

ANNUAL FINANCIAL REPORT

of the

UNIVERSITY OF NORTH TEXAS AT DALLAS

DALLAS, TEXAS

Bob Mong, President

For the Year Ended August 31, 2019



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November 18, 2019

Mr. Robert Mong
President
University of North Texas at Dallas
Dallas, Texas

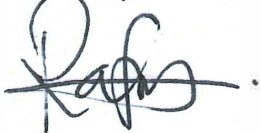
Dear Mr. Mong:

We are pleased to submit the annual financial report of the University of North Texas at Dallas for the year ended August 31, 2019, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

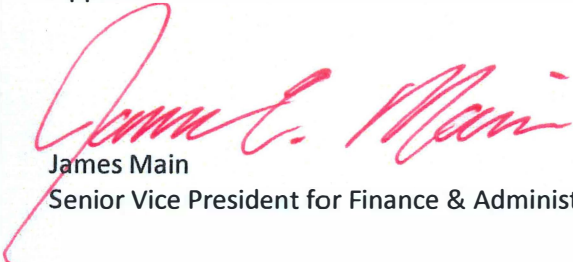
If you have any questions, please contact Rafiu Fashina at (972) 338-1405.

Sincerely,



Rafiu Fashina
Assistant Controller

Approved:



James Main
Senior Vice President for Finance & Administration



Paula J. Welch, CPA
Associate Vice Chancellor for Finance & System
Controller



UNIVERSITY OF NORTH TEXAS AT DALLAS

ORGANIZATIONAL DATA

August 31, 2019

BOARD OF REGENTS

Rusty Reid (Term expires 5-22-19)* Ft. Worth
Gwyn Shea (Term expires 5-22-19)* Irving
B. Glen Whitley (Term expires 5-22-19)* Hurst

Brint Ryan (Term expires 5-22-21) Dallas
A.K. Mago (Term expires 5-22-21) Dallas
Laura Wright (Term expires 5-22-21) Dallas

Mary Denny (Term expires 5-22-23) Aubrey
Milton B. Lee (Term expires 5-22-23) San Antonio
Carlos Munguia (Term expires 5-22-23) University Park

STUDENT REGENT

Alexandra Harrel (Term expires 5-31-20) Corpus Christi

OFFICERS OF THE BOARD

Laura Wright Chairman
Milton B. Lee Vice Chairman
Rosemary R. Haggett Secretary

ADMINISTRATIVE OFFICERS

Lesa Roe Chancellor
Bob Mong President
James Main Executive Vice President for Administration and CFO

* As of the time of print, the Governor of Texas had not yet made new Regent appointments.

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)

Statement of Net Position

As of August 31, 2019

	<u>August 31,</u> <u>2019</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents:	
Cash on Hand	\$ 2,629.09
Cash in Bank	231,729.53
Cash in State Treasury	4,506,829.70
Cash Equivalents	7,905,162.50
Restricted Cash and Cash Equivalents:	
Cash in Bank	65,804.97
Cash Equivalents	3,893,816.39
Legislative Appropriations	4,487,404.33
Receivables From:	
Accounts Receivable	11,036,868.08
Federal	2,747,448.32
Other Intergovernmental	19,757.43
Interest and Dividends	15,136.13
Other Receivables	117,545.68
Due from Other Components	82,218.60
Prepaid Items	3,067,441.84
Loans and Contracts	249,069.60
Total Current Assets	<u>\$ 38,428,862.19</u>
Non-Current Assets	
Restricted Investments	\$ 914,802.87
Investments	6,322,268.25
Capital Assets:	
Non-Depreciable or Non-Amortizable	7,408,128.71
Depreciable or Amortizable, Net	144,096,423.28
Total Non-Current Assets	<u>\$ 158,741,623.11</u>
Total Assets	<u>\$ 197,170,485.30</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources	\$ -
Total Deferred Outflows of Resources	<u>\$ -</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 197,170,485.30</u>

Continued on Next Page

UNAUDITED

August 31,
2019

LIABILITIES

Current Liabilities

Payables From:

Accounts Payable	\$	6,314,336.13
Payroll Payable		1,999,427.26
Other Payables		25,550.00
Due to Other Components		1,675,100.21
Unearned Revenue		16,116,705.92
Employees' Compensable Leave		180,387.73
Funds Held for Others		107,364.81

Total Current Liabilities \$ 26,418,872.06

Non-Current Liabilities

Employees' Compensable Leave	\$	761,452.49
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Total Non-Current Liabilities \$ 761,452.49

Total Liabilities \$ 27,180,324.55

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources	\$	-
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Total Deferred Inflows of Resources \$ -

TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES \$ 27,180,324.55

NET POSITION

Net Investment in Capital Assets	\$	151,504,552.09
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Restricted For:

Funds Held as Permanent Investments		
Non-Expendable		737,204.21
Expendable		296,720.76
Other Restricted		3,134,813.88

Unrestricted		14,316,869.81
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Total Net Position \$ 169,990,160.75

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended August 31, 2019

	August 31, 2019
OPERATING REVENUES	
Tuition and Fees	\$ 31,445,696.37
Discounts and Allowances	(6,636,776.93)
Auxiliary Enterprises	1,266,122.43
Sales of Goods and Services	177,280.22
Federal Grant Revenue	2,017,046.02
State Grant Revenue	49,148.50
State Grant Pass-Through Revenue	2,578,361.06
Other Contracts and Grants	415,469.84
Other Operating Revenues	639,782.71
Total Operating Revenues	\$ 31,952,130.22
OPERATING EXPENSES (1)	
Instruction	\$ 16,064,636.39
Research	30,815.61
Public Service	1,669,114.13
Academic Support	4,742,255.49
Student Services	7,763,426.39
Institutional Support	6,651,794.35
Operation and Maintenance of Plant	3,664,831.22
Scholarships and Fellowships	11,955,793.98
Auxiliary Enterprises	1,120,091.36
Depreciation and Amortization	5,466,095.22
Total Operating Expenses	\$ 59,128,854.14
Operating Loss	\$ (27,176,723.92)
NONOPERATING REVENUES (EXPENSES)	
Legislative Appropriations (GR)	\$ 22,166,741.00
Additional Appropriations (GR)	3,187,509.30
Federal Revenue	7,811,007.22
Gifts	1,807,593.60
Investment Income	1,260,202.56
Loss on Sale of Capital Assets	(17,680.47)
Net Decrease in Fair Value of Investments	(238,422.87)
Other Nonoperating Expenses	(19,139.67)
Total Nonoperating Revenues (Expenses)	\$ 35,957,810.67
Income Before Other Revenues, Expenses and Transfers	\$ 8,781,086.75
OTHER REVENUES, EXPENSES AND TRANSFERS	
Capital Contributions	\$ 750,000.00
Capital Appropriations (HEF)	2,113,004.00
Contributions To Permanent and Term Endowments	(289,011.91)
Interagency Transfers of Capital Assets-Increase	44,142,774.67
Transfers From Other State Agencies	13,351.00
Legislative Transfers In	22,920.00
Legislative Transfers Out	(7,928,205.74)
Legislative Appropriation Lapses	(2.26)
Transfers From Other Components	15,246,718.01
Transfers To Other Components	(21,679,812.82)
Total Other Revenues, Expenses and Transfers	\$ 32,391,734.95
CHANGE IN NET POSITION	\$ 41,172,821.70
Beginning Net Position	\$ 128,817,339.05
ENDING NET POSITION	\$ 169,990,160.75

(1) See Matrix of Operating Expenses Reported by Function.

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
 Matrix of Operating Expenses Reported by Function
 For the Year Ended August 31, 2019

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	Operation and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenditures
Salaries and Wages	\$ 12,132,426.58	\$ 25,734.40	\$ 755,530.39	\$ 2,952,040.93	\$ 4,625,562.08	\$ 4,140,319.80	\$ 1,440,940.47	\$ 161,249.05	\$ 288,608.15	\$ -	\$ 26,522,411.85
Payroll Related Costs	2,736,234.52	2,560.04	178,013.25	657,750.97	1,209,794.61	874,090.66	447,213.38	-	72,507.60	-	6,178,165.03
Professional Fees and Services	223,471.88	500.00	473,148.14	133,445.85	794,194.79	557,185.42	70,270.20	-	21,897.46	-	2,274,113.74
Travel	119,054.81	219.03	30,317.92	60,382.44	174,934.08	87,365.90	13,380.80	-	11,547.54	-	497,202.52
Materials and Supplies	250,721.65	1,790.15	99,740.00	460,974.27	364,691.08	232,642.43	661,705.40	-	120,859.24	-	2,193,124.22
Communications and Utilities	239.20	-	1,860.58	38,428.17	1,227.02	128,615.52	550,785.21	-	2,799.78	-	723,955.48
Repairs and Maintenance	11,144.49	-	5,271.77	11,560.96	20,666.65	64,548.81	424,599.02	-	148,748.82	-	686,540.52
Rentals and Leases	41,473.77	-	16,537.55	209,386.15	156,283.34	102,239.73	21,272.90	-	50,677.84	-	597,871.28
Printing and Reproduction	27,464.08	-	7,090.63	46,672.64	51,791.13	115,759.22	7,306.17	-	22,110.20	-	278,194.07
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	5,466,095.22	5,466,095.22
Scholarships	403,936.87	-	36,277.90	-	-	-	-	11,794,475.00	-	-	12,234,689.77
Other Operating Expenses	118,468.54	11.99	65,326.00	171,613.11	364,281.61	349,026.86	27,357.67	69.93	380,334.73	-	1,476,490.44
Total Operating Expenses	\$ 16,064,636.39	\$ 30,815.61	\$ 1,669,114.13	\$ 4,742,255.49	\$ 7,763,426.39	\$ 6,651,794.35	\$ 3,664,831.22	\$ 11,955,793.98	\$ 1,120,091.36	\$ 5,466,095.22	\$ 59,128,854.14

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2019

	<u>August 31, 2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Customers	\$ 192,802.76
Proceeds from Tuition and Fees	23,321,919.22
Proceeds from Research Grants and Contracts	4,488,602.04
Proceeds from Loan Programs	5,773.01
Proceeds from Auxiliaries	1,266,122.43
Proceeds from Other Revenues	772,757.29
Payments to Suppliers for Goods and Services	(13,260,705.06)
Payments to Employees	(30,918,371.94)
Payments for Other Expenses	(13,887,319.73)
Net Cash Used by Operating Activities	<u>\$ (28,018,419.98)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from State Appropriations	\$ 23,724,359.20
Proceeds from Gifts	1,807,593.60
Proceeds from Transfers from Other Agencies	13,351.00
Proceeds from Transfers from Other Components	15,558,173.20
Proceeds from Legislative Transfers	22,920.00
Proceeds from Grant Receipts	7,811,007.22
Payments for Legislative Transfers	(7,928,205.74)
Payments for Transfers to Other Components	(21,679,812.82)
Payments for Legislative Appropriation Lapses	(2.26)
Payments for Other Uses	(35,151.58)
Net Cash Provided by Noncapital Financing Activities	<u>\$ 19,294,231.82</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Sale of Capital Assets	\$ 750.00
Proceeds from State Appropriations	2,113,004.00
Proceeds of Transfers from Other Components for Debt Issuance	36,595,944.92
Proceeds from Capital Contributions	750,000.00
Payments for Additions to Capital Assets	(27,350,739.21)
Payments of Interest on Debt Issuance	(6,138.62)
Payments for Transfers to Other Components for Debt Issuance	(6,676,081.45)
Net Cash Provided by Capital and Related Financing Activities	<u>\$ 5,426,739.64</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	\$ 34,463,792.59
Proceeds from Interest and Investment Income	1,245,066.43
Payments to Acquire Investments	(34,925,800.00)
Net Cash Provided by Investing Activities	<u>\$ 783,059.02</u>
Net Decrease in Cash and Cash Equivalents	<u>\$ (2,514,389.50)</u>
Cash and Cash Equivalents, September 1, 2018	<u>\$ 19,120,361.68</u>
Cash and Cash Equivalents, August 31, 2019	<u><u>\$ 16,605,972.18</u></u>

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2019

	August 31, 2019
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Loss	\$ (27,176,723.92)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization Expense	\$ 5,466,095.22
Employee Benefits Paid by State	2,060,807.98
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	(3,195,849.59)
(Increase) Decrease in Prepaid Expenses	(180,859.67)
(Increase) Decrease in Loans and Contracts	5,773.01
Increase (Decrease) in Payables	(6,276,693.46)
Increase (Decrease) in Unearned Revenue	1,285,923.11
Increase (Decrease) in Other Liabilities	(6,892.66)
Total Adjustments	\$ (841,696.06)
Net Cash Used by Operating Activities	\$ (28,018,419.98)
 NON-CASH TRANSACTIONS	
Net Change in Fair Value of Investments	\$ (238,422.87)
Loss on Sale of Capital Assets	(17,680.47)
Capital Assets Acquired with Payables	5,154,696.05
Interagency Transfer of Capital Assets	44,142,774.67

University of North Texas at Dallas (773)
 Schedule 1A - Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended August 31, 2019

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	NSE Name/Identifying Number	Agy/Univ No	Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount	Direct Program Amount	Total PT From and Direct Prog. Amount	Agy/Univ No.	Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount	Expenditures Amount	Total PT To and Expenditures Amount
U.S. Department of Education												
<u>Direct Programs:</u>												
Higher Education Institutional Aid	84.031					344,701.70	344,701.70				344,701.70	344,701.70
Bilingual Education, Professional Development	84.195					343,658.44	343,658.44				343,658.44	343,658.44
Education Research, Development and Dissemination	84.305					219.03	219.03				219.03	219.03
Totals - U.S. Department of Education				-	-	688,579.17	688,579.17		-	-	688,579.17	688,579.17
U.S. Department of Health and Human Services												
<u>Direct Programs:</u>												
Substance Abuse and Mental Health Services Projects of	93.243					54,164.78	54,164.78				54,164.78	54,164.78
Totals - U.S. Department of Health and Human Services				-	-	54,164.78	54,164.78		-	-	54,164.78	54,164.78
Student Financial Assistance Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
Federal Supplemental Educational Opportunity Grants	84.007					147,830.99	147,830.99				147,830.99	147,830.99
Federal Work-Study Program	84.033					164,442.82	164,442.82				164,442.82	164,442.82
Federal Pell Grant Program	84.063					7,811,007.22	7,811,007.22				7,811,007.22	7,811,007.22
Teacher Education Assistance for College and Higher Education	84.379					18,900.60	18,900.60				18,900.60	18,900.60
Totals - U.S. Department of Education				-	-	8,142,181.63	8,142,181.63		-	-	8,142,181.63	8,142,181.63
TRIO Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
TRIO Upward Bound	84.047					696,740.30	696,740.30				696,740.30	696,740.30
TRIO McNair Post-Baccalaureate Achievement	84.217					246,387.36	246,387.36				246,387.36	246,387.36
Totals - U.S. Department of Education				-	-	943,127.66	943,127.66		-	-	943,127.66	943,127.66
Total Expenditures of Federal Awards				-	-	9,828,053.24	9,828,053.24		-	-	9,828,053.24	9,828,053.24

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Notes to Schedule 1A - Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2019

Note 1: Nonmonetary Assistance
N/A

Note 2: Reconciliation

Below is a reconciliation of the total of federal pass-through and federal expenditures as reported on the Schedule of Federal Financial Assistance to the total of Federal revenues and federal grant pass-through revenues as reported in the general-purpose financial statements. Generally, federal funds are not earned until expended; therefore, federal revenues equal federal expenditures for the reporting period.

Federal Revenues - per Statement of Revenues, Expenses, and Changes in Net Assets	
Federal Grants and Contracts - Operating	\$ 2,017,046.02
Federal Grants and Contracts - Nonoperating	7,811,007.22
Federal Pass-Through Grants from Other State Agencies/Universities - Operating	-
Federal Pass-Through Grants from Other State Agencies/Universities - Nonoperating	-
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Assets	<u>\$ 9,828,053.24</u>
Total Pass Through and Expenditures per Federal Schedule	<u><u>\$ 9,828,053.24</u></u>

Note 3a: Student Loans Processed & Administrative Costs Recovered
N/A

Note 3b: Federally Funded Loans Processed and Administrative Cost Recovered
N/A

Note 4: Depository Libraries for Government Publications

The University of North Texas at Dallas participates as a depository library in the Government Printing Office's Depository Libraries for Government Publications Program, CFDA #40.001. The university is the legal custodian of government publications, which remain the property of the federal government. The publications are not assigned a value by the Government Printing Office.

Note 5: Unemployment Insurance Funds
N/A (Agency 320 only)

Note 6: Rebates from the Special Supplemental Food Program for Women, Infant and Children (WIC)
N/A (Agency 537 only)

Note 7: Federal Deferred Income
N/A

Note 8: Disaster Grants - Public Assistance
N/A

Note 9: Economic Adjustment Assistance
N/A

Note 10: 10% de Minimis Indirect Cost Rate
N/A

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies
For the Year Ended August 31, 2019

Pass-Through From: State Agencies
To University of North Texas at Dallas (773)

Governor Fiscal (Agency 300)	
Disaster Grants - GR-D Fund 0599	\$ 18,064.06
Texas State Board of Public Accountancy (Agency 457)	
Fifth Year Accounting Student Scholarship Program	3,000.00
Texas Higher Education Coordinating Board (Agency 781)	
TEXAS Grant Program	2,430,515.00
Work Study Mentorship Program	14,805.00
Bilingual Education Program	101,107.00
Education Aide Program	10,870.00
(Statement of Revenues, Expenses, and Changes in Net Assets)	<u><u>\$ 2,578,361.06</u></u>

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 3 - Reconciliation of Cash in State Treasury
For the Year Ended August 31, 2019

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0292	\$ 4,506,829.70	\$ 4,506,829.70
Total Cash in State Treasury (Statement of Net Position)	<u>\$ 4,506,829.70</u>	<u>\$ 4,506,829.70</u>