

UNAUDITED

Texas Tech University System Administration (768)
Statement of Net Position
August 31, 2017 and 2016

	2017	Restated 2016
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 25,390,330.71	\$ 14,992,743.46
Restricted Cash and Cash Equivalents	251,219.41	779,907.46
Legislative Appropriations	434,442.71	541,392.35
Receivables:		
Interest and Dividends	59,072.44	36,490.73
Other	15,001.99	8,072.09
Prepaid Items	17,848.91	153,250.00
Total Current Assets	26,167,916.17	16,511,856.09
Non-Current Assets:		
Restricted Cash and Cash Equivalents	222,591,815.36	11,972,450.63
Restricted Investments	963,221.13	1,207,886.79
Investments	38,848,995.96	43,660,696.37
Capital Assets		
Non-Depreciable or Non-Amortizable	314,482.25	11,319,655.68
Depreciable or Amortizable	27,103,946.37	2,350,222.56
Accumulated Depreciation and Amortization	(1,889,043.59)	(1,091,310.78)
Total Non-Current Assets	287,933,417.48	69,419,601.25
Total Assets	314,101,333.65	85,931,457.34
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Resources	62,995,624.85	38,049,967.00
Total Deferred Outflows of Resources	\$ 62,995,624.85	\$ 38,049,967.00

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	2017	Restated 2016
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 848,340.81	\$ 496,225.03
Payroll Payable	1,451,850.81	1,304,066.46
Short-Term Debt Commercial Paper Notes	43,253,000.00	30,279,000.00
Notes and Loans Payable	0.00	21,817,000.00
Claims and Judgments	1,491,897.60	2,043,040.50
Employees' Compensable Leave	133,783.85	146,604.45
Revenue Bonds Payable	65,333,600.75	43,293,472.20
Other Current Liabilities	1,102,184.47	798,100.65
Total Current Liabilities	113,614,658.29	100,177,509.29
Non-Current Liabilities:		
Claims and Judgments	6,365,124.40	8,642,317.75
Employees' Compensable Leave	981,081.52	1,075,099.25
Revenue Bonds Payable	776,362,268.85	532,807,461.05
Net Pension Liability	218,757,231.00	186,671,195.00
Total Non-Current Liabilities	1,002,465,705.77	729,196,073.05
Total Liabilities	1,116,080,364.06	829,373,582.34
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of Resources	27,670,766.00	31,961,309.00
Total Deferred Inflows of Resources	27,670,766.00	31,961,309.00
NET POSITION		
Net Investment in Capital Assets	(636,963,493.37)	(603,931,146.85)
Restricted:		
Nonexpendable:		
Endowments	499,234.00	478,444.00
Expendable:		
Capital Projects	(567,837.28)	385,767.00
Debt Service	2,990,879.77	813,927.98
Other	222,018.65	312,059.65
Unrestricted	(132,834,973.33)	(135,412,518.78)
Total Net Position	\$ (766,654,171.56)	\$ (737,353,467.00)

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Texas Tech University System Administration (768)
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended August 31, 2017 and 2016

	2017	2016
Operating Revenues		
Other Sales and Services - Pledged	\$ 700.51	\$ 92,700.00
State Grant Pass-Throughs from Other State Agencies	0.00	177,289.92
Total Operating Revenues	700.51	269,989.92
Operating Expenses		
Salaries and Wages	14,064,715.05	12,350,483.63
Payroll Related Costs	10,251,949.92	529,115.48
Professional Fees and Services	1,358,614.83	2,020,703.53
Travel	576,637.53	562,242.13
Materials and Supplies	2,420,797.03	409,428.82
Communications and Utilities	290,944.93	207,164.27
Repairs and Maintenance	213,210.88	211,249.25
Rentals and Leases	890,790.01	749,577.38
Printing and Reproduction	69,234.88	44,057.67
Depreciation and Amortization	808,823.31	188,875.98
Interest	0.00	160.22
Scholarships	1,425.65	1,928.14
Claims and Judgments	0.00	4,112,890.00
Other Operating Expenses	(3,766,762.10)	(184,553.35)
Total Operating Expenses	27,180,381.92	21,203,323.15
Operating Income (Loss)	(27,179,681.41)	(20,933,333.23)
Nonoperating Revenues (Expenses)		
Legislative Revenue	2,895,014.47	2,838,409.27
Investment Income (Expense)	1,433,149.04	75,388.48
Investment Income (Expense) - Pledged	6,580,591.98	5,635,151.66
Interest Expense on Capital Asset Financing	(19,313,327.72)	(17,743,109.65)
Net Increase (Decrease) in Fair Value of Investments	1,173,635.73	(627,100.32)
Other Nonoperating Revenues (Expenses)	(2,067,600.52)	0.00
Other Nonoperating Revenues (Expenses) - Pledged	6.06	12,895.16
Total Nonoperating Revenues (Expenses)	(9,298,530.96)	(9,808,365.40)
Income (Loss) before Other Revenues, Expenses, Gains, Losses, and Transfers	(36,478,212.37)	(30,741,698.63)
Other Revenues, Expenses, Gains, Losses, and Transfers		
Lapsed Appropriations	(13,225.79)	0.00
Contributions to Permanent and Term Endowments	19,520.00	2,750.00
Legislative Transfers In (Out)	58,073,832.39	25,038,911.09
Interagency Transfers of Capital Assets - Increase	333,160.45	0.00
Interagency Transfers of Capital Assets - Decrease	(5,687.50)	0.00
Net Transfers from (to) Texas Tech Foundation, Inc.	2,779,901.44	2,737,368.00
Net Transfers from (to) Texas Tech University System Components	(54,009,993.18)	4,896,673.38
Net Other Revenues, Expenses, Gains, Losses, and Transfers	7,177,507.81	32,675,702.47
Total Change in Net Position	(29,300,704.56)	1,934,003.84
Beginning Net Position (September 1)	\$ (737,353,467.00)	\$ (739,287,470.84)
Restatements	0.00	0.00
Ending Net Position (August 31)	\$ (766,654,171.56)	\$ (737,353,467.00)

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Texas Tech University System Administration (768)
Statement of Cash Flows
For the Years Ended August 31, 2017 and 2016

	2017	2016
Cash Flows from Operating Activities		
Proceeds from Sales and Services of Auxiliary Enterprises	\$ 700.51	\$ 92,700.00
Payments to Suppliers for Goods and Services	(2,703,242.79)	(664,735.74)
Payments to Employees for Salaries	(14,020,220.04)	(12,343,126.41)
Payments to Employees for Benefits	(3,441,854.48)	(2,951,604.72)
Payments for Other Expenses	(2,296,291.56)	(5,673,383.00)
Net Cash Used By Operating Activities	(22,460,908.36)	(21,540,149.87)
Cash Flows from Noncapital Financing Activities		
Proceeds from State Appropriations	2,988,738.32	2,887,068.37
Proceeds from Gifts	19,520.00	2,750.00
Proceeds from Other Financing Activities	6.06	12,895.16
Proceeds from Agency Transactions	20,260,109.42	5,246,449.49
Proceeds from Transfers from Component Institutions	13,384,874.34	12,054,104.49
Proceeds from Transfers from Texas Tech Foundation, Inc.	2,779,906.00	2,737,368.00
Payments for Transfers to Component Institutions	(309,648.07)	(3,659,259.85)
Payments for Transfers to Texas Tech Foundation, Inc.	(4.56)	0.00
Payments for Other Uses	(20,260,109.42)	(5,246,449.49)
Net Cash Provided by Noncapital Financing Activities	18,863,392.09	14,034,926.17
Cash Flows from Capital and Related Financing Activities		
Proceeds from Capital Debt Issuances	462,061,475.45	34,800,000.00
Proceeds from Other Capital and Related Financing Activities	0.00	35,222.76
Proceeds from Transfers from Component Institutions	99,305,551.10	65,436,072.96
Payments for Transfers to Component Institutions	(107,193,188.16)	(42,938,583.13)
Payments for Transfers to Other State Agencies	(1,123,750.00)	(956,750.00)
Payments for Additions to Capital Assets	(12,935,184.93)	(10,184,243.07)
Payments for Principal Paid on Capital Debt	(201,110,000.00)	(43,347,000.00)
Payments for Interest Paid on Capital Debt	(27,072,683.85)	(21,433,885.97)
Payments for Other Costs on Debt Issuance	(2,067,600.52)	0.00
Net Cash Provided (Used) by Capital and Related Financing Activities	209,864,619.09	(18,589,166.45)
Cash Flows from Investing Activities		
Proceeds from Investment Sales and Maturities	21,187,657.13	7,143,925.09
Proceeds from Interest and Investment Income	7,248,859.88	5,718,655.60
Payments to Acquire Investments	(14,215,355.90)	(7,582,283.31)
Net Cash Provided (Used) by Investing Activities	14,221,161.11	5,280,297.38
 TOTAL NET CASH FLOWS	 \$ 220,488,263.93	 \$ (20,814,092.77)

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Texas Tech University System Administration (768)
Statement of Cash Flows
For the Years Ended August 31, 2017 and 2016

	2017	2016
Beginning Cash & Cash Equivalents - September 1	\$ 27,745,101.55	\$ 48,559,194.32
Ending Cash & Cash Equivalents - August 31	\$ 248,233,365.48	\$ 27,745,101.55
 Reconciliation of Operating Loss to Net Cash Flows from Operating Activities		
Operating Loss	\$ (27,179,681.41)	\$ (20,933,333.23)
Adjustments:		
Depreciation and Amortization Expense	808,823.31	188,875.98
Pension Expense	25,483,686.00	15,869,997.00
(Increase) Decrease in Accounts Receivables	(42,405.90)	(3,747.89)
(Increase) Decrease in Prepaid Items	(17,848.91)	0.00
(Increase) Decrease in Deferred Outflows of Resources	(32,238,268.00)	(24,347,849.92)
Increase (Decrease) in Accounts Payable	8,382.78	(110,110.99)
Increase (Decrease) in Payroll Payable	51,424.91	11,105.11
Increase (Decrease) in Employees' Compensable Leave	(106,838.33)	144,613.03
Increase (Decrease) in Claims and Judgments	(2,828,336.25)	2,846,665.00
Increase (Decrease) in Due To Other State Agencies	0.00	(177,289.92)
Increase (Decrease) in Benefits Payable	96,359.44	78,170.76
Increase (Decrease) in Pension Liability	0.00	4,665,420.35
Increase (Decrease) in Deferred Inflows	13,503,794.00	227,334.85
Net Cash Used for Operating Activities	(22,460,908.36)	(21,540,149.87)
 Noncash Transactions		
Net Increase (Decrease) in Fair Value of Investments	1,173,635.73	(627,100.32)
Other	327,472.95	0.00
Total Noncash Transactions	\$ 1,501,108.68	\$ (627,100.32)

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Texas Tech University System Administration (768)
Matrix of Operating Expenses Reported by Function
For the Years Ended August 31, 2017 and 2016

OPERATING EXPENSES	ACADEMIC SUPPORT	INSTITUTIONAL SUPPORT	OPERATIONS & MAINTENANCE OF PLANT	DEPRECIATION & AMORTIZATION	GRAND TOTAL	2016
Salaries and Wages	\$ 1,052,688.20	\$ 13,012,026.85	\$	\$	\$ 14,064,715.05	\$ 12,350,483.63
Payroll Related Costs	299,794.38	9,952,155.54			10,251,949.92	529,115.48
Professional Fees and Services	66,100.41	1,292,514.42			1,358,614.83	2,020,703.53
Travel	9,912.96	566,724.57			576,637.53	562,242.13
Materials and Supplies	15,124.72	281,751.31	2,123,921.00		2,420,797.03	409,428.82
Communications and Utilities	294.20	289,702.55	948.18		290,944.93	207,164.27
Repairs and Maintenance	868.44	207,542.44	4,800.00		213,210.88	211,249.25
Rentals and Leases	1,336.22	889,453.79			890,790.01	749,577.38
Printing and Reproduction	4,009.35	65,054.53	171.00		69,234.88	44,057.67
Depreciation and Amortization				808,823.31	808,823.31	188,875.98
Interest						160.22
Scholarships		1,425.65			1,425.65	1,928.14
Claims and Judgments						4,112,890.00
Other Operating Expenses	(2,076,751.43)	(1,777,933.90)	87,923.23		(3,766,762.10)	(184,553.35)
TOTAL OPERATING EXPENSES	\$ (626,622.55)	\$ 24,780,417.75	\$ 2,217,763.41	\$ 808,823.31	\$ 27,180,381.92	\$ 21,203,323.15