



STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Financial Statements with Additional Information
and Reports Required by OMB Circular A-133

June 30, 2013 and 2012

(With Independent Auditors' Reports Thereon)

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

June 30, 2013 and 2012

Table of Contents

	Page
Independent Auditors' Report on the Financial Statements and Supplemental Information	1
Management's Discussion and Analysis (Unaudited)	4
Basic Financial Statements:	
Statements of Net Assets – State of Mississippi Institutions of Higher Learning	20
Statement of Financial Position – Discretely Presented Component Unit – Mississippi State University Foundation, Inc.	21
Statement of Financial Position – Discretely Presented Component Unit – The University of Mississippi Foundation	22
Statement of Financial Position – Discretely Presented Component Unit – The University of Southern Mississippi Foundation	23
Statements of Revenues, Expenses and Changes in Net Assets – State of Mississippi Institutions of Higher Learning	24
Statement of Activities – Discretely Presented Component Unit – Mississippi State University Foundation, Inc.	25
Statement of Activities – Discretely Presented Component Unit – The University of Mississippi Foundation	27
Statement of Activities – Discretely Presented Component Unit – The University of Southern Mississippi Foundation	29
Statements of Cash Flows – State of Mississippi Institutions of Higher Learning	31
Notes to Financial Statements – State of Mississippi Institutions of Higher Learning	33
Combining Supplemental Information:	
Combining Statement of Net Assets	123
Combining Statement of Revenues, Expenses and Changes in Net Assets	125
Combining Statement of Cash Flows	127

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

June 30, 2013 and 2012

Table of Contents

	Page
Reports on Internal Control and Compliance:	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	130
Independent Auditors' Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133, <i>Audits of States, Local Governments, and Non-Profit Organizations</i>	132
Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2013	135
Notes to Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2013	157
Schedule of Findings and Questioned Costs	159

FINANCIAL AUDIT REPORT

(THIS PAGE LEFT BLANK INTENTIONALLY)



KPMG LLP
Suite 1100
One Jackson Place
188 East Capitol Street
Jackson, MS 39201-2127

Independent Auditors' Report

The Board of Trustees
State of Mississippi Institutions of Higher Learning:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the State of Mississippi Institutions of Higher Learning (the IHL System), a component unit of the State of Mississippi, as of and for the year ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the IHL System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, and the State Institutions of Higher Learning Tort Liability Fund. Those financial statements, which reflect approximately 9.8% and 1.4%, and 10.6% and 1.8%, of the assets and revenues, respectively, of the IHL System's business-type activities as of and for the years ended June 30, 2013 and 2012, were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above mentioned entities/funds, is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Mississippi State University Foundation, Inc., the University of Mississippi Foundation, the University of Southern Mississippi Foundation, the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, and the State Institutions of Higher Learning Tort Liability Fund were not audited in accordance with *Government Auditing Standards*.

(THIS PAGE LEFT BLANK INTENTIONALLY)



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, and the aggregate discretely presented component units of the IHL System as of June 30, 2013 and 2012, and the changes in financial position, and where applicable, cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in note 1 to the financial statements, in 2013 the IHL System adopted Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The 2012 financial statements have been restated for the retrospective application of the new accounting guidance. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis on pages 4 through 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements. The 2013 combining supplemental information on pages 123 through 129 and the accompanying component unit additional information for inclusion in the State of Mississippi Comprehensive Annual Financial Report section on pages 132 through 147 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

(THIS PAGE LEFT BLANK INTENTIONALLY)



basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2013, on our consideration of the IHL System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering IHL's internal control over financial reporting and compliance.

KPMG LLP

Jackson, Mississippi
December 13, 2013

(THIS PAGE LEFT BLANK INTENTIONALLY)

MANAGEMENT'S DISCUSSION AND ANALYSIS

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012



Introduction

The Board of Trustees of Mississippi's Institutions of Higher Learning (IHL System) governs the State's public four year institutions. The Constitutional Governing Board was created in 1943 for the purpose of overseeing and directing Mississippi's eight public universities including the University of Mississippi Medical Center, various off-campus centers and multiple research institutes located throughout Mississippi.

The institutions serve approximately 81,000 students with an employee base of 26,200 individuals. Faculty makes up approximately 5,600 of the total employee count. The system offers over 800 degree programs and awarded approximately 16,300 degrees in Academic Year 2013.

In addition to regular operations, each university has established its own educational building corporation (EBC) in accordance with Section 37-101-61 of the Mississippi Code Annotated of 1972. The purpose of these corporations is to provide a means to acquire land or buildings, construct or renovate facilities, and/or equip facilities. Governmental Accounting Standards Board (GASB) Statements 14, 39 and 61 deem EBCs to be component units of the IHL System; therefore, they are included as blended component units in the basic financial statements. In addition to EBCs, the IHL System has three additional component units considered significant to the financial statements. The three units were Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation. These audited financial statements are discretely presented following the IHL System's financial statements.

These reports were prepared in accordance with GASB Statements 34 and 35, *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments* and present financial data for two fiscal periods – June 30, 2013 and 2012. The IHL System reports as a special purpose government, engaged solely in business-type activities. The section should be read in conjunction with the financial statements and the notes which follow.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

The following is a list of abbreviations used throughout this financial report for the member universities of the IHL System:

ASU	Alcorn State University
DSU	Delta State University
JSU	Jackson State University
MSU	Mississippi State University
MUW	Mississippi University for Women
MVSU	Mississippi Valley State University
UM	University of Mississippi
USM	University of Southern Mississippi
UMMC	University of Mississippi Medical Center
IHL Executive Office	Institutions of Higher Learning – Executive Office
M CVS	Mississippi Commission for Volunteer Services – Off-campus entity
IHL SYSTEM	(Summary of all of the above)

Overview of the Financial Statements

The IHL System's financial report consists of three sections – Management's Discussion and Analysis, financial statements including notes, and financial statements of the discrete component units. The statements of IHL System's financial statements are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows; and the Statements of Financial Position and Statements of Activities for the discretely presented component units.

Financial Statements

The financial statements present information for the IHL System as a whole. The Statement of Net Position presents the financial position of the IHL System at the end of the fiscal year and includes all assets and liabilities for all institutions within the IHL System. The difference between total assets and total liabilities – net position – is one measure of the IHL System's financial health or position. The change in net position is a useful indicator of financial health of the System. Over time, increases or decreases in the System's net position provide a useful trend in assessing whether its financial health is improving. Other nonfinancial factors such as enrollment trends and the condition of the physical plant are also useful in evaluating the overall financial health of the IHL System.

The Statement of Revenues, Expenses and Changes in Net Position presents the operating results of the IHL System, as well as nonoperating revenues and expenses. Operating revenues are received for providing goods and services to various customers and constituencies of the IHL System. Operating expenses are incurred to acquire or produce the goods and services provided in return for the operating revenues. Nonoperating revenues are received for which goods and services are not provided as an exchange transaction. State appropriations, which represent 22% of total IHL System revenues, are classified a nonoperating revenue because these revenues are appropriated at the state level rather than at the institutional level. This accounting treatment for this revenue classification typically results in the IHL System showing an operating loss. Other typical nonoperating revenue sources include gifts, grants and appropriations restricted for capital purposes.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management’s Discussion and Analysis (Unaudited)

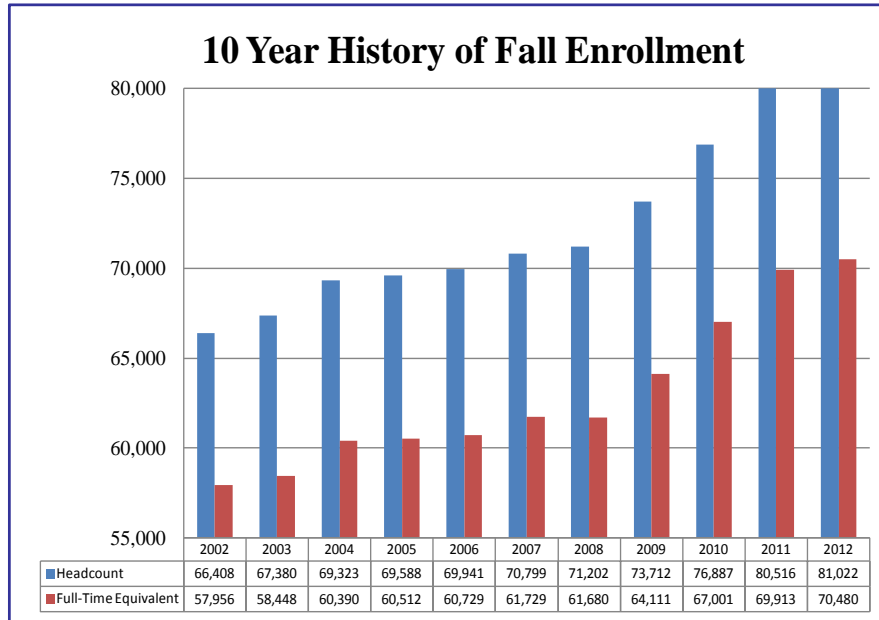
June 30, 2013 and 2012

The Statement of Cash Flows provides information about the cash sources and uses of the IHL System. Additional information for this statement is provided later in this report.

Financial Highlights

The financial position of the IHL System has shown growth over the last several years. Net position has increased by \$257.8 million (assets minus liabilities) since June 30, 2011. The main source for this improvement was in the area of capital assets, where the System has experienced a \$180.5 million increase in its capital assets, net of related debt. Most of the institutions have recently undergone, or are in the process of major building projects, especially for student housing. Additional details for these increases are presented later in this report. Unrestricted net position has also increased \$50.8 million since that time and restricted net position has increased \$26.5 million.

Despite tuition rate increases, enrollment has continued to increase for the IHL System. Full time student enrollment, as well as student headcounts, for the fall 2012 academic term stood at an all time high (see chart below). IHL management believes this increase is indicative of the demand for a quality educational product at a reasonable price.



While the IHL System’s state appropriated revenues have stagnated the last several years, other revenue sources such as student tuition, auxiliary revenues and patient fees have increased steadily. The IHL System’s efforts to create self-generated funds, control costs, and eliminate expenditures on noncore essential activities allowed the institutions to generate sufficient resources to meet and sometimes even exceed budgeted goals.

GASB guidance requires that state appropriation revenues be classified as nonoperating on the Statement of Revenues, Expenses and Changes in Net Position (SRECNP). Because of this accounting treatment, the IHL System expects to always show a net operating loss at year-end on the SRECNP. This net operating loss approximated \$817.6 million and \$852.8 million for the years ended June 30, 2013 and 2012, respectively. Total

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

operating revenues increased 4.9% in 2013 and 5.1% in 2012, while operating expenses for 2013 and 2012 increased 2.2% and 3.1%, respectively. Overall, the IHL System's net position increased by \$135.5 million for fiscal year 2013 compared to \$127.4 million for fiscal year 2012.

Net position is divided into three major categories:

- Net investment in capital assets – represents the IHL System's net equity in property, plant and equipment which it owns.
- Restricted net position – represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements.
- Unrestricted net position – represent those assets that are available to the IHL System for any lawful purpose.

Net position, which represent the residual interest in the IHL System's assets after liabilities are deducted, increased by \$135.5 million (4.1%) from the prior fiscal year to \$3.4 billion in 2013. Net position increased by \$127.4 million (4.2%) in 2012. Shown below is a chart illustrating the composition of the IHL System's net position as of June 30, 2013.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

Unrestricted net position as of June 30, 2013 and 2012 equaled \$771.4 million and \$742.2 million, respectively. Over 87% of this total (\$676.1 million) was attributed to four IHL institutions, the University of Mississippi Medical Center, Mississippi State University, the University of Mississippi and the University of Southern Mississippi.

Summary of Net Position (Condensed)

	June 30, 2011	June 30, 2012	June 30, 2013	Changes between years	
				2011 to 2012	2012 to 2013
Assets:					
Current assets	\$ 794,345,992	845,660,586	910,269,555	6.5%	7.6%
Capital assets, net	2,848,085,443	3,034,987,815	3,160,941,862	6.6	4.2
Other assets	788,995,751	878,671,541	903,149,676	11.4	2.8
Deferred outflows	—	5,226,080	4,990,320	100.0	(4.5)
Total assets and deferred outflows of resources	<u>4,431,427,186</u>	<u>4,764,546,022</u>	<u>4,979,351,413</u>	<u>7.5%</u>	<u>4.5%</u>
Liabilities:					
Current liabilities	288,086,502	338,337,493	348,250,310	17.4%	2.9%
Noncurrent liabilities	<u>953,927,510</u>	<u>1,114,550,984</u>	<u>1,183,910,147</u>	<u>16.8</u>	<u>6.2</u>
Total liabilities	<u>1,242,014,012</u>	<u>1,452,888,477</u>	<u>1,532,160,457</u>	<u>17.0%</u>	<u>5.5%</u>
Net Assets:					
Invested in capital assets, net of debt	2,121,333,863	2,204,805,645	2,301,843,074	3.9%	4.4%
Restricted – nonexpendable	121,730,506	132,893,611	140,401,802	9.2	5.6
Restricted – expendable	225,750,920	231,716,866	233,563,969	2.6	0.8
Unrestricted	<u>720,597,885</u>	<u>742,241,423</u>	<u>771,382,111</u>	<u>3.0</u>	<u>3.9</u>
Total net position	<u>\$ 3,189,413,174</u>	<u>3,311,657,545</u>	<u>3,447,190,956</u>	<u>3.8%</u>	<u>4.1%</u>

From the data presented, readers of the Statement of Net Position are able to determine the following:

- the assets available to continue the operations of the IHL System
- the liabilities of the IHL System which include amounts owed to vendors and lending institutions, and
- the net position that are available for future expenditure by the IHL System

At June 30, 2013 current assets totaled \$910.3 million and consisted primarily of cash and cash equivalents, short-term investments and net receivables. Current assets increased 7.6% (\$64.6 million) from June 30, 2012. Since June 30, 2011, current assets have increased 14.6%. Cash, cash equivalents, and short-term investments constituted approximately 56% and 57% of current assets as of June 30, 2013 and 2012, respectively, while accounts receivables constituted approximately 37% and 37% of current assets respectively. Approximately 38% and 40% of these net receivable are amounts due from gifts, contracts and grants and the State of Mississippi for appropriations as of June 30, 2013 and 2012, respectively, while 35% (2013) and 28% (2012) were related to patient care receivables from UMMC. The remaining receivables were primarily owed from students for tuition,

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

room and board charges. Student owed receivables approximated \$96 million at June 30, 2013. This amount has remained steady for the past three years.

At June 30, 2013, current liabilities equaled \$348.3 million and consisted primarily of accounts payable and accrued liabilities, and deferred revenues. Unearned revenues include advance receipts for athletic ticket sales, summer tuition, fees, and student housing. Current liabilities increased 2.9% (\$9.9 million) from June 30, 2012. Since June 30, 2011 current liabilities have increased 20.9% (\$60.2 million). In more detail, significant increases were incurred in the areas of accounts payable and accrued expense liabilities (\$18.2 million).

At June 30, 2013 and 2012, noncurrent assets totaled \$4.1 billion and \$3.9 billion, respectively, and included capital assets of \$3.2 billion (2013) and \$3.0 billion (2012). Noncurrent cash and investments that are restricted externally by endowment arrangements or specific grant and contract arrangements approximated \$791.8 million at June 30, 2013 and \$769.0 million at June 30, 2012. One other significant noncurrent asset of the IHL System was student notes receivable which equaled \$96.1 million at June 30, 2013 and \$98.6 million at June 30, 2012. In total, noncurrent assets increased 3.7% (\$143.7 million) during the past twelve months. Since June 30, 2011, these noncurrent assets have actually increased 11.7% (\$426.5 million). The majority of this increase has been seen in the accumulation of capital assets of \$312.9 million since 2011 (11.0%). Specifically, the IHL System's inventory of buildings has increased in pre-depreciation value by a total of \$289.5 million since June 30, 2011, over \$128 million of that increase realized since June 30, 2012. Additional details about the IHL System's most recent capital asset growth can be seen in the Capital Asset and Debt Administration section of this report.

Noncurrent liabilities are those liabilities due and payable more than twelve months from year-end (June 30th). Noncurrent liabilities equaled \$1.2 billion at June 30, 2013 and \$1.1 billion at June 30, 2012. These liabilities have increased 6.2% (or \$69.4 million) since June 30, 2012. The principal reason for this large increase was the incurrence of new bonded debt issues at many of the institutions. In recent years, the IHL System has experienced unparalleled levels of new construction and renovation to its existing facilities. Additional details about the IHL System's most recent capital debt can be seen in the Capital Asset and Debt Administration section of this report. Other noncurrent liabilities of significance include accrued compensated leave liabilities that will not be paid within the next fiscal year (\$101.8 million at June 30, 2013 and \$98.3 million at June 30, 2012), and noncurrent portions of unpaid claim liabilities relative to its self-insured programs, and government advance refundable obligations relative to the federal government's Perkins loan program in the event of termination. These other noncurrent liabilities have remained relatively stable during the past several years.

Restricted nonexpendable net position equaled \$140.4 million and \$132.9 million at June 30, 2013 and 2012 respectively, and consisted of endowment and similar type funds, which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained intact and invested for the purpose of producing income that may either be expended or added to principal. The values of these net position have increased approximately \$18.7 million or 15.3% since June 30, 2011.

Restricted expendable net position equaled \$233.6 million and \$231.7 million at June 30, 2013 and 2012, respectively, and consisted of resources that the IHL System is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted net position equaled \$771.4 million and \$742.2 million at June 30, 2013 and 2012 respectively, and represent those assets that are available to the IHL System for any lawful purpose. The values of net position have increased approximately \$50.8 million or 7.0% since June 30, 2011.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net position (SRECNP) displays information on how the IHL System's assets changed as a result of current year operations. This statement presents the IHL System's revenues received and expenses incurred, as well as any other gains or losses for the fiscal year. Operating revenues and expenses have been revised to give effect for certain eliminations relating to inter-campus transactions among the IHL System institutions.

The IHL System's consolidated SRECNP for the year ended June 30, 2013 indicates a net operating loss of \$817.6 million and compares to a net operating loss of \$852.8 million in 2012. The change from 2012 to 2013 represents a \$35.2 million overall decrease in the annual net operating loss. Since June 30, 2011, the IHL System's annual net operating loss has decreased 5.3% (or \$45.5 million). The net operating loss does not include the effects of nonoperating items such as state appropriated revenues, certain gift or grant revenues, or net investment earnings. A summary of the IHL System's SRECNP for the last three fiscal years is shown below.

Summary of Revenues, Expenses and Changes in Net Position (Condensed)

	Years ended			Changes between years	
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013
Operating revenues	\$ 1,861,842,152	1,957,042,710	2,053,286,397	5.1%	4.9%
Operating expenses	2,725,010,197	2,809,839,477	2,870,920,674	3.1	2.2
Operating income (loss)	(863,168,045)	(852,796,767)	(817,634,277)	(1.2)	(4.1)
Nonoperating revenues (expense)	887,168,736	878,932,127	844,439,195	(0.9)	(3.9)
Income (loss) before other revenues, expenses, gains or losses	24,000,691	26,135,360	26,804,918	8.9	2.6
Other revenues, expenses, gains or losses	127,336,181	101,222,669	108,728,493	(20.5)	7.4
Change in net position	151,336,872	127,358,029	135,533,411	(15.8)	6.4
Net position at beginning of the year – adjusted	3,038,076,302	3,184,299,516	3,311,657,545	4.8	4.0
Net position at the end of the year	\$ 3,189,413,174	3,311,657,545	3,447,190,956	3.8%	4.1%

Operating Revenues

Operating revenues for the IHL System equaled \$2.1 billion for fiscal year 2013 compared to \$2.0 billion for fiscal year 2012. Operating revenues increased 4.9% (or \$96.2 million) during 2013, and an additional 5.1% (or \$95.2 million) during 2012. Major components of operating revenues are the UMMC patient care revenues (40% in 2013 and 36% in 2012), grants and contracts revenues (20% in 2013 and 24% in 2012), net tuition and fees

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

(24% in 2013 and 23% in 2012), and sales and service revenues from auxiliary activities (10% in 2013 and 2012). The following table summarizes the IHL System's operating revenues for the past three fiscal years.

	Operating Revenues					
	Years ended			Changes between years		
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013	
Tuition and Fees (net)	\$ 407,959,713	457,817,684	486,082,817	12.2%	6.2%	
Grants and Contracts	485,840,532	460,073,470	408,137,531	(5.3)	(11.3)	
Federal Appropriations	12,737,243	11,023,528	14,202,889	(13.5)	28.8	
Sales and Services of educational departments	53,593,973	54,560,556	52,945,429	1.8	(3.0)	
Auxiliary Enterprises (net)	186,754,660	195,614,679	209,027,084	4.7	6.9	
Patient Care revenues	668,733,613	704,269,102	813,261,628	5.3	15.5	
Other	46,222,418	73,683,691	69,629,019	59.4	(5.5)	
Total operating revenues	\$ 1,861,842,152	1,957,042,710	2,053,286,397	5.1%	4.9%	

Net tuition and fee revenues increased 6.2% (\$28.3 million) in fiscal year 2013. All IHL institutions raised their in-state tuition rates during 2013 (average increase of 8.4%). Non-Mississippi residents also paid a higher tuition rate during 2013 (average increase of 8.1%). These rate increases, coupled with the positive enrollment growth across the IHL System resulted in substantial tuition revenue increases. The IHL System also increased general tuition rates on all students in 2012. Coupled with steady enrollment growth during those periods also, net tuition revenues have increased \$78.1 million since 2011 (19.1%).

Grants and contracts revenue has decreased two consecutive years since a high of \$491.4 million in 2010. In FY 2013, this revenue decreased 11.3% (\$51.9 million). In fiscal year 2012 the IHL System experienced a decrease of 5.3% (\$25.8 million).

Patient care revenues at the UMMC rebounded from a down year in 2011 to increase during 2013 (\$109.0 million or 15.5%). This increase was primarily due to reimbursement increases from commercial and governmental payers and increases in patient volume.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

Operating Expenses

Operating expenses for the IHL System totaled \$2.9 billion for fiscal year 2013 compared to \$2.8 billion in 2012. Operating expenses increased 2.2% (\$61.1 million) during 2013, and an additional 3.1% (\$84.8 million) during 2012. Personnel costs (including fringe benefits) were the largest expenditure component for the IHL System, representing 61.6% of the total in 2013 and 58.4% in 2012. Other major components include contractual services (14.2% in 2013 and 16.0% in 2012), commodities (10% during 2013 and 2012), and scholarships and fellowships (6% during 2013 and 2012). The following table summarizes the IHL System's operating expenses (by major object category) for the past three fiscal years.

	Operating Expenses				
	Years ended			Changes between years	
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013
By major object category:					
Salaries and wages	\$ 1,245,544,156	1,282,002,735	1,371,864,872	2.9%	7.0%
Fringe benefits	340,973,191	358,526,493	395,768,409	5.1	10.4
Travel	44,944,546	48,034,153	49,084,406	6.9	2.2
Contractual services	428,167,512	449,115,656	407,477,447	4.9	(9.3)
Utilities	64,403,486	59,832,377	59,891,790	(7.1)	0.1
Scholarships and fellowships	174,146,376	177,267,881	161,960,652	1.8	(8.6)
Commodities	285,572,300	291,720,535	281,901,623	2.2	(3.4)
Depreciation	129,645,671	131,390,795	138,425,882	1.3	5.4
Other	11,612,959	11,948,852	4,545,593	2.9	(62.0)
Total operating expenses	\$ <u>2,725,010,197</u>	<u>2,809,839,477</u>	<u>2,870,920,674</u>	<u>3.1%</u>	<u>2.2%</u>

IHL personnel costs (salaries, wages and fringe benefits) increased 7.7% (\$127.1 million) during 2013. Several of the IHL institutions incorporated general market adjustments for their faculty and staff during 2013. The range of these pay raises varied from institution to institution. MSU (\$13.9 million), UM (\$12.3 million) and UMMC (\$94.4 million) had the largest expenditure increase in this category, while the other institutions had smaller increases. Since 2011, the IHL System's personnel costs have increased 11.4% (\$181.1 million). Contractual services decreased 9.3% (41.6 million) during 2013. In an effort to realize greater cost efficiencies, the IHL System has made a concerted effort in the past few years to reduce its contractual services among other overhead costs. Since 2011, these costs have decreased 4.8% (\$20.7 million). The cost for commodities did decrease slightly during 2013 (3.4% or 9.8 million). Scholarships and fellowships expenditures did not continue its annual increase in 2013. These costs which take the form of student financial aid awards decreased 8.6% (\$15.3 million). These costs have decreased 7.0% or \$12.2 million since 2011.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

As an alternative presentation model, the IHL System's last three fiscal years of operating expenses are shown on the next page by major function category. Functional classifications are the traditional categories that universities have used in past financial presentations (Pre-GASB 34). These functions represent the types of programs and services that the universities generally provide. For example, funds utilized to compensate a classroom professor or provide classroom materials would be classified as instruction.

	Operating Expenses			Change between years	
	Years ended			2011 to 2012	2012 to 2013
	June 30, 2011	June 30, 2012	June 30, 2013		
By function:					
Instruction	\$ 575,927,306	593,792,096	621,874,277	3.1%	4.7%
Research	320,300,032	315,027,966	282,705,332	(1.6)	(10.3)
Public service	152,852,256	151,039,122	148,166,094	(1.2)	(1.9)
Academic support	134,708,123	142,379,174	147,010,574	5.7	3.3
Student services	67,743,153	70,831,039	73,447,309	4.6	3.7
Institutional support	236,116,161	278,565,905	268,144,697	18.0	(3.7)
Operations & Maintenance of					
Plant	145,923,147	152,437,410	169,873,852	4.5	11.4
Student aid	179,162,328	183,063,888	164,332,927	2.2	(10.2)
Auxiliary enterprises	180,973,505	190,486,406	214,675,205	5.3	12.7
Depreciation	129,645,671	122,157,044	129,670,236	(5.8)	6.2
Hospital	654,798,736	676,796,305	718,825,048	3.4	6.2
Other	2,928,514	1,510,706	812,617	(48.0)	(46.2)
Eliminations	(56,068,735)	(68,247,584)	(68,617,494)	21.7	0.5
Total operating expenses	\$ 2,725,010,197	2,809,839,477	2,870,920,674	3.1%	2.2%

Funding for the Instruction function continues to be the one of the IHL System's highest priorities. Approximately 22% and 21% of the System's expenditure pie was devoted to the Instruction function in 2013 and 2012 respectively. Since 2011, instructional costs have increased 8.0% or \$45.9 million. Institutional research (internal and external) and public service costs continue to command one the IHL's primary cost missions. While declining slightly since 2011, these costs represent approximately 15.0% of the IHL System's total focus. Research sector expenditures decreased approximately 10.3% (\$32.3 million) during 2013, while Public Service sector expenditures decreased 1.9% (\$2.9 million) during this same period. Institutional support costs typically present the functions of the executive management department, general administration, logistical support services, computing, public relations and development. These costs decreased 3.7% (\$10.4 million) in 2013. Auxiliary enterprise costs include all expenditures associated with departments that primarily exist to furnish goods or services to students, faculty, or staff and that charge a fee directly related to, although not necessarily equal to, the cost of the goods and services. Auxiliary departments are required to be essentially self-supporting activities. Examples are (1) Student housing, (2) Food Services, (3) Bookstores, and (4) Intercollegiate Athletics. Auxiliary expenditures increased 12.7% (\$24.2 million) in fiscal year 2013. Student Aid expenditures decreased in 2013 by 10.2% (\$18.7 million). Finally, Hospital expenditures increased during the past 12 months. These costs were incurred by the UMMC during the course of their treatment of patients. Hospital costs increased 6.2% in 2013 (or \$42.0 million). Since 2011, Hospital expenses have steadily risen by 9.8% (or \$64.0 million).

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

From fiscal year 2011 through 2013, the IHL System identified millions of dollars in inter-campus transactions that required elimination for financial statement presentation purposes. Examples of such transactions would be student financial aid funds administered by the IHL Executive Office that were directed to the campuses, as well as grant agreements between one or more IHL System institutions in which one campus served as a primary recipient and the other campus acted as a sub-recipient. The eliminations were mostly channeled through the scholarships and fellowships line-item as presented by major object code category.

Capital Asset and Debt Administration

At June 30, 2013, the IHL System had over \$3.0 billion invested in a broad range of capital assets. These assets are comprised of land, buildings and improvements (infrastructure), equipment and library books. They are stated net of accumulated depreciation. The following table summarizes the IHL System's Capital Assets for the most recent three year-end reporting dates.

Capital Asset Summary

	Years ended			Change between years	
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013
Capital assets not being depreciated	\$ 349,274,649	408,464,638	424,435,035	16.9%	3.9%
Depreciable capital assets:					
Improvements other than buildings	269,898,159	288,121,327	298,081,463	6.8	3.5
Buildings	2,676,695,058	2,837,330,303	2,966,164,125	6.0	4.5
Equipment	618,196,029	667,086,451	739,276,411	7.9	10.8
Library Books	339,343,335	352,708,483	364,487,418	3.9	3.3
Total depreciable capital assets	<u>\$ 3,904,132,581</u>	<u>4,145,246,564</u>	<u>4,368,009,417</u>	<u>6.2</u>	<u>5.4</u>
Total cost of capital assets	\$ 4,253,407,230	4,553,711,202	4,792,444,452	7.1	5.2
Less accumulated depreciation	<u>(1,405,321,787)</u>	<u>(1,518,723,387)</u>	<u>(1,631,502,590)</u>	<u>8.1</u>	<u>7.4</u>
Capital assets, net	<u>\$ 2,848,085,443</u>	<u>3,034,987,815</u>	<u>3,160,941,862</u>	<u>6.6%</u>	<u>4.2%</u>

Nondepreciable capital assets equaled \$424.4 million at June 30, 2013 and \$408.5 million at June 30, 2012. These assets principally consisted of land and construction in progress. The \$16.0 million increase from June 30, 2012 through June 30, 2013 was due to capitalized facility projects that were "in-progress" at June 30, 2013, but will be finished in subsequent reporting periods and reclassified to the depreciable Buildings category.

In 2013, the System experienced strong growth in two capital asset areas, Buildings and Equipment. These assets increased 4.5% and 10.8% respectively, during 2013. Since fiscal year 2011, the gross value of IHL System buildings has increased \$289.5 million or 10.8%. Most of the IHL institution recorded sizable capital asset additions during fiscal year 2013. Some of the more significant additions are listed below.

- ASU had a number of significant renovation projects underway on its campus during 2013. Over \$2.5 million in new construction and renovation costs were accrued by year-end on such projects as Rowan Hall and Lanier and Bowles Hall. These costs will be classified as construction-in-progress until their completion.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

- DSU had a number of significant renovation projects underway on its campus during 2013. Over \$3.3 million in new construction and renovation costs were accrued by year-end including a major renovation to the institution's network of science labs. These costs will be classified as construction-in-progress until their completion.
- JSU had a number of significant renovations projects underway on its campus during 2013. Over \$12.0 million in new construction and renovation costs were accrued by year-end. These costs will be classified as construction-in-progress until their completion.
- MSU continued construction on two new student residence facilities (Oak Hall and Magnolia Hall). While not yet complete as of June 30, 2013, these two facilities had accumulated over \$48.1 million in construction cost by year-end. In addition, the university began a major renovation and expansion of Davis-Wade Stadium (football). On-going construction costs at year accumulated to \$26.1 million. These on-going projects are classified as construction-in-progress until their completion.
- MUW finished major renovations to Poindexter Hall (\$9.7 million) during 2013. In addition, the institution began a major renovation of the Fant Library during 2013. This project is on-going at year-end, but had accumulated over \$3.6 million in renovation costs. This project and other on-going projects are classified as construction-in-progress until their completion.
- MVSU continued with major renovation on its library facility during 2013. While not complete at year-end, an additional \$5.1 million was spent in 2013. This project and other on-going projects are classified as construction-in-progress until their completion.
- UM completed construction on a number of significant facility projects during 2013 including a new student residence facility. On-goings projects will be classified as construction-in-progress until their completion.
- USM completed major renovations on a number of significant facility projects during 2013, including Hardy Hall (\$10.6 million) and Lloyd Hall (\$3.6 million) and construction of a new Health and Science facility (\$10.4 million). On-going projects will be classified as construction-in-progress until their completion.

Please refer to the June 30, 2012 and June 30, 2011 audited financial statements for a description of significant additions during those fiscal years.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

At June 30, 2013, the IHL System had \$958.9 million in bonded debt, notes payable and capital lease obligations. This represented a 3.0% or \$27.9 million increase over the prior year-end. The following table summarizes the System's long-term debt for the most recent three year-end reporting dates.

Long-term Debt Summary

	Years ended			Change between years	
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013
Bonds Payable	\$ 733,882,296	\$890,473,217	\$922,578,579	21.3%	3.6%
Notes Payable	20,567,308	19,813,989	18,115,037	(3.7)	(8.6)
Capital Lease Obligations	24,397,978	20,747,813	18,760,450	(15.0)	(9.6)
Total long-term debt	\$ <u>778,847,582</u>	\$ <u>931,035,019</u>	\$ <u>959,454,066</u>	19.5%	3.1%

Bonded debt increased during 2013 (3.6% or \$32.1 million). USM issued \$51.9 million in long-term bond obligations during the year, primarily to construct new residence halls on their campuses. MSU issued \$29.0 million in commercial paper to finance on-going renovations to its football stadium. Capital lease obligations decreased 9.6% or \$2.0 million during 2013.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

Statement of Cash Flows

The final statement presented by the IHL System is the Statement of Cash Flows. This statement presents detailed information about the cash activities of the institution during the year. The statement is divided into five parts. The first part entitled "Cash Flows Activities from Operating" shows the net cash used by the operating activities of the IHL System. The second section is entitled "Cash Flows Activities from Noncapital Financing". The primary source of these activities includes State Appropriations. The third section, entitled "Cash Flows Activities from Capital and Related Financing" shows cash flows from the acquisition and construction of capital and related items. The fourth section is entitled "Cash Flows Activities from Investing". This section reflects cash flows from investing activities and shows purchases, proceeds, and interest received from investing activities. The final section contains a reconciliation of net cash provided by (used in) operations to the operating income (loss) reflected on the SRECNP. A condensed Statement of Cash Flows is presented on the next page.

Statement of Cash Flows (Condensed)

	Years ended			Change between Years	
	June 30, 2011	June 30, 2012	June 30, 2013	2011 to 2012	2012 to 2013
Cash flows activities from:					
Operating	\$ (734,839,435)	(632,038,439)	(694,926,603)	(14.0)	10.0%
Noncapital financing	845,073,462	839,287,004	844,475,293	(0.7)	0.6
Capital and related financing	(181,640,894)	(94,138,017)	(122,952,193)	(48.2)	30.6
Investing	<u>55,053,659</u>	<u>(73,598,805)</u>	<u>(16,883,591)</u>	<u>(223.7)</u>	<u>(77.1)</u>
Net increase (decrease) in cash and cash equivalents	(16,353,208)	39,511,743	9,712,906	(341.6)	(75.4)
Cash and cash equivalents – Beginning of Year	<u>558,033,005</u>	<u>541,679,797</u>	<u>581,191,540</u>	<u>(2.9)</u>	<u>7.3</u>
Cash and cash equivalents – End of Year	<u>\$ 541,679,797</u>	<u>581,191,540</u>	<u>590,904,446</u>	<u>7.3%</u>	<u>1.7%</u>
Cash and cash equivalents classified as:					
Current assets	\$ 341,930,106	356,693,208	383,109,460	4.3%	7.4%
Noncurrent assets	<u>199,749,691</u>	<u>224,498,332</u>	<u>207,794,986</u>	<u>12.4</u>	<u>(7.4)</u>
Total Cash and cash equivalents	<u>\$ 541,679,797</u>	<u>581,191,540</u>	<u>590,904,446</u>	<u>7.3%</u>	<u>1.7%</u>

Major sources of funds included in the operating activities section for fiscal year 2013 were student tuition and fees (\$501.2 million), grants and contracts (\$410.6 million), patient care services (\$773.2million), and auxiliary enterprises (\$220.3 million). Major uses of funds included in operating activities were payments for employees' salaries and benefits (\$1.8 billion), payments to suppliers (\$725.7 million), and payments made for scholarships and fellowships (\$179.7 million).

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

Major sources of funds included in the noncapital financing activities section for fiscal year 2013 include state appropriations (\$668.8 million) and gifts and grants received for purposes other than capital purposes (\$166.9 million).

Major sources of funds included in the capital and related financing activities section for fiscal year 2013 includes proceeds from capital debt issuances (\$136.3 million) and grants and contract funding designated for capital projects (\$30.3 million). Major uses of funds in this section include direct cash payments made for capital assets (\$180.1 million), and principal and interest payments made to retire capital debt (\$119.2 million combined).

Economic Outlook

The overall financial position of the IHL System remains strong. The IHL System continues to successfully respond to significant challenges to its academic programs, stemming from the national, state and local economic downturns. The IHL began the 2013 fiscal year with an anticipated system wide budget increase of \$149.3 million. This increase was being funded primarily by tuition revenues, auxiliary revenues and external or restricted gifts and grants. The actual net surplus for 2013 was \$135.5 million (see the SRECNP summary table on page 10 of the MD&A). While the anticipated tuition and auxiliary revenue gains actually materialized, external funding fell short of budgeted expectations. In our opinion, this was caused by the continuing stagnation of the national economy and tightened federal budgets. For fiscal year 2014, general education funding from the State of Mississippi will increase 6% (\$20.7 million). Over \$7.0 million of that new funding was earmarked by legislature for Capital projects, mainly renovations. The remainder will be used primarily for classroom instruction. Once again, the IHL System will be heavily relying upon increases in tuition and auxiliary revenues to provide the necessary funds for sustained excellence in its academic programs and student services. The IHL System anticipates receiving an additional \$35.0 million in new tuition revenue during 2014 due to a mixture of enrollment growth and general rate increases. In 2014 state appropriated revenues comprised approximately 35% of the total E&G budget, while self-generated tuition revenues equaled 60% of the total revenue pie. In comparison, 15 years earlier (FY 2000) state appropriations represented 56% of the revenue pie, while tuition revenue equaled 32% of the total.

The IHL System maintains high credit ratings from Moody's (Aa3) and Standard & Poor's (AA-). Achieving and maintaining these high credit ratings provides the IHL System a higher degree of flexibility in securing capital funds on the most competitive terms. This flexibility, along with ongoing efforts toward revenue diversification and cost containment, will enable the IHL System to provide the necessary resources to support a level of excellence in service to students, patients, the research community, the State of Mississippi and the nation as a whole.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2013 and 2012

As a labor-intensive organization, the IHL System faces competitive pressures related to attracting and retaining faculty and staff. Moreover, consistent with the national landscape, the cost of the IHL System's health benefits for its employees continues to increase. The IHL System has in the past and will continue to take proactive steps to respond to these challenges of rising costs. An example of continued steps includes the preparation of three year business plans by the institutions.

While it is not possible at this time to predict the ultimate results, management believes that the IHL System's financial condition will remain relatively strong and stable into FY 2014 and beyond. Management at each institution has a proven track record of successfully adapting to this present economic environment while continuing to search for new opportunities to complement state support. The IHL System's financial goal, as always, is to deliver quality services to its customers and constituents while maintaining financial integrity.

BASIC FINANCIAL STATEMENTS

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Net Position

June 30, 2013 and 2012

Assets	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 383,109,460	356,693,208
Short-term investments	130,632,150	128,270,926
Accounts receivable, net	339,838,712	309,159,260
Student notes receivable, net	15,601,189	14,229,109
Inventories	27,221,019	25,960,894
Prepaid expenses	13,352,025	10,736,476
Other current assets	<u>515,000</u>	<u>610,713</u>
Total current assets	<u>910,269,555</u>	<u>845,660,586</u>
Noncurrent assets:		
Restricted cash and cash equivalents	207,794,986	224,498,332
Restricted short-term investments	1,066,880	913,153
Endowment investments	234,701,244	212,088,868
Other long-term investments	348,274,569	331,452,131
Student notes receivable, net	96,070,780	98,588,467
Capital assets, net	3,160,941,862	3,034,987,815
Other noncurrent assets	<u>15,241,217</u>	<u>11,130,590</u>
Total noncurrent assets	<u>4,064,091,538</u>	<u>3,913,659,356</u>
Total assets	4,974,361,093	4,759,319,942
Deferred outflows of resources:		
Accumulated deferred amount of debt refundings	<u>4,990,320</u>	<u>5,226,080</u>
Total assets and deferred outflows of resources	<u>\$ 4,979,351,413</u>	<u>4,764,546,022</u>
Liabilities and Net Position		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 187,668,879	169,496,252
Unearned revenues	81,293,241	81,835,448
Accrued leave liabilities-current portion	10,754,156	9,399,954
Long-term liabilities-current portion	44,255,550	48,246,886
Other current liabilities	<u>24,278,484</u>	<u>29,358,953</u>
Total current liabilities	<u>348,250,310</u>	<u>338,337,493</u>
Noncurrent liabilities:		
Deposits refundable	1,091,797	1,213,374
Accrued leave liabilities	101,776,536	98,313,015
Long-term liabilities	990,097,716	904,122,240
Other long-term liabilities	<u>90,944,098</u>	<u>110,902,355</u>
Total noncurrent liabilities	<u>1,183,910,147</u>	<u>1,114,550,984</u>
Total liabilities	<u>\$ 1,532,160,457</u>	<u>1,452,888,477</u>
Net position:		
Net investment in capital assets	\$ 2,301,843,074	2,204,805,645
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	19,544,685	17,644,161
Research	4,788,248	4,430,035
Other purposes	116,068,869	110,819,415
Expendable:		
Scholarships and fellowships	54,865,059	53,774,090
Research	45,810,189	43,972,626
Capital projects	20,315,123	25,993,959
Debt service	7,288,862	12,244,311
Loans	33,419,928	32,888,760
Other purposes	71,864,808	62,843,120
Unrestricted	<u>771,382,111</u>	<u>742,241,423</u>
Total net position	<u>\$ 3,447,190,956</u>	<u>3,311,657,545</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.**

Statements of Financial Position

June 30, 2013 and 2012

Assets	2013	2012
Cash	\$ 1,942,202	3,426,574
Restricted cash	4,697,221	4,456,975
Accrued interest, other receivables and prepaid assets	2,448,333	1,286,994
Receivable from MSU Alumni Foundation	31,616	5,117
Receivable from MSU Alumni Association	76,020	77,822
Notes receivable	94,035	152,268
Pledges receivable, net	20,515,278	18,533,904
Investments	366,926,041	318,283,438
Present value of amounts due from externally managed trusts	38,487,513	34,354,678
Land, buildings, and equipment	10,329,525	10,370,414
Total assets	\$ 445,547,784	390,948,184
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,222,631	1,629,719
Agency payable	4,697,221	4,456,975
Obligation under capital leases	28,750	2,071,535
Liabilities under split interest agreements	4,433,883	4,065,007
Payable to Mississippi State University	95,189	86,050
Note payable	—	188,478
Total liabilities	\$ 10,477,674	12,497,764
Net assets:		
Unrestricted		
Net assets controlled by Foundation	\$ 39,273,797	23,269,373
Net assets related to noncontrolling interests	45,953,315	42,749,038
Total unrestricted net assets	85,227,112	66,018,411
Temporarily restricted	63,070,573	45,941,266
Permanently restricted	286,772,425	266,490,743
Total net assets	\$ 435,070,110	378,450,420

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF MISSISSIPPI FOUNDATION**

Statements of Financial Position

June 30, 2013 and 2012

Assets	2013	2012
Cash and cash equivalents	\$ 4,496,639	2,747,334
Pledges receivable, net	11,105,873	19,675,498
Investments	344,942,855	303,647,577
Beneficial interest in remainder trust	—	5,512,593
Property and equipment, net	3,088,339	3,200,638
Other assets	<u>3,691,172</u>	<u>3,652,210</u>
Total assets	<u>\$ 367,324,878</u>	<u>338,435,850</u>
Liabilities and Net Assets		
Liabilities:		
Funds held for others	\$ 21,485,622	19,642,394
Liabilities under remainder trusts	7,425,349	6,117,511
Other liabilities	<u>4,243,198</u>	<u>7,656,969</u>
Total liabilities	<u>\$ 33,154,169</u>	<u>33,416,874</u>
Net assets:		
Unrestricted	\$ 20,210,496	11,295,599
Temporarily restricted	134,997,987	123,377,256
Permanently restricted	<u>178,962,226</u>	<u>170,346,121</u>
Total net assets	<u>\$ 334,170,709</u>	<u>305,018,976</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION**

Statements of Financial Position

June 30, 2013 and 2012

Assets	2013	2012
	<u> </u>	<u> </u>
Cash and cash equivalents	\$ 3,443,807	5,034,062
Accrued interest	128,945	192,579
Prepaid assets and other receivables	191,436	710,513
Pledges receivable, net	14,068,836	17,605,778
Investments	83,246,601	72,074,130
Present value of amounts due from externally managed trusts	744,271	1,292,408
Net investment in direct financing lease	955,285	1,105,024
Property and equipment, net	234,801	262,186
Total assets	<u>\$ 103,013,982</u>	<u>98,276,680</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 669,070	107,123
Line of credit	782,113	957,113
Gift annuities payable	353,685	456,852
Total liabilities	<u>\$ 1,804,868</u>	<u>1,521,088</u>
Net assets:		
Unrestricted	\$ 4,735,798	4,839,149
Temporarily restricted	41,477,728	39,671,015
Permanently restricted	54,995,588	52,245,428
Total net assets	<u>\$ 101,209,114</u>	<u>96,755,592</u>

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating revenues:		
Tuition and fees:	\$ 679,251,107	626,193,372
Less scholarship allowances	(188,324,215)	(166,444,428)
Less bad debt expense	(4,844,075)	(1,931,260)
Net tuition and fees	<u>486,082,817</u>	<u>457,817,684</u>
Federal appropriations	14,202,889	11,023,528
Federal grants and contracts	284,867,768	339,759,802
State grants and contracts	39,476,693	29,655,280
Nongovernmental grants and contracts	83,793,070	90,658,388
Sales and services of educational departments	52,945,429	54,560,556
Auxiliary enterprises:		
Student housing	87,595,469	79,176,803
Food services	24,224,809	23,378,958
Bookstore	5,854,986	6,519,881
Athletics	87,203,036	83,898,948
Other auxiliary revenues	34,666,592	32,229,620
Less auxiliary enterprise scholarship allowances	(30,517,808)	(29,589,531)
Interest earned on loans to students	851,540	826,400
Patient care revenues, net	813,261,628	704,269,102
Other operating revenues, net	<u>68,777,479</u>	<u>72,857,291</u>
Total operating revenues	<u>2,053,286,397</u>	<u>1,957,042,710</u>
Operating expenses:		
Salaries and wages	1,371,864,872	1,282,002,735
Fringe benefits	395,768,409	358,526,493
Travel	49,084,406	48,034,153
Contractual services	407,477,447	449,115,656
Utilities	59,891,790	59,832,377
Scholarships and fellowships	161,960,652	177,267,881
Commodities	281,901,623	291,720,535
Depreciation	138,425,882	131,390,795
Other operating expenses	<u>4,545,593</u>	<u>11,948,852</u>
Total operating expenses	<u>2,870,920,674</u>	<u>2,809,839,477</u>
Operating loss	<u>(817,634,277)</u>	<u>(852,796,767)</u>
Nonoperating revenues (expenses):		
State appropriations	668,628,980	705,566,682
Gifts and grants	188,632,884	196,006,383
Investment income	20,482,115	9,189,608
Interest expense on capital asset-related debt	(41,238,163)	(35,026,261)
Other nonoperating revenues	14,774,953	9,665,734
Other nonoperating expenses	<u>(6,841,574)</u>	<u>(6,470,019)</u>
Total net nonoperating revenues, net	<u>844,439,195</u>	<u>878,932,127</u>
Income before other revenues, expenses, gains and losses	26,804,918	26,135,360
Other revenues, expenses, gains and losses:		
Capital grants and gifts	21,350,830	30,109,821
State appropriations restricted for capital purposes	82,846,951	61,034,137
Additions to permanent endowments	3,968,256	3,950,632
Other additions	6,340,954	9,396,815
Other deletions	<u>(5,778,498)</u>	<u>(3,268,736)</u>
Change in net position	135,533,411	127,358,029
Net position – beginning of year, as adjusted (note 1cc)	<u>3,311,657,545</u>	<u>3,184,299,516</u>
Net position – end of year	<u>\$ 3,447,190,956</u>	<u>3,311,657,545</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.**

Statement of Activities

Year ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues and support:				
Contributions	\$ 18,582,454	10,776,211	17,754,210	47,112,875
Net investment income	8,910,418	25,550,365	(306,109)	34,154,674
Change in value of split interest agreements	—	252,050	2,821,084	3,073,134
Other	4,858,749	88,450	—	4,947,199
Change in restrictions by donor	—	(12,497)	12,497	—
Net assets released from restrictions	19,525,272	(19,525,272)	—	—
Total revenues and support	<u>51,876,893</u>	<u>17,129,307</u>	<u>20,281,682</u>	<u>89,287,882</u>
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	22,879,764	—	—	22,879,764
Contributions and support for Bulldog Club	767,803	—	—	767,803
Contributions and support for Bulldog Foundation	—	—	—	—
Contributions and support for MSU Alumni Association	561,094	—	—	561,094
Total program services	<u>24,208,661</u>	<u>—</u>	<u>—</u>	<u>24,208,661</u>
Supporting services:				
General and administrative	3,487,020	—	—	3,487,020
Fund raising	3,294,249	—	—	3,294,249
Total supporting services	<u>6,781,269</u>	<u>—</u>	<u>—</u>	<u>6,781,269</u>
Total expenditures	<u>30,989,930</u>	<u>—</u>	<u>—</u>	<u>30,989,930</u>
Change in net assets	20,886,963	17,129,307	20,281,682	58,297,952
Payments to noncontrolling interests	(1,678,262)	—	—	(1,678,262)
Total change in net assets	19,208,701	17,129,307	20,281,682	56,619,690
Net assets, beginning of year	66,018,411	45,941,266	266,490,743	378,450,420
Net assets, end of year	<u>\$ 85,227,112</u>	<u>63,070,573</u>	<u>286,772,425</u>	<u>435,070,110</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.**

Statement of Activities
Year ended June 30, 2012

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support:				
Contributions	\$ 8,240,931	10,777,254	10,696,945	29,715,130
Net investment income	(373,136)	(2,270,199)	790,874	(1,852,461)
Change in value of split interest agreements	—	73,334	(580,753)	(507,419)
Other	3,884,805	108,404	—	3,993,209
Change in restrictions by donor	—	(197,560)	197,560	—
Net assets released from restrictions	20,197,270	(20,197,270)	—	—
Total revenues and support	<u>31,949,870</u>	<u>(11,706,037)</u>	<u>11,104,626</u>	<u>31,348,459</u>
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	27,461,690	—	—	27,461,690
Contributions and support for Bulldog Club	144,190	—	—	144,190
Contributions and support for Bulldog Foundation	21,375	—	—	21,375
Contributions and support for MSU Alumni Association	560,691	—	—	560,691
Total program services	<u>28,187,946</u>	<u>—</u>	<u>—</u>	<u>28,187,946</u>
Supporting services:				
General and administrative	3,091,078	—	—	3,091,078
Fund raising	3,261,567	—	—	3,261,567
Total supporting services	<u>6,352,645</u>	<u>—</u>	<u>—</u>	<u>6,352,645</u>
Total expenditures	<u>34,540,591</u>	<u>—</u>	<u>—</u>	<u>34,540,591</u>
Change in net assets	(2,590,721)	(11,706,037)	11,104,626	(3,192,132)
Payments to noncontrolling interests	(1,419,523)	—	—	(1,419,523)
Total change in net assets	(4,010,244)	(11,706,037)	11,104,626	(4,611,655)
Net assets, beginning of year	70,028,655	57,647,303	255,386,117	383,062,075
Net assets, end of year	<u>\$ 66,018,411</u>	<u>45,941,266</u>	<u>266,490,743</u>	<u>378,450,420</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF MISSISSIPPI FOUNDATION**

Statement of Activities

Year ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions, gifts, and bequests	\$ 220,490	20,600,662	6,560,592	27,381,744
Dividend and interest income	1,495,430	5,025,480	—	6,520,910
Net unrealized and realized gains on investments	307,968	24,304,299	—	24,612,267
Change in value of split-interest agreements	—	3,286,929	(333,890)	2,953,039
Other income	582,515	1,664,416	3,409	2,250,340
Total revenues, gains, and other support	<u>2,606,403</u>	<u>54,881,786</u>	<u>6,230,111</u>	<u>63,718,300</u>
Net assets released from restrictions/ redesignated by donor	40,875,061	(43,261,055)	2,385,994	—
Expenses:				
Support for University activities	31,103,241	—	—	31,103,241
General and administrative expenses	2,293,562	—	—	2,293,562
Fund-raising expenses	1,169,764	—	—	1,169,764
Total expenses	<u>34,566,567</u>	<u>—</u>	<u>—</u>	<u>34,566,567</u>
Change in net assets	8,914,897	11,620,731	8,616,105	29,151,733
Net assets, beginning of year	<u>11,295,599</u>	<u>123,377,256</u>	<u>170,346,121</u>	<u>305,018,976</u>
Net assets, end of year	<u>\$ 20,210,496</u>	<u>134,997,987</u>	<u>178,962,226</u>	<u>334,170,709</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF MISSISSIPPI FOUNDATION**

Statement of Activities

Year ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains, and other support:				
Contributions, gifts, and bequests	\$ 6,815,062	20,411,955	8,446,108	35,673,125
Dividend and interest income	1,573,944	3,466,641	—	5,040,585
Net unrealized and realized gains on investments	(415,775)	(7,406,813)	—	(7,822,588)
Change in value of split-interest agreements	—	198,689	284,912	483,601
Other income	480,290	2,273,022	14,117	2,767,429
Total revenues, gains, and other support	<u>8,453,521</u>	<u>18,943,494</u>	<u>8,745,137</u>	<u>36,142,152</u>
Net assets released from restrictions/ redesignated by donor	32,603,099	(35,117,193)	2,514,094	—
Expenses:				
Support for University activities	34,038,290	—	—	34,038,290
General and administrative expenses	2,165,060	—	—	2,165,060
Fund-raising expenses	1,278,462	—	—	1,278,462
Total expenses	<u>37,481,812</u>	<u>—</u>	<u>—</u>	<u>37,481,812</u>
Change in net assets	3,574,808	(16,173,699)	11,259,231	(1,339,660)
Net assets, beginning of year	<u>7,720,791</u>	<u>139,550,955</u>	<u>159,086,890</u>	<u>306,358,636</u>
Net assets, end of year	<u>\$ 11,295,599</u>	<u>123,377,256</u>	<u>170,346,121</u>	<u>305,018,976</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION**

Statement of Activities

Year ended June 30, 2013

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains and other support:				
Contributions	\$ 1,895,849	5,544,433	2,397,304	9,837,586
Net investment gain	1,105,691	4,845,499	77,516	6,028,706
Change in value of split interest agreements	—	(836)	82,385	81,549
Other	73,117	39,644	70,662	183,423
Change in restriction by donor	1,831	(124,124)	122,293	—
Net assets released from restrictions	8,497,903	(8,497,903)	—	—
Total revenues, gains and other support	<u>11,574,391</u>	<u>1,806,713</u>	<u>2,750,160</u>	<u>16,131,264</u>
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	8,987,404	—	—	8,987,404
Total program services	<u>8,987,404</u>	<u>—</u>	<u>—</u>	<u>8,987,404</u>
Supporting services:				
General and administrative	1,612,000	—	—	1,612,000
Fund raising	1,078,338	—	—	1,078,338
Total supporting services	<u>2,690,338</u>	<u>—</u>	<u>—</u>	<u>2,690,338</u>
Total expenses	<u>11,677,742</u>	<u>—</u>	<u>—</u>	<u>11,677,742</u>
Increase in net assets	(103,351)	1,806,713	2,750,160	4,453,522
Net assets at beginning of year	<u>4,839,149</u>	<u>39,671,015</u>	<u>52,245,428</u>	<u>96,755,592</u>
Net assets at end of year	<u>\$ 4,735,798</u>	<u>41,477,728</u>	<u>54,995,588</u>	<u>101,209,114</u>

See accompanying notes to financial statements.

**STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
DISCRETELY PRESENTED COMPONENT UNIT –
THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION**

Statement of Activities
Year ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains and other support:				
Contributions	\$ 1,987,254	17,580,558	2,534,207	22,102,019
Net investment gain	1,039,115	(3,113,787)	(127,040)	(2,201,712)
Change in value of split interest agreements	—	8,098	6,838	14,936
Other	78,173	127,384	230,540	436,097
Change in restriction by donor	17,347	(395,500)	378,153	—
Net assets released from restrictions	9,610,495	(9,610,495)	—	—
Total revenues, gains and other support	<u>12,732,384</u>	<u>4,596,258</u>	<u>3,022,698</u>	<u>20,351,340</u>
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	9,801,749	—	—	9,801,749
Total program services	<u>9,801,749</u>	<u>—</u>	<u>—</u>	<u>9,801,749</u>
Supporting services:				
General and administrative	1,715,972	—	—	1,715,972
Fund raising	1,045,841	—	—	1,045,841
Total supporting services	<u>2,761,813</u>	<u>—</u>	<u>—</u>	<u>2,761,813</u>
Total expenses	<u>12,563,562</u>	<u>—</u>	<u>—</u>	<u>12,563,562</u>
Increase in net assets	168,822	4,596,258	3,022,698	7,787,778
Net assets at beginning of year	<u>4,670,327</u>	<u>35,074,757</u>	<u>49,222,730</u>	<u>88,967,814</u>
Net assets at end of year	<u>\$ 4,839,149</u>	<u>39,671,015</u>	<u>52,245,428</u>	<u>96,755,592</u>

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Cash Flows

Years ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating activities:		
Tuition and fees	\$ 501,152,401	467,649,167
Grants and contracts	410,646,318	474,748,863
Sales and services of educational departments	52,724,783	55,039,625
Payments to suppliers	(725,674,204)	(726,167,996)
Payments to employees for salaries and benefits	(1,753,429,360)	(1,643,978,317)
Payments for utilities	(58,719,041)	(60,749,097)
Payment for scholarships and fellowships	(179,719,300)	(173,276,861)
Loans issued to students and employees	(18,952,808)	(19,262,748)
Collections of loans to students and employees	11,531,275	12,353,814
Auxiliary enterprise charges:		
Student housing	78,954,276	69,625,213
Food services	23,496,627	21,628,745
Bookstore	5,810,167	6,304,620
Athletics	81,217,862	79,803,184
Other auxiliary enterprises	30,813,869	29,076,069
Patient care services	773,208,742	716,071,425
Interest earned on loans to students	1,161,321	1,138,216
Other receipts	84,025,249	70,564,838
Other payments	(13,174,780)	(12,607,199)
Net cash used by operating activities	<u>(694,926,603)</u>	<u>(632,038,439)</u>
Noncapital financing activities:		
State appropriations	668,774,255	707,439,015
Gifts and grants for other than capital purposes	166,937,815	172,567,085
Private gifts for endowment purposes	3,893,916	3,892,568
Federal loan program receipts	497,415,713	521,023,697
Federal loan program disbursements	(497,588,965)	(520,829,023)
Other sources	3,924,548	12,353,651
Other uses	1,118,011	(57,159,989)
Net cash provided by noncapital financing activities	<u>844,475,293</u>	<u>839,287,004</u>
Capital and related financing activities:		
Proceeds from capital debt	136,344,262	188,905,205
Cash paid for capital assets	(180,081,766)	(241,436,387)
Capital appropriations received	11,489	673,048
Capital grants and contracts received	30,292,732	38,519,145
Proceeds from sales of capital assets	402,319	599,591
Principal paid on capital debt and leases	(78,610,014)	(40,367,902)
Interest paid on capital debt and leases	(40,591,060)	(36,306,096)
Other sources	18,571,569	7,062,473
Other uses	(9,291,724)	(11,787,094)
Net cash used by capital and related financing activities	<u>(122,952,193)</u>	<u>(94,138,017)</u>
Investing activities:		
Proceeds from sales and maturities of investments	338,152,777	558,139,054
Interest received on investments	16,950,054	16,636,193
Purchases of investments	(371,986,422)	(648,374,052)
Net cash used by investing activities	<u>(16,883,591)</u>	<u>(73,598,805)</u>
Net change in cash and cash equivalents	9,712,906	39,511,743
Cash and cash equivalents – beginning of year	<u>581,191,540</u>	<u>541,679,797</u>
Cash and cash equivalents – end of the year	<u>\$ 590,904,446</u>	<u>581,191,540</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Cash Flows

Years ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	\$ (817,634,277)	(852,796,767)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	139,853,977	131,390,795
Self-insured claims expense	22,416,750	16,488,227
Bad debt expense	146,689,919	209,284,565
Other	(13,656,679)	5,370,086
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Receivables, net	(180,543,348)	(162,324,942)
Inventories	(1,260,125)	(922,826)
Prepaid expenses	(2,615,549)	2,036,651
Other assets	95,713	361,995
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	18,172,627	19,337,910
Deferred revenue	(568,235)	23,069,557
Deposits refundable	(126,757)	56,431
Accrued leave liability	3,622,577	2,291,413
Loans to students and employees	(377,840)	(1,188,317)
Other liabilities	(8,995,356)	(24,493,217)
Total adjustments	<u>122,707,674</u>	<u>220,758,328</u>
Net cash used by operating activities	\$ <u>(694,926,603)</u>	<u>(632,038,439)</u>
Reconciliation of cash and cash equivalents:		
Current assets – cash and cash equivalents	\$ 383,109,460	356,693,208
Noncurrent assets – restricted cash and cash equivalents	<u>207,794,986</u>	<u>224,498,332</u>
Cash and cash equivalents – end of year	\$ <u>590,904,446</u>	<u>581,191,540</u>
Noncash capital related financing and investing activities:		
Assets acquired through capital lease obligations	\$ —	1,777,530
Capital assets appropriated by the State of Mississippi	84,683,200	55,639,648
Donations of capital assets	1,043,058	5,607,608

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(1) Summary of Significant Accounting Policies

(a) *Nature of Operations*

Through its member universities, the State of Mississippi Institutions of Higher Learning (IHL System) serves the state, national and international communities by providing its students with academic instruction, by conducting research and other activities that advance fundamental knowledge and by disseminating knowledge to the people of Mississippi and throughout the world.

(b) *Reporting Entity*

The Mississippi Constitution was amended in 1943 to create a separate legal entity and establish a Board of Trustees of State Institutions of Higher Learning (Board). This constitutional Board provides management and control of Mississippi's system of universities. The Board meets monthly and oversees the eight public universities, the University of Mississippi Medical Center and various off-campus centers and locations throughout the state. Each of these member universities is a member of the IHL System. The IHL System is considered a component unit of the State of Mississippi reporting entity.

The current twelve Board members of the IHL System were appointed by the Governor and approved by the Senate for twelve year terms as follows: one from each of the seven congressional districts, one from each of the three Supreme Court Districts, and two appointed from the state-at-large. The Mississippi Constitution was amended in 2003 to change the length of terms and appointment districts for Board members. New appointments will occur from the three current Supreme Court districts for terms of nine years. The amendment provides for these new appointments and tenures to be gradually implemented. Full implementation occurred in 2012.

Each of the eight universities and the University of Mississippi Medical Center has established its own educational building corporation (a nonprofit corporation incorporated in the State of Mississippi) in accordance with Section 37-101-61 of the Mississippi Code Annotated of 1972. The purpose of these corporations is for the acquisition, construction and equipping of facilities and land for the various universities. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, the educational building corporations are deemed to be material component units of the IHL System but are presented on a blended basis in the accompanying financial statements due to the significance of their activities to respective member university's operations. These blended component units provide services entirely, or almost entirely, to their respective universities. See note 9 for detailed educational building corporation activities.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following is a list of abbreviations used throughout the report for the member universities of the State of Mississippi Institutions of Higher Learning (collectively the IHL System):

ASU	Alcorn State University
DSU	Delta State University
JSU	Jackson State University
MSU	Mississippi State University
MUW	Mississippi University for Women
MVSU	Mississippi Valley State University
UM	University of Mississippi
USM	University of Southern Mississippi
UMMC	University of Mississippi Medical Center
IHL Board Office	Institutions of Higher Learning – System Office
MCVS	Mississippi Commission for Volunteer Services (Off-campus entity)

The IHL System reports the following discretely presented component units, which also have separate stand alone audits performed, which can be obtained by requesting a copy from the finance department of each respective university below:

Mississippi State University Foundation, Inc.

The Mississippi State University Foundation, Inc. is a legally separate, tax-exempt not for profit entity established to solicit and manage funds for the benefit of Mississippi State University.

University of Mississippi Foundation

The University of Mississippi Foundation is a legally separate, tax-exempt not for profit nonstock corporation formed for the benefit of the University of Mississippi.

University of Southern Mississippi Foundation

The University of Southern Mississippi Foundation is a not for profit entity formed to provide support to the University of Southern Mississippi and its students.

These foundations are private nonprofit organizations that report under Financial Accounting Standards Board (FASB) standards, including FASB Statement No. 117, *Financial Statements of Non-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from Governmental Accounting Standards Board (GASB) revenue recognition criteria and presentation features. No modifications have been made to the foundations' financial information in the IHL System's financial reporting entity for these differences.

These foundations act primarily as fund-raising organizations to supplement the resources that are available to the respective universities in support of their programs. The governing body of each foundation is self-perpetuating and consists of graduates and friends of the respective universities. Although the respective universities do not control the timing or amount of receipts from the foundations, the majority of resources, or income thereon, that the foundations hold and invest are restricted to the activities of the respective universities by the donors. Because these restricted

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

resources held by the foundations can only be used by, or for the benefit of, the respective universities, these foundations are considered discretely presented component units of the IHL System.

The Mississippi State University Foundation, Inc., the University of Mississippi Foundation, and the University of Southern Mississippi Foundation each make distributions to their respective Universities for support. During the years ended June 30, 2013 and 2012, support distributions were as follows:

		2013	2012
Mississippi State University Foundation, Inc.	\$	22,879,764	27,461,690
University of Mississippi Foundation		31,103,241	34,038,290
University of Southern Mississippi Foundation		8,987,404	9,801,749

(c) Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles as prescribed by the GASB. The IHL System’s financial statements follow the “business-type activities” reporting which provides a comprehensive one-look at the IHL System’s financial activities.

(d) Basis of Accounting

The financial statements of the IHL System have been prepared on the accrual basis whereby all revenues are recorded when earned and expenses are recorded when an obligation has been incurred. All significant transactions among departments, campuses and auxiliary units of the IHL System have been eliminated.

Grant and contract revenues, which are received or receivable from external sources, are recognized as revenues to the extent of related expenses or satisfaction of eligibility requirements. State appropriations are recognized as nonoperating revenues when eligibility requirements are satisfied.

(e) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates include the determination of the allowances for uncollectible accounts and contractual adjustments and estimated third-party payor settlements, included as other current assets and as other current liabilities, relating to the IHL System’s patient services. In addition, laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates associated with these programs could change by a material amount in the near term.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Included in other noncurrent liabilities are unpaid claim liabilities relating to the IHL System's self-insured workers' compensation, unemployment compensation, and tort claims. The liabilities for these unpaid claims and loss adjustment expenses are determined using both evaluations of each claim and statistical analyses and represent the estimated ultimate net cost of all claims and expenses incurred through the end of the reporting period. The determinations of claims payable include estimates that are particularly susceptible to change in the near term. Management believes that liabilities established for these unpaid claims at June 30, 2013 and 2012 are adequate to cover the ultimate net cost of claims and contractual adjustments, but these liabilities are necessarily based upon estimates and, accordingly, the amount ultimately paid will be more or less than such estimates. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed, and any adjustments are reflected in operations currently.

The IHL System's investments are invested in various types of investment securities within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the IHL System's financial statements.

In connection with the preparation of the financial statements of the IHL System, management evaluated subsequent events through December 13, 2013 which was the date the financial statements were available to be issued.

(f) *Cash Equivalents*

The IHL System considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(g) *Short-Term Investments*

Short-term investments are investments that are not cash equivalents but mature within the next fiscal year.

(h) *Accounts Receivable, Net*

Accounts receivable consist of tuition and fee charges to students and patient accounts receivable at UMMC. Accounts receivable also include amounts due from federal and state governments, and nongovernmental sources, in connection with reimbursement of allowable expenses made pursuant to the IHL System's grants and contracts. Accounts receivable are recorded net of an allowance for doubtful accounts.

(i) *Student Notes Receivable, Net*

Student notes receivable consist of federal, state and institutional loans made to students for the purpose of paying tuition and fee charges. Loan balances expected to be paid during the next fiscal year are presented on the statement of net position as current assets. Those balances that are either in deferment status or expected to be paid back beyond the next fiscal year are presented as noncurrent assets on the statement of net position.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(j) Inventories

Inventories consist of bookstore, physical plant, agriculture, printing, central supply, food service supply, and various hospital inventories. These inventories are generally valued at the lower of cost or market, on the first-in, first-out (FIFO) basis.

(k) Prepaid Expenses

Recorded items consist of expenditures that are related to projects, programs, activities, or revenues of future fiscal periods.

(l) Restricted Cash and Cash Equivalents and Restricted Short-Term Investments

Cash, cash equivalents and short-term investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the statements of net position.

(m) Endowment Investments

The IHL System's endowment investments are generally subject to the restrictions of donor gift instruments. They include donor restricted endowments, which are funds received from a donor with the restrictions that only the income is to be utilized or for which the donor has stipulated that the principal may be expended only after a stated period or upon the occurrence of a certain event, and funds functioning as endowments, which are funds established by the governing board to function similar to an endowment fund but may be fully expended at any time at the discretion of the governing board.

(n) Investments

Investments are reported at fair value. Unrealized gains (losses) on the carrying value of investments are reported as a component of investment income in the statements of revenues, expenses and changes in net position. Investments in partnerships for which there are no quoted market prices are valued at net position value.

(o) Capital Assets

Capital assets are recorded at cost at the date of acquisition, or, if donated, at fair value at the date of donation. For movable property, the IHL System's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings and improvements other than buildings that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to the functional expenditure categories. See note 5 for additional details concerning useful lives and salvage values. The IHL System uses the composite method for library book depreciation if the books are considered to have a useful life of greater than one year. Expenditures for construction in progress are capitalized as incurred. Interest expense relating to construction is capitalized net of interest income earned on resources set aside for this purpose if material.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(p) *Accounts Payable and Accrued Liabilities*

Recorded items consist of amounts owed to vendors, contractors, or accrued amounts such as interest, wages, and salaries.

(q) *Compensated Absences / Accrued Leave*

Twelve-month employees earn annual personal leave at a rate of 12 hours per month for zero to three years of service; 14 hours per month for three to eight years of service; 16 hours per month for eight to fifteen years of service; and 18 hours per month for fifteen years of service and above.

Nine-month employees earn major medical leave at a rate of 13 1/3 hours per month for one month to three years of service; 14 1/5 hours per month for three to eight years of service; 15 2/5 hours per month for eight to fifteen years of service; and 16 hours per month for fifteen years of service and above.

There is no requirement that annual leave be taken, and there is no maximum accumulation. At termination, employees are paid up to 240 hours of accumulated leave. At retirement, employees are paid up to 240 hours of accumulated major medical leave.

(r) *Unearned Revenues*

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

(s) *Deposits Refundable*

Deposits refundable represent good faith deposits from students to reserve housing assignments, key deposits and post breakage deposits in the residence halls of the member universities of the IHL System.

(t) *Noncurrent Liabilities*

Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable and capital lease obligations; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

(u) *Government Advances Refundable*

The IHL System participates in the Federal Perkins Loan and Nursing Loan Programs, which are funded through a combination of Federal and institutional resources. The portion of these programs that has been funded with Federal funds is ultimately refundable to the U.S. government upon the termination of IHL System's participation in the programs. The portion that would be refundable if the programs were terminated has been presented as other long-term liabilities and approximated \$59,836,000 and \$61,745,000 as of June 30, 2013 and 2012, respectively.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(v) ***Income Taxes***

As state institutions of higher learning, the income of the IHL System is generally exempt from federal and state income taxes under Section 115(1) of the Internal Revenue Code; however, income generated from activities unrelated to the IHL System's exempt purpose is subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B).

(w) ***Classification of Revenues and Expenses***

The IHL System has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues and Expenses

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition, net of scholarship discounts and allowances and bad debt expense, (2) sales and services education services and auxiliary enterprises (net of scholarship discounts and allowances), (3) Federal, state and local grants and contracts (non-Title IV financial aid) and Federal appropriations, if any, (4) interest on institutional student loans and other revenues, and (5) patient care revenues. Gifts (pledges) that are received on an installment basis are recorded at net present value. Examples of operating expenses include (1) employee compensation, benefits, and related expense; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, commodities (supplies) and contractual services; (4) professional fees; and (5) depreciation expenses related to certain capital assets.

Nonoperating Revenues and Expenses

Nonoperating revenues have the characteristics of nonexchange transactions. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, including state appropriation for operations and capital uses, federal grants for financial aid, gifts, investment income, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB No. 34. Examples of nonoperating expenses include interest on capital asset related debt and bond expenses.

(x) ***Auxiliary Enterprise Activities***

Auxiliary enterprises typically exist to furnish goods or services to students, faculty, or staff, and charge a fee directly related to, although not necessarily equal to, the cost of the goods or services. One distinguishing characteristic of auxiliary enterprises is that they are managed as essentially self-supporting activities.

Auxiliary enterprises include residence halls, athletics, food services, bookstore, convenience store, laundry and faculty and staff housing. The general public may be served incidentally by auxiliary enterprises.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(y) ***Patient Care Revenues***

UMMC's hospital and clinical service revenues are reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including contractual allowances and estimated retroactive adjustments under reimbursement programs with third-party payers, less an allowance for doubtful accounts. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient skilled nursing services are paid at prospectively determined per diem rates that are based upon patients' acuity. Certain inpatient nonacute services and defined medical education costs are paid based on a cost reimbursement methodology. UMMC is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare intermediary.

Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology for certain services and at prospectively determined rates for all other services. UMMC is reimbursed for cost reimbursable services at tentative rates with final settlement determined after submission of annual cost reports by UMMC and audits thereof by Medicaid fiscal intermediary.

Revenue from the Medicare and Medicaid programs accounted for approximately 27.7% and 33.1%, respectively, of UMMC's net patient service revenues for the year ended June 30, 2013 and approximately 26.4% and 33.5%, respectively, for the year ended June 30, 2012.

UMMC also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to UMMC under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

The Centers for Medicare & Medicaid Services (CMS) have implemented provisions of the American Recovery and Reinvestment Act of 2009 that provide incentive payments for the meaningful use of certified electronic health record (HER) technology. CMS has defined meaningful use as meeting certain objectives and clinical quality measures based on current and updated technology capabilities over predetermined reporting periods as established by CMS. The Medicare HER incentive program provided annual incentive payments to eligible professionals, eligible hospitals, and critical access hospitals, as defined, that are meaningful users of certified HER technology. The Medicaid HER incentive program provides annual incentive payments to eligible professionals and hospitals for efforts to adopt, implement, and meaningfully use certified HER technology. UMMC utilizes a grant accounting model to recognize HER incentive revenues. UMMC records HER incentive revenue ratably throughout the incentive reporting period when it is reasonably assured that it will meet the meaningful use objectives for the required reporting period and that the grants will be received. The HER reporting period is based on the federal fiscal year,

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

which runs from October 1 through September 30. UMMC received and recorded \$5,888,474 from Medicaid for HER incentive revenue for fiscal year ending June 30, 2013.

(z) Hospital Reimbursement

The University Hospitals and Health System (UHHS) Medicare cost reports have been audited and settled by the fiscal intermediary through the cost reports filed for the year ended June 30, 2010 for the Jackson Campus and June 30, 2010 for the Holmes County facility.

UHHS routinely enters into consulting arrangements to re-open or amend Medicare cost reports for purposes of increasing Medicaid eligible days in the Medicare Disproportionate Share Hospital (DSH) calculation and to increase reimbursement for other programs. The ultimate disposition of any of these reviews is uncertain, thus the reimbursement effect cannot be reasonably estimated until settled by the fiscal intermediary. During fiscal year 2009, UHHS received approximately \$1.4 million in additional reimbursement due to these re-openings. While consulting engagements were entered into during subsequent fiscal years, no additional payments have been received to date.

(aa) Scholarship Discounts and Allowances

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid, such as loans, funds provided to students as awarded by third parties and Federal Direct Lending, is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as scholarship allowances, which reduce operating revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash.

Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a University basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

(bb) Net Position

The IHL System adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* in fiscal year 2013, and, as a result, began reporting equity balances (previously referred to as Net Assets) as "Net Position." Net position represents the difference between assets and liabilities in a statement of financial position and is displayed in three components – net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted.

Net investment in capital assets reflect the IHL System's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such debt is excluded from the calculation of net *investment in capital assets*.

Restricted, nonexpendable net position consist of endowment and similar type funds which donors or other outside sources have stipulated, as a condition of the gift instrument, the principal is to be

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Restricted, expendable net position includes resources that the IHL System is legally or contractually obligated to spend in accordance with restrictions imposed by external parties. When both restricted and unrestricted resources are available for use, it is generally the University's policy to utilize restricted resources first, and then unrestricted resources as needed.

Unrestricted net position represent resources derived from student tuition and fees, state appropriations, net patient service revenue, sales and services of educational activities and auxiliary enterprises. Auxiliary enterprises are substantially self-supporting activities that provide services for students, faculty, and staff. While unrestricted net position may be designated for specific purposes by action of management or the Board, they are available for use at the discretion of the governing board, to meet current expenses for any purpose. Substantially all of unrestricted net position is designed for academic and research programs and initiatives, and capital programs.

(cc) *New Accounting Standard*

The IHL System adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2013. The Statement established accounting and financial reporting standards that, among other things, recognized as outflows or inflows of resources, certain items that were previously reported as assets and liabilities. As a result, costs related to the issuance of bonds previously deferred were adjusted through an adjustment to net position as of July 1, 2011. Total accumulated deferred amount of debt refunding for deferred outflows of resources totaled \$5.0 million and \$5.2 million as of June 30, 2013 and 2012, respectively.

The implementation of this standard resulted in the write-off of bond issuance costs and the effect of adoption is a reduction of beginning net position. The following schedule summarizes the impact on net position for fiscal year 2012.

		<u>2012</u>
Net position - beginning of period, as previously reported	\$	3,189,413,174
Less: Unamortized bond issuance cost		<u>(5,113,658)</u>
Beginning of period, as adjusted		<u>3,184,299,516</u>
Change in net position, as previously reported		126,395,908
Impact of reversal of bond issuance costs amortization		<u>962,121</u>
Change in net position, as adjusted		<u>127,358,029</u>
Net position - end of period, as adjusted	\$	<u><u>3,311,657,545</u></u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(dd) Recently Issued Accounting Standard

In March 2012, GASB issued Statement No. 66, *Technical Corrections-2012*. The objective of this Statement is to improve accounting and financial reporting for government reporting by resolving conflicting guidance that resulted from the issuance of Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Requirements of this Statement are effective for financial statements whose fiscal year begins after December 15, 2012 (fiscal year 2014 for the IHL System). The impact of this pronouncement on the IHL System's financial statements is currently being evaluated and has not yet been fully determined.

(2) Cash and Investments

(a) Policies

Cash, Cash Equivalents and Short-term Investments

Investment policies as set forth by the IHL System Board of Trustees policy and state statute authorize the University to invest in demand deposits and interest-bearing time deposits such as savings accounts, certificates of deposit, money market funds, U.S. Treasury bills and notes, and repurchase agreements. Investment policy at the System is governed by State statute (Section 27-105-33, MS Code Ann. 1972) and the Uniform Management of Institutional Funds Act of 1998.

The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 of the Mississippi Code Annotated (1972). Under this program, the University's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against these deposits. In the event of the failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

Investments

Investment policies as set forth by Board policy as authorized by Section 37-101-15, Mississippi Code Annotated (1972), authorize the universities to invest in equity securities, bonds and other securities. Investments are reported at fair value.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

A summary of cash and investments as of June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Cash	\$ 383,109,460	356,693,208
Restricted cash and cash equivalents	207,794,986	224,498,332
U.S. government agency obligations	233,632,863	235,416,105
U.S. Treasury obligations	125,317,246	113,065,178
Certificates of deposit	74,087,726	71,175,750
Corporate bonds and notes	3,623,604	4,309,620
Commercial mortgage backed securities	3,099,584	4,057,633
Collateralized mortgage obligations	34,385,532	34,857,975
Municipal bonds	53,343,921	49,271,249
Money market funds	755,194	631,476
Fixed income mutual funds	32,156,684	28,539,462
Asset backed securities	2,636,421	2,336,144
Domestic equity securities	31,396,077	16,234,336
International equity mutual funds	16,031,501	24,775,281
Domestic equity mutual funds	41,798,727	34,977,847
Equity hedge funds	45,997,600	28,049,120
Miscellaneous	16,412,163	25,027,902
	<u>\$ 1,305,579,289</u>	<u>1,253,916,618</u>
Total		

(b) Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered with securities held by the counterparty's trust department or agent, but not held in the government's name. The IHL System had no investments exposed to custodial credit risk at June 30, 2013 and 2012.

(c) Interest Rate Risk

Interest rate risk is defined as the risk a government may face should interest rate variances adversely affect the fair value of investments. The IHL System does not presently have a formal policy that addresses interest rate risk.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

As of June 30, 2013 and 2012, the IHL System had the following investments subject to interest rate risk:

		2013				
		Years to maturity				
	Fair value	Less than 1	1 – 5	6 – 10	More than 10	
U.S. government agency obligations	\$ 233,632,863	29,613,119	67,597,785	67,045,559	69,376,400	
U.S. Treasury obligations	125,317,246	57,560,362	67,631,730	92,949	32,205	
Corporate bonds and notes	3,623,604	50,774	3,019,931	510,907	41,992	
Commercial mortgage backed securities	3,099,584	—	—	200,624	2,898,960	
Collateralized mortgage obligations	34,385,532	5,547,816	3,882,686	—	24,955,030	
Municipal bonds	53,343,921	4,553,148	11,940,521	28,199,695	8,650,557	
Fixed income mutual funds	32,156,684	101,413	14,449,656	17,605,615	—	
Asset backed securities	2,636,421	—	1,692,598	943,823	—	
Total	\$ 488,195,855	97,426,632	170,214,907	114,599,172	105,955,144	

		2012				
		Years to maturity				
	Fair value	Less than 1	1 – 5	6 – 10	More than 10	
U.S. government agency obligations	\$ 235,416,105	18,765,485	84,341,945	45,843,483	86,465,192	
U.S. Treasury obligations	113,065,178	55,147,791	57,812,667	72,765	31,955	
Corporate bonds and notes	4,309,620	22,197	1,453,455	1,966,436	867,532	
Commercial mortgage backed securities	4,057,633	—	—	203,728	3,853,905	
Collateralized mortgage obligations	34,857,975	3,886,896	5,847,373	1,055,605	24,068,101	
Municipal bonds	49,271,249	6,838,139	10,911,440	25,100,483	6,421,187	
Fixed income mutual funds	28,539,462	115,414	13,021,028	15,359,256	43,764	
Asset backed securities	2,336,144	—	—	2,336,144	—	
Total	\$ 471,853,366	84,775,922	173,387,908	91,937,900	121,751,636	

(d) Credit Risk

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The IHL System does not have a formal investment policy that addresses credit risk.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

As of June 30, 2013 and 2012, the IHL System had the following investments subject to credit risk:

	Fair value	
	2013	2012
Credit rating:		
AAA	\$ 72,284,518	82,926,676
Aaa	62,805,157	62,112,778
Aa1	6,789	—
Aa2	23,703,353	22,994,453
Aa3	217,753	938,676
AA	107,620,327	97,823,730
A1	1,730,598	28,484
A2	445,902	130,904
A3	342,441	33,231
A	1,842,780	4,321,707
B	1,317,373	1,581,784
Baa1	12,514	14,624
Baa2	48,506	38,269
Baa3	—	7,187
BBB	2,498,655	2,146,147
BB	3,940,603	2,571,463
C	—	377,404
CCC	429,839	—
Rating not available	83,631,501	80,740,671
Total	<u>\$ 362,878,609</u>	<u>358,788,188</u>

The credit risk ratings listed above are issued upon standards set by Standard and Poor's or Moody's Ratings Services.

(e) Concentration of Credit Risk

Concentration of credit risk is defined by GASB Statement No. 40 as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The IHL System does not presently have a formal policy that addresses concentration of credit risk.

As of June 30, 2013 and 2012, the IHL System had the following issuers holding investments that exceeded 5% of total investments.

Issuer	2013	
	Fair value	Percentage
Federal Home Loan Bank notes	\$ 76,720,045	10.73%
Federal National Mortgage Association notes	58,304,480	8.16

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

<u>Issuer</u>	<u>2012</u>	
	<u>Fair value</u>	<u>Percentage</u>
Federal Home Loan Bank notes	\$ 68,227,173	10.11%
Federal National Mortgage Association notes	37,385,550	5.54

(f) Foreign Currency Risk

Foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. The IHL System does not presently have a formal policy that addresses foreign currency risk. The IHL System's exposure to foreign currency risk is limited to investments in global or pooled non-U.S. equity mutual funds which approximated \$18,527,077 and \$21,675,331 at June 30, 2013 and 2012, respectively.

(3) Accounts Receivable

Accounts receivable consisted of the following at June 30, 2013 and 2012:

<u>Type of receivable</u>	<u>2013</u>	<u>2012</u>
Student tuition	\$ 77,547,135	66,910,520
Auxiliary enterprises and other operating activities	29,131,992	24,936,137
Contributions and gifts	11,362,206	10,887,654
Federal, state, and private grants and contracts	105,178,934	100,469,871
State appropriation	11,304,792	11,830,440
Accrued interest	2,659,772	2,598,301
Patient income	2,515,603,331	1,856,612,322
Other	29,939,110	46,770,084
Total account receivable	2,782,727,272	2,121,015,329
Less bad debt provision	(2,442,888,560)	(1,811,856,069)
Net accounts receivable	\$ <u>339,838,712</u>	<u>309,159,260</u>

As a component unit of the State of Mississippi, the IHL System is precluded by statute from discharging amounts owed. Accordingly, gross accounts receivables and the allowance for doubtful accounts include amounts considered to be 100% uncollectible and fully reserved in prior years.

(4) Notes Receivable from Students

Notes receivable from students are payable in installments over a period of up to ten years, commencing three to twelve months from the date of separation from one of the IHL System's institutions.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following is a schedule of interest rates and unpaid balances for the different types of notes receivable held by the IHL System as of June 30, 2013 and 2012:

	<u>Interest rates</u>	<u>June 30, 2013</u>	<u>Current portion</u>	<u>Noncurrent portion</u>
Perkins student loans	3% to 9%	\$ 71,524,825	8,897,656	62,627,169
Institutional loans	0% to 9%	53,455,102	8,551,105	44,903,997
Nursing student loans	3% to 9%	1,084,732	84,863	999,869
Dental student loans	3% to 9%	284,077	23,984	260,093
Medical student loans	3% to 9%	170,412	7,958	162,454
Other federal loans	3% to 9%	<u>3,680,116</u>	<u>2,192,596</u>	<u>1,487,520</u>
Total notes receivable		130,199,264	19,758,162	110,441,102
Less allowance for doubtful accounts		<u>(18,527,295)</u>	<u>(4,156,973)</u>	<u>(14,370,322)</u>
Net notes receivable		\$ <u>111,671,969</u>	<u>15,601,189</u>	<u>96,070,780</u>
	<u>Interest rates</u>	<u>June 30, 2012</u>	<u>Current portion</u>	<u>Noncurrent portion</u>
Perkins student loans	3% to 9%	\$ 74,386,819	8,330,883	66,055,936
Institutional loans	0% to 10%	51,486,396	7,868,900	43,617,496
Nursing student loans	3% to 9%	815,558	82,770	732,788
Dental student loans	3% to 9%	323,642	40,347	283,295
Medical student loans	3% to 9%	188,710	12,722	175,988
Other federal loans	3% to 9%	<u>3,601,224</u>	<u>2,061,551</u>	<u>1,539,673</u>
Total notes receivable		130,802,349	18,397,173	112,405,176
Less allowance for doubtful accounts		<u>(17,984,773)</u>	<u>(4,168,064)</u>	<u>(13,816,709)</u>
Net notes receivable		\$ <u>112,817,576</u>	<u>14,229,109</u>	<u>98,588,467</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(5) Capital Assets

A summary of changes in capital assets for the years ended June 30, 2013 and 2012 is presented as follows:

	Balance June 30, 2012	Additions	Deletions/ Transfers	Balance June 30, 2013
Nondepreciable capital assets:				
Land	\$ 79,693,312	993,845	(79,000)	80,608,157
Construction in progress	326,970,568	196,178,471	(181,051,527)	342,097,512
Livestock	<u>1,800,758</u>	<u>273,280</u>	<u>(344,672)</u>	<u>1,729,366</u>
Total nondepreciable capital assets	<u>408,464,638</u>	<u>197,445,596</u>	<u>(181,475,199)</u>	<u>424,435,035</u>
Depreciable capital assets:				
Buildings	2,837,330,303	134,665,127	(5,831,305)	2,966,164,125
Improvements other than buildings	288,121,327	13,286,580	(3,326,444)	298,081,463
Equipment	667,086,451	96,541,733	(24,351,773)	739,276,411
Library books	<u>352,708,483</u>	<u>12,570,678</u>	<u>(791,743)</u>	<u>364,487,418</u>
Total depreciable assets	<u>4,145,246,564</u>	<u>257,064,118</u>	<u>(34,301,265)</u>	<u>4,368,009,417</u>
Total capital assets	<u>4,553,711,202</u>	<u>454,509,714</u>	<u>(215,776,464)</u>	<u>4,792,444,452</u>
Less accumulated depreciation:				
Buildings	685,838,085	55,549,657	(3,960,220)	737,427,522
Improvements other than buildings	98,119,135	10,850,046	(1,424,074)	107,545,107
Equipment	446,123,955	59,642,650	(20,917,383)	484,849,222
Library books	<u>288,642,212</u>	<u>13,811,624</u>	<u>(773,097)</u>	<u>301,680,739</u>
Total accumulated depreciation	<u>1,518,723,387</u>	<u>139,853,977</u>	<u>(27,074,774)</u>	<u>1,631,502,590</u>
Net capital assets	<u>\$ 3,034,987,815</u>	<u>314,655,737</u>	<u>(188,701,690)</u>	<u>3,160,941,862</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2012</u>
Nondepreciable capital assets:				
Land	\$ 66,389,599	13,336,698	(32,985)	79,693,312
Construction in progress	281,292,575	205,891,893	(160,213,900)	326,970,568
Livestock	<u>1,592,475</u>	<u>237,087</u>	<u>(28,804)</u>	<u>1,800,758</u>
Total nondepreciable capital assets	<u>349,274,649</u>	<u>219,465,678</u>	<u>(160,275,689)</u>	<u>408,464,638</u>
Depreciable capital assets:				
Buildings	2,676,695,058	164,180,485	(3,545,240)	2,837,330,303
Improvements other than buildings	269,898,159	19,321,646	(1,098,478)	288,121,327
Equipment	618,196,029	73,963,952	(25,073,530)	667,086,451
Library books	<u>339,343,335</u>	<u>13,827,653</u>	<u>(462,505)</u>	<u>352,708,483</u>
Total depreciable assets	<u>3,904,132,581</u>	<u>271,293,736</u>	<u>(30,179,753)</u>	<u>4,145,246,564</u>
Total capital assets	<u>4,253,407,230</u>	<u>490,759,414</u>	<u>(190,455,442)</u>	<u>4,553,711,202</u>
Less accumulated depreciation:				
Buildings	628,227,069	59,297,703	(1,686,687)	685,838,085
Improvements other than buildings	87,814,467	10,311,854	(7,186)	98,119,135
Equipment	414,722,022	54,242,056	(22,840,123)	446,123,955
Library books	<u>274,558,229</u>	<u>14,541,676</u>	<u>(457,693)</u>	<u>288,642,212</u>
Total accumulated depreciation	<u>1,405,321,787</u>	<u>138,393,289</u>	<u>(24,991,689)</u>	<u>1,518,723,387</u>
Net capital assets	\$ <u>2,848,085,443</u>	<u>352,366,125</u>	<u>(165,463,753)</u>	<u>3,034,987,815</u>

As of June 30, 2013 and 2012, capital assets included assets under capital leases with an original cost basis of approximately \$3,630,000 and \$15,314,000, respectively and accumulated amortization of approximately \$1,127,000 and \$6,659,000, respectively.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Depreciation is computed on a straight-line basis with the exception of library books, for which depreciation is computed using a composite method. The following useful life, salvage values, and capitalization thresholds are used to compute depreciation.

<u>Capital assets</u>	<u>Estimated useful life</u>	<u>Salvage value</u>	<u>Capitalization threshold</u>
Buildings	40 Years	20%	\$ 50,000
Improvements other than buildings	20 Years	20	25,000
Equipment	3 – 15 Years	1 – 10	5,000
Library books	10 Years	—	—

(6) Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as of June 30, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Payable to vendors and contractors	\$ 81,475,328	78,427,807
Accrued salaries, wages and employee withholdings	76,425,326	79,912,716
Accrued interest	9,262,938	4,931,490
Other	20,505,287	6,224,239
Total	<u>\$ 187,668,879</u>	<u>169,496,252</u>

All amounts are considered current and expected to be settled within one year.

(7) Unearned Revenues

Unearned revenues as of June 30, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Unearned summer school revenue	\$ 39,166,777	37,309,756
Unearned grants and contract revenue	20,466,849	19,460,174
Other, principally athletic activities	21,659,615	25,065,518
Total	<u>\$ 81,293,241</u>	<u>81,835,448</u>

All amounts are considered current and will be fully recognized within one year.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(8) Material Blended Component Units of the IHL System

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, the educational building corporations are deemed to be material component units of the IHL System but are presented on a blended basis in the accompanying financial statements due to the significance of their activities to respective member university's operations. These blended component units provide services entirely, or almost entirely, to their respective universities. Condensed financial information as of June 30, 2013 and 2012, is listed in the following schedule.

2013 Condensed Financial Information for Educational Building Corporations								
	ASU	DSU	JSU	MSU	MVSU	UM	USM	UMMC
Current Assets	\$ 1,046,443	22,447	—	—	—	10,492,978	4,698,774	6,086,871
Noncurrent Assets	<u>41,612,844</u>	<u>3,997,553</u>	<u>99,606,841</u>	<u>215,160,000</u>	<u>18,075,000</u>	<u>130,170,306</u>	<u>183,372,310</u>	<u>263,315,872</u>
Total assets	<u>42,659,287</u>	<u>4,020,000</u>	<u>99,606,841</u>	<u>215,160,000</u>	<u>18,075,000</u>	<u>140,663,284</u>	<u>188,071,084</u>	<u>269,402,743</u>
Current Liabilities	453,700	480,000	2,999,589	7,975,000	265,000	8,275,467	4,698,774	6,276,435
Noncurrent Liabilities	<u>45,617,350</u>	<u>3,540,000</u>	<u>96,607,252</u>	<u>207,185,000</u>	<u>17,810,000</u>	<u>132,387,817</u>	<u>183,372,310</u>	<u>267,998,749</u>
Total liabilities	<u>46,071,050</u>	<u>4,020,000</u>	<u>99,606,841</u>	<u>215,160,000</u>	<u>18,075,000</u>	<u>140,663,284</u>	<u>188,071,084</u>	<u>274,275,184</u>
Total net position	<u>\$ (3,411,763)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(4,872,441)</u>
Operating Revenues	\$ 2,638,688	—	—	—	1,026,689	—	—	8,004,005
Operating Expenses	<u>3,049,521</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,026,689</u>	<u>—</u>	<u>—</u>	<u>10,877,970</u>
Total operating income (loss)	<u>(410,833)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,873,965)</u>
Nonoperating Revenues	74	—	4,584,880	8,819,472	—	5,676,071	6,529,739	—
Nonoperating Expenses	<u>—</u>	<u>475,000</u>	<u>4,584,880</u>	<u>8,819,472</u>	<u>—</u>	<u>5,676,071</u>	<u>6,529,739</u>	<u>993,918</u>
Total nonoperating revenue (expenses)	<u>74</u>	<u>(475,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(993,918)</u>
Change in net position	<u>\$ (410,759)</u>	<u>(475,000)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(3,867,883)</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

2012 Condensed Financial Information for Educational Building Corporations								
	ASU	DSU	JSU	MSU	MVSU	UM	USM	UMMC
Current Assets	\$ 2,860,522	45,550	—	—	—	10,451,306	3,193,683	5,582,740
Noncurrent Assets	40,617,087	4,449,450	103,046,840	193,880,000	18,305,000	137,112,234	131,906,822	275,571,934
Total assets	43,477,609	4,495,000	103,046,840	193,880,000	18,305,000	147,563,540	135,100,505	281,154,674
Current Liabilities	464,880	475,000	807,689	7,720,000	230,000	8,046,126	3,193,683	5,968,717
Noncurrent Liabilities	46,013,733	4,020,000	102,239,151	186,160,000	18,075,000	139,517,414	131,906,822	267,313,240
Total liabilities	46,478,613	4,495,000	103,046,840	193,880,000	18,305,000	147,563,540	135,100,505	273,281,957
Total net position	\$ (3,001,004)	—	—	—	—	—	—	7,872,717
Operating Revenues	\$ 2,716,222	—	—	—	999,489	—	—	8,202,808
Operating Expenses	2,878,547	—	—	—	999,489	—	—	8,568,030
Total operating income (loss)	(162,325)	—	—	—	—	—	—	(365,222)
Nonoperating Revenues	266	—	4,862,566	8,358,079	—	5,893,696	6,668,156	—
Nonoperating Expenses	—	299,493	4,862,566	8,358,079	—	5,893,696	6,668,156	—
Total nonoperating revenue (expenses)	266	(299,493)	—	—	—	—	—	—
Change in net position	\$ (162,059)	(299,493)	—	—	—	—	—	(365,222)

(9) Long-Term Liabilities

Long-term liabilities of the IHL System consists of notes and bonds payable, capital lease obligations and certain other liabilities that are expected to be liquidated at least one year from June 30, 2013 and 2012, respectively. The various leases cover a period not to exceed five years. The IHL System has the option to prepay all outstanding obligations less any unearned interest to fully satisfy the obligation. There is also a fiscal funding addendum stating that if funds are not appropriated for periodic payment for any future fiscal period, the lessee will not be obligated to pay the remainder of the total payments due beyond the end of the current fiscal period. Other long-term liabilities and notes payable consist of accrued leave liabilities, deposits refundable, notes payable and other liabilities (government advance refundables, self-insured workers compensation, and tort claims).

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Information regarding original issue amounts, interest rates and maturity dates for bonds, notes and capital leases relative to the long-term liabilities for each of the universities within the IHL System as of June 30, 2013 and 2012, is listed in the following schedule.

Description and purpose	Original issue	Annual interest rate	Maturity (Fiscal Year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Alcorn State University:								
Bonded debt:								
2009 Series A Student Housing Project	\$ 47,000,000	5.125% – 5.25%	2040	46,595,000	—	340,000	46,255,000	405,000
Total bonded debt				46,595,000	—	340,000	46,255,000	405,000
Other long-term liabilities:								
Accrued leave liabilities				4,106,158	1,322,409	1,078,843	4,349,724	656,722
Deposits refundable				837,858	—	103,312	734,546	—
Total other long-term liabilities				4,944,016	1,322,409	1,182,155	5,084,270	656,722
Total				\$ 51,539,016	1,322,409	1,522,155	51,339,270	1,061,722
Due within one year							(1,061,722)	
Total long-term liabilities							50,277,548	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (Fiscal Year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Delta State University:								
Bonded debt:								
2003 Series	\$ 2,475,000	3.00% – 4.25%	2024	\$ 1,760,000	—	115,000	1,645,000	122,500
2009 Series	3,135,000	2.50% – 3.75%	2019	<u>2,735,000</u>	<u>—</u>	<u>360,000</u>	<u>2,375,000</u>	<u>362,500</u>
Total bonded debt				<u>4,495,000</u>	<u>—</u>	<u>475,000</u>	<u>4,020,000</u>	<u>485,000</u>
Capital leases:								
Various equipment				25,133	—	25,133	—	—
Airplanes				1,538,152	—	229,060	1,309,092	239,342
Foundation hall and faculty apartments				<u>16,895,000</u>	<u>—</u>	<u>355,000</u>	<u>16,540,000</u>	<u>370,000</u>
Total capital leases				<u>18,458,285</u>	<u>—</u>	<u>609,193</u>	<u>17,849,092</u>	<u>609,342</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				1,665,372	60,329	—	1,725,701	176,665
Deposits refundable				123,585	3,490	—	127,075	—
Other				<u>1,802,516</u>	<u>15,000</u>	<u>—</u>	<u>1,817,516</u>	<u>—</u>
Total other long-term liabilities and notes payable				<u>3,591,473</u>	<u>78,819</u>	<u>—</u>	<u>3,670,292</u>	<u>176,665</u>
Total				<u>\$ 26,544,758</u>	<u>78,819</u>	<u>1,084,193</u>	<u>25,539,384</u>	<u>1,271,007</u>
Due within one year							<u>(1,271,007)</u>	
Total long-term liabilities							<u>24,268,377</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (Fiscal Year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Jackson State University:								
Bonded debt:								
Series 1982 – Dormitory	\$ 4,000,000	1.00% – 3.00%	2020	\$ 1,395,000	—	135,000	1,260,000	140,000
Series 2006 – A	12,000,000	3.50% – 4.25%	2031	10,195,000	—	—	10,195,000	400,000
Series 2007	48,165,000	5.00%	2034	51,232,577	—	1,023,503	50,209,074	1,344,256
Series 2010-A-1	31,325,000	3.00% – 5.00%	2034	26,938,051	356,744	—	27,294,795	235,819
Series 2010-A-2	790,000	3.00%	2014	790,000	—	—	790,000	790,000
Other Borrowings	1,900,000	5.00%	2034	1,095,000	—	—	1,095,000	—
Total bonded debt				<u>91,645,628</u>	<u>356,744</u>	<u>1,158,503</u>	<u>90,843,869</u>	<u>2,910,075</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				6,423,988	—	1,324,494	5,099,494	367,164
Deposits refundable				34,159	2,590	—	36,749	—
Notes payable				883,516	—	86,889	796,627	89,514
Other				1,649,968	18,807	3,208	1,665,567	—
Total other long-term liabilities and notes payable				<u>8,991,631</u>	<u>21,397</u>	<u>1,414,591</u>	<u>7,598,437</u>	<u>456,678</u>
Total				<u>\$ 100,637,259</u>	<u>378,141</u>	<u>2,573,094</u>	<u>98,442,306</u>	<u>3,366,753</u>
Due within one year							<u>(3,366,753)</u>	
Total long-term liabilities							<u>95,075,553</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (Fiscal Year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi State University:								
Bonded debt:								
Dormitory Bonds	\$ 2,250,000	3.00%	2021	\$ 760,000	—	70,000	690,000	80,000
Student Apartments	2,038,000	3.00%	2022	780,000	—	70,000	710,000	70,000
EBC – Revenue Bonds	31,865,000	3.75% – 5.25%	2018	6,025,000	—	—	6,025,000	—
EBC – Revenue Bonds	17,000,000	2.00% – 5.00%	2029	13,230,000	—	555,000	12,675,000	575,000
EBC – Revenue Bonds	28,790,000	2.00% – 5.00%	2030	20,340,000	—	1,465,000	18,875,000	1,540,000
EBC – Revenue Bonds	58,965,000	4.00% – 5.00%	2036	50,890,000	—	1,600,000	49,290,000	1,675,000
EBC – Revenue Bonds	6,110,000	4.50% – 4.75%	2028	5,295,000	—	230,000	5,065,000	240,000
EBC – Revenue Bonds	29,615,000	3.00% – 5.25%	2029	29,035,000	—	600,000	28,435,000	615,000
EBC – Revenue Bonds	17,105,000	3.00% – 5.25%	2024	14,695,000	—	1,380,000	13,315,000	1,405,000
EBC – Revenue Bonds	54,370,000	2.00% – 5.00%	2042	54,370,000	—	1,890,000	52,480,000	1,925,000
Total bonded debt				<u>195,420,000</u>	<u>—</u>	<u>7,860,000</u>	<u>187,560,000</u>	<u>8,125,000</u>
Commercial Paper				—	79,000,000	50,000,000	29,000,000	—
Other long-term liabilities:								
Accrued leave liabilities				22,705,686	619,911	—	23,325,597	2,479,786
Deposits refundable				40,260	—	4,500	35,760	—
Other				14,270,908	—	234,679	14,036,229	—
Total other long-term liabilities				<u>37,016,854</u>	<u>619,911</u>	<u>239,179</u>	<u>37,397,586</u>	<u>2,479,786</u>
Total				<u>\$ 232,436,854</u>	<u>79,619,911</u>	<u>58,099,179</u>	<u>253,957,586</u>	<u>10,604,786</u>
Due within one year							<u>(10,604,786)</u>	
Total long-term liabilities							<u>243,352,800</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (Fiscal Year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi University for Women:								
Capital leases:								
Various equipment	\$			\$ 4,338	—	4,338	—	—
Other long-term liabilities:								
Accrued leave liabilities				1,041,561	71,126	—	1,112,687	44,507
Other				1,376,106	—	110,742	1,265,364	—
Total other long-term liabilities				<u>2,417,667</u>	<u>71,126</u>	<u>110,742</u>	<u>2,378,051</u>	<u>44,507</u>
Total				\$ <u>2,422,005</u>	<u>71,126</u>	<u>115,080</u>	2,378,051	<u>44,507</u>
Due within one year							(44,507)	
Total long-term liabilities							<u>2,333,544</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi Valley State University:								
Bonded debt:								
EBC – 2007	\$ 19,015,000	4.00%	2037	\$ 18,305,000	—	230,000	18,075,000	265,000
Total bonded debt				<u>18,305,000</u>	<u>—</u>	<u>230,000</u>	<u>18,075,000</u>	<u>265,000</u>
Other long-term liabilities:								
Accrued leave liabilities				1,594,971	36,204	—	1,631,175	220,324
Deposits refundable				<u>32,896</u>	<u>—</u>	<u>2,638</u>	<u>30,258</u>	<u>—</u>
Total other long-term liabilities				<u>1,627,867</u>	<u>36,204</u>	<u>2,638</u>	<u>1,661,433</u>	<u>220,324</u>
Total				<u>\$ 19,932,867</u>	<u>36,204</u>	<u>232,638</u>	19,736,433	<u>485,324</u>
Due within one year							<u>(485,324)</u>	
Total long-term liabilities							<u>\$ 19,251,109</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Mississippi:								
Bonded debt:								
EBC – 2005	10,965,000	3.00% – 4.38%	2028	\$ 8,180,000	—	375,000	7,805,000	390,000
EBC – 2006A	17,985,000	4.00% – 5.00%	2026	13,345,000	—	1,110,000	12,235,000	1,160,000
EBC – 2006B-1	17,290,000	3.50% – 5.00%	2027	13,365,000	—	915,000	12,450,000	955,000
EBC – 2008A	29,785,000	3.25% – 5.00%	2034	27,600,000	—	775,000	26,825,000	795,000
EBC – 2009A	19,870,000	2.13% – 4.50%	2030	18,435,000	—	750,000	17,685,000	770,000
EBC – 2009B	24,165,000	3.00% – 5.00%	2021	19,220,000	—	1,745,000	17,475,000	1,820,000
EBC – 2009C	14,770,000	2.50% – 4.75%	2035	14,010,000	—	395,000	13,615,000	405,000
EBC – 2011	27,995,000	2.00% – 5.00%	2032	30,304,349	—	604,450	29,699,899	550,000
Total bonded debt				144,459,349	—	6,669,450	137,789,899	6,964,449
Other long-term liabilities and notes payable:								
Accrued leave liabilities				13,444,658	983,139	—	14,427,797	1,374,000
Deposits refundable				112,865	—	17,050	95,815	—
Notes payable				1,214,968	—	1,018,380	196,588	96,604
Other				9,102,500	—	105,500	8,997,000	—
Total other long-term liabilities and notes payable				23,874,991	983,139	1,140,930	23,717,200	1,470,604
Total				\$ 168,334,340	983,139	7,810,380	161,507,099	8,435,053
Due within one year							(8,435,053)	
Total long-term liabilities							\$ 153,072,046	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Southern Mississippi								
Bonded debt:								
Payne Center	\$ 5,335,000	4.20% – 6.00%	2016	\$ 1,535,000	—	1,535,000	—	—
The Village	18,725,000	3.63% – 5.00%	2032	17,535,000	—	260,000	17,275,000	300,000
EBC Refunding	24,855,000	3.63% – 5.00%	2027	22,420,000	—	1,560,000	20,860,000	1,449,584
Athletic Improvements	27,190,000	4.00% – 5.00%	2034	25,995,000	—	425,000	25,570,000	450,000
Dormitory Construction	49,900,000	2.75% – 5.38%	2037	49,900,000	—	—	49,900,000	—
SMBEC Series 2013	51,875,000	2.75% – 5.38%	2043	—	57,344,262	—	57,344,262	1,530,000
Total bonded debt				117,385,000	57,344,262	3,780,000	170,949,262	3,729,584
Certificates of Participation								
Parking Garage, Series 2009	15,520,000	2.0% – 5.13%	2040	15,240,000	—	284,999	14,955,001	295,000
Capital leases:								
Various equipment				1,094,962	—	183,604	911,358	171,513
Other long-term liabilities and notes payable:								
Accrued leave liabilities				9,580,560	135,745	—	9,716,305	1,350,000
Deposits refundable				31,751	—	157	31,594	—
Notes payable				2,475,505	—	308,684	2,166,821	674,190
Other				27,365,658	—	301,802	27,063,856	—
Total other long-term liabilities and notes payable				39,453,474	135,745	610,643	38,978,576	2,024,190
Total				\$ 173,173,436	57,480,007	4,859,246	225,794,197	6,220,287
Due within one year							(6,220,287)	
Total long-term liabilities							\$ 219,573,910	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Mississippi Medical Center:								
Bonded debt:								
Series 1998B	41,075,000	3.88% – 5.90%	2023	\$ 23,670,000	—	—	23,670,000	—
Series 2009	105,605,000	2.00% – 5.00%	2034	92,678,703	—	4,549,404	88,129,299	4,639,405
Series 2010A	24,870,000	5.92% – 6.69%	2032	24,870,000	—	—	24,870,000	—
Series 2010B	20,000,000	6.84%	2035	20,000,000	—	—	20,000,000	—
Series 2010C	5,130,000	2.50% – 5.00%	2020	4,417,666	—	489,084	3,928,582	504,083
Series 2012A	51,860,000	4.00% – 5.00%	2041	51,860,000	—	44,203	51,815,797	44,202
Series 2012B	54,679,238	4.07% – 4.82%	2038	54,671,871	—	—	54,671,871	—
Total bonded debt				<u>272,168,240</u>	<u>—</u>	<u>5,082,691</u>	<u>267,085,549</u>	<u>5,187,690</u>
Capital leases:								
Various equipment				<u>1,190,228</u>	<u>—</u>	<u>1,190,228</u>	<u>—</u>	<u>—</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				46,278,806	8,539,396	4,528,689	50,289,513	4,032,964
Other				34,988,085	18,284,407	9,079,267	44,193,225	5,137,000
Total other long-term liabilities				<u>81,266,891</u>	<u>26,823,803</u>	<u>13,607,956</u>	<u>94,482,738</u>	<u>9,169,964</u>
Total				<u>\$ 354,625,359</u>	<u>26,823,803</u>	<u>19,880,875</u>	<u>361,568,287</u>	<u>14,357,654</u>
Due within one year							<u>(14,357,654)</u>	
Total long-term liabilities							<u>\$ 347,210,633</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
IHL Board Office:								
Other long-term liabilities:								
Accrued leave liabilities				\$ 795,449	—	8,957	786,492	43,107
Other				38,616,000	9,718,467	10,529,926	37,804,541	9,110,589
Total				<u>\$ 39,411,449</u>	<u>9,718,467</u>	<u>10,538,883</u>	38,591,033	<u>9,153,696</u>
Due within one year							<u>9,153,696</u>	
Total long-term liabilities							<u>29,437,337</u>	
MCVS:								
Other long-term liabilities and notes payable:								
Accrued leave liabilities				\$ 75,760	8,917	18,470	66,207	8,917
Total				<u>\$ 75,760</u>	<u>8,917</u>	<u>18,470</u>	66,207	<u>8,917</u>
Due within one year							<u>(8,917)</u>	
Total long-term liabilities							<u>\$ 57,290</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2013				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
State of Mississippi Institutions of Higher Learning – Combined:								
Total bonded debt				\$ 890,473,217	57,701,006	25,595,644	922,578,579	28,071,798
Total capital leases				20,747,813	—	1,987,363	18,760,450	780,855
Other long-term liabilities and notes payable:								
Accrued leave liabilities				107,712,969	11,777,176	6,959,453	112,530,692	10,754,156
Deposits refundable				1,213,374	6,080	127,657	1,091,797	—
Notes payable				19,813,989	—	1,698,952	18,115,037	860,308
Other				129,171,741	51,025,637	14,354,080	165,843,298	14,542,589
Total other long-term liabilities				257,912,073	62,808,893	23,140,142	297,580,824	26,157,053
Total long-term liabilities				\$ 1,169,133,103	120,509,899	50,723,149	1,238,919,853	55,009,706

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Alcorn State University:								
Bonded debt:								
2009 Series A Student Housing Project	47,000,000	5.125% – 5.25%	2040	\$ 47,000,000	—	405,000	46,595,000	340,000
Total bonded debt				47,000,000	—	405,000	46,595,000	340,000
Other long-term liabilities:								
Accrued leave liabilities				4,002,404	1,237,975	1,134,221	4,106,158	786,319
Deposits refundable				800,179	37,679	—	837,858	—
Total other long-term liabilities				4,802,583	1,275,654	1,134,221	4,944,016	786,319
Total				\$ 51,802,583	1,275,654	1,539,221	51,539,016	1,126,319
Due within one year							(1,126,319)	
Total long-term liabilities							\$ 50,412,697	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Delta State University:								
Bonded debt:								
1991 Series	\$ 2,259,631	5.00%	2012	\$ 49,493	—	49,493	—	—
2003 Series	2,475,000	3.00% – 4.25%	2024	1,870,000	—	110,000	1,760,000	115,000
2009 Series	3,135,000	2.50% – 3.75%	2019	2,875,000	—	140,000	2,735,000	360,000
Total bonded debt				<u>4,794,493</u>	<u>—</u>	<u>299,493</u>	<u>4,495,000</u>	<u>475,000</u>
Capital leases:								
Various equipment				186,789	1,777,530	401,034	1,563,285	267,424
Foundation hall and faculty apartments				17,240,000	—	345,000	16,895,000	355,000
Total capital leases				<u>17,426,789</u>	<u>1,777,530</u>	<u>746,034</u>	<u>18,458,285</u>	<u>622,424</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				1,896,073	—	230,701	1,665,372	199,841
Deposits refundable				219,378	—	95,793	123,585	—
Other				1,802,516	—	—	1,802,516	—
Total other long-term liabilities and notes payable				<u>3,917,967</u>	<u>—</u>	<u>326,494</u>	<u>3,591,473</u>	<u>199,841</u>
Total				<u>\$ 26,139,249</u>	<u>1,777,530</u>	<u>1,372,021</u>	<u>26,544,758</u>	<u>1,297,265</u>
Due within one year							<u>(1,297,265)</u>	
Total long-term liabilities							<u>\$ 25,247,493</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Jackson State University:								
Bonded debt:								
Series 1982 – Dormitory	\$ 4,000,000	1.00% – 3.00%	2020	\$ 1,525,000	—	130,000	1,395,000	135,000
Series 2006 – A	12,000,000	4.25%	2031	10,195,000	—	—	10,195,000	—
Series 2007	48,165,000	5.00%	2034	51,826,082	—	593,505	51,232,577	1,023,503
Series 2010-A-1	31,325,000	3.00% – 5.00%	2034	26,323,128	—	(614,923)	26,938,051	(437,610)
Series 2010-A-2	790,000	3.00%	2014	790,000	—	—	790,000	—
Other Borrowings	1,900,000	5.00%	2034	1,095,000	—	—	1,095,000	—
Total bonded debt				91,754,210	—	108,582	91,645,628	720,893
Other long-term liabilities and notes payable:								
Accrued leave liabilities				6,042,214	381,774	—	6,423,988	462,527
Deposits refundable				37,456	—	3,297	34,159	—
Notes payable				1,641,143	8,825	—	1,649,968	—
Other				967,853	—	84,337	883,516	86,796
Total other long-term liabilities and notes payable				8,688,666	390,599	87,634	8,991,631	549,323
Total				\$ 100,442,876	390,599	196,216	100,637,259	1,270,216
Due within one year							(1,270,216)	
Total long-term liabilities							\$ 99,367,043	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi State University:								
Bonded debt:								
Dormitory Bonds	\$ 2,250,000	3.00%	2021	\$ 830,000	—	70,000	760,000	70,000
Student Apartments	2,038,000	3.00%	2022	845,000	—	65,000	780,000	70,000
EBC – Revenue Bonds	31,865,000	3.75% – 5.25%	2025	6,025,000	—	—	6,025,000	—
EBC – Revenue Bonds	16,920,000	4.00% – 5.50%	2027	9,905,000	—	9,905,000	—	—
EBC – Revenue Bonds	17,000,000	2.00% – 5.00%	2029	13,770,000	—	540,000	13,230,000	555,000
EBC – Revenue Bonds	28,790,000	2.00% – 5.00%	2030	21,750,000	—	1,410,000	20,340,000	1,465,000
EBC – Revenue Bonds	58,965,000	4.00% – 5.00%	2035	52,430,000	—	1,540,000	50,890,000	1,600,000
EBC – Revenue Bonds	6,110,000	4.50% – 4.75%	2028	5,515,000	—	220,000	5,295,000	230,000
EBC – Revenue Bonds	29,615,000	3.00% – 5.25%	2039	29,615,000	—	580,000	29,035,000	600,000
EBC – Refunding Bonds	17,105,000	3.00% – 5.25%	2024	16,025,000	—	1,330,000	14,695,000	1,380,000
EBC11 Refunding Bonds	54,370,000	2.00% – 5.00%	2042	—	54,370,000	—	54,370,000	875,000
Total bonded debt				<u>156,710,000</u>	<u>54,370,000</u>	<u>15,660,000</u>	<u>195,420,000</u>	<u>6,845,000</u>
Capital leases:								
Various equipment				<u>79,131</u>	<u>—</u>	<u>79,131</u>	<u>—</u>	<u>—</u>
Other long-term liabilities:								
Accrued leave liabilities				21,260,383	1,445,303	—	22,705,686	2,513,541
Deposits refundable				67,125	—	26,865	40,260	—
Other				<u>14,758,613</u>	<u>—</u>	<u>487,705</u>	<u>14,270,908</u>	<u>—</u>
Total other long-term liabilities				<u>36,086,121</u>	<u>1,445,303</u>	<u>514,570</u>	<u>37,016,854</u>	<u>2,513,541</u>
Total				<u>\$ 192,875,252</u>	<u>55,815,303</u>	<u>16,253,701</u>	<u>232,436,854</u>	<u>9,358,541</u>
Due within one year							<u>(9,358,541)</u>	
Total long-term liabilities							<u>\$ 223,078,313</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi University for Women:								
Capital leases:								
Various equipment				\$ 101,254	—	96,916	4,338	4,338
Other long-term liabilities:								
Accrued leave liabilities				885,216	156,345	—	1,041,561	41,662
Other				1,367,986	8,120	—	1,376,106	—
Total other long-term liabilities				2,253,202	164,465	—	2,417,667	41,662
Total				\$ 2,354,456	164,465	96,916	2,422,005	46,000
Due within one year							(46,000)	
Total long-term liabilities							\$ 2,376,005	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi Valley State University:								
Bonded debt:								
EBC – 2007	\$ 19,015,000	4.00%	2037	\$ 18,500,000	—	195,000	18,305,000	230,000
Total bonded debt				18,500,000	—	195,000	18,305,000	230,000
Other long-term liabilities:								
Accrued leave liabilities				1,772,529	—	177,558	1,594,971	169,678
Deposits refundable				39,010	—	6,114	32,896	—
Total other long-term liabilities				1,811,539	—	183,672	1,627,867	169,678
Total				\$ 20,311,539	—	378,672	19,932,867	399,678
Due within one year							(399,678)	
Total long-term liabilities							\$ 19,533,189	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Mississippi:								
Bonded debt:								
EBC – 2005	10,965,000	3.00% – 4.38%	2028	8,545,000	—	365,000	8,180,000	375,000
EBC – 2006A	17,985,000	4.00% – 5.00%	2026	14,400,000	—	1,055,000	13,345,000	1,110,000
EBC – 2006B-1	17,290,000	3.50% – 5.00%	2027	14,250,000	—	885,000	13,365,000	915,000
EBC – 2008A	29,785,000	3.00% – 5.00%	2034	28,350,000	—	750,000	27,600,000	775,000
EBC – 2009A	19,870,000	2.13% – 4.50%	2030	19,165,000	—	730,000	18,435,000	750,000
EBC – 2009B	24,165,000	3.00% – 5.00%	2021	20,885,000	—	1,665,000	19,220,000	1,745,000
EBC – 2009C	14,770,000	2.50% – 4.75%	2035	14,395,000	—	385,000	14,010,000	395,000
EBC – 2011	27,995,000	2.00% – 5.00%	2032	—	30,383,981	79,632	30,304,349	604,449
Total bonded debt				<u>119,990,000</u>	<u>30,383,981</u>	<u>5,914,632</u>	<u>144,459,349</u>	<u>6,669,449</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				12,588,341	856,317	—	13,444,658	1,336,000
Deposits refundable				94,815	18,050	—	112,865	—
Notes payable				1,361,541	—	146,573	1,214,968	152,874
Other				9,145,800	—	43,300	9,102,500	—
Total other long-term liabilities and notes payable				<u>23,190,497</u>	<u>874,367</u>	<u>189,873</u>	<u>23,874,991</u>	<u>1,488,874</u>
Total				<u>\$ 143,180,497</u>	<u>31,258,348</u>	<u>6,104,505</u>	<u>168,334,340</u>	<u>8,158,323</u>
Due within one year							<u>(8,158,323)</u>	
Total long-term liabilities							<u>\$ 160,176,017</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Southern Mississippi								
Bonded debt:								
Payne Center	\$ 5,335,000	4.20% – 6.00%	2016	\$ 1,875,000	—	340,000	1,535,000	355,000
The Village	18,725,000	3.63% – 5.00%	2032	17,755,000	—	220,000	17,535,000	260,000
EBC Refunding	24,855,000	3.63% – 5.00%	2027	23,110,000	—	690,000	22,420,000	1,560,000
Athletic Improvements	27,190,000	4.00% – 5.00%	2034	26,335,000	—	340,000	25,995,000	425,000
Dormitory Construction	49,900,000	2.75% – 5.38%	2037	49,900,000	—	—	49,900,000	—
Total bonded debt				118,975,000	—	1,590,000	117,385,000	2,600,000
Certificates of Participation								
Parking Garage, Series 2009				15,520,000	—	280,000	15,240,000	285,000
Capital leases:								
Various equipment				1,395,031	—	300,069	1,094,962	183,604
Other long-term liabilities and notes payable:								
Accrued leave liabilities				9,197,588	382,972	—	9,580,560	1,200,000
Deposits refundable				30,392	1,359	—	31,751	—
Notes payable				2,717,914	—	242,409	2,475,505	308,683
Other				27,598,174	—	232,516	27,365,658	—
Total other long-term liabilities and notes payable				39,544,068	384,331	474,925	39,453,474	1,508,683
Total				\$ 175,434,099	384,331	2,644,994	173,173,436	4,577,287
Due within one year							(4,577,287)	
Total long-term liabilities							\$ 168,596,149	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Mississippi Medical Center:								
Bonded debt:								
Series 1998B	41,075,000	3.88% – 5.90%	2023	23,670,000	—	—	23,670,000	—
Series 2002	4,500,000	3.40% – 5.00%	2012	545,000	—	545,000	—	—
Series 2009	105,605,000	2.00% – 5.00%	2034	96,246,844	—	3,568,141	92,678,703	4,549,405
Series 2010A	24,870,000	5.92% – 6.69%	2032	24,870,000	—	—	24,870,000	—
Series 2010B	20,000,000	6.84%	2035	20,000,000	—	—	20,000,000	—
Series 2010C	5,130,000	2.50% – 5.00%	2020	4,891,749	—	474,083	4,417,666	489,083
Series 2012A	51,860,000	4.0% – 5.0%	2041	—	51,860,000	—	51,860,000	—
Series 2012B	54,679,238	4.06% – 4.82%	2038	—	54,679,238	7,367	54,671,871	44,202
Total bonded debt				<u>170,223,593</u>	<u>106,539,238</u>	<u>4,594,591</u>	<u>272,168,240</u>	<u>5,082,690</u>
Capital leases:								
Various equipment				<u>5,395,773</u>	<u>—</u>	<u>4,205,545</u>	<u>1,190,228</u>	<u>1,190,228</u>
Other long-term liabilities and notes payable:								
Accrued leave liabilities				44,627,033	4,325,844	2,674,071	46,278,806	2,637,760
Other				<u>39,464,826</u>	<u>10,913,577</u>	<u>12,325,597</u>	<u>38,052,806</u>	<u>5,137,000</u>
Total other long-term liabilities				<u>84,091,859</u>	<u>15,239,421</u>	<u>14,999,668</u>	<u>84,331,612</u>	<u>7,774,760</u>
Total				<u>\$ 259,711,225</u>	<u>121,778,659</u>	<u>23,799,804</u>	357,690,080	<u>14,047,678</u>
Due within one year							(14,047,678)	
Total long-term liabilities							<u>\$ 343,642,402</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2012				
				Beginning balance	Additions	Deletions	Ending balance	Due within one year
IHL Board Office:								
Other long-term liabilities:								
Accrued leave liabilities				\$ 778,380	17,069	—	795,449	44,894
Other				<u>33,228,000</u>	<u>11,450,000</u>	<u>6,062,000</u>	<u>38,616,000</u>	<u>17,312,907</u>
Total				<u>\$ 34,006,380</u>	<u>11,467,069</u>	<u>6,062,000</u>	<u>39,411,449</u>	<u>17,357,801</u>
Due within one year							<u>17,357,801</u>	
Total long-term liabilities							<u>\$ 22,053,648</u>	
MCVS:								
Other long-term liabilities and notes payable:								
Accrued leave liabilities				\$ 76,728	7,732	8,700	75,760	7,732
Total				<u>\$ 76,728</u>	<u>7,732</u>	<u>8,700</u>	<u>75,760</u>	<u>7,732</u>
Due within one year							<u>(7,732)</u>	
Total long-term liabilities							<u>\$ 68,028</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

<u>Description and purpose</u>	<u>Original issue</u>	<u>Annual interest rate</u>	<u>Maturity (fiscal year)</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
State of Mississippi Institutions of Higher Learning – Combined:								
Total bonded debt				\$ 733,882,296	191,293,219	34,702,298	890,473,217	22,963,032
Total capital leases				24,397,978	1,777,530	5,427,695	20,747,813	2,000,594
Other long-term liabilities and notes payable:								
Accrued leave liabilities				103,126,889	8,811,331	4,225,251	107,712,969	9,399,954
Deposits refundable				1,288,355	57,088	132,069	1,213,374	—
Notes payable				20,567,308	—	753,319	19,813,989	833,353
Other				129,007,058	18,311,869	15,082,465	132,236,462	22,449,907
Total other long-term liabilities				<u>253,989,610</u>	<u>27,180,288</u>	<u>20,193,104</u>	<u>260,976,794</u>	<u>32,683,214</u>
Total long-term liabilities				<u>\$ 1,012,269,884</u>	<u>220,251,037</u>	<u>60,323,097</u>	<u>1,172,197,824</u>	<u>57,646,840</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The annual debt service requirements for the outstanding debt as of June 30, 2013 for each of the respective universities within the IHL system are as follows:

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
Alcorn State University:					
2014	\$ 405,000	—	—	2,287,513	2,692,513
2015	400,000	—	—	2,271,438	2,671,438
2016	500,000	—	—	2,248,938	2,748,938
2017	640,000	—	—	2,223,638	2,863,638
2018	815,000	—	—	2,192,838	3,007,838
2019 – 2023	5,575,000	—	—	10,367,972	15,942,972
2024 – 2028	8,350,000	—	—	8,898,019	17,248,019
2029 – 2033	11,115,000	—	—	6,675,697	17,790,697
2034 – 2038	14,390,000	—	—	3,574,091	17,964,091
2039 – 2043	4,065,000	—	—	347,614	4,412,614
Totals	\$ 46,255,000	—	—	41,087,758	87,342,758

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
Delta State University:					
2014	\$ 485,000	609,342	—	899,845	1,994,187
2015	500,000	630,087	—	856,068	1,986,155
2016	520,000	651,314	—	823,267	1,994,581
2017	535,000	673,045	—	781,898	1,989,943
2018	555,000	705,304	—	766,785	2,027,089
2019 – 2023	1,425,000	2,360,000	—	3,177,375	6,962,375
2024 – 2028	—	2,910,000	—	2,485,852	5,395,852
2029 – 2033	—	3,645,000	—	1,755,428	5,400,428
2034 – 2038	—	4,605,000	—	793,380	5,398,380
2039 – 2043	—	1,060,000	—	21,526	1,081,526
Totals	\$ 4,020,000	17,849,092	—	12,361,424	34,230,516

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
Jackson State University:					
2014	\$ 2,910,075	—	89,514	4,330,801	7,330,390
2015	2,979,493	—	92,220	4,208,221	7,279,934
2016	2,708,437	—	95,007	4,075,520	6,878,964
2017	2,914,284	—	97,879	3,983,863	6,996,026
2018	3,071,317	—	100,837	3,847,428	7,019,582
2019 – 2023	17,595,737	—	321,170	16,929,314	34,846,221
2024 – 2028	21,086,506	—	—	12,347,558	33,434,064
2029 – 2033	30,747,928	—	—	6,461,491	37,209,419
Thereafter	6,830,092	—	—	340,839	7,170,931
Totals	\$ 90,843,869	—	796,627	56,525,035	148,165,531

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
Mississippi State University:					
2014	\$ 8,125,000	—	—	8,546,359	16,671,359
2015	8,360,000	—	—	8,218,669	16,578,669
2016	8,560,000	—	—	7,843,084	16,403,084
2017	8,955,000	—	—	7,443,696	16,398,696
2018	7,380,000	—	—	7,075,584	14,455,584
2019 – 2023	42,150,000	—	—	30,206,896	72,356,896
2024 – 2028	38,630,000	—	—	20,540,226	59,170,226
2029 – 2033	27,485,000	—	—	12,782,555	40,267,555
2034 – 2038	25,560,000	—	—	6,080,741	31,640,741
2039 – 2042	12,355,000	—	—	1,127,506	13,482,506
Totals	\$ <u>187,560,000</u>	<u>—</u>	<u>—</u>	<u>109,865,316</u>	<u>297,425,316</u>

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
Mississippi Valley State University:					
2014	\$ 265,000	—	—	781,225	1,046,225
2015	290,000	—	—	770,625	1,060,625
2016	335,000	—	—	759,025	1,094,025
2017	375,000	—	—	745,625	1,120,625
2018	415,000	—	—	730,625	1,145,625
2019 – 2023	2,595,000	—	—	3,367,125	5,962,125
2024 – 2028	3,170,000	—	—	2,809,619	5,979,619
2029 – 2033	4,955,000	—	—	1,981,300	6,936,300
2034 – 2037	5,675,000	—	—	662,850	6,337,850
Totals	\$ <u>18,075,000</u>	<u>—</u>	<u>—</u>	<u>12,608,019</u>	<u>30,683,019</u>

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
University of Mississippi					
2014	\$ 6,964,449	—	96,604	5,704,099	12,765,152
2015	7,160,000	—	99,984	5,446,800	12,706,784
2016	7,520,000	—	—	5,168,550	12,688,550
2017	7,875,000	—	—	4,866,831	12,741,831
2018	7,937,796	—	—	4,540,118	12,477,914
2019 – 2023	37,302,245	—	—	17,878,928	55,181,173
2024 – 2028	34,722,245	—	—	10,454,191	45,176,436
2029 – 2033	24,483,164	—	—	3,349,084	27,832,248
2034 – 2037	3,825,000	—	—	138,206	3,963,206
Totals	\$ <u>137,789,899</u>	<u>—</u>	<u>196,588</u>	<u>57,546,807</u>	<u>195,533,294</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
University of Southern Mississippi					
2014	\$ 3,729,584	171,513	674,190	8,109,197	12,684,484
2015	3,150,462	171,828	759,203	8,511,336	12,592,829
2016	4,380,693	158,517	849,008	8,366,297	13,754,515
2017	4,350,693	158,516	957,691	8,182,871	13,649,771
2018	4,019,294	158,516	511,730	7,986,625	12,676,165
2019 – 2023	24,888,649	92,468	1,935,000	36,460,158	63,376,275
2024 – 2028	30,214,157	—	2,415,000	30,182,919	62,812,076
2029 – 2033	41,975,774	—	3,105,000	21,325,707	66,406,481
2034 – 2038	34,139,619	—	4,005,000	9,881,697	48,026,316
2039 – 2042	20,100,337	—	1,910,000	3,176,919	25,187,256
Totals	\$ 170,949,262	911,358	17,121,822	142,183,726	331,166,168
<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
University of Mississippi					
Medical Center					
2014	\$ 5,187,690	—	—	13,257,913	18,445,603
2015	5,260,226	—	—	13,059,513	18,319,739
2016	5,465,226	—	—	12,858,463	18,323,689
2017	5,690,226	—	—	12,639,163	18,329,389
2018	5,975,226	—	—	12,352,975	18,328,201
2019 – 2023	34,290,585	—	—	57,125,436	91,416,021
2024 – 2028	40,247,056	—	—	47,781,298	88,028,354
2029 – 2033	51,092,128	—	—	35,973,960	87,066,088
2034 – 2038	65,772,117	—	—	21,195,415	86,967,532
2039 – 2042	48,105,069	—	—	4,349,690	52,454,759
Totals	\$ 267,085,549	—	—	230,593,826	497,679,375
<u>University – fiscal year</u>	<u>Bonded debt</u>	<u>Capital leases</u>	<u>Notes payable</u>	<u>Interest</u>	<u>Total</u>
State of Mississippi – Institutions of Higher Learning:					
2014	\$ 28,071,798	780,855	860,308	43,916,952	73,629,913
2015	28,100,181	801,915	951,407	43,342,670	73,196,173
2016	29,989,356	809,831	944,015	42,143,144	73,886,346
2017	31,335,203	831,561	1,055,570	40,867,585	74,089,919
2018	30,168,633	863,820	612,567	39,492,978	71,137,998
2019 – 2023	165,822,216	2,452,468	2,256,170	175,513,204	346,044,058
2024 – 2028	176,419,964	2,910,000	2,415,000	135,499,682	317,244,646
2029 – 2033	191,853,994	3,645,000	3,105,000	90,305,222	288,909,216
2034 – 2038	156,191,828	4,605,000	4,005,000	42,667,219	207,469,047
2039 – 2043	84,625,406	1,060,000	1,910,000	9,023,255	96,618,661
Totals	\$ 922,578,579	18,760,450	18,115,037	662,771,911	1,622,225,977

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(a) *Mississippi State University*

On July 28, 2011, the University issued \$54,370,000 in Educational Building Corporation revenue and refunding bonds, Series 2011 with interest rates ranging from 2.00% to 5.00%. The University utilized a portion of these proceeds to defease \$8,940,000 of the outstanding EBC-Revenue Bonds, Series 2001. The balance of the proceeds (\$45,990,000) funded the construction of two new student housing facilities. As a result of the refunding, the University reduced its debt service requirement by \$1,352,050 over the next 15 years and obtained an economic gain of \$954,015. The bonds are scheduled to be retired in full in August of 2041.

In February 2012, the IHL System authorized the Educational Building Corporation to establish an extendible commercial paper program that allows the institution to issue up to a maximum aggregate principal amount of \$50 million in the form of commercial paper. The commercial paper program was utilized in fiscal year 2013 as an interim financing vehicle for the renovation of Davis Wade Stadium. The commercial paper was classified as a noncurrent liability in the accompanying 2013 financial statements as the University had the intent and ability to convert the commercial paper into a long-term financing vehicle subsequent to year end.

On October 11, 2013, the University issued bonds totaling \$60,470,000 (Series 2013) for the purpose of refunding the outstanding commercial paper and provide additional funding for the Davis Wade Stadium project. The bonds bear interest at rates ranging from 3.00% to 5.25%. Payments are scheduled to begin in August 2014 and the bonds are scheduled to be retired in full in August of 2043.

(b) *University of Mississippi*

On October 26, 2011, the University issued \$27,995,000 in Educational Building Corporation bonds (Series 2011) for student housing construction. Semi-annual interest rates range from 2.0% to 5.0%. The bonds are scheduled to be retired in full in October of 2031.

(c) *University of Southern Mississippi*

On June 4, 2013, the University issued \$51,875,000 in S.M. Educational Building Corporation bonds (Series 2013) with interest rates ranging from 2.00% to 5.00% at a premium of \$5,469,262. The bonds are payable semi-annually with a final maturity in March 2043. The majority of the proceeds (\$50,715,000) will be used for the construction, furnishing and equipping of a 954-bed student residential complex on the main campus of Hattiesburg known as Century Park South, which includes a new student health clinic, administrative offices and a large multi-purpose space, and demolishing of abandoned facilities. The balance of the proceeds (\$1,160,000) were utilized to refund all of the outstanding SMEBC Revenue Bonds, Series 1997A (Payne Center Project) originally issued in December 1997.

(d) *University of Mississippi Medical Center*

On April 11, 2012, the Medical Center issued \$51,860,000 and \$53,390,000 of Series 2012A revenue bonds and 2012B taxable revenue bonds, respectively. The purpose of these revenue bonds is to finance capital expenditures related to the expansion, renovation, furnishing and equipping of existing and new health care, education, and research facilities for the Medical Center.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(10) Natural Classifications with Functional Classifications

The IHL System's operating expenses by functional classification were as follows for the years ended June 30, 2013 and 2012:

Functional classification	2013									
	Salaries and wages	Fringe benefits	Travel	Contractual services	Utilities	Scholarships and fellowships	Commodities	Depreciation expense	Other	Total
Instruction	\$ 424,173,958	125,804,419	10,865,120	37,998,973	193,439	5,848,623	16,539,887	—	449,858	621,874,277
Research	143,138,960	45,342,098	8,870,827	59,276,057	2,723,871	1,630,359	21,178,174	—	544,986	282,705,332
Public service	78,135,459	24,313,841	6,262,034	31,193,413	806,366	151,694	7,284,732	—	18,555	148,166,094
Academic support	77,195,399	22,238,815	3,001,439	28,995,751	524,935	151,341	14,456,560	—	446,334	147,010,574
Student services	40,113,241	12,311,992	4,187,824	9,788,472	134,882	882,585	5,782,086	—	246,227	73,447,309
Institutional support	121,914,003	33,131,082	2,731,507	89,491,449	382,055	424,450	17,726,700	—	2,343,451	268,144,697
Operation of plant	49,322,842	16,555,818	24,889	43,436,195	43,159,393	172	8,779,532	8,887,245	(292,234)	169,873,852
Student aid	4,615,447	3,197,610	25,911	428,189	—	155,822,518	243,252	—	—	164,332,927
Auxiliary enterprises	62,025,331	17,158,390	11,785,142	76,842,948	11,733,029	16,137,256	18,992,817	4,145	(3,853)	214,675,205
Depreciation	—	135,744	—	—	—	—	—	129,534,492	—	129,670,236
Hospital	371,230,232	95,578,600	1,329,713	79,534,800	233,820	—	170,917,883	—	—	718,825,048
Loan fund expense	—	—	—	20,348	—	—	—	—	299,042	319,390
Other	—	—	—	—	—	—	—	—	493,227	493,227
	<u>1,371,864,872</u>	<u>395,768,409</u>	<u>49,084,406</u>	<u>457,006,595</u>	<u>59,891,790</u>	<u>181,048,998</u>	<u>281,901,623</u>	<u>138,425,882</u>	<u>4,545,593</u>	<u>2,939,538,168</u>
Elimination entities				(49,529,148)		(19,088,346)				(68,617,494)
Total operating expenses	<u>\$ 1,371,864,872</u>	<u>395,768,409</u>	<u>49,084,406</u>	<u>407,477,447</u>	<u>59,891,790</u>	<u>161,960,652</u>	<u>281,901,623</u>	<u>138,425,882</u>	<u>4,545,593</u>	<u>2,870,920,674</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Functional classification	2012									
	Salaries and wages	Fringe benefits	Travel	Contractual services	Utilities	Scholarships and fellowships	Commodities	Depreciation expense	Other	Total
Instruction	\$ 411,525,329	116,055,330	11,315,768	33,022,087	164,567	4,716,432	16,911,689	—	80,894	593,792,096
Research	152,251,620	45,226,270	9,681,791	76,070,242	2,734,641	2,677,598	25,560,055	—	825,749	315,027,966
Public service	76,268,719	22,663,291	6,306,229	34,918,952	792,607	160,419	9,868,673	—	60,232	151,039,122
Academic support	74,539,614	20,321,467	3,237,700	28,394,155	495,776	134,221	15,102,735	—	153,506	142,379,174
Student services	38,640,563	11,285,520	3,743,272	10,478,569	132,115	782,802	5,719,677	—	48,521	70,831,039
Institutional support	118,125,545	30,094,934	2,626,902	90,576,780	140,516	813,300	28,824,038	—	7,363,890	278,565,905
Operation of plant	45,548,864	14,625,565	65,872	34,897,441	36,548,770	—	9,304,387	9,228,000	2,218,511	152,437,410
Student aid	4,212,412	3,188,902	16,843	538,210	—	170,618,261	4,489,260	—	—	183,063,888
Auxiliary enterprises	59,711,659	15,651,322	10,890,671	64,203,781	11,489,740	14,748,488	13,691,735	5,751	93,259	190,486,406
Depreciation	—	—	—	—	—	—	—	122,157,044	—	122,157,044
Hospital	301,178,410	79,030,920	149,105	126,855,939	7,333,645	—	162,248,286	—	—	676,796,305
Loan fund expense	—	—	—	23,444	—	—	—	—	1,104,290	1,127,734
Other	—	382,972	—	—	—	—	—	—	—	382,972
	<u>1,282,002,735</u>	<u>358,526,493</u>	<u>48,034,153</u>	<u>499,979,600</u>	<u>59,832,377</u>	<u>194,651,521</u>	<u>291,720,535</u>	<u>131,390,795</u>	<u>11,948,852</u>	<u>2,878,087,061</u>
Elimination entities	—	—	—	(50,863,944)	—	(17,383,640)	—	—	—	(68,247,584)
Total operating expenses	\$ <u>1,282,002,735</u>	<u>358,526,493</u>	<u>48,034,153</u>	<u>449,115,656</u>	<u>59,832,377</u>	<u>177,267,881</u>	<u>291,720,535</u>	<u>131,390,795</u>	<u>11,948,852</u>	<u>2,809,839,477</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(11) Operating Leases

Leased property under operating leases is composed of office rent, land, computer software and equipment. The following is a schedule by year of the future minimum rental payments required under noncancelable operating leases for the next five years:

	<u>Amount</u>
Year ending June 30, 2013:	
2014	\$ 17,924,965
2015	14,084,393
2016	13,141,940
2017	11,325,232
2018	11,086,592
2019 – 2023	38,521,759
2024 – 2028	35,279,694
2029 – 2033	<u>21,167,816</u>
Total minimum payments required	<u>\$ 162,532,391</u>

The total rental expense for all operating leases, except those with terms of a month or less that were not renewed, for the years ending June 30, 2013 and 2012 approximated \$22,447,267 and \$23,349,733, respectively.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(12) Construction Commitments and Financing

The IHL System has contracted for various construction projects as of June 30, 2013 and 2012. Estimated costs to complete the various projects and the sources of anticipated funding are presented below:

	2013				
	Total costs to complete	Funded by			
		Federal sources	State sources	Institutional sources	Other
Alcorn State University	\$ 1,734,497	1,556,253	178,244	—	—
Delta State University	12,798,731	—	12,293,801	504,930	—
Jackson State University	18,811,390	—	18,811,390	—	—
Mississippi State University	327,778,824	11,144,963	103,448,698	211,917,770	1,267,393
Mississippi University Women	2,493,147	—	2,493,147	—	—
Mississippi Valley State University	43,976,376	—	36,476,376	4,500,000	3,000,000
University of Mississippi	130,022,000	21,234,000	11,242,000	95,131,000	2,415,000
University of Southern Mississippi	80,989,229	460,696	27,351,325	53,177,208	—
University of Mississippi Medical Center	90,435,232	19,295,852	7,938,305	11,060,433	52,140,642
Totals	\$ <u>709,039,426</u>	<u>53,691,764</u>	<u>220,233,286</u>	<u>376,291,341</u>	<u>58,823,035</u>

	2012				
	Total costs to complete	Funded by			
		Federal sources	State sources	Institutional sources	Other
Alcorn State University	\$ 1,902,220	1,771,327	130,893	—	—
Delta State University	2,125,053	—	2,125,053	—	—
Jackson State University	13,691,080	—	13,691,080	—	—
Mississippi State University	180,927,566	12,144,963	91,003,115	76,469,488	1,310,000
Mississippi University Women	9,700,562	—	9,700,562	—	—
Mississippi Valley State University	15,400,000	—	15,400,000	—	—
University of Mississippi	158,934,000	29,152,000	27,354,000	102,186,000	242,000
University of Southern Mississippi	14,380,877	10,065,997	—	4,314,880	—
University of Mississippi Medical Center	83,530,147	19,573,428	11,121,802	8,143,982	44,690,935
Totals	\$ <u>480,591,505</u>	<u>72,707,715</u>	<u>170,526,505</u>	<u>191,114,350</u>	<u>46,242,935</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(13) Donor Restricted Endowments

The net appreciation on investments of donor restricted endowments that is available for authorization for expenditure approximated \$52,477,000 and \$37,611,000 as of June 30, 2013 and 2012, respectively. These amounts are included in the accompanying statement of net position in “net position – expendable for other purposes”, and “net position – expendable for scholarships and fellowships”.

Most endowments operate on the total-return concept as permitted by the Uniform Management of Institutional Funds Act (Sections 79-11-601 through 79-11-617, MS Code, Ann. 1972) as enacted in 1998. The annual spending rate for these endowments is 5% of the three-year moving average market value.

(14) Pension Plan

(a) *Plan Description*

The IHL System participates in either the Public Employees’ Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan or the Optional Retirement Plan (ORP), a multiple-employer defined contribution plan established in 1990. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees’ Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

(b) *Vesting Period*

In 2007, the Mississippi Legislature amended the PERS Plan to change the vesting period from four to eight years for members who entered the IHL System after July 1, 2007. A member who entered the IHL System prior to July 1, 2007 is still subject to the four year vesting period provided that the member does not subsequently refund their account balance.

(c) *Funding Policy*

PERS members are required to contribute 9% of their annual salary and the institution is required to contribute at an actuarially determined rate. The actuarially determined rate was 12% of annual covered payroll at June 30, 2013 and 2012. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The IHL System’s contributions to PERS for the years ending June 30, 2013, 2012, and 2011, were \$128,374,647, \$113,338,752, and \$104,773,765, respectively. Such contributions equaled the required contributions for each respective year.

The membership of the ORP is composed of teachers and administrators of the IHL System appointed or employed on or after July 1, 1990, who elect to participate in ORP and reject membership in PERS. The IHL System’s contributions to ORP for the years ending June 30, 2013, 2012, and 2011, were \$44,102,280, \$36,217,793, and \$32,785,226, respectively, which equaled its required contributions for each respective year.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(15) Self-Insured Worker’s Compensation Fund

The IHL System participates in the State Institutions of Higher Learning Self-Insured Workers’ Compensation Fund (the WC Fund). The WC Fund provides a mechanism for the institutions to fund and budget for the costs of providing worker compensation benefits to eligible employees. The WC Fund does not pay benefits directly to employees. Funds are set aside in trust, and a third-party administrator is utilized to distribute the benefits to eligible employees. Total assets and liabilities related to this activity approximated \$22,620,872 and \$22,620,872, at June 30, 2013, respectively, and approximated \$21,579,897 and \$21,579,897, at June 30, 2012, respectively, and are included in the statement of net position.

A professionally licensed actuarial firm was contracted to establish a liability for both reported and unreported insured events, which includes estimates of future payments of losses. The difference between the assets and liabilities of the fund is not expected to impact the WC Fund’s ability to pay claims.

In order to minimize the amount of risk and in accordance with self-insurance general practices, the WC Fund purchases excess loss insurance to cover risks exceeding \$1,000,000 per occurrence. Excess loss insurance premiums for the years ended June 30, 2013 and 2012 were approximately \$364,000 and \$343,000, respectively. Excess loss insurance does not discharge the WC Fund from its primary liability to cover the IHL System’s claims. Consequently, failure of the insurer to honor its obligation could result in losses to the WC Fund.

The following represents changes in the unpaid claims liabilities for the IHL System’s portion of the WC Fund for the years ended June 30, 2013, 2012, and 2011:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Accrued claims at beginning of year	\$ 21,428,000	19,082,000	17,375,000
Incurred claims:			
Provision for insured events of the current year	6,977,000	7,925,000	7,904,000
Decrease in provision for insured events of prior years	<u>103,044</u>	<u>(990,000)</u>	<u>(464,000)</u>
Total incurred claims and claims adjustment expenses	<u>7,080,044</u>	<u>6,935,000</u>	<u>7,440,000</u>
Claim payments:			
Claims attributable to insured events of the current year	1,126,000	1,537,000	1,562,000
Claims attributable to insured events of prior years	<u>4,885,044</u>	<u>3,052,000</u>	<u>4,171,000</u>
Total payments	<u>6,011,044</u>	<u>4,589,000</u>	<u>5,733,000</u>
Total accrued claims at end of year	\$ <u><u>22,497,000</u></u>	<u><u>21,428,000</u></u>	<u><u>19,082,000</u></u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Total accrued claims, included in other liabilities, are presented at their present value using a discount rate of 3.0%. The discount approximated \$2,880,000 and \$2,596,000 as of June 30, 2013 and 2012, respectively.

(16) Unemployment Trust Fund

The IHL System participates in a self-funded Unemployment Trust Fund (the Unemployment Fund). The Unemployment Fund provides a mechanism for the IHL System to fund and budget for the costs of providing unemployment benefits to eligible former employees. The Unemployment Fund does not pay benefits directly to former employees. Rather, it reimburses the Mississippi Department of Employment Security for benefits it pays directly to former IHL System employees. The assets and liabilities, included in other liabilities, related to this activity equaled \$2,050,453 and \$3,157,903 at June 30, 2013, respectively and approximated \$2,225,915 and \$2,938,686 at June 30, 2012, and approximately \$1,965,597 and \$2,656,113 at June 30, 2011, respectively, and are included in the statement of net position.

A professionally licensed actuarial firm was contracted to perform an actuarial analysis of the Unemployment Fund as of June 30, 2013 and 2012. The actuarial firm recommended a minimum funding level of \$3.158 million as of June 30, 2013. They concluded that the actual assets of the Unemployment Fund, which equaled \$2,050,453 at June 30, 2013, were lower than the recommended minimum. This fact will be considered by the IHL when determining future funding rates.

(17) Tort Liability Fund and Other Contingencies

The IHL System participates in the State Institutions of Higher Learning Tort Liability Fund (the IHL Tort Fund). In accordance with Section 11-46-1, et seq., Mississippi Code Annotated (1972), the Mississippi Tort Claims Board has authorized the Board of Trustees of State Institutions of Higher Learning (IHL Board) to establish a fund in order to self-insure a certain portion of its liability under the Mississippi Tort Claims Act and professional liability claims. The IHL Board established the IHL Tort Fund to provide self-insurance.

Effective July 1, 1993, Mississippi statute permitted tort claims to be filed against public institutions. A maximum limit of liability of \$500,000 per occurrence is currently permissible

A professionally licensed actuarial firm was contracted to perform an actuarial analysis of the IHL Tort Fund as of June 30, 2013 and 2012. Total assets and liabilities related to this activity approximated \$14,165,384 and \$12,307,784 at June 30, 2013, respectively, and approximated \$14,175,979 and \$14,748,142 at June 30, 2012, respectively, and are included in the statement of net position.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following represents changes in the unpaid claims liabilities for the IHL System's portion of the IHL Tort Fund during the period ended June 30, 2013, 2012, and 2011:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Accrued claims at beginning of year	\$ 14,688,000	11,746,000	11,566,000
Incurred claims:			
Provision for insured events of the current year	3,203,000	3,113,000	2,856,000
Increase (decrease) in provision for insured events of prior years	<u>(3,426,118)</u>	<u>1,302,000</u>	<u>(1,027,000)</u>
Total incurred claims and claims adjustment expense	<u>(223,118)</u>	<u>4,415,000</u>	<u>1,829,000</u>
Claims paid:			
Claims attributable to insured events of the current year	78,000	98,000	63,000
Claims attributable to insured events of prior years	<u>2,125,882</u>	<u>1,375,000</u>	<u>1,586,000</u>
Total payments	<u>2,203,882</u>	<u>1,473,000</u>	<u>1,649,000</u>
Total accrued claims at end of year	\$ <u><u>12,261,000</u></u>	<u><u>14,688,000</u></u>	<u><u>11,746,000</u></u>

Total accrued claims, included in other liabilities, are presented at their present value using a discount rate of 3.0%. The discount approximated \$1,523,000 and \$1,797,000 as of June 30, 2013 and 2012, respectively.

In addition to claims covered by the IHL Tort Fund and the UMMC Tort Fund (described more fully below), the IHL System is defendant in various other legal matters occurring in the normal course of business activities. Management, with the advice of legal counsel, is of the opinion that the ultimate resolution of these matters will not have a material adverse impact on the IHL System's financial statements.

(18) University of Mississippi Medical Center Tort Claims Fund

The University of Mississippi Medical Center participates in the University of Mississippi Medical Center Tort Claims Fund (UMMC Tort Claims Fund). In accordance with Section 11-46-1, et seq., Mississippi Code Annotated (1972), the Mississippi Tort Claims Board has authorized the Board of Trustees of the IHL System to establish a fund to self-insure a certain portion of its liability under the Mississippi Tort Claims Act.

Effective July 1, 1993, Mississippi statute permitted tort claims to be filed against public institutions. A maximum limit of liability of \$500,000 per occurrence is currently permissible.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The Board of Trustees of Higher Learning has established a Medical Center Tort Claims fund to pay claims up to the maximum liability limits described above. Losses from professional and tort liability claims of the Medical Center are the responsibility of the Medical Center Tort Claims Fund.

Total assets and liabilities related to this activity approximated \$38,961,872 and \$33,295,500 at June 30, 2013 and approximately \$41,914,057 and \$34,352,520 at June 30, 2012, respectively, and are included in the Statement of Net Position.

A professionally licensed actuarial firm was contracted to perform an actuarial analysis to establish a liability for both reported, and unreported insured events, which includes estimates of future payments of losses.

The following represents changes in the unpaid claims liabilities for the IHL System's portion of the UMMC Tort Claims Fund for the years ended June 30, 2013, 2012, and 2011:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Accrued claims at beginning of year	\$ 32,725,000	32,846,000	30,119,000
Incurred claims:			
Provision for insured events of the current year	7,387,781	7,424,000	7,928,000
Decrease in provision for insured events of prior years	<u>(1,230,000)</u>	<u>(2,286,000)</u>	<u>(690,000)</u>
Total incurred claims	<u>6,157,781</u>	<u>5,138,000</u>	<u>7,238,000</u>
Payments:			
Claims attributable to insured events of the current year	443,612	520,347	579,000
Claims attributable to insured events of prior years	<u>5,974,388</u>	<u>4,738,653</u>	<u>3,932,000</u>
Total payments	<u>6,418,000</u>	<u>5,259,000</u>	<u>4,511,000</u>
Total accrued claims at end of year	\$ <u><u>32,464,781</u></u>	<u><u>32,725,000</u></u>	<u><u>32,846,000</u></u>

At June 30, 2013, unpaid claims, included in other liabilities, of \$36,139,000 are presented at their net present value of \$32,464,000.

(19) Significant Disclosures for the Discretely Presented Component Unit of the IHL System – Mississippi State University Foundation, Inc.

(a) Significant Accounting Policies

(i) Organization

Mississippi State University Foundation, Inc. (MSUF) is a not-for-profit entity established to solicit and manage funds for the benefit of Mississippi State University. MSUF also manages funds for affiliates of MSU, including MSU Alumni Association, MSU Alumni Foundation, MSU Bulldog Club, Inc. and MSU Bulldog Foundation.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(ii) Basis of Accounting

The MSUF financial statements include MSUF and the Mississippi State Investment Pool in which MSUF has a significant financial interest and control. These financial statements, which are presented on the accrual basis of accounting and follow Financial Accounting Standards Board (FASB) statements, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net position and transactions into three classes – permanently restricted, temporarily restricted or unrestricted as follows:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by MSUF. Generally, the donor of these assets permits MSUF to use all or part of the income earned on related investments for general or specific purposes in support of MSU.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met by actions of MSUF and/or the passage of time.

Unrestricted net assets – net assets which represent resources generated from operations or that are not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenditures are reported as decreases in unrestricted net position. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net position unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributed goods and services are recorded as revenues and expenses in the statement of activities at estimated fair value.

(iii) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

An estimate that is particularly susceptible to significant change in the near term relates to the allowance for uncollectible pledges.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

MSUF's investments are invested in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in MSUF's financial statements.

(iv) Fair Value Measurements

The carrying amounts reported in the statement of financial position for cash, other receivables, and accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments. The carrying amount of pledges receivable approximates fair value as they are presented on a discounted basis. The fair value of the notes receivable and note payable has been estimated using current interest rates and approximate the carrying amounts at June 30, 2013. Investments and amounts due from externally managed trusts are reflected in the accompanying financial statements at fair value. The fair value of annuity obligations approximates carrying value at June 30, 2013 due to discount rates and actuarial assumptions used in the calculation of MSUF's liability.

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that MSUF has the ability to access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Shares or units in investment funds as opposed to direct interests in the funds' underlying holdings, which may be marketable, are classified as Level 2 or Level 3. Because the net asset value reported by each fund is used as a practical expedient to estimate the fair value of MSUF's interest therein, its classification in Level 2 is based on MSUF's ability to redeem its interest at or near the date of the statement of financial position. If the interest can be redeemed in the near term, the investment is classified in Level 2, otherwise the investment is classified in Level 3. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(v) **Investments**

Overall Investment Objective

The overall investment objective of MSUF is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund donor-designated directives and maintain each fund's inflation-adjusted impact. MSUF diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by MSUF's Investment Committee, which oversees its investment program in accordance with an established investment policy.

Mississippi State Investment Pool

MSUF, MSU, the MSU Alumni Foundation, and the MSU Bulldog Club, Inc. are participants in a joint venture, the Mississippi State Investment Pool (MSIP), whereby certain assets are pooled for investment purposes. MSUF is the investment pool's managing member, manages the assets of the pool, and maintains separate accounts for each participant. Investment income, gains and losses, and expenses of the MSIP are allocated to each participant based on their share of ownership of the MSIP. Due to MSUF's significant financial interest in and control of the MSIP, MSUF has consolidated the MSIP reflecting the noncontrolling interests of the other three participants in its financial statements. As of June 30, 2013 and 2012, MSUF's financial statements include \$45,953,315 and \$42,749,038, respectively, for their noncontrolling share within investments and unrestricted net position related to noncontrolling interests. MSUF recorded \$4,882,539 of gains and \$1,032,305 of losses associated with these investments in fiscal 2013 and 2012, respectively, which is reported in net investment income.

Allocation of Investment Strategies

In addition to traditional stocks and fixed income securities, MSUF may also hold shares or units in alternative investment vehicles involving hedged, private equity, and real asset strategies. Hedged strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedged strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges and other instruments, and are valued accordingly. Private equity funds employ buyout and venture capital strategies and focus on investments in turn-around situations. Real asset strategies include natural resources and contributed properties held for investment. Natural resources funds generally hold interests in timber management organizations and master limited partnerships. Private equity and real asset strategies therefore often require the estimation of fair values by the fund managers in the absence of readily determinable market values. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held. Moreover, the fair values of MSUF's interests in shares or units of these funds, because of liquidity and capital commitment terms that vary

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

depending on the specific fund or partnership agreement, may differ from the fair value of the funds' underlying net position. Cash held for reinvestment consists of liquid short-term investments held by the investment pool.

Basis of Reporting

Investments are reported at estimated fair value. If an investment is held directly by MSUF and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in mutual funds registered with the SEC are based on share prices reported by the funds as of the last business day of the fiscal year. MSUF's interests in alternative investment funds are generally reported at the net position value (NAV) reported by the fund managers, which is used a practical expedient to estimate the fair value of MSUF's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2013, MSUF had no plans or intentions to sell investments at amounts different from NAV. Properties held for investment are reported at estimated fair value based on periodic appraisals conducted by third-party appraisers.

(vi) Pledges

All unconditional promises to give are recorded at their estimated realizable value on a discounted basis.

Externally managed trusts consist of irrevocable charitable lead trusts, charitable remainder trusts, and perpetual trusts whereby MSUF is the beneficiary, not the trustee. MSUF records these trusts, after discovery of their existence, at the present value of the estimated future cash receipts from the assets of the trust.

(b) Investments

Investments are summarized as follows at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Fixed income securities	\$ 98,470,824	70,457,688
Equity securities	154,094,141	142,202,640
Hedged funds	58,189,671	66,049,643
Private equity and venture capital funds	6,588,665	5,082,762
Natural resources	21,114,668	18,537,182
Short-term investments	1,173,950	2,492,845
Contributed properties held for investment	25,533,510	11,726,801
Cash surrender value of life insurance	1,760,612	1,733,877
	<u>\$ 366,926,041</u>	<u>318,283,438</u>

Total investments include a portion of an investment vehicle controlled by MSUF (see note (a)(v)) that totaled \$45,953,315 and \$42,749,038 as of June 30, 2013 and 2012, respectively.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following schedule summarizes net investment income in the statements of activities for the year ended June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Dividends and interest (net of expenses of \$495,766 and \$697,465, respectively)	\$ 8,261,500	6,997,944
Net realized and unrealized gains	<u>25,893,174</u>	<u>(8,850,405)</u>
	<u>\$ 34,154,674</u>	<u>(1,852,461)</u>

(c) ***Pledges Receivable***

Pledges receivable, net, are summarized as follows at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Unconditional promises expected to be collected in:	\$ 9,418,443	8,723,075
Less than one year	10,098,539	11,048,818
One year to five years	<u>2,321,833</u>	<u>543,647</u>
Over five years	21,838,815	20,315,540
Less unamortized discount (rates ranging from 1% to 5%)	<u>(802,417)</u>	<u>(990,190)</u>
	21,036,398	19,325,350
	<u>(521,120)</u>	<u>(791,446)</u>
Less allowance for uncollectible pledges	<u>\$ 20,515,278</u>	<u>18,533,904</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(d) Net Assets

Temporarily restricted and permanently restricted net assets at June 30, 2013 and 2012 were available for the following purposes:

	2013		2012	
	Net assets Temporarily restricted	Permanently restricted	Net assets Temporarily restricted	Permanently restricted
Specified college programs	\$ 25,127,855	95,831,735	18,405,927	88,283,111
Student financial aid	24,610,548	116,876,438	15,958,459	107,605,266
Research	1,872,540	16,506,068	1,291,175	16,506,068
Faculty and staff support	5,400,078	47,914,506	3,660,535	44,637,780
Facilities	2,764,124	6,965,463	3,104,078	6,955,463
Other	3,295,428	2,678,215	3,521,092	2,503,055
Total	\$ 63,070,573	286,772,425	45,941,266	266,490,743

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(e) Fair Value Measurements

The following table summarizes MSUF's assets by major category in the fair value hierarchy as of June 30, 2013 and 2012:

	June 30, 2013			Redemption or Liquidation	Days' Notice	
	Level 1	Level 2	Level 3			Total
Fixed income:						
Fixed income securities	\$ 193,154	8,264,292	—	8,457,446	Daily	1
Fixed income - mutual funds	90,013,378	—	—	90,013,378	Daily	1
Total fixed income	90,206,532	8,264,292	—	98,470,824		
Equities:						
Domestic large cap/mid cap	369,800	53,654,091	—	54,023,891	Daily	1 – 3
Domestic small cap	49,757,457	—	—	49,757,457	Daily	3
Non-U.S. equity	48,713,822	1,598,971	—	50,312,793	Daily/monthly	1 – 15
Real-estate investment trusts	—	—	—	—	Daily	1
Total equities	98,841,079	55,253,062	—	154,094,141		
Hedged funds	—	—	58,189,671	58,189,671	(1)	(1)
Private equity and venture capital funds	—	—	6,588,665	6,588,665	Illiquid (2)	—
Natural resources	—	—	21,114,668	21,114,668	(3)	(3)
Short-term investments	1,173,950	—	—	1,173,950	Daily	1
Contributed properties held for investment	—	—	25,533,510	25,533,510	Illiquid (4)	—
Cash surrender value of life insurance	—	1,760,612	—	1,760,612	(5)	(5)
Total investments	\$ 190,221,561	65,277,966	111,426,514	366,926,041		
Present value of amounts due from externally managed trusts	\$ —	—	38,487,513	38,487,513		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

	June 30, 2012				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Fixed income:						
Fixed income securities	\$ 212,916	8,089,142	—	8,302,058	Daily	1
Fixed income – mutual funds	62,155,630	—	—	62,155,630	Daily	1
Total fixed income	62,368,546	8,089,142	—	70,457,688		
Equities:						
Domestic large cap/mid cap	422,075	54,654,428	—	55,076,503	Daily	1 – 3
Domestic small cap	33,379,308	—	—	33,379,308	Daily	3
Non-U.S. equity	35,180,842	12,642,226	—	47,823,068	Daily/monthly	1 – 15
Real-estate investment trusts	5,923,761	—	—	5,923,761	Daily	1
Total equities	74,905,986	67,296,654	—	142,202,640		
Hedged funds	—	—	66,049,643	66,049,643	(1)	(1)
Private equity and venture capital funds	—	—	5,082,762	5,082,762	Illiquid (2)	—
Natural resources	—	—	18,537,182	18,537,182	(3)	(3)
Short-term investments	2,492,845	—	—	2,492,845	Daily	1
Contributed properties held for investment	—	—	11,726,801	11,726,801	Illiquid (4)	—
Cash surrender value of life insurance	—	1,733,877	—	1,733,877	(5)	(5)
Total investments	\$ 139,767,377	77,119,673	101,396,388	318,283,438		
Present value of amounts due from externally managed trusts	\$ —	—	34,354,678	34,354,678		

- (1) Some of the hedge fund investments with redemption restrictions allow early redemption for specified fees. The terms and conditions upon which an investor may redeem an investment vary, usually with the majority requiring 15 to 180 days notice after the initial lock up period, which may be monthly, quarterly, or annually. At June 30, 2013 and 2012, MSUF had no alternative investment funds for which an otherwise redeemable investment was not redeemable.
- (2) These funds have ten-year terms or twelve-year terms, with extensions of one to four years, and are expected to liquidate prior to fund closing; future commitments to these funds approximate \$19,000,000 and \$10,600,000 at June 30, 2013 and 2012, respectively. Private equity and venture capital investments are generally made through limited partnerships. Under the terms of such agreements, the MSIP may be required to provide additional funding when capital or liquidity calls are made by fund managers. These partnerships have a limited existence, and they may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, or other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. MSUF cannot anticipate such changes because they generally arise from unforeseeable events, but should they occur they could reduce liquidity or originally anticipated investment returns. Accordingly, the timing and amount of future capital or liquidity calls in any particular future year are uncertain.
- (3) One partnership expected to terminate in May 2019, but is subject to two 2-year extensions. The master limited partnership allows for monthly redemptions with 30 days notice.
- (4) Bulldog Forest properties may be held in perpetuity or liquidated at the MSUF's discretion. Other properties are for immediate sale.
- (5) MSUF currently has no plans to surrender these policies prior to maturity, but cash would be realized in a minimal amount of time if the insurance policy is cancelled.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

At June 30, 2013 and 2012, MSUF had no outstanding unfunded commitments related to investments. In addition, all of MSUF's investments can be redeemed or liquidated on a daily basis except for real estate investments which require a much longer period to liquidate.

The following table presents MSUF's activities for the year ended June 30, 2013 and 2012 for investments classified in Level 3:

	2013				
	Hedged funds	Private equity and venture capital funds	Natural resources	Properties held for investment	Total
Beginning value as of July 1, 2012	\$ 66,049,643	5,082,762	18,537,182	11,726,801	101,396,388
Acquisitions	—	2,760,405	438,861	15,039,309	18,238,575
Dispositions	(10,154,601)	(2,003,065)	(321,710)	(519,797)	(12,999,173)
Net realized and unrealized gains (losses)	<u>2,294,629</u>	<u>748,563</u>	<u>2,460,335</u>	<u>(712,803)</u>	<u>4,790,724</u>
Fair value at June 30, 2013	<u>\$ 58,189,671</u>	<u>6,588,665</u>	<u>21,114,668</u>	<u>25,533,510</u>	<u>111,426,514</u>

	2012				
	Hedged funds	Private equity and venture capital funds	Natural resources	Properties held for investment	Total
Beginning value as of July 1, 2011	\$ 64,247,790	4,309,013	16,521,777	14,723,873	99,802,453
Acquisitions	2,000,000	1,633,187	11,600,256	185,604	15,419,047
Dispositions	(132,315)	(1,431,903)	(9,814,729)	(3,899,680)	(15,278,627)
Net realized and unrealized gains (losses)	<u>(65,832)</u>	<u>572,465</u>	<u>229,878</u>	<u>717,004</u>	<u>1,453,515</u>
Fair value at June 30, 2012	<u>\$ 66,049,643</u>	<u>5,082,762</u>	<u>18,537,182</u>	<u>11,726,801</u>	<u>101,396,388</u>

For the years ended June 30, 2013 and 2012, the changes in present value of amounts due from externally managed trusts classified as Level 3 are as follows:

	2013	2012
Balance, beginning of year	\$ 34,354,678	34,343,134
Contributions	1,385,223	250,000
Terminations	(250,000)	—
Change in valuation	<u>2,997,612</u>	<u>(238,456)</u>
Balance, end of year	<u>\$ 38,487,513</u>	<u>34,354,678</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(f) Endowment

MSUF's endowment consists of approximately 1000 individual donor-restricted endowment funds established for a variety of purposes. As required by U.S. generally accepted accounting principles, net position associated with endowment funds, including funds designated by the Board of Directors of MSUF (the MSUF Board) to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(i) Interpretations of Relevant Law

The MSUF Board has interpreted the State of Mississippi Code of 1972 §79-11-601 through §79-11-617 cited as the "Uniform Management of Institutional Funds Act" (UMIFA) as requiring the MSUF Board to use reasonable care, skill, and caution as exercised by a prudent investor, in considering the investment management and expenditures of endowment funds. In accordance with UMIFA, the MSUF Board may expend so much of an endowment fund's net appreciation as the MSUF Board determines to be prudent for the uses and purposes for which the endowment fund is established, consistent with the goal of conserving the long-term purchasing power of the endowment fund. The MSUF Board considered the following factors in making its determination:

- 1) The purpose of MSUF
- 2) The intent of the donor of the endowment fund
- 3) The terms of the applicable instrument
- 4) The long-term and short-term needs of MSUF and MSU in carrying out their purposes
- 5) General economic conditions
- 6) The possible effect of inflation or deflation
- 7) The other resources of MSUF and MSU

(ii) Perpetuation of the endowment

As a result of this interpretation, the MSUF Board classifies as permanently restricted net asset (a) the original value of gifts donated to a permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net asset is classified as temporarily restricted net asset until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UMIFA. However, by MSUF Board policy, any appreciation is considered an asset of each individual endowment fund and is not appropriated for general MSUF or MSU use.

(iii) Spending Policy

MSUF's spending policy is designed to provide for positive growth in the market value of its endowment, net of distributions, over an extended period of time. In establishing this policy,

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

the MSUF Board considered the long-term expected return of the endowment investment pool and the goal of maintaining the purchasing power of the endowment asset. Over the long-term, the current spending policy is designed to return a net positive gain in market value (growth) after spendable transfers.

The annual rate for spendable transfers, distributed semi-annually, is 4% of the investment pool's average unit value over the most recent 36-month period. In addition, each endowed fund is assessed an annual 1.5% administrative fee. This fee is a portion of the funding mechanism for the development and alumni programs of MSU.

(iv) Investment Policy

MSUF's investment objectives are to provide an annualized real (adjusted for inflation) rate of return of 5.50% or more in order to preserve, or increase, the purchasing power of endowment capital, while generating an income stream to support activities of the funds held for the colleges and units of MSU. This policy is designed to tolerate volatility in short and intermediate-term performance. The endowment assets are invested as a part of the investment pool.

To satisfy its long-term rate of return objectives, the pool embraces a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). MSUF, through the Mississippi State Investment Pool, targets a diversified asset allocation that includes global equities, fixed income, natural resources, and hedge strategies to achieve long-term objectives within prudent risk constraints.

Endowment net asset composition by type of fund as of June 30, 2013:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ (435,486)	29,425,866	235,005,290	263,995,670
Board-designated endowment funds	23,184,623	—	—	23,184,623
Total funds	<u>\$ 22,749,137</u>	<u>29,425,866</u>	<u>235,005,290</u>	<u>287,180,293</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Changes in endowment net assets for the fiscal year ended June 30, 2013:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 9,591,590	16,352,458	218,894,891	244,838,939
Investment return:				
Investment income	862,653	2,904,040	—	3,766,693
Net appreciation (realized and unrealized)	<u>2,660,777</u>	<u>21,466,534</u>	<u>(306,109)</u>	<u>23,821,202</u>
Total investment return	3,523,430	24,370,574	(306,109)	27,587,895
Contributions	10,500,000	—	16,404,011	26,904,011
Appropriation of endowment assets for expenditure	(1,189,753)	(11,297,166)	—	(12,486,919)
Other changes:				
Other transfers	323,870	—	—	323,870
Change in restrictions by donor	<u>—</u>	<u>—</u>	<u>12,497</u>	<u>12,497</u>
Endowment net assets, end of year	\$ <u><u>22,749,137</u></u>	<u><u>29,425,866</u></u>	<u><u>235,005,290</u></u>	<u><u>287,180,293</u></u>

Endowment net asset composition by type of fund as of June 30, 2012:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ (2,520,229)	16,352,458	218,894,891	232,727,120
Board-designated endowment funds	<u>12,111,819</u>	<u>—</u>	<u>—</u>	<u>12,111,819</u>
Total funds	\$ <u><u>9,591,590</u></u>	<u><u>16,352,458</u></u>	<u><u>218,894,891</u></u>	<u><u>244,838,939</u></u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Changes in endowment net assets for the fiscal year ended June 30, 2012:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 11,677,839	27,700,700	209,183,996	248,562,535
Investment return:				
Investment income	525,810	2,318,687	—	2,844,497
Net appreciation (realized and unrealized)	<u>(1,971,384)</u>	<u>(4,588,885)</u>	<u>790,874</u>	<u>(5,769,395)</u>
Total investment return	(1,445,574)	(2,270,198)	790,874	(2,924,898)
Contributions	—	—	8,722,461	8,722,461
Appropriation of endowment assets for expenditure	(766,484)	(9,078,044)	—	(9,844,528)
Other changes:				
Other transfers	125,809	—	—	125,809
Change in restrictions by donor	<u>—</u>	<u>—</u>	<u>197,560</u>	<u>197,560</u>
Endowment net assets, end of year	\$ <u><u>9,591,590</u></u>	<u><u>16,352,458</u></u>	<u><u>218,894,891</u></u>	<u><u>244,838,939</u></u>

(v) Funds with deficiencies

As a result of market declines for certain recently established endowments, the fair value of certain donor-restricted endowments was less than the historical cost value (original gift/book value) of such funds (underwater) by \$435,486 and \$2,520,229 at June 30, 2013 and 2012, respectively.

These losses have been recorded as reductions in unrestricted net assets in accordance with U.S. generally accepted accounting principles. Future gains will be used to restore this deficiency in unrestricted net assets before any net appreciation above the historical cost value of such funds increases temporarily restricted net assets.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(20) Significant Disclosures for the Discretely Presented Component Unit of the IHL System – University of Mississippi Foundation

(a) *Significant Accounting Policies*

(i) **Organization**

The University of Mississippi Foundation (UMF) is a nonprofit, nonstock corporation formed for the benefit of The University of Mississippi. UMF promotes, encourages, and assists educational, scientific, literary, research, and service activities of UM and its affiliates.

(ii) **Basis of Accounting**

These financial statements, which are presented on the accrual basis of accounting and follow Financial Accounting Standards Board (FASB) statements, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net position and transactions into three classes – permanently restricted, temporarily restricted or unrestricted as follows:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by UMF. Generally, the donor of these assets permits UMF to use all or part of the income earned on related investments for general or specific purposes in support of UM.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met by actions of UMF and/or the passage of time.

Unrestricted net assets – net assets which represent resources granted from operations or that are not subject to donor-imposed stipulations.

(iii) **Use of Estimates**

UMF prepares its financial statements in accordance with U.S. generally accepted accounting principles, which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses. Such estimates include the present value discount rates applied to the pledges receivable and liabilities under remainder trusts, allowance for uncollectible pledges, fair market values of certain investments including real estate, partnership and member interests, and depreciation of property and equipment. Actual results could differ significantly from those estimates.

UMF's investments are primarily invested in various types of investment securities within many markets. Investment securities are exposed to several risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in UMF's financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(iv) Donor-Imposed Restrictions

The financial statements report amounts in three classes of net assets – unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets – based on the existence or absence of donor-imposed restrictions.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. UMF considers donor contributions to the various UM schools and departments to be temporarily restricted as those UM units have authority over expenditures. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted.

When a donor restriction expires or the stated purpose is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the statements of activities as net assets released from restriction.

The permanently restricted net position include the principal amount of contributions accepted with the stipulation from the donor that the principal be maintained in perpetuity and only the income from investment thereof be expended. The purpose of such expenditure may also be specified by the donor.

(v) Revenue Recognition

UMF generally recognizes gifts as revenue when notified of an unconditional promise to give. Unconditional promises to give that are expected to be collected in future years are reported at the present value of their future cash flows. The discounts on these amounts are computed using risk-free interest rates at the time of the pledge which are applicable to the years in which the pledges are scheduled to be received. Accretion of the discounts is included in contribution revenues. An allowance for uncollectible amounts is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of the fund-raising activity. Investments received by gift are recorded at fair value at the date of donation.

(vi) Investments

Investments are recorded at fair value. The fair values of all investments other than real estate and partnership and membership interests (which include certain private equity investments and hedge funds) are based on quoted market prices and other observable inputs such as quoted prices for similar assets, quoted prices in inactive markets, or inputs corroborated by observable market data. UMF's partnership and member interests are generally reported at the net position value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value of the UM's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2013 and 2012, UMF had no plans or intentions to sell investments at amounts different from NAV. UMF's real estate investments are also carried at fair value based on appraisal values at the date of receipt and as subsequently updated. Both realized and unrealized gains and losses

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

are classified in the accompanying statements of activities based on restrictions put in place by the donor.

(vii) Fair Value of Financial Instruments

The carrying amounts at June 30, 2013 and 2012 for cash and cash equivalents, pledges receivable, beneficial interest in remainder trust, funds held for others, liabilities under remainder trusts, and other liabilities approximate their fair values.

(b) Pledges Receivable

UMF obtains pledges through fund-raising projects in support of various activities. At June 30, 2013, pledges mature at various dates through 2034 (approximately \$6,539,000 is due in fiscal year 2013, \$11,926,000 is due in total during the period including fiscal year 2015 through fiscal year 2019, and \$504,000 is due thereafter). At June 30, 2012, pledges mature at various dates through 2032 (approximately \$9,008,000 was due in fiscal year 2013, \$14,921,000 was due in total during the period including fiscal year 2014 through fiscal year 2018, and \$1,037,000 was due thereafter). A summary of pledges receivable as of June 30, 2013 and 2012 are as follows:

	2013	2012
Temporarily restricted	\$ 12,010,510	14,371,763
Permanently restricted	6,958,428	10,594,102
	18,968,938	24,965,865
Allowances for doubtful pledges	(5,370,295)	(1,874,340)
Present value discounts (ranging from 1.6% to 6.1%)	(2,492,770)	(3,416,027)
	\$ 11,105,873	19,675,498

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(c) **Investments**

UMF's investments, aggregated by investment strategy, with related liquidity information consist of the following at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>	<u>Liquidity period</u>
Investment strategy:			
Fixed income:			
U.S. Government securities	\$ 1,551,274	216,291	Daily
Corporate bonds	19,639,188	20,640,572	Daily
Certificates of deposit	—	106,536	Annually
Other fixed income securities	<u>71,798,645</u>	<u>65,141,714</u>	Daily
Total fixed income	<u>92,989,107</u>	<u>86,105,113</u>	
Equities:			
Common stocks	3,321,685	20,265,279	Daily
Common stock funds	31,444,225	42,039,739	Daily
Mutual funds	8,489,994	20,066,215	Daily
Index funds	<u>69,076,899</u>	<u>29,944,825</u>	Daily
Total equities	<u>112,332,803</u>	<u>112,316,058</u>	
Hedge funds	110,129,082	77,133,993	Various ¹
Venture capital	9,423,882	9,373,029	Illiquid ²
Real estate:			
Real estate owned	4,943,308	5,072,742	Illiquid
Timber fund	11,890,742	11,742,955	Illiquid ³
Partnership interest	<u>750,000</u>	<u>750,000</u>	Illiquid ⁴
Total real estate	17,584,050	17,565,697	
Other short-term investments	<u>2,483,931</u>	<u>1,153,687</u>	Daily
Total investments	<u>\$ 344,942,855</u>	<u>303,647,577</u>	

¹ The majority of these hedge funds have liquidation terms that allow UMF to liquidate its investment in the fund on a quarterly basis but require prior notification ranging from 30 to 65 days.

² These venture capital investments have liquidation terms that allow UMF to liquidate its investment in the different funds after 7 to 12 years depending on the investment.

³ This fund represent interest in a partnership that invests solely in timber land and allows for liquidation after a 10-year term.

⁴ This investment represents a 49% interest in a commercial property. The investment would be liquidated upon the sale of the property.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(d) ***Fair Value Measurement***

ASC Topic 820, *Fair Value Measurements*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are observable at the measurement date;
- Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data; and
- Level 3: Significant unobservable inputs for the asset or liability that reflects the reporting entity's own estimates about the assumptions that market participants would use in pricing the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. In accordance with ASU 2009-12, *Investments that can be Redeemed at Net position Value on the Measurement Date or in the Near Term*, may be classified as Level 2. NAV is used as a practical expedient to estimate the fair value of such investments unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2013 and 2012, UMF had no plans or intentions to sell investments at amounts different from NAV.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following table presents the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2013.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment strategy:				
Fixed income:				
U.S. Government securities	\$ —	1,551,274	—	1,551,274
Corporate bonds	—	19,639,188	—	19,639,188
Certificates of deposit	—	—	—	—
Other fixed income securities	<u>61,984,177</u>	<u>9,814,468</u>	<u>—</u>	<u>71,798,645</u>
Total fixed income	<u>61,984,177</u>	<u>31,004,930</u>	<u>—</u>	<u>92,989,107</u>
Equities:				
Common stocks	3,321,685	—	—	3,321,685
Common stock funds	31,444,225	—	—	31,444,225
Mutual funds	8,489,994	—	—	8,489,994
Index funds	<u>69,076,899</u>	<u>—</u>	<u>—</u>	<u>69,076,899</u>
Total equities	<u>112,332,803</u>	<u>—</u>	<u>—</u>	<u>112,332,803</u>
Hedge funds	—	96,451,153	13,677,929	110,129,082
Venture capital	—	—	9,423,882	9,423,882
Real estate:				
Real estate owned	—	—	4,943,308	4,943,308
Timber fund	—	—	11,890,742	11,890,742
Partnership interest	<u>—</u>	<u>—</u>	<u>750,000</u>	<u>750,000</u>
Total real estate	<u>—</u>	<u>—</u>	<u>17,584,050</u>	<u>17,584,050</u>
Other short-term investments	<u>2,483,931</u>	<u>—</u>	<u>—</u>	<u>2,483,931</u>
Total investments	\$ <u><u>176,800,911</u></u>	<u><u>127,456,083</u></u>	<u><u>40,685,861</u></u>	<u><u>344,942,855</u></u>
Beneficial interest in remainder trust	\$ —	—	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following table presents the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2012.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment strategy:				
Fixed income:				
U.S. Government securities	\$ —	216,291	—	216,291
Corporate bonds	—	20,640,572	—	20,640,572
Certificates of deposit	—	106,536	—	106,536
Other fixed income securities	<u>57,926,077</u>	<u>7,215,637</u>	—	<u>65,141,714</u>
Total fixed income	<u>57,926,077</u>	<u>28,179,036</u>	—	<u>86,105,113</u>
Equities:				
Common stocks	20,265,279	—	—	20,265,279
Common stock funds	42,039,739	—	—	42,039,739
Mutual funds	20,066,215	—	—	20,066,215
Index funds	<u>29,944,825</u>	—	—	<u>29,944,825</u>
Total equities	<u>112,316,058</u>	—	—	<u>112,316,058</u>
Hedge funds	—	71,652,761	5,481,232	77,133,993
Venture capital	—	—	9,373,029	9,373,029
Real estate:				
Real estate owned	—	—	5,072,742	5,072,742
Timber fund	—	—	11,742,955	11,742,955
Partnership interest	—	—	<u>750,000</u>	<u>750,000</u>
Total real estate	—	—	17,565,697	17,565,697
Other short-term investments	<u>1,153,687</u>	—	—	<u>1,153,687</u>
Total investments	\$ <u>171,395,822</u>	<u>99,831,797</u>	<u>32,419,958</u>	<u>303,647,577</u>
Beneficial interest in remainder trust	\$ —	—	5,512,593	5,512,593

The methods used to determine the fair value of UMF's investments and its beneficial interest in remainder trust may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while UMF believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

At June 30, 2013 and 2012, UMF had no outstanding unfunded commitments related to investments. In addition, all of UMF's investments can be redeemed or liquidated on a daily basis except for real estate investments which require a much longer period to liquidate.

The following table includes a rollforward of the amounts for the year ended June 30, 2013 and 2012 for investments classified within Level 3:

	<u>Real estate</u>	<u>Venture capital</u>	<u>Beneficial interest in remainder trust</u>	<u>Hedge Funds</u>
Balance as of June 30, 2011	\$ 19,620,613	8,099,937	5,313,904	3,347,088
Net realized and unrealized gain (loss)	(1,908,329)	45,202	198,689	108,403
Net purchases (sales)	<u>(146,587)</u>	<u>1,227,890</u>	<u>—</u>	<u>2,025,741</u>
Balance as of June 30, 2012	17,565,697	9,373,029	5,512,593	5,481,232
Net realized and unrealized gain (loss)	173,243	45,977	3,286,929	1,467,970
Net purchases (sales)	<u>(154,890)</u>	<u>4,876</u>	<u>(8,799,522)</u>	<u>6,728,727</u>
Balance as of June 30, 2013	<u>\$ 17,584,050</u>	<u>9,423,882</u>	<u>—</u>	<u>13,677,929</u>

(e) Net Asset Classification of Endowment Funds

UMF adopted *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds* (ASC Topic 958-205). This standard provides guidance on the net asset classification of donor restricted endowment funds and related disclosures. ASC Topic 958-205 also provides guidance relative to net position classification of funds subject to UPMIFA. When adopted by the state of domicile, UPMIFA requires a number of management assessments, including:

- Determination as to whether a donor intended an endowment to maintain its purchasing power or as a fixed sum,
- The classification of endowment earnings, and
- The ability to spend corpus of an endowment.

The State of Mississippi has not adopted UPMIFA. UMF's Board of Directors has determined its donor agreements provide for the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds. As a result, UMF classifies as permanently restricted net position the original gift donated to the permanent endowment and the original value of subsequent gifts and other income. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net asset is classified in temporarily restricted net position until the amounts are appropriated for expenditure in accordance with the donor memorandums of agreement.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

UMF has established policies to achieve the overall, long-term investment goal of achieving an annualized total return, through appreciation and income, greater than the rate of inflation plus any distribution needs, thus protecting the assets against inflation. UMF's Board and Joint Committee on Investments agree that investing in securities with higher return expectations outweighs their short-term volatility risk. As a result, the majority of assets are invested in equity or equity-like securities. Fixed income securities are used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Cash is not a strategic asset of the portfolio, but is a residual to the investment process and used to meet short-term liquidity needs. The primary performance objective of UMF is to achieve a total return, net of investment management fees and expenses, in excess of inflation and the spending rate.

Income available for spending is determined by a total return system and is approved by the Board of Directors of UMF. The amount to be spent involves taking 5% of a 3-year moving average of the market value per unit. The objective is to provide relatively stable spending allocations. No portion of the original gift value of the endowed assets will be allocated for spending.

Changes in donor-restricted endowment net assets for the year ended June 30, 2013 and 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment net assets (deficit), June 30, 2011	\$ (160,657)	63,652,290	159,086,890	222,578,523
Contributions and transfers to endowment	—	—	7,797,504	7,797,504
Appropriation for expenditures	—	(7,337,645)	—	(7,337,645)
Investment return:				
Investment income	—	3,671,628	—	3,671,628
Net appreciation (depreciation)	(245,080)	(8,447,807)	—	(8,692,887)
Change in pledges receiveable and trusts held by others	—	—	3,461,727	3,461,727
Donor-restricted endowment net assets (deficit), June 30, 2012	(405,737)	51,538,466	170,346,121	221,478,850
Contributions and transfers to endowment	—	—	19,214,444	19,214,444
Appropriation for expenditures	—	(8,209,170)	—	(8,209,170)
Investment return:				
Investment income	—	4,456,379	—	4,456,379
Net appreciation (depreciation)	223,676	21,018,565	—	21,242,241
Change in pledges receiveable and trusts held by others	—	—	(10,598,339)	(10,598,339)
Donor-restricted endowment net assets (deficit), June 30, 2013	\$ <u>(182,061)</u>	<u>68,804,240</u>	<u>178,962,226</u>	<u>247,584,405</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Due to unfavorable market fluctuations, UMF has endowments that have fallen below the original gift value of the funds. At June 30, 2013 and 2012, the fair values of certain permanently restricted investments were below their original contributions by approximately \$161,000 and \$406,000, respectively, and these deficiencies have been recorded in unrestricted net position. Future gains will be used to restore these deficiencies in unrestricted net position before any net appreciation above the historical cost value of such funds increases temporarily restricted net position.

(f) Net position

Permanently restricted net position at June 30, 2013 and 2012 were available for the following purposes:

	<u>2013</u>	<u>2012</u>
Academic and program support	\$ 34,651,852	33,539,980
Scholarship support	79,587,143	76,411,592
Faculty support	52,287,041	47,129,077
Library support	<u>12,436,190</u>	<u>13,265,472</u>
Total	\$ <u>178,962,226</u>	<u>170,346,121</u>

The vast majority of temporarily restricted net position at June 30, 2013 and 2012 were available for academic and program support.

(21) Significant Disclosures for the Discretely Presented Component Unit of the IHL System – University of Southern Mississippi Foundation

(a) Significant Accounting Policies

(i) Organization

The University of Southern Mississippi Foundation (USMF) is a not-for-profit entity organized under the laws of the State of Mississippi to provide support to The University of Southern Mississippi and its students. USMF depends on USM to provide the staff and facilities for its operations.

Foundation Aviation Holdings, LLC was formed by USMF in October 2008 as a single member limited liability company. USMF's financial statements include the accounts of Foundation Aviation Holdings, LLC. All significant intercompany accounts and intercompany transactions have been eliminated.

(ii) Basis of Accounting

The financial statements, which are presented on the accrual basis of accounting and follow Financial Accounting Standards Board (FASB) statements, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions into three classes – permanently restricted, temporarily restricted and unrestricted as follows:

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by USMF. Generally, the donor of these assets permits USMF to use all or part of the income earned on related investments for general or specific purposes in support of USM.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met by actions of USMF and/or the passage of time. Temporarily restricted net assets include contributions designated to a particular college or unit. To the extent that restricted resources from multiple donors are available for the same purpose, USMF expends such gifts on a “first in, first out” basis.

Unrestricted net assets – net assets which represent resources generated from operations or that are not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless the use of the underlying net assets is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at a rate commensurate with the risk involved. Amortization of the discount is recorded as contribution revenue and recognized in accordance with donor-imposed restrictions, if any, on the contributions. Allowance is made for uncollectible contributions based upon management’s judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

Income and realized and unrealized gains (losses) on investments of permanently restricted net assets are reported as follows:

- as increases (decreases) in permanently restricted net assets if the terms of the gift or USMF’s interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- as increases (decreases) in temporarily restricted net assets if the terms of the gift impose restrictions on their use;
- as increases (decreases) in unrestricted net assets in all other cases.

(iii) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

USMF's investments are invested in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in USMF's financial statements.

Another estimate that is particularly susceptible to significant change in the near term relates to the allowance for uncollectible pledges. Management's estimate of the allowance for uncollectible pledges is based on an analysis of economic conditions, financial information about donors and current receivable levels and agings.

(iv) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value.

The liquidity crisis that originally was linked principally to the sub-prime lending markets has spread to other corners of the credit markets in the U.S. and internationally. It is not possible at this time to predict the full impact or duration of the existing illiquid credit market conditions. The unstable market conditions and the resulting uncertainties contribute to additional risks associated with certain significant investment valuation estimates. Management continues to monitor the composition of its portfolio to assess the potential impact of these market conditions on the valuation of its investments.

(v) Pledges

All unconditional pledges to give are recorded at their estimated realizable value on a discounted basis using a risk-free interest rate.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(b) Pledges Receivable

Pledges receivable, net, are summarized as follows at June 30, 2013 and 2012:

	2013	2012
Unconditional promises expected to be collected in:		
Less than one year	\$ 4,669,007	5,714,474
One year to five years	10,210,498	11,957,383
More than five years	121,344	893,983
	15,000,849	18,565,840
Less unamortized discounts ranging from 0.72% to 5.15%	(392,013)	(596,545)
	14,608,836	17,969,295
Less allowance for uncollectible pledges	(540,000)	(363,517)
	\$ 14,068,836	17,605,778

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(c) Investments

Investments are summarized as follows at June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Investment Strategy:		
Fixed Income:		
U.S. Government securities	\$ 7,248,854	8,333,566
Corporate bonds	5,069,639	8,973,075
Mutual funds	27,480,999	8,113,502
Index funds	15,233	584,854
Total fixed income	<u>39,814,725</u>	<u>26,004,997</u>
Equities:		
Common stocks	123,381	6,804,671
Mutual and common stock funds	40,784,638	20,216,449
Index funds	95,919	9,021,122
Total equities	<u>41,003,938</u>	<u>36,042,242</u>
Alternative investments:		
Hedge funds	—	1,697,605
Commodity funds	—	2,657,724
Real estate owned	102,000	247,500
Real estate investment funds	43,179	3,242,392
Total alternative investments	<u>145,179</u>	<u>7,845,221</u>
Cash surrender value of insurance policies	2,236,727	2,135,638
Other	46,032	46,032
Total investments	<u>\$ 83,246,601</u>	<u>72,074,130</u>

The following schedule summarizes net investment gain and its classification in the statements of activities:

	<u>2013</u>			
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Dividends and interest (net of expenses of \$342,595)	\$ 1,314,641	129,272	16,059	1,459,972
Realized (losses) gains, net	62,761	9,482,679	120,814	9,666,254
Unrealized gains, net	<u>(271,711)</u>	<u>(4,766,452)</u>	<u>(59,357)</u>	<u>(5,097,520)</u>
	<u>\$ 1,105,691</u>	<u>4,845,499</u>	<u>77,516</u>	<u>6,028,706</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

	2012			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Dividends and interest (net of expenses of \$365,267)	\$ 1,229,355	(5,410)	22,239	1,246,184
Realized (losses) gains, net	(90,284)	(157,671)	(64,481)	(312,436)
Unrealized gains, net	(99,956)	(2,950,706)	(84,798)	(3,135,460)
	<u>\$ 1,039,115</u>	<u>(3,113,787)</u>	<u>(127,040)</u>	<u>(2,201,712)</u>

(d) Fair Value Measurements

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements. The fair value hierarchy established in FASB ASC 820 prioritizes the inputs used in valuation techniques into three levels as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that USMF has the ability to access at the measurement date;

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual and common stock funds, index funds, hedge funds and commodity funds, U.S. Government securities, corporate bonds and common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Real estate investment funds: At June 30, 2013 and 2012, \$32,893 and \$3,098,043, respectively, are publicly traded and are valued at the closing price reported on the active market on which the individual securities are traded. At June 30, 2013 and 2012, USMF did not have any assets reported at net asset value.

Cash surrender value of insurance policies: Valued at the cash surrender value of the life insurance contract as determined by the life insurance company.

Real estate and other: Valued on the basis of recent appraisals.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while USMF believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, USMF's assets at fair value or net position value as of June 30, 2013 and 2012:

	June 30, 2013			
	Level 1	Level 2	Level 3	Total
Investment strategy:				
Fixed income:				
U.S. Government securities	\$ 7,248,854	—	—	7,248,854
Corporate bonds	5,069,639	—	—	5,069,639
Mutual Funds	27,480,999	—	—	27,480,999
Index funds	15,233	—	—	15,233
Total fixed income	<u>39,814,725</u>	<u>—</u>	<u>—</u>	<u>39,814,725</u>
Equities:				
Common stocks	123,381	—	—	123,381
Mutual and common stock funds	40,784,638	—	—	40,784,638
Index funds	95,919	—	—	95,919
Total equities	<u>41,003,938</u>	<u>—</u>	<u>—</u>	<u>41,003,938</u>
Alternative investments:				
Hedge funds	—	—	—	—
Commodity funds	—	—	—	—
Real estate owned	—	—	102,000	102,000
Real estate investment funds	32,893	—	10,286	43,179
Total alternative investments	32,893	—	112,286	145,179
Cash surrender value of insurance policies	—	—	2,236,727	2,236,727
Other	—	—	46,032	46,032
Total investments	<u>\$ 80,851,556</u>	<u>—</u>	<u>2,395,045</u>	<u>83,246,601</u>
Present value of amounts due from externally managed trusts	\$ —	—	744,271	744,271

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

The following tables set forth by level, within the fair value hierarchy, USMF's assets at fair value or net position value as of June 30, 2013 and 2012:

	June 30, 2012			
	Level 1	Level 2	Level 3	Total
Investment strategy:				
Fixed income:				
U.S. Government securities	\$ 8,333,566	—	—	8,333,566
Corporate bonds	8,973,075	—	—	8,973,075
Mutual Funds	8,113,502	—	—	8,113,502
Index funds	584,854	—	—	584,854
Total fixed income	<u>26,004,997</u>	<u>—</u>	<u>—</u>	<u>26,004,997</u>
Equities:				
Common stocks	6,804,671	—	—	6,804,671
Mutual and common stock funds	20,216,449	—	—	20,216,449
Index funds	9,021,122	—	—	9,021,122
Total equities	<u>36,042,242</u>	<u>—</u>	<u>—</u>	<u>36,042,242</u>
Alternative investments:				
Hedge funds	1,697,605	—	—	1,697,605
Commodity funds	2,657,724	—	—	2,657,724
Real estate owned	—	—	247,500	247,500
Real estate investment funds	3,098,043	—	144,349	3,242,392
Total alternative investments	<u>7,453,372</u>	<u>—</u>	<u>391,849</u>	<u>7,845,221</u>
Cash surrender value of insurance policies	—	—	2,135,638	2,135,638
Other	—	—	46,032	46,032
Total investments	<u>\$ 69,500,611</u>	<u>—</u>	<u>2,573,519</u>	<u>72,074,130</u>
Present value of amounts due from externally managed trusts	\$ —	—	1,292,408	1,292,408

At June 30, 2013 and 2012, USMF had no outstanding unfunded commitments related to investments. In addition, all of USMF's investments can be redeemed or liquidated on a daily basis except for real estate investments which require a much longer period to liquidate.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

Level 3 Gains and Losses

The tables below set forth a summary of changes in the fair value or net position value of USMF's Level 3 assets for the year ended June 30, 2013 and 2012:

		June 30, 2012					
		Real estate investment funds	Life insurance contracts	Real estate	Externally managed trusts	Other	Total
Balance, June 30, 2011	\$	—	2,094,180	474,500	—	46,032	2,614,712
Acquisitions		—	—	3,000	—	—	3,000
Dispositions		—	—	(162,272)	—	—	(162,272)
Realized losses		16,928	—	(67,728)	—	—	(50,800)
Unrealized gains		127,421	—	—	—	—	127,421
Change in cash surrender value		—	41,458	—	—	—	41,458
Balance, June 30, 2012	\$	<u>144,349</u>	<u>2,135,638</u>	<u>247,500</u>	<u>—</u>	<u>46,032</u>	<u>2,573,519</u>

		June 30, 2013					
		Real estate investment funds	Life insurance contracts	Real estate	Externally managed trusts	Other	Total
Balance, June 30, 2012	\$	144,349	2,135,638	247,500	—	46,032	2,573,519
Acquisitions		—	—	230,000	—	—	230,000
Dispositions		(160,226)	—	(251,331)	—	—	(411,557)
Realized losses		(541,541)	—	(124,169)	—	—	(665,710)
Unrealized gains		567,704	—	—	—	—	567,704
Change in cash surrender value		—	101,089	—	—	—	101,089
Balance, June 30, 2013	\$	<u>10,286</u>	<u>2,236,727</u>	<u>102,000</u>	<u>—</u>	<u>46,032</u>	<u>2,395,045</u>

(e) *Temporarily Restricted Net position*

Temporarily restricted net position at June 30, 2013 and 2012 were available for the following purposes:

	2013	2012
Student financial aid	\$ 14,375,066	13,697,301
Academic divisions	3,266,465	3,181,572
Research	247,389	218,831
Operation and maintenance of plant	16,173,877	14,903,946
Library	432,571	200,842
Athletics	402,537	403,498
Faculty and staff support	1,331,395	679,477
Other restricted purposes	5,248,428	6,385,548
Total	\$ <u>41,477,728</u>	<u>39,671,015</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

(f) ***Permanently Restricted Net Assets***

Permanently restricted net assets at June 30, 2013 and 2012 were available for the following purposes:

	2013	2012
Student financial aid	\$ 34,045,240	31,679,394
Academic divisions	4,285,115	4,265,753
Research	88,517	81,509
Operation and maintenance of plant	1,245,153	1,230,235
Library	2,955,052	2,937,029
Faculty and staff support	9,287,407	9,162,098
Other restricted purposes	3,089,104	2,889,410
Total	\$ 54,995,588	52,245,428

(g) ***Endowment Net Assets***

The FASB issued FASB ASC 958, *Not-for-Profit Entities*, which provides guidance about the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and expands disclosures about endowment funds (both donor-restricted and board-designated endowment funds), regardless of whether an organization is subject to UPMIFA. As of June 30, 2013, the State of Mississippi had not yet adopted UPMIFA.

At June 30, 2013 and 2012, USMF has approximately 800 individual funds which function as endowment-type funds that are established for a variety of purposes to support USM. The endowment-type funds include both donor-restricted endowment-type funds and funds designated by USMF's Board of Directors to function as endowments. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds, including board-designated funds to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

USMF's Board of Directors has determined its donor agreements provide for the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds. As a result, USMF classifies as permanently restricted net assets the original gift donated to the permanent endowment and the original value of subsequent gifts. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified in temporarily restricted net assets until the amounts are appropriated for expenditures in accordance with the donor agreements.

USMF has established investment policies to ensure the assets of USMF's endowment are managed in a prudent fashion in accordance with sound investment principles. USMF's Board of Directors sets and approves the investment policies and charges the Investment Committee with implementation and subsequent, ongoing monitoring of the policies. USMF's investment objectives for endowments are to provide a total return that preserves the purchasing power of the endowment's assets while providing sustainable annual support to USM. The primary performance objective of the

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

endowment is to achieve a total return, net of investment fees and within prudent levels of risk, in excess of the total spending rate.

USMF's spending policy is designed to instill confidence that the positive growth in the market value of the endowment is sufficient to offset reasonable spending over an extended period of time. The spending policy is approved by USMF's Board of Directors. The spending rate was approximately 4% for the year ended June 30, 2013 and 2012. In addition, applicable endowment funds were assessed a 2% administrative fee for calendar year 2011. This fee was reduced to 1.75% beginning calendar year 2012. This fee is a portion of the funding for the development programs of USMF. No portion of the original gift value of the endowed assets is allocated for spending.

During the year ended June 30, 2013 and 2012, USMF had the following endowment related activity:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2012	\$ 1,610,165	11,814,987	48,021,737	61,446,889
Contributions	61,463	57,288	2,503,471	2,622,222
Net investment income	169,751	4,911,158	74,739	5,155,648
Other income (loss)	(2,241)	1,690	919	368
Change in restriction by donor	(1,466)	61,145	153,211	212,890
Expenses	(338,546)	(1,364,373)	—	(1,702,919)
Transfers	<u>(31,697)</u>	<u>633</u>	<u>1,158,591</u>	<u>1,127,527</u>
Endowment net assets, June 30, 2013	<u>\$ 1,467,429</u>	<u>15,482,528</u>	<u>51,912,668</u>	<u>68,862,625</u>
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2011	\$ 2,667,889	15,980,992	45,188,915	63,837,796
Contributions	128,450	616,188	2,296,508	3,041,146
Net investment income	(77,570)	(3,013,297)	(69,730)	(3,160,597)
Other income (loss)	20,028	—	1,000	21,028
Change in restriction by donor	(84,845)	(38,003)	381,951	259,103
Expenses	(52,239)	(1,711,245)	—	(1,763,484)
Transfers	<u>(991,548)</u>	<u>(19,648)</u>	<u>223,093</u>	<u>(788,103)</u>
Endowment net assets, June 30, 2012	<u>\$ 1,610,165</u>	<u>11,814,987</u>	<u>48,021,737</u>	<u>61,446,889</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements

June 30, 2013 and 2012

At June 30, 2013 and 2012, the endowment net asset composition by type of fund consists of the following:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment- type funds	\$ —	15,482,528	51,912,668	67,395,196
Board-designated endowment- type funds	<u>1,467,429</u>	<u>—</u>	<u>—</u>	<u>1,467,429</u>
Endowment net assets, June 30, 2013	\$ <u><u>1,467,429</u></u>	<u><u>15,482,528</u></u>	<u><u>51,912,668</u></u>	<u><u>68,862,625</u></u>
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment- type funds	\$ —	11,814,987	48,021,737	59,836,724
Board-designated endowment- type funds	<u>1,610,165</u>	<u>—</u>	<u>—</u>	<u>1,610,165</u>
Endowment net assets, June 30, 2012	\$ <u><u>1,610,165</u></u>	<u><u>11,814,987</u></u>	<u><u>48,021,737</u></u>	<u><u>61,446,889</u></u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

COMBINING SUPPLEMENTAL INFORMATION

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Net Position

June 30, 2013

Assets	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Current assets:													
Cash and cash equivalents	\$ 27,559,609	66,281	36,348,901	53,740,141	7,619,731	5,900,227	33,778,865	48,689,245	161,104,338	7,759,940	542,182	—	383,109,460
Short-term investments	5,112,241	128,790	250,000	15,081,434	—	4,539,123	55,037,625	6,156,759	40,728,571	3,597,607	—	—	130,632,150
Accounts receivable, net	12,016,099	7,607,536	23,016,417	58,228,866	3,026,321	4,744,540	31,518,208	31,523,968	165,115,434	2,373,574	667,749	—	339,838,712
Student notes receivable, net	594,919	367,016	186,989	2,786,766	111,939	—	6,260,106	2,239,957	2,230,999	822,498	—	—	15,601,189
Inventories	214,290	232,824	47,862	2,312,946	—	318,276	998,027	382,104	22,331,618	383,072	—	—	27,221,019
Prepaid expenses	—	74,973	9,014	2,844,497	310,947	68,011	1,025,831	5,597,081	3,380,122	41,549	—	—	13,352,025
Other current assets	—	—	—	—	—	—	—	—	515,000	—	—	—	515,000
Total current assets	45,497,158	8,477,420	59,859,183	134,994,650	11,068,938	15,570,177	128,618,662	94,589,114	395,406,082	14,978,240	1,209,931	—	910,269,555
Noncurrent assets:													
Restricted cash and cash equivalents	3,597,941	(1,475,543)	1,189,768	9,850,263	27,217	—	2,009,160	53,374,829	139,221,351	—	—	—	207,794,986
Restricted short-term investments	—	—	—	—	—	55,750	—	—	1,011,130	—	—	—	1,066,880
Endowments investments	11,781,752	9,640	15,249,718	27,190,835	3,726,983	1,773,256	77,690,886	3,570,501	63,468,907	30,238,766	—	—	234,701,244
Other long-term investments	—	8,448,728	—	78,875,263	8,613,551	1,248,807	153,017,699	29,676,738	36,528,591	31,301,460	563,732	—	348,274,569
Student notes receivable, net	—	1,305,787	1,846,710	12,639,153	1,287,293	—	18,897,403	25,258,222	6,665,090	28,171,122	—	—	96,070,780
Capital assets, net	144,687,696	112,979,209	253,590,271	740,994,049	92,529,331	81,408,932	713,683,481	474,361,894	541,901,959	4,805,040	—	—	3,160,941,862
Other noncurrent assets	691,358	—	9,749,231	—	—	125,244	128,533	—	4,546,851	—	—	—	15,241,217
Total noncurrent assets	160,758,747	121,267,821	281,625,698	869,549,563	106,184,375	84,611,989	965,427,162	586,242,184	793,343,879	94,516,388	563,732	—	4,064,091,538
Total assets	206,255,905	129,745,241	341,484,881	1,004,544,213	117,253,313	100,182,166	1,094,045,824	680,831,298	1,188,749,961	109,494,628	1,773,663	—	4,974,361,093
Deferred outflows of resources:													
Accumulated deferred amount of debt refundings	—	—	—	—	—	—	—	—	4,990,320	—	—	—	4,990,320
Total assets and deferred outflows of resources	\$ 206,255,905	129,745,241	341,484,881	1,004,544,213	117,253,313	100,182,166	1,094,045,824	680,831,298	1,193,740,281	109,494,628	1,773,663	—	4,979,351,413

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Net Position

June 30, 2013

Liabilities	Acorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Current liabilities:													
Accounts payable and accrued liabilities	\$ 5,286,418	2,729,447	13,058,837	26,047,361	2,408,527	2,191,079	31,713,671	16,944,602	84,324,436	2,437,354	527,147	—	187,668,879
Deferred revenues	1,844,361	871,325	13,921,659	13,792,159	1,195,647	246,352	24,310,564	12,833,458	12,277,716	—	—	—	81,293,241
Accrued leave liabilities – current portion	656,722	176,665	367,164	2,479,786	44,507	220,324	1,374,000	1,350,000	4,032,964	43,107	8,917	—	10,754,156
Long-term liabilities – current portion	405,000	1,094,342	2,999,589	8,125,000	—	265,000	7,061,053	4,870,287	10,324,690	9,110,589	—	—	44,255,550
Other current liabilities	—	44,529	—	110,319	394,448	75,165	3,859,276	45,581	19,749,166	—	—	—	24,278,484
Total current liabilities	8,192,501	4,916,308	30,347,249	50,554,625	4,043,129	2,997,920	68,318,564	36,043,928	130,708,972	11,591,050	536,064	—	348,250,310
Noncurrent liabilities:													
Deposits refundable	734,546	127,075	36,749	35,760	—	30,258	95,815	31,594	—	—	—	—	1,091,797
Accrued leave liabilities	3,693,002	1,549,036	4,732,330	20,845,811	1,068,180	1,410,851	13,053,797	8,366,305	46,256,549	743,385	57,290	—	101,776,536
Long-term liabilities	45,850,000	20,774,750	88,640,907	208,435,000	—	17,810,000	130,925,434	184,112,155	265,573,059	27,976,411	—	—	990,097,716
Other long-term liabilities	1,001,242	1,817,516	1,665,567	14,036,229	1,265,364	—	8,997,000	27,063,856	34,379,783	717,541	—	—	90,944,098
Total noncurrent liabilities	51,278,790	24,268,377	95,075,553	243,352,800	2,333,544	19,251,109	153,072,046	219,573,910	346,209,391	29,437,337	57,290	—	1,183,910,147
Total liabilities	\$ 59,471,291	29,184,685	125,422,802	293,907,425	6,376,673	22,249,029	221,390,610	255,617,838	476,918,363	41,028,387	593,354	—	1,532,160,457
Net Position													
Net investment in capital assets	\$ 102,209,773	91,110,116	163,705,936	529,893,823	92,529,331	63,464,690	577,886,893	337,724,607	338,516,848	4,801,057	—	—	2,301,843,074
Restricted for:													
Nonexpendable:													
Scholarship and fellowships	—	—	7,319,866	2,439,742	1,239,002	714,272	6,891,024	—	—	940,779	—	—	19,544,685
Research	—	—	—	4,612,426	—	—	175,822	—	—	—	—	—	4,788,248
Other purposes	8,215,673	—	—	8,052,104	1,675,842	—	43,204,763	569,090	26,566,606	27,784,791	—	—	116,068,869
Expendable:													
Scholarships and fellowships	—	—	7,921,648	2,383,344	587,175	1,096,342	5,750,366	511,777	5,572,728	31,041,679	—	—	54,865,059
Research	—	—	—	17,105,147	—	—	7,759,987	41,237	20,903,818	—	—	—	45,810,189
Capital projects	—	2,126,795	11,961,050	(440,595)	2,044,508	6,136	4,617,229	—	—	—	—	—	20,315,123
Debt service	—	22,447	686,715	508,845	—	71,715	—	4,912,442	1,077,688	9,010	—	—	7,288,862
Loans	1,566,797	288,264	293,924	3,271,316	249,868	—	17,114,094	5,320,031	5,315,634	—	—	—	33,419,928
Other purposes	—	137,929	—	1,381,621	—	—	14,138,522	3,577,865	50,914,460	—	1,142,794	—	71,864,808
Unrestricted	34,792,371	6,875,005	24,172,940	141,429,015	12,550,914	12,008,365	195,116,514	72,556,411	267,954,136	3,888,925	37,515	—	771,382,111
Total net position	\$ 146,784,614	100,560,556	216,062,079	710,636,788	110,876,640	77,933,137	872,655,214	425,213,460	716,821,918	68,466,241	1,180,309	—	3,447,190,956

See accompanying independent auditors' report.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2013

	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Operating revenues:													
Tuition and fees	\$ 25,298,455	23,361,846	60,463,748	173,605,741	16,912,217	15,451,207	217,028,021	123,742,078	23,387,794	—	—	—	679,251,107
Less:													
Scholarship allowances	(10,972,751)	(4,903,037)	(18,110,427)	(46,923,734)	(5,640,976)	(7,939,633)	(55,182,305)	(36,424,794)	(2,226,558)	—	—	—	(188,324,215)
Bad debt expense	(309,915)	(521,625)	(439,002)	(908,842)	(116,130)	(482,870)	(1,665,691)	(400,000)	—	—	—	—	(4,844,075)
Net tuition and fees	14,015,789	17,937,184	41,914,319	125,773,165	11,155,111	7,028,704	160,180,025	86,917,284	21,161,236	—	—	—	486,082,817
Federal appropriations	—	—	—	14,202,889	—	—	—	—	—	—	—	—	14,202,889
Federal grants and contracts	14,639,935	3,263,360	44,315,679	99,324,115	662,421	6,615,416	44,394,151	48,970,992	41,058,166	9,270,714	6,281,326	(33,928,507)	284,867,768
State grants and contracts	19,065	1,261,852	2,529,315	17,225,432	6,375,644	36,434	11,733,437	9,047,907	10,225,147	110,806	—	(19,088,346)	39,476,693
Nongovernmental grants and contracts	683,941	4,545,123	1,775,271	12,544,394	2,166,034	—	35,350,285	12,062,864	12,934,113	1,566,350	164,695	—	83,793,070
Sales and services of educational departments	998,598	1,043,556	1,448,574	35,560,216	1,273,700	1,992,135	6,857,432	2,163,377	838,778	3,041,788	113,374	(2,386,099)	52,945,429
Auxiliary enterprises:													
Student housing	8,131,414	3,423,824	9,140,165	22,368,666	2,163,681	3,068,930	22,943,462	16,355,327	—	—	—	—	87,595,469
Food services	4,042,038	2,588,311	7,329,628	2,031,060	1,728,513	2,465,305	2,234,117	1,805,837	—	—	—	—	24,224,809
Bookstore	110,499	84,246	—	677,772	112,742	1,750,281	654,108	1,183,000	1,282,338	—	—	—	5,854,986
Athletics	—	—	—	35,962,434	—	—	43,028,513	8,212,089	—	—	—	—	87,203,036
Other auxiliary revenues	746,479	1,329,592	1,302,714	12,393,241	182,170	1,642,319	9,493,616	3,676,316	1,683,640	2,210,464	6,041	—	34,666,592
Less auxiliary enterprise scholarship allowances	(2,916,807)	(509,718)	(6,750,905)	(10,300,332)	(1,300,244)	—	(5,391,026)	(3,348,776)	—	—	—	—	(30,517,808)
Interest earned on loans to students	—	27,097	—	256,403	—	—	459,886	—	108,154	—	—	—	851,540
Patient care revenues	—	—	—	—	—	—	—	—	813,261,628	—	—	—	813,261,628
Other operating revenues	2,690,871	477,265	6,893,220	3,495,431	63,530	766,576	9,602,485	5,137,538	37,782,567	15,082,538	—	(13,214,542)	68,777,479
Total operating revenues	43,161,822	35,471,692	109,897,980	371,514,886	24,583,302	25,366,100	341,540,491	192,183,755	940,335,767	31,282,660	6,565,436	(68,617,494)	2,053,286,397
Operating expenses:													
Salaries and wages	35,193,993	26,465,879	76,710,258	289,371,925	18,804,433	21,804,315	186,746,516	138,014,010	567,576,689	10,558,744	618,110	—	1,371,864,872
Fringe benefits	11,295,898	7,868,728	20,885,236	94,492,693	5,452,574	7,671,948	30,519,135	46,946,931	147,483,050	2,972,272	179,944	—	395,768,409
Travel	2,557,125	1,082,143	3,491,289	16,097,916	462,051	1,643,286	12,573,662	7,172,420	3,479,536	462,930	62,048	—	49,084,406
Contractual services	17,001,816	12,040,622	43,871,965	75,005,369	7,534,498	9,095,907	79,326,854	47,346,114	137,280,003	22,580,836	5,922,611	(49,529,148)	407,477,447
Utilities	3,922,390	1,593,760	3,547,400	14,955,153	2,230,916	1,873,558	11,530,275	8,760,389	10,771,652	706,297	—	—	59,891,790
Scholarships and fellowships	8,169,155	6,858,622	19,370,818	28,656,789	5,443,861	6,137,259	44,357,335	24,715,303	6,310,307	31,029,549	—	(19,088,346)	161,960,652
Commodities	4,807,596	3,906,349	4,607,507	27,432,828	1,901,965	4,791,256	29,603,519	15,668,330	188,217,308	803,822	161,143	—	281,901,623
Depreciation	3,720,959	3,906,447	10,315,340	28,972,442	2,299,627	2,054,923	26,198,172	17,093,610	45,141,568	150,889	—	—	139,853,977
Other operating expenses	27,287	80,488	1,214,885	—	—	—	493,227	—	218,554	1,080,845	2,212	—	3,117,498
Total operating expenses	86,696,219	63,803,038	184,014,698	574,985,115	44,129,925	55,072,452	441,348,695	305,717,107	1,106,478,667	70,346,184	6,946,068	(68,617,494)	2,870,920,674
Operating loss	(43,534,397)	(28,331,346)	(74,116,718)	(203,470,229)	(19,546,623)	(29,706,352)	(99,808,204)	(113,533,352)	(166,142,900)	(39,063,524)	(380,632)	—	(817,634,277)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2013

	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Nonoperating revenue (expenses):													
State appropriations	\$ 26,908,256	21,211,277	45,338,101	163,001,298	13,891,513	18,219,304	79,322,967	82,336,669	177,017,006	40,882,589	500,000	—	668,628,980
Gifts and grants	13,768,044	5,965,273	21,162,030	53,849,355	5,848,250	10,564,720	29,554,718	36,294,572	11,625,922	—	—	—	188,632,884
Investment income, net of investment expense	287,359	233,042	1,239,209	2,752,297	(11,653)	166,244	6,815,797	(39,518)	9,509,750	(453,031)	(17,381)	—	20,482,115
Interest expense on capital assets-related debt	(2,282,306)	—	(4,358,672)	(6,282,781)	(39)	(796,689)	(5,680,203)	(6,569,858)	(15,267,615)	—	—	—	(41,238,163)
Other nonoperating revenues	458,706	123,792	5,869,029	234,679	—	—	74,684	6,001,226	3,104,937	—	33,963	—	15,901,016
Other nonoperating expenses	(1,069,492)	(2,984,079)	—	(866,651)	(762,661)	—	—	—	(1,092,476)	(1,192,278)	—	—	(7,967,637)
Total net nonoperating revenues (expenses)	38,070,567	24,549,305	69,249,697	212,688,197	18,965,410	28,153,579	110,087,963	118,023,091	184,897,524	39,237,280	516,582	—	844,439,195
Income (loss) before other revenues, expenses, gains and losses	(5,463,830)	(3,782,041)	(4,867,021)	9,217,968	(581,213)	(1,552,773)	10,279,759	4,489,739	18,754,624	173,756	135,950	—	26,804,918
Capital grants and gifts	—	—	1,549,531	3,002,756	72,201	—	11,560,271	3,227,436	1,938,635	—	—	—	21,350,830
State appropriations restricted for capital purposes	3,418,107	5,876,400	4,960,037	14,016,481	8,955,825	11,074,474	11,403,749	14,042,885	7,172,311	1,926,682	—	—	82,846,951
Additions to permanent endowments	1,400,000	—	—	—	(15,379)	71,050	1,213,590	—	1,298,995	—	—	—	3,968,256
Other additions	2,821,248	29,727	—	—	—	—	3,024,587	465,392	—	—	—	—	6,340,954
Other deletions	(9)	—	—	(539,904)	(155,772)	—	(182,499)	(4,900,314)	—	—	—	—	(5,778,498)
Changes in net position	2,175,516	2,124,086	1,642,547	25,697,301	8,275,662	9,592,751	37,299,457	17,325,138	29,164,565	2,100,438	135,950	—	135,533,411
Net position – beginning of year	144,609,098	98,436,470	214,419,532	684,939,487	102,600,978	68,340,386	835,355,757	407,888,322	687,657,353	66,365,803	1,044,359	—	3,311,657,545
Net position – end of year	\$ 146,784,614	100,560,556	216,062,079	710,636,788	110,876,640	77,933,137	872,655,214	425,213,460	716,821,918	68,466,241	1,180,309	—	3,447,190,956

See accompanying independent auditors' report.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2013

	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Operating activities:													
Tuition and fees	\$ 13,847,321	17,922,184	56,373,450	127,336,122	11,017,255	6,860,093	159,869,955	85,931,215	21,994,806	—	—	—	501,152,401
Grants and contracts	12,579,578	6,511,570	51,447,365	130,293,211	9,264,701	6,870,954	93,501,396	75,284,586	60,403,976	11,059,813	6,446,021	(53,016,853)	410,646,318
Sales and services of educational departments	998,598	1,043,556	694,655	36,050,799	1,277,204	1,992,135	6,677,720	2,163,377	858,471	3,240,993	113,374	(2,386,099)	52,724,783
Payments to suppliers	(24,393,822)	(17,494,731)	(55,510,757)	(122,686,965)	(9,844,654)	(14,445,018)	(107,605,995)	(72,751,771)	(320,973,927)	(23,349,910)	(6,145,802)	49,529,148	(725,674,204)
Payments to employees for salaries and benefits	(46,489,891)	(34,475,980)	(98,308,553)	(382,758,343)	(24,263,445)	(29,405,509)	(236,496,460)	(184,050,939)	(702,842,213)	(13,839,973)	(798,054)	—	(1,753,429,360)
Payments for utilities	(3,922,390)	(1,593,760)	(3,547,400)	(14,955,153)	(2,100,238)	(1,873,558)	(11,071,184)	(8,847,409)	(10,101,652)	(706,297)	—	—	(58,719,041)
Payment for scholarships and fellowships	(8,169,155)	(6,858,622)	(44,232,150)	(28,659,139)	(5,443,861)	(6,137,259)	(44,351,680)	(24,365,408)	(6,310,307)	(24,280,065)	—	19,088,346	(179,719,300)
Loans issued to students and employees	—	(319,270)	—	(2,378,712)	—	—	(3,904,127)	(2,385,431)	(1,765,118)	(8,200,150)	—	—	(18,952,808)
Collections of loans to students and employees	—	(196,098)	—	3,078,769	—	—	2,386,617	3,586,004	1,616,366	1,059,617	—	—	11,531,275
Auxiliary enterprise charges:													
Student housing	7,764,710	2,713,723	9,137,575	22,322,400	1,325,782	3,068,930	16,675,873	15,945,283	—	—	—	—	78,954,276
Food services	4,042,038	2,588,311	6,936,650	2,083,760	1,236,017	2,465,305	2,360,882	1,783,664	—	—	—	—	23,496,627
Bookstore	110,499	84,246	—	677,772	112,742	1,750,281	656,001	1,198,013	1,220,613	—	—	—	5,810,167
Athletics	—	—	—	31,639,761	—	—	44,786,003	4,792,098	—	—	—	—	81,217,862
Other auxiliary enterprises	746,479	763,553	3,529,181	6,703,851	182,170	1,642,276	9,656,770	3,706,026	1,680,236	2,203,327	—	—	30,813,869
Patient care services	—	—	—	—	—	—	—	—	773,208,742	—	—	—	773,208,742
Interest earned on loans to students	—	—	—	256,403	—	—	459,886	—	108,154	336,878	—	—	1,161,321
Other receipts	2,353,768	477,265	4,960,403	16,698,487	63,531	639,017	9,441,871	4,726,836	42,563,195	15,309,376	6,042	(13,214,542)	84,025,249
Other payments	(2,000)	(285)	—	—	—	—	(12,741,778)	—	(218,554)	(212,163)	—	—	(13,174,780)
Net cash provided (used) by operating activities	(40,534,267)	(28,834,338)	(68,519,581)	(174,296,977)	(17,172,796)	(26,572,353)	(69,698,250)	(93,283,856)	(138,557,212)	(37,078,554)	(378,419)	—	(694,926,603)
Noncapital financing activities:													
State appropriations	26,908,256	21,016,957	44,717,010	163,467,883	13,891,513	18,446,720	79,319,026	82,367,316	176,866,066	41,273,508	500,000	—	668,774,255
Gifts and grants for other than capital purposes	—	5,965,273	21,162,030	48,997,533	5,875,304	10,564,720	32,495,974	33,930,805	7,946,176	—	—	—	166,937,815
Private gifts for endowment purposes	1,400,000	—	—	—	(18,669)	—	1,213,590	—	1,298,995	—	—	—	3,893,916
Federal loan program receipts	37,884,741	16,148,963	78,435,638	106,519,780	15,850,181	20,398,646	97,727,449	97,112,521	27,337,794	—	—	—	497,415,713
Federal loan program disbursements	(37,884,741)	(16,148,963)	(78,435,638)	(106,435,890)	(15,820,181)	(20,398,646)	(97,727,449)	(97,413,105)	(27,324,352)	—	—	—	(497,588,965)
Other sources	—	356,834	—	234,828	—	—	198,487	29,462	—	—	—	—	3,924,548
Other uses	—	(2,650,454)	—	(901,781)	(1,085,091)	—	3,398,479	—	3,726,427	(1,369,569)	—	—	1,118,011
Net cash provided (used) by noncapital financing activities	28,308,256	24,688,610	65,879,040	211,647,525	18,927,885	29,011,440	116,625,556	116,026,999	192,956,043	39,903,939	500,000	—	844,475,293

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2013

	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Capital and related financing activities:													
Proceeds from capital debt	\$ —	—	—	79,000,000	—	—	—	57,344,262	—	—	—	—	136,344,262
Cash paid for capital assets	(139,060)	(420,125)	(1,167,821)	(60,076,681)	(351,743)	(63,425)	(35,449,743)	(24,060,285)	(58,218,701)	(134,182)	—	—	(180,081,766)
Capital appropriations received	—	—	—	—	11,489	—	—	—	—	—	—	—	11,489
Capital grants and contracts received	13,768,044	—	—	3,002,756	—	—	8,918,377	2,996,799	1,606,756	—	—	—	30,292,732
Proceeds from sales of capital assets	—	—	—	344,672	—	—	—	36,152	21,495	—	—	—	402,319
Principal paid on capital debt and leases	(405,000)	(783,778)	(1,036,888)	(57,860,000)	(4,338)	(230,000)	(7,687,496)	(4,557,286)	(6,045,228)	—	—	—	(78,610,014)
Interest paid on capital debt and leases	(2,298,688)	(233,042)	(4,436,639)	(8,819,110)	(39)	(796,689)	(5,846,007)	(6,258,268)	(11,902,578)	—	—	—	(40,591,060)
Other sources	—	356,834	8,681,800	—	—	5,219	2,935,497	6,592,219	—	—	—	—	18,571,569
Other uses	—	(541,154)	—	(2,360,950)	—	—	(1,489,306)	(4,900,314)	—	—	—	—	(9,291,724)
Net cash provided (used) by capital and related financing activities	10,925,296	(1,621,265)	2,040,452	(46,769,313)	(344,631)	(1,084,895)	(38,618,678)	27,193,279	(74,538,256)	(134,182)	—	—	(122,952,193)
Investing activities:													
Proceeds from sales and maturities of investments	1,400,000	10,500,000	11,622,334	76,924,061	11,274,706	3,339,053	60,492,675	43,347,455	77,248,326	40,921,765	1,082,402	—	338,152,777
Interest received on investments	144,284	192,775	1,239,209	2,775,911	(304,239)	71,050	3,049,804	847,545	7,334,985	1,616,111	(17,381)	—	16,950,054
Purchases of investments	(1,400,000)	(8,000,000)	(12,776,000)	(67,831,239)	(10,863,611)	(3,545,367)	(87,140,680)	(37,414,091)	(91,427,467)	(50,403,220)	(1,184,747)	—	(371,986,422)
Net cash provided (used) by investing activities	144,284	2,692,775	85,543	11,868,733	106,856	(135,264)	(23,598,201)	6,780,909	(6,844,156)	(7,865,344)	(119,726)	—	(16,883,591)
Net increase (decrease) in cash and cash equivalents	(1,156,431)	(3,074,218)	(514,546)	2,449,968	1,517,314	1,218,928	(15,289,573)	56,717,331	(26,983,581)	(5,174,141)	1,855	—	9,712,906
Cash and cash equivalents – beginning of year	32,313,981	1,664,956	38,053,215	61,140,436	6,129,634	4,681,299	51,077,598	45,346,743	327,309,270	12,934,081	540,327	—	581,191,540
Cash and cash equivalents – end of year	\$ 31,157,550	(1,409,262)	37,538,669	63,590,404	7,646,948	5,900,227	35,788,025	102,064,074	300,325,689	7,759,940	542,182	—	590,904,446

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2013

	Alcorn State University	Delta State University	Jackson State University	Mississippi State University	Mississippi University for Women	Mississippi Valley State University	University of Mississippi	University of Southern Mississippi	University of Mississippi Medical Center	IHL Board Office	MCVS	Elimination entries	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:													
Operating income (loss)	\$ (43,534,397)	(28,331,346)	(74,116,718)	(203,470,229)	(19,546,623)	(29,706,352)	(99,808,204)	(113,533,352)	(166,142,900)	(39,063,524)	(380,632)	—	(817,634,277)
Adjustment to reconcile net income (loss) to net cash provided (used) by operating activities:													
Depreciation expenses	3,720,959	3,906,447	10,315,340	28,972,442	2,299,627	2,054,923	26,198,172	17,093,610	45,141,568	150,889	—	—	139,853,977
Self-insurance claims expense	—	—	—	(223,118)	—	—	—	—	6,157,781	16,482,087	—	—	22,416,750
Bad debt expenses	—	—	—	—	—	—	—	—	146,377,945	311,974	—	—	146,689,919
Other	309,915	(596,954)	(1,428,095)	—	145,164	1,068,565	1,711,733	400,000	—	(15,398,991)	131,984	—	(13,656,679)
Changes in assets and liabilities:													
(Increase) decrease in assets:													
Receivables, net	(3,720,071)	(1,892,489)	(1,342,252)	(4,395,725)	(149,229)	169,796	2,079,601	(74,787)	(171,414,375)	202,865	(6,682)	—	(180,543,348)
Inventories	(65,997)	29,481	(34,415)	58,915	—	(97,594)	(50,018)	13,434	(1,222,353)	108,422	—	—	(1,260,125)
Prepaid expenses	—	(74,973)	6,417	75,964	30,362	95,840	(206,300)	(1,038,643)	(1,517,790)	13,574	—	—	(2,615,549)
Other assets	—	—	—	—	—	—	—	—	95,713	—	—	—	95,713
Increase (decrease) in liabilities:													
Accounts payable and accrued liabilities	2,468,393	(185,684)	423,914	376,292	351,045	37,802	5,697,853	(646,592)	9,387,457	375,683	(113,536)	—	18,172,627
Deferred revenue	146,680	(1,934,753)	(1,675,174)	(1,531,300)	(127,050)	(42,878)	1,647,202	2,922,934	26,104	—	—	—	(568,235)
Deposits refundable	(103,312)	3,490	(2,590)	(4,500)	—	(2,638)	(17,050)	(157)	—	—	—	—	(126,757)
Accrued leave liability	243,566	60,329	(1,324,494)	(619,911)	71,126	80,880	983,139	135,745	4,010,707	(8,957)	(9,553)	—	3,622,577
Loans to students and employees	—	—	—	—	—	—	(105,500)	(272,340)	—	—	—	—	(377,840)
Other liabilities	(3)	182,114	658,486	6,464,193	(247,218)	(230,697)	(7,828,878)	1,716,292	(9,457,069)	(252,576)	—	—	(8,995,356)
Total adjustments	3,000,130	(502,992)	5,597,137	29,173,252	2,373,827	3,133,999	30,109,954	20,249,496	27,585,688	1,984,970	2,213	—	122,707,674
Net cash provided (used) by operating activities	\$ (40,534,267)	(28,834,338)	(68,519,581)	(174,296,977)	(17,172,796)	(26,572,353)	(69,698,250)	(93,283,856)	(138,557,212)	(37,078,554)	(378,419)	—	(694,926,603)
Noncash capital related financing and investing activities:													
Assets acquired through capital lease obligations	\$ —	—	—	—	—	—	—	—	—	—	—	—	—
Capital appropriations from the State of Mississippi	7,973,345	5,270,249	5,391,622	14,016,481	7,904,282	10,005,909	18,834,031	14,279,831	1,037,774	(30,324)	—	—	84,683,200
Donations of capital assets	—	—	—	—	72,201	—	511,030	127,948	331,879	—	—	—	1,043,058

See accompanying independent auditors' report.

(THIS PAGE LEFT BLANK INTENTIONALLY)

REPORT ON INTERNAL CONTROL AND COMPLIANCE

(THIS PAGE LEFT BLANK INTENTIONALLY)



KPMG LLP
Suite 1100
One Jackson Place
188 East Capitol Street
Jackson, MS 39201-2127

**Independent Auditors' Report on Internal Control over
Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Trustees
State of Mississippi Institutions of Higher Learning:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the State of Mississippi Institutions of Higher Learning (the IHL System), a component unit of the State of Mississippi (the State), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the IHL System's basic financial statements and have issued our report thereon dated December 13, 2013. Our report includes a reference to other auditors who audited the financial statements of the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, and the State Institutions of Higher Learning Tort Liability Fund, as described in our report on the IHL System's financial statements.

As described in our report on the IHL System's financial statements, the financial statements of the Mississippi State University Foundation, Inc., the University of Mississippi Foundation, the University of Southern Mississippi Foundation, the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, and the State Institutions of Higher Learning Tort Liability Fund were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the IHL System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the IHL System's internal control. Accordingly, we do not express an opinion on the effectiveness of the IHL System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

(THIS PAGE LEFT BLANK INTENTIONALLY)



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the IHL System's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the IHL System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the IHL System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Jackson, Mississippi
December 13, 2013

(THIS PAGE LEFT BLANK INTENTIONALLY)

**COMPONENT UNIT ADDITIONAL INFORMATION
FOR INCLUSION IN THE STATE OF MISSISSIPPI
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

(THIS PAGE LEFT BLANK INTENTIONALLY)

**REPORT ON COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

(THIS PAGE LEFT BLANK INTENTIONALLY)



KPMG LLP
Suite 1100
One Jackson Place
188 East Capitol Street
Jackson, MS 39201-2127

Independent Auditors' Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

The Board of Trustees
State of Mississippi Institutions of Higher Learning:

Report on Compliance for Each Major Federal Program

We have audited the State of Mississippi Institutions of Higher Learning (IHL System) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the IHL System's major federal programs for the year ended June 30, 2013. The IHL System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the IHL System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the IHL System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the IHL System's compliance.

Opinion on Each Major Federal Program

In our opinion, the IHL System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

(THIS PAGE LEFT BLANK INTENTIONALLY)



Report on Internal Control over Compliance

Management of the IHL System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the IHL System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the IHL System's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the IHL System, a component unit of the State of Mississippi, as of and for the year ended June 30, 2013, and have issued our report thereon dated December 13, 2013, which contained unmodified opinions on those financial statements. Our report on the basic financial statements was modified to include reference to other auditors. Our audit was conducted for the purpose of forming our opinions on the basic financial statements, which collectively comprise the IHL System's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance

(THIS PAGE LEFT BLANK INTENTIONALLY)



with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

KPMG LLP

Jackson, Mississippi
March 20, 2014

(THIS PAGE LEFT BLANK INTENTIONALLY)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVUSU	UM	UMMC	USM	IHL Board Office	MCVS
Student Financial Aid - Cluster:														
U.S. Department of Education														
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		\$ 4,546,557	849,653	105,011	1,044,344	717,595	81,052	603,355	555,459	52,811	537,377	—	—
Federal Work-study Program (FWS)	84.033		6,396,117	563,066	375,026	1,859,518	1,316,164	160,114	488,008	842,476	20,000	771,745	—	—
Federal Perkins Loan Program (FPL)	84.038		4,234,031	—	—	115,735	1,787,518	177,451	—	1,380,002	773,325	—	—	—
Federal PELL Grant Program	84.063		126,535,978	12,355,667	5,455,249	21,030,672	24,409,733	5,607,085	7,496,638	21,533,446	522,536	28,124,452	—	—
Federal Direct Student Loans	84.268		480,312,459	38,840,955	18,208,061	74,246,388	96,751,566	15,238,795	20,591,655	97,727,449	26,256,691	92,451,099	—	—
Teacher Education Assistance for College and Higher Education Grant	84.379		460,786	19,858	—	60,000	181,821	2,000	—	38,380	—	158,727	—	—
			622,485,928	52,629,199	24,143,847	98,356,537	125,164,197	21,266,497	29,179,656	122,077,212	27,625,363	122,043,400	—	—
Total U.S. Department of Education														
U.S. Department of Health and Human Services														
Health Professions Student Loan	93.342		220,328	—	—	—	—	—	—	220,328	—	—	—	—
Scholarships for Health Professions Students from Disadvantaged Background	93.925		5,599	—	—	(549)	—	—	—	6,148	—	—	—	—
			225,927	—	—	(549)	—	—	—	226,476	—	—	—	—
Total U.S. Department of Health and Human Services														
			622,711,855	52,629,199	24,143,847	98,356,008	125,164,197	21,266,497	29,179,656	122,303,688	27,625,363	122,043,400	—	—
* Total Student Financial Aid - Cluster														
			622,711,855	52,629,199	24,143,847	98,356,008	125,164,197	21,266,497	29,179,656	122,303,688	27,625,363	122,043,400	—	—
Research and Development Cluster:														
U.S. Department of Agriculture														
Agricultural Research Basic and Applied Research	10.000		580,345	—	—	—	505,111	—	—	75,234	—	—	—	—
Plant and Animal Disease, Pest Control, and Animal Care	10.001		13,569,294	73,084	—	—	8,308,293	—	—	4,649,275	—	538,642	—	—
Wildlife Services	10.025		215,181	15,857	—	—	199,324	—	—	—	—	—	—	—
Grants for Agricultural Research, Special Research Grant	10.028		508,013	—	—	—	508,013	—	—	—	—	—	—	—
Cooperative Forestry Research	10.200		2,288,504	(1,050)	—	—	2,235,698	—	36,423	—	—	17,433	—	—
Payments to Agricultural Experiment Stations Under Hatch Act	10.202		1,066,628	227,762	—	—	838,866	—	—	—	—	—	—	—
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.203		3,862,681	—	—	—	3,862,681	—	—	—	—	—	—	—
Grants for Agricultural Research Competitive Research Grant	10.205		2,831,874	2,819,921	—	—	11,953	—	—	—	—	—	—	—
Animal Health and Disease Research	10.206		40,870	—	—	—	40,870	—	—	—	—	—	—	—
Food and Agricultural Sciences National Needs Graduate Fellowship Grant	10.210		56,312	—	—	—	56,312	—	—	—	—	—	—	—
Sustainable Agriculture Research and Education	10.215		6,314	—	—	—	—	—	—	66,851	—	—	—	—
1890 Institution Capacity Building Grant	10.216		370,389	370,389	—	—	—	—	—	—	—	—	—	—
Agricultural and Rural Economic Research	10.250		29,547	—	—	—	29,547	—	—	—	—	—	—	—
Research Innovation and Development Grants in Economic (RIDGE) Integrated Programs	10.255		269,105	—	—	—	269,105	—	—	—	—	—	—	—
Homeland Security Agricultural	10.303		322,059	186	—	—	321,873	—	—	—	—	—	—	—
Specialty Crop Research Initiative (SCRS)	10.304		8,916	—	—	—	8,916	—	—	—	—	—	—	—
Agriculture and Food Research Initiative (AFRI)	10.309		136,018	—	—	—	136,018	—	—	—	—	—	—	—
Beginning Farmer and Rancher Development Program	10.310		637,314	—	—	—	535,543	—	—	—	101,771	—	—	—
Planning Grant to Establish a Policy Inst	10.311		88,436	—	—	—	88,436	—	—	—	—	—	—	—
Cooperative Extension Service	10.443		14,409	14,409	—	—	—	—	—	—	—	—	—	—
Child and Adult Food Care Program	10.500		12,689,198	2,754,041	—	—	9,935,157	—	—	—	—	—	—	—
Team Nutrition Grants	10.558		11,602	11,602	—	—	—	—	—	—	—	—	—	—
National Food Service Management Institute Administration and Staffin	10.574		448,595	—	—	—	—	—	—	448,595	—	—	—	—
Forestry Research	10.587		622,507	—	—	—	—	—	—	622,507	—	—	—	—
Schools and Roads - Grants to Counties	10.652		216,762	48	11,625	—	190,511	—	—	—	—	14,578	—	—
Forest Health Protection	10.666		574	—	—	—	574	—	—	—	—	574	—	—
Community Forest and Open Space Conservation Program (CFP)	10.680		134,286	—	—	—	134,286	—	—	—	—	—	—	—
Rural Business Opportunity	10.689		2,851	—	—	—	2,851	—	—	—	—	—	—	—
Soil and Water Conservation	10.677		20,162	—	—	—	20,162	—	—	—	—	—	—	—
Soil Survey	10.902		280,871	—	—	—	280,871	—	—	—	—	—	—	—
Environmental Quality Incentives Program	10.903		816	—	—	—	816	—	—	—	—	—	—	—
Scientific Cooperation and Research	10.912		74,149	—	—	—	74,149	—	—	—	—	—	—	—
	10.961		3,125	—	—	—	—	—	—	3,125	—	—	—	—
			41,474,758	6,292,563	11,625	—	28,595,562	—	36,423	5,865,587	101,771	571,227	—	—
Pass through Program From:														
University of AZ (USDA)	10.000	University of AZ	90,280	—	—	—	90,280	—	—	—	—	—	—	—
Michigan State Univ - US Dept of Agriculture	10.000	RC102281MSU	94,539	—	—	—	94,539	—	—	—	—	—	—	—
Colorado St Univ - US Dept of Agriculture	10.000	Colorado St Univ dtd 12/05/12	2,004	—	—	—	2,004	—	—	—	—	—	—	—
State Vet Database Desigr	10.000		2,176	—	—	2,176	—	—	—	—	—	—	—	—
Total CFDA	10.000		188,999	—	—	2,176	186,823	—	—	—	—	—	—	—
NCSU - Plant and Animal Disease Pest Control and Animal Care	10.025	2010-0442-01	8,487	—	—	—	8,487	—	—	—	—	—	—	—
MS Bd of Animal Health - Plant and Animal Disease Pest Control and Animal Ca	10.025	AGREEMENT DTD 12/28/11	30,874	—	—	—	30,874	—	—	—	—	—	—	—
MDAC - Plant and Animal Disease Pest Control and Animal Ca	10.025	MOU DATED 07/12/11	2,829	—	—	—	2,829	—	—	—	—	—	—	—
MS Bd of Animal Health - Plant and Animal Disease Pest Control and Animal Ca	10.025	MS Bd of Animal Hth 07/11/12	118,157	—	—	—	118,157	—	—	—	—	—	—	—
MDAC - Plant and Animal Disease Pest Control and Animal Ca	10.025	MOU dtd 06/20/12	3,275	—	—	—	3,275	—	—	—	—	—	—	—
MDAC - Plant and Animal Disease Pest Control and Animal Ca	10.025	MOU dtd 04/09/12	9,001	—	—	—	9,001	—	—	—	—	—	—	—
Total CFDA	10.025		172,623	—	—	—	172,623	—	—	—	—	—	—	—
Mississippi Department of Agriculture	10.156		28,871	28,871	—	—	—	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	09121467	7,401	—	—	—	7,401	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	09121468	2,201	—	—	—	2,201	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	10011499	2,199	—	—	—	2,199	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	10011498	10,294	—	—	—	10,294	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	1011142	16,148	—	—	—	16,148	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	1011137	747	—	—	—	747	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	11030353	9,227	—	—	—	9,227	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	1109965	2,130	—	—	—	2,130	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	10111157	4,289	—	—	—	4,289	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	MOU dtd 10/16/12	4,080	—	—	—	4,080	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	MOU dtd 11/01/12	2,627	—	—	—	2,627	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	MOU dtd 10/29/12	6,258	—	—	—	6,258	—	—	—	—	—	—	—
MDAC - Specialty Crop Block Grant Program - Farm Bil	10.170	MOU dtd 12/01/12	2,539	—	—	—	2,539	—	—	—	—	—	—	—
MS Sweet Potato Council - Specialty Crop Block Grant Program-Farm Bil	10.170	MOA DTD 1/26/12	9,361	—	—	—	9,361	—	—	—	—	—	—	—
Total CFDA	10.170		79,501	—	—	—	79,501	—	—	—	—	—	—	—
Univ of FL - USDA - Grants for Agricultural Research Special Research Grants	10.200	Univ of FL - USDA - Purchase Orders	2,253	—	—	—	2,253	—	—	—	—	—	—	—
OK State Univ - Grants for Agricultural Research Special Research Grant	10.200	AB-5-6690MSU	4,440	—	—	—	4,440	—	—	—	—	—	—	—
Colorado State Univ - Grants for Agricultural Research Special Research Grant	10.200	G-1476-1	7,999	—	—	—	7,999	—	—	—	—	—	—	—
Texas A & M - Grants for Agricultural Research Special Research Grant	10.200	S100075	6,779	—	—	—	6,779	—	—	—	—	—	—	—
Oklahoma State Univ - Grants for Agricultural Research Special Research Grant	10.200	AB-5-6730MSU	140,467	—	—	—	140,467	—	—	—	—	—	—	—
Texas A & M - Grants for Agricultural Research Special Research Grant	10.200	S100075	1,307	—	—	—	1,307	—						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Univ of Idaho - Grants for Agricultural Research Competitive Research	10.206	BGK728_SB_001 POA 0025987	175,946	—	—	—	175,946	—	—	—	—	—	—	—
Univ of FL - Grants for Agricultural Research Special Research Grant	10.206	000789971	13,687	—	—	—	13,687	—	—	—	—	—	—	—
Univ of NE - Grants for Agricultural Research Competitive Research	10.206	25-6242-0086-002	84	—	—	—	84	—	—	—	—	—	—	—
Total CFDA	10.206		189,717	—	—	—	189,717	—	—	—	—	—	—	—
MS Bd of Animal Hlth - Animal Health and Disease Research	10.207	10040381	563	—	—	—	563	—	—	—	—	—	—	—
Louisiana State University - Sustainable Agriculture Research and Education	10.215		7,481	7,481	—	—	—	—	—	—	—	—	—	—
Tuskegee - Sustainable Agriculture Research and Education	10.215		23,089	23,089	—	—	—	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	RE675-1164892316	507	—	—	—	507	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	RD309-1174893486	10,335	—	—	—	10,335	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	RD309-1054690128	37,419	—	—	—	37,419	—	—	—	—	—	—	—
LSU Ag Center - Sustainable Agriculture Research and Education	10.215	53793	14,589	—	—	—	14,589	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	University of Georgi	11,142	—	—	—	11,142	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	RD309-1224940716	126	—	—	—	126	—	—	—	—	—	—	—
Univ of GA - Sustainable Agriculture Research and Education	10.215	RD309-1174940286	8,327	—	—	—	8,327	—	—	—	—	—	—	—
Total CFDA	10.215		113,025	30,570	—	—	82,455	—	—	—	—	—	—	—
Michigan State Univ - Higher Education Challenge Grants	10.217	61-4201MSU	10,793	—	—	—	10,793	—	—	—	—	—	—	—
Univ of AR - Higher Education Challenge Grant	10.217	UA AES 90949-03	17,501	—	—	—	17,501	—	—	—	—	—	—	—
Total CFDA	10.217		28,294	—	—	—	28,294	—	—	—	—	—	—	—
Salish Kootenai College - 1994 Institutions Research Program (B)	10.227	Salish Kootenai College	9,161	—	—	—	9,161	—	—	—	—	—	—	—
TAMU - International Science and Education Grants (B)	10.305	TAMU	4,462	—	—	—	4,462	—	—	—	—	—	—	—
LSU Ag Cr - Specialty Crop Research Initiative (SCRS)	10.309	44126	353,347	—	—	—	353,347	—	—	—	—	—	—	—
Univ of Arkansas - Specialty Crop Research Initiative (SCRS)	10.309	UA AES 91033-03	37,724	—	—	—	37,724	—	—	—	—	—	—	—
Ohio State Univ - Specialty Crop Research Initiative (SCRS)	10.309	60025320 RF01231243	16,816	—	—	—	16,816	—	—	—	—	—	—	—
Univ of GA - Specialty Crop Research Initiative (SCRS)	10.309	RC299-3803503838	16,109	—	—	—	16,109	—	—	—	—	—	—	—
Cornell University - Specialty Crop Research Initiative (SCRS)	10.309	64091-9823	7,305	—	—	—	7,305	—	—	—	—	—	—	—
Cornell University - Specialty Crop Research Initiative (SCRS)	10.309	64188-9812	9,052	—	—	—	9,052	—	—	—	—	—	—	—
Brigham Young Univ - Specialty Crop Research Initiative (SCRS)	10.309	12-0347	47,277	—	—	—	47,277	—	—	—	—	—	—	—
Total CFDA	10.309		487,630	—	—	—	487,630	—	—	—	—	—	—	—
LSU - Agriculture and food Research Initiative (AFRI)	10.310	61356	13,869	—	—	—	13,869	—	—	—	—	—	—	—
Texas A&M Univ - Agriculture and food Research Initiative (AFRI)	10.310	570657	20,020	—	—	—	20,020	—	—	—	—	—	—	—
NCSU, Agriculture and food Research Initiative (AFRI)	10.310	2009-2396-01	(4,618)	—	—	—	(4,618)	—	—	—	—	—	—	—
Univ of FL-Agriculture and food Research Initiative (AFRI)	10.310	UF11096	24,448	—	—	—	24,448	—	—	—	—	—	—	—
Washington State U - Agriculture and food Research Initiative (AFRI)	10.310	U 112858 G003121	2,070	—	—	—	2,070	—	—	—	—	—	—	—
University of Florida - Agriculture and food Research Initiative (AFRI)	10.310		3,107	3,107	—	—	—	—	—	—	—	—	—	—
LSU Ag Center - Agriculture and food Research Initiative (AFRI)	10.310	46545	1,509	—	—	—	1,509	—	—	—	—	—	—	—
Univ of TN, Knoxville - Agriculture and Food Research Initiative (AFRI)	10.310	8.500031-246	2,838	—	—	—	2,838	—	—	—	—	—	—	—
University of Massachusetts, Amherst - Agriculture and Food Research Initiati	10.310	06 003657 C 03	17,229	—	—	—	—	—	—	17,229	—	—	—	—
Total CFDA	10.310		80,472	3,107	—	—	60,136	—	—	17,229	—	—	—	—
Texas Tech - Partnership Agreements to Develop Non-Ins Rm Tools for Producers	10.456	21A169-01 (1301D122-01)	16,082	—	—	—	16,082	—	—	—	—	—	—	—
Auburn Univ - Cooperative Extension Service	10.500	10-ACES-374584-MSU	509	—	—	—	509	—	—	—	—	—	—	—
Univ of GA - Cooperative Extension Service	10.500	RE675-1614786476	5,220	—	—	—	5,220	—	—	—	—	—	—	—
National 4-H Council - Cooperative Extension Service	10.500	20084520104715	28,073	—	—	—	28,073	—	—	—	—	—	—	—
Univ of Arkansas - Cooperative Extension Service	10.500	SRMEC 21661-05	17,750	—	—	—	17,750	—	—	—	—	—	—	—
Kansas State Univ - Cooperative Extension Service	10.500	S12062	11,468	—	—	—	11,468	—	—	—	—	—	—	—
Univ of FL - Cooperative Extension Service	10.500	UF11279	3,425	—	—	—	3,425	—	—	—	—	—	—	—
Univ of NE - Cooperative Extension Service	10.500	25-6365-0040-119	5,223	—	—	—	5,223	—	—	—	—	—	—	—
Univ of NE - Cooperative Extension Service	10.500	25-6365-0040-129	12,306	—	—	—	12,306	—	—	—	—	—	—	—
Univ of GA - Cooperative Extension Service	10.500	RE675-1674941496	42,559	—	—	—	42,559	—	—	—	—	—	—	—
Univ of Arkansas - Cooperative Extension Service	10.500	21662-07	24,806	—	—	—	24,806	—	—	—	—	—	—	—
Kansas State Univ - Cooperative Extension Service	10.500	S13052	18,132	—	—	—	18,132	—	—	—	—	—	—	—
National 4-H Council - Cooperative Extension Service	10.500	20114520131092	32,986	—	—	—	32,986	—	—	—	—	—	—	—
AL Cooperative Extension System - Cooperative Extension Service	10.500	AL Cooperative Extension System	5,713	—	—	—	5,713	—	—	—	—	—	—	—
National 4-H Council - Cooperative Extension Service	10.500	National 4-H Council 02/13/13	19,188	—	—	—	19,188	—	—	—	—	—	—	—
Total CFDA	10.500		227,358	—	—	—	227,358	—	—	—	—	—	—	—
Univ of Georgia - Forest Health Protection (A,B)	10.680	RR272-248-4692378	16,257	—	—	—	16,257	—	—	—	—	—	—	—
MS Forestry Comm - Forest Health Protection (A,B)	10.680	CONTRACT DATED 03/07/12	13,065	—	—	—	13,065	—	—	—	—	—	—	—
MS Forestry Comm - Forest Health Protection (A,B)	10.680	MS Forestry Comm did 11/12/12	54,357	—	—	—	54,357	—	—	—	—	—	—	—
Total CFDA	10.680		83,679	—	—	—	83,679	—	—	—	—	—	—	—
Univ of Tennessee - Environmental Quality Incentives Program	10.912	8500023662	16,460	—	—	—	16,460	—	—	—	—	—	—	—
Subtotal Pass through Programs			1,913,250	62,548	—	2,176	1,831,297	—	—	17,229	—	—	—	—
Total U.S. Department of Agriculture			43,388,008	6,355,111	11,625	2,176	30,426,859	—	36,423	5,865,587	119,000	571,227	—	—
U.S. Department of Commerce:														
US Department of Commerce:	11.000		515	—	—	—	515	—	—	—	—	—	—	—
Technical Assistance Program	11.303		11,422	—	11,422	—	—	—	—	—	—	—	—	—
Geodetic Surveys and Services	11.400		1,513,568	—	—	—	—	—	—	—	—	1,513,568	—	—
Sea Grant Support	11.417		2,642,434	—	—	—	—	—	419,955	—	—	2,222,479	—	—
Financial Assistance for National Centers for Coastal Ocean Science	11.426		121	—	—	—	—	—	—	—	—	121	—	—
Fisheries Development and Utilization R&D Grants and Coop Agreements Progra	11.427		49,531	—	—	—	—	—	—	—	—	49,531	—	—
Undersea Research	11.430		1,544,920	—	—	—	—	—	1,544,920	—	—	—	—	—
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institut	11.432		3,059,884	—	—	3,059,884	—	—	—	—	—	—	—	—
Marine Fisheries Initiative	11.433		62,890	—	—	—	—	—	—	—	—	—	—	—
Southeast Area Monitoring and Assessment Progra	11.435		318,970	—	—	—	—	—	—	—	—	—	—	—
Unalied Management Project	11.454		87,412	—	—	—	—	—	—	—	—	—	—	—
Special Oceanic and Atmospheric Project	11.460		34,563	—	—	—	—	—	—	—	—	—	—	—
Applied Meteorological Research	11.468		548,713	—	(42)	—	—	—	548,755	—	—	—	—	—
Coastal Services Center	11.473		20,953	—	—	—	—	—	—	—	—	—	—	—
Measurement and Engineering Research and Standard	11.609		139,996	—	—	—	—	93,846	—	—	—	—	—	—
Congressionally Identified Project	11.617		277,576	—	—	—	—	—	—	—	277,576	—	—	—
Subtotal Direct Programs			10,313,468	—	—	11,380	3,153,730	—	2,514,145	277,576	4,356,637	—	—	—
Pass through Program From:														
MDMR - US Dept of Commerce	11.000	09121286	7,900	—	—	—	7,900	—	—	—	—	—	—	—
MDMR - US Dept of Commerce	11.000	10-002	48,994	—	—	—	48,994	—	—	—	—	—	—	—
MS Department of Environmental Quality - U.S. Department of Commer	11.000	12-01USM-09	2,386	—	—	—								

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL		
													Board Office	MCVS	
National Aeronautics and Space Admin - U.S. Department of Commerce	11.000	NNS10A436T	\$ 129	--	--	--	--	--	--	--	--	--	129	--	--
National Aeronautics and Space Admin - U.S. Department of Commerce	11.000	NNS11AA67T	68,213	--	--	--	--	--	--	--	--	--	68,213	--	--
National Data Buoy Center - U.S. Department of Commerce	11.000		43,458	--	--	--	--	--	--	--	--	--	43,458	--	--
National Marine Fisheries Service - U.S. Department of Commerce	11.000	GF133F09SE3283	(99)	--	--	--	--	--	--	--	--	--	(99)	--	--
National Marine Fisheries Service - U.S. Department of Commerce	11.000	WC133F09SE4112	10,271	--	--	--	--	--	--	--	--	--	10,271	--	--
Stratus Consulting, Inc. - U.S. Department of Commerce	11.000	Z300-25-187-T0-001	218,211	--	--	--	--	--	--	--	--	--	218,211	--	--
The Nature Conservancy - U.S. Department of Commerce	11.000	GMT_Raber03012012	2,600	--	--	--	--	--	--	--	--	--	2,600	--	--
The Nature Conservancy - U.S. Department of Commerce	11.000	100512-1	7,944	--	--	--	--	--	--	--	--	--	7,944	--	--
Total CFDA	11.000		536,501				56,894						479,607		
Waggoner Engineering, Inc. - U.S. Department of Commerce	11.001	WC133F11SE3019	888	--	--	--	--	--	--	--	--	--	888	--	--
National Marine Fisheries Service - U.S. Department of Commerce	11.001	WC-133F-12-SE-2307	(393)	--	--	--	--	--	--	--	--	--	(393)	--	--
National Marine Fisheries Service - U.S. Department of Commerce	11.001		786	--	--	--	--	--	--	--	--	--	786	--	--
Total CFDA	11.001		1,281										1,281		
SURA - Integrated Ocean Observing System (IOOS)	11.012	2011-011	3,915	--	--	--	3,915	--	--	--	--	--	--	--	--
SURA - Integrated Ocean Observing System (IOOS)	11.012	2010-012	(1,216)	--	--	--	(1,216)	--	--	--	--	--	--	--	--
Texas A & M Foundation - U.S. Department of Commerce	11.012	S120008	224,740	--	--	--	--	--	--	--	--	--	224,740	--	--
Total CFDA	11.012		227,439				2,699						224,740		
Island Institute DOC EDA	11.303	EDA-4	18,530	--	--	--	--	--	--	18,530	--	--	--	--	--
Mississippi Development Authority - U.S. Department of Commerce	11.307	04-69-06463	(29,780)	--	--	--	--	--	--	--	--	--	(29,780)	--	--
RADAR	11.400	NA17AE1623	(202)	--	--	(202)	--	--	--	--	--	--	--	--	--
MS Department of Marine Resources - U.S. Department of Commerce	11.407	10-053	93	--	--	--	--	--	--	--	--	--	93	--	--
Univ of Puerto Rico - Sea Grant Support	11.417	2012-2013-009	24,920	--	--	--	24,920	--	--	--	--	--	--	--	--
Texas A&M Univ - Sea Grant Support	11.417	13-03	10,174	--	--	--	10,174	--	--	--	--	--	--	--	--
Auburn USM NOAA	11.417	G030924-OMNIBUS/UM-R	30,611	--	--	--	--	--	--	30,611	--	--	--	--	--
Total CFDA	11.417		65,705				35,094			30,611					
Texas A&M University-NOAA	11.419	13-01	8,000	--	--	--	--	--	--	8,000	--	--	--	--	--
Middle Peninsula Planning District 1	11.419	300212576D	10,221	--	--	--	--	--	--	10,221	--	--	--	--	--
Dauphin Island Sea Lab - U.S. Department of Commerce	11.419	241IRC-USM-01	59,182	--	--	--	--	--	--	--	--	--	59,182	--	--
Total CFDA	11.419		77,403							18,221			59,182		
UNCW NOAA NA80GAR	11.430	319507-11-01	14,597	--	--	--	--	--	--	14,597	--	--	--	--	--
MDMR - Unallied Management Projects	11.454	11040432	1,124	--	--	--	1,124	--	--	--	--	--	--	--	--
MDMR - Unallied Management Project	11.454	11080799	105,521	--	--	--	105,521	--	--	--	--	--	--	--	--
GOMA - Unallied Management Project	11.454	11070689	15,297	--	--	--	15,297	--	--	--	--	--	--	--	--
MDMR - Unallied Management Project	11.454	13-033	52,742	--	--	--	52,742	--	--	--	--	--	--	--	--
MS Department of Marine Resources - U.S. Department of Commerce	11.454	S-08-USM-EDRPII-ATP1	297	--	--	--	--	--	--	--	--	--	297	--	--
Total CFDA	11.454		174,981				174,684						297		
Univ of Maryland Biotechnology Institute - U.S. Department of Commerce	11.457	03527576B	(11,850)	--	--	--	--	--	--	--	--	--	(11,850)	--	--
Univ of Maryland - U.S. Department of Commerce	11.457	0000011592	11,987	--	--	--	--	--	--	--	--	--	11,987	--	--
Total CFDA	11.457		137										137		
UCAR - Meteorologic and Hydrologic Modernization Development	11.467	A12-98094	6,457	--	--	--	6,457	--	--	--	--	--	--	--	--
Mote Marine Laboratory - U.S. Department of Commerce	11.469	MM1 170-506	73,684	--	--	--	--	--	--	--	--	--	73,684	--	--
Mississippi Museum of Natural Science - U.S. Department of Commerce	11.472	GM090405	131,242	--	--	--	--	--	--	--	--	--	131,242	--	--
MDMR NOAA NA8NSOS	11.473	S-11-GOMA-11	39,132	--	--	--	--	--	--	39,132	--	--	--	--	--
Florida Department of Environmental Protection - U.S. Department of Commerce	11.473	WM996	46,753	--	--	--	--	--	--	--	--	--	46,753	--	--
Total CFDA	11.473		85,885							39,132			46,753		
GCMEC - Fisheries Disaster Relief (B)	11.477	ST-925-027-2011-MSCL	2,172	--	--	--	2,172	--	--	--	--	--	--	--	--
MS Department of Marine Resources - U.S. Department of Commerce	11.477	S-09-USM-Menhaden-04	3,135	--	--	--	--	--	--	--	--	--	3,135	--	--
Total CFDA	11.477		5,307				2,172						3,135		
Environmental Cooperative Science	11.481	NA060AR4810164000953	62,318	--	--	--	62,318	--	--	--	--	--	--	--	--
NOAA Center for Atmospheric Studie	11.481	631017-HM1050	9,817	--	--	--	9,817	--	--	--	--	--	--	--	--
A Regional Ecosystem Approach to C	11.481	NA1ISEC4810001-003499	201,597	--	--	--	201,597	--	--	--	--	--	--	--	--
FY12 NOAA Center for Atmospheric S	11.481	0007342-1000035607/1000041743	125,723	--	--	--	125,723	--	--	--	--	--	--	--	--
Total CFDA	11.481		399,455				399,455								
MEP MTA - Manufacturing Extension Partnership	11.611	MEP2013-4	303,236	--	--	--	303,236	--	--	--	--	--	--	--	--
Subtotal Pass through Programs			2,091,951	--	--	--	399,253	--	--	121,091	--	--	990,371	--	--
Total U.S. Department of Commerce			12,405,419				410,633			3,734,966			2,635,236		277,576
U.S. Department of Defense:															
US Department of Defense	12.000		12,448,427	--	--	--	348,363	--	--	5,828,249	--	--	466,646	--	--
High-Level Quantum Chemistry	12.100		(954)	--	--	--	(954)	--	--	--	--	--	--	--	--
Basic and Applied Scientific Research	12.300		4,664,272	--	--	--	456,023	--	--	1,309,809	--	--	2,269,158	--	--
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		399,053	--	--	--	399,053	--	--	--	--	--	--	--	--
Military Medical Research and Development	12.420		1,706,935	--	--	--	(6,693)	--	--	1,320,219	--	--	393,409	--	--
Basic Scientific Research	12.431		625,801	--	--	--	124,435	--	--	179,220	--	--	59,113	--	--
Centers for Academic Excellence	12.598		41,746	--	--	--	--	--	--	41,746	--	--	--	--	--
Basic, Applied, and Advanced Research in Science and Engineering	12.630		925,448	--	--	--	22,321	--	--	822,742	--	--	75,553	--	--
Air Force Defense Research Sciences Program	12.800		930,058	--	--	--	--	--	--	28,782	--	--	62,628	--	--
Mathematical Sciences Grants Program	12.901		26,380	--	--	--	--	--	--	--	--	--	26,097	--	--
Information Security Grant Program	12.902		195,112	--	--	--	--	--	--	--	--	--	195,112	--	--
High Performance Computationa	12.910		36,712	--	--	--	36,712	--	--	--	--	--	--	--	--
Subtotal Direct Programs			21,998,990	278,661	--	--	1,816,103	7,346,300	--	--	8,590,065	860,055	3,107,806	--	--
Pass through Program From:															
Georgia Tech - US Dept of Defense	12.000	R7443-85	(1,759)	--	--	--	--	--	--	--	--	--	(1,759)	--	--
ATA Engineering - US Dept of Defense	12.000	59125-002	963	--	--	--	--	--	--	--	--	--	963	--	--
SemiSouth Lab - US Dept of Defense	12.000	#1022	(1,151)	--	--	--	--	--	--	--	--	--	(1,151)	--	--
CEED - US Dept of Defense	12.000	S002	77,973	--	--	--	--	--	--	--	--	--	77,973	--	--
Ultimate - US Dept of Defense	12.000	1850-1559-M505-10D-CA603	1,306	--	--	--	--	--	--	--	--	--	1,306	--	--
General Atomics - US Dept of Defense	12.000	PO 4500029650	24,691	--	--	--	--	--	--	--	--	--	24,691	--	--
CCSS Engility - US Dept of Defense	12.000	4143-M804-0036	27,671	--	--	--	--	--	--	--	--	--	27,671	--	--
General Atomics - US Dept of Defense	12.000	POW 4500031493	202,600	--	--	--	--	--	--	--	--	--	202,600	--	--
Battelle - US Dept of Defense	12.000	PO US001-0000293527	109,752	--	--	--	--	--	--	--	--	--	109,752	--	--
MAV6, LLC - US Dept of Defense	12.000	2011-VA-C-0037	(848)	--	--	--	--	--	--	--	--	--	(848)	--	--
Univ of MD - US Dept of Defense	12.000	C00066281	68,740	--	--	--	--	--	--	--	--	--	68,740	--	--
High Performance Technologies - US Dept of Defense	12.000	TASK ORDER NO. 010	29,189	--	--	--	--	--	--	--	--	--	29,189	--	--
CFD Research Corp - US Dept of Defense	12.000	CFDRC PROJECT# 9050	67,345	--	--	--	--	--	--	--	--	--	67,345	--	--
Neuay Inc. - US Dept of Defense	12.000	Neuay Inc.	130,708	--	--	--	--	--	--	--	--	--	130,708	--	--
Battelle Mem Inst US Dept of Defense	12.000	US001-0000338365	58,608	--	--	--	--	--	--	--	--	--	58,608	--	--

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Battelle Mem Inst US Dept of Defense	12.000	US001-000337627	\$ 46,675	—	—	—	46,675	—	—	—	—	—	—	—
Neany Inc. - US Dept of Defense	12.000	PO P0001	142,437	—	—	—	142,437	—	—	—	—	—	—	—
Neany Inc. - US Dept of Defense	12.000	NISC-MISSU-12-0047-P00002	150,533	—	—	—	150,533	—	—	—	—	—	—	—
High Performance Technologies - US Dept of Defense	12.000	011	87,954	—	—	—	87,954	—	—	—	—	—	—	—
Battelle Mem Inst US Dept of Defense	12.000	US001-0000370554	180,596	—	—	—	180,596	—	—	—	—	—	—	—
Neany Inc. - US Dept of Defense	12.000	20130501-P0162 MISSU	58,052	—	—	—	58,052	—	—	—	—	—	—	—
Intelligent Fusion Technology - US Dept of Defense	12.000	005-1	17,801	—	—	—	17,801	—	—	—	—	—	—	—
CYTEC CORP-US Navy	12.000	021466-S-0057	824	—	—	—	—	—	—	824	—	—	—	—
CRAFT-AF-FA8650-08	12.000	08-M-3801-C328	203	—	—	—	—	—	—	203	—	—	—	—
CRAFT AFRL FA8650	12.000	11-C-3111001-C479	74,558	—	—	—	—	—	—	74,558	—	—	—	—
DIV TECH INC-US Navy	12.000	30022622A	1,253	—	—	—	—	—	—	1,253	—	—	—	—
Purdue-DOD SP0700	12.000	4104-54155	14,278	—	—	—	—	—	—	14,278	—	—	—	—
ENGILITY NSWC DAHL	12.000	4143-44	97,773	—	—	—	—	—	—	97,773	—	—	—	—
Crosslink USAF	12.000	FA8650-09-C-5227	67,554	—	—	—	—	—	—	67,554	—	—	—	—
SHERPA-US Navy	12.000	N68335-12-C-0388	24,000	—	—	—	—	—	—	24,000	—	—	—	—
NOR GRU / AF FA 8650	12.000	P. O. 2746437	348,322	—	—	—	—	—	—	348,322	—	—	—	—
HARI Grant	12.000	IEC-11-001	73,867	—	—	73,867	—	—	—	—	—	—	—	—
2011 REAP	12.000	11-43,11-42,11-94,11-102	152	—	—	152	—	—	—	—	—	—	—	—
Los Alamos National Laboratory - U.S. Department of Defense	12.000	84399-001-10	(16)	—	—	—	—	—	—	—	—	—	(16)	—
National Geospatial-Intelligence Agency - U.S. Department of Defense	12.000	HM017712P0060	3,808	—	—	—	—	—	—	—	—	—	3,808	—
Northrop Grumman - U.S. Department of Defense	12.000	PO 00486	61,694	—	—	—	—	—	—	—	—	—	61,694	—
Optech International, Inc - U.S. Department of Defense	12.000	PO # 001198	12,706	—	—	—	—	—	—	—	—	—	12,706	—
Optech International, Inc - U.S. Department of Defense	12.000	PO 20130164	66,988	—	—	—	—	—	—	—	—	—	66,988	—
Praxis, Inc. - U.S. Department of Defense	12.000	PO10142737	1,245	—	—	—	—	—	—	—	—	—	1,245	—
Science Applications Intel Corporation - U.S. Department of Defense	12.000	W912HZ-12-C-0045	682	—	—	—	—	—	—	—	—	—	682	—
U.S. Army Corps of Engineers - U.S. Department of Defense	12.000	W9113M-10-C-0002	64,609	—	—	—	—	—	—	—	—	—	64,609	—
U.S. Army Space & Missile Defense Command - U.S. Department of Defense	12.000	S-875-130-009	521,128	—	—	—	—	—	—	—	—	—	521,128	—
UES - U.S. Department of Defense	12.000	10-S587-067-01-C1	24,395	—	—	—	—	—	—	—	—	—	24,395	—
Universal Technology Corporation - U.S. Department of Defense	12.000 </tr													

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Multi-State Conservation Grant Program	15.628		2,824				2,824							
U.S. Department of the Interior	15.632		8,355									8,355		
Migratory Bird Joint Ventures (B,C)	15.637		740,777				731,550					9,227		
Challenge Cook Share	15.642		10,970				10,970							
Service Training and Technical Assistance (Generic Training)	15.649		7,810				7,810							
Migratory Bird Monitoring, Assessment and Conservatio	15.655		44,228				44,228							
Endangered Species - Conservation Recovery Implementation Fun	15.657		12,923				10,287					2,636		
Endangered Species - Candidate Conservation Action Fund	15.660		12,212				12,212							
Assistance to State Water Resources Research Institut	15.805		129,757				109,757			20,000				
U.S. Geological Survey Research and Data Collectio	15.808		52,346				11,994			9,198		31,154		
Cooperative Research Units Program (CRUP)	15.812		295,217				295,217							
National Geospatial Program Building The National Ma	15.817		12,180									12,180		
Technical Preservation Service	15.915		23,785				23,785							
Cooperative Research and Training Programs - National Park Syste	15.945		15,847				15,847							
Subtotal Direct Programs			1,838,080				1,411,465			363,063		63,552		
Pass through Program From:														
Ducks Unlimited - US Dept of Interior	15.000	US-MS-105-1	16,893				16,893							
MDWFP - US Dept of Interior	15.000	MDWFP - USFWS	26,040				26,040							
MDWFP - US Dept of Interior	15.000	09121332	48,077				48,077							
MS Department of Marine Resources - U.S. Department of the Interior	15.000	S-12-USMGCRL-GOMESA	1,043,948									1,043,948		
MS Department of Marine Resources - U.S. Department of the Interior	15.000	S-12-F95-USM-22	36,716									36,716		
The Nature Conservancy - U.S. Department of Interior	15.000	110512-1	936									936		
Total CFDA	15.000		1,172,610				91,010					1,081,600		
University of New Orleans - U.S. Department of the Interior	15.423	158	50,813									50,813		
MDMR - Coastal Impact Assistance Program (CIAP)	15.426	MS.R.740	6,610				6,610							
MDMR - Coastal Impact Assistance Program (CIAP)	15.426	MS.R.728	33,224				33,224							
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.742	112,415									112,415		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.727	28,981									28,981		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.727	56,579									56,579		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.727	48,429									48,429		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.727	25,578									25,578		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.727	40,381									40,381		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	MS.R.760	57,607									57,607		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.743	71,155									71,155		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	M09AF16100 MS.R.745	45,350									45,350		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.729	183,805									183,805		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	MS.R.749	71,880									71,880		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.746	17,740									17,740		
MS Department of Marine Resources - U.S. Department of the Interior	15.426	CIAP MS.R.744	40,044									40,044		
The Nature Conservancy - U.S. Department of the Interior	15.426	MSFO-0503201-1	7,178									7,178		
Total CFDA	15.426		846,956				39,834					807,122		
MDWFP - Sport Fish Restoration Program	15.605	PD464485612	13,557				13,557							
MDWFP-US Fish YR 3, MDWFP-US Fish YR 4	15.605	951,000	50,225							50,225				
Louisiana Dept of Wildlife & Fisheries - U.S. Department of Interior	15.605	719119	184,234									184,234		
MS Department of Marine Resources - U.S. Department of the Interior	15.605	S12-USMGCRL-F131-11-1	99,605									99,605		
MS Department of Marine Resources - U.S. Department of the Interior	15.605	S13USMGCRL-F131-12-1	101,482									101,482		
MS Department of Marine Resources - U.S. Department of the Interior	15.605	S-15-F95-USM-25	11,140									11,140		
MS Department of Marine Resources - U.S. Department of the Interior	15.605	S-12-USM-GCRL-F132-12	33,242									33,242		
MS Department of Marine Resources - U.S. Department of the Interior	15.605	S13-USMGCRL-F-132-13	24,424									24,424		
Total CFDA	15.605		517,909							80,225		454,127		
Puerto Rico DNER - Wildlife Restoration	15.611	133-08-001211	24,359				24,359							
MDWFP - Wildlife Restoration	15.611	W-48-56-439	5,548				5,548							
MI DNR - Wildlife Restoration	15.611	751B200001	181,425				181,425							
MI DNR - Wildlife Restoration	15.611	751B9200072	33,926				33,926							
MDWFP - Wildlife Restoration	15.611	STUDY # 68	82,012				82,012							
Total CFDA	15.611		327,870				327,870							
MS Department of Marine Resources - U.S. Department of the Interior	15.614	08-USM-MGCHP-01	18,925									18,925		
MS Department of Marine Resources - U.S. Department of the Interior	15.625	S-11-GBNERR-USM12	(64)									(64)		
MS Dept of Wildlife Fisheries & Parks - U.S. Department of the Interior	15.634	FUNDULUS.SWG FY07	(12)									(12)		
MS WRRRI USGS WETL	15.805	440502-363464-01	14,551							14,551				
MS WRRRI USGS MERCUR	15.805	440502-363465-01	992							992				
Total CFDA	15.805		15,543							15,543				
Humboldt State Univ - Geological Survey Research and Data Acquisition	15.808	G10AC00703	57,914				57,914							
National Park Service - U.S. Department of the Interior	15.931	P12AC30365	19,513									19,513		
Subtotal Pass through Programs			3,027,977				530,185			65,768		2,432,024		
Total U.S. Department of Interior			4,866,057				1,941,650			428,831		2,495,576		
U.S. Department of Justice:														
Enhancing Law Enforcement Respons	16.000		897,533			414,775	482,758							
State Justice Statistics Program for Statistical Analysis Center	16.550		43,911									43,911		
National Institute of Justice Research, Evaluation, and Development Project Gran	16.560		18,191				18,191							
Public Safety Partnership and Community Policing Grant	16.710		334,804			334,804								
Congressionally Recommended Award	16.753		826,628				687,195					139,433		
Subtotal Direct Programs			2,121,067			749,579	1,188,144					183,344		
Pass through Program From:														
Health Care Fdn N MS - US Dept of Justice	16.000	Health Care Fdn N MS 09/24/12	30,107				30,107							
Yazoo City Federal Correctional Institution - Yazoo City Partners Ed Projec	16.000		67,132		67,132									
Total CFDA	16.000		97,239		67,132		30,107							
Univ of Tenn - Justice Research Development and Evaluation Project	16.560	A12-0140-S001	58,305				58,305							
Univ of Tenn - Justice Research Development and Evaluation Projec	16.560	ORU2643-001.01	61,121				61,121							
Texas State Univ - Justice Research Development and Evaluation Projec	16.560	13002-S-1847-1	40,550				40,550							
Florida International University - U.S. Department of Justice	16.560	800001864-01	15,422									15,422		
Total CFDA	16.560		175,398				159,976					15,422		
Subtotal Pass through Programs			272,637		67,132		190,083					15,422		
Total U.S. Department of Justice			2,393,704		67,132	749,579	1,378,227					198,766		
U.S. Department of Labor:														
WIA Pilots, Demonstrations, and Research Project	17.261		2,207				2,207							
Consultation Agreements	17.504		738,662				738,662							
Subtotal Direct Programs			740,869				740,869							

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
Jacobs Technology JT Program	17.000	N731300TMS	\$ 9,053	—	—	9,053	—	—	—	—	—	—	—	—
Iawamba Community College 1201254	17.245	1.201.254	27,195	—	—	—	27,195	—	—	—	—	—	—	—
Subtotal Pass through Programs			36,248	—	—	9,053	27,195	—	—	—	—	—	—	—
Total U.S. Department of Labor			777,117	—	—	9,053	768,064	—	—	—	—	—	—	—
U.S. Department of State:														
US Department of State	19.000		(203)	—	—	(203)	—	—	—	—	—	—	—	—
Subtotal Direct Programs			(203)	—	—	(203)	—	—	—	—	—	—	—	—
Pass through Program From:														
Biostatistical Consulting Cente	19.000	S-LMAQM-08GR-071	81,870	—	—	81,870	—	—	—	—	—	—	—	—
The National Academies – U.S. Department of State	19.000	PGA-210949	137,890	—	—	—	—	—	—	—	—	137,890	—	—
Subtotal Pass Through Programs			219,760	—	—	81,870	—	—	—	—	—	137,890	—	—
Total U.S. Department of State			219,557	—	—	81,667	—	—	—	—	—	137,890	—	—
U.S. Department of Transportation:														
U.S. Department of Transportation	20.000		37,158	—	—	41,376	(4,218)	—	—	—	—	—	—	—
Public Transportation Research	20.514		483,063	—	—	483,063	—	—	—	—	—	—	—	—
University Transportation Centers Program	20.701		869,232	—	—	100,085	769,147	—	—	—	—	—	—	—
Transportation Planning, Research and Education	20.931		231,117	—	—	—	—	—	—	48,772	—	182,345	—	—
Subtotal Direct Programs			1,620,570	—	—	624,524	947,274	—	—	48,772	—	—	—	—
Pass through Program From:														
MDOT – US Dept of Transportation	20.000	106002 162000 SS#240 MSU200731	103,807	—	—	—	103,807	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	106002 156000 SS#234 MSU200730	48,183	—	—	—	48,183	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(56)105803 131000 SS#228	36,834	—	—	—	36,834	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(56) 106002 144000 SS#221	37,722	—	—	—	37,722	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(56) 105803 146000 SS#223	28,373	—	—	—	28,373	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(60)106366 145000 SS#222	70,291	—	—	—	70,291	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	104555 121000	42,682	—	—	—	42,682	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(54)105803-131000 SS#208	(17)	—	—	—	(17)	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(51) 105129 125000 SS#206	66,375	—	—	—	66,375	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	106002 130000 SS#207 2007-12	8,692	—	—	—	8,692	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR 1(54)106002 134000 2007-14	54,304	—	—	—	54,304	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(54)105366 140000 SS#217	46,622	—	—	—	46,622	—	—	—	—	—	—	—
2011 Summer Transportation Institut	20.000	NST1-2011-00105011 110000	(770)	—	—	(770)	—	—	—	—	—	—	—	—
MS Department of Archives and History – U.S. Department of Transportat	20.000		15,628	—	—	—	—	—	—	—	—	15,628	—	—
MS Department of Archives and History – U.S. Department of Transportatio	20.000		4,764	—	—	—	—	—	—	—	—	4,764	—	—
University of Memphis – U.S. Department of Transportation	20.000		12,756	—	—	—	—	—	—	—	—	12,756	—	—
MDOT FHA STP-0036-00	20.000	LPA 106379-801000	360	—	—	—	—	—	—	360	—	—	—	—
MCT2 2010	20.000	USDOT FEDERAL HWY	597	—	—	597	—	—	—	—	—	—	—	—
MCT2 2012	20.000		138,364	—	—	138,364	—	—	—	—	—	—	—	—
Total CFDA			715,567	—	—	138,191	543,868	—	—	360	—	33,148	—	—
Atlas Geographic Data, Inc – U.S. Department of Transportation	20.200		44,575	—	—	—	—	—	—	—	—	44,575	—	—
MDOT – Highway Planning and Construction	20.205	106266 169000 SS#250 MSU200734	54,677	—	—	—	54,677	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	106266 172000 SS#253	56,949	—	—	—	56,949	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	106266 171000 SS#250 MSU200737	71,798	—	—	—	71,798	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	106266 174000 MSU 2007-38	30,898	—	—	—	30,898	—	—	—	—	—	—	—
Mississippi Department of Transportation – U.S. Department of Transportat	20.205	USM 2010-01	75,034	—	—	—	—	—	—	—	—	75,034	—	—
Total CFDA			280,356	—	—	—	214,322	—	—	—	—	75,034	—	—
Mass Transit	20.507		501,428	—	—	—	—	—	501,428	—	—	—	—	—
MDPSP MOHS – State and Community Highway Safet	20.600	13-PT-401-1	6,280	—	—	—	6,280	—	—	—	—	—	—	—
MDPSP MOHS – Alcohol Traffic Safety and Drunk Driving Preventio	20.601	13-KS-401-1	105,720	—	—	—	105,720	—	—	—	—	—	—	—
MDPSP – Occupant Protection (B)	20.602	11-OP-402-1	(401)	—	—	—	(401)	—	—	—	—	—	—	—
MDPSP – Occupant Protection (B)	20.602	12-OP-401-1	28,843	—	—	—	28,843	—	—	—	—	—	—	—
Total CFDA			28,442	—	—	—	28,442	—	—	—	—	—	—	—
MS Diversity Safety Summit Grant Pr	20.607	12-OP-400-1	840	—	—	840	—	—	—	—	—	—	—	—
Impaired Driving	20.607	13-TA-400-2	132,383	—	—	132,383	—	—	—	—	—	—	—	—
2013 Alcohol Countermeasure:	20.607	13-TA-400-1	8,792	—	—	8,792	—	—	—	—	—	—	—	—
Total CFDA			142,015	—	—	142,015	—	—	—	—	—	—	—	—
MDPSP – State Traffic Safety Information System Improvement Grants (B)	20.610	12-K9-401-2	134,527	—	—	—	134,527	—	—	—	—	—	—	—
MDPSP – State Traffic Safety Information System Improvement Grants (E)	20.610	12-K9-401-01	62,774	—	—	—	62,774	—	—	—	—	—	—	—
MDPSP – State Traffic Safety Information System Improvement Grants (E)	20.610	12-K9-401-3	1,836	—	—	—	1,836	—	—	—	—	—	—	—
MDPSP – State Traffic Safety Information System Improvement Grants (E)	20.610	13-K9-401-2	264,474	—	—	—	264,474	—	—	—	—	—	—	—
MDPSP – State Traffic Safety Information System Improvement Grants (E)	20.610	13-K9-401-1	140,126	—	—	—	140,126	—	—	—	—	—	—	—
Total CFDA			603,737	—	—	—	603,737	—	—	—	—	—	—	—
Univ of FL – USDA – Grants for Agricultural Research Special Research Grants	20.701	UF-EHES-1200026-MSU 003	2,294	—	—	—	2,294	—	—	—	—	—	—	—
Univ of FL – University Transportation Centers Program	20.701	UF-EHES-1200026-MSU 004	26,319	—	—	—	26,319	—	—	—	—	—	—	—
Univ of FL – University Transportation Centers Program	20.701	UF-EHES-1200026-MSU 001	3,891	—	—	—	3,891	—	—	—	—	—	—	—
University of Memphis – U.S. Department of Transportation	20.701		37,239	—	—	—	—	—	—	—	—	37,239	—	—
University of Memphis – U.S. Department of Transportation	20.701	Task Order #3	14,547	—	—	—	—	—	—	—	—	14,547	—	—
University of Memphis – U.S. Department of Transportation	20.701	Task Order #4	14,449	—	—	—	—	—	—	—	—	14,449	—	—
Total CFDA			98,739	—	—	—	32,504	—	—	—	—	66,235	—	—
Univ of Denver – University Transportation Centers	20.760	36301-01-00	54,908	—	—	—	54,908	—	—	—	—	—	—	—
UT – Biobased Transportation Research	20.761	8500014169	74,052	—	—	—	74,052	—	—	—	—	—	—	—
UT – Biobased Transportation Research	20.761	8500002316	141,286	—	—	—	141,286	—	—	—	—	—	—	—
UT – Biobased Transportation Research	20.761	8,500,022,317	59,234	—	—	—	59,234	—	—	—	—	—	—	—
Total CFDA			274,572	—	—	—	274,572	—	—	—	—	—	—	—
Subtotal Pass through Programs			2,865,339	—	—	280,206	1,864,353	—	501,428	360	—	218,992	—	—
Total U.S. Department of Transportation			4,485,909	—	—	904,730	2,811,627	—	501,428	49,132	—	218,992	—	—
National Aeronautics and Space Administration:														
National Aeronautics and Space Administration	43.000		1,136,625	—	9,086	107,158	25,359	—	—	995,022	—	—	—	—
Aerospace Education Services Program	43.001		1,669,358	10,000	—	—	185,754	—	—	1,801,389	—	—	—	—
Technology Transfer	43.002		147,125	—	—	—	143,682	—	—	—	—	3,443	—	—
Exploration	43.003		50,440	—	—	—	—	—	—	—	—	50,440	—	—
NASA Education	43.008		222,562	—	—	—	27,000	—	—	27,201	—	168,361	—	—
Subtotal Direct Programs			3,226,110	10,000	9,086	107,158	381,795	—	—	2,023,612	—	694,459	—	—
Pass through Program From:														
WKU Research Fdn – NASA	43.000	WKU 516220-10-001	(47)	—	—	—	(47)	—	—	—	—	—	—	—
TERC – NASA	43.000	PROJECT #4433	5,696	—	—	—	5,696	—	—	—	—	—	—	—
Univ of New Orleans – NASA	43.000	#50	34,017	—	—	—	34,017	—	—	—	—	—	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	Total Federal Expenditures											IHL Board Office	MCVS
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM				
Delaware State Univ – Education and Human Resources	47.076	10-011MH	(2,786)	—	—	—	(2,786)	—	—	—	—	—	—	—	—	—
AERA – Education and Human Resource	47.076	AERA dtd 03/11/13	6,926	—	—	—	6,926	—	—	—	—	—	—	—	—	—
MAMP	47.076	—	39,739	—	—	—	—	—	—	39,739	—	—	—	—	—	—
Florida A&M University – National Science Foundation	47.076	FAMU 002543-C-2700	(1,836)	—	—	—	—	—	—	—	—	—	—	—	(1,836)	—
University of South Alabama – National Science Foundation	47.076	120268-01	14,697	—	—	—	—	—	—	—	—	—	—	—	14,697	—
2002 AMP; 2002 AMP PS	47.076	1138814	5,000	—	—	—	—	—	—	—	—	5,000	—	—	—	—
Graduate Education in Mississippi	47.076	05-10-028-HRD-0450362	77,207	—	—	77,207	—	—	—	—	—	—	—	—	—	—
No Longer a Dream Deferred STEM	47.076	05003146 P00	42,666	—	—	42,666	—	—	—	—	—	—	—	—	—	—
Total CFDA	47.076	—	181,613	—	—	119,873	4,140	—	—	39,739	5,000	—	—	12,861	—	—
Colorado School of Mines – International Science and Engineering	47.079	400.512	102,261	—	—	—	102,261	—	—	—	—	—	—	—	—	—
Colorado School of Mines-NSF	47.079	400512	28,268	—	—	—	—	—	—	—	—	—	28,268	—	—	—
Total CFDA	47.079	—	130,529	—	—	—	102,261	—	—	—	—	—	28,268	—	—	—
Purdue University – Office of Cyber infrastructure	47.080	4101-55166	4,460	—	—	—	4,460	—	—	—	—	—	—	—	—	—
Computational Chemistry	47.081	NSFEP093787/362492-190200-01	159,708	—	—	159,708	—	—	—	—	—	—	—	—	—	—
Computational Biology	47.081	NSFEP093787/362492-190200-01	234,839	—	—	234,839	—	—	—	—	—	—	—	—	—	—
Multiscale Simulation of Biological	47.081	NSFEP093787/362492-190200-01	176,707	—	—	176,707	—	—	—	—	—	—	—	—	—	—
Educational Outreach	47.081	NSFEP093787/362492-190200-01	58,903	—	—	58,903	—	—	—	—	—	—	—	—	—	—
Research and Education Cyberinfra	47.081	EPS-1010578/101000-362531-01	117,711	—	—	117,711	—	—	—	—	—	—	—	—	—	—
Faculty Recruit Retrain and Retentor	47.081	190200-362492-01	19,871	—	—	19,871	—	—	—	—	—	—	—	—	—	—
Binding Studies of Nucleotide	47.081	190200-362492-01	10,593	—	—	10,593	—	—	—	—	—	—	—	—	—	—
Total CFDA	47.081	—	778,332	—	—	778,332	—	—	—	—	—	—	—	—	—	—
Subtotal Pass through Programs	—	—	1,556,693	—	—	1,005,222	234,044	—	—	39,739	63,275	—	—	214,413	—	—
Total National Science Foundation	—	—	24,317,381	272,428	23,398	7,077,038	10,801,276	—	—	1,004,779	2,138,539	207,707	—	2,792,216	—	—
U.S. Small Business Administration:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
US Small Business Administrator	59.000	—	349,139	259,494	—	27,310	—	—	—	—	62,039	—	—	296	—	—
Total U.S. Small Business Administration	—	—	349,139	259,494	—	27,310	—	—	—	—	62,039	—	—	296	—	—
U.S. Veterans Administration:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
US Veterans Administration	64.000	—	110,626	—	—	—	—	—	—	—	—	110,626	—	—	—	—
Subtotal Direct Programs	—	—	110,626	—	—	—	—	—	—	—	—	110,626	—	—	—	—
Total U.S. Veterans Administration	—	—	110,626	—	—	—	—	—	—	—	—	110,626	—	—	—	—
Environmental Protection Agency:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Regional Wetland Program Development Grant	66.461	—	17,588	—	—	—	—	—	—	—	—	—	17,588	—	—	—
Gulf of Mexico Program	66.475	—	154,946	—	—	—	154,946	—	—	—	—	—	—	—	—	—
Science To Achieve Results (STAR) Research Program	66.509	—	93,785	—	—	—	93,785	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs	—	—	266,319	—	—	—	248,731	—	—	—	17,588	—	—	—	—	—
Pass through Program From:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
MS Department of Environmental Quality – U. S. EP/	66.000	12-01USM-05	10,964	—	—	—	—	—	—	—	—	—	—	10,964	—	—
MS Department of Environmental Quality – U. S. EP/	66.000	12-01USM-03	97,361	—	—	—	—	—	—	—	—	—	—	97,361	—	—
MS Department of Environmental Quality – U. S. EP/	66.000	12-01USM-06	127,272	—	—	—	—	—	—	—	—	—	—	127,272	—	—
Total CFDA	66.000	—	235,597	—	—	—	—	—	—	—	—	—	—	235,597	—	—
MDEQ – Nonpoint Source Implementation Grants	66.460	13-00017	66,626	—	—	—	66,626	—	—	—	—	—	—	—	—	—
MDEQ EPA Day Camp 12	66.460	11-00022	2,743	—	—	—	—	—	—	—	2,743	—	—	—	—	—
MDEQ EPA Camp 13-14	66.460	13-00055	7,346	—	—	—	—	—	—	—	7,346	—	—	—	—	—
Total CFDA	66.460	—	76,715	—	—	—	66,626	—	—	—	10,089	—	—	—	—	—
MS Department of Environmental Quality – U.S. EPA	66.472	10-01 USM/GCRL-15	252	—	—	—	—	—	—	—	—	—	—	252	—	—
MS Department of Environmental Quality – U.S. EP/	66.472	10-01USM/GCRL-12	157	—	—	—	—	—	—	—	—	—	—	157	—	—
MS Department of Environmental Quality – U.S. EP/	66.472	10-01usmgpdt-17	610	—	—	—	—	—	—	—	—	—	—	610	—	—
MS Department of Environmental Quality – U.S. EP/	66.472	11-01USM/GCRL-19	223	—	—	—	—	—	—	—	—	—	—	223	—	—
MS Department of Environmental Quality – U.S. EP/	66.472	11-01USM/GCRL-27	(341)	—	—	—	—	—	—	—	—	—	—	(341)	—	—
Total CFDA	66.472	—	901	—	—	—	—	—	—	—	—	—	—	901	—	—
Subtotal Pass through Programs	—	—	313,213	—	—	—	66,626	—	—	—	10,089	—	—	236,498	—	—
Total Environmental Protection Agency	—	—	579,532	—	—	—	315,357	—	—	—	27,677	—	—	236,498	—	—
U.S. Nuclear Regulatory Commission:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Risk Assessment and Risk Management	77.003	—	155,470	—	—	155,470	—	—	—	—	—	—	—	—	—	—
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	—	83,517	—	—	83,517	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs	—	—	238,987	—	—	238,987	—	—	—	—	—	—	—	—	—	—
Total U.S. Nuclear Regulatory Commission	—	—	238,987	—	—	238,987	—	—	—	—	—	—	—	—	—	—
U.S. Department of Energy:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. Department of Energy	81.000	—	73,189	—	—	—	73,189	—	—	—	—	—	—	—	—	—
University-Laboratory Cooperative Program	81.004	—	132,060	—	—	—	132,060	—	—	—	—	—	—	—	—	—
Office of Science Financial Assistance Program	81.049	—	970,589	—	—	—	948,671	—	—	—	21,918	—	—	—	—	—
Regional Biomass Renewal Program	81.079	—	301,721	—	—	—	301,721	—	—	—	—	—	—	—	—	—
Conservation Research and Development	81.086	—	894,340	—	—	—	894,340	—	—	—	—	—	—	—	—	—
Renewable Energy Research and Development	81.087	—	5,521,242	—	—	—	5,477,077	—	—	—	—	—	—	44,165	—	—
Fossil Energy Research and Development	81.089	—	497,522	—	—	—	—	—	—	—	497,522	—	—	—	—	—
Energy Efficiency and Renewable Energy Information Dissemination, Outreach	81.117	—	46	—	—	—	—	—	—	—	—	—	—	—	—	—
Energy Efficiency and Renewable Energy Information Dissemination, Outreach	81.117	—	62,563	—	—	—	62,563	—	—	—	—	—	—	—	—	—
Nuclear Energy Research, Development and Demonstration	81.121	—	214,700	—	—	—	—	—	—	—	—	—	—	—	—	—
National Nuclear Security Administration (NNSA) MSI Program	81.123	—	123,302	—	—	—	123,302	—	—	—	—	—	—	—	—	—
Miscellaneous Federal Activities	81.502	—	1,214,858	—	—	—	1,214,858	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs	—	—	10,006,132	214,700	—	123,302	9,104,525	—	—	—	519,440	—	—	44,165	—	—
Pass through Program From:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Battelle Energy Alliance – US Dept of Energy	81.000	001108032	(792)	—	—	—	(792)	—	—	—	—	—	—	—	—	—
Pacific Gas & Electric – US Dept of Energy	81.000	250030310	826,632	—	—	—	826,632	—	—	—	—	—	—	—	—	—
Battelle Energy Alliance – US Dept of Energy	81.000	00102327	87,082	—	—	—	87,082	—	—	—	—	—	—	—	—	—
UT-Battelle – US Dept of Energy	81.000	400055442	50,936	—	—	—	50,936	—	—	—	—	—	—	—	—	—
SRNS – US Dept of Energy	81.000	AC84152N	3,857	—	—	—	3,857	—	—	—	—	—	—	—	—	—
GM R & D – US Dept of Energy	81.000	AGREEMENT DTD 04/08/11	41,798	—	—	—	41,798	—	—	—	—	—	—	—	—	—
Battelle Energy Alliance – US Dept of Energy	81.000	00121507	121,600	—	—	—	121,600	—	—	—	—	—	—	—	—	—
ORAU – US Dept of Energy	81.00															

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
UChicago Argonne - US Dept of Energy	81.000	3F-30381	38,209	—	—	—	38,209	—	—	—	—	—	—	—
UT-Battelle - US Dept of Energy	81.000	4000119996	1,177	—	—	—	1,177	—	—	—	—	—	—	—
BSA LLC-US DOE	81.000	154868	108,502	—	—	—	—	—	—	108,502	—	—	—	—
Argonne National Laboratory DOE	81.000	2F-32401	142,072	—	—	—	—	—	—	142,072	—	—	—	—
Argonne DOE ICOLD	81.000	3F-31241	101,386	—	—	—	—	—	—	101,386	—	—	—	—
UT-Battelle DOE-ALT PLAT1	81.000	4000122203	10,039	—	—	—	—	—	—	10,039	—	—	—	—
FERMI NAT DOE Travel, FERMI NAT DOE S&W	81.000	P.O. #603957	86,481	—	—	—	—	—	—	86,481	—	—	—	—
FERMI DOE MUON COL	81.000	PO #602586	156,876	—	—	—	—	—	—	156,876	—	—	—	—
Innovative Levee Strengthening	81.000	420000226-4000075868	291	—	—	291	—	—	—	—	—	—	—	—
Lab On A Chip For Rapid Pathogen De	81.000	4000076788	(152)	—	—	(152)	—	—	—	—	—	—	—	—
innovative Levee Strengthening Pla	81.000	400075868-4200000226	95,402	—	—	95,402	—	—	—	—	—	—	—	—
Discover MS Phase 3	81.000	4000103947	21,792	—	—	21,792	—	—	—	—	—	—	—	—
Nerve Agents	81.000	4000112261	183,375	—	—	183,375	—	—	—	—	—	—	—	—
Microbial Bioinformatics Dataset	81.000	4000112256	120,631	—	—	120,631	—	—	—	—	—	—	—	—
Radiance Technologies, Inc. - U.S. Department of Energy	81.000	11S-0727	97,086	—	—	—	—	—	—	—	—	97,086	—	—
Total CFDA	81.000		2,672,733	—	—	421,339	1,549,032	—	—	605,356	—	97,086	—	—
FERMI LAB PO DOE S&W	81.049	PO #580116	12,485	—	—	—	—	—	—	12,485	—	—	—	—
FERMI DE AC02 Main	81.049	PO #592846	7,253	—	—	—	—	—	—	7,253	—	—	—	—
Universal Display Corporation - U.S. Department of Energy	81.049	111512.01	10,922	—	—	—	—	—	—	—	—	10,922	—	—
Total CFDA	81.049		30,660	—	—	—	—	—	—	19,738	—	10,922	—	—
South Dakota State U - Regional Biomass Energy Programs	81.079	3TA148	27,894	—	—	—	27,894	—	—	—	—	—	—	—
South Dakota State U - Regional Biomass Energy Program	81.079	3TB148	22,168	—	—	—	22,168	—	—	—	—	—	—	—
South Dakota State U - Regional Biomass Energy Program	81.079	3TG162	35,459	—	—	—	35,459	—	—	—	—	—	—	—
South Dakota State U - Regional Biomass Energy Program	81.079	3TJ155	50,666	—	—	—	50,666	—	—	—	—	—	—	—
Total CFDA	81.079		136,187	—	—	—	136,187	—	—	—	—	—	—	—
South Dakota U - Renewable Energy Research and Development	81.087	3TF153	17,689	—	—	—	17,689	—	—	—	—	—	—	—
NCSTU - Renewable Energy Research and Developer	81.087	2009-2365-01	80,706	—	—	—	80,706	—	—	—	—	—	—	—
DRIS - Disaster Response	81.087	420000226-4000055329	154,039	—	—	154,039	—	—	—	—	—	—	—	—
Cornell University - U.S. Department of Energy	81.087	68579-10095	14,442	—	—	—	—	—	—	—	—	14,442	—	—
Total CFDA	81.087		266,876	—	—	154,039	98,395	—	—	—	—	14,442	—	—
Univ of CA - Inertial Fusion Science Support of Stockpile Stewardship	81.112	PODE01-X02	116,031	—	—	—	116,031	—	—	—	—	—	—	—
MDA - State Energy Program Special Projects (B	81.119	GT12-0237-002	36,636	—	—	—	36,636	—	—	—	—	—	—	—
Illinois Inst of Tech - Electricity Delivery and Energy Reliability, Research	81.122	SA432-0910-6954	174,635	—	—	—	174,635	—	—	—	—	—	—	—
Development and Analysis (B														
Alabama A&M University	81.123		31,667	31,667	—	—	—	—	—	—	—	—	—	—
Alabama A&M University	81.123		7,210	7,210	—	—	—	—	—	—	—	—	—	—
Total CFDA	81.123		38,877	38,877	—	—	—	—	—	—	—	—	—	—
General Atomics - Adv Research And Projects Agency - EFA Program	81.135	4500036723	257,569	—	—	—	257,569	—	—	—	—	—	—	—
Univ of AL - Advanced Research And Projects Agency - EFA Progra	81.135	UA12-039	25,206	—	—	—	25,206	—	—	—	—	—	—	—
Total CFDA	81.135		282,775	—	—	—	282,775	—	—	—	—	—	—	—
Subtotal Pass through Programs			3,755,410	38,877	—	575,378	2,393,691	—	—	625,094	—	122,370	—	—
Total U.S. Department of Energy			13,761,542	253,577	—	698,680	11,498,216	—	—	1,144,534	—	166,335	—	—
U.S. Department of Education:														
Higher Education Institutional Aid	84.031		125,888	125,888	—	—	—	—	—	—	—	—	—	—
Fund for the Improvement of Postsecondary Education	84.116		8,519	8,519	—	—	—	—	—	—	—	—	—	—
National Institute on Disability and Rehabilitation Research	84.133		652,484	—	—	652,484	—	—	—	—	—	—	—	—
Graduate Assistance in Areas of National Need	84.200		43,041	—	—	—	—	—	—	—	—	43,041	—	—
Fund for the Improvement of Education	84.215		297,652	—	—	—	—	297,652	—	—	—	—	—	—
Eisenhower Professional Development Grant	84.367		19,700	—	—	—	—	—	—	19,700	—	—	—	—
Delta Area Writing Project	84.928		11,762	—	—	—	—	—	—	11,762	—	—	—	—
Subtotal Direct Programs			1,159,046	134,407	—	652,484	297,652	31,462	—	—	—	43,041	—	—
Pass through Program From:														
Commonwealth of MA - US Dept of Education	84.000	SCMCB40004123059	28,618	—	—	—	28,618	—	—	—	—	—	—	—
AR Services for Blind - US Dept of Education	84.000	PO 4501190983	3,463	—	—	—	3,463	—	—	—	—	—	—	—
Total CFDA	84.000		32,081	—	—	—	32,081	—	—	—	—	—	—	—
Kansas State Univ - Fund for the Improvement of Postsecondary Education	84.116	S10119	4,430	—	—	—	4,430	—	—	—	—	—	—	—
AL Dept of Rehab Serv - Centers for Independent Living	84.132	C20870005	14,445	—	—	—	14,445	—	—	—	—	—	—	—
AL Dept of Rehab Serv - Centers for Independent Living	84.132	C30870005	19,835	—	—	—	19,835	—	—	—	—	—	—	—
Total CFDA	84.132		34,280	—	—	—	34,280	—	—	—	—	—	—	—
NJ Comm for the Blind - Independent Living State Grants	84.169	NJ Comm for the Blind 08/24/11	12,100	—	—	—	12,100	—	—	—	—	—	—	—
NJ Comm for the Blind - Independent Living State Grant	84.169	NJ Comm for the Blind did 10/04/12	11,020	—	—	—	11,020	—	—	—	—	—	—	—
Total CFDA	84.169		23,120	—	—	—	23,120	—	—	—	—	—	—	—
Utah Services for Blind - Rehabilitation Services Independent Living Services	84.177	126002	16,745	—	—	—	16,745	—	—	—	—	—	—	—
Commonwealth of VA - Rehabilitation Services Independent Living Services	84.177	AGREEMENT DTD 12/07/11	4,885	—	—	—	4,885	—	—	—	—	—	—	—
Georgia DOL - Rehabilitation Services Independent Living Services F	84.177	42700-610-00000706	6,873	—	—	—	6,873	—	—	—	—	—	—	—
MO Rehab Services for Blind - Rehabilitation Services Independent Living Services	84.177	S80-1240	3,443	—	—	—	3,443	—	—	—	—	—	—	—
Commonwealth of VA - Rehabilitation Services Independent Living Services	84.177	13-198	4,436	—	—	—	4,436	—	—	—	—	—	—	—
AR Div of Sev for Blind - Rehabilitation Services Independent Living Services	84.177	4,501,293,882	9,151	—	—	—	9,151	—	—	—	—	—	—	—
Georgia Y&A - Rehabilitation Services Independent Living Service	84.177	42700-610-0000015820	12,668	—	—	—	12,668	—	—	—	—	—	—	—
Total CFDA	84.177		58,201	—	—	—	58,201	—	—	—	—	—	—	—
FY12 Project Start	84.224	12-331-1600-010	13,455	—	—	13,455	—	—	—	—	—	—	—	—
Mid-continent Research for Ed & Learning - U.S. Department of Educatio	84.305	12-125	89,623	—	—	—	—	—	—	—	—	89,623	—	—
Subtotal Pass through Programs			255,190	—	—	13,455	152,112	—	—	—	—	89,623	—	—
Total U.S. Department of Education			1,414,236	134,407	—	13,455	804,596	297,652	31,462	—	—	132,664	—	—
U.S. Department of Health and Human Services:														
U.S. Department of Health and Human Services:	93.000		10,346,888	—	—	3,935,959	—	—	—	860,780	5,550,149	—	—	—
Food and Drug Administration Research	93.103		2,899,554	—	—	—	242,479	—	—	—	—	—	—	—
Environmental Health	93.113		580,888	—	—	—	139,880	—	—	213,237	143,514	84,257	—	—
Oral Diseases and Disorders Research	93.121		335,524	—	—	—	—	—	—	—	335,524	—	—	—
Human Genome Research	93.172		28,743	—	—	28,743	—	—	—	—	—	—	—	—
Research Related to Deafness and Communication Disorder	93.173		569,122	—	—	—	—	—	—	—	—	569,122	—	—
Research and Training in Complementary and Alternative Medicin	93.213		1,274,442	—	—	—	—	—	—	512,076	762,366	—	—	—
National Center on Sleep Disorders Research	93.233		600,371	—	—	—	—	—	—	—	—	600,371	—	—
Mental Health Research Grant	93.242		144,408	—	—	—	—	—	—	—	—	—	31,227	—
Alcohol Research Program	93.273		793,792	—	—	—	—	—	—	—	—	—	793,792	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Drug Abuse and Addiction Research Programs	93.279		1,004,751				133,366			242,518	628,867			
CDC Investigations and Technical Assistance	93.283		30,013								30,013			
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		165,891							165,891				
Minority Health and Health Disparities Research	93.307		1,276,508	24,646		971,317						280,545		
Research Infrastructure Program	93.351		809,279				234,568				574,711			
National Center for Research Resources	93.389		3,746,852				53,531			14,941	668,033	3,010,347		
Cancer Detection and Diagnosis Research	93.394		(65)				(65)							
Cancer Treatment Research	93.395		504,818							260,011	244,807			
Cancer Biology Research	93.396		588,917								588,917			
Head Start	93.600		13,985	13,943								42		
Medical Assistance Program	93.778		469,570							469,570				
Cardiovascular Diseases Research	93.837		10,369,693				81,584				10,288,109			
Blood Diseases and Resources Research	93.839		1,613,250			1,613,250								
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		835,116				184,144				650,972			
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		137,388							121,361	16,027			
Allergy Immunology and Transplantation Research	93.855		357,595				164,671	11,491			26	181,407		
Microbiology and Infectious Diseases Research	93.856		416,694							416,694				
Biomedical Research and Research Training	93.859		3,036,691	82,592		1,304,201	192,573			898,771	560,391	(1,837)		
HIV Testing	93.864		122,203			122,203					27,512	278,992		
Child Health and Human Development Extramural Research	93.865		306,504											
Aging Research	93.866		38,462								38,462			
Vision Research	93.867		685,922								685,922			
Specialty Selected Health Projects	93.888		726,297			250,161	152,948					42,292		
HIV Demonstration, Research, Public and Professional Education Project	93.941		289,559								289,559			
Subtotal Direct Programs			45,119,625	121,181		8,225,834	1,692,860	11,491		7,141,333	24,329,873	3,597,053		
Pass through Program From:														
DHA - US Dept of Health and Human Service	93.000	10111216	146,795				146,795							
Univ of MN - US Dept of Health and Human Service	93.000	PO # P02477007	109,179				109,179							
My Brother's Keeper - US Dept of Health and Human Service	93.000	My Brother's Keeper dtd 10/31/12	19,765				19,765							
MSDH - US Dept of Health and Human Service	93.000	0358 1301 22000FSO	86,436				86,436							
Info & Quality Health	93.000	HHSM-500-2005-MS001C	611							611				
ASHLIN DHHS CDC	93.000	PHRM-01	325							325				
Translumination Research, Inc	93.000	TEA Study	3,738								3,738			
University of Alabama - Systolic Blood Pressure Intervention Trial	93.000	HHSN26820090047C	109,831								109,831			
University of Alabama - Natural History of CMV Related Hearing Loss	93.000	HHSN260200500008C	24,488								24,488			
Johns Hopkins University - Major Extremity Trauma Research Consortium	93.000	W81XWH0920108	101,540								101,540			
Social Scientific Systems Inc - Support Services for Epidem	93.000	HHSN291200555466C	24,988								24,988			
University of Texas Health Sciences Center- San Antonio	93.000	HHSN268201000036C	392,187								392,187			
University of Alabama Birmingham - Clinical Trials for Antiviral Therapy	93.000	NO1A130025	5,933								5,933			
Tougaloo College - MS Episc	93.000	NNX12AK85A	35,674								35,674			
Gynecologic Oncology Group - Cancer Treatment Research	93.000		54,145								54,145			
Community Health Program MSI Sustai	93.000	HHS2337901T	58,572			58,572								
MSI Department of Mental Health - U.S. Department of Health and Human Service	93.000	USM-GR04630-01	62,789									62,789		
Total CFDA	93.000		1,236,996			58,572	362,175			936	752,524	62,789		
My Brother's Keeper - U.S. Department of Health and Human Service	93.001		7,460									7,460		
	93.001		6,535									6,535		
Total CFDA	93.001		13,995									13,995		
FY13 MS State Dept of Health NCBC	93.069	1U90TP00030-01	94,608			94,608								
Ms College - Biological Response to Environmental Health Hazard	93.113	7R1SE0019742-02	45,684			45,684								
Intelligent Optical Systems, Inc - Oral Diseases and Disorders Researc	93.121	10S89223 NIH-BONELOSS	53,371								53,371			
MSDH - Cooperative Agreements to States/Territories for Coordination and Development of Primary Care Office	93.130	Contract dtd 12/26/12	19,988				19,988							
MIGMS - Community Programs to Improve Minority Health Grant Program	93.137	MIGMS	(50)			(50)								
Behavioral and Environmental Health	93.137	68142-JSU-02	(3,817)			(3,817)								
Behavioral and Environmental Health	93.137	66681010812-05-JSU	138,014			138,014								
Total CFDA	93.137		134,147			134,197	(50)							
University OF IL-NIH 1 P5 YR 2	93.213	1P50AT006268-01	265,904							265,904				
Carolinas Healthcare System - Research on Healthcare Costs, Quality and Outcom	93.226	1R18HS018319-01	84,549								84,549			
MSDH - State Rural Hospital Flexibility Program	93.241	11000DHO	4,745				4,745							
DHA HRSA U1FRH07411	93.241	Project #29	(2,418)							(2,418)				
Total CFDA	93.241		2,527				4,745			(2,418)				
MCW - Mental Health Research Grants	93.242	1R01MH089128-01A1 SUB 1/2	13,159				13,159							
Univ of Chicago - Mental Health Research Grant	93.242	4236-D	63,236				63,236							
MCW - Mental Health Research Grant	93.242	1R01MH089128-01A1 Sub 3	30,640				30,640							
Duke University - Mental Health Research Grant	93.242	133984	52,889								52,889			
University of Kentucky Research Foundation - Mental Health Research Gran	93.242	3048108500-12-451	92,532								92,532			
University of Connecticut - Mental Health Research Grant	93.242	UCHC6-38183801	28,966								28,966			
Total CFDA	93.242		281,422				107,035				174,387			
Behavioral Health Capacity Expansion	93.243		5,382		5,382									
MS Department of Mental Health - Substance Abuse and Mental Health Servic	93.243	DIG368F4	2,500								2,500			
FY10 MS Underage Drinking	93.243	7D61-JSU-IDS-SPF-SIG-09	218			218								
Mississippi Underage Drinking Coal	93.243	7D60-METRO-SPF-SIG-12	12,411			12,411								
2012 Underage Drinking	93.243	7D61-JSU-SPF-SIG-12	14,480			14,480								
Total CFDA	93.243		34,991		5,382	27,109					2,500			
Univ of AL - Occupational Safety and Health Program	93.262	000286477-017	1,895				1,895							
University of New York Buffalo - Alcohol Research Program	93.273	ROI1AA016564	18,763								18,763			
LINC @ CHENIDA FY10	93.279	5-31144	64,470							64,470				
University of Virginia - Drug Abuse and Addiction Research Program	93.279	GC11912-134051	156,803								156,803			
National Center for Integrative Bio	93.279	3001771912	3,557			3,557								
Total CFDA	93.279		224,830			3,557				64,470	156,803			
MSDH - Centers for Disease Control and Prevention Investigations	93.283	44000TCO	(159)			(159)								
MSDH - Centers for Disease Control and Prevention Investigation	93.283	44000TCO	112,770				112,770							
MS DOH / CDC FY12	93.283	SU50DP03088-02	93,072								93,072			
MS DOH CDC SUSO YR 3	93.283	SU50DP03088-03	239,201								239,201			
Evaluation Services	93.283	4000HPO	31			31								
Total CFDA	93.283		444,915			31	112,611			332,273				
Clemson Univ - Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	1410-209-2007817	2,648				2,648							
Quantalife, Inc - Discovery and Applied Research for Technologic	93.286	ROI1EB010106	6,738								6,738			
Innovations to Improve Human Health	93.286		9,386									6,738		
Total CFDA	93.286		9,386				2,648				6,738			

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Southeast MS Rural Health Initiative – U.S. Department of Health and Human Services	93.297		\$ 6,799									6,799		
University Michigan – Minority Health and Health Disparities Research	93.307	P60MD002249	75,071											
University Michigan – Minority Health and Health Disparities Research	93.307	3002043207	9,904											
University of Alabama – Minority Health and Health Disparities Research	93.307	000501026-001	28,799											
Michigan CIAHD	93.307	P60 MD002249-02	5,316			5,316								
Intergrative Approaches to Health ID	93.307	5-P60-MD002249-05	130,678											
Conn. Engage and Outreach Cent	93.307	3002466815	23,123											
Total CFDA	93.307		272,891			159,117						113,774		
Northeastern University – Nursing Research	93.361	500245-8051	10,118											
Florida A&M/ NIH '13	93.389	C-3737	12,719							12,719				
Tougaloo College – National Center for Research Resource	93.389	GR04571-22	9,960								9,960			
FY12 MS-INBRE	93.389	USM-GR04365-08-10	607											
FY12 DREW RCMJ	93.389	1112KNG07RNN0JSU	88,593											
2013 MS-INBRE	93.389	44507085P20CM103476	46,466											
FY13 MS-INBRE	93.389	USM-GR04571-14	39,845											
FY13 DREW RCMJ	93.389	11-12-KN-G007RNN0JSU	676,775											
FY13 DREW RTRN DTCC	93.389	12-13-KN-G007RNN0JSU	1,596,257											
Total CFDA	93.389		2,471,222			2,448,543				12,719		9,960		
John Hopkins – Cancer Cause and Prevention Research	93.393	1U01CA164975-01	10,077											
Colorado State University – U.S. Department of Health and Human Service	93.393	G-4539-1	23,272									23,272		
Total CFDA	93.393		33,349									10,077		23,272
American College of Radiology – Cancer Treatment Research	93.395	U10CA021661	47											
Gynecologic Oncology Group – Cancer Treatment Resear	93.395	SP 27469-2	57,309											
National Childhood Cancer Foundation – Cancer Treatment Resear	93.395	97452-1019	8,395											
University of Texas Health Sciences Center-Houston – Cancer Treatment Resear	93.395		55,244											
Total CFDA	93.395		120,995											
University of Massachusetts – Cancer Biology Research	93.396	P01AG025531	1,740											
University of Alabama – Cancer Treatment Research	93.397	US4CA153719	31,408											
University of Alabama at Birmingham – U.S. Department of Health and Human Services	93.398	000320566-001	8,219											
Duke University -DIBHS CMMB	93.610	UMCS020912-13	26,420							26,420				
Drew RCMJ Translational Research	93.701	1011KNG007RNN0JSU	(4,269)											
Networking Research Across Americ	93.701	5U24RR02982502/149728386555020	77,039											
DrewRCMJ- Administrative Supplement	93.701	0910KNG07RNS0JSU/5U54RR022762	(76)											
Total CFDA	93.701		72,694			72,694								
Delta Health Alliance – U.S. Department of Health and Human Services	93.727	ONC900BC0004-01	19,618											
Clemson University – Cardiovascular Diseases Research	93.837	1392-209-2007761	29,525				29,525							
University of Michigan – Cardiovascular Diseases Research	93.837	HL08571-02	22,024											
Medical College of Wisconsin, Inc – Cardiovascular Diseases Resear	93.837	P01HL025887	258,971											
University of Minnesota – Cardiovascular Diseases Resear	93.837	P001897401	63,066											
University of Minnesota – Cardiovascular Diseases Resear	93.837	N002127501	45,658											
Medical College of Georgia – Cardiovascular Diseases Resear	93.837	24756-3	36,190											
University of Minnesota – Cardiovascular Diseases Resear	93.837	P663626605	8,086											
Medical College of Wisconsin – Cardiovascular Diseases Resear	93.837	R01HL105997-01A1	100,049											
University of Washington – Cardiovascular Diseases Resear	93.837	726-236	121,599											
Faraday Technology, Inc. – Cardiovascular Diseases Resear	93.837	5121-1013	16,240											
Total CFDA	93.837		701,408				29,525					671,883		
Univ of Pittsburg – Lung Diseases Research	93.838	0031454 122932-1	7,182				7,182							
New England Research Institutes, Inc. – Blood Diseases and Resources Research	93.839	U10HL083721	23,448											
Baylor College of Medicine – Blood Diseases and Resources Research	93.839	R01HL095647	56,546											
Total CFDA	93.839		79,994											
Elshohy Labs-NIH 2R24AR	93.846	2R42AR053395-02A1	9,705							9,705				
Univ of Alabama-Truettres UAB – Arthritis, Musculoskeletal and Skin Diseases Resear	93.846	AARAN	75											
Total CFDA	93.846		9,780							9,705				
University of California – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	R01DK081011	8,740											
The Broad Institute, Inc – Diabetes, Digestive and Kidney Diseases Extramural Resear	93.847	S21034050000206	55,080											
John Hopkins – Diabetes, Digestive and Kidney Diseases Extramural Resear	93.847	SR01DK076770	4,201											
University of Louisville Research Foundation – Diabetes, Digestive and Kidne Diseases Extramural Research	93.847	7U01DK074007-07	34,125											
Johns Hopkins University – Diabetes, Digestive and Kidney Diseases Extramu Research	93.847	U01DK074008	6,697											
Total CFDA	93.847		108,843											
Medical University of South Carolina –Extramural Research in Neurosciences and Neurological Disorders	93.853	MUSC08101	79,264											
Washington University SOM – Extramural Research in Neurosciences and Neurological Disorder	93.853	NS042804/WU0583	20,509											
University of Minnesota – Extramural Research in Neurosciences and Neurological Disorder	93.853	N000936935	1,497											
Total CFDA	93.853		101,270											
The Miriam Hospital – Allergy, Immunology and Transplantation Research	93.855	710-9845-8085	5,575											
University of Alabama – Allergy, Immunology and Transplantation Resear	93.855	000434755-001	57,041											
Malaria Vaccine and Safety	93.855	TUL-HSC-389-12/13	630				630							
Total CFDA	93.855		61,246				630							
Lucigen Corp/NIH	93.856	2R44A085840-02	157,570							157,570				
University of Michigan – Biomedical Research and Research Training	93.859	3,002,239,175	138,838											
2010 Research Experiences	93.859		1,533				1,533							
Assisting Bioinformatics Effort	93.859	T36GM095335-1090353-283517	11,557											
Assisting Bioinformatics Effort	93.859	1090375-300823	14,163											
Total CFDA	93.859		166,091				27,253					138,838		
University of Michigan – Child Health and Human Development Extramural Research	93.865	3,002,542,787	73,154											
University of Michigan – Child Health and Human Development Extramural Resear	93.865	3,002,544,309	145,425											
West Virginia University – Child Health and Human Development Extramural Resear	93.865	83-109A-UM	131,981											
University of Nebraska-Lincoln – Child Health and Human Development Extramural Resear	93.865	R01HD062226-01-A2	132,639											
Total CFDA	93.865		483,199											
Case Western Reserve University – Aging Research	93.866	SR01AG030114	1,723											
Johns Hopkins University – Aging Resear	93.866	2,001,402,959	76,198											
Scripps Research Institute – Aging Researl	93.866	SR01AG019259-10	8,114											
Total CFDA	93.866		86,035											

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
(ARRA) University of Alabama – SPRINT Tria	93.000	HHSN26820000047C	\$ 51,046	—	—	—	—	—	—	—	51,046	—	—	—
(ARRA) MS State Dept. of Health – NSF	93.414		25,931	—	—	—	—	—	—	—	—	25,931	—	—
(ARRA) UK NIH (RC2GM)	93.701	3048107714-11-129	14,068	—	—	—	—	—	—	14,068	—	—	—	—
(ARRA) GE Global Research	93.701	ROIHL094487	3,458	—	—	—	—	—	—	—	3,458	—	—	—
(ARRA) University of Texas Health Sciences Center at Houston	93.701	ROIHL093029	505	—	—	—	—	—	—	—	505	—	—	—
(ARRA) University of Virginia	93.701	RCZHL103010	482	—	—	—	—	—	—	—	482	—	—	—
(ARRA) Duke University – PROMISE Tria	93.701	ROIHL095227	67,103	—	—	—	—	—	—	—	67,103	—	—	—
(ARRA) A Genomics Resources for Health	93.701	IRCAMD005964-01 634957: 634965	256,342	—	—	256,342	—	—	—	—	—	—	—	—
(ARRA) Minority Health-Grid Network	93.701	IRCAMD005964-01 634957: 634965	28,929	—	—	28,929	—	—	—	—	—	—	—	—
Total CFDA	93.701		370,887	—	—	285,271	—	—	—	14,068	71,548	—	—	—
(ARRA) NIH NPC Phase II	93.702	N/A for Research Direct Grants	1,408,458	—	—	—	—	—	—	1,408,458	—	—	—	—
(ARRA) DHA DHHS 90BC	93.727	90BC0004-01	429,428	—	—	—	—	—	—	429,428	—	—	—	—
Subtotal Pass through Programs			2,285,750	—	—	285,271	—	—	—	1,851,954	122,594	25,931	—	—
Total U.S. Department of Health and Human Services (ARRA only)			2,285,750	—	—	285,271	—	—	—	1,851,954	122,594	25,931	—	—
Total Research and Development Cluster – American Recovery Reinvestment Act (ARRA)			5,696,977	—	—	301,610	38,984	—	—	2,371,581	311,550	297,984	—	—
Total Research and Development Cluster (including ARRA)			208,388,149	7,811,251	111,241	25,693,584	81,349,425	309,143	1,590,992	36,213,860	29,532,486	25,776,167	—	—
Other Federal Programs:														
U.S. Department of Agriculture														
USDA Rural Dev RBS-10-39	10.000		542,040	—	—	—	542,040	—	—	—	—	—	—	—
Pass through Program From:														
Greene CBS – US Dept of Agriculture	10.000	Greene CBS 02050419	2,315	—	—	—	2,315	—	—	—	—	—	—	—
Amite CBS – US Dept of Agriculture	10.000	Amite CBS 02050421	1,600	—	—	—	1,600	—	—	—	—	—	—	—
Scott CBS – US Dept of Agriculture	10.000	Scott CBS 02070519	8,511	—	—	—	8,511	—	—	—	—	—	—	—
Jones CBS – US Dept of Agriculture	10.000	Jones CBS 02070609	5,465	—	—	—	5,465	—	—	—	—	—	—	—
Lincoln CBS – US Dept of Agriculture	10.000	Lincoln CBS 02080669	2,021	—	—	—	2,021	—	—	—	—	—	—	—
Wilkinson CBS – US Dept of Agriculture	10.000	Wilkinson CBS 02090758	15,767	—	—	—	15,767	—	—	—	—	—	—	—
Adams CBS – US Dept of Agriculture	10.000	Adams CBS 02050906	5,020	—	—	—	5,020	—	—	—	—	—	—	—
Jefferson CBS – US Dept of Agriculture	10.000	Jefferson CBS 04050495	4,306	—	—	—	4,306	—	—	—	—	—	—	—
Jackson CBS – US Dept of Agriculture	10.000	Jackson CBS 04101054	2,716	—	—	—	2,716	—	—	—	—	—	—	—
Chickasaw CBS – US Dept of Agriculture	10.000	Chickasaw CBS 09090943	14,733	—	—	—	14,733	—	—	—	—	—	—	—
Lafayette CBS US Dept of Agriculture	10.000	Lafayette CBS 09090942	1,041	—	—	—	1,041	—	—	—	—	—	—	—
Sharkey CBS – US Dept of Agriculture	10.000	Sharkey CBS 09090940	9,199	—	—	—	9,199	—	—	—	—	—	—	—
Adams CBS – US Dept of Agriculture	10.000	Adams CBS 09090946	6,492	—	—	—	6,492	—	—	—	—	—	—	—
Jefferson CBS – US Dept of Agriculture	10.000	Jefferson CBS 09090952	12,197	—	—	—	12,197	—	—	—	—	—	—	—
Harrison CBS – US Dept of Agriculture	10.000	Harrison CBS 09090947	19,045	—	—	—	19,045	—	—	—	—	—	—	—
Forrest CBS – US Dept of Agriculture	10.000	Forrest CBS 09090946	22,062	—	—	—	22,062	—	—	—	—	—	—	—
Scott CBS – US Dept of Agriculture	10.000	Scott CBS 09090950	34,449	—	—	—	34,449	—	—	—	—	—	—	—
Jones CBS – US Dept of Agriculture	10.000	Jones CBS 09090948	14,540	—	—	—	14,540	—	—	—	—	—	—	—
Amite CBS – US Dept of Agriculture	10.000	Amite CBS 09090953	6,691	—	—	—	6,691	—	—	—	—	—	—	—
Greene CBS – US Dept of Agriculture	10.000	Greene CBS 09090945	25,483	—	—	—	25,483	—	—	—	—	—	—	—
Wilkinson CBS – US Dept of Agriculture	10.000	Wilkinson CBS 09090951	29,916	—	—	—	29,916	—	—	—	—	—	—	—
Benton CBS – US Dept of Agriculture	10.000	Benton CBS 09090944	15,234	—	—	—	15,234	—	—	—	—	—	—	—
Perry CBS – US Dept of Agriculture	10.000	Perry CBS 10030314	10,894	—	—	—	10,894	—	—	—	—	—	—	—
Perry CBS – US Dept of Agriculture	10.000	Perry CBS 10060640	7,150	—	—	—	7,150	—	—	—	—	—	—	—
MS Forestry Comm – US Dept of Agriculture	10.000	MS Forestry Comm	31,933	—	—	—	31,933	—	—	—	—	—	—	—
Total CFDA	10.000		850,820	—	—	—	850,820	—	—	—	—	—	—	—
Plant and Animal Disease, Pest Control, and Animal Care	10.025		25,844	25,844	—	—	—	—	—	—	—	—	—	—
Pass through Program From:														
MDAC BPI – Plant and Animal Disease Pest Control and Animal Car	10.025	MDAC BPI did 07/18/12	1,000	—	—	—	1,000	—	—	—	—	—	—	—
Total CFDA	10.025		26,844	25,844	—	—	1,000	—	—	—	—	—	—	—
Pass through Program From:														
Mississippi Department of Agriculture	10.156		6,178	6,178	—	—	—	—	—	—	—	—	—	—
Pass through Program From:														
Mississippi Department of Agriculture	10.170		2,327	2,327	—	—	—	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bil	10.170	10011503	763	—	—	—	763	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bil	10.170	1011114	9,276	—	—	—	9,276	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bil	10.170	10101099	1,025	—	—	—	1,025	—	—	—	—	—	—	—
Univ of FL – Specialty Crop Block Grant Program – Farm Bil	10.170	UF11085 PROJ# 00087671	1,830	—	—	—	1,830	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bil	10.170	MOU did 10/12/11	810	—	—	—	810	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bil	10.170	MOU date# 1/01/12	9,170	—	—	—	9,170	—	—	—	—	—	—	—
Total CFDA	10.170		25,201	2,327	—	—	22,874	—	—	—	—	—	—	—
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205		62,718	62,718	—	—	—	—	—	—	—	—	—	—
Pass through Program From:														
Payments to 1890 Land-Grant Colleges and Tuskegee Universi	10.205	MOU did 04/09/12	1,000	—	—	—	1,000	—	—	—	—	—	—	—
Total CFDA	10.205		63,718	62,718	—	—	1,000	—	—	—	—	—	—	—
Global Agricultural Biosecurity	10.210	2011-38420-20058/S110099	24,500	—	—	24,500	—	—	—	—	—	—	—	—
Pass through Program From:														
Texas ARM – Initiative for Future Agriculture and Food System	10.303	451002	24,509	—	—	—	24,509	—	—	—	—	—	—	—
Pass through Program From:														
Univ of FL – Homeland Security -Agriculture	10.304	UF12233	22,090	—	—	—	22,090	—	—	—	—	—	—	—
Pass through Program From:														
(ARRA) Univ of Minnesota – Trade Adjustment Assistant for Farmers (TAAF)	10.315	H001344212	33,968	—	—	—	33,968	—	—	—	—	—	—	—
Outreach and Assistance for Socially Disadvantaged Farmers and Ranche	10.443		451,327	179,372	—	—	271,955	—	—	—	—	—	—	—
Rural Community Development Initiative	10.446		40,820	—	—	—	40,820	—	—	—	—	—	—	—
Pass through Program From:														
MS State Department of Health – Special Supplemental Nutrition Program for Women	10.557	2000W10	195,196	—	—	—	—	—	—	—	195,196	—	—	—
Infants and Childre	10.558		20,034	—	—	—	—	—	—	—	—	20,034	—	—
Pass through Program From:														
Mississippi Department of Education – U.S. Department of Agriculture	10.558		7,925	—	—	—	7,925	—	—	—	—	—	—	—
MS Forestry Comm – Cooperative Forestry Assistant	10.664	10030301	1,403,297	—	—	—	1,403,297	—	—	—	—	—	—	—
Tain Nutrition Grants	10.574		410,096	—	—	—	410,096	—	—	—	—	—	—	—
FNS Food Safety Grants	10.585		2,809,202	—	—	—	2,809,202	—	—	—	—	—	—	—
National Food Service Management Institute Administration and Staffin	10.587		250,951	—	—	—	250,951	—	—	—	—	—	—	—
Delta Education for Business Transformation and Sustainability	10.769		11,427	—	—	—	11,427	—	—	—	—	—	—	—
Rural Cooperative Development Grant	10.771		—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From:														
Delta Regional Authority – Rural Business Opportunity Grants (E	10.773	RW 0202	77,835	—	—	—	77,835	—	—	—	—	—	—	—
Norman E. Borlaug International Agricultural Science and Technolog	10.777		64,489	—	—	—	64,489	—	—	—	—	—	—	—
Distance Learning and Telemedicine	10.855		146	—	146	—	—	—	—	—	—	—	—	—
Conservation Technical Assistan	10.902		64,325											

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
North Carolina State - Environmental Quality Incentives Program	10.912	2012-1632-05	\$ 9,239				9,239							
International Training Foreign Participant	10.962		35,407				35,407							
SNAP Cluster														
Pass through Program From														
MDHS - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	527B121A	619,602				619,602							
MDHS - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	527B31	1,760,001				1,760,001							
Total SNAP Cluster			2,379,603				2,379,603							
Total U.S. Department of Agriculture			9,397,072	337,974	251,097	296,455	3,673,721			4,622,595	195,196	20,034		
U.S. Department of Commerce:														
U.S. Department of Commerce														
Pass through Program From														
MSU RTC - US Dept of Commerce	11.000	MSU RTC 09040383	155,197				155,197							
U.S. Department of Commerce	11.001		53,514										53,514	
Pass through Program From														
National Data Buoy Center - U.S. Department of Commerce	11.001		224,140											224,140
University Corp. for Atmospheric Research - U.S. Department of Commerce	11.001	#00676563	2,189											2,189
Total CFDA	11.001		279,843											279,843
Economic Development Technical Assistance	11.303		132,633				132,633							
Sea Grant Support	11.417		1,103,938										1,103,938	
Pass through Program From														
Dauphin Island Sea Lab - Coastal Zone Management Administration Award	11.419	Dauphin Island Sea Lab	24,175				24,175							
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institute	11.432		1,865,826				1,865,826							
Pass through Program From:														
MDMR - Unaffiliated Management Project	11.454	11040406	214,258				214,258							
MDMR - Unaffiliated Management Project	11.454	11040406	24,499				24,499							
MDMR - Unaffiliated Management Project	11.454	11-040	(6,078)				(6,078)							
MDMR - Unaffiliated Management Project	11.454	11040406	8,213				8,213							
Total CFDA	11.454		240,892				240,892							
Habitat Conservation	11.463		369,457										369,457	
Pass through Program From														
Gulf of Mexico Fdn - Habitat Conservator	11.463	GCRP #10-03	23,407				23,407							
Total CFDA	11.463		392,864				392,864							369,457
Congressionally Identified Awards and Projects	11.469		227,830					118,000						109,830
Pass through Program From														
LSU - Congressionally Identified Awards and Project	11.469	34111	49,562				416			49,146				
Total CFDA	11.469		277,392				416	118,000		49,146				109,830
Pass through Program From:														
MS Department of Marine Resources - U.S. Department of Commerce	11.473	S08USM-MASGCGOMA-03	11,637											11,637
Pass through Program From														
GSMFC - Fisheries Disaster Relief (B)	11.477	MM-925-050-2011-MS-SG	56,206				56,206							
Pass through Program From														
(ARRA) Executive Office of the State of Mississippi - Broadband Technology	11.557	NT10BIX5570094	1,002,219							1,002,219				
Pass through Program From														
Ms Gov Office - ARRA State Broadband Data and Development Grant Program	11.558	ARB3-GT15-0111-0002	697,801				697,801							
Pass through Program From:														
Mississippi Technology Alliance - U.S. Department of Commerce	11.611	MEP2013-5	537											537
Mississippi Technology Alliance - U.S. Department of Commerce	11.611	MEP2013-5	103,946											103,946
Total CFDA	11.611		104,483											104,483
Pass through Program From:														
UM Research Foundation-DOC	11.617	01-07-001	548,152							548,152				
Economic Development Cluster														
Economic Adjustment Assistance	11.307		147,340				147,340							
Total Economic Development Cluster			147,340				147,340							
Total U.S. Department of Commerce			7,040,598				3,343,893	118,000		597,298	1,002,219	1,979,188		
U.S. Department of Defense:														
Pass through Program From														
2012 UNITE Summer Program	12.000		(1,861)			(1,861)								
2013 UNITE Summer Program	12.000		13,344			13,344								
Total CFDA	12.000		11,483			11,483								
Basic and Applied Research	12.300		60,697											60,697
ROTC Language and Culture Training Grants	12.357		35,066							35,066				
Pass through Program From														
IE NSEP FY 12 Admin, IE NSEP FY 12 Scholarship	12.357	2011-ROTC-U634009-UM	146,464							146,464				
Total CFDA	12.357		181,530							181,530				
Pass through Program From:														
Mississippi Military Department - U.S. Department of Defense	12.401	13-MOAPC-03	6,519											6,519
Pass through Program From:														
IE NSEP Annual Meet	12.550	NSEP-U631073-UM-AM-2013	70,900							70,900				
IE NSEP CLFP 13 Admin, IE NSEP FY 13 Scholarship	12.550	NSEP-U631073-UM-CHN	307,315							307,315				
Total CFDA	12.550		378,215							378,215				
Pass through Program From														
Chinese Flag Scholarship, Chinese Flag Non-Scholarship	12.551	U631033-UM-CHN	43,693							43,693				
Language Grant Program	12.900		84,626							84,626				
Total U.S. Department of Defense			766,763			11,483				688,064			67,216	
U.S. Department of Housing and Urban Development:														
Pass through Program From														
Hope Community Dev Agency - US Dept of Housing and Urban Development	14.000	10.060.559	2,748				2,748							
Gulf Coast Community Fdn - US Dept of Housing and Urban Development	14.000	718/12	37,814				37,814							
Total CFDA	14.000		40,562				40,562							
Revitalization and Restoration	14.227		98,499	98,499										
Supportive Housing Program	14.235		411,275										411,275	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
City of Jackson – U.S. Department of Housing and Urban Development	14.239		43,781	—	—	—	—	—	—	—	—	43,781	—	—
Mississippi Home Corporation – U.S. Department of Housing and Urban Development	14.239	M10-SG-280-110101	21,541	—	—	—	—	—	—	—	—	21,541	—	—
Total CFDA			65,322	—	—	—	—	—	—	—	—	65,322	—	—
Community Development Block Grants/Brownfields Economic Development Initiative	14.246		250,810	—	—	—	250,810	—	—	—	—	—	—	—
Economic Development Initiatives/Special Project, Neighborhood Initiative and Miscellaneous Grant	14.251		95,729	—	—	—	—	—	(678)	—	—	—	—	—
Pass through Program From														
Mississippi Home Corporation – U.S. Department of Housing and Urban Development	14.216		4,026	—	—	—	—	—	—	—	—	4,026	—	—
Education and Outreach Initiatives	14.416		31,238	—	—	—	—	—	—	—	—	31,238	—	—
CDBG – State Administered CDBG Cluster														
Mississippi Development Authority – U.S. Department of Housing and Urban Development	14.228	R109006	34,028	—	—	—	—	—	—	—	—	34,028	—	—
Mississippi Development Authority – U.S. Department of Housing and Urban Development	14.228	N1807-09-018-USM01	1,360,629	—	—	—	—	—	—	—	—	1,360,629	—	—
Total CDBG – State Administered CDBG Cluster			1,394,657	—	—	—	—	—	—	—	—	1,394,657	—	—
Total U.S. Department of Housing and Urban Development			2,295,711	98,499	—	—	291,372	—	(678)	—	—	1,906,518	—	—
U.S. Department of Interior:														
Pass through Program From														
MS Department of Marine Resources – U.S. Department of the Interior	15.426	MCIAP MS.R.798	81,869	—	—	—	—	—	—	—	—	81,869	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.426	MCIAP MS.R.798	28,053	—	—	—	—	—	—	—	—	28,053	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.426	FIZAF70034/MS.R.741	95,763	—	—	—	—	—	—	—	—	95,763	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.426	MCIAP MS.R.798	104,702	—	—	—	—	—	—	—	—	104,702	—	—
Total CFDA			310,387	—	—	—	—	—	—	—	—	310,387	—	—
Fish and Wildlife Management Assistance	15.608		82,910	—	—	—	82,910	—	—	—	—	—	—	—
U.S. Department of Interior	15.630		8,049	—	—	—	—	—	—	—	—	8,049	—	—
U.S. Geological Survey Research and Data Collection	15.808		104,209	—	82,930	—	—	—	—	—	—	—	21,359	—
Gap Analysis PAD-US	15.811		20,370	—	—	—	—	—	—	—	—	—	20,370	—
Pass through Program From														
Amvew-US Geo 09	15.815	AV08-MS01	27,109	—	—	—	—	—	—	27,109	—	—	—	—
Pass through Program From														
National Park Services	15.932		59,700	59,700	—	—	—	—	—	—	—	—	—	—
Mississippi Delta National Heritage Area	15.939		109,120	—	109,120	—	—	—	—	—	—	—	—	—
Fish and Wildlife Cluster														
Puerto Rico DNER – Sport Fish Restoration Program	15.605	2010-001577-B	247,222	—	—	—	247,222	—	—	—	—	—	—	—
Puerto Rico DNER – Sport Fish Restoration Program	15.605	2010-001577-A	1,668	—	—	—	1,668	—	—	—	—	—	—	—
Total Fish and Wildlife Cluster			248,890	—	—	—	248,890	—	—	—	—	—	—	—
Total U.S. Department of Interior			970,824	59,700	192,050	—	331,800	—	—	27,109	—	318,436	41,729	—
U.S. Department of Justice:														
U.S. Department of Justice	16.000		105,572	—	—	—	105,299	—	—	273	—	—	—	—
Pass through Program From														
Leflore County – U.S. Department of Justice	16.000	USM-GR04615-01-LCMS	1,566	—	—	—	—	—	—	—	—	1,566	—	—
Total CFDA			107,138	—	—	—	105,299	—	—	273	—	1,566	—	—
Pass through Program From:														
City of Hattiesburg – U.S. Department of Justice	16.523	GM004423	23,780	—	—	—	—	—	—	—	—	23,780	—	—
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525		147,729	—	4,776	—	72,009	—	—	70,944	—	—	—	—
Missing Children's Assistance	16.543		207,107	—	—	—	—	—	—	207,107	—	—	—	—
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grant	16.580		141,451	141,451	—	—	—	—	—	—	—	—	—	—
Program	16.609		148,258	—	—	—	—	—	—	—	—	148,258	—	—
Project Safe Neighborhoods	16.710		225,618	—	—	—	—	—	—	—	—	225,618	—	—
Public Safety Partnership and Community Policing Grant	16.726		7,067	7,067	—	—	—	—	—	—	—	—	—	—
Juvenile Mentoring Program														
Pass through Program From														
National 4-H Council – Juvenile Mentoring Program	16.726	2011-MU-MU-0026	41,710	—	—	—	41,710	—	—	—	—	—	—	—
National 4-H Council – Juvenile Mentoring Program	16.726		6,150	—	—	—	6,150	—	—	—	—	—	—	—
National 4-H Council – Juvenile Mentoring Program	16.726		14,846	—	—	—	14,846	—	—	—	—	—	—	—
Total CFDA			69,773	7,067	—	—	62,706	—	—	—	—	—	—	—
Congressionally Recommended Awards	16.753		565,398	—	—	—	—	—	—	347,816	—	217,582	—	—
Total U.S. Department of Justice			1,636,252	148,518	4,776	—	240,014	—	—	626,140	—	616,804	—	—
U.S. Department of Labor:														
WIA Pilots, Demonstrations, and Research Project	17.261		27,907	—	—	—	—	—	27,907	—	—	—	—	—
Pass through Program From														
(ARRA) LA Workforce Com – High Growth & Emerging Industry Sectors: Health Care Sector	17.275	GI-19850-10-60-A-22	73	—	—	—	73	—	—	—	—	—	—	—
Workforce Investment Act (WIA) Cluster:														
Pass through Program From														
Early Childhood Care and Education	17.258	9-S90-018-672-1	777	—	—	777	—	—	—	—	—	—	—	—
MDES – WIA Adult Program (A)	17.258		7,129	—	—	—	2,755,222	—	—	—	—	—	—	—
MDES – WIA Adult Program (A)	17.258	MDES Mod dated 01/02/13	1,920,802	—	—	—	1,920,802	—	—	—	—	—	—	—
Total Workforce Investment Act (WIA) Cluster			4,676,801	—	—	777	4,676,024	—	—	—	—	—	—	—
Total U.S. Department of Labor			4,704,781	—	—	777	4,676,097	—	—	27,907	—	—	—	—
U.S. Department of State:														
Fulbright Student Orientation	19.400		43,042	—	—	43,042	—	—	—	—	—	—	—	—
Pass through Program From:														
ACTIE – USDFOS – IP	19.000	110469	1,000	—	—	—	—	—	—	—	1,000	—	—	—
ACTIE 2012 JFDP IP	19.000	300311897A	300	—	—	—	—	—	—	—	500	—	—	—
IREX – US DEPT STATE	19.000	UGRAD-OLEMISS10	223	—	—	—	—	—	—	—	223	—	—	—
IREX BD / DOS 11-12	19.000	UGRAD-OLEMISS11	2,034	—	—	—	—	—	—	—	2,034	—	—	—
IREX UGRAD 11-12	19.000	UNIV MS FALL 11	313	—	—	—	—	—	—	—	313	—	—	—
Total CFDA			4,070	—	—	—	—	—	—	—	4,070	—	—	—
Total U.S. Department of State			47,112	—	—	43,042	—	—	—	—	4,070	—	—	—
U.S. Department of Transportation:														
Airport Improvement Program	20.106		307,059	—	—	—	—	—	—	307,059	—	—	—	—
Pass through Program From:														
Mississippi Department of Transportation	20.200		9,622	—	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Transportation	20.200		(159)	—	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Transportation	20.200		36,598	—	—	—	—	—	—	—	—	—	—	—
Total CFDA			46,061	46,061	—	—	—	—	—	—	—	—	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
MDOT – Public Transportation for Nonurbanized Area	20.509	MDOT 502634	\$ 575,828	—	—	—	575,828	—	—	—	—	—	—	—
Public Transportation Research	20.514		214,874	—	—	214,874	—	—	—	—	—	—	—	—
Pass through Program From														
Office of Highway Safety – U.S. Department of Transportation	20.607	12-TA-412-2	44,100	—	—	—	—	—	—	—	—	44,100	—	—
University Transportation Centers Program	20.701		38,619	—	—	—	38,619	—	—	—	—	—	—	—
Pass through Program From														
Univ of FL – University Transportation Centers Program	20.701	UF-EIES-1200026-MSU 002	6,253	—	—	—	6,253	—	—	—	—	—	—	—
Univ of FL – University Transportation Centers Program	20.701	UF-EIES-1200026-MSU 005	4,088	—	—	—	4,088	—	—	—	—	—	—	—
Total CFDA	20.701		48,960	—	—	—	48,960	—	—	—	—	—	—	—
Highway Planning and Construction Cluster	20.205		4,052	—	—	4,052	—	—	—	—	—	—	—	—
Pass through Program From														
MDOT – Highway Planning and Construction	20.205	105011 111000; MSU 2007-39	60,912	—	—	—	60,912	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	105011-110000 MSU 2012-02	4,801	—	—	—	4,801	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.205	MOA with MDOT /S Campus Entrance	1,438,288	—	—	—	1,438,288	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.205	MOA with MDOT /N Campus Entrance	666,295	—	—	—	666,295	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.205	Fence Project (MDOT)	8	—	—	—	8	—	—	—	—	—	—	—
Total Highway Planning and Construction Cluster			2,174,356	—	—	4,052	2,170,304	—	—	—	—	—	—	—
Highway Safety Cluster														
Pass through Program From														
MDPSP - State and Community Highway Safety	20.600	13-K2-401-1	137,443	—	—	—	137,443	—	—	—	—	—	—	—
MDPSP - State and Community Highway Safety	20.600	12-PT-401-01	38,824	—	—	—	38,824	—	—	—	—	—	—	—
Mississippi State Department of Health – State and Community Highway Safety	20.600	1100HP0	65,304	—	—	—	—	—	—	65,304	—	—	—	—
Office of Highway Safety – U.S. Department of Transportation	20.600	12-DE-412-1	49,047	—	—	—	—	—	—	—	—	49,047	—	—
Office of Highway Safety – U.S. Department of Transportation	20.600	13-PT-412-1	38,049	—	—	—	—	—	—	—	—	38,049	—	—
Office of Highway Safety – U.S. Department of Transportation	20.600	12-PT-412-1	116,416	—	—	—	—	—	—	—	—	116,416	—	—
Total CFDA	20.600		445,083	—	—	—	176,267	—	—	65,304	—	203,512	—	—
Office of Highway Safety – U.S. Department of Transportation	20.601	13-K8-412-1	282,148	—	—	—	—	—	—	—	—	282,148	—	—
Total Highway Safety Cluster			727,231	—	—	—	176,267	—	—	65,304	—	485,660	—	—
Total U.S. Department of Transportation			4,138,469	46,061	—	218,926	2,971,359	—	—	307,059	65,304	529,760	—	—
U.S. Department of the Treasury														
Pass through Program From														
Mississippi Home Corporation – U.S. Department of the Treasury	21.000		25,562	—	—	—	—	—	—	—	—	25,562	—	—
Total U.S. Department of the Treasury			25,562	—	—	—	—	—	—	—	—	25,562	—	—
Appalachian Regional Commission:														
Appalachian Regional Commission	23.000		122,048	—	—	—	122,048	—	—	—	—	—	—	—
Pass through Program From														
Starkville School Dist – Appalachian Regional Commission	23.000	015868-001	12,500	—	—	—	12,500	—	—	—	—	—	—	—
Kenneshawville Inst – Appalachian Regional Commission	23.000	MS16061C130213	553	—	—	—	553	—	—	—	—	—	—	—
Total CFDA	23.000		135,101	—	—	—	135,101	—	—	—	—	—	—	—
Appalachian Regional Development	23.001		403	—	—	—	403	—	—	—	—	—	—	—
Appalachian Area Development	23.002		29,659	—	—	—	—	—	29,659	—	—	—	—	—
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011		219,535	—	—	—	219,535	—	—	—	—	—	—	—
Pass through Program From														
City of West Pt – Appalachian Research, Technical Assistance, and Demonstration Projes	23.011	City of West Point did 8/25/11	174,435	—	—	—	3	174,432	—	—	—	—	—	—
Total CFDA	23.011		393,970	—	—	—	219,538	174,432	—	—	—	—	—	—
Total Appalachian Regional Commission			559,133	—	—	—	355,042	174,432	—	29,659	—	—	—	—
National Endowment for the Humanities:														
Pass through Program From														
Southern Arts Federation – National End. For the Humanitie	45.000	4122/2013	3,353	—	—	—	3,353	—	—	—	—	—	—	—
Pass through Program From														
Mississippi Arts Commission – National Endowment for the Ar	45.001	13-315-A1LU	4,911	—	—	—	—	—	—	—	—	4,911	—	—
Promotion of the Arts Grants to Organizations and Individual	45.024		10,647	—	—	—	10,582	—	—	65	—	—	—	—
Pass through Program From:														
Southern Arts Federation – National End. For the Humanitie	45.025	4232/2013	3,863	—	—	—	3,863	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreemen	45.025	13-178-A1PG	2,852	—	—	—	2,852	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreemen	45.025	13-189-A1PG	2,617	—	—	—	2,617	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreemen	45.025	13-210-A1PG	3,500	—	—	—	3,500	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreemen	45.025	13-37-A1PG	3,500	—	—	—	3,500	—	—	—	—	—	—	—
MAC 13-16-A1PG	45.025	13-16-A1PG	3,300	—	—	—	—	—	—	3,300	—	—	—	—
MAC 13-190-A1PG NEA	45.025	13-190-A1PG	3,500	—	—	—	—	—	—	3,500	—	—	—	—
MAC 13-236-AE/PG NEA	45.025	13-236-AE/PG	700	—	—	—	—	—	—	700	—	—	—	—
MAC NEA 13-402-AE/MG	45.025	13-402-AE/MG2	809	—	—	—	—	—	—	809	—	—	—	—
MAC 13-45-A1PG NEA	45.025	13-45-A1PG	3,400	—	—	—	—	—	—	3,400	—	—	—	—
7th Annual Creative Arts Festiva	45.025	13-209-A1PG	2,873	—	—	2,873	—	—	—	—	—	—	—	—
Mississippi Arts Commission – National Endowment for the Ar	45.025	13-436-MH/MG2	991	—	—	—	—	—	—	—	—	991	—	—
Mississippi Arts Commission – National Endowment for the Ar	45.025	13-191-AE/PG	4,000	—	—	—	—	—	—	—	—	4,000	—	—
Mississippi Arts Commission – National Endowment for the Ar	45.025	13-192-MH/PG	3,763	—	—	—	—	—	—	—	—	3,763	—	—
South Arts – National Endowment for the Art	45.025	4166/2013	3,847	—	—	—	—	—	—	—	—	3,847	—	—
Total CFDA	45.025		43,515	—	—	2,873	16,332	—	—	11,709	—	12,601	—	—
Pass through Program From														
Mississippi Humanities Council – National Endowment for the Ar	45.100	MHC-RG12-11-044	1,240	—	—	—	—	—	—	—	—	1,240	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.100	MHC-RG12-11-059	935	—	—	—	—	—	—	—	—	935	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.100	MHC-RG12-11-056	2,950	—	—	—	—	—	—	—	—	2,950	—	—
Total CFDA	45.100		5,125	—	—	—	—	—	—	—	—	5,125	—	—
Pass through Program From:														
MS Humanities Cncl – Promotion of the Humanities Federal-State Partnershi	45.129	MHC-RG12-11-045	1,130	—	—	—	1,130	—	—	—	—	—	—	—
MS Humanities Cncl – Promotion of the Humanities Federal-State Partnershi	45.129	MHC-RG12-11-030	3,000	—	—	—	3,000	—	—	—	—	—	—	—
MHC RG11-11-NEA	45.129	RG11-11-019	1,500	—	—	—	—	—	—	1,500	—	—	—	—
MHC RG12-11-031 NEH	45.129	RG12-11-031	3,000	—	—	—	—	—	—	3,000	—	—	—	—
MHC RG12-11-046 NEH	45.129	RG12-11-046	2,000	—	—	—	—	—	—	2,000	—	—	—	—
MHC RG12-11-052 NEH	45.129	RG12-11-052	3,000	—	—	—	—	—	—	3,000	—	—	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.129	MHC-RG11-11-012	242	—	—	—	—	—	—	—	—	242	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.129	MHC-RG12-11-043	1,250	—	—	—	—	—	—	—	—	1,250	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.129	RG12-11-026	1,400	—	—	—	—	—	—	—	—	1,400	—	—
Mississippi Humanities Council – National Endowment for the Ar	45.129	MHC-RG11-11-018	1,015	—	—	—	—	—	—	—	—	1,015	—	—
Total CFDA	45.129		17,537	—	—	—	4,130	—	—	9,500	—	3,907	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Preserving the JSU Permanent Art	45.149		6,000									6,000		
Promotion of the Humanities Teaching and Learning Resources	45.162		17,610	12,685					4,925					
Promotion of the Humanities, Professional Developer	45.163		177,215		177,215									
Promotion of the Humanities - Public Program	45.164		3,287				2,287			1,000				
Institute of Museum and Library Services - National Endowment for the Art	45.309		4,355			4,355								
National Leadership Grant	45.312		3,854									3,854		
Laura Bush 21st Century Librarian Program	45.313		41,973										41,973	
Total National Endowment for the Humanities			339,382	12,685	177,215	7,228	36,684		4,925	26,128				74,517
U.S. Small Business Administration:														
U.S. Small Business Administration	59.000		115,158			5,447	95,684						14,027	
Pass through Program From:														
Magnolia Business Alliance - U.S. Small Business Administration	59.000	MBA 2011-002	11,434										11,434	
Magnolia Business Alliance-U.S. Small Business Administration	59.000	MBA 2012-003	11,374										11,374	
Total CFDA	59.000		137,966			5,447	95,684						36,835	
Small Business Development Centers	59.037		1,011,981							1,011,981				
Pass through Program From:														
FY12 Small Business Development	59.037	2-603001-Z-0025	141,405			141,405								
Total CFDA	59.037		1,153,386			141,405				1,011,981				
Debt Education for Business	59.050		57,326		57,326									
Federal and State Technology Partnership Program	59.058		36,704										36,704	
Total U.S. Small Business Administration			1,385,382		57,326	146,852	95,684			1,011,981			73,539	
Tennessee Valley Authority:														
Tennessee Valley Authority	62.000		939				939							
Total Tennessee Valley Authority			939				939							
U.S. Veterans Administration:														
U.S. Veterans Administration	64.000		197,693							74,860	122,833			
Total U.S. Veterans Administration			197,693							74,860	122,833			
Environmental Protection Agency:														
Pass through Program From:														
MS Department of Environmental Quality - U.S. Environmental Protection Agency	66.000	12-01USM-07	24,803									24,803		
National Clean Diesel Emissions Reduction Program	66.039		(1,486)				(1,486)							
Congressionally Mandated Project:	66.202		22,095				22,095							
Pass through Program From:														
MDEQ - Nonpoint Source Implementation Grant	66.460	11-00018	4,084				4,084							
Ducks Unlimited, Inc. - Nonpoint Source Implementation Grant	66.460	US-MS-99-1	12,815				12,815							
Total CFDA	66.460		16,899				16,899							
Pass through Program From:														
MSDH - Capitalization Grants for Drinking Water State Revolving Fund	66.468	88000LIO	(37)				(37)							
MSDH - Capitalization Grants for Drinking Water State Revolving Fund	66.468	88000LIO	39,778				39,778							
MSDH - Capitalization Grants for Drinking Water State Revolving Fund	66.468	88000LIO FY 2012-2013	18,848				18,848							
Total CFDA	66.468		58,589				58,589							
Pass through Program From:														
State Grants to Reimburse Operators of Small Water Systems for Training Courses	66.471	11070687	41,407				41,407							
State Grants to Reimburse Operators of Small Water Systems for Training Courses	66.471	11,070,687	255,430				255,430							
Total CFDA	66.471		296,837				296,837							
Gulf of Mexico Program	66.475		94,892										94,892	
Pass through Program From:														
Florida Department of Environmental Protection - U.S. Environmental Protection Agency	66.475	G0348	8,927										8,927	
Total CFDA	66.475		103,819										103,819	
Pass through Program From:														
Skidaway Institute of Oceanography - U.S. Environmental Protection Agency	66.509	93_382/83518401USM	105,990									105,990		
Pass through Program From:														
Cooperative Extension	66.513	MA-91739401-0	1,760	1,760										
Regional Applied Research Efforts (RARE)	66.517		66,783				66,783							
Pass through Program From:														
MDEQ - Performance Partnership Grant	66.605	09-01043	15,325				15,325							
Environmental Education Grant:	66.951		56,675		48,187								8,488	
Total Environmental Protection Agency			768,089	1,760	48,187		475,042						243,100	
U.S. Nuclear Regulatory Commission:														
U.S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006		(25)	(25)										
Total U.S. Nuclear Regulatory Commission			(25)	(25)										
U.S. Department of Education:														
Pass through Program From:														
MDRS - US Dept of Education	84.000	1322065120 & 1332065167	177,288				177,288							
Calhoun Co PSD - US Dept of Education	84.000	Calhoun Co PSD did 9/28/12	18,887				18,887							
School Leadership Grant	84.000		43,715			43,715								
Forrest County Schools - U.S. Department of Education	84.000		16,825										16,825	
Hattiesburg Public School District - U.S. Department of Education	84.000		60,739										60,739	
Lawrence County School District - U.S. Department of Education	84.000		66,739										66,739	
Mississippi Department of Education - U.S. Department of Education	84.000		119,212										119,212	
Mississippi Department of Education - U.S. Department of Education	84.000		469,841										469,841	
Mississippi Department of Education - U.S. Department of Education	84.000		7,679										7,679	
Mississippi Department of Education - U.S. Department of Education	84.000		467,936										467,936	
Mississippi Department of Education - U.S. Department of Education	84.000		45,688										45,688	
Mississippi Department of Education - U.S. Department of Education	84.000		48,594										48,594	
Total CFDA	84.000		1,543,143			43,715	196,175						1,303,253	
Pass through Program From:														
Hattiesburg Public School District - U.S. Department of Education	84.001		3,252										3,252	
Pass through Program From:														
MDE - Migrant Education State Grant Program	84.011	11/3201/EA09/8239/B050/001	(3,293)				(3,293)							
MDE - Migrant Education State Grant Program	84.011	12/3201/EA09/8239/B051/001	220,037				220,037							
MDE - Migrant Education State Grant Program	84.011	13/3201/EA09/8239/B052/001	564,281				564,281							
Total CFDA	84.011		781,025				781,025							

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures										IHL Board Office	MCVS	
			ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM				
Higher Education Institutional Aid	84.031		\$ 13,419,638	3,958,977	658,810	8,472,571				89,190			240,090		
Higher Education Institutional Aid - CCRAA-Title II	84.031		3,780,923							3,780,923					
Pass through Program From Undergraduate Scholars Ass	84.031	P031B120545	440	440											
Total CFDA			17,201,001	3,959,417	658,810	8,472,571				3,870,113			240,090		
Fund for the Improvement of Postsecondary Education	84.116		128,992	92,771							36,221				
Fund for the Improvement of Postsecondary Education - Congressionally-directed Grant Awan	84.116		118,698							37,254			81,444		
Pass through Program From MO UST / US DOED, MO UST / US DOED PS	84.116	00024181-01	22,206								22,206				
Total CFDA	84.116		269,896	92,771						37,254			81,444		
Minority Science and Engineering Improvement	84.120		1,075,612			1,075,612									
Rehabilitation Long-Term Training	84.129		295,618			49,510	246,108								
Migrant Education High School Equivalency Program	84.141		496,428							496,428					
Javits Fellowship	84.170		40,493								40,493				
Paul Douglas Teacher Scholarship Program	84.176		5,504											5,504	
Pass through Program From: MDRS - Rehabilitation Services Independent Living Services fo	84.177	13-331-7000-002	333,883				333,883								
MDRS - Rehabilitation Services Independent Living Services for	84.177	13-653-1100-550	6,138				6,138								
Total CFDA	84.177		340,021				340,021								
Pass through Program From: MSDH - Special Education-Grants for Infants and Family	84.181	11000ITO	181,285				181,285								
MS DOH US DOED SLT&E	84.181	H181A0900034	15,474							15,474					
Mississippi State Department of Health - U.S. Department of Education	84.181		65,000									65,000			
Mississippi State Department of Health - Special Education-Grants for Infants and Family	84.181	1181A090034	111,578								111,578				
Total CFDA	84.181		373,337				181,285			15,474		65,000			
Graduate Assistance in Areas of National Need	84.200		382,400				61,762				198,475		122,163		
Fund for the Improvement of Education	84.215		500,465			500,000	464				1				
Fund for the Improvement of Educator	84.215		43,493		32,302		11,191								
Pass through Program From Council for Economic Ed - Fund for the Improvement of Educatio	84.215	1,102,929	200				200								
Total CFDA	84.215		544,158		32,302	500,000	11,855				1				
Pass through Program From: MDRS - State Grants for Assistive Technology	84.224	12-331-1600-010	13,244				13,244								
MDRS - State Grants for Assistive Technology	84.224		4,956				4,956								
MS Department of Rehabilitation Services - U.S. Department of Education	84.224		4,675									4,675			
MS Department of Rehabilitation Services - U.S. Department of Education	84.224	13-331-1600-005	6,397									6,397			
Total CFDA	84.224		29,272				18,200						11,072		
Pass through Program From: Madison Cty SD - 21st Century Community Learning Centers Progra	84.287	ES287C100025	20,360				20,360								
Pass through Program From Mississippi Department of Education - U.S. Department of Educatio	84.323	H323A100001	715,939										715,939		
Special Education - Personnel Development to Improve Services and Results for Children	84.325		282,209										282,209		
Special Education - Personnel Development to Improve Services and Results for Childre	84.325		67,340										67,340		
Pass through Program From Supplemental Education State & Fede	84.325		6,548			6,548									
2010 - 2011 Supplemental Education	84.325		116,744			116,744									
Total CFDA	84.325		472,841			123,292							349,549		
Special Education Technical Assistance and Dissemination to Improve Services and Results	84.326		125,317										125,317		
Gaining Early Awareness and Readiness for Undergraduate Programs (GearUp)	84.334		2,384,695											2,384,695	
Pass through Program From Gear Up College Success Academy 1:	84.334		11,293	11,293											
Gear Up 2013	84.334		19,817	19,817											
Gear Up 2013	84.334		12,985	12,985											
Gear Up Mississippi	84.334	P334S080014-13	33,825			33,825									
Gear UP Mississippi	84.334		19,425			19,425									
Total CFDA	84.334		2,482,040	44,095		53,250								2,384,695	
Child Care Access Means Parents in School	84.335		302,980				123,004						179,976		
Transition to Teaching	84.350		515,787				515,787								
Transition to Teaching - Local Project	84.350		521,096				521,096								
Total CFDA			1,036,883				1,036,883								
Delta Math and Science Partnership	84.366		90,341		90,341										
Pass through Program From MDE - Mathematics and Science Partnership	84.366	13EA083201BB224641-01 Year 1	57,870				57,870								
MDE - Mathematics and Science Partnership	84.366		16,463				16,463								
MDE - Mathematics and Science Partnership	84.366	103201EA084640BB29-05	460,375				460,375								
MDE USDE S366B0900	84.366	103201EA084640	252,698							252,698					
MDE USDOED ES366B	84.366	13EA083201BB224641-02	38,660							38,660					
MSP MAST	84.366	043201EA084641BB23	642			642									
2010 - 2013 Math and Science Partner	84.366	103201EA084640BB29-04	415,877			415,877									
MDE - Mathematics and Science Partnership	84.366	103201EA084640BB29-03	317,728				317,728								
Total CFDA	84.366		1,650,654		90,341	416,519	852,436				291,358				
Eisenhower Professional Development Grants	84.367		906,877								18,189			888,688	
Pass through Program From Univ of CA-Berkeley - Improving Teacher Quality State Grants (A	84.367	92-MS03-SEED2012	9,640				9,640								
Univ of CA-Berkeley - Improving Teacher Quality State Grants (A	84.367	92-MS03-SEED2012 1	15,675				15,675								
Univ of CA-Berkeley - Improving Teacher Quality State Grants (A	84.367	92-MS03-SEED2012 2	15,411				15,411								
NWP DOED UNWP 12-13	84.367		20,554							20,554					
MDEC - USDE	84.367	07-3201-6213-B874-EA08-001	72,891							72,891					
2010-2011 No Child Left Behind	84.367	S367B09002IA	14,835			14,835									
2012-2013 NCLB Summer Institut	84.367	S367B10002IA	72,600			72,600									
Summer Institute for Improving Tea	84.367	S367B10002IA	74,877			74,877									
2013-2014 No Child Left Behind	84.367	2013-062E	20,492			20,492									
Total CFDA	84.367		1,223,852			182,804	40,726				111,634			888,688	
College Access Challenge Grant Program	84.378		1,463,166										1,463,166		
Strengthening Minority-Serving Institution	84.382		341,801	341,801											

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:														
(ARRA) State Fiscal Stabilization Fund	84.394		722			722								
Improving Teacher Quality State Grant	84.411		87,650							52,650		35,000		
U.S. Department of Education	84.928		67,368									67,368		
Pass through Program From:														
Alcorn Writing Project 02	84.928		12,763	12,763										
National Writing Project 94	84.928	92-MS06	24,506							24,505				
Univ of CA-Berkeley - National Writing Projec	84.928	02030241	1,722				1,722							
Univ of CA-Berkeley - National Writing Projec	84.928	92-MS03	5,117				5,117							
Total CFDA	84.928		111,475	12,763			6,839			24,505		67,368		
Hurricane Education Recovery	84.938		(238)									(238)		
Special Education Cluster (IDEA)														
Pass through Program From:														
Aberdeen SD - Special Education Grants to State	84.027	11010141	388				388							
Louisville Municipal SD - Special Education Grants to State	84.027		(50)				(50)							
Lee County SD - Special Education Grants to State	84.027		1,417				1,417							
Louisville Municipal SD - Special Education Grants to State	84.027		96				96							
Aberdeen SD - Special Education Grants to State	84.027		46				46							
Aberdeen SD - Special Education Grants to State	84.027		75				75							
Aberdeen SD - Special Education Grants to State	84.027		15,906				15,906							
Aberdeen SD - Special Education Grants to State	84.027		17,343				17,343							
Louisville Municipal SD - Special Education Grants to State	84.027		15,472				15,472							
Louisville Municipal SD - Special Education Grants to State	84.027		16,993				16,993							
Mississippi Department of Education - U.S. Department of Education	84.027	13-3201-4833-002	49,680									49,680		
Mississippi Department of Education - U.S. Department of Education	84.027		32,973									32,973		
Mississippi Department of Education - U.S. Department of Education	84.027		29,325									29,325		
Total CFDA	84.027		179,664				67,686					111,978		
MDE - Special Education Preschool Grants	84.173	MDE IDEA Preschool FY11	(188)				(188)							
MDE - Special Education Preschool Grants	84.173	MDE IDEA Addendum 09/17/12	8,443				8,443							
MDE - Special Education Preschool Grants	84.173	MDE IDEA Preschool FY13 11/26/12	8,928				8,928							
Total CFDA	84.173		17,183				17,183							
Total Special Education Cluster (IDEA)			196,847				84,869					111,978		
TRIO Cluster:														
TRIO Student Support Services	84.042		1,025,369	304,484					237,953			238,037		
TRIO Talent Search	84.044		370,191				244,895							
TRIO Upward Bound	84.047		1,118,071	269,034		222,951			626,086					
TRIO McNair Post-Baccalaureate Achievement	84.217		510,356			59,679				249,310		201,367		
Total TRIO Cluster			3,023,987	573,518		282,630	244,895		1,234,230	249,310		439,404		
Vocational Rehabilitation Cluster:														
MDRS - Rehabilitation Services Vocational Rehabilitation Grant	84.126	13-331-41000-132	72,588				72,588							
Total Vocational Rehabilitation Cluster			72,588				72,588							
Educational Technology State Grants Cluster:														
Education Technology State Grants	84.318		23,840				23,840							
Total Educational Technology State Grants Cluster			23,840				23,840							
Statewide Data Systems Cluster														
Statewide Longitudinal Data System	84.384	R38A100018	70,406										70,406	
Total Statewide Data Systems Cluster			70,406										70,406	
Total U.S. Department of Education			36,804,270	5,024,365	781,453	11,200,625	4,342,871		5,638,025	1,042,327	111,578	3,850,567	4,812,459	
National Historical Publications and Records Grants	89.003		74,882									74,882		
U.S. Department of Health and Human Services														
Pass through Program From:														
Disability Rights Mississippi - U.S. Department of Health and Human Services	93.000		2,923									2,923		
Mississippi Division of Medicaid - U.S. Department of Health and Human Services	93.000		17,715									17,715		
Mississippi State Department of Health - U.S. Department of Health and Human Services	93.000	110001FO	4,779									4,779		
My Brother's Keeper - U.S. Department of Health and Human Services	93.000		10,000									10,000		
Northern Nebraska Area Health Ed Center	93.000		2,748									2,748		
PACE Head start - U.S. Department of Health and Human Services	93.000		2,182									2,182		
PACE Head start - U.S. Department of Health and Human Services	93.000		23,011									23,011		
Total CFDA	93.000		63,358									63,358		
Pass through Program From:														
Mississippi State Department of Health - Public Health Emergency Preparedness	93.069	3300EPO	329,909							329,909				
School Based Asthma Management Program	93.070		84,886		84,886									
Pass through Program From:														
MSDH - Environmental Public Health and Emergency Responses	93.070	11000LDO	1,828				1,828							
Total CFDA	93.070		86,714		84,886		1,828							
Maternal and Child Health Federal Consolidated Programs														
Pass through Program From:														
Hemophilia of Georgia - Maternal and Child Health Federal Consolidated Program	93.110	SWOG-893	26,973							26,973				
Mississippi State Department of Health - U.S. Department of Health and Human Services	93.110	11000CM0	14,315									14,315		
University of Arkansas - U.S. Department of Health and Human Services	93.110	38574-02	83,665									83,665		
Total CFDA	93.110		581,598							26,973		554,625		
Pass through Program From:														
MS Dept of Health - Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	50000PD0	3,869									3,869		
Community Programs to Improve Minority Health Grant Program	93.137		4,532,915									4,532,915		
Pass through Program From:														
Louisiana State University - AIDS Education Training Center	93.145	H4AH00059	321,615									321,615		
Coordinated Services and Access to Research for Women, Infants, Children, and You	93.153		356,292									356,292		
Pass through Program From:														
Hemophilia of Georgia - Disabilities Prevention	93.184	SWOG-893	10,943							10,943				
Mississippi State Department of Health - U.S. Department of Health and Human Services	93.184	66000RD0	3,495									3,495		
Total CFDA	93.184		14,438							10,943		3,495		
Pass through Program From:														
Delta Health Alliance - Telehealth Program	93.211	H2AT662601	8,203									8,203		
State Rural Hospital Flexibility Program	93.241		67,840		67,840									
Pass through Program From:														
Health and Literacy Awareness	93.241		5,644						5,644					
Delta Health Alliance - State Rural Hospital Flexibility Program	93.241	UIFRH07411	53,570									53,570		
Total CFDA	93.241		127,054		67,840				5,644			53,570		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures										HHL Board Office	MCVS	
			ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		\$ 185,252	—	54,451	99,116	31,685	—	—	—	—	—	—	—	—
Pass through Program From			4,754	4,754	—	—	—	—	—	—	—	—	—	—	—
The Journey of Understanding Proj	93.243		190,006	4,754	54,451	99,116	31,685	—	—	—	—	—	—	—	—
Total CFDA			649,952	—	26,915	—	—	—	—	—	—	623,037	—	—	—
Advanced Nursing Education Grant Program	93.247		—	—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From			3,528	3,528	—	—	—	—	—	—	—	—	—	—	—
Statewide Consortium Outreach Mode	93.247		30,500	30,500	—	—	—	—	—	—	—	—	—	—	—
Statewide Consortium Outreach I?			—	—	—	—	—	—	—	—	—	—	—	—	—
Total CFDA	93.247		683,980	34,028	26,915	—	—	—	—	—	—	623,037	—	—	—
Poison Center Support and Enhancement Grant Program	93.253		193,228	—	—	—	—	—	—	—	—	193,228	—	—	—
Prevention			889,599	—	—	—	—	—	—	—	—	889,599	—	—	—
Pass through Program From			—	—	—	—	—	—	—	—	—	—	—	—	—
MSDH – Centers for Disease Control and Prevention Investigation	93.283	SU58DP000845-05	3,158	—	—	—	3,158	—	—	—	—	—	—	—	—
Mississippi State Department of Health – U.S. Department of Health and Human Services	93.283		4,793	—	—	—	—	—	—	—	—	—	—	4,793	—
Mississippi State Department of Health – U.S. Department of Health and Human Services	93.283	4400TCCO	5,739	—	—	—	—	—	—	—	—	—	—	5,739	—
Mississippi State Department of Health – U.S. Department of Health and Human Services	93.283	4400TCCO	125,154	—	—	—	—	—	—	—	—	—	—	125,154	—
Oregon Health & Science University – U.S. Department of Health and Human Services	93.283	GCDRCO193	10,774	—	—	—	—	—	—	—	—	—	—	10,774	—
Total CFDA	93.283		1,039,217	—	—	—	3,158	—	—	—	—	889,599	—	146,460	—
Minority Health and Health Disparities Research	93.307		142,807	142,807	—	—	—	—	—	—	—	—	—	—	—
Advanced Nursing Education Traineeships	93.358		14,501	—	—	—	—	—	—	—	—	—	—	14,501	—
Pass through Program From			6,384	6,384	—	—	—	—	—	—	—	—	—	—	—
Gear Up MS Summer Program 07	93.358		20,885	6,384	—	—	—	—	—	—	—	—	—	14,501	—
Total CFDA			332,513	—	—	—	—	—	—	—	—	187,269	—	145,244	—
Nurse Education, Practice and Retention Grants	93.359		3,747	—	—	—	—	—	—	—	—	3,747	—	—	—
Pass through Program From			90,014	—	—	—	—	—	—	—	—	90,014	—	—	—
Children's Hospital of Philadelphia – Cancer Treatment Research	93.395	U10CA098543	437,615	—	—	—	—	—	—	—	—	437,615	—	—	—
Affordable Care Act (ACA) Family to Family Health Information Center	93.504		—	—	—	—	—	—	—	—	—	—	—	—	—
Affordable Care Act (ACA) Nurse Managed Health Clinic	93.515		—	—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From:			47,238	—	—	—	—	—	—	—	—	47,238	—	—	—
Mississippi State Department of Mental Health	93.630	4624-HE-DD11-UMC	37,235	—	—	—	—	—	—	—	—	—	—	—	—
MS Council on Developmental Disabilities – U.S. Department of Health and Human Services	93.630	4620-QA-DD12-USM	7,692	—	—	—	—	—	—	—	—	—	—	7,692	—
MS Council on Developmental Disabilities – U.S. Department of Health and Human Services	93.630	4621-CC-DD12-USM	795	—	—	—	—	—	—	—	—	—	—	795	—
MS Council on Developmental Disabilities – U.S. Department of Health and Human Services	93.630	4622-HO-DD12-USM	318	—	—	—	—	—	—	—	—	—	—	318	—
Mississippi Department of Mental Health – U.S. Department of Health and Human Services	93.630	4230-PCP-USM	27,795	—	—	—	—	—	—	—	—	—	—	27,795	—
Mississippi Department of Mental Health – U.S. Department of Health and Human Services	93.630	4640-MSPE-ID5	85,609	—	—	—	—	—	—	—	—	—	—	85,609	—
Mississippi Department of Mental Health – U.S. Department of Health and Human Services	93.630	4230-PCP-USM	44,517	—	—	—	—	—	—	—	—	—	—	44,517	—
MS Council on Developmental Disabilities – U.S. Department of Health and Human Services	93.630	4660-MSPE2-USM-ID5	(1,926)	—	—	—	—	—	—	—	—	—	—	(1,926)	—
MS Council on Developmental Disabilities – U.S. Department of Health and Human Services	93.630	4612-CS-DD10-USM-ID5	240,273	—	—	—	—	—	—	—	—	47,238	—	202,035	—
Total CFDA	93.630		151,213	—	—	—	—	—	—	—	—	151,213	—	—	—
Developmental Disabilities Projects of National Significance	93.631		504,178	—	—	—	—	—	—	—	—	—	—	504,178	—
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		60	—	—	—	—	—	—	—	—	60	—	—	—
Pass through Program From			504,238	—	—	—	—	—	—	—	—	—	—	504,238	—
Assoc of Univ Centers on Disabilities – U.S. Department of Health and Human Services	93.632	824-532	—	—	—	—	—	—	—	—	—	—	—	—	—
Total CFDA	93.632		(1,405)	—	—	—	—	—	—	(1,405)	—	—	—	—	—
Employee Educational Enhancement P	93.645	842D121	7,978	—	—	7,978	—	—	—	—	—	—	—	—	—
Pass through Program From	93.645	528D121/2012 CWS G1201MS1400	6,573	—	—	7,978	—	—	—	—	—	—	—	—	—
Total CFDA	93.645		153,970	—	—	—	—	—	—	—	—	153,970	—	—	—
MDHS DHHS AGR #3	93.658	842A111	238	—	—	—	—	—	—	—	—	238	—	—	—
Employee Educational Enhancement	93.658	842E121	2,040	—	—	2,040	—	—	—	—	—	—	—	—	—
Pass through Program From			141,876	—	—	—	—	—	—	—	—	—	—	141,876	—
Mississippi Department of Human Services – U.S. Department of Health and Human Services	93.658	525A411	701	—	—	—	—	—	—	—	—	—	—	701	—
Mississippi Department of Human Services – U.S. Department of Health and Human Services	93.658	525E121	5,176	—	—	—	—	—	—	—	—	—	—	5,176	—
Mississippi Department of Human Services – U.S. Department of Health and Human Services	93.658	525D121	448,040	—	—	—	—	—	—	—	—	—	—	448,040	—
Mississippi Department of Human Services – U.S. Department of Health and Human Services	93.658	525A412	752,041	—	—	2,040	—	—	—	—	—	154,208	—	595,793	—
Total CFDA	93.658		36,191	—	—	—	—	—	—	—	—	—	—	36,191	—
Centers for Medicare and Medicaid Services – U.S. Department of Health and Human Services	93.779		(2,394)	—	—	—	—	—	—	—	—	—	—	(2,394)	—
Mississippi Division of Medicaid – U.S. Department of Health and Human Services	93.779		74,537	—	—	—	—	—	—	—	—	—	—	74,537	—
Total CFDA	93.779		108,334	—	—	—	—	—	—	—	—	—	—	108,334	—
Area Health Education Centers Infrastructure Development Awards	93.824		243,559	—	6,361	—	—	—	—	—	—	—	—	237,198	—
Pass through Program From			104,336	104,336	—	—	—	—	—	—	—	—	—	—	—
Penn State Brides to PhD	93.859		226,158	—	—	—	—	—	—	—	—	—	—	226,158	—
Grants for Training in Primary Care Medicine and Dentistry	93.884		6,207,945	—	—	—	—	—	—	—	—	6,191,810	—	16,135	—
Health Care and Other Facilities	93.887		2,042,599	—	—	—	—	—	—	—	—	—	—	2,042,599	—
Pass through Program From			21,731	—	21,731	—	—	—	—	—	—	—	—	—	—
Mississippi State Department of Health – National Bioterrorism Hospital Preparedness	93.889	3300EPO	15,602	—	—	—	15,602	—	—	—	—	—	—	—	—
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider	93.912		53,291	—	—	—	—	—	—	—	—	—	—	53,291	—
Pass through Program From			827,482	—	—	—	—	—	—	—	—	—	—	827,482	—
Mississippi State Department of Health – HIV Emergency Relief Project Grant	93.914	3300ADO	513,371	—	—	—	—	—	—	—	—	—	—	513,371	—
Pass through Program From			304,561	—	—	—	—	—	—	—	—	—	—	304,561	—
Mississippi State Department of Health – HIV Care Formula Grant	93.917	4000ADO	—	—	—	—	—	—	—	—	—	—	—	—	—
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		—	—	—	—	—	—	—	—	—	—	—	—	—
Ryan White HIV/AIDS Dental Reimbursements Community Based Dental Partnersh	93.924		—	—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From			1,888	—	—	—	—	—	—	—	—	—	—	1,888	—
Mississippi State Department of Health – Epidemiologic Research Studies of AIDS and HI in Selected Population Groups	93.943	4000ADO	—	—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From:			172,270	—	—	—	—	—	—	—	—	—	—	172,270	—
Mississippi State Department of Health – HIV/AIDS Surveillance	93.944	3300ADO	5,596	—	—	—	—	—	—	—	—	—	—	5,596	—
Mississippi State Department of Health – U.S. Department of Health and Human Services	93.944		177,866	—	—	—	—	—	—	—	—	—	—	177,866	—
Total CFDA	93.944		466,045	—	—	—	—	—	—	—	—	—	—	466,045	—
Pass through Program From:			—	—	—	—	—	—	—	—	—	—	—	—	—
Mississippi State Department of Health – Maternal and Child Health Services Block Gra to the States	93.994	1100CM0	—	—	—	—	—	—	—	—	—	—	—	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
TANF Cluster:														
Pass through Program From														
MDHS – Temporary Assistance for Needy Familie	93.558	527W121	\$ (129)	—	—	—	(129)	—	—	—	—	—	—	—
MDHS – Temporary Assistance for Needy Familie	93.558	527W122	12,056	—	—	—	12,056	—	—	—	—	—	—	—
Mississippi Department of Human Services – U.S. Department of Health and Human Service	93.558	525W122	2,285	—	—	—	—	—	—	—	—	2,285	—	—
Total TANF Cluster	93.558		14,212	—	—	—	11,927	—	—	—	—	2,285	—	—
CCDF Cluster:														
Pass through Program From														
MDHS – Child Care and Development Block Gran	93.575	527Q7414A	184,941	—	—	—	184,941	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7511A	515,248	—	—	—	515,248	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7811A	296,128	—	—	—	296,128	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7594	223,146	—	—	—	223,146	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7503	168,491	—	—	—	168,491	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7813A	50,348	—	—	—	50,348	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7821A	809,088	—	—	—	809,088	—	—	—	—	—	—	—
MCEI – Child Care and Development Block Gran	93.575	127Q7421	1,262,394	—	—	—	1,262,394	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7521	646,348	—	—	—	646,348	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7421A	657,546	—	—	—	657,546	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7522	207,228	—	—	—	207,228	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7611A	217,464	—	—	—	217,464	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7621	185,411	—	—	—	185,411	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7631	103,089	—	—	—	103,089	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7431A	2,421,176	—	—	—	2,421,176	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7801	6,522	—	—	—	6,522	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7411A	13,425	—	—	—	13,425	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7512A	58,867	—	—	—	58,867	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7812A	541,818	—	—	—	541,818	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7831A	968,986	—	—	—	968,986	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Gran	93.575	527Q7822A	89,578	—	—	—	89,578	—	—	—	—	—	—	—
Mississippi Department of Human Services – U.S. Department of Health and Human Service	93.575	525Q7421A	115,723	—	—	—	—	—	—	—	—	115,723	—	—
Mississippi Department of Human Services – U.S. Department of Health and Human Service	93.575	525Q7821	347,111	—	—	—	—	—	—	—	—	347,111	—	—
Total CCDF Cluster	93.575		10,090,076	—	—	—	9,627,242	—	—	—	—	462,834	—	—
Head Start Cluster														
Head Start	93.600		151,715	151,715	—	—	—	—	—	—	—	—	—	—
Total Head Start Cluster			151,715	151,715	—	—	—	—	—	—	—	—	—	—
Total U.S. Department of Health and Human Services			32,794,086	444,024	262,184	109,134	9,691,442	—	5,644	6,344,613	12,870,885	3,066,160	—	—
Corporation for Community and National Service:														
Pass through Program From														
ARM 2010-2011	94.002	10AC10909009ACHMS0010002	491	—	—	491	—	—	—	—	—	—	—	—
ARM 2011-2012	94.002		9,895	—	—	9,895	—	—	—	—	—	—	—	—
Total CFDA	94.002		10,386	—	—	10,386	—	—	—	—	—	—	—	—
State Commissions	94.003		281,568	—	—	—	—	—	—	—	—	—	—	281,568
Learn and Serve America – School and Community Based Progra	94.004		15,837	—	—	—	—	—	—	—	—	—	—	15,837
Learn and Serve America – Higher Education	94.005		136,083	—	—	—	—	—	—	—	—	136,083	—	—
AmeriCorps	94.006		5,701,810	—	—	—	—	—	—	145,734	—	—	—	5,556,076
Pass through Program From														
CNCS IHL ARM FY 13	94.006	09ACHMS0010002	58,702	—	—	—	—	—	—	58,702	—	—	—	—
CNCS IHL ARM FY12	94.006	ARM FY12	3,213	—	—	—	—	—	—	3,213	—	—	—	—
Total CFDA	94.006		5,763,725	—	—	—	—	—	—	207,649	—	—	—	5,556,076
Program Development and Innovation Grants	94.007		54,215	—	—	—	—	—	—	—	—	—	—	54,215
Training and Technical Assistance	94.009		34,733	—	—	—	—	—	—	—	—	—	—	34,733
Foster Grandparent Program	94.011		73,149	—	—	—	—	—	—	—	—	73,149	—	—
Volunteers in Service to America:	94.013		469,216	—	453,755	—	—	—	—	15,461	—	—	—	—
Volunteer Generation Fund	94.021		321,988	—	—	—	—	—	—	—	—	—	—	321,988
Total Corporation for Community and National Service			7,160,900	—	453,755	10,386	—	—	—	223,110	—	209,232	—	6,264,417
U.S. Department of Homeland Security:														
Pass through Program From														
UT-Battelle – US Dept of Homeland Security	97.000	4.000,079.563	164,656	—	—	—	164,656	—	—	—	—	—	—	—
No Carolina A&T State Univ – US Dept of Homeland Security	97.000	280687A	1,049	—	—	—	1,049	—	—	—	—	—	—	—
Mississippi Department of Public Safety – U.S. Department of Homeland Security	97.000	10HS421S	20,873	—	—	—	—	—	—	—	—	20,873	—	—
Mississippi Department of Public Safety – U.S. Department of Homeland Security	97.000	511S421	60,845	—	—	—	—	—	—	—	—	60,845	—	—
Mississippi Department of Public Safety – U.S. Department of Homeland Security	97.000	11HS421	113,442	—	—	—	—	—	—	—	—	113,442	—	—
Total			360,865	—	—	—	165,705	—	—	—	—	195,160	—	—
Pass through Program From:														
Texas Engineering Extension Service – U.S. Department of Homeland Security	97.005	44-100053	(18)	—	—	—	—	—	—	—	—	(18)	—	—
Pass through Program From:														
Texas Engineering Extension Service – U.S. Department of Homeland Security	97.007	44-100080	49,712	—	—	—	—	—	—	—	—	49,712	—	—
Texas Engineering Extension Service – U.S. Department of Homeland Security	97.007	44-100071	211,120	—	—	—	—	—	—	—	—	211,120	—	—
Total			260,832	—	—	—	—	—	—	—	—	260,832	—	—
Pass through Program From:														
MS Emergency Management Agency – U.S. Department of Homeland Security	97.036		10,922,018	—	—	—	—	—	—	—	—	10,922,018	—	—
Pass through Program From														
Center for Excellence Disaster Response-Homeland Security	97.061		17,842	—	—	—	—	—	17,842	—	—	—	—	—
Scholars and Fellows, and Educational Program	97.062		96,738	96,738	—	—	—	—	—	—	—	—	—	—
U.S. Department of Homeland Security	97.068		193,930	—	—	—	—	—	—	—	—	193,930	—	—
Homeland Security-related Science, Technology, Engineering and Mathematics (HS STEM)	97.104		70,170	—	—	70,170	—	—	—	—	—	—	—	—

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Federal grantor/pass-through grantor/program or cluster title	Federal CFDA	Pass-through Entity Identifying Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MYSU	UM	UMMC	USM	IHL Board Office	MCVS
Homeland Security Cluster:														
Pass through Program From:														
MS Homeland Security – Homeland Security Grant Program (A)	97.067	10CC600S	\$ 9,573	—	—	—	9,573	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	10CC600A	3,022	—	—	—	3,022	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	10HS600A	13,834	—	—	—	13,834	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	11HS600	54,238	—	—	—	54,238	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	10LE600	100,676	—	—	—	100,676	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	11CC600	533	—	—	—	533	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	10HS600	68,174	—	—	—	68,174	—	—	—	—	—	—	—
Mississippi State Department of Public Safety – Homeland Security Grant Program	97.067	10CC420	2,473	—	—	—	—	—	—	—	2,473	—	—	—
Total Homeland Security Cluster			252,523	—	—	—	250,050	—	—	—	2,473	—	—	—
Total U.S. Department of Homeland Security			12,174,900	96,738	—	70,170	415,755	—	17,842	—	2,473	11,571,922	—	—
Total Other Federal Programs (including ARRA)			123,282,775	6,270,299	2,223,267	12,119,854	30,941,715	292,432	5,693,665	15,625,013	14,370,488	24,627,437	4,854,188	6,264,417
Total Expenditures of Federal Awards			\$ 954,382,779	66,710,749	26,478,355	136,169,446	237,455,337	21,868,072	36,464,313	174,142,561	71,528,337	172,447,004	4,854,188	6,264,417

The accompanying notes are an integral part of the schedule.
See accompanying independent auditors' report on supplementary information.

* Indicates major program

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs administered by the State of Mississippi Institutions of Higher Learning. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule. Federal programs included in the accompanying schedule are accounted for using the economic resources measurement focus and the accrual basis of accounting, which is described in note 1 to the IHL System's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*.

The schedule was prepared using the same basis of accounting and significant accounting policies, as applicable, used by the IHL System in the preparation of its financial statements with the following exceptions:

- For purposes of the schedule, loans advanced from the Federal Perkins Loan Program (CFDA #84.038) are presented as federal expenditures. These loans are not reported as expenditures on the IHL System's financial statements, but as an increase in notes receivable. The outstanding loan balances and the allowance for uncollectible amounts for the loan programs at June 30, 2013, are presented in note 4 to the financial statements.
- For purposes of this schedule, loans made to students under the Direct Student Loan Program (CFDA #84.268) are presented as federal expenditures. Neither the funds advanced to students, nor the outstanding loan balance is included in the IHL System's financial statements since the loans are made and subsequently collected by private lending institutions and/or the federal government.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

(2) Subrecipients

OMB Circular A-133 requires the Schedule of Expenditures of Federal Awards to include, to the extent practical, disclosure of the total amount provided to subrecipients from each Federal program. Provided below is the amount of awards provided to subrecipients under federal programs during the year ended June 30, 2013:

CFDA Number	Grant program	Amount provided to subrecipients
	Research and Development Cluster	\$ 23,232,331
10.574	Team Nutrition Grants	454,290
10.771	Rural Technology Development Grants	79
16.543	Missing Children's Assistance	4,581
23.011	Transportation Planning Research and Education	3,000
59.037	Small Business Development Centers	202,736
66.202	Congressionally Mandated Projects	15,943
66.471	State Grants to Reimburse Operators of Small Water Systems for Training Costs	212,336
84.011	Migrant Education-State Grant Program	19,136
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs (GearUp)	551,098
84.366	Math and Science Partnerships	46,546
93.247	Advanced Nursing Education Grant Program	114,549
93.824	Basic Area Health Education Centers	153,858
		<u>\$ 25,010,483</u>

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(THIS PAGE LEFT BLANK INTENTIONALLY)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs

Year ended June 30, 2013

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: **Unmodified opinions**
- (b) Significant deficiencies in internal control were disclosed by the audit of the financial statements: **None reported**

Material weaknesses: **No**

- (c) Noncompliance which is material to the financial statements: **No**
- (d) Significant deficiencies in internal control over major programs: **None reported**

Material weaknesses: **No**

- (e) The type of report issued on compliance for major programs: **Unmodified opinions**
- (f) Any audit findings which are required to be reported under Section 511(a) of OMB Circular A-133: **No**

(g) Major programs:

CFDA#	Grantor	Program
Various	U.S. Department of Education	Student Financial Aid Cluster
Various	U.S. Department of Education	TRIO Cluster
11.557	U.S. Department of Commerce / Passed through Executive Office of the State of Mississippi	Broadband Technology Opportunities Program (ARRA)

- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: **Yes**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None.

(3) Findings and Questioned Costs Relating to Federal Awards

None.