## Current Assets:

<table>
<thead>
<tr>
<th>ASSETS AND DEFERRED OUTFLOWS</th>
<th>Current Year</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash &amp; Cash Equivalents</strong></td>
<td>$1,139,958,675.89</td>
<td>1,004,570,512.57</td>
</tr>
<tr>
<td><strong>Restricted Cash &amp; Cash Equivalents</strong></td>
<td>124,699,192.83</td>
<td>60,803,841.97</td>
</tr>
<tr>
<td><strong>Securities Lending Collateral</strong></td>
<td>434,196,416.14</td>
<td>490,906,139.22</td>
</tr>
<tr>
<td><strong>Accounts Receivable, Net:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal (allow. $0.00 in 2018 &amp; $0.00 in 2017)</td>
<td>10,842,694.43</td>
<td>8,029,107.35</td>
</tr>
<tr>
<td>Interest and Dividend Receivables</td>
<td>57,850,067.06</td>
<td>44,377,579.54</td>
</tr>
<tr>
<td>Contributions (allow. $41,44 in 2018 &amp; $184,37 in 2017)</td>
<td>8,676.43</td>
<td>9,190.54</td>
</tr>
<tr>
<td>Investment Trades Receivables</td>
<td>488,066,866.16</td>
<td>680,960,415.49</td>
</tr>
<tr>
<td>Other (allow. $0.00 in 2018 &amp; $0.00 in 2017)</td>
<td>239,649,975.85</td>
<td>148,733,375.85</td>
</tr>
<tr>
<td><strong>Due From Other Funds</strong></td>
<td>184,788,349.56</td>
<td>202,859,502.84</td>
</tr>
<tr>
<td><strong>Due From Other Institutions</strong></td>
<td>116,986,894.94</td>
<td>112,980,991.60</td>
</tr>
<tr>
<td><strong>Due From Other Agencies</strong></td>
<td>417,003.64</td>
<td>95,053.75</td>
</tr>
<tr>
<td><strong>Other Current Assets</strong></td>
<td>30,500,893.70</td>
<td>40,281,531.22</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$2,827,961,708.63</td>
<td>$2,794,607,241.94</td>
</tr>
</tbody>
</table>

## Noncurrent Assets:

| **Cash and Cash Equivalents (Noncurrent Restricted)** | 2,369,592.12 | 1,254,980.19 |
| **Restricted Investments** | 433,037,378,581.18 | 366,795,739,511.92 |
| **Deposit with Brokers for Derivative Contracts** | 453,067,461.14 | 76,443,327.38 |
| **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** | 64,542,834,910.83 | 57,071,339,940.61 |

## Total Assets:

| **Total Assets** | $67,370,796,619.46 | $59,865,947,182.55 |

## Total Deferred Outflows of Resources:

| **Total Deferred Outflows of Resources** | $996,206,673.93 | $1,255,997,263.34 |

## 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** | 202,655,282.00 | 196,890,644.00 |
| **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** | 1,826,253,298.70 | 1,845,796,760.54 |
| **Payable From Restricted Assets** | 76,324,882.58 | 70,284,719.10 |
| **Revenue Bonds Payable** | 481,036.41 | 3,181,509.79 |
| **Other Current Liabilities** | 6,246,568,991.81 | 5,629,162,907.11 |

## 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** | 11,048,521,136.29 | 9,545,725,325.15 |
| **Liability to Beneficiaries** | 14,145,426.43 | 13,627,089.94 |
| **Net Pension Liability** | 2,650,044,162.00 | 3,133,888,495.00 |
| **Notes, Loans, and Leases Payable** | 929,119,000.00 | 84,930,000.00 |
| **Revenue Bonds Payable** | 76,324,882.58 | 70,284,719.10 |
| **Statewide Interfund Payable** | 61,865,000.00 | 84,930,000.00 |
| **Hedging Derivative Liability (Noncurrent)** | 128,512,308.89 | (119,163,226.72) |
| **Investment Derivatives - Liability Positions** | 2,541,010.34 | 2,637,891.22 |
| **Total Noncurrent Liabilities** | 33,495,907,752.71 | 32,729,350,392.28 |

## Total Liabilities:

| **Total Liabilities** | $39,742,476,744.52 | $38,358,513,299.39 |

## Total Deferred Inflows of Resources:

| **Total Deferred Inflows of Resources** | $996,206,673.93 | $1,255,997,263.34 |

## Total Assets and Deferred Outflows:

| **Total Assets and Deferred Outflows** | $41,533,628,955.46 | $41,104,728,323.65 |

## Net Position:

| **Net Position** | $41,104,728,323.65 | $39,104,728,323.65 |
The University of Texas System Administration  
Exhibit B  Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended August 31, 2018

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
</tr>
<tr>
<td>Federal Sponsored Programs</td>
<td>21,204,404.80</td>
</tr>
<tr>
<td>State Sponsored Programs Pass-Through from State Agencies</td>
<td>10,765,963.15</td>
</tr>
<tr>
<td>Private Sponsored Programs</td>
<td>30,000.00</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>33,360,537.21</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>259,712,351.57</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>325,043,256.73</td>
</tr>
<tr>
<td><strong>Operating Expenses:</strong></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td></td>
</tr>
<tr>
<td>Public Service</td>
<td>2,742,506.48</td>
</tr>
<tr>
<td>Academic Support</td>
<td>14,537,676.66</td>
</tr>
<tr>
<td>Student Services</td>
<td></td>
</tr>
<tr>
<td>Institutional Support</td>
<td>1,013,621,304.72</td>
</tr>
<tr>
<td>Operations and Maintenance of Plant</td>
<td>1,219,376.25</td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>1,605,200.00</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>25,237,328.52</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>1,058,963,392.63</td>
</tr>
<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>(733,920,135.90)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues (Expenses):</strong></td>
<td></td>
</tr>
<tr>
<td>State Appropriations</td>
<td>9,516,706.00</td>
</tr>
<tr>
<td>Federal Nonexchange Sponsored Programs</td>
<td>27,198,469.88</td>
</tr>
<tr>
<td>Federal Nonexchange Pass-Through</td>
<td></td>
</tr>
<tr>
<td>Gift Contributions for Operations</td>
<td>1,099,748.75</td>
</tr>
<tr>
<td>Investment Income</td>
<td>3,414,061,644.90</td>
</tr>
<tr>
<td>Net Increase (Decrease) in Fair Value of Investments</td>
<td>3,097,600,082.24</td>
</tr>
<tr>
<td>Interest Expense on Capital Asset Financings</td>
<td>(281,615,701.59)</td>
</tr>
<tr>
<td>Gain (Loss) on Sale of Capital Assets</td>
<td>(4,654,132.18)</td>
</tr>
<tr>
<td>Other Nonoperating Revenues</td>
<td>1,458,602.40</td>
</tr>
<tr>
<td>Other Nonoperating (Expenses)</td>
<td>(9,300,624.70)</td>
</tr>
<tr>
<td><strong>Net Nonoperating Revenues (Expenses)</strong></td>
<td>6,255,364,795.70</td>
</tr>
<tr>
<td><strong>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</strong></td>
<td>5,521,444,659.80</td>
</tr>
<tr>
<td><strong>Gifts and Sponsored Programs for Capital Acquisitions</strong></td>
<td>3,495,000.00</td>
</tr>
<tr>
<td><strong>Additions to Permanent Endowments</strong></td>
<td>203,371,729.70</td>
</tr>
<tr>
<td><strong>Reclassification from/(to) Other Institutions</strong></td>
<td>112,512,047.88</td>
</tr>
<tr>
<td><strong>Change in Proceeds of Bonds Payable</strong></td>
<td>189,981,009.85</td>
</tr>
<tr>
<td><strong>Transfers Between Institutions &amp; System, Debt Service - Mandatory</strong></td>
<td>706,062,395.72</td>
</tr>
<tr>
<td><strong>Transfers Between Institutions &amp; System Admin. - Non mandatory</strong></td>
<td>(1,297,971,219.88)</td>
</tr>
<tr>
<td><strong>Transfers From Other State Agencies</strong></td>
<td>12,405.60</td>
</tr>
<tr>
<td><strong>Transfers to Other State Agencies</strong></td>
<td>(622,749,812.48)</td>
</tr>
<tr>
<td><strong>Legislative Appropriations Lapsed</strong></td>
<td>(0.50)</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>4,816,158,215.69</td>
</tr>
<tr>
<td><strong>Beginning Net Position</strong></td>
<td>22,017,216,122.24</td>
</tr>
<tr>
<td><strong>Restatements</strong></td>
<td>(5,473,077,709.28)</td>
</tr>
<tr>
<td><strong>Beginning Net Position (As Restated)</strong></td>
<td>22,017,216,122.24</td>
</tr>
<tr>
<td><strong>Ending Net Position</strong></td>
<td>26,833,374,337.93</td>
</tr>
</tbody>
</table>


## Exhibit C - Statement of Cash Flows

**For the Year Ended August 31, 2018**

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities:</strong></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Sponsored Programs</td>
<td>28,829,037.06</td>
</tr>
<tr>
<td>Proceeds from Other Revenues</td>
<td>278,084,140.14</td>
</tr>
<tr>
<td>Payments to Suppliers</td>
<td>(295,789,446.96)</td>
</tr>
<tr>
<td>Payments to Employees</td>
<td>(77,525,344.97)</td>
</tr>
<tr>
<td><strong>Net Cash Provided (Used) by Operating Activities</strong></td>
<td>(66,401,614.73)</td>
</tr>
</tbody>
</table>

| **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)                        | (43,000,00.00) |
| Proceeds from Nonexchange Sponsored Programs | 27,204,263.80                   | 27,262,777.74 |
| **Net Cash Provided by Noncapital Financing Activities** | 114,729,650.36                  | (189,454,489.74) |

| **Cash Flows from Capital and Related Financing Activities:** |                                        |
| Proceeds from Issue 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                         | 742,968,892.62 |
| Payments of Interest on Capital Related Debt | (356,046,443.91)                | (337,969,022.37) |
| **Net Cash Provided (Used) by Capital and Related Financing Activities** | (565,040,762.06)                  | (172,459,367.95) |

| **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** | 717,111,852.54                     | 572,362,394.64 |

| **Net Increase (Decrease) in Cash**     | 200,399,126.11                        | 138,221,992.78 |

| **Cash and Cash Equivalents (Beginning of the Year)** | 1,066,629,334.73 | 928,407,341.95 |

| **Cash and Cash Equivalents (End of the Year)** | 1,267,028,460.84 | $1,066,629,334.73 |

### 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                                             | (4,115,649.61)                         | (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**                                    | 667,518,521.17                         | 1,011,670,605.79 |

| **Net Cash Provided (Used) by Operating Activities** | (66,401,614.73) | (72,226,544.01) |

### 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) |