

The University of Texas System Administration  
 Exhibit A Statement of Net Position  
 As of August 31, 2016

	Current Year Totals	Prior Year Totals
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
Current Assets:		
Cash & Cash Equivalents	\$ 873,230,370.91	839,912,441.09
Restricted Cash & Cash Equivalents	54,100,000.65	52,379,347.56
Securities Lending Collateral	729,334,827.51	687,047,330.44
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2016 & \$0.00 in 2015)	2,935,591.52	2,770,550.91
Interest and Dividend Receivables	37,294,820.50	35,106,669.01
Contributions (allow. \$147.90 in 2016 & \$138.50 in 2015)	8,374.08	4,732,700.90
Investment Trades Receivables	418,023,751.28	171,875,846.05
Other (allow. \$0.00 in 2016 & \$0.00 in 2015)	128,812,518.56	161,439,642.36
Due From Other Funds	254,674,674.47	266,208,756.98
Due From Other Institutions	105,467,311.14	95,436,016.87
Due From Other Agencies	110,672.35	73,539.83
Other Current Assets	22,604,349.09	23,472,758.48
Total Current Assets	<u>2,626,597,262.06</u>	<u>2,340,455,600.48</u>
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	1,076,970.39	1,967,806.85
Restricted Investments	34,054,197,666.19	31,937,695,263.43
Deposit with Brokers for Derivative Contracts	52,262,632.08	34,801,816.21
Contributions Rec. (allow. \$352.10 in 2016 & \$361.50 in 2015)	19,936.94	32,791,290.19
Unrestricted Investments	8,092,203,906.48	7,386,289,224.87
Other Noncurrent Assets	5,998,831.11	3,153,503.44
Gross Capital/Intangible Assets	10,312,829,834.85	8,746,187,198.11
Accumulated Depreciation/Amortization	(107,797,135.81)	(95,311,175.76)
Total Noncurrent Assets	<u>52,410,792,642.23</u>	<u>48,047,574,927.34</u>
Total Assets	<u>55,037,389,904.29</u>	<u>50,388,030,527.82</u>
Total Deferred Outflows of Resources	<u>951,908,620.93</u>	<u>739,978,427.60</u>
Total Assets and Deferred Outflows	<u>55,989,298,525.22</u>	<u>51,128,008,955.42</u>
<b>LIABILITIES AND DEFERRED INFLOWS</b>		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	104,972,961.73	126,800,597.98
Salaries Payable	6,613,785.78	6,210,991.26
Investment Trades Payables	579,420,470.30	223,527,264.10
Incurred But Not Reported Self Insurance Claims	104,109,224.17	100,133,339.36
Securities Lending Obligations	729,334,827.51	687,047,330.44
Due To Other Funds	254,674,674.47	266,208,756.98
Due To Other Institutions	1,085,410,945.28	554,339,941.77
Due To Other State Agencies	19,755,137.22	16,979,126.20
Statewide Interfund Payable	48,475,000.00	37,770,000.00
Unearned Revenue	2,976,190.47	3,798,845.73
Employees' Compensable Leave - Current Portion	2,773,510.76	2,810,647.06
Short-term Debt - Commercial Paper Notes	852,096,000.00	1,505,717,000.00
Notes, Loans, and Leases Payable		
Payable From Restricted Assets	54,135,959.59	85,634,779.09
Revenue Bonds Payable	1,561,116,452.12	1,544,551,735.62
Other Current Liabilities	12,323.61	4,000.00
Total Current Liabilities	<u>5,405,877,463.01</u>	<u>5,161,534,355.59</u>
Noncurrent Liabilities:		
Incurred But Not Reported Self Insurance Claims	28,381,778.83	19,657,984.64
Employees' Compensable Leave	5,941,147.20	5,349,355.23
Assets Held for Others	8,236,958,966.44	7,482,171,621.04
Liability to Beneficiaries	14,056,917.88	13,770,992.95
Net Other Postemployment Benefits Obligation	4,647,430,554.00	3,984,975,778.00
Net Pension Liability	2,744,693,745.00	2,302,987,540.82
Notes, Loans, and Leases Payable	1,034,019,000.00	
Revenue Bonds Payable	6,485,797,623.09	5,519,804,382.55
Statewide Interfund Payable	971,261,060.04	974,653,632.73
Hedging Derivative Liability (Noncurrent)	338,725,063.00	261,612,901.20
Payable to Brokers for Collateral Held	7,666,922.61	35,330,000.00
Investment Derivatives - Liability Positions	233,839,736.38	158,316,330.52
Other Noncurrent Liabilities	3,633,424.35	2,114,065.20
Total Noncurrent Liabilities	<u>24,752,405,938.82</u>	<u>20,760,744,584.88</u>
Total Liabilities	<u>30,158,283,401.83</u>	<u>25,922,278,940.47</u>
Total Deferred Inflows of Resources	<u>404,159,099.82</u>	<u>709,990,144.31</u>
Total Liabilities and Deferred Inflows	<u>30,562,442,501.65</u>	<u>26,632,269,084.78</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	360,642,873.79	135,549,390.92
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	16,976,622,544.14	15,532,160,890.08
Permanent Health, True Endowments, and Annuities Held for Institutions	4,436,811,298.96	4,213,492,258.75
Permanent Health, True Endowments, and Annuities	390,242,222.65	390,376,316.11
Expendable		
Capital Projects	24,831,800.02	11,723,854.02
Debt Service	14,368,879.72	3,305,802.76
Funds Functioning as Endowment (Restricted)	8,012,042.26	7,650,547.04
Funds Functioning as Endowments (Restricted Held for Institutions)	480,348,107.56	437,386,863.32
Other Expendable	8,606,298,149.89	8,855,249,813.14
Unrestricted	(5,871,321,895.42)	(5,091,155,865.50)
Total Net Position	<u>\$ 25,426,856,023.57</u>	<u>24,495,739,870.64</u>

The University of Texas System Administration  
 Exhibit B Statement of Revenues, Expenses, and Changes in Net Position  
 For the Year Ended August 31, 2016

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Federal Sponsored Programs	11,621,417.52	10,735,936.98
State Sponsored Programs Pass-Through from State Agencies	12,456,794.00	3,375,000.00
Private Sponsored Programs	3,300,000.00	271,548.00
Sales and Services of Educational Activities	49,972,291.09	44,489,945.32
Other Operating Revenues	48,277,587.92	16,208,052.38
Total Operating Revenues	<u>125,628,090.53</u>	<u>75,080,482.68</u>
Operating Expenses:		
Public Service	465,967.03	2,865,346.50
Academic Support	9,199,937.30	9,067,034.00
Institutional Support	887,002,974.74	759,288,876.33
Operations and Maintenance of Plant	1,448,206.17	1,519,268.97
Scholarships and Fellowships	1,838,800.00	2,397,350.00
Depreciation and Amortization	17,791,273.20	16,167,829.31
Total Operating Expenses	<u>917,747,158.44</u>	<u>791,305,705.11</u>
Operating Income (Loss)	<u>(792,119,067.91)</u>	<u>(716,225,222.43)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	8,891,505.28	7,944,532.44
Federal Nonexchange Sponsored Programs	27,289,800.21	27,428,350.07
Gift Contributions for Operations	1,783,263.04	44,338,940.61
Investment Income	1,243,441,100.77	1,954,887,752.00
Net Increase (Decrease) in Fair Value of Investments	877,464,894.19	(4,192,789,113.73)
Interest Expense on Capital Asset Financings	(276,778,612.51)	(248,588,537.83)
Gain (Loss) on Sale of Capital Assets	7,783,606.56	11,616.85
Other Nonoperating Revenues	2,455,062.00	804,000.00
Other Nonoperating (Expenses)	(9,532,854.95)	(8,890,104.37)
Net Nonoperating Revenues (Expenses)	<u>1,882,797,764.59</u>	<u>(2,414,852,563.96)</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	1,090,678,696.68	(3,131,077,786.39)
Gifts and Sponsored Programs for Capital Acquisitions		41,828.44
Additions to Permanent Endowments / Annuities	166,898,449.54	122,266,487.16
Reclass from/(to) Other Institutions	180,309,030.40	(83,689,178.88)
Change in Proceeds of Bonds Payable	1,329,063,193.82	325,562,497.00
Transfers Between Institutions & System, Debt Service - Mandatory	584,905,145.61	552,990,915.06
Transfers Between Institutions & System Admin. - Non mandatory	(2,120,962,289.99)	(535,529,391.08)
Transfers to Other State Agencies	297,294,682.68	433,120,484.73
Legislative Appropriations Lapsed	(3,504.74)	(3,358.49)
Change in Net Position	<u>933,594,038.64</u>	<u>(3,182,558,471.91)</u>
Beginning Net Position	24,495,739,870.64	30,287,060,627.72
Restatements	(2,477,885.71)	(2,608,762,285.17)
Beginning Net Position (As Restated)	<u>24,493,261,984.93</u>	<u>27,678,298,342.55</u>
Ending Net Position	<u>\$ 25,426,856,023.57</u>	<u>24,495,739,870.64</u>

The University of Texas System Administration  
Exhibit C - Statement of Cash Flows  
For the Year Ended August 31, 2016

	<u>Current Year Totals</u>	<u>Prior Year Totals</u>
Cash Flows from Operating Activities:		
Proceeds from Sponsored Programs	27,041,079.00	14,636,075.86
Proceeds from Other Revenues	92,781,895.38	52,328,432.17
Payments to Suppliers	(152,028,071.39)	(98,381,003.26)
Payments to Employees	(79,201,227.43)	(74,246,480.18)
Net Cash Provided (Used) by Operating Activities	<u>(111,406,324.44)</u>	<u>(105,662,975.41)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	8,888,000.54	7,982,602.34
Proceeds from Operating Gifts	2,763,240.44	6,865,096.38
Proceeds from Private Gifts for Endowment and Annuity Life Purposes	357,227,899.13	250,963,212.46
Proceeds from Other Nonoperating Revenues	2,123,830.00	804,000.00
Receipts for Transfers from System or Other Agencies	134,821,208.99	172,089,033.93
Payments for Transfers to System or Other Agencies	(859,833,894.44)	(490,392,107.39)
Payments for Other Uses	-	(1,997,787.88)
Proceeds from Nonexchange Sponsored Programs	27,424,759.60	27,364,351.52
Net Cash Provided by Noncapital Financing Activities	<u>(326,584,955.74)</u>	<u>(26,321,598.64)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	2,327,153,222.54	1,469,263,766.14
Nonmandatory Capital Related Transfers	(1,006,833,409.64)	(858,097,008.05)
Payments of Other Costs on Debt Issuance	(7,783,743.67)	(4,711,240.55)
Proceeds from Sale of Capital Assets	8,235,588.00	37,262.50
Payments for Additions to Capital Assets	(255,643,389.23)	(52,535,677.20)
Payments of Principal on Capital Related Debt	(928,852,000.00)	(1,105,265,000.00)
Mandatory Transfers to System for Capital Related Debt	584,905,145.61	552,990,915.06
Payments of Interest on Capital Related Debt	(305,561,366.91)	(279,518,895.06)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>415,620,046.70</u>	<u>(277,835,877.16)</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	15,350,593,878.20	14,295,152,352.93
Proceeds from Interest and Investment Income	794,380,530.76	1,055,392,906.57
Payments to Acquire Investments	(16,088,455,429.03)	(14,835,338,348.07)
Net Cash Provided (Used) by Investing Activities	<u>56,518,979.93</u>	<u>515,206,911.43</u>
Net Increase (Decrease) in Cash	34,147,746.45	105,386,460.22
Cash and Cash Equivalents (Beginning of the Year)	894,259,595.50	788,873,135.28
Cash and Cash Equivalents (End of the Year)	<u>\$ 928,407,341.95</u>	<u>\$ 894,259,595.50</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash		
Provided (Used) by Operating Activities		
Operating Income (Loss)	(792,119,067.91)	(716,225,222.43)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	17,791,273.20	16,167,829.31
Bad Debt Expense	17,335,255.07	-
Changes in Assets and Liabilities:		
Accounts Receivable	(1,385,290.60)	(7,555,501.80)
Other Current and Noncurrent Assets	(2,482,465.05)	(2,877,344.92)
Accounts Payable	(5,095,944.50)	25,935,207.40
Due to System	(9,933,968.58)	(4,569,632.32)
Unearned Revenue	(822,655.26)	(11,950,214.96)
Employees' Compensable Leave	554,655.67	1,613,809.02
Pension Related Obligations	2,295,477.24	(31,828,534.71)
Other Current and Noncurrent Liabilities	1,630.28	(1,265.00)
Other Postemployment Benefits Obligation	662,454,776.00	625,627,895.00
Total Adjustments	<u>680,712,743.47</u>	<u>610,562,247.02</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (111,406,324.44)</u>	<u>\$ (105,662,975.41)</u>
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	1,047,317,833.80	(4,664,945,570.24)
Donated Capital Assets	-	41,828.44
Miscellaneous Noncash Transactions	(213,727,840.27)	253,314,016.58