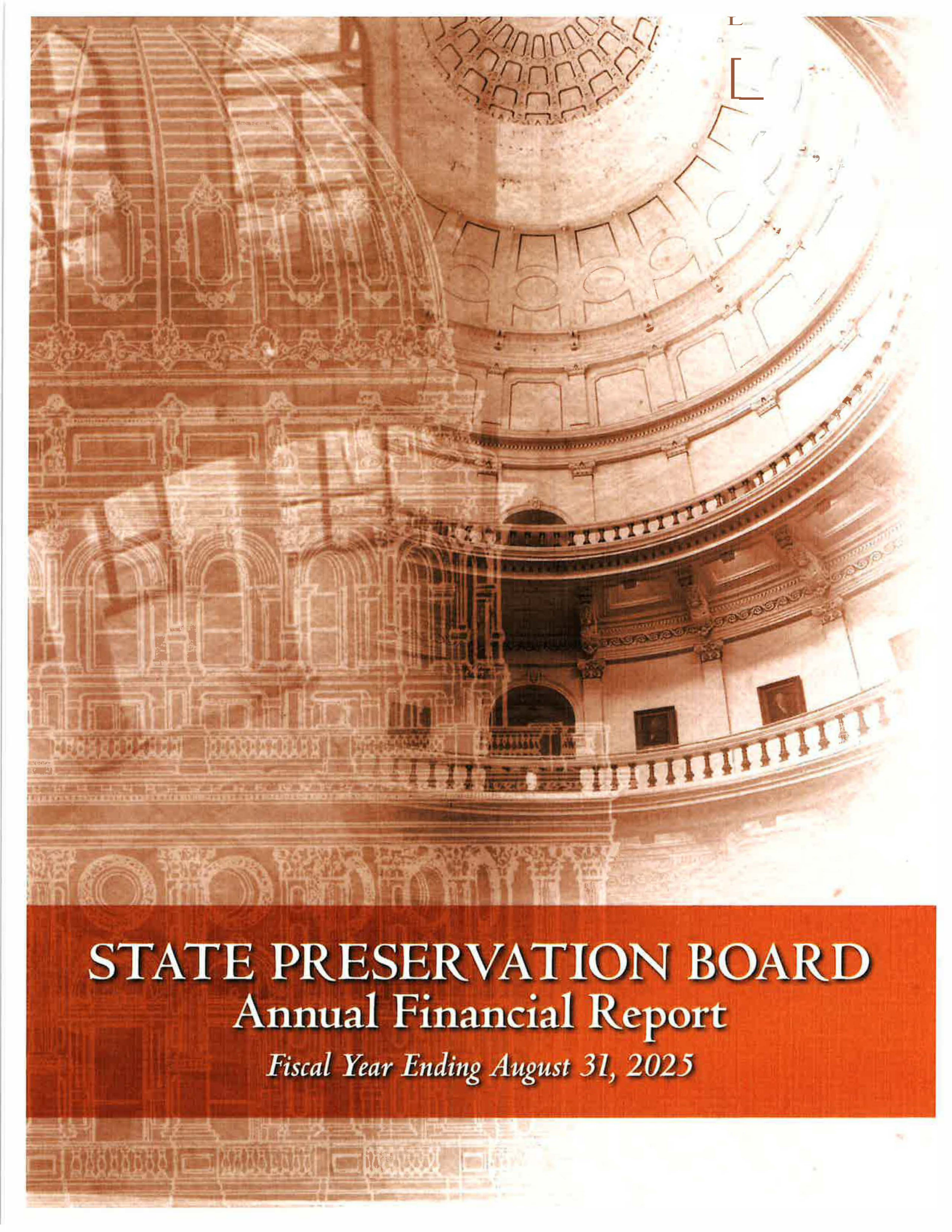




STATE PRESERVATION BOARD

Annual Financial Report

Fiscal Year Ending August 31, 2025



STATE PRESERVATION BOARD

The Honorable Greg Abbott, Governor, Chairman
The Honorable Dan Patrick, Lieutenant Governor, Co-Vice Chairman
The Honorable Dustin Burrows, Speaker of the House, Co-Vice Chairman
The Honorable Charles Schwertner, Texas Senate
The Honorable Charlie Geren, Texas House of Representatives
Alethea Swann Bugg, Citizen Board Member
Rod Welsh, Executive Director

November 1, 2025

The Honorable Greg Abbott, Governor
The Honorable Kelly Hancock, Acting Texas Comptroller
Mr. Jerry McGinty, Director, Legislative Budget Board
Ms. Lisa Collier, State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the State Preservation Board (SPB) for the year ended August 31, 2025, in compliance with Texas Government Code Annotated, §2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Annual *Comprehensive Financial Report (ACFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have questions, please contact Cynthia Provine, CPA, Chief Financial Officer, at 512-463-9243 or cindy.provine@tspb.texas.gov.

Sincerely,

Roderick Welsh
Executive Director

State Preservation Board (809)
FY2025 Annual Financial Report (Unaudited)

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FY 2025 Annual Financial Report (Unaudited)

EXHIBIT I - Combined Balance Sheet/ Statement of Net Position
Governmental Funds
August 31, 2025

	GOVERNMENTAL FUND TYPES		
	GOVERNMENTAL FUNDS (Exhibit A-1)	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS
			STATEMENT OF NET ASSETS
ASSETS			
Current Assets:			
Cash in State Treasury	55,058.06	-	55,058.06
Legislative Appropriations	283,676,760.17	-	283,676,760.17
Short Term Investments (Note 3)	115,581,336.22	-	115,581,336.22
Receivables:			
Interest and Dividends Receivable	154,188.27	-	154,188.27
Accounts Receivable	1,594.00	-	1,594.00
Interfund Receivable (Note 12)	60,595.99	-	60,595.99
Total Current Assets	399,529,532.71	-	399,529,532.71
Non-Current Assets:			
Investments - Equities	87,891,561.59	-	87,891,561.59
Investments - Alternatives	144,653,483.35	-	144,653,483.35
Investments - Fixed Income	17,499,017.25	-	17,499,017.25
Investments - SWAPS at Fair Value	324,404.86	-	324,404.86
Capital Assets (Note 2):			
Non-Depreciable:			
Land and Land Improvements	-	23,001,235.22	23,001,235.22
Construction in Progress	-	60,240,655.55	60,240,655.55
Other Tangible Capital Assets	-	7,279,818.21	7,279,818.21
Depreciable/Amortizable:			
Buildings and Building Improvements	-	316,647,608.89	316,647,608.89
Less Accumulated Depreciation	-	(282,397,030.29)	(282,397,030.29)
Furniture and Equipment	-	1,980,373.38	1,980,373.38
Less Accumulated Depreciation	-	(1,846,768.17)	(1,846,768.17)
Vehicles, Boats, and Aircraft	-	150,942.26	150,942.26
Less Accumulated Depreciation	-	(102,155.52)	(102,155.52)
Computer Software - Intangible	-	58,728.00	58,728.00
Less Accumulated Amortization	-	(58,728.00)	(58,728.00)
Facilities and Other Improvements	-	3,153,659.90	3,153,659.90
Less Accumulated Depreciation	-	(3,153,659.90)	(3,153,659.90)
Other Capital Assets	-	1,700,978.86	1,700,978.86
Less Accumulated Depreciation	-	(1,700,978.86)	(1,700,978.86)
Total Non-Current Assets	250,368,467.05	124,954,679.53	124,954,679.53
TOTAL ASSETS	649,897,999.76	124,954,679.53	524,484,212.24

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State Preservation Board (809}
FY 2025 Annual Financial Report (Unaudited)

EXHIBIT I - Combined Balance Sheet/ Statement of Net Position
Governmental Funds
August 31, 2025 (concluded)

	GOVERNMENTAL FUND TYPES		
	GOVERNMENTAL FUNDS (Exhibit A-1)	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS
			STATEMENT OF NET ASSETS
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Payables:			
Vouchers Payable	2,020,586.05	-	2,020,586.05
Accounts Payable	562,103.91	-	562,103.91
Trade Payables	3,322.87	-	3,322.87
Payroll Payables	1,054,388.03	-	1,054,388.03
Payroll Deduction Return Liability	2,610.45	-	2,610.45
Interfund Payable (Note 12)	60,595.99	-	60,595.99
Interest Payable	107,529.00	-	107,529.00
Due to Other Funds (Note 12)	7,942.67	-	7,942.67
Due to Other Agencies (Note 12)	7,741.90	-	7,741.90
Unearned Revenues	23,456.66	-	23,456.66
Employees Compensable Leave (Note 5)	-	-	804,822.39
Total Current Liabilities	3,850,277.53	-	4,655,099.92
Non-Current Liabilities:			
Employees Compensable Leave (Note 5)	-	-	416,181.29
Total Non-Current Liabilities	-	-	416,181.29
TOTAL LIABILITIES	3,850,277.53	-	5,071,281.21
FUND FINANCIAL STATEMENT			
Fund Balances (Deficits):			
Unassigned	280,257,503.71	-	280,257,503.71
Nonspendable	300,000,000.00	-	300,000,000.00
Restricted	65,790,218.52	-	65,790,218.52
TOTAL FUND BALANCES	646,047,722.23	-	646,047,722.23
TOTAL LIABILITIES AND FUND BALANCES	649,897,999.76	-	651,119,003.44

Government-Wide Statement of Net Position

Net Position:

Invested in Capital Assets, Net of Accumulated Depreciation (Note 2)	124,954,679.53	-	124,954,679.53
Restricted for:			
Compensable Leave Liabilities (Note 5)	-	(1,221,003.68)	(1,221,003.68)
Total Net Position	124,954,679.53	(1,221,003.68)	123,733,675.85

The accompanying notes to the financial statements are an integral part of this financial statement.

State Preservation Board (809)
FY 2025 Annual Financial Report (Unaudited)

**EXHIBIT II - Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances / Statement of Activities
Governmental Funds
For the Fiscal Year Ended August 31, 2025**

	GOVERNMENTAL FUND TYPES			STATEMENT OF ACTIVITIES
	GOVERNMENTAL FUNDS (Exhibit A-2)	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	
REVENUES				
Legislative Appropriations:				
Original Appropriations	154,110,648.00	-	-	154,110,648.00
Additional Appropriations	2,630,156.50	-	-	2,630,156.50
Federal Grant Pass-Through Revenue	2,907,362.01	-	-	2,907,362.01
Increase (Decrease) in Fair Value	23,775,273.20	-	-	23,775,273.20
Interest, Dividend and Other Income	2,170,676.17	-	-	2,170,676.17
TOTAL REVENUES	185,594,115.88	-	-	185,594,115.88
EXPENDITURES				
Salaries and Wages	9,857,428.46	-	158,487.67	10,015,916.13
Payroll Related Costs	2,787,883.96	-	-	2,787,883.96
Professional Fees and Services	672,011.51	-	-	672,011.51
Travel	7,565.66	-	-	7,565.66
Materials and Supplies	835,700.36	-	-	835,700.36
Communication and Utilities	172,979.43	-	-	172,979.43
Repairs and Maintenance	2,233,972.84	-	-	2,233,972.84
Rentals and Leases	68,452.54	-	-	68,452.54
Printing and Reproduction	1,948.35	-	-	1,948.35
Other Operating Expenditures	1,998,991.44	-	-	1,998,991.44
Capital Outlay (Note 2)	18,401,028.72	(18,401,028.72)	-	-
TOTAL EXPENDITURES/EXPENSES	37,037,963.27	(18,401,028.72)	158,487.67	18,795,422.22
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	148,556,152.61	18,401,028.72	(158,487.67)	166,798,693.66

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State Preservation Board {809}
FY 2025 Annual Financial Report (Unaudited)

**EXHIBIT II - Combined Statement of Revenues, Expenditures,
and Changes in Fund Balances / Statement of Activities**
Governmental Funds
For the Fiscal Year Ended August 31, 2025 (concluded)

	GOVERNMENTAL FUND TYPES			STATEMENT OF ACTIVITIES
	GOVERNMENTAL FUNDS (Exhibit A-2)	CAPITAL ASSETS ADJUSTMENTS	LONG-TERM LIABILITIES ADJUSTMENTS	
OTHER FINANCING SOURCES (USES):				
Depreciation/Amortization Expense (Note 2)	-	(2,242,106.17)	-	(2,242,106.17)
Transfers In (Note 12)	12,827,103.67	-	-	12,827,103.67
Transfer Out (Note 12)	(14,639,536.93)	(492.86)	-	(14,640,029.79)
Legislative Appropriations Lapsed	(1,452,042.55)	-	-	(1,452,042.55)
Deposit to Trust or Suspense	119,392,297.54	-	-	119,392,297.54
Sale of Capital Assets	4,107.14	(4,107.14)	-	-
Gain/(Loss) on Sale of Capital Assets	-	4,600.00	-	4,600.00
TOTAL OTHER FINANCING SOURCES (USES)	116,131,928.87	{2,242,106.17}	-	113,889,822.70
NET CHANGE IN FUND BALANCES/NET POSITION	264,688,081.48	16,158,922.55	(158,487.67)	280,688,516.36

FUND FINANCIAL STATEMENT- FUND BALANCES

Fund Balances - September 1, 2024	381,359,640.75
Net Change in Fund Balances/Net Assets	264,688,081.48
Fund Balances - August 31, 2025	646,047,722.23

Government-Wide Statement of Activities

Net Position, September 1, 2024	381,359,640.75	108,795,756.98	{1,062,516.01}	489,092,881.72
Changes in Net Position and Lapses	264,688,081.48	16,158,922.55	{158,487.67}	280,688,516.36
Net Position, August 31, 2025	646,047,722.23	124,954,679.53	(1,221,003.68)	769,781,398.08

The accompanying notes to the financial statements
are an integral part of this financial statement.

State Preservation Board (809)
FY 2025 Annual Financial Report (Unaudited)

EXHIBIT III - Combined Statement of Net Position
Proprietary Funds
August 31, 2025

	ENTERPRISE FUNDS (Exhibit F-1)
ASSETS	
Current Assets:	
Cash:	
Cash on Hand	200,314.24
Cash in Bank (Note 3)	11,400.00
Cash in State Treasury	1,848,078.16
Short-Term Investments (Note 3)	22,417,752.22
Accounts Receivable	151,646.28
Interfund Receivable (Note 12)	147,735.40
Due From Other Funds	7,942.67
Merchandise Inventories	1,151,026.18
Total Current Assets	<u>25,935,895.15</u>
Non-Current Assets:	
Capital Assets (Note 2):	
Non-Depreciable:	
Assets in Trust (Note 33)	3,172,385.00
Land and Land Improvements	555,028.35
Construction in Progress	586,229.15
Other Capital Assets	83,601.05
Depreciable/Amortizable:	
Vehicles, Boats and Aircraft	70,129.66
Less Accumulated Depreciation	(28,086.95)
Furniture and Equipment	285,505.24
Less Accumulated Depreciation	(192,019.54)
Building and Building Improvements	890,231.76
Less Accumulated Depreciation	(462,437.68)
Computer Software	5,280.00
Less Accumulated Depreciation	(5,280.00)
Other Assets	1,111,623.64
Less Accumulated Depreciation	(1,111,623.64)
Total Non-Current Assets	<u>4,960,566.04</u>
TOTAL ASSETS	<u>30,896,461.19</u>
LIABILITIES	
Current Liabilities:	
Payables:	
Vouchers Payable	152,744.83
Accounts Payable	18,198.37
Payroll Payables	440,556.04
Interfund Payable (Note 12)	147,735.40
Deferred Revenues	118,389.59
Employees Compensable Leave (Note 5)	265,308.24
Total Current Liabilities	<u>1,142,932.47</u>
Non-Current Liabilities:	
Employee Compensable Leave (Note 5)	161,677.87
Assets Held for Others (Note 33)	3,172,385.00
Total Non-Current Liabilities	<u>3,334,062.87</u>
TOTAL LIABILITIES	<u>4,476,995.34</u>
NET POSITION	
Restricted for Endowments (Note 32)	226,500.00
Restricted by Contributors and Statutes (Note 32)	7,564,909.54
Unrestricted	18,628,056.31
TOTAL NET POSITION	<u>26,419,465.85</u>

The accompanying notes to the financial statements are an integral part of this financial statement.

State Preservation Board {809}
FY 2025 Annual Financial Report (Unaudited)

**EXHIBIT IV - Combined Statement of Revenues,
Expenses, and Changes in Net Position
August 31, 2025**

	ENTERPRISE FUNDS (Exhibit F-2)
OPERATING REVENUES:	
Sales of Goods and Services	10,998,626.25
Other Operating Revenues	68,331.88
Total Operating Revenues	11,066,958.13
OPERATING EXPENSES:	
Cost of Goods Sold	2,243,147.90
Salaries and Wages	4,258,874.33
Payroll Related Costs	1,311,997.75
Professional Fees and Services	96,548.19
Travel	29,838.90
Materials and Supplies	688,879.69
Communications and Utilities	127,876.54
Repairs and Maintenance	523,697.71
Rentals and Leases	816,075.56
Printing and Reproduction	47,633.77
Depreciation and Amortization	77,120.06
Interest	159.19
Other Operating Expenses	1,518,793.36
Total Operating Expenses	11,740,642.95
OPERATING INCOME (LOSS)	(673,684.82)
NON-OPERATING REVENUES (EXPENSES):	
Interest Income	5,712,199.60
State Grant Pass-Through (Note 12)	2,656.00
Gifts, Grants and Donations	310,357.53
Total Non-Operating Revenues (Expenses)	6,025,213.13
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS/(LOSSES) AND TRANSFERS	5,351,528.31
OTHER REVENUES, EXPENSES, GAINS/(LOSSES) AND TRANSFERS	
Sale of Furniture and Equipment	723.22
Deposits into Treasury from Outside Treasury	130,004.89
Transfers In (Note 12)	4,001,030.66
Transfers Out (Note 12)	(111,925,386.90)
Total Other Revenues, Expenses, Gains/(Losses) and Transfers	(107,793,628.13)
TOTAL NET POSITION, September 1, 2024	128,939,129.14
Restatements (Note 14)	(77,563.47)
Total Net Position, Restated	128,861,565.67
CHANGE IN NET POSITION	(102,442,099.82)
TOTAL NET POSITION -August 31, 2025	26,419,465.85

The accompanying notes to the financial statements are an integral part of this financial statement.

State Preservation Board (809)
FY 2025 Annual Financial Report (Unaudited)

EXHIBIT V - Combined Statement of Cash Flows
Proprietary Funds
August 31, 2025

	ENTERPRISE FUNDS (Exhibit F-3)
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Customers	11,063,406.52
Payments to Suppliers for Goods and Services	(2,358,512.89)
Payments to Employees	(5,479,454.45)
Payments for Other Expenses	(3,849,502.91)
Net Cash Provided by Operating Activities	(624,063.73)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Proceeds from Transfers from Other Funds	4,001,030.66
Payments for Transfers to Other Funds	(112,036,856.95)
Proceeds from Other Non-Operating Revenues	554,488.47
Net Cash Provided by Non-capital Financing Activities	(107,481,337.82)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Gain on Sale of Capital Assets	723.22
Payments for Additions to Fixed Assets	(359,850.26)
Net Cash Provided by Capital and Related Financing Activities	(359,127.04)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Interest and Investment Income	5,712,199.60
Net Cash Provided from Investing Activities	5,712,199.60
Increase (Decrease) in Cash	(102,752,328.99)
Cash and Cash Equivalents • September 1, 2024	127,307,437.08
Restatements	(77,563.47)
Cash and Cash Equivalents • August 31, 2025	24,477,544.62
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income (Loss)	(673,684.82)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Amortization and Depreciation	77,120.06
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	73,181.37
(Increase) Decrease in Interfund Receivables	(86,716.32)
(Increase) Decrease in Inventories	(165,582.59)
Increase (Decrease) in Due to Other Funds	96,165.90
Increase (Decrease) in Payables	(45,948.30)
Increase (Decrease) in Deferred Revenue	9,983.34
Increase (Decrease) in Compensable Leave	71,939.15
Increase (Decrease) in Other Liabilities	19,478.48
Total Adjustments	49,621.09
Net Cash Provided by Operating Activities	(624,063.73)

The accompanying notes to the financial statements are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Entity

The State Preservation Board (SPB) is an agency of the State of Texas, and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The SPB was established by the 68th Legislature (1983). The SPB is mandated in Texas Government Code Annotated, Chapter 443 (1987) to preserve, maintain, and restore the Capitol, the 1857 General Land Office Building, their contents, and their grounds.

Texas Government Code Annotated, Chapter 445 (1999) charges the SPB with the operation of the Bullock Texas State History Museum (Museum). The Museum opened on April 21, 2001.

The 81st Legislature clarified that SPB has full responsibility for the management of construction projects and maintenance of the 1856 Texas Governor's Mansion. Senate Bill 2307 (2009) amended the Government Code to establish that SPB is responsible for the preservation, maintenance, and protection of the historical and architectural integrity of the Governor's Mansion and grounds.

The 83rd Legislature in Senate Bill 201 (2013) continued the operations of the agency for twelve years beginning September 1, 2013, and allowed certain Board members to designate representatives to participate in the Board's meetings and required the Board to meet at least twice each year. Additionally, the bill created a Mansion Renewal Trust Fund outside the State Treasury for the preservation of the Governor's Mansion, established the Museum Director position, and authorized the adoption of policies for naming areas within the Bullock Texas State History Museum. Other legislation included SPB in the development and review of a required comprehensive master plan for the Capitol Complex.

The 84th Legislature (2015) in House Bill 2206 transferred oversight of the Texas State Cemetery to the SPB and created the State Cemetery Preservation Trust Fund outside the State Treasury.

The 85th (2017) and 86th (2019) Legislatures passed no legislation that had a significant impact to SPB.

The 87th Legislature (2021) in S.B. 8 appropriated \$100 million to the State Comptroller to be managed and invested by the Texas Treasury Safekeeping Trust Co. for the benefit of the State Preservation Board to maintain the Bullock Texas State History Museum. H.B. 500 (89th Legislature) combined this appropriation with the 88th Legislature appropriation and is now part of the Texas State Buildings Preservation Endowment Fund.

The 88th Legislature (2023) in S.B. 640 allowed for the transfer of facilities management services for three state office buildings from the Texas Facilities Commission to SPB and provided funding for operating expenses and deferred maintenance. S.B. 1333 amended Government Code

State Preservation Board (809)
FY2025 Annual Financial Report (Unaudited)

NOTES TO THE FINANCIAL STATEMENTS

Section 443.0103 to establish the Texas State Buildings Preservation Endowment Fund. S.B. 30 appropriated \$200 million to the endowment which is managed by the Texas Treasury Safekeeping Trust Co. on behalf of SPB for maintenance and preservation of state buildings under SPB's jurisdiction, excluding the three state office buildings related to S.B. 640.

The 89th Legislature (2025} in S.B. 3059 established the Alamo Commission for the preservation, maintenance, restoration, and protection of the Alamo complex and its contents. This Commission is administratively attached to the State Preservation Board. H.B. 1397 assigns the care, custody, and display of the 'Victory or Death' letter, the Texas Constitution, and the Texas Declaration of Independence to the State Preservation Board.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No.34, *Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all of the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity. The funds used to reflect the SPB's transactions are as follows:

Governmental Fund Types and Government-wide Adjustment Fund Types

General Revenue Fund

The general fund is the principal operating fund used to account for most of the state's general activities. It accounts for all financial resources except for those accounted for in other funds.

Capital and Mansion Renewal and Cemetery Preservation Funds

Capital projects funds account for financial resources used for the acquisition, repair, renovation or construction of major capital facilities other than those financed by proprietary or similar funds. The Cemetery Preservation Fund may be used for land acquisition.

Permanent Funds

Permanent funds account for resources legally restricted to the extent that only earnings, but not principal, may be used for purposes that support the state's programs.

NOTES TO THE FINANCIAL STATEMENTS

Capital Asset Adjustment Fund Type

Capital Asset Adjustment fund type will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment fund type will be used to convert governmental fund types' debt from modified accrual to full accrual.

Suspense Funds

Suspense Funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Suspense funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Proprietary Fun Types

Enterprise Funds

Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. Activities must be reported as enterprise funds if any one of the following criteria is met:

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services including capital costs (such as depreciation or debt service), be recovered with fees and charges.
3. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified basis of accrual.

Expenditures and other uses of financial resources are recognized when the related liability is incurred.

State Preservation Board (809)
FY 2025 Annual Financial Report (Unaudited)

NOTES TO THE FINANCIAL STATEMENTS

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual method of accounting. This includes capital assets, accumulated depreciation, unpaid Employee Compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments, and full accrual revenues and expenses. The activity will be recognized in these fund types.

Proprietary funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets.

Budgets and Budgetary Accounting

The budget is prepared biennially and represents appropriations authorized by the Legislature and approved by the Governor (the General Appropriations Act). The agency's trust funds and enterprise funds are held "outside the Treasury" and are not subject to the appropriations process.

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

Assets, Liabilities, and Fund Equity Assets

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Inventories and Prepaid Items

Inventories include merchandise inventories on hand for sale. Inventories are valued at cost generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the item is consumed.

Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or, if any are donated, at appraised fair value as of the date of acquisition. Purchases of assets of governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

NOTES TO THE FINANCIAL STATEMENTS

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

Current Receivables - Other

Current Receivables - Other includes year-end revenue accruals. This account can appear in governmental and proprietary fund types.

Liabilities

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Current Payables - Other

Current Payables - Other are the accruals at year-end of expenditure transactions. This account may be included in either the governmental or proprietary fund types.

Employees' Compensable Leave Balances

Employees' Compensable Leave balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets.

Fund Balance/ Net Assets

The difference between fund assets and liabilities is 'Net Assets' on the government-wide, proprietary and fiduciary fund statements and the 'Fund Balance' is the difference between fund assets and liabilities on the governmental fund statements.

Fund Balance Components

Fund balances for governmental funds are classified as non-spendable, restricted, committed, assigned or unassigned in the fund financial statements.

- Non-spendable fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- Restricted fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.
- Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision-making authority.

NOTES TO THE FINANCIAL STATEMENTS

- Assigned fund balance includes amounts constrained by the state's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested In Capital Assets, Net of Related Debt

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Assets

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management but can be removed or modified.

Interfund Activities and Balances

The agency has the following types of transactions among funds:

- Transfers: Legally required transfers that are reported when incurred as 'Transfers In' by the recipient fund and as 'Transfers Out' by the disbursing fund.
- Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.
- Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the agency's interfund activities and balances are presented in Note 12.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: CAPITAL ASSETS

A summary of changes in General Fixed Assets for the year ended August 31, 2025 is presented below:

	Balance 9/1/2024	Adjustments	Additions	Deletions	Balance 8/31/2025
Governmental Activities					
Non-Depreciable Assets:					
Land and Improvements	23,001,235.22	-	-	-	23,001,235.22
Construction in Progress	41,885,836.73	-	18,354,818.82	-	60,240,655.55
Other Tangible Capital Assets	7,279,818.21	-	-	-	7,279,818.21
Total Non-Depreciable Assets	72,166,890.16	-	18,354,818.82	-	90,521,708.98
Depreciable Assets:					
Buildings and Improvements	316,647,608.89	-	-	-	316,647,608.89
Facilities and Other Improvements	3,153,659.90	-	-	-	3,153,659.90
Furniture and Equipment	1,996,351.04	-	-	(15,977.66)	1,980,373.38
Vehicles, Boats, Aircraft	101,080.62	20,254.74	46,209.90	(16,603.00)	150,942.26
Other Capital Assets	1,700,978.86	-	-	-	1,700,978.86
Total Depreciable Assets at Cost	323,599,679.31	20,254.74	46,209.90	(32,580.66)	323,633,563.29
Accumulated Depreciation:					
Buildings and Improvements	(280,262,069.49)	-	(2,134,960.80)	-	(282,397,030.29)
Facilities and Other Improvements	(3,153,659.90)	-	-	-	(3,153,659.90)
Furniture and Equipment	(1,766,097.22)	-	(96,648.61)	15,977.66	(1,846,768.17)
Vehicles, Boats, Aircraft	(88,007.02)	(20,254.74)	(10,496.76)	16,603.00	(102,155.52)
Other Capital Assets	(1,700,978.86)	-	-	-	(1,700,978.86)
Total Accumulated Depreciation	(286,970,812.49)	(20,254.74)	(2,242,106.17)	32,580.66	(289,200,592.74)
Amortizable Assets - Intangible:					
Computer Software	58,728.00	-	-	-	58,728.00
Total Amortizable Assets - Intangible	58,728.00	-	-	-	58,728.00
Accumulated Amortization:					
Computer Software	(58,728.00)	-	-	-	(58,728.00)
Total Accumulated Amortization	(58,728.00)	-	-	-	(58,728.00)
Capital Assets					
Governmental Activities	108,795,756.98	-	16,158,922.55	-	124,954,679.53
Business Type Activities					
Non-Depreciable Assets:					
Land and Improvements	421,309.35	-	133,719.00	-	555,028.35
Construction in Progress	428,020.15	-	158,209.00	-	586,229.15
Other Tangible Capital Assets	83,601.05	-	-	-	83,601.05
Total Non-Depreciable Assets	932,930.55	-	291,928.00	-	1,224,858.55
Depreciable Assets:					
Buildings and Improvements	890,231.76	-	-	-	890,231.76
Furniture and Equipment	228,369.52	-	67,922.26	(10,786.54)	285,505.24
Vehicles, Boats, Aircraft	70,129.66	-	-	-	70,129.66
Other Capital Assets	1,111,623.64	-	-	-	1,111,623.64
Total Depreciable Assets at Cost	2,300,354.58	-	67,922.26	(10,786.54)	2,357,490.30
Less Accumulated Depreciation for:					
Buildings and Improvements	(408,451.12)	-	(53,986.56)	-	(462,437.68)
Furniture and Equipment	(186,778.38)	-	(16,027.70)	10,786.54	(192,019.54)
Vehicles, Boats, Aircraft	(20,981.15)	-	(7,105.80)	-	(28,086.95)
Other Capital Assets	(1,111,623.64)	-	-	-	(1,111,623.64)
Total Accumulated Depreciation	(1,727,834.29)	-	(77,120.06)	10,786.54	(1,794,167.81)
Amortizable Assets - Intangible:					
Computer Software	5,280.00	-	-	-	5,280.00
Total Amortizable Assets - Intangible	5,280.00	-	-	-	5,280.00
Accumulated Amortization:					
Computer Software	(5,280.00)	-	-	-	(5,280.00)
Total Accumulated Amortization	(5,280.00)	-	-	-	(5,280.00)
Capital Assets					
Business Type Activities	1,505,450.84	-	282,730.20	-	1,788,181.04

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: DEPOSITS, INVESTMENTS, AND REPURCHASE AGREEMENTS

Schedules containing deposit, investment and repurchase agreement information, in the required format, have been submitted to the Comptroller of Public Accounts as a separate supplement to the AFR.

The State Preservation Board is authorized to make investments following the "prudent person rule"; however, all investment funds are currently managed by the Texas Treasury Safekeeping Trust Company.

The State Preservation Board has the Capitol Fund which holds funds donated to the Board and other agency receipts including the net proceeds from Capitol enterprises. The Capitol Fund is used for acquiring and refurbishing furnishings, for restoring areas of the State Capitol, Capitol Extension, General Land Office Building and Historic Grounds, and for educational purposes. The Board elected to use the Texas Treasury Safekeeping Trust Company to manage these funds. The cash and cash equivalents balance (consisting of demand deposits and repurchase agreements) in this fund as of August 31, 2025 was \$21,101,059.91.

The State Preservation Board has the Bullock Texas State History Museum Fund which holds funds donated to the Board and other agency receipts, including the net operating proceeds from the Museum. The fund is used for programs related to the Museum. The Board elected to use the Texas Treasury Safekeeping Trust Company to manage these funds. The cash and cash equivalents balance (consisting of demand deposits and repurchase agreements) in this fund as of August 31, 2025 was \$1,317,092.31.

The State Preservation Board has the Texas State Buildings Preservation Endowment Fund which holds appropriated funds from Senate Bill 30, 88th Legislature, and H.B. 500, 89th Legislature. The funds are for maintenance and preservation of all buildings under the Board's management. The fund is held in trust and managed by the Texas Treasury Safekeeping Trust Company. The investments balance as of August 31, 2025 was \$365,949,803.27.

Deposits of Cash in Bank

The State Preservation Board also maintains two cash accounts at local banks to allow the agency to maintain change banks for the Capitol Gift Shops and the Museum. The combined balance in these accounts as of August 31, 2025 was \$11,000.00. Treasury Safekeeping had a cash balance of \$400.00 in the Capitol Fund as of August 31, 2025.

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As of August 31, 2025, the carrying amount of deposits was \$11,000.00 as presented below:

Governmental and Business Type Activities	Amount
Cash in Bank - Carrying Value	\$ 11,400.00
Cash in Bank per AFR	\$ 11,400.00
Proprietary Funds Current Assets Cash in Bank	\$ 11,400.00
Cash in Bank per AFR	\$ 11,400.00

These amounts consist of all cash in local banks and a portion of short-term investments and are classified accordingly to the following risk category – Insured or collateralized with securities held by the governmental entity or by its agent in the name of the governmental entity. These amounts are included on the Combined Statement of Net Assets as part of "Cash and Cash Equivalents" account.

Investments

Assets of the Capitol Gift Shops Fund, the Texas State History Museum Fund, and the Maintain Bullock Texas State History Museum Fund, held by the Texas Safekeeping Trust Company, are invested primarily in overnight repurchase agreements. The agency offers no input regarding the investment of the funds but expects a high level of safety for the principal.

As of August 31, 2025, the carrying value and fair value of investments are as presented below:

Business-Type Activities	Amount
Repurchase Agreements - Capitol Gift Shops Fund	\$ 21,100,659.91
Repurchase Agreements - Texas State History Museum Fund	1,317,092.31
Total	\$ 22,417,752.22

Assets of the Texas State Buildings Preservation Endowment Fund, also held by Texas Safekeeping Trust Company, are invested in the categories below. The following tables include net asset values, fair value measurement classifications, unfunded capital commitments, redemption frequencies and terms as of August 31, 2025.

Investments Measured at Net Asset Value	Carrying Value	Fair Value (Level 1)	Fair Value (Level 2)
Money Market Funds	\$ 115,581,336.22	\$ 115,581,336.22	
Domestic Fixed Income - US Government	15,315,399.62		\$ 15,315,399.62
Mutual Funds - Global Public Equities	25,890,877.38	25,890,877.38	
Equities	1,213,233.42	1,213,233.42	
Total Return Swap - Fixed Income	324,404.86		324,404.86
Total	\$ 158,325,251.49	\$ 142,685,447.02	\$ 15,639,804.48

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NOTES TO THE FINANCIAL STATEMENTS

Investments Measured at Net Asset Value	Carrying Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds - Direct Fixed Income	\$ 40,715,415.89	N/A	Daily, Monthly, Quarterly, Annually	2-92 days
Hedge Funds - Direct Equities	135,234,935.47	N/A	Daily, Monthly, Quarterly, Annually	1-120 days
Hedge Funds - Direct All Assets	2,950,681.37	N/A	Annually	45 days
Hedge Funds - Real Assets	3,114,286.51	N/A	Monthly	30 days
Domestic Alternative - Private Debt	5,856,239.76	7,115,936.59	N/A	N/A
Domestic Alternative - Private Equity	7,336,912.05	20,407,897.08	N/A	N/A
Domestic Alternative - Real Assets	12,416,080.73	4,716,659.52	N/A	N/A
Total	\$ 207,624,551.78	\$ 32,240,493.19		
Total Investments	\$ 365,949,803.27			

The Fair Value measurement technique used for Level 1 is quoted prices in active markets for identical assets. The Fair Value measurement technique used for Level 2 is significant other observable inputs. There were no Level 3 assets to report.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The agency does not have a deposit policy for custodial credit risk. The bank balances that were exposed to custodial credit risk are:

Business-Type Activities	Amount
Uninsured and Unregistered Fair Value, Securities Held by Counterparty	\$ 22,417,752.22
Total	\$ 22,417,752.22

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Credit risk is the probability of a financial loss resulting from a borrower's failure to repay a loan. Credit risk is measured using credit scores, credit ratings and credit default swaps. The following table presents market values, duration, weighted average maturity, and credit ratings of the Texas State Buildings Preservation Endowment as of August 31, 2025.

Investment Type	Market Value	Duration (Years)	Weighted Average Maturity (Days)	Credit Ratings: Standard & Poors and Fitch
Domestic Fixed Income US Government	\$ 15,315,399.62	7.00		Not Rated
Total Not Rated	\$ 15,315,399.62			
Investment in STIF	\$ 115,581,336.22		52	AAA
Total AAA	\$ 115,581,336.22			

NOTE 4: SHORT-TERM DEBT- Not applicable to this agency.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2025, the following changes occurred in long-term liabilities.

Governmental Activities	Balance 09/01/2024	Additions& Adjustments	Reductions	Balance 08/31/2025	Amounts Due Within One Year
Compensable Leave	\$ 1,062,516.01	\$ 1,296,271.85	\$ (1,137,784.18)	\$ 1,221,003.68	\$ 804,822.39
Total Governmental Activities	\$ 1,062,516.01	\$ 1,296,271.85	\$ (1,137,784.18)	\$ 1,221,003.68	\$ 804,822.39

Business Type Activities	Balance 09/01/2024	Additions& Adjustments	Reductions	Balance 08/31/2025	Amounts Due Within One Year
Compensable Leave	\$ 355,046.96	\$ 75,373.09	\$ 3,433.94	\$ 426,986.11	\$ 265,308.24
Total Business Type Activities	\$ 355,046.96	\$ 75,373.09	\$ 3,433.94	\$ 426,986.11	\$ 265,308.24

Employees' Compensable Leave

Agencies commonly provide benefits to employees in the form of compensated absences. If an employee had continuous employment with the state for at least six months, that employee is entitled to be paid for all unused annual leave accrued in the event of voluntary resignation, dismissal or separation from state employment. Expenditures for accumulated annual leave balances are recognized in the reporting period it is paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the statement of net position. Both an expense and a liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees.

NOTE 6: BONDED INDEBTEDNESS - Not applicable to this agency.

NOTE 7: DERIVATIVE INSTRUMENTS

Derivatives are financial instruments whose value is derived, in whole or part, from the value of any one of more underlying securities or assets, or index of securities or assets, such as stocks, bonds, commodities, or currencies. The Endowment funds use derivatives as part of the portfolio hedging and overlays program. The objective of the program is to facilitate risk management and provide efficiency in the implementation of various investment strategies. Permitted applications of the portfolio hedging and overlays program are: to implement strategies in a low cost and efficient manner; to hedge and control risks; to alter the Endowment funds' market (systemic) exposure without trading the underlying cash market securities; to construct portfolios with risk and return characteristics that could not be created with cash market securities; or to facilitate transition trading.

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Through the use of derivatives, the risks that are bound together in traditional cash market investments can be separated and managed independently. The primary intent of the Endowment funds' investment in derivative instruments is to manage and implement investment strategies more effectively and at a lower cost than would be possible in the cash market. All of the Endowment funds' derivative instruments are considered investment derivatives and therefore are measured and reported at fair value.

The fair value, changes in fair value, and notional value of the fund's derivative investments, classified by derivative type, are displayed in the following table as of August 31, 2025.

Derivative Investments	Fair Value	Changes in Fair Value Gain/(Loss)	Notional Value
Swaps - Level 2			
Total Return Swap - Fixed Income	\$ 324,404.86	\$ 229,141.91	\$ 13,173,405.89
Total Return Swap - Equity		532,839.20	
Total Derivatives	\$ 324,404.86	\$ 761,981.11	\$ 13,173,405.89

NOTE 8: LEASES

Operating Leases: The agency is a party to several contracts with film companies for the lease of IMAX films. Typical terms involve a per attendee royalty payment to the film company with a minimum total payment for the term of the contract. The agency also has an equipment lease agreement; however, the contracting parties may terminate the contract at any time, for any reason. Included in the expenditures or expenses reported in the financial statements are the following amounts of rent paid or due under operating leases:

Fund Type	Amount
Proprietary Fund (0849)	\$ 595,962.83
Totals - Memorandum Only	\$ 595,962.83

The agency is not a party to any non-cancellable operating leases having an initial term in excess of one year. Therefore, there are no future minimum lease rental payments under such operating leases.

NOTE 9: PENSION PLANS - Not applicable to this agency.

NOTE 10: DEFERRED COMPENSATION - Not applicable to this agency.

NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS - Not applicable to this agency.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 12: INTERFUND ACTIVITY AND TRANSACTIONS

As explained in Note 1 regarding Interfund Transactions and Balances, there are numerous transactions between funds. At year-end, amounts to be received or paid are reported as:

- Due From Other Agencies or Due To Other Agencies
- Due From Other Funds or Due To Other Funds
- Interfund Receivables or Interfund Payables
- Operating Transfers In or Operating Transfers Out
- Legislative Transfers In or Legislative Transfers Out
- State/Federal Grant Pass-through Activity

The agency experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activity as of August 31, 2025, follows:

Interfund Receivables/Payables	Interfund Receivables	Interfund Payables
General Revenue (01) Fund 0001		
Agency 809, D23 Fund 0001	60,595.99	60,595.99
Total Governmental Funds	\$ 60,595.99	\$ 60,595.99
Enterprise (OS) D22 Fund 0849		
Agency 809, D23 Fund 0849	50,851.75	77,439.40
Enterprise (05) D22 Fund 0879		
Agency 809, D23 Fund 0879	26,587.65	
Agency 809, D23 Fund 1111	70,296.00	70,296.00
Total Enterprise Funds	\$ 147,735.40	\$ 147,735.40
Total Interfund Receivables/Payables	\$ 208,331.39	\$ 208,331.39

Operating Transfers	Transfers In	Transfers Out
General Revenue (01) 0001		
Agency 809, D23 Fund 0001	248.84	3,986.97
Economic Stabilization HB 2 (01) Fund 0599		
Agency 809, D23 Fund 0599	9,677,129.52	
Total Governmental Funds	\$ 9,677,378.36	\$ 3,986.97
Enterprise (OS) D22 Fund 0849		
Agency 809, D23 Fund 0849	1,337,543.04	637,543.04
Agency 809, D23 Fund 2222	5,234.95	234.95
Agency 809, D23 Fund 2993		705,000.00
Enterprise (OS) D22 Fund 0879		
Agency 809, D23 Fund 0879	719,903.25	919,903.25
Agency 809, D23 Fund 0845	352,141.99	652,141.99
Agency 809, D23 Fund 1111	1,083,286.97	75,207.43
Agency 809, D23 Fund 1993	502,920.46	1,011,000.00
Total Enterprise Funds	\$ 4,001,030.66	\$ 4,001,030.66
Total Operating Transfers	\$ 13,678,409.02	\$ 4,005,017.63

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Federal Pass-throughs	Revenues	Expenditures
ARPA 2021 SB 8 Sec 47 (01) Fund 0325 Agency 300, D23 Fund 0341	2,907,362.01	
Total Governmental Funds	\$ 2,901,362.01	\$
Total Federal Pass-throughs	\$ 2,907,362.01	\$

State Pass-throughs	In	Out
Enterprise (OS) Fund 0849 Agency 813, D23 Fund 0001	2,656.00	
Total Enterprise Funds	\$ 2,656.00	
Total State Pass-throughs	\$ 2,656.00	

Due To/Due From	Due From	Due To
General Revenue (01) Fund 0001 Agency 454, D23 Fund 0001 Agency 809, D23 Fund 0900		7,741.90 7,942.67
Total Governmental Funds	\$	\$ 15,684.57
Enterprise (OS) D22 Fund 0879 Agency 809, D23 Fund 1993	7,942.67	
Total Enterprise Funds	\$ 7,942.67	
Total Due To/Due From	\$ 7,942.67	\$ 15,684.57

Legislative Transfers	In	Out
General Revenue (01) Fund 0001 Agency 809, D23 Fund 0001	3,149,147.53	3,146,036.95
Total Governmental Funds	\$ 3,149,117.53	3,146,036.95
Total Legislative Transfers	\$ 3,080.58	

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

The Texas Sunset Commission completed a review of the agency in March 2012. Under the Texas Sunset Act, the State Preservation Board will be abolished effective September 1, 2029, unless continued in existence by the Legislature as provided by the Act.

NOTE 14: ADJUSTMENTS TO FUND BALANCE/NET ASSETS

There is a restatement of (\$77,563.47) on the Combined Statement of Revenues, Expenses and Changes in Net Position (Exhibit IV). The restatement is related to the incorrect reversal of prior year accruals.

NOTE 15: CONTINGENCIES AND COMMITMENTS

As of August 31, 2025, the agency had no contingencies or commitments.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16: SUBSEQUENT EVENTS - Not applicable to this agency.

NOTE 17: RISK MANAGEMENT

The State Preservation Board is susceptible only to a small degree of risk. The risks include property damage to real property, furniture and equipment and historical artifacts. Other risks include casualty risks suffered by visitors to the Texas Capitol and potential workers' compensation claims by agency employees. The agency bears retention risks as noted below. The agency assumes substantially all risks associated with tort and liability claims due to performance of its duties. Any such claims by members of the public are referred to the Tort Litigation Division of the Office of the Attorney General. The agency understands that these losses will not be paid without legislative approval to either pay claims or pursue legal remedies. In either case, the agency would be well aware of potential losses prior to a legislative appropriation bill and these losses would be financed at that time.

The agency assumes substantially all risk associated with its property. Insurance policies are in effect for items on loan to the Bullock Texas State History Museum and Capitol Visitors Center. The agency continues to contemplate the purchase of private insurance for historical artifacts it owns.

Beginning in fiscal year 2002, the agency participates in a risk pool administered by the State Office of Risk Management for worker's compensation claims. An annual assessment is paid to cover all claims. The assessment is adjusted annually based upon various risk factors. The agency is not responsible for workers' compensation claims for other agencies' employees who work in the buildings, nor construction contractors' employees working in or around the buildings.

NOTE 18: MANAGEMENT'S DISCUSSION AND ANALYSIS- Not applicable to this agency.

NOTE 19: THE FINANCIAL REPORTING ENTITY - Not applicable to this agency.

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Not applicable to this agency.

NOTE 21: NOT APPLICABLE TO THE AFR.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 22: DONOR RESTRICTED ENDOWMENTS

The State Preservation Board, in accordance with Government Code § 443.010, may receive gifts and donations and use such gifts of money made to the board for the purpose specified by the grantor, if any.

The following are endowments held in trust outside the State Treasury (Texas Treasury Safekeeping Trust Company) by the Comptroller in the Capitol Fund. The endowment principals are non-expendable, and interest earned is expended in accordance with provisions stipulated by the donors.

Donor-Restricted Endowment	Amounts of Net Appreciation	Reported At
True Endowment	\$ 87,662.20	Enterprise Fund; Capitol Fund
True Endowment	\$ 16,204.32	Enterprise Fund; Capitol Fund
True Endowment	\$ 105,414.81	Enterprise Fund; Capitol Fund

NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS - Not applicable to this agency.

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES- Not applicable to this agency.

NOTE 25: TERMINATION BENEFITS - Not applicable to this agency.

NOTE 26: SEGMENT INFORMATION ON ENTERPRISE FUNDS

The agency operates the Capitol Visitors Parking Garage, the Bullock Texas State History Museum, and the Capitol Gift Shops. Each is accounted for as major individual enterprise funds; therefore, segment disclosure is not required due to information already provided in the basic financial statements.●

NOTE 27: SERVICE CONCESSION ARRANGEMENTS - Not applicable to this agency.

NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES - Not applicable to this agency.

NOTE 29: TROUBLED DEBT RESTRUCTURING - Not applicable to this agency.

NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES - Not applicable to this agency.

NOTE 31: TAX ABATEMENTS - Not applicable to this agency.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 32: FUND BALANCES

GAAP Fund	D23 Funds	AFR54 Class	Amount	Citation	Comments
0879	1993/1111	Restricted	\$226,500.00	Texas Government Code, Chapter 443.0101	Nonexpendable for endowment funds
0879	1993/1111	Restricted	\$400,000.00	Texas Government Code, Chapter 443.013, 443.0131	Restrictions are imposed by state law
0879	1993/1111	Restricted	\$7,564,909.54	Texas Government Code, Chapter 443.0101	Restrictions are imposed by state law

NOTE 33: ASSETS HELD IN TRUST

The agency is in possession of historical items on loan from both State and non-State entities. The items are for display purposes only and are not used in its operations.

GASB provides no guidance on how to manage these items from a reporting perspective. They have chosen to leave it up to the individual government's discretion. The Comptroller's policy stipulates reporting these items on loan from non-State entities as 'Assets in Trust' with a corresponding liability titled 'Assets Held for Others'.

The agency has followed the Comptroller's policy for purposes of the Annual Financial Report but disagrees and has strong concerns about the policy with regard to items on loan at the Bullock Texas State History Museum. The Financial Accounting Standards Board (FASB) has held that Museums may choose not to capitalize collections if such action is stated in institutional policy.

Without overriding Comptroller policy, we would not have capitalized these loaned items based on the following arguments:

- Museums have held that museum collections do not meet the definition of an "asset" which requires probable future benefits related to generating cash inflows.
- Museums acquire collections through donation, bequest, purchase, field research and exchange. In each of these transactions there is a transfer of title. Artifact loans are not acquisitions, and there is certainly no transfer of ownership or title.
- Individual lenders, particularly of valuable materials, are frequently apprehensive that the State could stake claim to their objects despite the language in the loan agreement. To report their personal property as an asset of the state might confirm those fears and affect the Museum's future ability to secure loans from private individuals. This would severely impact the exhibition program.
- The 'Assets Held in Trust' items for the Museum are booked at insurance valuations because that is all that is available. These valuations are not equivalent to asset valuations. To request asset valuations from individuals bears the real risk of creating the

NOTES TO THE FINANCIAL STATEMENTS

unfavorable scenario above. Similarly, requesting asset values from major institutions such as the Smithsonian may jeopardize the Museum's status as a credible borrower.

The agency stresses that reporting these loaned items as assets with the corresponding liability is done only to comply with Comptroller policy and in no way implies ownership or any legal right beyond the contractual language in the loan agreements.

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EXHIBIT A-1 - Combining Balance Sheet
Governmental Funds
August 31, 2025

	GOVERNMENTAL FUNDS							TOTAL
	GENERAL REVENUE (0001) U/F (0001)	FEDERAL CARES/ FECRAACT (03+ 1) U/F (0325)	ECONOMIC STABILIZATION (0599) U/F(0599)	MANSION RENEWAL (0804) U/f (0804)	CAPITAL RENEWAL (0854) U/F (0854)	CEMETERY PRESERVATION (0902) U/F (0902)	TX STATE BIDGS. PRESERVATION (1016) U/F (1016)	
ASSETS								
Current Assets:								
Cash in State Treasury	55,058.06	-	-	-	-	-	-	55,058.06
Legislative Appropriations	283,676,760.17	-	-	-	-	-	-	283,676,760.17
Short Term Investments (Note 3)	-	-	-	-	-	-	115,581,336.22	115,581,336.22
Receivables:								
Interest and Dividends Receivable	-	-	-	-	-	-	154,188.27	154,188.27
Accounts Receivable	1,594.00	-	-	-	-	-	-	1,594.00
Interfund Receivable	60,595.99	-	-	-	-	-	-	60,595.99
Total Current Assets	283,794,008.22	-	-	-	-	-	US,735,524.49	399,529,532.71
Non-Current Assets:								
Investments - Equities	-	-	-	-	-	-	87,891,561.59	87,891,561.59
Investments - Alternatives	-	-	-	-	-	-	144,653,483.35	144,653,483.35
Investments - Fixed Income	-	-	-	-	-	-	17,499,017.25	17,499,017.25
Investments - SWAPS at Fair Value	-	-	-	-	-	-	324,404.86	324,404.86
Total Non-Current Assets	-	-	-	-	-	-	250,368,467.05	250,368,467.05
TOTAL ASSETS	283,794,008.22	-	-	-	-	-	366,103,991.54	649,897,999.76
LIABILITIES								
Payables:								
Vouchers Payable	332,668.88	-	1,687,917.17	-	-	-	-	2,020,586.05
Accounts Payable	124,675.15	-	234,507.61	-	-	-	202,921.15	562,103.91
Trade Payables	-	-	-	-	-	-	3,322.87	3,322.87
Payroll Payables	1,054,388.03	-	-	-	-	-	-	1,054,388.03
Payroll Deduction Return Liability	2,610.45	-	-	-	-	-	-	2,610.45
Interfund Payable	60,595.99	-	-	-	-	-	-	60,595.99
Interest Payable	-	-	-	-	-	-	107,529.00	107,529.00
Due to Other Funds	7,942.67	-	-	-	-	-	-	7,942.67
Due to Other Agencies	7,741.90	-	-	-	-	-	-	7,741.90
Unearned Revenues	23,456.66	-	-	-	-	-	-	23,456.66
TOTAL LIABILITIES	1,614,079.73	-	1,922,424.78	-	-	-	313,773.02	3,850,277.53
FUND BALANCES								
Unassigned	282,179,928.49	-	(1,922,424.78)	-	-	-	-	280,257,503.71
Nonspendable	-	-	-	-	-	-	300,000,000.00	300,000,000.00
Restricted	-	-	-	-	-	-	65,790,218.52	65,790,218.52
TOTAL FUND BALANCES	282,179,928.49	-	(1,922,424.78)	-	-	-	365,790,218.52	646,047,722.23
TOTAL LIABILITIES AND FUND BALANCE	283,794,008.22	-	-	-	-	-	366,103,991.54	649,897,999.76

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**EXHIBIT A-Z - Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances**
August 31, 2025

	GOVERNMENTAL FUNDS							
	GENERAL REVENUE (00011 U/F (0001)	FEDERAL CARES/ FECRAACT (03411 U/F (03251	ECONOMIC STABILIZATION (0599) U/F (0599)	MANSION RENEWAL (08041 U/F (08041	CAPITAL RENEWAL (0854) U/F (0854)	CEMETERY PRESERVATION (0902) U/F (0902)	TX STATE BLDGS. PRESERVATION END. (1016) U/F (1016)	TOTAL
REVENUES:								
legislative Appropriations:								
Original Appropriations	154,110,648.00	-	-	-	-	-	-	154,110,648.00
Additional Appropriations	2,630,156.50	-	-	-	-	-	-	2,630,156.50
Federal Grant Pass-Through Revenue	-	2,907,362.01	-	-	-	-	-	2,907,362.01
Interest and Other Investment Income	-	-	-	7,490.45	18.24	14,063.02	1,982,145.29	2,003,717.00
Net Increase (Decrease) in Fair Value	-	-	-	-	-	-	23,775,273.20	23,775,273.20
Other Revenue	166,959.17	-	-	-	-	-	-	166,959.17
Total Revenues	156,907,763.67	2,907,362.01	-	7,490.45	18.24	14,063.02	25,757,418.49	185,594,115.88
EXPENDITURES:								
Salaries and Wages	9,857,428.46	-	-	-	-	-	-	9,857,428.46
Payroll Related Costs	2,787,883.96	-	-	-	-	-	-	2,787,883.96
Professional Fees and Services	378,863.71	-	-	-	-	-	293,147.80	672,011.51
Travel	7,565.66	-	-	-	-	-	-	7,565.66
Material, and Suppl. .	784,453.36	-	51,247.00	-	-	-	-	835,700.36
Communication and Utilities	172,979.43	-	-	-	-	-	-	172,979.43
Repairs and Maintenance	2,233,972.84	-	-	-	-	-	-	2,233,972.84
Rentals and Leases	68,452.54	-	-	-	-	-	-	68,452.54
Printing and Reproduction	1,948.35	-	-	-	-	-	-	1,948.35
Other Operating Expenditures	1,909,764.71	-	89,226.73	-	-	-	-	1,998,991.44
capital Outlay	2,613,997.02	2,907,362.01	12,597,613.96	282,055.73	-	-	-	18,401,028.72
Total Expenditures	20,817,310.04	2,907,362.01	12,738,087.69	282,055.73	-	-	293,147.80	37,037,963.27
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	136,090,453.63	-	(12,738,087.69)	1274,565.281	18.24	14,063.02	25,464,270.69	148,556,152.61
OTHER FINANCING SOURCES (USES):								
Legislative Appropriations Lapsed	(1,452,042.55)	-	-	-	-	-	-	(1,452,042.55)
Sale of Capital Assets	4,107.14	-	-	-	-	-	-	4,107.14
Deposit to Trust or Suspense	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	119,392,297.54	119,392,297.54
Operating Transfers In	3,149,974.15	-	9,677,129.52	-	-	-	-	12,827,103.67
Operating Transfers Out	(3,150,000.92)	-	-	(17,490.45)	(18.24)	(11,482,004.32)	-	(14,639,536.93)
Total Other Financing Sources (Uses)	(1,447,985.18)	-	9,677,129.52	(17,490.45)	(18.24)	(11,482,004.32)	119,392,297.54	116,131,928.87
FUND BALANCES- September 1, 2024	147,537,460.04	-	1,138,533.39	282,055.73	-	11,467,941.30	220,933,650.29	381,359,640.75
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENSES AND OTHER FINANCING USES	134,642,468.45	-	(3,060,951.11)	1282,055.73	-	111,467,941.30	144,856,568.23	264,688,081.48
FUND BALANCES- August 31, 2025	282,179,928.49	-	(1,922,424.78)	-	-	-	365,790,218.52	646,047,722.23

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EXHIBIT F-1 - Combining Statement of Net Position
Proprietary Funds
August 31, 2025

	ENTERPRISE FUNDS		
	TEXAS STATE HISTORY MUSEUM (0849) U/F (0849)	CAPITOL GIFT SHOPS (0879) U/F(0879)	TOTAL
ASSETS			
Current Assets:			
Cash:			
Cash on Hand	190,667.43	9,646.81	200,314.24
Cash in Bank	10,000.00	1,400.00	11,400.00
Cash in State Treasury	702,186.08	1,145,892.08	1,848,078.16
Short-Term Investments	1,317,092.31	21,100,659.91	22,417,752.22
Receivables:			
Accounts Receivable	53,564.23	98,082.05	151,646.28
Interfund Receivable	50,851.75	96,883.65	147,735.40
Due From Other Funds	-	7,942.67	7,942.67
Merchandise Inventories	266,687.26	884,338.92	1,151,026.18
Total Current Assets	2,591,049.06	23,344,846.09	25,935,895.15
Non-Current Assets:			
Capital Assets:			
Non-Depreciable:			
Assets Held in Trust	3,172,385.00	-	3,172,385.00
Land and Land Improvements	-	555,028.35	555,028.35
Construction in Progress	-	586,229.15	586,229.15
Other Capital Assets	35,000.00	48,601.05	83,601.05
Depreciable/Amortizable:			
Vehicles, Boats and Aircraft	49,740.66	20,389.00	70,129.66
Less Accumulated Depreciation	(7,697.95)	(20,389.00)	(28,086.95)
Furniture and Equipment	106,008.24	179,497.00	285,505.24
Less Accumulated Depreciation	(95,408.30)	(96,611.24)	(192,019.54)
Buildings and Building Improvements	629,806.00	260,425.76	890,231.76
Less: Accumulated Depreciation	(329,115.06)	(133,322.62)	(462,437.68)
Computer Software	-	5,280.00	5,280.00
Less Accumulated Amortization	-	(5,280.00)	(5,280.00)
Other Assets	1,111,623.64	-	1,111,623.64
Less Accumulated Depreciation	(1,111,623.64)	-	(1,111,623.64)
Total Non-Current Assets	3,560,718.59	1,399,847.45	4,960,566.04
TOTAL ASSETS	6,151,767.65	24,744,693.54	30,896,461.19
LIABILITIES			
Current Liabilities:			
Payables:			
Vouchers Payable	86,724.92	66,019.91	152,744.83
Accounts Payable	9,768.83	8,429.54	18,198.37
Payroll Payables	299,334.96	141,221.08	440,556.04
Interfund Payable	77,439.40	70,296.00	147,735.40
Unearned Revenues	117,180.50	1,209.09	118,389.59
Employees Compensable Leave	173,587.40	91,720.84	265,308.24
Total Current Liabilities	764,036.01	378,896.46	1,142,932.47
Non-Current Liabilities:			
Employee Compensable Leave	95,259.81	66,418.06	161,677.87
Assets Held for Others	3,172,385.00	-	3,172,385.00
Total Non-Current Liabilities	3,267,644.81	66,418.06	3,334,062.87
TOTAL LIABILITIES	4,031,680.82	445,314.52	4,476,995.34
NET POSITION			
Restricted for Endowments	-	226,500.00	226,500.00
Restricted by Contributors/Statutes	-	7,564,909.54	7,564,909.54
Unrestricted	2,120,086.83	16,507,969.48	18,628,056.31
TOTAL NET POSITION	2,120,086.83	24,299,379.02	26,419,465.85

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**EXHIBIT F-2 - Combining Statement of Revenues, Expenses,
and Changes in Net Position
August 31, 2025**

	TEXAS STATE HISTORY MUSEUM (0849) U/F (0849}	CAPITOL GIFT SHOPS (0879) U/F (0879)	TOTAL
OPERATING REVENUES:			
Sales of Goods and Services	6,181,014.58	4,817,611.67	10,998,626.25
Other Operating Revenues	41,783.28	26,548.60	68,331.88
Total Operating Revenues	6,222,797.86	4,844,160.27	11,066,958.13
OPERATING EXPENSES:			
Cost of Goods Sold	458,951.11	1,784,196.79	2,243,147.90
Salaries and Wages	2,875,194.88	1,383,679.45	4,258,874.33
Payroll Related Costs	917,487.54	394,510.21	1,311,997.75
Professional Fees and Services	30,906.69	65,641.50	96,548.19
Travel	20,452.45	9,386.45	29,838.90
Materials and Supplies	472,264.04	216,615.65	688,879.69
Communications and Utilities	102,118.44	25,758.10	127,876.54
Repairs and Maintenance	331,467.51	192,230.20	523,697.71
Rentals and Leases	767,792.77	48,282.79	816,075.56
Printing and Reproduction	39,382.40	8,251.37	47,633.77
Depreciation and Amortization	47,800.32	29,319.74	77,120.06
Interest	118.21	40.98	159.19
Other Operating Expenses	975,153.95	543,639.41	1,518,793.36
Total Operating Expenses	7,039,090.31	4,701,552.64	11,740,642.95
OPERATING INCOME (LOSS)	(816,292.45)	142,607.63	(673,684.82)
NON-OPERATING REVENUES (EXPENSES):			
Dividend and Interest Income	4,788,811.40	923,388.20	5,712,199.60
State Grant Pass-Through	2,656.00	-	2,656.00
Gifts, Grants and Donations	289,058.44	21,299.09	310,357.53
Total Non-Operating Revenues (Expenses)	5,080,525.84	944,687.29	6,025,213.13
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS/(LOSSES) AND TRANSFERS	4,264,233.39	1,087,294.92	5,351,528.31
OTHER REVENUES, EXPENSES, GAINS/(LOSSES) AND TRANSFERS			
Sale of Furniture and Equipment	723.22	-	723.22
Deposits into Treasury from Outside Treasury	(403,184.49)	533,189.38	130,004.89
Transfers In	1,342,777.99	2,658,252.67	4,001,030.66
Transfers Out	(109,267,134.23)	(2,658,252.67)	(111,925,386.90)
Total Other Revenues, Expenses, Gains/(Losses) and Transfers	{108,326,817.51}	533,189.38	(107,793,628.13)
TOTAL NET POSITION, September 1, 2024	106,182,955.36	22,756,173.78	128,939,129.14
Restatements	(284.41)	(77,279.06)	(77,563.47)
Total Net Position, Restated	106,182,670.95	22,678,894.72	128,861,565.67
CHANGE IN NET POSITION	(104,062,584.12)	1,620,484.30	(102,442,099.82)
TOTAL NET POSITION - August 31, 2025	2,120,086.83	24,299,379.02	26,419,465.85

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EXHIBIT F-3 - Combining Statement of Cash Flows

Proprietary Funds

August 31, 2025

	ENTERPRISE FUNDS		
	TEXAS STATE HISTORY MUSEUM (0849)	CAPITOL GIFT SHOPS (0879)	TOTAL
	U/F (0849)	U/F (0879)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from Customers	6,228,759.72	4,834,646.80	11,063,406.52
Payments to Suppliers for Goods and Services	(477,831.22)	(1,880,681.67)	(2,358,512.89)
Payments to Employees	(3,722,780.82)	(1,756,673.63)	(5,479,454.45)
Payments for Other Expenses	(2,739,656.46)	(1,109,846.45)	(3,849,502.91)
Net Cash Provided by Operating Activities	(711,508.78)	87,445.05	(624,063.73)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Proceeds from Transfers from Other Funds	1,342,777.99	2,658,252.67	4,001,030.66
Payments for Transfers to Other Funds	(109,378,604.28)	(2,658,252.67)	(112,036,856.95)
Proceeds from Other Non-Operating Revenues	-	554,488.47	554,488.47
Net Cash Provided by Non-capital Financing Activities	(108,035,826.29)	554,488.47	(107,481,337.82)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from Gain on Sale of Capital Assets	723.22	-	723.22
Payments for Additions to Fixed Assets	-	(359,850.26)	(359,850.26)
Net Cash Provided by Capital and Related Financing Activities	723.22	(359,850.26)	(359,127.04)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Interest and Investment Income	4,788,811.40	923,388.20	5,712,199.60
Net Cash Provided from Investing Activities	4,788,811.40	923,388.20	5,712,199.60
Increase (Decrease) in Cash	(103,957,800.45)	1,205,471.46	(102,752,328.99)
Cash and Cash Equivalents -- September 1, 2024	106,178,030.68	21,129,406.40	127,307,437.08
Restatements	(284.41)	(77,279.06)	(77,563.47)
Cash and Cash Equivalents -- August 31, 2025	2,219,945.82	22,257,598.80	24,477,544.62
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	(816,292.45)	142,607.63	(673,684.82)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Amortization and Depreciation	47,800.32	29,319.74	77,120.06
Changes in Assets and Liabilities:			
(Increase) Decrease in Receivables	(4,221.81)	77,403.18	73,181.37
(increase) Decrease in Interfund Receivables	224.42	(86,940.74)	(86,716.32)
(increase) Decrease in Inventories	(42,799.32)	(122,783.27)	(165,582.59)
Increase (Decrease) in Due to Other Funds	25,869.90	70,296.00	96,165.90
Increase (Decrease) in Payables	(1,950.69)	(43,997.61)	(45,948.30)
Increase (Decrease) in Deferred Revenue	9,959.25	24.09	9,983.34
Increase (Decrease) in Compensable Leave	61,456.69	10,482.46	71,939.15
Increase (Decrease) in Other Liabilities	8,444.91	11,033.57	19,478.48
Total Adjustments	104,783.67	(55,162.58)	49,621.09
Net Cash Provided by Operating Activities	(711,508.78)	87,445.05	(624,063.73)

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SCHEDULE I A - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended August 31, 2025

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	ALN Number	NSENAME/ Identifying Number	Pass-Through From			Direct Program Amount	Total PT From & Direct Program	Pass-Through To			Expenditures Amount	Total PTTo & Expenditures
			Agency/ Univ.#	Agency or University Amount	Non-State Entity Amount			Agency/ Univ. #	Agency or University Amount	Non-State Entity Amount		
U.S. Department of the Treasury												
<u>Pass-Through From:</u>												
COVID-19 Coronavirus State and Local Fiscal Recovery Funds Governor - Fiscal	21.027	RSP3X3U4SGU6		2,907,362.01	-	-	2,907,362.01		-	-	12,580,080.75	12,580,080.75
			300									
Total - U.S. Department of the Treasury				2,907,362.01	-	-	2,907,362.01		-	-	12,580,080.75	12,580,080.75
Total Expenditures of Federal Awards				2,907,362.01	-	-	2,907,362.01		-	-	12,580,080.75	12,580,080.75
Reconciliation:												
Federal Pass-Through Revenue (Exhibit II)				2,907,362.01								
Reconciling Items:												
Pass-through Expenditures				-								
Total Pass-Through and Expenditures Per Federal Schedule				2,907,362.01								

