

The University of Texas System Administration
 Exhibit A Statement of Net Position
 As of August 31, 2018

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	\$ 1,139,959,675.89	1,004,570,512.57
Restricted Cash & Cash Equivalents	124,699,192.83	60,803,841.97
Securities Lending Collateral	434,189,416.14	490,906,139.22
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2018 & \$0.00 in 2017)	10,842,694.43	8,029,107.35
Interest and Dividend Receivables	57,850,067.06	44,377,579.54
Contributions (allow. \$41.44 in 2018 & \$184.37 in 2017)	8,676.43	9,190.54
Investment Trades Receivables	488,068,868.16	680,960,415.49
Other (allow. \$0.00 in 2018 & \$0.00 in 2017)	239,649,975.85	148,733,375.85
Due From Other Funds	184,788,349.56	202,859,502.84
Due From Other Institutions	116,986,894.94	112,980,991.60
Due From Other Agencies	417,003.64	95,053.75
Other Current Assets	30,500,893.70	40,281,531.22
Total Current Assets	<u>2,827,961,708.63</u>	<u>2,794,607,241.94</u>
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	2,369,592.12	1,254,980.19
Restricted Investments	43,037,378,581.18	36,795,739,511.92
Deposit with Brokers for Derivative Contracts	45,836,427.93	76,443,257.38
Contributions Rec. (allow. \$58.56 in 2018 & \$415.63 in 2017)	12,258.01	20,718.11
Unrestricted Investments	10,342,397,373.42	9,298,415,500.85
Hedging Derivative Asset (Noncurrent)	37,067,661.00	10,339,315.00
Other Noncurrent Assets	26,614,201.95	25,114,370.32
Gross Capital/Intangible Assets	11,179,671,124.11	10,983,175,513.56
Accumulated Depreciation/Amortization	(128,512,308.89)	(119,163,226.72)
Total Noncurrent Assets	<u>64,542,834,910.83</u>	<u>57,071,339,940.61</u>
Total Assets	<u>67,370,796,619.46</u>	<u>59,865,947,182.55</u>
Total Deferred Outflows of Resources	996,206,673.93	1,255,997,263.34
Total Assets and Deferred Outflows	<u>68,367,003,293.39</u>	<u>61,121,944,445.89</u>
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	138,308,276.39	147,032,573.06
Salaries Payable	5,123,384.12	6,474,094.49
Investment Trades Payables	977,438,360.73	730,277,217.73
Incurred But Not Reported Self Insurance Claims	134,052,867.64	125,517,329.22
Total Other Postemployment Benefits Liability	202,555,282.00	196,993,644.00
Securities Lending Obligations	434,189,416.14	490,906,139.22
Due To Other Funds	184,788,349.56	202,859,502.84
Due To Other Institutions	992,561,108.23	1,132,541,175.56
Due To Other State Agencies	23,454,878.66	23,206,795.58
Statewide Interfund Payable	61,865,000.00	84,930,000.00
Unearned Revenue	618,124.83	2,374,554.76
Employees' Compensable Leave - Current Portion	2,686,725.82	2,637,891.22
Short-term Debt - Commercial Paper Notes	1,185,868,000.00	564,149,000.00
Notes, Loans, and Leases Payable		
Payable From Restricted Assets	76,324,882.58	70,284,719.10
Revenue Bonds Payable	1,826,253,298.70	1,845,796,760.54
Other Current Liabilities	481,036.41	3,181,509.79
Total Current Liabilities	<u>6,246,568,991.81</u>	<u>5,629,162,907.11</u>
Noncurrent Liabilities:		
Incurred But Not Reported Self Insurance Claims	30,866,320.36	35,619,242.78
Employees' Compensable Leave	5,360,546.02	5,451,731.13
Assets Held for Others	11,048,542,136.29	9,545,725,325.15
Liability to Beneficiaries	14,145,426.43	13,627,088.94
Total Other Postemployment Benefits Liability	10,514,556,063.00	10,580,035,138.00
Net Pension Liability	2,650,044,162.00	3,133,888,495.00
Notes, Loans, and Leases Payable		
Revenue Bonds Payable	7,671,716,733.84	7,156,928,386.92
Statewide Interfund Payable	1,213,058,775.54	891,586,119.86
Hedging Derivative Liability (Noncurrent)	165,354,206.00	246,087,922.00
Payable to Brokers for Collateral Held	111,679,000.00	17,550,000.00
Investment Derivatives - Liability Positions	68,043,372.89	171,471,313.28
Other Noncurrent Liabilities	2,541,010.34	2,260,629.22
Total Noncurrent Liabilities	<u>33,495,907,752.71</u>	<u>32,729,350,392.28</u>
Total Liabilities	<u>39,742,476,744.52</u>	<u>38,358,513,299.39</u>
Total Deferred Inflows of Resources	1,791,152,210.94	746,215,024.26
Total Liabilities and Deferred Inflows	<u>41,533,628,955.46</u>	<u>39,104,728,323.65</u>
NET POSITION		
Net Investment in Capital Assets	410,104,970.02	412,939,451.49
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	21,593,348,668.03	17,617,538,131.15
Permanent Health and True Endowments Held for Institutions	4,856,357,845.54	4,617,775,439.52
Permanent Health and True Endowments	394,407,314.11	392,159,211.33
Expendable		
Capital Projects	5,657,402.85	142,445,648.69
Debt Service	5,162,764.82	11,252,425.57
Funds Functioning as Endowment (Restricted)	9,147,677.98	8,727,943.08
Funds Functioning as Endowments (Restricted Held for Institutions)	590,199,483.53	551,174,141.21
Other Expendable	11,532,703,453.34	10,444,068,847.64
Unrestricted	(12,563,715,242.29)	(12,180,865,117.44)
Total Net Position	<u>\$ 26,833,374,337.93</u>	<u>22,017,216,122.24</u>

The University of Texas System Administration
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended August 31, 2018

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Federal Sponsored Programs	21,204,404.80	19,499,636.61
State Sponsored Programs Pass-Through from State Agencies	10,765,963.15	2,250,000.00
Private Sponsored Programs		30,000.00
Sales and Services of Educational Activities	33,360,537.21	42,219,237.55
Other Operating Revenues	<u>259,712,351.57</u>	<u>86,132,704.33</u>
Total Operating Revenues	<u>325,043,256.73</u>	<u>150,131,578.49</u>
Operating Expenses:		
Instruction		
Research		
Public Service	2,742,506.48	15,098,798.27
Academic Support	14,537,676.66	23,240,306.40
Student Services		
Institutional Support	1,013,621,304.72	1,165,863,097.19
Operations and Maintenance of Plant	1,219,376.25	8,452,471.18
Scholarships and Fellowships	1,605,200.00	1,722,800.00
Auxiliary Enterprises		
Depreciation and Amortization	<u>25,237,328.52</u>	<u>19,651,255.25</u>
Total Operating Expenses	<u>1,058,963,392.63</u>	<u>1,234,028,728.29</u>
Operating Income (Loss)	<u>(733,920,135.90)</u>	<u>(1,083,897,149.80)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	9,516,706.00	9,052,747.36
Federal Nonexchange Sponsored Programs	27,198,469.88	27,256,293.57
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	1,099,748.75	2,190,184.15
Investment Income	3,414,061,644.90	2,407,675,141.42
Net Increase (Decrease) in Fair Value of Investments	3,097,600,082.24	1,097,125,615.11
Interest Expense on Capital Asset Financings	(281,615,701.59)	(262,205,409.51)
Gain (Loss) on Sale of Capital Assets	(4,654,132.18)	(5,193,233.18)
Other Nonoperating Revenues	1,458,602.40	635,000.01
Other Nonoperating (Expenses)	<u>(9,300,624.70)</u>	<u>(7,474,727.25)</u>
Net Nonoperating Revenues (Expenses)	<u>6,255,364,795.70</u>	<u>3,269,061,611.68</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	5,521,444,659.80	2,185,164,461.88
Gifts and Sponsored Programs for Capital Acquisitions	3,495,000.00	
Additions to Permanent Endowments	203,371,729.70	159,661,996.40
Reclass from/(to) Other Institutions	112,512,047.88	541,223,847.02
Change in Proceeds of Bonds Payable	189,981,009.85	606,683,010.10
Transfers Between Institutions & System, Debt Service - Mandatory	706,062,395.72	742,368,892.62
Transfers Between Institutions & System Admin. - Non mandatory	(1,297,971,219.88)	(1,915,400,112.01)
Transfers From Other State Agencies	12,405.60	43,219,940.18
Transfers to Other State Agencies	(622,749,812.48)	299,470,978.89
Legislative Appropriations Lapsed	(0.50)	(13,249.35)
Change in Net Position	<u>4,816,158,215.69</u>	<u>2,063,437,807.95</u>
Beginning Net Position	22,017,216,122.24	25,426,856,023.57
Restatements		<u>(5,473,077,709.28)</u>
Beginning Net Position (As Restated)	<u>22,017,216,122.24</u>	<u>19,953,778,314.29</u>
Ending Net Position	<u>\$ 26,833,374,337.93</u>	<u>22,017,216,122.24</u>

The University of Texas System Administration
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2018

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
Cash Flows from Operating Activities:		
Proceeds from Sponsored Programs	28,829,037.06	16,695,255.21
Proceeds from Other Revenues	278,084,140.14	124,039,182.49
Payments to Suppliers	(295,789,446.96)	(121,786,217.74)
Payments to Employees	(77,525,344.97)	(91,174,763.97)
Net Cash Provided (Used) by Operating Activities	<u>(66,401,614.73)</u>	<u>(72,226,544.01)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	9,516,705.50	9,039,498.01
Proceeds from Operating Gifts	1,100,522.96	1,253,734.52
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	981,052,433.26	295,602,339.05
Proceeds from Other Nonoperating Revenues	1,458,602.40	635,000.01
Receipts for Transfers from System or Other Agencies	2,228,830.16	38,271,717.31
Payments for Transfers to System or Other Agencies	(904,761,177.57)	(561,476,556.54)
Payments for Other Uses	(3,070,530.15)	(43,000.00)
Proceeds from Nonexchange Sponsored Programs	27,204,263.80	27,262,777.74
Net Cash Provided by Noncapital Financing Activities	<u>114,729,650.36</u>	<u>(189,454,489.90)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	2,011,465,262.13	3,525,150,176.90
Nonmandatory Capital Related Transfers	(1,140,106,005.41)	(1,128,191,566.90)
Payments of Other Costs on Debt Issuance	(6,230,094.55)	(7,428,395.84)
Proceeds from Capital Appropriations, Grants, and Gifts	3,000,000.00	-
Payments for Additions to Capital Assets	(34,773,876.04)	(89,878,452.36)
Payments of Principal on Capital Related Debt	(1,748,372,000.00)	(2,876,511,000.00)
Mandatory Transfers to System for Capital Related Debt	706,062,395.72	742,368,892.62
Payments of Interest on Capital Related Debt	(356,086,443.91)	(337,969,022.37)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(565,040,762.06)</u>	<u>(172,459,367.95)</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	25,189,228,435.43	19,916,828,512.74
Proceeds from Interest and Investment Income	1,976,085,338.40	1,068,580,761.27
Payments to Acquire Investments	(26,448,201,921.29)	(20,413,046,879.37)
Net Cash Provided (Used) by Investing Activities	<u>717,111,852.54</u>	<u>572,362,394.64</u>
Net Increase (Decrease) in Cash	200,399,126.11	138,221,992.78
Cash and Cash Equivalents (Beginning of the Year)	<u>1,066,629,334.73</u>	<u>928,407,341.95</u>
Cash and Cash Equivalents (End of the Year)	<u>\$ 1,267,028,460.84</u>	<u>\$ 1,066,629,334.73</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(733,920,135.90)	(1,083,897,149.80)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	25,237,328.52	19,651,255.25
Gross Loss on Impairment of Capital Assets	-	11,797,588.77
OPEB Expense	843,220,745.00	934,204,701.00
Pension Expense	251,961,770.00	367,734,346.00
Changes in Assets and Liabilities:		
Accounts Receivable	(15,058,950.85)	(12,344,121.95)
Other Current and Noncurrent Assets	(1,407,841.64)	(3,071,183.77)
Deferred Outflows-Other Postemployment Benefits	(8,006,018.00)	(95,030,529.00)
Deferred Outflows-Pension Related	187,209,869.42	(306,662,510.13)
Accounts Payable	3,117,107.15	58,308,028.82
Due to System	(4,115,648.61)	(7,460,356.06)
Unearned Revenue	(1,748,229.93)	(612,335.71)
Employees' Compensable Leave	(42,350.51)	(625,035.61)
Pension Related Obligations	(735,806,103.00)	21,460,404.00
Other Current and Noncurrent Liabilities	(2,700,473.38)	3,169,186.18
Deferred Inflows-Other Postemployment Benefits	764,599,101.00	263,884,994.00
Deferred Inflows-Pension Related	264,196,398.00	21,151,168.00
Other Postemployment Benefits Obligation	(903,138,182.00)	(263,884,994.00)
Total Adjustments	<u>667,518,521.17</u>	<u>1,011,670,605.79</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (66,401,614.73)</u>	<u>\$ (72,226,544.01)</u>
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	2,912,825,277.88	1,462,602,283.08
Donated Capital Assets	495,000.00	-
Miscellaneous Noncash Transactions	(4,641,726.58)	(17,006,400.93)