



TEXAS WOMAN'S  
UNIVERSITY™

## *Annual Financial Report*

For The Year Ended August 31, 2019





**TEXAS WOMAN'S UNIVERSITY (731)**  
**Annual Financial Report**  
**For the Fiscal Year Ended August 31, 2019**

**UNAUDITED**

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Office of the Chancellor and President

**TEXAS WOMAN'S**  
UNIVERSITY

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November 20, 2019

Honorable Greg Abbott, Governor  
Honorable Glenn Hegar, Texas Comptroller  
Ursula Parks, Director, Legislative Budget Board  
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

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

Due to 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 the requirements of this statement. The financial report will be considered for audit by the State Auditor's Office 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 Melanie Ramirez at (940) 898-3534. Barbara Newton may be contacted at (940) 898-3543 for questions related to the Schedule of Expenditures of Federal Awards.

Respectfully Submitted,

A handwritten signature in red ink, appearing to read 'Carine Feyten', written over a horizontal line.

Carine M. Feyten, Ph.D.  
Chancellor and President

ENCL: TWU Annual Financial Report for the year ended August 31, 2019



**Texas Woman's University (731)**  
**Organizational Data**  
**August 31, 2019**

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**BOARD OF REGENTS**

**OFFICERS**

		<b>Term Expires</b>
Ms. Jill Jester	Chair/Presiding Officer	2023
Ms. Kathleen Wu	Vice Chair/Assistant Presiding Officer	2023

**MEMBERS**

Ms. Janelle Shepard	Weatherford, TX	2021
Ms. Teresa Doggett	Austin, TX	2021
Mr. Carlos L. Gallardo	Frisco, TX	2021
Ms. Bernadette C. Coleman	Denton, TX	2023
Ms. Mary P. Wilson	Austin, TX	2025
Mr. Bob Hyde	Irving, TX	2025
Ms. Stacie D. McDavid	Fort Worth, TX	2025
Ms. Lexi M. D'Abrosca (Student Regent)	Carrollton, TX	2020

*Terms for Regents Expire February 1<sup>st</sup> of stated year, except for the term of the Student Regent, which expires on May 31<sup>st</sup>*

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**UNIVERSITY FISCAL OFFICERS**

Dr. Carine M. Feyten	Chancellor and President
Mr. Jason Tomlinson	Vice President for Finance and Administration & CFO
Ms. Melanie Ramirez	Assistant Vice President-Controller

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# TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

## Introduction

Founded in 1901 and now the country's largest university primarily for women, Texas Woman's University (TWU) has evolved in bold ways. TWU pioneered bilingual, special and distance education; expanded undergraduate and graduate programs; extended its reach by adding campuses in Dallas and Houston; began admitting men; and broke new ground in areas ranging from pedagogy to research and the health sciences and creative arts.

Texas Woman's University developed a focus on health and well-being on a learn-by-doing pedagogy and built a reputation of diversity with an emphasis on women. This distinctive approach extends learning beyond the classroom to prepare students for careers, leadership, service, health and happiness. TWU always provided education for individuals who were marginalized because of their gender and now extends that mission to even more diverse populations. Today, TWU is ranked the seventh most diverse university in the nation, according to U.S. News & World Report.

TWU is inclusive while maintaining a focus on the unique contributions that women bring to all facets of human endeavor, including the corporate boardroom, virtual classroom, intensive care unit, legislative chamber, research laboratory, opera house, military installation and other settings. Texas Woman's University aspires to address the needs of a changing world and a contemporary student body.

In 2018, TWU launched the Institute for Women's Leadership to develop women leaders in business, politics and public policy. The Institute also supports TWU's student leaders and serves as a resource for women leaders from the classroom to the boardroom to serve all Texans and help expand the state's economy by developing its greatest underutilized resource – women.

TWU has experienced steady enrollment growth, increasing the student population by nearly 19% over the last 10 years. About 54% of undergraduate students are the first in their families to attend college and roughly half are Pell Grant eligible. In 2018, the Dallas Business Journal recognized TWU as #1 institution in the Dallas/Fort Worth area for graduates' earnings vs. cost.

With a newly approved strategic plan designed to propel the university toward further excellence, Texas Woman's University distinctive mission and operational focus will continue to underscore the historic purpose of advancing the quality of the human experience, honoring diverse people and perspectives, and pioneering discovery in areas vital to the well-being of Texans.



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**TEXAS WOMAN’S UNIVERSITY (731)  
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For the Year Ended August 31, 2019**

The following tables summarize the fall semester headcount and full-time equivalent enrollment at Texas Woman’s University for the last five academic years:

<b>Headcount Enrollment Information</b>					
	<b>Fall 2015</b>	<b>Fall 2016</b>	<b>Fall 2017</b>	<b>Fall 2018</b>	<b>Fall 2019</b>
Undergraduate	10,080	10,407	10,309	10,390	10,598
Graduate	5,206	5,248	5,163	5,130	5,239
<b>Total</b>	<b>15,286</b>	<b>15,655</b>	<b>15,472</b>	<b>15,520</b>	<b>15,837</b>

<b>Full-Time Equivalent Enrollment Information</b>					
	<b>Fall 2015</b>	<b>Fall 2016</b>	<b>Fall 2017</b>	<b>Fall 2018</b>	<b>Fall 2019</b>
Undergraduate	8,641	8,827	8,749	8,732	8,884
Graduate	3,739	3,793	3,803	3,798	3,649
<b>Total</b>	<b>12,380</b>	<b>12,620</b>	<b>12,552</b>	<b>12,530</b>	<b>12,533</b>

As part of the preparation of this financial report, consideration was given to the requirements of Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. For Texas Woman’s University, no component units have been identified which should have been blended into an appropriated fund and no component units have been identified which should have been included in a discrete presentation in the financial report.

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

#### Financial Highlights and Overview of the Financial Statements

The objective of the Management's Discussion and Analysis (MD&A) is to provide an overview of Texas Woman's University financial position and activities for fiscal year ended August 31, 2019, with comparative data to fiscal year 2018. The emphasis of discussion is on the current year. The MD&A should be read in conjunction with the accompanying financial statements and notes. The primary financial statements presented are the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows.

The statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), the requirements of the Texas Comptroller of Public Accounts (CPA) and the guidelines from the National Association of College and University Business Officers (NACUBO).

As a component operating unit of the state of Texas government, Texas Woman's University financial information is consolidated with other state agencies and institutions in the State's Comprehensive Annual Financial Report (CAFR). The financial reports of TWU are considered for audit by the State Auditor's Office as part of the audit of the State's CAFR. Therefore, an opinion has not been expressed on the financial statements and related information in this report.

GASB Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* amended Statement Number 34, revising the net asset reporting requirements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB asserts that the new requirements introduced with GASB 63 will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.

In fiscal year 2015, Texas Woman's University implemented GASB Statement No. 68, *Accounting and Reporting for Pensions* standard. The pension values are provided by the CPA and define TWU's proportional share of the Texas Teacher Retirement System (TRS) unfunded pension liability. For more information, see Note 9 - Pension Plans and Optional Retirement Program. The TRS actuary report that is used is fiscal year 2018.

In fiscal year 2018, Texas Woman's University implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* standard. The postemployment benefits other than pensions (OPEB) are provided by the CPA and define TWU's proportional share of the Employees Retirement System of Texas (ERS) unfunded pension liability. The ERS actuary report that is used is fiscal year 2018.

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In fiscal year 2019, Texas Woman's University implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* standard. The standard defines interest cost incurred before the end of a construction period to be recognized as an expense instead of capitalized to the Statement of Net Position in the fiscal year in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

#### Financial Highlights

- A \$45,435,323 net pension liability is reported based on the TRS actuary report. Deferred outflows of resources totaling \$23,291,710 are related to the changes in pension assumptions, the difference between actual and expected experiences and current year TRS contributions. A \$3,755,654 deferred inflow of resources is reported which reflects the difference between projected and actual investment returns.
- A \$107,763,037 net postemployment benefits other than pension non-current liability is reported along with a \$3,100,030 net OPEB current liability based upon the contributions from employer plus ERS Actuary Report recorded in the Plan's Fiduciary Net Position due to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Deferred outflows of resources in the amount of \$106,959,055 are related to the net difference between projected and actual investment return. A \$42,911,115 deferred inflow of resources is reported and reflects the difference between expected and actual experience and changes in assumptions.
- Revenue Financing System bonds were issued in the amount \$7,885,000 for the purpose of refunding outstanding principal balance on Series 2009A.

#### Overview of the Financial Statements

##### Fund Structure

Texas Woman's University is an Enterprise Fund reported in the CAFR as a Proprietary Fund Type. Enterprise funds are used to account for any activity in which a fee is charged to external users for goods or services. Activities must be reported as enterprise funds if any one of the following criteria are met:

1. The activity is financed with debt secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services, including capital costs, such as depreciation or debt service, be recovered with fees and charges.
3. The pricing policies of the activity establishes fees and charges designed to recover its costs, including capital costs.

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

#### Measurement Focus and Basis of Accounting

Texas Woman's University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These statements are prepared applying the following principles and standards:

- Reporting is on the full accrual basis of accounting. All current year revenues and expenses are recognized when earned or incurred, regardless of when the cash is received or disbursed.
- Depreciation and amortization expense on capital assets is reported as an operating expense on the Statement of Revenues, Expenses and Changes in Net Position. The historical cost of capital assets, net of accumulated depreciation and amortization, is reported on the Statement of Net Position.
- Revenues and expenses are categorized as operating or non-operating. Revenues from state appropriations, gifts and investment income are reported as non-operating revenue in accordance with GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*, as amended.

#### Statement of Net Position

The Statement of Net Position presents a snapshot of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position for Texas Woman's University at of the end of the fiscal year. The Statement of Net Position assets and liabilities are presented in the current and noncurrent format which is discussed further in the notes to the financial statements.

Readers of the Statement of Net Position are able to determine the assets available to continue the operations of Texas Woman's University. They are also able to determine the amount TWU owes to vendors, investors and lending institutions. Over time, increases or decreases in net position may be considered as one indicator of the improvement or decline of TWU's financial health when considered alongside nonfinancial factors such as enrollment, research, public service and the condition of facilities. The statement provides a picture of net position and the availability of funds for use by Texas Woman's University.

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

The following table reflects the Condensed Comparative Statement of Net Position for Texas Woman's University as of August 31, 2019 and 2018, which decreased \$15.8 million (3.63%) from the 2018 amount of \$435.6 to \$419.8 million in 2019.

<b>Condensed Comparative Statement of Net Position</b>				
	2019	2018	\$ Change	% Increase (Decrease)
<b>Assets and Deferred Outflows of Resources</b>				
Current Assets	\$ 300,652,511	\$ 321,155,214	\$ (20,502,703)	-6.38%
Capital Assets, Net	278,236,673	230,786,946	47,449,727	20.56%
Other Assets	181,303,442	175,625,333	5,678,109	3.23%
Deferred Outflows of Resources	130,585,339	17,817,915	112,767,424	632.89%
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 890,777,965</b>	<b>\$ 745,385,408</b>	<b>\$ 145,392,557</b>	<b>19.51%</b>
<b>Liabilities and Deferred Inflows of Resources</b>				
Current Liabilities	\$ 120,062,751	\$ 92,475,981	\$ 27,586,770	29.83%
Non-Current Liabilities	304,232,284	207,237,115	96,995,169	46.80%
Deferred Inflows of Resources	46,666,769	10,039,126	36,627,643	364.85%
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 470,961,804</b>	<b>\$ 309,752,222</b>	<b>\$ 161,209,582</b>	<b>52.04%</b>
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 117,927,741	\$ 59,191,133	\$ 58,736,608	99.23%
Restricted:				
Funds Held as Permanent Investments:				
Expendable	132,749,851	200,787,133	(68,037,283)	-33.89%
Non Expendable	16,080,896	16,165,539	(84,642)	-0.52%
Total Restricted	148,830,747	216,952,672	(68,121,925)	-31.40%
Unrestricted	153,057,673	159,489,381	(6,431,708)	-4.03%
<b>Total Net Position</b>	<b>\$ 419,816,161</b>	<b>\$ 435,633,186</b>	<b>\$ (15,817,025)</b>	<b>-3.63%</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 890,777,965</b>	<b>\$ 745,385,408</b>	<b>\$ 145,392,557</b>	<b>19.51%</b>

Net position is divided into three major categories. The first category, Net Investment in Capital Assets, provides the equity in property, plant and equipment owned by TWU less related debt.

Net Investment in Capital Assets increased \$58.7 million, or 99.23%, to \$117.9 million due to (1) \$63.7 million increase in capital outlay, (2) \$11.2 million increase in matured debt and (3) \$16.3 million decrease from depreciation expense.

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

The second category, Restricted Net Position, is divided into two sub-categories, expendable and non-expendable. Expendable restricted resources are available for use by Texas Woman's University but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The corpus of the non-expendable restricted resources is available for investment purposes and the earnings are used to support the institution.

Restricted, Expendable Net Position decreased \$68.0 million, or 33.89%, to \$132.7 million due to (1) increase in restricted revenues of \$43.7 million, (2) less restricted expenditures and equity fund transfers of \$26.0 million, (3) capital outlay reclassifications of \$63.7 million from restricted capital projects to net investment in capital assets, (4) restatement increase of \$140 thousand related to Perkins loans and (5) current year OPEB contributions decreasing restricted net position by \$22.0 million.

The third category, Unrestricted Net Position, is available for any lawful purpose. Although Unrestricted resources are not subject to externally imposed stipulations, it has been internally designated for various academic and research programs and initiatives.

Unrestricted Net Position decreased \$6.4 million, or 4.03%, to \$153.1 million. The following factors contributed to this change: (1) the restatement adjustment of \$9.42 million for postemployment benefits other than pensions required by the State for fiscal year 2018 and (2) debt was issued for Series 2019 to refund outstanding principal balances on Series 2009A.

#### **Statement of Revenues, Expenses and Changes in Net Position**

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as operating or non-operating. GASB requires that state appropriations (Legislative Revenue) and Federal Pell Grants be reported as non-operating revenue, while the expenditure of these funds are reported as operating expense. This will generally result in an operating deficit for most public institutions. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation or amortization, which amortizes the cost of an asset over its expected useful life.

The purpose of this statement is to present the revenues earned and the expenses incurred by Texas Woman's University, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent. The change in total net position as presented on the Statement of Net Position is a result of these activities.

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Generally, operating revenues are received for providing goods and services to the various customers and constituencies of Texas Woman’s University. Operating expenses are those expenses incurred to acquire goods and services provided in return for the operating revenues. Non-operating revenues are derived from sources that are not considered primary operations for an institution of higher education or state agency. State capital appropriations, capital grants and gifts are considered neither operating nor non-operating revenues and are reported after “Income (Loss) Before Other Revenues, Expenses and Transfers”.

A Condensed Statement of Revenues, Expenses and Changes in Net Position for the years ended August 31, 2019 and 2018 is presented below.

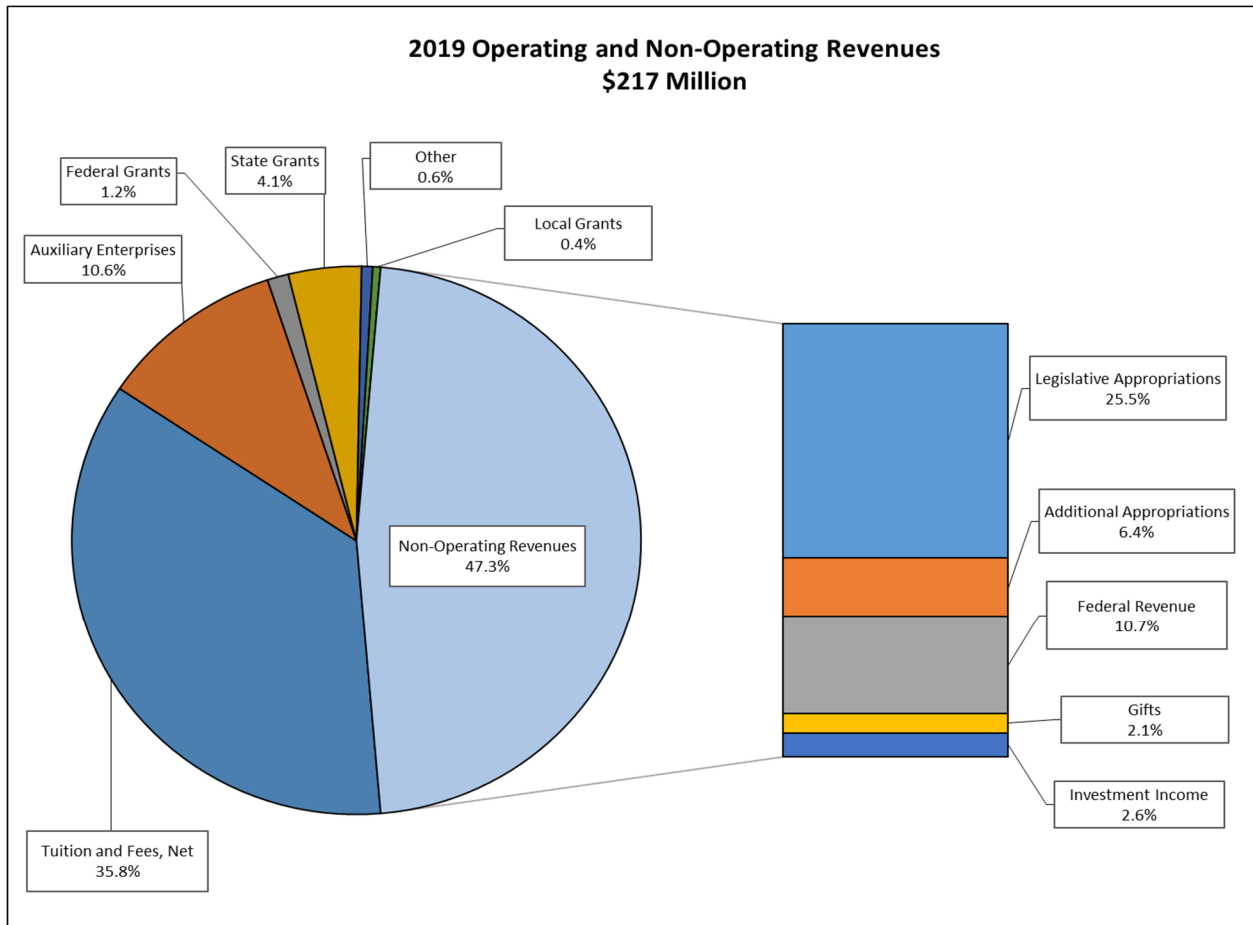
<b>Condensed Comparative Statement of Revenues, Expenses and Changes in Net Position</b>				
	<u>2019</u>	<u>2018</u>	<u>\$ Change</u>	<u>% Increase (Decrease)</u>
<b>Operating Revenues and Expenses</b>				
Operating Revenues	\$ 114,466,110	\$ 116,153,494	\$ (1,687,384)	-1.45%
Operating Expenses	(238,544,563)	(200,193,515)	38,351,049	19.16%
<b>Operating Loss</b>	<b><u>\$ (124,078,453)</u></b>	<b><u>\$ (84,040,021)</u></b>	<b><u>\$ 40,038,433</u></b>	<b><u>47.64%</u></b>
Non-Operating Revenues and Expenses	102,656,095	104,959,882	(2,303,787)	-2.19%
<b>Loss Before Other Revenues, Expenses and Transfers</b>	<b><u>\$ (21,422,358)</u></b>	<b><u>\$ 20,919,861</u></b>	<b><u>\$ (42,342,220)</u></b>	<b><u>-202.40%</u></b>
Other Revenues, Expenses and Transfers	14,886,474	15,056,138	(169,664)	-1.13%
<b>Change in Net Position</b>	<b><u>\$ (6,535,884)</u></b>	<b><u>\$ 35,975,999</u></b>	<b><u>\$ (42,511,884)</u></b>	<b><u>-118.17%</u></b>
Net Position, Beginning of Year	\$ 435,633,186	\$ 424,491,119	\$ 11,142,067	2.62%
Restatement	(9,281,141)	(24,833,932)	15,552,791	-62.63%
Net Position as Restated	<u>\$ 426,352,045</u>	<u>\$ 399,657,187</u>	<u>\$ 26,694,858</u>	6.68%
<b>Net Position, End of Year</b>	<b><u><u>\$ 419,816,161</u></u></b>	<b><u><u>\$ 435,633,186</u></u></b>	<b><u><u>\$ (15,817,026)</u></u></b>	<b><u><u>-3.63%</u></u></b>

Operating revenues totaled \$114.5 million in 2019, a decrease of \$1.7 million, or 1.45%, from 2018. The primary sources of operating revenues are tuition and fees, federal, state, local and other operating revenues. Net tuition and fees are reflected in the financial statements with associated discounts and allowances shown separately. The decrease in operating revenues is attributed to the increase of discounts and allowances, specifically a \$1.05 million increase in graduate scholarships and an increase of \$810 thousand in non-resident waivers.

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The following graph presents total operating and non-operating revenues for the fiscal year ended August 31, 2019.



Non-operating revenues and expenses totaled \$102.7 million in 2019, a decrease of \$2.3 million, or 2.19%, from 2018. Non-operating revenues primarily come from state appropriations, Federal Pell grant revenue, gifts, investment income and net increase in fair market value of investments. Non-operating expenses primarily are interest expense and fiscal charges along with loss on retirement of capital assets. The largest decrease in non-operating expenses is attributable to the implementation of GASB 89, *Accounting for Interest Cost Incurred*. TWU is no longer required to capitalize interest costs at year-end and instead recognizes the expense. In fiscal year 2018, \$3.03 million was capitalized which decreased total interest expense but no such activity occurred in fiscal year 2019.

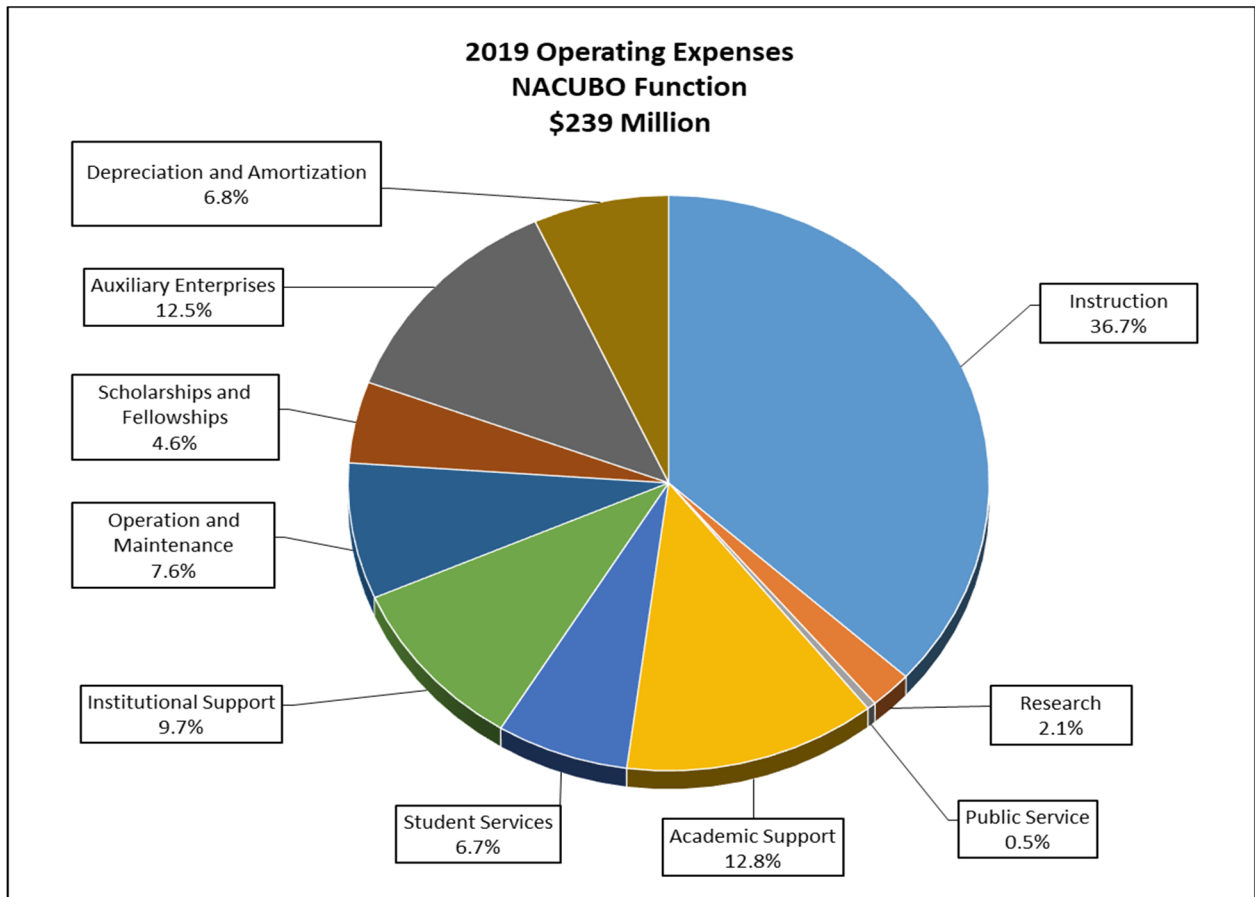


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During fiscal year 2019, operating expenses totaled \$238.5 million, an increase of \$38.4 million, or 19.16% over 2018. The most significant change is in payroll related costs which is due to the change in methodology of calculating both OPEB and pension expenses. Employees Retirement System agency changed the methodology to calculate employer specific adjustments and employer allocation percentage. The proportionate percentages increased because the active and retiree contributions were used to calculate the OPEB activity. Also, only five months of contributions were transferred into the retirement fund and used for the contributions subsequent to measurement date. Teacher Retirement System agency changed the calculation rate by lowering the discount rate from 8.00% to 6.91% and changed the long term assumed rate of return from 8.00% to 7.25%.

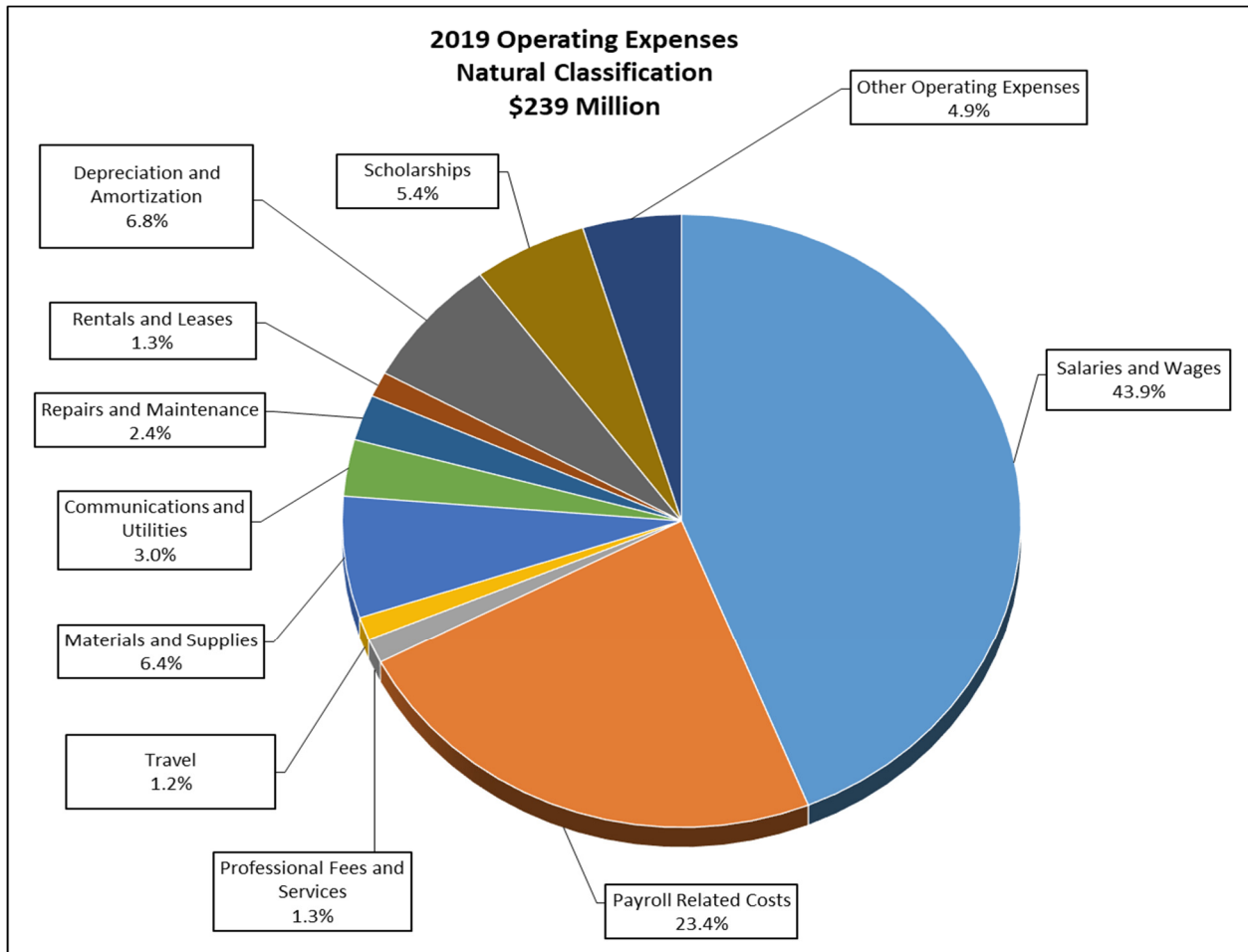
The following graph presents the operating expenses in the National Association of College and University Business Officers (NACUBO) functional classification for the year ended August 31, 2019.



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The following graph presents the operating expenses in the natural classification for the year ended August 31, 2019.



Other revenues, expenses, and transfers are comprised of capital and endowment related additions and transfers, which totaled \$14.9 million, a decrease of \$170 thousand, or 1.13%, in 2019. The majority of the balance is related to annual Higher Education Fund (HEF) revenue which totaled \$14.8 million in 2019. HEF is reported as capital appropriations rather than operating or non-operating revenue.

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

Restatements totaled \$9.3 million in 2019. The restatement is due to (1) \$9.8 million decrease in net position related to the contributions subsequent to measurement date for OPEB. The adjustment to beginning net position was made by the Comptroller's office during the state CAFR consolidation for fiscal year 2018 and (2) \$484 thousand restatement increase related to Perkins and Nursing loan funds.

Net Position totaled \$419.8 million and reflects a decrease of \$15.8 million, or 3.63%, in 2019. (1) Student revenues increased by \$5.2 million compared to 2018. However, discounts and allowances related to graduate scholarships and non-resident waivers also increased by \$1.86 million decreasing net position, (2) pension expense increased \$2.9 million along with OPEB expenses increasing \$21.5 million compared to 2018 due to changes in the calculation methodology, (3) depreciation expense increased \$1.6 million compared to 2018 due to reclassification of completed construction projects during 2019, (4) federal awards to students, specifically Pell awards, increased federal revenue by \$3.3 million compared to 2018 and (5) investment income increased by \$3.6 million due to the market appreciating during 2019.

#### Statement of Cash Flows

The final statement presented is the Statement of Cash Flows. This statement presents detailed information on the cash activity during the year. The first section presents operating cash flows and the net cash used by operating activities. The next section presents the results of non-capital financing activities. This section includes the cash flows from state appropriations and other non-operating activities. The capital and related financing activities section includes cash used for acquisition and construction of capital assets. The investment activities section reports purchases, proceeds and earnings from investments. The final section is a reconciliation of net cash from operations to operating income.

The Comparative Condensed Statement of Cash Flows is presented below.

Comparative Condensed Statement of Cash Flows		
Cash Flows From	2019	2018
Operating Activities	\$ (56,216,208)	\$ (46,632,993)
Non-Capital Financial Activities	90,152,087	89,611,459
Capital and Related Financing Activities	(80,491,945)	(41,735,235)
Investing Activities	47,043,803	(1,340,742)
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>\$ 487,737</b>	<b>\$ (97,511)</b>
Cash & Cash Equivalents, Beginning of Year	\$ 17,377,092	\$ 38,694,880
Reclassified Beginning Cash		(21,220,277)
<b>Cash &amp; Cash Equivalents, End of Year</b>	<b>\$ 17,864,829</b>	<b>\$ 17,377,092</b>

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### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

#### Capital Asset and Debt Administration

Texas Woman's University capital asset additions from acquisitions, donations and construction during fiscal year 2019 totaled \$63.7 million. More detailed information regarding Texas Woman's University's capital asset activity is provided in Note 2 - Capital Assets, in the notes to the financial statements.

Texas Woman's University embraces financial stewardship and works to manage its resources effectively, including the prudent use of debt to finance capital projects. Texas Woman's University issued \$7.9 million in Revenue Financing System bonds in 2019 for the purpose of refunding outstanding principal balances on Series 2009A. Additional bond information is presented on Schedules 2A- 2F, in the notes to the financial statements.

Texas Woman's University has sufficient debt capacity to finance planned facilities and other capital improvements. In addition, the state appropriated amounts are sufficient for the reimbursement of debt service on all outstanding and planned Tuition Revenue Bond debt for the FY 2018-2019 biennium.

Standard & Poor's (S&P) bond rating raised the long-term and underlying rating to A+ from A in 2016. The outlook is stable. Moody's bond rating remained Aa3 stable.

#### Economic Outlook

The Texas economy continues to attract business, jobs and people to Texas. Texas Woman's University is committed to producing high quality graduates to meet Texas' workforce needs. TWU remains a national leader in training professionals in the health related fields and continues to produce graduates in high demand fields.

The strong economy does present challenges for higher education as unemployment is at historic lows allowing non-college graduates to easily find work in relatively high paying technical fields. Overall, a strong economy is good for Texas and good for TWU. Texas Woman's University is benefitting from growth in demand for graduate degrees from young professionals looking to advance their careers, as well as continued high demand for nursing and allied health professionals.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731) Management's Discussion and Analysis For the Year Ended August 31, 2019

#### Significant Events

Several leadership changes at Texas Woman's University occurred during fiscal year 2019. These changes are included below.

- Ms. Katherine Antwi Green was named General Counsel and Associate Vice President for Compliance in January 2019.
- Dr. Carolyn Kapinus was named Interim Provost and Vice President for Academic Affairs in March 2019.
- Dr. Rosalie Mainous was named Dean of College of Nursing in May 2019.
- Ms. Lexi D'Abrosca was appointed the next student representative on the Texas Woman's University Board of Regents by Governor Greg Abbott in May 2019.

In April 2018, Texas Woman's University began construction on a new Student Union Project. The student body at TWU was very supportive of a new student union and held a referendum to increase the student union fee to handle the costs of the new building. Approval and support for the increase was received during the 84th Legislative Session. The total project budget is estimated at \$54.5 million. This project will add approximately 26,000 square feet of new space and additionally renovate 98,000 square feet of space. The program of this space includes food service, conference/meeting rooms, auditoriums and ballroom spaces with recreation and lounge space for students. The estimated completion date of this project is December 2019 with 95% of the construction phase completed as of November 2019.

In October 2018, Texas Woman's University began the search for competitive responses for a capital campaign planning and feasibility study. The goal is a resulting contract that will provide TWU – including Advancement, Marketing, and academic and volunteer leaders – with strategic direction and practical support for an unprecedented multi-year comprehensive campaign. The campaign will be aligned with priority initiatives of TWU's newly developed strategic plan. In September 2019, the final report with recommendations was provided by MPK&D with a goal to begin the marketing and communication campaign in December 2019.

On November 5, 2018, Texas Woman's University opened a new parking garage with spots for almost 600 vehicles. The structure includes a four-story parking garage with rooftop parking and an adjacent two-story office building that houses Office of Human Resources, Department of Public Safety, Student Testing Center and a student lounge with dining options and outdoor patio space facing Oakland Street.

In January 2019, Texas Woman's University began construction on a new Science & Technology Learning Center primarily for graduate research which will consolidate instructional and other clinical/laboratory experiential learning into modern technologically advanced settings that will enhance TWU's competitive edge. The total project budget is estimated at \$51.3 million and will include approximately 73,000 square feet in the new Science & Technology Learning Center. The estimated completion date of this project is spring 2020 with 75% of the construction phase completed as of November 2019.

## UNAUDITED

### **TEXAS WOMAN’S UNIVERSITY (731) Management’s Discussion and Analysis For the Year Ended August 31, 2019**

In June 2019, Texas Woman’s University broke ground on a new East Campus Parking Project. TWU experienced additional parking needs as a result of the construction of the newly opened Parliament Village. The total project budget is estimated at \$4.5 million and will accommodate an additional 517 parking spaces as well as a new access road on the Denton campus. The project includes pedestrian sidewalks, storm water drainage, safety measures such as “code blue phones” and exterior lighting. The estimated completion date is December 2019 with 85% of the construction phase completed as of November 2019.

In summer 2019, major renovation on the Old Main building began to meet the needs of the new Center for Women’s Leadership in Business, Politics and Public Policy. The second floor renovation of the building includes major upgrades to the utility of life safety systems for the entire building. The total project budget is estimated at \$9.5 million with an anticipated completion date of spring 2020. The project is currently 70% complete.

On August 23, 2019, Texas Woman’s University announced the official opening of Parliament Village. The new student village houses up to 872 students and provides a convenient and practical living environment for second-year students. Amenities include study lounges, multi-purpose meeting rooms, training rooms, maker space, fitness center, laundry facilities and housing offices. Structured as a public-private partnership, Collegiate Housing Foundation, a national non-profit entity, serves as the residential facility owner through the issuance of project-based, tax exempt debt financing. Balfour Beatty Campus Solutions served as the developer.

On October 28, 2019, Texas Woman’s University announced the official opening of the new Dining Hall. The 26,000 square feet dining hall replaces the Underground as the university’s primary dining facility for residential students in Denton and is a continuation of the university’s public-private partnership project with Collegiate Housing Foundation.

In November 2019, Texas Woman’s University began the designing phase for a new athletics facility. The new fieldhouse will provide the necessary space and amenities required to accommodate the needs for the softball team, soccer team, competitive sports, intramural teams and academic space. The total project budget is estimated at \$11.5 million with an estimated completion date of September 2021.

The Jones Hall Renovation project has undergone a feasibility study whereby it was determined that the 3rd floor of Jones Hall will be renovated to house the Dental Clinic and the 2nd Floor will be utilized for the Counseling Center which will be renovated and expanded. The total project budget is estimated at \$12 million with an anticipated completion date of fall 2021.

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UNAUDITED

TEXAS WOMAN'S UNIVERSITY (731)

Statement of Net Position

As of August 31, 2019

	2019	2018
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents		
Cash on Hand	\$ 12,930.00	\$ 10,435.00
Cash in Bank	3,384,230.28	3,805,162.79
Cash in State Treasury	5,266,928.81	4,811,858.28
Short Term Investments	108,749,202.08	102,973,985.03
Restricted Cash and Cash Equivalents		
Cash in Bank	9,200,739.04	8,749,635.39
Short Term Investments	66,925,055.85	107,404,225.87
Legislative Appropriations	62,887,616.96	58,893,490.53
<b>Total Cash and Cash Equivalents</b>	<b>\$ 256,426,703.02</b>	<b>\$ 286,648,792.89</b>
Receivables From:		
Student Receivable	\$ 29,030,656.61	\$ 26,405,723.59
Federal Receivable	11,161,950.97	1,285,502.84
Allowance for Doubtful Accounts	(4,552,180.24)	(3,853,290.00)
Interest and Dividends Receivable	178,207.83	171,762.40
Other Receivables	4,131,549.78	3,036,595.39
Due from Other Agencies	64,668.23	147,833.46
Consumable Inventories	1,170,228.71	1,370,752.84
Prepaid/Deferred Charges	697,484.87	381,601.05
Loans and Contracts	4,310,427.71	7,980,207.96
Allowance for Loans and Contracts	(1,967,186.62)	(2,420,268.36)
<b>Total Current Assets</b>	<b>\$ 300,652,510.87</b>	<b>\$ 321,155,214.06</b>
Non-Current Assets:		
Unrestricted Investments	\$ 165,046,730.40	\$ 159,258,071.24
Restricted Investments	16,256,711.68	16,367,261.68
Capital Assets, non-depreciable		
Land and Land Improvements	5,415,396.89	4,988,038.30
Construction in Progress	72,799,844.54	44,543,829.64
Capital Assets, depreciable		
Buildings and Building Improvements	380,968,033.75	351,129,758.39
Less Accumulated Depreciation	(195,525,935.22)	(182,440,429.49)
Infrastructure	12,111,897.82	12,111,897.82
Less Accumulated Depreciation	(11,141,292.37)	(11,063,370.87)
Facilities and Other Improvements	10,669,474.01	7,279,237.88
Less Accumulated Depreciation	(6,913,657.00)	(6,537,923.35)
Furniture and Equipment	27,204,257.27	26,447,709.18
Less Accumulated Depreciation	(19,607,024.84)	(18,228,613.74)
Vehicles, Boats, and Aircraft	2,657,246.30	2,378,612.82
Less Accumulated Depreciation	(2,103,958.33)	(1,938,445.98)
Other Capital Assets		
Library Books	20,046,730.99	20,007,127.66
Less Accumulated Depreciation	(18,489,379.83)	(18,231,938.03)
Museum and Art	46,000.00	46,000.00
Less Accumulated Depreciation	(46,000.00)	(46,000.00)
Software	3,750,618.52	3,750,618.52
Less Accumulated Amortization	(3,605,579.32)	(3,409,162.52)
<b>Total Non-Current Assets</b>	<b>\$ 459,540,115.26</b>	<b>\$ 406,412,279.15</b>
<b>Total Assets</b>	<b>\$ 760,192,626.13</b>	<b>\$ 727,567,493.21</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows of Resources	\$ 130,585,338.59	\$ 17,817,915.00
<b>Total Deferred Outflows of Resources</b>	<b>\$ 130,585,338.59</b>	<b>\$ 17,817,915.00</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 890,777,964.72</b>	<b>\$ 745,385,408.21</b>



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TEXAS WOMAN'S UNIVERSITY (731)

Statement of Net Position

As of August 31, 2019

LIABILITIES

Current Liabilities:		
Payables From		
Accounts Payable	\$ 24,625,891.88	\$ 12,348,439.89
Payroll Payable	11,693,385.23	11,576,196.29
Due to Other Agencies	379,975.91	515,411.00
Deferred Revenues	61,938,625.45	52,821,759.13
Employees' Compensable Leave	2,436,641.31	2,386,798.39
Revenue Bonds Payable	9,640,000.00	9,905,000.00
Premium on Bonds Payable	1,470,656.95	1,399,071.46
Net OPEB Obligation	3,100,030.00	103,068.00
Other Payables	2,137,736.20	885,321.82
Funds Held for Others	2,639,808.01	534,915.09
<b>Total Current Liabilities</b>	<b>\$ 120,062,750.94</b>	<b>\$ 92,475,981.07</b>
Non-Current Liabilities		
Employees' Compensable Leave	\$ 1,501,075.43	\$ 1,429,974.26
Revenue Financing System Bonds	140,070,000.00	150,780,000.00
Premium on Bonds Payable	9,462,848.56	9,671,741.76
Net OPEB Obligation	107,763,037.00	20,209,561.00
Net Pension Liability	45,435,323.00	25,145,838.00
<b>Total Non-Current Liabilities</b>	<b>\$ 304,232,283.99</b>	<b>\$ 207,237,115.02</b>
<b>Total Liabilities</b>	<b>\$ 424,295,034.93</b>	<b>\$ 299,713,096.09</b>
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of Resources	\$ 46,666,769.00	\$ 10,039,126.00
<b>Total Deferred Inflows of Resources</b>	<b>\$ 46,666,769.00</b>	<b>\$ 10,039,126.00</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 470,961,803.93</b>	<b>\$ 309,752,222.09</b>
NET POSITION		
Net Investment in Capital Assets	\$ 117,927,741.26	\$ 59,191,133.01
Restricted for:		
Debt Retirement	2,878.86	12,250.75
Capital Projects	129,766,417.99	179,838,249.75
Other Restricted	2,980,553.71	20,936,632.96
Funds Held as Permanent Investments		
Non-Expendable		
Endowment Funds	16,080,896.44	16,165,538.90
Unrestricted	153,057,672.53	159,489,380.75
<b>Total Net Position</b>	<b>\$ 419,816,160.79</b>	<b>\$ 435,633,186.12</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 890,777,964.72</b>	<b>\$ 745,385,408.21</b>

UNAUDITED

**TEXAS WOMAN'S UNIVERSITY (731)**

Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended August 31, 2019

	<u>2019</u>	<u>2018</u>
<b>OPERATING REVENUES</b>		
Tuition and Fees	\$ 116,813,959.72	\$ 113,444,422.75
Discounts and Allowances	(39,272,777.02)	(34,395,691.95)
Auxiliary Enterprises	31,073,165.65	29,210,961.11
Discounts and Allowances	(8,091,069.18)	(6,846,511.55)
Federal Grant Revenue	2,490,811.24	2,100,872.51
Federal Pass-Through Revenue	134,564.92	154,345.82
State Grant Revenue	623,809.99	692,199.42
State Grant Pass-Through Revenue	8,371,672.52	8,810,608.24
Other Contracts and Grants	958,879.15	1,655,765.42
Other Operating Revenues	1,363,093.00	1,326,522.66
<b>Total Operating Revenues</b>	<b><u>\$ 114,466,109.99</u></b>	<b><u>\$ 116,153,494.43</u></b>
<b>OPERATING EXPENSES</b>		
Cost of Goods Sold	\$ 12,571.10	\$ 18,532.66
Salaries and Wages	104,741,668.46	102,444,749.87
Payroll Related Costs	55,924,766.98	21,370,913.60
Professional Fees and Services	3,078,756.14	3,323,406.71
Travel	2,933,732.20	2,643,502.83
Materials and Supplies	15,301,121.97	14,320,713.43
Communication and Utilities	7,123,793.45	7,472,331.84
Repairs and Maintenance	5,754,970.60	6,161,229.11
Rentals and Leases	3,176,375.04	3,257,210.41
Printing and Reproduction	637,735.87	605,479.76
Depreciation and Amortization	16,325,970.25	14,739,718.10
Bad Debt Expense	2,022,629.27	1,460,478.02
Scholarships	12,942,714.36	14,262,037.00
Other Operating Expenses	8,567,757.72	8,113,212.32
<b>Total Operating Expenses</b>	<b><u>\$ 238,544,563.41</u></b>	<b><u>\$ 200,193,515.66</u></b>
<b>Operating Loss</b>	<b><u>\$ (124,078,453.42)</u></b>	<b><u>\$ (84,040,021.23)</u></b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Legislative Appropriations (GR)	\$ 55,465,180.00	\$ 55,390,753.00
Additional Appropriations (GR)	13,812,367.57	12,809,741.79
Federal Revenue	23,205,311.69	19,882,911.23
Gifts	4,522,970.49	4,556,706.04
Investment Income	13,100,437.98	9,501,326.29
Interest Expense and Fiscal Charges	(5,045,645.96)	(2,506,856.24)
Settlement Expense	(351,710.00)	-
Loss on Retirement of Capital Assets	(22,576.24)	(34,007.00)
Net Decrease in Fair Value of Investments	(2,067,769.24)	5,225,795.51
Other Non-Operating Revenues	37,528.50	133,511.38
<b>Total Non-Operating Revenues (Expenses)</b>	<b><u>\$ 102,656,094.79</u></b>	<b><u>\$ 104,959,882.00</u></b>
<b>Loss Before Other Revenues, Expenses and Transfers</b>	<b><u>\$ (21,422,358.63)</u></b>	<b><u>\$ 20,919,860.77</u></b>

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**TEXAS WOMAN'S UNIVERSITY (731)**

Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended August 31, 2019

**OTHER REVENUES, EXPENSES AND TRANSFERS**

Capital Appropriation (HEF)	\$ 14,846,558.00	\$ 14,846,558.00
Transfers From Other State Agencies	96,338.00	103,105.00
Transfers To Other State Agencies	(17,062.52)	(70,001.92)
Legislative Transfers In	165,381.00	178,882.00
Legislative Appropriations Lapses	(204,740.05)	(2,404.74)
<b>Total Other Revenues, Expenses and Transfers</b>	<b>\$ 14,886,474.43</b>	<b>\$ 15,056,138.34</b>

**CHANGE IN NET POSITION**

	<b>\$ (6,535,884.20)</b>	<b>\$ 35,975,999.11</b>
Net Position, Beginning	\$ 435,633,186.12	\$ 424,491,119.49
Restatements	(9,281,141.13)	(24,833,932.48)
<b>Beginning Net Position, as Restated</b>	<b>\$ 426,352,044.99</b>	<b>\$ 399,657,187.01</b>

**ENDING NET POSITION**

	<b>\$ 419,816,160.79</b>	<b>\$ 435,633,186.12</b>
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**TEXAS WOMAN'S UNIVERSITY (731)**

Matrix of Operating Expenses Reported by Function

For the Year Ended August 31, 2019

<b>Operating Expenses</b>	<b>Instruction</b>	<b>Research</b>	<b>Public Service</b>	<b>Academic Support</b>	<b>Student Services</b>
Cost of Goods Sold	\$ -	\$ -	\$ -	\$ 1,512.15	\$ 492.88
Salaries and Wages	54,766,090.17	2,130,499.02	428,704.71	14,079,587.69	7,603,477.00
Payroll Related Costs	29,215,043.25	983,427.89	174,206.45	6,894,601.75	4,037,695.27
Professional Fees and Services	225,238.19	93,404.50	58,894.45	670,030.39	1,337.39
Travel	568,679.40	244,071.88	22,897.63	955,904.86	319,845.08
Materials and Supplies	1,280,522.66	367,708.75	92,669.16	2,395,010.86	741,831.36
Communications and Utilities	48,431.59	21,863.12	8,682.40	2,579,712.91	39,847.07
Repairs and Maintenance	159,581.88	49,179.34	438.22	620,306.50	379,505.55
Rentals and Leases	48,172.07	3,823.31	74,299.89	145,974.86	106,694.72
Printing and Reproduction	39,789.28	1,362.89	1,839.90	148,663.90	120,045.26
Depreciation and Amortization	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-
Scholarships	501,687.60	420,054.09	8,400.00	213,103.07	1,795,983.41
Other Operating Expenses	809,515.72	768,837.55	204,391.82	1,729,335.20	787,221.38
<b>Total Operating Expenses</b>	<b>\$ 87,662,751.81</b>	<b>\$ 5,084,232.34</b>	<b>\$ 1,075,424.63</b>	<b>\$ 30,433,744.14</b>	<b>\$ 15,933,976.37</b>

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Institutional Support	Operation and Maintenance	Scholarships & Fellowships	Auxiliary Enterprises	Depreciation & Amortization	Total Expenditures
\$ -	\$ -	\$ -	\$ 10,566.07	\$ -	\$ 12,571.10
10,745,087.61	4,882,922.66	406,469.42	9,698,830.18	-	104,741,668.46
5,979,119.79	3,224,835.68	16,181.22	5,399,655.68	-	55,924,766.98
1,223,109.57	494,315.19	-	312,426.46	-	3,078,756.14
229,799.54	36,235.45	740.51	555,557.85	-	2,933,732.20
942,738.42	2,965,395.10	-	6,515,245.66	-	15,301,121.97
130,995.70	2,613,091.46	-	1,681,169.20	-	7,123,793.45
673,115.56	3,102,277.70	-	770,565.85	-	5,754,970.60
169,824.05	3,170.03	-	2,624,416.11	-	3,176,375.04
172,527.73	1,181.85	-	152,325.06	-	637,735.87
-	-	-	-	16,325,970.25	16,325,970.25
461,941.36	-	1,560,687.91	-	-	2,022,629.27
22,158.42	-	8,872,726.44	1,108,601.33	-	12,942,714.36
2,392,307.37	898,372.39	55,786.93	921,989.36	-	8,567,757.72
<b>\$ 23,142,725.12</b>	<b>\$ 18,221,797.51</b>	<b>\$ 10,912,592.43</b>	<b>\$ 29,751,348.81</b>	<b>\$ 16,325,970.25</b>	<b>\$ 238,544,563.41</b>

UNAUDITED

TEXAS WOMAN'S UNIVERSITY (731)

Statement of Cash Flows

For the Year Ended August 31, 2019

	2019	2018
<b>Cash Flows from Operating Activities</b>		
Proceeds Received from Tuition and Fees	\$ 75,573,909.68	\$ 77,102,528.57
Proceeds from Research Grants and Contracts	2,703,289.69	14,109,351.23
Proceeds from Auxiliary	22,982,096.47	22,364,449.56
Proceeds from Other Revenues	9,426,235.17	10,895,554.51
Proceeds from Loans and Contracts	3,216,698.51	105,323.78
Payments to Employees	(125,739,233.63)	(111,271,579.91)
Proceeds from a Defined Benefit Pension Plan	2,853,927.00	
Proceeds from a Defined Benefit OPEB Plan	22,261,225.00	
Payments for Pension Benefits to Plan Members	(2,853,927.00)	
Payments for OPEB Benefits to Plan Members	(22,261,225.00)	
Payments to Vendors and Suppliers	(31,436,489.22)	(45,676,583.76)
Payments for Scholarships	(12,942,714.36)	(14,262,037.00)
<b>Net Cash Used by Operating Activities</b>	<b>\$ (56,216,207.69)</b>	<b>\$ (46,632,993.02)</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Proceeds from State Appropriations	\$ 83,919,365.52	\$ 83,047,052.79
Transfers in from Other Funds	261,719.00	281,987.00
Transfers out to Other Funds	(17,062.52)	(70,001.92)
Proceeds from Gifts	4,522,970.49	4,556,706.04
Proceeds from Loan Programs PELL	23,205,311.69	19,882,911.23
Proceeds from Other Financing Activities	33,250.50	133,511.38
Payments for Interest	-	(3,988.28)
Payments for Grant Disbursements PELL	(21,421,757.51)	(18,216,719.73)
Payments for Other Uses	(351,710.00)	
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ 90,152,087.17</b>	<b>\$ 89,611,458.51</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from Debt Issuance	\$ 9,146,763.75	\$ 38,826,928.30
Payments for Refunding Bonds	(9,004,588.68)	(25,465,000.00)
Payments for Additions to Capital Assets	(64,158,393.16)	(38,835,714.61)
Payments of Principal on Debt Issuance	(9,905,000.00)	(8,950,000.00)
Payments of Principal on Capital Lease Obligations		(144,081.02)
Payments of Interest on Debt Issuance	(6,428,156.12)	(6,827,968.02)
Payments of Other Costs on Debt Issuance	(142,571.21)	(339,400.10)
<b>Net Cash Provided (Used) Capital and Related Financing Activities</b>	<b>\$ (80,491,945.42)</b>	<b>\$ (41,735,235.45)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sales of Investments	\$ 33,943,364.63	\$ 2,171,569.04
Proceeds from Interest and Investment Income	13,100,437.98	9,501,326.29
Payments to Acquire Investments		(13,013,637.45)
<b>Net Cash Used by Investing Activities</b>	<b>\$ 47,043,802.61</b>	<b>\$ (1,340,742.12)</b>
<b>Increase in Cash and Cash Equivalents</b>	<b>\$ 487,736.67</b>	<b>\$ (97,512.08)</b>
<b>Cash and Cash Equivalents, September 1, 2018</b>	<b>\$ 17,377,091.46</b>	<b>\$ 38,694,880.22</b>
Reclassified Beginning Cash	-	(21,220,276.68)
<b>Cash and Cash Equivalents, August 31, 2019</b>	<b>\$ 17,864,828.13</b>	<b>\$ 17,377,091.46</b>

UNAUDITED

**TEXAS WOMAN'S UNIVERSITY (731)**

Statement of Cash Flows

For the Year Ended August 31, 2019

Cash and Cash Equivalents, August 31, 2019	\$ 17,864,828.13	\$ 17,377,091.46
--------------------------------------------	------------------	------------------

Displayed as:

Total Cash and Cash Equivalents	\$ 17,864,828.13	\$ 17,377,091.46
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**Reconciliation of Operating Income (Loss) to  
Net Cash Used by Operating Activities**

Operating Loss on AFR	\$ (124,078,453.42)	\$ (84,040,021.23)
Classification Difference USAS to AFR	9,573,916.78	8,487,224.71
<b>Operating Income for CAFR</b>	<b>\$ (114,504,536.64)</b>	<b>\$ (75,552,796.52)</b>

Depreciation Expense	16,325,970.25	14,739,718.10
Bad Debt Expense	2,022,629.27	1,460,478.02
Pension Expense	5,615,179.00	2,718,215.00
OPEB Expense	22,524,323.00	1,087,053.00
OPEB Contribution Offset	(263,098.00)	
Pension Contribution Offset	(2,761,252.00)	

Changes in Assets and Liabilities:

(Increase) Decrease in Receivables	\$ (12,903,890.73)	\$ 910,243.52
(Increase) Decrease in Inventories	200,524.13	14,160.20
(Increase) Decrease in Due from Other Agencies	83,165.23	(63,676.00)
(Increase) Decrease in Prepaid Expenses	(315,883.82)	(32,828.20)
(Increase) Decrease in Loans and Contracts	3,216,698.51	105,323.78
Increase (Decrease) in Payables	11,967,092.55	546,738.57
Increase (Decrease) in Payroll Payable	117,188.94	170,482.01
Increase (Decrease) in Compensable Absences	120,944.09	81,108.84
Increase (Decrease) in Due to Other Agencies	(135,435.09)	(248,884.70)
Increase (Decrease) in Deferred Income	9,116,866.32	7,404,666.73
Increase (Decrease) in Other Liabilities	1,252,414.38	(140,382.34)
Increase (Decrease) in Funds Held for Others	2,104,892.92	167,386.97
Total adjustments	\$ 58,288,328.95	\$ 28,919,803.50
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (56,216,207.69)</b>	<b>\$ (46,632,993.02)</b>

**Non Cash Transactions**

Net Decrease in Fair Value of Investments	\$ (2,067,769.24)	\$ 5,225,795.51
Premium Amortization FY 2019	(1,399,071.46)	(1,472,486.61)
Capitalized Interest FY 2019		(3,032,013.55)
Asset Disposal Gain/Loss	(22,576.24)	(34,007.00)
Bond Deferred Outflow Amortizations	17,190.16	
Other Uses	(310,359.44)	1,130,814.56

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### Introduction

Texas Woman's University (TWU) was founded in 1901 by an act of the 27th Legislature of the State of Texas, and the enacting statute laid a strong foundation for a multi-purpose institution of higher education. As a publicly funded institution, TWU's financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for Annual Financial Reports of State Agencies and Universities and with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

Because TWU is a component operating unit of the state of Texas government, the University's financial information is consolidated with other state agencies and institutions in the State's Comprehensive Annual Financial Report (CAFR). The Comptroller of Public Accounts is responsible for preparation of the CAFR, which meets all requirements delineated in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The Comptroller does not require the annual financial report of TWU, or other component units, to be in compliance with all requirements of these statements. The financial reports of TWU and other component units will be considered for audit by the State Auditor's Office as part of the audit of the State's CAFR. Therefore, an opinion has not been expressed on the financial statements and related information in this report.

GASB Statement Number 63 amended Statement Number 34, revising the net asset reporting requirements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The Board asserts that the new requirements introduced with GASB 63 will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.

As part of the preparation of this financial report, consideration was given to the requirements of Governmental Accounting Standards Board Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. For Texas Woman's University, the results of this consideration show:

##### Blended Component Units

No component units have been identified which should have been blended into an appropriated fund.

##### Discrete Component Units

No component units have been identified which should have been included in a discrete presentation in the financial report.

##### Fund Structure

Texas Woman's University is an Enterprise Fund reported in the state of Texas' Comprehensive Annual Financial Report as a Proprietary Fund Type. Enterprise funds are used to account for any activity in which a fee is charged to external users for goods or services.



## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

Activities must be reported as enterprise funds if any one of the following criteria are met:

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services including capital costs (such as depreciation or debt service), be recovered with fees and charges.
3. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

#### Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements.

Texas Woman's University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The University has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The University has elected to not apply FASB pronouncements issued after the applicable date.

#### Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position

##### Assets

###### *Cash and Cash Equivalents*

For purposes of the statements of cash flows, the University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

###### *Restricted Assets*

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation, revenue bonds and revenues set aside for statutory or contractual requirements. Assets held in reserve for guaranteed student loan defaults are also included.

###### *Inventories*

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories. The cost of these items is expensed when the items are consumed.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### *Capital Assets*

Assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of the asset using the straight-line method.

##### *Other Receivables*

Other receivables include year-end revenue accruals not included in any other receivable category.

#### **Liabilities**

##### *Accounts Payable*

Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

##### *Employees' Compensable Leave Balances*

Employees' compensable leave balances represent the liability that becomes due upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the statement of net assets.

##### *Revenue Bonds Payable*

Revenue bonds are reported at par. Payables are reported separately as either current or non-current in the statement of net assets.

##### *Net Pension Liability*

The net pension values are provided by the State of Texas Comptroller's Office and defines Texas Woman's University proportional share of the Teacher Retirement System of Texas (TRS) unfunded pension liability.

The fiduciary net position of the TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes - for purposes of measuring the net pension liability - deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### *Net Other Postemployment Benefits Liability*

The net other postemployment benefits (OPEB) values are provided by the State of Texas Comptroller's Office and defines Texas Woman's University proportional share of the Employees Retirement System of Texas (ERS) unfunded OPEB liability.

The fiduciary net position of the ERS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes changes in OPEB liability resulting in deferred outflows or inflows of resources, the differences between expected and actual actuarial experience, changes in actuarial assumptions, the difference between projected and actual earnings on plan investments, changes in proportion of collective OPEB amounts differences between actual contributions and proportionate share.

##### **Deferred Outflows of Resources**

Deferred outflows of resources relate to unamortized losses on refunding of debt, pensions and postemployment benefits other than pensions.

##### *Deferred Outflows of Resources Related to Debt Refunding*

For debt refunding, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and reported as deferred outflows or deferred inflows. The gain or loss is amortized using the straight-line method over the remaining life of the old debt or the life of the new debt, whichever is shorter, in the Statement of Revenues, Expenses and Changes in Net Position as a component of interest expense.

##### *Deferred Outflows of Resources Related to Pensions*

Certain changes in the collective net pension liability of the Teacher Retirement System of Texas are reported as deferred outflows of resources related to pensions or as deferred inflows of resources related to pensions, depending on the type of change.

##### *Deferred Outflows of Resources Related to Postemployment Benefits Other than Pensions*

Certain changes in the collective net postemployment benefits other than pensions liability include retiree health care associated with Employee Retirement System of Texas are reported as deferred outflows of resources related to other non-pensions or as deferred inflows of resources related to other non-pensions, depending on the type of change.

##### **Deferred Inflows of Resources**

Deferred inflows of resources relate to unamortized gains on refunding of debt, pensions and postemployment benefits other than pensions.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### *Deferred Inflows of Resources Related to Debt Refunding*

For debt refunding, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and reported as deferred outflows or deferred inflows. The gain or loss is amortized using the straight-line method over the remaining life of the old debt or the life of the new debt, whichever is shorter, in the Statement of Revenues, Expenses and Changes in Net Position as a component of interest expense.

##### *Deferred Inflows of Resources Related to Pensions*

Certain changes in the collective net pension liability of the Teacher Retirement System of Texas are reported as deferred outflows of resources related to pensions or as deferred inflows of resources related to pensions, depending on the type of change.

##### *Deferred Inflows of Resources Related to Postemployment Benefits Other than Pensions*

Certain changes in the collective net postemployment benefits other than pensions liability include retiree health care associated with Employee Retirement System of Texas are reported as deferred outflows of resources related to other non-pensions or as deferred inflows of resources related to other non-pensions, depending on the type of change.

#### **Net Position**

As defined in GASB Statement Number 63, Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net assets are divided into three components—invested in capital assets, restricted and unrestricted.

##### *Invested in Capital Assets, Net of Related Debt*

This represents the total amount of capital assets, net of accumulated depreciation and net of outstanding balances for bonds and other debt that is attributed to the acquisition, construction, or improvement of those assets.

##### *Restricted Net Position*

Restricted net position represents resources which are constrained to a particular purpose, and are presented according to the purposes to which they are limited. Grants, Student Loan Funds and Endowment assets are included in this category. Restricted net position results when constraints placed on net position are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. Generally, when an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards the restricted resources and then towards the unrestricted resources.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### *Unrestricted Net Position*

Unrestricted net position represents all resources not included in the other components. These resources can be considered usable for any purpose, though they may not be in a spendable form, like cash. Unrestricted net position often has constraints on resources which are imposed by management but can be removed or modified.

#### **Revenues and Expenses**

##### *Operating Revenues and Expenses*

Operating revenues include activities which have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most federal, state and local grants and contracts. Operating expenses include salaries and wages, payroll related costs, professional fees and services, materials and supplies, depreciation and amortization, and scholarships and fellowships.

##### *Non-operating Revenues and Expenses*

Non-operating revenues include activities which have the characteristics of non-exchange transactions such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB No. 9 and GASB No. 34, such as state appropriations and investment income. Non-operating expenses include activities such as interest expense on capital asset financings and other expenses that are defined as non-operating expenses by GASB.

Texas Woman's University implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, in fiscal year 2019. The standard defines interest cost incurred before the end of a construction period to be recognized as an expense instead of capitalized to the Statement of Net Position in the fiscal year in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

#### **Investments**

Texas Woman's University entered into a contract with The Texas A&M University System in March 2016 to manage the University's long-term investments in The Texas A&M Cash Concentration Pool. A second contract with The Texas A&M University System was executed in March 2016 to allow investment of endowment assets in the Texas System Endowment Fund managed by The Texas A&M University System.

Texas Woman's University implemented GASB Statement No. 72, *Fair Value Measurement and Application*, in fiscal year 2016. The Standard defines an investment as a security or other asset that a government holds primarily for the purpose of income or profit. The present service capacity is based solely on the ability of the security or other asset to generate cash or to be sold to generate cash. Fair value is defined as the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

The Standard requires fair value to be measured in a manner consistent with one of three approaches, the market approach, the cost approach, or the income approach. The market approach uses prices and relevant market information to measure fair value. The cost approach reflects the amount that would be required to replace the asset and its service capacity. The income approach converts future amounts, such as cash flows, into a single current amount. Texas Woman's University primarily uses the market approach to value investments.

Measuring fair value requires gathering information, or inputs, related to the asset or liability being measured. The fair value hierarchy categorizes the inputs used to measure fair value into three levels. Level 1 inputs are quoted prices in active markets for assets or liabilities identical to the ones being measured, Level 2 inputs are observable for similar assets or liabilities and Level 3 inputs are unobservable inputs.

The notes to the financial statements disclose the input levels used to determine fair value and also display the deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

#### Note 3 - Deposits, Investments and Repurchase Agreements

Texas Woman's University implemented GASB Statement No. 72, *Fair Value Measurement and Application*, for fiscal year 2016. Investments have been presented according to the hierarchy of inputs used to measure fair value:

- Level 1 has been assigned to investments for which quoted prices (unadjusted) are available for identical assets in active markets on the measurement date. These assets include equities (common stock, listed ADR's and listed preferred stock), exchange traded mutual funds, exchange traded options, money market funds and U.S. Treasury securities.
- Level 2 has been assigned to investments for which there are inputs, other than quoted prices, that are observable for an asset or liability, either directly or indirectly. These assets include cash equivalents, collateralized mortgage obligations, corporate bonds, mortgage-backed securities, municipal bonds, non-exchange traded options, short-term obligations, U.S. agency securities.
- Level 3 has been assigned to assets to which there are unobservable inputs. Examples of these assets are commingled funds and private equity technology partnerships and are discussed below.
- Net Asset Value (NAV) – Texas Woman's University invests in certain private investments and limited partnerships including hedge funds, private equity, venture capital, natural resources, energy, and real estate. The fair value of these investments is based on the investment manager determined NAV as allowed by the standard. The valuations at the date provided by the investment manager has been adjusted by rolling forward to August 31, 2019 to include the following events: capital contributions or distributions since the investment manager valuation date reported to Texas Woman's University, changes in the composition of assets or liabilities reported by the investment manager since the valuation date of the NAV, and fair value changes of assets or liabilities reported since the investment manager valuation date. In the case of hedge funds, Texas Woman's University has adjusted the reported July 31, 2019 NAV by the estimated performance as of August 31, 2019 as reported by the investment manager.

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 1: Summary of Significant Accounting Policies

##### Upcoming Accounting Pronouncements

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. This statement will be implemented in fiscal year 2020. TWU continues to evaluate the impact to the financial statements.

GASB Statement No. 87, *Leases*, creates a single model for lease accounting. It requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement will be implemented in fiscal year 2021. TWU continues to evaluate the impact to the financial statements.

GASB Statement No. 90, *Majority Equity Interests*, establishes criteria for major equity interests in relation to investments. It establishes that ownership of the majority equity interest in a component unit results in the agency being financially accountable for that component unit. The standard also requires component units (in which an agency has a 100 percent equity interest) to account for its assets, deferred outflows of resources, liabilities and deferred inflows of resources at acquisition value. This statement will be implemented in fiscal year 2020. TWU continues to evaluate the impact to the financial statements.

**UNAUDITED**

**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 2: Capital Assets**

A summary of changes in Capital Assets for the year ended August 31, 2019 is presented below.

	<b>PRIMARY GOVERNMENT</b>		
	Balance September 1, 2018	Adjustments	Reclassifications of Completed Construction in Progress
<b>BUSINESS-TYPE ACTIVITIES</b>			
<b>Non-Depreciable or Non-Amortizable Assets</b>			
Land and Land Improvements	\$ 4,988,038.30	\$ -	\$ -
Construction in Progress	44,543,829.64	-	(33,228,511.49)
<b>Total Non-Depreciable or Non-Amortizable Assets:</b>	<b>49,531,867.94</b>	<b>-</b>	<b>(33,228,511.49)</b>
<b>Depreciable Assets</b>			
Buildings and Building Improvements	351,129,758.39	-	29,838,275.36
Infrastructure	12,111,897.82	-	-
Facilities and Other Improvements	7,279,237.88	-	3,390,236.13
Furniture and Equipment	26,447,709.18	-	-
Vehicles, Boats and Aircraft	2,378,612.82	-	-
Other Capital Assets	20,053,127.66	-	-
<b>Total Depreciable Assets at Historical Cost</b>	<b>419,400,343.75</b>	<b>-</b>	<b>33,228,511.49</b>
<b>Less Accumulated Depreciation for:</b>			
Buildings and Building Improvements	(182,440,429.49)	-	-
Infrastructure	(11,063,370.87)	-	-
Facilities and Other Improvements	(6,537,923.35)	-	-
Furniture and Equipment	(18,228,613.74)	-	-
Vehicles, Boats and Aircraft	(1,938,445.98)	-	-
Other Capital Assets	(18,277,938.03)	-	-
<b>Total Accumulated Depreciation</b>	<b>(238,486,721.46)</b>	<b>-</b>	<b>-</b>
<b>Total Depreciable Assets, Net</b>	<b>180,913,622.29</b>	<b>-</b>	<b>33,228,511.49</b>
<b>Intangible Capital Assets – Amortizable</b>			
Computer Software – Intangible	3,750,618.52	-	-
<b>Total Intangible Assets at Historical Cost</b>	<b>3,750,618.52</b>	<b>-</b>	<b>-</b>
<b>Less Accumulated Amortization for:</b>			
Computer Software – Intangible	(3,409,162.52)	-	-
<b>Total Accumulated Amortization</b>	<b>(3,409,162.52)</b>	<b>-</b>	<b>-</b>
<b>Total Intangible Assets, Net</b>	<b>341,456.00</b>	<b>-</b>	<b>-</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 230,786,946.23</b>	<b>\$ -</b>	<b>\$ -</b>



**UNAUDITED**

**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 2: Capital Assets**

Reclassifications Increase Interagency Transfers	Reclassifications Decrease Interagency Transfers	Additions	Deletions	Balance August 31, 2019
\$ -	\$ -	\$ 427,358.59	\$ -	\$ 5,415,396.89
-	-	61,484,526.39	-	72,799,844.54
-	-	<b>61,911,884.98</b>	-	<b>78,215,241.43</b>
-	-	-	-	380,968,033.75
-	-	-	-	12,111,897.82
-	-	-	-	10,669,474.01
-	-	1,543,232.58	(786,684.49)	27,204,257.27
-	-	284,183.48	(5,550.00)	2,657,246.30
-	-	58,972.40	(19,369.07)	20,092,730.99
-	-	<b>1,886,388.46</b>	<b>(811,603.56)</b>	<b>453,703,640.14</b>
-	-	(13,085,505.73)	-	(195,525,935.22)
-	-	(77,921.50)	-	(11,141,292.37)
-	-	(375,733.65)	-	(6,913,657.00)
-	-	(2,142,519.35)	764,108.25	(19,607,024.84)
-	-	(171,062.35)	5,550.00	(2,103,958.33)
-	-	(276,810.87)	19,369.07	(18,535,379.83)
-	-	(16,129,553.45)	789,027.32	(253,827,247.59)
-	-	<b>(14,243,164.99)</b>	<b>(22,576.24)</b>	<b>199,876,392.55</b>
-	-	-	-	3,750,618.52
-	-	-	-	<b>3,750,618.52</b>
-	-	(196,416.80)	-	(3,605,579.32)
-	-	(196,416.80)	-	(3,605,579.32)
-	-	<b>(196,416.80)</b>	-	<b>145,039.20</b>
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,472,303.19</b>	<b>\$ (22,576.24)</b>	<b>\$ 278,236,673.18</b>

**UNAUDITED**

**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Deposits of Cash in Bank**

As of August 31, 2019, the carrying amount of deposits was \$12,584,969.32 as presented below:

<b>Governmental and Business-Type Activities</b>	
CASH IN BANK – CARRYING VALUE	\$ 12,584,969.32
Less: Certificates of Deposit included in carrying value and reported as Cash Equivalent	
Less: Uninvested Securities Lending Cash Collateral included in carrying value and reported as Securities Lending Collateral	
Less: Securities Lending CD Collateral included in carrying value and reported as Securities Lending Collateral	
Cash In Bank per AFR	\$ 12,584,969.32
Governmental Funds Current Assets Cash in Bank	
Governmental Funds Current Assets Restricted Cash in Bank	
Governmental Funds Non-Current Assets Restricted Cash in Bank	
Proprietary Funds Current Assets Cash in Bank	3,384,230.28
Proprietary Funds Current Assets Restricted Cash in Bank	9,200,739.04
Proprietary Funds Non-Current Restricted Cash in Bank	
Cash in Bank per AFR	\$ 12,584,969.32

As of August 31, 2019, the total bank balance was as follows:

Governmental and Business-Type Activities	\$ 12,470,671.11
-------------------------------------------	------------------

**Custodial Credit Risk for Deposits**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Texas Woman’s University has a depository contract with BBVA Bank of Birmingham, Alabama. BBVA holds letters of credit with Federal Home Loan Bank of Atlanta providing collateral for university deposits. At August 31, 2019, there were letters of credit totaling \$74,000,000.

As of August 31, 2019, TWU did not have bank balances that are exposed to custodial credit risk.

**UNAUDITED**

**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Investments**

Texas Woman’s University is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act, Section 2256.001 of the Texas Governmental Code.

Additionally, TWU contracts with The Texas A&M University System (A&M System) to manage university investments in the Cash Concentration Pool (CCP) as well as the A&M System Endowment Fund (SEF). The fair value of investments in the CCP and the SEF managed by A&M System at August 31, 2019 were \$165,046,730.40 and \$16,256,711.68, respectively. Additional information related to these investments is disclosed further below.

As of August 31, 2019, the fair value of the Texas Woman’s University investments was \$362,244,628.82 as presented below:

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Amortized Cost	Net Asset Value	Fair Value as of August 31, 2019
U.S. Treasury Securities	\$ 9,891,322.47	\$	\$	\$	\$	\$ 9,891,322.47
U.S. Treasury TIPS	343,108.97					343,108.97
U.S. Government Agency Obligations		11,887,262.05				11,887,262.05
Corporate Obligations		16,443,490.13	486,829.11			16,930,319.24
Corporate Asset and Mortgage Backed Securities		5,318,633.22				5,318,633.22
Equity (Domestic)	34,338,312.44					34,338,312.44
International Obligations (Govt and Corp)		10,395,582.33	33,475.57			10,429,057.90
International Equity	24,358,397.59					24,358,397.59
Fixed Income Money Market and Bond Mutual Funds				3,079,359.24	31,044,446.08	34,123,805.32
Mutual Funds - International Equity (Registered with SEC)	5,362,219.05		5,128,504.74			10,490,723.79
Other Commingled Funds - Fixed Income	1,919,645.32		975,672.24		75,181,132.97	78,076,450.53
Other Commingled Funds (TexPool)				69,448,678.88		69,448,678.88
International Other Commingled Funds - Equity			7,908,641.33			7,908,641.33
Derivatives		10,891.21				10,891.21
Miscellaneous		331,259.68			43,090,835.39	43,422,095.07
Cash in State Treasury					5,266,928.81	5,266,928.81
<b>Total Investments</b>	<b>\$76,213,005.84</b>	<b>\$44,387,118.62</b>	<b>\$14,533,122.99</b>	<b>\$72,528,038.12</b>	<b>\$154,583,343.25</b>	<b>\$362,244,628.82</b>

**UNAUDITED**

**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Investments**

As of August 31, 2019, the fair value of investments managed by Texas A&M University System were:

	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Amortized Cost	Net Asset Value	Total
U.S. Treasury Securities	\$ 9,891,322.47	\$	\$	\$	\$	\$ 9,891,322.47
U.S. Treasury TIPS	343,108.97					343,108.97
U.S. Government Agency Obligations		11,887,262.05				11,887,262.05
Corporate Obligations		16,443,490.13	486,829.11			16,930,319.24
Corporate Asset and Mortgage Backed Securities		5,318,633.22				5,318,633.22
Equity (Domestic)	34,338,312.44					34,338,312.44
International Obligations (Gov't and Corp)		10,395,582.33	33,475.57			10,429,057.90
International Equity	24,358,397.59					24,358,397.59
Fixed Income Money Market and Bond Mutual Funds				3,079,359.24		3,079,359.24
Mutual Funds - International Equity (Registered with SEC)	5,362,219.05		5,128,504.74			10,490,723.79
Other Commingled Funds - Fixed Income	1,919,645.32		975,672.24			2,895,317.56
International Other Commingled Funds - Equity			7,908,641.33			7,908,641.33
Derivatives		10,891.21				10,891.21
Alternative Investments						
Hedge Funds - Domestic					20,399,560.01	20,399,560.01
Hedge Funds - International					17,381,453.76	17,381,453.76
Limited Partnerships - Private Equity					1,835,743.41	1,835,743.41
Limited Partnerships - International Private Equity					1,337,054.82	1,337,054.82
Limited Partnerships - Real Estate					415,678.67	415,678.67
Limited Partnerships - International Real Estate					74,590.38	74,590.38
Limited Partnerships - Natural Resources					1,484,979.70	1,484,979.70
Limited Partnerships - International Natural Resources					161,774.64	161,774.64
Political Subdivisions		331,259.68				331,259.68
<b>Total Investments</b>	<b>\$76,213,005.84</b>	<b>\$44,387,118.62</b>	<b>\$14,533,122.99</b>	<b>\$3,079,359.24</b>	<b>\$43,090,835.39</b>	<b>\$181,303,442.08</b>

\*Table provided by Texas A&M University System.

**UNAUDITED**

**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Investments**

As of August 31, 2019, the investment type and valuation for the investments managed by Texas A&M University System were:

Foreign Currency Presented as Cash	\$	55,486.14
Cash		609.93
Receivables		
Interest/Dividends Receivable		511,801.02
Cash Due from Broker		29,727.76
Foreign Currency Fluctuations - Receivable		(1,606.16)
FFX Contract Receivable		269,970.51
Pending Sale		2,511,429.93
Other Receivables		24,844.53
Payables		
Payable for Manager Fees		(80,860.86)
Payable for 4th Quarter SEF distribution		(184,278.51)
Foreign Currency Fluctuations - Payable		(2.16)
FFX Contract Payable		(269,970.51)
Pending Purchase		(3,256,042.39)
Other Payables		(22,259.73)
Rounding Due to Allocation		(5.75)
<b>Total Cash and Accruals</b>	<b>\$</b>	<b>(411,156.25)</b>
Investments (Detailed above by Investment Type)		\$181,303,442.08
<b>Net Asset Value</b>		<b>\$180,892,285.83</b>

*\*Table provided by Texas A&M University System.*

**UNAUDITED**

**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Investments Reported at Net Asset Value**

The table below reflects the notification and liquidity parameters applicable to the Texas A&M University System Cash Concentration Pool (CCP) and System Endowment Fund (SEF). Texas Woman’s University has elected to invest in both the CCP and the SEF. By agreement, TWU may withdraw funds from the Cash Concentration Pool on the first day of each month with notice of at least one day. In the event of full liquidation, TWU may withdraw 33% with 30 day notice, 50% of remaining assets with 60 day notice and 100% of the remaining assets with 90 day notice. All withdrawals are effective on the first day of the following month. Investments in the System Endowment Fund are not subject to withdrawal except in the event of termination of the agreement and full liquidation. The liquidation schedule for the System Endowment Fund is 33% of the assets with notice of 90 days from the end of the current fiscal quarter, 50% of the remaining assets at the end of the second quarter after notice and 100% of the remaining asset at the end of the third quarter after notice.

<b>Investments Reported at Net Asset Value</b>	<b>Fair Value</b>	<b>Frequency Range - Low</b>	<b>Frequency Range - High</b>	<b>Notice Period Range - Low</b>	<b>Notice Period Range - High</b>	<b>Unfunded Commitment</b>
Hedge Funds (Domestic)	\$ 20,399,560.01	Quarterly	Semi-Annual	65 Days	2 Years	\$ 287,289.63
Hedge Funds (International)	17,381,453.76	Quarterly	Semi-Annual	65 Days	2 Years	186,208.52
Limited Partnerships - Private Equity	1,835,743.41	N/A	N/A	N/A	N/A	1,308,871.00
Limited Partnerships - International Private Equity	1,337,054.82	N/A	N/A	N/A	N/A	912,493.00
Limited Partnerships - Real Estate	415,678.67	N/A	N/A	N/A	N/A	908,205.00
Limited Partnerships - International Real Estate	74,590.38	N/A	N/A	N/A	N/A	300,970.00
Limited Partnerships - Natural Resources	1,484,979.70	N/A	N/A	N/A	N/A	963,157.00
Limited Partnerships - International Natural Resources	161,774.64	N/A	N/A	N/A	N/A	232,851.00
<b>Total</b>	<b>\$43,090,835.39</b>					<b>\$5,100,045.15</b>

*\*Table provided by Texas A&M University System.*

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of August 31, 2019, Texas Woman's University’s credit quality distribution for securities with credit risk exposure was as follows:

<b>Fund Type</b>	<b>GAAP Fund</b>	<b>Investment Type</b>	<b>AAA</b>	<b>AA</b>	<b>A</b>	<b>BBB</b>
05	9999	U.S. Government Agency Obligations	\$ 49,653.88	\$11,369,640.91	\$ 123,887.60	\$ 33,560.88
05	9999	Corporate Obligations	172,254.42	649,018.06	3,660,885.36	9,727,474.43
05	9999	Corporate Asset and Mortgage Backed Securities	1,465,812.66	1,227,593.86	118,690.06	247,967.47
05	9999	International Obligations	191,682.20	627,985.16	1,438,060.29	4,054,407.12
05	9999	Fixed Income Money Market and Bond Mutual Fund	3,079,359.24			
05	9999	Miscellaneous (municipals and CDs)		159,152.59	89,847.93	82,259.16
05	9999	<b>Total</b>	<b>\$4,958,762.40</b>	<b>\$14,033,390.58</b>	<b>\$5,431,371.24</b>	<b>\$14,145,669.06</b>

<b>Fund Type</b>	<b>GAAP Fund</b>	<b>Investment Type</b>	<b>BB</b>	<b>B</b>	<b>CCC</b>	<b>Unrated</b>
05	9999	U.S. Government Agency Obligations	\$	\$ 38,728.60	\$	\$ 271,790.18
05	9999	Corporate Obligations	1,761,461.79	683,603.17	68,411.67	207,210.34
05	9999	Corporate Asset and Mortgage Backed Securities			97,042.80	2,161,526.37
05	9999	International Obligations	2,066,187.81	192,036.78	28,878.65	1,829,819.89
05	9999	Other Commingled Funds - Fixed Income				2,895,317.56
05	9999	<b>Total</b>	<b>\$3,827,649.60</b>	<b>\$ 914,368.55</b>	<b>\$194,333.12</b>	<b>\$7,365,664.34</b>

*\*Table provided by Texas A&M University System.*

**Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, Texas Woman's University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. TWU’s investment policy limits holding of securities by counterparties to those involved with securities lending.

As of August 31, 2019, TWU did not have investments that are exposed to custodial credit risk.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Foreign Currency Risk**

Foreign currency risk is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company.

As of August 31, 2019, Texas Woman's University investments were exposed to foreign currency risks as follows:

<b>Investments Exposed to Foreign Currency Risk</b>									
<b>Fund Type</b>	<b>GAAP Fund</b>	<b>Foreign Currency</b>	<b>International Obligation (Govt &amp; Corp &amp; MF)</b>	<b>International Equity</b>	<b>International Equity Mutual Funds</b>	<b>International Equity Commingled Funds</b>	<b>International Hedge Funds</b>	<b>International Other Private Equity &amp; Energy</b>	<b>International Other Real Estate Funds</b>
05	9999	U. S. Dollar Denominated Foreign Securities	\$9,543,649.14	\$ 5,393,692.35	\$10,490,723.79	\$7,908,641.33	\$17,381,453.76	\$1,347,196.93	\$ 74,590.38
05	9999	Argentine Peso	2,581.77						
05	9999	Australian Dollar		396,931.35					
05	9999	Brazilian Real	343,270.96	122,039.92					
05	9999	British Pound Sterling		1,282,292.88					
05	9999	Canadian Dollar	147,351.99	1,865,441.02					
05	9999	Chinese Yuan	35,310.98						
05	9999	Danish Krone		500,953.09					
05	9999	Euro		8,425,813.27				151,632.53	
05	9999	Hong Kong Dollar		106,012.86					
05	9999	Indonesian Rupiah	79,703.08						
05	9999	Japanese Yen		3,216,694.65					
05	9999	Mexican Peso	277,189.98	187,575.36					
05	9999	Singapore Dollar		139,949.56					
05	9999	South Korean Won		682,076.50					
05	9999	Swedish Krona		108,754.58					
05	9999	Swiss Franc		1,438,503.15					
05	9999	Taiwan Dollar		115,170.11					
05	9999	Thai Baht		259,831.57					
05	9999	Turkish Lira		116,665.37					
		<b>Total</b>	<b>\$10,429,057.90</b>	<b>\$24,358,397.59</b>	<b>\$10,490,723.79</b>	<b>\$7,908,641.33</b>	<b>\$17,381,453.76</b>	<b>\$1,498,829.46</b>	<b>\$ 74,590.38</b>

*\*Tables provided by Texas A&M University System.*



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TEXAS WOMAN'S UNIVERSITY (731)

Note 3: Deposits, Investments & Repurchase Agreements

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. As of August 31, 2019, Texas Woman's University's investments were exposed to interest rate risks as follows:

<b>Investments Exposed to Interest Rate Risk</b>		
<b>Investment Types</b>	<b>Effective Duration</b>	<b>Unaccrued Market Value System Total</b>
U. S. Treasury Securities	4.116	\$ 9,891,322.47
U. S. Treasury TIPS	23.592	343,108.97
U. S. Government Agency Obligations	0.542	11,887,262.05
Corporate Obligations	6.241	16,930,319.24
Corporate Asset and Mortgage Backed Securities	1.954	5,318,633.22
International Obligations	5.022	10,429,057.90
Other Commingled Funds – Fixed Income	1.816	2,895,317.56
Miscellaneous		
Political Subdivision	10.688	331,259.68
<b>Total Fair Value</b>		<b>\$ 58,026,281.09</b>

**UNAUDITED**

**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

**Derivative Investing**

Texas Woman’s University invests funds in The Texas A&M University System’s (A&M System) investment pools. The A&M System entered into forward currency contracts for the purpose of hedging international currency risk on its non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the A&M System agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. These contracts are valued daily and the A&M System’s net equity in the contracts, representing unrealized gain or loss on the contracts, as measured by the differences between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is reported on the Statement of Net Position as either an investment derivative or an investment derivative liability.

These investments involve market and/or credit risk in excess of the amount recognized in the Consolidated Statement of Net Position. Risks arise from the possibility that counterparties will be unable to meet the terms of their contracts and from movement in currency, securities values and interest rates.

The table below summarized TWU’s share of the pending foreign exchange contracts as of August 31, 2019.

Currency	Sell	Buy	Unrealized Gain on Foreign Exchange Contract	Unrealized Loss on Foreign Exchange Contract
<b>Australian Dollar</b>	\$ 54,310.87	\$	25.75	54.64
<b>Brazilian Real</b>	113,919.93		10,327.20	
<b>British Pound Sterling</b>	2.33			
<b>Euro</b>	5,117.47		8.42	8.67
<b>Indonesian Rupiah</b>	81,661.71		529.84	52.18
<b>Japanese Yen</b>		14,876.64		16.98
<b>Singapore Dollar</b>	81.42			0.02
<b>Swiss Franc</b>	0.16			
<b>Total</b>	<b>\$ 255,093.89</b>	<b>\$ 14,876.64</b>	<b>10,891.21</b>	<b>132.49</b>

*\*Tables provided by Texas A&M University System.*

The unrealized gains of the open foreign currency exchange contracts as of August 31, 2019 are shown as an investment derivative of \$10,891.21 and the unrealized losses are shown as a liability of \$132.49 on the Statement of Net Position. The foreign currency exchange contracts are traded over-the-counter and categorized as Level 2 in the fair value hierarchy.

The A&M System’s policy does not address master netting arrangements and the A&M System is not party to such an arrangement. The A&M System policy does not require collateral or other security for currency forward contracts.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 3: Deposits, Investments & Repurchase Agreements**

The foreign exchange contract exposure to counterparty risk as of August 31, 2019, is presented below:

Assets		Liabilities		
Notional Amount	Fair Value as of August 31, 2019	Notional Amount	Fair Value as of August 31, 2019	S&P Counterparty Rating
\$17,544.85	\$	\$17,570.50	\$25.65	A
252,408.69	10,891.21	241,624.31	106.84	A+
<b>\$269,953.54</b>	<b>\$10,891.21</b>	<b>\$259,194.81</b>	<b>\$132.49</b>	

The A&M System has also invested in Treasury futures. To mitigate interest rate risk associated with Treasury futures, the investments are used only for the purpose of managing interest rate risk in the fixed income portfolios. Futures contracts expose the A&M System to minimal counterparty risk since they are exchange traded and the exchange’s clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default, therefore, they are not presented in the table above. Futures contracts are marked to market daily; meaning they are valued at the close of business each day and a gain or loss is recorded between the value of the contracts that day and on the previous day. The daily gain or loss difference is referred to as the daily variation margin, which is settled in cash with the broker each morning for the amount of the previous day’s market. The amount that is settled in cash with the broker each morning is the fair value of the futures contracts. Exchange traded futures contracts are categorized as Level 1 in the fair value hierarchy.

Open futures contracts as of August 31, 2019, are presented below:

	Notional Amount			
	Long	Short	Assets – Other Receivables	Liabilities – Other Payables
Treasury Futures	\$5,712,966.54	\$5,208,997.69	\$24,844.53	\$21,296.23
	<b>\$5,712,966.54</b>	<b>\$5,208,997.69</b>	<b>\$24,844.53</b>	<b>\$21,296.23</b>

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**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 4: Short-Term Debt**

Texas Woman's University has no short-term debt.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 5: Long-Term Liabilities**

**Changes in Long Term Liabilities**

During the year ended August 31, 2019, the following changes occurred in liabilities.

	Balance 9/1/2018	Additions	Reductions	Other Changes	Balance 8/31/2019	Amounts Due Within One Year	Amounts Due Thereafter
Revenue Bonds Payable	\$146,130,813.22	\$7,885,000.00	\$16,620,000.00	\$137,307.71	\$137,258,505.51	\$8,760,656.95	\$128,497,848.56
Direct Placement Bonds	25,625,000.00	-	2,240,000.00	-	23,385,000.00	2,350,000.00	21,035,000.00
Compensable Leave	3,816,772.65	3,403,282.09	3,282,338.00	-	3,937,716.74	2,436,641.31	1,501,075.43
Net Pension Liability	25,145,838.00	23,070,251.00	2,780,766.00	-	45,435,323.00	-	45,435,323.00
OPEB Obligation Liability	20,312,629.00	120,628,898.00	30,078,460.00	-	110,863,067.00	3,100,030.00	107,763,037.00
<b>Totals</b>	<b>\$221,031,052.87</b>	<b>\$154,987,431.09</b>	<b>\$55,001,564.00</b>	<b>\$137,307.71</b>	<b>\$320,879,612.25</b>	<b>\$16,647,328.26</b>	<b>\$304,232,283.99</b>

**Employees’ Compensable Leave**

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee’s resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months.

Full-time state employees earn annual leave from eight to twenty-one hours per month depending on the respective employees’ years of state employment. The State’s policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 532 for those employees with 35 or more years of state service. Employees with at least six months of state service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The University recognizes the accrued liability for the unpaid annual leave. For the year ended August 31, 2019, the accrued liability totaled \$3,937,716.74.

The University made lump sum payments totaling \$511,685.74 for accrued vacation (and/or compensatory time) to employees who separated from state service during fiscal year ending August 31, 2019.

Sick leave, the accumulation of which is unlimited, is earned at the rate of eight hours per month and is paid only when an employee is off due to illness or to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid an employee’s estate is one-half of the employee’s accumulated entitlement or 336 hours, whichever is less. The University’s policy is to recognize the cost of sick leave when paid and the liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 6: Bonded Indebtedness

##### Bonds Payable

Detailed supplemental bond information is disclosed in Schedule 2-A Miscellaneous Bond Information, Schedule 2-B Changes in Bonded Indebtedness, Schedule 2-C Summary of Debt Service Requirements, Schedule 2-D Analysis of Funds Available for Debt Service and Schedule 2F Early Extinguishment and Refunding. Texas Woman's University Revenue Financing System issued bonds in fiscal year 2019.

General information related to revenue bonds outstanding as of August 31, 2019, is summarized below:

##### Revenue Financing System Bonds, Series 2009A

To provide funds for the purpose of acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, specifically, without limitation, to pay costs of constructing and equipping a new fitness and recreation center on the Denton campus and to pay certain costs of issuing the bonds.

- Issued 12/01/09
- \$14,980,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.
- Refunded 7/9/2019
- \$8,955,000; all outstanding par refunded

##### Revenue Financing System Refunding Bonds, Series 2012

To provide funds for the purpose of refunding certain outstanding obligations of the Board to realize a net present value debt service savings and to pay certain costs of issuing of the bonds.

- Issued 06/05/12
- \$17,915,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues including a General Revenue Appropriation.

##### Revenue Financing System Refunding Bonds, Series 2014

To provide funds for the purpose of refunding certain outstanding obligations of the Board (Series 2004) to realize a net present value debt service savings and to pay certain costs of issuing of the bonds.

- Issued 04/15/14
- \$12,370,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 6: Bonded Indebtedness

##### Revenue Financing System Bonds, Series 2016

To provide funds for the purpose of acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, specifically, without limitation, to pay costs of constructing and equipping a parking garage on the Denton campus and to pay certain costs of issuing the bonds.

- Issued 08/23/16
- \$19,160,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

##### Revenue Financing System Bonds, Series 2017 A&B

To provide funds for the purpose of acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, specifically, without limitation, to pay costs of constructing and equipping a new student union and science/technology building on the Denton campus and to pay certain costs of issuing the bonds.

- Issued 05/25/17
- \$83,155,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues including a General Revenue Appropriation.

##### Revenue Financing System Bonds, Series 2018

To provide funds for the purpose of acquiring, purchasing, constructing, improving, renovating, enlarging or equipping property, buildings, structures, facilities, roads or related infrastructure for the University, specifically, without limitation, to pay costs of constructing and equipping a new science/technology building on the Denton campus and to pay certain costs of issuing the bonds.

- Issued 04/15/18
- \$12,375,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

##### Revenue Financing System Refunding Bonds, Forward Delivery Series 2018

To provide funds for the purpose of refunding certain outstanding obligations of the Board (Series 2008 and Series 2009) to realize a net present value debt service savings and to pay certain costs of issuing the bonds.

- Issued 06/01/18
- \$25,625,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues including a General Revenue Appropriation.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 6: Bonded Indebtedness**

**Revenue Financing System Refunding Bonds, Series 2019**

To provide funds for the purpose of refunding certain outstanding obligations of the Board (Series 2009A) to realize a net present value debt service savings and to pay certain costs of issuing the bonds.

- Issued 07/09/19
- \$7,885,000; all bonds have been issued.
- Source of revenue for debt service – Pledged revenues.

**Revenue Pledged for Debt Service**

<b>Pledged Future Revenues</b>	
Pledged Revenue Required for Future Principal and Interest on Existing Revenue Bonds	\$ 202,342,300.67
Term of Commitment Year Ending 08/31	2038
Percentage of Revenue Pledged	100%
Current Year Pledged Revenue	\$ 272,533,905.13
Current Year Principal and Interest Paid	\$ 16,333,156.12



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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 7: Derivatives

A derivative security is a financial instrument which derives its value, in whole or part, from another security, currency, commodity or index. Investment derivatives are entered into with the intention of managing transaction or currency exchange risk in purchasing, selling or holding investments. These include future and forward contracts.

#### Derivative Investing

Texas Woman's University invests funds in The Texas A&M University System's (A&M System) investment pools, which includes using investment derivatives to manage risk in its portfolios. Forward contracts are used to manage transaction or currency exchange risk in purchasing, selling or holding investments and Treasury futures are used to manage interest risk in fixed income portfolios. Additional information on these contracts can be found in The A&M System's financial statement note disclosures.

The following table summarizes Texas Woman's University's share of derivative activity as of August 31, 2019.

	Changes in Fair Value		Fair Value as of 8/31/2019		Notional Amount
	Classification	Amount	Classification	Amount	
FX Contracts	Investment Revenue	\$10,891.21	Investment	\$10,891.21	\$269,953.54
FX Contracts	Investment Revenue	(132.49)	Other Payable	(132.49)	259,194.81
Treasury Futures	Investment Revenue	24,844.53	Other Receivable	24,844.53	5,712,966.54
Treasury Futures	Investment Revenue	(21,296.23)	Other Payable	(21,296.23)	5,208,997.69

#### Investment Derivatives

Investment derivatives expose the A&M System to certain investment related risks. More detail about investment derivatives is disclosed in Note 3.

#### Hedging Derivatives

The A&M System did not enter into hedging derivatives in fiscal year 2019.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 8: Leases**

**Capital Leases**

Texas Woman's University has no outstanding long-term lease obligations for financing the purchase of capital assets.

**Operating Leases**

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2019 are as follows:

Fiscal Year	Lease Rental Payments
2020	\$ 282,467.36
2021	156,952.76
2022	52,249.67
2023	24,304.87
2024	8,877.36
2025-2029	<u>0.00</u>
<b>Total Minimum Future Lease Rental Payments</b>	<b>\$ 524,852.02</b>

Lease Rental Payments by Fund Type as of August 31, 2019	
Fund Type	Lease Rental Payments
Education and General	\$ 2,573.12
Designated	209,825.88
Auxiliaries	51,558.71
Current Restricted	<u>6,835.00</u>
<b>Total Lease Rental Payments</b>	<b>\$ 270,792.71</b>

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 9: Defined Benefit Pension Plans and Defined Contribution Plan

The state of Texas has three retirement systems in its financial reporting entity – Employees Retirement System (ERS), Teacher Retirement System (TRS), and Texas Emergency Services Retirement System (TESRS). These three retirement systems administer the following six defined benefit pension plans:

- ERS – the Employees Retirement System of Texas Plan (ERS), the Law Enforcement and Custodial Officer Supplemental Retirement Plan (LECOS), the Judicial Retirement System of Texas Plan One (JRS 1) and Judicial Retirement System of Texas Plan Two (JRS2).
- TRS – the Teacher Retirement System of Texas (TRS) plan.
- TESRS – the Texas Emergency Services Retirement System (TESRS) plan.

ERS, LECOS, JRS2, TRS and TESRS plans are administered through several trusts; JRS1 plan is on a pay-as-you-go basis.

#### TRS plan

Teacher Retirement System is the administrator of the TRS plan, a cost-sharing, multiple-employer defined benefit pension plan with a special funding situation.

The employers of the TRS plan include the state of Texas, TRS, the state's public schools, education service centers, charter schools, community and junior colleges. All employees of public, state-supported education institutions in Texas who are employed for one-half or more of the standard workload and not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system. Employees of TRS and state of Texas colleges, universities and medical schools are members of the TRS plan.

The TRS Plan provides retirement, disability annuities and death and survivor benefits. The benefit and contribution provisions of the TRS Plan are authorized by state law and may be amended by the Legislature. The pension benefit formulas are based on members' average annual compensation and years of service credit. The standard annuity is 2.3 percent of the average of the five highest annual salaries multiplied by years of service credit. For grandfathered members who were hired on or before August 31, 2005, and meet certain criteria, the standard annuity is based on the average of the three highest annual salaries. The plan does not provide automatic cost of living adjustments (COLAs).

Audited Comprehensive Annual Financial Report (CAFR) for Teacher Retirement System may be obtained by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698.

During the measurement period of 2018 for fiscal year 2019 reporting, the amount of Texas Woman's University contributions recognized by the plan was \$2,780,766. The contribution rates are based on a percentage of the monthly gross compensation for each member.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 9: Defined Benefit Pension Plans and Defined Contribution Plan**

The contribution requirements for the state and the members in the measurement period are presented in the table below:

**Required Contribution Rates**

	TRS Plan
Contribution Rates	
Employer	6.8%
Employees	7.7%

The total pension liability is determined by an annual actuarial valuation. The table below presents the actuarial methods and assumptions used to measure the total pension liability as of the August 31, 2018 measurement date.

**Actuarial Methods and Assumptions\***

	TRS Plan
Actuarial Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Floating
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	6.91%
Investment Rate of Return	8.00%
Long-term Expected Rate of Return	7.25%
Municipal Bond Rate as of August 2018	3.69% **
Inflation	2.30%
Salary Increase	3.05% to 9.50% including inflation
Mortality	
Active	90% of the RP 2014 Employee Mortality Tables for males and females with full generational mortality using Scale BB.
Post-Retirement	2018 TRS Healthy Pensioner Mortality Tables with full generation projection using Scale BB.
Ad Hoc Post-Employment Benefit Changes	None

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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 9: Defined Benefit Pension Plans and Defined Contribution Plan

\* The assumptions used to determine the ADC are those in effect for the August 31, 2017 actuarial valuation. Due to the lag between valuation data and the measurement date, they may not be the same assumptions used to measure the Net Pension Liability.

\*\* Source for the rate is Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

The actuarial assumptions used in the valuation were primarily based on the result of an actuarial experience study for the three-year period ending August 31, 2017 and adopted in July 2018. The mortality rates were based on 90% of the RP 2014 employee Mortality Tables for males and females. The Post-retirement mortality rates were based on 2018 TRS Healthy Pensioner Mortality Tables.

Furthermore, assumptions, methods, and plan changes were updated from the prior year's report. The net pension liability increased significantly since the prior measurement date due to a change in the following assumptions:

- the total pension liability as of August 31, 2018 was developed using a roll forward method from the August 31, 2017 valuation;
- demographic assumptions including post-retirement mortality, termination rates and rates of retirement was updated based on the experience study performed for TRS for the period ending August 31, 2017;
- economic assumptions, including rates of salary increase for individual participants, were updated based on the same experience study;
- the discount rate changed from 8.00% as of August 31, 2017 to 6.91% as of August 31, 2018;
- the long term assumed rate of return changed from 8.00% to 7.25%; and,
- the change in the long term assumed rate of return combined with the change in the discount rate was the primary reason for the increase in the net pension liability.

There have been no changes to the benefit provisions of the plan since the prior measurement date.

The discount rate of 6.91% was applied to measure the total pension liability. The discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.69%. The projected cash flows into and out of the pension plan assumed that active members, employers, and non-employer contributing entity make their contributions at the statutorily required rates. It is assumed that future employer and state contributions will be 7.76% of payroll. This includes a factor for the rehired retirees and the Non-OASDI surcharge. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 9: Defined Benefit Pension Plans and Defined Contribution Plan**

The long-term expected rate of return on plan investments was developed using a building-block method in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan’s investment portfolio are presented below:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
<b>Global Equity</b>		
U.S.	18%	5.70%
Non-U.S. Developed	13%	6.90%
Emerging Markets	9%	8.95%
Directional Hedge Funds	4%	3.53%
Private Equity	13%	10.18%
<b>Stable Value</b>		
U.S. Treasury	11%	1.11%
Absolute Return	0%	0.00%
Stable Value Hedge Funds	4%	3.09%
Cash	1%	-0.30%
<b>Real Return</b>		
Global Inflation Linked Bonds	3%	0.70%
Real Assets	14%	5.21%
Energy and Natural Resources	5%	7.48%
Commodities	0%	0.00%
<b>Risk Parity</b>		
Risk Parity	5%	3.70%
<b>Total</b>	100%	

Sensitivity analysis was performed on the impact of changes in the discount rate on the proportionate share of Texas Woman's University net pension liability. The result of the analysis is presented in the table below:

**Sensitivity of Texas Woman's University Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

1% Decrease (5.91%)	Current Discount Rate (6.91%)	1% Increase (7.91%)
\$ 68,572,796	\$ 45,435,322	\$ 26,704,165

## UNAUDITED

### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 9: Defined Benefit Pension Plans and Defined Contribution Plan

The pension plan's fiduciary net position is determined using economic resources measurement focus and accrual basis of accounting, which is the same basis used by TRS. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the plan.

Investments are reported at fair value. Fair value is a market-based measurement, not an entity-specific measurement. TRS utilizes one or more of the following valuation techniques in order to measure fair value: the market approach, the cost approach and the income approach. More detailed information on the plan's investment policy, assets and fiduciary net position, may be obtained from TRS' fiscal year 2018 CAFR.

At August 31, 2019, Texas Woman's University reported a liability of \$45,435,323 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of August 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Texas Woman's University proportion at August 31, 2019 was 0.0825460000 percent which was an increase from the 0.0786431343 percent measured at the prior measurement date. Texas Woman's University proportion of the collective net pension liability was based on its contributions to the pension plan relative to the contributions of all the employers and non-employer contributing entity to the plan for the period September 1, 2017 through August 31, 2018.

For the year ending August 31, 2019, Texas Woman's University recognized pension expense of \$5,615,179. At August 31, 2019, Texas Woman's University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Contributions subsequent to the measurement date	\$2,766,462	\$
Difference between expected and actual experience	283,207	1,114,803
Changes of assumptions	16,381,623	511,926
Change in proportion and contribution difference	3,860,418	1,266,822
Net difference between projected and actual investment return		862,103
Total	<u>\$23,291,710</u>	<u>\$3,755,654</u>

The \$23,291,710 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2020.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 9: Defined Benefit Pension Plans and Defined Contribution Plan**

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the following years:

Year ended August 31:

2020	\$6,794,737
2021	\$2,214,057
2022	\$1,856,536
2023	\$3,575,109
2024	\$3,165,807
Thereafter	\$1,929,810

**Optional Retirement Program**

The State has also established an optional retirement program (ORP) for institutions for higher education. For eligible individuals, participation in the ORP is elective in lieu of participation in the TRS. The ORP provides for the purchase of mutual fund and annuity contracts. The contributory percentages on salaries for participants entering the program prior to September 1995 are 8.5% and 6.6% by the state and each participant, respectively. The state’s contribution is comprised of 6.6% from the ORP’s appropriation and 1.9% from other funding sources. The 6.6% contribution is mandatory with the 1.9% state contribution being at the discretion of the board. Texas Woman's University Board of Regents has approved the additional contributions for employees of TWU. The contributory percentages on salaries for participants entering the program after August 31, 1995 are 6.6% and 6.65% by the state and each participant, respectively. Since these are individual contracts, the State has no additional or unfunded liability for this program.

The contributions made by plan members and employers for the fiscal year ended August 31, 2019 are:

	Year Ended August 31, 2019
Member Contributions	\$ 1,603,479.00
Employer Contributions	1,713,539.00
<b>Total</b>	<b>\$ 3,317,018.00</b>



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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 10: Deferred Compensation

The state of Texas Offers a deferred compensation plan to all benefits eligible state employees. The plan is in accordance with the Internal Revenue Code Section 457 and permits employees to defer a portion of their salary until future years. The deferred compensation funds are not available to employees until distribution due to termination, retirement, death, age of 59½, or an unforeseeable emergency.

All amounts of compensation deferred under the plan, all property rights purchases with those amounts and all income attributable to those amounts, property or rights, are held in trust by the Employees Retirement System (ERS) Board of Trustees for the exclusive benefit of participants and their beneficiaries and may not be used for, or diverted to, any other expense, except to defray the reasonable expenses of administering the plan.

The Board of Trustees is not liable to participating employees for the diminution in value or loss of all or part of the participating employees' deferred amounts or investment income because of market conditions or the failure, insolvency, or bankruptcy of a qualified vendor.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 12: Interfund Activity and Transactions**

Texas Woman’s University experienced routine transfers with other state agencies that were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activity at August 31, 2019, follows:

<b>Interfund Receivables and Payables - Current</b>			
<b>Current Portion</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>	<b>Purpose</b>
Not Applicable			

<b>Interfund Receivables and Payables - Non-Current</b>			
<b>Non-Current Portion</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>	<b>Purpose</b>
Not Applicable			

	<b>Legislative Transfer In</b>	<b>Legislative Transfer Out</b>
GENERAL (01)		
Appd Fund 0001, D23 Fund 0001		
(Agency 902, D23 Fund 0001)	\$165,381.00	
<b>Total Legislative Transfers</b>	<b>\$165,381.00</b>	

	<b>Due From Other Agencies</b>	<b>Due To Other Agencies</b>	<b>Source</b>
PROPRIETARY (02)			
Appd Fund 0001, D23 Fund 0001			
(Agency 781, D23 Fund 0001)		\$183,768.47	State P-T
Appd Fund 9999, D23 Fund 7999			
(Agency 300, D23 Fund 6661)	\$15,723.10		Federal P-T
(Agency 701, D23 Fund 7999)	10,032.25		State P-T
(Agency 752, D23 Fund 7999)	2,797.61		Federal P-T
(Agency 781, D23 Fund 0001)		196,207.44	State P-T
(Agency 781, D23 Fund 0825)	36,115.27		State P-T
<b>Total Due From/To Other Agencies</b>	<b>\$64,668.23</b>	<b>\$379,975.91</b>	

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 12: Interfund Activity and Transactions**

	Transfers In	Transfers Out	Purpose
PROPRIETARY (02)			
Appd Fund 0210, D23 Fund 0210			
(Agency 902, D23 Fund 0210)	\$96,338.00		(Intrafund Transfer)
Appd Fund 0253, D23 Fund 0253			
(Agency 781, D23 Fund 0001)		\$17,062.52	(Intrafund Transfer)
Appd Fund 9999, D23 Fund 7999			
(Agency 347, D23 Fund 0507)			(Intrafund Transfer)
(Agency 347, D23 Fund 0735)			(Intrafund Transfer)
<b>Total Transfers</b>	<b>\$96,338.00</b>	<b>\$17,062.52</b>	

The detailed State Grant Pass Through information is listed on Schedule 1B – Schedule of State Grant Pass Through From/To State Agencies.

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**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 14: Adjustments to Fund Balances and Net Position**

	<u>Total</u>
<b>Net Position at August 31, 2018 as Previously Reported</b>	\$ 435,633,186.12
Adjustments related to Implementation of GASB 75 <sup>(1)</sup>	(9,764,867.00)
Adjustments to Other Restricted Balances	<u>483,725.87</u>
<b>Total Restatements</b>	<b><u>\$ (9,281,141.13)</u></b>
<b>Net Position at August 31, 2018 as Restated</b>	<b><u>\$ 426,352,044.99</u></b>

<sup>(1)</sup> Includes adjustments to deferred outflows and payroll related costs of \$9,764,867 for postemployment benefits other than pensions as of August 31, 2018.

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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 15: Contingencies and Commitments

At August 31, 2019, there were no material pending lawsuits or claims involving Texas Woman's University. Any claims incurred but not asserted against TWU cannot be reasonably estimated at this time, and any such liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on TWU.

Texas Woman's University has received several grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances if any, will be immaterial.

Texas Woman's University has no investment commitments.

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**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 16: Subsequent Events**

No material events occurred subsequent to August 31, 2019.

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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 17: Risk Management

The state of Texas utilizes an allocation program that funds both workers' compensation benefits and risk management costs through annual assessments which participating agencies pay to the State Office of Risk Management (SORM).

Texas Woman's University is required by certain bond covenants to carry fire and extended coverage along with boiler insurance on buildings financed through the issuance of bonds using pledged Auxiliary Enterprise or other non-educational and general funds. The insurance protects the bondholders from a disruption to the revenue stream that is being utilized to make the bond interest and principal payments. This coverage is also purchased for buildings that are not financed with bonds. TWU participates in the State Property Insurance Program through SORM. The total limit of liability for property insurances is \$570,000,000 and was brokered through Arthur J. Gallagher.

Texas Woman's University carries a Commercial General Liability Policy through Travelers Insurance Company which provides insurance protection to pay for third-party bodily injury or property damages. The policy also provides coverage for liabilities arising from personal injury and advertising injury. The general total limit of coverage is \$1,000,000 for each occurrence and \$2,000,000 general aggregate which provides coverage for which TWU is liable under the Texas Tort Claims Act.

Texas Woman's University has chosen to carry liability insurance on its licensed vehicles and collision and comprehensive coverage for some of its higher value and higher risk vehicles in the amount of \$1,000,000 combined single limit with \$250,000 per person/\$500,000 per accident in bodily injury coverage and \$100,000 for property coverage. This coverage is provided by Liberty Mutual Fire Insurance Company. TWU carries the same coverage for non-owned vehicles.

A Medical Professional Liability Policy is carried to cover medical professionals of Texas Woman's University, specifically employees of the Student Health Services Clinic, the Counseling & Family Therapy Clinic, the Dental Hygiene Clinic, the Speech, Language, and Hearing Clinic, the Counseling & Psychological Services Center, the Stroke Center and the Exercise & Sports Nutrition Clinic. The policy is insured by Allied World and has a \$1,000,000 limit for each occurrence and a \$3,000,000 aggregate limit. TWU also has a separate policy covering Student Blanket Professional Liability with the same limits from Columbia Casualty.

Texas Woman's University purchased Directors and Officers Legal Liability and Employment Practices Liability insurance from Westchester Fire Insurance Company (Chubb), with an aggregate limit of liability of \$5,000,000. In addition, TWU carries crime coverage through Travelers Insurance as follows:

\$1,000,000	Employee Theft
\$1,000,000	Forgery and Alteration
\$1,000,000	Computer Fraud
\$1,000,000	Funds Transfer Fraud

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**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 18: Management's Discussion and Analysis**

This note is not used by Texas Woman's University. Texas Woman's University Management's Discussion and Analysis is included as a separate section of the report.



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### TEXAS WOMAN'S UNIVERSITY (731)

#### Note 19: The Financial Reporting Entity

Texas Woman's University is an Enterprise Fund reported in the state of Texas' Comprehensive Annual Financial Report as a Proprietary Fund Type. TWU does not have any component units or related parties to include in its financial statements. Because Texas Woman's University is considered a component unit of the state of Texas, and because its financial information is included in the audited Annual Financial Report of the state of Texas, TWU's financial statements are not independently audited.

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**TEXAS WOMAN’S UNIVERSITY (731)**

**Note 22: Donor Restricted Endowments**

Texas Woman's University is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA), Property Code Chapter 163. UPMIFA allows TWU to distribute net appreciation on donor restricted endowment investments to the extent prudent. This includes cumulative realized and unrealized appreciation in the fair market value of the endowment assets in excess of historical dollar value of the gifts.

Texas Woman's University has contracted with The Texas A&M University System to manage TWU's endowment funds. Per the per Section 51.0031 of the Texas Education Code, universities can chose to invest endowment funds with a qualifying institution to be invested and distributed in accordance with the qualifying institution's investment policy.

The net appreciation (cumulative and unexpended) on donor-restricted endowments available for authorization of expenditure by Texas Woman's University for the fiscal year ended August 31, 2019, is as follows:

<b>Donor- Restricted Endowments</b>	<b>Amounts of Net Appreciation*</b>	<b>Reported in Net Assets</b>
True Endowments	\$ 3,561,626.66	Restricted for Other
Term Endowments	\$ -	None

\*There was a positive fair value adjustment totaling \$124,665.08 for fiscal year 2019.

<b>Changes from Prior Year Balances</b>		
<b>Endowment Funds</b>	<b>Increase / (Decrease)</b>	<b>Reason for Change</b>
<b>Expendable Balances</b>		
True Endowments	\$ 124,665.08	Fair value increase in portfolio
Term Endowments	\$ -	None
<b>Non-Expendable Balances</b>		
True Endowments	\$ 40,022.62	Donor gifts and bequests
Term Endowments	\$ -	None

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**TEXAS WOMAN'S UNIVERSITY (731)**

**Note 24: Disaggregation of Receivable and Payable Balances**

Net other receivables at August 31, 2019, are detailed by type as follows:

<b>Net Other Receivables</b>	<b>Amount</b>
Receivables related to gifts, grants and sponsored programs	\$ 1,733,963.14
Receivable from state for items paid locally	2,356,356.40
Total Net Other Receivables	<u><u>\$ 4,090,319.54</u></u>

Net other payables at August 31, 2019, are detailed by type as follows:

<b>Net Other Payables</b>	<b>Amount</b>
Payables related to students	\$ 2,137,736.20
Total Net Other Payables	<u><u>\$ 2,137,736.20</u></u>

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TEXAS WOMAN'S UNIVERSITY (731)

Note 28: Deferred Outflows and Deferred Inflows of Resources

A summary of Texas Woman's University deferred outflows of resources and deferred inflows of resources as of August 31, 2019 is as follows:

	<u>Total</u>
<b>Deferred Outflows of Resources</b>	
Unamortized Losses of Refunding of Debt	\$ 334,573.59
Deferred Outflows of Resources Related to Pensions	23,291,710.00
Deferred Outflows of Resources Related to OPEB	106,959,055.00
<b>Total Deferred Outflows of Resources</b>	<b>\$ 130,585,338.59</b>
<b>Deferred Inflows of Resources</b>	
Unamortized Gains of Refunding of Debt	\$
Deferred Inflows of Resources Related to Pensions	3,755,654.00
Deferred Inflows of Resources Related to OPEB	42,911,115.00
<b>Total Deferred Inflows of Resources</b>	<b>\$ 46,666,769.00</b>

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**TEXAS WOMAN'S UNIVERSITY (731)**  
**Schedule 1A - Schedule of Expenditures of Federal Awards**  
**For the Year Ended August 31, 2019**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Pass-Through From			
		Identifying Number	Agy/ Univ. #	Agencies Or Univ. Amount	Non-State Entities Amount
<b>U. S. Department of Justice</b>					
Pass-Through To:					
State of Texas Office of the Governor Crime Victims Assistance Program	16.575	3425901 & 3425902	300	71,059.75	
Total U.S. Department of Justice				71,059.75	0.00
<b>Institute of Museum and Library Services</b>					
<b>National Foundation on the Arts and the Humanities</b>					
Direct Program:					
National Endowment for the Humanities Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162	AC-258965-18			
Pass-Through From:					
Texas State Library and Archives Commission Grants to States	45.310	LS-00-17-0044-17	306	772.26	
Direct Program:					
Transforming Libraries into Community Anchors in Rural Texas (TLCART)	45.313	RE-95-18-0052-18			
Pass-Through From:					
University of North Texas - Institute of Museum and Library Services Librarians for the 21st Century	45.313	RE-97-18-0109-18	752	8,367.99	
Total Institute of Museum and Library Services				9,140.25	0.00
<b>Veterans Administration</b>					
Direct Program:					
VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	64.034	2019-ASG-74			
Total Veterans Administration				0.00	0.00
<b>National Science Foundation</b>					
Direct Program:					
Education and Human Resources	47.076	1711780			
Total National Science Foundation				0.00	0.00
<b>U.S. Department of Education</b>					
Direct Programs:					
Special Education-Personnel Development to Improve Services and Results for Children with Disabilities	84.325K	H325K140301-18			
Total U.S. Department of Education				0.00	0.00
<b>U.S. Department of Health and Human Services</b>					
Direct Program:					
Advancing System Improvements for Key Issues in Women's Health	93.088	5 ASTWH160038-03-00			
Pass Through From:					
Texas Tech University Health Science Center Area Health Education Center (AHEC) North Central Region	93.107	6U77HP16497-09-03	739	39,753.96	
Total U.S. Department of Health and Human Services				39,753.96	0.00

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Direct Program Amount	Total PT From & Direct Program	Agy#/ Univ. #	Pass-Through To		Expenditures Amount	Total PT To & Expenditures
			State Agy. or Univ. Amount	Non-State Entities Amount		
	71,059.75				71,059.75	71,059.75
0.00	71,059.75		0.00	0.00	71,059.75	71,059.75
38,668.48	38,668.48				38,668.48	38,668.48
	772.26				772.26	772.26
173,432.08	173,432.08				173,432.08	173,432.08
	8,367.99				8,367.99	8,367.99
212,100.56	221,240.81		0.00	0.00	221,240.81	221,240.81
1,495.58	1,495.58				1,495.58	1,495.58
1,495.58	1,495.58		0.00	0.00	1,495.58	1,495.58
14,668.51	14,668.51				14,668.51	14,668.51
14,668.51	14,668.51		0.00	0.00	14,668.51	14,668.51
227,244.27	227,244.27				227,244.27	227,244.27
227,244.27	227,244.27		0.00	0.00	227,244.27	227,244.27
204,561.27	204,561.27				204,561.27	204,561.27
	39,753.96				39,753.96	39,753.96
204,561.27	244,315.23		0.00	0.00	244,315.23	244,315.23

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 1A - Schedule of Expenditures of Federal Awards  
 For the Year Ended August 31, 2019

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Pass-Through From		Agencies Or Univ. Amount	Non-State Entities Amount
		Identifying Number	Agy/ Univ. #		
<b>Research and Development (R&amp;D) Cluster</b>					
<b>U.S. Department of Agriculture</b>					
Pass Through From:					
Other Non-State Entity:					
Mississippi State University					
Agricultural Research_Basic and Applied Research	10.001	58-6406-9-434			0.00
Direct Program:					
Agriculture and Food Research Initiative (AFRI)	10.310	2018-67018-27627			
Direct Program:					
Agriculture and Food Research Initiative (AFRI)	10.310	2019-67031-28999			
<b>National Science Foundation</b>					
Direct Program:					
RESEARCH-PGR: functional Genomics of Beneficial Legume-microbe Interaction	47.074	NSF IOS-1733470			
Direct Program:					
Social, Behavioral, and Economic Sciences	47.075	1655281			
Direct Program:					
Collaborative Research: Spatial Skills and Success in Introductory Computing					
<b>Environmental Protection Agency</b>					
<b>Office of Research and Development (ORD)</b>					
Direct Program:					
P3 Award: National Student Design Competition for Sustainability	66.516	83935701			
Pass-Through From:					
Other Non-State Entity:					
American Institutes for Research (PTE) Education Research, Development and Dissemination	84.305A	R305A160060			21,634.49
Direct Programs:					
English Language Acquisition State Grants	84.365Z	T365Z160016-17			
<b>U.S. Department of Health and Human Services</b>					
Pass-Throughs From:					
University of Texas Health Science Center at Houston Maternal and Child Health Federal Consolidated Programs					
	93.110	5 T73MC22236-08-00	744	14,610.96	
Other Non-State Entity:					
University of Wisconsin-Milwaukee ACL National Institute on Disability, Independent Living and Rehabilitation Research					
	93.433	90IF0083-03-00			26,751.93
Baylor Research Institute Baylor Scott & White Research Institute ACL National Institute on Disability, Independent Living, and Rehabilitation Research					
	93.433	90IF0091-01-00			7,203.85
Direct Programs:					
Research and Training in Complementary and Alternative Medicine	93.213	1R34AT010081-01			
Direct Program:					
Mental Health Research Grants	93.242	1R15MH108926-01A1			
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	1R15NS095317-01A1			
Biomedical Research and Research Training	93.859	5R01GM097591-06			
Aging Research	93.866	5 R03AG060202-01 & 02			
Sex Differences in Serotoergic Modulation of Trigeminal Pain	98.121	1R15DE025970-01A1			
Total R&D Cluster Programs				14,610.96	55,590.27



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Direct Program Amount	Total PT From & Direct Program	Agy#/ Univ. #	Pass-Through To		Expenditures Amount	Total PT To & Expenditures
			State Agy. or Univ. Amount	Non-State Entities Amount		
	0.00				0.00	0.00
56,165.87	56,165.87				56,165.87	56,165.87
50,289.98	50,289.98				50,289.98	50,289.98
53,659.78	53,659.78				53,659.78	53,659.78
64,981.44	64,981.44				64,981.44	64,981.44
-	0.00				0.00	0.00
48,833.69	48,833.69				48,833.69	48,833.69
	21,634.49				21,634.49	21,634.49
1,051,173.04	1,051,173.04				1,051,173.04	1,051,173.04
	14,610.96				14,610.96	14,610.96
	26,751.93				26,751.93	26,751.93
	7,203.85				7,203.85	7,203.85
120,152.08	120,152.08				120,152.08	120,152.08
58,199.26	58,199.26				58,199.26	58,199.26
104,225.65	104,225.65				104,225.65	104,225.65
-	0.00				0.00	0.00
49,304.74	49,304.74				49,304.74	49,304.74
118,165.25	118,165.25				118,165.25	118,165.25
<u>1,775,150.78</u>	<u>1,845,352.01</u>		<u>0.00</u>	<u>0.00</u>	<u>1,845,352.01</u>	<u>1,845,352.01</u>

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 1A - Schedule of Expenditures of Federal Awards  
 For the Year Ended August 31, 2019

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Pass-Through From		Agencies Or Univ. Amount	Non-State Entities Amount
		Identifying Number	Agy/ Univ. #		
<b>Student Financial Assistance Cluster</b>					
<b>U.S. Department of Education</b>					
Direct Programs:					
Federal Supplemental Education Opportunity Grants	84.007				
Administrative Costs Recovered					
Federal Work Study Program	84.033				
Administrative Costs Recovered					
Federal Perkins Loan Program	84.038				
New Loans Processed					
Administrative Costs Recovered					
Federal Pell Grant Program	84.063				
Administrative Costs Recovered					
Federal Direct Student Loans	84.268				
New Loans Processed					
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379				
<b>U.S. Department of Health and Human Services</b>					
Direct Programs:					
Faculty Nursing Student Loans	93.264				
New Loans Processed					
Nursing Student Loans	93.364				
New Loans Processed					
Scholarships for Health Professions					
Students from Disadvantaged Backgrounds	93.925				
Total Student Financial Assistance Cluster Programs				0.00	0.00
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>				<u>134,564.92</u>	<u>55,590.27</u>

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Direct Program Amount	Total PT From & Direct Program	Agy#/ Univ. #	Pass-Through To		Expenditures Amount	Total PT To & Expenditures
			State Agy. or Univ. Amount	Non-State Entities Amount		
531,131.96	531,131.96				531,131.96	531,131.96
	0.00				0.00	0.00
394,182.22	394,182.22				394,182.22	394,182.22
21,421,757.51	21,421,757.51				21,421,757.51	21,421,757.51
23,690.00	23,690.00				23,690.00	23,690.00
72,742,017.00	72,742,017.00				72,742,017.00	72,742,017.00
53,765.00	53,765.00				53,765.00	53,765.00
177,178.92	177,178.92				177,178.92	177,178.92
337,852.94	337,852.94				337,852.94	337,852.94
780,785.00	780,785.00				780,785.00	780,785.00
96,462,360.55	96,462,360.55		0.00	0.00	96,462,360.55	96,462,360.55
98,897,581.52	99,087,736.71		0.00	0.00	99,087,736.71	99,087,736.71

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**TEXAS WOMAN'S UNIVERSITY (731)**  
**Schedule 1A - Schedule of Expenditures of Federal Awards**  
**For the Year Ended August 31, 2019**

**Note 1 - Nonmonetary Assistance - N/A**

**Note 2 - Reconciliation:**

Per Statement of Revenues, Expenses and Changes in Net Assets	
Proprietary Funds - Federal Revenue -Operating	\$ 2,408,959.69
Proprietary Funds - Federal Revenue -Non-Operating	23,128,094.25
Proprietary Funds - Federal Pass Through Revenue -Operating	134,564.92
Proprietary Funds - Federal Pass Through Revenue -Non-Operating	0.00
Proprietary Funds - Admin Costs Recovered	77,217.44
Proprietary Funds - Indirect Costs Recovered	81,851.55
Subtotal Per Statement of Revenue, Expenses and Change in Net Asset:	\$ 25,830,687.85
Reconciling Items:	
New Loans Processed:	
Federal Perkins Loan Program	0.00
Federal Direct Student Loans	72,742,017.00
Nursing Faculty Loan Program	177,178.92
Nursing Student Loan Program	337,852.94
Total Pass Through and	
Expenditures Per Federal Schedule	\$ 99,087,736.71

**Note 3 - Student Loans**

Federal Grantor/CFDA Number/ Program Name	Beginning Balance of Outstanding Loans as of 8/31/2018	New Loans Processed	CY Admin Cost Recovered	Total Loans Processed and Admin Cost Recovered	Repayment/ Adjustment Activity	Outstanding Balance of Loans as of 8/31/2019
Department of Education						
Federal Perkins Loan Program 84.038	\$ 1,604,872.94	\$ 0.00	\$ 0.00	0.00	\$ 214,307.58	\$ 1,390,565.36
Federal Direct Student Loans 84.268		72,742,017.00	0.00	72,742,017.00		
Total Department of Education	\$ 1,604,872.94	\$ 72,742,017.00	\$ 0.00	72,742,017.00	\$ 214,307.58	\$ 1,390,565.36
Department of Health and Human Services						
Nursing Student Loan Program 93.364	\$ 2,137,061.41	\$ 337,852.94	\$ 0.00	337,852.94	\$ 166,466.18	\$ 2,308,448.17
Nursing Faculty Loan Program 93.264	\$	\$ 177,178.92	\$ 0.00	177,178.92	\$ 177,178.92	\$ 0.00
Total Department of Health and Human Services	\$ 2,137,061.41	\$ 515,031.86	\$ 0.00	515,031.86	\$ 343,645.10	\$ 2,308,448.17

**Note 3b - Federally Funded Loans Processed and Administrative Cost Recovered**

**Note 5 - Unemployment Insurance Funds - N/A**

**Note 6 - Rebates from the Special Supplemental Food Program for Women, Infants and Children (WIC) - N/A**

**Note 7 - Unemployment Insurance Funds - N/A**

**Note 8 - Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) N/A**

**Note 9 - Economic Adjustment Assistance (CFDA 11.307) - N/A**

**Note 10 - 10% de Minimis Indirect Cost Rate - N/A**

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**TEXAS WOMAN'S UNIVERSITY (731)**  
**Schedule 1B - Schedule of State Grant Pass Throughs From/To State Agencies**  
**For the Year Ended August 31, 2019**

**Pass Through From:**

Texas Education Agency (Agy #701)

Award Student Achievement and Education Excellence \$ 78,640.41

Texas Higher Education Coordinating Board (Agy #781)

Texas Grant Program 7,682,246.00

Professional Nursing Shortage Reduction Program 255,911.57

College Work Study Program 89,921.00

Work Study Mentorship Program 66,334.63

Minority Health Research and Education 85,732.62

Bilingual Education Program 99,746.00

**Pass Through From:**

University of Texas System (Agy #720)

Joint Admission Medical Program 13,140.29

**Total Pass Through From Other Agencies (Exh. II)**

**\$ 8,371,672.52**

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2A - Miscellaneous Bond Information  
 For the Year Ended August 31, 2019

Description of Issue	Bonds Issued To Date	Range of Interest Rates	Scheduled Maturities		First Call Date
			First Year	Last Year	
<b>Revenue Bonds - Self Supporting</b>					
Revenue Financing System Bonds, Series 2009A	\$ 14,980,000.00	2.0000% - 5.0000%	2010	2029	7/1/2019
Revenue Financing System Refunding Bonds, Series 2012	17,915,000.00	2.0000% - 5.0000%	2012	2024	7/1/2021
Revenue Financing System Refunding Bonds, Series 2014	12,370,000.00	2.0000% - 5.0000%	2014	2035	7/1/2020
Revenue Financing System Bonds, Series 2016	19,160,000.00	2.0000% - 4.0000%	2016	2036	7/1/2026
Revenue Financing System Bonds, Series 2017A	72,240,000.00	2.0000% - 5.0000%	2017	2037	7/1/2028
Revenue Financing System Bonds, Series 2017B	10,915,000.00	1.3000% - 3.1620%	2018	2037	7/1/2028
Revenue Financing System Bonds, Series 2018	12,375,000.00	2.0000% - 5.0000%	2019	2038	7/1/2028
Revenue Financing System Refunding Bonds, Series 2019	7,885,000.00	3.0000% - 5.0000%	2020	2029	N/A
<b>Total Revenue Bonds</b>	<b>\$ 167,840,000.00</b>				
Revenue Financing System Refunding Bonds, Forward Delivery Series 2018	\$ 25,625,000.00	2.5000% - 2.5000%	2019	2028	N/A
<b>Total Direct Placement Bonds</b>	<b>\$ 25,625,000.00</b>				
<b>Total Revenue Financing System</b>	<b>\$ 193,465,000.00</b>				

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2B - Changes in Bonded Indebtedness  
 For the Year Ended August 31, 2019

Description of Issue	Bonds Outstanding 9/1/2018	Bonds Issued	Bonds Matured	Bonds Refunded or Extinguished	Adjustments	Bonds Outstanding 8/31/2019
	\$	\$	\$	\$	\$	\$
<b>Revenue Bonds</b>						
Rev Fin Sys Bonds Ser '09A	9,670,000.00		715,000.00	8,955,000.00		
Rev Fin Sys Ref Bonds Ser '12	7,655,000.00		2,135,000.00			5,520,000.00
Rev Fin Sys Ref Bonds Ser '14	10,420,000.00		465,000.00			9,955,000.00
Rev Fin Sys Bonds Ser '16	17,720,000.00		700,000.00			17,020,000.00
Rev Fin Sys Bonds Ser '17A	66,720,000.00		2,880,000.00			63,840,000.00
Rev Fin Sys Bonds Ser'17B	10,500,000.00		420,000.00			10,080,000.00
Rev Fin Sys Bonds Ser'18	12,375,000.00		350,000.00			12,025,000.00
Rev Fin Sys Ref Bonds Ser '19	-	7,885,000.00				7,885,000.00
<b>Total Revenue Bonds</b>	<b>\$ 135,060,000.00</b>	<b>\$ 7,885,000.00</b>	<b>\$ 7,665,000.00</b>	<b>\$ 8,955,000.00</b>		<b>\$ 126,325,000.00</b>
<b>Direct Placement Bonds</b>						
Rev Fin Sys Ref Bonds Fwd Del Ser'18	25,625,000.00		2,240,000.00			23,385,000.00
<b>Total Direct Placement Bonds</b>	<b>\$ 25,625,000.00</b>		<b>\$ 2,240,000.00</b>			<b>\$ 23,385,000.00</b>
<b>Total</b>	<b>\$ 160,685,000.00</b>	<b>\$ 7,885,000.00</b>	<b>\$ 9,905,000.00</b>	<b>\$ 8,955,000.00</b>		<b>\$ 149,710,000.00</b>

Description of Issue	Unamortized Premium	Unamortized Discount	Net Bonds Outstanding 8/31/2019	Amounts Due Within One Year
	\$	\$	\$	\$
<b>Revenue Bonds</b>				
Rev Fin Sys Bonds Ser '09A				
Rev Fin Sys Ref Bonds Ser '12	121,373.29		5,641,373.29	1,619,120.77
Rev Fin Sys Ref Bonds Ser '14			9,955,000.00	470,000.00
Rev Fin Sys Bonds Ser '16	1,437,993.32		18,457,993.32	924,765.68
Rev Fin Sys Bonds Ser '17A	7,376,660.95		71,216,660.95	3,934,157.19
Rev Fin Sys Bonds Ser'17B			10,080,000.00	425,000.00
Rev Fin Sys Bonds Ser'18	735,714.20		12,760,714.20	523,138.71
Rev Fin Sys Ref Bonds Ser '19	1,261,763.75		9,146,763.75	864,474.60
<b>Total Revenue Bonds</b>	<b>\$ 10,933,505.51</b>		<b>\$ 137,258,505.51</b>	<b>\$ 8,760,656.95</b>
<b>Direct Placement Bonds</b>				
Rev Fin Sys Ref Bonds Fwd Del Ser'18			23,385,000.00	2,350,000.00
<b>Total Direct Placement Bonds</b>			<b>\$ 23,385,000.00</b>	<b>\$ 2,350,000.00</b>
<b>Total</b>	<b>\$ 10,933,505.51</b>		<b>\$ 160,643,505.51</b>	<b>\$ 11,110,656.95</b>

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2C - Debt Service Requirements  
 For the Year Ended August 31, 2019

Description of Issue	Year	Principal	Interest
<b>Revenue Bonds</b>			
Revenue Financing System Refunding Bonds, Series 2012			
	2020	\$ 1,555,000.00	\$ 213,900.00
	2021	1,605,000.00	151,700.00
	2022	1,670,000.00	87,500.00
	2023	340,000.00	20,700.00
	2024	350,000.00	10,500.00
		<u>\$ 5,520,000.00</u>	<u>\$ 484,300.00</u>
Revenue Financing System Refunding Bonds, Series 2014			
	2020	\$ 470,000.00	\$ 371,112.50
	2021	485,000.00	360,537.50
	2022	495,000.00	347,806.26
	2023	510,000.00	332,956.26
	2024	530,000.00	310,006.26
	2025-2029	3,030,000.00	1,185,606.28
	2030-2034	3,620,000.00	595,037.50
	2035	815,000.00	32,600.00
		<u>\$ 9,955,000.00</u>	<u>\$ 3,535,662.56</u>
Revenue Financing System Bonds, Series 2016			
	2020	\$ 720,000.00	\$ 654,500.00
	2021	745,000.00	625,700.00
	2022	775,000.00	595,900.00
	2023	810,000.00	564,900.00
	2024	840,000.00	532,500.00
	2025-2029	4,740,000.00	2,130,300.00
	2030-2034	5,760,000.00	1,103,700.00
	2035-2036	2,630,000.00	118,950.00
		<u>\$ 17,020,000.00</u>	<u>\$ 6,326,450.00</u>
Revenue Financing System Bonds, Series 2017A			
	2020	\$ 2,995,000.00	\$ 2,928,850.00
	2021	3,115,000.00	2,809,050.00
	2022	3,240,000.00	2,684,450.00
	2023	3,365,000.00	2,554,850.00
	2024	3,500,000.00	2,420,250.00
	2025-2029	20,315,000.00	9,294,000.00
	2030-2034	19,175,000.00	4,120,300.00
	2035-2037	8,135,000.00	826,750.00
		<u>\$ 63,840,000.00</u>	<u>\$ 27,638,500.00</u>
Revenue Financing System Bonds, Series 2017B			
	2020	\$ 425,000.00	\$ 358,786.10
	2021	435,000.00	349,912.10
	2022	445,000.00	339,654.80
	2023	455,000.00	328,049.20
	2024	470,000.00	315,136.30
	2025-2029	2,590,000.00	1,339,637.40
	2030-2034	3,085,000.00	836,919.20
	2035-2037	2,175,000.00	183,720.60
		<u>\$ 10,080,000.00</u>	<u>\$ 4,051,815.70</u>



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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2C - Debt Service Requirements  
 For the Year Ended August 31, 2019

Description of Issue	Year	Principal	Interest
<b>Revenue Bonds</b>			
Revenue Financing System Bonds, Series 2018			
	2020	\$ 445,000.00	\$ 472,506.26
	2021	460,000.00	459,156.26
	2022	475,000.00	445,356.26
	2023	490,000.00	431,106.26
	2024	505,000.00	416,406.26
	2025-2029	2,800,000.00	1,795,181.30
	2030-2034	3,485,000.00	1,108,931.30
	2035-2038	3,365,000.00	308,000.04
		<u>\$ 12,025,000.00</u>	<u>\$ 5,436,643.94</u>
Revenue Financing System Refunding Bonds, Series 2019			
	2020	\$ 680,000.00	\$ 319,628.47
	2021	675,000.00	326,850.00
	2022	705,000.00	299,850.00
	2023	730,000.00	273,900.00
	2024	755,000.00	247,200.00
	2025-2029	4,340,000.00	672,250.00
		<u>\$ 7,885,000.00</u>	<u>\$ 2,139,678.47</u>
<b>Total Debt Service Requirements - Revenue Bonds</b>		<b><u>\$ 126,325,000.00</u></b>	<b><u>\$ 49,613,050.67</u></b>
<b>Direct Placement Bonds</b>			
Revenue Financing System Refunding Bonds, Forward Delivery Series 2018			
	2020	\$ 2,350,000.00	\$ 584,625.00
	2021	2,410,000.00	525,875.00
	2022	2,465,000.00	465,625.00
	2023	2,530,000.00	404,000.00
	2024	2,595,000.00	340,750.00
	2025-2028	11,035,000.00	698,375.00
		<u>\$ 23,385,000.00</u>	<u>\$ 3,019,250.00</u>
<b>Total Debt Service Requirements - Direct Placement Bonds</b>		<b><u>\$ 23,385,000.00</u></b>	<b><u>\$ 3,019,250.00</u></b>
<b>Total Debt Service Requirements</b>		<b><u>\$ 149,710,000.00</u></b>	<b><u>\$ 52,632,300.67</u></b>

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2D - Analysis of Funds Available for Debt Service  
 For the Year Ended August 31, 2019

Description of Issue	Pledged and Other Sources and Related Expenditures for FY 2019			
	Net Available for Debt Service		Debt Service	
	Total Pledged and Other Sources	Operating Expenses/ Expenditures and Capital Outlay	Principal	Interest
<b>Revenue Bonds</b>				
Series 2012, 2014, 2016, 2017A, 2017B, 2018, Fwd-Del 2018, & 2019 Parity Issues	\$ 272,533,905.13	\$ 159,784,634.68	\$ 9,905,000.00	\$ 6,428,156.12
<b>Total</b>	<u>\$ 272,533,905.13</u>	<u>\$ 159,784,634.68</u>	<u>\$ 9,905,000.00</u>	<u>\$ 6,428,156.12</u>

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TEXAS WOMAN'S UNIVERSITY (731)  
 Schedule 2F - Early Extinguishment and Refunding  
 For the Year Ended August 31, 2019

Description of Debt Extinguished/Refunded	Description of Newly Issued Debt	Category	Amount Extinguished or Refunded	For Refunding Only		
				Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain (Loss)
<b>Revenue Bonds</b>	<b>Refunding Bonds</b>					
Rev Fin Sys Bonds Ser'09A	Rev Fin Sys Ref Bonds Ser'19	Advanced Refunding	\$ 8,955,000.00	\$ 7,885,000.00	\$ 1,122,496.57	\$ 1,023,480.34
<b>Total</b>			<u>\$ 8,955,000.00</u>	<u>\$ 7,885,000.00</u>	<u>\$ 1,122,496.57</u>	<u>\$ 1,023,480.34</u>

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TEXAS WOMAN'S UNIVERSITY (731)  
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>Restricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0253	\$ 5,266,928.81	\$ -	\$ 5,266,928.81
<b>Total Cash in State Treasury</b> (Statement of Net Assets)	<u><u>\$ 5,266,928.81</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,266,928.81</u></u>