland | 88,948 | 0 | (3,100) | 1,733 | 3,204 | (1,500) | 89,285 |
| Agriculture, Devita, Andrew Wayne Endowed Scholarship | 35,548 | 500 | (1,215) | 684 | 1,287 | (607) | 36,207 |
| Agriculture, Dr Kay Clayton & Charles Hoffman Student Success | 113,951 | 0 | (2,000) | 2,240 | 4,152 | (1,955) | 116,389 |
| Agriculture, Range/Wildlife Scholarship-Lysey/Eckel | 31,209 | 0 | (1,090) | 608 | 1,124 | (527) | 31,324 |
| Agriculture, SCF/Sables Hunting Heritage | 118,187 | 0 | (4,080) | 2,310 | 4,262 | (1,982) | 118,677 |
| Agriculture, San Antonio Livestock Fund | 314,383 | 0 | (10,915) | 6,124 | 11,322 | (5,303) | 315,592 |
| Agriculture - Slater, George Memorial Scholarship | 38,015 | 0 | (1,225) | 702 | 1,298 | (608) | 38,181 |
| Agriculture, Trail Riders/Younts/Tobin Lain | 45,819 | 0 | (1,570) | 893 | 1,651 | (773) | 46,019 |
| Archie A. Cook - LSSSA | 61,335 | 0 | (2,145) | 1,195 | 2,209 | (1,034) | 61,559 |
| Anderson, Dr. Trudy Scholarship | 37,357 | 0 | (1,280) | 729 | 1,346 | (630) | 37,822 |
| Athletic Booster Club Scholarship | 183,532 | 0 | (6,135) | 3,578 | 6,616 | (3,100) | 184,491 |
| Athletic, James Clement Scholarship Fund | 45,909 | 0 | (1,640) | 914 | 1,689 | (791) | 47,061 |
| Athletic, Dotterweich Scholarship | 82,348 | 0 | (3,230) | 1,799 | 3,326 | (1,557) | 82,864 |
| Athletic Memorial Scholarship Fund | 48,221 | 0 | (1,640) | 940 | 1,738 | (813) | 48,446 |
| Athletic Memorial Scholarship - Gulon Fund | 34,005 | 0 | (1,195) | 662 | 1,224 | (574) | 34,122 |
| Athletic Memorial Scholarship - Dick Hitchens | 32,349 | 0 | (1,180) | 634 | 1,167 | (539) | 32,452 |
| Athletic, Dewey Mayhew Memorial Scholarship Fund | 55,587 | 0 | (1,935) | 1,083 | 2,002 | (938) | 55,810 |
| Athletic, Fred McIntire Memorial Scholarship Fund | 1,976,058 | 0 | (68,015) | 38,595 | 71,250 | (33,213) | 1,984,678 |
| Athletic, Muckleroy-Merte & George Anne Scholarship | 110,671 | 0 | (3,870) | 2,181 | 3,994 | (1,668) | 111,287 |
| Athletic, Ritchie Coaches Support Fund | 52,888 | 5,520 | (1,685) | 1,048 | 1,983 | (968) | 58,783 |
| Baker, Betty - Music Dept Endowment | 49,948 | 0 | (1,710) | 974 | 1,800 | (841) | 50,171 |
| Best, Glenda & Tom Endowed Scholarship (CSA) | 110,581 | 0 | (3,840) | 2,158 | 3,985 | (1,859) | 111,006 |
| Bogusch Biology Mem Fund | 98,005 | 0 | (3,320) | 1,871 | 3,458 | (1,619) | 98,395 |
| CA & Tille Devita Fund (Endowed 1/1/13) | 30,349 | 0 | (1,135) | 595 | 1,084 | (504) | 30,389 |
| BOOT - Funds (Academics) | 128,673 | 0 | 0 | 2,518 | 4,717 | (2,290) | 133,518 |
| BOOT - Funds (Athletics) | 15,566 | 0 | 0 | 305 | 571 | (277) | 16,165 |
| BOOT - Funds (Faculty Support) | 12,852 | 0 | 0 | 252 | 472 | (229) | 13,346 |
| BOOT - Funds (Research) | 8,541 | 0 | 0 | 173 | 324 | (157) | 9,181 |
| BOOT - Funds (Odor) | 13,030 | 0 | 0 | 255 | 478 | (232) | 13,531 |
| BOOT - Funds (Armstrong) | 23,817 | 0 | 0 | 463 | 867 | (421) | 24,225 |
| CKWRI (Fred C. Bryant Operations Endowment) | 7,403,987 | 1,703,000 | (248,130) | 144,385 | 266,955 | (125,042) | 9,147,155 |
| CKWRI (A E Leonard Scholarship Fund) | 40,807 | 0 | (1,429) | 795 | 1,470 | (686) | 40,964 |
| CKWRI (Ben & Daphne Vaughan III Fund for Bird Research) | 151,105 | 100,014 | (5,270) | 3,090 | 6,720 | (4,019) | 251,641 |
| CKWRI (Birmingham WT Deer Research) | 68,858 | 0 | (2,400) | 1,342 | 2,480 | (1,161) | 69,116 |
| CKWRI (Boona & Crockett Fellowship in Ungulate Research) | 352,052 | 111,500 | (3,670) | 7,504 | 16,135 | (7,347) | 476,274 |
| CKWRI (Duncan Endowed Director of TX Natives & TX Native Seeds) | 1,128,997 | 600,000 | (33,355) | 22,889 | 47,288 | (28,349) | 1,639,450 |
| CKWRI (Friedlin WT Deer Research) | 858,151 | 0 | (23,010) | 12,820 | 23,700 | (11,100) | 860,562 |
| CKWRI (Yunika Chair for Wildcat Studies) | 1,180,617 | 0 | (38,770) | 23,252 | 42,873 | (20,070) | 1,198,012 |
| CKWRI (Habitat Enhancement - Coates Fdn) | 397,758 | 0 | (13,900) | 7,749 | 14,324 | (6,707) | 399,224 |
| CKWRI (Habitat Enhancement - F. Peter Zoch III) | 340,848 | 0 | (11,880) | 6,641 | 12,278 | (5,748) | 342,136 |
| CKWRI (Habitat Management Research) | 179,919 | 0 | (6,270) | 3,505 | 6,480 | (3,034) | 180,600 |
| CKWRI (Henry R Hamman Endowment for Wildlife Research) | 0 | 248,128 | 0 | 1,878 | 7,219 | (7,797) | 249,428 |
| CKWRI (Hixon Fellowships in Deer Research) | 274,278 | 79,829 | (7,600) | 5,968 | 12,253 | (7,137) | 357,819 |
| CKWRI (Hixon Fellowships in Quail Research) | 274,278 | 79,829 | (7,600) | 5,968 | 12,253 | (7,137) | 357,819 |
| CKWRI (Hixon Fellowships in Range Restoration Research) | 274,278 | 79,829 | (7,600) | 5,968 | 12,253 | (7,137) | 357,819 |
| CKWRI (Hunka, Phillip & Karen Star Wildlife Research) | 0 | 21,000 | 0 | 31 | 266 | (309) | 20,990 |
| CKWRI (Jones, Ann & AC IV Fund for Invasive Research) | 0 | 10,000 | 0 | 0 | 0 | 0 | 10,000 |
| CKWRI (Kenneth E. Leonard Fellowship for Livestock-Wildlife Research) | 412,177 | 0 | 0 | 8,124 | 15,159 | (7,267) | 428,193 |
| CKWRI (Tio and Jeneil Kieberg Wildlife Park Endowment) | 4,380,993 | 0 | (99,415) | 85,486 | 158,325 | (74,472) | 4,430,897 |
| CKWRI (Kilham Deer Lectureship) | 128,287 | 0 | (4,485) | 2,499 | 4,820 | (2,164) | 128,797 |
| CKWRI (Leroy Denman Endowment) | 1,287,357 | 0 | (45,005) | 25,077 | 48,358 | (21,712) | 1,292,075 |
| CKWRI (Lawrence Chair in Waterfowl Research) | 729,478 | 125,000 | (28,805) | 16,131 | 30,822 | (14,622) | 860,382 |
| CKWRI (Neal King Memorial/Las Islas Endowment for Habitat Research) Endowed 4/1/12 | 31,209 | 0 | (1,100) | 612 | 1,127 | (520) | 31,327 |
| CKWRI (Phillip Plant Endowment) | 141,918 | 0 | (4,865) | 2,765 | 5,111 | (2,363) | 142,447 |
| CKWRI (Quail Research) | 196,991 | 0 | (8,860) | 3,840 | 7,098 | (3,320) | 197,747 |
| CKWRI (Quail Research - Alice GKK Raynolds Fdn) | 427,234 | 0 | (14,935) | 8,323 | 15,385 | (7,265) | 428,802 |
| CKWRI (Quail Research - Somer Fund for Quail Research) | 0 | 155,750 | 0 | 862 | 4,039 | (6,202) | 154,249 |
| CKWRI (Quail Research - Elliott & Adele Bottom) | 451,221 | 0 | (15,775) | 8,790 | 16,249 | (7,610) | 452,676 |

See Accountant's Compilation Report

Texas A&M University - Kingsville Foundation, Inc.
 Supplemental Schedule of Pooled Account Investment Funds
 January 1, 2014 - December 31, 2014

| | Balance 1/1/2014 | Deposits In Fund | Withdrawals from Fund | Interest & Dividends | Realized Gains (Losses) | Unrealized Gains (Losses) | Balance 12/31/2014 |
|---|---------------------|---------------------|--------------------------|-------------------------|----------------------------|------------------------------|-----------------------|
| Endowed | | | | | | | |
| CKWRI (Quail Research - Alfred Giasseli Jr. Fund) | 781,410 | 1,000 | (26,715) | 15,231 | 28,159 | (13,160) | 785,924 |
| CKWRI (Quail Research - Grady Cagle) | 75,938 | 24,650 | (2,722) | 1,588 | 3,248 | (1,395) | 100,880 |
| CKWRI (Richard M. Kieberg Quail Center) | 3,291,881 | 0 | (115,990) | 64,125 | 118,543 | (95,518) | 3,303,951 |
| CKWRI (Richard M. Kieberg Native Plant Dev) | 182,405 | 0 | (8,375) | 3,554 | 6,969 | (3,076) | 183,077 |
| CKWRI (Meadows Professorship-Semi-Arid) | 622,954 | 0 | (21,770) | 12,135 | 22,433 | (10,507) | 625,248 |
| CKWRI (Palmer Scholarship Fund) | 167,418 | 0 | (5,735) | 3,263 | 6,632 | (2,824) | 168,152 |
| CKWRI (Shorebird Grad Assistantship - Fondren) | 401,448 | 0 | (14,035) | 7,820 | 14,456 | (6,771) | 402,917 |
| CKWRI (Horlock Endowment for Wildlife Research) | 396,822 | 200,000 | (12,220) | 9,258 | 20,147 | (13,009) | 600,999 |
| CKWRI (Elen B. Randall Fund for Wildlife Research) | 100,000 | 12,500 | 0 | 1,464 | 3,433 | (1,513) | 115,884 |
| CKWRI (Stedman Deer Chair) | 1,307,912 | 0 | (45,730) | 25,477 | 47,098 | (22,059) | 1,312,699 |
| CKWRI (Stuart Stedman-Faith Ranch Fellowships in Deer Research #1) | 400,000 | 250,000 | 0 | 5,928 | 14,371 | (8,785) | 663,514 |
| CKWRI (Temple Native Plant) | 141,585 | 60,000 | (4,305) | 2,811 | 5,617 | (3,084) | 202,704 |
| CKWRI (Tom Frost-Rio Grande Turkey) | 225,910 | 0 | (7,840) | 4,409 | 8,142 | (3,500) | 226,821 |
| CKWRI (Walton Quail Graduate Assistantship) | 382,507 | 0 | (13,728) | 7,646 | 14,136 | (8,119) | 383,949 |
| CKWRI (Whitacre Wildlife Research) | 85,213 | 0 | (1,875) | 1,278 | 2,364 | (1,108) | 86,072 |
| CKWRI (White Tail Deer Research) | 373,589 | 0 | (13,040) | 7,278 | 13,464 | (6,301) | 374,979 |
| CKWRI Tim & Karen Hixon Fund for Wild Cat Research | 168,338 | 0 | (5,885) | 3,279 | 6,062 | (2,839) | 168,955 |
| CKWRI (Winn Quail Research) | 1,286,301 | 100 | (42,315) | 25,136 | 46,426 | (21,887) | 1,293,980 |
| CKWRI (Womack Wetlands Fund) | 363,461 | 0 | (12,700) | 7,080 | 13,069 | (6,130) | 364,800 |
| Clayton, Dr. Kay Music Scholarship | 112,241 | 2,300 | 0 | 2,228 | 4,184 | (2,052) | 118,919 |
| Coalson Memorial Fund | 16,675 | 0 | 0 | 327 | 812 | (297) | 17,317 |
| Coastal States Scholarship Fund | 199,171 | 0 | 0 | 3,903 | 7,309 | (3,544) | 206,839 |
| Colston, Bill & Judy Honors Scholarship | 178,098 | 0 | (4,780) | 3,497 | 6,458 | (3,010) | 180,262 |
| Conner Museum | 1,221,914 | 0 | (42,830) | 23,797 | 43,894 | (20,809) | 1,226,168 |
| Cooper, Malcolm & Robin | 37,069 | 0 | (1,205) | 727 | 1,340 | (621) | 37,310 |
| Davis, Gamett & Emogene Scholarship (College of Business) | 0 | 12,500 | 0 | 0 | 0 | 0 | 12,500 |
| Early Childhood Center - KRFT | 1,230,127 | 0 | (43,005) | 23,965 | 44,300 | (20,743) | 1,234,644 |
| Engineering, American Petroleum Inst | 359,597 | 20,000 | (11,820) | 7,165 | 13,560 | (6,704) | 381,788 |
| Engineering, Bartlett, John L. Natural Gas | 31,258 | 0 | (1,095) | 509 | 1,128 | (327) | 31,370 |
| Engineering, Beal Foundation | 49,155 | 0 | (1,725) | 957 | 1,770 | (809) | 49,325 |
| Engineering, Dawson, Gene & Lori Scholarship | 89,637 | 25,000 | (1,730) | 1,556 | 3,055 | (1,400) | 87,118 |
| Engineering, DeMouche Fund | 235,447 | 0 | (8,120) | 4,584 | 8,482 | (3,872) | 236,424 |
| Engineering, Dotterwalch Chair | 1,524,330 | 50 | (53,585) | 29,688 | 54,883 | (25,710) | 1,529,684 |
| Engineering - Garza, Jesus Hispanic Scholarship | 34,640 | 0 | (1,285) | 676 | 1,248 | (583) | 34,778 |
| Engineering - Herbat Dean Support Fund | 32,869 | 0 | (1,150) | 840 | 1,184 | (954) | 32,889 |
| Engineering - Merstana Inc. Scholarship | 285,823 | 0 | (9,295) | 5,182 | 9,579 | (4,482) | 286,905 |
| Engineering - Romeo Rene Perez Academic Achievement | 85,524 | 5,000 | (1,850) | 1,318 | 2,496 | (1,241) | 71,248 |
| Engineering, Beverline Memorial Scholarship | 13,248 | 0 | (485) | 262 | 479 | (218) | 13,306 |
| Engineering, Sells Research Fund | 271,238 | 0 | (9,480) | 5,284 | 9,768 | (4,574) | 272,235 |
| Engineering, (Environmental) STSME Scholarship | 26,853 | 0 | (895) | 525 | 972 | (465) | 27,100 |
| Engineering, Mitchell-Withers Natural Gas Sch Fund | 256,721 | 0 | (8,115) | 5,061 | 9,348 | (4,382) | 260,652 |
| Engineering, Stevens & Jane Herbat Chair Support | 127,933 | 0 | (4,410) | 2,506 | 4,817 | (2,141) | 128,503 |
| Engineering, Pope-Dawson Engineers, Inc./Eugene Dawson PE Endowed Scholarship | 60,697 | 0 | (2,215) | 1,190 | 2,190 | (1,010) | 60,652 |
| Engineering - Robert Withers Fund | 178,421 | 0 | (6,198) | 3,482 | 6,430 | (3,001) | 179,137 |
| Engineering, Valero-Kain Scholarship | 682,542 | 0 | (23,150) | 13,346 | 24,827 | (11,481) | 685,904 |
| Garcia, Nelda Estate Fund | 237,314 | 0 | (8,285) | 4,825 | 8,848 | (3,999) | 238,293 |
| Gerland Chemistry Fund | 77,476 | 0 | (2,595) | 1,512 | 2,794 | (1,306) | 77,882 |
| Geology Scholarship - STSME | 47,600 | 0 | (1,655) | 932 | 1,722 | (806) | 47,993 |
| Gross, AF & Pat Memorial Fund | 96,825 | 0 | (3,400) | 1,888 | 3,486 | (1,833) | 97,184 |
| Hahn & Oldham/Virgil Stone/CBA Acct Scholarship | 48,448 | 100 | (1,195) | 802 | 1,739 | (800) | 49,282 |
| Hall, William & Mary Fund | 55,742 | 0 | 0 | 1,078 | 2,034 | (1,016) | 57,836 |
| Harral Family, College of Pharmacy | 32,982 | 100 | (1,115) | 643 | 1,188 | (556) | 33,242 |
| Hearts For Minds Scholarship Fund | 321,574 | 0 | (11,245) | 6,284 | 11,580 | (5,424) | 322,789 |
| Hispanic Women's Network Corpus Christi Chapter Endowed Scholarship | 0 | 25,000 | 0 | 0 | 0 | 0 | 25,000 |
| History, Chiuminatto KFNS Scholarship | 34,164 | 0 | (1,175) | 662 | 1,228 | (582) | 34,297 |
| Human Sciences, (HE Grad) Welhausen | 57,217 | 0 | (1,975) | 1,115 | 2,061 | (965) | 57,452 |
| Human Sciences, (HE) Nelson Memorial Fund | 54,301 | 0 | (1,890) | 1,058 | 1,958 | (816) | 54,508 |
| King, Joyce & Wayne (Math & Science) | 56,178 | 0 | (1,860) | 1,095 | 2,023 | (947) | 56,390 |
| Kieberg Bank-Clyde M. Allen Jr. Fund for Excellence | 33,925 | 0 | (1,170) | 661 | 1,222 | (572) | 34,066 |

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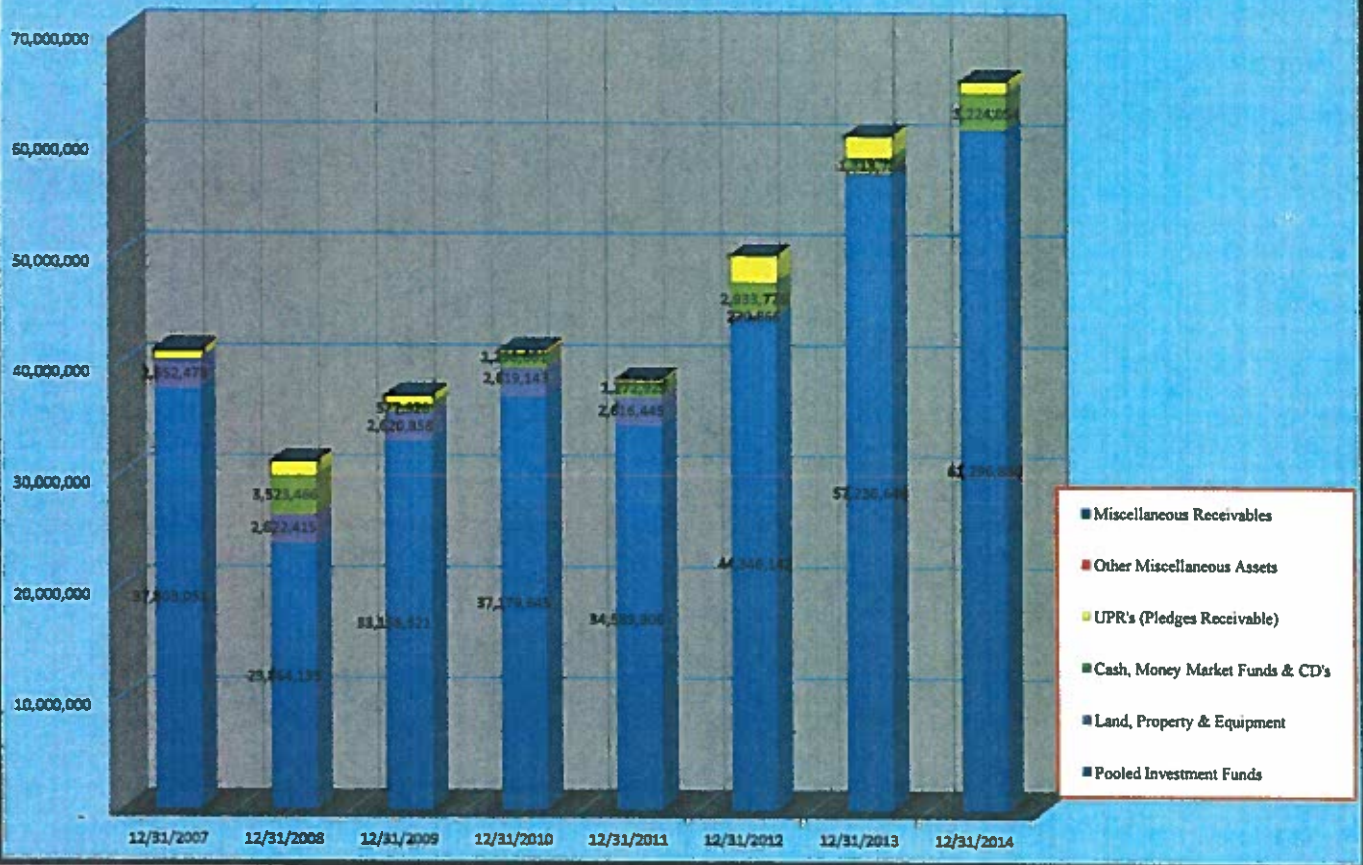
Texas A&M University - Kingsville Foundation, Inc.
Supplemental Schedule of Pooled Account Investment Funds
January 1, 2014 - December 31, 2014

| Endowed | Balance 1/1/2014 | Deposits in Fund | Withdrawals from Fund | Interest & Dividends | Realized Gains (Losses) | Unrealized Gains (Losses) | Balance 12/31/2014 |
|---|----------------------|---------------------|--------------------------|-------------------------|----------------------------|------------------------------|-----------------------|
| Kieberg County Scholarship Fund | 0 | 50,000 | 0 | 37 | 320 | (368) | 48,989 |
| Kruse, Glen Science Faculty Fund | 81,839 | 4,000 | 0 | 1,598 | 3,078 | (1,820) | 88,695 |
| Kruse, Larry Scholarship Fund/Merged w/ Lucille Kruse Fund | 60,063 | 0 | (2,995) | 1,172 | 2,185 | (1,010) | 60,285 |
| McCormick Leadership Scholarship | 108,289 | 13,782 | (7,880) | 2,101 | 3,977 | (1,938) | 116,553 |
| Mejia, Joseph M Scholarship Endowment (Arts & Sciences) | 0 | 14,000 | 0 | 0 | 0 | 0 | 14,000 |
| Meyer, Dr. Richard C. Mem Art Scholarship | 20,836 | 0 | 0 | 404 | 757 | (367) | 21,431 |
| Music Production Fund | 29,057 | 0 | (1,015) | 586 | 1,047 | (490) | 29,165 |
| Ed Rachel Foundation - Accounting Fund | 1,359,468 | 0 | (47,745) | 26,479 | 48,949 | (22,925) | 1,364,225 |
| Peacock Scholarship Fund | 115,050 | 0 | (3,950) | 2,242 | 4,145 | (1,942) | 115,544 |
| Peacock Biology Department Support Fund | 35,556 | 0 | (1,220) | 693 | 1,281 | (600) | 35,711 |
| Peacock, J. Talmer & Corby Mathematics & Science Scholarship | 36,121 | 0 | (1,130) | 709 | 1,307 | (806) | 36,400 |
| Porter, Hugh Scholarship Endowment | 84,962 | 0 | (3,320) | 1,850 | 3,420 | (1,602) | 95,310 |
| Raese Franka Endowment Fund | 778,549 | 0 | 0 | 15,217 | 28,499 | (13,818) | 808,447 |
| Rhodes, Dorothy & Robert Library Fund | 32,881 | 0 | (1,150) | 641 | 1,184 | (554) | 33,001 |
| Rhodes, George & Marion Scholarship Fund | 28,708 | 0 | (990) | 559 | 1,034 | (484) | 28,828 |
| Roberson, Charles R. Chemistry Scholarship Fund | 39,530 | 0 | (1,370) | 770 | 1,424 | (687) | 39,686 |
| Rodriguez, Jose Scholarship Fund | 30,739 | 0 | (1,075) | 599 | 1,107 | (518) | 30,851 |
| Rotary Club of Kingsville - Jerry Bockholt Scholarship | 33,605 | 4,800 | (1,160) | 679 | 1,338 | (732) | 38,510 |
| J.T. & Mary Bell Russell Scholarship Fund | 386,107 | 0 | (13,780) | 7,716 | 14,265 | (6,683) | 397,625 |
| Ralph Russell Distinguished Professorship - CSA | 220,112 | 17,775 | (6,935) | 4,339 | 8,185 | (3,852) | 236,824 |
| Schmalenbeck, Hildegard Memorial Fund | 156,425 | 0 | (4,755) | 2,838 | 4,878 | (2,284) | 156,900 |
| Sells Honor Scholarship - CBA | 337,285 | 0 | (11,790) | 6,570 | 12,146 | (5,888) | 338,323 |
| Sells Physics Dept Scholarship Fund | 9,811 | 0 | 0 | 185 | 362 | (171) | 10,186 |
| Sherpe, Nelson Scholarship Fund | 14,833 | 4,500 | 0 | 293 | 548 | (268) | 20,008 |
| Shockley, Dorothy & Tom (Gen College Ed Sch Fund) | 54,895 | 0 | (1,895) | 1,066 | 1,970 | (822) | 54,914 |
| Truly Scholarship Fund | 11,570 | 0 | 0 | 227 | 425 | (206) | 12,015 |
| Bedell Family Scholarship Endowment Fund | 110,229 | 4,000 | (1,260) | 2,298 | 4,250 | (2,016) | 123,484 |
| Turner (JE & Evelyn) Endowed Scholarship Fund | 175,438 | 0 | (6,025) | 3,424 | 6,324 | (2,953) | 176,208 |
| Mervin P. Hamilton Memorial Sch Fund | 51,955 | 0 | (1,805) | 1,012 | 1,871 | (876) | 52,157 |
| TAMUK Faculty/Staff Scholarship Fund (Endowed 1/1/12) | 171,903 | 13,252 | (4,835) | 3,481 | 6,586 | (3,228) | 187,161 |
| White, Robert Research Travel | 26,808 | 0 | (915) | 523 | 966 | (452) | 26,929 |
| Walter Sells & Helen B. Sells Pres Endowment | 1,178,853 | 0 | (40,158) | 22,680 | 42,162 | (20,362) | 1,181,178 |
| Welhausen Endowment - College of Agriculture (Endow 1/1) | 112,546 | 0 | (1,000) | 2,217 | 4,127 | (1,970) | 115,920 |
| Welhausen Ranch Proceeds | 6,439,080 | 0 | 0 | 126,912 | 236,621 | (113,531) | 6,889,282 |
| Administration - CGA Reserve | 100,000 | 0 | 0 | 0 | 0 | 0 | 100,000 |
| Administration Account | 1,444,950 | 0 | (805,037) | 27,365 | 671,102 | 368,897 | 1,705,287 |
| Miscellaneous Temporarily Restricted Funds | 382,457 | 1,530,778 | (332,968) | 0 | 0 | 0 | 1,580,267 |
| Totals | \$ 58,374,468 | \$ 5,515,084 | \$ (2,693,400) | \$ 1,138,015 | \$ 2,756,355 | \$ (637,073) | \$ 64,453,450 |
| Money Market Funds (Special Items Account) Included in Cash & Cash Equivalents | 440,576 | | | | | | - |
| PR & TR Pooled Investment Funds, at market | 47,288,048 | | | | | | 50,682,978 |
| UR Pooled Investment Fund, at market | 1,439,044 | | | | | | 1,609,291 |
| Charitable Gift Annuity Assets Pooled Investment Funds, at market | 20,601 | | | | | | 15,741 |
| UR Pooled Investment Fund, Board Designated Funds | 8,504,359 | | | | | | 8,792,628 |
| Undeposited Funds for the benefit of Endowments Included in Cash & Cash Equivalents | 697,049 | | | | | | 31,900 |
| Funds at Kieberg Bank at Year-End to be Transferred to Stephens | 200 | | | | | | |
| Additional K-1 Earnings Recognized in 2013 on Audited Financial Statements | 4,588 | | | | | | 3,124,718 |
| Rounding | 1 | | | | | | (4) |
| | <u>58,374,468</u> | | | | | | <u>64,453,450</u> |

Note: May not add due to rounding

See Accountant's Compilation Report

Texas A&M University Kingsville Foundation Total Assets



See Accountant's Compilation Report

Texas A&M University – Kingsville Foundation, Inc.
Selected Information - Substantially All Disclosures Required by Generally Accepted Accounting Principles Are Not Included
For the Twelve Months Ended December 31, 2014

Statement of Financial Position:

Cash and Cash Equivalents represents funds held at Kleberg Bank and petty cash (approximately \$136).

The Prepaid Expense – UBTI Tax of \$38,130 consists of an estimated overpayment toward the 2014 Unrelated Business Taxable Income (UBTI) after a tax expense accrual of \$70,035 (based upon 2013 UBTI tax expense).

The Unconditional Promise to Receive balance is the present value of streams of payments to be received in future years. Two BOOT (Building on our Traditions) pledges totaling \$9,922 remain on the books. Three pledges for the benefit of CKWRI totaling \$975,443 remain. One pledge from prior years of \$24,698 benefitting the College of Engineering remains on the books. There were four additional pledges received in 2013 to benefit the Department of Music - \$4,000 and \$21,600 for the benefit of the College of Business – Ralph Russell Professorship. There was a new pledge in 2014 to benefit the College of Business – Ralph Russell Professorship which has a balance of \$6,000.

Land, Property and Equipment consist of and the Citrus Center property [62.65 acres] in Hidalgo County and some office equipment. Property is listed at book value in the financial statements (the original booked value when received).

Distributions payable consist of \$783,569 - \$4,165 remaining distributions approved at the February, 2013 board meeting and \$7,715 distributions approved at the February, 2014 board meeting. The remaining balance of \$1,034,970 consist of contributions received prior to year-end and designated to be distributed to the University – generally within 60 days of year end.

Accounts Payable of \$35,563 is made up of the following: \$1,500 - to be paid from beneficiary funds (CKWRI contracts to vendors), \$24,063 for CEO Director and Staff payroll expenses as well as occupancy expenses payable to the University, and \$10,000 for a check made payable to another entity, but deposited into the Foundation's account in error.

For comparison purposes, a December 31, 2013 balances column has been added which represents the balances per the 2013 audited financials. There is a variance between the Net Asset Ending Balance per the Audit (\$60,478,572) and the Net Asset Beginning Balance per the Financial Statements (\$60,553,191). The variance represents a timing difference of investment income and the accrual for 2013 UBTI Tax Expense. The Audited financials reported this income in 2013 and the Interim Financial statements dated December 31, 2014 reported this variance in 2014.

In addition, a change was made to the Net Assets at the Beginning of the Period to reflect a reclassification of Board Designated Funds. In prior years, the Reese Franke Endowment Fund and the Walter & Helen B Sells Presidential Endowments corpus balance of the funds were classified as permanently restricted funds and the earnings were classified as temporarily restricted funds. GAAP requires Board Designated Funds to be classified as unrestricted funds. The change in the beginning balance reflects this reclassification between funds.

Statement of Activities:

Income:

Interest and dividends are paid from Kleberg First National Bank and the Stephens and STMM accounts.

Realized portfolio gains (losses) for the year are from sales within the pooled accounts.

Reclassifications consist of reallocations of funds between the various classifications for a variety of reasons.

Net Assets Released from Restrictions is a category used to reclassify funds that have been approved for disbursement or a disbursement has occurred. When approval has been given to disburse funds, the amount approved is moved from the Temporarily Restricted classification to the Unrestricted classification. All disbursements and payments must be made from "Unrestricted" funds.

See Accountant's Compilation Report

Texas A&M University – Kingsville Foundation, Inc.
Selected Information - Substantially All Disclosures Required by Generally Accepted Accounting Principles Are Not Included
For the Twelve Months Ended December 31, 2014

Reclassifications and Net Assets Released from Restrictions may include other adjustments not detailed above – as unique situations present themselves.

Expenses:

The Pooled Investments fees, based upon the fair market value of the managed accounts, are the fees paid on a quarterly basis. These fees were paid to either Stephens Inc. or STMM; a portion of the payments were retained by Stephens Inc. and STMM with the remainder paid to the individual money managers.

The Administration Management Fee based on an annual rate of 1.5% of the fair market value of the pooled funds was used for the year and the quarter ending December 31, 2014.

Supplementary Information:

Schedule of Pooled Investment Funds:

This schedule reflects the total balance of endowed funds which includes corpus and the cumulative balance of earnings (positive or negative). The schedule also reflects deposits into the funds and withdrawals from the funds.

Reconciliation of Compiled Financial Statements & Audited Financial Statements:

While every effort is made to co-ordinate the Compiled Financial Statement balances with the Audited Financial Statements, differences occur due to timing of information regarding income from partnership investments. All differences can be explained. Details are available upon request.

See Accountant's Compilation Report