

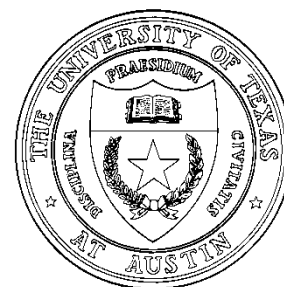
THE UNIVERSITY OF TEXAS AT AUSTIN

ANNUAL FINANCIAL REPORT

(WITH DETAILED SUPPORTIVE SCHEDULES)

UNAUDITED

FISCAL YEAR ENDED AUGUST 31, 2019



The University of Texas at Arlington ♦ The University of Texas at Austin ♦ The University of Texas at Dallas
♦ The University of Texas at El Paso ♦ The University of Texas Permian Basin ♦ The University of Texas Rio
Grande Valley ♦ The University of Texas at San Antonio ♦ The University of Texas at Tyler ♦ The University
of Texas Southwestern Medical Center ♦ The University of Texas Medical Branch at Galveston ♦ The
University of Texas Health Science Center at Houston ♦ The University of Texas Health Science Center at
San Antonio ♦ The University of Texas M. D. Anderson Cancer Center ♦ The University of Texas Health
Science Center at Tyler ♦ The University of Texas System Administration

THE UNIVERSITY OF TEXAS AT AUSTIN
FINANCIAL STATEMENTS
(WITH DETAILED SUPPORTIVE SCHEDULES)

Presented herein are the financial statements with detailed supportive schedules for The University of Texas at Austin for the year ended August 31, 2019. These Statements and detailed supportive schedules have been prepared in compliance with applicable State statutes, Governmental Accounting Standards Board pronouncements, and the Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements.

This "detailed internal report" supplements the consolidated published Annual Financial Report of The University of Texas System and is intended to be for limited distribution primarily to financial and academic officers of the University who need access to the details included herein. It also provides an historical record of transactions relating to this particular institution.

The Annual Financial Report for public distribution for The University of Texas System includes primary statements on a consolidated System-wide basis, including footnotes and Managements' Discussion and Analysis.

THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS
As of August 31, 2019

Officers

Kevin P. Eltife, Chairman
Janiece Longoria, Vice Chairman
James Conrad “Rad” Weaver, Vice Chairman
Francie A. Frederick, General Counsel to the Board of Regents

Members

*Terms scheduled to expire February 1, 2021**

David J. Beck	Houston
R. Steven “Steve” Hicks	Austin
Nolan E. Perez	Harlingen

*Terms scheduled to expire February 1, 2023**

Kevin P. Eltife	Tyler
Janiece Longoria	Houston
James Conrad “Rad” Weaver	San Antonio

*Terms scheduled to expire February 1, 2025**

Christina Melton Crain	Dallas
Jodie Lee Jiles	Houston
Kelcy L. Warren	Dallas

*Term scheduled to expire May 31, 2020**

Daniel R. Dominguez (Student Regent)	El Paso
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*Each Regent’s term expires when a successor has been appointed, qualified, and taken the oath of office.
The Student Regent serves a one-year term.

THE UNIVERSITY OF TEXAS SYSTEM
SENIOR ADMINISTRATIVE OFFICIALS

As of August 31, 2019

James B. Milliken, Chancellor
Scott C. Kelley, Executive Vice Chancellor for Business Affairs
Steven W. Leslie, Executive Vice Chancellor for Academic Affairs
Amy Shaw Thomas, Executive Vice Chancellor for Health Affairs, *ad interim*
Stephanie A. Bond Huie, Vice Chancellor for Institutional Research and Analysis
David L. Lakey, Vice Chancellor for Health Affairs and Chief Medical Officer
Stacey Napier, Vice Chancellor for Governmental Relations
Randa S. Safady, Vice Chancellor for External Relations, Communications, and Advancement Services
Daniel H. Sharphorn, Vice Chancellor and General Counsel
Thomas Britton "Britt" Harris IV, President, CEO and Chief Investment Officer–UTIMCO

THE UNIVERSITY OF TEXAS AT AUSTIN
SENIOR ADMINISTRATIVE OFFICIALS

As of August 31, 2019

Gregory L. Fenves, President
Maurie McInnis, Executive Vice President and Provost
Darrell L. Bazzell, Senior Vice President and Chief Financial Officer
Scott Rabenold, Vice President for Development
Leonard N. Moore, Vice President for Diversity and Community Engagement
Jim Davis, Vice President for Legal Affairs
S. Claiborne "Clay" Johnston, Vice President for Medical Affairs
Daniel T. Jaffe, Vice President for Research
Soncia Reagins-Lilly, Vice President for Student Affairs and Dean of Students
Chris Del Conte, Vice President and Athletics Director
Nancy Oakley, Deputy to the President
Carlos Martinez, Chief of Staff
Harrison Keller, Deputy to the President for Strategy and Policy
Jay Dyer, Deputy to the President for Governmental Relations
Gary Susswein, Chief Communications Officer
Leo Barnes, Chief Compliance Officer
Lee Bash, Executive Director of Development Events
Trice Humpert, Interim Assistant Vice President for Information Technology Services
Lori A. Peterson, Interim Assistant Vice President for Accounting and Financial Management
Terri Shrode, Interim Assistant Vice President for Procurement, Business Contracts, and Payment Services
Sandy Jansen, Chief Audit Executive
Sonia Feigenbaum, Sr. Vice Provost for Global Engagement
Rachelle Hernandez, Sr. Vice Provost for Enrollment Management
Lorraine J. Haricombe, Vice Provost and Director of University of Texas Libraries
Tasha Beretvas, Sr. Vice Provost for Faculty Affairs
Larry Singell, Sr. Vice Provost for Resource Management
Edmund Gordon, Vice Provost for Diversity
David Platt, Vice Provost for Undergraduate Academic Affairs

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The University of Texas at Austin
Exhibit A Statement of Net Position
As of August 31, 2019

	Current YearTotals	Prior YearTotals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	\$ 373,811,784.83	301,771,382.19
Restricted Cash & Cash Equivalents	92,424,541.06	66,465,802.50
Balance in State Appropriations	7,973,209.84	5,494,629.12
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2019 & \$0.00 in 2018)	70,167,041.26	58,122,623.60
Other Intergov. (allow. \$0.00 in 2019 & \$0.00 in 2018)	6,766,237.81	9,080,023.66
Student (allow. \$1,042,987.95 in 2019 & \$1,373,724.85 in 2018)	91,872,511.22	100,557,595.05
Interest and Dividend Receivables	8,785,399.25	9,022,606.97
Contributions (allow. \$1,363,582.32 in 2019 & \$65,307.84 in 2018)	69,065,717.24	56,866,630.71
Other (allow. \$106,523.97 in 2019 & \$92,554.43 in 2018)	37,868,162.01	15,443,624.88
Due From Other Funds	66,979,866.52	55,652,831.38
Due From System Administration	609,047,934.52	620,072,695.96
Due From Other Institutions	818,162.02	621,024.50
Due From Other Agencies	7,552,311.77	13,101,021.26
Inventories	6,057,262.17	5,874,637.42
Loans & Contracts (allow. \$0.00 in 2019 & \$0.00 in 2018)	7,857,714.40	8,244,705.23
Other Current Assets	68,682,103.21	67,482,730.63
Total Current Assets	1,525,729,959.13	1,393,874,565.06
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	63,417.80	
Restricted Investments	350,965,965.98	416,205,156.55
Loans & Contracts (allow. \$20,187,497.73 in 2019 & \$19,071,515.06 in 2018)	33,076,545.77	42,782,373.67
Funds Held by System Administration (Restricted)	4,342,019,763.53	4,066,679,825.28
Contributions Rec. (allow. \$1,667.89 in 2019 & \$11,523.11 in 2018)	197,818,307.65	152,113,497.55
Unrestricted Investments	968,055,952.62	1,132,872,252.04
Funds Held by System Administration (Unrestricted)	370,420,462.87	36,345,682.85
Other Noncurrent Assets	8,573,725.96	11,719,864.96
Gross Capital/Intangible Assets	7,962,885,540.14	7,586,936,903.84
Accumulated Depreciation/Amortization	(3,817,999,998.41)	(3,525,424,217.36)
Total Noncurrent Assets	10,415,879,683.91	9,920,231,339.38
Total Assets	11,941,609,643.04	11,314,105,904.44
Total Deferred Outflows of Resources		
	1,497,692.30	2,951,527.97
Total Assets and Deferred Outflows	11,943,107,335.34	11,317,057,432.41
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	121,919,667.73	99,171,494.99
Salaries Payable	103,996,089.17	87,844,218.32
Due To Other Funds	66,979,866.52	55,652,831.38
Due To System Administration	20,881,547.00	20,702,838.81
Due To Other Institutions	465,110.97	626,607.37
Due To Other State Agencies	485,714.44	608,926.00
Unearned Revenue	571,373,850.17	558,438,951.96
Employees' Compensable Leave - Current Portion	39,376,659.70	40,523,999.99
Notes, Loans, and Leases Payable	640,336.53	572,096.66
Other Current Liabilities	7,340,364.36	5,010,969.37
Total Current Liabilities	933,459,206.59	869,152,934.85
Noncurrent Liabilities:		
Employees' Compensable Leave	24,619,040.37	24,203,540.08
Assets Held for Others	10,151,941.71	10,366,755.90
Liability to Beneficiaries	8,615,975.53	8,460,884.47
Notes, Loans, and Leases Payable	424,687.50	505,150.79
Asset Retirement Obligation	4,456,500.00	4,456,500.00
Other Noncurrent Liabilities	42,718,656.85	42,389,660.64
Total Noncurrent Liabilities	90,986,801.96	90,382,491.88
Total Liabilities	1,024,446,008.55	959,535,426.73
Total Deferred Inflows of Resources		
	12,185,176.56	15,303,607.43
Total Liabilities and Deferred Inflows	1,036,631,185.11	974,839,034.16
NET POSITION		
Net Investment in Capital Assets	4,143,820,517.70	4,060,435,439.03
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	2,169,432,258.52	2,046,557,969.50
Expendable		
Capital Projects	32,092,268.35	69,057,047.00
Funds Functioning as Endowment (Restricted)	307,212,037.19	295,442,739.39
Other Expendable	2,494,975,640.64	2,301,124,758.60
Unrestricted	1,758,943,427.83	1,569,600,444.73
Total Net Position	\$ 10,906,476,150.23	10,342,218,398.25

The University of Texas at Austin
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2019

	Current YearTotals	Prior YearTotals
Operating Revenues:		
Student Tuition and Fees	\$ 698,441,077.39	678,935,508.94
Discounts and Allowances	(182,861,093.61)	(169,909,244.08)
Federal Sponsored Programs	442,717,142.06	437,417,698.64
Federal Sponsored Programs Pass-Through from State Agencies	14,496,940.26	26,373,316.41
State Sponsored Programs Pass-Through from State Agencies	61,464,223.75	61,519,511.09
Local Sponsored Programs	14,553,434.46	9,156,435.87
Private Sponsored Programs	132,730,882.26	111,710,529.83
Sales and Services of Educational Activities	308,290,630.88	270,553,794.85
Discounts and Allowances Sales and Services of Educational Activities	(13,563.81)	(71,143.88)
Professional Fees (Patient Charges)	10,187,945.87	4,274,645.40
Discounts and Allowances Professional Fees (Patient Charges)	(4,158,945.97)	(1,930,759.03)
Auxiliary Enterprises	361,815,872.84	335,037,743.43
Discounts and Allowances Auxiliary Enterprises	(12,191,186.38)	(16,179,288.70)
Other Operating Revenues	10,377,101.43	9,318,535.52
Total Operating Revenues	1,855,850,461.43	1,756,207,284.29
Operating Expenses:		
Instruction	676,702,611.58	679,721,935.80
Research	516,252,929.11	491,326,099.46
Public Service	126,117,790.68	124,346,227.05
Hospitals / Clinics	33,615,386.58	18,740,042.74
Academic Support	351,620,955.32	306,355,538.88
Student Services	52,333,306.58	54,627,143.20
Institutional Support	183,972,733.19	163,688,977.71
Operations and Maintenance of Plant	223,019,080.25	217,836,537.30
Scholarships and Fellowships	122,587,499.25	113,949,505.78
Auxiliary Enterprises	323,388,375.29	320,880,411.89
Depreciation and Amortization	346,250,532.88	298,956,976.14
Total Operating Expenses	2,955,861,200.71	2,790,429,395.95
Operating Income (Loss)	(1,100,010,739.28)	(1,034,222,111.66)
Nonoperating Revenues (Expenses):		
State Appropriations	355,860,024.18	358,321,173.90
Federal Nonexchange Sponsored Programs	45,771,675.83	45,574,792.91
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Local Nonexchange Sponsored Programs	35,002,047.98	35,000,000.00
Gift Contributions for Operations	173,651,718.89	160,556,387.45
Investment Income	277,991,421.13	258,570,050.32
Net Increase (Decrease) in Fair Value of Investments	123,032,572.56	236,985,666.72
Interest Expense on Capital Asset Financings	(20,995.59)	
Gain (Loss) on Sale of Capital Assets	(25,034,194.92)	(21,723,900.75)
Other Nonoperating Revenues	38,181,497.40	28,144,227.06
Other Nonoperating (Expenses)	(695,197.58)	(45,161,242.80)
Net Nonoperating Revenues (Expenses)	1,023,740,569.88	1,056,267,154.81
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	(76,270,169.40)	22,045,043.15
Gifts and Sponsored Programs for Capital Acquisitions	145,865,179.20	147,898,200.70
Additions to Permanent Endowments	121,040,429.78	111,936,388.40
Reclass from/(to) Other Institutions	(182,228,542.53)	(131,205,305.43)
Capital Asset Purchases		
Transactions Between Funds		
Transfers Between Institutions & System, Debt Service - Mandatory	(150,335,347.26)	(137,584,581.10)
Transfers Between Institutions & System Admin. - Non mandatory	704,401,417.00	634,029,479.97
Transfers From Other State Agencies	1,922,484.98	1,884,419.26
Transfers to Other State Agencies	(134,389.79)	(366,865.06)
Legislative Appropriations Lapsed	(3,310.00)	
Transfers Between Funds		
Change in Net Position	564,257,751.98	648,636,779.89
Beginning Net Position	10,342,218,398.25	9,693,581,618.36
Ending Net Position	\$ 10,906,476,150.23	10,342,218,398.25

The University of Texas at Austin
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2019

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	521,789,049.32	508,819,535.27
Proceeds from Patients and Customers	6,028,999.90	2,343,886.37
Proceeds from Sponsored Programs	658,046,430.97	676,115,804.19
Proceeds from Auxiliaries	346,328,328.61	331,533,128.47
Proceeds from Other Revenues	325,284,630.88	322,021,801.44
Payments to Suppliers	(891,466,593.29)	(914,150,872.99)
Payments to Employees	(1,676,481,137.48)	(1,579,646,549.38)
Payments for Loans Provided	(18,416,164.74)	(24,676,001.62)
Proceeds from Loan Programs	27,303,197.72	29,106,678.73
Net Cash Provided (Used) by Operating Activities	(701,583,258.11)	(648,532,589.52)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	353,378,133.46	357,309,052.58
Proceeds from Operating Gifts	115,747,822.26	108,404,669.07
Proceeds from Private Gifts for Endowment Purposes	121,040,429.78	111,936,388.40
Proceeds from Other Noncapital Financing Activities	8,623,985.58	10,116,066.56
Receipts for Transfers from System or Other Agencies	361,197,457.60	264,940,438.77
Payments for Transfers to System or Other Agencies	(298,047.29)	(1,688,070.88)
Payments for Other Uses	(307,897.94)	(44,173,819.61)
Proceeds from Nonexchange Sponsored Programs	80,576,840.89	79,211,150.40
Net Cash Provided by Noncapital Financing Activities	1,039,958,724.34	886,055,875.29
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	172,877,723.36	113,656,442.99
Proceeds from Capital Appropriations, Grants, and Gifts	108,227,707.62	90,702,180.80
Proceeds from Sale of Capital Assets	1,173,543.80	585,134.14
Payments for Additions to Capital Assets	(394,468,031.90)	(380,144,699.05)
Payments of Principal on Capital Related Debt	(572,096.52)	(913,709.66)
Mandatory Transfers to System for Capital Related Debt	(150,335,347.26)	(137,584,581.10)
Payments of Interest on Capital Related Debt	(20,995.59)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(263,117,496.49)	(313,699,231.88)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	222,953,709.34	213,345,478.55
Proceeds from Interest and Investment Income Invested by System	55,994,736.45	44,946,343.68
Payments to Acquire Investments Invested by System	(256,143,856.53)	(180,478,478.66)
Net Cash Provided (Used) by Investing Activities	22,804,589.26	77,813,343.57
Net Increase (Decrease) in Cash	98,062,559.00	1,637,397.46
Cash and Cash Equivalents (Beginning of the Year)	368,237,184.69	366,599,787.23
Cash and Cash Equivalents (End of the Year)	\$ 466,299,743.69	\$ 368,237,184.69
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(1,100,010,739.28)	(1,034,222,111.66)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	346,250,532.88	298,956,976.14
Gross Loss on Impairment of Capital Assets	7,967,628.22	2,466,799.57
Bad Debt Expense	1,205,785.75	269,407.61
Changes in Assets and Liabilities:		
Accounts Receivable	(17,921,630.22)	928,664.88
Inventories	(182,624.75)	309,820.42
Loans and Contracts	8,887,032.98	4,430,677.11
Other Current and Noncurrent Assets	(1,199,372.58)	(6,323,039.26)
Accounts Payable	36,885,230.80	7,737,174.82
Due to System	219,613.01	703,142.75
Unearned Revenue	12,934,898.21	28,109,892.56
Employees' Compensable Leave	(731,840.00)	3,306,109.20
Asset Retirement Obligations	1,453,835.67	1,504,972.03
Other Current and Noncurrent Liabilities	2,658,391.20	43,288,924.31
Total Adjustments	398,427,481.17	385,689,522.14
Net Cash Provided (Used) by Operating Activities	\$ (701,583,258.11)	\$ (648,532,589.52)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	123,032,572.56	236,985,666.72
Donated Capital Assets	37,637,471.58	57,196,019.90
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	559,873.10	1,006,771.83
Miscellaneous Noncash Transactions	(3,610,744.48)	(7,009,887.75)