The University of Texas at Austin

Annual Financial Report
(with detailed supportive schedules)
Unaudited

Fiscal Year Ended August 31, 2013
PRESENTED HERIN ARE THE FINANCIAL STATEMENTS WITH DETAILED SUPPORTIVE SCHEDULES FOR THE UNIVERSITY OF TEXAS AT AUSTIN FOR THE YEAR ENDED AUGUST 31, 2013. THESE STATEMENTS AND DETAILED SUPPORTIVE SCHEDULES HAVE BEEN PREPARED IN COMPLIANCE WITH APPLICABLE STATE STATUTES, GOVERNMENTAL ACCOUNTING STANDARDS BOARD PRONOUNCEMENTS, AND THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS’ ANNUAL FINANCIAL REPORTING REQUIREMENTS.

THIS “DETAILED INTERNAL REPORT” SUPPLEMENTS THE CONSOLIDATED PUBLISHED ANNUAL FINANCIAL REPORT OF THE UNIVERSITY OF TEXAS SYSTEM AND IS INTENDED TO BE FOR LIMITED DISTRIBUTION PRIMARILY TO FINANCIAL AND ACADEMIC OFFICERS OF THE UNIVERSITY WHO NEED ACCESS TO THE DETAILS INCLUDED HEREIN. IT ALSO PROVIDES AN HISTORICAL RECORD OF TRANSACTIONS RELATING TO THIS PARTICULAR INSTITUTION.

THE ANNUAL FINANCIAL REPORT FOR PUBLIC DISTRIBUTION FOR THE UNIVERSITY OF TEXAS SYSTEM INCLUDES PRIMARY STATEMENTS ON A CONSOLIDATED SYSTEM-WIDE BASIS, INCLUDING FOOTNOTES AND MANagements’ DISCUSSION AND ANALYSIS.
THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS
As of August 31, 2013

Officers
Paul L. Foster, Chairman
Wm. Eugene “Gene” Powell, Vice Chairman
R. Steven “Steve” Hicks, Vice Chairman
Francie A. Frederick, General Counsel to the Board of Regents

Members

Terms scheduled to expire February 1, 2015*

R. Steven “Steve” Hicks
Wm. Eugene “Gene” Powell
Robert L. Stillwell

Terms scheduled to expire February 1, 2017*

Alex M. Cranberg
Wallace L. Hall, Jr.
Brenda Pejovich

Terms scheduled to expire February 1, 2019*

Ernest Aliseda
Jeffery D. Hildebrand
Paul L. Foster

Term scheduled to expire May 31, 2014*

Nash M. Horne (Student Regent)

*Each Regent’s term expires when a successor has been appointed, qualified, and taken the oath of office. The Student Regent serves a one-year term.
THE UNIVERSITY OF TEXAS SYSTEM
SENIOR ADMINISTRATIVE OFFICIALS
As of August 31, 2013

Francisco G. Cigarroa, M.D.  Chancellor
Scott C. Kelley  Executive Vice Chancellor for Business Affairs
Pedro Reyes  Executive Vice Chancellor for Academic Affairs
Kenneth I. Shine M.D.  Executive Vice Chancellor for Health Affairs
Daniel H. Sharphorn  Vice Chancellor and General Counsel
Barry McBee  Vice Chancellor and Chief Governmental Relations Officer
Randa S. Safady  Vice Chancellor for External Relations
William H. Shute  Vice Chancellor for Federal Relations
Amy Shaw Thomas  Vice Chancellor and Counsel for Health Affairs
Stephanie A. Bond Huie  Vice Chancellor for Strategic Initiatives
Patricia D. Hurn  Chief Executive Officer and Chief Investment Officer - UTIMCO
Bruce E. Zimmerman

THE UNIVERSITY OF TEXAS AT AUSTIN
SENIOR ADMINISTRATIVE OFFICIALS
As of August 31, 2013

William Powers Jr.  President
Charles A. Roeckle  Deputy to the President
Nancy Brazzil  Deputy to the President
Juan M. Sanchez  Vice President for Research
Gage Paine  Vice President for Student Affairs
Patricia C. Ohlendorf  Vice President for Legal Affairs
Geoff Leavenworth  Chief Communications Officer
Patricia L. Clubb  Vice President for University Operations
David Onion  Associate Vice President for Development
Julie Hooper  Associate Vice President for Development
John McCall  Associate Vice President for Development
Gregory J. Vincent  Vice President for Diversity and Community Engagement
Brad Englert  Associate Vice President and Chief Information Officer
Kevin P. Hegarty  Associate Vice President and Chief Financial Officer
Mary E. Knight  Associate Vice President and Budget Director
Michael W. Vandervort  Director of Internal Audit
Greg Fenves  Executive Vice President and Provost
Janet Elzey  Vice Provost for International Programs
David Laude  Sr. Vice Provost for Enrollment and Graduation Management
Harrison Keller  Vice Provost for Higher Education Policy and Research
Fred Heath  Vice Provost and Director of University of Texas Libraries
William M. Sage  Vice Provost for Health Affairs
Robert Messing  Vice Provost for Biomedical Sciences
Neal E. Armstrong  Vice Provost for Institutional Accreditation
Daniel T. Slesnick  Sr. Vice Provost for Resource Management
Kedra Ishop  Vice Provost and Director of Admissions
Shelby Stanfield  Vice Provost and Registrar
Judith Langlois  Vice Provost and Dean of Graduate Studies
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THE UNIVERSITY OF TEXAS AT AUSTIN

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<td>Exhibit C</td>
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</tr>
</tbody>
</table>
# Exhibit A  Statement of Net Position

As of August 31, 2013

<table>
<thead>
<tr>
<th>ASSETS AND DEFERRED OUTFLOWS</th>
<th>Current Year Totals</th>
<th>Restated Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$244,867,752.94</td>
<td>301,836,263.51</td>
</tr>
<tr>
<td>Restricted Cash &amp; Cash Equivalents</td>
<td>84,760,073.01</td>
<td>108,191,203.32</td>
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<tr>
<td>Balance in State Appropriations</td>
<td>1,421,586.11</td>
<td>2,975,518.36</td>
</tr>
<tr>
<td>Accounts Receivable, Net:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal (allow. $0.00 in 2013 &amp; $0.00 in 2012)</td>
<td>66,779,074.29</td>
<td>57,823,748.58</td>
</tr>
<tr>
<td>Other InterGov. (allow. $0.00 in 2013 &amp; $0.00 in 2012)</td>
<td>6,505,847.88</td>
<td>6,586,728.76</td>
</tr>
<tr>
<td>Student (allow. $1,035,641.53 in 2013 &amp; $1,425,284.57 in 2012)</td>
<td>83,483,202.41</td>
<td>82,267,838.37</td>
</tr>
<tr>
<td>Interest and Dividend Receivables</td>
<td>6,414,516.03</td>
<td>5,717,159.68</td>
</tr>
<tr>
<td>Contributions (allow. $1,915,689.98 in 2013 &amp; $2,691,093.77 in 2012)</td>
<td>45,037,920.98</td>
<td>45,797,902.36</td>
</tr>
<tr>
<td>Other (allow. $398,177.86 in 2013 &amp; $512,812.89 in 2012)</td>
<td>21,238,984.82</td>
<td>13,407,917.19</td>
</tr>
<tr>
<td>Due From Other Funds</td>
<td>31,538,143.45</td>
<td>12,018,132.26</td>
</tr>
<tr>
<td>Due From System Administration</td>
<td>223,233,642.68</td>
<td>276,274,424.72</td>
</tr>
<tr>
<td>Due From Other Institutions</td>
<td>61,680.07</td>
<td></td>
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<tr>
<td>Inventories</td>
<td>9,956,165.87</td>
<td>11,077,887.85</td>
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<tr>
<td>Loans &amp; Contracts (allow. $0.00 in 2013 &amp; $0.00 in 2012)</td>
<td>7,388,009.23</td>
<td>8,164,452.62</td>
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<tr>
<td>Other Current Assets</td>
<td>9,030,444.87</td>
<td>9,888,791.73</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td>899,347,560.10</td>
<td>1,017,567,521.37</td>
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<tr>
<td><strong>Noncurrent Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted Investments</td>
<td>291,014,939.56</td>
<td>254,818,489.71</td>
</tr>
<tr>
<td>Loans &amp; Contracts (allow. $15,929,041.55 in 2013 &amp; $15,525,574.18 in 2012)</td>
<td>42,931,980.56</td>
<td>43,205,797.27</td>
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<tr>
<td>Funds Held by System Administration (Restricted)</td>
<td>3,019,393,884.49</td>
<td>2,868,754,744.18</td>
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<tr>
<td>Contributions Rec. (allow. $776,84 in 2013 &amp; $507,64 in 2012)</td>
<td>78,039,566.33</td>
<td>51,007,804.99</td>
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<tr>
<td>Unrestricted Investments</td>
<td>782,366,971.19</td>
<td>623,330,626.76</td>
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<tr>
<td>Other Noncurrent Assets</td>
<td>1,386,397.96</td>
<td>1,386,397.96</td>
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<tr>
<td>Gross Capital/Intangible Assets</td>
<td>5,191,234,243</td>
<td>5,191,234,746</td>
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<tr>
<td>Accumulated Depreciation/Amortization</td>
<td>(2,591,005,925.54)</td>
<td>(2,346,094,931.45)</td>
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<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td>7,040,187,057.80</td>
<td>6,689,350,674.58</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>7,939,534,617.90</td>
<td>7,706,918,195.95</td>
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<tr>
<td><strong>Total Assets and Deferred Outflows</strong></td>
<td>7,939,534,617.90</td>
<td>7,706,918,195.95</td>
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<tr>
<td><strong>LIABILITIES AND DEFERRED INFLOWS</strong></td>
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<td></td>
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<tr>
<td><strong>Current Liabilities:</strong></td>
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<tr>
<td>Accounts Payable and Accrued Liabilities</td>
<td>80,379,919.66</td>
<td>85,650,327.28</td>
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<tr>
<td>Salaries Payable</td>
<td>61,721,787.75</td>
<td>70,784,629.93</td>
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<tr>
<td>Due To Other Funds</td>
<td>31,538,143.45</td>
<td>12,018,132.26</td>
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<tr>
<td>Due To System Administration</td>
<td>16,730,238.63</td>
<td>15,648,187.48</td>
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<td>Due To Other Institutions</td>
<td>333,464.53</td>
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<tr>
<td>Due To Other State Agencies</td>
<td>441,793.08</td>
<td>398,232.30</td>
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<tr>
<td>Unearned Revenue</td>
<td>479,074,578.31</td>
<td>478,956,771.78</td>
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<tr>
<td>Employees’ Compensable Leave - Current Portion</td>
<td>31,481,987.84</td>
<td>31,082,102.51</td>
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<tr>
<td>Notes, Loans, and Leases Payable</td>
<td>2,366,681.85</td>
<td>2,350,706.51</td>
</tr>
<tr>
<td>Payable From Restricted Assets</td>
<td>14,634,761.53</td>
<td>18,105,070.86</td>
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<tr>
<td>Other Current Liabilities</td>
<td>(125,928.70)</td>
<td>1,180,595.40</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>714,507,427.93</td>
<td>715,780,756.31</td>
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<tr>
<td><strong>Noncurrent Liabilities:</strong></td>
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<td></td>
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<tr>
<td>Employees’ Compensable Leave</td>
<td>19,212,305.80</td>
<td>17,008,604.93</td>
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<tr>
<td>Assets Held for Others</td>
<td>8,490,655.71</td>
<td>7,528,411.96</td>
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<td>Liability to Beneficiaries</td>
<td>6,490,164.72</td>
<td>6,968,261.54</td>
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<tr>
<td>Notes, Loans, and Leases Payable</td>
<td>19,079,789.72</td>
<td>19,427,077.35</td>
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<td>Other Noncurrent Liabilities</td>
<td>61,534.03</td>
<td>468,305.65</td>
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<td><strong>Total Noncurrent Liabilities</strong></td>
<td>52,339,449.98</td>
<td>52,296,661.43</td>
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<td><strong>Total Liabilities</strong></td>
<td>767,846,877.91</td>
<td>768,077,417.74</td>
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<tr>
<td><strong>Total Liabilities and Deferred Inflows</strong></td>
<td>767,846,877.91</td>
<td>768,077,417.74</td>
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<tr>
<td><strong>NET POSITION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment in Capital Assets</td>
<td>2,803,676,846.14</td>
<td>2,825,664,027.85</td>
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<tr>
<td>Restricted for:</td>
<td></td>
<td></td>
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<tr>
<td>Nonexpendable:</td>
<td></td>
<td></td>
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<tr>
<td>Permanent Health, True Endowments, and Annuities</td>
<td>1,653,621,509.83</td>
<td>1,609,411,792.06</td>
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<tr>
<td><strong>Expendable:</strong></td>
<td></td>
<td></td>
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<tr>
<td>Capital Projects</td>
<td>(1,922,294.03)</td>
<td>35,241,116.60</td>
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<tr>
<td>Funds Functioning as Endowment (Restricted)</td>
<td>164,286,330.36</td>
<td>132,201,425.92</td>
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<tr>
<td>Other Expendable</td>
<td>1,649,002,822.51</td>
<td>1,531,670,550.25</td>
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<tr>
<td>Unrestricted</td>
<td>907,002,525.18</td>
<td>804,851,865.53</td>
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<tr>
<td><strong>Total Net Position</strong></td>
<td>7,171,687,739.99</td>
<td>6,938,840,778.21</td>
</tr>
</tbody>
</table>
## Exhibit B  Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended August 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>Current Year Totals</th>
<th>Restated Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Tuition and Fees</td>
<td>$ 633,906,955.71</td>
<td>599,057,717.77</td>
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<tr>
<td>Discounts and Allowances</td>
<td>(138,758,221.69)</td>
<td>(128,857,089.04)</td>
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<tr>
<td>Federal Sponsored Programs</td>
<td>388,674,926.55</td>
<td>365,652,935.72</td>
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<tr>
<td>Federal Sponsored Programs Pass-Through from State Agencies</td>
<td>26,798,328.99</td>
<td>33,552,239.63</td>
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<tr>
<td>State Sponsored Programs Pass-Through from State Agencies</td>
<td>66,117,574.81</td>
<td>69,491,812.33</td>
</tr>
<tr>
<td>Local Sponsored Programs</td>
<td>7,765,066.70</td>
<td>5,671,628.09</td>
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<tr>
<td>Private Sponsored Programs</td>
<td>107,480,801.82</td>
<td>99,486,463.38</td>
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<tr>
<td>Sales and Services of Educational Activities</td>
<td>228,736,262.52</td>
<td>201,673,617.75</td>
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<tr>
<td>Discounts and Allowances Sales and Services of Educational Activities</td>
<td>(61,800.19)</td>
<td>(51,236.61)</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>267,467,365.48</td>
<td>253,224,798.74</td>
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<tr>
<td>Discounts and Allowances Auxiliary Enterprises</td>
<td>(13,385,737.79)</td>
<td>(12,348,706.26)</td>
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<tr>
<td>Other Operating Revenues</td>
<td>8,193,916.66</td>
<td>4,877,432.31</td>
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<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>1,582,935,439.57</td>
<td>1,491,431,613.81</td>
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<td><strong>Operating Expenses:</strong></td>
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<tr>
<td>Instruction</td>
<td>608,985,065.61</td>
<td>595,856,101.87</td>
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<tr>
<td>Research</td>
<td>444,752,672.50</td>
<td>447,422,681.47</td>
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<td>Public Service</td>
<td>101,594,557.96</td>
<td>91,002,637.99</td>
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<td>Academic Support</td>
<td>185,676,359.63</td>
<td>184,252,361.70</td>
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<td>Student Services</td>
<td>56,669,277.11</td>
<td>54,805,237.40</td>
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<td>Institutional Support</td>
<td>149,046,421.62</td>
<td>110,128,360.12</td>
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<td>Operations and Maintenance of Plant</td>
<td>157,995,746.22</td>
<td>149,544,804.79</td>
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<td>Scholarships and Fellowships</td>
<td>156,763,251.56</td>
<td>110,486,065.42</td>
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<td>Auxiliary Enterprises</td>
<td>257,643,364.57</td>
<td>245,786,490.98</td>
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<td>Depreciation and Amortization</td>
<td>292,207,747.00</td>
<td>260,336,332.04</td>
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<td><strong>Total Operating Expenses</strong></td>
<td>2,411,334,463.78</td>
<td>2,249,621,103.78</td>
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<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>(828,399,024.21)</td>
<td>(758,189,489.97)</td>
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<tr>
<td><strong>Nonoperating Revenues (Expenses):</strong></td>
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</tr>
<tr>
<td>State Appropriations</td>
<td>292,300,281.14</td>
<td>289,350,074.33</td>
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<tr>
<td>Federal Nonexchange Sponsored Programs</td>
<td>68,856,397.69</td>
<td>46,640,297.70</td>
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<tr>
<td>Federal Nonexchange Pass-Through</td>
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<td>19,666.36</td>
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<tr>
<td>Gift Contributions for Operations</td>
<td>117,557,136.51</td>
<td>127,694,861.21</td>
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<td>Investment Income</td>
<td>268,856,375.02</td>
<td>165,240,538.86</td>
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<tr>
<td>Net Increase (Decrease) in Fair Value of Investments</td>
<td>107,517,876.84</td>
<td>(61,806,017.28)</td>
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<tr>
<td>Interest Expense on Capital Asset Financings</td>
<td>(1,277,137.00)</td>
<td>(1,314,880.00)</td>
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<tr>
<td>Gain (Loss) on Sale of Capital Assets</td>
<td>(5,118,575.31)</td>
<td>(7,381,141.82)</td>
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<tr>
<td>Other Nonoperating Revenues</td>
<td>14,300,049.08</td>
<td>10,584,389.03</td>
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<tr>
<td>Other Nonoperating (Expenses)</td>
<td>(43,626,958.15)</td>
<td>(23,381,978.52)</td>
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<tr>
<td><strong>Net Nonoperating Revenues (Expenses)</strong></td>
<td>759,365,445.82</td>
<td>546,326,809.87</td>
</tr>
<tr>
<td>Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers</td>
<td>(69,033,578.39)</td>
<td>(211,862,680.10)</td>
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<tr>
<td>Gifts and Sponsored Programs for Capital Acquisitions</td>
<td>110,088,853.00</td>
<td>85,812,202.02</td>
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<td>Additions to Permanent Endowments / Annuities</td>
<td>42,765,130.89</td>
<td>45,757,120.12</td>
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<td>Reclass from/to Other Institutions</td>
<td>14,041,706.19</td>
<td>63,692,391.94</td>
</tr>
<tr>
<td>Transfers Between Institutions &amp; System, Debt Service - Mandatory</td>
<td>(96,588,343.65)</td>
<td>(92,447,798.48)</td>
</tr>
<tr>
<td>Transfers Between Institutions &amp; System Admin. - Non mandatory</td>
<td>236,230,288.51</td>
<td>247,601,693.81</td>
</tr>
<tr>
<td>Transfers From Other State Agencies</td>
<td>4,074,625.48</td>
<td>1,730,625.73</td>
</tr>
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<td>Transfers to Other State Agencies</td>
<td>(8,751,720.25)</td>
<td>(7,578,807.59)</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>232,846,961.78</td>
<td>132,704,747.45</td>
</tr>
<tr>
<td><strong>Beginning Net Position</strong></td>
<td>6,938,840,778.21</td>
<td>6,806,136,030.76</td>
</tr>
<tr>
<td><strong>Ending Net Position</strong></td>
<td>$ 7,171,687,739.99</td>
<td>6,938,840,778.21</td>
</tr>
</tbody>
</table>
### Cash Flows from Operating Activities:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Tuition and Fees</td>
<td>493,387,551.77</td>
</tr>
<tr>
<td>Proceeds from Sponsored Programs</td>
<td>604,195,887.31</td>
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<tr>
<td>Proceeds from Auxiliaries</td>
<td>250,362,917.41</td>
</tr>
<tr>
<td>Proceeds from Other Revenues</td>
<td>234,615,600.69</td>
</tr>
<tr>
<td>Payments to Suppliers</td>
<td>(748,194,360.57)</td>
</tr>
<tr>
<td>Payments to Employees</td>
<td>(1,349,572,711.65)</td>
</tr>
<tr>
<td>Payments for Loans Provided</td>
<td>(3,440,050.27)</td>
</tr>
<tr>
<td>Proceeds from Loan Programs</td>
<td>33,955,037.48</td>
</tr>
</tbody>
</table>

**Net Cash Provided (Used) by Operating Activities**

(514,690,127.83) | (485,050,430.76)

### Cash Flows from Noncapital Financing Activities:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from State Appropriations</td>
<td>293,854,213.39</td>
</tr>
<tr>
<td>Proceeds from Operating Gifts</td>
<td>91,285,356.55</td>
</tr>
<tr>
<td>Proceeds from Private Gifts for Endowment and Annuity Life Purposes</td>
<td>42,765,130.89</td>
</tr>
<tr>
<td>Proceeds from Other Nonoperating Revenues</td>
<td>235,807,082.07</td>
</tr>
<tr>
<td>Receipts for Transfers from System or Other Agencies</td>
<td>(3,366,243.07)</td>
</tr>
<tr>
<td>Payments for Other Uses</td>
<td>(181,246.85)</td>
</tr>
<tr>
<td>Proceeds from Nonexchange Sponsored Programs</td>
<td>46,640,297.70</td>
</tr>
</tbody>
</table>

**Net Cash Provided by Noncapital Financing Activities**

700,967,886.64 | 703,364,754.75

### Cash Flows from Capital and Related Financing Activities:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Capital Debt Transferred from System (Nonmandatory)</td>
<td>70,907,709.37</td>
</tr>
<tr>
<td>Proceeds from Capital Appropriations, Grants, and Gifts</td>
<td>42,243,434.74</td>
</tr>
<tr>
<td>Proceeds from Sale of Capital Assets</td>
<td>81,784.94</td>
</tr>
<tr>
<td>Payments for Additions to Capital Assets</td>
<td>(248,174,916.27)</td>
</tr>
<tr>
<td>Payments of Principal on Capital Related Debt</td>
<td>(1,708,568.06)</td>
</tr>
<tr>
<td>Mandatory Transfers to System for Capital Related Debt</td>
<td>(56,568,343.65)</td>
</tr>
<tr>
<td>Payments of Interest on Capital Related Debt</td>
<td>(1,277,137.00)</td>
</tr>
</tbody>
</table>

**Net Cash Provided (Used) by Capital and Related Financing Activities**

(234,496,035.93) | (269,866,320.90)

### Cash Flows from Investing Activities:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Interest and Investment Income</td>
<td>180,486,358.17</td>
</tr>
<tr>
<td>Proceeds from Interest and Investment Income Invested by System</td>
<td>26,081,230.82</td>
</tr>
<tr>
<td>Payments to Acquire Investments Invested by System</td>
<td>(238,749,054.75)</td>
</tr>
</tbody>
</table>

**Net Cash Provided (Used) by Investing Activities**

(32,181,465.76) | 93,715,725.53

### Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income (Loss)</td>
<td>(828,399,024.21)</td>
</tr>
<tr>
<td>Adjustments to Reconcile Operating Results to Net Cash:</td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortization Expense</td>
<td>292,207,747.00</td>
</tr>
<tr>
<td>Bad Debt Expense</td>
<td>617,176.36</td>
</tr>
<tr>
<td>Changes in Assets and Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>5,355,265.40</td>
</tr>
<tr>
<td>Inventories</td>
<td>776,443.39</td>
</tr>
<tr>
<td>Loans and Contracts</td>
<td>514,987.21</td>
</tr>
<tr>
<td>Other Current and Noncurrent Assets</td>
<td>17,909,035.60</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>(1,113,906.74)</td>
</tr>
<tr>
<td>Due to System</td>
<td>1,082,051.15</td>
</tr>
<tr>
<td>Unearned Revenue</td>
<td>(3,621,193.47)</td>
</tr>
<tr>
<td>Employees’ Compensable Leave</td>
<td>1,703,586.20</td>
</tr>
<tr>
<td>Other Current and Noncurrent Liabilities</td>
<td>(1,722,295.72)</td>
</tr>
</tbody>
</table>

**Total Adjustments**

313,708,896.38 | 273,139,058.21

**Net Cash Provided (Used) by Operating Activities**

(514,690,127.83) | (485,050,430.76)

### Non Cash Transactions:

<table>
<thead>
<tr>
<th>Current Year Totals</th>
<th>Prior Year Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Increase (Decrease) in Fair Value of Investments</td>
<td>107,517,876.84</td>
</tr>
<tr>
<td>Donated Capital Assets</td>
<td>67,845,418.26</td>
</tr>
<tr>
<td>Capital Assets Acquired Under Capital Lease Purchases</td>
<td>1,520,381.77</td>
</tr>
<tr>
<td>Miscellaneous Noncash Transactions</td>
<td>(31,055,925.28)</td>
</tr>
</tbody>
</table>

**Total Adjustments**

313,708,896.38 | 273,139,058.21

**Net Cash Provided (Used) by Operating Activities**

(514,690,127.83) | (485,050,430.76)