

ANNUAL FINANCIAL REPORT

of the

UNIVERSITY OF NORTH TEXAS AT DALLAS

DALLAS, TEXAS

Bob Mong, President

For the Year Ended August 31, 2018



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November 19, 2018

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

Dear Mr. Mong:

We are pleased to submit the annual financial report of the University of North Texas at Dallas for the year ended August 31, 2018, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

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

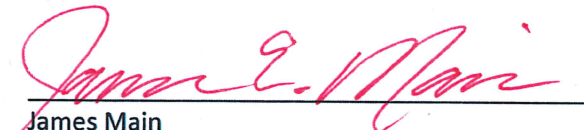
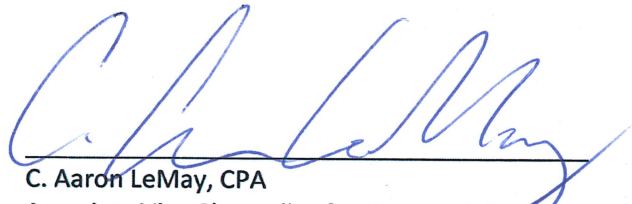
If you have any questions, please contact Rafiu Fashina at (972) 338-1405.

Sincerely,



Rafiu Fashina
Assistant Controller

Approved:


James Main
Executive Vice President for Administration/CFO
C. Aaron LeMay, CPA
Associate Vice Chancellor for Finance & System
Controller



UNIVERSITY OF NORTH TEXAS AT DALLAS

ORGANIZATIONAL DATA

August 31, 2018

BOARD OF REGENTS

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

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

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

STUDENT REGENT

Amanda Pajares (Term expires 5-31-19) Bartlett

OFFICERS OF THE BOARD

Brint Ryan Chairman
Laura Wright Vice Chairman
Rosemary R. Haggett Secretary

ADMINISTRATIVE OFFICERS

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

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)

Statement of Net Position

As of August 31, 2018

	August 31, 2018
ASSETS	
Current Assets	
Cash and Cash Equivalents:	
Cash on Hand	\$ 2,589.09
Cash in Bank	4,606,631.50
Cash in Transit/Reimburse from Treasury	176,310.47
Cash in State Treasury	1,907,589.93
Cash Equivalents	7,046,392.64
Restricted Cash and Cash Equivalents:	
Cash in Bank	1,664,255.77
Cash Equivalents	3,716,592.28
Legislative Appropriations	4,918,321.21
Receivables From:	
Accounts Receivable	7,284,181.00
Federal	2,168,706.51
Other Intergovernmental	31,531.01
Other Receivables	1,234,327.02
Due From Other Agencies	7,024.38
Due from Other Components	36,667,213.92
Prepaid Items	2,886,582.17
Loans and Contracts	254,842.61
Total Current Assets	\$ 74,573,091.51
Non-Current Assets	
Restricted Investments	\$ 930,532.64
Investments	6,355,953.94
Capital Assets:	
Non-Depreciable or Non-Amortizable	36,145,216.58
Depreciable or Amortizable, Net	44,195,651.17
Total Non-Current Assets	\$ 87,627,354.33
Total Assets	\$ 162,200,445.84
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources	\$ -
Total Deferred Outflows of Resources	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 162,200,445.84

Continued on Next Page

UNAUDITED

	August 31, 2018
LIABILITIES	
Current Liabilities	
Payables From:	
Accounts Payable	\$ 7,107,848.13
Payroll Payable	2,327,912.67
Other Payables	25,550.00
Interest	6,138.62
Due to Other Components	8,028,776.87
Unearned Revenue	14,830,782.81
Employees' Compensable Leave	209,986.05
Funds Held for Others	164,139.84
Total Current Liabilities	\$ 32,701,134.99
Non-Current Liabilities	
Employees' Compensable Leave	\$ 681,971.80
Total Non-Current Liabilities	\$ 681,971.80
Total Liabilities	\$ 33,383,106.79
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources	\$ -
Total Deferred Inflows of Resources	\$ -
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$ 33,383,106.79
NET POSITION	
Net Investment in Capital Assets	\$ 87,663,913.45
Restricted For:	
Funds Held as Permanent Investments	
Non-Expendable	1,004,134.12
Expendable	301,773.54
Other Restricted	2,124,182.12
Unrestricted	37,723,335.82
Total Net Position	\$ 128,817,339.05

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended August 31, 2018

	August 31,
	2018
OPERATING REVENUES	
Tuition and Fees	\$ 25,611,981.32
Discounts and Allowances	(5,227,972.59)
Auxiliary Enterprises	926,438.38
Sales of Goods and Services	204,628.45
Federal Grant Revenue	1,107,435.75
Federal Pass-Through Revenue	62,217.38
State Grant Revenue	30,882.33
State Grant Pass-Through Revenue	1,815,817.28
Other Contracts and Grants	839,944.69
Other Operating Revenues	172,536.39
Total Operating Revenues	\$ 25,543,909.38
OPERATING EXPENSES (1)	
Instruction	\$ 14,658,925.42
Research	36,120.19
Public Service	1,327,116.60
Academic Support	4,280,877.81
Student Services	6,200,792.93
Institutional Support	5,767,218.41
Operation and Maintenance of Plant	3,491,244.63
Scholarships and Fellowships	12,043,298.97
Auxiliary Enterprises	1,051,991.83
Depreciation and Amortization	3,841,517.53
Total Operating Expenses	\$ 52,699,104.32
Operating Loss	\$ (27,155,194.94)
NONOPERATING REVENUES (EXPENSES)	
Legislative Appropriations (GR)	\$ 22,160,337.00
Additional Appropriations (GR)	3,176,904.80
Federal Revenue	9,041,317.62
Gifts	1,123,057.46
Investment Income	1,360,043.49
Interest Expense and Fiscal Charges	(2,354,071.72)
Net Increase in Fair Value of Investments	250,469.03
Other Nonoperating Expenses	(4,634.00)
Total Nonoperating Revenues (Expenses)	\$ 34,753,423.68
Income Before Other Revenues, Expenses and Transfers	\$ 7,598,228.74
OTHER REVENUES, EXPENSES AND TRANSFERS	
Capital Appropriations (HEF)	\$ 2,113,004.00
Contributions To Permanent and Term Endowments	150,000.00
Interagency Transfers of Capital Assets-Increase	1,198,592.79
Transfers From Other State Agencies	13,214.00
Legislative Transfers In	22,925.00
Transfers From Other Components	82,345,441.20
Transfers To Other Components	(5,240,059.63)
Total Other Revenues, Expenses and Transfers	\$ 80,603,117.36
CHANGE IN NET POSITION	\$ 88,201,346.10
Beginning Net Position	\$ 40,615,992.95
Restatement	
Beginning Net Position, as Restated	\$ 40,615,992.95
ENDING NET POSITION	\$ 128,817,339.05

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

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
 Matrix of Operating Expenses Reported by Function
 For the Year Ended August 31, 2018

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	Operation and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenditures
Salaries and Wages	\$ 10,790,067.31	\$ 22,043.79	\$ 698,165.03	\$ 2,839,382.30	\$ 3,724,650.20	\$ 3,603,427.25	\$ 1,164,052.37	\$ 81,590.84	\$ 183,851.53	\$ -	\$ 23,107,230.62
Payroll Related Costs	2,748,552.38	2,102.28	179,116.01	520,486.09	924,779.05	417,545.18	345,565.05	-	57,644.11	-	5,195,790.15
Professional Fees and Services	222,395.10	-	146,646.16	57,061.55	561,332.36	535,123.79	122,658.56	-	390,501.82	-	2,035,719.34
Travel	107,620.39	7,296.62	30,459.62	61,975.18	162,909.11	62,374.37	5,301.94	-	67,811.27	-	505,748.50
Materials and Supplies	180,861.54	1,669.50	145,834.69	317,041.86	211,042.34	609,627.54	373,135.10	-	81,706.80	-	1,920,919.37
Communications and Utilities	511.99	-	2,062.64	55,763.73	6,136.04	82,898.61	467,816.93	-	632.29	-	615,822.23
Repairs and Maintenance	11,122.24	-	-	7,466.15	25,087.52	6,168.10	945,726.35	-	63,149.36	-	1,058,719.72
Rentals and Leases	57,918.59	-	9,365.17	122,426.69	138,580.56	163,680.16	10,230.92	-	90,126.87	-	592,328.96
Printing and Reproduction	22,253.62	-	804.66	23,761.16	22,115.28	40,270.59	10,267.37	-	10,552.72	-	130,025.40
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	3,841,517.53	3,841,517.53
Scholarships	356,530.15	-	7,479.12	-	-	14,883.71	-	11,961,708.13	19,650.00	-	12,360,251.11
Other Operating Expenses	161,092.11	3,008.00	107,183.50	275,513.10	424,160.47	231,219.11	46,490.04	-	86,365.06	-	1,335,031.39
Total Operating Expenses	\$ 14,658,925.42	\$ 36,120.19	\$ 1,327,116.60	\$ 4,280,877.81	\$ 6,200,792.93	\$ 5,767,218.41	\$ 3,491,244.63	\$ 12,043,298.97	\$ 1,051,991.83	\$ 3,841,517.53	\$ 52,699,104.32

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2018

	August 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Customers	\$ 193,850.78
Proceeds from Tuition and Fees	24,209,921.06
Proceeds from Research Grants and Contracts	3,834,706.79
Proceeds from Auxiliaries	926,438.38
Proceeds from Other Revenues	200,293.42
Payments to Suppliers for Goods and Services	(4,385,442.25)
Payments to Employees	(26,339,413.53)
Payments for Loans Provided	(6,550.68)
Payments for Other Expenses	(12,922,000.08)
Net Cash Provided (Used) by Operating Activities	\$ (14,288,196.11)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from State Appropriations	\$ 22,099,170.08
Proceeds from Gifts	1,123,057.46
Proceeds from Endowments	150,000.00
Proceeds from Transfers from Other Agencies	13,214.00
Proceeds from Transfers from Other Components	21,151.15
Proceeds from Legislative Transfers	22,925.00
Proceeds from Grant Receipts	9,041,317.62
Payments for Transfers to Other Components	(4,619,689.67)
Payments for Other Uses	(25,785.15)
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 27,825,360.49
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from State Appropriations	\$ 2,113,004.00
Proceeds from Debt Issuance	1,800,000.00
Proceeds of Transfers from Other Components for Debt Issuance	22,623,723.34
Payments for Additions to Capital Assets	(18,843,807.53)
Payments of Principal on Debt Issuance	(14,776,889.41)
Payments of Interest on Debt Issuance	(4,569,345.54)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ (11,653,315.14)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	\$ 800,793.86
Proceeds from Interest and Investment Income	1,360,043.49
Net Cash Provided (Used) by Investing Activities	\$ 2,160,837.35
Net Increase/(Decrease) in Cash and Cash Equivalents	\$ 4,044,686.59
Cash and Cash Equivalents, September 1, 2017	\$ 15,075,675.09
Cash and Cash Equivalents, August 31, 2018	\$ 19,120,361.68

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2018

	August 31, 2018
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Loss	\$ (27,155,194.94)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation and Amortization	\$ 3,841,517.53
Employee Benefits Paid by State	1,799,788.04
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	336,850.79
(Increase) Decrease in Prepaid Expenses	725,027.50
(Increase) Decrease in Loans and Contracts	(6,550.68)
Increase (Decrease) in Payables	2,452,324.42
Increase (Decrease) in Unearned Revenue	3,484,450.26
Increase (Decrease) in Other Liabilities	233,590.97
Total Adjustments	\$ 12,866,998.83
Net Cash Provided (Used) by Operating Activities	\$ (14,288,196.11)
 NON-CASH TRANSACTIONS	
Net Change in Fair Value of Investments	\$ 250,469.03
Amortization of Bond Premiums (Discounts)	774,476.11
Amortization of Deferred Inflows/Outflows from Refunding Bonds	(4,546.44)
Capital Assets Acquired with Payables	5,877,349.41
Interagency Transfer of Capital Assets	1,198,592.79

University of North Texas at Dallas (773)
 Schedule 1A - Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended August 31, 2018

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	NSE Name/Identifying Number	Agy/Univ No	Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount	Direct Program Amount	Total PT From and Direct Prog. Amount	Agy/Univ No.	Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount	Expenditures Amount	Total PT To and Expenditures Amount
U.S. Department of Education												
<u>Direct Programs:</u>												
Higher Education Institutional Aid	84.031					48,274.43	48,274.43				48,274.43	48,274.43
Bilingual Education_Professional Development	84.195					472,295.13	472,295.13				472,295.13	472,295.13
Education Research, Development and Dissemination	84.305					7,296.62	7,296.62				7,296.62	7,296.62
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367					(12,305.67)	(12,305.67)				(12,305.67)	(12,305.67)
<u>Pass-Through From:</u>												
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367						55,193.00				55,193.00	55,193.00
<u>Pass-Through From:</u>												
Texas Higher Education Coordinating Board			781	55,193.00								
Totals - U.S. Department of Education				55,193.00	0.00	515,560.51	570,753.51		0.00	0.00	570,753.51	570,753.51
Research & Development Cluster												
National Science Foundation												
<u>Pass-Through From:</u>												
Education and Human Resources	47.076						7,024.38				7,024.38	7,024.38
<u>Pass-Through From:</u>												
Texas Tech University			733	7,024.38								
Totals - National Science Foundation				7,024.38	0.00	0.00	7,024.38		0.00	0.00	7,024.38	7,024.38
Student Financial Assistance Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
Federal Supplemental Educational Opportunity Grants	84.007					77,190.26	77,190.26				77,190.26	77,190.26
Federal Work-Study Program	84.033					75,137.52	75,137.52				75,137.52	75,137.52
Federal Pell Grant Program	84.063					9,041,317.62	9,041,317.62				9,041,317.62	9,041,317.62
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379					23,691.50	23,691.50				23,691.50	23,691.50
Totals - U.S. Department of Education				0.00	0.00	9,217,336.90	9,217,336.90		0.00	0.00	9,217,336.90	9,217,336.90
TRIO Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
TRIO Upward Bound	84.047					305,004.41	305,004.41				305,004.41	305,004.41
TRIO McNair Post-Baccalaureate Achievement	84.217					110,851.55	110,851.55				110,851.55	110,851.55
Totals - U.S. Department of Education				0.00	0.00	415,855.96	415,855.96		0.00	0.00	415,855.96	415,855.96
Total Expenditures of Federal Awards				62,217.38	0.00	10,148,753.37	10,210,970.75		0.00	0.00	10,210,970.75	10,210,970.75

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Notes to Schedule 1A - Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2018

Note 1: Nonmonetary Assistance
 N/A

Note 2: Reconciliation

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

Federal Revenues - per Statement of Revenues, Expenses, and Changes in Net Assets	
Federal Grants and Contracts - Operating	\$ 1,107,435.75
Federal Grants and Contracts - Nonoperating	9,041,317.62
Federal Pass-Through Grants from Other State Agencies/Universities - Operating	62,217.38
Federal Pass-Through Grants from Other State Agencies/Universities - Nonoperating	-
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Assets	\$ 10,210,970.75
Total Pass Through and Expenditures per Federal Schedule	\$ 10,210,970.75

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

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

Note 4: Depository Libraries for Government Publications

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

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

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

Note 7: Federal Deferred Income
 N/A

Note 8: Disaster Grants - Public Assistance
 N/A

Note 9: Economic Adjustment Assistance
 N/A

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

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies
For the Year Ended August 31, 2018

Pass-Through From: State Agencies

To University of North Texas at Dallas (773)

Texas State Board of Public Accountancy (Agency 457)	
Fifth Year Accounting Student Scholarship Program	\$ 750.00
Texas Higher Education Coordinating Board (Agency 781)	
TEXAS Grant Program	1,617,314.00
College Readiness Initiative	80,000.00
Work Study Mentorship Program	21,668.28
Bilingual Education Program	96,085.00

Total Pass-Through From Other Agencies

(Statement of Revenues, Expenses, and Changes in Net Assets)

\$ 1,815,817.28

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 3 - Reconciliation of Cash in State Treasury
For the Year Ended August 31, 2018

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0292	\$ 1,907,589.93	\$ 1,907,589.93
Total Cash in State Treasury (Statement of Net Position)	<u>\$ 1,907,589.93</u>	<u>\$ 1,907,589.93</u>