

The University of Texas System Administration
Exhibit A Statement of Net Position
As of August 31, 2013

	Current Year Totals	Restated Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	\$ 650,179,729.99	644,421,478.95
Restricted Cash & Cash Equivalents	35,074,505.47	30,146,982.96
Balance in State Appropriations		893.09
Securities Lending Collateral	633,473,260.60	511,400,510.21
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2013 & \$0.00 in 2012)	3,310,885.75	2,813,975.18
Interest and Dividend Receivables	35,699,158.00	41,973,304.74
Contributions (allow. \$4,144.14 in 2013 & \$26,117.77 in 2012)	14,531.90	38,182.68
Investment Trades Receivables	65,280,600.65	187,857,301.03
Other (allow. \$0.00 in 2013 & \$0.00 in 2012)	155,400,182.35	110,910,107.86
Due From Other Funds	312,818,712.03	189,602,242.43
Due From Other Institutions	84,533,196.38	77,807,288.38
Due From Other Agencies	114,938.33	3,065.06
Other Current Assets	19,218,011.80	19,174,865.57
Total Current Assets	<u>1,995,117,713.25</u>	<u>1,816,150,198.14</u>
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	17,581,039.64	1,306,219.80
Restricted Investments	27,843,429,101.22	25,122,415,151.16
Deposit with Brokers for Derivative Contracts	126,386,370.46	156,932,928.65
Contributions Rec. (allow. \$12,355.86 in 2013 & \$16,882.23 in 2012)	43,326.57	24,680.84
Unrestricted Investments	5,623,041,733.96	5,026,559,223.45
Other Noncurrent Assets	1,128,070.05	1,238,455.67
Gross Capital/Intangible Assets	7,909,307,881.53	7,834,739,687.27
Accumulated Depreciation/Amortization	<u>(85,853,833.11)</u>	<u>(82,610,256.85)</u>
Total Noncurrent Assets	<u>41,435,063,690.32</u>	<u>38,060,606,089.99</u>
Total Assets	<u>43,430,181,403.57</u>	<u>39,876,756,288.13</u>
Deferred Outflows of Resources:		
Deferred Outflows-FMV of Derivatives	136,968,095.02	334,084,156.86
Deferred Outflows-Unamortized Loss Refunding Debt	47,175,851.93	58,220,650.28
Total Deferred Outflows of Resources	<u>184,143,946.95</u>	<u>392,304,807.14</u>
Total Assets and Deferred Outflows	<u>43,614,325,350.52</u>	<u>40,269,061,095.27</u>
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	90,969,102.53	68,645,274.08
Salaries Payable	3,262,448.25	3,208,086.06
Investment Trades Payables	182,891,617.69	299,903,666.41
Incurred But Not Reported Self Insurance Claims	90,671,164.79	93,660,793.79
Securities Lending Obligations	633,473,260.60	511,400,510.21
Due To Other Funds	312,818,712.03	189,602,242.43
Due To Other Institutions	528,560,829.28	917,094,174.18
Due To Other State Agencies	11,423,016.66	14,135,895.91
Statewide Interfund Payable	23,160,000.00	22,390,000.00
Unearned Revenue	10,169,721.41	10,035,522.66
Employees' Compensable Leave - Current Portion	2,996,957.41	3,142,026.64
Notes, Loans, and Leases Payable	929,255,000.00	605,304,000.00
Payable From Restricted Assets	45,533,554.32	43,820,664.34
Revenue Bonds Payable	1,563,111,372.77	1,586,061,372.77
Other Current Liabilities	4,000.00	4,000.00
Total Current Liabilities	<u>4,428,300,757.74</u>	<u>4,368,408,229.48</u>
Noncurrent Liabilities:		
Incurred But Not Reported Self Insurance Claims	22,400,911.21	26,011,858.21
Employees' Compensable Leave	2,301,553.94	1,679,125.72
Assets Held for Others	6,122,866,906.27	5,493,285,156.84
Liability to Beneficiaries	13,280,563.88	13,933,250.59
Net Other Postemployment Benefits Obligation	2,799,477,678.00	2,263,866,591.00
Notes, Loans, and Leases Payable		
Revenue Bonds Payable	5,294,074,854.33	5,547,976,227.19
Statewide Interfund Payable	709,159,493.83	734,789,840.87
Hedging Derivative Liability (Noncurrent)	136,968,095.02	334,084,156.86
Payable to Brokers for Collateral Held	47,957,577.94	42,705,000.00
Investment Derivatives - Liability Positions	42,606,318.44	64,434,007.26
Other Noncurrent Liabilities	896,002.00	685,519.00
Total Noncurrent Liabilities	<u>15,191,989,954.86</u>	<u>14,523,450,733.54</u>
Total Liabilities	<u>19,620,290,712.60</u>	<u>18,891,858,963.02</u>
Deferred Inflows of Resources:		
Deferred Inflows-Unamortized Gain Refunding Debt	8,172,526.29	9,205,634.51
Total Deferred Inflows of Resources	<u>8,172,526.29</u>	<u>9,205,634.51</u>
Total Liabilities and Deferred Inflows	<u>19,628,463,238.89</u>	<u>18,901,064,597.53</u>
NET POSITION		
Net Investment in Capital Assets	75,898,206.79	61,095,755.35
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	13,040,144,150.93	10,942,330,319.56
Permanent Health, True Endowments, and Annuities Held for Institutions	3,862,727,090.79	3,749,425,987.87
Permanent Health, True Endowments, and Annuities	387,212,413.12	386,303,030.90
Expendable		
Capital Projects	12,020,925.61	11,957,383.97
Debt Service	3,827,646.45	5,665,282.55
Funds Functioning as Endowment (Restricted)	7,274,414.23	6,948,385.00
Funds Functioning as Endowments (Restricted Held for Institutions)	355,537,089.95	279,819,102.26
Other Expendable	8,061,990,895.30	7,327,038,071.00
Unrestricted	<u>(1,820,770,721.54)</u>	<u>(1,402,586,820.72)</u>
Total Net Position	<u>\$ 23,985,862,111.63</u>	<u>21,367,996,497.74</u>

The University of Texas System Administration
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended August 31, 2013

	Current Year Totals	Restated Prior Year Totals
Operating Revenues:		
Federal Sponsored Programs	9,057,399.51	9,758,955.81
State Sponsored Programs Pass-Through from State Agencies		7,006,794.00
Sales and Services of Educational Activities	30,078,793.75	39,234,364.22
Other Operating Revenues	48,031,740.85	38,506,753.26
Total Operating Revenues	<u>87,167,934.11</u>	<u>94,506,867.29</u>
Operating Expenses:		
Instruction		(731.88)
Institutional Support	658,316,987.24	600,311,650.18
Operations and Maintenance of Plant	307,674.93	6,535,797.87
Scholarships and Fellowships	1,384,350.00	1,181,390.00
Depreciation and Amortization	7,156,512.80	7,395,729.53
Total Operating Expenses	<u>667,165,524.97</u>	<u>615,423,835.70</u>
Operating Income (Loss)	<u>(579,997,590.86)</u>	<u>(520,916,968.41)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	8,147,991.91	8,187,964.51
Federal Nonexchange Sponsored Programs	28,426,629.41	29,736,756.52
Gift Contributions for Operations	1,160,499.57	1,188,549.55
Investment Income	1,542,531,182.05	1,468,553,697.01
Net Increase (Decrease) in Fair Value of Investments	2,016,084,994.93	1,652,969,082.51
Interest Expense on Capital Asset Financings	(269,112,890.70)	(266,069,301.91)
Gain (Loss) on Sale of Capital Assets	(6,161.14)	(51,552.10)
Other Nonoperating Revenues		19,223.00
Other Nonoperating (Expenses)	<u>(2,543,685.52)</u>	<u>(24,789,213.25)</u>
Net Nonoperating Revenues (Expenses)	<u>3,324,688,560.51</u>	<u>2,869,745,205.84</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	2,744,690,969.65	2,348,828,237.43
Additions to Permanent Endowments / Annuities	102,413,101.71	118,323,009.34
Reclass from/(to) Other Institutions	359,878,648.77	(280,900,188.60)
Change in Proceeds of Bonds Payable	56,522,166.56	166,816,421.56
Transfers Between Institutions & System, Debt Service - Mandatory	514,735,565.58	544,828,745.12
Transfers Between Institutions & System Admin. - Non mandatory	(958,315,774.67)	(562,762,969.01)
Transfers From Other State Agencies	25,348,456.32	19,578.87
Transfers to Other State Agencies	(227,403,589.44)	(314,653,100.94)
Legislative Appropriations Lapsed	<u>(3,930.59)</u>	
Change in Net Position	<u>2,617,865,613.89</u>	<u>2,020,499,733.77</u>
Beginning Net Position	<u>21,367,996,497.74</u>	<u>19,347,496,763.97</u>
Ending Net Position	<u>\$ 23,985,862,111.63</u>	<u>21,367,996,497.74</u>

The University of Texas System Administration
EXHIBIT C - STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2013

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
Cash Flows from Operating Activities:		
Proceeds from Sponsored Programs	8,445,526.24	18,862,685.05
Proceeds from Other Revenues	73,333,735.48	86,515,262.28
Payments to Suppliers	(72,882,264.54)	(99,542,004.05)
Payments to Employees	(45,310,076.91)	(41,016,585.48)
Net Cash Provided (Used) by Operating Activities	<u>(36,413,079.73)</u>	<u>(35,180,642.20)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	8,144,954.41	8,187,077.01
Proceeds from Operating Gifts	1,165,504.62	1,180,545.54
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	65,045,112.60	115,193,719.49
Receipts for Transfers from System or Other Agencies	126,574,819.38	(431,431,317.41)
Payments for Transfers to System or Other Agencies	(291,449,444.53)	-
Payments for Other Uses	55,879.92	(1,076,510.82)
Proceeds from Nonexchange Sponsored Programs	28,429,718.84	29,737,369.66
Net Cash Provided by Noncapital Financing Activities	<u>(62,033,454.76)</u>	<u>(278,209,116.53)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	435,441,000.00	912,380,670.00
Proceeds from Capital Debt Transferred from System (Nonmandatory)	(819,732,087.47)	(747,467,155.30)
Payments of Other Costs on Debt Issuance	(1,455,526.66)	(8,271,746.75)
Proceeds from Sale of Capital Assets	39,312.00	30,008.00
Payments for Additions to Capital Assets	(17,037,486.48)	(15,062,509.94)
Payments of Principal on Capital Related Debt	(358,195,000.00)	(687,059,000.00)
Mandatory Transfers to System for Capital Related Debt	514,735,565.58	544,828,745.12
Payments of Interest on Capital Related Debt	(269,332,488.79)	(267,666,631.94)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(515,536,711.82)</u>	<u>(268,287,620.81)</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	10,195,570,981.43	9,921,693,895.63
Proceeds from Interest and Investment Income	1,099,716,271.31	1,139,541,826.70
Payments to Acquire Investments	(10,654,343,413.04)	(10,411,719,628.12)
Net Cash Provided (Used) by Investing Activities	<u>640,943,839.70</u>	<u>649,516,094.21</u>
Net Increase (Decrease) in Cash	26,960,593.39	67,838,714.67
Cash and Cash Equivalents (Beginning of the Year)	675,874,681.71	608,035,967.04
Cash and Cash Equivalents (End of the Year)	<u>\$ 702,835,275.10</u>	<u>\$ 675,874,681.71</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash		
Provided (Used) by Operating Activities		
Operating Income (Loss)	(579,997,590.86)	(520,916,968.41)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	7,156,512.80	7,395,729.53
Changes in Assets and Liabilities:		
Accounts Receivable	1,079,192.51	1,842,689.19
Other Current and Noncurrent Assets	(160,039.68)	(9,101,957.37)
Accounts Payable	6,121,128.56	(8,021,579.23)
Due to System	(6,725,908.00)	(4,881,659.96)
Unearned Revenue	134,198.75	1,403,023.16
Assets Held for Others	(109,019.80)	(216,847.23)
Employees' Compensable Leave	477,358.99	102,373.12
Other Postemployment Benefits Obligation	535,611,087.00	497,214,555.00
Total Adjustments	<u>543,584,511.13</u>	<u>485,736,326.21</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (36,413,079.73)</u>	<u>\$ (35,180,642.20)</u>
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	2,016,084,994.93	1,652,969,082.51
Miscellaneous Noncash Transactions	(3,570,601.20)	(2,081,572.22)