NEW ISSUE - Book-Entry Only

Ratings: Underlying
Moody's "Aa2"
Fitch: "AA"
(See "RATINGS" herein)

In the opinion of Bond Counsel, assuming continuing compliance with all covenants set forth in the Indenture, and subject to the conditions set forth herein, under existing statutes, regulations, rulings and judicial decisions, as presently interpreted and construed, interest on the Series 2017A Bonds (as defined herein) earned by the respective owners thereof is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporation under the Code. Interest on the Series 2017A Bonds is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax, however, interest on the Series 2017A Bonds is taken into account in determining adjusted current earnings for the purpose of calculating alternative minimum tax. Bond Counsel is of the opinion that under existing law, interest on the Series 2017A Bonds (as defined herein) earned by the respective owners thereof is exempt from State of Mississippi income taxes. See "TAX MATTERS" herein regarding certain other tax considerations.

$92,075,000
MISSISSIPPI STATE UNIVERSITY
EDUCATIONAL BUILDING CORPORATION
Revenue Refunding Bonds, Series 2017A
(Mississippi State University Facilities Refinancing)

Dated: Date of Delivery **Due: August 1, as shown on inside front cover**

The Series 2017A Bonds (as defined herein) will be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof up to the amount of a single maturity, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2017A Bonds. Purchases may be made only in book-entry form through the DTC Participants and no physical delivery of the Series 2017A Bonds will be made to Beneficial Owners (as defined herein), except as described herein. So long as Cede & Co. is the Registered Owner (as defined herein), as nominee of DTC, references herein to the Bondholders or Registered Owners will mean Cede & Co., as aforesaid, and will not mean the Beneficial Owners of the Series 2017A Bonds. See "THE SERIES 2017A BONDS" and "BOOK-ENTRY ONLY SYSTEM" herein. The principal of, premium, if any and interest on the Series 2017A Bonds will be paid to Cede & Co., as long as Cede & Co. is the Registered Owner. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants, as more fully described herein.

Principal of the Series 2017A Bonds is payable on August 1, as shown on inside front cover. Interest on the Series 2017A Bonds is payable on February 1, 2018, and semiannually thereafter on February 1 and August 1 of each year, to the Registered Owners of record as of the applicable Record Date, as herein described, which payments shall, as long as the book-entry only system described herein is in place, be made to Cede & Co.

The Series 2017A Bonds are issued by the Mississippi State University Educational Building Corporation (the "Corporation"), a Mississippi public non-profit corporation, under a Trust Indenture dated as of December 1, 2017 (the "Indenture"), by and between the Corporation and Regions Bank, Nashville, Tennessee, as trustee (the "Trustee"). The Series 2017A Bonds will provide funds (a) to refund the outstanding revenue bonds of the Corporation set forth on Schedule I hereto (collectively, the "Refunded Bonds", and (b) to pay the related costs of the issuance, sale and delivery of the Series 2017A Bonds. See "DESCRIPTION OF REFUNDING" and "SCHEDULE I" herein.

The Series 2017A Bonds are payable as to principal, premium, if any, and interest solely from rental payments made by the Board of Trustees of State Institutions of Higher Learning of the State of Mississippi (the "Board") under the Lease (as defined herein). See "THE SERIES 2017A BONDS" and "THE LEASE" herein. Subject to the provisions of the Lease, the obligations of the Board to make the rental payments required in the Lease and to perform and observe the other agreements on its part contained in the Lease shall be absolute and unconditional, regardless of the continued existence of the Project in a physical condition satisfactory to the Board.

CUSIP PREFIX: 605699
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on Inside Front Cover

THE SERIES 2017A BONDS ARE SOLELY AND EXCLUSIVELY THE OBLIGATION OF THE CORPORATION PAYABLE SOLELY FROM RENTAL PAYMENTS MADE BY THE BOARD UNDER THE LEASE AS DESCRIBED HEREIN. THE SERIES 2017A BONDS ARE NOT OBLIGATIONS OR DEBTS OF THE BOARD OR THE STATE, AND DO NOT CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF EITHER THE BOARD OR THE STATE. THE CORPORATION HAS NO TAXING POWER. FURTHER, THE SERIES 2017A BONDS DO NOT CONSTITUTE A DEBT OF MISSISSIPPI STATE UNIVERSITY.

THE REVENUES THAT ARE THE SOURCE OF THE PAYMENT OF THE SERIES 2017A BONDS ARE SIMILAR TO THE REVENUES THAT ARE THE SOURCE OF PAYMENT OF THE CORPORATION'S OUTSTANDING BONDS AND ANY FUTURE BONDS OF THE CORPORATION AND ALL OUTSTANDING BONDS ISSUED AND ANY FUTURE BONDS ISSUED BY OTHER EDUCATIONAL BUILDING CORPORATIONS FOR THE BENEFIT OF OTHER MEMBER INSTITUTIONS (AS DEFINED HEREIN) INCLUDING MONEYS APPROPRIATED BY THE MISSISSIPPI LEGISLATURE TO THE BOARD. THERE HAS BEEN NO DEFAULT IN THE PAYMENT OF DEBT SERVICE ON THE CORPORATION'S OUTSTANDING BONDS. IN ADDITION, THERE HAS BEEN NO DEFAULT IN THE PAYMENT OF DEBT SERVICE ON THE BONDS ISSUED BY OTHER EDUCATIONAL BUILDING CORPORATIONS FOR THE BENEFIT OF OTHER MEMBER INSTITUTIONS. SEE "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS."

The Series 2017A Bonds are subject to redemption prior to maturity as provided herein.

Purchase of the Series 2017A Bonds involves a certain degree of risk, and reference is made to "Risks of Ownership of Series 2017A Bonds" and "Risks to Bondholders" herein for a discussion of such risks.

This cover page contains certain information for quick reference only. It is not a summary of this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2017A Bonds are offered when, as and if issued by the Corporation and accepted by the Underwriters, as defined herein, subject to prior sale, to withdrawal or modification of the offer without notice, and to the opinion as to legality and tax exemption of the Series 2017A Bonds by Jones Walker L.L.P., Jackson, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the Corporation by its counsel, Joan Lucas, Mississippi State, Mississippi, for the Underwriters by their counsel, Butler Snow LLP, Ridgeland, Mississippi, and for the Board by the Attorney General of the State. Hilltop Securities, Inc., Dallas, Texas, serves as Financial Advisor to the Corporation with respect to the issuance of the Series 2017A Bonds. The Series 2017A Bonds are expected to be available for delivery on or about December 20, 2017.

RAYMOND JAMES **MORGAN STANLEY**

MATURITY SCHEDULE
$92,075,000
Series 2017A Bonds[1]

Maturity (August 1)	Principal Amount	Interest Rate[2]	Yield	Price	CUSIP[3]
2018	$ 205,000	2.000%	1.330%	100.407	605699QV2
2019	205,000	2.000%	1.740%	100.411	605699QW0
2020	210,000	2.000%	1.880%	100.303	605699QX8
2021	215,000	3.000%	1.980%	103.539	605699QY6
2022	1,620,000	5.000%	2.050%	112.921	605699QZ3
2023	1,690,000	5.000%	2.170%	114.879	605699RA7
2024	2,470,000	5.000%	2.280%	116.609	605699RB5
2025	2,595,000	5.000%	2.390%	118.068	605699RC3
2026	2,730,000	5.000%	2.510%	119.178	605699RD1
2027	3,785,000	5.000%	2.620%	120.108	605699RE9
2028	1,830,000	5.000%	2.710%	119.264*	605699RF6
2029	1,925,000	5.000%	2.790%	118.520*	605699RG4
2030	4,345,000	5.000%	2.820%	118.242*	605699RH2
2031	4,575,000	5.000%	2.880%	117.689*	605699RJ8
2032	4,785,000	4.000%	3.190%	106.658*	605699RK5
2033	2,280,000	4.000%	3.260%	106.062*	605699RL3
2034	5,195,000	4.000%	3.310%	105.639*	605699RM1
2035	5,405,000	4.000%	3.370%	105.134*	605699RN9
2036	5,630,000	4.000%	3.400%	104.882*	605699RP4
2037	5,835,000	3.500%	3.580%	98.876	605699RQ2

Term Bonds

$34,545,000 @ 4.00% due August 1, 2043, Priced to Yield 3.540% @ 103.717%*; CUSIP: 605699RW9

* Priced to the par call date of August 1, 2027.

(1) The Series 2017A Bonds which mature on and after August 1, 2028, are subject to optional redemption prior to their respective maturities on and after August 1, 2027, at the election of the Corporation in whole or in part on any date at the redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest, if any, to the redemption date. See "Optional Redemption of the Series 2017A Bonds."
(2) Interest to accrue from the date of delivery.
(3) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, a Division of McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFERING OF ANY SECURITY OTHER THAN THE ORIGINAL OFFERING OF THE SERIES 2017A BONDS IDENTIFIED ON THE COVER HEREOF. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THAT CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY SALE OF THE SERIES 2017A BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION AND EXPRESSION OF OPINIONS HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR THE SALE OF ANY OF THE SERIES 2017A BONDS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT OR AGREEMENT BETWEEN THE CORPORATION AND THE UNDERWRITERS OR HOLDERS OF THE SERIES 2017A BONDS. ALL ESTIMATES AND ASSUMPTIONS CONTAINED HEREIN ARE BELIEVED TO BE REASONABLE, BUT NO REPRESENTATION IS MADE THAT SUCH ESTIMATES OR ASSUMPTIONS ARE CORRECT OR WILL BE REALIZED.

INFORMATION HEREIN HAS BEEN OBTAINED FROM THE CORPORATION, THE BOARD, THE UNIVERSITY, DTC (EACH AS DEFINED HEREIN) AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITER.

UPON ISSUANCE, THE SERIES 2017A BONDS WILL NOT BE REGISTERED UNDER 15 U.S.C. SECTION 77A *ET SEQ. (*"THE SECURITIES ACT OF 1933"), AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY, OTHER THAN THE CORPORATION (TO THE EXTENT DESCRIBED HEREIN), WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE SERIES 2017A BONDS FOR SALE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFERING STATEMENT CONTAINS FORECASTS, PROJECTIONS AND ESTIMATES THAT ARE BASED ON EXPECTATIONS AND ASSUMPTIONS WHICH EXISTED AT THE TIME SUCH FORECASTS, PROJECTIONS AND ESTIMATES WERE PREPARED. IN LIGHT OF THE IMPORTANT FACTORS THAT MAY MATERIALLY AFFECT ECONOMIC CONDITIONS IN THE STATE, THE INCLUSION IN THIS OFFERING STATEMENT OF SUCH FORECASTS, PROJECTIONS AND ESTIMATES SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE STATE, THE CORPORATION, THE BOARD OR THE UNIVERSITY THAT SUCH FORECASTS, PROJECTIONS AND ESTIMATES WILL

OCCUR. SUCH FORECASTS, PROJECTIONS AND ESTIMATES ARE NOT INTENDED AS REPRESENTATIONS OF FACT OR GUARANTEES OF RESULTS.

IF AND WHEN INCLUDED IN THIS OFFERING STATEMENT, THE WORDS "EXPECTS," "FORECASTS," "PROJECTS," "INTENDS," "ANTICIPATES, "ESTIMATES" AND ANALOGOUS EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS AND ANY SUCH STATEMENTS INHERENTLY ARE SUBJECT TO A VARIETY OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SUCH RISKS AND UNCERTAINTIES INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN POLITICAL, SOCIAL AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS, LITIGATION AND VARIOUS OTHER EVENTS, CONDITIONS AND CIRCUMSTANCES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE STATE, THE CORPORATION, THE BOARD AND THE UNIVERSITY. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFERING STATEMENT. THE CORPORATION DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN THE CORPORATION'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITY TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

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OFFICIAL STATEMENT

$92,075,000
MISSISSIPPI STATE UNIVERSITY
EDUCATIONAL BUILDING CORPORATION
Revenue Refunding Bonds, Series 2017A
(Mississippi State University Facilities Refinancing)

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale and issuance of the Mississippi State University Educational Building Corporation Revenue Refunding Bonds, Series 2017A (Mississippi State University Facilities Refinancing) (the "Series 2017A Bonds"). Certain capitalized terms used in this Official Statement and not otherwise defined herein shall have the meanings set forth in "APPENDIX A" hereto.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in this Official Statement, including the cover page and all Appendices hereto, and the documents summarized or described herein. A full review should be made of this entire Official Statement. The offering of the Series 2017A Bonds to potential investors is made only by means of this entire Official Statement.

Authority and Purpose

The Series 2017A Bonds are being issued pursuant to the Act (as defined below) and resolutions of the Board of Directors of the Mississippi State University Educational Building Corporation (the "Corporation") dated November 9, 2017, and a resolution of the Board of Trustees of State Institutions of Higher Learning of the State of Mississippi (the "Board") dated November 16, 2017. The Series 2017A Bonds (as defined herein) will provide funds (a) to refund the outstanding revenue bonds of the Corporation set forth on Schedule I hereto (collectively, the "Refunded Bonds") and (b) to pay the related costs of the issuance, sale, and delivery of the Series 2017A Bonds. See "SOURCES AND USES OF FUNDS" AND "DESCRIPTION OF REFUNDING" herein.

The Board and the Corporation

Pursuant to Article VIII, Section 213-A, Mississippi Constitution of 1890, and Sections 37-101-1, et seq., Mississippi Code of 1972, as amended, the Board, which is composed of twelve (12) members who appoint a Commissioner of Higher Education who is responsible for administering its policies and decisions, is charged with the management and control of all eight (8) State of Mississippi (the "State") institutions of higher learning which include Mississippi State University of Agriculture and Applied Science (the "University"), Alcorn State University, Delta State University, Jackson State University, the University of Mississippi, Mississippi University for Women, Mississippi Valley State University and the University of Southern Mississippi (together, the "Member Institutions"). The University, which was organized and incorporated as such an institution pursuant to Sections 37-113-1 et seq., Mississippi Code of 1972, as amended, is under the supervision of the Board. See "THE BOARD," "THE UNIVERSITY" and "THE CORPORATION" herein.

For purposes of the Lease and all covenants contained therein, the Board and the University are to be treated as one and the same legal entity, and all references to the University in the Lease shall be deemed to be references to the Board.

The Corporation was created as a public non-profit corporation, known as an educational building corporation, pursuant to a resolution adopted by the Board under the authority of Sections 37-101-61

through 37-101-71, Mississippi Code of 1972, as amended (the "Act"), and was chartered by the State on October 14, 1985.

The Corporation has not made and does not intend to make any profit by reason of any business or venture in which it may engage or by reason of the Project, and no part of the Corporation's net earnings, if any, will ever inure to the benefit of any person, firm or corporation, excepting the Board.

The Series 2017A Bonds are being issued under the authority of the Constitution and statutes of the State, including the Act, and by further authority of proceedings duly held by the Corporation and the Board.

The Indenture and Security

The Series 2017A Bonds will be issued under and pursuant to a Trust Indenture, dated as of December 1, 2017 (the "Indenture"), by and between the Corporation and Regions Bank, Nashville, Tennessee, as Trustee (the "Trustee"). The principal of, premium, if any, and interest on any and all of the Series 2017A Bonds are payable solely from the Trust Estate, as defined herein (which includes the rental payments by the Board under the Lease) and funds of the Corporation that are pledged therefore in accordance with the Indenture for the benefit of the owners of the Series 2017A Bonds without priority. The faith, credit, taxing power and moral obligation of neither the Board, the University nor the State are pledged to the payment of the principal of, premium, if any, and interest on any of the Series 2017A Bonds. The Series 2017A Bonds are solely an obligation of the Corporation and not a debt, liability, loan of the credit or pledge of the faith and credit of the University, the Board, the State or of any political subdivision thereof. The Corporation has no taxing power and has only those powers and sources of revenue set forth in the Act.

The revenues that are the source of payment of the Series 2017A Bonds are similar to the revenues that are the source of payment of the Corporation's outstanding Bonds and any future Bonds of the Corporation and all outstanding bonds issued and any future bonds issued by other educational building corporations for the benefit of other Member Institutions including moneys appropriated by the Mississippi Legislature to the Board. There has been no default in the payment of debt service on the Corporation's outstanding Bonds. See "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS." The Series 2017A Bonds are not secured by a moral obligation of, or in any other manner by, the State, and there is no reserve fund provided for payment of debt service on the Series 2017A Bonds.

The Series 2017A Bonds are secured by the pledge of the Trust Estate established under the Indenture including the rental payments to be made by the Board under the Lease (as defined herein). All Series 2017A Bonds will be secured equally and ratably by the Trust Estate. Reference is made to the Lease for a description of the obligations of the Board under the Lease and for the covenants of the Board to appropriate moneys from Designated Revenues or from any other legally available source for rental payments under the Lease. Designated Revenues are defined as all unrestricted revenues of the Board which include without limitation, tuition, fees and auxiliary enterprises net of scholarship allowances, sales and services, other operating revenues (including those of the University), State appropriations and unrestricted net asset balances. See "THE INDENTURE," "THE SERIES 2017A BONDS," "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS," "THE LEASE" and "APPENDIX A" herein.

Transaction Structure

The Project will be located on the Project Site on the campus of the University. The Corporation will lease the Project Site from the Board and the University pursuant to the Ground Lease. The Board will, in turn, lease the Project Site and the Project back from the Corporation pursuant to the Lease. The Lease shall provide for rental payments to be made by the Board in an amount sufficient to pay the principal of, premium, if any, and interest on the Series 2017A Bonds as the same come due. Such rental payments include repayment of the amounts used by the Corporation to fund the Project. Upon retirement of the Series 2017A Bonds, the State, acting by and through the Board, will obtain fee simple

title to all property financed with the Bond Proceeds, including any additions to such property, without demand or further action on its part. See "THE GROUND LEASE" and "THE LEASE."

Risks of Ownership of Series 2017A Bonds

There are certain risks involved in the ownership of the Series 2017A Bonds that should be considered by prospective purchasers. The ability of the Corporation to pay principal of, premium, if any, and interest on the Series 2017A Bonds depends solely upon the receipt of rental payments from the Board, which is obligated under the Lease to make such payments to the Trustee, as assignee of the Corporation, together with investment earnings on certain amounts in the funds and accounts created in the Indenture.

The rental payments will be paid by the Board from Designated Revenues or from any other legally available source as set forth in the Lease. There is no reserve fund to be provided for payment of the debt service on the Series 2017A Bonds. See "INTRODUCTION – Risks To Bondholders."

Risks to Bondholders

Nothing in the Lease or the Indenture (a) creates a lien of any kind or character whatsoever (i) upon any specific funds, income or revenues (including, but not limited to, Designated Revenues) now existing or hereafter held, collected, received, anticipated by or available to the Board or (ii) upon the Project or (b) limits or prevents the ability of the Board to use or pledge Designated Revenues for the incurrence of additional debt for any of its Member Institutions so long as the Board has made a prior finding that sufficient Designated Revenues exist for the payment of the principal of, premium, if any, and interest on all Bonds issued under the Indenture. Negative financial events occurring with respect to the Board may have an adverse effect on the holders of all Bonds issued under the Indenture.

THE OPERATIONS OF THE BOARD AND ITS MEMBER INSTITUTIONS ARE HEAVILY DEPENDENT ON STATE APPROPRIATIONS. THE BOARD AND MEMBER INSTITUTIONS HAVE NO ASSURANCE THAT THE STATE APPROPRIATIONS TO THE MEMBER INSTITUTIONS WILL CONTINUE AT THE SAME LEVEL AS IN THE PREVIOUS YEARS.

THE SERIES 2017A BONDS ARE SOLELY AND EXCLUSIVELY THE OBLIGATION OF THE CORPORATION PAYABLE SOLELY FROM THE RENTAL PAYMENTS MADE BY THE BOARD UNDER THE LEASE AS DESCRIBED HEREIN. THE SERIES 2017A BONDS ARE NOT OBLIGATIONS OR DEBTS OF THE BOARD, THE STATE OR THE UNIVERSITY, AND DO NOT CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE BOARD, THE UNIVERSITY OR THE STATE. THE CORPORATION HAS NO TAXING POWER.

THE REVENUES THAT ARE THE SOURCE OF THE PAYMENT OF THE SERIES 2017A BONDS ARE SIMILAR TO THE REVENUES THAT ARE THE SOURCE OF PAYMENT OF THE CORPORATION'S OUTSTANDING BONDS AS WELL AS THE OUTSTANDING DEBT OF THE OTHER MEMBER INSTITUTIONS AND ANY FUTURE BONDS INCLUDING MONEYS APPROPRIATED BY THE MISSISSIPPI LEGISLATURE TO THE BOARD. THERE HAS BEEN NO DEFAULT IN THE PAYMENT OF DEBT SERVICE ON THE CORPORATION'S OUTSTANDING BONDS. IN ADDITION, THERE HAS BEEN NO DEFAULT IN THE PAYMENT OF DEBT SERVICE ON THE BONDS ISSUED BY OTHER EDUCATIONAL BUILDING CORPORATIONS FOR THE BENEFIT OF OTHER MEMBER INSTITUTIONS. SEE "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS" AND "MEMBER INSTITUTIONS OUTSTANDING OBLIGATIONS."

Other Information about this Official Statement

This Official Statement speaks only as of its date, and certain information contained herein is subject to change. Copies of the Indenture, the Ground Lease, the Lease and the other documents described herein are available, upon request, and upon payment to the Corporation of a charge for copying, mailing and handling, from Kevin Edelblute, Treasurer, Mississippi State University

Educational Building Corporation, 532 McArthur Hall, P. O. Box 5227, Mississippi State, Mississippi 39762, telephone 662-325-2302.

There follows in this Official Statement a description of the security and sources of payment for the Series 2017A Bonds and summaries of certain provisions of the Series 2017A Bonds, the Indenture, the Ground Lease, the Lease, and certain provisions of the Act. All discussions of the Act, the Ground Lease, the Lease, and the Indenture are qualified in their entirety by reference to the Act, the Ground Lease, the Lease, and the Indenture, and all discussions of the Series 2017A Bonds are qualified in their entirety by reference to the definitive form of the information with respect to the Series 2017A Bonds contained in the Indenture. Definitions of certain terms and a summary of certain provisions of the Indenture and the Lease are set forth in "APPENDIX A - DEFINED TERMS AND SUMMARY OF LEASE AND INDENTURE," certain financial information on the Board is set forth in "APPENDIX B – STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING FINANCIAL STATEMENTS – JUNE 30, 2016," the proposed form of opinion of Bond Counsel with respect to the Series 2017A Bonds is set forth in "APPENDIX C - FORM OF BOND COUNSEL OPINION," the form of the Continuing Disclosure Agreement of the Corporation and the Board is set forth in "APPENDIX D - FORM OF CONTINUING DISCLOSURE AGREEMENT," and a schedule of outstanding debt secured similarly to the Series 2017A Bonds is set forth in "MEMBER INSTITUTIONS OUTSTANDING OBLIGATIONS." Each of the Appendices to this Official Statement is an integral part of this Official Statement and should be read in its entirety by any and all owners or prospective owners of the Series 2017A Bonds.

THE CORPORATION

The Corporation is a public nonprofit corporation, known as an educational building corporation, created pursuant to resolution of the Board under the authority of the Act. The members of the Board of Directors, who manage all business of the Corporation, serve for one year terms and receive no compensation.

The current officers and directors of the Corporation for the 2017-2018 year are:

Name	Position
Amy Tuck	President
John Rush	First Vice President
Dr. Judith Bonner	Second Vice President
Don Zant	Secretary
Kevin Edelblute	Treasurer
Greg Bohach	Director
John Cohen	Director
Regina Hyatt	Director
Mark E. Keenum	Director
David Shaw	Director

The Act empowers the Corporation, among other things, (a) to acquire, whether by purchase, construction or gift, facilities for one or more institutions of higher learning, and to equip, maintain or improve such facilities; (b) to issue its bonds for said purpose; (c) to lease such Projects to the Board; and (d) to secure the payment of such bonds through the pledge or the lien on its rights to receive lease payments.

The Corporation has previously issued and may in the future issue bonds to finance facilities at the University. Each series of bonds issued by the Corporation is payable only from revenues (lease payments) pledged pursuant to the indentures authorizing the issuance of the bonds. (See "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS.")

ALL BONDS PREVIOUSLY ISSUED AND THAT MAY BE ISSUED BY THE CORPORATION ARE PAYABLE FROM DESIGNATED REVENUES WHICH ARE THE SAME SOURCE OF REVENUES AVAILABLE FOR DEBT SERVICE ON THE SERIES 2017A BONDS.

The incorporators, members, directors and officers of the Corporation shall not be personally liable for any costs, losses, damages or liabilities, including payments on the Series 2017A Bonds, caused or incurred by the Corporation in connection with the Indenture.

THE BOARD

The Board was created to direct the operations of state-supported institutions of higher learning which include the University, as well as Alcorn State University, Delta State University, Jackson State University, the University of Mississippi, Mississippi University for Women, Mississippi Valley State University and the University of Southern Mississippi (together, and where appropriate including the related educational building corporations, the "Member Institutions"). The Board and Member Institutions are referred to herein together as the "IHL System." The available programs range from a wide variety of undergraduate disciplines to most professional fields. All Member Institutions offer master's level programs, while five have programs at the education specialist level and five offer doctoral level programs. Student enrollment for Member Institutions for Fall 2017 is 81,377. As of Fall 2016, approximately 28,616 people were employed full time by the Member Institutions.

The Board first assumed its duties in 1944 and consists of twelve members, one from each of the seven congressional districts as existed in 1944, one from each of the State Supreme Court Districts and two from the state-at-large appointed by the Governor of the State with the approval of the Senate. Previously, every four years, four members were appointed to serve twelve (12) year terms; however, the Constitution of the State of Mississippi was amended to provide that the initial term of the members appointed in 2004 shall be for eleven (11) years; the initial term of the members to be appointed in 2008 shall be for ten (10) years; and the initial term of the members to be appointed in 2012 shall be for nine (9) years. After expiration of the initial terms, all terms shall be for nine (9) years. The Board presently consists of the following members:

Board Members	**Term Expires May**
Mr. C.D. Smith, Jr., President	2018
Mr. Shane Hooper, Vice President	2021
Mr. Tom Duff	2024
Dr. Bradford Johnson Dye, III	2021
Justice Ann Lamar	2021
Dr. Alfred E. McNair, Jr.	2024
Mr. Chip Morgan	2024
Mr. Hal Parker	2021
Mr. Alan W. Perry	2018
Ms. Christine Lindsay Pickering	2018
Dr. Douglas W. Rouse	2018
Dr. J. Walt Starr	2024

The Board appoints a Commissioner of Higher Education who is responsible for administering the policies and decisions of the Board. The Commissioner is Glenn F. Boyce, Ed.D. The Board is also staffed with professionals with expertise in the areas of academic programs, fiscal matters and student financial aid, who are under the direction of the Commissioner.

Appropriations from the Legislature made for education and general support for the use of the eight institutions, including the Board, are received by the Board as a lump sum with the power and

authority in the Board to allocate and distribute such funds among the institutions under its control in the way and manner and in such amounts as will further an efficient and economical administration of the institutions. Additional appropriations from the Legislature are made for the support and maintenance of specific programs within the eight institutions.

In addition, a separate appropriation is made annually by the Legislature for the University of Mississippi Medical Center ("UMMC"). Each institution, including the UMMC, is responsible for collecting and investing the tuition, fees, patient care, research and other revenues generated by each such institution, and budgeting such amounts along with the allocation received from the Board from legislative appropriations, for the expenses of the institution for each fiscal year. Each institution's budget and any budget amendments are subject to approval by the Board.

THE UNIVERSITY

Mississippi State University of Agriculture and Applied Science is located immediately adjacent to the City of Starkville, Mississippi, and is a major factor in that municipality's growth and development. The University was established by the Mississippi Legislature in 1878 as a Land Grant Institution and is comprised of ten colleges and schools that offer 181 different degrees across 94 academic programs. Student enrollment at the University for the Fall of 2017 was 21,882. The main campus of the University, which includes experimental farms and woodlands, encompasses over 4,200 acres. Approximately 4,800 people are employed full time by the University. The University is one of the eight State Institutions of Higher Learning in the State and is managed and directed by the constitutionally created Board which is appointed by the Governor with the approval of the State Senate.

DESCRIPTION OF THE REFUNDING

A portion of the proceeds of the Series 2017A Bonds will be used to refund all or a portion of the Corporation's outstanding Revenue Bonds, Series 2011 (Residence Hall Construction and Refunding Project), and its Revenue Bonds, Series 2013 (Mississippi State University Refunding and Improvements Project) (collectively, the "Refunded Bonds"). See "SCHEDULE I – Schedule of Refunded Bonds" herein.

SOURCES AND USES OF FUNDS

The following is a summary of the sources and uses of the proceeds of the Series 2017A Bonds which proceeds will be used for the refunding of the Refunded Bonds and to pay certain necessary expenses incidental thereto. See "DESCRIPTION OF THE REFUNDING" herein.

Sources of Funds	**Series 2017**
Par Amount of Bonds	$92,075,000.00
Net Original Issue Premium	7,465,925.80
Total Sources	$99,540,925.80
Uses of Funds	
Deposit to Series 2017A Costs of Issuance Fund	$ 357,157.59
Transfer to Escrow Agent for Deposit in Escrow Fund	98,645,378.00
Underwriters' Discount	538,390.21
Total Uses	$99,540,925.80

THE SERIES 2017A BONDS

Terms of the Series 2017A Bonds

The Series 2017A Bonds shall be registered as to both principal and interest; shall be dated the date of issuance and delivery thereof; shall be issued in the denomination of $5,000 each, or integral multiples thereof; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified on the inside front cover of this Official Statement, payable on February 1, 2018, and semiannually thereafter on February 1 and August 1 of each year; and shall mature and become due and payable, with option of prior payment, on August 1 in the principal amounts and on the dates set forth on the inside front cover of this Official Statement.

Mandatory Sinking Fund Redemption for the Series 2017A Bonds

The Series 2017A Bonds maturing on August 1, 2043 in the principal amount of $34,545,000, are term bonds and shall be subject to mandatory sinking fund redemption pro rata prior to maturity at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest, if any, thereon to the redemption date, on August 1 in the years and in the principal amounts (after credit as provided below) as follows:

Year	Principal Amount
2038	$ 6,065,000
2039	6,315,000
2040	6,570,000
2041	6,840,000
2042	4,290,000
2043*	4,465,000

*Final maturity.

Not less than 45 or more than 60 days prior to each such scheduled mandatory sinking fund redemption date, the Trustee shall proceed to select for redemption, by lot, Series 2017A Bonds or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2017A Bonds or portions thereof for redemption on such scheduled mandatory sinking fund redemption date; provided, however, that the Corporation may, upon Written Direction (as defined herein) delivered to the Trustee not less than 60 days prior to such scheduled mandatory sinking fund redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2017A Bonds scheduled for redemption on such date: (a) the principal amount of Series 2017A Bonds maturing on August 1, 2043, delivered by the Corporation to the Trustee for cancellation and not previously claimed as a credit; (b) the principal amount of Series 2017A Bonds maturing on August 1, 2043, previously redeemed (other than pursuant to this provision) and not previously claimed as a credit; and (c) the principal amount of Series 2017A Bonds maturing on August 1, 2043, which have been otherwise deemed “fully paid” and not previously claimed as credit.

Optional Redemption of the Series 2017A Bonds

The Series 2017A Bonds which mature on and after August 1, 2028, are subject to optional redemption prior to their respective maturities on and after August 1, 2027, at the election of the Corporation in whole or in part on any date at the redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest, if any, to the redemption date.

If less than all of the Outstanding Series 2017A Bonds are to be redeemed pursuant to the Indenture, the principal amount and maturity to be redeemed shall be selected by the Corporation. If less than all of the Outstanding Series 2017A Bonds of a particular maturity are to be redeemed, such

redemption shall be on a pro rata basis in whole multiples of $5,000. While DTC is the registered owner of the Series 2017A Bonds, partial redemptions (including any sinking fund payments) of the Series 2017A Bonds of a particular maturity will be determined in accordance with DTC's pro rata pass-through distribution of principal procedures or such other DTC procedures as in effect at the time of any such partial redemption.

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DEBT SERVICE REQUIREMENTS – THE CORPORATION

The following table sets forth for each fiscal year the amount required each year for debt service on the Series 2017A Bonds, as well as other outstanding bonds of the Corporation secured by revenues similar to the revenues securing the Series 2017A Bonds. The principal maturities of the Series 2017A Bonds will be payable on August 1 as shown below, and interest will be payable on February 1, 2018, and semiannually thereafter on February 1 and August 1 of each year.

Fiscal Year Ending	Current Bond Debt Service for the Corporation[1][2]	Series 2017A Bonds Principal	Series 2017A Bonds Interest	Total Series 2017A Bonds Debt Service	Total Bond and Other Obligations Debt Service for the Corporation
6/30/2018	$ 4,530,094	$ -	$ 445,866	$ 445,866	$ 4,975,960
6/30/2019	19,699,105	205,000	3,912,875	4,117,875	23,816,980
6/30/2020	20,886,140	205,000	3,908,775	4,113,775	24,999,915
6/30/2021	20,794,508	210,000	3,904,625	4,114,625	24,909,133
6/30/2022	20,697,223	215,000	3,899,300	4,114,300	24,811,523
6/30/2023	19,237,863	1,620,000	3,855,575	5,475,575	24,713,438
6/30/2024	19,247,556	1,690,000	3,772,825	5,462,825	24,710,381
6/30/2025	16,405,790	2,470,000	3,668,825	6,138,825	22,544,615
6/30/2026	16,404,791	2,595,000	3,542,200	6,137,200	22,541,991
6/30/2027	14,844,938	2,730,000	3,409,075	6,139,075	20,984,013
6/30/2028	14,832,118	3,785,000	3,246,200	7,031,200	21,863,318
6/30/2029	16,517,445	1,830,000	3,105,825	4,935,825	21,453,270
6/30/2030	15,510,504	1,925,000	3,011,950	4,936,950	20,447,454
6/30/2031	12,056,172	4,345,000	2,855,200	7,200,200	19,256,372
6/30/2032	12,057,918	4,575,000	2,632,200	7,207,200	19,265,118
6/30/2033	12,060,999	4,785,000	2,422,125	7,207,125	19,268,124
6/30/2034	14,698,297	2,280,000	2,280,825	4,560,825	19,259,122
6/30/2035	11,938,463	5,195,000	2,131,325	7,326,325	19,264,788
6/30/2036	11,935,341	5,405,000	1,919,325	7,324,325	19,259,666
6/30/2037	9,664,501	5,630,000	1,698,625	7,328,625	16,993,126
6/30/2038	9,659,190	5,835,000	1,483,912	7,318,912	16,978,102
6/30/2039	9,660,907	6,065,000	1,260,500	7,325,500	16,986,407
6/30/2040	7,868,176	6,315,000	1,012,900	7,327,900	15,196,076
6/30/2041	7,862,541	6,570,000	755,200	7,325,200	15,187,741
6/30/2042	7,864,655	6,840,000	487,000	7,327,000	15,191,655
6/30/2043	7,865,774	4,290,000	264,400	4,554,400	12,420,174
6/30/2044	7,868,102	4,465,000	89,300	4,554,300	12,422,402
6/30/2045	5,177,100	-	-	-	5,177,100
6/30/2046	1,836,000	-	-	-	1,836,000
TOTAL	$ 369,682,212	$92,075,000	$64,976,754	$157,051,754	$ 526,733,966

[1] Excludes Refunded Debt Service. Includes bond issues as listed on "Member Institutions Outstanding Obligations – Mississippi State University EBC Bonds." See "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS" herein for a detailed listing of the Corporation's currently outstanding bond issues and other obligations.
[2] As of December 20, 2017.

DEBT SERVICE REQUIREMENTS – MEMBER INSTITUTIONS

The following table sets forth for each fiscal year the amount required each year for debt service on the Series 2017A Bonds, as well as other outstanding bonds of the Member Institutions of the Board and The University of Mississippi Medical Center. Member Institutions of the Board, for which bonds have been issued under the Act, in addition to the University, include the University of Mississippi, the University of Southern Mississippi, Jackson State University, Delta State University, Alcorn State University, and Mississippi Valley State University. The principal maturities of the Series 2017A Bonds will be payable on August 1 as shown below, and interest will be payable on February 1, 2018, and semiannually thereafter on February 1 and August 1 of each year.

Fiscal Year Ending	Current Bond Net Debt Service for Member Institutions [1] [2]	Other Obligations Debt Service for Member Institutions [2][3]	Current Bond Net Debt Service for UMMC	Series 2017A Bonds Principal	Series 2017A Bonds Interest	Total Series 2017A Bonds Debt Service	Total Bond Net Debt Service and Other Obligations for Member Institutions and UMMC
6/30/2018	$ 22,210,636	$ 4,441,181	$ 9,250,939	$ -	$ 445,866	$ 445,866	$ 36,348,623
6/30/2019	60,468,365	9,741,807	18,443,828	205,000	3,912,875	4,117,875	92,771,875
6/30/2020	60,675,166	9,509,694	18,442,441	205,000	3,908,775	4,113,775	92,741,076
6/30/2021	61,153,303	9,661,849	18,444,253	210,000	3,904,625	4,114,625	93,374,029
6/30/2022	58,445,770	10,112,612	18,432,445	215,000	3,899,300	4,114,300	91,105,127
6/30/2023	56,587,463	10,137,425	18,416,570	1,620,000	3,855,575	5,475,575	90,617,032
6/30/2024	56,999,099	10,160,652	18,400,852	1,690,000	3,772,825	5,462,825	91,023,429
6/30/2025	54,370,272	10,110,424	17,618,393	2,470,000	3,668,825	6,138,825	88,237,913
6/30/2026	54,706,305	13,160,482	17,634,407	2,595,000	3,542,200	6,137,200	91,638,395
6/30/2027	53,046,266	8,008,936	17,634,215	2,730,000	3,409,075	6,139,075	84,828,492
6/30/2028	52,871,295	7,392,596	17,621,465	3,785,000	3,246,200	7,031,200	84,916,557
6/30/2029	53,385,062	7,085,896	17,635,596	1,830,000	3,105,825	4,935,825	83,042,379
6/30/2030	52,849,423	7,098,117	17,633,312	1,925,000	3,011,950	4,936,950	82,517,802
6/30/2031	46,901,295	7,094,570	17,636,432	4,345,000	2,855,200	7,200,200	78,832,496
6/30/2032	47,312,910	7,089,471	17,637,987	4,575,000	2,632,200	7,207,200	79,247,567
6/30/2033	44,118,625	7,067,303	17,638,669	4,785,000	2,422,125	7,207,125	76,031,722
6/30/2034	47,121,722	13,145,941	17,638,822	2,280,000	2,280,825	4,560,825	82,467,311
6/30/2035	33,368,112	-	17,637,751	5,195,000	2,131,325	7,326,325	58,332,187
6/30/2036	32,882,168	-	17,638,959	5,405,000	1,919,325	7,324,325	57,845,452
6/30/2037	27,013,601	-	17,643,534	5,630,000	1,698,625	7,328,625	51,985,760
6/30/2038	22,518,290	-	17,876,766	5,835,000	1,483,912	7,318,912	47,713,969
6/30/2039	22,669,016	-	17,874,450	6,065,000	1,260,500	7,325,500	47,868,966
6/30/2040	20,015,685	-	17,877,150	6,315,000	1,012,900	7,327,900	45,220,735
6/30/2041	14,693,872	-	17,877,800	6,570,000	755,200	7,325,200	39,896,872
6/30/2042	14,818,880	-	-	6,840,000	487,000	7,327,000	22,145,880
6/30/2043	14,945,024	-	-	4,290,000	264,400	4,554,400	19,499,424
6/30/2044	10,282,377	-	-	4,465,000	89,300	4,554,300	14,836,677
6/30/2045	7,586,825	-	-	-	-	-	7,586,825
6/30/2046	3,686,125	-	-	-	-	-	3,686,125
TOTAL	$1,107,702,953	$151,018,957	$420,587,034	$92,075,000	$64,976,754	$157,051,754	$1,836,360,698

[1] Excludes Refunded Debt Service. The total current bond net debt service (net of capitalized interest) of Member Institutions and UMMC. See "MEMBER INSTITUTIONS OUTSTANDING OBLIGATIONS" herein for a detailed listing of the Member Institutions' current outstanding bond issues. See Table "Member Institutions and UMMC Outstanding Obligations" as of December 20, 2017.
[2] As of December 20, 2017.
[3] See footnotes in table pertaining to "Member Institutions Outstanding Obligations."

MEMBER INSTITUTIONS OUTSTANDING OBLIGATIONS

NAME OF ISSUE	OUTSTANDING PRINCIPAL BALANCE AS OF 12/20/17
Alcorn State University EBC Revenue Bonds, Series 2009A	$1,730,000
Alcorn State University EBC Revenue Refunding Bonds, Series 2016	43,375,000
Delta State University EBC Revenue Refunding Bonds, Series 2009A	430,000
Delta State University EBC Revenue Refunding Bonds, Series 2016	13,900,000
Jackson State University EBC Revenue Bonds, Series1982	510,000
Jackson State University EBC Revenue Refunding Bonds, Series 2010A-1	1,265,000
Jackson State University EBC Revenue Bonds, Series 2015A	56,485,000
Jackson State University EBC Taxable Revenue Bonds, Series 2015B	7,885,000
Jackson State University EBC Taxable Revenue Bonds, Series 2017	6,000,000
Jackson State University EBC Taxable Revenue Refunding Bonds, Series 2017A	29,745,000
Mississippi State University EBC Revenue Bonds, Series 1981C	280,000
Mississippi State University EBC Revenue Bonds, Series 1981D	340,000
Mississippi State University EBC Revenue Bonds, Series 2009A-1	1,480,000
Mississippi State University EBC Revenue Bonds, Series 2009A-2	3,650,000
Mississippi State University EBC Revenue Refunding Bonds, Series 2011	5,010,000
Mississippi State University EBC Revenue Bonds, Series 2013	10,670,000
Mississippi State University EBC Revenue Bonds, Series 2014A	80,035,000
Mississippi State University EBC Revenue Bonds, Taxable Series 2014B	20,160,000
Mississippi State University EBC Revenue Bonds, Series 2015	53,995,000
Mississippi State University EBC Revenue Refunding Bonds, Series 2017	62,940,000
Mississippi State University EBC Revenue Refunding Bonds, Series 2017A	92,075,000
Mississippi State University EBC Extendible Commercial Paper Program (3)	-
Mississippi Valley University EBC Revenue Bonds, Series 2007	885,000
Mississippi Valley University EBC Revenue Refunding Bonds, Series 2015	17,270,000
University of Mississippi EBC Revenue Bonds, Series 2008A	970,000
University of Mississippi EBC Revenue Bonds, Series 2009A	1,835,000
University of Mississippi EBC Revenue Bonds, Series 2009B	7,395,000
University of Mississippi EBC Revenue Bonds, Series 2009C	960,000
University of Mississippi EBC Revenue Bonds, Series 2011	4,455,000
University of Mississippi EBC Revenue Bonds, Series 2015A	15,190,000
University of Mississippi EBC Revenue Bonds, Taxable Series 2015B	8,395,000
University of Mississippi EBC Revenue Bonds, Series 2015C	30,420,000
University of Mississippi EBC Revenue Bonds, Taxable Series 2015D	16,285,000
University of Mississippi EBC Revenue Refunding Bonds, Series 2016A	30,820,000
University of Mississippi EBC Revenue Refunding Bonds, Series 2017	38,400,000
University of Southern Mississippi EBC Revenue Bonds, Series 2009	1,320,000
University of Southern Mississippi EBC Revenue Bonds, Series 2013 (1)	8,700,000
University of Southern Mississippi EBC Revenue Refunding Bonds, Series 2015A	37,890,000
University of Southern Mississippi EBC Revenue Refunding Bonds, Taxable Series 2015B	14,150,000
University of Southern Mississippi EBC Revenue Refunding Bonds, Series 2016	58,225,000
University of Southern Mississippi EBC Revenue Refunding Bonds, Series 2017 (2)	44,005,000
TOTAL IHL without UMMC	$ 829,530,000
University of Mississippi Medical Center EBC Revenue Refunding Bonds, Series 1998B	20,805,000
University of Mississippi Medical Center EBC Revenue Refunding Bonds, Series 2009	71,635,000
University of Mississippi Medical Center EBC Revenue Bonds, Series 2010A	24,870,000
University of Mississippi Medical Center EBC Revenue Bonds, Series 2010B	20,000,000
University of Mississippi Medical Center EBC Revenue Bonds, Series 2010C	1,735,000
University of Mississippi Medical Center EBC Revenue Bonds, Series 2012A	51,860,000
University of Mississippi Medical Center EBC Revenue Bonds, Series 2012B	53,390,000
TOTAL UMMC	$ 244,295,000
TOTAL IHL and UMMC	$ 1,073,825,000
Delta State University Lease Revenue Certificates of Participation, Series 2011A	144,218
MBFC Revenue Refunding Bond (Ole Miss Athletics Foundation Parking Facilities Ref. Project) Series 2015 (4)	10,800,000
MBFC Taxable Revenue Bond (Ole Miss Athletics Multi-Purpose Arena Construction Proj.) Series 2013C (4)	62,900,000
Mississippi State University for Women Privately Placed Lease Revenue Certificates of Participation, Series 2013A	153,056
Jackson State University Privately Placed Lease Revenue Certificates of Participation, Series 2014A	832,873
MBFC Taxable Revenue Bond (Ole Miss Athletics Multi-Purpose Arena Construction Proj.) Series 2013D (4)	7,288,772
University of Mississippi 2016 Land Purchase Bank Note (5)	8,229,773
University of Mississippi Indoor Tennis Facility 2016 Bank Note (6)	8,000,000
Jackson State University Privately Placed Lease Revenue Certificates of Participation, Series 2016A	234,862
Mississippi Valley State University Privately Placed Lease Revenue Certificates of Participation, Series 2016A	289,304
University of Mississippi Oxford-University Stadium Series 2017 Trustmark Loan	19,000,000
TOTAL MEMBER INSTITUTIONS OTHER OBLIGATIONS	$ 117,872,858
TOTAL IHL, UMMC, Member Institutions Other Obligations	$ 1,191,697,858

(1) Excludes the $38,980,000 scheduled to be refunded by the University of Southern Mississippi. Scheduled to deliver on December 22, 2017
(2) Scheduled to deliver on December 22, 2017

[3] Under current Board authorization, up to $50 million of Commercial Paper Notes may be issued by the Corporation. As of the date hereof, no Commercial Paper Notes are outstanding.
[4] Bonds issued by the Mississippi Business Finance Corporation for the benefit of the Ole Miss Athletics Foundation (the "Foundation"). UMEBC assumed the obligations of the Foundation on July 28, 2016. The University of Mississippi has covenanted to include all lease payments in their annual budget and provide for such payments from unrestricted revenues.
[5] UMEBC purchased approximately 12.02 acres of land located adjacent to the Oxford campus of The University of Mississippi on May 27, 2016.
[6] Renasant Bank loaned the Foundation funds for the construction of a new indoor tennis facility. The University of Mississippi has covenanted to include all lease payments in their annual budget and provide for such payments from unrestricted revenues.

FUTURE DEBT SERVICE

At this time, the Corporation has no current plans to issue additional bonds in Fiscal Year 2018. From time to time, other Member Institutions issue bonds for new construction projects payable from sources of revenue similar to the revenues paying the debt service on the Series 2017A Bonds. On October 19, 2017, the Board authorized the Medical Center Educational Building Corporation to issue revenue bonds in the maximum aggregate par amount of $91,000,000 in order to make improvements to the Children's of Mississippi Hospital, and it is anticipated that the bonds will be issued prior to December 31, 2017; however, no additional projects have come before the Board for approval at this time.

BOOK-ENTRY ONLY SYSTEM

The information provided under this caption has been provided by DTC. No representation is made by the Corporation, the Underwriters or the Trustee as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2017A Bonds. The Series 2017A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Series 2017A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard &

Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2017A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017A Bonds, except in the event that use of the book-entry system for the Series 2017A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017A Bond documents. For example, Beneficial Owners of Series 2017A Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2017A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2017A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Corporation or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series 2017A Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Trustee, or Corporation, subject to any statutory or regulatory

requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Corporation or Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2017A Bonds at any time by giving reasonable notice to Corporation or Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2017A Bond certificates are required to be printed and delivered.

The Corporation may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor bonds depository). In that event, Series 2017A Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Corporation believes to be reliable, but the Corporation takes no responsibility for the accuracy thereof.

THE CORPORATION, THE TRUSTEE AND THE UNDERWRITERS CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2017A BONDS (i) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2017A BONDS; (ii) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN SERIES 2017A BONDS; OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2017A BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CORPORATION, THE TRUSTEE NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE SERIES 2017A BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2017A BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2017A BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

So long as Cede & Co. is the registered holder of the Series 2017A Bonds as nominee of DTC, references herein to the Holders, holders, or registered owners of the Series 2017A Bonds mean Cede & Co. and not the Beneficial Owners of the Series 2017A Bonds.

SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS

Under the Indenture, the Corporation has pledged all of its right, title and interest in and to the Lease as security for the payment of principal of, premium, if any, and interest on the Series 2017A

Bonds. Under the Lease, the Board covenants to pay rental payments equal to the debt service on the Series 2017A Bonds utilizing Designated Revenues. The Board covenants in the Lease that it shall take all such actions as may be necessary to include all rental payments and other amounts due under the terms of the Lease in the annual budget of the University and to provide for periodic appropriations for all such payments from Designated Revenues. See "THE LEASE-Covenant to Appropriate Designated Revenues; Limitation on Source of Board Payments" herein. Such rental payments include repayment of the amounts used by the Corporation to fund the Project and refund the Refunded Bonds.

NOTHING IN THE LEASE OR THE INDENTURE CREATES A LIEN ON DESIGNATED REVENUES OR OTHER REVENUES RECEIVED BY THE CORPORATION OR PROHIBITS THE USE OR PLEDGE OF SUCH DESIGNATED REVENUES OR OTHER REVENUES TO PAY OTHER EXISTING OR FUTURE OBLIGATIONS OF THE BOARD OR THE UNIVERSITY. THE USE OF DESIGNATED REVENUES OR OTHER REVENUES TO PAY RENTAL PAYMENTS UNDER THE LEASE SHALL HAVE EQUAL PRIORITY WITH OTHER CLAIMS AGAINST THE EXPENDITURE OF DESIGNATED REVENUES OR OTHER REVENUES OF THE BOARD.

University and Board revenues are being used to make rental payments on leases securing the following revenue bonds of the Corporation and University:

Series	Original Principal Amount	Outstanding Principal Balance upon delivery	Final Maturity Date
Mississippi State University EBC Revenue Bonds, Series 1981C	$ 2,250,000	$ 280,000	2020
Mississippi State University EBC Revenue Bonds, Series 1981D	2,010,000	340,000	2021
Mississippi State University EBC Revenue Bonds, Series 2009A-1	29,615,000	1,480,000	2038
Mississippi State University EBC Revenue Bonds Series 2009A-2	17,105,000	3,650,000	2023
Mississippi State University EBC Revenue Bonds, Series 2011*	54,370,000	5,010,000	2021
Mississippi State University EBC Revenue Bonds, Series 2013*	60,470,000	10,670,000	2033
Mississippi State University EBC Revenue Bonds, Series 2014A	89,810,000	80,035,000	2043
Mississippi State University EBC Revenue Bonds, Taxable Series 2014B	23,435,000	20,160,000	2043
Mississippi State University EBC Revenue Bonds, Series 2015	56,010,000	53,995,000	2044
Mississippi State University EBC Revenue Bonds, Series 2017	63,270,000	62,940,000	2045
Mississippi State University EBC Revenue Refunding Bonds, Series 2017A	92,075,000	92,075,000	2043
	$ 490,420,000	$ 330,635,000	

* Certain maturities are scheduled to be refunded. See "SCHEDULE I – Schedule of Refunded Bonds."

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The Board covenants in the Lease that if Designated Revenues are at any time insufficient to satisfy the Board's obligations under the Lease, the Board will provide amounts from any other legally available source and will then allocate the same to cure said insufficiency See "THE LEASE – Covenant to Appropriate Designated Revenues; Limitation on Source of Board Payments" and See "MEMBER INSTITUTIONS OUTSTANDING OBLIGATIONS" for a list of such other bonds issued by educational building corporations authorized by the Board and which were outstanding as of November 17, 2017. The following table provides all Designated Revenues available to the Board:

Member Institutions Designated Revenues[1] and Fund Balance[2]

Year ending June 30	2012	2013	2014	2015	2016	2017[8]
Tuition & Fees (net)[3]	$ 439,336,345	$ 464,921,581	$ 497,711,625	$ 517,336,376	$ 551,020,691	$ 585,081,568
Sales & Services	52,522,768	51,337,588	54,768,559	60,542,705	60,958,994	60,369,071
Auxiliary Enterprises (net)	189,955,384	203,844,601	217,788,943	259,607,634	286,985,729	300,085,021
Other[4]	37,940,875	44,073,191	48,967,419	49,471,340	55,903,573	45,829,086
Sub-Total	$ 719,755,372	$ 764,176,961	$ 819,236,546	$ 886,958,055	$ 954,868,987	$ 991,364,746
State Appropriations[5]	$ 455,130,385	$ 450,229,385	$ 469,870,373	$ 495,091,965	$ 513,470,169	$ 490,804,883
Unrestricted Net Assets Fund Balance[6]	$ 492,533,738	$ 499,501,535	$ 542,761,292	$ 0[7]	$ 0[7]	$ 0[7]
Total	**$1,667,419,495**	**$1,713,907,881**	**$1,831,868,211**	**$1,382,050,020**	**$1,468,339,156**	**$1,482,169,629**

[1] Designated Revenues means all unrestricted revenues of the Board which include without limitation, tuition, fees and auxiliary enterprises net of scholarship allowances, sales and services, other operating revenue, State appropriations and unrestricted net asset balances as defined in the Lease.

[2] Numbers include the Member Institutions (but exclude the University of Mississippi Medical Center and the Board's executive office which have separate sources of revenues including State appropriations).

[3] Net of scholarship allowances in the form of reduced tuitions.

[4] Includes federal appropriations; other operating revenues; and interest earned on loans to students.

[5] The education and general support appropriation for 2012, 2013, 2014, 2015, 2016, 2017, and 2018 is $341,734,702, $338,674,228, $352,218,499, $372,518,499, $389,879,355, $355,981,710, and $339,302,475 respectively. The additional appropriations received for the support and maintenance of specific programs within the eight institutions for 2012, 2013, 2014, 2015, 2016, 2017, and 2018 is $113,395,683, $111,555,157, $117,651,874, $122,573,466, $123,590,814, $134,823,173, and $124,648,293, respectively

[6] Fund balance represented are Unrestricted Funds.

[7] The Unrestricted Net Assets Fund Balance was $(471,538,432) for FY 2015, $(423,613,421) for FY 2016, and $(515,545,074) for FY 2017, and therefore, did not contribute to total Designated Revenues for FY 2015, FY 2016 and FY 2017. The decline in the Unrestricted Net Assets Fund Balance for FY 2015, FY 2016, and FY 2017 is a result of the implementation of the requirements of GASB-68. For additional information, see note 14 of the Notes to "APPENDIX B - STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING FINANCIAL STATEMENTS – JUNE 30, 2016" and the PERS website at www.pers.ms.gov.

[8] Preliminary, unaudited numbers, subject to change.

Source of Information: IHL System Reports (Table Provided by IHL)

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In addition to the revenues noted in the table above, UMMC has additional sources of revenue for the rental payments securing its EBC debt, which consists primarily of additional state appropriations and self-generated operating revenue.

UMMC Designated Revenues[1] and Fund Balance[2]

Year ending June 30	2012	2013	2014	2015	2016	2017[(8)]
Tuition & Fees (net)[3]	$ 18,481,339	$ 21,161,236	$ 24,548,732	$ 25,320,493	$ 25,982,468	$ 28,376,134
Sales & Services	1,127,640	838,778	800,254	846,359	974,901	1,006,197
Auxiliary Enterprises (net)	3,397,593	2,965,978	3,741,852	5,527,376	3,869,510	4,118,609
Patient care and other operating revenues[4]	747,725,733	851,152,349	950,010,481	1,086,090,940	1,151,718,052	1,110,570,748
Sub-Total	$ 770,732,305	$ 876,118,341	$ 979,101,319	$1,117,785,168	$1,182,544,931	$1,144,071,688
State Appropriations[5]	$ 211,700,928	$ 177,017,006	$ 185,518,612	$ 189,256,003	$ 185,663,575	$ 172,520,882
Unrestricted Net Assets Fund Balance[6]	$ 249,616,228	$ 267,954,136	$ 289,091,019	$ 0[7]	$ 0[7]	$ 0[7]
Total	**$1,232,049,461**	**$1,321,089,483**	**$1,453,710,950**	**$1,307,041,171**	**$1,368,208,506**	**$1,316,592,570**

[1] Designated Revenues means all unrestricted revenues of the Board which include without limitation, tuition, fees and auxiliary enterprises net of scholarship allowances, sales and services, other operating revenue, State appropriations and unrestricted net asset balances as defined in the Lease.
[2] The numbers in this Table only include the University of Mississippi Medical Center.
[3] Net of scholarship allowances in the form of reduced tuitions.
[4] Includes patient revenues; other operating revenues; and interest earned on loans to students.
[5] The State appropriation for UMMC for FY 2018 was $157,860,985.
[6] Fund balance represented are Unrestricted Funds.
[7] The Unrestricted Net Assets Fund Balance was $(481,478,497) for FY 2015, $(490,039,360) for FY 2016, $(610,302,441) for FY 2017, and therefore, did not contribute to total Designated Revenues for FY 2015, FY 2016 and FY 2017. The decline in the Unrestricted Net Assets Fund Balance for FY 2015, FY 2016 and FY 2017 is a result of the implementation of the requirements of GASB-68. For additional information, see note 14 of the Notes to "APPENDIX B - STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING FINANCIAL STATEMENTS – JUNE 30, 2016" and the PERS website at www.pers.ms.gov.
[8] Preliminary, unaudited numbers; subject to change.

Source of Information: IHL System Reports (Table Provided by IHL)

All appropriations from the Legislature made for the use of the eight institutions, including the Board, are received by the Board with the power and authority in the Board to allocate and distribute such funds among the institutions under its control in the way and manner and in such amounts as will further an efficient and economical administration of the institutions. Each institution is responsible for collecting and investing the tuition, fees, and other revenues generated by each such institution, and budgeting such amounts along with the allocation received from the Board from legislative appropriations, for the expenses of the institution for each fiscal year. Each institution's budget and any budget amendments are subject to approval by the Board.

For the State's fiscal year 2017, total State appropriations for Member Institutions equaled approximately $490,804,883. For the State's fiscal year 2018, total State appropriations for Member Institutions are anticipated to be $463,950,768. These numbers do not include the direct appropriations to the Executive Office of the Board or The University of Mississippi Medical Center.

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THE GROUND LEASE

The Board, pursuant to the authority of the Act, is authorized and empowered to enter into lease agreements with nonprofit educational building corporations for the lease of land and facilities to said nonprofit corporations for the purpose of renovating, improving, repairing, equipping and constructing public buildings to be leased to and made available to the Board.

Under the terms of the Ground Lease, the Corporation has leased from the Board and the University the Project Site for a period commencing on the Closing Date, and ceasing upon the payment of the Series 2017A Bonds at maturity, upon acceleration or otherwise, in accordance with the provisions of the Indenture, or upon the defeasance of the lien of the Indenture, as such is described therein, whichever shall occur first. Upon the termination of the Ground Lease, all rights of the Corporation, or any other person or entity holding through the Corporation, in and to the Project Site shall cease, and the Corporation shall cause the Trustee to release from the lien of the Indenture any interest which it may have in the Project Site. As long as the lien of the Indenture remains uncancelled of record, the Ground Lease shall continue in full force and effect and no merge of title among the Ground Lease, the Lease and other documents shall occur.

THE LEASE

The following is a summary of certain provisions of the Lease. This summary does not purport to be comprehensive or definitive. All references herein to the Lease are qualified in their entirety by reference to such document, a copy of which may be obtained upon written request from the Corporation. See "APPENDIX A - DEFINED TERMS AND SUMMARY OF LEASE AND INDENTURE" for a summary of additional provisions of the Lease.

Lease of the Project and Project Site

Under the provisions of the Lease, the Corporation leases and lets to the Board and the Board leases and lets from the Corporation, subject to the conditions contained in the Lease, (a) the Project Site, subject to the provisions of the Ground Lease, as the same may be revised, amended and supplemented and (b) the Project. It is not intended that there shall be any merger of title or estates by the leasing of the Project Site and the Project to the Board.

Amount and Timing of Rental Payments

The Board covenants and agrees in the Lease that it shall pay for the account of the Corporation, as rental payments for the Project Site and the Project, the following amounts:

(a) Not less than three (3) Business Days prior to the date on which principal, premium, if any, and interest payments are due pursuant to the provisions of the Indenture with respect to the Series 2017A Bonds, a sum which, together with any funds in the Bond Fund on such date, will equal to the amount of such principal, premium, if any, and interest then due on the Series 2017A Bonds. Rental payments under this paragraph shall be paid by the Board directly to the Trustee for the account of the Corporation.

(b) Upon receipt of an invoice therefor, the Board shall pay to the applicable party, all taxes of whatever nature, if any, that may be imposed upon the Project Site, the Project, the Corporation, the Board, their property, operations or income, whether by federal, state or local government, and including every governmental charge (including any special assessments for public improvements at or near the Project Site) whether for services rendered or not, which the Corporation or the Board is required or may be required by law to pay with respect to the Project Site and the Project.

(c) Upon being presented with evidence of payment by the Corporation or the Trustee, the Board shall pay to the Corporation or the Trustee amounts sufficient to reimburse the Corporation or the Trustee for all amounts and expenses if and when paid by the Corporation or the Trustee for and on behalf of the Board as may be required or allowed under the Lease.

(d) The Board shall pay as supplemental rent all governmental impositions, expenses, liabilities, obligations and other payments of whatever nature which the Board has agreed to pay or assume under the provisions of the Lease. The supplemental rent payable under this paragraph (d) shall be payable within twenty (20) days after receipt of a statement therefor from the Trustee or other payee and such payment shall be made directly to the Trustee or such payee, as applicable.

(e) The Board shall timely pay any amounts required to be paid as rebate to the United States of America as provided in the Federal Tax Certificate.

Covenant to Appropriate Designated Revenues; Limitation on Source of Board Payments

The Board covenants in the Lease that it shall take all such actions as may be necessary to include all rental payments and other amounts due under the terms of the Lease in the annual budget of the University and to provide for periodic appropriations for all such payments from Designated Revenues. The Board further covenants and agrees in the Lease that at all times when appropriation legislation is prepared by it for consideration in each successive session of the Mississippi Legislature, it will cause to be included in all such appropriation legislation proposed and submitted by it for the University sufficient amounts (over and above all other requirements of the University) to ensure that there are amounts available to satisfy all rental payments and other amounts due under the terms of the Lease so as to provide that the aggregate of each such appropriation will provide funds sufficient for all payments in respect of the Series 2017A Bonds as required by the Indenture. If, at any time, the budget for the University does not include amounts sufficient to satisfy all rental payments and other amounts due under the terms of the Lease in its fiscal year budget, which budget is subject to annual review and approval by the Board, the Board covenants in the Lease that it shall include in such budget sufficient amounts (over and above all other requirements of the University) to ensure that there are amounts available to satisfy all rental payments and other amounts due under the Lease so as to provide that each budget of the University will provide for sufficient funds for payments in respect of the Series 2017A Bonds as required by the Indenture. The Board further covenants in the Lease that if Designated Revenues are at any time insufficient to satisfy the Board's obligations under the Lease, the Board will provide amounts from any other legally available source and will then allocate the same to cure said insufficiency.

Notwithstanding the foregoing, it is the intent of the Board that all amounts to be paid by the Board under any section of the Lease, except the section which addresses prepayment of rental payments, shall be paid solely from Designated Revenues. The Board, however, shall not be restricted from making any payment for which it is obligated to make under the Lease from any other legally available revenue source.

The Series 2017A Bonds are solely and exclusively the obligation of the Corporation, but recourse against the Corporation may not be had except as provided in the Lease and the Indenture and, except as provided in the Lease or in the Indenture, may not be had against any asset held by the Corporation. The Series 2017A Bonds are neither an obligation nor a debt of the Board, the University or the State and do not constitute a pledge of the full faith or credit of the Board, the University or the State. Further, the Series 2017A Bonds do not constitute a debt of the University. Nothing in the Lease (a) creates a lien of any kind or character whatsoever upon any specific funds, income or revenues (including, but not limited to, Designated Revenues) now existing or hereafter held, collected, received, anticipated by or available to the Board or (b) limits or prevents the ability of the Board to use or pledge Designated Revenues for the incurrence of debt so long as the Board has made a prior finding that sufficient

Designated Revenues exist for the payment of the principal of, premium, if any, and interest on the Series 2017A Bonds.

Obligation of Board Unconditional Under the Lease; Corporation Must Cooperate in Legal Actions

The obligations of the Board to make the rental payments required in the Lease and to perform and observe the other agreements on its part contained in the Lease shall be absolute and unconditional, regardless of the continued existence of any of the Project in a physical condition satisfactory to the Board, and regardless of any finding that the Ground Lease is invalid or unenforceable for any reason. Until such time as the principal of, premium, if any, and interest on the Series 2017A Bonds shall have been fully paid or provided for as provided in the Indenture, the Board (a) shall not diminish, suspend or discontinue any payments provided for in the Lease, (b) shall perform and observe all of its other agreements contained in the Lease and (c) shall not terminate the Lease for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, condemnation, destruction of or damage to any of the Project, frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or any failure of the Corporation to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Lease, or the invalidity or unenforceability of the Ground Lease. Nothing contained under this subheading or in the Lease shall be construed to release the Board from the performance of any of the agreements on its part contained in the Lease; and pursuant to the Lease, in the event the Corporation shall fail to perform any such agreement on its part, the Board may institute such action against the Corporation as the Board may deem necessary to compel performance or recover its damages for nonperformance so long as such action shall not do violence to the agreements on the part of the Board contained in the two (2) preceding sentences. The Board may, however, at its own cost and expense and in its own name or in the name of the Corporation, prosecute or defend any action or proceeding or take any other action involving third persons which the Board deems reasonably necessary in order to secure or protect its rights of possession, occupancy and use under the Lease, and in such event the Corporation agrees in the Lease to cooperate fully with the Board and to take all action necessary to effect the substitution of the Board for the Corporation in any such action or proceeding if the Board shall so request.

Board's Right to Possession

At all times during the term of the Lease, the Board shall have the full right of possession of the Project Site and the Project, subject only to Permitted Encumbrances, the right of access by the Corporation and its agents for the inspection from time to time of the Project Site and the Project and the provisions of Section 8.2 of the Lease; provided, however, at the end of the term of the Lease, the Project Site and the Project shall become the sole property of the Board and title to the same shall vest in the State, and the same shall be free and clear of the terms and provisions of the Lease.

THE INDENTURE

The following is a summary of certain provisions of the Indenture. This summary does not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, a copy of which may be obtained upon written request from the Corporation. See "APPENDIX A - DEFINED TERMS AND SUMMARY OF LEASE AND INDENTURE" for a summary of further provisions of the Indenture.

Assignment and Pledge

Under the Indenture, the Corporation grants, warrants, assigns and pledges unto the Trustee, and unto its successors in trust, and to its assigns forever, all of the Corporation's estate, right, title and interest in, to and under any and all of the following described rights and interests (the "Trust Estate"):

(a) All right, title and interest of the Corporation, in, to and under the Ground Lease and the Lease, as either may from time to time have been or be amended and supplemented, including, but not limited to, the immediate and continuing right to receive and collect all rents, income, revenues, issues, profits, insurance proceeds, moneys and security payable or receivable under the Ground Lease or the Lease or pursuant to any of the provisions thereof (except sums payable as supplemental rent pursuant to the Lease and sums payable directly to any person other than the Corporation or the Trustee thereunder); the Corporation, however, to remain liable to observe and perform all of the conditions and covenants in the Lease provided to be observed and performed by it.

(b) All rents, income, revenues, issues and profits derived by the Corporation from the Projects and the present and continuing right to make claim for, collect, receive and receipt for any or all such rents, income, revenues, issues and profits arising therefrom or in connection therewith except for amounts payable as rebate to the United States of America as set forth in the Federal Tax Certificate.

(c) All property rights which are, by the express provisions of the Indenture required to be subject to the lien thereof and any additional property rights that may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien thereof, by the Corporation or by anyone in its behalf, and the Trustee is authorized by the Indenture to receive the same at any time as additional security thereunder.

(d) All money and investments held or required to be deposited in each of the funds established under the Indenture.

(e) All rents, income, revenues, issues and profits derived by the Corporation from the Trust Estate pursuant to (a) through (d) above.

Establishment of Funds

The following special funds are established with the Trustee under the Indenture:

(a) The Bond Fund, which shall be used only for the payment of principal of, premium, if any, and interest on the Bonds, so long as any of the Bonds remain Outstanding. Amounts received by the Trustee for payment of interest and payments of principal, whether at maturity or upon redemption, and payments of premium, if any, on the Bonds, shall be deposited into the Bond Fund.

(b) The Costs of Issuance Fund, which shall be used to the pay the costs of issuance of the Series 2017A Bonds, including legal, administrative, financing and incidental expenses of the Corporation, the Trustee, the Board, or the University relating to the Series 2017A Bonds. The Trustee shall make payments from the Costs of Issuance Fund upon receipt of statements from the parties entitled to be paid therefrom accompanied by a written request of the Corporation, signed by an Authorized Corporation Representative, directing the Trustee to pay such statements. Any amounts remaining in the Costs of Issuance Fund after ninety (90) days following the Closing Date shall be transferred to the Bond Fund.

(c) The Rebate Fund shall be maintained with the Trustee and used to make all rebate payments in regard to the Series 2017 Bonds owed to the United States of America under the Code as more fully set forth in the Federal Tax Certificate.

Each of said funds shall be held as a special trust account separate and apart from all other funds and accounts of the Corporation or the Board.

Application of Bond Proceeds

Upon the delivery of the Series 2017A Bonds (i) $357,157.59 of the proceeds thereof shall be deposited in the Costs of Issuance Fund, and (ii) $98,645,378.00 of the proceeds shall be transferred to

the Escrow Agent for deposit into the escrow fund established by the Escrow Agreement and applied to the refunding of all or a portion of the Refunded Bonds as specified in the Escrow Agreement.

Upon the delivery of any Additional Bonds, the proceeds thereof shall be deposited as provided in the Supplemental Indenture authorizing the execution and delivery thereof.

Application of Rental Payments

(a) All rental payments under the Lease are to be paid by the Board as provided in the Lease. All rental payments paid by the Board under Section 3.4(a) of the Lease shall be paid to the Trustee for deposit in the Bond Fund and therein held and applied by the Trustee for the payment of principal of, premium, if any, and interest on the Series 2017A Bonds (and all Additional Bonds, if any) without priority or distinction from time to time as the same become due. All rental payments paid by the Board under Section 3.4(c) of the Lease shall be paid directly to the Corporation or the Trustee, as applicable. All supplemental rental paid by the Board under Section 3.4(d) of the Lease shall be paid to the Trustee or to such other person as provided in the Lease.

(b) The Trustee shall cause Advance Rentals paid by the Board pursuant to Section 3.7 of the Lease to be deposited (1) into the Bond Fund in the event of a current refunding of any Outstanding Bonds not requiring the establishment of a defeasance escrow, and (2) into an escrow fund to be established with the Trustee or other approved financial institution as provided in Article XII of the Indenture in the event of an advance refunding (or a current refunding requiring the establishment of a defeasance escrow) of any Outstanding Bonds.

(c) The Trustee shall deposit rental payments under Section 3.4(e) of the Lease into the Rebate Fund.

Application of Moneys in the Bond Fund

The Trustee shall, without further instruction, apply moneys in the Bond Fund to the payment of currently maturing interest on the Bonds and of principal thereof and premium, if any, when due at maturity or earlier redemption.

Application of Moneys in the Rebate Fund

Moneys in the Rebate Fund shall be used to make any rebate payments required to be made to the United States of America under the Code. The Rebate Fund shall be held for the sole benefit of the United States of America and is not pledged under the Indenture. Moneys required to be paid to the United States of America shall be deposited in the Rebate Fund by the Corporation as additional rent under the Lease as required thereby and by the Indenture.

Payment of Principal, Premium, If Any, and Interest

The Corporation covenants in the Indenture that it will promptly pay the principal of, premium, if any, and interest on every Series 2017A Bond issued under the provisions of the Indenture at the places, on the dates and in the manner provided therein and in said Series 2017A Bonds. The principal of, premium, if any, and interest are payable only from amounts on deposit in the Bond Fund arising principally from rental payments accruing to the Corporation under the Lease, which payments are pledged by the Indenture to the payment of principal of, premium, if any, and interest on the Series 2017A Bonds. The Corporation will not, directly or indirectly, extend or assent to the extension of the time for the payment of any claim for principal, premium, if any, and interest on any of the Series 2017A Bonds.

Covenant as to Adequacy of Payments

The Corporation covenants in the Indenture, subject to the investment provisions of the Indenture, that the rental payments for the Project in each year will, in the aggregate, produce amounts which will be

sufficient (a) to pay all expenses of the Corporation during such year and (b) to make all payments which the Trustee is obligated to set aside in the Bond Fund.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and decisions, as presently interpreted and construed, and based on the assumptions described below, and subject to the exceptions, conditions and limitations described below, (i) interest on the Series 2017A Bonds earned by the respective owners thereof is excludable from gross income for federal income tax purposes pursuant to the Code, (ii) interest on the Series 2017A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; however, interest on the Series 2017A Bonds is included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax.

In the opinion of Bond Counsel, interest on the Series 2017A Bonds earned by the owners thereof is exempt from the State of Mississippi income taxes.

Bond Counsel will not address or opine with respect to any other Federal, state or local tax consequences arising with respect to the Series 2017A Bonds. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2017A Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Certain Ongoing Federal Tax Requirements and Covenants

The Code includes certain restrictions, conditions and requirements, compliance with which subsequent to issuance of the Series 2017A Bonds is necessary in order that interest on the Series 2017A Bonds be (and continue to be) excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. In rendering its opinion, Bond Counsel will assume continuous compliance with all provisions of the Code, compliance with which subsequent to the date of issuance of the Series 2017A Bonds is necessary in order that interest on the Series 2017A Bonds be and continue to be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. In the Lease and the Indenture the Corporation, and, in some instances, the Board have covenanted to comply with each such requirement, and failure of the Corporation or the Board to comply with such requirements may cause interest on the Series 2017A Bonds to be includable in gross income for federal income tax purposes, retroactive to the date of issuance of the Series 2017A Bonds.

Certain Collateral Federal Tax Consequences

The following is a brief of discussion of certain collateral federal income tax matters with respect to the Series 2017A Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Series 2017A Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2017A Bonds.

Branch Profits Tax. Interest on the Series 2017A Bonds earned by certain foreign corporations doing business in the United States of America may be subject to the branch profits tax imposed by Section 884 of the Code.

S Corporations. Interest on the Series 2017A Bonds will be includable in calculating the tax on "excess net passive income" imposed by Section 1375 of the Code on certain Subchapter S corporations that have Subchapter C earnings and profits.

Social Security and Railroad Retirement Benefits. Interest on the Series 2017A Bonds held by persons who also receive Social Security or Railroad Retirement Benefits may have the effect of subjecting part of such benefits to federal income taxation.

Insurance Companies. Pursuant to Section 832 of the Code, deductible underwriting losses of property and casualty insurance companies will be reduced by 15 percent of the amount of interest earned on the Series 2017A Bonds. (If the amount of the reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income).

Financial Institutions. Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax-exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code).

The Series 2017A Bonds are not being offered as, and the Series 2017A Bonds will not be, "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Original Issue Discount Bonds. The initial public offering price of Series 2017A Bonds maturing August 1, 2037 (the "Discounted Bonds") is less than the principal amount of such Series 2017A Bonds payable at maturity. The difference between the Issue Price, as defined below, of each Discounted Bond and the amount payable at maturity is original issue discount. The Issue Price for each Series 2017A Bond's maturity is the price at which a substantial amount of such Series 2017A Bond maturity is first sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers).

In the opinion of Bond Counsel, under existing laws, to the extent the original issue discount is properly allocable to an owner of a Discounted Bond, subject to the condition that the Corporation and the Board comply with the covenants discussed under "TAX MATTERS" above, the original issue discount with respect to such Discounted Bond is excludable from the gross income of the owner thereof for federal income tax purposes to the same extent as interest on the Series 2017A Bonds.

Under Section 1288 of the Internal Revenue Code of 1986, as amended, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discounted Bond during any accrual period generally equals (i) the issue price of such Discounted Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discounted Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Discounted Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discounted Bond. Purchasers of any Series 2017A Bond at an original issue discount should consult their tax advisor's regarding the determination and treatment of original issue discount for federal income tax purposes, and with respect to state and local tax consequences of owning such Discounted Bond.

Original Issue Premium. The Series 2017A Bonds maturing August 1, 2018 through and including August 1, 2036, and August 1, 2043, (collectively, the "Premium Bonds") have an Issue Price that is greater than the amounts payable at maturity of such Premium Bonds. An amount equal to the excess of the Issue Price of a Series 2017A Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the Premium Bond's yield to

maturity. As premium is amortized, the purchaser's basis in such Premium Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed.

Purchasers of any Series 2017A Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to tax consequences of owing such Premium Bond, including, but not limited to the federal, state and local tax consequences of owning such Premium Bond.

Future Federal Legislation

Legislation which may affect the tax consequences of owning municipal bonds is constantly being considered by the United States Congress. There can be no assurance that legislation enacted after the date of issuance of the Series 2017A Bonds will not adversely affect the tax consequences of owning the Series 2017A Bonds, the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes or the market price of the Series 2017A Bonds.

RATINGS

Moody's Investors Service, Inc. has assigned a long-term rating of "Aa2" (negative outlook) to the Series 2017A Bonds based on certain information regarding the Board provided to such rating agency by the Board and the Corporation. Such rating reflects the views of only such rating agency and is not a recommendation to buy, sell or hold the Series 2017A Bonds.

Fitch Ratings, Inc. ("Fitch") has assigned a long-term rating of "AA" (stable outlook) to the Series 2017A Bonds based on certain information regarding the Board provided to such rating agency by the Board and the Corporation. Such rating reflects the views of only such rating agency and is not a recommendation to buy, sell or hold the Series 2017A Bonds.

Generally a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2017A Bonds.

CONTINUING DISCLOSURE

The Board will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") for the benefit of holders of the Series 2017A Bonds wherein the Board will agree to provide annually certain financial information and operating data (the "Annual Reports"), and to provide notices through the Electronic Municipal Market Access ("EMMA") system established by the Municipal Securities Rulemaking Board (the "MSRB") (or such other system as may be subsequently authorized by the MSRB) of certain material events. The Annual Reports and notices of material events will be filed by the Board through the EMMA system (or such other system as may be subsequently authorized by the MSRB). The specific nature of the information to be contained in the Annual Reports or the notices of material events and the other provisions of the Continuing Disclosure Agreement are set forth in "APPENDIX D" hereto. A failure by the Board to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission of the United States of America and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary

market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Board is a party to a continuing disclosure certificate dated as of July 14, 2011, and executed in connection with the execution and delivery of certain Lease Revenue Certificates of Participation Series 2011A, under which the Board is required to file annual financial statements of the State of Mississippi and the "annual report" of the Board by February 1 of each year. Audited financial statements for the State of Mississippi and audited financial statements of the Board for the fiscal years ended June 30, 2011, 2012, and 2013 were filed on EMMA after the required filing dates. Audited financial statements of the Board for the fiscal year ended June 30, 2014, and unaudited financial statements for the State of Mississippi for the fiscal year ended June 30, 2014, were filed timely on EMMA in January, 2015. Subsequently, the audited financial statements of the State of Mississippi for the fiscal year ended June 30, 2014 became available and were filed on EMMA on February 24, 2015.

The Board timely filed its audited financial statements for the fiscal year ended June 30, 2015 and June 30, 2016. The Board is further obligated to file the Comprehensive Annual Financial Report for the State, and on February 1, 2016 and February 1, 2017, respectively, the Board filed a Notice of Material Event under Rule15c2-12(b)(5)(i)(C) as notification of the Board's failure to timely file the State's Comprehensive Annual Financial Report because it was not yet complete due to the State's implementation of a new financial reporting system. Subsequently, the Comprehensive Annual Financial Report for the State for the fiscal year ended June 30, 2015, became available and was filed on EMMA on May 31, 2016. The Comprehensive Annual Financial Report for the State for the fiscal year ended June 30, 2016, became available and was filed on EMMA on May 5, 2017.

Within the past five years, the Board has also been subject to continuing disclosure obligations under continuing disclosure certificates executed with respect to Lease Revenue Certificates of Participation issued in 2007 and 2008, respectively, which are no longer outstanding. Audited financial statements for the State of Mississippi for the fiscal year ended June 30, 2011, were filed with respect to the these obligations, but after the required filing date, and other filings required under these continuing disclosure certificates were not made with respect to these obligations.

The Board hired an independent agent on March 20, 2015, to assist with compliance with its obligations under the Continuing Disclosure Agreement. The Board, and/or its dissemination agent, has signed up for the EMMA tickler system reminders. On March 17, 2016, the Board revised its policy on the issuance of bonds to incorporate these practices into its policy in order to ensure ongoing compliance with Rule 15c2-12.

The Corporation has obligations under continuing disclosure agreements with respect to prior bond issues of the Corporation, but is neither a party to the Continuing Disclosure Agreement, nor an "obligated person" for purposes of the Rule with respect to the Continuing Disclosure Agreement.

UNDERWRITING

The Series 2017A Bonds are being purchased for reoffering by Raymond James & Associates, Inc., acting for and on behalf of itself, and Morgan Stanley & Co. LLC (collectively, the "Underwriters"), as shown on the cover hereof, at a purchase price of $99,002,535.59 (which is equal to the par amount of the Series 2017A Bonds of $92,075,000, plus a net original issue premium of $7,465,925.80, less an Underwriters' discount of $538,390.21). The Bond Purchase Agreement pursuant to which the Underwriters expect to purchase the Series 2017A Bonds provides that the Underwriters purchase all the Series 2017A Bonds if any are purchased. The obligation of the Underwriters to accept delivery of the Series 2017A Bonds is subject to various conditions stated in such Bond Purchase Agreement.

Raymond James & Associates, Inc., as representative of the Underwriters, may offer and sell the Series 2017A Bonds to other dealers and other purchasers at prices lower than the public offering prices

stated on the cover page hereof. The initial public offering prices may be changed from time to time by the Underwriters.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC, an underwriter of the Series 2017A Bonds, has entered into a retail distribution arrangement with Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2017A Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter, on behalf of the Corporation, relating to (a) computation of forecasted receipts of principal and interest on the escrow securities and the forecasted payments of principal and interest to redeem the Refunded Bonds, and (b) computation of the yields on the Series 2017A Bonds and the escrow securities was examined by Causey Demgen & Moore P.C., certified public accountants (the "Verification Agent"). Such computations were based solely on assumptions and information supplied by the Underwriter, on behalf of the Corporation. The Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of the forecasted outcome.

FINANCIAL ADVISOR

Hilltop Securities, Inc., Dallas, Texas (the "Financial Advisor"), is employed by the Corporation as an independent financial advisor in connection with the issuance of the Series 2017A Bonds and, in such capacity, has responsibility primarily for providing the Corporation with information on interest rates, reoffering prices and underwriting fees on similar financings being sold under current market conditions. The Financial Advisor has not independently verified any of the data contained herein. Accordingly, no assurance is made by the Financial Advisor as to the accuracy or completeness of any information herein. No person is permitted to rely upon the participation of the Financial Advisor as an implicit or explicit expression of opinion as to such completeness and accuracy.

VALIDATION

The Series 2017A Bonds shall be submitted to validation before the Chancery Court of Oktibbeha County, Mississippi, as provided by Sections 31-13-1 et seq., Mississippi Code of 1972, as amended.

LEGAL MATTERS

All legal matters in connection with the authorization and issuance of the Series 2017A Bonds are subject to the final approval of the legality thereof by Jones Walker L.L.P., Jackson, Mississippi, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Series 2017A Bonds. Certain legal matters will be passed upon for the Corporation by its counsel, Joan Lucas, Esq., Mississippi State, Mississippi, for the Underwriters by Butler Snow LLP, Ridgeland, Mississippi and for the Board by the Attorney General of the State. No representation is made to the Registered Owners of the Series 2017A Bonds that Bond Counsel has verified the accuracy, completeness or fairness of the statements in this Official Statement and Bond Counsel assumes no responsibility to the Registered Owners of the Series 2017A Bonds except for the matters set forth in such opinion.

LITIGATION

There is no litigation of any nature now pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2017A Bonds, or in any way contesting or affecting the validity of the Series 2017A Bonds or any proceedings and authority under which they are to be issued. There is no litigation pending which in any manner questions the right of the Corporation to secure the Series 2017A Bonds in the manner provided in the Indenture.

ENFORCEABILITY OF REMEDIES

The remedies available to the Trustee and the owners of the Bonds upon an "event of default" under the Lease and the Indenture are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under the Lease and the Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with delivery of the Bonds and the Lease will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

OFFICIAL STATEMENT CERTIFICATE

At the time of the delivery of the Series 2017A Bonds, the Underwriters will receive a certificate signed on behalf of the Corporation by an Authorized Corporation Representative acting solely in such person's official capacity, substantially to the effect that to the best of his/her knowledge and belief, as of the date of the delivery of the Series 2017A Bonds to the purchaser, this Official Statement, excluding the Appendices, as then supplemented or amended, does not contain an untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein in the light of the circumstances under which they were made, not misleading.

ADDITIONAL MATTERS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2017A Bonds, the security for the payment of the Series 2017A Bonds and the rights and obligations of the Registered Owners thereof.

The information contained in this Official Statement has been taken from sources considered reliable, but is not guaranteed. To the best of the Corporation's knowledge, information in this Official Statement does not include any untrue statement of material fact nor does the information omit the statement of any material fact required to be stated therein or necessary to make the statements therein, in the light of circumstances under which they were made, not misleading.

Neither any advertisement of the Series 2017A Bonds nor this Official Statement is to be construed as constituting an agreement with the purchasers of the Series 2017A Bonds. So far as any statements are made in this Official Statement involving estimates, projections or matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. No representation is made that any of the statements will be realized.

References herein to the Act, and all other legislative acts referred to herein are only summaries, excerpts or brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof. Additional information and original source materials may be examined by contacting the Mississippi State University Educational Building Corporation, Mississippi State University, 538 McArthur Hall, Mississippi State, Mississippi 39762, telephone (662) 325-7074.

The execution of this Official Statement has been authorized by the Board of Directors of the Corporation.

MISSISSIPPI STATE UNIVERSITY
EDUCATIONAL BUILDING CORPORATION

/s/ Amy Tuck
President

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SCHEDULE I

SCHEDULE OF REFUNDED BONDS

Mississippi State University Educational Building Corporation Revenue Bonds, Series 2011

Maturity Date	Principal Amount	Rate	Call Price	Call Date
8/1/2022	$1,395,000	5.000%	100.00%	8/1/2021
8/1/2023	1,460,000	5.000%	100.00%	8/1/2021
8/1/2024	1,535,000	5.000%	100.00%	8/1/2021
8/1/2025	1,615,000	5.000%	100.00%	8/1/2021
8/1/2026	1,690,000	4.000%	100.00%	8/1/2021
8/1/2027	930,000	4.000%	100.00%	8/1/2021
8/1/2027	500,000	5.000%	100.00%	8/1/2021
8/1/2028	1,500,000	5.000%	100.00%	8/1/2021
8/1/2029	1,570,000	4.250%	100.00%	8/1/2021
8/1/2030	1,635,000	4.250%	100.00%	8/1/2021
8/1/2031	1,715,000	4.750%	100.00%	8/1/2021
8/1/2032	1,800,000[1]	5.000%	100.00%	8/1/2021
8/1/2033	1,890,000[1]	5.000%	100.00%	8/1/2021
8/1/2034	1,990,000[1]	5.000%	100.00%	8/1/2021
8/1/2035	2,090,000[1]	5.000%	100.00%	8/1/2021
8/1/2036	2,195,000[1]	5.000%	100.00%	8/1/2021
8/1/2037	2,305,000	4.625%	100.00%	8/1/2021
8/1/2038	2,420,000[2]	5.000%	100.00%	8/1/2021
8/1/2039	2,545,000[2]	5.000%	100.00%	8/1/2021
8/1/2040	2,675,000[2]	5.000%	100.00%	8/1/2021
8/1/2041	2,810,000[2]	5.000%	100.00%	8/1/2021
	$38,265,000			

[1] Term maturing on 8/1/2036
[2] Term maturing on 8/1/2041

Mississippi State University Educational Building Corporation Revenue Bonds, Series 2013

Maturity Date	Principal Amount	Rate	Call Price	Call Date
8/1/2024	$ 685,000	5.000%	100.00%	8/1/2023
8/1/2025	720,000	5.000%	100.00%	8/1/2023
8/1/2026	760,000	5.000%	100.00%	8/1/2023
8/1/2027	2,050,000	5.000%	100.00%	8/1/2023
8/1/2030	2,330,000	5.000%	100.00%	8/1/2023
8/1/2031	2,450,000	5.000%	100.00%	8/1/2023
8/1/2032	2,575,000	5.000%	100.00%	8/1/2023
8/1/2034	2,835,000[1]	5.250%	100.00%	8/1/2023
8/1/2035	2,985,000[1]	5.250%	100.00%	8/1/2023
8/1/2036	3,150,000[1]	5.250%	100.00%	8/1/2023
8/1/2037	3,315,000[1]	5.250%	100.00%	8/1/2023
8/1/2038	3,495,000[1]	5.250%	100.00%	8/1/2023
8/1/2039	3,680,000[2]	5.000%	100.00%	8/1/2023
8/1/2040	3,870,000[2]	5.000%	100.00%	8/1/2023
8/1/2041	4,070,000[2]	5.000%	100.00%	8/1/2023
8/1/2042	4,275,000[2]	5.000%	100.00%	8/1/2023
8/1/2043	4,495,000[2]	5.000%	100.00%	8/1/2023
	$47,740,000			

[1] Term maturing on 8/1/2038
[2] Term maturing on 8/1/2043

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APPENDIX A
DEFINED TERMS AND SUMMARY OF LEASE AND INDENTURE

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DEFINED TERMS

In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless the context or use otherwise requires. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The words "Bond" and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate.

Act

"Act" means Sections 37-101-61 through 37-101-71, Mississippi Code of 1972, as amended.

Additional Bonds:

"Additional Bonds" means Bonds, in addition to the Series 2017A Bonds, issued by the Corporation pursuant to the terms and conditions of the Indenture.

Advance Rentals:

"Advance Rentals" mean payments of rent under Section 3.7 of the Lease in the form of moneys or Qualified Permitted Investments in any amount sufficient, in combination with amounts then on deposit in the Bond Fund available to pay principal of, premium, if any, and interest on the Series 2017A Bonds, to satisfy all principal, premium, if any, and interest due on the Series 2017A Bonds and to pay all fees and expenses of the Trustee and other reasonable costs incident to the defeasance of the lien of the Indenture.

Authorized Board Representative:

"Authorized Board Representative" means the President of the University, or such other persons as may be hereafter designated to act on behalf of the Board by written certificate furnished to the Trustee and the Corporation containing the specimen signature of such person and signed by the Board's President. Such a certificate may designate one or more alternates.

Authorized Corporation Representative:

"Authorized Corporation Representative" means the President, the Secretary or the Treasurer of the Corporation, or such other person as may be hereafter designated to act on behalf of the Corporation by written certificate furnished to the Trustee and the Board containing the specimen signature of such person and signed by the Corporation's President. Such a certificate may designate one or more alternates.

Board:

"Board" means the Board of Trustees of State Institutions of Higher Learning of the State of Mississippi.

Board of Directors:

"Board of Directors" means the governing body of the Corporation.

Bond Counsel:

"Bond Counsel" means, with respect to the original issuance of the Series 2017A Bonds, Jones Walker L.L.P., Jackson, Mississippi, and thereafter such other firm of nationally recognized attorneys appointed by the Corporation and acceptable to the Trustee, which is experienced in issuing opinions with respect to tax-exempt bonds under the exemptions provided in the Code.

Bond Fund:

"Bond Fund" means the Bond Fund established pursuant to Section 4.01(a) of the Indenture.

Bond Proceeds:

"Bond Proceeds" mean the proceeds received by the Trustee (on behalf of the Corporation) from the sale and issuance of the Series 2017A Bonds.

Bond Register:

"Bond Register" means the registration records of the Corporation kept by the Trustee to evidence the registration and transfer of the Bonds.

Bonds:

"Bonds" mean the Series 2017A Bonds and any Additional Bonds issued pursuant to the Indenture.

Bond Year:

"Bond Year" means the twelve-month period beginning on August 2 one year and ending on August 1 of the following year. The first Bond Year begins on the Closing Date and ends on August 1, 2018.

Business Day:

"Business Day" means any day, other than a Saturday or Sunday, on which the Trustee is not required or authorized by law to remain closed.

Certified Resolution:

"Certified Resolution" with reference to the Corporation, means a copy of a resolution certified by the Secretary of the Corporation to have been duly passed and adopted by the Board of Directors of the Corporation at a meeting duly called and convened, and, with reference to the Board, means a copy of a resolution certified by its Executive Secretary as having been duly passed and adopted by the Board at a meeting duly called and convened.

Closing Date:

"Closing Date" means the date of issuance and delivery of the Series 2017A Bonds.

Code:

"Code" means the Internal Revenue Code of 1986, as amended, and regulations and rulings published thereunder.

Continuing Disclosure Agreement:

"Continuing Disclosure Agreement" means that certain Continuing Disclosure Agreement between the Board and the Trustee dated as of December 1, 2017, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Corporation:

"Corporation" means the Mississippi State University Educational Building Corporation, a Mississippi non-profit corporation, its successors and assigns.

Costs of Issuance:

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the Corporation and related to the authorization, sale and issuance of the Series 2017A Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of the Series 2017A Bonds, bond or reserve fund insurance premiums, credit enhancements or liquidity facility fees, and other costs, charges and fees in connection with the foregoing.

Designated Revenues:

"Designated Revenues" means all unrestricted revenues of the Board which include without limitation, tuition, and auxiliary enterprises net of scholarship allowances, sales and services, other operating revenues (including those of the University), State appropriations and unrestricted net asset balances.

DTC:

"DTC" means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depositories appointed pursuant to the Indenture.

Escrow Agent:

"Escrow Agent" means Regions Bank in its capacity as escrow agent under the Escrow Agreement.

Escrow Agreement:

"Escrow Agreement" means the Escrow Agreement between the Corporation and Regions Bank, as escrow agent and paying agent for the Refunded Bonds, providing for the refunding of all or a portion of the Refunded Bonds.

Event of Default:

"Event of Default" means one or more of those events designated as "Events of Default" in Section 8.01 of the Indenture.

Federal Tax Certificate:

"Federal Tax Certificate" means the Federal Tax Certificate of the Corporation and the Board, respectively, setting forth certain representations and covenants relating the tax-exempt status of the Series 2017A Bonds.

Fitch:

"Fitch" means Fitch Ratings Ltd. and its successors and assigns.

Gross Proceeds:

"Gross Proceeds" means gross proceeds as defined in subparagraph 6(B) of Subsection 148(f) of the Code and as defined in any regulations promulgated by the Internal Revenue Service under Section 148 of the Code.

Ground Lease:

"Ground Lease" means the Ground Lease dated as of December 1, 2017, by and among the Board and the University, as lessor, and the Corporation, as lessee, in connection with the issuance of the Series 2017A Bonds.

Indenture:

"Indenture" means the Trust Indenture dated as of December 1, 2017, by and between the Corporation and the Trustee, as the same may from time to time be supplemented or amended in connection with the issuance of the Series 2017A Bonds.

Lease:

"Lease" means the Lease Agreement dated as of December 1, 2017, by and between the Corporation, as lessor, and the Board, as lessee, in connection with the issuance of the Series 2017A Bonds.

Moody's:

"Moody's" means Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation with the approval of the Board.

Opinion of Bond Counsel:

"Opinion of Bond Counsel" means a written opinion of Bond Counsel.

Opinion of Counsel:

"Opinion of Counsel" means a written opinion of counsel (who may be counsel for the Board or the Corporation) selected by the Board or the Corporation and acceptable to the Trustee.

Outstanding:

"Outstanding," when applied to the Series 2017A Bonds, Additional Bonds or any other obligation, means all obligations of the class concerned which shall have been authenticated, issued and delivered with the exception of (a) obligations in lieu of which other obligations have been issued under agreement to replace lost, destroyed or mutilated obligations, and (b) obligations which have been redeemed or discharged under the provisions of Section 12.01 of the Indenture.

Participating Underwriter:

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Agreement.

Paying Agent:

"Paying Agent" means the Trustee in its capacity as paying agent for the Series 2017A Bonds.

Permitted Investments:

"Permitted Investments" mean, to the extent permitted by State law:

(1) Cash (insured at all times by the Federal Deposit Insurance Corporation),

(2) Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:

U.S. treasury obligations
All direct or fully guaranteed obligations
Farmers Home Administration
General Services Administration
Guaranteed Title XI financing
Government National Mortgage Association (GNMA)
State and Local Government Series

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

(3) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

Export-Import Bank
Rural Economic Community Development Administration
U.S. Maritime Administration
Small Business Administration
U.S. Department of Housing & Urban Development (PHAs)
Federal Housing Administration

Federal Financing Bank

(4) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
Obligations of the Resolution Funding Corporation (REFCORP)
Senior debt obligations of the Federal Home Loan Bank System

(5) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(6) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(7) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, including those offered by the Trustee and its affiliates;

(8) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(9) Municipal Obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P.

(10) Any other investments in which institutional funds are authorized to be invested under the policies and bylaws of the board.

The value of the above investments shall be determined as follows:

(a) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers;

(b) As to certificates of deposit and bankers' acceptances: the face amount thereof, plus accrued interest thereon; and

(c) As to any investment not specified above: the value thereof established by prior agreement among the Issuer and the Trustee.

Person or person:

"Person" or "person" means, as the case may be, any individual, sole proprietorship, corporation, limited liability company, partnership (including, without limitation, general and limited partnership), joint venture, association, joint stock company, trust, unincorporated organization or government, any agency or political subdivision thereof or public corporation.

Project

"Project" means the project financed by the Refunded Bonds as set forth in Exhibit B to the Lease.

Project Site:

"Project Site" means the site on the campus of the University on which the Project is located as set forth in Exhibit A to the Lease.

Qualified Permitted Investments:

"Qualified Permitted Investments" mean obligations described in paragraph (1) or (2) of the definition of Permitted Investments herein.

Rebate Fund:

"Rebate Fund" means the Rebate Fund established pursuant to the Indenture.

Record Date:

"Record Date" means, as to interest payments, the 15th day of the months preceding the dates set for payment of interest on the Series 2017A Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

Record Date Registered Owner:

"Record Date Registered Owner" means the Registered Owner as of the Record Date.

Refunded Bonds:

"Refunded Bonds" means the outstanding revenue bonds of the Corporation set forth on Exhibit C to the Lease Agreement to be refunded with the proceeds of the Series 2017A Bonds.

Registered Owner:

"Registered Owner" means the person in whose name any Series 2017A Bond shall be registered in the Bond Register maintained under Section 2.08 of the Indenture and the executors, administrators and other legal representatives authorized in writing to act on behalf of such person.

Representation Letter:

"Representation Letter" means the blanket representation letter to DTC pertaining to book-entry obligations of the Corporation.

Responsible Officer of the Trustee:

"Responsible Officer of the Trustee" means any one or more of the officers, cashiers, trust officers or trust administrators of the Trustee.

Series 2011 Bonds:

"Series 2011 Bonds" means the Mississippi State University Educational Building Corporation Revenue Bonds, Series 2011 (Residence Hall Construction and Refunding Project), issued by the Corporation in the aggregate principal amount of $54,370,000.

Series 2013 Bonds:

"Series 2013 Bonds" means the Mississippi State University Educational Building Corporation Revenue Bonds, Series 2013 (Mississippi State University Refunding and Improvements Project), issued by the Corporation in the aggregate principal amount of $60,470,000.

Series 2017A Bonds:

"Series 2017A Bonds" means the $92,075,000 aggregate principal amount of Mississippi State University Educational Building Corporation Revenue Refunding Bonds, Series 2017A (Mississippi State University Facilities Refinancing), authorized to be issued by the Corporation pursuant to terms and conditions of the Indenture.

Series 2017A Costs of Issuance Fund:

"Series 2017A Costs of Issuance Fund" means the Series 2017A Costs of Issuance Fund established pursuant to Section 4.01(b) of the Indenture.

S&P:

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc., a New York corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation with the approval of the Board.

State:

"State" means the State of Mississippi.

Supplemental Indenture:

"Supplemental Indenture" means any indenture which supplements or amends the Indenture in accordance with the provisions of Article XI of the Indenture.

Treasury Rate:

"Treasury Rate" means as of any redemption date of any Series 2017A Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to the maturity date of such Series 2017A Bond; provided, however, that if the period from such redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Trustee:

"Trustee" means Regions Bank as trustee under the Indenture, or its duly appointed successor. All references to Trustee shall mean Regions Bank.

Trust Estate:

"Trust Estate" means the rights and interest granted by the granting clauses of the Indenture.

Underwriters:

"Underwriters" means Raymond James & Associates, Inc., acting for and on behalf of itself, and Morgan Stanley & Co. LLC, as the original purchaser of the Series 2017A Bonds.

University:

"University" means Mississippi State University of Agriculture and Applied Science.

Written Direction:

"Written Direction," with reference to the Corporation, means a direction in writing signed by an Authorized Corporation Representative, and with reference to the Board, means a request in writing signed by the Board's President or an Authorized Board Representative.

Written Request:

"Written Request," with reference to the Corporation, means a request in writing signed by an Authorized Corporation Representative, and, with reference to the Board, means a request in writing signed by the Board's President or an Authorized Board Representative.

Yield:

"Yield" means yield computed in accordance with Subsection 148(h) of the Code or any regulations promulgated by the Internal Revenue Service under Section 148 of the Code.

SUMMARY OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Indenture, copies of

which are on file with the Corporation and the Trustee. Capitalized terms used in this summary but not defined herein shall have the meaning ascribed to such terms in the Indenture and in this Appendix A.

Places and Forms of Payment. The principal of, premium, if any, and interest on the Series 2017A Bonds shall be payable in lawful money of the United States of America. The principal of, premium, if any, and interest on Additional Bonds shall be payable in lawful money of the United States of America as provided for the payment of principal of, premium, if any, and interest on the Series 2017A Bonds or at such other place or places as may be prescribed in the proceedings or Supplemental Indenture authorizing the issuance thereof.

Payment of principal and premium, if any, on the Series 2017A Bonds shall be paid by check or draft, upon presentation and surrender of the Series 2017A Bonds at the principal office of the Trustee or such other address as designated by the Trustee, to the Record Date Registered Owners thereof whose names shall appear in the Bond Register maintained by the Trustee.

Payment of each installment of interest on the Series 2017A Bonds shall be made to the Record Date Registered Owners thereof whose names shall appear in the Bond Register maintained by the Trustee. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Series 2017A Bonds subsequent to the Record Date and prior to the due date of such interest installment.

Interest on the Series 2017A Bonds shall be paid by check or draft mailed to Registered Owners at the addresses appearing in the Bond Register maintained by the Trustee or in such other manner as may be agreed upon by such Registered Owners and the Trustee; provided, however, at the option of a Registered Owner of at least $1,000,000 in aggregate principal amount of Series 2017A Bonds, such payment may be accomplished by wire transfer. Any such address may be changed by written notice from the Registered Owner to the Trustee by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Trustee, such notice to be received by the Trustee not later than the 15th day of the calendar month preceding the applicable interest payment due to be effective as of such date.

Authentication. Only such Bonds as shall be authenticated by the endorsement thereon of a certificate substantially in the form prescribed in the Indenture, executed by the Trustee by one of its authorized officers, shall be secured by the Indenture or shall be entitled to any benefit thereunder, and every such certificate of the Trustee upon any Bond purporting to be secured hereby shall be conclusive evidence that the Bond so certified has been duly issued under the Indenture, and that the Registered Owner is entitled to the benefit of the trust thereby created. It shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds secured under the Indenture.

Execution. All Bonds issued under the Indenture shall be executed in the name of the Corporation by the President and attested by its Secretary or Treasurer. Either or both of said signatures may be by facsimile. The seal of the Corporation may be affixed manually or by a facsimile reproduction thereof. In case any officer of the Corporation who shall have signed or sealed any Bond shall cease to be such officer before the Bond so signed or sealed shall have been actually certified by the Trustee or delivered or issued, such Bond may be authenticated, delivered and issued with the same effect as though the person who had signed such Bond had not ceased to be an officer of the Corporation.

Registration and Transfer of Bonds. Records for the registration and transfer of the Bonds as provided in the Indenture shall be kept in the Bond Register by the Trustee, which is the registrar of the Bonds. At reasonable times and under reasonable regulations established by the Trustee, the list of Registered Owners of the Bonds may be inspected and copied by the Board and/or the Corporation. Upon surrender for transfer of any Bond to the Trustee, the Corporation shall execute and the Trustee shall authenticate and deliver to the transferee or transferees a new Bond or Bonds of the same series and interest rate for a like aggregate principal amount. Certificates, blank as to denomination, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the Corporation to meet

the reasonable transfer and reissuance need of the Bonds, shall be printed and delivered to the Trustee in a generally accepted format and held by the Trustee until needed for transfer or reissuance, whereupon the Trustee shall imprint the appropriate information as to denomination, rate of interest, date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee of the Bonds. The Trustee is authorized upon the approval of the Corporation to have printed at the expense of the Corporation from time to time as necessary additional certificates bearing the manual or facsimile seal of the Corporation and the manual or facsimile signatures of the persons who were the officials of the Corporation as of the date of original issue of the Bonds. The execution by the Corporation of any Bond in the denomination of $5,000 or any integral multiple thereof shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate, register and deliver such Bond. No charge shall be made to any Registered Owner for the privilege of registration, but any Registered Owner requesting any such registration shall pay any tax or other governmental charge required to be paid with respect thereto. The Trustee shall not be required to transfer any Bond during the period between the 15th day of the month preceding any interest or principal and interest payment date and any such date or transfer any Bonds selected for redemption in whole or in part.

Persons Treated as Owners. Except as provided in the next paragraph, the person in whose name any Bond shall be registered in the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary. Payment of or on account of the principal of any such Bond shall be made only to or upon the order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

In the event the purchaser of the Bonds shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within thirty (30) days of the date of sale, or at such other later date as may be designated by the Corporation, one Bond registered in the name of said purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in said purchaser until the initial Registered Owner has made timely payment and, upon request by the purchaser within a reasonable time of the initial delivery of the Bonds, the Trustee shall re-register any such Bond in the Bond Register in the name of the Registered Owner to be designated by said purchaser in the event timely payment has not been made by the initial Registered Owner.

Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be stolen, destroyed or lost, the Corporation shall execute and the Trustee shall authenticate, if not then prohibited by law, and deliver a new Bond of like series, date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed or lost, as the case may be, upon the Registered Owner's paying the reasonable expenses and charges of the Corporation and the Trustee in connection therewith, and in case of a Bond stolen, destroyed or lost, his filing with the Corporation or Trustee evidence satisfactory to them that such Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the Corporation or Trustee with such security and/or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote. In the event any Bond shall have matured, instead of issuing a duplicate Bond, the Corporation may direct the Trustee to pay the same without surrender thereof.

Funds to be Invested as Directed by the Corporation. All moneys in any of the funds established pursuant to the Indenture, all moneys to be used to reconstruct any of the Project which are received by the Trustee as insurance proceeds due to loss or damage to the Project or any portion thereof or as condemnation proceeds, and all other insurance proceeds received and retained by the Trustee shall be invested and reinvested in Permitted Investments as directed by Written Directions of the Corporation as provided in the Indenture, and any interest, profit or loss on such investments shall be credited or

charged to the fund of which such investment was made. Investments may be made through the Trustee's investment department.

Duration and Amount of Investment. Moneys in the Bond Fund and the Costs of Issuance Fund, if any, shall be invested in Permitted Investments in accordance with Written Directions of the Corporation. Any investment of moneys in the Bond Fund and the Costs of Issuance Fund must be made in accordance with the terms and provisions of the Federal Tax Certificate.

Whenever any moneys in any of the funds established by the Trustee pursuant to the Indenture are invested under the provisions of Section 5.02 of the Indenture and are needed to prevent default in the payment of principal of, premium, if any, and interest on the Bonds or any of them, the Trustee shall liquidate such investments at such times and in such manner as the Trustee shall deem best and shall, without further instructions, cause the proceeds thereof to be applied to the payment of such principal of, premium, if any, and interest. Otherwise, such investments shall be liquidated only upon the maturity thereof.

The Trustee shall not be liable or responsible for any loss resulting from any investment under the Indenture made by it in good faith in accordance therewith.

Additional Bonds. Except when an Event of Default is existing under the Indenture, the Corporation and the Board may from time to time agree upon and approve the issuance and delivery of Additional Bonds for the following purposes: (a) refunding the Bonds or any other series of Bonds; (b) providing funds to pay the cost of additional improvements to the Project and/or the Project Site, as well as the payment of all expenses incidental thereto; (c) in the event all or a portion of the Project shall be destroyed or damaged by disaster to such an extent that it can no longer serve its intended purpose, restoring said portion to reasonable condition to enable its continued service for such intended purpose; and (d) paying all reasonable expenses incidental to the issuance of such Additional Bonds. All Additional Bonds shall be of the same rank as the Series 2017A Bonds and shall be payable from the Bond Fund on a parity with the Series 2017A Bonds, but shall bear such date or dates, bear such interest rate or rates, have such maturity dates and be issued at such prices as shall be approved in writing by the Corporation and the Board.

Upon the execution and delivery in each instance of appropriate supplements to the Indenture and to the Lease, the Corporation shall execute and deliver to the Trustee, and the Trustee shall authenticate, such Additional Bonds and deliver them to the purchaser as may be directed by the Corporation, but only as provided in the Indenture. Prior to the delivery by the Trustee of any of such Additional Bonds the following items shall be filed with the Trustee:

(a) A Certified Resolution of the Board authorizing the execution of a supplemental Lease meeting the requirements of the next succeeding paragraph and an amendment to the Ground Lease, if necessary.

(b) An executed counterpart of a supplemental Lease pursuant to which the amounts of the rental payments, and, if necessary, the duration of the term of the Lease shall be increased, so as to assure that the additional rental payments will adequately provide for the retirement of the Additional Bonds by making available sufficient money for the payment when due of principal, premium, if any, and interest thereon. Any such supplemental Lease shall make only those changes in the Lease as may be required to reflect the improvements, if any, to be made to the Project and the increased rental payments necessary to meet the requirements above set out, and such other changes as the Trustee determines will not adversely affect the security of the Bonds.

(c) An executed amendment to the Ground Lease, if any additional real estate or interest therein or extension of the term of the Ground Lease is necessary for the construction, acquisition, operation, maintenance and use of the Project as improved with the proceeds of said Additional Bonds.

(d) A Certified Resolution or Resolutions of the Corporation authorizing the execution and delivery of a supplemental Lease, an amendment to the Ground Lease, if necessary, a Supplemental Indenture and the issuance of such Additional Bonds.

(e) A fully executed Supplemental Indenture which shall supplement and amend the Indenture to specifically include such Additional Bonds within the meaning of "Bonds" as defined in the Indenture and shall provide for the terms and details of said Additional Bonds. Said Supplemental Indenture (1) must provide that the proceeds of the Additional Bonds are to be used solely for refunding Outstanding Bonds or for one or more of the purposes set out in the Indenture, and for the payment of capitalized interest and reserves and other expenses incidental thereto and to the issuance of such Additional Bonds, with any surplus being applied only to the retirement of Bonds or deposits in funds referred to in the Indenture or in the Supplemental Indenture pursuant to which such Additional Bonds are issued; and (2) must provide that said Additional Bonds shall fall due each year on the date on which principal matures, and bear interest payable semiannually on February 1 and August 1 of each year (except that the first interest payment date may be at any time within one year from the delivery of such Additional Bonds).

(f) A request and authorization to the Trustee on behalf of the Corporation and signed by the President or Secretary of the Corporation to authenticate and deliver such Additional Bonds to the purchaser therein identified upon payment to the Trustee, but for the account of the Corporation, of a sum specified in such request and authorization plus accrued interest, if any, thereon to the date of delivery. Such proceeds shall be paid over to the Trustee and deposited to the credit of the appropriate funds established pursuant to a Supplemental Indenture in such respective amounts as shall be specified in the Supplemental Indenture authorizing such Additional Bonds.

(g) A Written Request of the Board to the Corporation and the Trustee in the form of a copy, duly certified by the Secretary of the Board, of the resolution adopted by the Board approving the issuance of such Additional Bonds on its behalf.

(h) An original executed counterpart of an approving Opinion of Bond Counsel with respect to the validity of the Additional Bonds and opining that the issuance and sale of the Additional Bonds will not result in rendering interest on any of the Bonds subject to federal or State income taxation, as applicable.

Insurance. The Board shall be responsible for self-insuring or obtaining insurance, as it deems appropriate, with respect to the Project.

Financial Statements. The Trustee covenants and agrees in the Indenture to keep proper statements of record and account in which complete and correct entries shall be made of all transactions relating to the Project, including records showing the receipts, disbursements, allocation and application of the rental payments and revenues accruing to and funds comprising the trusts created by the Indenture, and also including the amounts thereof forwarded to the Corporation or paid to the Trustee. Such statements shall be available for inspection by the Registered Owner of any of the Bonds at reasonable hours, under reasonable conditions and at their expense. Not more than twelve (12) months after the close of each fiscal year of the Corporation, the Trustee agrees to furnish to the Registered Owner of any of the Bonds who may so request at the expense of the requesting Registered Owner, copies of financial statements covering receipts, disbursements, allocation and application of such rentals and revenues or funds for such fiscal year. Such financial statements shall be retained by the Trustee so long as any Bonds are Outstanding. The Corporation covenants in the Indenture that it will promptly furnish the Trustee with such additional information as is deemed necessary by the Trustee to carry out the provisions of the Indenture. The Corporation shall continually require the Board to furnish to the Trustee copies of the annual audit of the University and/or the Board in accordance with the Lease. The Trustee shall make such audits available for inspection by the Registered Owner of any of the Bonds at the office of the

Trustee and shall send the same to any such Registered Owner at the expense of the requesting Registered Owner upon receipt of a written request thereof.

Ownership. The Corporation covenants in the Indenture that it is the owner and lawfully possessed of the Trust Estate; that the Ground Lease and the Lease are at the date of the execution and delivery of the Indenture valid subsisting demises in accordance with the terms therein set forth of the property which such documents purport to demise; that the Ground Lease and the Lease were lawfully made; that the covenants contained in the Ground Lease and the Lease on the part of the Corporation are valid and binding and that the Indenture is executed in conformity therewith; that the Corporation has good right, full power and lawful authority to assign and to transfer in trust and pledge the Trust Estate in the manner and form provided in the Indenture; and that the Corporation forever will cooperate with the Board to defend the title to the Project and every part thereof to the Trustee and its respective successors and assigns, for the benefit of the Registered Owners of the Bonds against the claims of all persons whomsoever.

Changes to or Cancellation of Ground Lease or Lease, Etc. The Corporation further covenants in the Indenture that, unless it receives the written consent of the Trustee, it will not alter, modify or cancel, or agree to consent to alter, modify or cancel, the Ground Lease or the Lease; but with the written consent of the Trustee , the Corporation may consent to alterations or modifications thereof, provided, that in the opinion of the Trustee and pursuant to an Opinion of Counsel selected by it, such alterations or modifications will not result in any impairment of the Trust Estate or of the security given by the Indenture or intended to be given for the payment of the Bonds.

In the Indenture, the Corporation and the Trustee acknowledge and agree that following the execution and delivery of the Indenture, the Corporation may desire to supplement the definition of Projects and Project Site therein and in the Lease, as well as Exhibit A to the Lease and the Ground Lease, for the limited purpose of expanding items constituting the Project and expanding real property descriptions of the Project Site in Exhibit A to each of the Lease and the Ground Lease. In such event, notwithstanding any other provision of the Indenture, the Lease and the Ground Lease may be so supplemented provided that such supplemental documents may be executed and delivered by the parties thereto, as appropriate, without formal adoption and approval by the Board, but with the giving of notice of such supplementation to the Board, the Trustee.

The Corporation and the Trustee may, without the consent of or notice to Registered Owners of the Bonds, consent to any amendment, change or modification of the Ground Lease or the Lease as may be required (a) by the provisions of such leases or the Indenture, (b) in connection with the issuance of Additional Bonds, (c) for the purpose of curing any ambiguity or formal defect or omission, (d) in connection with additional real property which is to become part of the Project or (e) in connection with any other change therein which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Registered Owners of the Bonds. If any such amendment, change or modification does not come within the purview of (a), (b), (c), (d) or (e) of the preceding sentence or the preceding paragraph, prior to giving its consent the Trustee shall obtain the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding. No amendment, change or modification of the Lease shall be made which would (a) permit the Project or any portion thereof to be used in any manner which would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code and the regulations promulgated pursuant thereto nor (b) amend or repeal Section 8.4 of the Lease, except upon receipt by the Trustee and the Corporation of an Opinion of Bond Counsel to the effect that such amendment or repeal would not result in causing interest on the Bonds or any of them to be subject to federal or State income taxation nor (c) reduce the amount or delay the time of rental payments under the Lease.

The Corporation and the Trustee shall agree to any amendment to the Lease recommended by an Opinion of Bond Counsel, filed with the Trustee, to restrict further the agreements referred to in

paragraph (e) of the definition of "Permitted Encumbrances" in the Lease in order to prevent said paragraph from permitting any agreement which would cause interest on the Bonds to be subject to federal or State income taxation.

The Corporation covenants in the Indenture that it will in all respects promptly and faithfully keep, perform and comply with all the terms, provisions, covenants, conditions and agreements of the Ground Lease and the Lease to be kept, performed and complied with by it.

The Corporation further covenants in the Indenture that it will not do or permit anything to be done, or omit or refrain from doing anything in any case where any such act done, or permitted to be done, or any such omission of or refraining from action would or might be a basis for declaring a forfeiture of the Ground Lease or the Lease; that upon request of the Trustee, the Corporation will promptly deposit with the Trustee (to be held by the Trustee until title and rights of the Trustee under the Indenture shall be released and reconveyed) any and all documentary evidence received by it showing compliance with the provisions of the Ground Lease and the Lease to be performed by it; that the Corporation, immediately upon its receiving or giving any notice, communication or other document in any way relating to or affecting the Ground Lease or the Lease, which may or can in any manner affect the estate of the Corporation in or under the Ground Lease or the Lease, or affect any portion of the Trust Estate, will deliver the same or a copy thereof, to the Trustee; that the Corporation will cause the Board to pay or cause to be paid all taxes, assessments and other charges, if any, that may be levied, assessed or charged upon the Trust Estate, or any part thereof, promptly as and when the same shall become due and payable; that the Corporation will, upon request of the Trustee, from time to time keep the Trustee advised of such payments, and deliver such evidence thereof as the Trustee may reasonably require; that the Corporation will not suffer the Project Site, the Project, the Trust Estate, or any part of any of them to be sold for any taxes, assessments or other charges whatsoever, or to be forfeited therefor; nor do or permit to be done anything that might otherwise weaken, diminish or impair the security intended to be given by or under the Indenture, nor suffer any portion of the Trust Estate or the Project to be sold under any mechanic's lien or other proceedings.

The Corporation covenants in the Indenture that it will not sell lease, convey, mortgage, encumber or otherwise dispose of any part of the Project or the income or revenue derived from the sale, lease or other disposition thereof or of its rights under the Lease and the Ground Lease except as specifically permitted therein and in the Indenture.

Repairs; Free From Liens; Bylaws; Etc. The Corporation covenants and agrees in the Indenture as follows:

(a) To cause the Project to be maintained in good working condition and to be kept in good repair and not to commit or allow any waste with respect to the Project or the Trust Estate.

(b) To comply with and abide by every statute, order, rule or regulation now in force or hereafter enacted by any competent governmental agency or authority with respect to or affecting the operation of the properties and activities of the Corporation.

(c) To cause the Board to keep the Project, the Trust Estate and all parts thereof free from judgments, mechanic's and materialmen's liens, claims, demands and encumbrances of whatsoever nature or character, to the end that the priority of the lien of the Indenture may at all times be maintained and preserved, and free from any claim or liability, which, in the judgment of the Trustee (and its determination thereof shall be binding and final), might hamper the Corporation or the Board in conducting their activities or operating the Project, and the Trustee at its option and election (after first giving the Corporation ten (10) days' written notice to comply therewith and failure of the Corporation to so comply within said period) may defend against any and all actions or proceedings in which the validity of the Indenture or its priority is or might be questioned, or pay or compromise any claim or demand asserted in any such actions or proceedings; provided, however, that in defending against such actions or

proceedings or in paying or compromising such claim or demands, the Trustee shall not in any event be deemed to have waived or released the Corporation from liability for or on account of any of its covenants and warranties contained in the Indenture, or from its liabilities under the Indenture to defend the validity and priority of the Indenture and the lien thereof and to perform such covenants and warranties.

(d) To comply with the terms, covenants and provisions, express or implied, of all contracts and agreements affecting or involving the Project Site, the Project, the Trust Estate or the activities of the Corporation.

(e) Whenever and so often as requested so to do by the Trustee or the Registered Owners of a majority in principal amount of the then Outstanding Bonds, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly to do or cause to be done all such other and further things as may be necessary or reasonably required in order to vest further and more fully in the Trustee and the Registered Owners of the Bonds all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by the Indenture.

(f) Upon the request of the Trustee or the Registered Owners of a majority in principal amount of the Bonds, to cause the Board to take promptly such action from time to time as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Project, the Trust Estate or any part thereof, whether now existing or hereafter arising, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and, to the extent permitted by applicable law, to indemnify and save the Trustee and every such Registered Owner of a Bond harmless from all loss, cost, damage and expense, including attorneys' fees, which they or either of them may incur by reason of any such defect, cloud, suit, action or proceedings.

(g) To the extent permitted by applicable law, to cause the Board to defend against every suit, action or proceeding at any time brought against the Trustee or any Registered Owner of a Bond upon any claim arising out of the receipts, applications or disbursements of any of the income or proceeds from the Project or the Trust Estate or involving the Trustee or the rights of such Registered Owner of a Bond under the Indenture, and to the extent permitted by applicable law, to indemnify and save harmless the Trustee and any Registered Owner of a Bond against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement of any such proceeds; provided, however, that the Trustee or such Registered Owner of a Bond at its or their election may appear in and defend any such suit, action or proceedings, notwithstanding any contrary provisions of the Indenture, and this covenant shall continue and remain in full force and effect, even though all indebtedness, liabilities, obligations and other sums secured by the Indenture may have been fully paid and satisfied, and the Indenture may have been released and the lien thereof discharged.

(h) To at all times maintain the Corporation's right to carry on its business, and to duly procure all renewals and extensions thereof and to diligently maintain, preserve and renew all the rights, powers, privileges and franchises now owned or hereafter acquired and to maintain its existence as a nonprofit corporation in good standing organized and existing under the laws of the State.

(i) To not permit its interest in the Ground Lease or the Lease to be assigned except as assigned to the Trustee as security for the Bonds issued under the Indenture and the performance of all obligations imposed upon the Corporation under the Indenture.

(j) To not permit any amendment to its Articles of Incorporation or its Bylaws without the consent of the Board and the Trustee. The Trustee shall consent to any such amendment desired by the Corporation and approved by the Board if there is furnished to the Trustee an Opinion of Bond Counsel satisfactory to the Trustee which shows that such amendment will not permit the Corporation to engage in any business other than that for which it was created, or result in any income to the Corporation, or any interest on any of the Bonds being made subject to federal or State income taxation. However, if the

Trustee and the Corporation shall receive an Opinion of Counsel to the effect that an amendment to the Corporation's Articles of Incorporation or Bylaws is necessary or desirable to prevent the income of the Corporation or the interest on any of the Bonds from being subject to federal or State income taxation, the Corporation shall immediately proceed to make such amendment to its Articles of Incorporation or Bylaws, and the consent of the Board and the Trustee thereto shall not be required.

(k) To not engage in any activities other than those permitted by the Articles of Incorporation and the Bylaws of the Corporation.

Merger, Consolidation or Sale of Assets. The Corporation covenants in the Indenture that it will not be or become a party to any merger or consolidation and will not sell, lease or otherwise dispose of all or substantially all of its properties or assets to any other corporation or other entity, except by the Lease or upon compliance with the terms of the Lease and the Indenture, so long as any of the Bonds are Outstanding under the Indenture; provided, however, that the Corporation may consolidate or merge with another nonprofit corporation formed solely for the purpose of financing or constructing improvements for the Board under arrangements similar to those pertaining to the Corporation under the Indenture and under the Lease if the Trustee each expressly authorizes such merger in writing. The Trustee shall authorize any such merger or consolidation in writing if it receives a Written Request of the Board and the Corporation to do so unless the Trustee, after consulting with counsel of its own choosing, determines that such merger or consolidation would adversely affect the security of the Bonds, or might result in violation of any section or provision of the Indenture.

No Action Affecting Tax-Exempt Status of Series 2017A Bonds. The Corporation covenants in the Indenture that it will not take any action or refrain from taking any action, which might result in the income of the Corporation becoming taxable to it or in the interest on the Series 2017A Bonds becoming taxable to the owner thereof under the federal income tax laws or the laws of the State. The Corporation covenants in the Indenture that it will not permit the Project or any portion thereof to be used in any manner which would cause the Series 2017A Bonds to be "private activity bonds" within the meaning of Section 141 of the Code and the regulations promulgated pursuant thereto. The Corporation and the Board covenant in the Indenture to comply with the provisions of the Federal Tax Certificate. The Corporation agrees in the Indenture to establish with the Trustee a Rebate Fund, which shall not be a trust fund under the Indenture, and the terms of and provisions governing which shall be as set forth in the Federal Tax Certificate; provided that said compliance shall not be required if the Corporation or the Board delivers to the Trustee an Opinion of Bond Counsel to the effect that compliance is not required to preserve the exclusion from gross income for federal income tax purposes of interest on the Series 2017 Bonds The Indenture provides that this covenant shall survive the payment in full or the defeasance of all Outstanding Series 2017A Bonds.

Condemnation. In the event that title to, or the temporary use of, the Project Site or Project shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Corporation and the Trustee will cause the net proceeds, after payment of expenses incurred in the collection of the award received by them or either of them from any award made in such eminent domain proceedings, to be paid to and held by the Trustee in a separate trust account, to be applied in one of the following ways as shall be directed in writing by the Board:

(a) the restoration of any affected portion of the Project to substantially the same condition as such existed prior to the exercise of the said power of eminent domain; or

(b) the repair of existing facilities and the acquisition, by construction or otherwise, by the Board of other improvements suitable for the Board's operations on or adjacent to the affected Project Site (which improvements shall be deemed a part of the Project and available for use and occupancy by the Board without the payment of any money other than as provided in the Lease to the same extent as if such eminent domain proceedings had not occurred); provided, that such improvements shall be acquired

by the Board subject to no liens or encumbrances other than Permitted Encumbrances and shall be located on real property owned by the Board and leased under the Ground Lease and shall not be used in any manner which would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code and the regulations promulgated thereto.

The Corporation shall cooperate fully with the Board in the handling and conduct of any prospective or pending condemnation proceeding with respect to the Project or any part thereof and will, to the extent it may lawfully do so, permit the Board to litigate any such proceeding in the name and on behalf of the Corporation. In no event will the Corporation voluntarily settle, or consent to the settlement of, any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Board.

Events of Default. The following shall be Events of Default under the Indenture:

(a) default in the due and punctual payment of the principal of, and premium, if any, of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or otherwise;

(b) default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) default by the Corporation in the performance or observance of any other of the covenants, agreements or conditions on its part in the Indenture or in the Bonds contained, and such default shall have continued for a period of 60 days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the Corporation by the Trustee, or to the Corporation and the Trustee by the Registered Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding;

(d) attachment or taking into custody under any court process of the Trust Estate (including any rental payments due from the Board to the Corporation under the terms of the Lease); or

(e) an Event of Default by the Board under the Lease.

Remedies. The Trustee, in case of the occurrence of an Event of Default specified in the Indenture, may and, upon the written request of the Registered Owners of a majority in principal amount of the Bonds then Outstanding and upon being first secured and/or indemnified, shall, to the extent then permitted by law, exercise any or all of the following remedies:

(a) The Trustee, personally or by its agents or attorneys, may exercise any and all of the rights granted to it by the granting clauses of the Indenture, including particularly the collection of the rental payments under the Lease and all rentals due from the Board or any other lessee of any of the Project to the Corporation and may upon application to any court of competent jurisdiction secure the appointment of a receiver to collect and apply such rentals, and may pay or cause to be paid all reasonable charges, including taxes and assessments levied thereon and operating and maintenance expenses and all disbursements and liabilities of the Trustee under the Indenture and apply the net proceeds arising from the exercise of such rights as follows:

(1) to the payment of all amounts owed as rebate to the United States of America;

(2) to the compensation of the Trustee, its agents, attorneys and counsel, and of all proper expenses, liabilities and advances incurred or made under the Indenture by the Trustee or by any Registered Owner of the Bonds, and of all taxes, assessments or liens superior to the lien of the Indenture;

(3) to the payment of the whole amount then owing or unpaid upon the Bonds for principal and interest, together, if and to the extent permitted by law, with interest at the respective rates borne by the Bonds on overdue principal and interest; and in case such proceeds

shall be insufficient to pay the whole amount so due and unpaid on the Bonds, then to the payment of such principal and interest, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest; and

(4) to the payment of the surplus, if any, to the Board, its successors and assigns, or to whomever may be lawfully entitled to receive the same.

(b) The Trustee may proceed to protect and enforce its rights and the rights of the Registered Owners of the Bonds under the Indenture and the rights of the Corporation under the Ground Lease and under the Lease whether the Ground Lease or the Lease is then in default or not, by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained in the Indenture or in the Lease, or in aid of the execution of any power granted in the Indenture or in the Lease, or in its own name and as trustee of an express trust to recover judgment for the amount of the principal of or interest on any of the Bonds if the same shall have become due, whether in accordance with the terms thereof or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel may deem most effectual to protect and enforce any of the rights or interests under the Bonds and the Indenture, or either of them. All rights of action under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relative thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, and any recovery of judgment shall be for the ratable benefit of the Registered Owners of the Bonds subject to the provisions of the Indenture.

(c) The Trustee is appointed by the Indenture, and the successive respective Registered Owners of the Bonds acquiring ownership of the same, shall be conclusively deemed to have so appointed the Trustee, the true and lawful attorney-in-fact of the respective Registered Owners of the Bonds, with authority to make or file in the respective names of the Registered Owners of the Bonds or on behalf of all Registered Owners of the Bonds as a class, any proof of debt, amendment to proof of debt, petition or other document; to receive payment of all sums becoming distributable on account thereof; to execute any other papers and documents and to do and perform any and all acts and things for and on behalf of Registered Owners of the Bonds as a class, as may be necessary or advisable, in the opinion of the Trustee, in order to have the respective claims of the Registered Owners of the Bonds against the Corporation allowed in any equity receivership, insolvency, liquidation, bankruptcy or other proceedings to which the Corporation shall be a party. The Trustee shall have full power of substitution and delegation in respect of any such powers.

(d) The Trustee may, and shall, by written notice to the Corporation, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding.

Delay or Waiver by Trustee or Registered Owners of the Bonds. No delay or omission of the Trustee or of any Registered Owner of any of the Bonds to exercise any right or power arising from any default on the part of the Corporation shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Trustee or any Registered Owner of the Bonds of any such default, whether such waiver be full or partial shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided in the Indenture. No remedy under the Indenture is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given under the Indenture or otherwise existing.

Rights and Remedies of Registered Owners of the Bonds. No Registered Owner of any of the Bonds shall have any right to institute or prosecute any suit or proceedings at law or in equity for the

appointment of a receiver of the Corporation for the enforcement of any of the provisions of the Indenture or of any remedies thereunder in respect to the Project unless the Trustee, after request and indemnification by the Registered Owners of twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have neglected for 60 days to take such action; provided, however, that the right of any Registered Owner of any Bond to receive payment of the principal thereof, premium, if any, and interest thereon, or any one of them, on or after the respective due dates expressed therein or to institute suit for the enforcement of any such payment shall not be impaired or affected without the consent of such Registered Owner.

Obligation to Pay Principal, Premium, If Any, and Interest Not Affected. Nothing in any provision of the Indenture or in the Bonds shall affect or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Bonds to the respective Registered Owners of the Bonds at their respective dates of maturity or earlier redemption, but solely from the sources provided in the Indenture and at the places in such Bonds expressed.

Supplemental Indentures Not Requiring Consent of Registered Owners of the Bonds. With the consent of the Board expressed by resolution, the Corporation and the Trustee from time to time and at any time, and subject to the conditions and restrictions contained in the Indenture, may enter into a Supplemental Indenture or Supplemental Indentures, which Supplemental Indenture or Supplemental Indentures thereafter shall form a part of the Indenture, for any one or more of all of the following purposes:

(a) to add to the covenants and agreements of the Corporation contained in the Indenture, other covenants and agreements thereafter to be observed (including additional security thereto) or to surrender any right or power reserved to or conferred upon the Corporation in the Indenture;

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in regard to matters or questions arising under the Indenture, as the Corporation may deem necessary or desirable and not inconsistent with the Indenture and which shall not adversely affect the interests of the Registered Owners of the Bonds;

(c) to modify, amend or supplement the Indenture or any Supplemental Indenture in such manner as to permit the qualification of the Indenture and of any indenture supplemental to the Indenture under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or any state Blue Sky law and, if they so determine, to add to the Indenture, or any Supplemental Indenture, any other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute or any state Blue Sky law;

(d) to provide for the issuance of Additional Bonds pursuant to the provisions of the Indenture; and

(e) to comply with the provisions of the Indenture when money and Qualified Permitted Investments sufficient to provide for the retirement of the Bonds shall have been deposited with the Trustee.

Any Supplemental Indenture authorized by the provisions of the Indenture may be executed by the Corporation and the Trustee without the consent of or notice to the Registered Owners of any of the Bonds at the time Outstanding, notwithstanding any of the provisions of the Indenture which address Supplemental Indentures requiring consent of Registered Owners of the Bonds, but the Trustee shall not be obligated to enter into such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

Supplemental Indentures Requiring Consent of Registered Owners of the Bonds. With the consent of the Board expressed by resolution, and the consent (evidenced as provided in the Indenture) of the Registered Owners of not less than a majority in aggregate principal amount of the Bonds at the time

Outstanding, the Corporation and the Trustee may from time to time and at any time enter into a Supplemental Indenture or Supplemental Indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any Supplemental Indenture; provided, however, that no such Supplemental Indenture shall, without the consent of the Registered Owner of each Bond so affected (a) extend the maturity of any Bond or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal thereof, or reduce the amount of premium owed thereon, or reduce the amount or extend the due date of any principal installment established for mandatory redemption, or (b) reduce the aforesaid percentage of Registered Owners of Bonds required to approve any such Supplemental Indenture, or (c) permit the creation of any lien on the Project or deprive the Registered Owners of the Bonds (except as aforesaid) of the lien created by the Indenture upon the Trust Estate. Upon receipt by the Trustee of a Certified Resolution of the Corporation authorizing the execution of any such Supplemental Indenture, and upon the filing with the Trustee of evidence of the requisite consent of Registered Owners of the Bonds, as aforesaid, the Trustee shall join with the Corporation in the execution of such Supplemental Indenture unless such Supplemental Indenture affects the Trustee's own rights, duties or immunities under the Indenture or otherwise, in which case the Trustee may in its discretion, but without obligation, enter into such Supplemental Indenture.

It shall not be necessary for the consent of Registered Owners of the Bonds under the provisions of this subheading to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Corporation and the Trustee of any Supplemental Indenture pursuant to the provisions under this subheading, notice of the substance of such Supplemental Indenture, setting forth the general terms thereof, shall be given by registered or certified mail to each Registered Owner of Bonds then Outstanding. Any failure of the Corporation to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

Supplemental Indenture to Modify the Indenture. Upon the execution of any Supplemental Indenture pursuant to the provisions of the Indenture, the Indenture shall be modified and amended in accordance therewith and the respective rights, duties and obligations of the Corporation, the Trustee and all Registered Owners of Bonds Outstanding thereunder shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modification and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Discharge of Lien. If the Corporation shall pay or cause to be paid to the Registered Owners of the Bonds the principal of, premium, if any, and interest to become due with respect thereto at the times and in the manner stipulated therein and in the Indenture, or if provision satisfactory to the Trustee is made by the Corporation or the Board for such payment under the Lease, and if the Corporation shall keep, perform and observe all and singular the covenants and promises in the Bonds and in the Indenture expressed as to be kept, performed and observed by it or on its part and shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions of the Indenture, then the Indenture and the estate and invested rights granted by the Indenture shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge the lien of the Indenture, and execute and deliver to the Corporation such instruments in writing as shall be requisite to satisfy the lien of the Indenture, and reconvey to the Corporation the estate conveyed by the Indenture, and assign and deliver to the Corporation any property at the time subject to the lien of the Indenture which may then be in its possession except cash held by the Trustee for the payment of interest and premium, if any, on any retirement of the Bonds.

Bonds for the payment or redemption of which sufficient moneys shall have been deposited with the Trustee or other qualified financial institution as provided in the Indenture (whether upon or prior to

the maturity or the redemption date of such Bonds) in trust with irrevocable instructions to apply such funds to such payment or redemption shall be deemed to be paid within the meaning of the Indenture; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or arrangements satisfactory to the Trustee shall have been made for the giving thereof.

Without limiting the generality of the foregoing, provision for the payment of Bonds shall be deemed to have been made upon the delivery to the Trustee or other qualified financial institution as provided in the Indenture in trust with irrevocable instructions to apply the same or the proceeds thereof to such payment of (a) cash in an amount sufficient to make all payments specified above, or (b) Qualified Permitted Investments, maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which, premium, if any, and the interest thereon, when due, is or will be, in the aggregate, sufficient to make all such payments, or (c) any combination of cash and Qualified Permitted Investments.

Notwithstanding anything to the contrary in the Indenture, any amount deposited with the Trustee or other qualified financial institution as provided in the Indenture pursuant to the provisions under this subheading shall not be invested at a Yield in excess of the Yield on the Series 2017A Bonds unless there is first delivered to the Trustee an Opinion of Bond Counsel to the effect that all or a portion of the amount deposited with the Trustee or other qualified financial institution as provided in the Indenture pursuant to the provisions under this subheading may be invested at a Yield in excess of the Yield on the Series 2017A Bonds without adversely affecting the tax-exempt status of interest on the Series 2017A Bonds, and only such amount as will, in the opinion of such Bond Counsel, not so affect the tax-exempt status of interest on the Series 2017A Bonds, may be invested at a Yield in excess of the Yield on the Series 2017A Bonds.

In the event of an advance refunding of Bonds, the Corporation shall cause to be delivered a verification report of an independent nationally recognized certified public accountant. If a forward supply contract is employed in connection with the advance refunding, (a) such verification report shall expressly state the adequacy of the escrow to accomplish the advance refunding relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (b) any applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow agreement, the terms of the escrow agreement shall be controlling.

SUMMARY OF THE LEASE

The following is a brief summary of certain provisions of the Lease. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Lease, copies of which are on file with the Corporation and the Trustee. Capitalized terms used in this summary but not defined herein shall have the meaning ascribed to such terms in the Lease and in this Appendix A.

Prepayment of Rental Payments. In the Lease there is expressly reserved to the Board the right, and the Board is authorized and permitted, at any time it may choose, to prepay its rental payment obligations under the Lease, and the Corporation agrees in the Lease that it shall cause such payments to be paid to the Trustee and applied to the payment of the Series 2017A Bonds as provided in the Indenture provided such prepayments comply with the Indenture and the Code.

Maintenance and Utilities and Operation by Others. All maintenance and repair of the Project and utilities therefor shall be the responsibility of the Board, including electric power, gas, light, water and all other public utility services.

Subject to compliance with the Code and receiving an opinion of Bond Counsel, the Lease provides that Board may lease to others, or may arrange for the operation by others of, the Project or any part or parts thereof to the extent permitted in the Lease and may in any such lease or other arrangement require the lessee or operator to perform all or some maintenance and repair, but no such lease or other arrangement shall have the effect of relieving the Board from such responsibly under the terms of the Lease except to the extent that such maintenance and repair is in fact performed by the lessee or lessees or other operator.

Investments. In order to achieve the maximum economy with respect to the Project, the Corporation agrees in the Lease that it will, at all times practicable, cause moneys held by or for it to remain invested to the extent practical, in investments which are lawful investments for moneys of the Corporation in accordance with and limited to the application of Article IV of the Indenture, which Article IV contains provisions regarding the investment of funds.

Interest on the Series 2017A Bonds to Remain Tax-Exempt. The Board and the Corporation recognize that the initial purchasers and the Registered Owners of the Series 2017A Bonds will have accepted the Series 2017A Bonds in reliance on the fact, and paid therefor a price reflecting, the understanding that interest on the Series 2017A Bonds is not included in gross income of the holders thereof for purposes of federal and State income taxation. Therefore, the parties agree in the Lease that neither will do anything which would in any way cause (a) the interest on the Series 2017A Bonds to be included in gross income of the holders thereof for purposes of federal income taxation and (b) the interest on the Series 2017A Bonds to be included in gross income of the holders thereof for purposes of State income taxation. The Board shall not let or sublet any of the Project or any portion thereof in any manner which would cause the Series 2017A Bonds to be private activity bonds (as such term is used in the Code). No more than ten percent (10%) of any of the Project will be "used" (within the meaning of Section 141 of the Code) directly or indirectly, in a "trade or business" (within the meaning of Section 141 of the Code, and including any activity carried on by any person other than a natural person) carried on by any Person other than a "governmental unit" (within the meaning of Section 141 of the Code, and specifically excluding the United States of America or any agency or instrumentality thereof); the Project will not be "used" for any "private business use" (within the meaning of Section 141 of the Code) which is not related to the "government use" (within the meaning of Section 141 of the Code) of the Project; and no party (other than a "governmental unit") which shall use all or any part of the Project shall make any payments to the Corporation or the Board which are in any way related to the Project if the aggregate of all such payments from all such parties (other than "governmental units") shall in any year equal or exceed ten percent (10%) of principal of or interest on the Series 2017A Bonds payable during such year, unless the Corporation or the Board shall have received an Opinion of Bond Counsel to the effect that receipt of such payments will not adversely affect the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes. The Board will not create any debt service fund, sinking fund or other similar fund that will be reasonably expected to be used to pay principal of or interest on the Series 2017A Bonds or payments pursuant to the Lease; and no funds or accounts of the Board will be pledged to secure the payment of principal of or interest on the Series 2017A Bonds or payments pursuant to the Lease. The Board further covenants and agrees in the Lease that, notwithstanding any provision of the Lease or the rights of the Board thereunder, the Board will not take or permit to be taken on its behalf any action which would impair the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes, and it will take such reasonable action as may be necessary to continue such exclusion.

Arbitrage. Each of the Corporation and the Board represents, warrants, covenants and agrees in the Lease that:

(a) They will neither take any action nor omit to take any action nor make any investment or use of the proceeds from the issue and sale of the Series 2017A Bonds, including amounts treated as proceeds, if any, which will cause the Series 2017A Bonds to be classified as arbitrage bonds within the

meaning of Section 148 of the Code, and any regulations thereunder as such may be applicable to the Series 2017A Bonds, at the time of such action, investment or use.

(b) (1) They shall take all actions necessary in order to comply with the requirements of paragraphs (2) and (3) of Subsection 148(f) in order that the Series 2017A Bonds shall not be treated as arbitrage bonds pursuant to paragraph (1) of Subsection 148(f), including payment of all amounts, if any, required to be paid to the United States of America in accordance with and within the time limits prescribed in Subsection 148(f) and the Subsection 148(f) Regulations, the making of any and all calculations, computations and filings required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations, and the maintenance of all such records as may be required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations.

(2) In order to effectuate the foregoing covenants, (A) prior to delivery of the Series 2017A Bonds, they shall have received written instructions from Bond Counsel with respect to specific actions which will, under Subsection 148(f) and such regulations as may have been promulgated prior to delivery of the Series 2017A Bonds, assure compliance with such covenants; and (B) they shall comply with such instructions until they shall have received from Bond Counsel written advice that continued compliance with such instructions is not necessary in order to avoid adversely affecting the tax-exempt status of the Series 2017A Bonds or alternative written instructions with respect to certain actions which will assure compliance with the covenants set forth above, in which event they shall thereafter comply with all such alternative instructions.

(c) They shall not intentionally use any portion of the proceeds (within the meaning of Subsection 148(a) of the Code and any regulations promulgated pursuant thereto) of the Series 2017A Bonds to acquire higher yielding investments (as defined in Subsection 148(a) of the Code and all regulations promulgated pursuant thereto) or to replace funds which were used directly or indirectly to acquire higher yielding investments, except to the extent specifically permitted pursuant to Section 148 of the Code and any regulations promulgated thereunder.

(d) They shall not purchase or acquire any investment property with proceeds (within the meaning of Section 148 of the Code) of the Series 2017A Bonds in a manner or for a price which would cause the Series 2017A Bonds to be or become arbitrage bonds, within the meaning of Section 148 of the Code and all regulations promulgated thereunder, including, without limitation, to the extent prescribed by applicable regulations, investments (regardless of yield) which do not comply with the provisions of any regulations intended to assure that obligations are acquired at their "fair market value."

(e) The President of the Board and/or the President and Secretary of the Corporation are authorized to execute a "Federal Tax Certificate" in connection with the sale and delivery of the Series 2017A Bonds, setting forth the reasonable expectations with respect to the investment and use of proceeds of the Series 2017A Bonds and also setting forth certain covenants, stipulations and certifications with respect to the investment and expenditures of the proceeds of the Series 2017A Bonds, and they shall comply with all certifications, stipulations and covenants set forth in such certificate. In addition, such officials are authorized to make such elections as are necessary or appropriate under the Code or the Subsection 148(f) Regulations.

(f) There are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States of America, or political subdivision of any of the foregoing, or of the District of Columbia, by or for the benefit of the Board or the Corporation, which (1) were or are to be sold at substantially the same time as the Series 2017A Bonds, (2) were or are to be issued pursuant to the same plan of financing as the financing plan for the Series 2017A Bonds and (3) are payable directly or indirectly by the Board or the Corporation or from substantially the same source from which the Series 2017A Bonds are payable. There are no additional facts or circumstances which may further evidence that the Series 2017A Bonds are part of any other issue of obligations.

(g) No payment of principal of or interest on the Series 2017A Bonds is or will be guaranteed (in whole or in part, directly or indirectly) by the United States of America, or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States of America. None of the proceeds of the Series 2017A Bonds will be: (1) used to make loans, the payment of principal of or interest on which is or will be guaranteed (in whole or in part, directly or indirectly) by the United States of America or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States of America; or (2) invested (directly or indirectly) in any deposit or account which is insured under federal law by the Federal Deposit Insurance Corporation, the National Credit Union Administration or any similar federally chartered corporation other than: (A) the investment of the proceeds of the Series 2017A Bonds for an initial temporary period (within the meaning of subparagraph 3(B) of Subsection 149(b) of the Code) until such proceeds are needed for the purpose for which the Series 2017A Bonds are being issued; (B) investments of a bona fide debt service fund (within the meaning of Subparagraph 3(B) of Subsection 149(b) of the Code); (C) investments of a reserve which meets the requirements of Subsection 148(d) of the Code; (D) investments in bonds issued by the United States Treasury; or (E) other investments permitted under regulations promulgated by the Internal Revenue Service pursuant to Subsection 149(b) of the Code.

(h) Notwithstanding any provision of the Lease or the rights of the Board or the Corporation thereunder, they will not take or permit to be taken on their behalf any action which would impair the exclusion of interest on the Series 2017A Bonds from gross income of the holders thereof for federal income tax purposes, and they will take such reasonable action as may be necessary to continue such exclusion, including, without limitation, the preparation and filing of any statements required to be filed by them in order to maintain such exclusion.

Changes in the Project. So long as the Board is not in default under the Lease, the Corporation shall not make any changes or alterations in or additions to the Project except with the written consent of the Board and upon such terms as may then be agreed. The Board may make or permit others to make improvements or modifications to any of the Project as it determines best serve the interests of the Board. The cost of any alterations, addition or improvement shall be promptly paid or discharged by the party making such so that such Project shall at all times be free of liens for labor and materials supplied thereto. All alterations, additions and improvements to the Project shall be and become a part of the Project Site.

Taxes. It is understood and agreed in the Lease that all taxes and assessments of any type or nature charged to the Corporation, the Board or affecting the Project and the Project Site or the respective interests in or estates therein, or affecting the amount available to the Corporation from payments received under the Lease for the retirement of the Series 2017A Bonds (including charges or encumbrances assessed or levied by any governmental agency, district or corporation having power to levy assessments or taxes) shall upon receipt of invoices therefor be paid by the Board under the Lease as rental payments. Upon Written Request of the Board, the Corporation agrees to take whatever steps are necessary to contest the assessed valuation, the amount of an assessment or tax, or to recover any assessment or tax paid if the Board believes such assessed valuation or tax to be improper or invalid. The Board agrees to reimburse the Corporation for any and all costs incurred by the Corporation in relation thereto.

Eminent Domain. If all or any part of the Project and/or the Project Site shall be taken under the power of eminent domain, the Lease shall continue in full force and effect and shall not be terminated by virtue of such taking, and the parties waive the benefit of a law to the contrary.

Events of Default by Board. The following shall be Events of Default by the Board under the Lease:

(a) the Board shall fail to make any of the rental payments corresponding to debt service on the Series 2017A Bonds when due under the Lease; or

(b) the Board shall fail to make any other of the rental payments under the Lease for a period of 30 days after notice of such failure shall have been given in writing to the Board by the Corporation or by the Trustee; or

(c) the Board shall fail to perform any other covenant in the Lease for a period of 30 days after written notice specifying such default shall have been given to the Board by the Corporation, or the Trustee, provided that if such failure to perform is such that it can be remedied but cannot be remedied within such 30 day period, it shall not be deemed an Event of Default so long as the Board diligently tries to remedy the same; or

(d) the Board's interest in the Lease or any part thereof is assigned or transferred (except to a successor political subdivision), without the written consent of the Corporation, the Trustee , either voluntarily or by operation of law.

Remedies Upon Default by Board. Upon the occurrence of any Event of Default, the Trustee shall have the right and the Corporation, if requested by the Trustee, shall have the right, without further demand or notice, to take any one or more of the following actions:

(a) to exercise any available remedies at law or in equity;

(b) to enter the Project Site during reasonable business hours (and in emergencies at all times), (1) to inspect the same, (2) for any purpose connected with the Corporation's rights or obligations under the Lease and (3) for all other lawful purposes; and

(c) to declare the payment of all amounts owed by the Board under the Lease to be immediately due and payable, including but not limited to the payment of all rental payments thereunder, without further action, anything in the Lease to the contrary notwithstanding.

The foregoing remedies of the Corporation are in addition to and nonexclusive of any other legal or equitable remedy available to the Corporation. The Corporation has assigned under the Indenture all of its rights and privileges under the Ground Lease and the Lease to the Trustee, and, whenever an Event of Default exists, the Trustee may exercise any or all of such rights or privileges as provided herein and in the Indenture. The Board consents in the Lease to such assignment under the terms and provisions set forth in the Indenture.

Events of Default by Corporation. The following shall be Events of Default by the Corporation under the Lease:

(a) the Corporation shall fail to perform its obligations under the section of the Lease which involves receipt of prepayments of rent; or

(b) the Corporation shall fail to perform any of its obligations under the Lease for 30 days, or such additional time as is reasonably required to correct any such default, after having received notice by the Board properly specifying wherein the Corporation has failed to perform any such obligation.

No default by the Corporation shall relieve the Board of its obligations to timely pay the rental payments and other amounts required to be paid by the Board under the Lease, so long as any Series 2017A Bonds remain Outstanding.

Remedies Upon Default by Corporation. The Board may exercise any remedy available at law or in equity to require the Corporation to remedy such default so long as such remedy does not interfere with or endanger the payment of the rental and the payment of all other amounts required by the Corporation to be made to the Trustee.

Interest of Board Not to be Assigned; Permitted Exceptions. Neither the Lease nor any interest of the Board in the Lease shall at any time after the date of the Lease, without (a) the prior written consent of the Trustee, and (b) receipt of an Opinion of Bond Counsel to the effect that such activities will not cause interest on the Series 2017A Bonds to become includable in gross income of the owners thereof

for federal income tax purposes, be mortgaged, pledged, assigned, hypothecated or transferred by the Board by voluntary act or by operation of law or otherwise, whether or not such action constitutes an automatic Event of Default under the Lease, except for transfer to any successor agent or political subdivision of the State. The Board shall at all times remain liable for the performance of all of the covenants and conditions on its part to be performed, notwithstanding any assignment, transfer or subletting which may be made. Any sublease or assignment of the Lease by the Board shall include a provision that it shall terminate when the Lease terminates pursuant thereto.

Board May Grant Easements. The Board shall have the right under the Lease to grant easements which qualify as Permitted Encumbrances across, along, in, under or over any of the Project Site upon filing with the Corporation and the Registered Owners a certificate executed by an Authorized Board Representative showing that the granting of such easement will not interfere with the use of the respective Projects.

Amendments for S.E.C., Blue Sky and Other Limited Purposes. The Board and the Corporation agree in the Lease that if it shall ever become necessary to make any amendment to the Lease or to the Indenture in order to permit the qualification of the Indenture under the Trust Indenture Act of 1939 or the registration of the Series 2017A Bonds with the Securities and Exchange Commission or the sale of the Series 2017A Bonds in accordance with the Blue Sky laws of any state, the Board and the Corporation will agree to such amendments to both the Lease and the Indenture as may be necessary or advisable, in the opinion of independent counsel, to permit such qualification, registration or sale; provided that the Lease may not be altered, modified or amended without the prior written consent of the Trustee as provided in the Indenture.

The parties to the Lease acknowledge and agree therein that following the execution and delivery of the Lease, the Corporation may desire to supplement the definition of Project and Project Site, as well as legal description of the Project Site contained in the Lease for the limited purpose of expanding items constituting the Project and expanding real property descriptions of the Project Site. In such event, the Lease may be so supplemented provided that such Supplemental Lease may be executed and delivered by the parties to the Lease without formal approval and adoption by the Board, but with the giving of notice of such supplementation to the Board, the Trustee.

Termination of Lease. In any event, and notwithstanding any other provisions of the Lease, and regardless of any act or failure to act on the part of any party to the Lease, or the failure of the Board to make any payment contemplated in the Lease, upon the discharge of the Series 2017A Bonds or the defeasance of the lien of the Indenture, whichever shall occur first, the Lease and the term granted thereby shall cease and expire and all rights to the Corporation, or any other person or entity, in and to the Project Site or the Project shall cease, and the Corporation shall cause the Trustee to release any interest which the Trustee may have in the Project Site or the Project from the lien of the Indenture and the same shall become the property of the Board, and title to the same shall vest in the State without further action or demand by the Board, pursuant to the Lease and the Act. Such termination of the right of the Corporation in the Project Site and the Project shall not terminate the right of the Corporation to any rental payments under the Lease which shall remain unpaid.

No Representations or Warranties Regarding Project Site or the Project. The Corporation has not made an inspection of the Project Site or the Project, and the Corporation makes no warranty or representation in the Lease, express or implied or otherwise, with respect to the same or the location, use, description, design, merchantability, environmental condition, fitness for use for any particular purpose, condition or durability thereof, or as to the quality of the material or workmanship therein, or as to the title thereto or ownership thereof or otherwise, it being agreed that all risks incidental thereto are to be borne by the Board. In the event of any defect or deficiency of any nature in the Project Site or the Project, whether patent or latent, the Corporation shall have no responsibility or liability with respect thereto. The provisions under this subheading have been negotiated and are intended to be a complete

exclusion and negation of any warranties by the Corporation, express or arising pursuant to the Uniform Commercial Code of the State or any other law now or hereafter in effect or otherwise.

In any event, and notwithstanding any other provisions of the Lease, and regardless of any act or failure to act on the part of any party hereto, or the failure of the Board to make any payment contemplated herein, on the dates set forth on Exhibit A and Exhibit B of the Lease, the Lease and the term granted thereby shall cease and expire with respect to the Project Site and the Project and all rights to the Corporation, or any other person or entity in and to the Project Site and the Project shall cease, and the Corporation shall cause the Trustee to release any interest which the Trustee may have in the Project Site and the Project, as applicable, from the lien of the Indenture and the same shall become the property of the Board, and title to the same shall vest in the State without further action or demand by the Board, pursuant to the Lease and Section 37-101-71, Mississippi Code of 1972, as amended. Such termination of the right of the Corporation in the Project Site and the Project shall not terminate the right of the Corporation to any rental payments under the Lease which shall remain unpaid.

Board to Perform Its Duties Under the Indenture. In the Lease, the Board agrees to perform all duties required of it under the Indenture, which it has reviewed and approved.

Net Lease. The Lease shall be deemed and construed to be a "net lease" and the Board agrees in the Lease that the payments provided for in the Lease shall be an absolute net return to the Corporation free and clear of any expenses or charges whatsoever, except as otherwise specifically provided in the Lease.

Completion of Payments. All payments to be made to the Trustee under the Lease will be deemed to have been completed upon receipt thereof by the Trustee. All other payments under the Lease will be deemed to have been completed upon receipt by the payee.

APPENDIX B
SELECTED INFORMATION REGARDING
THE BOARD

For a complete copy of the Board's 2016 Audit please visit:

http://www.mississippi.edu/finance/downloads/fiscal_year_2016_ihl_system_a-133_audit_report.p

or contact:

Mississippi State University
Attn: Kevin Edelblute
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Mississippi State, MS 39762
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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Financial Statements with Additional Information
and Reports Required by Uniform Guidance

June 30, 2016

(With Independent Auditors' Reports Thereon)

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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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 years ended June 30, 2016 and 2015, 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 10.4% and 8.7% of total assets and 1.4% of total revenues of the IHL System's business-type activities as of and for the years ended June 30, 2016 and 2015, 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*.

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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 audits opinions.

Opinions

In our opinion, based on our audits 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, 2016 and 2015, 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(d), to the financial statements, the IHL System adopted in fiscal year 2016, Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*. 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 17 and the required supplementary information on pages 143 through 145 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 audits 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 Information

Our audits were conducted for the purpose of forming opinions on the basic financial statements. The 2016 combining supplemental information on pages 135 through 143 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 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 with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the reports of other auditors, 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 21, 2016, 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 System's internal control over financial reporting and compliance.

KPMG LLP

Jackson, Mississippi
December 21, 2016

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Management's Discussion and Analysis (Unaudited)

June 30, 2016 and 2015

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 83,000 students with an employee base of 29,000 individuals. Faculty makes up approximately 6,000 of the total employee count. The system offers over 800 degree programs and awarded approximately 17,000 degrees in academic year 2016.

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.

This report was 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 the fiscal period ending June 30, 2016. The IHL System reports as a special purpose government, engaged solely in business-type activities. This section should be read in conjunction with the financial statements and the notes that follow.

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
MCVS	Mississippi Commission for Volunteer Services – Off-campus entity
IHL System	(Summary of all of the above)

The discussion and analysis below provides an overview of the financial position and activities of the IHL System for the years ended June 30, 2016 and 2015. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes that follow this section.

Financial Highlights

The IHL System recorded an increase in net position of $173.0 million in fiscal year 2016. This increase was primarily the result of an increase in capital assets, net of related debt of $137.5 million and an increase from unrestricted activities of $42.8 million.

	Year ended June 30		
Financial highlights (in millions)	**2014**	**2015**	**2016**
Total operating revenues	$ 2,196	2,383	2,540
Total operating expenses	3,024	3,170	3,412
Operating loss	(828)	(787)	(872)
State appropriations	705	734	753
Gifts	185	192	192
Investment income	35	17	20
Interest expense on capital asset-related debt	(40)	(38)	(39)
Other nonoperating revenues, net and other revenue, expenses, gains and losses	157	139	119
Increase in net position	214	257	173
Net position, beginning of the year	3,447	3,661	2,000
Adjustment to beginning of year net position, related to pension	—	(1,918)	—
Net position, end of year	$ 3,661	2,000	2,173

Operating revenues minus operating expenses typically result in an operating loss in the IHL System's financial statements. Nonoperating items, however, including state support, investment income, and gifts have typically

enabled the IHL System to reflect an increase in the net position, or "equity" each year. This surplus has been reinvested within the IHL System to add a margin of educational excellence, upgrade the IHL System's facilities and provide a prudent reserve for contingencies such as the recent period of economic instability.

At the beginning of fiscal year 2015 the IHL System implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* which impacted the beginning of the year net position for fiscal year 2015 as shown in the table above.

Overview of the Financial Statements

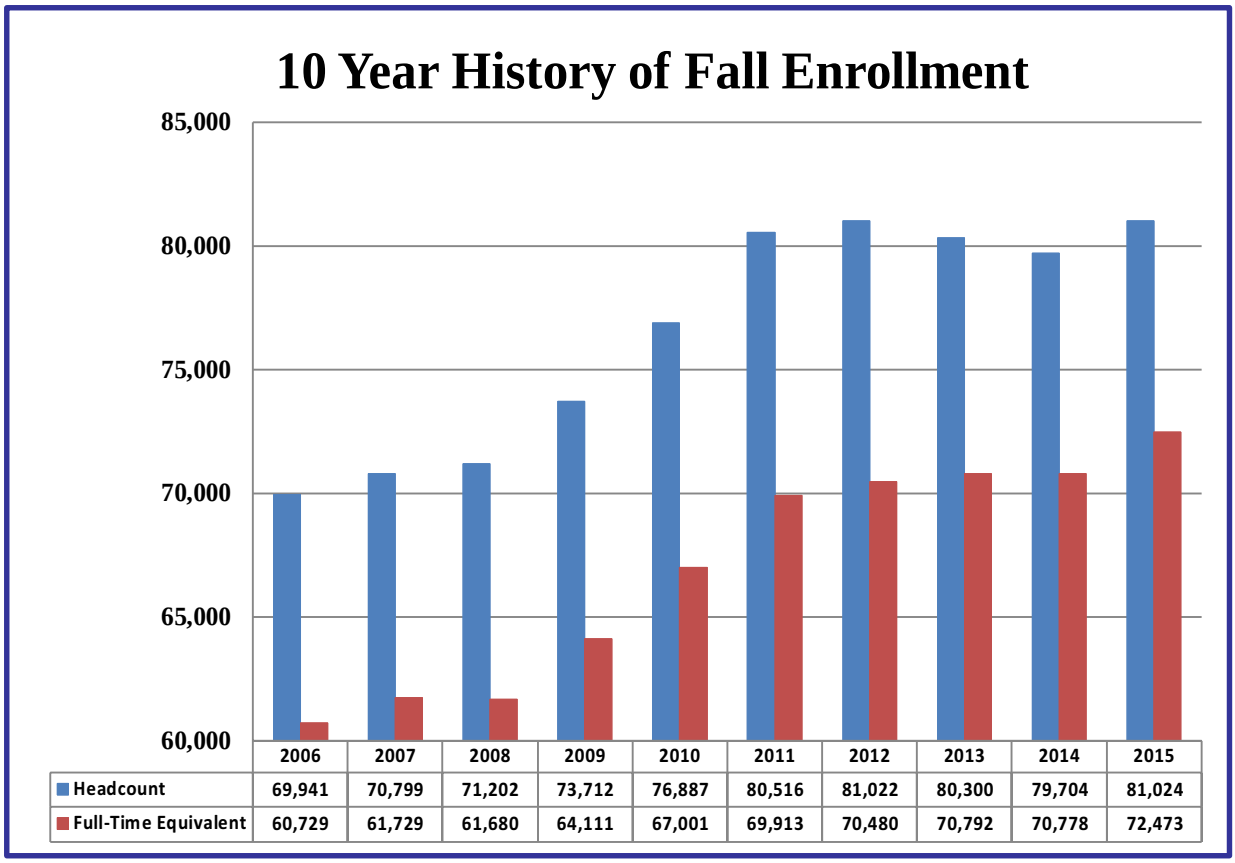
The IHL System's financial report consists of management's discussion and analysis, financial statements including notes, and financial statements of the discrete component units. The statements of IHL System's financial statements are the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows; and the Statement of Financial Position and Statement 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 fiscal years 2016 and 2015 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 IHL System. Over time, increases or decreases in the IHL 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 Statements of Revenues, Expenses and Changes in Net Position presents the operating results of the IHL System, as well as nonoperating revenues and expenses for the years ended June 30, 2016 and 2015. 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 21.8% and 21.1% of total IHL System net revenues for fiscal years 2016 and 2015, respectively, are classified as 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.

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



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Headcount	69,941	70,799	71,202	73,712	76,887	80,516	81,022	80,300	79,704	81,024
Full-Time Equivalent	60,729	61,729	61,680	64,111	67,001	69,913	70,480	70,792	70,778	72,473

Statements of Net Position

The Statements of Net Position presents the financial position as of the end of the fiscal year and includes all assets, liabilities, deferred outflows, and deferred inflows of the IHL System. Cash and investments are generally reported at fair values. Capital assets are reported at historical cost less an allowance for depreciation. The difference between total assets and deferred outflows, and total liabilities and deferred inflows (net position) is one indicator of the current financial condition, while the change in net position is an indicator of whether the overall financial condition has improved or worsened during the current year. From the data presented, readers of the Statements of Net Position are able to determine the assets available to continue the operations of the entity, and how much is owed to vendors, investors, and lending institutions. Finally, the Statements of Net Position provides a picture of the net position and its availability for expenditure.

Net position is classified into components as follows:

- Net investment in capital assets represents the investment in property, plant, and equipment less any related debt used to acquire those assets.

- Restricted nonexpendable net position consists of the IHL System's permanent endowment funds.
- Restricted expendable net position is available for expenditure, but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets.
- Unrestricted net position is available for any lawful purpose of the IHL System.

Summary of Net Position (Condensed)

	June 30, 2014	June 30, 2015	June 30, 2016	Changes between years 2014 to 2015	Changes between years 2015 to 2016
Assets:					
Current assets	$ 974,057,443	1,053,012,269	1,146,356,658	8.1%	8.9%
Capital assets, net	3,365,143,782	3,585,173,759	3,874,246,454	6.5	8.1
Other assets	933,839,731	1,029,524,355	986,908,174	10.2	(4.1)
Deferred outflows	7,376,186	225,965,134	502,780,121	2,963.4	122.5
Total assets and deferred outflows of resources	$ 5,280,417,142	5,893,675,517	6,510,291,407	11.6%	10.5%
Liabilities:					
Current liabilities	$ 377,176,409	422,190,072	438,008,672	11.9%	3.7%
Noncurrent liabilities	1,242,602,630	3,203,453,481	3,831,860,414	157.8	19.6
Deferred inflows	—	268,176,489	67,548,820	N/A	(74.8)
Total liabilities and deferred inflows of resources	$ 1,619,779,039	3,893,820,042	4,337,417,906	140.4%	11.4%
Net position (deficit):					
Investment in capital assets, net of debt	$ 2,407,243,458	2,540,285,905	2,677,754,149	5.5%	5.4%
Restricted – nonexpendable	148,234,932	154,688,626	153,991,341	4.4	(0.5)
Restricted – expendable	267,633,090	269,676,999	263,152,959	0.8	(2.4)
Unrestricted	837,526,623	(964,796,055)	(922,024,948)	(215.2)	4.4
Total net position	$ 3,660,638,103	1,999,855,475	2,172,873,501	(45.4)%	8.7%

At June 30, 2016, 2015, and 2014 current assets totaled $1.15 billion, $1.05 billion and $974.1 million, respectively, and consisted primarily of cash and cash equivalents, short-term and net receivables. Current assets increased 8.9% ($93.3 million) and 8.1% ($79.0 million) from June 30, 2015 to 2016 and June 30, 2014 to 2015, respectively. Cash and cash equivalents, and short-term investments constituted approximately 59.5% and 60.1% of current assets as of June 30, 2016 and 2015, respectively, while net receivables constituted approximately 32.7% and 32.2% of current assets as of June 30, 2016 and 2015, respectively. Approximately 33.5% and 38.8% of these net receivable are amounts due from gifts, contracts and grants and the State of Mississippi for appropriations as of June 30, 2016 and 2015, respectively, while 38.7% (2016) and 34.4% (2015) were related to patient care receivables from UMMC. The remaining receivables were primarily owed from students for tuition, room and board charges. Student owed accounts receivables approximated $100.2 million and $93.6 million at June 30, 2016 and 2015, respectively.

At June 30, 2016 and 2015, noncurrent assets totaled $4.9 billion and $4.6 billion, respectively, which included capital assets of $3.9 billion (2016) and $3.6 billion (2015), respectively. Noncurrent cash and investments that are restricted externally by endowment arrangements or specific grant and contract arrangements and unspent bond proceeds approximated $201.2 million and $271.5 million at June 30, 2016 and 2015, respectively. One other significant noncurrent asset of the IHL System was student notes receivable which equaled $100.0 million and $98.8 million at June 30, 2016 and 2015, respectively. In total, noncurrent assets increased 5.3% ($246.5 million) during the past twelve months. The majority of this increase has been seen in the accumulation of net capital assets of $289.1 million since 2015 (8.1%). Specifically, the IHL System's inventory of buildings has increased in pre-depreciation value by a total of $231.0 million since June 30, 2015. 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.

At June 30, 2016 and 2015, current liabilities equaled $438.0 million and $422.2 million, respectively, and consisted primarily of accounts payable and accrued liabilities, and unearned revenues. Unearned revenues include advance receipts for athletic ticket sales, summer tuition, fees, and student housing. Current liabilities increased 3.7% ($15.8 million) from June 30, 2015 to 2016 and 11.9% ($45.0 million) from June 30, 2014 to 2015, respectively. In more detail, significant increases were incurred in the areas of unearned revenues ($10.6 million) and accounts payable and accrued liabilities ($8.3 million).

Noncurrent liabilities are those liabilities due and payable more than twelve months from year-end. Noncurrent liabilities equaled $3.8 billion and $3.2 billion at June 30, 2016 and 2015, respectively. These liabilities have increased 19.6% (or $628.4 million) since June 30, 2015. The principal reason for this increase was the change in the IHL System's proportionate share of the collective net pension liability reported by PERS, from $1.9 billion to $2.4 billion as of June 30, 2015 and 2016 respectively.

Deferred outflows of resources increased in 2016 while deferred inflows of resources decreased in 2016, primarily due to the impact of net pension liabilities. The IHL System recorded $477.1 million and $215.3 million of pension-related deferred outflows at the end of fiscal year 2016 and 2015, primarily representing the deferral of pension contributions paid during the year for the IHL System's participation in the cost-sharing, defined benefit pension plan administered by PERS. In addition, $65.4 million and $268.2 million of pension-related deferred inflows at June 30, 2016 and 2015, respectively, were recorded related to the IHL System's proportionate share of collective deferred inflows reported by PERS. These deferred inflow amounts represent the difference between projected and actual investment earnings on pension plan assets during the measurement period.

Restricted nonexpendable net position equaled $154.0 million and $154.7 million at June 30, 2016 and 2015, 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 value of this net position has decreased 0.5%, or $697 thousand from June 30, 2015 to 2016 and increased 4.4%, or $6.5 million, from June 30, 2014 from 2015.

Restricted expendable net position equaled $263.2 million and $269.7 million at June 30, 2016 and 2015, 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. The value of this net position has decreased 2.4%, or $6.5 million, from June 30, 2015 to 2016 and has increased 0.8%, or $2.0 million, from June 30, 2014 to 2015.

Unrestricted net position (deficit) equaled ($922.0) million and ($964.8) million at June 30, 2016 and 2015 respectively, and represents those assets that are available to the IHL System for any lawful purpose. The value of unrestricted net position has increased 4.4%, or $42.8 million from June 30, 2015 to 2016 and decreased 215.2%, or $1.8 billion, from June 30, 2014 to 2015. The change from 2014 to 2015 was primarily the result of the implementation of GASB 68, under which IHL recognized a liability for its net pension obligation.

Statements of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. Operating revenues are earned by providing goods and services to various customers and constituencies. Operating expenses are incurred to acquire or produce the goods and services and to carry out the mission of the IHL System. Nonoperating revenues are revenues received for which goods and services are generally not provided. A public university's dependence on state aid and gifts usually results in operating deficits because state appropriations and gifts are classified as nonoperating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which spreads the cost of an asset over its expected useful life.

Changes in total net position as presented on the Statements of Net Position are based on the activity presented in the Statements of Revenues, Expenses and Changes in Net Position. The purpose of the statements is to present the revenues earned, both operating and nonoperating, and the expenses incurred, operating and nonoperating, and any other revenues, expenses, gains and losses received or incurred by the IHL System.

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

	Years ended June 30			Changes between years	
	2014	2015	2016	2014 to 2015	2015 to 2016
Operating revenues	$ 2,195,909,024	2,383,402,942	2,539,686,979	8.5%	6.6%
Operating expenses	3,024,325,919	3,170,312,715	3,411,932,544	4.8	7.6
Operating loss	(828,416,895)	(786,909,773)	(872,245,565)	5.0	10.8
Nonoperating revenues	892,915,789	903,061,849	917,290,331	1.1	1.6
Income before other revenues, expenses, gains or losses	64,498,894	116,152,076	45,044,766	80.1	(61.2)
Other revenues, expenses, gains or losses	148,948,253	141,195,944	127,973,260	(5.2)	(9.4)
Change in net position	213,447,147	257,348,020	173,018,026	20.6	(32.8)
Net position, beginning of the year	3,447,190,956	3,660,638,103	1,999,855,475	6.2	(45.4)
Adjustment to beginning of year net position, related to pension	—	(1,918,130,648)	—	(100.0)	(100.0)
Net position, end of the year	$ 3,660,638,103	1,999,855,475	2,172,873,501	(45.4)%	8.7%

Operating Revenues

Operating revenues for the IHL System equaled $2.5 billion and $2.4 billion for fiscal years 2016 and 2015, respectively. Operating revenues increased 8.5% (or $187.5 million) during 2015, and an additional 6.6% (or $156.3 million) during 2016. Major components of operating revenues are the UMMC patient care revenues (42.8% in 2016 and 43.8% in 2015), net tuition and fees (22.7% in 2016 and 22.8% in 2015), grants and contracts revenues (15.6% in 2016 and 15.7% in 2015), and sales and service revenues from auxiliary activities (11.5% in 2016 and 11.2% in 2015). The following table summarizes the IHL System's operating revenues for the past three fiscal years.

Operating Revenues

	Years ended June 30			Changes between years	
	2014	2015	2016	2014 to 2015	2015 to 2016
Tuition and fees, net	$ 522,260,357	542,656,869	577,003,159	3.9%	6.3%
Grants and contracts	392,168,251	373,604,583	396,811,348	(4.7)	6.2
Federal appropriations	14,844,867	18,137,773	18,796,056	22.2	3.6
Sales and services of educational departments	56,431,090	62,286,138	62,918,323	10.4	1.0
Auxiliary enterprises, net	223,802,128	267,235,962	293,171,765	19.4	9.7
Patient care revenues	911,051,960	1,043,115,837	1,086,205,305	14.5	4.1
Other	75,350,371	76,365,780	104,781,023	1.3	37.2
Total operating revenues	$ 2,195,909,024	2,383,402,942	2,539,686,979	8.5%	6.6%

Net tuition and fee revenues increased 6.3% ($34.3 million) and 3.9% ($20.4 million) during fiscal year 2016 and 2015, respectively. All IHL institutions raised their in-state tuition rates during 2016 (average increase of 5.3%). At institutions where non-resident surcharges exist, non-Mississippi residents also paid a higher tuition rate during 2016 (average increase of 4.1%). These rate increases, coupled with the positive enrollment growth across the IHL System, resulted in an increase in tuition and fees, net.

Grants and contracts revenue increased 6.2% ($23.2 million) during fiscal year 2016 and decreased 4.7% ($18.6 million), during fiscal year 2015, due to temporary decreases and timing differences in both federal and state funding of student aid, research, and other various grants and contracts.

Patient care revenues at the UMMC reached $1.1 billion and $1.0 billion in 2016 and 2015, respectively, an increase of $43.1 million, or 4.1% during 2016 and $132.1 million, or 14.5% during 2015. This increase was primarily due to increases in patient volume coupled with reimbursement increases from both commercial and governmental payers.

Operating Expenses

Operating expenses for the IHL System totaled $3.4 billion for fiscal year 2016 compared to $3.2 billion in 2015. Operating expenses increased 4.8% ($146.0 million) during 2015, and an additional 7.6% ($241.6 million) during 2016. Personnel costs (including fringe benefits) were the largest expense component for the IHL System, representing 62.6% of the total in 2016 and 60.8% in 2015. Other major components include contractual services (13.1% in 2016 and 13.8% in 2015), commodities (11.1% during 2016 and 11.3% during 2015), and scholarships and fellowships (5.1% during 2016 and 5.4% during 2015). The following table summarizes the IHL System's operating expenses (by major object category) for the past three fiscal years.

Operating Expenses

	Years ended June 30			Changes between years	
	2014	2015	2016	2014 to 2015	2015 to 2016
By major object category:					
Salaries and wages	$ 1,429,959,275	1,497,866,174	1,579,864,383	4.7%	5.5%
Fringe benefits	425,618,510	428,716,134	554,689,495	0.7	29.4
Travel	51,640,068	55,054,593	57,412,800	6.6	4.3
Contractual services	415,099,771	436,197,011	445,904,691	5.1	2.2
Utilities	68,502,720	70,422,300	64,855,950	2.8	(7.9)
Scholarships and fellowships	165,892,482	172,663,055	174,677,726	4.1	1.2
Commodities	320,243,536	357,505,798	377,571,345	11.6	5.6
Depreciation	142,683,785	144,509,434	147,049,697	1.3	1.8
Other	4,685,772	7,378,216	9,906,457	57.5	34.3
Total operating expenses	$ 3,024,325,919	3,170,312,715	3,411,932,544	4.8%	7.6%

IHL personnel costs (salaries, wages and fringe benefits) increased 10.8% ($208.0 million) during 2016 and 3.8% ($71.0 million) during 2015. Several of the IHL System's institutions incorporated general market adjustments or benchmark raises for their faculty and staff during 2016 and 2015, while most also authorized pay increases for promotion-in-rank or additional position responsibilities. The range of these pay raises varied from institution to institution. UMMC ($107.4 million), MSU ($47.1 million) and UM ($24.6 million) had the largest expense increase in this category, while the other institutions had smaller increases. Contractual services increased 2.2% ($9.7 million) and 5.1% ($21.1 million), respectively, during 2016 and 2015 along with the cost for commodities (5.6% or $20.1 million) and (11.6% or $37.3 million). Scholarships and fellowships expenses increased 1.2% ($2.0 million) and increased 4.1% ($6.8 million), respectively, during 2016 and 2015.

As an alternative presentation model, the IHL System's last three fiscal years of operating expenses are shown below by major functional classification. 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

	Years ended June 30			Change between years	
	2014	**2015**	**2016**	**2014 to 2015**	**2015 to 2016**
By function:					
Instruction	$ 631,249,609	654,528,578	693,173,858	3.7%	5.9%
Research	278,903,582	284,458,084	326,037,408	2.0	14.6
Public service	146,573,492	153,656,800	164,910,728	4.8	7.3
Academic support	160,146,653	149,199,452	152,034,846	(6.8)	1.9
Student services	78,690,497	80,026,357	85,584,099	1.7	6.9
Institutional support	295,997,825	307,448,142	331,452,856	3.9	7.8
Operations and maintenance of plant	174,947,260	169,070,680	176,865,669	(3.4)	4.6
Student aid	171,370,216	187,965,581	179,806,532	9.7	(4.3)
Auxiliary enterprises	227,218,770	244,931,668	254,007,583	7.8	3.7
Depreciation	134,232,885	144,505,081	147,044,210	7.7	1.8
Hospital	794,691,055	870,216,690	981,069,973	9.5	12.7
Other	1,132,401	1,120,042	512,453	(1.1)	(54.2)
Eliminations	(70,828,326)	(76,814,440)	(80,567,761)	8.5	4.9
Total operating expenses	$ 3,024,325,919	3,170,312,715	3,411,932,454	4.8%	7.6%

Funding for the Instruction function continues to be one of the IHL System's highest priorities. Approximately 20.3% and 20.6% of the IHL System's expenses were devoted to the Instruction function in 2016 and 2015, respectively. Institutional research (internal and external) and public service costs continue to command one of the IHL System's primary cost missions. While increasing from 2014 to 2015 and 2015 to 2016, these costs represent approximately 14.4%, 13.8% and 14.1% of the IHL System's total focus during 2016, 2015 and 2014, respectively. Research and public service sector expenses increased approximately 14.6% ($41.6 million) and 7.3% ($11.3 million), and 2.0% ($5.6 million) and 4.8% ($7.1 million) respectively, during 2016 and 2015. Institutional support costs typically present the functions of the executive management department, general administration, logistical support services, computing, public relations and development. These costs increased 7.8% ($24.0 million) and 3.9% ($11.5 million), respectively, in 2016 and 2015. Auxiliary enterprise costs include all expenses 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 expenses increased 3.7% ($9.1 million) and 7.8% ($17.7 million), respectively, in fiscal year 2016 and 2015. Student Aid expenses decreased in 2016 by 4.3% ($8.2 million) and increased in 2015 by 9.7% ($16.6 million). Finally, hospital expenses increased 12.7% (or $110.9 million) and 9.5% (or $75.5 million) in 2016 and 2015, respectively, as a result of increased patient treatment costs.

From fiscal year 2014 through 2016, 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.

Capital Asset and Debt Administration

At June 30, 2016, 2015, and 2014, the IHL System had approximately $3.9 billion, $3.6 billion, and $3.4 billion, respectively, invested in a broad range of capital assets. These assets comprise land, construction in progress, livestock, 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 past three fiscal years.

Capital Asset Summary

	Years ended June 30			Changes between years	
	2014	2015	2016	2014 to 2015	2015 to 2016
Capital assets not being depreciated	$ 583,819,747	635,416,441	757,855,667	8.8%	19.3%
Depreciable capital assets:					
Improvements other than buildings	312,650,876	337,478,533	348,304,115	7.9	3.2
Buildings	3,072,899,167	3,294,288,590	3,525,200,839	7.2	7.0
Equipment	764,548,649	798,437,702	831,648,844	4.4	4.2
Library books	377,501,528	390,159,181	402,635,256	3.4	3.2
Total depreciable capital assets	4,527,600,220	4,820,364,006	5,107,789,054	6.5	6.0
Total cost of capital assets	5,111,419,967	5,455,780,447	5,865,644,721	6.7	7.5
Less accumulated depreciation	(1,746,276,185)	(1,870,606,688)	(1,991,398,267)	7.1	6.5
Capital assets, net	$ 3,365,143,782	3,585,173,759	3,874,246,454	6.5%	8.1%

Nondepreciable capital assets equaled $757.9 million, $635.4 million, and $583.8 million at June 30, 2016, 2015 and 2014, respectively. These assets principally consisted of land and construction in progress. The $122.5 million increase during fiscal year 2016 was due to capitalized facility projects that were "in progress" at June 30, 2015, but have now been completed and transferred to the depreciable buildings category.

At June 30, 2016, 2015 and 2014, the IHL System had $1.2 billion, $1.2 billion, and $1.1 billion, respectively, in bonded debt, notes payable and capital lease obligations. This represented a 6.6% or $76.2 million increase over the prior year-end. The following table summarizes the IHL System's long-term debt for the past three fiscal years.

Long-term Debt Summary

	Year ended June 30			Change between years	
	2014	2015	2016	2014 to 2015	2015 to 2016
Bonds payable	$ 1,002,490,180	1,072,022,814	1,121,486,870	6.9%	4.6%
Notes payable	17,154,730	16,203,322	10,819,307	(5.5)	(33.2)
Capital lease obligations	33,441,079	71,692,377	103,790,787	114.4	44.8
Total long-term debt	$ 1,053,085,989	1,159,918,513	1,236,096,964	10.1%	6.6%

Bonded debt increased during 2016 and 2015 by 4.6% or $49.5 million and 6.9% or $69.5 million, respectively. While MVSU, ASU and USM issued approximately $17.3 million, $48.5 million and $70.8 million, respectively, in new bond refundings during fiscal year 2016, UM issued approximately $87.4 million in new bond funding for construction, equipping and landscaping of additional student residential housing facilities, expansion and related infrastructure improvements to Vaught-Hemingway Stadium and to refund and advance refund certain bond issues. In addition, during fiscal year 2016, UM entered into two new long term lease obligation for the use of an athletic parking facility and the construction of an arena. UM's total lease obligations were valued at $85.8 million and $52.8 million at June 30, 2016 and 2015, respectively.

Designated Revenues

Bond indentures previously issued, and those that may be issued in the future by the institution's Educational Building Corporations (EBC) are payable from designated revenues. The IHL Board covenants under terms of its various bond agreements that if designated revenues are insufficient to satisfy the IHL Board's obligations, the IHL Board will provide amounts from any other legally available source and will then allocate the same to cure the insufficiency. The following table provides a history of all designated revenues available to the IHL Board from fiscal years 2012 through 2016.

Designated Revenues[1] and Unrestricted Net Positions (excludes UMMC, Board Office, and MCVS)

	Years ended June 30				
	2012	2013	2014	2015	2016
Tuition, net [2]	$ 439,336,345	464,921,581	497,711,625	517,336,376	551,020,691
Sales and services	52,522,768	51,337,588	54,768,559	60,542,705	60,958,994
Auxiliary enterprises, net [2]	189,955,384	203,844,601	217,788,943	259,607,634	286,985,729
Other [3]	37,940,875	44,073,191	48,967,419	49,471,340	55,903,573
Sub-total	719,755,372	764,176,961	819,236,546	886,958,055	954,868,987
State appropriations	455,130,385	450,229,385	469,870,373	495,091,965	513,470,169
Unrestricted net positions	492,533,738	499,501,535	542,761,292	(471,538,432)	(423,613,421)
Total	$ 1,667,419,495	1,713,907,881	1,831,868,211	910,511,588	1,044,725,735

[1] Designated Revenues represent all unrestricted revenues of the IHL System (excluding the member Universities indicated above) which include without limitation, net tuition and auxiliary fees, sales and services, other operating revenue, state appropriations and unrestricted net position balances.

[2] Tuition and auxiliary enterprise revenues are net of scholarship allowances in the form of reduced tuition, room and board.

[3] Other designated revenues includes federal appropriations, other operating revenues, and interest earned on loans to students.

Economic Outlook

The IHL System began the 2016 fiscal year with an anticipated systemwide operating budget increase of $328 million. This increase was funded primarily by a mixture of tuition revenues, auxiliary revenues, external restricted gifts and grants, but also in large part by newly anticipated hospital revenues to be generated from daily census improvements and more robust patient fee and charge processes. The actual net surplus for 2016 was $173.0 million, (see the SRECNP summary table on page 10 of management discussion and analysis). In reality, while the anticipated tuition and auxiliary revenue gains did actually materialize, external funding fell short of budgeted expectations. For fiscal year 2017, general education funding from the State of Mississippi will decrease 3.46% ($26.9 million). Approximately $11 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 continue to rely 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 $44.3 million in new tuition revenue during 2017 due to a mixture of enrollment growth and general rate increases. In 2017 state appropriated revenues will comprise approximately 31.8% of the total E&G budget, while self-generated tuition revenues will equal 63.3% of the total revenues. In comparison, in fiscal year 2010, state appropriations represented 42% of revenues, while tuition revenue equaled 48% of the total.

The IHL System maintains high credit ratings from Moody's (Aa2), Fitch (AA) and Standard & Poor's (AA-). Achieving and maintaining these high credit ratings provide the IHL System 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.

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 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.

This financial report is designed to provide a general overview of the finances of the IHL System. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Trustees
Accounting Department
3825 Ridgewood Road
Jackson, MS 39211

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BASIC FINANCIAL STATEMENTS

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Net Position

June 30, 2016 and 2015

Assets and Deferred Outflows	2016	2015
Current assets:		
Cash and cash equivalents	$ 461,021,888	446,042,478
Short-term investments	220,559,840	186,491,269
Accounts receivable, net	374,690,496	338,790,163
Student notes receivable, net	15,766,208	15,840,809
Inventories	32,210,811	30,070,181
Prepaid expenses	33,075,731	35,262,369
Other current assets	9,031,684	515,000
Total current assets	1,146,356,658	1,053,012,269
Noncurrent assets:		
Restricted cash and cash equivalents	185,490,081	255,587,979
Restricted short-term investments	15,721,437	15,871,528
Endowment investments	247,325,616	265,444,560
Other long-term investments	433,633,373	388,391,821
Student notes receivable, net	100,046,680	98,815,378
Capital assets, net	3,874,246,454	3,585,173,759
Other noncurrent assets	4,690,987	5,413,089
Total noncurrent assets	4,861,154,628	4,614,698,114
Total assets	6,007,511,286	5,667,710,383
Deferred outflows of resources:		
Deferred loss on refunding of debt	25,673,108	10,660,581
Pension related deferred outflows	477,107,013	215,304,553
Total assets and deferred outflows of resources	$ 6,510,291,407	5,893,675,517
Liabilities, Deferred Inflows and Net Position		
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	$ 214,690,067	206,430,857
Unearned revenues	125,018,901	114,419,688
Accrued leave liabilities-current portion	11,014,419	10,968,937
Long-term liabilities-current portion	60,489,446	52,386,405
Other current liabilities	26,795,839	37,984,185
Total current liabilities	438,008,672	422,190,072
Noncurrent liabilities:		
Net pension liability	2,402,927,178	1,850,037,000
Deposits refundable	1,035,215	958,228
Accrued leave liabilities	117,295,773	110,474,922
Long-term liabilities	1,223,380,976	1,153,069,741
Other long-term liabilities	87,221,272	88,913,590
Total noncurrent liabilities	3,831,860,414	3,203,453,481
Total liabilities	4,269,869,086	3,625,643,553
Deferred inflows of resources:		
Deferred amount of refundings	2,129,565	—
Pension related deferred inflows	65,419,255	268,176,489
Total liabilities and deferred inflows of resources	$ 4,337,417,906	3,893,820,042
Net position:		
Net investment in capital assets	$ 2,677,754,149	2,540,285,905
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	20,528,512	22,037,216
Research	4,344,755	4,955,842
Other purposes	129,118,074	127,695,568
Expendable:		
Scholarships and fellowships	57,800,948	61,315,143
Research	55,119,008	54,469,530
Capital projects	7,562,835	9,739,452
Debt service	19,335,218	14,523,683
Loans	36,507,069	33,507,981
Other purposes	86,827,881	96,121,210
Unrestricted	(922,024,948)	(964,796,055)
Total net position	$ 2,172,873,501	1,999,855,475

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, 2016 and 2015

Assets		**2016**	**2015**
Cash and cash equivalents	$	2,604,925	4,079,094
Restricted cash		5,695,276	5,688,326
Accrued interest, other receivables and prepaid assets		261,465	179,206
Receivable from MSU Alumni Foundation		—	225,844
Receivable from MSU Alumni Association		122,545	139,586
Pledges receivable, net		38,418,418	35,432,295
Investments		410,573,276	433,875,820
Present value of amounts due from externally managed trusts		46,924,276	40,230,993
Land, buildings, and equipment, net		8,968,555	9,335,303
Total assets	$	513,568,736	529,186,467
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued liabilities	$	1,537,647	3,358,390
Agency payable		5,695,276	5,688,326
Liabilities under split interest agreements		4,865,825	4,794,949
Payable to Mississippi State University		31,716	93,407
Total liabilities		12,130,464	13,935,072
Net assets:			
Unrestricted:			
Net assets attributable to the Foundation		37,520,770	40,627,525
Net assets attributable to noncontrolling interest		42,419,717	59,352,202
Total unrestricted net assets		79,940,487	99,979,727
Temporarily restricted		81,381,257	99,907,112
Permanently restricted		340,116,528	315,364,556
Total net assets		501,438,272	515,251,395
Total liabilities and net assets	$	513,568,736	529,186,467

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, 2016 and 2015

Assets		**2016**	**2015**
Cash and cash equivalents	$	8,728,828	7,730,829
Pledges receivable, net		51,542,933	31,607,327
Investments		396,683,891	402,030,176
Beneficial interest in remainder trust		7,450,869	1,066,611
Property and equipment, net		2,542,793	2,778,494
Other assets		1,290,526	1,317,964
Total assets	$	468,239,840	446,531,401
Liabilities and Net Assets			
Liabilities:			
Funds held for others	$	22,056,528	23,360,075
Liabilities under remainder trusts		5,574,469	7,265,250
Other liabilities		7,558,472	5,385,420
Total liabilities		35,189,469	36,010,745
Net assets:			
Unrestricted		16,348,947	17,186,241
Temporarily restricted		193,482,320	183,044,292
Permanently restricted		223,219,104	210,290,123
Total net assets		433,050,371	410,520,656
Total liabilities and net assets	$	468,239,840	446,531,401

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, 2016 and 2015

Assets		**2016**	**2015**
Cash and cash equivalents	$	1,085,377	1,014,651
Accrued interest		129,284	116,679
Prepaid assets and other receivables		1,002,168	244,369
Pledges receivable, net		8,224,516	12,052,041
Investments		96,668,501	97,824,663
Present value of amounts due from externally managed trusts		4,883,516	817,080
Net investment in direct financing lease		479,945	634,855
Property and equipment, net		38,183	69,485
Total assets	$	112,511,490	112,773,823
Liabilities and Net Assets			
Liabilities:			
Accounts payable	$	371,992	758,795
Gift annuities payable		286,181	305,330
Total liabilities		658,173	1,064,125
Net assets:			
Unrestricted		6,024,035	5,392,868
Temporarily restricted		33,689,732	42,722,252
Permanently restricted		72,139,550	63,594,578
Total net assets		111,853,317	111,709,698
Total liabilities and net assets	$	112,511,490	112,773,823

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, 2016 and 2015

	2016	2015
Operating revenues:		
Tuition and fees:	$ 854,116,172	792,052,231
Less scholarship allowances	(273,364,654)	(246,618,987)
Less bad debt expense	(3,748,359)	(2,776,375)
Net tuition and fees	577,003,159	542,656,869
Federal appropriations	18,796,056	18,137,773
Federal grants and contracts	266,745,196	246,879,020
State grants and contracts	46,079,949	43,893,140
Nongovernmental grants and contracts	83,986,203	82,832,423
Sales and services of educational departments	62,918,323	62,286,138
Auxiliary enterprises:		
Student housing	101,154,917	96,258,418
Food services	31,608,552	30,739,982
Bookstore	6,851,820	6,681,243
Athletics	143,620,060	123,263,529
Other auxiliary revenues	41,264,838	40,325,102
Less auxiliary enterprise scholarship allowances	(31,328,422)	(30,032,312)
Interest earned on loans to students	979,296	916,692
Patient care revenues, net	1,086,205,305	1,043,115,837
Other operating revenues, net	103,801,727	75,449,088
Total operating revenues	2,539,686,979	2,383,402,942
Operating expenses:		
Salaries and wages	1,579,864,383	1,497,866,174
Fringe benefits	554,689,495	428,716,134
Travel	57,412,800	55,054,593
Contractual services	445,904,691	436,197,011
Utilities	64,855,950	70,422,300
Scholarships and fellowships	174,677,726	172,663,055
Commodities	377,571,345	357,505,798
Depreciation	147,049,697	144,509,434
Other operating expenses	9,906,457	7,378,216
Total operating expenses	3,411,932,544	3,170,312,715
Operating loss	(872,245,565)	(786,909,773)
Nonoperating revenues (expenses):		
State appropriations	753,163,410	733,559,405
Gifts and grants	192,072,708	192,190,103
Investment income	19,600,414	17,242,233
Interest expense on capital asset-related debt	(38,740,301)	(37,924,727)
Other nonoperating revenues	2,610,632	1,691,632
Other nonoperating expenses	(11,416,532)	(3,696,797)
Total nonoperating revenues, net	917,290,331	903,061,849
Income before other revenues, expenses, gains and losses	45,044,766	116,152,076
Other revenues, expenses, gains and losses:		
Capital grants and gifts	43,588,266	62,015,792
State appropriations restricted for capital purposes	82,307,425	75,648,301
Additions to permanent endowments	1,656,306	1,826,722
Other additions	6,466,314	8,232,970
Other deletions	(6,045,051)	(6,527,841)
Change in net position	173,018,026	257,348,020
Net position, beginning of the year	1,999,855,475	1,742,507,455
Net position, end of the year	$ 2,172,873,501	1,999,855,475

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, 2016

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support:				
Contributions	$ 10,321,315	14,343,881	19,193,333	43,858,529
Net investment income	(4,587,861)	(11,125,017)	1,412,803	(14,300,075)
Change in value of split interest agreements	—	14,463	(1,702,292)	(1,687,829)
Other	4,966,922	68,379	15,585	5,050,886
Change in restrictions by donor	—	—	—	—
Net assets released from restrictions	30,004,243	(30,004,243)	—	—
Total revenues and support	40,704,619	(26,702,537)	18,919,429	32,921,511
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	36,763,705	—	—	36,763,705
Contributions and support for Bulldog Club	900,870	—	—	900,870
Contributions and support for MSU Alumni Association	586,900	—	—	586,900
Total program services	38,251,475	—	—	38,251,475
Supporting services:				
General and administrative	3,627,492	—	—	3,627,492
Fund raising	3,898,054	—	—	3,898,054
Total supporting services	7,525,546	—	—	7,525,546
Total expenditures	45,777,021	—	—	45,777,021
Change in net assets	(5,072,402)	(26,702,537)	18,919,429	(12,855,510)
Change in net assets attributable to noncontrolling interests	1,965,467	—	—	1,965,467
Change in net assets related to merger with MSU Alumni Foundation	—	8,176,682	5,832,543	14,009,225
Payments to noncontrolling interests	(16,932,305)	—	—	(16,932,305)
Total change in net assets	(20,039,240)	(18,525,855)	24,751,972	(13,813,123)
Net assets, beginning of year	99,979,727	99,907,112	315,364,556	515,251,395
Net assets, end of year	$ 79,940,487	81,381,257	340,116,528	501,438,272

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, 2015

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues and support:				
Contributions	$ 8,134,446	23,268,033	5,004,703	36,407,182
Net investment income	(3,282,026)	1,555,626	17,217	(1,709,183)
Change in value of split interest agreements	—	(27,044)	154,984	127,940
Other	4,982,409	345,668	—	5,328,077
Change in restrictions by donor	—	(1,750,000)	1,750,000	—
Net assets released from restrictions	24,058,888	(24,058,888)	—	—
Total revenues and support	33,893,717	(666,605)	6,926,904	40,154,016
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	27,865,923	—	—	27,865,923
Contributions and support for Bulldog Club	600,475	—	—	600,475
Contributions and support for MSU Alumni Association	530,386	—	—	530,386
Total program services	28,996,784	—	—	28,996,784
Supporting services:				
General and administrative	3,660,974	—	—	3,660,974
Fund raising	3,706,107	—	—	3,706,107
Total supporting services	7,367,081	—	—	7,367,081
Total expenditures	36,363,865	—	—	36,363,865
Change in net assets	(2,470,148)	(666,605)	6,926,904	3,790,151
Proceeds from noncontrolling interests	4,172,424	—	—	4,172,424
Payments to noncontrolling interests	(1,486,738)	—	—	(1,486,738)
Total change in net assets	215,538	(666,605)	6,926,904	6,475,837
Net assets, beginning of year	99,764,189	100,573,717	308,437,652	508,775,558
Net assets, end of year	$ 99,979,727	99,907,112	315,364,556	515,251,395

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, 2016

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues, gains, and other support:				
Contributions, gifts, and bequests	$ —	51,015,382	9,452,422	60,467,804
Dividend and interest income	1,486,945	3,764,476	—	5,251,421
Net unrealized and realized gains on investments	(676,744)	(11,177,334)	11,006	(11,843,072)
Change in value of split-interest agreements	—	62,142	687,862	750,004
Other income	742,007	1,271,994	40,430	2,054,431
Net assets released from restrictions/ redesignated by donor	31,761,371	(34,498,632)	2,737,261	—
Total revenues, gains, and other support	33,313,579	10,438,028	12,928,981	56,680,588
Expenses:				
Support for University activities	30,011,791	—	—	30,011,791
General and administrative expenses	2,707,271	—	—	2,707,271
Fund-raising expenses	1,431,811	—	—	1,431,811
Total expenses	34,150,873	—	—	34,150,873
Change in net assets	(837,294)	10,438,028	12,928,981	22,529,715
Net assets, beginning of year	17,186,241	183,044,292	210,290,123	410,520,656
Net assets, end of year	$ 16,348,947	193,482,320	223,219,104	433,050,371

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, 2015

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues, gains, and other support:				
Contributions, gifts, and bequests	$ —	34,869,998	13,944,742	48,814,740
Dividend and interest income	1,405,085	3,445,866	—	4,850,951
Net unrealized and realized gains on investments	(517,879)	2,783,751	4,622	2,270,494
Change in value of split-interest agreements	—	—	(191,373)	(191,373)
Other income	717,926	1,396,326	69,232	2,183,484
Net assets released from restrictions/ redesignated by donor	33,585,148	(37,360,144)	3,774,996	—
Total revenues, gains, and other support	35,190,280	5,135,797	17,602,219	57,928,296
Expenses:				
Support for University activities	32,713,155	—	—	32,713,155
General and administrative expenses	2,777,658	—	—	2,777,658
Fund-raising expenses	1,184,108	—	—	1,184,108
Total expenses	36,674,921	—	—	36,674,921
Change in net assets	(1,484,641)	5,135,797	17,602,219	21,253,375
Net assets, beginning of year	18,670,882	177,908,495	192,687,904	389,267,281
Net assets, end of year	$ 17,186,241	183,044,292	210,290,123	410,520,656

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, 2016

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues, gains and other support:				
Contributions	$ 2,100,023	2,997,493	7,312,426	12,409,942
Net investment gain	1,470,364	(1,901,597)	33,138	(398,095)
Change in value of split interest agreements	—	(992)	87,922	86,930
Other	38,084	30,516	2,878	71,478
Change in restriction by donor	10,022	(1,118,630)	1,108,608	—
Net assets released from restrictions	9,039,310	(9,039,310)	—	—
Total revenues, gains and other support	12,657,803	(9,032,520)	8,544,972	12,170,255
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	9,605,938	—	—	9,605,938
Total program services	9,605,938	—	—	9,605,938
Supporting services:				
General and administrative	1,557,489	—	—	1,557,489
Fund raising	863,209	—	—	863,209
Total supporting services	2,420,698	—	—	2,420,698
Total expenses	12,026,636	—	—	12,026,636
Change in net assets	631,167	(9,032,520)	8,544,972	143,619
Net assets, beginning of year	5,392,868	42,722,252	63,594,578	111,709,698
Net assets, end of year	$ 6,024,035	33,689,732	72,139,550	111,853,317

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, 2015

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Revenues, gains and other support:				
Contributions	$ 1,847,693	3,684,355	2,331,508	7,863,556
Net investment gain	1,442,572	292,479	66,693	1,801,744
Change in value of split interest agreements	—	(590)	(99,904)	(100,494)
Other	44,774	32,071	22	76,867
Change in restriction by donor	(10,614)	(2,046,584)	2,057,198	—
Net assets released from restrictions	10,802,618	(10,802,618)	—	—
Total revenues, gains and other support	14,127,043	(8,840,887)	4,355,517	9,641,673
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	11,158,123	—	—	11,158,123
Total program services	11,158,123	—	—	11,158,123
Supporting services:				
General and administrative	1,633,572	—	—	1,633,572
Fund raising	1,071,265	—	—	1,071,265
Total supporting services	2,704,837	—	—	2,704,837
Total expenses	13,862,960	—	—	13,862,960
Change in net assets	264,083	(8,840,887)	4,355,517	(4,221,287)
Net assets, beginning of year	5,128,785	51,563,139	59,239,061	115,930,985
Net assets, end of year	$ 5,392,868	42,722,252	63,594,578	111,709,698

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Cash Flows

Years ended June 30, 2016 and 2015

	2016	2015
Operating activities:		
Tuition and fees	$ 572,470,925	530,733,389
Grants and contracts	409,349,570	388,595,413
Sales and services of educational departments	64,550,870	61,739,701
Payments to suppliers	(872,379,523)	(830,477,429)
Payments to employees for salaries and benefits	(2,043,367,412)	(1,933,205,524)
Payments for utilities	(64,926,009)	(70,830,937)
Payment for scholarships and fellowships	(166,766,819)	(174,101,475)
Loans issued to students and employees	(21,828,760)	(26,721,691)
Collections of loans to students and employees	13,859,921	14,905,504
Auxiliary enterprise charges:		
Student housing	82,129,563	85,684,860
Food services	25,866,267	27,112,762
Bookstore	6,689,090	6,823,911
Athletics	144,365,822	133,095,676
Other auxiliary enterprises	33,162,503	36,986,620
Patient care services	1,042,311,163	1,043,904,871
Interest earned on loans to students	1,016,071	938,552
Other receipts	114,225,851	97,335,440
Other payments	(9,366,058)	(15,871,191)
Net cash used in operating activities	(668,636,965)	(623,351,548)
Noncapital financing activities:		
State appropriations	756,058,081	729,617,722
Gifts and grants for other than capital purposes	172,434,526	181,498,476
Private gifts for endowment purposes	25,521,667	1,763,733
Federal loan program receipts	502,516,142	497,429,356
Federal loan program disbursements	(502,567,096)	(497,191,413)
Other sources	9,549,509	603,685
Other uses	(32,641,048)	(4,395,602)
Net cash provided by noncapital financing activities	930,871,781	909,325,957
Capital and related financing activities:		
Proceeds from capital debt	187,457,861	210,394,262
Cash paid for capital assets	(300,537,800)	(234,314,489)
Capital appropriations received	4,260,923	1,900,316
Capital grants and contracts received	45,290,179	49,450,389
Proceeds from sales of capital assets	1,233,478	1,112,223
Principal paid on capital debt and leases	(150,680,766)	(86,690,541)
Interest paid on capital debt and leases	(52,034,683)	(39,461,812)
Other sources	5,327,192	35,135,457
Other uses	(19,862,003)	(75,684,916)
Net cash used in capital and related financing activities	(279,545,619)	(138,159,111)
Investing activities:		
Proceeds from sales and maturities of investments	563,675,778	399,563,519
Interest received on investments	12,945,608	24,081,854
Purchases of investments	(614,429,071)	(453,570,060)
Net cash used in investing activities	(37,807,685)	(29,924,687)
Net change in cash and cash equivalents	(55,118,488)	117,890,611
Cash and cash equivalents, beginning of year	701,630,457	583,739,846
Cash and cash equivalents, end of the year	$ 646,511,969	701,630,457

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statements of Cash Flows

Years ended June 30, 2016 and 2015

	2016	2015
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (872,245,565)	(786,909,773)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	147,049,697	144,509,434
Self-insured claims expense	10,495,404	13,317,074
Provision for uncollectible patient accounts receivable	155,923,237	118,266,527
Other	324,992	7,928,806
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Receivables, net	(184,602,695)	(129,096,725)
Inventories	(2,564,352)	(1,268,661)
Prepaid expenses	(766,692)	(11,148,419)
Other assets	(32,906,831)	(49,176,820)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	8,259,210	15,792,648
Unearned revenue	10,599,213	18,180,355
Deposits refundable	76,987	12,690
Accrued leave liability	3,947,099	3,424,323
Loans to students and employees	8,397,101	(570,951)
Other liabilities	79,376,230	33,387,944
Total adjustments	203,608,600	163,558,225
Net cash used in operating activities	$ (668,636,965)	(623,351,548)
Reconciliation of cash and cash equivalents:		
Current assets – cash and cash equivalents	$ 461,021,888	446,042,478
Noncurrent assets – restricted cash and cash equivalents	185,490,081	255,587,979
Cash and cash equivalents, end of year	$ 646,511,969	701,630,457
Noncash capital related financing and investing activities:		
Capital assets acquired through donations and capital leases	$ 82,307,425	57,729,480
Capital assets appropriated by the State of Mississippi	49,050,697	75,648,301

See accompanying notes to financial statements.

(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 occur from the three current Supreme Court districts for terms of nine years.

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.

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 Executive Office	Institutions of Higher Learning – Executive 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 ASC 958, *Not-for-Profit Entities*. 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, which the foundations hold and invest are restricted to the activities of the respective universities by the donors. Because these restricted 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, 2016 and 2015, support distributions were as follows:

		2016	2015
Mississippi State University Foundation, Inc.	$	36,763,705	27,865,923
University of Mississippi Foundation		30,011,791	32,713,155
University of Southern Mississippi Foundation		9,605,938	11,158,123

(c) Basis of Accounting

The financial statements of the IHL System have been prepared in accordance with GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments," as amended by GASB Statement No. 35, "Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities." The IHL System is reporting as a special-purpose government engaged in business-type activities. In accordance with business-type activity reporting, the IHL System presents management's discussion and analysis, statements of net position, statements of revenues, expenses and changes in net position, statements of cash flows and notes to the financial statements. The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized 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.

(d) New Accounting Standards

During fiscal year 2016, the IHL System adopted GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement generally requires investments to be measured at fair value. Fair value is defined 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. Valuation techniques are required to be used that are appropriate with defined approaches. Disclosures are required to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The adoption of this statement had no impact on the financial statements beyond the disclosures added in note 2(b).

(e) Recently Issued Accounting Standards

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This statement establishes standards of accounting and financial reporting for defined benefit pensions and defined contribution pensions that are provided to the employees not within the scope of Statement No. 68. Requirements are also established for assets accumulated for purposes of providing pensions through defined benefit pension plans that are not

administered through trusts that meet the criteria within the scope of Statement No. 67. This statement is effective for fiscal years beginning after June 15, 2016.

In June 2015, the GASB issued Statement No. 75, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This statement establishes financial reporting standards for Other Post Employment Benefit Plans (OPEB) that is administered through trusts or equivalent arrangements which involve contributions from employers and nonemployer contributing entities to the OPEB plan. This Statement is effective for fiscal years beginning after June 15, 2017.

In March 2016, the GASB issued Statement No. 82, *Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73*. This statement addresses issues regarding (1) the presentation of payroll related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviation from the guidance in an Actuarial Standards of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for fiscal years beginning after June 15, 2016.

The impact of these pronouncements on the IHL System's financial statements is currently being evaluated and has not yet been fully determined.

(f) 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 a least a reasonable possibility that recorded estimates associated with these programs could change by a material amount in the near term.

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, 2016 and 2015 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 21, 2016 which was the date the financial statements were available to be issued.

(g) Cash Equivalents

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

(h) Short-Term Investments

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

(i) 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.

(j) 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 statements of net position.

(k) 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.

(l) Prepaid Expenses

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

(m) 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.

(n) Endowment Investments

The IHL System's endowment investments recorded at fair value, 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.

(o) 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 asset value, as a practical expedient in determining fair value.

(p) Capital Assets, Net

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.

(q) Deferred Inflows and Outflows

The IHL System has deferred inflows of resources. The deferred inflows of resources are an acquisition of net assets by the IHL System that is applicable to a future reporting period and include pension related deferred inflows and deferred amount of debt refunding.

The IHL System has deferred outflows of resources. The deferred outflows of resources are consumption of net assets by the IHL System that are applicable to a future reporting period and include the unamortized amounts for losses on the refunding of bond debt and pension related deferred outflows.

(r) Net Pension Liability

For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the IHL System's proportionate share of liability and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by Public Employees' Retirement System of Mississippi (PERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

(s) Accounts Payable and Accrued Liabilities

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

(t) 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.

(u) 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.

(v) 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.

(w) Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable and capital lease obligations; (2) estimated amount of proportionate share of net pension liability; (3) estimated amounts for accrued compensated absences, deposits refundable and other liabilities that will not be paid within the next fiscal year; and (4) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

(x) 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 $59.2 million and $59.7 million, respectively, as of June 30, 2016 and 2015.

(y) Income Taxes

As an integral part of the State of Mississippi, a governmental entity, the IHL System is generally not subject to federal income tax, 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).

(z) 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. 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, and GASB No. 34. Examples of nonoperating expenses include interest on capital asset related debt and bond expenses.

(aa) 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.

(bb) Patient Care Revenues, Net

UMMC's hospital and clinical service revenues are reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including contractual allowances and estimated retroactive adjustments under reimbursement programs with third-party payors, 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 and Medicaid 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. 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 and Medicaid intermediary.

Impatient 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 28.5% and 31.2%, respectively, of UMMC's net patient service revenues for the years ended June 30, 2016 and approximately 27.2% and 31.7%, respectively, for the year ended June 30, 2015.

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.

(cc) 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 years ended June 30, 2012 for the Jackson Campus and June 30, 2013 for Holmes County Hospital. No cost reports for UMMC Grenada have been audited since this facility was acquired by UMMC.

During FY 2009, UHHS received notification that Medicare had designated the Recovery Audit Contractor (RAC) for the region that includes the State of Mississippi. The RAC program is intended to identify and recover improper Medicare payments made to health care providers as far back as three years from the current date. While UHHS believes all claims submitted to Medicare are supported by the services provided, the RAC could make adjustments based on differing interpretation of the regulations. Audits of Medicare claims began in FY 2010 and are expected to continue in the future.

Based on recent audit experiences and planned audit activities, the reserve balance was $2.25 million and $9.0 million, which is recorded in other current liabilities, at the end of fiscal year 2016 and 2015, respectively. The main contributor to this decline is more favorable audit results coupled with less periods remaining under the audit.

Over seven years ago, the Division of Medicaid (DOM) notified all providers in the State of Mississippi of a change in the methodology used to reimburse outpatient services. DOM had adopted a payment methodology for outpatient services at a fixed cost to charge ratio that was increased each year by an inflationary index. At that time, DOM issued letters to all providers of an updated reimbursement percentage based on more current cost data. At June 30, 2016 and 2015, UHHS maintains a reserve of approximately $12.8 million and $12.1 million, respectively, in other current liabilities, for Medicaid rate recalculations and other adjustments for prior fiscal years.

(dd) 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 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.

(ee) 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 deferred outflows of resources and liabilities and deferred inflows of resources in a statement of net 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 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.

(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.

A summary of cash and investments as of June 30, 2016 and 2015 is as follows:

		2016	2015
Cash	$	461,021,888	446,042,478
Restricted cash and cash equivalents		185,490,081	255,587,979
U.S. Treasury securities		259,420,914	198,612,317
U.S. Government agency securities		274,464,945	288,008,826
Commercial mortgage backed securities		3,240,927	3,133,647
Collateralized mortgage obligations		43,687,275	31,274,338
Asset backed securities		1,213,697	1,207,860
Corporate bonds and notes		19,411,339	4,575,838
Certificates of deposit		55,502,360	54,919,130
Municipal bonds		41,483,570	49,380,494
Money market funds		393,761	1,487,739
Domestic equity securities		9,046,754	11,473,588
Fixed income mutual funds		20,935,810	22,788,041
International equity mutual funds		17,612,446	24,059,755
Domestic equity mutual funds		21,619,071	31,006,565
Equity long/short hedge funds		76,262,177	61,969,695
Private capital		14,660,923	12,654,542
Mississippi State Investment Pool		37,906,842	40,504,996
Miscellaneous		20,377,455	19,141,807
Total	$	1,563,752,235	1,557,829,635

(b) Fair Value Measurement

GASB No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes the inputs into three categories – Level 1, Level 2, and Level 3 inputs – considering the relative reliability of the inputs. 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 (unadjusted) prices in active markets for identical financial assets or liabilities that the IHL System 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 financial asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the financial 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. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment risk.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified as level 2 of the fair value hierarchy are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. There are no investments classified in level 3.

The following tables present the financial assets carried at fair value by level within the valuation hierarchy, as well as, the assets measured at the net asset value (NAV) per share as a practical expedient as of June 30, 2016 and 2015.

	2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Debt securities:				
U.S. Treasury securities	$ 259,420,914	—	—	259,420,914
U.S. Government securities	—	274,464,945	—	274,464,945
U.S. Government asset backed securities	—	48,141,899	—	48,141,899
Corporate bonds and notes	—	19,411,339	—	19,411,339
Certificates of deposit	—	55,502,360	—	55,502,360
Municipal bonds	—	41,483,570	—	41,483,570
Money market funds	—	393,761	—	393,761
Total fixed income investments	$ 259,420,914	439,397,874	—	698,818,788
Equity securities:				
Domestic equity securities	$ 9,046,754	—	—	9,046,754
Mutual funds (fixed, international, domestic)	60,167,327	—	—	60,167,327
Total equity securities	$ 69,214,081	—	—	69,214,081
Investments measured at NAV as a practical expedient:				
Equity long/short hedge funds				$ 76,262,177
Private capital				14,660,923
Mississippi State Investment Pool				37,906,842
Other miscellaneous investments				20,377,455
Total investments measured at NAV				149,207,397
Total investments measured at fair value				$ 917,240,266

	2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Fixed income investments:				
U.S. Treasury securities	$ 198,612,317	—	—	198,612,317
U.S. Government securities	—	288,008,826	—	288,008,826
U.S. Government asset backed securities	—	35,615,845	—	35,615,845
Corporate bonds and notes	—	4,575,838	—	4,575,838
Certificates of deposit	—	54,919,130	—	54,919,130
Municipal bonds	—	49,380,494	—	49,380,494
Money market funds	—	1,487,739	—	1,487,739
Total fixed income investments	$ 198,612,317	433,987,872	—	632,600,189
Equity Securities:				
Domestic equity securities	$ 11,473,588	—	—	11,473,588
Mutual funds (fixed, international, domestic)	77,854,361	—	—	77,854,361
Total equity securities	$ 89,327,949	—	—	89,327,949
Investments measured at NAV:				
Equity long/short hedge funds				$ 61,969,695
Private capital				12,654,542
Mississippi State Investment Pool				40,504,996
Other miscellaneous investments				19,141,807
Total investments measured at NAV				134,271,040
Total investments measured at fair value				$ 856,199,178

The valuation method for investments measured at the net asset value (NAV) per share as a practical expedient is presented on the following table.

	2016			
	Fair value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Equity long/short hedge funds (1)	$ 76,262,177	—	Quarterly	75 days
Private Capital (2)	14,660,923	—	Various	Various
State of Mississippi Investment Pool (3)	37,906,842	—	Daily	1 day
Other miscellaneous investments (4)	20,377,455	—	Various	Various
Total investments measured at NAV	$ 149,207,397			

(1) Equity long/short hedge and venture capital funds. These funds specialize primarily in classic long/short hedge equity strategies. These funds invest globally, with a majority of the exposure in liquid, developed markets, and invest primarily in private investment partnerships, venture capital opportunities or limited liability companies and in separately managed accounts, each of which are managed by independent managers.

(2) Private capital. These investments were provided to help build new startup equities that are considered to have high-growth and high risk potential, mainly in the technology and healthcare sectors.

(3) Mississippi State Investment Pool. This is investments in diversifying strategies that allow for early redemption for specified fees. With the exception of certain diversifying strategy investments, which has daily redemption, the terms and conditions upon which an investor may redeem an investment vary, usually with a majority requiring 3 to 180 days notice after the initial lock up period, which may be from one to three years. At June 30, 2016 there were no diversifying strategy investments for which an otherwise redeemable investment was not redeemable.

(4) Other miscellaneous investments. These investments mainly consist of various other miscellaneous tangible items such as land, timberland and various real estate, etc.

	2015			
	Fair value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Equity long/short hedge funds (1)	$ 61,969,695	—	Quarterly	75 days
Private Capital (2)	12,654,542	—	Various	Various
Mississippi State Investment Pool (3)	40,504,996	—	Daily	1 day
Other miscellaneous investments (4)	19,141,807	—	Various	Various
Total investments measured at NAV	$ 134,271,040			

(1) Equity long/short hedge and venture capital funds. These funds specialize primarily in classic long/short hedge equity strategies. These funds invest globally, with a majority of the exposure in liquid, developed markets, and invest primarily in private investment partnerships, venture capital opportunities or limited liability companies and in separately managed accounts, each of which are managed by independent managers.

(2) Private capital. These investments were provided to help build new startup equities that are considered to have high-growth and high risk potential, mainly in the technology and healthcare sectors.

(3) Mississippi State Investment Pool. This is investments in diversifying strategies that allow for early redemption for specified fees. With the exception of certain diversifying strategy investments, which has daily redemption, the terms and conditions upon which an investor may redeem an investment vary, usually with a majority requiring 3 to 180 days notice after the initial lock up period, which may be from one to three years. At June 30, 2015 there were no diversifying strategy investments for which an otherwise redeemable investment was not redeemable.

(4) Other miscellaneous investments. These investments mainly consist of various other miscellaneous tangible items such as land, timberland and various real estate, etc.

The equity in the long/short hedge funds, private capital, Mississippi State Investment Pool, and other miscellaneous investments represents the IHL System's participations in those investments which is measured at the net asset value (NAV) per share.

(c) 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, 2016 and 2015.

(d) 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.

As of June 30, 2016 and 2015, the IHL System had the following investments subject to interest rate risk:

	2016				
		Years to maturity			
	Fair value	Less than 1	1–5	6–10	More than 10
U.S. Treasury obligations	$ 259,420,914	124,504,324	127,278,261	7,599,432	38,897
U.S. Government agency obligations	274,464,945	77,756,296	120,885,017	71,996,777	3,826,855
Commercial mortgage backed securities	3,240,927	—	1,654,058	604,896	981,973
Collateralized mortgage obligations	43,687,275	1,437,322	12,586,247	1,105,136	28,558,570
Asset backed securities	1,213,697	—	—	1,213,697	—
Corporate bonds and notes	19,411,339	1,210,748	2,281,257	9,315,873	6,603,461
Certificates of deposit	55,502,360	6,037,360	49,465,000	—	—
Municipal bonds	41,483,570	1,918,614	19,045,571	15,702,879	4,816,506
Fixed income mutual funds	20,935,810	341,346	18,714,627	1,871,863	7,974
Total	$ 719,360,837	213,206,010	351,910,038	109,410,553	44,834,236

	2015				
		Years to maturity			
	Fair value	Less than 1	1–5	6–10	More than 10
U.S. Treasury obligations	$ 198,612,317	81,262,627	117,343,693	—	5,997
U.S. Government agency obligations	288,008,826	67,274,461	121,193,340	67,427,908	32,113,117
Commercial mortgage backed securities	3,133,647	—	1,654,360	280,604	1,198,683
Collateralized mortgage obligations	31,274,338	728,094	8,533,479	—	22,012,765
Asset backed securities	1,207,860	—	—	1,207,860	—
Corporate bonds and notes	4,575,838	977,552	2,879,807	606,362	112,117
Certificates of deposit	54,919,130	10,522,095	44,397,035	—	—
Municipal bonds	49,380,494	2,800,496	21,959,485	17,550,092	7,070,421
Fixed income mutual funds	22,788,041	59,168	7,772,327	14,956,546	—
Total	$ 653,900,491	163,624,493	325,733,526	102,029,372	62,513,100

(e) 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. As of June 30, 2016 and 2015, the IHL System had the following investments recorded at fair value subject to credit risk:

	2016	2015
Credit rating:		
AAA	$ 45,513,336	38,150,832
Aaa	115,497,557	116,392,048
Aa1	16,086	16,643
Aa2	35,432,225	24,486,906
Aa3	606,757	696,332
AA	154,513,806	150,675,510
A1	255,753	1,269,805
A2	580,365	568,691
A3	24,068	29,880
A	2,873,111	3,398,112
A+	605,514	—
B	470,241	1,095,463
BA	14,037	13,872
BAA	109,650	133,972
Baa1	112,295	260,408
Baa3	100,281	—
BBB	1,046,951	1,098,554
BB	556,032	937,254
CCC	683,439	1,166,770
Not Rated or Unavailable	45,426,059	59,977,992
Total	$ 404,437,563	400,369,044

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

(f) 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, 2016 and 2015, the IHL System had the following issuer holding investments recorded at fair value that exceeded 5% of total investments:

	2016	
Issuer	**Fair value**	**Percentage**
Federal Home Loan Bank notes	$ 81,446,551	8.88%

Issuer	2015 Fair value	2015 Percentage
Federal Home Loan Bank notes	$ 112,803,613	13.18%

(g) 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 $10.4 million and $23.1 million at June 30, 2016 and 2015, respectively.

(3) Accounts Receivable, Net

Accounts receivable consisted of the following at June 30, 2016 and 2015:

Type of receivable	2016	2015
Student tuition	$ 100,201,333	93,590,517
Auxiliary enterprises and other operating activities	32,949,571	29,592,762
Contributions and gifts	13,076,893	14,008,404
Federal, state, and private grants and contracts	101,889,020	102,356,859
State appropriation	10,717,733	15,077,084
Accrued interest	8,196,977	2,706,997
Patient care	2,679,953,202	2,569,494,128
Other	21,782,103	21,034,854
Total accounts receivable	2,968,766,832	2,847,861,605
Less bad debt provision	(2,594,076,336)	(2,509,071,442)
Net accounts receivable	$ 374,690,496	338,790,163

(4) Students Notes Receivable, Net

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.

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, 2016 and 2015:

	Interest rates	June 30, 2016	Current portion	Noncurrent portion
Perkins student loans	3% to 9%	$ 68,526,797	7,971,332	60,555,465
Institutional loans	0% to 10%	60,471,743	7,960,012	52,511,731
Nursing student loans	3% to 9%	1,394,542	134,227	1,260,315
Dental student loans	3% to 9%	460,519	39,665	420,854
Medical student loans	3% to 9%	169,517	12,772	156,745
Other federal loans	3% to 9%	3,987,580	2,158,859	1,828,721
Total notes receivable		135,010,698	18,276,867	116,733,831
Less allowance for doubtful accounts		(19,197,810)	(2,510,659)	(16,687,151)
Net notes receivable		$ 115,812,888	15,766,208	100,046,680

	Interest rates	June 30, 2015	Current portion	Noncurrent portion
Perkins student loans	3% to 9%	$ 70,625,994	9,825,069	60,800,925
Institutional loans	0% to 10%	58,682,966	7,457,245	51,225,721
Nursing student loans	3% to 9%	1,248,872	116,058	1,132,814
Dental student loans	3% to 9%	449,560	28,572	420,988
Medical student loans	3% to 9%	184,033	6,964	177,069
Other federal loans	3% to 9%	3,991,520	2,213,240	1,778,280
Total notes receivable		135,182,945	19,647,148	115,535,797
Less allowance for doubtful accounts		(20,526,758)	(3,806,339)	(16,720,419)
Net notes receivable		$ 114,656,187	15,840,809	98,815,378

(5) Capital Assets

A summary of changes in capital assets for the years ended June 30, 2016 and 2015 is presented as follows:

	Balance June 30, 2015	Additions	Deletions/ transfers	Balance June 30, 2016
Nondepreciable capital assets:				
Land	$ 91,180,637	14,231,043	(1,528,956)	103,882,724
Construction in progress	542,393,985	354,696,182	(245,007,578)	652,082,589
Livestock	1,841,819	277,666	(229,131)	1,890,354
Total nondepreciable capital assets	635,416,441	369,204,891	(246,765,665)	757,855,667
Depreciable capital assets:				
Buildings	3,294,288,590	234,983,187	(4,070,938)	3,525,200,839
Improvements other than buildings	337,478,533	11,099,750	(274,168)	348,304,115
Equipment	798,437,702	59,681,546	(26,470,404)	831,648,844
Library books	390,159,181	13,451,971	(975,896)	402,635,256
Total depreciable assets	4,820,364,006	319,216,454	(31,791,406)	5,107,789,054
Total capital assets	5,455,780,447	688,421,345	(278,557,071)	5,865,644,721
Less accumulated depreciation:				
Buildings	854,704,738	64,791,838	(1,340,141)	918,156,435
Improvements other than buildings	130,261,392	12,136,971	(99,482)	142,298,881
Equipment	556,372,552	56,021,960	(23,866,576)	588,527,936
Library books	329,268,006	14,098,928	(951,919)	342,415,015
Total accumulated depreciation	1,870,606,688	147,049,697	(26,258,118)	1,991,398,267
Net capital assets	$ 3,585,173,759	541,371,648	(252,298,953)	3,874,246,454

	Balance June 30, 2014	Additions	Deletions/ transfers	Balance June 30, 2015
Nondepreciable capital assets:				
Land	$ 87,278,223	3,902,414	—	91,180,637
Construction in progress	494,823,861	272,929,439	(225,359,315)	542,393,985
Livestock	1,717,663	181,646	(57,490)	1,841,819
Total nondepreciable capital assets	583,819,747	277,013,499	(225,416,805)	635,416,441
Depreciable capital assets:				
Buildings	3,072,899,167	227,401,512	(6,012,089)	3,294,288,590
Improvements other than buildings	312,650,876	24,862,215	(34,558)	337,478,533
Equipment	764,548,649	54,942,185	(21,053,132)	798,437,702
Library books	377,501,528	13,534,998	(877,345)	390,159,181
Total depreciable assets	4,527,600,220	320,740,910	(27,977,124)	4,820,364,006
Total capital assets	5,111,419,967	597,754,409	(253,393,929)	5,455,780,447
Less accumulated depreciation:				
Buildings	795,325,438	61,732,419	(2,353,119)	854,704,738
Improvements other than buildings	118,667,841	11,593,551	—	130,261,392
Equipment	516,503,098	57,826,679	(17,957,225)	556,372,552
Library books	315,779,808	14,170,949	(682,751)	329,268,006
Total accumulated depreciation	1,746,276,185	145,323,598	(20,993,095)	1,870,606,688
Net capital assets	$ 3,365,143,782	452,430,811	(232,400,834)	3,585,173,759

As of June 30, 2016 and 2015, capital assets included assets under capital leases with an original cost basis of approximately $138.4 million and $76.8 million, respectively, accumulated amortization of approximately $6.7 million and $5.1 million, respectively.

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.

Capital assets	Estimated useful life	Salvage value	Capitalization threshold
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, 2016 and 2015 are as follows:

		2016	2015
Payable to vendors and contractors	$	117,458,587	106,074,065
Accrued salaries, wages and employee withholdings		85,540,285	81,468,870
Accrued interest		4,974,117	4,932,113
Other		6,717,078	13,955,809
Total	$	214,690,067	206,430,857

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

(7) Unearned Revenues

Unearned revenues as of June 30, 2016 and 2015 are as follows:

		2016	2015
Unearned summer school revenue	$	29,615,464	26,555,132
Unearned grants and contract revenue		43,433,495	38,013,499
Other, principally athletic activities		51,969,942	49,851,057
Total	$	125,018,901	114,419,688

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

(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 universities' operations. These blended component units provide services entirely, or almost entirely, to their respective universities. Condensed financial information as of June 30, 2016 and 2015 is listed in the following schedule.

2016 Condensed Financial Information for Educational Building Corporations

	ASU	DSU	JSU	MSU	MVSU	UM	USM	UMMC
Current assets	$ 8,134	—	—	—	—	48,754,192	6,852,892	6,654,876
Noncurrent assets	44,735,599	2,515,000	96,312,644	317,520,000	18,530,000	243,455,494	179,514,598	246,801,871
Total assets	44,743,733	2,515,000	96,312,644	317,520,000	18,530,000	292,209,686	186,367,490	253,456,747
Deferred outflows of resources	—	—	—	—	—	—	—	4,283,040

2016 Condensed Financial Information for Educational Building Corporations

	ASU	DSU	JSU	MSU	MVSU	UM	USM	UMMC
Current liabilities	$ 1,300,860	535,000	3,123,985	11,225,000	375,000	16,067,910	6,852,892	6,654,875
Noncurrent liabilities	50,204,677	1,980,000	93,188,659	306,295,000	18,155,000	274,012,211	179,514,598	251,230,679
Total liabilities	51,505,537	2,515,000	96,312,644	317,520,000	18,530,000	290,080,121	186,367,490	257,885,554
Total net position	$ (6,761,804)	—	—	—	—	2,129,565	—	(145,767)
Operating revenues	$ 2,750,938	—	—	—	1,631,457	—	—	12,001,672
Operating expenses	4,640,915	—	—	—	1,631,457	—	—	11,070,760
Total operating income (loss)	(1,889,977)	—	—	—	—	—	—	930,912
Nonoperating revenues	2	—	4,820,680	14,483,453	—	7,440,535	6,148,288	—
Nonoperating expenses	—	535,000	4,820,680	14,483,453	—	7,440,535	6,148,288	—
Total nonoperating revenue (expenses)	2	(535,000)	—	—	—	—	—	—
Change in net position	$ (1,889,975)	(535,000)	—	—	—	—	—	930,912

2015 Condensed Financial Information for Educational Building Corporations

	ASU	DSU	JSU	MSU	MVSU	UM	USM	UMMC
Current assets	$ 91,577	—	—	—	—	21,576,257	6,251,245	6,448,568
Noncurrent assets	40,348,021	3,035,000	99,703,558	327,090,000	17,520,000	140,740,756	176,994,848	249,089,119
Total assets	40,439,598	3,035,000	99,703,558	327,090,000	17,520,000	162,317,013	183,246,093	255,537,687
Deferred outflows of resources	—	—	—	—	—	—	—	4,518,800
Current liabilities	576,844	520,000	3,036,849	9,570,000	335,000	19,704,000	6,251,245	6,451,427
Noncurrent liabilities	44,734,583	2,515,000	96,666,709	317,520,000	17,185,000	142,613,013	176,994,848	257,038,369
Total liabilities	45,311,427	3,035,000	99,703,558	327,090,000	17,520,000	162,317,013	183,246,093	263,489,796
Total net position	$ (4,871,829)	—	—	—	—	—	—	(3,433,309)
Operating revenues	$ 2,674,188	—	—	—	1,066,889	—	—	12,225,929
Operating expenses	3,540,788	—	—	—	1,066,889	—	—	11,896,523
Total operating income (loss)	(866,600)	—	—	—	—	—	—	329,406
Nonoperating revenues	8	—	4,512,369	11,113,540	—	5,398,198	7,769,599	—
Nonoperating expenses	—	520,000	4,512,369	11,113,540	—	5,398,198	7,769,599	2,356,630
Total nonoperating revenue (expenses)	8	(520,000)	—	—	—	—	—	(2,356,630)
Change in net position	$ (866,592)	(520,000)	—	—	—	—	—	(2,027,224)

(Continued)

(9) Long-Term Liabilities

Long-term liabilities of the IHL System consist 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, 2016 and 2015. 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, pension liability, and other liabilities (government advance refundables, self-insured workers compensation, and tort claims).

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, 2016 and 2015, is listed in the following schedule.

				Year ended June 30, 2016				
Description and purpose	**Original issue**	**Annual interest rate**	**Maturity (fiscal year)**	**Beginning balance**	**Additions**	**Deletions**	**Ending balance**	**Due within one year**
Alcorn State University:								
Bonded debt:								
2009 Series A Student Housing Project	$ 47,000,000	5.13%–5.25%	2040	$ 45,535,460	—	42,445,460	3,090,000	640,000
2016 Series A	43,630,000	2.00%–5.00%	2040	—	48,463,665	48,128	48,415,537	660,860
Total bonded debt				45,535,460	48,463,665	42,493,588	51,505,537	1,300,860
Other long-term liabilities:								
Pension liability				56,758,259	14,276,573	—	71,034,832	—
Accrued leave liabilities				4,580,386	1,546,723	1,643,501	4,483,608	867,445
Deposits refundable				601,930	61,984	—	663,914	—
Total other long-term liabilities				61,940,575	15,885,280	1,643,501	76,182,354	867,445
Total				$ 107,476,035	64,348,945	44,137,089	127,687,891	2,168,305
Due within one year							(2,168,305)	
Total long-term liabilities							$ 125,519,586	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 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	$ 1,400,000	—	130,000	1,270,000	135,000
2009 Series	3,135,000	2.50%–3.75%	2019	1,635,000	—	390,000	1,245,000	400,000
Total bonded debt				3,035,000	—	520,000	2,515,000	535,000
Capital leases:								
Infrastructure/Desktop/Hardware				144,622	—	37,160	107,462	37,188
Airplanes				819,663	—	261,317	558,346	273,045
Foundation hall and faculty apartments				15,790,000	—	390,000	15,400,000	400,000
Total capital leases				16,754,285	—	688,477	16,065,808	710,233
Other long-term liabilities:								
Pension liability				33,537,396	8,644,006	—	42,181,402	—
Accrued leave liabilities				1,559,848	—	75,076	1,484,772	238,236
Deposits refundable				133,157	—	4,962	128,195	—
Other				1,798,647	128,389	—	1,927,036	—
Total other long-term liabilities				37,029,048	8,772,395	80,038	45,721,405	238,236
Total				$ 56,818,333	8,772,395	1,288,515	64,302,213	1,483,469
Due within one year							(1,483,469)	
Total long-term liabilities							$ 62,818,744	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 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%	2021	$ 975,000	—	150,000	825,000	155,000
Series 2010-A-1	31,325,000	3.00%–5.00%	2034	25,189,816	—	34,990	25,154,826	40,819
Campus Revenue Bond – 2015A	57,595,000	2.00%–5.00%	2045	58,787,216	—	428,925	58,358,291	143,548
Campus Revenue Bond – 2015B	13,065,000	2.60%	2021	13,065,000	—	2,590,000	10,475,000	2,590,000
Total bonded debt				98,017,032	—	3,203,915	94,813,117	2,929,367
Capital leases:								
Buses				1,071,633	—	91,992	979,641	96,739
Other long-term liabilities and notes payable:								
Pension liability				100,387,620	30,452,665	—	130,840,285	—
Accrued leave liabilities				5,355,359	562,806	—	5,918,165	426,108
Deposits refundable				26,410	43,959	—	70,369	—
Federal Portion – Perkins Loan Program				1,760,104	62,908	—	1,823,012	—
Notes payable				614,893	—	95,007	519,886	97,879
Total other long-term liabilities and notes payable				108,144,386	31,122,338	95,007	139,171,717	523,987
Total				$ 207,233,051	31,122,338	3,390,914	234,964,475	3,550,093
Due within one year							(3,550,093)	
Total long-term liabilities							$ 231,414,382	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi State University:								
Bonded debt:								
Dormitory Bonds	$ 2,250,000	3.00%	2022	$ 530,000	—	80,000	450,000	85,000
Student Apartments	2,038,000	3.00%	2023	570,000	—	75,000	495,000	75,000
EBC – Revenue Bonds	31,865,000	3.75% –5.25%	2019	4,640,000	—	1,465,000	3,175,000	1,545,000
EBC – Revenue Bonds	58,965,000	4.00% –5.00%	2016	1,835,000	—	1,835,000	—	—
EBC – Revenue Bonds	6,110,000	4.13% –5.00%	2029	4,570,000	—	265,000	4,305,000	280,000
EBC – Revenue Bonds	29,615,000	2.50% –5.25%	2040	27,190,000	—	650,000	26,540,000	675,000
EBC – Revenue Bonds	17,105,000	2.75% –5.00%	2025	11,910,000	—	—	11,910,000	—
EBC – Revenue Bonds	54,370,000	2.00%–5.00%	2043	48,585,000	—	2,040,000	46,545,000	2,120,000
EBC – Revenue Bonds	60,470,000	2.00% –5.00%	2044	59,980,000	—	505,000	59,475,000	525,000
EBC – Revenue Bonds	89,810,000	2.00% –5.00%	2044	89,810,000	—	2,230,000	87,580,000	4,180,000
EBC – Revenue Bonds	23,435,000	0.29% –4.81%	2044	22,560,000	—	580,000	21,980,000	905,000
EBC – Revenue Bonds	56,010,000	2.00% –5.00%	2046	56,010,000	—	—	56,010,000	995,000
Total bonded debt				328,190,000	—	9,725,000	318,465,000	11,385,000
Other long-term liabilities:								
Pension liability				377,668,592	109,951,061	—	487,619,653	—
Accrued leave liabilities				25,231,174	1,459,617	—	26,690,791	2,081,145
Deposits refundable				31,635	8,798	—	40,433	—
Other				13,907,544	—	198,447	13,709,097	—
Total other long-term liabilities				416,838,945	111,419,476	198,447	528,059,974	2,081,145
Total				$ 745,028,945	111,419,476	9,923,447	846,524,974	13,466,145
Due within one year							(13,466,145)	
Total long-term liabilities							$ 833,058,829	

				Year ended June 30, 2016				
Description and purpose	**Original issue**	**Annual interest rate**	**Maturity (Fiscal Year)**	**Beginning balance**	**Additions**	**Deletions**	**Ending balance**	**Due within one year**
Mississippi University for Women:								
Capital leases:								
Various equipment				$ 517,835	—	142,919	374,916	146,891
Other long-term liabilities:								
Pension liability				27,087,951	8,411,459	—	35,499,410	—
Accrued leave liabilities				1,225,479	33,875	—	1,259,354	50,374
Other				1,114,670	—	107,724	1,006,946	—
Total other long-term liabilities				29,428,100	8,445,334	107,724	37,765,710	50,374
Total				$ 29,945,935	8,445,334	250,643	38,140,626	197,265
Due within one year							(197,265)	
Total long-term liabilities							$ 37,943,361	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi Valley State University:								
Bonded debt:								
EBC – 2007	$ 19,015,000	4.00%	2037	$ 17,520,000	—	16,260,000	1,260,000	375,000
EBC – 2015	17,270,000	2.00	2037	—	17,270,000	—	17,270,000	—
Total bonded debt				17,520,000	17,270,000	16,260,000	18,530,000	375,000
Capital lease:								
Equipment				—	407,504	—	407,504	78,690
Other long-term liabilities:								
Pension liability				31,120,964	6,634,221	—	37,755,185	—
Accrued leave liabilities				1,597,550	314,511	—	1,912,061	251,037
Deposits refundable				31,651	—	962	30,689	—
Total other long-term liabilities				32,750,165	6,948,732	962	39,697,935	251,037
Total				$ 50,270,165	24,626,236	16,260,962	58,635,439	704,727
Due within one year							(704,727)	
Total long-term liabilities							$ 57,930,712	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Mississippi:								
Bonded debt:								
EBC – 2005	$ 10,965,000	3.50%–4.38%	2028	$ 7,015,000	—	7,015,000	—	—
EBC – 2006A	17,985,000	5.00%	2026	9,860,000	—	8,530,000	1,330,000	1,330,000
EBC – 2006B-1	17,290,000	3.63%–5.00%	2027	10,500,000	—	1,030,000	9,470,000	1,065,000
EBC – 2008A	29,785,000	4.00%–4.25%	2034	25,205,000	—	22,415,000	2,790,000	890,000
EBC – 2009A	19,870,000	3.25%–4.50%	2030	16,125,000	—	815,000	15,310,000	840,000
EBC – 2009B	24,165,000	3.62%–5.00%	2021	13,740,000	—	2,010,000	11,730,000	2,125,000
EBC – 2009C	14,770,000	3.00%–4.75%	2035	12,795,000	—	430,000	12,365,000	440,000
EBC – 2011	27,995,000	3.00%–4.75%	2032	28,649,289	—	910,966	27,738,323	883,366
EBC – Series 2015A	15,660,000	2.00%–4.00%	2041	15,660,000	—	100,000	15,560,000	180,000
EBC – Series 2015B	10,125,000	0.90%–3.75%	2031	10,125,000	—	555,000	9,570,000	585,000
EBC – Series 2015C	$31,630,000	2.00%–5.00%	2047	—	33,706,400	—	33,706,400	773,978
EBC – Series 2015D	$17,660,000	0.69%–4.45%	2037	—	19,736,399	—	19,736,399	858,978
EBC – Series 2016A	$33,245,000	2.00%–5.00%	2035	—	33,973,347	—	33,973,347	575,000
Total bonded debt				149,674,289	87,416,146	43,810,966	193,279,469	10,546,322
Capital leases:								
Buildings				14,550,606	36,753,154	3,723,378	47,580,382	3,207,972
Assets under construction				38,246,846	—	—	38,246,846	—
Total capital leases				52,797,452	36,753,154	3,723,378	85,827,228	3,207,972
Other long-term liabilities and notes payable:								
Pension liability				224,435,474	63,437,077	—	287,872,551	—
Accrued leave liabilities				15,905,194	1,014,225	—	16,919,419	1,438,000
Deposits refundable				100,222	—	12,150	88,072	—
Notes payable				—	9,500,000	—	9,500,000	840,191
Other				9,405,200	—	78,500	9,326,700	—
Total other long-term liabilities and notes payable				249,846,090	73,951,302	90,650	323,706,742	2,278,191
Total				$ 452,317,831	198,120,602	47,624,994	602,813,439	16,032,485
Due within one year							(16,032,485)	
Total long-term liabilities							$ 586,780,954	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Southern Mississippi:								
Bonded debt:								
The Village	$ 18,725,000	3.63%–5.00%	2032	$ 395,000	—	395,000	—	—
EBC Refunding	24,855,000	3.63%–5.00%	2027	1,765,000	—	1,765,000	—	—
Athletic Improvements	27,190,000	4.00%–5.00%	2034	1,115,000	—	535,000	580,000	580,000
Dormitory Construction	49,900,000	2.75%–5.38%	2037	49,785,000	—	47,675,000	2,110,000	335,000
SMBEC Series 2013	51,875,000	2.75%–5.38%	2044	59,307,664	—	1,883,029	57,424,635	985,000
SMEBC Series 2015A	38,600,000	2.00%–5.00%	2034	38,600,000	—	255,000	38,345,000	455,000
SMEBC Series 2015B	16,690,000	0.50%–3.25%	2034	16,690,000	—	375,000	16,315,000	2,165,000
SMEBC Series 2016	58,870,000	2.00%–5.00%	2040	—	70,793,434	—	70,793,434	1,704,911
Total bonded debt				167,657,664	70,793,434	52,883,029	185,568,069	6,224,911
Certificates of Participation								
Parking Garage, Series 2009				14,255,000	—	14,255,000	—	—
Capital leases:								
Various equipment				1,622,805	—	507,479	1,115,326	510,107
Other long-term liabilities and notes payable:								
Pension liability				163,430,215	41,307,930	—	204,738,145	—
Accrued leave liabilities				10,063,335	—	17,353	10,045,982	1,230,000
Deposits refundable				33,223	—	19,680	13,543	—
Notes payable				1,333,429	—	534,008	799,421	627,981
Other				26,701,067	—	118,908	26,582,159	—
Total other long-term liabilities and notes payable				201,561,269	41,307,930	689,949	242,179,250	1,857,981
Total				$ 385,096,738	112,101,364	68,335,457	428,862,645	8,592,999
Due within one year							(8,592,999)	
Total long-term liabilities							$ 420,269,646	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 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%	2024	$ 23,670,000	—	—	23,670,000	—
Series 2009	105,605,000	2.00%–5.00%	2034	84,548,689	—	5,004,405	79,544,284	5,199,405
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	2,905,416	—	534,083	2,371,333	564,083
Series 2012A	51,860,000	4.00%–5.00%	2041	51,727,393	—	44,203	51,683,190	44,202
Series 2012B	53,390,000	4.07%–4.82%	2038	54,671,871	—	—	54,671,871	—
Total bonded debt				262,393,369	—	5,582,691	256,810,678	5,807,690
Other long-term liabilities:								
Pension liability				821,435,313	339,073,151	72,947,291	1,087,561,173	—
Accrued leave liabilities				55,047,823	8,371,322	4,712,102	58,707,043	4,394,887
Other				38,043,985	117,892	331,555	37,830,322	4,984,000
Total other long-term liabilities				914,527,121	347,562,365	77,990,948	1,184,098,538	9,378,887
Total				$ 1,176,920,490	347,562,365	83,573,639	1,440,909,216	15,186,577
Due within one year							(15,186,577)	
Total long-term liabilities							$ 1,425,722,639	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
IHL Board Office:								
Other long-term liabilities:								
Pension liability				$ 13,082,977	3,956,286	445,836	16,593,427	—
Accrued leave liabilities				818,152	4,755	—	822,907	34,787
Other				40,648,373	2,842,822	1,681,373	41,809,822	10,084,613
Total				$ 54,549,502	6,803,863	2,127,209	59,226,156	10,119,400
Due within one year							(10,119,400)	
Total long-term liabilities							$ 49,106,756	
MCVS:								
Other long-term liabilities:								
Pension liability				$ 1,092,239	138,876	—	1,231,115	—
Accrued leave liabilities				59,559	6,531	—	66,090	2,400
Total				$ 1,151,798	145,407	—	1,297,205	2,400
Due within one year							(2,400)	
Total long-term liabilities							$ 1,294,805	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2016 Beginning balance	Additions	Deletions	Ending balance	Due within one year
State of Mississippi Institutions of Higher Learning – Combined:								
Total bonded debt				$ 1,072,022,814	223,943,245	174,479,189	1,121,486,870	39,104,150
Total capital leases				71,692,377	38,232,291	5,154,245	104,770,423	4,750,632
Other long-term liabilities and notes payable:								
Pension liability				1,850,037,000	626,283,305	73,393,127	2,402,927,178	—
Accrued leave liabilities				121,443,859	13,314,365	6,448,032	128,310,192	11,014,419
Deposits refundable				958,228	114,741	37,754	1,035,215	—
Notes payable				16,203,322	9,500,000	14,884,015	10,819,307	1,566,051
Other				134,451,223	3,152,011	3,588,140	134,015,094	15,068,613
Total other long-term liabilities and notes payable				2,123,093,632	652,364,422	98,351,068	2,677,106,986	27,649,083
Total				$ 3,266,808,823	914,539,958	277,984,502	3,903,364,279	71,503,865
Due within one year							(71,503,865)	
Total noncurrent liabilities							$ 3,831,860,414	

				Year ended June 30, 2015				
Description and purpose	**Original issue**	**Annual interest rate**	**Maturity (fiscal year)**	**Beginning balance**	**Additions**	**Deletions**	**Ending balance**	**Due within one year**
Alcorn State University:								
Bonded debt:								
2009 Series A Student Housin	$ 47,000,000	5.13%–5.25%	2040	$ 45,858,617	76,843	400,000	45,535,460	576,844
Total bonded debt				45,858,617	76,843	400,000	45,535,460	576,844
Other long-term liabilities:								
Pension liability				64,134,357	885,413	8,261,511	56,758,259	—
Accrued leave liabilities				4,632,504	1,533,580	1,585,698	4,580,386	943,097
Deposits refundable				595,628	6,302	—	601,930	—
Total other long-term liabilities				69,362,489	2,425,295	9,847,209	61,940,575	943,097
Total				$ 115,221,106	2,502,138	10,247,209	107,476,035	1,519,941
Due within one year							(1,519,941)	
Total long-term liabilities							$ 105,956,094	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 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	$ 1,525,000	—	125,000	1,400,000	130,000
2009 Series	3,135,000	2.50%–3.75%	2019	2,010,000	—	375,000	1,635,000	390,000
Total bonded debt				3,535,000	—	500,000	3,035,000	520,000
Capital leases:								
Infrastructure/Desktop/Hardware				—	151,388	6,766	144,622	35,706
Airplanes				1,069,749	—	250,086	819,663	590,338
Foundation hall and faculty apartments				16,170,000	—	380,000	15,790,000	390,000
Total capital leases				17,239,749	151,388	636,852	16,754,285	1,016,044
Other long-term liabilities:								
Pension liability				37,895,795	523,174	4,881,573	33,537,396	—
Accrued leave liabilities				1,407,533	152,315	—	1,559,848	204,703
Deposits refundable				136,425	—	3,268	133,157	—
Other				1,817,516	—	18,869	1,798,647	—
Total other long-term liabilities				41,257,269	675,489	4,903,710	37,029,048	204,703
Total				$ 62,032,018	826,877	6,040,562	56,818,333	1,740,747
Due within one year							(1,740,747)	
Total long-term liabilities							$ 55,077,586	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 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%	2021	$ 1,120,000	—	145,000	975,000	150,000
Series 2006 – A	12,000,000	3.50%–4.25%	2031	9,795,000	—	9,795,000	—	—
Series 2007	48,165,000	5.00%	2034	48,740,571	—	48,740,571	—	—
Series 2010-A-1	31,325,000	3.00%–5.00%	2034	27,009,805	—	1,819,989	25,189,816	(14,181)
Other Borrowings	1,900,000	5.00%	2034	1,095,000	—	1,095,000	—	—
Campus Revenue Bond – 2015A	57,595,000	2.00%–5.00%	2045	—	58,787,216	—	58,787,216	123,549
Campus Revenue Bond – 2015B	13,065,000	0.69%–2.56%	2021	—	13,065,000	—	13,065,000	2,590,000
Total bonded debt				87,760,376	71,852,216	61,595,560	98,017,032	2,849,368
Other long-term liabilities and notes payable:								
Pension liability				113,433,632	1,566,019	14,612,031	100,387,620	—
Accrued leave liabilities				5,322,123	33,236	—	5,355,359	385,586
Deposits refundable				24,207	2,203	—	26,410	—
Federal Portion – Perkins Loaan Program				1,683,435	76,669	—	1,760,104	—
Capital leases and other				—	1,126,518	54,885	1,071,633	92,474
Notes payable				707,113	—	92,220	614,893	95,007
Total other long-term liabilities and notes payable				121,170,510	2,804,645	14,759,136	109,216,019	573,067
Total				$ 208,930,886	74,656,861	76,354,696	207,233,051	3,422,435
Due within one year							(3,422,435)	
Total long-term liabilities							$ 203,810,616	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi State University:								
Bonded debt:								
Dormitory Bonds	$ 2,250,000	3.00%	2021	$ 610,000	—	80,000	530,000	80,000
Student Apartments	2,038,000	3.00%	2022	640,000	—	70,000	570,000	75,000
EBC – Revenue Bonds	31,865,000	3.75%–5.25%	2018	6,025,000	—	1,385,000	4,640,000	1,465,000
EBC – Revenue Bonds	17,000,000	2.00%–5.00%	2029	595,000	—	595,000	—	—
EBC – Revenue Bonds	28,790,000	2.00%–5.00%	2030	1,625,000	—	1,625,000	—	—
EBC – Revenue Bonds	58,965,000	4.00%–5.00%	2036	3,585,000	—	1,750,000	1,835,000	1,835,000
EBC – Revenue Bonds	6,110,000	4.50%–4.75%	2028	4,825,000	—	255,000	4,570,000	265,000
EBC – Revenue Bonds	29,615,000	3.00%–5.25%	2029	27,820,000	—	630,000	27,190,000	650,000
EBC – Revenue Bonds	17,105,000	3.00%–5.25%	2024	11,910,000	—	—	11,910,000	—
EBC – Revenue Bonds	54,370,000	2.00%–5.00%	2042	50,555,000	—	1,970,000	48,585,000	2,040,000
EBC – Revenue Bonds	60,470,000	2.00%–5.00%	2044	60,470,000	—	490,000	59,980,000	505,000
EBC – Revenue Bonds	89,810,000	2.00%–5.00%	2044	89,810,000	—	—	89,810,000	2,230,000
EBC – Revenue Bonds	23,435,000	0.29%–5.00%	2044	23,435,000	—	875,000	22,560,000	580,000
EBC – Revenue Bonds	56,010,000	2.00%–5.00%	2045	—	56,010,000	—	56,010,000	—
Total bonded debt				281,905,000	56,010,000	9,725,000	328,190,000	9,725,000
Other long-term liabilities:								
Pension liability				426,749,039	5,891,523	54,971,970	377,668,592	—
Accrued leave liabilities				24,105,527	1,125,647	—	25,231,174	1,905,475
Deposits refundable				30,305	1,330	—	31,635	—
Other				13,837,235	70,309	—	13,907,544	—
Total other long-term liabilities				464,722,106	7,088,809	54,971,970	416,838,945	1,905,475
Total				$ 746,627,106	63,098,809	64,696,970	745,028,945	11,630,475
Due within one year							(11,630,475)	
Total long-term liabilities							$ 733,398,470	

(Continued)

				Year ended June 30, 2015				
Description and purpose	**Original issue**	**Annual interest rate**	**Maturity (fiscal year)**	**Beginning balance**	**Additions**	**Deletions**	**Ending balance**	**Due within one year**
Mississippi University for Women:								
Capital leases:								
Various equipment				$ 656,889	—	139,054	517,835	142,919
Other long-term liabilities:								
Pension liability				30,608,204	422,564	3,942,817	27,087,951	—
Accrued leave liabilities				1,182,846	42,633	—	1,225,479	49,019
Other				1,184,812	—	70,142	1,114,670	—
Total other long-term liabilities				32,975,862	465,197	4,012,959	29,428,100	49,019
Total				$ 33,632,751	465,197	4,152,013	29,945,935	191,938
Due within one year							(191,938)	
Total long-term liabilities							$ 29,753,997	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 Beginning balance	Additions	Deletions	Ending balance	Due within one year
Mississippi Valley State University:								
Bonded debt:								
EBC – 2007	$ 19,015,000	4.00%	2037	$ 17,810,000	—	290,000	17,520,000	335,000
Total bonded debt				17,810,000	—	290,000	17,520,000	335,000
Other long-term liabilities:								
Pension liability				35,165,332	485,478	4,529,846	31,120,964	—
Accrued leave liabilities				1,554,476	43,074	—	1,597,550	267,096
Deposits refundable				30,258	2,665	1,272	31,651	—
Total other long-term liabilities				36,750,066	531,217	4,531,118	32,750,165	267,096
Total				$ 54,560,066	531,217	4,821,118	50,270,165	602,096
Due within one year							(602,096)	
Total long-term liabilities							$ 49,668,069	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 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	$ 7,415,000	—	400,000	7,015,000	420,000
EBC – 2006A	17,985,000	4.00%–5.00%	2026	11,075,000	—	1,215,000	9,860,000	1,275,000
EBC – 2006B-1	17,290,000	3.50%–5.00%	2027	11,495,000	—	995,000	10,500,000	1,030,000
EBC – 2008A	29,785,000	3.25%–5.00%	2034	26,030,000	—	825,000	25,205,000	855,000
EBC – 2009A	19,870,000	2.13%–4.50%	2030	16,915,000	—	790,000	16,125,000	815,000
EBC – 2009B	24,165,000	3.00%–5.00%	2021	15,655,000	—	1,915,000	13,740,000	2,010,000
EBC – 2009C	14,770,000	2.50%–4.75%	2035	13,210,000	—	415,000	12,795,000	430,000
EBC – 2011	27,995,000	2.00%–5.00%	2032	29,030,450	347,927	729,088	28,649,289	818,366
EBC – Series 2015A	15,660,000	2.00%–4.00%	2040	—	15,660,000	—	15,660,000	100,000
EBC – Series 2015B	10,125,000	0.50%–3.75%	2030	—	10,125,000	—	10,125,000	555,000
Total bonded debt				130,825,450	26,132,927	7,284,088	149,674,289	8,308,366
Capital leases:								
Buildings				—	15,005,536	454,930	14,550,606	908,751
Assets under construction				13,403,451	40,214,740	15,371,345	38,246,846	441,924
Total capital leases				13,403,451	55,220,276	15,826,275	52,797,452	1,350,675
Other long-term liabilities and notes payable:								
Pension liability				253,602,291	3,501,129	32,667,946	224,435,474	—
Accrued leave liabilities				14,759,207	1,145,987	—	15,905,194	1,692,000
Deposits refundable				95,972	4,250	—	100,222	—
Notes payable				99,985	—	99,985	—	—
Other				9,233,300	171,900	—	9,405,200	—
Total other long-term liabilities and notes payable				277,790,755	4,823,266	32,767,931	249,846,090	1,692,000
Total				$ 422,019,656	86,176,469	55,878,294	452,317,831	11,351,041
Due within one year							(11,351,041)	
Total long-term liabilities							$ 440,966,790	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 Beginning balance	Additions	Deletions	Ending balance	Due within one year
University of Southern Mississippi								
Bonded debt:								
The Village	$ 18,725,000	3.63%–5.00%	2032	$ 16,975,000	—	16,580,000	395,000	395,000
EBC Refunding	24,855,000	3.63%–5.00%	2027	19,235,000	—	17,470,000	1,765,000	1,765,000
Athletic Improvements	27,190,000	4.00%–5.00%	2034	25,120,000	—	24,005,000	1,115,000	535,000
Dormitory Construction	49,900,000	2.75%–5.38%	2037	49,900,000	—	115,000	49,785,000	225,000
SMBEC Series 2013	51,875,000	2.75%–5.38%	2044	55,794,678	4,289,586	776,600	59,307,664	1,852,237
SMEBC Series 2015A	38,600,000	2.00%–5.00%	2034	—	38,600,000	—	38,600,000	255,000
SMEBC Series 2015B	16,690,000	0.50%–3.25%	2027	—	16,690,000	—	16,690,000	375,000
Total bonded debt				167,024,678	59,579,586	58,946,600	167,657,664	5,402,237
Certificates of Participation								
Parking Garage, Series 2009	15,520,000	2.00%–5.13%	2040	14,560,000	—	305,000	14,255,000	315,000
Capital leases:								
Various equipment				2,140,990	—	518,185	1,622,805	507,480
Other long-term liabilities and notes payable:								
Pension liability				184,669,016	2,549,465	23,788,266	163,430,215	—
Accrued leave liabilities				9,990,189	205,734	132,588	10,063,335	1,180,000
Deposits refundable				32,743	10,400	9,920	33,223	—
Notes payable				1,787,632	—	454,203	1,333,429	534,008
Other				26,735,912	—	34,845	26,701,067	—
Total other long-term liabilities and notes payable				223,215,492	2,765,599	24,419,822	201,561,269	1,714,008
Total				$ 406,941,160	62,345,185	84,189,607	385,096,738	7,938,725
Due within one year							(7,938,725)	
Total long-term liabilities							$ 377,158,013	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 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%	2024	$ 23,670,000	—	—	23,670,000	—
Series 2009	105,605,000	2.00%–5.00%	2034	89,363,094	—	4,814,405	84,548,689	5,004,405
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	3,424,499	—	519,083	2,905,416	534,083
Series 2012A	51,860,000	4.00%–5.00%	2041	51,771,595	—	44,202	51,727,393	44,202
Series 2012B	53,390,000	4.07%–4.82%	2038	54,671,871	—	—	54,671,871	—
Total bonded debt				267,771,059	—	5,377,690	262,393,369	5,582,690
Other long-term liabilities:								
Pension liability				928,186,080	12,814,159	119,564,926	821,435,313	—
Accrued leave liabilities				51,948,891	7,514,760	4,415,828	55,047,823	4,277,538
Other				37,763,769	831,610	551,394	38,043,985	4,827,000
Total other long-term liabilities				1,017,898,740	21,160,529	124,532,148	914,527,121	9,104,538
Total				$ 1,285,669,799	21,160,529	129,909,838	1,176,920,490	14,687,228
Due within one year							(14,687,228)	
Total long-term liabilities							$ 1,162,233,262	

(Continued)

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 Beginning balance	Additions	Deletions	Ending balance	Due within one year
IHL Board Office:								
Other long-term liabilities:								
Pension liability				$ 14,783,193	204,091	1,904,307	13,082,977	—
Accrued leave liabilities				795,429	22,723	—	818,152	58,328
Other				38,406,103	4,659,270	2,417,000	40,648,373	10,206,293
Total				$ 53,984,725	4,886,084	4,321,307	54,549,502	10,264,621
Due within one year							(10,264,621)	
Total long-term liabilities							$ 44,284,881	
MCVS:								
Other long-term liabilities:								
Pension liability				$ 1,234,182	17,039	158,982	1,092,239	—
Accrued leave liabilities				69,517	—	9,958	59,559	6,095
Total				$ 1,303,699	17,039	168,940	1,151,798	6,095
Due within one year							(6,095)	
Total long-term liabilities							$ 1,145,703	

Description and purpose	Original issue	Annual interest rate	Maturity (fiscal year)	Year ended June 30, 2015 Beginning balance	Additions	Deletions	Ending balance	Due within one year
State of Mississippi Institutions of Higher Learning – Combined:								
Total bonded debt				$ 1,002,490,180	213,651,572	144,118,938	1,072,022,814	33,299,505
Total capital leases				33,441,079	55,371,664	17,120,366	71,692,377	3,017,118
Other long-term liabilities and notes payable:								
Pension liability				2,090,461,121	28,860,054	269,284,175	1,850,037,000	—
Accrued leave liabilities				115,768,242	11,819,689	6,144,072	121,443,859	10,968,937
Deposits refundable				945,538	27,150	14,460	958,228	—
Notes payable				17,154,730	—	951,408	16,203,322	944,015
Other				130,662,082	6,936,276	3,147,135	134,451,223	15,125,767
Total other long-term liabilities and notes payable				2,354,991,713	47,643,169	279,541,250	2,123,093,632	27,038,719
Total				$ 3,390,922,972	316,666,405	440,780,554	3,266,808,823	63,355,342
Due within one year							(63,355,342)	
Total noncurrent liabilities							$ 3,203,453,481	

The annual debt service requirements for the outstanding debt as of June 30, 2016 for each of the respective universities within the IHL system are as follows:

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Alcorn State University:					
2017	$ 1,300,860	—	—	1,749,592	3,050,452
2018	720,000	—	—	1,858,700	2,578,700
2019	815,000	—	—	1,820,325	2,635,325
2020	915,000	—	—	1,781,650	2,696,650
2021	1,130,000	—	—	1,740,750	2,870,750
2022–2026	7,255,000	—	—	7,926,300	15,181,300
2027–2031	10,115,000	—	—	5,836,625	15,951,625
2032–2036	12,845,000	—	—	3,353,750	16,198,750
2037–2041	16,409,677	—	—	856,025	17,265,702
Totals	$ 51,505,537	—	—	26,923,717	78,429,254

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Delta State University:					
2017	$ 535,000	710,233	—	785,649	2,030,882
2018	555,000	744,035	—	739,531	2,038,566
2019	580,000	467,994	—	690,750	1,738,744
2020	155,000	455,000	—	658,663	1,268,663
2021	160,000	470,000	—	634,162	1,264,162
2022–2026	530,000	2,670,000	—	2,763,195	5,963,195
2027–2031	—	3,325,000	—	2,072,840	5,397,840
2032–2036	—	4,190,000	—	1,206,404	5,396,404
2037–2041	—	3,033,546	—	208,166	3,241,712
Totals	$ 2,515,000	16,065,808	—	9,759,360	28,340,168

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Jackson State University:					
2017	$ 2,929,367	96,739	97,879	4,448,074	7,572,059
2018	3,348,915	101,200	100,837	4,378,276	7,929,228
2019	3,433,915	105,867	103,885	4,284,975	7,928,642
2020	3,533,915	110,750	107,025	4,175,960	7,927,650
2021	3,663,915	115,858	110,260	4,036,774	7,926,807
2022–2026	21,364,575	449,227	—	17,035,454	38,849,256
2027–2031	27,654,575	—	—	10,707,950	38,362,525
2032–2036	22,097,542	—	—	3,219,000	25,316,542
2037–2041	3,626,880	—	—	710,000	4,336,880
2042–2046	3,159,518	—	—	208,000	3,367,518
Totals	$ 94,813,117	979,641	519,886	53,204,463	149,517,107

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Mississippi State University:					
2017	$ 11,385,000	—	—	14,010,324	25,395,324
2018	9,775,000	—	—	13,678,756	23,453,756
2019	10,195,000	—	—	13,330,186	23,525,186
2020	10,565,000	—	—	12,956,199	23,521,199
2021	10,995,000	—	—	12,528,384	23,523,384
2022–2026	57,305,000	—	—	54,930,631	112,235,631
2027–2031	54,540,000	—	—	41,993,384	96,533,384
2032–2036	59,705,000	—	—	29,052,899	88,757,899
2037–2041	58,500,000	—	—	14,947,655	73,447,655
2042–2046	35,500,000	—	—	2,626,307	38,126,307
Totals	$ 318,465,000	—	—	210,054,725	528,519,725

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Mississippi University for Women:					
2017	$ —	146,891	—	9,341	156,232
2018	—	150,973	—	5,259	156,232
2019	—	77,052	—	1,063	78,115
Totals	$ —	374,916	—	15,663	390,579

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
Mississippi Valley State University:					
2017	$ 375,000	78,690	—	992,836	1,446,526
2018	255,000	79,466	—	857,060	1,191,526
2019	585,000	81,264	—	1,176,762	1,843,026
2020	625,000	83,102	—	1,199,623	1,907,725
2021	675,000	84,982	—	1,231,642	1,991,624
2022–2026	3,325,000	—	—	5,821,055	9,146,055
2027–2031	4,570,000	—	—	6,519,387	11,089,387
2032–2036	6,525,000	—	—	7,566,088	14,091,088
2037–2041	1,595,000	—	—	1,654,813	3,249,813
Totals	$ 18,530,000	407,504	—	27,019,266	45,956,770

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
University of Mississippi:					
2017	$ 10,546,322	3,207,972	840,191	9,929,284	24,523,769
2018	10,421,322	3,280,544	865,671	9,597,320	24,164,857
2019	10,802,744	3,355,399	888,360	9,172,735	24,219,238
2020	10,208,218	3,432,607	911,643	8,749,645	23,302,113
2021	10,663,218	3,635,524	935,537	8,277,460	23,511,739
2022–2026	46,621,854	25,515,286	5,058,598	33,809,946	111,005,684
2027–2031	46,427,051	21,029,757	—	19,525,116	86,981,924
2032–2036	27,091,717	22,370,139	—	7,850,517	57,312,373
2037–2041	12,007,094	—	—	3,103,225	15,110,319
2042–2046	8,489,929	—	—	1,064,250	9,554,179
Totals	$ 193,279,469	85,827,228	9,500,000	111,079,498	399,686,195

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
University of Southern Mississippi:					
2017	$ 6,224,911	510,107	627,981	7,259,641	14,622,640
2018	4,440,000	512,752	171,440	7,040,214	12,164,406
2019	4,765,000	92,467	—	6,933,915	11,791,382
2020	5,135,000	—	—	6,801,509	11,936,509
2021	5,465,000	—	—	6,673,651	12,138,651
2022–2026	27,085,000	—	—	30,189,101	57,274,101
2027–2031	37,920,000	—	—	23,231,851	61,151,851
2032–2036	43,765,000	—	—	13,288,050	57,053,050
2037–2041	22,750,000	—	—	5,105,638	27,855,638
2042–2046	28,018,158	—	—	663,250	28,681,408
Totals	$ 185,568,069	1,115,326	799,421	107,186,820	294,669,636

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
University of Mississippi:					
Medical Center:					
2017	5,807,690	—	—	12,639,163	18,446,853
2018	6,092,690	—	—	12,352,975	18,445,665
2019	6,372,690	—	—	12,071,138	18,443,828
2020	6,672,690	—	—	11,769,750	18,442,440
2021	6,983,607	—	—	11,460,646	18,444,253
2022–2026	38,808,036	—	—	51,694,631	90,502,667
2027–2031	47,088,036	—	—	41,072,983	88,161,019
2032–2036	60,659,226	—	—	27,532,961	88,192,187
2037–2041	78,326,013	—	—	10,823,689	89,149,702
Totals	$ 256,810,678	—	—	191,417,936	448,228,614

University – fiscal year	Bonded debt	Capital leases	Notes payable	Interest	Total
State of Mississippi – Institutions of Higher Learning:					
2017	$ 39,104,150	4,750,632	1,566,051	51,823,904	97,244,737
2018	35,607,927	4,868,970	1,137,948	50,508,091	92,122,936
2019	37,549,349	4,180,043	992,245	49,481,849	92,203,486
2020	37,809,823	4,081,459	1,018,668	48,092,999	91,002,949
2021	39,735,740	4,306,364	1,045,797	46,583,469	91,671,370
2022–2026	202,294,465	28,634,513	5,058,598	204,170,313	440,157,889
2027–2031	228,314,662	24,354,757	—	150,960,136	403,629,555
2032–2036	232,688,485	26,560,139	—	93,069,669	352,318,293
2037–2041	193,214,664	3,033,546	—	37,409,211	233,657,421
2042–2046	75,167,605	—	—	4,561,807	79,729,412
Totals	$ 1,121,486,870	104,770,423	10,819,307	736,661,448	1,973,738,048

(a) Alcorn State University

In March of 2016, the University issued bonds totaling $43,630,000 (Series 2016 A) to advance refunding and defeasing for interest rate savings of the outstanding ASU EBC, Series 2009A and to pay the related costs of the issuance, sale and delivery of the Series 2016 Bonds. The bonds bear interest at rates ranging from 2.00% to 5.00% with final maturity in September 2039. The advance refunding of the ASU EBC, Series 2009A bond will result in a difference in cash flow between the new debt and old debt of approximately $5,600,000 and resulted in an economic gain of approximately $4,000,000. The University paid approximately $500,000 in fees and reported the difference between the reacquisition price and the net carrying amount of the old debt as a deferred outflow of resources, which will be recognized as a component of interest expense over the remaining life of the new debt.

(b) Mississippi Valley State University

On September 30, 2015, the University finalized Education Building Corporation Bond Series 2015 for $17,270,000 to retire $15,925,000 in callable Education Building Corporation Bond Series 2007. On May 19, 2016, the University also finalized the Series 2016A Master Lease Purchase Agreement.

(c) University of Mississippi

In November 2015, the University issued bonds totaling $31,630,000 (Series 2015C) and $17,660,000 (Series 2015D) for the construction, equipping and landscaping of an additional student residential housing facilities and for expansion and related infrastructure improvements to Vaught-Hemingway Stadium, respectively. These issues included premiums of $2,076,400, and $2,076,399, respectively. In May 2016, the University issued bonds totaling $33,245,000 (Series 2016A) to refund and advance refund the Series 2005A, Series 2006A and Series 2008A bonds, and included a premium of $728,347. Outstanding coupons of the Series 2015C bear interest at rates ranging from 2.00% to 5.00% payable semiannually with final maturity in November 2046. Outstanding coupons of the Series 2015D bear interest at rates ranging from 0.69% to 4.452% payable semiannually with final maturity in November 2036. Outstanding coupons of the Series 2016A bear interest at rates ranging from 2.00% to 5.00% payable semiannually with final maturity in October 2034. The refunding and advance refunding of the Series 2005A, Series 2006A and Series 2008A bonds will result in a difference in

cash flow between the new debt and old debt of approximately $5,700,000 and resulted in an economic gain of approximately $2,200,000. The University paid approximately $200,000 in fees and reported the difference between the reacquisition price and the net carrying amount of the old debt as a deferred inflow of resources, which will be recognized as a component of interest expense over the remaining life of the old debt.

(d) University of Southern Mississippi

In February of 2016, the University issued bonds totaling $58,870,000 (Series 2016) for refunding portions of SMEBC bonds issued in February 2009 (Series 2009) and all of the Certificates of Participation issued through the University of Southern Mississippi Real Estate Foundation in November 2009 (Series 2009). Outstanding coupons bear interest at rates ranging from 2.00% to 5.00% with final maturity in September 2039. The refunding of the SMEBC bonds and the Certificates of Participation will result in a difference in cash flow between the new debt and old debt of approximately $9,800,000 and resulted in an economic gain of approximately $5,600,000. The University paid approximately $300,000 in fees and reported the difference between the reacquisition price and the net carrying amount of the old debt as a deferred outflow of resources, which will be recognized as a component of interest expense over the remaining life of the old debt.

(10) Natural Classifications with Functional Classifications

The IHL System's operating expenses by functional classification were as follows for the years ended June 30, 2016 and 2015:

	2016									
Functional classification	Salaries and wages	Fringe benefits	Travel	Contractual services	Utilities	Scholarships and fellowships	Commodities	Depreciation expense	Other	Total
Instruction	$ 455,167,283	161,139,275	11,197,362	43,000,448	189,578	3,949,040	16,494,578	—	2,036,294	693,173,858
Research	168,277,896	64,863,693	9,184,678	57,247,377	2,935,871	1,605,999	21,193,867	—	728,027	326,037,408
Public service	86,291,312	32,453,980	7,008,556	30,189,901	868,325	375,728	7,695,762	—	27,164	164,910,728
Academic support	80,256,012	27,399,105	3,171,993	25,980,462	479,745	339,289	13,933,283	—	474,957	152,034,846
Student services	46,563,005	16,180,069	4,562,994	11,657,884	167,905	169,254	6,184,133	—	98,855	85,584,099
Institutional support	140,990,665	49,272,566	2,783,403	104,456,186	241,420	4,545,279	25,503,888	—	3,659,449	331,452,856
Operation of plant	53,324,794	22,411,790	143,034	47,771,352	43,100,144	—	7,812,685	—	2,301,870	176,865,669
Student aid	4,358,548	3,821,773	56,062	547,646	—	170,852,938	169,565	—	—	179,806,532
Auxiliary enterprises	75,475,935	23,576,908	16,238,277	82,493,794	15,904,514	20,708,055	19,537,315	5,487	67,298	254,007,583
Depreciation	—	—	—	—	—	—	—	147,044,210	—	147,044,210
Hospital	469,158,933	153,570,336	3,066,441	95,259,546	968,448	—	259,046,269	—	—	981,069,973
Loan fund expense	—	—	—	—	—	—	—	—	512,543	512,543
	1,579,864,383	554,689,495	57,412,800	498,604,596	64,855,950	202,545,582	377,571,345	147,049,697	9,906,457	3,492,500,305
Elimination entities	—	—	—	(52,699,905)	—	(27,867,856)	—	—	—	(80,567,761)
Total operating expenses	$ 1,579,864,383	554,689,495	57,412,800	445,904,691	64,855,950	174,677,726	377,571,345	147,049,697	9,906,457	3,411,932,544

(Continued)

	2015									
Functional classification	**Salaries and wages**	**Fringe benefits**	**Travel**	**Contractual services**	**Utilities**	**Scholarships and fellowships**	**Commodities**	**Depreciation expense**	**Other**	**Total**
Instruction	$ 454,396,419	130,347,994	11,139,841	39,604,733	183,001	1,155,815	16,293,817	—	1,406,958	654,528,578
Research	141,269,009	47,856,569	8,886,500	57,353,221	3,099,134	689,802	25,028,823	—	275,026	284,458,084
Public service	81,154,750	25,160,088	6,671,696	29,594,040	935,114	227,956	9,883,756	—	29,400	153,656,800
Academic support	79,467,984	22,607,491	3,345,134	30,968,507	532,676	45,051	11,967,473	—	265,136	149,199,452
Student services	44,775,402	13,404,359	4,299,607	10,667,216	152,205	304,186	6,373,900	—	49,482	80,026,357
Institutional support	134,555,812	36,323,259	2,715,446	103,804,014	115,491	334,503	26,568,701	—	3,030,916	307,448,142
Operation of plant	52,317,652	17,387,120	109,723	41,554,654	48,343,133	—	8,980,349	—	378,049	169,070,680
Student aid	4,441,974	3,622,630	27,195	1,196,569	2,267,339	176,137,190	272,684	—	—	187,965,581
Auxiliary enterprises	68,917,618	18,975,847	14,990,607	85,414,778	13,573,870	17,851,689	24,379,699	4,353	823,207	244,931,668
Depreciation	—	—	—	—	—	—	—	144,505,081	—	144,505,081
Hospital	436,569,554	113,030,777	2,868,844	88,770,582	1,220,337	—	227,756,596	—	—	870,216,690
Loan fund expense	—	—	—	—	—	—	—	—	1,120,042	1,120,042
	1,497,866,174	428,716,134	55,054,593	488,928,314	70,422,300	196,746,192	357,505,798	144,509,434	7,378,216	3,247,127,155
Elimination entities	—	—	—	(52,731,303)	—	(24,083,137)	—	—	—	(76,814,440)
Total operating expenses	$ 1,497,866,174	428,716,134	55,054,593	436,197,011	70,422,300	172,663,055	357,505,798	144,509,434	7,378,216	3,170,312,715

(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:

		Amount
Years ending June 30, 2016:		
2017	$	24,437,854
2018		22,815,785
2019		20,957,596
2020		17,930,425
2021		17,197,036
2022–2026		51,540,460
2027–2031		46,664,624
2032–2036		5,850,000
Total minimum payments required	$	207,393,780

The total rental expense for all operating leases, except those with terms of a month or less that were not renewed, for the years ended June 30, 2016 and 2015 approximated $28.7 million and $26.4 million, respectively.

(12) Construction Commitments and Financing

The IHL System has contracted for various construction projects as of June 30, 2016. Estimated costs to complete the various projects and the sources of anticipated funding are presented below:

	Remaining estimated cost to complete	Funded by			
		Federal sources	State sources	Institutional sources	Other
Alcorn State University	$ 12,283,259	—	12,283,259	—	—
Delta State University	1,858,722	—	1,858,722	—	—
Jackson State University	21,093,151	—	21,093,151	—	—
Mississippi State University	473,358,324	8,532,729	114,043,107	292,904,176	57,878,312
Mississippi University for Women	48,031	—	—	48,031	—
Mississippi Valley State University	16,771,940	—	16,771,940	—	—
University of Mississippi	335,267,700	3,492,600	34,393,500	255,016,700	42,364,900
University of Southern Mississippi	52,806,486	9,486,300	27,655,490	15,664,696	—
University of Mississippi Medical Center	82,861,747	9,248,627	38,152,735	25,899,287	9,561,098
Totals	$ 996,349,360	30,760,256	266,251,904	589,532,890	109,804,310

(13) Donor Restricted Endowments

The net appreciation on investments of donor restricted endowments that is available for authorization for expenditure approximated $50.6 million and $57.8 million as of June 30, 2016 and 2015, 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 Prudent Management of Institutional Funds Act (Sections 79-11-701 through 79-11-719, MS Code, Ann. 1972) of 2006. The annual rate for spendable transfers, distributed annually, is 4% of the investment pool’s average unit value over the 36-month period.

(14) Pension and Other Employee Benefit Plans

The Public Employees’ Retirement System of Mississippi (PERS) maintains the following separately administered pension plans:

Plan type	Plan name
Multiple-employer, defined benefit	PERS Defined Benefit Plan
Multiple-employer, defined contribution	Optional Retirement Plan (ORP) Defined Contribution Plan

The employees of the IHL System are covered by one of the pension plans outlined above (collectively, the Plans). The Plans do not provide for measurements of assets and pension benefit obligations for individual entities. The measurement date of the Plans is June 30, 2015 and 2014.

The funding methods and determination of benefits payable were established by the legislative acts creating such plans, as amended, and in general, provide that the funds are to be accumulated from employee contributions, participating entity contributions, and income from the investment of accumulated funds. The plans are administered by separate boards of trustees.

Information included within this note is based on the certification provided by the IHL System's consulting actuary, Cavanaugh Macdonald Consulting, LLC.

A stand-alone audited financial report is issued for the Plans and can be obtained at www.pers.ms.gov.

Disclosures under GASB 68

The pension disclosures that follow for fiscal years 2016 and 2015 include all disclosures for GASB 68 using the latest valuation reports available (June 30, 2015). For fiscal year 2016, the measurement date for the PERS defined benefit plan is June 30, 2015. For fiscal year 2015, the measurement date for the PERS defined benefit plan is June 30, 2014. The IHL System is presenting net pension liability as of June 30, 2015 and 2014 for the fiscal year 2016 and 2015 financials.

(a) PERS Defined Benefit Plan

Plan Description

The Public Employees' Retirement System of Mississippi (PERS) was created with the purpose to provide pension benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate in PERS, and elected members of the State Legislature and the President of the Senate. PERS administers a cost-sharing, multiple-employer defined benefit pension plan. PERS is administered by a 10-member Board of Trustees that includes the State Treasurer; one gubernatorial appointee who is a member of PERS; two state employees; two PERS retirees; and one representative each from public schools and community colleges, state universities, municipalities, and counties. With the exception of the State Treasurer and the gubernatorial appointee, all members are elected to staggered six-year terms by the constituents they represent.

Membership and Benefits Provided

Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi (the State), state universities, community and junior colleges, and teachers and employees of the public school districts. Members and employers are statutorily required to contribute certain percentages of salaries and wages as specified by the board of trustees. A member who terminates employment from all covered employers and who is not eligible to receive monthly retirement benefits may request a full refund of his or her accumulated member contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions.

Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0% of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5% for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary.

A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0% of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0% compounded for each fiscal year thereafter.

Contributions

Plan provisions and the board of trustees' authority to determine contribution rates are established by Miss. Code Ann. § 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature.

Policies for PERS provide for employer and member contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. PERS members were required to contribute 9% of their annual pay. The IHL System's contractually required contribution rate for the years ended June 30, 2016 and 2015, was 15.75% for each year of annual payroll. Employer contribution rates consist of an amount for service cost; the amount estimated to finance benefits earned by current members during the year; and an amount for amortization of the unfunded actuarial accrued liability. For determining employer contribution rates, the actuary evaluates the assets of the plans based on a five-year smoothed expected return with 20% of a year's excess or shortfall of expected return recognized each year for five years. Contribution rates are determined using the entry age actuarial cost method and include provisions for an annual 3.0% cost-of-living increase calculated according to the terms of the respective plan. Contributions from the IHL System are recognized when legally due, based on statutory requirements.

Employer Contributions

The IHL System's proportionate share was calculated on the basis of historical contributions. Although GASB 68 encourages the use of the employer's projected long-term contribution effort to the retirement plan, allocation on the basis of historical employer contributions is considered acceptable. Employer contributions recognized by the IHL System that are not representative of future

contribution effort are excluded in the determination of employers' proportionate shares. Examples of employer contributions not representative of future contribution efforts are contributions towards the purchase of employee service and employer contributions paid by employees in connection with early retirement.

The following table provides the IHL System's contributions used in the determination of the IHL System's proportionate share of collective pension amount reported:

Plan	Proportionate share of contributions	Allocation percentage of proportionate share of collective pension amount	Change in proportionate share of collective pension amount
PERS Defined Benefit Plan:			
2016	152,960,567	15.54%	0.30%
2015	146,685,017	15.24	0.34

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the IHL System's target asset allocation as of June 30, 2016 and 2015 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
U.S. Broad	34.00%	5.20%
International equity	19.00	5.00
Emerging markets equity	8.00	5.45
Fixed income	20.00	0.25
Real assets	10.00	4.00
Private equity	8.00	6.15
Cash	1.00	(0.50)
	100.00%	

Net Pension Liability

The IHL System's proportion of the net pension liability at June 30, 2016 and 2015 is as follows (dollars in thousands):

Plan	IHL Sytem's proportion of net pension liability	IHL System's proportionate share of net pension liability
PERS:		
2016	15.54%	$ 2,402,927
2015	15.24	1,850,037

Discount Rate

For the years ended June 30, 2016 and 2015, the discount rate used to measure the total pension liability was 7.75% and 8.00%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current employer contribution rate (15.75%) for the years ended June 30, 2016 and 2015. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following tables presents IHL System's proportionate share of the net pension liability of the cost-sharing plan for 2016 and 2015, calculated using the discount rate of 7.75% and 8.00%, respectively, as well as what the IHL System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75% and 7.00%) or 1-percentage-point higher (8.75% and 9.00%) than the current rate (amounts in thousands):

	1% Decrease (6.75%)	Current discount rate (7.75%)	1% Increase (8.75%)
IHL System proportionate share of net pension liability:			
2016	$ 3,167,359	2,402,927	1,768,704

		1% Decrease (7.00%)	Current discount rate (8.00%)	1% Increase (9.00%)
IHL System proportionate share of net pension liability:				
2015	$	2,522,152	1,850,037	1,289,393

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Mississippi state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2014, and the next experience study is scheduled to be conducted after the June 30, 2016 annual valuation is complete.

The following table provides a summary of the actuarial methods and assumptions used to determine the contribution rate reported for PERS for the years ended June 30, 2016 and 2015:

	2016	2015
Valuation date	June 30, 2015	June 30, 2014
Asset valuation method	Market value	Market Value
Actuarial assumptions:		
Inflation rate	3.00%	3.50%
Salary increases	3.75	4.25
Investment rate of return	7.75	8.00

Mortality rates were based on the RP-2014 Healthy Annuitant Blue Collar Table Projected with Scale BB to 2016, with male rates set forward one year.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2016 and 2015, the IHL System's proportionate share of pension expense was $159.2 million and $153.0 million, respectively, related to the PERS defined benefit plan.

Deferred outflows of resources were related to differences between expected and actual experience and contributions made after the measurement date. The difference between expected and actual experience with regard to economic and demographic factors is amortized over the average of the expected remaining service life of active and inactive members which is approximately five years. The first year of amortization is recognized as pension expense with the remaining years shown as a deferred outflow of resources.

See the following table for deferred outflows and inflows of resources for the IHL System:

	2016						
	Deferred outflows					Deferred inflows	
	Differences between expected and actual experience	Changes of assumptions	Changes in proportion and differences between employer contributions and proportionate share of contributions	Contributions subsequent to the measurement date	Total deferred outflows of resources	Net difference between projected and actual investment earnings on pension plan investments	Total deferred inflows of resources
Alcorn State University	$ 1,660,109	6,119,415	1,207,537	4,578,969	13,566,030	3,120,331	3,120,331
Delta State University	984,132	3,633,785	123,279	2,629,908	7,371,104	1,565,206	1,565,206
Jackson State University	3,016,716	11,275,389	(692,177)	8,653,220	22,253,148	2,778,380	2,778,380
Mississippi State University	11,276,490	42,006,774	6,830,389	32,082,720	92,196,373	12,528,421	12,528,421
Mississippi University for Women	816,880	3,058,149	1,006,883	2,316,938	7,198,850	867,858	867,858
Mississippi Valley State University	891,877	3,252,479	129,325	2,491,943	6,765,624	2,438,277	2,438,277
University of Mississippi	6,666,773	24,799,241	4,505,096	18,587,600	54,558,710	7,556,549	7,556,549
University of Southern Mississippi	4,783,208	17,637,499	1,017,858	13,009,957	36,448,522	8,353,503	8,353,503
University of Mississippi Medical Center	24,941,765	93,689,698	43,580,232	71,818,771	234,030,466	25,670,867	25,670,867
IHL Board Office	386,042	1,429,464	(175,220)	959,854	2,600,140	432,409	432,409
MCVS	29,902	106,055	(106,393)	88,482	118,046	107,454	107,454
Total	$ 55,453,894	207,007,948	57,426,809	157,218,362	477,107,013	65,419,255	65,419,255

	2015					
	Deferred outflows				Deferred inflows	
	Differences between expected and actual experience	Changes in proportion and differences between employer contributions and proportionate share of contributions	Contributions subsequent to the measurement date	Total deferred outflows of resources	Net difference between projected and actual investment earnings on pension plan investments	Total deferred inflows of resources
Alcorn State University	$ 885,413	1,421,615	4,487,694	6,794,722	8,227,528	8,227,528
Delta State University	523,174	123,279	2,664,943	3,311,396	4,861,492	4,861,492
Jackson State University	1,566,019	(3,338,023)	8,271,356	6,499,352	14,551,925	14,551,925
Mississippi State University	5,891,523	3,926,582	30,812,946	40,631,051	54,745,846	54,745,846
Mississippi University for Women	422,564	557,033	2,243,470	3,223,067	3,926,598	3,926,598
Mississippi Valley State University	485,478	129,325	2,384,644	2,999,447	4,511,213	4,511,213
University of Mississippi	3,501,129	4,957,239	18,189,943	26,648,311	32,533,568	32,533,568
University of Southern Mississippi	2,549,465	1,017,859	12,934,612	16,501,936	23,690,414	23,690,414
University of Mississippi Medical Center	12,814,159	26,078,336	68,736,092	107,628,587	119,073,103	119,073,103
IHL Board Office	204,091	(175,220)	1,048,459	1,077,330	1,896,474	1,896,474
MCVS	17,039	(106,393)	78,708	(10,646)	158,328	158,328
Total	$ 28,860,054	34,591,632	151,852,867	215,304,553	268,176,489	268,176,489

Contributions subsequent to the measurement date of $157.2 million and $151.9 million reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the years ended June 30, 2016 and 2015, respectively.

Other amounts reported as net deferred outflows of resources and net deferred inflows of resources related to pensions as of June 30, 2016, will be recognized in pension expense as follows:

	Deferred outflow of resources year ended June 30				
	2017	2018	2019	2020	Total
Alcorn State University	$ 2,415,877	2,415,877	2,415,877	1,739,430	8,987,061
Delta State University	1,274,515	1,274,515	1,274,515	917,651	4,741,196
Jackson State University	3,655,895	3,655,895	3,655,895	2,632,243	13,599,928
Mississippi State University	16,159,584	16,159,584	16,159,584	11,634,901	60,113,653
Mississippi University for Women	1,312,342	1,312,342	1,312,342	944,886	4,881,912
Mississippi Valley State University	1,148,839	1,148,839	1,148,839	827,164	4,273,681
University of Mississippi	9,669,653	9,669,653	9,669,653	6,962,151	35,971,110
University of Southern Mississippi	6,300,690	6,300,690	6,300,690	4,536,495	23,438,565
University of Mississippi Medical Center	43,605,294	43,605,294	43,605,294	31,395,813	162,211,695
IHL Board Office	440,937	440,937	440,937	317,475	1,640,286
MCVS	7,947	7,947	7,947	5,723	29,564
Total	$ 85,991,573	85,991,573	85,991,573	61,913,932	319,888,651

	Deferred inflows of resources year ended June 30					
	2017	2018	2019	2020	2021	Total
Alcorn State University	$ 624,066	624,066	624,066	624,066	624,067	3,120,331
Delta State University	313,041	313,041	313,041	313,041	313,042	1,565,206
Jackson State University	555,676	555,676	555,676	555,676	555,676	2,778,380
Mississippi State University	2,505,684	2,505,684	2,505,684	2,505,684	2,505,685	12,528,421
Mississippi University for Women	173,572	173,572	173,572	173,572	173,570	867,858
Mississippi Valley State University	487,655	487,655	487,655	487,655	487,657	2,438,277
University of Mississippi	1,511,310	1,511,310	1,511,310	1,511,310	1,511,309	7,556,549
University of Southern Mississippi	1,670,701	1,670,701	1,670,701	1,670,701	1,670,699	8,353,503
University of Mississippi Medical Center	5,134,173	5,134,173	5,134,173	5,134,173	5,134,175	25,670,867
IHL Board Office	86,482	86,482	86,482	86,482	86,481	432,409
MCVS	21,491	21,491	21,491	21,491	21,490	107,454
Total	$ 13,083,851	13,083,851	13,083,851	13,083,851	13,083,851	65,419,255

(b) ORP Defined Contribution Plan

The Optional Retirement Plan (ORP) was established by the Mississippi Legislature in 1990 to help attract qualified and talented institutions of higher learning faculty. 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 ORP provides funds at retirement for IHL System employees and in the event of death, provides funds for their beneficiaries,

through an arrangement by which contributions are made to this plan. The current contribution rate of both the employee and IHL system are identical to that of the PERS defined contribution plan.

The ORP uses the accrual basis of accounting. Investments are reported at fair value, based on quoted market prices. Employees immediately vest in plan contributions upon entering the plan. The IHL System's contributions to the ORP for the years ended June 30, 2016 and 2015 were $58.2 million and $53.2 million, respectively, which equaled its required contribution for the period.

(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 $21.6 million and $22.7 million at June 30, 2016 and 2015, respectively, are included in the statements 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, 2016 and 2015 were approximately $386,000 and $393,000, 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, 2016, 2015 and 2014 (in thousands):

		2016	2015	2014
Accrued claims at beginning of year	$	22,600	23,841	22,497
Incurred claims:				
Provision for insured events of the current year		8,872	9,435	8,377
Decrease in provision for insured events of prior years		(3,523)	(4,475)	(481)
Total incurred claims and claims adjustment expenses		5,349	4,960	7,896
Claim payments:				
Claims attributable to insured events of the current year		1,876	1,865	1,356
Claims attributable to insured events of prior years		4,606	4,336	5,196
Total payments		6,482	6,201	6,552
Total accrued claims at end of year	$	21,467	22,600	23,841

Total accrued claims, included in long-term liabilities, are presented at their present value using a discount rate of 3.0%. The discount approximated $2.5 million and $2.7 million as of June 30, 2016 and 2015, 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 related to this activity approximated $4.6 million and $3.8 million at June 30, 2016 and $3.1 million at June 30, 2015 and is included in the statements of net position.

A professionally licensed actuarial firm was contracted to perform an actuarial analysis of the Unemployment Fund as of June 30, 2016 and 2015. The actuarial firm recommended a minimum funding level of $3.6 million and $3.5 million as of June 30, 2016 and 2015, respectively. They concluded that the actual assets of the Unemployment Fund, which equaled $4.6 million and $3.1 million at June 30, 2016 and 2015, respectively, exceeded the recommended minimum fund balance in the current year.

(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, 2016 and 2015. Total assets and liabilities related to this activity approximated $16.3 million and $12.2 million at June 30, 2016, respectively, and $15.2 million and $13.0 million at June 30, 2015, respectively and is included in the statements of net position.

The following represents changes in the unpaid claims liabilities for the IHL System's portion of the IHL Tort Fund during the years ended June 30, 2016, 2015 and 2014 (in thousands):

		2016	2015	2014
Accrued claims at beginning of year	$	12,961	12,612	12,261
Incurred claims:				
Provision for insured events of the current year		5,348	4,119	3,491
Decrease in provision for insured events of prior years		(4,193)	(1,296)	(135)
Total incurred claims and claims adjustment expense		1,155	2,823	3,356
Claims paid:				
Claims attributable to insured events of the current year		178	159	124
Claims attributable to insured events of prior years		1,782	2,315	2,881
Total payments		1,960	2,474	3,005
Total accrued claims at end of year	$	12,156	12,961	12,612

Total accrued claims, included in long-term liabilities, are presented at their present value using a discount rate of 3.0%. The discount approximated $1.2 million and $1.5 million as of June 30, 2016 and 2015, 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.

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 $41.0 million and $32.2 million at June 30, 2016, respectively and $40.0 million at June 30, 2015 and are included in the statements 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, 2016, 2015, and 2014 (in thousands):

		2016	2015	2014
Accrued claims at beginning of year	$	32,417	31,980	32,464
Incurred claims:				
Provision for insured events of the current year		6,684	7,146	8,210
Decrease in provision for insured events of prior years		(2,693)	(1,613)	(4,346)
Total incurred claims		3,991	5,533	3,864
Payments:				
Claims attributable to insured events of the current year		938	1,797	504
Claims attributable to insured events of prior years		3,693	3,299	3,844
Total payments		4,631	5,096	4,348
Total accrued claims at end of year	$	31,777	32,417	31,980

At June 30, 2016, unpaid claims, included in other long-term liabilities, of $35.2 million are presented at their net present value of $31.2 million.

(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 the University, including Mississippi State University Alumni Association, Mississippi State University Alumni Foundation, Inc., and The Bulldog Club, Inc.

(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 consolidated financial statements 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 or unrestricted as follows:

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

Unrestricted net position – net assets that represent resources generated from operations or that are not subject to donor-imposed stipulations. Unrestricted net assets include contributions designated to a particular college or unit for which the use or purpose is unrestricted.

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 asset 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 risks 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 increases (decreases) in permanently restricted net assets if the terms of the gift or MSUF'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 in all other cases and released from restriction when expended in accordance with donor agreements, except as described in note 9(d) of MSUF's financial statements for endowment funds whereby the fair value of the fund is less than the historical cost 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.

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) 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. The MSU Alumni Association, Inc. was added as a participant on March 2, 2015. 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, 2016 and 2015, MUSF's financial statements include $42.4 million and $59.4 million, respectively, for their noncontrolling share within investments and unrestricted net position related to noncontrolling interests. MSUF recorded $1.966 million and $438 thousands of losses associated with these investments in fiscal 2016 and 2015, respectively, which is reported in net investment income (loss).

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 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, 2016 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 who utilize the cost, sales comparison and income capitalization approaches to estimate the fair value of the investments. MSUF considers recent comparables, among other things, to adjust for any changes in fair value between the most recent appraisal date and year-end.

(b) Pledges Receivable, Net

All unconditional promises to give are recorded at their estimated realizable value on a discounted basis using rates commensurate with the risks involved. Allowance is made for uncollectible pledges based upon management's judgment and analysis of specific accounts, past collection experience and other relevant factors.

Pledges receivable, net, are summarized as follows at June 30, 2016 and 2015:

		2016	2015
Unconditional promises expected to be collected in:			
Less than one year	$	12,680,121	10,152,495
One year to five years		25,040,731	22,738,141
Over five years		6,688,540	8,517,019
		44,409,392	41,407,655
Less unamortized discount (rates ranging from 1% to 5%)		(5,129,317)	(5,148,849)
Total incurred claims		39,280,075	36,258,806
Less allowance for uncollectible pledges		(861,657)	(826,511)
	$	38,418,418	35,432,295

(c) Investments

Investments are summarized as follows at June 30, 2016 and 2015:

		2016	2015
Short-term investments	$	12,662,623	4,677,914
Global fixed income		99,791,850	100,020,834
Global equities		147,058,787	167,987,738
Real assets		51,271,823	51,424,962
Diversifying strategies		69,854,199	76,906,108
Contributed properties held for investment		28,069,571	30,980,754
Cash surrender value of life insurance		1,864,423	1,877,510
	$	410,573,276	433,875,820

MSUF has entered into various split interest agreements, including charitable remainder unitrusts and charitable gift annuities, whereby MSUF serves as trustee. The assets held under these split interest agreements are included in investments at June 30, 2016 and 2015 with an approximate fair value of $5.8 million and $7.3 million, respectively.

The following schedule summarizes net investment income in the statement of activities for the years ended June 30, 2016 and 2015:

		2016	2015
Dividends and interest (net of expenses of $600,464 and $548,745, respectively)	$	8,495,001	10,256,776
Net realized and unrealized (losses)		(22,795,076)	(11,965,959)
	$	(14,300,075)	(1,709,183)

(d) Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (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.
- 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.

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 statements 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.

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

Mutual and common stock funds, index 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.

Corporate bonds: Valued based on inputs corroborated by observable market data.

Other fixed income securities: Valued at either the closing price reported on the active market on which the individual securities are traded or based on inputs corroborated by observable market data.

Diversifying strategies and real estate investments: Valued at the net asset value of underlying investments as determined by the fund managers. MSUF's management also takes into consideration the audited financial information to determine overall reasonableness or the recorded value.

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

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 MSUF 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 table summarizes MSUF's assets by major category in the fair value hierarchy as of June 30, 2016 and 2015:

	June 30, 2016				Redemption	Days'
	Level 1	Level 2	Level 3	Total	or Liquidation	Notice
Recurring:						
Short-term investments	$ 12,662,623	—	—	12,662,623	Daily	1
Global fixed income:						
Interest-rate sensitive	59,272,948	11,779,926	—	71,052,874	Daily	1
Credit sensitive	28,738,976	—	—	28,738,976	Daily	1
Total global fixed income	88,011,924	11,779,926	—	99,791,850		
Global equities:						
Domestic	50,985,254	7,941,732	—	58,926,986	Daily	1–3
Non-U.S.	66,648,843	—	—	66,648,843	Daily	1
Total equities	117,634,097	7,941,732	—	125,575,829		
Contributed properties held for investment	$ —	—	28,069,571	28,069,571	(1)	(1)
Cash-surrender value of life insurance	—	1,864,423	—	1,864,423	(2)	(2)
	$ 218,308,644	21,586,081	28,069,571	267,964,296		
Investments at net asset value				142,608,980		
Total investments				$ 410,573,276		
Nonrecurring:						
Present value of amounts due from externally managed trusts	$ —	—	46,924,276	46,924,276		

(1) Bulldog Forest properties totaling approximately $19,700,000 and $19,500,000 at June 30, 2016 and 2015, respectively, may be held in perpetuity or liquidated at the Foundation's discretion. Other properties are for immediate sale.

(2) The Foundation currently has no plans to surrender these policies prior to maturity, but cash would be realized in a minimal amount of time if an insurance policy is cancelled.

	June 30, 2015				Redemption	Days'
	Level 1	Level 2	Level 3	Total	or Liquidation	Notice
Recurring:						
Short-term investments	$ 4,677,914	—	—	4,677,914	Daily	1
Global fixed income:						
Interest-rate sensitive	59,171,161	8,206,979	—	67,378,140	Daily	1
Credit sensitive	32,642,694	—	—	32,642,694	Daily	1
Total global fixed income	91,813,855	8,206,979	—	100,020,834		
Global equities:						
Domestic	52,143,403	5,371,865	—	57,515,268	Daily	1–3
Non-U.S.	89,743,802	—	—	89,743,802	Daily	1
Total equities	141,887,205	5,371,865	—	147,259,070		
Diversifying strategies	$ 6,140,410	—	—	6,140,410	(1)	(1)
Contributed properties held for investment	—	—	30,980,754	30,980,754	(2)	(2)
Cash-surrender value of life insurance	—	1,877,510	—	1,877,510	(3)	(3)
	$ 244,519,384	15,456,354	30,980,754	290,956,492		
Investments at net asset value				142,919,328		
Total investments				$ 433,875,820		
Nonrecurring:						
Present value of amounts due from externally managed trusts	$ —	—	40,230,993	40,230,993		

(1) Generally, MSIP's investments in diversifying strategies (or hedge funds) allow early redemption for specified fees. With the exception of the Level 1 diversifying strategy investment, which has daily redemption, the terms and conditions upon which an investor may redeem an investment vary, usually with the majority requiring 3 to 180 days notice after the initial lock up period, which may be from one to three years. At June 30, 2015 MSUF had no diversifying strategy investments for which an otherwise redeemable investment was not redeemable.

(2) Bulldog Forest properties may be held in perpetuity or liquidated at the MSUF's discretion. Other properties are for immediate sale.

(3) MSUF currently has no plans to surrender these policies prior to maturity, but cash would be realized in a minimal amount of time if an insurance policy is cancelled.

At June 30, 2016 and 2015, MSUF had no future funding commitments and $11 million, respectively, related to investments. In addition, all of MSUF's investments can be redeemed or liquidated on a daily basis except for private equity and real estate investments which require a much longer period to liquidate.

The following table presents MSUF's activities for the years ended June 30, 2016 and 2015 for contributed properties held for investments classified in Level 3:

		2016	2015
Beginning value as of June 30	$	30,980,754	31,188,074
Acquisitions		1,429,677	2,470,860
Dispositions		(5,815,100)	(1,290,064)
Net realized and unrealized gains (losses)		1,474,240	(1,388,116)
Fair value at June 30	$	28,069,571	30,980,754

For the years ended June 30, 2016 and 2015, the changes in present value of amounts due from externally managed trusts classified as Level 3 are as follows:

		2016	2015
Beginning value as of June 30	$	40,230,993	41,317,126
Contributions		7,816,516	—
Terminations		—	(951,478)
Change in valuation		(1,123,233)	(134,655)
Fair value at June 30	$	46,924,276	40,230,993

(e) Net Assets

Temporarily restricted and permanently restricted net assets at June 30, 2016 and 2015 were available for the following purposes:

		2016		2015	
		Net assets temporarily restricted	Net assets permanently restricted	Net assets temporarily restricted	Net assets permanently restricted
Specified college programs	$	23,579,108	108,408,786	37,750,863	106,875,074
Student financial aid		36,241,617	149,636,756	34,245,694	128,995,396
Research		1,031,166	16,427,654	2,645,806	15,148,942
Faculty and staff support		5,213,478	49,882,310	8,668,713	49,330,080
Facilities		9,529,267	7,005,463	13,030,936	6,985,463
Other		5,786,621	8,755,559	3,565,100	8,029,601
	$	81,381,257	340,116,528	99,907,112	315,364,556

(f) 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. The Mississippi legislature enacted House Bill 1104 adopting UPMIFA during the 2012 legislative session. The legislation was effective July 1, 2012.

MSUF's Board of Directors has reviewed the terms of UPMIFA as enacted by the Mississippi legislature and 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, MSUF classifies as permanently restricted net position 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 position is classified in temporarily restricted net position until the amounts are appropriated for expenditures in accordance with the donor agreements.

At June 30, 2016 MSUF's endowment consists of approximately 1,400 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 Board) to function as endowments, is classified and reported based on the existence or absence of donor-imposed restrictions.

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, the 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 4.0% 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 covers administrative costs related to the operations of the MSIP, and is a portion of the funding mechanism for the operations of MSUF.

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 MSIP, 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, 2016:

	2016			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment funds	$ (2,568,829)	30,930,493	280,205,092	308,566,756
Board-designated endowment funds	19,749,177	—	—	19,749,177
	$ 17,180,348	30,930,493	280,205,092	328,315,933

Changes in endowment net assets for the fiscal years ended June 30, 2016:

	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Endowment net assets, beginning of year	$ 21,010,988	48,813,760	257,042,208	326,866,956
Investment return:				
Investment income	827,238	3,640,584	—	4,467,822
Net appreciation (realized and unrealized)	(4,046,839)	(15,668,374)	1,412,803	(18,302,410)
Total investment return	(3,219,601)	(12,027,790)	1,412,803	(13,834,588)
Contributions	—	—	14,801,649	14,801,649
Appropriation of endowment assets for expenditure	(759,733)	(14,234,163)	—	(14,993,896)
Other changes:				
Other transfers	148,694	8,378,686	6,948,432	15,475,812
Endowment net assets, end of year	$ 17,180,348	30,930,493	280,205,092	328,315,933

Endowment net asset composition by type of fund as of June 30, 2015:

	2015			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment funds	$ (563,121)	48,813,760	257,042,208	305,292,847
Board-designated endowment funds	21,574,109	—	—	21,574,109
	$ 21,010,988	48,813,760	257,042,208	326,866,956

Changes in endowment net assets for the fiscal years ended June 30, 2015:

	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Endowment net assets, beginning of year	$ 21,375,410	61,010,423	249,420,706	331,806,539
Investment return:				
Investment income	906,446	3,709,982	—	4,616,428
Net appreciation (realized and unrealized)	(672,143)	(3,554,020)	17,217	(4,208,946)
Total investment return	234,303	155,962	17,217	407,482
Contributions	—	—	5,188,428	5,188,428
Appropriation of endowment assets for expenditure	(855,975)	(12,564,623)	—	(13,420,598)
Other changes:				
Other transfers	257,250	211,998	2,415,857	2,885,105
Endowment net assets, end of year	$ 21,010,988	48,813,760	257,042,208	326,866,956

(g) 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 approximately $2.6 million and $766 thousand at June 30, 2016 and 2015, 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.

(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 (UM). 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 that represent resources granted 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 asset 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 risks 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 increases (decreases) in permanently restricted net assets if the terms of the gift or UMF'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 in all other cases and released from restriction when expended in accordance with donor agreements.

(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.

(iv) Investments

Overall Investment Objective

The overall investment objective of UMF 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. UMF diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by UMF's Investment Committee, which oversees its investment program in accordance with an established investment policy.

Allocation of Investment Strategies

In addition to traditional stocks and fixed income securities, UMF 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 UMF's interests in shares or units of these funds, because of liquidity and capital commitment terms that vary depending on the specific fund or partnership agreement, may differ from the fair value of the funds' underlying net position.

Basis of Reporting

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 UMF'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, 2016 and 2015, 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 are classified in the accompanying statement of activities based on restrictions put in place by the donor.

(b) Pledges Receivable, Net

UMF obtains pledges through fund-raising projects in support of various activities. At June 30, 2016, pledges mature at various dates through 2037 (approximately $9.96 million is due in fiscal year 2017, $29.8 million is due in total during the period including fiscal year 2018 through fiscal year 2022, and $28.1 million is due thereafter). At June 30, 2015, pledges were scheduled to mature at various dates through 2036 (approximately $11.0 million is due in fiscal year 2016, $18.3 million is due in total during the period including fiscal year 2017 through fiscal year 2021, and $17.9 million is due thereafter). A summary of pledges receivable as of June 30, 2016 and 2015 are as follows:

	2016	2015
Temporarily restricted	$ 57,215,469	32,918,752
Permanently restricted	10,661,872	14,228,737
	67,877,341	47,147,489
Allowances for doubtful pledges	(5,247,427)	(7,603,938)
Present value discounts (ranging from 1.6% to 6.1%)	(11,086,981)	(7,936,224)
	$ 51,542,933	31,607,327

(c) Investments

UMF's investments, aggregated by investment strategy, with related liquidity information consist of the following at June 30, 2016 and 2015:

	2016	2015	Liquidation period
Investment strategy:			
Fixed income:			
U.S. Government securities	$ 2,060,009	1,566,262	Daily
Corporate bonds	21,155,503	18,577,303	Daily
Certificates of deposit	518,015	510,855	Annually
Other fixed income securities	46,994,089	50,631,349	Daily
Total fixed income	70,727,616	71,285,769	
Equities:			
Common stocks	9,146,996	10,028,888	Daily
Common stock funds	51,642,330	67,452,492	Daily
Mutual funds	5,156,814	5,769,565	Daily
Index funds	22,219,614	44,021,956	Daily
Total equities	88,165,754	127,272,901	

		2016	2015	Liquidation period
Hedge funds	$	135,221,582	120,675,963	Various(1)
Venture capital		79,953,494	59,498,831	Illiquid(2)
Real estate:				
Real estate owned		4,655,693	4,600,673	Illiquid
Timber fund		12,495,924	12,231,787	Illiquid(3)
Partnership interest		750,000	750,000	Illiquid(4)
Total real estate		17,901,617	17,582,460	
Other short-term investments		4,713,828	5,714,252	Daily
Total investments	$	396,683,891	402,030,176	

(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 120 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.

(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, 2016 and 2015, UMF had no plans or intentions to sell investments at amounts different from NAV.

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

Mutual and common stock funds, index 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.

Corporate bonds: Valued based on inputs corroborated by observable market data.

Other fixed income securities: Valued at either the closing price reported on the active market on which the individual securities are traded or based on inputs corroborated by observable market data.

Hedge funds and real estate investment funds: Valued at the net asset value of underlying investments as determined by the fund managers. UMF's management also takes into consideration the audited financial information to determine overall reasonableness of the recorded value.

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

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 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.

The following table presents the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2016 and 2015.

	2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Investment strategy:				
Fixed income:				
U.S. Government securities	$ —	2,060,009	—	2,060,009
Corporate bonds	—	21,155,503	—	21,155,503
Certificates of deposit	—	518,015	—	518,015
Other fixed income securities	38,639,893	8,354,196	—	46,994,089
Total fixed income	38,639,893	32,087,723	—	70,727,616
Equities:				
Common stocks	9,146,996	—	—	9,146,996
Common stock funds	51,642,330	—	—	51,642,330
Mutual funds	5,156,814	—	—	5,156,814
Index funds	22,219,614	—	—	22,219,614
Total equities	88,165,754	—	—	88,165,754
Hedge funds	—	77,429,628	57,791,954	135,221,582
Venture capital	—	—	79,953,494	79,953,494
Real estate:				
Real estate owned	—	—	4,655,693	4,655,693
Timber fund	—	—	12,495,924	12,495,924
Partnership interest	—	—	750,000	750,000
Total real estate	—	—	17,901,617	17,901,617
Other short-term investments	4,713,828	—	—	4,713,828
Total investments	$ 131,519,475	109,517,351	155,647,065	396,683,891
Beneficial interest in perpetual trust	$ 1,789,587	5,661,282	—	7,450,869

	2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Investment strategy:				
Fixed income:				
U.S. Government securities	$ —	1,566,262	—	1,566,262
Corporate bonds	—	18,577,303	—	18,577,303
Certificates of deposit	—	510,855	—	510,855
Other fixed income securities	40,179,204	10,452,145	—	50,631,349
Total fixed income	40,179,204	31,106,565	—	71,285,769
Equities:				
Common stocks	10,028,888	—	—	10,028,888
Common stock funds	23,187,289	44,265,203	—	67,452,492
Mutual funds	5,769,565	—	—	5,769,565
Index funds	44,021,956	—	—	44,021,956
Total equities	83,007,698	44,265,203	—	127,272,901
Hedge funds	—	86,407,473	34,268,490	120,675,963
Venture capital	—	—	59,498,831	59,498,831
Real estate:				
Real estate owned	—	—	4,600,673	4,600,673
Timber fund	—	—	12,231,787	12,231,787
Partnership interest	—	—	750,000	750,000
Total real estate	—	—	17,582,460	17,582,460
Other short-term investments	5,714,252	—	—	5,714,252
Total investments	$ 128,901,154	161,779,241	111,349,781	402,030,176
Beneficial interest in perpetual trust	$ 757,652	308,959	—	1,066,611

These methods 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.

At June 30, 2016, UMF had unfunded commitments of $1.0M related to natural resource private fund hedge funds and $51.1M related to venture capital and private equity investments. At June 30, 2015, UMF had unfunded commitments of $1.6M related to natural resource private fund hedge funds and $22.4M related to venture capital and private equity 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 years ended June 30, 2016 and 2015 for investments classified within Level 3:

	Real estate	Venture capital and private equity	Hedge Funds	Total
Balance as of June 30, 2014	$ 18,192,578	25,518,456	28,384,737	72,095,771
Net realized and unrealized gain (loss)	(47,460)	3,409,944	915,178	4,277,662
Net purchases (sales)	(562,658)	30,570,431	4,968,575	34,976,348
Balance as of June 30, 2015	17,582,460	59,498,831	34,268,490	111,349,781
Net realized and unrealized gain (loss)	508,612	4,930,663	(3,079,848)	2,359,427
Net purchases (sales)	(189,455)	15,524,000	26,603,312	41,937,857
Balance as of June 30, 2016	$ 17,901,617	79,953,494	57,791,954	155,647,065

Hedge funds include long/short funds, fixed income funds and multi-strategy funds. These funds generally invest directly into corporate equity and debt securities. Venture capital and private equity investments are comprised of funds primarily invested in startup entities with high growth potential. Real estate investments consist of funds invested directly or indirectly in real property.

(e) Net Asset

Permanently restricted net assets at June 30, 2016 and 2015 were available for the following purposes:

	2016	2015
Academic and program support	$ 38,570,620	37,007,735
Scholarship support	98,807,643	93,164,265
Faculty support	71,986,540	66,401,886
Library support	13,854,301	13,716,237
Total	$ 223,219,104	210,290,123

The vast majority of temporarily restricted net assets at June 30, 2016 and 2015 were available for academic and program support.

(f) Net Asset Classification of Endowment Funds

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. The Mississippi legislature enacted House Bill 1104 adopting UPMIFA during the 2012 legislative session. The legislation was effective July 1, 2012.

UMF's Board of Directors has reviewed the terms of UPMIFA as enacted by the Mississippi legislature and 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. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net position is classified in temporarily restricted net position until the amounts are appropriated for expenditures in accordance with the donor agreements.

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 market returns. 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 for the endowed purpose is calculated based on a percentage of a 3-year moving average of the endowment's market value. The objective is to provide relatively stable spending allocations. However, 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 years ended June 30, 2016 is as follows:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment net assets, June 30, 2015	$ (2,501)	97,714,197	208,338,466	306,050,162
Contributions and transfers to endowment	—	—	11,134,800	11,134,800
Appropriation for expenditures	—	(10,000,381)	—	(10,000,381)
Investment return:				
Investment income	—	661,387	—	661,387
Net appreciation (depreciation)	(220,470)	(9,915,924)	11,006	(10,125,388)
Donor-restricted endowment net assets, June 30, 2016	$ (222,971)	78,459,279	219,484,272	297,720,580

Changes in donor-restricted endowment net assets for the years ended June 30, 2015 is as follows:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted endowment net assets (deficit), June 30, 2014	$ —	101,280,327	192,336,712	293,617,039
Contributions and transfers to endowment	—	—	15,997,132	15,997,132
Appropriation for expenditures	—	(8,854,211)	—	(8,854,211)
Investment return:				
Investment income	—	17,785,231	—	17,785,231
Net appreciation (depreciation)	(2,501)	(12,497,150)	4,622	(12,495,029)
Donor-restricted endowment net assets, June 30, 2015	$ (2,501)	97,714,197	208,338,466	306,050,162

As a result of unfavorable volatility in the financial markets, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund's original value. Deficiencies of this nature are reported in unrestricted net assets. Subsequent gains that restore the fair value of assets of the endowment fund to the required level are classified as an increase in unrestricted net assets. There were endowment funds with deficiencies totaling approximately $223,000 as of June 30, 2016 and approximately $3,000 of such deficiencies as of June 30, 2015.

(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 (USM) and its students. USMF depends on the University 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 consolidated 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 consolidated 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:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by USMF. Generally, only a portion of the income earned on related investments may be expended for general or specific purposes in support of the USM.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met by actions of USMF and/or the passage of time. 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 that 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 asset 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 risks 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 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 in all other cases and released from restriction when expended in accordance with donor agreements.

(iii) Use of Estimates

USMF prepares its consolidated 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 allowance for uncollectible pledges, the fair market value of certain real estate, depreciation of property and equipment, and the present value discount applied to pledges receivable, the present value of externally managed trusts and the liabilities for gift annuity contracts. Actual results could differ significantly from those estimates.

USMF's investments are held in various types of investment securities across a variety of 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 values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in USMF's consolidated financial statements.

(iv) Investments

Overall Investment Objective

Investments The overall investment objective of USMF 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. UMF diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by USMF's Investment Committee, which oversees its investment program in accordance with an established investment policy.

Allocation of Investment Strategies

In addition to traditional stocks and fixed income securities, USMF 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 USMF's interests in shares or units of these funds, because of liquidity and capital commitment terms that vary depending on the specific fund or partnership agreement, may differ from the fair value of the funds' underlying net position.

Basis of Reporting

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value. Hedge funds and real estate investment funds are reported at the net asset value reported by the fund managers, which is used as a practical expedient to estimate the fair value of the Foundation's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from net asset value. At June 30, 2016 and 2015, the USMF had no plans or intentions to sell investments at amounts different from net asset value. Other investments, which consist primarily of pooled investment funds and real estate, are recorded at fair value. The fair value of real estate is based on recent appraisals. Transactions are accounted for on a trade date basis.

(v) Pledges

All unconditional pledges to give are recorded at their estimated realizable value on a discounted basis at rates commensurate with the risk involved. 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.

(b) Pledges Receivable, Net

Pledges receivable, net, are summarized as follows at June 30, 2016 and 2015:

		2016	2015
Unconditional promises expected to be collected in:			
Less than one year	$	4,545,075	4,901,798
One year to five years		4,176,552	7,668,581
More than five years		76,361	139,176
		8,797,988	12,709,555
Less unamortized discounts ranging from 0.72% to 5.15%		(206,472)	(363,514)
		8,591,516	12,346,041
Less allowance for uncollectible pledges		(367,000)	(294,000)
	$	8,224,516	12,052,041

(c) Investments

Investments are summarized as follows at June 30, 2016 and 2015:

		2016	2015
Investment strategy:			
Fixed income:			
U.S. government securities	$	1,195,130	2,699,292
Corporate bonds		6,073,335	5,846,610
Mutual funds		27,313,405	25,636,245
Other fixed income securities		4,486,679	4,030,927
Total fixed income		39,068,549	38,213,074
Equities:			
Mutual and common stock funds		47,396,182	49,368,285
Total equities		47,396,182	49,368,285
Alternative investments:			
Hedge funds		4,984,804	5,356,096
Real estate investment funds		2,700,067	2,419,042
Total alternative investments		7,684,871	7,775,138
Cash surrender value of insurance policies		2,472,867	2,397,134
Other		46,032	71,032
Total investments	$	96,668,501	97,824,663

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

		2016			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Dividends and interest (net of expenses of $374,618)	$	1,455,283	294,314	73,231	1,822,828
Realized (losses) gains, net		(104,507)	1,224,250	43,193	1,162,936
Unrealized gains, net		119,588	(3,420,161)	(83,286)	(3,383,859)
	$	1,470,364	(1,901,597)	33,138	(398,095)

	2015			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Dividends and interest (net of expenses of $350,000)	$ 1,596,462	210,242	13,666	1,820,370
Realized (losses) gains, net	(57,982)	2,232,578	11,430	2,186,026
Unrealized gains, net	(95,908)	(2,150,341)	41,597	(2,204,652)
	$ 1,442,572	292,479	66,693	1,801,744

(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, 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.

Corporate bonds: Valued based on inputs corroborated by observable market data.

Other fixed income securities: Valued at either the closing price reported on the active market on which the individual securities are traded or based on inputs corroborated by observable market data.

Hedge funds and real estate investment funds: At June 30, 2016 and 2015, $7,684,871 and $7,775,138, respectively, are valued at the net asset value of underlying investments as determined by the fund managers. USMF's management also takes into consideration the audited financial information to determine overall reasonableness of the recorded 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.

The following is a description of the valuation methodologies used for other assets and liabilities measured at fair value:

Amounts due from externally managed trusts: Valued based on the present value of the estimated future cash receipts from the assets of the trust using appropriate discount rates.

Gift annuities payable: Valued based on the present value of projected future distributions to the annuity beneficiaries using appropriate discount rates.

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, as well as assets measured at NAV, USMF's assets at fair value or net position value as of June 30, 2016 and 2015:

	2016				
	Level 1	Level 2	Level 3	Investments measured at NAV	Total
Investment strategy:					
Fixed income:					
U.S. Government securities	$ 1,195,130	—	—	—	1,195,130
Corporate bonds	—	6,073,335	—	—	6,073,335
Mutual Funds	27,313,405	—	—	—	27,313,405
Other fixed income securities	1,995,447	2,491,232	—	—	4,486,679
Total fixed income	30,503,982	8,564,567	—	—	39,068,549
Equities:					
Mutual and common stock funds	47,396,182	—	—	—	47,396,182
Total equities	47,396,182	—	—	—	47,396,182
Alternative investments:					
Hedge funds	—	—	—	4,984,804	4,984,804
Real estate investment funds	—	—	—	2,700,067	2,700,067
Total alternative investments	—	—	—	7,684,871	7,684,871
Cash surrender value of insurance policies	—	—	2,472,867	—	2,472,867
Other	—	—	46,032	—	46,032
Total investments	$ 77,900,164	8,564,567	2,518,899	7,684,871	96,668,501
Present value of amounts due from externally managed trusts	$ —	—	4,883,516	—	4,883,516
Gift annuities payable	—	—	286,181	—	286,181

	2015				
	Level 1	Level 2	Level 3	Investments measured at NAV	Total
Investment strategy:					
Fixed income:					
U.S. Government securities	$ 2,699,292	—	—	—	2,699,292
Corporate bonds	—	5,846,610	—	—	5,846,610
Mutual Funds	25,636,245	—	—	—	25,636,245
Other fixed income securities	2,231,175	1,799,752	—	—	4,030,927
Total fixed income	30,566,712	7,646,362	—	—	38,213,074
Equities:					
Mutual and common stock funds	49,368,285	—	—	—	49,368,285
Total equities	49,368,285	—	—	—	49,368,285
Alternative investments:					
Hedge funds	—	—	—	5,356,096	5,356,096
Real estate investment funds	—	—	—	2,419,042	2,419,042
Total alternative investments	—	—	—	7,775,138	7,775,138
Cash surrender value of insurance policies	—	—	2,397,134	—	2,397,134
Other	—	—	71,032	—	71,032
Total investments	$ 79,934,997	7,646,362	2,468,166	7,775,138	97,824,663
Present value of amounts due from externally managed trusts	$ —	—	817,080	—	817,080
Gift annuities payable	—	—	305,330	—	305,330

At June 30, 2016 and 2015, 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 hedge funds and real estate investments which require a much longer period to liquidate.

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 years ended June 30, 2016 and 2015:

	2016			
Level 3	**Life insurance contracts**	**Real estate**	**Other**	**Total**
Balance, June 30, 2015	$ 2,397,134	—	71,032	2,468,166
Acquisitions	—	—	—	—
Dispositions	—	—	(25,000)	(25,000)
Change in cash surrender value	75,733	—	—	75,733
Balance, June 30, 2016	$ 2,472,867	—	46,032	2,518,899

	2015			
Level 3	**Life insurance contracts**	**Real estate**	**Other**	**Total**
Balance, June 30, 2014	$ 2,327,070	90,000	46,032	2,463,102
Acquisitions	—	—	25,000	25,000
Dispositions	(6,687)	(90,000)	—	(96,687)
Change in cash surrender value	76,751	—	—	76,751
Balance, June 30, 2015	$ 2,397,134	—	71,032	2,468,166

Amounts due from Externally Managed Trusts

For the years ended June 30, 2016 and 2015, the changes in present value of amounts due from externally managed trusts classified as Level 3 are as follows:

	2016	**2015**
Beginning value as of June 30	$ 817,080	856,903
Additions	4,107,051	114,378
Distributions	(36,411)	(60,877)
Change in valuation	(4,204)	(93,324)
Fair value at June 30	$ 4,883,516	817,080

Gift annuities payable

For the years ended June 30, 2016 and 2015, the changes in present value of amounts to gift annuities payable classified as Level 3 are as follows:

		2016	2015
Beginning value as of June 30	$	305,330	343,582
Additions		131,352	—
Change in valuation		71,304	12,349
Annuity payments		(51,803)	(46,134)
Terminations		(170,002)	(4,467)
Fair value at June 30	$	286,181	305,330

(e) Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2016 and 2015 were available for the following purposes:

		2016	2015
Student financial aid	$	16,569,776	20,970,063
Academic divisions		3,210,698	3,506,432
Research		239,037	243,240
Operation and maintenance of plant		3,862,593	7,339,218
Library		669,195	690,134
Athletics		378,591	368,047
Faculty and staff support		1,803,790	2,396,084
Other restricted purposes		6,956,052	7,209,034
Total	$	33,689,732	42,722,252

(f) Permanently Restricted Net Assets

Permanently restricted net assets at June 30, 2016 and 2015 were available for the following purposes:

		2016	2015
Student financial aid	$	44,345,689	37,596,381
Academic divisions		5,472,753	5,354,919
Research		200,610	181,190
Operation and maintenance of plant		4,686,194	3,778,768
Library		3,002,234	2,983,621
Faculty and staff support		10,307,753	10,171,311
Other restricted purposes		4,124,317	3,528,388
Total	$	72,139,550	63,594,578

(g) Endowment Net Assets

At June 30, 2016, USMF has 906 individual funds which function as endowment funds that are established for a variety of purposes to support the USM. The endowment funds include both donor-restricted endowment funds and funds designated by the Foundation'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.

FASB ASC 958, *Not-for-Profit Entities*, 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 disclosures about endowment funds (both donor-restricted and board-designated endowment funds), regardless of whether an organization is subject to UPMIFA. The Mississippi legislature enacted House Bill 1104 adopting UPMIFA during the 2012 legislative session. The legislation was effective July 1, 2012.

USMF's Board of Directors has reviewed the terms of UPMIFA as enacted by the Mississippi legislature and has determined that its donor agreements for permanent endowments provide for the preservation of the original gift of the donor-restricted endowment funds. As a result, the Foundation 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 expended in accordance with the donor agreements.

USMF has established investment policies to ensure the assets of the Foundation's endowment are managed in a prudent fashion in accordance with sound investment principles and UPMIFA. 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 real total return that preserves the purchasing power of the endowment's assets while generating an income stream to support the USM. The primary performance objective of the endowment is to earn a total return, net of investment fees, within prudent levels of risk, equal to or greater than the spending rate plus administrative fees and the desired rate of growth.

USMF's spending policy is designed to promote positive growth in the market value of the endowment sufficient to offset reasonable spending over an extended period of time. The spending policy is approved annually by the USMF's Board of Directors. In accordance with UPMIFA, the Board may expend as much of an endowment fund as the Board determines to be prudent for the uses and purposes for which the endowment fund was established. The spending rate was approximately 4% for the years ended June 30, 2016 and 2015. In addition, applicable endowment funds were assessed a 1.75% administrative fee. This fee provides a significant portion of the funding for the development programs of USMF. No portion of the original gift value of permanent endowments is allocated for spending or charged a fee.

At June 30, 2016 the endowment net asset composition by type of fund consists of the following:

	2016			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment-type funds	$ (907)	17,632,655	63,750,398	81,382,146
Board-designated endowment-type funds	1,913,755	—	—	1,913,755
Endowment net assets, June 30, 2016	$ 1,912,848	17,632,655	63,750,398	83,295,901

During the years ended June 30, 2016, USMF had the following endowment related activity:

	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Endowment net assets, June 30, 2015	$ 1,802,075	21,500,210	59,570,656	82,872,941
Contributions	25,742	190,212	2,899,943	3,115,897
Net investment income	(25,714)	(1,927,352)	(27,929)	(1,980,995)
Other income	(571)	667	2,878	2,974
Change in restriction by donor	—	(55,491)	1,090,171	1,034,680
Expenses	(69,517)	(2,524,642)	—	(2,594,159)
Transfers	180,833	449,051	214,679	844,563
Endowment net assets, June 30, 2016	$ 1,912,848	17,632,655	63,750,398	83,295,901

At June 30, 2015 the endowment net asset composition by type of fund consists of the following:

	2015			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor-restricted endowment-type funds	$ —	21,500,210	59,570,656	81,070,866
Board-designated endowment-type funds	1,802,075	—	—	1,802,075
Endowment net assets, June 30, 2015	$ 1,802,075	21,500,210	59,570,656	82,872,941

During the years ended June 30, 2015, USMF had the following endowment related activity:

	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Endowment net assets, June 30, 2014	$ 1,841,375	22,197,861	54,633,599	78,672,835
Contributions	102,862	1,361,989	2,853,147	4,317,998
Net investment income	31,139	260,300	4,895	296,334
Other income	(1,102)	—	22	(1,080)
Change in restriction by donor	—	(32,862)	2,057,198	2,024,336
Expenses	(176,085)	(2,305,157)	—	(2,481,242)
Transfers	3,886	18,079	21,795	43,760
Endowment net assets, June 30, 2015	$ 1,802,075	21,500,210	59,570,656	82,872,941

COMBINING SUPPLEMENTAL INFORMATION

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Net Position

June 30, 2016

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	$ 34,896,924	4,978,332	3,991,141	95,075,081	7,647,457	10,646,817	59,239,543	39,030,118	195,110,639	9,743,836	662,000	—	461,021,888
Short-term investments	4,885,537	137,462	250,000	13,093,328	—	3,117,530	113,823,895	1,953,856	71,857,734	11,440,498	—	—	220,559,840
Accounts receivable, net	11,670,512	5,456,550	27,859,081	63,046,353	4,906,400	3,574,430	43,555,891	21,857,504	190,753,570	1,786,837	223,368	—	374,690,496
Student notes receivable, net	771,217	333,632	61,919	3,681,775	87,817	—	7,399,244	2,024,771	615,512	790,321	—	—	15,766,208
Inventories	294,539	213,550	304,909	3,061,903	—	474,213	944,531	283,449	26,151,794	481,923	—	—	32,210,811
Prepaid expenses	—	74,973	9,014	19,107,930	227,507	26,229	1,755,170	5,025,859	6,849,049	—	—	—	33,075,731
Other current assets	—	—	—	—	—	—	—	—	9,031,684	—	—	—	9,031,684
Total current assets	52,518,729	11,194,499	32,476,064	197,066,370	12,869,181	17,839,219	226,718,274	70,175,557	500,369,982	24,243,415	885,368	—	1,146,356,658
Noncurrent assets:													
Restricted cash and cash equivalents	2,963,495	(625,244)	2,127,921	13,255,368	(1,273,415)	—	18,792,010	147	150,249,799	—	—	—	185,490,081
Restricted short-term investments	1,055,340	—	—	—	—	670,367	11,494,365	—	2,501,365	—	—	—	15,721,437
Endowments investments	15,898,677	—	15,719,535	35,693,138	3,972,942	1,805,321	83,006,446	3,886,799	72,974,850	14,367,908	—	—	247,325,616
Other long-term investments	—	6,658,976	23,179,891	79,064,221	8,405,395	1,217,411	190,506,585	47,676,998	42,496,345	33,848,791	578,760	—	433,633,373
Student notes receivable, net	—	1,182,878	1,904,730	13,260,915	1,009,893	—	19,126,483	25,227,441	6,820,202	31,514,138	—	—	100,046,680
Capital assets, net	146,476,417	118,290,467	270,854,125	946,360,354	97,766,819	102,398,265	1,007,041,811	568,657,439	611,916,560	4,484,197	—	—	3,874,246,454
Other noncurrent assets	144,366		26,725		—	190,276	69,900	—	4,259,720	—	—	—	4,690,987
Total noncurrent assets	166,538,295	125,507,077	313,812,927	1,087,633,996	109,881,634	106,281,640	1,330,037,600	645,448,824	891,218,841	84,215,034	578,760	—	4,861,154,628
Total assets	219,057,024	136,701,576	346,288,991	1,284,700,366	122,750,815	124,120,859	1,556,755,874	715,624,381	1,391,588,823	108,458,449	1,464,128	—	6,007,511,286
Deferred outflows of resources:													
Deferred amount of refundings	5,846,341	—	—	2,358,428	—	—	—	13,035,219	4,433,120	—	—	—	25,673,108
Pension related deferred outflows	13,566,030	7,371,104	22,253,148	92,196,373	7,198,850	6,765,624	54,558,710	36,448,522	234,030,466	2,600,140	118,046	—	477,107,013
Total assets and deferred outflows of resources	$ 238,469,395	144,072,680	368,542,139	1,379,255,167	129,949,665	130,886,483	1,611,314,584	765,108,122	1,630,052,409	111,058,589	1,582,174	—	6,510,291,407

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Net Position

June 30, 2016

Liabilities	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 liabilities:													
Accounts payable and accrued liabilities	$ 2,462,436	3,242,587	13,148,838	27,739,143	2,764,026	1,889,409	31,181,400	19,162,658	110,720,185	2,183,700	195,685	—	214,690,067
Unearned revenues	2,252,986	885,585	3,182,797	28,572,773	1,416,572	157,624	55,889,910	16,320,237	16,340,417	—	—	—	125,018,901
Accrued leave liabilities – current portion	867,445	238,236	426,108	2,081,145	50,374	251,037	1,438,000	1,230,000	4,394,887	34,787	2,400	—	11,014,419
Long-term liabilities – current portion	1,300,860	1,245,233	3,123,985	11,385,000	146,891	453,690	14,594,485	7,362,999	10,791,690	10,084,613	—	—	60,489,446
Other current liabilities	—	—	—	43,089	314,498	52,210	3,500,470	47,598	22,837,974	—	—	—	26,795,839
Total current liabilities	6,883,727	5,611,641	19,881,728	69,821,150	4,692,361	2,803,970	106,604,265	44,123,492	165,085,153	12,303,100	198,085	—	438,008,672
Noncurrent liabilities:													
Net pension liability	71,034,832	42,181,402	130,840,285	487,619,653	35,499,410	37,755,185	287,872,551	204,738,145	1,087,561,173	16,593,427	1,231,115	—	2,402,927,178
Deposits refundable	663,914	128,195	70,369	40,433	—	30,689	88,072	13,543	—	—	—	—	1,035,215
Accrued leave liabilities	3,616,163	1,246,536	5,492,057	24,609,646	1,208,980	1,661,024	15,481,419	8,815,982	54,312,156	788,120	63,690	—	117,295,773
Long-term liabilities	50,204,677	17,335,575	93,188,659	307,080,000	228,025	18,483,814	274,012,212	180,119,817	251,002,988	31,725,209	—	—	1,223,380,976
Other long-term liabilities	—	1,927,036	1,823,012	13,709,097	1,006,946	—	9,326,700	26,582,159	32,846,322	—	—	—	87,221,272
Total noncurrent liabilities	125,519,586	62,818,744	231,414,382	833,058,829	37,943,361	57,930,712	586,780,954	420,269,646	1,425,722,639	49,106,756	1,294,805	—	3,831,860,414
Total liabilities	132,403,313	68,430,385	251,296,110	902,879,979	42,635,722	60,734,682	693,385,219	464,393,138	1,590,807,792	61,409,856	1,492,890	—	4,269,869,086
Deferred inflows of resources:													
Deferred amount of refundings	—	—	—	—	—	—	2,129,565	—	—	—	—	—	2,129,565
Pension related deferred inflows	3,120,331	1,565,206	2,778,380	12,528,421	867,858	2,438,277	7,556,549	8,353,503	25,670,867	432,409	107,454	—	65,419,255
Total liabilities and deferred inflows of resources	$ 135,523,644	69,995,591	254,074,490	915,408,400	43,503,580	63,172,959	703,071,333	472,746,641	1,616,478,659	61,842,265	1,600,344	—	4,337,417,906
Net Position													
Net investment in capital assets	$ 103,133,412	99,609,604	176,938,127	626,692,777	97,391,903	84,260,935	726,851,612	380,175,410	378,230,555	4,469,814	—	—	2,677,754,149
Restricted for:													
Nonexpendable:													
Scholarship and fellowships	—	—	7,545,377	2,308,513	823,996	804,071	7,470,521	569,090	—	1,006,944	—	—	20,528,512
Research	—	—	—	4,277,397	—	—	67,358	—	—	—	—	—	4,344,755
Other purposes	12,365,497	—	23,179,891	7,493,965	286,659	—	43,076,215	—	25,636,660	17,079,187	—	—	129,118,074
Expendable:													
Scholarships and fellowships	—	—	8,155,260	3,765,626	498,987	1,355,369	5,907,057	794,387	3,492,880	33,831,382	—	—	57,800,948
Research	—	—	—	23,000,368	—	—	4,379,459	—	27,739,181	—	—	—	55,119,008
Capital projects	—	—	124,746	(589,553)	1,879,019	85,650	6,062,973	—	—	—	—	—	7,562,835
Debt service	—	1,384,151	(685,207)	1,223,994	—	129,511	—	16,172,431	1,101,328	9,010	—	—	19,335,218
Loans	1,404,283	—	321,708	4,805,869	204,265	—	19,762,424	5,618,165	4,390,355	—	—	—	36,507,069
Other purposes	—	291,146	—	1,332,822	—	700,850	16,379,213	3,927,715	63,022,151	—	1,173,984	—	86,827,881
Unrestricted	(13,957,441)	(27,207,812)	(101,112,253)	(210,465,011)	(14,638,744)	(19,622,862)	78,286,419	(114,895,717)	(490,039,360)	(7,180,013)	(1,192,154)	—	(922,024,948)
Total net position	$ 102,945,751	74,077,089	114,467,649	463,846,767	86,446,085	67,713,524	908,243,251	292,361,481	13,573,750	49,216,324	(18,170)	—	2,172,873,501

See accompanying independent auditors' report.

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2016

	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	$ 21,012,406	21,140,848	69,069,941	235,797,272	19,790,198	13,301,470	311,834,424	131,212,467	30,957,146	—	—	—	854,116,172
Less:													
Scholarship allowances	(10,679,540)	(4,820,284)	(22,572,934)	(83,015,641)	(6,965,574)	(8,648,401)	(87,912,912)	(43,840,766)	(4,908,602)	—	—	—	(273,364,654)
Bad debt expense	(270,304)	(61,064)	(638,122)	(1,144,264)	(158,101)	(341,375)	(919,053)	(150,000)	(66,076)	—	—	—	(3,748,359)
Net tuition and fees	10,062,562	16,259,500	45,858,885	151,637,367	12,666,523	4,311,694	223,002,459	87,221,701	25,982,468	—	—	—	577,003,159
Federal appropriations	—	—	—	18,796,056	—	—	—	—	—	—	—	—	18,796,056
Federal grants and contracts	11,800,023	3,037,909	34,547,675	114,607,542	84,258	7,249,679	41,957,886	40,467,512	42,230,081	3,309,911	3,292,393	(35,839,673)	266,745,196
State grants and contracts	246,973	1,464,740	1,734,651	22,827,101	6,487,163	11,101	16,672,000	10,905,654	13,547,847	50,575	—	(27,867,856)	46,079,949
Nongovernmental grants and contracts	1,311,503	4,034,356	3,149,847	17,073,111	2,907,154	—	28,673,723	16,416,225	9,303,049	1,083,628	33,607	—	83,986,203
Sales and services of educational departments	986,161	1,327,213	1,584,774	42,385,659	1,628,509	2,194,183	7,764,535	3,087,960	974,901	3,550,404	68,953	(2,634,929)	62,918,323
Auxiliary enterprises:											—	—	
Student housing	9,153,547	3,706,949	14,591,687	25,659,559	2,123,088	3,626,829	25,839,261	16,453,997	—	—	—	—	101,154,917
Food services	4,403,575	2,966,428	11,412,237	2,515,379	1,755,931	2,875,280	2,942,818	2,736,904	—	—	—	—	31,608,552
Bookstore	85,254	107,667	—	774,036	121,524	1,297,403	702,880	1,283,000	2,480,056	—	—	—	6,851,820
Athletics	—	—	2,247,622	57,027,145	—	—	70,228,405	14,116,888	—	—	—	—	143,620,060
Other auxiliary revenues	621,627	1,785,193	3,442,144	12,784,128	198,037	1,495,797	12,679,635	4,552,297	1,389,454	2,316,526	—	—	41,264,838
Less auxiliary enterprise scholarship allowances	(2,838,865)	—	(9,067,593)	(8,805,663)	(1,383,177)	—	(6,820,830)	(2,412,294)	—	—	—	—	(31,328,422)
Interest earned on loans to students	—	23,565	—	249,845	—	—	511,848	—	194,038	—	—	—	979,296
Patient care revenues	—	—	—	—	—	—	—	—	1,086,205,305	—	—	—	1,086,205,305
Other operating revenues	3,391,625	888,082	5,909,326	4,527,204	89,369	1,059,238	12,414,751	8,042,664	65,318,709	16,368,201	17,861	(14,225,303)	103,801,727
Total operating revenues	39,223,985	35,601,602	115,411,255	462,058,469	26,678,379	24,121,204	436,569,371	202,872,508	1,247,625,908	26,679,245	3,412,814	(80,567,761)	2,539,686,979
Operating expenses:													
Salaries and wages	36,353,509	27,351,881	80,930,062	326,529,375	21,247,312	22,026,869	215,497,862	142,861,102	698,343,090	8,145,677	577,644	—	1,579,864,383
Fringe benefits	13,989,798	9,854,558	25,188,027	128,959,445	7,806,373	8,706,979	69,243,055	57,192,016	230,695,965	2,935,679	117,600	—	554,689,495
Travel	2,231,139	1,465,357	4,181,785	18,044,431	435,829	1,470,697	14,684,490	8,711,485	5,917,391	220,641	49,555	—	57,412,800
Contractual services	11,836,801	11,933,752	47,919,387	84,455,126	8,437,871	8,332,636	75,574,480	55,420,032	170,535,434	21,048,517	3,110,560	(52,699,905)	445,904,691
Utilities	3,650,075	1,630,696	5,441,013	14,774,791	2,697,424	1,870,151	12,280,534	9,859,093	11,998,884	653,289	—	—	64,855,950
Scholarships and fellowships	7,028,922	6,337,547	19,424,426	36,402,278	6,053,736	3,154,254	50,565,626	24,465,432	6,321,715	42,791,646	—	(27,867,856)	174,677,726
Commodities	4,433,788	4,171,584	6,438,753	34,374,765	2,209,130	3,992,579	26,487,085	15,916,933	279,166,712	313,416	66,600	—	377,571,345
Depreciation	4,080,940	3,863,405	8,344,887	32,985,045	2,330,500	2,518,663	31,494,977	17,135,409	44,132,768	163,103	—	—	147,049,697
Other operating expenses	511,237	6,894	3,764,376	—	—	—	350,070	—	155,579	5,116,882	1,419	—	9,906,457
Total operating expenses	84,116,209	66,615,674	201,632,716	676,525,256	51,218,175	52,072,828	496,178,179	331,561,502	1,447,267,538	81,388,850	3,923,378	(80,567,761)	3,411,932,544
Operating loss	(44,892,224)	(31,014,072)	(86,221,461)	(214,466,787)	(24,539,796)	(27,951,624)	(59,608,808)	(128,688,994)	(199,641,630)	(54,709,605)	(510,564)	—	(872,245,565)

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2016

	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	$ 30,785,095	22,735,982	51,089,562	186,393,254	16,744,182	17,595,330	96,083,327	92,043,437	185,663,575	53,594,651	435,015	—	753,163,410
Gifts and grants	12,361,621	6,083,852	23,817,437	67,684,349	5,482,344	9,953,292	30,741,202	28,643,063	7,305,548	—	—	—	192,072,708
Investment income, net of investment expense	446,025	232,354	549,158	812,542	224,994	276,737	9,443,620	1,793,745	3,710,895	2,123,631	(13,287)	—	19,600,414
Interest expense on capital assets-related debt	(2,927,759)	—	(4,820,680)	(3,166,732)	(13,313)	(1,416,770)	(9,830,329)	(5,526,868)	(11,037,850)	—	—	—	(38,740,301)
Other nonoperating revenues	—	—	2,309,252	198,447	102,933	—	—	—	—	—	—	—	2,610,632
Other nonoperating expenses	—	(8,961,823)	—	(900,144)	(641,946)	—	(308,713)	—	—	(24,473,906)	—	23,870,000	(11,416,532)
Total net nonoperating revenues	40,664,982	20,090,365	72,944,729	251,021,716	21,899,194	26,408,589	126,129,107	116,953,377	185,642,168	31,244,376	421,728	23,870,000	917,290,331
Income (loss) before other revenues, expenses, gains and losses	(4,227,242)	(10,923,707)	(13,276,732)	36,554,929	(2,640,602)	(1,543,035)	66,520,299	(11,735,617)	(13,999,462)	(23,465,229)	(88,836)	23,870,000	45,044,766
Capital grants and gifts	—	—	—	5,128,863	—	—	14,621,662	10,200,949	13,636,792	—	—	—	43,588,266
State appropriations restricted for capital purposes	507,861	9,048,223	12,609,396	6,876,825	1,182,974	6,447,400	10,552,325	10,633,166	22,195,345	2,253,910	—	—	82,307,425
Additions to permanent endowments	1,415,000	—	23,870,000	—	131,092	4,639	7,344	—	98,231	—	—	(23,870,000)	1,656,306
Other additions	2,530,683	123,166	—	—	416,053	—	1,000,926	2,395,486	—	—	—	—	6,466,314
Other deletions	(166,481)	—	—	(285,663)	(324,079)	—	(2,456,772)	(810,539)	(926,640)	(1,074,877)	—	—	(6,045,051)
Changes in net position	59,821	(1,752,318)	23,202,664	48,274,954	(1,234,562)	4,909,004	90,245,784	10,683,445	21,004,266	(22,286,196)	(88,836)	—	173,018,026
Net position, beginning of the year	102,885,930	75,829,407	91,264,985	415,571,813	87,680,647	62,804,520	817,997,467	281,678,036	(7,430,516)	71,502,520	70,666	—	1,999,855,475
Net position, end of the year	$ 102,945,751	74,077,089	114,467,649	463,846,767	86,446,085	67,713,524	908,243,251	292,361,481	13,573,750	49,216,324	(18,170)	—	2,172,873,501

See accompanying independent auditors' report.

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2016

	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	$ 10,045,606	16,401,625	41,112,569	151,305,141	12,588,190	4,344,403	222,328,044	88,139,121	26,206,226	—	—	—	572,470,925
Grants and contracts	11,855,498	8,666,184	41,698,273	150,592,757	9,604,537	6,871,283	97,738,669	71,305,323	66,847,181	4,551,394	3,326,000	(63,707,529)	409,349,570
Sales and services of educational departments	986,161	1,327,213	2,124,614	43,241,450	1,652,414	2,194,183	7,693,312	3,087,960	976,772	3,832,767	68,953	(2,634,929)	64,550,870
Payments to suppliers	(20,234,280)	(17,089,776)	(60,758,111)	(139,353,164)	(11,067,013)	(13,825,170)	(103,238,613)	(79,147,343)	(455,743,300)	(21,395,943)	(3,226,715)	52,699,905	(872,379,523)
Payments to employees for salaries and benefits	(50,343,308)	(39,234,395)	(105,839,440)	(436,895,695)	(27,448,154)	(29,871,754)	(273,603,676)	(195,234,174)	(872,601,399)	(11,600,173)	(695,244)	—	(2,043,367,412)
Payments for utilities	(3,650,075)	(1,630,696)	(5,445,730)	(14,774,791)	(2,748,963)	(1,870,151)	(12,353,060)	(9,800,410)	(11,998,844)	(653,289)	—	—	(64,926,009)
Payment for scholarships and fellowships	(7,028,922)	(6,337,547)	(19,013,854)	(36,406,529)	(6,053,736)	(3,154,254)	(50,750,588)	(24,655,698)	(6,321,715)	(34,911,832)	—	27,867,856	(166,766,819)
Loans issued to students and employees	—	(35,122)	—	(3,986,296)	—	—	(3,729,033)	(5,119,648)	(1,559,546)	(7,399,115)	—	—	(21,828,760)
Collections of loans to students and employees	—	285,032	—	3,395,871	—	694	2,553,922	4,853,679	1,656,097	1,114,626	—	—	13,859,921
Auxiliary enterprise charges:													
Student housing	6,394,480	3,706,949	9,111,352	25,224,852	1,396,212	3,626,829	17,503,963	15,164,926	—	—	—	—	82,129,563
Food services	4,403,575	2,968,148	6,642,650	2,461,020	1,069,384	2,875,280	3,105,707	2,340,503	—	—	—	—	25,866,267
Bookstore	85,254	107,667	—	774,037	121,524	1,297,403	700,799	1,133,296	2,469,110	—	—	—	6,689,090
Athletics	—	—	2,247,622	56,894,819	—	—	73,358,080	11,865,301	—	—	—	—	144,365,822
Other auxiliary enterprises	621,627	1,785,193	3,442,145	4,468,639	192,833	1,392,057	13,076,792	4,541,605	1,390,120	2,251,492	—	—	33,162,503
Patient care services	—	—	—	—	—	—	—	—	1,042,311,163	—	—	—	1,042,311,163
Interest earned on loans to students	—	—	—	—	—	—	511,848	—	194,038	310,185	—	—	1,016,071
Other receipts	2,891,625	1,699,557	5,909,838	22,545,015	89,368	1,205,275	12,340,670	7,799,022	57,584,722	16,368,201	17,861	(14,225,303)	114,225,851
Other payments	—	(8,253)	—	—	—	—	(15,079,123)	—	(155,579)	5,878,316	(1,419)	—	(9,366,058)
Net cash used in operating activities	(43,972,759)	(27,388,221)	(78,768,072)	(170,512,874)	(20,603,404)	(24,913,922)	(7,842,287)	(103,726,537)	(148,744,954)	(41,653,371)	(510,564)	—	(668,636,965)
Noncapital financing activities:													
State appropriations	30,785,095	22,860,055	51,242,110	187,901,576	16,744,182	17,754,870	95,543,337	92,329,326	186,619,567	53,842,948	435,015	—	756,058,081
Gifts and grants for other than capital purposes	—	69,808	23,817,437	67,749,601	5,516,736	9,953,292	29,459,679	28,562,425	7,305,548	—	—	—	172,434,526
Private gifts for endowment purposes	1,415,000	—	23,870,000	—	131,092	—	7,344	—	98,231	—	—	—	25,521,667
Federal loan program receipts	31,908,512	20,825,936	79,567,340	116,050,847	14,034,037	18,096,687	104,188,349	85,156,666	32,687,768	—	—	—	502,516,142
Federal loan program disbursements	(31,908,512)	(20,825,936)	(79,567,340)	(116,191,575)	(14,034,037)	(18,096,687)	(104,188,349)	(85,065,902)	(32,688,758)	—	—	—	(502,567,096)
Other sources	—	9,048,224	—	—	339,460	—	160,143	1,682	—	—	—	—	9,549,509
Other uses	—	—	—	(873,594)	(876,679)	—	(6,222,154)	—	(176,885)	(24,491,736)	—	—	(32,641,048)
Net cash provided by noncapital financing activities	32,200,095	31,978,087	98,929,547	254,636,855	21,854,791	27,708,162	118,948,349	120,984,197	193,845,471	29,351,212	435,015	—	930,871,781

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2016

	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	$ —	—	—	—	—	17,598,814	99,065,613	70,793,434	—	—	—	—	187,457,861
Cash paid for capital assets	1,462,392	(431,096)	—	(92,453,488)	(1,821,968)	(392,407)	(111,752,304)	(20,690,388)	(74,439,468)	(19,073)	—	—	(300,537,800)
Capital appropriations received	—	—	—	2,229,296	42,680	—	1,988,947	—	—	—	—	—	4,260,923
Capital grants and contracts received	12,361,621	—	—	2,456,489	—	—	13,178,105	8,846,870	8,447,094	—	—	—	45,290,179
Proceeds from sales of capital assets	—	—	—	229,132	—	—	—	37,896	966,450	—	—	—	1,233,478
Principal paid on capital debt and leases	(500,000)	(814,839)	(3,712,408)	(9,725,000)	(142,919)	(16,260,000)	(45,991,084)	(68,179,516)	(5,355,000)	—	—	—	(150,680,766)
Interest paid on capital debt and leases	(2,250,938)	(2,726,629)	(4,820,680)	(14,514,128)	(13,313)	(1,167,278)	(9,168,460)	(5,387,714)	(11,985,543)	—	—	—	(52,034,683)
Other sources	—	142,141	3,359,840	—	—	(337,947)	1,363,040	800,118	—	—	—	—	5,327,192
Other uses	—	—	—	(9,799,334)	—	—	(1,011,610)	(9,051,059)	—	—	—	—	(19,862,003)
Net cash provided by (used in) capital and related financing activities	11,073,075	(3,830,423)	(5,173,248)	(121,577,033)	(1,935,520)	(558,818)	(52,327,753)	(22,830,359)	(82,366,467)	(19,073)	—	—	(279,545,619)
Investing activities:													
Proceeds from sales and maturities of investments	1,415,000	6,000,000	1,055,424	92,290,332	17,726,780	611,685	165,983,327	36,207,239	159,287,445	83,098,546	—	—	563,675,778
Interest received on investments	446,023	305,948	549,158	2,345,566	1,341,515	17,902	3,659,598	853,890	1,866,993	1,549,399	9,616	—	12,945,608
Purchases of investments	(1,415,000)	(4,000,000)	(23,179,891)	(92,830,608)	(19,336,625)	(1,091,653)	(206,979,075)	(33,550,984)	(153,818,616)	(78,167,711)	(58,908)	—	(614,429,071)
Net cash provided by (used in) investing activities	446,023	2,305,948	(21,575,309)	1,805,290	(268,330)	(462,066)	(37,336,150)	3,510,145	7,335,822	6,480,234	(49,292)	—	(37,807,685)
Net increase (decrease) in cash and cash equivalents	(253,566)	3,065,391	(6,587,082)	(35,647,762)	(952,463)	1,773,356	21,442,159	(2,062,554)	(29,930,128)	(5,840,998)	(124,841)	—	(55,118,488)
Cash and cash equivalents – beginning of year	38,113,985	1,287,697	12,706,144	143,978,211	7,326,505	8,873,461	56,589,394	41,092,819	375,290,566	15,584,834	786,841	—	701,630,457
Cash and cash equivalents – end of year	$ 37,860,419	4,353,088	6,119,062	108,330,449	6,374,042	10,646,817	78,031,553	39,030,265	345,360,438	9,743,836	662,000	—	646,511,969

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Combining Statement of Cash Flows

Year ended June 30, 2016

	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 by (used in) operating activities:													
Operating loss	$ (44,892,224)	(31,014,072)	(86,221,461)	(214,466,787)	(24,539,796)	(27,951,624)	(59,608,808)	(128,688,994)	(199,641,630)	(54,709,605)	(510,564)	—	(872,245,565)
Adjustment to reconcile net income (loss) to net cash provided by (used in) operating activities:													
Depreciation expenses	4,080,940	3,863,405	8,344,887	32,985,045	2,330,500	2,518,663	31,494,977	17,135,409	44,132,768	163,103	—	—	147,049,697
Self-insurance claims expense	—	—	—	—	—	—	—	—	3,991,148	6,504,256	—	—	10,495,404
Provision for uncollectible accounts receivable	—	(61,094)	613,132	1,144,264	158,101	341,375	919,053	—	152,653,950	154,456	—	—	155,923,237
Other	—	61,094	(514,759)	5,959	(3,938,248)	(432,056)	49,046	150,000	—	4,951,001	(7,045)	—	324,992
Changes in assets and liabilities:													
(Increase) decrease in assets:													
Receivables, net	(1,913,328)	1,472,863	(1,960,490)	(4,094,503)	28,338	(170,317)	4,846,574	3,028,917	(186,639,218)	568,457	230,012	—	(184,602,695)
Inventories	(33,859)	2,045	(521,651)	(1,050,151)	—	79,640	118,745	63,285	(1,235,216)	12,810	—	—	(2,564,352)
Prepaid expenses	—	(1,429)	—	5,695,919	203,513	41,567	(3,240,825)	(48,167)	(3,301,634)	13,056	(128,692)	—	(766,692)
Other assets	—	(149,340)	—	—	(40,378)	(2,489,780)	—	(20,471,120)	(8,233,403)	(1,522,810)	—	—	(32,906,831)
Increase (decrease) in liabilities:													
Accounts payable and accrued liabilities	(1,626,406)	444,174	302,726	290,173	(428,140)	(114,142)	(999,423)	(539,726)	10,958,017	160,765	(188,808)	—	8,259,210
Unearned revenue	266,118	310,717	346,531	(1,537,957)	(33,324)	17,020	9,031,187	87,804	2,111,117	—	—	—	10,599,213
Deposits refundable	61,984	(4,962)	43,959	8,798	—	(962)	(12,150)	(19,680)	—	—	—	—	76,987
Accrued leave liability	(96,778)	(75,076)	562,806	(1,459,617)	33,875	314,511	1,014,225	(17,353)	3,659,220	4,755	6,531	—	3,947,099
Loans to students and employees	—	—	—	—	—	—	8,545,112	(148,011)	—	—	—	—	8,397,101
Other liabilities	180,794	(2,236,546)	236,248	11,965,983	5,622,155	2,932,183	—	25,741,099	32,799,927	2,046,385	88,002	—	79,376,230
Total adjustments	919,465	3,625,851	7,453,389	43,953,913	3,936,392	3,037,702	51,766,521	24,962,457	50,896,676	13,056,234	—	—	203,608,600
Net cash used in operating activities	$ (43,972,759)	(27,388,221)	(78,768,072)	(170,512,874)	(20,603,404)	(24,913,922)	(7,842,287)	(103,726,537)	(148,744,954)	(41,653,371)	(510,564)	—	(668,636,965)
Noncash capital related financing and investing activities:													
Capital assets acquired through donations and capital lease obligations	$ 507,861	9,048,223	12,609,396	6,876,825	1,182,974	6,447,400	10,552,325	10,633,166	22,195,345	2,253,910	—	—	82,307,425
Capital appropriations from the State of Mississippi	—	—	—	—	—	407,504	46,887,841	1,595,368	159,984	—	—	—	49,050,697

See accompanying independent auditors' report.

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Required Supplementary Information (Unaudited)

Schedule of Proportionate Share of Net Pension Liability

Year ended June 30, 2016

	Proportionate share of the net pension liability	Proportionate share of the net pension liability	Estimated Covered-employee payroll provided by PERS	Proportionate share of the net pension liability as a percentage of its covered-employee payroll	PERS fiduciary net position as a of the percentage total pension liability
Alcorn State University:					
2015	0.47%	56,758,259	28,572,870	199.00%	67.00%
2016	0.46	71,034,832	28,709,073	247.43	61.70
Delta State University:					
2015	0.28	33,537,396	16,883,175	199.00	67.00
2016	0.27	42,181,402	17,047,771	247.43	61.70
Jackson State University:					
2015	0.83	100,387,620	50,536,476	199.00	67.00
2016	0.85	130,840,285	52,898,190	247.43	61.70
Mississippi State University:					
2015	3.11	377,668,592	190,123,441	199.00	67.00
2016	3.15	487,619,653	197,073,543	247.43	61.70
Mississippi University for Women:					
2015	0.22	27,087,951	13,636,438	199.00	67.00
2016	0.23	35,499,410	14,347,232	247.43	61.70
Mississippi Valley State University:					61.70
2015	0.26	31,120,964	15,666,711	199.00	67.00
2016	0.24	37,755,185	15,258,908	247.43	61.70
University of Mississippi:					
2015	1.85	224,435,474	112,983,803	199.00	67.00
2016	1.86	287,872,551	116,344,946	247.43	61.70
University of Southern Mississippi:					
2015	1.35	163,430,215	82,272,965	199.00	67.00
2016	1.32	204,738,145	82,745,841	247.43	61.70
University of Mississippi Medical Center:					
2015	6.76	821,435,313	413,521,568	199.00	67.00
2016	7.04	1,087,561,173	439,542,508	247.43	61.70
IHL Board Office:					
2015	0.10	13,082,977	6,586,146	199.00	67.00
2016	0.11	16,593,427	6,706,305	247.43	61.70
MCVS:					
2015	0.01	1,092,239	549,848	199.00	67.00
2016	0.01	1,231,115	503,886	244.32	61.70
2015 Total	15.24	1,850,037,000	931,333,441	199.00	67.00
2016 Total	15.54%	2,402,927,178	971,178,203	247.42%	61.70%

See accompanying independent auditors' report.

(Continued)

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Required Supplementary Information (Unaudited)

Schedule of Proportionate Share of Contributions

Year ended June 30, 2016

	Proportionate share of contributions	Required contributions	Contribution deficiency (excess)	Actual Covered-employee payroll	Contributions as a percentage of covered-employee payroll
Alcorn State University:					
2015	4,487,694	(4,487,694)	—	28,493,295	15.75%
2016	4,578,969	(4,578,969)	—	29,072,818	15.75
Delta State University:					
2015	2,664,943	(2,664,943)	—	16,920,273	15.75
2016	2,629,908	(2,629,908)	—	16,697,827	15.75
Jackson State University:					
2015	8,271,356	(8,271,356)	—	52,516,546	15.75
2016	8,653,220	(8,653,220)	—	54,940,820	15.75
Mississippi State University:					
2015	30,812,946	(30,812,946)	—	195,637,752	15.75
2016	32,082,720	(32,082,720)	—	203,700,062	15.75
Mississippi University for Women:					
2015	2,243,470	(2,243,470)	—	14,244,254	15.75
2016	2,316,938	(2,316,938)	—	14,710,717	15.75
Mississippi Valley State University:					
2015	2,384,644	(2,384,644)	—	15,140,597	15.75
2016	2,491,943	(2,491,943)	—	15,821,863	15.75
University of Mississippi:					
2015	18,189,943	(18,189,943)	—	115,491,702	15.75
2016	18,587,600	(18,587,600)	—	118,016,509	15.75
University of Southern Mississippi:					
2015	12,934,612	(12,934,612)	—	82,124,521	15.75
2016	13,009,957	(13,009,957)	—	82,602,900	15.75
University of Mississippi Medical Center:					
2015	68,736,092	(68,736,092)	—	436,419,632	15.75
2016	71,818,771	(71,818,771)	—	455,992,197	15.75
IHL Board Office:					
2015	1,048,459	(1,048,459)	—	6,656,883	15.75
2016	959,854	(959,854)	—	6,094,318	15.75
MCVS:					
2015	78,708	(78,708)	—	499,733	15.75
2016	88,482	(88,482)	—	561,790	15.75
2015 Total	151,852,867	(151,852,867)	—	964,145,188	15.75
2016 Total	157,218,362	(157,218,362)	—	998,211,821	15.75%

See accompanying independent auditors' report.

(1) Schedule of Proportionate Share of Net Pension Liability

This schedule presents historical trend information about the IHL System's proportionate share of the net pension liability for its employees who participate in the PERS. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the plan. Information related to previous years is not available, therefore, trend information will be accumulated to display a ten-year presentation.

(2) Schedule of Proportionate Share of IHL System's Contributions

The required contributions and percentage of those contributions actually made are presented in the schedule. Information related to previous years is not available, therefore, trend information will be accumulated to display a ten-year presentation.

(3) Changes in Assumptions and Benefit Terms

Changes of assumptions: In 2015, the expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB, rather than the RP-2000 Mortality Table that was used prior to 2015. In 2015, the expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table that was used prior to 2015. Withdrawal rates, pre-retirement mortality rates, disability rates, and service retirement rates were also adjusted to more closely reflect actual experience. In 2015, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. Finally, in 2016 the price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75 percent, respectively.

Changes of benefit terms: Amounts reported for fiscal year 2016 and 2015 reflect no changes in benefit terms.

REPORT ON INTERNAL CONTROL AND COMPLIANCE

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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*

The 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 years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise IHL System's basic financial statements, and have issued our report thereon dated December 21, 2016. Our report includes a reference to other auditors who audited the financial statements of the University of Mississippi Medical Center Education 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. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 audits 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.

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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 audits 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 audits, 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 21, 2016

REPORT ON INTERNAL CONTROL AND COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

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

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 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, 2016. The IHL System's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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, 2016.

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2016-001. Our opinion on each major federal program is not modified with respect to this matter.

IHL System's responses to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The IHL System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2016-001, that we consider to be a significant deficiency.

The IHL System's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. IHL System's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the State of Mississippi Institutions of Higher Learning (IHL System), a component unit of the State of Mississippi, as of and for the year ended June 30, 2016, and have issued our report thereon dated December 21, 2016, which contained unmodified opinions on those financial statements. Our report on the basic financial statements includes a reference to other auditors. Our audit was conducted for the purpose of forming our opinions on the 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 the Uniform Guidance 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 with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures 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 31, 2017

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2016

(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 (IHL System). 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 the Uniform Guidance.

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, 2016, 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.

The IHL System charges indirect costs based on a negotiated agreement and has not elected to use the 10% deminimis indirect cost rate as outline in the Uniform Guidance.

(2) Grantors Right to Audit

Expenditures related to federal grants and contracts are subject to adjustment based upon review by the granting agencies. Amounts of expenditures that granting agencies might disallow cannot be determined at this time. These amounts affect government grants and contract revenue as well as facilities and administrative cost recovery. The System would not expect these costs to influence the consolidated financial position or the Schedule of Expenditures of Federal Awards significantly.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Student Financial Aid – Cluster:															
U.S. Department of Education:															
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		$ —	4,868,297	957,594	94,697	1,204,085	1,006,348	88,551	479,663	552,929	53,310	431,120	—	—
Federal Work-study Program (FWS)	84.033		—	5,889,518	495,218	367,928	1,760,708	1,022,938	164,481	649,328	865,822	20,000	543,095	—	—
Federal Perkins Loan Program (FPL)	84.038		—	75,224,229	—	1,989,339	—	20,351,480	2,604,661	—	9,561,881	8,354,890	32,361,978	—	—
Federal PELL Grant Program	84.063		—	125,297,335	10,908,916	5,610,527	22,671,623	25,423,034	5,237,923	7,327,468	21,645,922	666,671	25,805,251	—	—
Federal Direct Student Loans	84.268		—	481,119,032	29,259,961	16,598,440	79,567,340	102,309,059	14,034,037	18,108,334	104,188,349	31,988,045	85,065,467	—	—
Teacher Education Assistance for College and Higher Education Grants	84.379		—	162,595	—	—	19,960	128,214	6,990	—	7,431	—	—	—	—
Total U.S. Department of Education			—	692,561,006	41,621,689	24,660,931	105,223,716	150,241,073	22,136,643	26,564,793	136,822,334	41,082,916	144,206,911	—	—
U.S. Department of Health and Human Services:															
Health Professions Student Loans	93.342		—	1,751,721	—	—	—	—	—	—	1,751,721	—	—	—	—
Total U.S. Department of Health and Human Services			—	1,751,721	—	—	—	—	—	—	1,751,721	—	—	—	—
Total Student Financial Aid – Cluster			—	694,312,727	41,621,689	24,660,931	105,223,716	150,241,073	22,136,643	26,564,793	138,574,055	41,082,916	144,206,911	—	—
Research and Development Cluster:															
U.S. Department of Agriculture:															
US Department of Agriculture	10.000		696,851	696,851	—	—	—	696,851	—	—	—	—	—	—	—
Agricultural Research – Basic and Applied Research	10.001		17,206	18,331,093	64,886	—	—	10,793,588	—	11,479	7,461,140	—	—	—	—
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	396,588	(300)	—	—	396,888	—	—	—	—	—	—	—
Wildlife Services	10.028		57,751	1,046,187	—	—	—	1,046,187	—	—	—	—	—	—	—
Specialty Crop Block Grant Program – Farm Bill	10.170		—	—	—	—	—	—	—	—	—	—	—	—	—
Grants for Agricultural Research, Special Research Grants	10.200		613,644	1,041,292	—	—	—	1,041,292	—	—	—	—	—	—	—
Cooperative Forestry Research	10.202		—	1,170,609	79,414	—	—	1,091,195	—	—	—	—	—	—	—
Payments to Agricultural Experiment Stations Under Hatch Act	10.203		—	5,541,331	—	—	—	5,541,331	—	—	—	—	—	—	—
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205		—	2,441,625	2,441,625	—	—	—	—	—	—	—	—	—	—
Animal Health and Disease Research	10.207		—	50,179	—	—	—	50,179	—	—	—	—	—	—	—
Food and Agricultural Sciences National Needs Graduate Fellowship Grants	10.210			21,595	—	—	—		—	—	21,595	—	—	—	—
1890 Institution Capacity Building Grants	10.216		39,379	334,964	334,964	—	—		—	—	—	—	—	—	—
Agricultural and Rural Economic Research	10.250		—	2,303	—	—	—	2,303	—	—	—	—	—	—	—
Consumer Data and Nutrition Research	10.253		—	—	—	—	—	—	—	—	—	—	—	—	—
Agricultural Market and Economic Research	10.290		—	59,054	—	—	—	59,054	—	—	—	—	—	—	—
Integrated Programs	10.303		17,266	505,184	—	—	—	505,184	—	—	—	—	—	—	—
Homeland Security Agriculture	10.304		—	26,251	—	—	—	26,251	—	—	—	—	—	—	—
Specialty Crop Research Initiative (SCRS)	10.309		—	—	—	—	—	—	—	—	—	—	—	—	—
Agriculture and food Research Initiative (AFRI)	10.310		80,350	913,267	38,925	—	—	840,683	—	—	—	17,002	16,657	—	—
Sun Grant Program	10.320		—	—	—	—	—		—	—	—	—	—	—	—
Alfalfa and Forage Research Program	10.330		4,616	28,880	—	—	—	28,880	—	—	—	—	—	—	—
Food Safety Cooperative Agreements	10.479		—	63,645	—	—	—	63,645	—	—	—	—	—	—	—
Child and Adult Food Care Program	10.558		—	11,121	11,121	—	—	—	—	—	—	—	—	—	—
National Food Service Management Institute Administration and Staffing	10.587		—	1,220,625	—	—	—		—	—	1,220,625	—	—	—	—
Forestry Research	10.652		8,942	47,662	7,857	—	—	37,045	—	—	2,760	—	—	—	—
Wood Utilization Assistance	10.674			2,712	—	—	—	2,712	—	—	—	—	—	—	—
Forest Health Protection	10.680		3,877	10,346	—	—	—	10,346	—	—	—	—	—	—	—
Soil and Water Conservation	10.902		—	76,265	70	—	—	76,195	—	—	—	—	—	—	—
Environmental Quality Incentives Program	10.912		—	136,559	—	—	—	136,559	—	—	—	—	—	—	—
Technical Agricultural Assistance	10.960		—	23,225	—	—	—	23,225	—	—	—	—	—	—	—
Cochran Fellowship Program-International Training-Foreign Participant	10.962		—	24,409	—	—	—	24,409	—	—	—	—	—	—	—
Subtotal Direct Programs			1,539,882	34,223,822	2,978,562	—	—	22,494,002	—	11,479	8,706,120	17,002	16,657	—	—
Pass through Program From:															
MS Forestry Commission Dtd 9/25/14- US Dept of Agricultural	10.000	CONTRACT DATED 9/25/14	—	26,955	—	—	—	26,955	—	—	—	—	—	—	—
MS Forestry Commission Dtd 9/25/14-US Dept of Agricultural	10.000	CONTRACT DATED 9/25/14	—	7,698	—	—	—	7,698	—	—	—	—	—	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.000	14-CS-11080700-001	—	20,273	—	—	—	—	—	—	—	—	20,273	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.000	15-CS-11080700-002	—	22,624	—	—	—	—	—	—	—	—	22,624	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.000	16-CS-11080700-001	—	7,909	—	—	—	—	—	—	—	—	7,909	—	—
Agricultural Research Service – U.S. Department of Agriculture	10.000	58-6062-5-006	—	53,898	—	—	—	—	—	—	—	—	53,898	—	—
Total CFDA			—	139,357	—	—	—	34,653	—	—	—	—	104,704	—	—
USDA ARS/Univ of AR Div of Ag/Agricultural Res-Basic & Applied Res	10.001	UA AES 05665-03	—	87,766	—	—	—	—	—	—	87,766	—	—	—	—
USDA ARS/UCRDF/Agricultural Res-Basic & Applied Res	10.001	DAA-15-61222-1	—	11,883	—	—	—	—	—	—	11,883	—	—	—	—
USDA/Univ of AR/Agricultural Research-Basic and Applied Research	10.001	UA AES 05665-03	—	2,368	—	—	—	—	—	—	2,368	—	—	—	—
Total CFDA			—	102,017	—	—	—	—	—	—	102,017	—	—	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.010	13-CS-11080700-002	—	20,412	—	—	—	—	—	—	—	—	20,412	—	—
Total CFDA			—	20,412	—	—	—	—	—	—	—	—	20,412	—	—
Association of 1890 Researcher Inc	10.025	Global Certificate Project	—	18,397	18,397	—	—	—	—	—	—	—	—	—	—
Burearu of Plant Industry-Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 6/6/14	—	2,312	—	—	—	2,312	—	—	—	—	—	—	—
Burearu of Plant Industry-Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 6/19/15	—	3,352	—	—	—	3,352	—	—	—	—	—	—	—
Burearu of Plant Industry-Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 6/24/15	—	6,605	—	—	—	6,605	—	—	—	—	—	—	—
Burearu of Plant Industry-Plant and Animal Disease Pest Control and Animal Care	10.025	CTD 11-24-2015	—	3,194	—	—	—	3,194	—	—	—	—	—	—	—
Total CFDA			—	33,860	18,397	—	—	15,463	—	—	—	—	—	—	—
Nat'l Wildlife RC – Animal Damage Control	10.028	15-7440-1219-CA	—	110,763	—	—	—	110,763	—	—	—	—	—	—	—
MS Wildlife Fisheries&Parks-Animal Damage Control	10.028	SA161020, SA161063, SA161072	—	27,461	—	—	—	27,461	—	—	—	—	—	—	—
Coop Ecosystems Studies – Animal Damage Control	10.028	P14AC00384	—	68,145	—	—	—	68,145	—	—	—	—	—	—	—
Total CFDA			—	206,369	—	—	—	206,369	—	—	—	—	—	—	—
Mississippi Department of Agriculture	10.107	Develop of Ethnic Vegetable Crops	—	1,473	1,473	—	—	—	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 10/16/12	—	8,296	—	—	—	8,296	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/01/12	—	504	—	—	—	504	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 12/01/12	—	5,820	—	—	—	5,820	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DTD 11/25/13	—	5,703	—	—	—	5,703	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DTD 11/25/13	—	4,404	—	—	—	4,404	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DTD 12/9/13	—	9,633	—	—	—	9,633	—	—	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 11-18-2014	$ —	1,973	—	—	—	1,973	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 11-18-2014	—	10,991	—	—	—	10,991	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU W/ MDAC 11/18/14	—	7,503	—	—	—	7,503	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 11-20-2015	—	2,092	—	—	—	2,092	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 11-20-2015	—	9,277	—	—	—	9,277	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU SIGNED 11/30/15	—	753	—	—	—	753	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU W/ MDAC 11/18/14	2,500	5,387	—	—	—	5,387	—	—	—	—	—	—	—
Total CFDA			2,500	72,336	—	—	—	72,336	—	—	—	—	—	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.200	12-CS-11080700-003	—	38,718	—	—	—	—	—	—	—	—	38,718	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.200	15-CS-11080700-001	—	1,036	—	—	—	—	—	—	—	—	1,036	—	—
Colorado State Univ – Grants for Agricultural Research Special Research Grants	10.200	G-1486-1	—	2,557	—	—	—	2,557	—	—	—	—	—	—	—
Colorado State Univ – Grants for Agricultural Research Special Research Grants	10.200	G-14901-1	—	22,437	—	—	—	22,437	—	—	—	—	—	—	—
Colorado State Univ – Grants for Agricultural Research Special Research Grants	10.200	G-89701-1	—	7,597	—	—	—	7,597	—	—	—	—	—	—	—
Total CFDA			—	72,345	—	—	—	32,591	—	—	—	—	39,754	—	—
USDA NIFA/LIG Sciences/Small Business Innovation Research	10.212	2013-33610-21201	—	1,240	—	—	—	—	—	—	1,240	—	—	—	—
USDA/Delta L&C/Sustainable Agriculture Research and Education	10.215	RD309-125/4942806	—	9,840	—	—	—	—	—	—	9,840	—	—	—	—
Virginia Polytech – Sustainable Agriculture Research and Education	10.215	417544-19222	—	3,415	—	—	—	3,415	—	—	—	—	—	—	—
Univ of GA – Sustainable Agriculture Research and Education	10.215	RD316-383/4708848	—	13,582	—	—	—	13,582	—	—	—	—	—	—	—
Total CFDA			—	26,837	—	—	—	16,997	—	—	9,840	—	—	—	—
Michigan State Univ – Higher Education Challenge Grants	10.217	RC104373B 2014-70003-22363	—	9,147	—	—	—	9,147	—	—	—	—	—	—	—
NCSU – Biotechnology Risk Assessment Research	10.219	2014-2219-02	—	39,191	—	—	—	39,191	—	—	—	—	—	—	—
USDA/Univ of KY Res Fdn/Food Assistance & Nutrition Research Programs	10.253	3048110944-14-162	13,543	21,472	—	—	—	—	—	—	21,472	—	—	—	—
Kansas State University – Initiative for Future Ag and Food Systems	10.303	S14057	—	50,406	—	—	—	50,406	—	—	—	—	—	—	—
Brigham Young Univ – Specialty Crop Research Initiative (SCRS)	10.309	12-0347	(3,057)	19,274	—	—	—	19,274	—	—	—	—	—	—	—
The Ohio State University – U.S. Department of Agriculture	10.310	60050039	—	10,072	—	—	—	—	—	—	—	—	10,072	—	—
Univ of Neb – Agriculture and Food Research Initiative (AFRI)	10.310	25-6239-0235-313	—	87,609	—	—	—	87,609	—	—	—	—	—	—	—
Univ of Minnesota – Agriculture and Food Research Initiative(AFRI)	10.310	H00440 10G2 2015-68003-22972	—	97,285	—	—	—	97,285	—	—	—	—	—	—	—
Kansas St – Agriculture and Food Research Initiative (AFRI)	10.310	S15221 2015-67028-23518	—	7,278	—	—	—	7,278	—	—	—	—	—	—	—
Univ of TN, Knoxville – Agriculture and Food Research Initiative (AFRI)	10.310	85000317 46	—	42,683	—	—	—	42,683	—	—	—	—	—	—	—
University of Vermont – Agriculture and Food Research Initiative (AFRI)	10.310	28987 SUB51702	—	1,668	—	—	—	1,668	—	—	—	—	—	—	—
Univ of FL-Agriculture and food Research Initiative (AFRI)	10.310	UF11096	—	52,436	—	—	—	52,436	—	—	—	—	—	—	—
Total CFDA			—	299,031	—	—	—	288,959	—	—	—	—	10,072	—	—
Ohio State Univ-Biomass Research and Development Initiative Competitive Grants Program (BRDI)	10.312	60038220	—	213,869	—	—	—	213,869	—	—	—	—	—	—	—
South Dakota State Univ – Sun Grant Program	10.320	3TU114	—	(65)	—	—	—	(65)	—	—	—	—	—	—	—
University of Tennessee – Sun Grant Program	10.320	850003 2075	11,510	54,363	—	—	—	54,363	—	—	—	—	—	—	—
Total CFDA			11,510	54,298	—	—	—	54,298	—	—	—	—	—	—	—
Univ of FL – National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	10.328	UFDSP00011137	—	2,103	—	—	—	2,103	—	—	—	—	—	—	—
MDHS – US Dept of Agricultural	10.561	MOU DATED 12/08/14	—	2,284,921	—	—	—	2,284,921	—	—	—	—	—	—	—
MDHS – US Dept of Agricultural	10.561	MOU DTD 10/30/15	—	2,160,412	—	—	—	2,160,412	—	—	—	—	—	—	—
Total CFDA			—	4,445,333	—	—	—	4,445,333	—	—	—	—	—	—	—
MDHS-Pilot Projects to Reduce Dependency and Increase Work Requirements and Work Effort under SNAP	10.596	MOU DTD 10/30/15	—	479,247	—	—	—	479,247	—	—	—	—	—	—	—
MDHS-Pilot Projects to Reduce Dependency and Increase Work Requirements and Work Effort under SNAP	10.596	MOA DTD 5-26-16	—	141,110	—	—	—	141,110	—	—	—	—	—	—	—
Total CFDA			—	620,357	—	—	—	620,357	—	—	—	—	—	—	—
U.S. Forest Service – U.S. Department of Agriculture	10.652	11-CS-11080700-002	—	15,605	—	—	—	—	—	—	—	—	15,605	—	—
Univ of Washington- Urban and Community Forestry Program (B)	10.675	741537	—	(7,560)	—	—	—	(7,560)	—	—	—	—	—	—	—
MS Forestry Comm -Forest Health Protection (A,B)	10.680	CONTRACT DTD 11/2/2/13	—	(126)	—	—	—	(126)	—	—	—	—	—	—	—
MS Forestry Comm – Forest Health Protection (A,B)	10.680	DTD 6/26/13	—	11,069	—	—	—	11,069	—	—	—	—	—	—	—
MS Forestry Comm – Forest Health Protection (A,B)	10.680	CONTRACT DTD 2/3/14	—	1,878	—	—	—	1,878	—	—	—	—	—	—	—
Total CFDA			—	12,821	—	—	—	12,821	—	—	—	—	—	—	—
Memphis Zoo – International Forestry Programs	10.684	CTD 6-17-2016	—	16,781	—	—	—	16,781	—	—	—	—	—	—	—
TAMU-Norman E. Borlaug International Agricultural Science and Technology Fellowship	10.777	06-S150643	—	15,625	—	—	—	15,625	—	—	—	—	—	—	—
LSU-Ag Center – Environmental Quality Incentives Program	10.912	95275	—	1,490	—	—	—	1,490	—	—	—	—	—	—	—
Mike Graves – Environmental Quality Incentives Program	10.912	S14000932	—	27,393	—	—	—	27,393	—	—	—	—	—	—	—
Total CFDA			—	28,883	—	—	—	28,883	—	—	—	—	—	—	—
Subtotal Pass through Programs			24,496	6,532,882	19,870	—	—	6,187,896	—	—	134,569	—	190,547	—	—
Total U.S. Department of Agriculture			1,564,378	40,756,704	2,998,432	—	—	28,681,898	—	11,479	8,840,689	17,002	207,204	—	—
U.S. Department of Commerce:															
U.S. Department of Commerce	11.000		—	196,690	—	—	—	196,690	—	—	—	—	—	—	—
Sea Grant Support	11.417		28,782	357,118	—	—	—	—	—	—	357,118	—	—	—	—
Fisheries Development and Utilization Research and	11.427		3,698	57,624	—	—	—	57,624	—	—	—	—	—	—	—
Undersea Research	11.430		178,263	246,379	—	—	—	—	—	—	246,379	—	—	—	—
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432		4,373,908	4,703,432	—	—	—	4,703,432	—	—	—	—	—	—	—
Habitat Conservation	11.463		54,336	54,366	—	—	—	—	—	—	—	—	54,366	—	—
Weather and Air Quality Research	11.459		—	48,582	—	—	—	48,582	—	—	—	—	—	—	—
Unallied Science Program	11.472		—	39,752	—	—	—	—	—	—	39,752	—	—	—	—
NOAA Programs for Disaster Relief Appropriations Act – Non-construction and Construction	11.483		53,514	337,098	—	—	—	337,098	—	—	—	—	—	—	—
Measurement and Engineering Research and Standards	11.609		—	100,759	—	—	—	—	—	—	100,759	—	—	—	—
Congressionally Identified Projects	11.617		—	7,120,236	—	—	—	—	—	—	—	7,120,236	—	—	—
Science, Technology, Business and/or Education Outreach	11.620		—	29,238	—	—	29,238	—	—	—	—	—	—	—	—
Subtotal Direct Programs			4,692,501	13,291,274	—	—	29,238	5,343,426	—	—	744,008	7,120,236	54,366	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:															
National Aeronautics and Space Admin – U.S. Department of Commerce	11.000	NNS11AA67T	$ —	(10,881)	—	—	—	—	—	—	—	—	(10,881)	—	—
Stratus Consulting, Inc. – U.S. Department of Commerce	11.000	Z200-2S-1857	—	67,222	—	—	—	—	—	—	—	—	67,222	—	—
National Marine Fisheries Service – U.S. Department of Commerce	11.000	WC-133F-13-SE-1542	—	14,636	—	—	—	—	—	—	—	—	14,636	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.000	NA14OAR4170098	—	28,079	—	—	—	—	—	—	—	—	28,079	—	—
MS Department of Marine Resources – U.S. Department of Commerce	11.000	2015	—	12,422	—	—	—	—	—	—	—	—	12,422	—	—
Total CFDA			—	111,478	—	—	—	—	—	—	—	—	111,478	—	—
Texas A & M Foundation – U.S. Department of Commerce	11.012	S120008	—	111,833	—	—	—	—	—	—	—	—	111,833	—	—
National Marine Fisheries Service – U.S. Department of Commerce	11.145	NA14NMF4540062	—	50,338	—	—	—	—	—	—	—	—	50,338	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.400	NA12NOS4000014	—	4,720	—	—	—	—	—	—	—	—	4,720	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.400	NA13NOS4000166	1,029,677	2,298,152	—	—	—	—	—	—	—	—	2,298,152	—	—
Total CFDA			1,029,677	2,302,872	—	—	—	—	—	—	—	—	2,302,872	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA10OAR4170078	—	225,193	—	—	—	—	—	—	—	—	225,193	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA10OAR4170229	67,002	237,524	—	—	—	—	—	—	—	—	237,524	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA14OAR4170098	1,401,782	1,401,782	—	—	—	—	—	—	—	—	1,401,782	—	—
Total CFDA			1,468,784	1,864,499	—	—	—	—	—	—	—	—	1,864,499	—	—
MDMR – Coastal Zone Management Estuarine Research Reserves	11.420	15-002	—	49,561	—	—	—	49,561	—	—	—	—	—	—	—
National Marine Fisheries Service – U.S. Department of Commerce	11.427	NA15NMF4270326	—	38,245	—	—	—	—	—	—	—	—	38,245	—	—
National Marine Fisheries Service – U.S. Department of Commerce	11.427	NA15NMF4270333	—	38,748	—	—	—	—	—	—	—	—	38,748	—	—
Texas A & M – U.S. Department of Commerce	11.427	10-S151015	—	166	—	—	—	—	—	—	—	—	166	—	—
Texas A & M – U.S. Department of Commerce	11.427	10-S151016	—	3,369	—	—	—	—	—	—	—	—	3,369	—	—
Total CFDA			—	80,528	—	—	—	—	—	—	—	—	80,528	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.433	NA14NMF4330222	—	106,082	—	—	—	—	—	—	—	—	106,082	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.435	NA11NMF4350038	—	450,028	—	—	—	—	—	—	—	—	450,028	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.451	NA15NOS4510224	—	9,339	—	—	—	—	—	—	—	—	9,339	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.454	NA14NMF4540064	46,361	49,341	—	—	—	—	—	—	—	—	49,341	—	—
Florida A&M University -A Regional Ecosystem Approach	11.481	NA11SEC4810001-003499	—	(4,980)	—	—	(4,980)	—	—	—	—	—	—	—	—
Florida A&M University -A Regional Ecosystem Approach	11.481	FAMU-003499-C-4253	—	205,611	—	—	205,611	—	—	—	—	—	—	—	—
Howard University – FY12 NOAA Center for Atmospheric St	11.481	0007342-1000035607/1000041743	—	652	—	—	652	—	—	—	—	—	—	—	—
Howard University – FY14 NOAA Center for Atmospheric St	11.481	0007342-1000047834/47835	—	271	—	—	271	—	—	—	—	—	—	—	—
Howard University – FY15 NOAA Center for Atmospheric St	11.481	0007342-100035607	—	182,503	—	—	182,503	—	—	—	—	—	—	—	—
Total CFDA			—	384,057	—	—	384,057	—	—	—	—	—	—	—	—
Univ of Connecticut – NOAA Prg for Disaster Relief App. Act	11.483	47024	—	522	—	—	—	522	—	—	—	—	—	—	—
National Institute of Standards & Techno – U.S. Department of Commerce	11.609	70NANB12H191	—	97,638	—	—	—	—	—	—	—	—	97,638	—	—
Innovate MEP Mississippi – U.S. Department of Commerce	11.611	MEP2015-2	—	1,473	—	—	—	—	—	—	—	—	1,473	—	—
Innovated Ms – Manufacturing Extension Partnership	11.611	MEP2015-4	—	(4,470)	—	—	—	(4,470)	—	—	—	—	—	—	—
Innovated Ms – Manufacturing Extension Partnership	11.611	MEP2016-4	—	305,906	—	—	—	305,906	—	—	—	—	—	—	—
Total CFDA			—	302,909	—	—	—	301,436	—	—	—	—	1,473	—	—
Subtotal Pass through Programs			2,544,822	5,971,025	—	—	384,057	351,519	—	—	—	—	5,235,449	—	—
Total U.S. Department of Commerce			7,237,323	19,262,299	—	—	413,295	5,694,945	—	—	744,008	7,120,236	5,289,815	—	—
U.S. Department of Defense:															
US Department of Defense	12.000		816,259	7,124,963	—	—	1,658,522	5,292,505	—	—	109,474	64,462	—	—	—
U.S. Department of Defense	12.000		—	2,103,042	—	—	8,362	684,669	—	—	1,410,011	—	—	—	—
Basic and Applied Scientific Research	12.300		255,266	1,810,957	—	—	437,316	623,619	—	—	750,022	—	—	—	—
Basic Scientific Research – Combating Weapons of Mass Destruction	12.351		—	7,872	—	—	—	7,872	—	—	—	—	—	—	—
Military Medical Research and Development	12.420		458,640	1,617,337	—	—	—	—	—	—	1,121,206	496,131	—	—	—
Basic Scientific Research	12.431		100,369	2,710,724	20,914	—	231,709	2,167,515	—	—	290,586	—	—	—	—
Centers for Academic Excellence	12.598		104,818	165,162	—	—	—	—	—	—	165,162	—	—	—	—
Basic, Applied, and Advanced Research in Science and Engineering	12.630		58,688	5,186,505	185,448	—	1,080,196	3,875,896	—	—	44,965	—	—	—	—
Air Force Defense Research Sciences Program	12.800		29,767	122,092	—	—	65,882	56,210	—	—	—	—	—	—	—
Mathematical Sciences Grants Program	12.901		—	18,825	—	—	—	—	—	—	18,825	—	—	—	—
Information Security Grant Program	12.902		—	227,555	—	—	—	227,555	—	—	—	—	—	—	—
Subtotal Direct Programs			1,823,807	21,095,034	206,362	—	3,481,987	12,935,841	—	—	3,910,251	560,593	—	—	—
Pass through Program From:															
U.S. Army Eng Research & Development Ctr – U.S. Department of Defense	12.000		—	3,867	—	—	—	—	—	—	—	—	3,867	—	—
U.S. Army Eng Research & Development Ctr – U.S. Department of Defense	12.000		—	10,594	—	—	—	—	—	—	—	—	10,594	—	—
Science Applications Int l Corporation – U.S. Department of Defense	12.000	P010142737	—	26,870	—	—	—	—	—	—	—	—	26,870	—	—
University of Dayton research Institute – U.S. Department of Defense	12.000	P1401160	—	5,948	—	—	—	—	—	—	—	—	5,948	—	—
UES – U.S. Department of Defense	12.000	S-875-020-013	—	30,859	—	—	—	—	—	—	—	—	30,859	—	—
Battelle Memorial Institute – U.S. Department of Defense	12.000	US001-0000503852	—	49,556	—	—	—	—	—	—	—	—	49,556	—	—
Army Research Office – U.S. Department of Defense	12.000	W911NF-15-2-0048	—	54,687	—	—	—	—	—	—	—	—	54,687	—	—
U.S. Department of the Army – U.S. Department of Defense	12.000	W911QY-15-C0038	—	2,804,047	—	—	—	—	—	—	—	—	2,804,047	—	—
U.S. Army Corps of Engineers – U.S. Department of Defense	12.000	W912HZ-12-C-0045	—	171,977	—	—	—	—	—	—	—	—	171,977	—	—
US DOD AFRL/Combustion Research and Flow Technology	12.000	14-C-2515/C605	—	113,299	—	—	—	—	—	—	113,299	—	—	—	—
US DOD DTRA/Applied Research Associates	12.000	P014L-00747S-002206	—	117,413	—	—	—	—	—	—	117,413	—	—	—	—
US DOD NAWCAD/Combustion Research and Flow Technology	12.000	15-C-0248/C628	—	22,000	—	—	—	—	—	—	22,000	—	—	—	—
US DOD NAWCAD/Combustion Research and Flow Technology	12.000	14-C-0034/C581	—	12,439	—	—	—	—	—	—	12,439	—	—	—	—
US DOD NSWCD/Engility Corporation	12.000	41-43-44 PO EGL000482	—	79,990	—	—	—	—	—	—	79,990	—	—	—	—
US DOD US Army/Dynetics/Infrasound Sensor	12.000	D1-SC-15-01; TO 0001	—	814,910	—	—	—	—	—	—	814,910	—	—	—	—
US DOD US Army/Army Engineer Research and Development Center	12.000	S-002206.02.UM Mod 4	—	48,304	—	—	—	—	—	—	48,304	—	—	—	—
US DOD USARO/Combustion Research and Flow Technology	12.000	14-C-0122/C608	—	132,959	—	—	—	—	—	—	132,959	—	—	—	—
US DOD DTRA/Nuclear Capablities Services	12.000	634B60	—	40,922	—	—	—	—	—	—	40,922	—	—	—	—
CFDRC – US Dept of Defense	12.000	20120287	—	(5,472)	—	—	—	(5,472)	—	—	—	—	—	—	—
Neany Inc. – US Dept of Defense	12.000	20130501-P0162-01	—	109,046	—	—	—	109,046	—	—	—	—	—	—	—
United Silicon Carbide – US Dept of Defense	12.000	AGREEMENT USC1002V7A02	—	43,161	—	—	—	43,161	—	—	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Camgian Microsys – US Dept of Defense	12.000	MSU-02-02102014	$ —	(549)	—	—	—	(549)	—	—	—	—	—	—	—
Circadence – US Dept of Defense	12.000	14-003-01 / TASK ORDER 001	—	104,507	—	—	—	104,507	—	—	—	—	—	—	—
Dynamic Res. Corp – US Dept of Defense	12.000	PO-0007025 RELEASE 04 TO#016	—	11,784	—	—	—	11,784	—	—	—	—	—	—	—
Leidos – US Dept of Defense	12.000	SUBCONTRACT NO. P010164210	—	(5,535)	—	—	—	(5,535)	—	—	—	—	—	—	—
Clarkson Aerospace Corp – US Dept of Defense	12.000	14-S7700-02-C2	—	100,929	—	—	—	100,929	—	—	—	—	—	—	—
Circadence – US Dept of Defense	12.000	W31P4Q-14-D-A001 TO#0006	—	291,807	—	—	—	291,807	—	—	—	—	—	—	—
Univ Tech Corp – US Dept of Defense	12.000	15-S2606-04-C26	—	66,780	—	—	—	66,780	—	—	—	—	—	—	—
Tetra Research Corp – US Dept of Defense	12.000	TRC-SBIR-III-15	—	26,796	—	—	—	26,796	—	—	—	—	—	—	—
Engility – US Dept of Defense	12.000	PO-0070225 REL-07	—	22,856	—	—	—	22,856	—	—	—	—	—	—	—
Karagozian & Case – US Dept of Defense	12.000	MSU2293	—	22,539	—	—	—	22,539	—	—	—	—	—	—	—
ATA Engineering – US Dept of Defense	12.000	10.06/2015	—	145,048	—	—	—	145,048	—	—	—	—	—	—	—
Securboration Inc. – US Dept of Defense	12.000	CONTRACT DATED 02/10/2016	—	103,379	—	—	—	103,379	—	—	—	—	—	—	—
Clarkson Aerospace Corp – US Dept of Defense	12.000	MISS 15-S7700-02-C2	—	20,461	—	—	—	20,461	—	—	—	—	—	—	—
Leidos – US Dept of Defense	12.000	P010182199	—	1,042	—	—	—	1,042	—	—	—	—	—	—	—
Clarkson Aerospace Corp – US Dept of Defense	12.000	MISS 16-S7700-04-C2	—	21,739	—	—	—	21,739	—	—	—	—	—	—	—
Technology Student Association – Research & Engineering Apprenticeship 16-17	12.000	W911SR-15-2-0001	—	13,020	—	—	13,020	—	—	—	—	—	—	—	—
Mississippi Military Department – U.S. Department of Defense	12.000	PO# 4000149821	—	593	—	—	—	—	—	—	—	—	593	—	—
Technology Student Association – Army Educational Outreach Program	12.000	W911SR-15-2-0001	—	11,799	—	—	11,799	—	—	—	—	—	—	—	—
TSMO-US Army – US Dept of Defense	12.000	AGREEMENT DTD 7/8/14	—	8,195	—	—	—	8,195	—	—	—	—	—	—	—
SAIC – US Dept of Defense	12.000	PO102071441/1	—	(295)	—	—	—	(295)	—	—	—	—	—	—	—
Engility – US Dept of Defense	12.000	017(BY14-076SP)	—	12,587	—	—	—	12,587	—	—	—	—	—	—	—
MICC – US Dept of Defense	12.000	W9124D-15-C-0019	—	325,657	—	—	—	325,657	—	—	—	—	—	—	—
Engility – US Dept of Defense	12.000	HPTI-PETTT-MSU TO18	—	79,288	—	—	—	79,288	—	—	—	—	—	—	—
Neany Inc. IPA Agreement – US Dept of Defense	12.000	20151013-P0380	—	196,996	—	—	—	196,996	—	—	—	—	—	—	—
Total CFDA			—	6,268,799	—	—	24,819	1,702,746	—	—	1,382,236	—	3,158,998	—	—
Office of Naval Research – U.S. Department of Defense	12.300	N00014-15-1-2288	—	119,418	—	—	—	—	—	—	—	—	119,418	—	—
Office of Naval Research – U.S. Department of Defense	12.300	N00173-09-2-C903	—	250,134	—	—	—	—	—	—	—	—	250,134	—	—
Naval Research Laboratory – U.S. Department of Defense	12.300	N00173-14-2-C902	—	297,878	—	—	—	—	—	—	—	—	297,878	—	—
Princeton University – U.S. Department of Defense	12.300	SUB0000034	—	16,914	—	—	—	—	—	—	—	—	16,914	—	—
Univ of Iowa – Basic and Applied Scientific Research	12.300	W000468556	—	21,711	—	—	—	21,711	—	—	—	—	—	—	—
Office of Naval Research – U.S. Department of Defense	12.330	N00014-15-1-2441	—	168,365	—	—	—	—	—	—	—	—	168,365	—	—
Total CFDA			—	874,420	—	—	—	21,711	—	—	—	—	852,709	—	—
Defense Threat Reduction Agency – U.S. Department of Defense	12.351	HDTRA1-14-1-0012	—	145,447	—	—	—	—	—	—	—	—	145,447	—	—
Johns Hopkins Univ. – Basic Scientific Research-Combating Weapons of Mass Destruction	12.351	2002697222	—	27,417	—	—	—	27,417	—	—	—	—	—	—	—
Total CFDA			—	172,864	—	—	—	27,417	—	—	—	—	145,447	—	—
Florida State University – U.S. Department of Defense	12.420	R01661	—	134,602	—	—	—	—	—	—	—	—	134,602	—	—
Creighton University Medical Center – 2014 Prostate Cancer Genetics	12.420	W81XWH-11-10566	—	27,988	—	—	27,988	—	—	—	—	—	—	—	—
Denver Research Institute – Military Medical Research and Development	12.420	MSRC-FY13-019	—	516,252	—	—	—	—	—	—	—	516,252	—	—	—
Total CFDA			—	678,842	—	—	27,988	—	—	—	—	516,252	134,602	—	—
Army Research Office – U.S. Department of Defense	12.431	W911NF-11-1-0124	—	582	—	—	—	—	—	—	—	—	582	—	—
Army Research Office – U.S. Department of Defense	12.431	W911NF-16-1-0060	—	28,274	—	—	—	—	—	—	—	—	28,274	—	—
US DOD US Army/NCATSU/Basic Scientific Research	12.431	210132A	—	113,093	—	—	—	—	—	—	113,093	—	—	—	—
Total CFDA			—	141,949	—	—	—	—	—	—	113,093	—	28,856	—	—
Office of Naval Research – U.S. Department of Defense	12.800	FA7000-10-2-0014	—	59,357	—	—	—	—	—	—	—	—	59,357	—	—
United States Air Force Academy – U.S. Department of Defense	12.800	FA7000-12-2-0016	—	1,998,707	—	—	—	—	—	—	—	—	1,998,707	—	—
Office of Naval Research – U.S. Department of Defense	12.800	FA7000-13-2-0022	—	358,380	—	—	—	—	—	—	—	—	358,380	—	—
United States Air Force Academy – U.S. Department of Defense	12.800	FA7000-14-2-0011	—	133,862	—	—	—	—	—	—	—	—	133,862	—	—
Air Force Office of Scientific Research – U.S. Department of Defense	12.800	FA9550-13-1-0103	—	90,244	—	—	—	—	—	—	—	—	90,244	—	—
Clarkson Aerospace Corp – AFRL Collaboration Program	12.800	JACK 13-S7700-01-C2	—	47,283	—	—	47,283	—	—	—	—	—	—	—	—
Total CFDA			—	2,687,833	—	—	47,283	—	—	—	—	—	2,640,550	—	—
Subtotal Pass through Programs			—	10,824,707	—	—	100,090	1,751,874	—	—	1,495,329	516,252	6,961,162	—	—
Total U.S. Department of Defense			1,823,807	31,919,741	206,362	—	3,582,077	14,687,715	—	—	5,405,580	1,076,845	6,961,162	—	—
U.S. Department of Housing and Urban Development:															
Pass through Program From:															
Atkins-U.S. Dept of Housing & Urban Development	14.000	100018536	—	—	—	—	—	—	—	—	—	—	—	—	—
Greenwood-Leflore-Transformation Initiative: Choice Neighborhoods Demonstration Small Research Grant Program	14.008	14-2	—	7,674	—	—	—	7,674	—	—	—	—	—	—	—
Rural LISC – Section 4 Capacity Building for Affordable Housing and Community Development Grants	14.252	P.A. NO. 46844-0001	—	8,150	—	—	—	8,150	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	15,824	—	—	—	15,824	—	—	—	—	—	—	—
Total U.S. Department of Housing and Urban Development			—	15,824	—	—	—	15,824	—	—	—	—	—	—	—
U.S. Department of Interior:															
Wildland Fire Research and Studies Program	15.232		79,077	124,273	—	—	—	124,273	—	—	—	—	—	—	—
Marine Gas Hydrate Research Activities	15.428		66,875	176,230	—	—	—	—	—	—	176,230	—	—	—	—
SECURE Water Act – Research Agreements	15.560		—	73,435	—	—	—	—	—	—	73,435	—	—	—	—
Fish and Wildlife Management Assistance	15.608		8,390	69,005	—	—	—	56,465	—	—	12,540	—	—	—	—
Migratory Bird Joint Ventures (B,C)	15.637		667,906	849,289	—	—	—	849,289	—	—	—	—	—	—	—
Research Grants (Generic)	15.650		—	46,884	—	—	—	46,884	—	—	—	—	—	—	—
Endangered Species – Conservation Recovery Implementation Funds	15.657		—	921	—	—	—	921	—	—	—	—	—	—	—
Adaptive Science	15.670		58,415	435,728	—	—	—	435,728	—	—	—	—	—	—	—
Assistance to State Water Resources Research Institutes	15.805		80,648	92,970	—	—	—	92,970	—	—	—	—	—	—	—
Geological Survey Research and Data Acquisition	15.808		—	55,996	—	—	—	39,379	—	—	16,617	—	—	—	—
Cooperative Research Units Program (CRUP)	15.812		—	162,520	—	—	—	162,520	—	—	—	—	—	—	—
Cooperative Research and Training Programs – Resources of the National Park System	15.945		—	56,599	—	—	—	56,599	—	—	—	—	—	—	—
Subtotal Direct Programs			961,311	2,143,850	—	—	—	1,865,028	—	—	278,822	—	—	—	—

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:															
U. S. Geological Survey – U.S. Department of the Interior	15.000	G12PX00251	$ —	18,720	—	—	—	—	—	—	—	—	18,720	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.000	S-12-USM/GCRL-GOMESA	—	138,731	—	—	—	—	—	—	—	—	138,731	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.000	S-16USM-GCRL-F131-16	—	98,019	—	—	—	—	—	—	—	—	98,019	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.000	S-16USM-GCRL-F132-16	—	16,939	—	—	—	—	—	—	—	—	16,939	—	—
Total CFDA			—	272,409	—	—	—	—	—	—	—	—	272,409	—	—
JFSP/BLM (DOI) – Wildland Fire Research and Studies Program	15.232	L13AC00271	—	62,750	—	—	—	62,750	—	—	—	—	—	—	—
LSU Ag Ctr – Louisiana State University(LSU) Coastal Marine Institute (CMI)	15.422	102112	—	25,386	—	—	—	25,386	—	—	—	—	—	—	—
LSU Ag Ctr – Louisiana State University(LSU) Coastal Marine Institute (CMI)	15.422	AGREEMENT DATED 10/6/15	—	1,030	—	—	—	1,030	—	—	—	—	—	—	—
Total CFDA			—	26,416	—	—	—	26,416	—	—	—	—	—	—	—
University of New Orleans – U.S. Department of the Interior	15.423	158	—	60,662	—	—	—	—	—	—	—	—	60,662	—	—
Louisiana Dept of Wildlife & Fisheries – U.S. Department of the Interior	15.605	718119	—	2,651	—	—	—	—	—	—	—	—	2,651	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.605	S15-USMGCRLF131-15-1	—	99,342	—	—	—	—	—	—	—	—	99,342	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.605	S15-USMGCRL-F-132-15	—	49,006	—	—	—	—	—	—	—	—	49,006	—	—
MDWFP – Sport Fish Restoration Program	15.605	PD464140006F	—	37,038	—	—	—	37,038	—	—	—	—	—	—	—
TPWD – Sport Fish Restoration Program	15.605	452048	—	3,431	—	—	—	3,431	—	—	—	—	—	—	—
Kentucky Fish&Wildlife – Sport Fish Restoration Program	15.605	140000346J	—	48,006	—	—	—	48,006	—	—	—	—	—	—	—
Texas P & WL Dept – Sport Fish Restoration Program	15.605	455962	—	6,401	—	—	—	6,401	—	—	—	—	—	—	—
MWFPF – Sport Fish Restoration Program	15.605	CONTRACT DTD 12/16/14	—	26,491	—	—	—	26,491	—	—	—	—	—	—	—
MDWFP – Sport Fish Restoration Program	15.605	CTD-04-01-15	—	48,666	—	—	—	48,666	—	—	—	—	—	—	—
Total CFDA			—	321,032	—	—	—	170,033	—	—	—	—	150,999	—	—
US DOI USFWS/Univ of MD/Fish and Wildlife Management Assistance	15.608	SA7528131-J; PO14529	—	6,390	—	—	—	—	—	—	6,390	—	—	—	—
MI DNR – Wildlife Restoration	15.611	751B2200001	—	303,207	—	—	—	303,207	—	—	—	—	—	—	—
MDWFP – Wildlife Restoration	15.611	PD464141120	—	88,825	—	—	—	88,825	—	—	—	—	—	—	—
Puerto Rico – Wildlife Restoration	15.611	2015-000090	—	42,499	—	—	—	42,499	—	—	—	—	—	—	—
AL Division of Wildlife – Wildlife Restoration	15.611	CA DATED 7/24/15	—	11,852	—	—	—	11,852	—	—	—	—	—	—	—
LA Wildlife & Fisheries – Wildlife Restoration	15.611	2000127192	—	25,904	—	—	—	25,904	—	—	—	—	—	—	—
MDWFP – Wildlife Restoration	15.611	STUDY # 65	—	241	—	—	—	241	—	—	—	—	—	—	—
Total CFDA			—	472,528	—	—	—	472,528	—	—	—	—	—	—	—
MS Dept of Wildlife Fisheries & Parks – U.S. Department of the Interior	15.615		—	2,215	—	—	—	—	—	—	—	—	2,215	—	—
MWFP Fndn – Partners for Fish and Wildlife ©	15.631	AGREEMENT DTD 6/11/13	—	1,724	—	—	—	1,724	—	—	—	—	—	—	—
MDWFP – Partners for Fish and Wildlife	15.631	CHECK DATED 1/7/16	—	71,047	—	—	—	71,047	—	—	—	—	—	—	—
MDWFP – Partners for Fish and Wildlife	15.631	CHECK DATED 1/8/16	—	12,891	—	—	—	12,891	—	—	—	—	—	—	—
Total CFDA			—	85,662	—	—	—	85,662	—	—	—	—	—	—	—
U.S. Fish and Wildlife Service – U.S. Department of the Interior	15.632	FA07AP00026	—	816	—	—	—	—	—	—	—	—	816	—	—
U.S. Fish and Wildlife Service – U.S. Department of the Interior	15.632	F09AP00072	—	10,882	—	—	—	—	—	—	—	—	10,882	—	—
Total CFDA			—	11,698	—	—	—	—	—	—	—	—	11,698	—	—
Ducks Unlimited – Migratory Bird Joint Ventures(B,C)	15.637	US-MS-105-1	—	30,400	—	—	—	30,400	—	—	—	—	—	—	—
U.S. Fish and Wildlife Service – U.S. Department of the Interior	15.657	F12AP00849	—	9,735	—	—	—	—	—	—	—	—	9,735	—	—
Total CFDA			—	40,135	—	—	—	30,400	—	—	—	—	9,735	—	—
Michigan State Univ. – Great Lakes Restoration	15.662	258819	—	7,643	—	—	—	7,643	—	—	—	—	—	—	—
MS Department of Marine Resources – U.S. Department of the Interior	15.668	CIAP-MS.R.727	—	1,348	—	—	—	—	—	—	—	—	1,348	—	—
MDMR – Coastal Impact Assistance Program	15.668	MS.R.740	—	30,430	—	—	—	30,430	—	—	—	—	—	—	—
AL Dept Con & Nat Res – Coastal Impact Assistance Program	15.668	AL-11-A1	—	10,721	—	—	—	10,721	—	—	—	—	—	—	—
Total CFDA			—	42,499	—	—	—	41,151	—	—	—	—	1,348	—	—
CESU – Adaptive Science	15.670	F13AC00975	—	9,708	—	—	—	9,708	—	—	—	—	—	—	—
U. S. Geological Survey – U.S. Department of the Interior	15.808	G15AC00510	—	8,214	—	—	—	—	—	—	—	—	8,214	—	—
US DOI USGS/AmericaView/Natl Land Remote Sensing-Educ Outreach & Res	15.815	G14AP00002	—	23,696	—	—	—	—	—	—	23,696	—	—	—	—
GC-CESU – Cooperative Research and Training Programs Resources of the NPS	15.945	P15AC01024	—	15,549	—	—	—	15,549	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	1,469,206	—	—	—	921,840	—	—	30,086	—	517,280	—	—
Total U.S. Department of Interior			961,311	3,613,056	—	—	—	2,786,868	—	—	308,908	—	517,280	—	—
U.S. Department of Justice:															
Enhancing Law Enforcement Response	16.000		—	34,681	—	—	—	34,681	—	—	—	—	—	—	—
State Justice Statistics Program for Statistical Analysis Centers	16.550		—	20,297	—	—	—	—	—	—	—	—	20,297	—	—
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		168,964	559,632	—	—	—	559,632	—	—	—	—	—	—	—
Collection of Biofeature Data 2010	16.580		—	10	10	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			168,964	614,620	10	—	—	594,313	—	—	—	—	20,297	—	—
Pass through Program From:															
MS Dept of Pub. Safety – US Dept of Justice	16.000	DMC Report	—	11,380	—	—	—	11,380	—	—	—	—	—	—	—
National Inst Corr – Corrections Training and Staff Development	16.601	14RE07GKS6	—	22,509	—	—	—	22,509	—	—	—	—	—	—	—
Boys and Girls Club – Byrne Criminal Justice Innovation Program	16.817	BGCEM DOJ 2015-AJ-BX-0020	—	16,338	—	—	—	16,338	—	—	—	—	—	—	—
USDOJ Bureau of Justice Statistics – U.S. Department of Justice	16.550	2015-BJ-CX-K044	—	137	—	—	—	—	—	—	—	—	137	—	—
Florida International University – U.S. Department of Justice	16.560	800001864-01	—	3,317	—	—	—	—	—	—	—	—	3,317	—	—
Subtotal Pass through Programs			—	53,681	—	—	—	50,227	—	—	—	—	3,454	—	—
Total U.S. Department of Justice			168,964	668,301	10	—	—	644,540	—	—	—	—	23,751	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
U.S. Department of Labor:															
Pass through Program From:															
MDES – WIA/WIOA Pilots, Demonstrations, and Research Projects	17.261	CONTRACT DTD 12/15/14	$ —	281,485	—	—	—	281,485	—	—	—	—	—	—	—
Bossier Parish Comm College – TAACCCT	17.282	CONTRACT DTD 7/19/13	—	89,911	—	—	—	89,911	—	—	—	—	—	—	—
EMCC – Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	CONTRACT DTD 4/22/14	—	15,179	—	—	—	15,179	—	—	—	—	—	—	—
ECCC – Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282	AGREEMENT DTD 4/8/15	—	14,751	—	—	—	14,751	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	401,326	—	—	—	401,326	—	—	—	—	—	—	—
Total U.S. Department of Labor			—	401,326	—	—	—	401,326	—	—	—	—	—	—	—
U.S. Department of State:															
Biostatistical Consulting Center	19.000		—	11,705	—	—	11,705	—	—	—	—	—	—	—	—
Total U.S. Department of State			—	11,705	—	—	11,705	—	—	—	—	—	—	—	—
U.S. Department of Transportation:															
Air Transportation Centers of Excellence	20.109		—	1,103,068	—	—	—	1,103,068	—	—	—	—	—	—	—
Highway Training and Education	20.215		—	15,458	—	—	—	15,458	—	—	—	—	—	—	—
University Transportation Centers Program	20.701		750,431	1,027,825	—	—	573	1,027,252	—	—	—	—	—	—	—
Subtotal Direct Programs			750,431	2,146,351	—	—	573	2,145,778	—	—	—	—	—	—	—
Pass through Program From:															
MDOT – US Dept of Transportation	20.000	104558 121000	12,531	12,531	—	—	—	12,531	—	—	—	—	—	—	—
Leidos – US Dept of Transportation	20.000	P010167339	—	33,563	—	—	—	33,563	—	—	—	—	—	—	—
Leidos – US Dept of Transportation	20.000	P010168659 MOD 2	—	41,992	—	—	—	41,992	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.000	SPR-1(65)/106460-110000	—	29,369	—	—	—	29,369	—	—	—	—	—	—	—
Total CFDA			12,531	117,455	—	—	—	117,455	—	—	—	—	—	—	—
MDOT – US Dept of Transportation	20.200	MS Summer Transportation Institute	—	(263)	(263)	—	—	—	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	MOA with MDOT/South Campus Entrance	—	3,193,713	—	—	—	3,193,713	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	SPR-1(66)/106461-182000	—	(601)	—	—	—	(601)	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	SPR-1(98)/107167-190000	—	473	—	—	—	473	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	106266 169000 SS#250 MSU200734	9,901	14,320	—	—	—	14,320	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	SPR-1(65)/106460-110000	—	33,825	—	—	—	33,825	—	—	—	—	—	—	—
Total CFDA			9,901	3,241,730	—	—	—	3,241,730	—	—	—	—	—	—	—
MS Dept Public Safety – Safety Data Improvement Program	20.234	CONTRACT DTD 12/30/13	23,830	45,054	—	—	—	45,054	—	—	—	—	—	—	—
Mass Transit	20.507		—	767,492	—	—	—	—	—	767,492	—	—	—	—	—
MS Dept Public Safety – 2015 Impaired Driving Program	20.600	15-ST-400-2	—	85,105	—	—	85,105	—	—	—	—	—	—	—	—
MS Office Highway Safety – Alcohol Open Container Requirements (B)	20.607	15-ST-401-2	41,245	78,389	—	—	—	78,389	—	—	—	—	—	—	—
MS Office Highway Safety – Alcohol Open Container Requirements (B)	20.607	154AL-2016-ST-40-11	—	26,868	—	—	—	26,868	—	—	—	—	—	—	—
MS Office of Highway Safety – JSU Interdisciplinary Alcohol/Drug	20.607	15-ST-400-1	—	29,452	—	—	29,452	—	—	—	—	—	—	—	—
MS Office of Highway Safety – 2016 Impaired Driving Program	20.607	18X920546MS16	—	115,783	—	—	115,783	—	—	—	—	—	—	—	—
Total CFDA			41,245	250,492	—	—	145,235	105,257	—	—	—	—	—	—	—
MS Office Highway Safety – National Priority Safety Programs	20.616	15-MC-401-1	—	45,444	—	—	—	45,444	—	—	—	—	—	—	—
MS Office Highway Safety – National Priority Safety Programs	20.616	M3DA-2016-MC-40-11	93,977	256,587	—	—	—	256,587	—	—	—	—	—	—	—
MS Office Highway Safety – National Priority Safety Programs	20.616	M2CPS-2016-MB-40-11	—	137,135	—	—	—	137,135	—	—	—	—	—	—	—
MS Office Highway Safety – National Priority Safety Programs	20.616	15-MB-401-1	—	37,504	—	—	—	37,504	—	—	—	—	—	—	—
Total CFDA			93,977	476,670	—	—	—	476,670	—	—	—	—	—	—	—
Univ of FL – University Transportation Centers Program	20.701	UF-EIES-1200026-MSU TO 001	—	28,674	—	—	—	28,674	—	—	—	—	—	—	—
University of Memphis – U.S. Department of Transportation	20.701		—	85	—	—	—	—	—	—	—	—	85	—	—
University of Memphis – U.S. Department of Transportation	20.701		—	17,654	—	—	—	—	—	—	—	—	17,654	—	—
University of Memphis – U.S. Department of Transportation	20.701		—	41,833	—	—	—	—	—	—	—	—	41,833	—	—
University of Memphis – U.S. Department of Transportation	20.701		—	28,293	—	—	—	—	—	—	—	—	28,293	—	—
University of Memphis – U.S. Department of Transportation	20.701	068802-364805-01	—	21,253	—	—	—	—	—	—	—	—	21,253	—	—
University of Memphis – U.S. Department of Transportation	20.701	106266 169000 SS#250 MSU200734	—	35,194	—	—	—	—	—	—	—	—	35,194	—	—
University of Arkansas – MarTREC	20.701	DTRT13-GUTC50; SA1411041	—	127,882	—	—	127,882	—	—	—	—	—	—	—	—
Total CFDA			—	300,868	—	—	127,882	28,674	—	—	—	—	144,312	—	—
Subtotal Pass through Programs			181,484	5,284,603	(263)	—	358,222	4,014,840	—	767,492	—	—	144,312	—	—
Total U.S. Department of Transportation			931,915	7,430,954	(263)	—	358,795	6,160,618	—	767,492	—	—	144,312	—	—
National Aeronautics and Space Administration:															
National Aeronautics and Space Administration	43.000		153,321	1,258,589	—	—	26,807	120,118	—	—	236,954	—	874,710	—	—
National Aeronautics and Space Administration	43.000		—	4,227	—	—	4,227	—	—	—	—	—	—	—	—
Aerospace Education Services Program	43.001		192,144	1,031,695	—	—	—	382,578	—	—	554,771	—	94,346	—	—
Technology Transfer	43.002		—	44,871	—	—	—	44,871	—	—	—	—	—	—	—
Exploration	43.003		—	63,637	—	—	—	—	—	—	—	—	63,637	—	—
Education	43.008		271,336	484,995	—	—	—	57,753	—	—	427,242	—	—	—	—
Subtotal Direct Programs			616,801	2,888,014	—	—	31,034	605,320	—	—	1,218,967	—	1,032,693	—	—
Pass through Program From:															
University of Georgia – National Aeronautics and Space Admin	43.000	RR175-264/4708853	—	16,939	—	—	—	—	—	—	—	—	16,939	—	—
Keystone Synergistics – NASA	43.000	KSE13057	—	(918)	—	—	—	(918)	—	—	—	—	—	—	—
CFDRC – NASA	43.000	20120325 PROJECT #9107	—	(67)	—	—	—	(67)	—	—	—	—	—	—	—
Streamline Numerics Inc – NASA	43.000	SUBCONTRACT DATED 09/22/2014	—	122,309	—	—	—	122,309	—	—	—	—	—	—	—
CFDRC – NASA	43.000	SUBCONTRACT NO. 20120725	—	93,971	—	—	—	93,971	—	—	—	—	—	—	—
Aeros Systems, Inc. – NASA	43.000	SC-2019-002	—	20,210	—	—	—	20,210	—	—	—	—	—	—	—
NASA/ATA Engineering, Inc.	43.000	NNX15CM16C	—	197,057	—	—	—	—	—	—	197,057	—	—	—	—
NASA/MS Research Consortium	43.000	USM-GRO5434-001	—	24,591	—	—	—	—	—	—	24,591	—	—	—	—
NASA/Jet Propulsion Laboratory	43.000	1476053 Mod. 4	—	4,515	—	—	—	—	—	—	4,515	—	—	—	—
Total CFDA			—	478,607	—	—	—	235,505	—	—	226,163	—	16,939	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Univ of FL – Science	43.001	UFOER00010062	$ —	410	—	—	—	410	—	—	—	—	—	—	—
Old Dominion Univ – Aeronautics	43.002	16-133-100558-010	—	26,008	—	—	—	26,008	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	505,025	—	—	—	261,923	—	—	226,163	—	16,939	—	—
Total National Aeronautics and Space Administration			616,801	3,393,039	—	—	31,034	867,243	—	—	1,445,130	—	1,049,632	—	—
National Endowment for the Arts:															
Promotion of the Arts Grants to Organizations and Individuals	45.024		—	11,756	—	—	—	11,756	—	—	—	—	—	—	—
Promotion of the Humanities, Division of Preservation and Access	45.149		—	125,253	—	—	—	—	—	—	—	—	125,253	—	—
Promotion of the Humanities – Public Programs	45.164		—	966	—	—	—	—	—	—	966	—	—	—	—
Subtotal Direct Programs			—	137,975	—	—	—	11,756	—	—	966	—	125,253	—	—
Pass through Program from:															
NEH/MHC/Promotion of the Humanities-Federal/State Partnership	45.129	RG15-14-058	—	1,808	—	—	—	—	—	—	1,808	—	—	—	—
Memphis Zoo – National Leadership Grants	45.312	LG-25-11-0186-11	—	36,901	—	—	—	36,901	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	38,709	—	—	—	36,901	—	—	1,808	—	—	—	—
Total National Endowment for the Arts			—	176,684	—	—	—	48,657	—	—	2,774	—	125,253	—	—
National Science Foundation:															
National Science Foundation	47.000		—	(6,001)	—	—	(6,001)	—	—	—	—	—	—	—	—
Engineering Grants	47.041		109,111	1,313,013	—	—	653	762,024	—	—	71,301	15,473	463,562	—	—
Mathematical and Physical Sciences	47.049		96,466	2,944,459	—	—	1,080,115	589,927	—	—	895,663	—	378,754	—	—
Geosciences	47.050		—	755,858	—	—	—	145,401	—	—	415,085	—	195,372	—	—
National Science Foundation	47.060		—	313,600	—	—	—	—	—	313,600	—	—	—	—	—
Computer and Information Science and Engineering	47.070		67,923	959,841	—	—	238,743	499,485	—	158,782	43,693	(18,561)	37,699	—	—
Biological Sciences	47.074		115,149	1,499,519	11,012	21,379	—	545,813	—	—	534,332	—	386,963	—	—
Social Behavioral and Economic Sciences	47.075		36,086	223,952	—	—	85,762	12,018	—	—	24,638	—	101,534	—	—
Education and Human Resources	47.076		543,472	6,458,125	77,032	—	4,194,967	1,307,062	—	5,213	62,072	—	811,779	—	—
Polar Programs	47.078		—	56,849	—	—	—	—	—	—	—	—	56,849	—	—
Office of International and Integrative Activities	47.079		811,288	1,415,708	—	—	—	643,811	—	—	764,584	—	7,313	—	—
Office of Experimental Program to Stimulate Competitive Research	47.081		1,295,232	2,063,351	—	—	—	2,063,351	—	—	—	—	—	—	—
Subtotal Direct Programs			3,074,727	17,998,274	88,044	21,379	5,594,239	6,568,912	—	477,595	2,811,368	(3,088)	2,439,825	—	—
Pass through Program From:															
Visolis, Inc. – National Science Foundation	47.000		—	39,714	—	—	—	—	—	—	—	—	39,714	—	—
Missouri Univ. – Engineering Grants	47.041	000449906-01	—	10,669	—	—	—	10,669	—	—	—	—	—	—	—
Norfolk State Univ – Mathematical and Physical Sciences	47.049	F1040052	—	379	—	—	—	379	—	—	—	—	—	—	—
Emory University – Mathematical and Physical Sciences	47.049	T467902	—	3,858	—	—	—	3,858	—	—	—	—	—	—	—
Georgia Institute of Tech – NSF CII: Center for Chemical Evolut	47.049	RB011-G3	—	72,859	—	—	72,859	—	—	—	—	—	—	—	—
NSF/Univ of ND/Mathematical and Physical Sciences	47.049	PHY-1219444	—	4,596	—	—	—	—	—	—	4,596	—	—	—	—
NSF/Univ of ND/Mathematical and Physical Sciences	47.049	PHY-0715396	—	(472)	—	—	—	—	—	—	(472)	—	—	—	—
Case Western Reserve University – National Science Foundation	47.049	DMR-0423914	—	64,336	—	—	—	—	—	—	—	—	64,336	—	—
Total CFDA			—	145,556	—	—	72,859	4,237	—	—	4,124	—	64,336	—	—
Colgate University – Geosciences	47.050	201179	—	10,289	—	—	—	10,289	—	—	—	—	—	—	—
Duke University – Geosciences	47.050	14-NSF-1077	—	37,529	—	—	—	37,529	—	—	—	—	—	—	—
Old Dominion University – National Science Foundation	47.050	13-161-322141	—	86,593	—	—	—	—	—	—	—	—	86,593	—	—
Total CFDA			—	134,411	—	—	—	47,818	—	—	—	—	86,593	—	—
NCSA – Computer and Information Science and Engineering	47.070	AGREEMENT DATED 11/24/15	—	15,212	—	—	—	15,212	—	—	—	—	—	—	—
UC at San Diego – MRI: Advanced Visualization	47.070	44311550/CNS-1338192/S9000418	—	8,337	—	—	8,337	—	—	—	—	—	—	—	—
NSF Odyssey	47.070		—	158,782	—	—	—	—	—	158,782	—	—	—	—	—
University of Illinois Chicago – Development of the Sensor Environment	47.070	2014-04289	—	74,487	—	—	74,487	—	—	—	—	—	—	—	—
Total CFDA			—	256,818	—	—	82,824	15,212	—	158,782	—	—	—	—	—
Amer Museum Natural History – Biological Sciences	47.074	3-2011	—	(1,060)	—	—	—	(1,060)	—	—	—	—	—	—	—
NSF/Univ of Alaska Fairbanks/Biological Sciences	47.074	UAF 12-0084	—	1,922	—	—	—	—	—	—	1,922	—	—	—	—
NSF/Univ of Florida/Biological Sciences	47.074	UFDS00010651/0012256	—	1,891	—	—	—	—	—	—	1,891	—	—	—	—
Total CFDA			—	2,753	—	—	—	(1,060)	—	—	3,813	—	—	—	—
NSF/Univ of NC at Charlotte/Social, Behavioral, and Economic Sciences	47.075	20120452-02-UMS	—	4,240	—	—	—	—	—	—	4,240	—	—	—	—
Howard University – Experimental Engineering for HBCUs	47.076	0007964-1000047293/47294	—	39,908	—	—	39,908	—	—	—	—	—	—	—	—
MAMP	47.076		—	69,296	—	—	—	—	—	69,296	—	—	—	—	—
SPrEad: Actualizing STEM in MS Delta	47.076		—	65,666	—	—	—	—	—	65,666	—	—	—	—	—
NSF/Michigan State Univ/Social, Behavioral, and Economic Sciences	47.076	RC104162UM	—	19,894	—	—	—	—	—	—	19,894	—	—	—	—
NSF HBCU-UP	47.076		—	313,600	—	—	—	—	—	313,600	—	—	—	—	—
Nanoscale Informal Science Education – National Science Foundation	47.076	NISE	—	750	—	—	—	—	—	—	—	—	750	—	—
Total CFDA			—	509,114	—	—	39,908	—	—	448,562	19,894	—	750	—	—
Colorado School of Mines – International Science and Engineering	47.079	400512	—	132,830	—	—	—	132,830	—	—	—	—	—	—	—
Texas A&M Galveston – PIRE Coastal Flood Risk Reduct. Program	47.079	S161003	—	45,153	—	—	45,153	—	—	—	—	—	—	—	—
NSF/Colorado School of Mines/Office of International Science and Engineering	47.079	400512 (PO 134229)	—	42,300	—	—	—	—	—	—	42,300	—	—	—	—
CRDF Global – National Science Foundation	47.079	RUB2-7100-PE-13	—	1,305	—	—	—	—	—	—	—	—	1,305	—	—
Total CFDA			—	221,588	—	—	45,153	132,830	—	—	42,300	—	1,305	—	—
Subtotal Pass through Programs			—	1,324,863	—	—	240,744	209,706	—	607,344	74,371	—	192,698	—	—
Total National Science Foundation			3,074,727	19,323,137	88,044	21,379	5,834,983	6,778,618	—	1,084,939	2,885,739	(3,088)	2,632,523	—	—
U.S. Veterans Administration:															
U.S. Veterans Administration	64.000		—	32,580	—	—	—	—	—	—	—	32,580	—	—	—
Subtotal Direct Programs			—	32,580	—	—	—	—	—	—	—	32,580	—	—	—
Total U.S. Veterans Administration			—	32,580	—	—	—	—	—	—	—	32,580	—	—	—
Environmental Protection Agency:															
Environmental Protection Agency	66.000		—	13,509	—	—	—	13,509	—	—	—	—	—	—	—
Southeastern Multi-Media and Geographic Priority Projects	66.128		—	5,917	—	—	—	—	—	5,917	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Gulf of Mexico Program	66.475		$ 75,749	163,448	—	—	—	—	—	—	163,448	—	—	—	—
Science To Achieve Results (STAR) Research Program	66.509		—	83,527	—	—	—	83,527	—	—	—	—	—	—	—
P3 Award: National Student Design Competition for Sustainability	66.516		—	20,983	—	—	—	20,983	—	—	—	—	—	—	—
Subtotal Direct Programs			75,749	287,384	—	—	—	118,019	—	5,917	163,448	—	—	—	—
Pass through Program From:															
National Aeronautics and Space Admin – U.S. Environmental Protection Agency	66.000	NNS14AA94T	—	22,412	—	—	—	—	—	—	—	—	22,412	—	—
MS Department of Environmental Quality – U.S. Environmental Protection Agency	66.000	15-00142	—	42,815	—	—	—	—	—	—	—	—	42,815	—	—
Michigan State Univ. – Science To Achieve Results(STAR) Research Program	66.509	RC105227MSU	—	9,270	—	—	—	9,270	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	74,497	—	—	—	9,270	—	—	—	—	65,227	—	—
Total Environmental Protection Agency			75,749	361,881	—	—	—	127,289	—	5,917	163,448	—	65,227	—	—
U.S. Nuclear Regulatory Commission:															
Risk Assessment and Risk Management	77.003		—	9,919	—	—	9,919	—	—	—	—	—	—	—	—
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006		—	50,537	—	—	50,537	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	60,456	—	—	60,456	—	—	—	—	—	—	—	—
Total U.S. Nuclear Regulatory Commission			—	60,456	—	—	60,456	—	—	—	—	—	—	—	—
U.S. Department of Energy:															
Department of Energy	81.000		—	642	—	—	—	642	—	—	—	—	—	—	—
Office of Science Financial Assistance Program	81.049		63,987	965,907	—	—	—	617,484	—	—	348,423	—	—	—	—
Conservation Research and Development	81.086		42,050	166,144	—	—	—	160,144	—	—	—	—	—	—	—
Fossil Energy Research and Development	81.089		3,730	3,730	—	—	—	—	—	—	3,730	—	—	—	—
Stewardship Science Grant Program	81.112		—	15,746	—	—	—	15,746	—	—	—	—	—	—	—
Nuclear Energy Research, Development and Demonstration	81.121		224,980	423,926	—	—	—	—	—	—	423,926	—	—	—	—
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123		—	347,712	—	—	347,712	—	—	—	—	—	—	—	—
Environmental Management R&D and Validation Testing on High Efficiency Particulate Air (HEPA) Filters	81.139		—	1,205,678	—	—	—	1,205,678	—	—	—	—	—	—	—
Subtotal Direct Programs			334,747	3,123,485	—	—	347,712	1,999,694	—	—	776,079	—	—	—	—
Pass through Program From:															
South Dakota-US Dept of Energy	81.000	3TA676	—	87,568	—	—	—	87,568	—	—	—	—	—	—	—
Brookhaven Science Assoc – US Dept of Energy	81.000	227623	—	4,613	—	—	—	4,613	—	—	—	—	—	—	—
US/AMP – US Dept of Energy	81.000	13-2836-AMP	—	(4,208)	—	—	—	(4,208)	—	—	—	—	—	—	—
LLNL/DOEn – US Dept of Energy	81.000	B605576	—	11,870	—	—	—	11,870	—	—	—	—	—	—	—
Thomas Jefferson Nat Lab – US Dept of Energy	81.000	14-C1199	—	56,750	—	—	—	56,750	—	—	—	—	—	—	—
Argonne National Lab – US Dept of Energy	81.000	4F-32321	—	24,225	—	—	—	24,225	—	—	—	—	—	—	—
SRNS – US Dept of Energy	81.000	245854	—	25,954	—	—	—	25,954	—	—	—	—	—	—	—
Argonne National Lab – US Dept of Energy	81.000	6F-31601	—	15,761	—	—	—	15,761	—	—	—	—	—	—	—
Pacific NW Nat. Lab – US Dept of Energy	81.000	238140	13,965	6,524,011	—	—	—	6,524,011	—	—	—	—	—	—	—
US DOE/Argonne National Laboratory	81.000	6F-30342	—	97,135	—	—	—	—	—	—	97,135	—	—	—	—
US DOE/Argonne National Laboratory	81.000	5F-31541	—	39,012	—	—	—	—	—	—	39,012	—	—	—	—
US DOE/Nat'l Energy Technology Laboratory	81.000	DE-FE0023337	—	16,696	—	—	—	—	—	—	16,696	—	—	—	—
US DOE/Fermi National Accelerator Laboratory	81.000	PO 620936	—	15,217	—	—	—	—	—	—	15,217	—	—	—	—
US DOE/Lawrence Berkeley National Laboratory	81.000	7119854	—	40,160	—	—	—	—	—	—	40,160	—	—	—	—
US DOE/Sandia National Laboratories	81.000	1581077	—	261,984	—	—	—	—	—	—	261,984	—	—	—	—
US DOE/UT-Battelle/DOE Alt Plat Processes	81.000	4000122203	—	96,314	—	—	—	—	—	—	96,314	—	—	—	—
US DOE/Savannah River Nuclear Solutions	81.000	AC81842O	—	(434)	—	—	—	—	—	—	(434)	—	—	—	—
Consolidated Nuclear Security, LLC – U.S. Department of Energy	81.000	PO56902	—	137	—	—	—	—	—	—	—	—	137	—	—
Total CFDA			13,965	7,312,765	—	—	—	6,746,544	—	—	566,084	—	137	—	—
US DOE/Fermi Lab/Office of Science Financial Assistance Program	81.049	PO #580116	—	32,747	—	—	—	—	—	—	32,747	—	—	—	—
US DOE/Fermi Lab/Office of Science Financial Assistance Program	81.049	PO #617510	—	(7,996)	—	—	—	—	—	—	(7,996)	—	—	—	—
US DOE/Fermi Lab/Office of Science Financial Assistance Program	81.049	PO #592846	—	(4,708)	—	—	—	—	—	—	(4,708)	—	—	—	—
Total CFDA			—	20,043	—	—	—	—	—	—	20,043	—	—	—	—
South Dakota State U – Regional Biomass Energy Programs	81.079	3TA148	—	24,884	—	—	—	24,884	—	—	—	—	—	—	—
South Dakota State U – Regional Biomass Energy Programs	81.079	3TB148	—	20,098	—	—	—	20,098	—	—	—	—	—	—	—
South Dakota State U – Regional Biomass Energy Programs	81.079	3TJ155	—	33,110	—	—	—	33,110	—	—	—	—	—	—	—
Total CFDA			—	78,092	—	—	—	78,092	—	—	—	—	—	—	—
Cornell University – U.S. Department of Energy	81.087	68579-10095	—	3,212	—	—	—	—	—	—	—	—	3,212	—	—
Florida A&M University	81.123	Roses	—	167,544	167,544	—	—	—	—	—	—	—	—	—	—
Univ of AL – Advanced Research And Projects Agency – Energy Financial Assistance Program	81.135	UA14-019	—	15	—	—	—	15	—	—	—	—	—	—	—
Subtotal Pass through Programs			13,965	7,581,671	167,544	—	—	6,824,651	—	—	586,127	—	3,349	—	—
Total U.S. Department of Energy			348,712	10,705,156	167,544	—	347,712	8,824,345	—	—	1,362,206	—	3,349	—	—
U.S. Department of Education:															
National Institute on Disability and Rehabilitation Research	84.133		—	(22,702)	—	—	—	(22,702)	—	—	—	—	—	—	—
Improving Teacher Quality State Grants	84.367		—	5,213	—	—	—	—	—	5,213	—	—	—	—	—
Subtotal Direct Programs			—	(17,489)	—	—	—	(22,702)	—	5,213	—	—	—	—	—
Pass through Program From:															
Mississippi Department of Education – Math & Science Partnership 2012	84.000	ES366B120025	—	331,185	—	—	331,185	—	—	—	—	—	—	—	—
Commonwealth of MA – US Dept of Education	84.000	7000CTMCB40004123059	—	12,405	—	—	—	12,405	—	—	—	—	—	—	—
Total CFDA			—	343,590	—	—	331,185	12,405	—	—	—	—	—	—	—
Georgia VRA – Rehabilitation Services Independent Living Services for	84.177	42700-610-0000025397	—	18,996	—	—	—	18,996	—	—	—	—	—	—	—
Utah Services for Blind – Rehabilitation Services Independent Living Services for	84.177	CONTRACT #146288	—	13,214	—	—	—	13,214	—	—	—	—	—	—	—
Utah Services for Blind – Rehabilitation Services Independent Living Services for	84.177	INVOICE 364914-GC-1 AND -2	—	(119)	—	—	—	(119)	—	—	—	—	—	—	—
Commonwealth of VA – Rehabilitation Services Independent Living Services for	84.177	CONTRACT DTD 9/19/14	—	5,443	—	—	—	5,443	—	—	—	—	—	—	—
AR Div of Serv for Blind – Rehabilitation Services Independent Living Services for	84.177	PO 4501483267	—	6,690	—	—	—	6,690	—	—	—	—	—	—	—
Total CFDA			—	44,224	—	—	—	44,224	—	—	—	—	—	—	—
Mississippi Department of Rehabilitation Services	84.224	14-331-1600-998	—	11,161	—	—	11,161	—	—	—	—	—	—	—	—
MDE – 21st Century Community Learning Centers Program	84.287	14/3201/EA08/8250/B592/011	—	423,786	—	—	—	423,786	—	—	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
US DOED/Mathematics and Science Partnerships	84.366	MSP-16-01	$ —	568	—	—	—	—	—	—	568	—	—	—	—
Mississippi Department of Education – Math & Science Partnership 2016	84.366	S366B150025	—	55,284	—	—	55,284	—	—	—	—	—	—	—	—
Total CFDA			—	55,852	—	—	55,284	—	—	—	568	—	—	—	—
Subtotal Pass through Programs			—	878,613	—	—	397,630	480,415	—	—	568	—	—	—	—
Total U.S. Department of Education			—	861,124	—	—	397,630	457,713	—	5,213	568	—	—	—	—
U.S. Department of Health and Human Services:															
U.S. Department of Health and Human Services	93.000		311,072	7,239,065	—	—	689,428	—	—	—	1,501,710	5,047,927	—	—	—
Family Smoking Prevention and Tobacco Control Act Regulatory Research	93.077		—	221,672	—	—	—	—	—	—	—	221,672	—	—	—
Food and Drug Administration Research	93.103		97,830	3,406,913	—	—	—	310,500	—	—	3,096,413	—	—	—	—
Environmental Health	93.113		—	178,755	—	—	—	176,094	—	—	—	—	2,661	—	—
Oral Diseases and Disorders Research	93.121		2,095	344,711	—	—	—	—	—	—	—	344,711	—	—	—
Research Related to Deafness and Communication Disorders	93.173		42,256	578,000	—	—	—	—	—	—	—	578,000	—	—	—
Research and Training in Complementary and Alternative Medicine	93.213		848	372,445	—	—	—	—	—	—	129,841	242,604	—	—	—
US DHHS NIH/Phytochemical Svcs/Res & Trng in Complmtry & Integrative Health	93.213		—	79,135	—	—	—	—	—	—	79,135	—	—	—	—
US DHHS NIH/Phytochemical Svcs/Res & Trng in Complmtry & Integrative Health	93.213		—	17,440	—	—	—	—	—	—	17,440	—	—	—	—
US DHHS NIH/Phytochemical Svcs/Res & Trng in Complmtry & Integrative Health	93.213		—	18,279	—	—	—	—	—	—	18,279	—	—	—	—
US DHHS NIH/Univ of IL/Res & Trng in Complementary & Integrative Health	93.213		—	67,779	—	—	—	—	—	—	67,779	—	—	—	—
National Center on Sleep Disorders Research	93.233		404,401	875,393	—	—	—	—	—	—	—	875,393	—	—	—
Mental Health Research Grants	93.242		—	185,589	—	—	—	187,205	—	—	—	(1,616)	—	—	—
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243		60,957	96,313	96,313	—	—	—	—	—	—	—	—	—	—
Occupational Safety and Health Program	93.262		—	4,471	—	—	—	4,471	—	—	—	—	—	—	—
Alcohol Research Programs	93.273		83,436	943,171	—	—	—	—	—	—	—	943,171	—	—	—
Drug Abuse and Addiction Research Programs	93.279		99,914	2,360,886	—	—	—	619,249	—	—	513,961	1,227,676	—	—	—
CDC Investigations and Technical Assistance	93.283		—	2	—	—	—	—	—	—	—	2	—	—	—
Minority Health and Health Disparities Research	93.307		212,482	3,014,031	—	—	2,733,966	—	—	—	—	280,065	—	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.307		—	102,508	—	—	—	—	—	—	—	—	102,508	—	—
Trans-NIH Research Support	93.310		82,912	111,757	—	—	—	—	—	—	—	111,757	—	—	—
Research Infrastructure Programs	93.351		32,493	839,973	—	—	—	837,314	—	—	—	2,659	—	—	—
Cancer Treatment Research	93.395		—	116,372	—	—	—	—	—	—	—	116,372	—	—	—
Cancer Biology Research	93.396		—	773,180	—	—	—	—	—	—	114,222	658,958	—	—	—
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433		88,323	794,853	—	—	—	794,853	—	—	—	—	—	—	—
Medical Assistance Program	93.778		—	(36,774)	—	—	—	—	—	—	(36,774)	—	—	—	—
CMS Research, Demonstrations and Evaluations	93.779		—	27,771	—	—	27,771	—	—	—	—	—	—	—	—
Cardiovascular Diseases Research	93.837		687,130	6,397,169	—	—	—	48,001	—	—	—	6,349,168	—	—	—
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		—	345,168	—	—	—	76,970	—	—	—	268,198	—	—	—
Diabetes, Digestive and Kidney Diseases Extramural Research	93.847		17,232	1,119,386	—	—	—	—	—	—	—	1,119,386	—	—	—
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		—	1,100,819	—	—	—	771,907	—	—	—	328,912	—	—	—
Allergy Immunology and Transplantation Research	93.855		316,383	1,093,818	—	—	—	698,971	—	—	—	391,508	3,339	—	—
Microbiology and Infectious Diseases Research	93.856		—	15,510	—	—	—	15,510	—	—	—	—	—	—	—
Biomedical Research and Research Training	93.859		1,763,213	10,327,009	55	—	1,061,209	2,368,425	—	—	2,276,210	4,621,110	—	—	—
Child Health and Human Development Extramural Research	93.865		267,522	913,766	—	—	—	—	—	—	—	913,766	—	—	—
Aging Research	93.866		587,230	1,435,666	—	—	—	—	—	—	—	1,435,666	—	—	—
Vision Research	93.867		429,035	1,231,635	—	—	—	—	—	—	371,283	860,352	—	—	—
Subtotal Direct Programs			5,586,764	46,713,636	96,368	—	4,512,374	6,909,470	—	—	8,149,499	26,937,417	108,508	—	—
Pass through Program From:															
Tougaloo College – MS Epscor Seed Grant	93.000	NNX13AAB31A	—	(2,846)	—	—	—	—	—	—	—	(2,846)	—	—	—
Tougaloo College – MS Epscor	93.000	NNX12AK85A	—	102	—	—	—	—	—	—	—	102	—	—	—
Johns Hopkins University – Major Extremity Trauma Research Consortium	93.000	200087939 4	—	20,071	—	—	—	—	—	—	—	20,071	—	—	—
University of Alabama – Systolic Blood Pressure Intervention Trial	93.000	00033641 7-011	—	77,808	—	—	—	—	—	—	—	77,808	—	—	—
Johns Hopkins University – Major Extremity Trauma Research Consortium	93.000	2,001,820,812	—	85,168	—	—	—	—	—	—	—	85,168	—	—	—
University of Texas Health Sciences Center-San Antonio – Cardiovascular Proteomics Center	93.000	153874/153136	—	463,690	—	—	—	—	—	—	—	463,690	—	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.000	1R15Ai113706-01	—	127,884	—	—	—	—	—	—	—	—	127,884	—	—
Total CFDA			—	771,877	—	—	—	—	—	—	—	643,993	127,884	—	—
American Heart Association / NIH – Family Smoking Prevention and Tobacco Control Act Regulatory Research	93.077	FX-ATRAC-UM-01	—	392,867	—	—	—	—	—	—	—	392,867	—	—	—
MDHS – Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	MOU DATED 1/11/16	—	11,210	—	—	—	11,210	—	—	—	—	—	—	—
MSDH – Food and Drug Administration Research	93.103	820002 2729	—	40,825	—	—	—	40,825	—	—	—	—	—	—	—
MSDH – Food and Drug Administration Research	93.103	820001 9283	—	10,852	—	—	—	10,852	—	—	—	—	—	—	—
Total CFDA			—	51,677	—	—	—	51,677	—	—	—	—	—	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.113	1R15AG046915-01A1	—	41,528	—	—	—	—	—	—	—	—	41,528	—	—
Duke University – Research on Healthcare Costs, Quality and Outcome	93.226	2038734	—	101,854	—	—	—	—	—	—	—	101,854	—	—	—
Columbia Univ/NIH – Mental Health Research Grants	93.242	3 (GG006997)	—	432	—	—	—	432	—	—	—	—	—	—	—
MCW – Mental Health Research Grants	93.242	5	—	7,600	—	—	—	7,600	—	—	—	—	—	—	—
University of Kentucky Research Foundation – Mental Health Research Grants	93.242	3048108500-12-451	—	259,630	—	—	—	—	—	—	—	259,630	—	—	—
University of Connecticut – Mental Health Research Grants	93.242	UCHC6-38183801	—	96,384	—	—	—	—	—	—	—	96,384	—	—	—
University of California – San Francisco – Mental Health Research Grants	93.242	SPH-1581300-13-1045-1A	—	825	—	—	—	—	—	—	—	825	—	—	—
Miriam Hospital – Mental Health Research Grants	93.242	716-99994-8985	—	20,637	—	—	—	—	—	—	—	20,637	—	—	—
University of Alabama – Mental Health Research Grants	93.242	00050621 1-003	—	43,214	—	—	—	—	—	—	—	43,214	—	—	—
Total CFDA			—	428,722	—	—	—	8,032	—	—	—	420,690	—	—	—
Morehouse School of Medicine	93.243	Journey of Hope 2015	—	1,426	1,426	—	—	—	—	—	—	—	—	—	—
Morehouse School of Medicine	93.243	CASA	—	4,034	4,034	—	—	—	—	—	—	—	—	—	—
Total CFDA			—	5,460	5,460	—	—	—	—	—	—	—	—	—	—
UAB – Occupational Safety and Health Program	93.262	000500836-017	—	20,000	—	—	—	20,000	—	—	—	—	—	—	—
University of Nebraska Medical Center – Alcohol Research Programs	93.273	34-5237-2020-016	—	62,164	—	—	—	—	—	—	—	62,164	—	—	—
University of New Mexico – Alcohol Research Programs	93.273	28337-87Y2	—	11,945	—	—	—	—	—	—	—	11,945	—	—	—
University of Virgina – Alcohol Research Programs	93.273	GB10137 149279	—	25,169	—	—	—	—	—	—	—	25,169	—	—	—
Total CFDA			—	99,278	—	—	—	—	—	—	—	99,278	—	—	—
US DHHS NIH/Univ of NC at Chapel Hill/Drug Abuse & Addiction Res Pgrms	93.279	5-31144	—	2,799	—	—	—	—	—	—	2,799	—	—	—	—
MSDH – Centers for Disease Control and Prevention Investigations	93.283	CONTRACT DATED 11/10/15	—	142,745	—	—	—	142,745	—	—	—	—	—	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
MSDH – Centers for Disease Control and Prevention Investigations	93.283	5U50DP003088	$ —	41,162	—	—	—	41,162	—	—	—	—	—	—	—
Mississippi Department of Health – Delta CHES Data Processing & Data	93.283	50550DP003088-5	—	29,502	—	—	29,502	—	—	—	—	—	—	—	—
Olive View – UCLA – Centers for Disease Control Prevention Investigations and Technical Assistance	93.283	13-12	—	10,616	—	—	—	—	—	—	—	10,616	—	—	—
University of South Carolina – Centers for Disease Control Prevention Investigations and Technical Assistance	93.283	16-2866	—	6,898	—	—	—	—	—	—	—	6,898	—	—	—
University of South Carolina – Centers for Disease Control Prevention Investigations and Technical Assistance	93.283	16-2974	—	15,602	—	—	—	—	—	—	—	15,602	—	—	—
US DHHS CDC/MS DOH/Ctr for Dis Ctrl & Prevtn-Investigations & Tech Assist	93.283	11000HPO	—	412,412	—	—	—	—	—	—	412,412	—	—	—	—
US DHHS CDC/MS DOH/Ctr for Dis Ctrl & Prevtn-Investigations & Tech Assist	93.283	8200020118	—	2,230	—	—	—	—	—	—	2,230	—	—	—	—
Total CFDA			—	661,167	—	—	29,502	183,907	—	—	414,642	33,116	—	—	—
Bayou Clinic – U.S. Dept of Health and Human Services	93.307	U54MD008602-001USM	—	265,568	—	—	—	—	—	—	—	—	265,568	—	—
Bayou Clinic – U.S. Dept of Health and Human Services	93.307	1U54MD008602-P01USM	—	54,099	—	—	—	—	—	—	—	—	54,099	—	—
Morehouse School of Medicine – RCMI Translational Research Network	93.307	9 U54 MD008149	—	1,408,786	—	—	1,408,786	—	—	—	—	—	—	—	—
Regents of the University of Michigan – Comm. Engage and Outreach Core	93.307	3002460815	—	88,840	—	—	88,840	—	—	—	—	—	—	—	—
University of Alabama at Birmingham – Mid South Transdisciplinary Collabo	93.307	0005010 26-003	—	71,054	—	—	71,054	—	—	—	—	—	—	—	—
University of Alabama at Birmingham – Mid South Transdisciplinary Collabo	93.307	5U54MD008176-04	—	154,246	—	—	154,246	—	—	—	—	—	—	—	—
University Michigan – Minority Health and Health Disparities Research	93.307	3003311331	—	62,034	—	—	—	—	—	—	—	62,034	—	—	—
University of Alabama Birmingham – Minority Health and Health Disparities Research	93.307	0005010 26-008	—	3,537	—	—	—	—	—	—	—	3,537	—	—	—
University of Alabama Birmingham – Minority Health and Health Disparities Research	93.307	0005010 26-001	—	87,537	—	—	—	—	—	—	—	87,537	—	—	—
University of Texas Health-Houston – Minority Health and Health Disparities Research	93.307	0008663AH	—	49	—	—	—	—	—	—	—	49	—	—	—
University Michigan – Minority Health and Health Disparities Research	93.307	3002470555	—	22,130	—	—	—	—	—	—	—	22,130	—	—	—
US DHHS NIH/U MN Regents/Minority Health and Health Disparities Research	93.307	N005527302	—	3,529	—	—	—	—	—	—	3,529	—	—	—	—
Total CFDA			—	2,221,409	—	—	1,722,926	—	—	—	3,529	175,287	319,667	—	—
University of California – Los Angeles – Trans-NIH Research Support	93.310	1505 G SA911	—	296,125	—	—	—	—	—	—	—	296,125	—	—	—
University of Alabama – National Center for Advancing Translational Sciences	93.350	0005086 06-005	—	169,119	—	—	—	—	—	—	—	169,119	—	—	—
Millsaps College – National Center for Research Resources	93.389	MSINBRE	—	12,576	—	—	—	—	—	—	—	12,576	—	—	—
John Hopkins – Cancer Cause and Prevention Research	93.393	2002994421	—	55,861	—	—	—	—	—	—	—	55,861	—	—	—
US DHHS NIH/GA State Univ/Cancer Treatment Research	93.395	SP00011812-03	—	6,012	—	—	—	—	—	—	6,012	—	—	—	—
US DHHS NIH/Emory Univ/Cancer Treatment Research	93.395	T559771	—	14,354	—	—	—	—	—	—	14,354	—	—	—	—
Children's Hospital of Philadelphia – Cancer Treatment Research	93.395	U10CA098543	—	41,525	—	—	—	—	—	—	—	41,525	—	—	—
NRG Oncology Foundation – Cancer Treatment Research	93.395	5U10CA180868-02	—	57,433	—	—	—	—	—	—	—	57,433	—	—	—
NRG Oncology Foundation – Cancer Treatment Research	93.395		—	19,816	—	—	—	—	—	—	—	19,816	—	—	—
University of Texas Health Sciences Center-Houston – Cancer Treatment Research	93.395		—	29,283	—	—	—	—	—	—	—	29,283	—	—	—
Total CFDA			—	168,423	—	—	—	—	—	—	20,366	148,057	—	—	—
US DHHS NIH/Wake Forest Univ Health Sciences/Cancer Biology Research	93.396	WFUHS 112089C	—	35,143	—	—	—	—	—	—	35,143	—	—	—	—
Wake Forest University Health Sciences – Cancer Biology Research	93.396	WFUHS 114700	—	3,939	—	—	—	—	—	—	—	3,939	—	—	—
Wake Forest University Health Sciences – Cancer Biology Research	93.396	WFUHS 1112089R	—	62,943	—	—	—	—	—	—	—	62,943	—	—	—
Total CFDA			—	102,025	—	—	—	—	—	—	35,143	66,882	—	—	—
University of Alabama – Cancer Centers Support Grants	93.397	000379874-001	—	15,864	—	—	—	—	—	—	—	15,864	—	—	—
Amer. Acad of Pediatrics 755126-MSU	93.424	755126-MSU	—	82,976	—	—	—	82,976	—	—	—	—	—	—	—
US DHHS CMMS/MS Public Health Institute/Health Care Innovation Awards	93.610	UMCSOP2014-15	—	1,951	—	—	—	—	—	—	1,951	—	—	—	—
MDHS – Social Services Research and Demonstration	93.647	MOA SIGNED 2/27/15	—	8,836	—	—	—	8,836	—	—	—	—	—	—	—
AHEC – Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by	93.733	CONTRACT DATED 8/5/15	—	10,935	—	—	—	10,935	—	—	—	—	—	—	—
US DHHS CMMS/State of MS Div of Medicaid/Medical Assistance Program	93.778	Formula Grant Amend 1	—	542	—	—	—	—	—	—	542	—	—	—	—
US DHHS CMMS/State of MS Div of Medicaid/Medical Assistance Program	93.778	Formula Grant	—	690,691	—	—	—	—	—	—	690,691	—	—	—	—
Total CFDA			—	691,233	—	—	—	—	—	—	691,233	—	—	—	—
University of Akron – Cardiovascular Diseases Research	93.837	02311_MSU	—	34,078	—	—	—	34,078	—	—	—	—	—	—	—
US DHHS NIH/Univ of MI/Cardiovascular Diseases Research	93.837	R01HL110990	—	137,213	—	—	—	—	—	—	137,213	—	—	—	—
University of Rochester – Cardiovascular Diseases Research	93.837	416020-G-004	—	(3,053)	—	—	—	—	—	—	—	(3,053)	—	—	—
Rhode Island Hospital – Cardiovascular Diseases Research	93.837	7137188	—	98	—	—	—	—	—	—	—	98	—	—	—
University of Minnesota – Cardiovascular Diseases Research	93.837	N002127501	—	468	—	—	—	—	—	—	—	468	—	—	—
Ohio State University – Cardiovascular Diseases Research	93.837	60048444	—	2,363	—	—	—	—	—	—	—	2,363	—	—	—
Massachusetts General Hospital – Cardiovascular Diseases Research	93.837	A5332	—	2,366	—	—	—	—	—	—	—	2,366	—	—	—
Wake Forest University Health Sciences – Cardiovascular Diseases Research	93.837	WFUHS 110438 UMC	—	4,615	—	—	—	—	—	—	—	4,615	—	—	—
West Virginia University – Cardiovascular Diseases Research	93.837	13-511	—	7,936	—	—	—	—	—	—	—	7,936	—	—	—
Brigham and Womens Hospital – Cardiovascular Diseases Research	93.837	U01HL101422	—	10,815	—	—	—	—	—	—	—	10,815	—	—	—
University of Florida – Cardiovascular Dissoses Research	93.837	UFDSP00011061	—	17,613	—	—	—	—	—	—	—	17,613	—	—	—
University of Washington – Cardiovascular Diseases Research	93.837	UWSC7569	—	18,601	—	—	—	—	—	—	—	18,601	—	—	—
University of Washington – Cardiovascular Diseases Research	93.837	UWSC7563	—	27,511	—	—	—	—	—	—	—	27,511	—	—	—
University of Washington – Cardiovascular Diseases Research	93.837	UWSC8254	—	28,579	—	—	—	—	—	—	—	28,579	—	—	—
Medical College of Georgia – Cardiovascular Diseases Research	93.837	24756-3	—	29,500	—	—	—	—	—	—	—	29,500	—	—	—
Medical College of Wisconsin – Cardiovascular Diseases Research	93.837	PO1543907/4	—	59,552	—	—	—	—	—	—	—	59,552	—	—	—
Washington University – Cardiovascular Diseases Research	93.837	WU-15-257	—	64,266	—	—	—	—	—	—	—	64,266	—	—	—
Hutchinson Cancer Research Center – Cardiovascular Diseases Research	93.837	0000835631	—	99,660	—	—	—	—	—	—	—	99,660	—	—	—
Cooper Health Systems – Cardiovascular Diseases Research	93.837	3115001 91MISS	—	102,390	—	—	—	—	—	—	—	102,390	—	—	—
University of North Carolina – Cardiovascular Diseases Research	93.837	5035552	—	211,139	—	—	—	—	—	—	—	211,139	—	—	—
Indiana University – Cardiovascular Diseases Research	93.837	IN-4683516-UM	—	303,993	—	—	—	—	—	—	—	303,993	—	—	—
Total CFDA			—	1,159,703	—	—	—	34,078	—	—	137,213	988,412	—	—	—
Univ of Pittsburg – Lung Diseases Research	93.838	0031454 122932-1	—	30,972	—	—	—	30,972	—	—	—	—	—	—	—
Beth Israel Deaconess Medical Center – Lung Diseases Research	93.838	5U01HL123609	—	4,032	—	—	—	—	—	—	—	4,032	—	—	—
Beth Israel Deaconess Medical Center – Lung Diseases Research	93.838	1028040	—	34,426	—	—	—	—	—	—	—	34,426	—	—	—
Total CFDA			—	69,430	—	—	—	30,972	—	—	—	38,458	—	—	—
Cincinnati Childrens Hospital – Blood Diseases and Resources Research	93.839	132981	—	6,040	—	—	—	—	—	—	—	6,040	—	—	—
John Hopkins University – Arthritis Muscoskeletal and Skin Diseases Research	93.846	1R01AR064066	—	644	—	—	—	—	—	—	—	644	—	—	—
US DHHS NIH/AEHN/Diabetes, Digestive & Kidney Diseases Extramural Research	93.847	3U01DK083027-09S2	—	58,499	—	—	—	—	—	—	58,499	—	—	—	—
The Broad Institute, Inc – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	S2103405500000206	—	4,275	—	—	—	—	—	—	—	4,275	—	—	—
John Hopkins – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	2002863379	—	12,607	—	—	—	—	—	—	—	12,607	—	—	—
University of Michigan – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	3003773030	—	14,971	—	—	—	—	—	—	—	14,971	—	—	—
University of Washington – -Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	UWSC7405	—	21,870	—	—	—	—	—	—	—	21,870	—	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Univ of South Florida – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	6143-1101-00-A	$ —	39,968	—	—	—	—	—	—	—	39,968	—	—	—
Massachusetts General Hospital – Diabetes, Digestive and Kidney Diseases Extramural Research	93.847	226697	—	93,696	—	—	—	—	—	—	—	93,696	—	—	—
Total CFDA			—	245,886	—	—	—	—	—	—	58,499	187,387	—	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.855	1R15AI099910-01	—	31,087	—	—	—	—	—	—	—	—	31,087	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.855	1R15AI099922-01A1	—	133,825	—	—	—	—	—	—	—	—	133,825	—	—
US DHHS NIH/Lucigen Corporation/Allergy and Infectious Diseases Research	93.855	1R43AI100383-01A1	—	(6)	—	—	—	—	—	—	(6)	—	—	—	—
US DHHS NIH/Tulane Univ/Allergy and Infectious Diseases Research	93.855	HSC-554221-16/17	—	21,186	—	—	—	—	—	—	21,186	—	—	—	—
Tulane Educational Fund – Allergy and Infectious Diseases Research	93.855	TUL-HSC-480-13/14	—	246,440	—	—	—	—	—	—	—	246,440	—	—	—
University of Alabama – Allergy and Infectious Diseases Research	93.855	00043475 5-001	—	663,280	—	—	—	—	—	—	—	663,280	—	—	—
Total CFDA			—	1,095,812	—	—	—	—	—	—	21,180	909,720	164,912	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.859	5P20GM103476-13	—	(13,858)	—	—	—	—	—	—	—	—	(13,858)	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.859	1R15GM109299-01A1	—	97,815	—	—	—	—	—	—	—	—	97,815	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.859	5P20GM103476	—	3,296,227	—	—	—	—	—	—	—	—	3,296,227	—	—
National Institutes of Health – U.S. Dept of Health and Human Services	93.859	4P20GM103476-15	—	116,125	—	—	—	—	—	—	—	—	116,125	—	—
US DHHS NIH/West Liberty Univ/Biomedical Research and Research Training	93.859	OM2015	—	(757)	—	—	—	—	—	—	(757)	—	—	—	—
US DHHS NIH/West Liberty Univ/Biomedical Research and Research Training	93.859	OM2015-16	—	2,813	—	—	—	—	—	—	2,813	—	—	—	—
US DHHS NIH/Univ of GA/Biomedical Research and Research Training	93.859	RR549-522/S000822	—	101,089	—	—	—	—	—	—	101,089	—	—	—	—
University of Michigan – Biomedical Research and Research Training	93.859	3002239175	—	53,928	—	—	—	—	—	—	—	53,928	—	—	—
Total CFDA			—	3,653,382	—	—	—	—	—	—	103,145	53,928	3,496,309	—	—
University of Miami – Child Health and Human Development Extramural Research	93.865	G02244	—	12,084	—	—	—	—	—	—	—	12,084	—	—	—
University of Michigan – Child Health and Human Development Extramural Research	93.865	3002544109	—	42,679	—	—	—	—	—	—	—	42,679	—	—	—
West Virginia University – Child Health and Human Development Extramural Research	93.865	14-542-UMMC	—	45,953	—	—	—	—	—	—	—	45,953	—	—	—
University of Michigan – Child Health and Human Development Extramural Research	93.865	3002542787	—	55,852	—	—	—	—	—	—	—	55,852	—	—	—
University of Nebraska-Lincoln – Child Health and Human Development Extramural Research	93.865	24-0523-0082-003	—	67,290	—	—	—	—	—	—	—	67,290	—	—	—
Rhode Island Hospital – Child Health and Human Development Extramural Research	93.865	701-5494	—	89,832	—	—	—	—	—	—	—	89,832	—	—	—
Total CFDA			—	313,690	—	—	—	—	—	—	—	313,690	—	—	—
Johns Hopkins University – Aging Research	93.866	2002345503	—	6,757	—	—	—	—	—	—	—	6,757	—	—	—
Univ of Texas Health- Houston – Aging Research	93.866	0011496E	—	14,933	—	—	—	—	—	—	—	14,933	—	—	—
Univ of Texas Health- Houston – Aging Research	93.866	0011496D	—	18,664	—	—	—	—	—	—	—	18,664	—	—	—
Johns Hopkins University – Aging Research	93.866	2001402959	—	145,934	—	—	—	—	—	—	—	145,934	—	—	—
Total CFDA			—	186,288	—	—	—	—	—	—	—	186,288	—	—	—
Univ of California LA – Vision Research	93.867	2000 G TJ096	—	1,353	—	—	—	—	—	—	—	1,353	—	—	—
Medical Univ of South Carolina – Vision Research	93.867	MUSC15-056	—	6,435	—	—	—	—	—	—	—	6,435	—	—	—
Total CFDA			—	7,788	—	—	—	—	—	—	—	7,788	—	—	—
MSDH – Assistance Programs for Chronic Disease Prevention and Control (B)	93.945	CONTRACT DATED 3/31/16	—	4,680	—	—	—	4,680	—	—	—	—	—	—	—
Mississippi First – Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	MOU DATED 1/26/16	—	39,894	—	—	—	39,894	—	—	—	—	—	—	—
SABG 2015	93.959		—	1,910	—	—	1,910	—	—	—	—	—	—	—	—
SABG 2014	93.959		—	1,750	—	—	1,750	—	—	—	—	—	—	—	—
Total CFDA			—	3,660	—	—	3,660	—	—	—	—	—	—	—	—
US DHHS NIH/Regents Michigan/International Research and Research Training	93.989	5D43TW009310-04	—	5,832	—	—	—	—	—	—	5,832	—	—	—	—
Subtotal Pass through Programs			—	13,218,501	5,460	—	1,756,088	487,197	—	—	1,495,532	5,323,924	4,150,300	—	—
Total U.S. Department of Health and Human Services			5,586,764	59,932,137	101,828	—	6,268,462	7,396,667	—	—	9,645,031	32,261,341	4,258,808	—	—
U.S. Department of Homeland Security:															
U.S. Department of Homeland Security	97.000		—	387,302	—	—	—	—	—	—	387,302	—	—	—	—
Center of Excellence for Disaster Response	97.061		316,220	528,416	—	—	528,416	—	—	—	—	—	—	—	—
Homeland Security Advanced Research Projects Agency	97.065		—	115,186	—	—	—	—	—	—	—	—	115,186	—	—
Subtotal Direct Programs			316,220	1,030,904	—	—	528,416	—	—	—	387,302	—	115,186	—	—
Pass through Program From:															
University of North Carolina Chapel Hill – DHS S&T Coastal Resilience	97.000	2015-ST-061-ND0001-01	—	153,716	—	—	153,716	—	—	—	—	—	—	—	—
PITCHTR AGREEMENT# – US Dept of Homeland Security	97.000	AGREEMENT# 3325-908	—	6,109	—	—	—	6,109	—	—	—	—	—	—	—
US DHS FEMA/MEMA/Pre-Disaster Mitigation	97.047	LPDM-PL-04-MS-2010-0006	—	121	—	—	—	—	—	—	121	—	—	—	—
Univ of Southern CA – Centers for Homeland Security (B)	97.061	6610958B	—	48,547	—	—	—	48,547	—	—	—	—	—	—	—
Univ of Southern CA – Centers for Homeland Security (B)	97.061	53037161	—	16,671	—	—	—	16,671	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	225,164	—	—	153,716	71,327	—	—	121	—	—	—	—
Total U.S. Department of Homeland Security			316,220	1,256,068	—	—	682,132	71,327	—	—	387,423	—	115,186	—	—
U.S. Agency for International Development:															
U.S. Agency for International Development:	98.000		—	259,277	—	—	—	259,277	—	—	—	—	—	—	—
U.S. Agency for International Development:	98.012		—	142,773	—	—	—	142,773	—	—	—	—	—	—	—
Subtotal Direct Programs			—	402,050	—	—	—	402,050	—	—	—	—	—	—	—
Pass through Program From:															
Purdue – US AID	98.000	8000062961	—	1,802	—	—	—	1,802	—	—	—	—	—	—	—
Univ of Illinois	98.000	2013-04026-07	—	40,844	—	—	—	40,844	—	—	—	—	—	—	—
Univ of Illinois	98.000	2013-04026-07	—	84,284	—	—	—	84,284	—	—	—	—	—	—	—
Univ of CA Davis – US AID	98.000	2014002 23-08	—	50,694	—	—	—	50,694	—	—	—	—	—	—	—
Univ of CA Davis – US AID	98.000	2014002 23-09	—	48,265	—	—	—	48,265	—	—	—	—	—	—	—
Total CFDA			—	225,889	—	—	—	225,889	—	—	—	—	—	—	—
Univ of CA Davis – USAID Foreign Assistance for Programs Overseas (B)	98.001	016258-108	—	2,841	—	—	—	2,841	—	—	—	—	—	—	—
Michigan State Univ – USAID Foreign Assistance for Programs Overseas (B)	98.001	RC100599MSSU	—	58,310	—	—	—	58,310	—	—	—	—	—	—	—
Michigan State Univ – USAID Foreign Assistance for Programs Overseas (B)	98.001	RC063300MSSU	—	17,489	—	—	—	17,489	—	—	—	—	—	—	—
Total CFDA			—	78,640	—	—	—	78,640	—	—	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Univ of Georgia – USAID Development Partnerships for Univ Cooperation and Dev (B)	98.012	RC710-059/4942206	$ 122,625	125,182	—	—	—	125,182	—	—	—	—	—	—	—
USAID/ACE/USAID Development Pships for Univ Cooperation & Development	98.012	HED153-6200-BFA-15-0	130,786	135,570	—	—	—	—	—	—	135,570	—	—	—	—
Total CFDA			253,411	260,752	—	—	—	125,182	—	—	135,570	—	—	—	—
Subtotal Pass through Programs			253,411	565,281	—	—	—	429,711	—	—	135,570	—	—	—	—
Total U.S. Agency for International Development			253,411	967,331	—	—	—	831,761	—	—	135,570	—	—	—	—
Total Research and Development Cluster			22,960,082	201,149,503	3,561,957	21,379	17,988,281	84,477,354	—	1,875,040	31,327,074	40,504,916	21,393,502	—	—
Other Federal Programs:															
U.S. Department of Agriculture:															
USDA Rural Dev RBS-10-39	10.000		426,202	860,712	—	—	—	860,712	—	—	—	—	—	—	—
Agricultural Research Basic and Applied Research	10.001		—	14,544	—	—	—	14,544	—	—	—	—	—	—	—
Plant and Animal Disease, Pest Control, and Animal Care	10.025		—	67,007	31,151	—	—	35,856	—	—	—	—	—	—	—
Animal Damage Control	10.028		—	143,916	—	—	—	143,916	—	—	—	—	—	—	—
Farmers' Market and Local Food Promotion Program	10.168		—	6,805	—	—	—	6,805	—	—	—	—	—	—	—
Specialty Crop Block Grant Program – Farm Bill	10.170		—	980	—	—	—	980	—	—	—	—	—	—	—
Cooperative Forestry Research	10.202		—	8,948	8,948	—	—	—	—	—	—	—	—	—	—
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205		—	(657)	(657)	—	—	—	—	—	—	—	—	—	—
Sustainable Agriculture Research and Education	10.215		—	504	504	—	—	—	—	—	—	—	—	—	—
1890 Institution Capacity Building Grants	10.216		—	43,531	43,531	—	—	—	—	—	—	—	—	—	—
Higher Education – Institution Challenge Grants Program	10.217		—	16,752	—	—	—	16,752	—	—	—	—	—	—	—
Higher Education – Multicultural Scholars Grant Program	10.220		—	4,500	4,500	—	—	—	—	—	—	—	—	—	—
Organic Agriculture Research and Extension Initiative (B)	10.307		—	4,366	—	—	—	4,366	—	—	—	—	—	—	—
Specialty Crop Research Initiative (SCRS)	10.309		—	(3,057)	—	—	—	(3,057)	—	—	—	—	—	—	—
Agriculture and food Research Initiative (AFRI)	10.310		—	33,972	—	—	—	33,972	—	—	—	—	—	—	—
Crop Protection and Pest Management Competitive Grants Program	10.329		—	76,880	—	—	—	76,880	—	—	—	—	—	—	—
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443		—	267,156	267,156	—	—	—	—	—	—	—	—	—	—
Rural Community Development Initiative	10.446		—	39,157	14,049	—	—	25,108	—	—	—	—	—	—	—
Socially Disadvantaged Farmers and Ranchers	10.464		—	43,014	43,014	—	—	—	—	—	—	—	—	—	—
Cooperative Extension Service	10.500		34,250	14,518,918	2,152,538	—	—	12,366,380	—	—	—	—	—	—	—
Cooperative Extension Service	10.500		—	31,220	31,220	—	—	—	—	—	—	—	—	—	—
Professional Standards for School Nutrition Employees	10.547		—	250	—	—	—	—	—	—	250	—	—	—	—
Summer Food Service Program for Children	10.559		—	17,325	—	—	—	—	—	17,325	—	—	—	—	—
FNS Food Safety Grants	10.585		305,250	866,101	—	—	—	—	—	—	866,101	—	—	—	—
National Food Service Management Institute Administration and Staffing	10.587		1,387,104	5,845,139	—	—	—	—	—	—	5,845,139	—	—	—	—
Farm to School Training and Technical Assistance	10.595		—	10,936	—	—	—	—	—	—	10,936	—	—	—	—
Cooperative Forestry Assistance	10.664		—	2,531	—	—	—	2,531	—	—	—	—	—	—	—
National Fish and Wildlife Foundation	10.683		—	34,763	—	—	—	34,763	—	—	—	—	—	—	—
Debt Education for Business Transformation and Sustainability	10.769		—	245,118	—	245,118	—	—	—	—	—	—	—	—	—
Norman E. Borlaug International Agricultural Science and Technology Fellowship	10.777		—	32,949	—	—	—	32,949	—	—	—	—	—	—	—
Distance Learning and Telemedicine Loans and Grants	10.855		—	330,300	—	—	—	—	—	—	—	330,300	—	—	—
Rural Micro entrepreneur Assistance Program	10.870	2014-RMPA	—	9,057	—	—	—	—	9,057	—	—	—	—	—	—
Delta Health Care Services Grant Program	10.874		—	416,068	—	—	—	—	—	—	—	416,068	—	—	—
Conservation Technical Assistant	10.902		—	37,724	22,666	—	—	15,058	—	—	—	—	—	—	—
Technical Agricultural Assistance	10.960		—	89,119	—	—	—	89,119	—	—	—	—	—	—	—
International Training Foreign Participant	10.962		—	61,514	—	—	—	61,514	—	—	—	—	—	—	—
Subtotal Direct Programs			2,152,806	24,178,062	2,618,620	245,118	—	13,819,148	9,057	17,325	6,722,426	746,368	—	—	—
Pass through Program From:			—												
Adams Community Base Station (CBS) – US Dept of Agriculture	10.000	03050490	—	100	—	—	—	100	—	—	—	—	—	—	—
Adams CBS – US Dept of Agriculture	10.000	09090932	—	3,925	—	—	—	3,925	—	—	—	—	—	—	—
Adams CBS – US Dept of Agriculture	10.000	09090953	—	404	—	—	—	404	—	—	—	—	—	—	—
Amite CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/24/14	—	4,383	—	—	—	4,383	—	—	—	—	—	—	—
Benton CBS – US Dept of Agriculture	10.000	09090944	—	10,205	—	—	—	10,205	—	—	—	—	—	—	—
Benton CBS – US Dept of Agriculture	10.000	MOA RECEIVED 8/27/14	—	13,322	—	—	—	13,322	—	—	—	—	—	—	—
Chickasaw CBS – US Dept of Agriculture	10.000	09090943	—	7,756	—	—	—	7,756	—	—	—	—	—	—	—
Chickasaw CBS – US Dept of Agriculture	10.000	MOA RECEIVED 8/21/14	—	13,845	—	—	—	13,845	—	—	—	—	—	—	—
Forrest CBS – US Dept of Agriculture	10.000	09090946	—	19,836	—	—	—	19,836	—	—	—	—	—	—	—
Forrest CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/16/14	—	21,256	—	—	—	21,256	—	—	—	—	—	—	—
Greene CBS – US Dept of Agriculture	10.000	02050419	—	18	—	—	—	18	—	—	—	—	—	—	—
Greene CBS – US Dept of Agriculture	10.000	09090945	—	11,169	—	—	—	11,169	—	—	—	—	—	—	—
Greene CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/5/14	—	9,458	—	—	—	9,458	—	—	—	—	—	—	—
Harrison CBS – US Dept of Agriculture	10.000	09090947	—	3,410	—	—	—	3,410	—	—	—	—	—	—	—
Harrison CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/5/14	—	17,240	—	—	—	17,240	—	—	—	—	—	—	—
Jefferson CBS – US Dept of Agriculture	10.000	09090952	—	1,857	—	—	—	1,857	—	—	—	—	—	—	—
Jones CBS – US Dept of Agriculture	10.000	02070609	—	35	—	—	—	35	—	—	—	—	—	—	—
Jones CBS – US Dept of Agriculture	10.000	09090948	—	757	—	—	—	757	—	—	—	—	—	—	—
Lafayette CBS US Dept of Agriculture	10.000	09090942	—	6,599	—	—	—	6,599	—	—	—	—	—	—	—
Perry CBS – US Dept of Agriculture	10.000	10060640	—	836	—	—	—	836	—	—	—	—	—	—	—
Scott CBS – US Dept of Agriculture	10.000	09090950	—	10,095	—	—	—	10,095	—	—	—	—	—	—	—
Scott CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/19/14	—	29,374	—	—	—	29,374	—	—	—	—	—	—	—
Sharkey CBS – US Dept of Agriculture	10.000	09090940	—	809	—	—	—	809	—	—	—	—	—	—	—
Wayne County – US Dept of Agriculture	10.000	MOA RECEIVED 10/14/14	—	21,627	—	—	—	21,627	—	—	—	—	—	—	—
Wilkinson CBS – US Dept of Agriculture	10.000	02090758	—	4,014	—	—	—	4,014	—	—	—	—	—	—	—
Wilkinson CBS – US Dept of Agriculture	10.000	09090951	—	2,870	—	—	—	2,870	—	—	—	—	—	—	—
Wilkinson CBS – US Dept of Agriculture	10.000	MOA RECEIVED 9/24/14	—	19,839	—	—	—	19,839	—	—	—	—	—	—	—
Total CFDA			—	235,039	—	—	—	235,039	—	—	—	—	—	—	—
Univ of Fl – Plant and Animal Disease Pest Control and Animal Care	10.025	UFDSP00010945	—	29,455	—	—	—	29,455	—	—	—	—	—	—	—
Bureau of Plant Industry – Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 6/6/14	—	566	—	—	—	566	—	—	—	—	—	—	—
Bureau of Plant Industry – Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 6/19/15	—	886	—	—	—	886	—	—	—	—	—	—	—
Bureau of Plant Industry – Plant and Animal Disease Pest Control and Animal Care	10.025	CTD 06-24-2015	—	4,610	—	—	—	4,610	—	—	—	—	—	—	—
MDAC – Plant and Animal Disease Pest Control and Animal Care	10.025	CTD 06-19-2015	—	1,294	—	—	—	1,294	—	—	—	—	—	—	—
MDAC – Plant and Animal Disease Pest Control and Animal Care	10.025	MOU DATED 8/19/15	—	5,075	—	—	—	5,075	—	—	—	—	—	—	—
Total CFDA			—	41,886	—	—	—	41,886	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DTD 11/25/13	—	6,687	—	—	—	6,687	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/18/14	—	2,195	—	—	—	2,195	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/18/14	—	1,006	—	—	—	1,006	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/18/14	—	9,607	—	—	—	9,607	—	—	—	—	—	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/20/14	$ —	3,015	—	—	—	3,015	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/18/14	—	5,054	—	—	—	5,054	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/18/14	—	10,279	—	—	—	10,279	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DTD 11/18/14	—	11,937	—	—	—	11,937	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 03-19-2015	—	2,084	—	—	—	2,084	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	CTD 11-20-2015	—	8,461	—	—	—	8,461	—	—	—	—	—	—	—
MDAC – Specialty Crop Block Grant Program – Farm Bill	10.170	MOU DATED 11/20/15	—	782	—	—	—	782	—	—	—	—	—	—	—
Mississippi Department of Agriculture	10.170		—	1,492	1,492	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Agriculture	10.170		—	2,481	2,481	—	—	—	—	—	—	—	—	—	—
Total CFDA			—	65,080	3,973	—	—	61,107	—	—	—	—	—	—	—
Univ of Florida – Grants for Agricultural Research Special Research Grants	10.200	PO 1500343410	—	7,518	—	—	—	7,518	—	—	—	—	—	—	—
Univ of GA – Sustainable Agriculture Research and Education	10.215	RD309-125/4940996	—	840	—	—	—	840	—	—	—	—	—	—	—
Univ of GA – Sustainable Agriculture Research and Education	10.215	RD309-129/S000941	—	20,904	—	—	—	20,904	—	—	—	—	—	—	—
Total CFDA			—	21,744	—	—	—	21,744	—	—	—	—	—	—	—
Univ of FL – Homeland Security -Agriculture	10.304	UF12233	—	21,176	—	—	—	21,176	—	—	—	—	—	—	—
University of GA RR722-418/5054536	10.308	RR722-418/5054536	—	1,876	—	—	—	1,876	—	—	—	—	—	—	—
Cornell University – Specialty Crop Research Initiative (SCRS)	10.309	64188-9812	—	18,420	—	—	—	18,420	—	—	—	—	—	—	—
University of Florida	10.310		—	10,051	10,051	—	—	—	—	—	—	—	—	—	—
Univ of FL-Crop Protection and Pest Management Competitive Grants Program	10.329	150034317 2	—	3,106	—	—	—	3,106	—	—	—	—	—	—	—
Mich State Univ – Cooperative Extension Service	10.500	RC103176AC	—	21,316	—	—	—	21,316	—	—	—	—	—	—	—
National 4-H Council – Cooperative Extension Service	10.500	DTD 02/13/13	—	8,848	—	—	—	8,848	—	—	—	—	—	—	—
Univ of Kentucky – Cooperative Extension Service	10.500	3048110829-14-036	—	10,012	—	—	—	10,012	—	—	—	—	—	—	—
National 4-H Council – Cooperative Extension Service	10.500	2011-45201-31092(PRIME)	—	8,840	—	—	—	8,840	—	—	—	—	—	—	—
Univ of GA – Cooperative Extension Service	10.500	RE675-171/4942286	—	3,489	—	—	—	3,489	—	—	—	—	—	—	—
Penn State – Cooperative Extension Service	10.500	5133-MSU-USDA-2628	—	11,886	—	—	—	11,886	—	—	—	—	—	—	—
Univ of Arkansas – Cooperative Extension Service	10.500	21665-07	—	15,356	—	—	—	15,356	—	—	—	—	—	—	—
Univ of Arkansas – Cooperative Extension Service	10.500	21665-11	—	23,387	—	—	—	23,387	—	—	—	—	—	—	—
Penn State – Cooperative Extension Service	10.500	5361-MSU-USDA-4341	—	6,180	—	—	—	6,180	—	—	—	—	—	—	—
Penn State – Cooperative Extension Service	10.500	5357-MSU-USDA-4341	—	4,099	—	—	—	4,099	—	—	—	—	—	—	—
Total CFDA			—	113,413	—	—	—	113,413	—	—	—	—	—	—	—
Univ of Kentucky – Rural Child Poverty Nutrition Center	10.549	3200000292-16-225	—	2,100	—	—	—	2,100	—	—	—	—	—	—	—
Mississippi State Department of Health – Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5MS700704	—	220,228	—	—	—	—	—	—	—	220,228	—	—	—
Mississippi Department of Education – U.S. Department of Agriculture	10.558		—	2,058	—	—	—	—	—	—	—	—	2,058	—	—
Mississippi Department of Education-U.S. Department of Agriculture	10.558		—	2,730	2,730	—	—	—	—	—	—	—	—	—	—
Total CFDA			—	4,788	2,730	—	—	—	—	—	—	—	2,058	—	—
USDA/MDE/State Administrative Expenses for Child Nutrition	10.560	163201M0162102005	—	7,535	—	—	—	—	—	—	7,535	—	—	—	—
MDHS – State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	6004489/6004500	—	704,490	—	—	—	704,490	—	—	—	—	—	—	—
MDHS – State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	LTR DTD 9/30/2015	—	1,609,603	—	—	—	1,609,603	—	—	—	—	—	—	—
MDHS – State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	LTR DATES 6/25/2015	—	291,030	—	—	—	291,030	—	—	—	—	—	—	—
Total CFDA			—	2,605,123	—	—	—	2,605,123	—	—	—	—	—	—	—
Mississippi Department of Education – U.S. Department of Agriculture	10.588		—	26,963	—	—	—	—	—	—	—	—	26,963	—	—
MS Forestry Comm – Cooperative Forestry Assistance	10.664	CONTRACT DTD 11/8/13	—	15,702	—	—	—	15,702	—	—	—	—	—	—	—
MS Forestry Comm – Cooperative Forestry Assistance	10.664	DATED 10/29/14	—	9,406	—	—	—	9,406	—	—	—	—	—	—	—
Total CFDA			—	25,108	—	—	—	25,108	—	—	—	—	—	—	—
Delta Regional Authority – Rural Business Opportunity Grants (B)	10.773	RW0234	—	79,541	—	—	—	79,541	—	—	—	—	—	—	—
National Resource Conservation Service	10.902		—	18,427	18,427	—	—	—	—	—	—	—	—	—	—
National Resource Conservation Service	10.902		—	42,568	42,568	—	—	—	—	—	—	—	—	—	—
Total CFDA			—	60,995	60,995	—	—	—	—	—	—	—	—	—	—
North Carolina State – Environmental Quality Incentives Program	10.912	2012-1632-05	—	19,502	—	—	—	19,502	—	—	—	—	—	—	—
National Resource Conservation Service	10.913		—	10,019	10,019	—	—	—	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	3,601,211	87,768	—	—	3,256,659	—	—	7,535	220,228	31,079	—	—
Total U.S. Department of Agriculture			2,152,806	27,779,273	2,706,388	245,118	—	17,075,807	9,057	17,325	6,729,961	966,596	31,079	—	—
U.S. Department of Commerce:															
Economic Development Technical Assistance	11.303		—	134,057	—	—	—	134,057	—	—	—	—	—	—	—
Economic Adjustment Assistance	11.307		16,716	171,743	—	—	—	171,743	—	—	—	—	—	—	—
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432		551,275	1,329,545	—	—	—	1,329,545	—	—	—	—	—	—	—
Subtotal Direct Programs			567,991	1,635,345	—	—	—	1,635,345	—	—	—	—	—	—	—
Pass through Program From:															
Global Science & Tech – US Dept of Commerce	11.000	SA15-MSU01	—	9,882	—	—	—	9,882	—	—	—	—	—	—	—
CSS-Dynamac – US Dept of Commerce	11.000	GS001-14-001	—	7,000	—	—	—	7,000	—	—	—	—	—	—	—
National Data Buoy Center – U.S. Department of Commerce	11.000		—	1,835	—	—	—	—	—	—	—	—	1,835	—	—
Innovate MEP Mississippi – U.S. Department of Commerce	11.000	MEP-2016-2	—	104,130	—	—	—	—	—	—	—	—	104,130	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.000	WC-133R-16-SU-0008	—	6,400	—	—	—	—	—	—	—	—	6,400	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.000	WC-133R-16-SU-0216	—	10,075	—	—	—	—	—	—	—	—	10,075	—	—
Total CFDA			—	139,322	—	—	—	16,882	—	—	—	—	122,440	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA10OAR4170078	—	262,467	—	—	—	—	—	—	—	—	262,467	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA11OAR4170177	—	21,980	—	—	—	—	—	—	—	—	21,980	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA13OAR4170113	—	24,661	—	—	—	—	—	—	—	—	24,661	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA14OAR4170098	—	244,530	—	—	—	—	—	—	—	—	244,530	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA15OAR4170004	$ —	24,112	—	—	—	—	—	—	—	—	24,112	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.417	NA16OAR4170019	—	24,072	—	—	—	—	—	—	—	—	24,072	—	—
Total CFDA			—	601,822	—	—	—	—	—	—	—	—	601,822	—	—
NERRS Univ of Michigan – Coastal Zone Management Administration Awards	11.419	3003784515	—	47,805	—	—	—	47,805	—	—	—	—	—	—	—
MDMR – Unallied Management Projects	11.454	11-040	—	6	—	—	—	6	—	—	—	—	—	—	—
GOMA – Unallied Management Projects	11.454	GOMA 121129-00	13,165	36,847	—	—	—	36,847	—	—	—	—	—	—	—
Gulf of Mexico Alliance – U.S. Department of Commerce	11.454	121126-00	—	50,872	—	—	—	—	—	—	—	—	50,872	—	—
Total CFDA			13,165	87,725	—	—	—	36,853	—	—	—	—	50,872	—	—
National Oceanic and Atmospheric Admin – U.S. Department of Commerce	11.463	NA10NMF4630080	120,284	120,284	—	—	—	—	—	—	—	—	120,284	—	—
ARRA State Broadband Data and Development Grant Program	11.558	ARB3-GT15-0111-0002	—	11,944	—	—	—	11,944	—	—	—	—	—	—	—
Innovate Mississippi- Manufacturing Extension Partnership	11.611	INNOVATEMEP	—	198	—	—	—	198	—	—	—	—	—	—	—
Subtotal Pass through Programs			146,614	1,009,100	—	—	—	113,682	—	—	—	—	1,670,552	—	—
Total U.S. Department of Commerce			714,605	2,644,445	—	—	—	1,749,027	—	—	—	—	1,670,552	—	—
U.S. Department of Defense:															
Basic and Applied Scientific Research	12.300		—	25,089	—	—	—	25,089	—	—	—	—	—	—	—
Centers for Academic Excellence	12.598		—	6,000	—	—	—	—	—	—	6,000	—	—	—	—
Language Grant Program	12.900		—	83,886	—	—	—	—	—	—	83,886	—	—	—	—
Subtotal Direct Programs			—	114,975	—	—	—	25,089	—	—	89,886	—	—	—	—
Pass through Program From:															
Technology Student Association – 2015 UNITE Summer Program	12.000	543005-19A29A	—	7,980	—	—	7,980	—	—	—	—	—	—	—	—
US DOD DIA/Booz Allen Hamilton	12.000	96771NBS41	—	536,387	—	—	—	—	—	—	536,387	—	—	—	—
Total CFDA			—	544,367	—	—	7,980	—	—	—	536,387	—	—	—	—
Office of Naval Research – U.S. Department of Defense	12.300	N00014-15-1-2582	—	7,008	—	—	—	—	—	—	—	—	7,008	—	—
US DOD/Institute of Internatl Educ/ROTC Lang & Culture Training Grants	12.357	2603-UMS-20	—	110,297	—	—	—	—	—	—	110,297	—	—	—	—
US DOD/Institute of Internatl Educ/ROTC Lang & Culture Training Grants	12.357	2603-UMS-20-G0-015-P	—	73,765	—	—	—	—	—	—	73,765	—	—	—	—
Total CFDA			—	184,062	—	—	—	—	—	—	184,062	—	—	—	—
Mississippi Military Department – U.S. Department of Defense	12.400	4000081142	—	1,838	—	—	—	—	—	—	—	—	1,838	—	—
Mississippi Military Department – U.S. Department of Defense	12.401	15-MOAPC-05	—	9,216	—	—	—	—	—	—	—	—	9,216	—	—
US DOD/Inst of Internatl Educ/The Lang Flagship Grts to Instns of Higher Educ	12.550	NSEP-U631073-UM-CHN	—	501,107	—	—	—	—	—	—	501,107	—	—	—	—
US DOD/Inst of Internatl Educ/The Lang Flagship Grts to Instns of Higher Educ	12.550	0054-UMS-15	—	3,645	—	—	—	—	—	—	3,645	—	—	—	—
Total CFDA			—	504,752	—	—	—	—	—	—	504,752	—	—	—	—
Subtotal Pass through Programs			—	1,251,243	—	—	7,980	—	—	—	1,315,087	—	18,062	—	—
Total U.S. Department of Defense			—	1,366,218	—	—	7,980	25,089	—	—	1,404,973	—	18,062	—	—
U.S. Department of Housing and Urban Development:															
Community Development Block Grants/Brownfields Economic Development Initiative	14.246		—	5,993	—	—	—	5,993	—	—	—	—	—	—	—
Continuum of Care Program	14.267		—	387,904	—	—	—	—	—	—	—	—	387,904	—	—
Subtotal Direct Programs			—	393,897	—	—	—	5,993	—	—	—	—	387,904	—	—
Pass through Program From:															
Buildingcommunity – US Dept of Housing and Urban Dev	14.000	CONTRACT DTD 04/03/2014	—	7,538	—	—	—	7,538	—	—	—	—	—	—	—
City of Jackson – U.S. Dept of Housing & Urban Development	14.000		—	36,216	—	—	—	—	—	—	—	—	36,216	—	—
Total CFDA			—	43,754	—	—	—	7,538	—	—	—	—	36,216	—	—
Mississippi Home Corporation – U.S. Dept of Housing & Urban Development	14.169		—	11,306	—	—	—	—	—	—	—	—	11,306	—	—
Mississippi Home Corporation – U.S. Dept of Housing & Urban Development	14.169		—	16,823	—	—	—	—	—	—	—	—	16,823	—	—
Total CFDA			—	28,129	—	—	—	—	—	—	—	—	28,129	—	—
Mississippi Development Authority – CDBG Program – School Of Medicine	14.228	R-103-950-01-KED	—	606,835	—	—	—	—	—	—	—	606,835	—	—	—
Mississippi Development Authority – U.S. Dept of Housing & Urban Development	14.228	N1807-09-018-USM01	—	(31)	—	—	—	—	—	—	—	—	(31)	—	—
Mississippi Development Authority – U.S. Dept of Housing & Urban Development	14.228	R105006	—	44,842	—	—	—	—	—	—	—	—	44,842	—	—
Total CFDA			—	651,646	—	—	—	—	—	—	—	606,835	44,811	—	—
Mississippi Development Authority – U.S. Dept of Housing & Urban Development	14.239	1224-M12-HOYO-110101	—	9,932	—	—	—	—	—	—	—	—	9,932	—	—
Mississippi Development Authority – U.S. Dept of Housing & Urban Development	14.239	1225-M13-HOYO-110101	—	441,481	—	—	—	—	—	—	—	—	441,481	—	—
Mississippi Home Corporation – U.S. Dept of Housing & Urban Development	14.239	1226-M14-HOYO-110101	—	348,750	—	—	—	—	—	—	—	—	348,750	—	—
Total CFDA				800,163	—	—	—	—	—	—	—	—	800,163	—	—
Subtotal Pass through Programs			—	1,523,692	—	—	—	7,538	—	—	—	1,213,670	1,018,475	—	—
Total U.S. Department of Housing and Urban Development			—	1,917,589	—	—	—	13,531	—	—	—	1,213,670	1,406,379	—	—
U.S. Department of Interior:															
Fish and Wildlife Management Assistance	15.608		—	4,866	—	—	—	4,866	—	—	—	—	—	—	—
Endangered Species Conservation – Recovery Implementation Funds	15.657		—	19,469	—	—	—	19,469	—	—	—	—	—	—	—
Mississippi Delta National Heritage Area	15.939		—	94,133	—	94,133	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	118,468	—	94,133	—	24,335	—	—	—	—	—	—	—
Pass through Program From:															
Puerto Rico DNER – Sport Fish Restoration Program	15.605	2016-000034-A	—	108,764	—	—	—	108,764	—	—	—	—	—	—	—
MS Department of Marine Resources-U.S. Department of the Interior	15.668	MCIAP MS.R.798	—	69,617	—	—	—	—	—	—	—	—	69,617	—	—
LTMCP – Coastal Impact Assistance Program	15.668	CONTRACT DTD 5/7/14	—	(1,687)	—	—	—	(1,687)	—	—	—	—	—	—	—
Total CFDA			—	67,930	—	—	—	(1,687)	—	—	—	—	69,617	—	—
City of Starkville – Historic Preservation Fund Grants-In-Aid	15.904	CTD 12-05-2014	—	10,805	—	—	—	10,805	—	—	—	—	—	—	—
MS Heritage Trust – Cultural Resources Management	15.946	CONTRACT DATED 071216	—	6,111	—	—	—	6,111	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	193,610	—	—	—	123,993	—	—	—	—	69,617	—	—
Total U.S. Department of Interior			—	312,078	—	94,133	—	148,328	—	—	—	—	69,617	—	—
U.S. Department of Justice:			$												

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
U.S. Department of Justice	16.000		—	90,024	—	90,024	—	—	—	—	—	—	—	—	—
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525		—	125,405	—	—	—	—	—	59,823	65,582	—	—	—	—
Juvenile Mentoring Program	16.726		—	4,671	4,671	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	220,100	4,671	90,024	—	—	—	59,823	65,582	—	—	—	—
Pass through Program From:															
US DOJ/DPS/Violence Against Women Formula Grants	16.588	06SC4111	—	(2,577)	—	—	—	—	—	—	(2,577)	—	—	—	—
National 4-H Council – Juvenile Mentoring Program	16.726	CTD 3-28-2016	—	33,416	—	—	—	33,416	—	—	—	—	—	—	—
National 4-H Council – Juvenile Mentoring Program	16.726	CTD 02-11-2015	—	51,722	—	—	—	51,722	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	82,561	—	—	—	85,138	—	—	(2,577)	—	—	—	—
Total U.S. Department of Justice			—	302,661	4,671	90,024	—	85,138	—	59,823	63,005	—	—	—	—
U.S. Department of Labor:															
Consultation Agreements	17.504		—	700,417	—	—	—	700,417	—	—	—	—	—	—	—
Subtotal Direct Programs:			—	700,417	—	—	—	700,417	—	—	—	—	—	—	—
Pass through Program From:															
TRPDD – H-1B Job Training Grants	17.268	MIIA-13-01	—	83,769	—	—	—	83,769	—	—	—	—	—	—	—
TRPDD – H-1B Job Training Grants	17.268	MIIA-13-02	—	13,463	—	—	—	13,463	—	—	—	—	—	—	—
TRPDD – H-1B Job Training Grants	17.268	MIIA-13-03	—	32,021	—	—	—	32,021	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	129,253	—	—	—	129,253	—	—	—	—	—	—	—
Total U.S. Department of Labor			—	829,670	—	—	—	829,670	—	—	—	—	—	—	—
U.S. Department of State:			—												
AEECA/ESF PD Programs	19.900		—	9,900	—	9,900	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	9,900	—	9,900	—	—	—	—	—	—	—	—	—
Pass through Program From:															
Institute of International Edu – Educational Exchange-Graduate Students (B)	19.400	3216 MSSTATE 3.15.2016	—	761	—	—	—	761	—	—	—	—	—	—	—
Institute of International Edu – Educational Exchange-Graduate Students (B)	19.400	03/12/2015	—	93,009	—	—	—	93,009	—	—	—	—	—	—	—
Subtotal Pass Through Programs			—	93,770	—	—	—	93,770	—	—	—	—	—	—	—
Total U.S. Department of State			—	103,670	—	9,900	—	93,770	—	—	—	—	—	—	—
U.S. Department of Transportation:															
Airport Improvement Program	20.106		—	3,519,218	—	—	—	—	—	—	3,519,218	—	—	—	—
University Transportation Centers Program	20.701		—	7,544	—	—	—	7,544	—	—	—	—	—	—	—
Subtotal Direct Programs			—	3,526,762	—	—	—	7,544	—	—	3,519,218	—	—	—	—
Pass through Program From:															
Mississippi Department of Transportation	20.200		—	63,131	63,131	—	—	—	—	—	—	—	—	—	—
US DOT FHA/MDOT	20.000	LPA 106379-801000	—	54,320	—	—	—	—	—	—	54,320	—	—	—	—
Total CFDA			—	117,451	63,131	—	—	—	—	—	54,320	—	—	—	—
MDOT – Highway Planning and Construction	20.205	NSTI-2015-00(003)/105011-12200	—	32,802	—	—	—	32,802	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	SPR-1(75)/106938-187000	—	9,901	—	—	—	9,901	—	—	—	—	—	—	—
MDOT – Highway Planning and Construction	20.205	NSTI2016-00(003)/105011-125000	—	1,699	—	—	—	1,699	—	—	—	—	—	—	—
Total CFDA			—	44,402	—	—	—	44,402	—	—	—	—	—	—	—
MDOT – Public Transportation for Nonurbanized Areas	20.509	502940	—	931,774	—	—	—	931,774	—	—	—	—	—	—	—
MDOT – Public Transportation for Nonurbanized Areas	20.509	502761	—	68,380	—	—	—	68,380	—	—	—	—	—	—	—
MDOT – Public Transportation for Nonurbanized Areas	20.509	502874	—	244,635	—	—	—	244,635	—	—	—	—	—	—	—
Total CFDA			—	1,244,789	—	—	—	1,244,789	—	—	—	—	—	—	—
MS Office of Highway Safety – JSU Interdisciplinary Alcohol/Drug Studies Center	20.607	15AL-2016-ST-40-01	—	52,471	—	—	52,471	—	—	—	—	—	—	—	—
MS Office Highway Safety – Alcohol Open Container Requirements (B)	20.607	15-ST-401-1	—	4,399	—	—	—	4,399	—	—	—	—	—	—	—
Total CFDA			—	56,870	—	—	52,471	4,399	—	—	—	—	—	—	—
Mississippi State Department of Health – National Priority Safety Programs	20.616	15-MB-407-1	—	22,376	—	—	—	—	—	—	—	22,376	—	—	—
Mississippi State Department of Public Safety – National Priority Safety Programs	20.616	MZTR-2016-MB-63-91	—	73,805	—	—	—	—	—	—	—	73,805	—	—	—
Total CFDA			—	96,181	—	—	—	—	—	—	—	96,181	—	—	—
University of Arkansas – MarTREC	20.701	DTRT13-GUTC50; SA1411041	—	33,563	—	—	33,563	—	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	1,593,256	63,131	—	86,034	1,293,590	—	—	108,640	192,362	—	—	—
Total U.S. Department of Transportation			—	5,120,018	63,131	—	86,034	1,301,134	—	—	3,627,858	192,362	—	—	—
U.S. Department of the Treasury:															
Pass through Program From:															
Mississippi Home Corporation-U.S. Department of the Treasury	21.000		—	20,288	—	—	—	—	—	—	—	—	20,288	—	—
Subtotal Pass through Programs			—	20,288	—	—	—	—	—	—	—	—	20,288	—	—
Total U.S. Department of the Treasury			—	20,288	—	—	—	—	—	—	—	—	20,288	—	—
Appalachian Regional Commission:															
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011		—	2,394	—	—	—	2,394	—	—	—	—	—	—	—
Subtotal Direct Programs			—	2,394	—	—	—	2,394	—	—	—	—	—	—	—
Total Appalachian Regional Commission			—	2,394	—	—	—	2,394	—	—	—	—	—	—	—
Library of Congress:															
Pass through Program From:															
ISU/Library of Congress	42.000	RSP 08A031.89	—	2,684	—	—	—	2,684	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	2,684	—	—	—	2,684	—	—	—	—	—	—	—
Total Library of Congress			—	2,684	—	—	—	2,684	—	—	—	—	—	—	—
National Aeronautics and Space Administration:															

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Aerospace Education Services Program	43.001		$ —	10,000	10,000	—	—	—	—	—	—	—	—	—	—
NASA Education	43.008		—	361,616	—	—	—	—	—	—	309,929	—	51,687	—	—
Subtotal Direct Programs			—	371,616	10,000	—	—	—	—	—	309,929	—	51,687	—	—
Pass through Program From:															
NASA – Space Grant & Fellowship Program	43.001		—	14,407	—	14,407	—	—	—	—	—	—	—	—	—
NASA Space Grant	43.001		—	8,019	—	—	—	—	—	8,019	—	—	—	—	—
Subtotal Pass through Programs			—	22,426	—	14,407	—	—	—	8,019	—	—	—	—	—
Total National Aeronautics and Space Administration			—	394,042	10,000	14,407	—	—	—	8,019	309,929	—	51,687	—	—
National Endowment for the Arts:															
Promotion of the Arts Grants to Organizations and Individuals	45.024		—	20,363	10,000	—	—	10,363	—	—	—	—	—	—	—
Promotion of the Humanities-Division of Preservation and Access	45.149		—	5,871	—	—	—	—	—	—	5,871	—	—	—	—
Promotion of the Humanities, Professional Development	45.163		—	197,645	—	197,645	—	—	—	—	—	—	—	—	—
Promotion of the Humanities-Public Programs	45.164		—	53,523	—	—	—	—	—	—	53,523	—	—	—	—
Subtotal Direct Programs			—	277,402	10,000	197,645	—	10,363	—	—	59,394	—	—	—	—
Pass through Program From:															
Arts Midwest – National Endowment for the Arts	45.024	FY15-2309	—	10,000	—	—	—	—	—	—	—	—	10,000	—	—
South Arts – Promotion of the Arts Grants to Organizations and Individuals	45.024	4948	—	3,970	—	—	—	3,970	—	—	—	—	—	—	—
PPS DCA – Promotion of the Arts Grants to Organizations and Individuals	45.024	DCA-2014-02	—	4,384	—	—	—	4,384	—	—	—	—	—	—	—
Total CFDA			—	18,354	—	—	—	8,354	—	—	—	—	10,000	—	—
NEA/South Arts/Promotion of the Arts-Partnership Agreements	45.025	350450003A	—	8,500	—	—	—	—	—	—	8,500	—	—	—	—
MS Arts Commission – Delta Music Institute: Summer Camp 2015/2016	45.025		—	5,421	—	5,421	—	—	—	—	—	—	—	—	—
MS Arts Commission – BPAC – Summer Arts Institute 2015/2016	45.025		—	600	—	600	—	—	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreements	45.025	16-146-AI/PG	—	4,500	—	—	4,500	—	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreements	45.025	16-192-AI/PG	—	3,000	—	—	—	3,000	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreements	45.025	16-154-AI/PG	—	3,700	—	—	—	3,700	—	—	—	—	—	—	—
MS Arts Comm – Promotion of the Arts Partnership Agreements	45.025	15-159-AI/PG	—	174	—	—	—	174	—	—	—	—	—	—	—
Total CFDA			—	25,895	—	6,021	4,500	6,874	—	—	8,500	—	—	—	—
NEH/MHC/Promotion of the Humanities-Federal/State Partnership	45.129	RG15-14-055	—	1,329	—	—	—	—	—	—	1,329	—	—	—	—
NEH/MHC/Promotion of the Humanities-Federal/State Partnership	45.129	RG15-14-060	—	7,400	—	—	—	—	—	—	7,400	—	—	—	—
NEH/MHC/Promotion of the Humanities-Federal/State Partnership	45.129	RG16-14-078	—	1,153	—	—	—	—	—	—	1,153	—	—	—	—
NEH/MHC/Promotion of the Humanities-Federal/State Partnership	45.129	RG16-14-079	—	2,000	—	—	—	—	—	—	2,000	—	—	—	—
MS Humanities Council – 2016 Sammy O. Cranford Lecture Series	45.129		—	856	—	856	—	—	—	—	—	—	—	—	—
MS Humanities Council – Documentary Unplugged – Finding Cleveland	45.129		—	500	—	500	—	—	—	—	—	—	—	—	—
Mississippi Humanities Council – National Endowment for the Humanities	45.129	MHC-RG15-14-056	—	1,250	—	—	—	—	—	—	—	—	1,250	—	—
Mississippi Humanities Council – National Endowment for the Humanities	45.129	MHC-RG15-14-057	—	661	—	—	—	—	—	—	—	—	661	—	—
Mississippi Humanities Council – National Endowment for the Humanities	45.129	MHC-RG15-14-065	—	4,055	—	—	—	—	—	—	—	—	4,055	—	—
Mississippi Humanities Council – National Endowment for the Humanities	45.129	MHC-RG15-14-074	—	1,500	—	—	—	—	—	—	—	—	1,500	—	—
Mississippi Humanities Council – The Life & Legacy of Margaret Walke	45.129	NEH SO-50604-14	—	2,000	—	—	2,000	—	—	—	—	—	—	—	—
MS Humanities Cncl – Promotion of the Humanities Federal-State Partnership	45.129	MSOH15-10-123	—	1,731	—	—	—	1,731	—	—	—	—	—	—	—
MS Humanities Cncl – Promotion of the Humanities Federal-State Partnership	45.129	RG15-14-070	—	2,000	—	—	—	2,000	—	—	—	—	—	—	—
Total CFDA			—	26,435	—	1,356	2,000	3,731	—	—	11,882	—	7,466	—	—
MS Humanities Council – Winning the Race: A Conference on Diversity…	45.163		—	2,000	—	2,000	—	—	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	72,684	—	9,377	6,500	18,959	—	—	20,382	—	17,466	—	—
Total National Endowment for the Arts			—	350,086	10,000	207,022	6,500	29,322	—	—	79,776	—	17,466	—	—
U.S. Small Business Administration:															
U.S. Small Business Administration	59.000		—	459,366	—	—	—	—	—	—	—	—	459,366	—	—
Small Business Development Centers	59.037		333,992	936,787	—	—	—	—	—	—	936,787	—	—	—	—
Veterans Outreach Program	59.044		—	281,521	—	—	—	281,521	—	—	—	—	—	—	—
Growth Accelerator Fund Competition	59.065		—	9,204	—	—	—	9,204	—	—	—	—	—	—	—
Subtotal Direct Programs			333,992	1,686,878	—	—	—	290,725	—	—	936,787	—	459,366	—	—
Pass through Program From:															
Innovate MEP Mississippi – U.S. Small Business Administration	59.058	MS FAST 2012-13	—	734	—	—	—	—	—	—	—	—	734	—	—
Innovate MEP Mississippi – U.S. Small Business Administration	59.058		—	30,000	—	—	—	—	—	—	—	—	30,000	—	—
Innovate MEP Mississippi – U.S. Small Business Administration	59.058		—	11,362	—	—	—	—	—	—	—	—	11,362	—	—
Subtotal Pass through Programs			—	42,096	—	—	—	—	—	—	—	—	42,096	—	—
Total U.S. Small Business Administration			333,992	1,728,974	—	—	—	290,725	—	—	936,787	—	501,462	—	—
Tennessee Valley Authority:															
Tennessee Valley Authority	62.000		—	983	—	—	—	983	—	—	—	—	—	—	—
Subtotal Direct Programs			—	983	—	—	—	983	—	—	—	—	—	—	—
Total Tennessee Valley Authority			—	983	—	—	—	983	—	—	—	—	—	—	—
U.S. Veterans Administration:															
U.S. Veterans Administration	64.000		—	125,532	—	—	—	—	—	—	125,532	—	—	—	—
Subtotal Direct Programs			—	125,532	—	—	—	—	—	—	125,532	—	—	—	—
Pass through Program From:															
G.V. Montgomery – Dept of Veterans Affairs	64.000	VA256-14-C-0144	—	66,338	—	—	—	66,338	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	66,338	—	—	—	66,338	—	—	—	—	—	—	—
Total U.S. Veterans Administration			—	191,870	—	—	—	66,338	—	—	125,532	—	—	—	—
Environmental Protection Agency:															
Surveys, Studies, Investigations, Demonstrations, and Training Grants and Cooperative Agreements – Section 104(b)(3) of the Clear	66.436		—	6,965	—	—	—	6,965	—	—	—	—	—	—	—
Gulf of Mexico Program	66.475		—	171,527	—	—	—	—	—	—	—	—	171,527	—	—
Subtotal Direct Programs			—	178,492	—	—	—	6,965	—	—	—	—	171,527	—	—
Pass through Program From:															
MDEQ – US Environmental Protection Agency	66.000	14-00078	—	69,322	—	—	—	69,322	—	—	—	—	—	—	—
MS Department of Environmental Quality – U.S. Environmental Protection Agency	66.000	12-01USM-14	—	10,274	—	—	—	—	—	—	—	—	10,274	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
LTMCP – Nonpoint Source Implementation Grants	66.460	AGREEMENT DTD 03/18/2014	$ —	1,559	—	—	—	1,559	—	—	—	—	—	—	—
US EPA/MDEQ/Nonpoint Source Implementation Grants	66.460	16-00061	—	10,233	—	—	—	—	—	—	10,233	—	—	—	—
US EPA/MDEQ/Nonpoint Source Implementation Grants	66.460	15-00061	—	4,012	—	—	—	—	—	—	4,012	—	—	—	—
Dauphin Island Sea Lab – Regional Wetland Program Development Grants	66.461	2594UG-001-MSU	—	3,740	—	—	—	3,740	—	—	—	—	—	—	—
MSDH – Capitalization Grants for Drinking Water State Revolving Fund	66.468	88000LI0	—	46,268	—	—	—	46,268	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	145,408	—	—	—	120,889	—	—	14,245	—	10,274	—	—
Total Environmental Protection Agency			—	323,900	—	—	—	127,854	—	—	14,245	—	181,801	—	—
U.S. Nuclear Regulatory Commission:															
U.S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006		12,322	39,630	—	—	39,630	—	—	—	—	—	—	—	—
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		—	41,490	—	—	41,490	—	—	—	—	—	—	—	—
Subtotal Direct Programs			12,322	81,120	—	—	81,120	—	—	—	—	—	—	—	—
Total U.S. Nuclear Regulatory Commission			12,322	81,120	—	—	81,120	—	—	—	—	—	—	—	—
U.S. Department of Energy:															
NNSA Minority Serving Institutions (MSI) Program	81.123		—	17,724	17,724	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	17,724	17,724	—	—	—	—	—	—	—	—	—	—
Total U.S. Department of Energy			—	17,724	17,724	—	—	—	—	—	—	—	—	—	—
U.S. Department of Education:															
Undergraduate International Studies and Foreign Language Programs	84.016		—	126,092	—	—	126,092	—	—	—	—	—	—	—	—
Higher Education Institutional Aid	84.031		—	21,958,669	4,027,088	6,146,455	8,426,887	—	—	3,244,755	—	—	113,484	—	—
TRIO Student Support Services	84.042		—	1,140,559	392,679	—	—	225,595	—	274,442	—	—	247,843	—	—
TRIO Talent Search	84.044		—	400,097	—	—	—	—	—	400,097	—	—	—	—	—
TRIO Upward Bound	84.047		—	1,271,057	332,681	—	252,818	—	—	685,558	—	—	—	—	—
Fund for the Improvement of Postsecondary Education – Congressionally-directed Grant Awards	84.116		—	820,550	—	440,970	379,580	—	—	—	—	—	—	—	—
Rehabilitation Long-Term Training	84.129		—	478,171	—	—	164,685	313,486	—	—	—	—	—	—	—
Migrant Education – High School Equivalency Program	84.141		—	413,072	—	—	—	—	—	413,072	—	—	—	—	—
Rehabilitation Services Independent Living Services for	84.177		81,303	330,449	—	—	—	330,449	—	—	—	—	—	—	—
Graduate Assistance in Areas of National Need	84.200		—	428,695	—	—	—	183,524	—	—	174,373	—	70,798	—	—
TRIO McNair Post-Baccalaureate Achievement	84.217		—	486,127	—	—	—	—	—	—	250,173	—	229,954	—	—
21st Century Community Learning Centers	84.287		—	233,870	—	—	—	—	—	233,870	—	—	—	—	—
Special Education – Personnel Development to Improve Services and Results for Children with Disabilities	84.325		—	531,547	—	—	217,944	—	—	—	—	—	313,603	—	—
Special Education – Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326		—	127,850	—	—	—	—	—	—	—	—	127,850	—	—
Gaining Early Awareness and Readiness for Undergraduate Programs (GearUp)	84.334		—	67,060	—	—	—	—	—	—	—	—	—	67,060	—
Child Care Access Means Parents in School	84.335		—	323,008	—	—	—	—	—	—	—	—	323,008	—	—
Transition to Teaching	84.350		—	682,695	—	—	—	682,695	—	—	—	—	—	—	—
Transition to Teaching – Local Projects	84.350		—	171,171	—	—	—	171,171	—	—	—	—	—	—	—
Delta Math and Science Partnership	84.366		199	45,994	—	—	—	45,994	—	—	—	—	—	—	—
Eisenhower Professional Development Grants	84.367		1,183,295	1,241,794	—	—	—	—	—	—	—	—	—	1,241,794	—
College Access Challenge Grant Program	84.378		—	1,119,032	—	—	—	—	—	—	—	—	—	1,119,032	—
Strengthening Minority-Serving Institutions	84.382		—	371,461	371,461	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			1,264,797	32,763,020	5,123,909	6,587,425	9,568,006	1,952,914	—	5,251,794	424,546	—	1,426,540	2,427,886	—
Pass through Program From:															
Mississippi Department of Education – World-Class Teaching Initiative	84.000	14-2201-A844-EA08-3071-002	—	799	—	—	799	—	—	—	—	—	—	—	—
Richton School District – U.S. Department of Education	84.000		—	2,460	—	—	—	—	—	—	—	—	2,460	—	—
Laurel School District – U.S. Department of Education	84.000		—	1,981	—	—	—	—	—	—	—	—	1,981	—	—
Hattiesburg Public School District – U.S. Department of Education	84.000		—	2,631	—	—	—	—	—	—	—	—	2,631	—	—
Mississippi Department of Education – U.S. Department of Education	84.000		—	425,041	—	—	—	—	—	—	—	—	425,041	—	—
Mississippi Department of Education – U.S. Department of Education	84.000		—	194,097	—	—	—	—	—	—	—	—	194,097	—	—
Mississippi Department of Education – National Board Bill Gates Project	84.000	14-3202-R014-EA14-7407-02	—	19,595	—	—	19,595	—	—	—	—	—	—	—	—
FL Dept of Ed DBS – US Dept of Education	84.000	IA-542	—	5,071	—	—	—	5,071	—	—	—	—	—	—	—
MDE – US Dept of Education	84.000	MDE 16/5120/121	—	1,280,057	—	—	—	1,280,057	—	—	—	—	—	—	—
Total CFDA			—	1,931,732	—	—	20,394	1,285,128	—	—	—	—	626,210	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	49,821	—	—	—	—	—	—	—	—	49,821	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	88,376	—	—	—	—	—	—	—	—	88,376	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	504,649	—	—	—	—	—	—	—	—	504,649	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	32,738	—	—	—	—	—	—	—	—	32,738	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	1,156,006	—	—	—	—	—	—	—	—	1,156,006	—	—
Mississippi Department of Education – U.S. Department of Education	84.002		—	89,389	—	—	—	—	—	—	—	—	89,389	—	—
Total CFDA			—	1,920,979	—	—	—	—	—	—	—	—	1,920,979	—	—
MSUWTP Statewide US DOEd (Project) – Title I Grants to Local Education Agencies	84.010	77636	—	1,273	—	—	—	1,273	—	—	—	—	—	—	—
Starkville School Dist. – Title I Grants to Local Educational Agencies	84.010	S16000138	—	8,247	—	—	—	8,247	—	—	—	—	—	—	—
Starkville School Dist. – Title I Grants to Local Educational Agencies	84.010	S16000137	—	8,247	—	—	—	8,247	—	—	—	—	—	—	—
Starkville School Dist. – Title I Grants to Local Educational Agencies	84.010	S16000136	—	19,255	—	—	—	19,255	—	—	—	—	—	—	—
Madison County SD – Title I Grants to Local Educational Agencies	84.010	S16001029	—	1,773	—	—	—	1,773	—	—	—	—	—	—	—
Total CFDA			—	38,795	—	—	—	38,795	—	—	—	—	—	—	—
MDE – Migrant Educatino_State Grant Program	84.011	15/3201/EA09/8239/B053/001	33,685	689,172	—	—	—	689,172	—	—	—	—	—	—	—
Mississippi Department of Education – U.S. Department of Education	84.027		—	3,594	—	—	—	—	—	—	—	—	3,594	—	—
Mississippi Department of Education – U.S. Department of Education	84.027		—	34,449	—	—	—	—	—	—	—	—	34,449	—	—
Mississippi Department of Education – U.S. Department of Education	84.027		—	51,736	—	—	—	—	—	—	—	—	51,736	—	—
Mississippi State Department of Education – Special Education Grants to States Preschool Grants	84.027	H027A130108 H173A130113	—	9,275	—	—	—	—	—	—	—	9,275	—	—	—
Aberdeen SD – Special Education Grants to States	84.027	S15000057	—	566	—	—	—	566	—	—	—	—	—	—	—
US DOED/MDE/Special Education-Grants to States	84.027	RESA/05	—	213,625	—	—	—	—	—	—	213,625	—	—	—	—
Webster Co. School District – Special Education Grants to States	84.027	S15001236	—	22,058	—	—	—	22,058	—	—	—	—	—	—	—
Aberdeen SD – Special Education Grants to States	84.027	S15001409	—	20,211	—	—	—	20,211	—	—	—	—	—	—	—
West Point Schools – Special Education Grants to States	84.027	S15001406	—	19,095	—	—	—	19,095	—	—	—	—	—	—	—
Total CFDA			—	374,609	—	—	—	61,930	—	—	213,625	9,275	89,779	—	—
MDRS – Rehabilitation Services Vocational Rehabilitation Grants	84.126	15-653-1100-550	—	(1,010)	—	—	—	(1,010)	—	—	—	—	—	—	—
MDRS – Rehabilitation Services Vocational Rehabilitation Grants	84.126	CONTRACT DTD 6/22/15	—	5,525	—	—	—	5,525	—	—	—	—	—	—	—
MDRS – Rehabilitation Services Vocational Rehabilitation Grants	84.126	16-331-I1000-132	—	12,180	—	—	—	12,180	—	—	—	—	—	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
AL Dept Rehab. Serv – Rehabilitation Services Vocational Rehabilitation Grants	84.126	C60870005	$ —	26,195	—	—	—	26,195	—	—	—	—	—	—	—
MDRS – Rehabilitation Services Vocational Rehabilitation Grants	84.126	16-331-150	—	375,351	—	—	—	375,351	—	—	—	—	—	—	—
Total CFDA			—	418,241	—	—	—	418,241	—	—	—	—	—	—	—
AL Dept of Rehab Svcs – Centers for Independent Living	84.132	C50870005	—	10,755	—	—	—	10,755	—	—	—	—	—	—	—
Mississppi State Department of Education – Migrant Education_High School Equivalency Program	84.141	H181A140034	—	84,411	—	—	—	—	—	—	—	84,411	—	—	—
MDE – Special Education Preschool Grants	84.173	APPROVAL DTD 8/20/13	—	(51)	—	—	—	(51)	—	—	—	—	—	—	—
MDE – Special Education Preschool Grants	84.173	APPROVAL DATED 11/12/15	—	7,402	—	—	—	7,402	—	—	—	—	—	—	—
Total CFDA			—	7,351	—	—	—	7,351	—	—	—	—	—	—	—
New Jersey Com for the Blind – Rehabilitation Services Independent Living Services for	84.177	CONTRACT DTD 4/2/15	—	10,436	—	—	—	10,436	—	—	—	—	—	—	—
New Jersey Com for the Blind – Rehabilitation Services Independent Living Services for	84.177	CONTRACT DTD 8/25/15	—	15,668	—	—	—	15,668	—	—	—	—	—	—	—
AR Div Serv for Blind – Rehabilitation Services Independent Living Services for	84.177	PO 4501554900	—	9,628	—	—	—	9,628	—	—	—	—	—	—	—
AL Dept Rehab. Serv. -Rehabilitation Services Independent Living Services for	84.177	C60870014	—	24,864	—	—	—	24,864	—	—	—	—	—	—	—
Commonwealth of VA -Rehabilitation Services Independent Living Services for	84.177	16-065	—	5,149	—	—	—	5,149	—	—	—	—	—	—	—
Total CFDA			—	65,745	—	—	—	65,745	—	—	—	—	—	—	—
Mississippi State Department of Health – U.S. Department of Education	84.181		—	7,306	—	—	—	—	—	—	—	—	7,306	—	—
Mississippi State Department of Health – U.S. Department of Education	84.181		—	35,000	—	—	—	—	—	—	—	—	35,000	—	—
Mississippi State Department of Education – Special Education Grants for Infants and Families	84.181	H181A130157	—	62,566	—	—	—	—	—	—	—	62,566	—	—	—
US DOED/MSDH/Special Education-Grants for Infants and Families	84.181	30011261 3A	—	(24,551)	—	—	—	—	—	—	(24,551)	—	—	—	—
US DOED/MSDH/Special Education-Grants for Infants and Families	84.181	19622	—	1,097	—	—	—	—	—	—	1,097	—	—	—	—
US DOED/MSDH/Special Education-Grants for Infants and Families	84.181	21224	—	24,657	—	—	—	—	—	—	24,657	—	—	—	—
MSDH – Special Education-Grants for Infants and Families	84.181	11000ITO	—	1,933	—	—	—	1,933	—	—	—	—	—	—	—
MSDH – Special Education-Grants for Infants and Families	84.181	11000ITO	—	49	—	—	—	49	—	—	—	—	—	—	—
MSDH – Special Education-Grants for Infants and Families	84.181	11000ITO	—	221	—	—	—	221	—	—	—	—	—	—	—
MSDH – Special Education-Grants for Infants and Families	84.181	11000ITO	—	37,203	—	—	—	37,203	—	—	—	—	—	—	—
MSDH – Special Education-Grants for Infants and Families	84.181	13010101 000000IT	—	13,636	—	—	—	13,636	—	—	—	—	—	—	—
Total CFDA			—	159,117	—	—	—	53,042	—	—	1,203	62,566	42,306	—	—
DHA: Summer Youth Entrepreneurship Project	84.215		—	20,889	—	20,889	—	—	—	—	—	—	—	—	—
MS Department of Rehabilitation Services – U.S. Department of Education	84.224	15-331-1600-005	—	20,524	—	—	—	—	—	—	—	—	20,524	—	—
MDRS – State Grants for Assistive Technology	84.224	15-331-1600-010	—	9,924	—	—	—	9,924	—	—	—	—	—	—	—
Total CFDA			—	30,448	—	—	—	9,924	—	—	—	—	20,524	—	—
Mississippi Department of Education – 21st Century Community Learning Centers Program	84.287	ES287C140025	—	179,968	—	—	179,968	—	—	—	—	—	—	—	—
Columbus School-21st Century Community Learning Centers Program	84.287	SOAAR-COLUMBUS	—	21,690	—	—	—	21,690	—	—	—	—	—	—	—
Total CFDA			—	201,658	—	—	179,968	21,690	—	—	—	—	—	—	—
Mississippi Department of Education – U.S. Department of Education	84.323	H323A100001	—	656,272	—	—	—	—	—	—	—	—	656,272	—	—
USDOE: Delta School Leadership Pipeline	84.363		—	89,090	—	89,090	—	—	—	—	—	—	—	—	—
Mississippi Department of Education – Math and Science Partnership 2016	84.366	S366B150025	—	11,316	—	—	11,316	—	—	—	—	—	—	—	—
USDOE: Delta Math & Science Partnership	84.366		—	439,389	—	439,389	—	—	—	—	—	—	—	—	—
Mississippi Department of Education	84.366		—	17,159	17,159	—	—	—	—	—	—	—	—	—	—
US DOED/MDE/Mathematics and Science Partnerships	84.366	13EA083201BB22464102	—	390,797	—	—	—	—	—	—	390,797	—	—	—	—
US DOED/MDE/Mathematics and Science Partnerships	84.366	BB25-4641-006	—	31,312	—	—	—	—	—	—	31,312	—	—	—	—
MDE – Mathematics and Science Partnerships (B)	84.366	13EA083201BB224641-01 YEAR 3	—	324,275	—	—	—	324,275	—	—	—	—	—	—	—
MDE – Mathematics and Science Partnerships (B)	84.366	BB25-4641-004	—	6,010	—	—	—	6,010	—	—	—	—	—	—	—
Total CFDA			—	1,220,258	17,159	439,389	11,316	330,285	—	—	422,109	—	—	—	—
National Writing Project Corporation – U.S. Department of Education	84.367	01-MS09-SEED2012	—	7,056	—	—	—	—	—	—	—	—	7,056	—	—
National Writing Project Corporation – U.S. Department of Education	84.367	01-MS09-SEED2016	—	6,230	—	—	—	—	—	—	—	—	6,230	—	—
National Writing Project Corporation – U.S. Department of Education	84.367	92-MS05-SEED2012	—	9,907	—	—	—	—	—	—	—	—	9,907	—	—
USDOE: Literacy Across the Curriculum	84.367		—	96,658	—	96,658	—	—	—	—	—	—	—	—	—
Mississippi Department of Education	84.367		—	49,502	49,502	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Education	84.367		—	17,154	17,154	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Education	84.367		—	21,086	21,086	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Education	84.367		—	19,183	19,183	—	—	—	—	—	—	—	—	—	—
US DOED/National Writing Project/Improving Teacher Quality State Grants	84.367	92-MS06-SEED2012	—	10,100	—	—	—	—	—	—	10,100	—	—	—	—
US DOED/National Writing Project/Improving Teacher Quality State Grants	84.367	92-MS06-SEED2016	—	5,862	—	—	—	—	—	—	5,862	—	—	—	—
MWTI Statewide US DOEd (Institute) – Improving Teacher Quality State Grants (A)	84.367		—	526,708	—	—	—	526,708	—	—	—	—	—	—	—
Univ of CA-Brkly – Improving Teacher Quality State Grants (A)	84.367	92-MS03-SEED2012	—	10,395	—	—	—	10,395	—	—	—	—	—	—	—
Univ of CA-Brkly – Improving Teacher Quality State Grants (A)	84.367	92-MS03-SEED2016	—	970	—	—	—	970	—	—	—	—	—	—	—
Univ CA Berkeley NWP 92MS03SEED16IL	84.367	92-MS03-SEED2016-ILI	—	327	—	—	—	327	—	—	—	—	—	—	—
Total CFDA			—	781,138	106,925	96,658	—	538,400	—	—	15,962	—	23,193	—	—
National Writing Project Corporation – U.S. Department of Education	84.411	92-MS05-i3 2013	—	3,803	—	—	—	—	—	—	—	—	3,803	—	—
National Writing Project Corporation – U.S. Department of Education	84.411	92-MS05-I3DP2015	—	64,779	—	—	—	—	—	—	—	—	64,779	—	—
US DOED/National Writing Project/Investing in Innovation (i3) Fund	84.411	92-MS06-i3DP2015	—	118,022	—	—	—	—	—	—	118,022	—	—	—	—
Total CFDA			—	186,604	—	—	—	—	—	—	118,022	—	68,582	—	—
Univ of CA-Berkley – National Writing Project	84.928	92-MS03	—	2,677	—	—	—	2,677	—	—	—	—	—	—	—
Subtotal Pass through Programs			33,685	8,889,941	124,084	646,026	211,678	3,533,135	—	—	770,921	156,252	3,447,845	—	—
Total U.S. Department of Education			1,298,482	41,652,961	5,247,993	7,233,451	9,779,684	5,486,049	—	5,251,794	1,195,467	156,252	4,874,385	2,427,886	—
Vietnam Education Foundation:															
Fellowship Program	85.802		—	26,466	—	—	—	—	—	—	—	26,466	—	—	—
Subtotal Direct Programs			—	26,466	—	—	—	—	—	—	—	26,466	—	—	—
Total Vietnam Education Foundation			—	26,466	—	—	—	—	—	—	—	26,466	—	—	—
U.S. Department of Health and Human Services:															
U.S. Department of Health and Human Services	93.000		—	597,648	—	—	597,648		—	—	—	—	—	—	—
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153		—	571,776	—	—	—	—	—	—	—	571,776	—	—	—
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		—	1,625,904	—	386,393	329,953	90,583	—	—	—	471,638	347,337	—	—
Advanced Nursing Education Grant Program	93.247		30,489	1,208,700	—	—	—	—	—	—	—	839,056	369,644	—	—
Poison Center Support and Enhancement Grant Program	93.253		—	139,689	—	—	—	—	—	—	—	139,689	—	—	—
Centers for Disease Control and Prevention Affordable Care Act (ACA) Communities Putting Prevention	93.283		—	858,271	—	—	—	—	—	—	—	858,271	—	—	—
Cooperative Agreement to Support Navigators in Federally Facilitated and State Partnership	93.332		$ 38,651	396,051	—	—	—	—	—	—	—	114,843	281,208	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Advanced Nursing Education Traineeships	93.358		—	544,195	—	174,560	—	—	—	—	—	—	369,635	—	—
Nurse Education, Practice and Retention Grants	93.359		—	337,224	—	—	—	—	—	—	—	—	337,224	—	—
Affordable Care Act (ACA) Family to Family Health Information Centers	93.504		—	142,008	—	—	—	—	—	—	—	—	142,008	—	—
Assets for Independence Demonstration Program	93.602		—	63,563	—	63,563	—	—	—	—	—	—	—	—	—
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		—	568,257	—	—	—	—	—	—	—	—	568,257	—	—
PPHF Cooperative Agreement to Support Navigators in Federally Facilitated and State Partnership Exchanges	93.750		—	15	—	—	—	—	—	—	—	15	—	—	—
Allergy Immunology and Transplantation Research	93.855		—	2,237	—	—	—	2,237	—	—	—	—	—	—	—
Grants for Training in Primary Care Medicine and Dentistry	93.884		—	178,330	—	—	—	—	—	—	—	178,330	—	—	—
Health Care and Other Facilities	93.887		—	1,680,628	—	—	—	—	—	—	—	—	1,680,628	—	—
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider	93.912		—	504,698	—	504,698	—	—	—	—	—	—	—	—	—
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		—	471,680	—	—	—	—	—	—	—	471,680	—	—	—
Ryan White HIV/AIDS Dental Reimbursements Community Based Dental Partnership	93.924		—	369,872	—	—	—	—	—	—	—	369,872	—	—	—
Subtotal Direct Programs			69,140	10,260,746	—	1,129,214	927,601	92,820	—	—	—	4,015,170	4,095,941	—	—
Pass through Program From:			—												
Mississippi Department of Mental Health – U.S. Dept of Health and Human Services	93.000		—	184	—	—	—	—	—	—	—	—	184	—	—
PACE Headstart – U.S. Dept of Health and Human Services	93.000		—	2,009	—	—	—	—	—	—	—	—	2,009	—	—
Mississippi Department of Mental Health – U.S. Dept of Health and Human Services	93.000		—	28,656	—	—	—	—	—	—	—	—	28,656	—	—
Assoc of Univ Centers on Disabilities – U.S. Dept of Health and Human Services	93.000		—	675	—	—	—	—	—	—	—	—	675	—	—
PACE Headstart – U.S. Dept of Health and Human Services	93.000		—	(1,573)	—	—	—	—	—	—	—	—	(1,573)	—	—
Total CFDA			—	29,951	—	—	—	—	—	—	—	—	29,951	—	—
Mississippi State Department of Health – Public Health Emergency Preparedness	93.069	14AC161952/14AFHMS00	—	247,571	—	—	—	—	—	—	—	247,571	—	—	—
Mississippi State Department of Health – Public Health Emergency Preparedness	93.069	14AC161946	—	3,219	—	—	—	—	—	—	—	3,219	—	—	—
Total CFDA			—	250,790	—	—	—	—	—	—	—	250,790	—	—	—
Mississippi State Department of Health – Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)	93.074	12ACHMS0010004	—	115,982	—	—	—	—	—	—	—	115,982	—	—	—
Mississippi State Department of Health – Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)	93.074	15AC174891/13AFHMS00	—	313,662	—	—	—	—	—	—	—	313,662	—	—	—
Mississippi State Department of Health – Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP)	93.074	2016:011E	—	4,779	—	—	—	—	—	—	—	4,779	—	—	—
Total CFDA			—	434,423	—	—	—	—	—	—	—	434,423	—	—	—
Hemophilia of Georgia – Blood Disorder Program: Prevention, Surveillance, and Research	93.080	15AC174892	—	14,266	—	—	—	—	—	—	—	14,266	—	—	—
University of Arkansas – U.S. Dept of Health and Human Services	93.110	38574-50740	—	71,028	—	—	—	—	—	—	—	—	71,028	—	—
Hemophilia of Georgia – Maternal and Child Health Federal Consolidated Programs	93.110	H30MC24046	—	13,181	—	—	—	—	—	—	—	13,181	—	—	—
Total CFDA			—	84,209	—	—	—	—	—	—	—	13,181	71,028	—	—
Mississippi Department of Mental Health	93.121		—	21,489	21,489	—	—	—	—	—	—	—	—	—	—
Mississippi Department of Mental Health	93.121		—	62,663	62,663	—	—	—	—	—	—	—	—	—	—
Total CFDA			—	84,152	84,152	—	—	—	—	—	—	—	—	—	—
The Fenway Institute – Technical and Non-Financial Assistance to Health Centers	93.129	U30CS22742	—	7,924	—	—	—	—	—	—	—	7,924	—	—	—
Mississippi State Department of Health – Cooperative Agreements to States/Territories for the Coordination and Development of Pri	93.130	U68HP11448	—	5,056	—	—	—	—	—	—	—	5,056	—	—	—
Lousiana State University – AIDS Education Training Centers	93.145	H4AHA00059	—	43,732	—	—	—	—	—	—	—	43,732	—	—	—
Vanderbilt University – AIDS Education and Training Centers	93.145	VUMC 56773	—	184,779	—	—	—	—	—	—	—	184,779	—	—	—
Total CFDA			—	228,511	—	—	—	—	—	—	—	228,511	—	—	—
Hemphilia of Georgia – Disabilities Prevention	93.184	U27DD000862	—	6,804	—	—	—	—	—	—	—	6,804	—	—	—
University of Arkansas – Telehealth Programs	93.211	50,110	—	3,089	—	—	—	—	—	—	—	3,089	—	—	—
Moorehouse School of Medicine – Student Awareness Mental Health Project	93.243	UDIT1025590-02	—	6,687	—		6,687	—	—	—	—	—	—	—	—
MDMH – Substance Abuse and Mental Health Services Projects of Regional and National Significance (B)	93.243	007340	—	125	—	—	—	125	—	—	—	—	—	—	—
MDMH – Substance Abuse and Mental Health Services Projects of Regional and National Significance (B)	93.243	LETTER DATED 11/3/15	—	14,759	—	—	—	14,759	—	—	—	—	—	—	—
Total CFDA			—	21,571	—	—	6,687	14,884	—	—	—	—	—	—	—
University of Iowa – Occupational Safety and Health Program	93.262	W000523143	—	5,934	—	—	—	5,934	—	—	—	—	—	—	—
University of Iowa – Occupational Safety and Health Program	93.262	W000775940	—	9,919	—	—	—	9,919	—	—	—	—	—	—	—
Total CFDA			—	15,853	—	—	—	15,853	—	—	—	—	—	—	—
Lousiana State University Health Sciences – Centers for Disease Control and Prevention_Investigations and Technical Assistance	93.283	U58DP005412	—	56,230	—	—	—	—	—	—	—	56,230	—	—	—
South Carolina DHEC – Rare Disorders: Research, Surveillance, Health Promotion, and Education	93.315	MC-6-199	—	7,264	—	—	—	—	—	—	—	7,264	—	—	—
MSDH – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	1301010300000EP	—	7,196	—	—	—	7,196	—	—	—	—	—	—	—
MDRS – ACL Assistive Technology_State AT Grants	93.464	16-331-1600-010	—	5,414	—	—	—	5,414	—	—	—	—	—	—	—
MDHS – ACA Home Visiting Program	93.505	HEALTHY HOMES FORMULA	—	498,881	—	—	—	498,881	—	—	—	—	—	—	—
MDHS – ACA Home Visiting Program	93.505	HEALTHY HOMES MS EXPANSION MOU	—	649,937	—	—	—	649,937	—	—	—	—	—	—	—
Total CFDA			—	1,148,818	—	—	—	1,148,818	—	—	—	—	—	—	—
Mississippi Department of Human Services	93.548		—	16,188	16,188	—	—	—	—	—	—	—	—	—	—
MSDH – PPHF – State Nutrition. Physical Activity, and Obesity Programs – financed in part by PPHF	93.548	21839	—	25,554	—	—	—	25,554	—	—	—	—	—	—	—
Total CFDA			—	41,742	16,188	—	—	25,554	—	—	—	—	—	—	—
Mississippi Department of Human Services – U.S. Dept of Health and Human Services	93.575	5250 7841	—	(1,294)	—	—	—	—	—	—	—	—	(1,294)	—	—
MDHS – Child Care and Development Block Grant	93.575	6004506	—	238,634	—	—	—	238,634	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004507	—	1,286,937	—	—	—	1,286,937	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004508	—	974,172	—	—	—	974,172	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004487	—	22,588	—	—	—	22,588	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004666	—	144,593	—	—	—	144,593	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004485	—	507,092	—	—	—	507,092	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007870 R & R SITES	—	778,690	—	—	—	778,690	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007725 COMMUNICATIONS	—	303,323	—	—	—	303,323	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007872 T/A TRAINING	1,440,522	1,571,810	—	—	—	1,571,810	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007856 FAMILY SUPPORT	—	388,742	—	—	—	388,742	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007857 PF&N	—	723,373	—	—	—	723,373	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007871 PROF DEV	—	1,219,358	—	—	—	1,219,358	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007727 ALLIES	—	903,916	—	—	—	903,916	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007858 ADMIN 4%	—	890,064	—	—	—	890,064	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6007728 ASSESSMENT	—	476,690	—	—	—	476,690	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6006551	$ —	117,686	—	—	—	117,686	—	—	—	—	—	—	—
MDHS – Child Care and Development Block Grant	93.575	6004665/6005230	—	214,992	—	—	—	214,992	—	—	—	—	—	—	—

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State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
MDHS – Child Care and Development Block Grant	93.575	60077 24 MDHS	—	973,901	—	—	—	973,901	—	—	—	—	—	—	—
Total CFDA			1,440,522	11,735,267	—	—	—	11,736,561	—	—	—	—	(1,294)	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630		—	5,513	—	—	—	—	—	—	—	—	5,513	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	4636-DD13-QA	—	15,680	—	—	—	—	—	—	—	—	15,680	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	4666-DD13-EM	—	20,533	—	—	—	—	—	—	—	—	20,533	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	4667-DD13-REC	—	6,836	—	—	—	—	—	—	—	—	6,836	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	46DD-MSP4-EM	—	31,658	—	—	—	—	—	—	—	—	31,658	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	4667-DD14-RE	—	41,543	—	—	—	—	—	—	—	—	41,543	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	46E0-MSP5-EM	—	100,723	—	—	—	—	—	—	—	—	100,723	—	—
MS Council on Developmental Disabilities – U.S. Dept of Health and Human Services	93.630	4666-DD14-EM	—	50,013	—	—	—	—	—	—	—	—	50,013	—	—
Mississippi State Department of Mental Health – Developmental Disabilities Basic Support and Advocacy Grants	93.630	4680-DD15-HE	—	49,640	—	—	—	—	—	—	—	49,640	—	—	—
Mississippi State Department of Mental Health – Developmental Disabilities Basic Support and Advocacy Grants	93.630	4624-HE-DD11-UMC	—	13,780	—	—	—	—	—	—	—	13,780	—	—	—
MDMH – Developmental Disabilities Basic Support and Advocacy	93.630	4678-DD15-CS	—	64,102	—	—	—	64,102	—	—	—	—	—	—	—
Total CFDA			—	400,021	—	—	—	64,102	—	—	—	63,420	272,499	—	—
Mississippi State Department of Medicaid – Childrens Collaborative Pilot Project	93.778	CAY Center	—	2,027,461	—	—	—	—	—	—	—	2,027,461	—	—	—
Mississippi Division of Medicaid – U.S. Dept of Health and Human Services	93.779		—	70,000	—	—	—	—	—	—	—	—	70,000	—	—
Total CFDA			—	70,000	—	—	—	—	—	—	—	—	70,000	—	—
Mississippi State Department of Health – Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817	U3REP150513	—	36,363	—	—	—	—	—	—	—	36,363	—	—	—
Penn State University	93.859		—	23,567	23,567	—	—	—	—	—	—	—	—	—	—
Penn State University	93.859		—	9,762	9,762	—	—	—	—	—	—	—	—	—	—
Carnegie Mellon University	93.859	1090416-341398	—	13,493	—	—	13,493	—	—	—	—	—	—	—	—
Total CFDA			—	46,822	33,329	—	13,493	—	—	—	—	—	—	—	—
Mississippi State Department of Health – National Bioterrorism Hospital Preparedness	93.889	U90TP000530	—	474,000	—	—	—	—	—	—	—	474,000	—	—	—
MSDH – Grants to States for Operation of Offices of Rural Health	93.913	13010106000000PD	—	3,205	—	—	—	3,205	—	—	—	—	—	—	—
MSDH – Grants to States for Operation of Offices of Rural Health	93.913	13010106000000PD	—	6,803	—	—	—	6,803	—	—	—	—	—	—	—
Total CFDA			—	10,008	—	—	—	10,008	—	—	—	—	—	—	—
Mississippi State Department of Health – HIV Emergency Relief Project Grants	93.914	33000AD0	—	172,915	—	—	—	—	—	—	—	172,915	—	—	—
Mississippi State Department of Health – HIV Care Formula Grants	93.917	X07HA000362	—	1,973	—	—	—	—	—	—	—	1,973	—	—	—
Mississippi State Department of Health – HIV Care Formual Grants	93.917	X07HA00036200	—	203,218	—	—	—	—	—	—	—	203,218	—	—	—
Mississippi State Department of Health – HIV Care Formual Grants	93.917	X07HA00036	—	403,248	—	—	—	—	—	—	—	403,248	—	—	—
Total CFDA			—	608,439	—	—	—	—	—	—	—	608,439	—	—	—
US DHHS CDC/MSDH/HIV Prevention Activities-Health Department Based	93.940	1U62PS003674-02	—	21	—	—	—	—	—	—	21	—	—	—	—
US DHHS CDC/MSDH/HIV Prevention Activities-Health Department Based	93.940	5U62PS003674-04	—	424	—	—	—	—	—	—	424	—	—	—	—
Mississippi State Department of Health – HIV Prevention Activities	93.940	U62PS003975	—	7,767	—	—	—	—	—	—	—	7,767	—	—	—
Total CFDA			—	8,212	—	—	—	—	—	—	445	7,767	—	—	—
Mississippi State Department of Health – HIV/AIDS Surveillance	93.944	U62PS001589	—	6,945	—	—	—	—	—	—	—	6,945	—	—	—
Mississippi State Department of Health – HIV/AIDS Surveillance	93.944	U62PS001589	—	(100,349)	—	—	—	—	—	—	—	(100,349)	—	—	—
Total CFDA			—	(93,404)	—	—	—	—	—	—	—	(93,404)	—	—	—
US DHHS CDC/MSDH/Assistance Prgms for Chronic Disease Prev & Ctrl	93.945	1U58DP004816-02	—	3,781	—	—	—	—	—	—	3,781	—	—	—	—
US DHHS CDC/MSDH/Assistance Prgms for Chronic Disease Prev & Ctrl	93.945	6NU58DP004816-03-03	—	3,476	—	—	—	—	—	—	3,476	—	—	—	—
Total CFDA			—	7,257	—	—	—	—	—	—	7,257	—	—	—	—
MDMH – Block Grants for Prevention and Treatment of Substance	93.959	007332	—	2,063	—	—	—	2,063	—	—	—	—	—	—	—
MDMH – Block Grants for Prevention and Treatment of Substance	93.959	LETTER DATED 11/3/15	—	22,101	—	—	—	22,101	—	—	—	—	—	—	—
MDMH – Block Grants for Prevention and Treatment of Substance	93.959		—	304,783	—	—	304,783	—	—	—	—	—	—	—	—
Total CFDA			—	328,947	—	—	304,783	24,164	—	—	—	—	—	—	—
Mississippi State Department of Health – Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977	H25PS004371	—	38,407	—	—	—	—	—	—	—	38,407	—	—	—
Mississippi State Department of Health – U.S. Dept of Health and Human Services	93.994	11000CMO	—	17,545	—	—	—	—	—	—	—	—	17,545	—	—
Mississippi State Department of Health – Maternal and Child Health Services Block Grant to the States	93.994	B04MC21427	—	566,722	—	—	—	—	—	—	—	566,722	—	—	—
Total CFDA			—	584,267	—	—	—	—	—	—	—	566,722	17,545	—	—
Subtotal Pass through Programs			1,440,522	18,908,245	133,669	—	324,963	13,052,554	—	—	7,702	4,891,221	459,729	—	—
Total U.S. Department of Health and Human Services			1,509,662	29,168,991	133,669	1,129,214	1,252,564	13,145,374	—	—	7,702	8,906,391	4,555,670	—	—
Corporation for Community and National Service:															
State Commissions	94.003		—	293,292	—	—	—	—	—	—	—	—	—	—	293,292
AmeriCorps	94.006		2,735,328	2,855,428	—	—	—	—	—	—	121,432	—	—	—	2,733,996
Volunteers in Service to America	94.013		—	452,477	—	407,009	—	—	—	—	45,468	—	—	—	—
Volunteer Generation Fund	94.021		—	263,137	—	—	—	—	—	—	—	—	—	—	263,137
Subtotal Direct Programs			2,735,328	3,864,334	—	407,009	—	—	—	—	166,900	—	—	—	3,290,425
Pass through Program From:															
Mississippi Commission for Volunteer Services – America Reads Mississippi	94.006	12ACHMS0010004	—	800,826	—	—	—	—	—	—	—	—	—	800,826	—
Youth Service America – Planning and Program Development Grants	94.007	MOU DATED 8/17/15	—	2,757	—	—	—	2,757	—	—	—	—	—	—	—
Subtotal Pass through Programs			—	803,583	—	—	—	2,757	—	—	—	—	—	800,826	—
Total Corporation for Community and National Service			2,735,328	4,667,917	—	407,009	—	2,757	—	—	166,900	—	—	800,826	3,290,425
U.S. Department of Homeland Security:															
Centers for Homeland Security	97.061		—	28,261	—	—	28,261	—	—	—	—	—	—	—	—
Scholars and Fellows, and Educational Programs	97.062		—	148,816	—	—	148,816	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	177,077	—	—	177,077	—	—	—	—	—	—	—	—

(Continued)

State of Mississippi Institutions of Higher Learning
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA number	Pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board Office	MCVS
Pass through Program From:															
Texas Engineering Extension Service – U.S. Department of Homeland Security	97.005	44-100119	$ —	104,733	—	—	—	—	—	—	—	—	104,733	—	—
Texas A & M – U.S. Department of Homeland Security	97.005	44-100131	—	401,696	—	—	—	—	—	—	—	—	401,696	—	—
Total CFDA			—	506,429	—	—	—	—	—	—	—	—	506,429	—	—
MS Homeland Security – Citizenship Education and Training (L)	97.010	13CC600	—	379	—	—	—	379	—	—	—	—	—	—	—
MS Emergency Management Agency – US Department of Homeland Security	97.036		—	3,373,891	—	—	—	—	—	—	—	—	3,373,891	—	—
Ms Homeland Security – Citizens-Community Resilience Innovation Challenge	97.053	A13CC600	—	250	—	—	—	250	—	—	—	—	—	—	—
Mississippi Department of Public Safety – U.S. Department of Homeland Security	97.067	14HS421	—	45,980	—	—	—	—	—	—	—	—	45,980	—	—
Mississippi Department of Public Safety – U.S. Department of Homeland Security	97.067	15HS421	—	88,044	—	—	—	—	—	—	—	—	88,044	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	11HS600	—	(12)	—	—	—	(12)	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	GRANT E13CC600	—	8,373	—	—	—	8,373	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	14HS600	—	55,780	—	—	—	55,780	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	15CC600	—	36,156	—	—	—	36,156	—	—	—	—	—	—	—
MS Homeland Security – Homeland Security Grant Program (A)	97.067	A14HS600	—	7,269	—	—	—	7,269	—	—	—	—	—	—	—
Total CFDA			—	241,590	—	—	—	107,566	—	—	—	—	134,024	—	—
Subtotal Pass through Programs			—	4,122,539	—	—	—	108,195	—	—	—	—	4,014,344	—	—
Total U.S. Department of Homeland Security			—	4,299,616	—	—	177,077	108,195	—	—	—	—	4,014,344	—	—
U.S. Agency for International Development:															
Scholars and Fellows, and Educational Programs	98.012		—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal Direct Programs			—	—	—	—	—	—	—	—	—	—	—	—	—
Pass through Program From:															
USAID/ACE/USAID Development Pships for Univ Cooperation & Development	98.012	HED153-6200-BFA-15-0	—	19,548	—	—	—	—	—	—	19,548	—	—	—	—
Subtotal Pass through Programs			—	19,548	—	—	—	—	—	—	19,548	—	—	—	—
Total U.S. Agency for International Development			—	19,548	—	—	—	—	—	—	19,548	—	—	—	—
Total Other Federal Programs (including ARRA)			8,757,197	123,325,186	8,193,576	9,430,278	11,390,959	40,584,169	9,057	5,336,961	14,537,477	10,797,128	16,526,444	3,228,712	3,290,425
Total Expenditures of Federal Awards			$ 31,717,279	1,018,787,416	53,377,222	34,112,588	134,602,956	275,302,596	22,145,700	33,776,794	184,438,606	92,384,960	182,126,857	3,228,712	3,290,425

See accompanying independent auditors' report.

See accompanying notes to Schedule of Expenditures of Federal Awards and independent auditors' report.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs

Year ended June 30, 2016

(1) Summary of Auditors' Results

(a) The type of report issued on whether the financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified**

(b) Internal control deficiencies over financial reporting disclosed by the audit of the financial statements:

Material weaknesses: **No**

Significant deficiencies: **None Reported**

(c) Noncompliance material to the financial statements: **No**

(d) Internal control deficiencies over major programs disclosed by the audit:

Material weaknesses: **No**

Significant deficiencies: **Yes – See Finding 2016-001**

(e) Type of report issued on compliance for major programs: **Unmodified**

(f) Any audit findings which are required to be reported in accordance with 2 CFR 200.516(a): **See Finding 2016-001**

(g) Major programs:

CFDA#	Grantor	Program
Various	Various	Research and Development Cluster
Various	U.S. Department of Education	TRIO Cluster
97.036	U.S. Department of Homeland Security	Disaster Grants
84.378	U.S. Department of Education	College Access Challenge Program
20.106	U.S. Department of Transportation	Airport Improvement Program
10.587	U.S. Department of Agriculture	National Food Service Management Institute Administration and Staffing
10.561	U.S. Department of Agriculture	State Administrative Maturing Grants for the Supplemental Nutrition Assistance Program
10.500	U.S. Department of Agriculture	Cooperative Extension Service

(h) Dollar threshold used to distinguish between Type A and Type B programs: **$3,056,362**

(i) Auditee qualified as a low-risk auditee: **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

Finding No. 2016-001

Compliance Requirement:
Allowable Costs
Cash Management
Reporting

Federal Agency
U.S. Department of Education

Federal Programs
TRIO Cluster

CFDA No.
84.042; 84.044; 84.047; 84.217

Applicable Campus
Mississippi Valley State University

Federal Award Year
September 1, 2015 to August 31, 2020
September 1, 2011 to August 31, 2016
June 1, 2015 to May 31, 2016
June 1, 2016 to May 31, 2017

Criterion

Per 2 CFR section 200.403, costs must be consistently charged as either indirect or direct costs. Further, non-federal entities must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with the terms and conditions of the federal award.

Condition

During our testwork over the TRIO cluster, at this campus, we noted that indirect costs should be charged at 8% of direct costs. We selected a sample of 40 indirect costs that were charged to the TRIO cluster, noting two instances in which the indirect costs charged were not properly calculated.

Cause and Effect

Noncompliance due to a lack of procedures to review calculations with sufficient precision to detect the error in a calculation of indirect costs. As a result, federal funds of $1,386 were improperly reimbursed and amounts expended were improperly reported. Upon identification of this error the university adjusted its reporting in 2017 to correct the identified error.

Questioned Cost

Not reportable

Sampling Statistically Valid

The sample was not intended to be, and was not, a statistically valid sample.

Repeat Finding from Prior Year

This finding was not a repeat from the prior year.

Recommendation

We recommend that the University strengthen review procedures to help to ensure that indirect costs charged to the program are properly calculated.

Management Response

The University will strengthen the review procedures by requiring the Project Director to review and approve the indirect cost calculations.

APPENDIX C
FORM OF OPINION OF BOND COUNSEL

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FORM OF BOND COUNSEL OPINION

December 20, 2017

Board of Directors
Mississippi State University Educational Building Corporation
Mississippi State, Mississippi

Re: $92,075,000 Mississippi State University Educational Building Corporation Revenue Refunding Bonds, Series 2017A (Mississippi State University Facilities Refinancing)

Ladies and Gentlemen:

We have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Section 37-101-61 *et seq.*, of the Mississippi Code of 1972, as amended (the "Act"), and certified copies of the proceedings had by the Mississippi State University Educational Building Corporation (the "Corporation"), including the adoption of one or more resolutions on November 9, 2017 (collectively, the "Resolution"), and other certifications and proceedings relative to the issuance and sale by the Corporation of its Revenue Refunding Bonds, Series 2017A (Mississippi State University Facilities Refinancing) (the "Series 2017A Bonds"). The Series 2017A Bonds mature in such amounts and at such times, bear interest and are subject to redemption as set forth in the Resolution and that certain Trust Indenture dated as of December 1, 2017 (the "Indenture"), between the Corporation and Regions Bank, as trustee (the "Trustee"). In connection with the issuance of the Series 2017A Bonds, the Project Site and the Project are being leased by the Corporation to the Board of Trustees of State Institutions of Higher Learning (the "Board") pursuant to that certain Lease Agreement dated as of December 1, 2017 (the "Lease"). Capitalized terms used herein and not otherwise defined shall have the meanings given in the Indenture.

As to questions of fact material to our opinion, we have relied upon such certified proceedings and other certifications of officers of the Corporation, the Board and Mississippi State University (the "University") furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Series 2017A Bonds have been issued under the authority of the Act and have been duly authorized, executed and delivered under the provisions of the Resolution and the Indenture.

2. The Series 2017A Bonds are legal, valid and binding limited obligations of the Corporation secured by the Indenture in accordance with the terms thereof. The Series 2017A Bonds and the interest thereon are not obligations or debts of the Board, the State or the University, and do not constitute a pledge of the full faith and credit of the Board, the State or the University. The Series 2017A Bonds shall never constitute nor give rise to any pecuniary liability of the State or a charge against its general credit or taxing powers.

3. The Ground Lease dated as of December 1, 2017 (the "Ground Lease"), among the Board, the University and the Corporation has been duly authorized, executed and delivered by the Corporation and constitutes a valid and legally binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms.

4. The Lease has been duly authorized, executed and delivered by the Corporation, and constitutes a valid and legally binding obligation of the Corporation, enforceable against the Corporation and the Board in accordance with its terms.

5. The Indenture has been duly authorized, executed and delivered by the Corporation and constitutes a valid and legally binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms.

6. Subject to the condition set forth in the immediately succeeding sentence, (a) the interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes, (b) the Series 2017A Bonds are not "specified private activity bonds" and interest on the Series 2017A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and (c) with respect to corporations (as defined for federal income tax purposes) interest on the Series 2017A Bonds is not taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth in the immediately preceding sentence are subject to the condition that the Corporation and the Board comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), compliance with which subsequent to the issuance of the Series 2017A Bonds is necessary in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Corporation and the Board have covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2017A Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 2017A Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 2017A Bonds.

7. Interest on the Series 2017A Bonds earned by the owners thereof is exempt from Mississippi income taxes.

In rendering this opinion, we express no opinion as to:

(a) the organization and existence of the Board or the University;

(b) the power and authority of the Board to enter into and perform its obligations under the Lease and the Ground Lease;

(c) the power and authority of the University to enter into and perform its obligations under the Ground Lease; and

(d) the title of the Corporation, the Board and the University to the Project and the Project Site, as such terms are defined in the Lease.

We have not undertaken to verify by independent investigation the facts contained in the certified proceedings and other certifications of officers of the Corporation, the Board or the University, and we express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement dated November 30, 2017, or of other offering material relating to the Series 2017A Bonds.

In rendering this opinion we have relied upon (1) the opinion of the Attorney General of the State, acting as counsel for the Board, dated the date hereof, as to the due authorization, execution, delivery and enforceability by the Board of the Lease and the Ground Lease, (2) the opinion of counsel for the Corporation, dated the date hereof, as to the due authorization, execution, delivery and enforceability by the Corporation of the Ground Lease, the Lease and the Indenture, and as to the authority of the Corporation to exercise the powers conferred by the Act with respect to the Project, and (3) the opinion of

counsel for the University, dated the date hereof, as to the due authorization, execution, delivery and enforceability by the University of the Ground Lease.

It is to be understood that the rights of the owners of the Series 2017A Bonds and the enforceability thereof and the enforceability of the Indenture, the Lease and the Ground Lease may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable, and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases in accordance with general principles of equity.

Respectfully submitted,

Jones Walker L.L.P.

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APPENDIX D
FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT
BY AND AMONG
MISSISSIPPI STATE UNIVERSITY EDUCATIONAL BUILDING CORPORATION,
REGIONS BANK AND THE BOARD OF TRUSTEES OF
STATE INSTITUTIONS OF HIGHER LEARNING

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered as of December 1, 2017 by and between Regions Bank, Nashville, Tennessee, and the Board of Trustees of State Institutions of Higher Learning, acting on its behalf and as the state agency of the State of Mississippi (the "State") responsible for the operation and maintenance of Mississippi State University, in connection with the issuance of $92,075,000 Revenue Refunding Bonds, Series 2017A (Mississippi State University Facilities Refinancing) by the Mississippi State University Educational Building Corporation (the "Corporation"). The Series 2017A Bonds are being issued pursuant to a Trust Indenture dated as of December 1, 2017, between the Corporation and the Trustee (the "Indenture"). All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Indenture.

The Board covenants and agree as follows:

SECTION 1. Purpose. This Disclosure Agreement is being executed and delivered by the Board and the Trustee for the benefit of the holders and Beneficial Owners of the Series 2017A Bonds and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 2. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed to them below. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the below defined Indenture.

"Accompanying Information" shall mean any identifying information or other information then required to accompany the applicable filing pursuant to the Rule.

"Annual Financial Information" shall mean updated financial and operating information relating to the Board, similar to the information set forth in the following sections of the Official Statement: "SOURCES OF PAYMENT FOR THE SERIES 2017A BONDS" and "APPENDIX B – STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING FINANCIAL STATEMENT – JUNE 30, 2016."

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2017A Bond (including persons holding Series 2017A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017A Bond for federal income tax purposes.

"Bond Register" shall mean, when used with respect to the Series 2017A Bonds, the registration records maintained by the Trustee pursuant to the Indenture.

"Bondholder" or "holder of Bonds" or "owner of Bonds" or any similar term shall mean the Registered Owner of a Series 2017A Bond.

"EMMA" shall mean MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Independent Accountant" shall mean any firm of certified public accountants appointed by the Commission, which is independent pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants or the State Auditor.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under 15 U.S.C. §77a *et seq.*, as amended and supplemented from time to time, or any successor thereto.

"MSRB Website" shall mean www.emma.msrb.org.

"National Repository" shall mean (a) MSRB's EMMA, and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Official Statement" shall mean the Official Statement dated November 30, 2017 in connection with the Series 2017A Bonds.

"Participating Underwriter" shall mean Raymond James & Associates, Inc., acting for and on behalf of itself, and Morgan Stanley & Co. LLC.

"Registered Owner" shall mean the person or persons in whose name any Series 2017A Bond is registered on the Bond Register.

"Repository" shall mean each National Repository and each State Repository.

"Required Electronic Format" shall mean the electronic format then prescribed by the SEC or the MSRB pursuant to the Rule.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under 15 U.S.C. §78a *et seq.*, as the same may be amended from time to time.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Mississippi.

"State Repository" shall mean any public or private repository or entity designated by the State as a State repository for the purposes of the Rule. As of the date of this Disclosure Agreement, there is no State Repository.

SECTION 3. General. Nothing in this Disclosure Agreement shall prevent the Board from disseminating any information in addition to that required by this Disclosure Agreement. If the Board disseminates any such additional information, the Board shall not have any obligation to update such information or include it in any further materials disseminated.

SECTION 4. Board Undertaking. The Board hereby agrees for the benefit of the Registered Owners and the Beneficial Owners of the Series 2017A Bonds to provide to each Repository, in a timely manner, notice of any Listed Events and to deliver, or cause to be delivered, together with any Accompanying Information:

(a) To each Repository no later than one (1) year after the end of each fiscal year of the Board:

(1) the Annual Financial Information relating to such fiscal year together with audited financial statements of the Board for such fiscal year if audited financial statements are then publicly available; provided, however, that if audited financial statements of the Board are not then publicly available, the Board shall deliver or cause to be delivered such audited financial statements, if any, to each Repository when they become publicly available; or

(2) notice of the failure of the Board to provide the Annual Financial Information; and

(b) To each Repository in a timely manner, notice of any Listed Events; and

(c) To each Repository, in writing, in a timely manner, notice of any event which, in the opinion of an authorized officer of the Board had, or will have, a material effect on the financial condition or operations of the Board.

SECTION 5. Listed Events. (a) In addition to the provisions of Section 4 above, the Board shall give or cause to be given notice of the occurrence of any of the following Listed Events with respect to the Series 2017A Bonds, in a timely manner not in excess of ten (10) business days after the occurrence thereof, if material. All fifteen (15) events mandated by the Rule are listed below; however, some may not apply to the Series 2017A Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on the credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modification to rights of security holders.

(8) Bond calls.

(9) Tender offers.

(10) Defeasances.

(11) Release, substitution or sale of property securing repayment of the securities.

(12) Rating changes.

(13) Bankruptcy, insolvency, receivership or similar event of the Board.

(14) Consummation of a merger, consolidation, or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(15) The appointment of a successor or additional trustee or the change of name of a trustee.

(b) Any Listed Event under subsection (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) of this Section will always be deemed to be material.

SECTION 6. Financial Statements. The annual financial statements required of the Board hereunder shall be prepared in accordance with generally accepted accounting principles in effect from time to time. Such financial statements shall be audited by an Independent Accountant.

SECTION 7. Remedies. This Disclosure Agreement is enforceable in accordance with its terms by any Bondholder either directly or as a third party beneficiary. Any Bondholder shall have the rights, for the equal benefit and protection of all Bondholders, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Board and any of the officers, agents and employees of the Board, and to compel the Board or any such officers, agents, or employees to perform and carry out their duties under their respective undertakings; provided that such rights shall be limited to an action to compel specific enforcement of the obligations of the Board hereunder and shall not include any rights to monetary damages.

Failure of the Board to comply with this Disclosure Agreement shall not be considered an Event of Default under the Indenture; however, the Trustee may (and, at the request of any Participating Underwriter or the Registered Owners of at least 25% in aggregate principal amount of Outstanding Series 2017A Bonds, shall) or any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Board to comply with its obligations under this Section. For purposes of this paragraph, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2017A Bonds (including persons holding Series 2017A Bonds through

nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017A Bonds for federal income tax purposes.

Except as set forth in the preceding paragraph, the Trustee shall not be obligated or liable to any holder of the Series 2017A Bonds or other party with respect to any aspect of the implementation, operation or enforcement of any undertaking set forth herein.

SECTION 8. Compliance with Prior Undertakings. Except as set forth in the Official Statement, during the past five years, the Board was in compliance, in all material respects, with its undertakings under continuing disclosure agreements entered into under Section (b)(5)(i) of Rule 15c2-12, if any.

SECTION 9. Amendments. This Disclosure Agreement may be amended, changed or modified pursuant to a written instrument signed by the Board and the Trustee, without the consent of any of the Bondholders, (a) to comply with the provisions of the Rule, (b) to cure any ambiguity, remedy any omission, or cure or correct any defect or inconsistent provision in the undertakings of the Board, or (c) if the Board makes a determination that any such amendment will not have a material adverse effect on the interest of the Bondholders; provided, that any such amendment, change or modification comply with the provisions of the Rule.

SECTION 10. Parties in Interest; Governing Law. This Disclosure Agreement is executed and delivered for the sole benefit of the holders of the Series 2017A Bonds, the Corporation, the Board and the Participating Underwriters and shall be governed by the laws of the State.

SECTION 11. Termination. The undertaking of the Board hereunder shall terminate on the earlier of (a) August 1, 2043 in the event that the Series 2017A Bonds have not been issued by such date; (b) such date that the Rule, or the provisions thereof are no longer effective; or (c) the date upon which there are no outstanding Series 2017A Bonds.

SECTION 12. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Board and the Trustee each have caused this Disclosure Agreement to be executed by its respective officers, duly authorized, all as of the date first above written.

BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING

By:_____
President

ACCEPTED BY:

REGIONS BANK, as Trustee

By _____

Title _____

Financial Advisory Services
Provided By