



THE TEXAS A&M UNIVERSITY SYSTEM  
FY 2007 Composite Financial Index (CFI)

**Bi-Annual Reporting**

CFI Score  $\leq 1$

←  
TAMIU

**Annual Reporting**

CFI Score  $> 1$  and  $< 3$

→  
TAMUG

**Meets Targets**

CFI Score  $\geq 3$

→  
TAMU

→  
Tarleton

→  
TAMU-CC

←  
TAMU-C

→  
PVAMU

→  
WTAMU

→  
TAMU-K

→  
TAMU-T

→  
TAMHSC

**Required to present to Chancellor  
February 1 and August 1**

**Required to submit plan February 1  
to Chancellor**

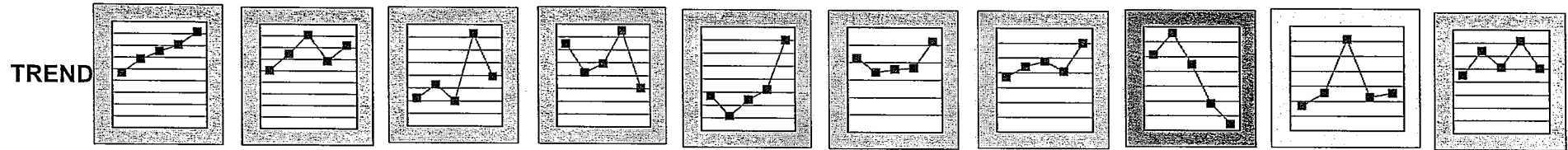
**Programmatic Review Only**

\*Arrow above each member indicates the projected trend the institution is heading based on historical performance from FY 03 to FY07.

## Composite Financial Index 5 Yr. Trend (Based on Growth Classifications)

### Academics




	<u>TAMU<sup>1</sup></u>	<u>Tarleton<sup>1</sup></u>	<u>TAMU-CC<sup>1,2</sup></u>	<u>TAMU-C<sup>1</sup></u>	<u>PVAMU</u>	<u>WTAMU<sup>1</sup></u>	<u>TAMU-K<sup>1</sup></u>	<u>TAMIU<sup>2</sup></u>	<u>TAMUG</u>	<u>TAMU-T<sup>1</sup></u>
FY07	8.15	3.60	7.87	3.05	7.02	5.21	6.00	-7.11	2.55	5.03
FY06	7.06	2.92	14.59	7.51	3.22	3.69	4.09	-4.30	2.28	7.15
FY05	6.51	4.04	3.98	4.95	2.41	3.62	4.76	0.95	6.13	5.11
FY04	5.84	3.23	6.56	4.25	1.13	3.42	4.42	5.19	2.54	6.37
FY03	4.67	2.51	4.41	6.49	2.73	4.24	3.71	2.24	1.67	4.51

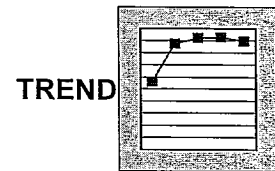


### Health Science Center

	<u>TAMHSC<sup>1,2</sup></u>
FY07	17.90
FY06	18.53
FY05	18.43
FY04	17.50
FY03	11.20

#### COLOR LEGEND:

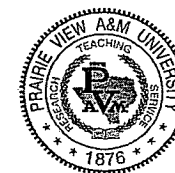
	Bi-Annual Reporting - Present Plan
	Annual Reporting - Submit Plan
	Programmatic Review Only



1. Includes financial data from affiliated foundations.
2. TAMHSC, TAMIU, and TAMU-CC score based on large growth institution adjusted scale factor



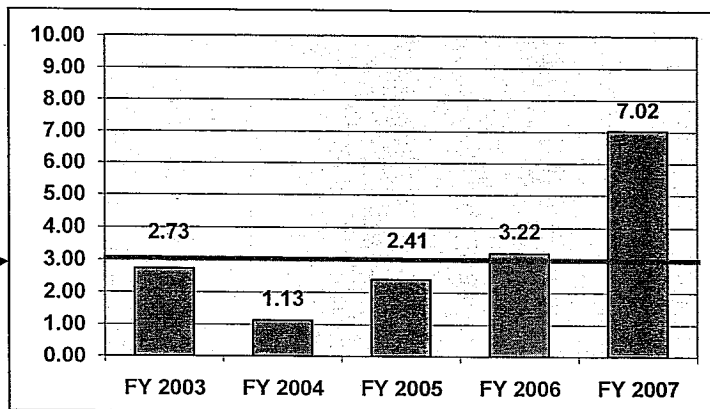
**THE TEXAS A&M UNIVERSITY SYSTEM**  
**Prairie View A&M University**  
**Financial Condition and Strategic Guidance**  
**Based on the Composite Financial Index (CFI)<sup>1</sup>**



CFI Scoring Trend					
	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
<b>CFI Score (See Graph)</b>	<b>2.73</b>	<b>1.13</b>	<b>2.41</b>	<b>3.22</b>	<b>7.02</b>
1. Primary Reserve	1.05	1.05	1.14	1.31	1.53
2. Viability	0.48	0.45	0.43	0.55	0.67
3. Return on Net Assets	1.03	-0.29	0.86	0.83	4.21
4. Net Operating Revenue	0.16	-0.66	-0.02	0.52	0.61

CFI Score Rating	
Score	Reporting
<=1.0	Required to present to Chancellor February 1 and August 1
>1.0 < 3.0	Required to submit plan February 1 to Chancellor
>= 3.0	Programmatic Review Only

A CFI score of 3.0 is the minimum score necessary for an institution to be considered as meeting their financial targets.



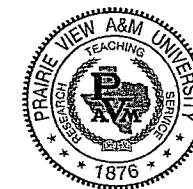
**Analysis:**  
 Please add comments.

1. Strategic Financial Analysis for Higher Education, Sixth Edition, KPMG
2. Includes financial data from affiliated foundations.



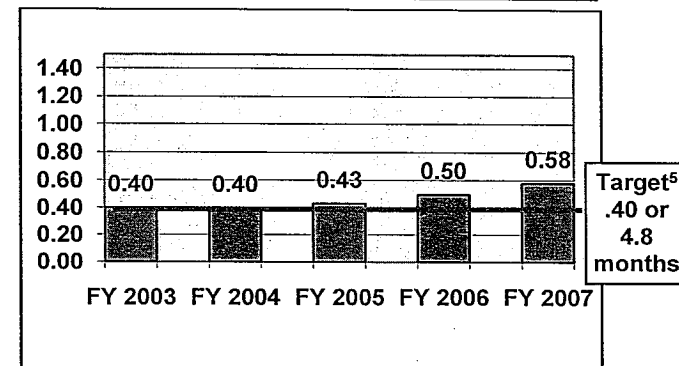
# THE TEXAS A&M UNIVERSITY SYSTEM

## Prairie View A&M University Financial Ratio Analysis



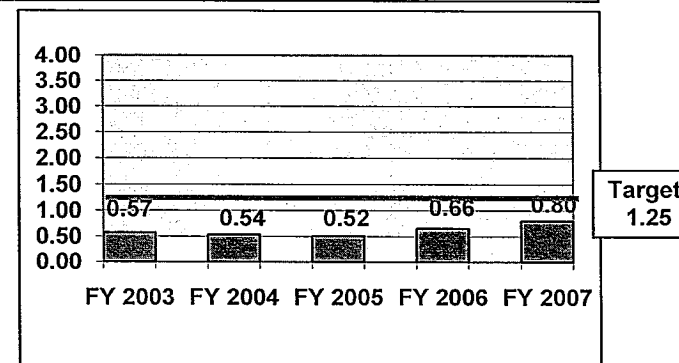
### 1. Primary Reserve Ratio

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Expendable Net Assets	49,921,880	59,417,377	61,982,577	76,096,476	89,205,952
Total Expenses	124,727,633	148,755,844	143,102,651	152,868,277	153,595,693
<b>Ratio (See Chart)</b>	<b>0.40</b>	<b>0.40</b>	<b>0.43</b>	<b>0.50</b>	<b>0.58</b>
Scoring Scale <sup>1</sup>	0.133	0.133	0.133	0.133	0.133
Strength Factor <sup>2</sup>	3.01	3.00	3.26	3.74	4.37
Weight Factor <sup>3</sup>	35%	35%	35%	35%	35%
<b>CFI Score<sup>4</sup></b>	<b>1.05</b>	<b>1.05</b>	<b>1.14</b>	<b>1.31</b>	<b>1.53</b>



### 2. Viability Ratio

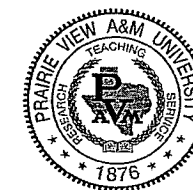
	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Expendable Net Assets	49,921,880	59,417,377	61,982,577	76,096,476	89,205,952
Outstanding Debt	86,859,991	111,053,111	120,264,871	115,955,719	111,396,868
<b>Ratio (See Chart)</b>	<b>0.57</b>	<b>0.54</b>	<b>0.52</b>	<b>0.66</b>	<b>0.80</b>
Scoring Scale <sup>1</sup>	0.417	0.417	0.417	0.417	0.417
Strength Factor <sup>2</sup>	1.38	1.28	1.24	1.57	1.92
Weight Factor <sup>3</sup>	35%	35%	35%	35%	35%
<b>CFI Score<sup>4</sup></b>	<b>0.48</b>	<b>0.45</b>	<b>0.43</b>	<b>0.55</b>	<b>0.67</b>



1. Scoring Scale defined by KPMG in "Strategic Financial Analysis for Higher Education," Sixth Edition
2. Strength factor is the ratio divided by the scoring scale
3. Each ratio is weighted based on the recommendations by the Financial Resources Planning & Controls committee.
4. CFI score is calculated by taking the strength factor calculation of each ratio x the weight factor.
5. The target ratio value is the minimum amount required to achieve a 3.0 CFI rating.

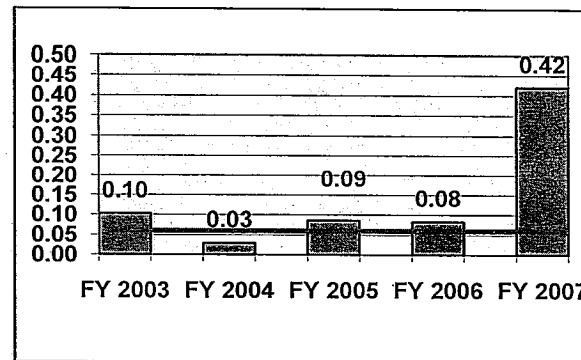


**THE TEXAS A&M UNIVERSITY SYSTEM**  
**Prairie View A&M University**  
**Financial Ratio Analysis**



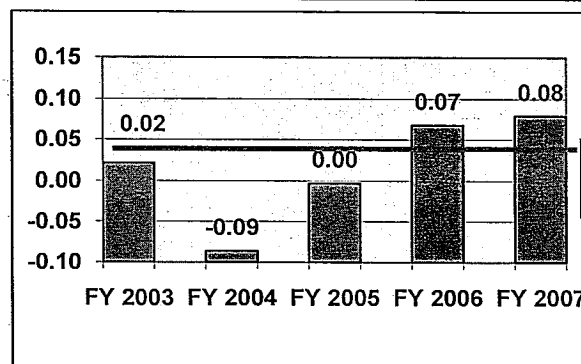
**3. Return on Net Assets**

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Change in Net Assets	21,535,903	6,644,758	20,044,126	21,310,591	116,807,843
Beg. Year Net Assets	208,479,959	228,382,019	233,032,392	256,023,693	277,334,284
<b>Ratio (See Chart)</b>	<b>0.10</b>	<b>0.03</b>	<b>0.09</b>	<b>0.08</b>	<b>0.42</b>
Scoring Scale <sup>1</sup>	0.02	0.02	0.02	0.02	0.02
Strength Factor <sup>2</sup>	5.16	1.45	4.30	4.16	21.06
Weight Factor <sup>3</sup>	20%	20%	20%	20%	20%
<b>CFI Score<sup>4</sup></b>	<b>1.03</b>	<b>0.29</b>	<b>0.86</b>	<b>0.83</b>	<b>4.21</b>



**4. Net Operating Revenues**

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Net Operating Revenue	2,625,664	-11,494,508	-402,670	10,587,256	12,300,656
Operating Revenue	122,577,778	133,998,255	136,496,280	155,659,186	155,178,353
<b>Ratio (See Chart)</b>	<b>0.02</b>	<b>-0.09</b>	<b>0.00</b>	<b>0.07</b>	<b>0.08</b>
Scoring Scale <sup>1</sup>	0.013	0.013	0.013	0.013	0.013
Strength Factor <sup>2</sup>	1.65	-6.60	-0.23	5.23	6.10
Weight Factor <sup>3</sup>	10%	10%	10%	10%	10%
<b>CFI Score<sup>4</sup></b>	<b>0.16</b>	<b>-0.66</b>	<b>-0.02</b>	<b>0.52</b>	<b>0.61</b>



1. Scoring Scale defined by KPMG in "Strategic Financial Analysis for Higher Education," Sixth Edition
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