THE UNIVERSITY OF TEXAS SYSTEM

ANNUAL FINANCIAL REPORT

PRIMARY FINANCIAL STATEMENTS

FISCAL YEAR 2020

The University of Texas at Arlington ◆ The University of Texas at Austin ◆ The University of Texas at Dallas ◆ The University of Texas at El Paso ◆ The University of Texas Permian Basin ◆ The University of Texas Rio Grande Valley ◆ The University of Texas at San Antonio ◆ The University of Texas at Tyler ◆ The University of Texas Southwestern Medical Center ◆ The University of Texas Medical Branch at Galveston ◆ The University of Texas Health Science Center at Houston ◆ The University of Texas Health Science Center at San Antonio ◆ The University of Texas M. D. Anderson Cancer Center ◆ The University of Texas Health Science Center at Tyler ◆ The University of Texas System Administration

THE UNIVERSITY OF TEXAS SYSTEM
PRIMARY FINANCIAL STATEMENTS
and Related Information

As of and for the Year Ended August 31, 2020

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Dr. Teik C. Lim, President, *ad interim*
Ms. Kelly Davis, Chief Financial Officer and Vice President

THE UNIVERSITY OF TEXAS AT AUSTIN 143
Mr. Jay C. Hartzell, President, *ad interim*
Mr. Darrell Bazzell, Senior Vice President and Chief Financial Officer

THE UNIVERSITY OF TEXAS AT DALLAS 150
Mr. Richard C. Benson, President
Mr. Terry Pankratz, Vice President for Budget and Finance

THE UNIVERSITY OF TEXAS AT EL PASO 153
Dr. Heather Wilson, President
Mr. Mark McGurk, Vice President for Business Affairs

THE UNIVERSITY OF TEXAS PERMIAN BASIN 160
Dr. Sandra K. Woodley, President
Mr. Cesario Valenzuela, Vice President for Business Affairs

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY 167
Dr. Guy H. Bailey, President
Mr. Rick Anderson, Executive Vice President for Finance and Administration

THE UNIVERSITY OF TEXAS AT SAN ANTONIO 170
Dr. Taylor Eighmy, President
Ms. Veronica Mendez, Vice President for Business Affairs

THE UNIVERSITY OF TEXAS AT TYLER 177
Dr. Michael V. Tidwell, President
Ms. Kim Laird, Vice President for Budget and Finance and Chief Business Officer

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER 180
Dr. Daniel K. Podolsky, President
Mr. Arnim Dontes, Executive Vice President for Business Affairs

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON 183
Dr. Ben G. Raimer, President, *ad interim*
Ms. Cheryl Sadro, Executive Vice President and Chief Business and Finance Officer

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON 186
Dr. Giuseppe N. Colasurdo, President
Mr. Kevin Dillon, Senior Executive Vice President, Chief Operating and Financial Officer

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO 189
Dr. William L. Henrich, President
Ms. Andrea Marks, Vice President and Chief Financial Officer

THE UNIVERSITY OF TEXAS M. D. ANDERSON CANCER CENTER 192
Dr. Peter W. T. Pisters, President
Mr. Ben Melson, Senior Vice President and Chief Financial Officer

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT TYLER 195
Dr. Kirk A. Calhoun, President
Ms. Kris Kavasch, Vice President of Finance and Chief Financial Officer

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THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS
As of August 31, 2020

Officers

Kevin P. Eltife, Chairman
Janiece Longoria, Vice Chairman
James C. "Rad" Weaver, Vice Chairman
Francie A. Frederick, General Counsel to the Board of Regents

Members

*Terms scheduled to expire February 1, 2021**

David J. Beck	Houston
R. Steven Hicks	Austin
Nolan Perez	Harlingen

*Terms scheduled to expire February 1, 2023**

Kevin P. Eltife	Tyler
Janiece Longoria	Houston
James C. "Rad" Weaver	San Antonio

*Terms scheduled to expire February 1, 2025**

Christina Melton Crain	Dallas
Jodie Lee Jiles	Houston
Kelcy L. Warren	Dallas

*Term scheduled to expire May 31, 2021**

Patrick O. Ojeaga, II	McAllen

*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.

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THE UNIVERSITY OF TEXAS SYSTEM
SENIOR ADMINISTRATIVE OFFICIALS
As of August 31, 2020

****

James B. Milliken, Chancellor

Scott C. Kelley, Executive Vice Chancellor for Business Affairs

Steven W. Leslie, Executive Vice Chancellor for Academic Affairs

John M. Zerwas, Executive Vice Chancellor for Health Affairs

Amy Shaw Thomas, Senior Vice Chancellor for Health Affairs

David L. Lakey, Vice Chancellor for Health Affairs and Chief Medical Officer

Stacey Napier, Vice Chancellor for Governmental Relations

Randa S. Safady, Vice Chancellor for External Relations, Communications, and Advancement Services

Daniel H. Sharphorn, Vice Chancellor and General Counsel

Thomas Britton "Britt" Harris IV, President, CEO and Chief Investment Officer–UTIMCO

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The University of Texas System Consolidated
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 3,089,636,623.71	3,202,770,060.80
Restricted Cash & Cash Equivalents	867,604,873.81	840,998,546.17
Balance in State Appropriations	170,981,821.55	129,459,929.17
Securities Lending Collateral	418,831,991.31	450,955,438.34
Accounts Receivable, Net:		
Federal (allow. $3,701,160.98 in 2020 & $5,575,155.20 in 2019)	616,713,586.10	544,136,188.42
Other Intergov. (allow. $3,683,820.17 in 2020 & $1,578,065.05 in 2019)	112,428,589.43	128,471,445.23
Student (allow. $38,416,284.09 in 2020 & $22,609,154.74 in 2019)	329,212,937.64	333,672,031.38
Patient & Healthcare(allow. $332,516,049.99 in 2020 & $354,846,570.95 in 2019)	900,351,589.33	1,045,994,724.20
Interest and Dividend Receivables	74,345,572.52	85,407,258.31
Contributions (allow. $2,003,247.19 in 2020 & $4,373,017.95 in 2019)	172,460,074.64	122,818,010.50
Investment Trades Receivables	952,085,413.50	717,741,082.24
Other (allow. $26,383,168.38 in 2020 & $12,282,246.83 in 2019)	459,955,288.44	486,504,897.56
Due From Other Agencies	57,398,687.22	68,882,594.29
Inventories	180,089,466.70	161,424,609.94
Loans & Contracts (allow. $18,931,061.77 in 2020 & $19,167,874.26 in 2019)	56,094,403.52	56,229,050.81
Other Current Assets	302,121,021.50	293,690,240.77
Total Current Assets	8,760,311,940.92	8,669,156,108.13
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	39,554,188.84	3,645,371.70
Restricted Investments	45,228,989,598.28	43,003,663,744.56
Deposit with Brokers for Derivative Contracts	75,854,046.15	52,629,262.73
Loans & Contracts (allow. $24,406,157.19 in 2020 & $25,841,033.05 in 2019)	47,306,053.91	55,460,018.22
Contributions Rec. (allow. $1,685,463.05 in 2020 & $1,681,548.17 in 2019)	375,250,324.68	266,538,284.12
Unrestricted Investments	13,302,465,774.70	11,205,880,015.24
Hedging Derivative Asset (Noncurrent)	414,453.00	
Other Noncurrent Assets	308,920,638.64	266,434,857.36
Gross Capital/Intangible Assets	35,260,674,287.53	33,629,944,013.83
Accumulated Depreciation/Amortization	(17,447,704,953.89)	(16,089,318,530.12)
Total Noncurrent Assets	77,191,724,411.84	72,394,877,037.64
Total Assets	85,952,036,352.76	81,064,033,145.77
Total Deferred Outflows of Resources	3,543,413,838.00	3,376,021,305.37
Total Assets and Deferred Outflows	89,495,450,190.76	84,440,054,451.14
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	1,380,331,320.19	1,409,169,761.17
Salaries Payable	721,026,060.29	645,283,174.79
Federal Payables	10,000,469.30	49,295,202.10
Other Intergovernmental Payables	685,385.89	36,112.65
Investment Trades Payables	1,565,176,537.09	1,213,899,526.65
Incurred But Not Reported Self Insurance Claims	134,652,727.14	140,388,415.32
Total Other Postemployment Benefits Liability	204,857,443.00	230,593,877.00
Securities Lending Obligations	418,831,991.31	450,955,438.34
Due To Other State Agencies	236,800,504.26	123,439,610.35
Statewide Interfund Payable	56,634,777.25	70,717,551.81
Unearned Revenue	1,812,802,378.06	1,832,415,729.21
Employees' Compensable Leave - Current Portion	425,645,325.42	428,376,654.27
Short-term Debt - Commercial Paper Notes	1,413,698,000.00	1,490,522,000.00
Notes, Loans, and Leases Payable	25,789,523.40	6,577,975.91
Revenue Bonds Payable	1,777,147,961.98	1,789,490,557.87
Assets Held for Others	79.00	34,215.27
Other Current Liabilities	96,742,557.51	234,860,256.81
Total Current Liabilities	10,280,823,041.09	10,116,056,059.52
Noncurrent Liabilities:		
Incurred But Not Reported Self Insurance Claims	27,905,384.67	28,030,576.68
Employees' Compensable Leave	334,594,094.26	244,173,830.26
Assets Held for Others	704,670,610.21	644,788,983.86
Liability to Beneficiaries	15,832,411.27	14,041,656.69
Total Other Postemployment Benefits Liability	11,343,888,437.00	10,125,191,669.00
Net Pension Liability	4,517,470,315.00	4,919,537,167.00
Notes, Loans, and Leases Payable	162,789,403.66	170,301,062.92
Revenue Bonds Payable	8,064,431,199.49	7,710,948,456.03
Statewide Interfund Payable	1,413,310,770.74	1,225,343,489.10
Hedging Derivative Liability (Noncurrent)	413,075,150.00	325,363,093.00
Payable to Brokers for Collateral Held	117,821,177.02	97,923,085.76
Investment Derivatives - Liability Positions	182,210,032.04	103,353,975.94
Asset Retirement Obligation	26,309,186.53	26,309,186.53
Other Noncurrent Liabilities	163,387,629.59	68,834,775.03
Total Noncurrent Liabilities	27,487,695,801.48	25,704,141,007.80
Total Liabilities	37,768,518,842.57	35,820,197,067.32
Total Deferred Inflows of Resources	3,063,203,833.81	2,761,591,966.93
Total Liabilities and Deferred Inflows	40,831,722,676.38	38,581,789,034.25
NET POSITION		
Net Investment in Capital Assets	6,606,751,520.44	6,741,035,811.06
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	21,193,107,511.62	20,925,167,822.76
Permanent Health and True Endowments	6,568,326,995.21	6,061,261,178.43
Expendable		
Capital Projects	235,652,955.99	221,354,379.85
Debt Service	2,412,191.39	803,466.98
Funds Functioning as Endowment (Restricted)	700,007,580.81	623,206,716.71
Other Expendable	15,146,825,522.99	14,016,326,667.45
Unrestricted	(1,789,356,764.07)	(2,730,890,626.35)
Total Net Position	$ 48,663,727,514.38	45,858,265,416.89

The University of Texas System Consolidated
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 2,740,372,946.17	2,572,447,956.91
Discounts and Allowances	(798,664,085.85)	(761,301,656.45)
Federal Sponsored Programs	1,643,664,040.14	1,492,760,271.37
Federal Sponsored Programs Pass-Through from State Agencies	74,215,791.48	63,269,296.36
State Sponsored Programs Pass-Through from State Agencies	370,538,914.53	347,490,742.15
Local Sponsored Programs	893,294,931.81	842,735,825.50
Private Sponsored Programs	908,540,526.50	749,105,621.15
Sales and Services of Educational Activities	500,204,543.81	554,500,560.76
Discounts and Allowances Sales and Services of Educational Activities	(220,488.18)	(278,677.28)
Sales and Services of Hospitals	16,709,550,926.28	16,469,453,112.93
Discounts and Allowances Sales and Services of Hospitals	(9,720,348,732.40)	(9,452,269,547.94)
Professional Fees (Patient Charges)	7,141,536,925.05	7,169,263,130.59
Discounts and Allowances Professional Fees (Patient Charges)	(5,216,703,372.37)	(5,142,581,598.28)
Auxiliary Enterprises	556,812,274.86	701,656,879.20
Discounts and Allowances Auxiliary Enterprises	(18,173,011.12)	(12,191,186.38)
Other Operating Revenues	574,902,046.18	449,606,532.12
Total Operating Revenues	16,359,524,176.89	16,043,667,262.71
Operating Expenses:		
Instruction	4,733,674,879.96	4,465,389,597.51
Research	2,855,592,735.03	2,653,356,265.98
Public Service	363,767,731.08	385,242,283.25
Hospitals / Clinics	7,441,518,592.25	6,880,363,930.96
Academic Support	1,174,280,281.56	1,062,729,774.86
Student Services	290,316,507.06	299,634,472.17
Institutional Support	815,605,335.21	943,874,700.29
Operations and Maintenance of Plant	934,045,577.68	928,790,266.89
Scholarships and Fellowships	508,117,642.58	410,441,793.18
Auxiliary Enterprises	652,495,883.87	719,278,692.99
Depreciation and Amortization	1,571,809,662.84	1,536,019,254.06
Total Operating Expenses	21,341,224,829.12	20,285,121,032.14
Operating Income (Loss)	(4,981,700,652.23)	(4,241,453,769.43)
Nonoperating Revenues (Expenses):		
State Appropriations	2,429,315,118.87	2,283,166,287.78
Federal Nonexchange Sponsored Programs	708,307,676.18	405,927,617.92
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through	4,278,449.00	1,630,123.00
Local Nonexchange Sponsored Programs	35,002,449.00	35,002,047.98
Gift Contributions for Operations	603,794,489.41	436,649,733.85
Investment Income	3,996,406,258.92	4,240,601,522.65
Net Increase (Decrease) in Fair Value of Investments	680,435,641.57	(2,521,876,841.83)
Interest Expense on Capital Asset Financings	(334,776,453.63)	(334,790,350.28)
Gain (Loss) on Sale of Capital Assets	(31,048,077.74)	(36,714,695.53)
Other Nonoperating Revenues	49,000,239.68	79,920,059.09
Other Nonoperating (Expenses)	(17,683,811.19)	(20,038,935.34)
Net Nonoperating Revenues (Expenses)	8,123,031,980.07	4,569,476,569.29
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	3,141,331,327.84	328,022,799.86
Gifts and Sponsored Programs for Capital Acquisitions	127,791,500.99	292,781,992.85
Additions to Permanent Endowments	153,853,109.05	224,281,886.90
Transfers From Other State Agencies	170,560,989.97	150,882,536.16
Transfers to Other State Agencies	(785,971,241.47)	529,756,123.77
Legislative Appropriations Lapsed	(2,103,588.89)	(86,153.65)
Change in Net Position	2,805,462,097.49	466,126,938.35
Beginning Net Position	45,858,265,416.89	45,390,788,016.06
Restatements		1,350,462.48
Beginning Net Position (As Restated)	45,858,265,416.89	45,392,138,478.54
Ending Net Position	$ 48,663,727,514.38	45,858,265,416.89

The University of Texas System Consolidated
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	1,995,240,536.39	1,865,803,386.35
Proceeds from Patients and Customers	9,079,293,684.11	8,985,690,162.35
Proceeds from Sponsored Programs	3,992,682,326.16	3,540,097,980.00
Proceeds from Auxiliaries	400,143,263.81	694,589,402.31
Proceeds from Other Revenues	1,020,323,879.20	945,393,647.07
Payments to Suppliers	(6,571,989,683.01)	(6,431,325,295.92)
Payments to Employees	(12,130,369,068.98)	(11,396,086,921.99)
Payments for Loans Provided	(77,709,475.46)	(109,585,577.71)
Proceeds from Loan Programs	87,387,809.67	129,888,611.82
Net Cash Provided (Used) by Operating Activities	(2,204,996,728.11)	(1,775,534,605.72)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	2,385,689,637.60	2,278,717,455.07
Proceeds from Operating Gifts	451,207,397.81	420,611,112.30
Proceeds from Private Gifts for Endowment Purposes	133,375,518.35	486,467,349.95
Proceeds from Other Noncapital Financing Activities	499,437,426.76	145,275,303.90
Receipts for Transfers from System or Other Agencies	958,639,298.55	621,785,681.43
Payments for Transfers to System or Other Agencies	(2,331,861,135.35)	(1,277,440,911.30)
Payments for Other Uses	(518,465,675.55)	(28,877,255.87)
Proceeds from Nonexchange Sponsored Programs	695,582,344.02	458,281,900.31
Net Cash Provided by Noncapital Financing Activities	2,273,604,812.19	3,104,820,635.79
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	1,722,759,378.92	1,854,957,281.47
Payments of Other Costs on Debt Issuance	(5,184,594.99)	(4,433,463.05)
Proceeds from Capital Appropriations, Grants, and Gifts	123,329,261.47	228,706,765.14
Proceeds from Sale of Capital Assets	6,579,291.08	3,944,927.19
Payments for Additions to Capital Assets	(1,853,213,680.76)	(2,046,020,571.90)
Payments of Principal on Capital Related Debt	(1,376,861,058.55)	(1,465,417,886.36)
Payments of Interest on Capital Related Debt	(421,500,261.32)	(412,168,341.86)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,804,091,664.15)	(1,840,431,289.37)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	36,101,892,571.36	31,989,571,615.89
Proceeds from Interest and Investment Income	1,591,025,622.66	2,010,674,007.56
Payments to Acquire Investments	(36,008,052,906.26)	(32,643,415,793.90)
Net Cash Provided (Used) by Investing Activities	1,684,865,287.76	1,356,829,829.55
Net Increase (Decrease) in Cash	(50,618,292.31)	845,684,570.25
Cash and Cash Equivalents (Beginning of the Year)	4,047,413,978.67	3,203,518,615.38
Restatements to Cash for GASB Implementation	-	(1,789,206.96)
Cash and Cash Equivalents (End of the Year)	$ 3,996,795,686.36	$ 4,047,413,978.67
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(4,981,700,652.23)	(4,241,453,769.43)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	1,571,809,662.84	1,536,019,254.06
Gross Loss on Impairment of Capital Assets	1,565,374.39	33,807,631.88
Bad Debt Expense	396,442,852.48	364,422,782.12
OPEB Expense	686,449,366.00	664,784,810.00
Pension Expense	806,337,921.00	584,838,293.00
Changes in Assets and Liabilities:		
Accounts Receivable	(277,960,648.40)	(444,492,296.17)
Inventories	(18,664,856.76)	(21,862,913.89)
Loans and Contracts	9,680,726.01	20,308,435.29
Other Current and Noncurrent Assets	(47,099,717.47)	(116,669,488.32)
Deferred Outflows-Other Postemployment Benefits	(393,894,320.00)	(364,048,918.00)
Deferred Outflows-Pension Related	295,166,147.61	(1,832,590,812.93)
Accounts Payable	121,089,516.96	189,411,748.10
Unearned Revenue	(17,626,193.70)	141,837,442.03
Employees' Compensable Leave	87,688,935.15	32,008,119.63
Other Postemployment Benefits Obligation	506,510,968.00	(1,026,110,609.00)
Pension Related Obligations	(1,208,404,773.00)	1,684,654,712.00
Asset Retirement Obligations	2,641,092.47	1,783,271.50
Deferred Inflows-Other Postemployment Benefits	(246,280,948.00)	1,178,400,403.00
Deferred Inflows-Pension Related	544,853,606.00	(172,639,351.00)
Other Current and Noncurrent Liabilities	(43,600,787.46)	12,056,650.41
Total Adjustments	2,776,703,924.12	2,465,919,163.71
Net Cash Provided (Used) by Operating Activities	$ (2,204,996,728.11)	$ (1,775,534,605.72)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	680,435,641.57	(2,521,876,841.83)
Donated Capital Assets	13,227,016.53	84,142,183.58
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	19,346,946.78	150,480,838.21
Miscellaneous Noncash Transactions	(6,896,086.58)	(39,567,288.75)

The University of Texas System Consolidated
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	1,569,998.48	1,569,998.48
Accounts Receivable, Net:			
Interest and Dividends	195,572.50	-	195,572.50
Investment Trades	3,701,948.20	-	3,701,948.20
Other	114,287.91	4,734.65	119,022.56
Total Accounts Receivable, Net	4,011,808.61	4,734.65	4,016,543.26
Investments at Fair Value:			
Investment Derivatives - Asset Positions	779,587.72	-	779,587.72
Other Investments	253,073,780.16	-	253,073,780.16
Total Investments	253,853,367.88	-	253,853,367.88
Securities Lending Collateral	2,002,120.14	-	2,002,120.14
Deposit with Brokers for Derivative Contracts	344,647.39	-	344,647.39
Other Assets	5,397.19	-	5,397.19
Total Assets	260,217,341.21	1,574,733.13	261,792,074.34
LIABILITIES			
Accounts Payable and Accrued Liabilities	519,134.69	15,955.23	535,089.92
Investment Trades Payables	5,967,552.38	-	5,967,552.38
Securities Lending Obligations	2,002,120.14	-	2,002,120.14
Investment Derivatives - Liability Positions	492,293.13	-	492,293.13
Payable to Brokers for Collateral Held	593,942.52	-	593,942.52
Total Liabilities	9,575,042.86	15,955.23	9,590,998.09
NET POSITION			
Restricted for:			
Pool Participants	250,642,298.35	-	250,642,298.35
Individuals, Organizations, and Other Governments	-	1,558,777.90	1,558,777.90
Total Net Position	$ 250,642,298.35	1,558,777.90	252,201,076.25

The University of Texas System Consolidated
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	1,789,206.96	1,789,206.96
Accounts Receivable, Net:			
Interest and Dividends	237,883.21	-	237,883.21
Investment Trades	3,046,455.22	-	3,046,455.22
Other	6,661.59	-	6,661.59
Total Accounts Receivable, Net	3,291,000.02	-	3,291,000.02
Investments at Fair Value:			
Investment Derivatives - Asset Positions	515,000.38	-	515,000.38
Other Investments	237,211,100.54	-	237,211,100.54
Total Investments	237,726,100.92	-	237,726,100.92
Securities Lending Collateral	2,103,782.22	-	2,103,782.22
Deposit with Brokers for Derivative Contracts	256,221.33	-	256,221.33
Other Assets	4,991.20	-	4,991.20
Total Assets	243,382,095.69	1,789,206.96	245,171,302.65
LIABILITIES			
Accounts Payable and Accrued Liabilities	281,585.99	11,570.04	293,156.03
Investment Trades Payables	5,192,005.59	-	5,192,005.59
Securities Lending Obligations	2,103,782.22	-	2,103,782.22
Investment Derivatives - Liability Positions	442,622.34	-	442,622.34
Payable to Brokers for Collateral Held	354,101.56	-	354,101.56
Total Liabilities	8,374,097.70	11,570.04	8,385,667.74
NET POSITION			
Restricted for:			
Pool Participants	235,007,997.99	-	235,007,997.99
Individuals, Organizations, and Other Governments	-	1,777,636.92	1,777,636.92
Total Net Position	$ 235,007,997.99	1,777,636.92	236,785,634.91

The University of Texas System Consolidated
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	243,421.37	243,421.37
Contributions from Foundations or Associations	4,065,113.71	352,806.25	4,417,919.96
Contributions Faculty/Staff Organizations	-	2,863.00	2,863.00
Contributions from Participants	-	11,652.00	11,652.00
Other Contributions	-	48,982.88	48,982.88
Total Contributions	4,065,113.71	659,725.50	4,724,839.21
Investment Earnings:			
Interest, Dividends, and Other	2,307,916.36	3,160.41	2,311,076.77
Realized Gain (Loss) on Sale of Investments	58,583.26	-	58,583.26
Net Increase (Decrease) in Fair Value of Investments	9,723,025.41	-	9,723,025.41
Total Investment Earnings	12,089,525.03	3,160.41	12,092,685.44
Miscellaneous	-	115,813.18	115,813.18
Total Additions	16,154,638.74	778,699.09	16,933,337.83
DEDUCTIONS			
Payments to Student Organizations	-	23,868.22	23,868.22
Payments to Foundations or Associations	520,338.38	360,317.27	880,655.65
Payments to Participants	-	1,598.28	1,598.28
Other Expenses	-	611,774.34	611,774.34
Total Deductions	520,338.38	997,558.11	1,517,896.49
Net Increase (Decrease) in Fiduciary Net Position	15,634,300.36	(218,859.02)	15,415,441.34
Beginning Net Position	235,007,997.99	1,777,636.92	236,785,634.91
Ending Net Position	$ 250,642,298.35	1,558,777.90	252,201,076.25

The University of Texas System Consolidated
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	485,682.11	485,682.11
Contributions from Foundations or Associations	4,127,278.23	1,023,127.21	5,150,405.44
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	9,396.00	9,396.00
Other Contributions	-	9,166.44	9,166.44
Total Contributions	4,127,278.23	1,527,371.76	5,654,649.99
Investment Earnings:			
Interest, Dividends, and Other	3,534,707.31	-	3,534,707.31
Realized Gain (Loss) on Sale of Investments	50,046.18	-	50,046.18
Net Increase (Decrease) in Fair Value of Investments	(1,309,013.33)	-	(1,309,013.33)
Total Investment Earnings	2,275,740.16	-	2,275,740.16
Miscellaneous	-	-	-
Total Additions	6,403,018.39	1,527,371.76	7,930,390.15
DEDUCTIONS			
Payments to Student Organizations	-	74,071.74	74,071.74
Payments to Foundations or Associations	768,032.99	38,209.59	806,242.58
Payments to Participants	-	2,975.24	2,975.24
Other Expenses	-	1,447,576.35	1,447,576.35
Total Deductions	768,032.99	1,562,832.92	2,330,865.91
Net Increase (Decrease) in Fiduciary Net Position	5,634,985.40	(35,461.16)	5,599,524.24
Beginning Net Position	-	-	-
Restatements	229,373,012.59	1,813,098.08	231,186,110.67
Beginning Net Position (As Restated)	229,373,012.59	1,813,098.08	231,186,110.67
Ending Net Position	$ 235,007,997.99	1,777,636.92	236,785,634.91

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1. The Financial Reporting Entity

The financial records of The University of Texas System (the System) reflect compliance with applicable State statutes and Governmental Accounting Standards Board (GASB) pronouncements. The System's financial records are reported as a business-type activity in the State of Texas' Comprehensive Annual Financial Report and the System's custodial fund financial records are reported as fiduciary funds in the State of Texas' Comprehensive Annual Financial Report. The significant accounting policies followed by the System in maintaining accounts and in the preparation of the consolidated financial statements are in accordance with the Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements and with generally accepted accounting principles in the United States of America (GAAP).

The consolidated financial statements include The University of Texas System Administration and all institutions of the System. Amounts due between and among institutions, amounts held for institutions by The University of Texas System Administration and other duplications in reporting are eliminated in consolidating the financial statements.

The System is composed of eight academic and six health-related institutions of higher education, as well as the System administrative offices. The fourteen institutions are as follows: The University of Texas at Arlington, The University of Texas at Austin, The University of Texas at Dallas, The University of Texas at El Paso, The University of Texas Permian Basin, The University of Texas Rio Grande Valley, The University of Texas at San Antonio, The University of Texas at Tyler, The University of Texas Southwestern Medical Center, The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas M. D. Anderson Cancer Center, and The University of Texas Health Science Center at Tyler. The System is governed by a nine-member Board of Regents appointed by the Governor.

Blended Component Units
The following component units are included in the consolidated financial statements because the System appoints a voting majority of the component units' boards and the System is able to impose its will on the component units. Blended component unit financial information is available upon request.

U. T. Southwestern Health Systems is governed by a three-member board appointed by U. T. Southwestern Medical Center. U. T. Southwestern Health Systems provides support of health care services and grants to conduct research and provide educational programs to accomplish the mission of U. T. Southwestern Medical Center. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Southwestern Medical Center is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting U. T. Southwestern Health Systems, 5323 Harry Hines Boulevard, Dallas, Texas 75390.

U. T. Southwestern Moncrief Cancer Center is governed by a four-member board appointed by the president of U. T. Southwestern Medical Center. U. T. Southwestern Moncrief Cancer Center provides resources for cancer prevention, early detection and support services to cancer patients and their families within Tarrant County and surrounding areas. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Southwestern Medical Center is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting U. T. Southwestern Moncrief Cancer Center, 400 West Magnolia Avenue, Fort Worth, Texas 76104.

Moncrief Cancer Foundation is governed by a six-member board appointed by the president of U. T. Southwestern Medical Center. Moncrief Cancer Foundation supports comprehensive, multidisciplinary cancer treatment programs in Tarrant County and surrounding areas. The foundation is blended rather than discretely presented because it is organized as a not-for-profit foundation and U. T. Southwestern Medical Center is the sole corporate member. The foundation's fiscal year end is August 31. Separate financial statements may be obtained by contacting Moncrief Cancer Foundation, 5323 Harry Hines Blvd. Dallas, Texas 75390.

UTMB HealthCare Systems is governed by an eight-member board appointed by U. T. Medical Branch - Galveston. UTMB HealthCare Systems, Inc. provides temporary staffing and leased property, and manages the Medicare Select insurance product in selected markets for U. T. Medical Branch - Galveston. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Medical Branch – Galveston is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting UTMB HealthCare Systems, Inc., 301 University Boulevard, Galveston, Texas 77555.

The University Medical Branch Student Book Store, Inc. is governed by a five-member board appointed by U. T. Medical Branch - Galveston. The corporation is blended rather than discretely presented because it operates the book store for U. T. Medical Branch - Galveston and provides services entirely or almost entirely to U. T. Medical Branch - Galveston. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting The University Medical Branch Student Book Store, Inc., 301 University Boulevard, Galveston, Texas 77555.

Medical Branch Innovations, Inc. is governed by a three-member board appointed by U. T. Medical Branch – Galveston. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Medical Branch – Galveston is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting Medical Branch Innovations, Inc., 301 University Boulevard, Galveston, Texas 77555.

U. T. Physicians is governed by a nine-member board appointed by U. T. Health Science Center - Houston. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Health Science Center - Houston is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting U. T. Physicians, 7000 Fannin Street, Suite 860, Houston, Texas 77030.

U. T. System Medical Foundation, which was dissolved August 13, 2020 was governed by a three-member board appointed by U. T. Health Science Center - Houston. The foundation was blended rather than discretely presented because it provided services to support the medical residency programs entirely or almost entirely to U. T. Health Science Center - Houston. U. T. System Medical Foundation funds were transferred to U. T. Health Science Center – Houston upon dissolution. The foundation's fiscal year end was August 31. Separate financial statements may be obtained by contacting U. T. System Medical Foundation, 7000 Fannin, Suite 860, Houston, Texas 77030.

University Physicians Group is governed by a five-member board. The Dean of the School of Medicine is the Chairman of the Board, and four board members are members of and elected by the physician practice plan board. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Health Science Center - San Antonio is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting University Physicians Group, 8431 Fredericksburg Road, San Antonio, Texas 78229.

U. T. Health San Antonio Regional Physician Network is governed by a seven-member board. The Dean of the School of Medicine is the Chair of the Board of Directors. The corporation owns, operates, and manages an Accountable Care Organization in accordance with the requirements of the Medicare Shared Savings Program, as set forth in section 1899 of the Social Security Act and related regulations. The corporation is a newly blended entity for the System beginning in fiscal year 2018. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Health Science Center - San Antonio is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting U. T. Health San Antonio Regional Physician Network, 1999 Bryan St, Suite 900, Dallas Texas 75201-3136.

M. D. Anderson Physician's Network is governed by a nine-member board appointed by the president of M. D. Anderson. M. D. Anderson Physicians Network transfers programs representative of M. D. Anderson to the broad community. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and M. D. Anderson is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting M. D. Anderson Physician's Network, 7007 Bertner Avenue, Suite 10.3212, Houston, Texas 77030.

M. D. Anderson Services Corporation is governed by a seven-member board appointed by the president of M. D. Anderson. M. D. Anderson Services Corporation serves as an instrument of M. D. Anderson in its efforts to achieve its mission beyond the M. D. Anderson main campus. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and M. D. Anderson is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting M. D Anderson Services Corporation, 7007 Bertner Avenue, Suite 10.3212, Houston, Texas 77030.

East Texas Quality Care Network, Inc. is governed by a four-member board appointed by U. T. Health Science Center - Tyler. The corporation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Health Science Center - Tyler is the sole corporate member. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting East Texas Quality Care Network, Inc., 11937 US Highway 271, Tyler, Texas 75708-3154.

The University of Texas/Texas A&M Investment Management Company (UTIMCO) is governed by a nine-member board consisting of at least three members of the U. T. System Board of Regents, four members appointed by the U. T. System Board of Regents (one of whom may be the Chancellor of the System), and two members appointed by the Texas A&M System Board of Regents. At least three members appointed by the U. T. System Board of Regents and at least one member appointed by the Texas A&M System Board of Regents must have substantial background and expertise in investments. The corporation is blended rather than discretely presented because it provides investment management services entirely or almost entirely to the System. The corporation's fiscal year end is August 31. Separate financial statements may be obtained by contacting The University of Texas/Texas A&M Investment Management Company (UTIMCO), 210 West 7th Street, Suite 1700, Austin, Texas 78701.

The University of Texas Fine Arts Foundation was governed by a three-member board appointed by U. T. Austin. The University of Texas Fine Arts Foundation provided services to acquire the Suida-Manning Art Collection for the Blanton Museum of Art. The foundation was blended rather than discretely presented because it provided services entirely to U. T. Austin. The foundation's fiscal year end was December 31. The foundation submitted their 2018 Form 990 marked as their final return and has since been terminated. There was no activity for fiscal year 2020, and cash balances will be liquidated during fiscal year 2021. Separate financial statements may be obtained by contacting The University of Texas Fine Arts Foundation, U. T. Austin, Main Building, P. O. Box T, Austin, Texas 78713.

The University of Texas Communication Foundation is governed by a three-member board appointed by U. T. Austin. The University of Texas Communication Foundation provides services to the U. T. Austin College of Communication to facilitate the participation by students, faculty and others in professional communication projects. The foundation is blended rather than discretely presented because it provides services entirely to U. T. Austin. The foundation's fiscal year end is August 31. Separate financial statements may be obtained by contacting The University of Texas Communication Foundation, U. T. Austin, P. O. Box 7322, Austin, Texas 78713.

Centro Global de Innovacion y Emprendimiento, A.C., Parque de Investigación e Innovación Tecnológica (PIIT), Av. Alianza Norte 300, esquina con Av. Innovación, Apodaca, Nuevo León, is governed by a two-member board appointed by U. T. Austin. Centro Global de Innovacion y Emprendimiento, A.C. promotes academic development in engineering, science, and business and cultural studies between The University of Texas at Austin and Mexico's academic institutions. The institute is blended rather than discretely presented because it is organized as a not-for-profit corporation, and U. T. Austin is the sole corporate member. Centro Global de Innovacion y Emprendimiento's fiscal year end is December 31. Separate financial statements may be obtained by contacting Centro Global de Innovacion y Emprendimiento, A.C., Carlos Ross, Director, ross@cgie.org.mx, T: +52(81)8850-3495 | 96.

The University of Texas at Austin – Mexico Institute, A.C., Centro de Ciencias de la Complejidad (Edificio C3), Planta Baja, Unidad Internacional de Sedes Universitarias, Circuito Cultural c/n, Zona Cultural, Ciudad Universitaria, Ciudad de México, México, CP. 04510, is governed by a four-member board appointed by U. T. Austin. The University of Texas at Austin – Mexico Institute, A.C. advances collaborative cross-disciplinary academic and scientific research partnerships in science, technology, engineering, and mathematics, and scholarly and cultural studies between The University of Texas at Austin and Mexico's academic institutions. The institute is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Austin is the sole corporate member. The Mexico Institute's fiscal year end is December 31. Separate financial statements may be obtained by contacting The University of Texas at Austin Jorge Rene Pinon, Director of Institutional Relations – Mexico, 2275 Speedway, Austin, TX, 78712.

The Crow Museum of Asian Art - Foundation, is governed by a board of five directors appointed by U. T. Dallas. The foundation is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Dallas is the sole corporate member. The foundation's fiscal year end is December 31. Separate financial statements may be obtained by contacting the Crow Museum of Asian Art, 2010 Flora Street, Dallas, Texas 75201.

The Crow Museum of Asian Art - Trust, is governed by U. T. Dallas as the sole trustee. The trust is blended rather than discretely presented because it is organized as a not-for-profit corporation and U. T. Dallas is the sole corporate member. The trust's fiscal year end is December 31. Separate financial statements may be obtained by contacting the Crow Museum of Asian Art, 2010 Flora Street, Dallas, Texas 75201.

Condensed financial statement information related to the System's blended component units for the year ended August 31, 2020 is as follows:

As of August 31, 2020		Southwestern Health Systems	Southwestern Moncrief Cancer Center	Moncrief Cancer Foundation	UTMB HealthCare Systems	The University Medical Branch Student Book Store, Inc.
Condensed Statement of Net Position						
Current Assets	$	13,575,650.05	3,376,385.40	1,872,990.91	17,357,710.20	2,012,378.34
Noncurrent Assets		-	30,352,901.00	103,489,905.60	8,390,013.41	373.82
Total Assets		13,575,650.05	33,729,286.40	105,362,896.51	25,747,723.61	2,012,752.16
Current Liabilities		-	2,685,745.19	19,060,462.00	2,165,855.48	37,068.67
Noncurrent Liabilities		-	-	-	-	-
Total Liabilities		-	2,685,745.19	19,060,462.00	2,165,855.48	37,068.67
Net Investment in Capital Assets		-	28,663,711.00	-	-	373.82
Restricted Nonexpendable		-	1,689,190.00	-	-	-
Restricted Expendable		-	-	86,302,434.51	-	-
Unrestricted		13,575,650.05	690,640.21	-	23,581,868.13	1,975,309.67
Total Net Position	$	13,575,650.05	31,043,541.21	86,302,434.51	23,581,868.13	1,975,683.49
Condensed Statement of Revenues, Expenses and Changes in Net Position						
Operating Revenues	$	25,098.13	7,024,177.59	311.08	38,954,807.70	537,569.56
Operating Expenses		(33,769.36)	(10,173,878.68)	(570,893.78)	(38,138,042.93)	(700,741.11)
Operating Income/(Loss)		(8,671.23)	(3,149,701.09)	(570,582.70)	816,764.77	(163,171.55)
Nonoperating Revenues (Expenses)		3,514,275.00	224,143.79	13,076,982.39	901,733.39	21,349.30
Income/(Loss) Before Other Changes in Net Position		3,505,603.77	(2,925,557.30)	12,506,399.69	1,718,498.16	(141,822.25)
Other Changes in Net Position		(7,452,403.40)	1,544,899.64	(1,331,434.31)	-	-
Change in Net Position		(3,946,799.63)	(1,380,657.66)	11,174,965.38	1,718,498.16	(141,822.25)
Net Position - August 31, 2019		17,522,449.68	32,424,198.87	75,127,469.13	21,863,369.97	2,117,505.74
Net Position-August 31, 2020	$	13,575,650.05	31,043,541.21	86,302,434.51	23,581,868.13	1,975,683.49
Condensed Statement of Cash Flows						
Net Cash provided (used) by:						
Operating Activities	$	(1,123,651.00)	(1,951,700.44)	(1,302,856.90)	1,029,422.25	(117,210.02)
Noncapital Financing Activities		-	-	-	-	-
Capital and Related Financing		-	-	-	-	-
Investing Activities		(154,109.48)	66,946.00	2,446,403.94	(428,668.78)	-
Net Increase (Decrease) in Cash and Cash Equivalents		(1,277,760.48)	(1,884,754.44)	1,143,547.04	600,753.47	(117,210.02)
Cash and Cash Equivalents – August 31, 2019		5,747,530.60	3,126,637.27	657,170.70	6,106,218.13	1,925,036.77
Cash and Cash Equivalents – August 31, 2020	$	4,469,770.12	1,241,882.83	1,800,717.74	6,706,971.60	1,807,826.75

(Continued)

As of August 31, 2020	Medical Branch Innovations	U. T. Physicians	U. T. System Medical Foundation	University Physicians Group	U. T. Health San Antonio Regional Physician Network
Condensed Statement of Net Position					
Current Assets	$ 6,410,711.01	96,259,184.88	-	-	402.26
Noncurrent Assets	-	80,654,965.74	-	1,935,622.00	-
Total Assets	6,410,711.01	176,914,150.62	-	1,935,622.00	402.26
Current Liabilities	497,952.55	69,495,510.49	-	-	402.26
Noncurrent Liabilities	6,779,137.36	56,528,027.18	-	-	-
Total Liabilities	7,277,089.91	126,023,537.67	-	-	402.26
Net Investment in Capital Assets	-	20,172,665.55	-	-	-
Restricted Nonexpendable	-	-	-	-	-
Restricted Expendable	-	-	-	-	-
Unrestricted	(866,378.90)	30,717,947.40	-	1,935,622.00	-
Total Net Position	$ (866,378.90)	50,890,612.95	-	1,935,622.00	-
Condensed Statement of Revenues, Expenses and Changes in Net Position					
Operating Revenues	$ 1,399,554.99	188,838,433.45	334,103.89	65,000.00	-
Operating Expenses	(1,882,571.44)	(177,506,379.21)	(480,900.13)	(65,000.00)	(1,601,292.78)
Operating Income/(Loss)	(483,016.45)	11,332,054.24	(146,796.24)	-	(1,601,292.78)
Nonoperating Revenues (Expenses)	61,028.65	4,581,839.36	322,264.03	-	-
Income/(Loss) Before Other Changes in Net Position	(421,987.80)	15,913,893.60	175,467.79	-	(1,601,292.78)
Other Changes in Net Position	1,000.00	(15,000,000.00)	(11,169,700.95)	-	1,601,292.78
Change in Net Position	(420,987.80)	913,893.60	(10,994,233.16)	-	-
Net Position - August 31, 2019	(445,391.10)	49,976,719.35	10,994,233.16	1,935,622.00	-
Net Position-August 31, 2020	$ (866,378.90)	50,890,612.95	-	1,935,622.00	-
Condensed Statement of Cash Flows					
Net Cash provided (used) by:					
Operating Activities	$ 275,681.48	5,002,735.45	(11,093,281.90)	-	-
Noncapital Financing Activities	-	-	-	-	-
Capital and Related Financing	-	(4,818,234.69)	-	-	-
Investing Activities	61,028.65	1,212,225.47	3,954,092.86	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	336,710.13	1,396,726.23	(7,139,189.04)	-	-
Cash and Cash Equivalents – August 31, 2019	5,380,787.79	79,691,400.39	7,139,189.04	-	-
Cash and Cash Equivalents – August 31, 2020	$ 5,717,497.92	81,088,126.62	-	-	-

(Continued)

As of August 31, 2020		M. D. Anderson Physician's Network	M. D. Anderson Services Corp	East Texas Quality Care Network	UTIMCO	University of Texas Fine Arts Foundation
Condensed Statement of Net Position						
Current Assets	$	82,927,327.58	99,433,911.95	462,114.91	34,380,057.00	435.73
Noncurrent Assets		132,531,128.61	702,782,552.02	-	2,712,919.00	-
Total Assets		215,458,456.19	802,216,463.97	462,114.91	37,092,976.00	435.73
Current Liabilities		21,477,589.31	121,822,024.70	89,717.62	16,144,217.00	-
Noncurrent Liabilities		-	154,234,241.61	-	5,989,661.00	-
Total Liabilities		21,477,589.31	276,056,266.31	89,717.62	22,133,878.00	-
Net Investment in Capital Assets		1,118,029.94	5,543.64	-	-	-
Restricted Nonexpendable		-	50,000,000.00	-	-	-
Restricted Expendable		-	443,301,270.01	-	-	-
Unrestricted		192,862,836.94	32,853,384.01	372,397.29	14,959,098.00	435.73
Total Net Position	$	193,980,866.88	526,160,197.66	372,397.29	14,959,098.00	435.73
Condensed Statement of Revenues, Expenses and Changes in Net Position						
Operating Revenues	$	54,365,965.33	3,870,907.36	14,036.29	49,881,196.00	-
Operating Expenses		(26,928,674.40)	(2,446,230.30)	(16,089.95)	(45,188,436.00)	-
Operating Income/(Loss)		27,437,290.93	1,424,677.06	(2,053.66)	4,692,760.00	-
Nonoperating Revenues (Expenses)		10,686,630.95	62,541,393.80	-	362,878.00	-
Income/(Loss) Before Other Changes in Net Position		38,123,921.88	63,966,070.86	(2,053.66)	5,055,638.00	-
Other Changes in Net Position		-	-	-	-	-
Change in Net Position		38,123,921.88	63,966,070.86	(2,053.66)	5,055,638.00	-
Net Position - August 31, 2019		155,856,945.00	462,194,126.80	374,450.95	9,903,460.00	435.73
Net Position-August 31, 2020	$	193,980,866.88	526,160,197.66	372,397.29	14,959,098.00	435.73
Condensed Statement of Cash Flows						
Net Cash provided (used) by:						
Operating Activities	$	50,080,042.31	63,412,161.16	226,245.76	6,350,614.00	-
Noncapital Financing Activities		-	(30,082,143.04)	-	-	-
Capital and Related Financing		-	-	-	(319,545.00)	-
Investing Activities		(24,615,229.43)	(32,252,059.19)	-	362,878.00	-
Net Increase (Decrease) in Cash and Cash Equivalents		25,464,812.88	1,077,958.93	226,245.76	6,393,947.00	-
Cash and Cash Equivalents – August 31, 2019		51,209,590.39	95,482,444.44	177,323.50	26,027,943.00	435.73
Cash and Cash Equivalents – August 31, 2020	$	76,674,403.27	96,560,403.37	403,569.26	32,421,890.00	435.73

(Concluded)

As of August 31, 2020	The University of Texas Communication	Centro Global de Innovacion y Emprendimiento A.C.	The University of Texas at Austin-Mexico Institute A.C.	The Crow Museum of Asian Art - Foundation	The Crow Museum of Asian Art - Trust	Combined Blended Component Unit Total
Condensed Statement of Net Position						
Current Assets	$ 211.28	100,058.83	4,194.75	713,868.82	955,629.66	359,843,223.56
Noncurrent Assets	177,909.96	18,666.19	-	40,276,108.45	2,140,728.21	1,105,463,794.01
Total Assets	178,121.24	118,725.02	4,194.75	40,989,977.27	3,096,357.87	1,465,307,017.57
Current Liabilities	119,843.78	37,159.38	-	555,612.03	-	254,189,160.46
Noncurrent Liabilities	39,051.62	-	-	-	-	223,570,118.77
Total Liabilities	158,895.40	37,159.38	-	555,612.03	-	477,759,279.23
Net Investment in Capital Assets	-	912,064.50	-	40,276,108.45	-	91,148,496.90
Restricted Nonexpendable	-	-	-	-	-	51,689,190.00
Restricted Expendable	-	-	-	-	3,096,357.87	532,700,062.39
Unrestricted	19,225.84	(830,498.86)	4,194.75	158,256.79	-	312,009,989.05
Total Net Position	$ 19,225.84	81,565.64	4,194.75	40,434,365.24	3,096,357.87	987,547,738.34
Condensed Statement of Revenues, Expenses and Changes in Net Position						
Operating Revenues	$ -	83,793.75	21,042.49	211,721.53	-	345,627,719.14
Operating Expenses	(822.95)	(243,041.91)	(16,847.74)	(3,597,499.31)	(119,165.77)	(309,710,277.75)
Operating Income/(Loss)	(822.95)	(159,248.16)	4,194.75	(3,385,777.78)	(119,165.77)	35,917,441.39
Nonoperating Revenues (Expenses)	-	-	-	947,960.88	1,472,702.58	98,715,182.12
Income/(Loss) Before Other Changes in Net Position	(822.95)	(159,248.16)	4,194.75	(2,437,816.90)	1,353,536.81	134,632,623.51
Other Changes in Net Position	-	92,205.49	-	2,389,023.28	(23,584,748.71)	(52,909,866.18)
Change in Net Position	(822.95)	(67,042.67)	4,194.75	(48,793.62)	(22,231,211.90)	81,722,757.33
Net Position - August 31, 2019	20,048.79	148,608.31	-	40,483,158.86	25,327,569.77	905,824,981.01
Net Position-August 31, 2020	$ 19,225.84	81,565.64	4,194.75	40,434,365.24	3,096,357.87	987,547,738.34
Condensed Statement of Cash Flows						
Net Cash provided (used) by:						
Operating Activities	$ -	(159,248.16)	4,194.75	(2,863,835.24)	(119,165.77)	107,650,147.73
Noncapital Financing Activities	-	-	-	3,273,750.91	(23,584,748.71)	(50,393,140.84)
Capital and Related Financing	-	-	-	-	-	(5,137,779.69)
Investing Activities	-	101,686.08	-	63,233.25	23,826,511.56	(25,355,061.07)
Net Increase (Decrease) in Cash and Cash Equivalents	-	(57,562.08)	4,194.75	473,148.92	122,597.08	26,764,166.13
Cash and Cash Equivalents – August 31, 2019	211.28	86,873.86	-	61,655.73	833,032.58	283,653,481.20
Cash and Cash Equivalents – August 31, 2020	$ 211.28	29,311.78	4,194.75	534,804.65	955,629.66	310,417,647.33

Condensed financial statement information related to the System's blended component units for the year ended August 31, 2019 is as follows:

As of August 31, 2019		Southwestern Health Systems	Southwestern Moncrief Cancer Center	Moncrief Cancer Foundation	UTMB HealthCare Systems	The University Medical Branch Student Book Store, Inc.
Condensed Statement of Net Position						
Current Assets	$	17,522,449.68	4,406,819.92	731,122.39	15,837,073.66	2,196,204.87
Noncurrent Assets		-	29,992,518.68	95,160,351.66	8,269,421.81	4,068.14
Total Assets		17,522,449.68	34,399,338.60	95,891,474.05	24,106,495.47	2,200,273.01
Current Liabilities		-	1,975,139.73	20,764,004.92	2,243,125.50	82,767.27
Noncurrent Liabilities		-	-	-	-	-
Total Liabilities		-	1,975,139.73	20,764,004.92	2,243,125.50	82,767.27
Net Investment in Capital Assets		-	28,017,378.95	-	1,700,284.46	4,068.14
Restricted Nonexpendable		-	1,567,922.52	-	-	-
Restricted Expendable		-	-	75,127,469.13	-	-
Unrestricted		17,522,449.68	2,838,897.40	-	20,163,085.51	2,113,437.60
Total Net Position	$	17,522,449.68	32,424,198.87	75,127,469.13	21,863,369.97	2,117,505.74
Condensed Statement of Revenues, Expenses and Changes in Net Position						
Operating Revenues	$	38,845.63	9,198,985.97	-	36,379,591.66	818,913.27
Operating Expenses		(34,158.81)	(12,208,153.14)	-	(35,367,094.02)	(1,011,103.39)
Operating Income/(Loss)		4,686.82	(3,009,167.17)	-	1,012,497.64	(192,190.12)
Nonoperating Revenues (Expenses)		1,876,014.23	-	-	675,354.15	15,968.79
Income/(Loss) Before Other Changes in Net Position		1,880,701.05	(3,009,167.17)	-	1,687,851.79	(176,221.33)
Other Changes in Net Position		(931,000.00)	1,791,606.73	(3,317,061.97)	-	-
Change in Net Position		949,701.05	(1,217,560.44)	(3,317,061.97)	1,687,851.79	(176,221.33)
Net Position - August 31, 2018		16,572,748.63	33,641,759.31	78,444,531.10	20,175,518.18	2,293,727.07
Net Position-August 31, 2019	$	17,522,449.68	32,424,198.87	75,127,469.13	21,863,369.97	2,117,505.74
Condensed Statement of Cash Flows						
Net Cash provided (used) by:						
Operating Activities	$	253,807.00	1,181,285.02	337,949.36	233,288.58	(225,825.10)
Noncapital Financing Activities		-	-	-	-	-
Capital and Related Financing		-	-	-	-	-
Investing Activities		(25,054.00)	84,887.00	(902,230.68)	(415,409.22)	66,182.42
Net Increase (Decrease) in Cash and Cash Equivalents		228,753.00	1,266,172.02	(564,281.32)	(182,120.64)	(159,642.68)
Cash and Cash Equivalents – August 31, 2018		5,518,777.60	1,860,465.25	1,221,452.02	6,288,338.77	2,084,679.45
Cash and Cash Equivalents – August 31, 2019	$	5,747,530.60	3,126,637.27	657,170.70	6,106,218.13	1,925,036.77

(Continued)

As of August 31, 2019	Medical Branch Innovations	U. T. Physicians	U. T. System Medical Foundation	University Physicians Group	U. T. Health San Antonio Regional Physician Network
Condensed Statement of Net Position					
Current Assets	$ 6,172,438.49	104,744,665.47	7,907,384.48	-	397.68
Noncurrent Assets	-	76,790,798.66	3,603,450.09	1,935,622.00	-
Total Assets	6,172,438.49	181,535,464.13	11,510,834.57	1,935,622.00	397.68
Current Liabilities	48,692.23	131,558,744.78	266,601.41	-	397.68
Noncurrent Liabilities	6,569,137.36	-	250,000.00	-	-
Total Liabilities	6,617,829.59	131,558,744.78	516,601.41	-	397.68
Net Investment in Capital Assets	-	21,080,604.65	-	-	-
Restricted Nonexpendable	-	-	-	-	-
Restricted Expendable	-	-	-	-	-
Unrestricted	(445,391.10)	28,896,114.70	10,994,233.16	1,935,622.00	-
Total Net Position	$ (445,391.10)	49,976,719.35	10,994,233.16	1,935,622.00	-
Condensed Statement of Revenues, Expenses and Changes in Net Position					
Operating Revenues	$ 809,496.70	187,084,857.82	78,289,115.55	65,000.00	-
Operating Expenses	(1,097,093.98)	(196,370,669.43)	(78,349,225.85)	(65,000.00)	(971,623.41)
Operating Income/(Loss)	(287,597.28)	(9,285,811.61)	(60,110.30)	-	(971,623.41)
Nonoperating Revenues (Expenses)	124,406.00	5,122,125.89	358,501.24	-	-
Income/(Loss) Before Other Changes in Net Position	(163,191.28)	(4,163,685.72)	298,390.94	-	(971,623.41)
Other Changes in Net Position	-	-	-	-	1,188,243.01
Change in Net Position	(163,191.28)	(4,163,685.72)	298,390.94	-	216,619.60
Net Position - August 31, 2018	(282,199.82)	54,140,405.07	10,695,842.22	1,935,622.00	(216,619.60)
Net Position-August 31, 2019	$ (445,391.10)	49,976,719.35	10,994,233.16	1,935,622.00	-
Condensed Statement of Cash Flows					
Net Cash provided (used) by:					
Operating Activities	$ (438,385.94)	33,561,843.18	802,392.84	-	-
Noncapital Financing Activities	-	-	-	-	-
Capital and Related Financing	-	(3,426,065.61)	-	-	-
Investing Activities	124,406.00	(18,004,437.58)	169,728.89	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(313,979.94)	12,131,339.99	972,121.73	-	-
Cash and Cash Equivalents – August 31, 2018	5,694,767.73	67,560,060.40	6,167,067.31	-	-
Cash and Cash Equivalents – August 31, 2019	$ 5,380,787.79	79,691,400.39	7,139,189.04	-	-

(Continued)

As of August 31, 2019		M. D. Anderson Physician's Network	M. D. Anderson Services Corp	East Texas Quality Care Network	UTIMCO	University of Texas Fine Arts Foundation
Condensed Statement of Net Position						
Current Assets	$	64,727,900.01	97,147,720.26	385,626.31	27,379,391.00	435.73
Noncurrent Assets		107,964,903.41	670,532,354.74	-	2,417,290.00	-
Total Assets		172,692,803.42	767,680,075.00	385,626.31	29,796,681.00	435.73
Current Liabilities		16,835,858.42	121,254,980.09	11,175.36	14,431,227.00	-
Noncurrent Liabilities		-	184,230,968.11	-	5,461,994.00	-
Total Liabilities		16,835,858.42	305,485,948.20	11,175.36	19,893,221.00	-
Net Investment in Capital Assets		1,167,034.17	7,405.55	-	-	-
Restricted Nonexpendable		-	50,000,000.00	-	-	-
Restricted Expendable		-	383,830,518.00	-	-	-
Unrestricted		154,689,910.83	28,356,203.25	374,450.95	9,903,460.00	435.73
Total Net Position	$	155,856,945.00	462,194,126.80	374,450.95	9,903,460.00	435.73
Condensed Statement of Revenues, Expenses and Changes in Net Position						
Operating Revenues	$	52,195,211.34	3,187,344.04	45,285.31	43,801,512.00	-
Operating Expenses		(23,929,939.69)	(2,059,113.34)	(20,225.10)	(40,952,229.00)	(60.00)
Operating Income/(Loss)		28,265,271.65	1,128,230.70	25,060.21	2,849,283.00	(60.00)
Nonoperating Revenues (Expenses)		6,152,828.26	29,716,876.90	-	560,046.00	2.07
Income/(Loss) Before Other Changes in Net Position		34,418,099.91	30,845,107.60	25,060.21	3,409,329.00	(57.93)
Other Changes in Net Position		-	-	-	-	-
Change in Net Position		34,418,099.91	30,845,107.60	25,060.21	3,409,329.00	(57.93)
Net Position - August 31, 2018		121,438,845.09	431,349,019.20	349,390.74	6,494,131.00	493.66
Net Position-August 31, 2019	$	155,856,945.00	462,194,126.80	374,450.95	9,903,460.00	435.73
Condensed Statement of Cash Flows						
Net Cash provided (used) by:						
Operating Activities	$	33,939,413.48	31,876,588.08	(165,843.62)	5,536,394.00	(60.00)
Noncapital Financing Activities		-	(29,314,671.12)	-	-	-
Capital and Related Financing		-	-	-	(181,060.00)	-
Investing Activities		(20,960,849.62)	(1,689,608.38)	-	560,011.00	2.07
Net Increase (Decrease) in Cash and Cash Equivalents		12,978,563.86	872,308.58	(165,843.62)	5,915,345.00	(57.93)
Cash and Cash Equivalents – August 31, 2018		38,231,026.53	94,610,135.86	343,167.12	20,112,598.00	493.66
Cash and Cash Equivalents – August 31, 2019	$	51,209,590.39	95,482,444.44	177,323.50	26,027,943.00	435.73

(Concluded)

As of August 31, 2019	The University of Texas Communication Foundation	Centro Global de Innovacion y Emprendimiento A.C.	The Crow Museum of Asian Art - Foundation	The Crow Museum of Asian Art - Trust	Combined Blended Component Unit Total
Condensed Statement of Net Position					
Current Assets	$ 211.28	130,643.16	320,894.66	833,032.58	350,444,411.63
Noncurrent Assets	177,909.96	33,617.53	40,850,016.22	24,494,537.19	1,062,226,860.09
Total Assets	178,121.24	164,260.69	41,170,910.88	25,327,569.77	1,412,671,271.72
Current Liabilities	119,020.83	15,652.38	687,752.02	-	310,295,139.62
Noncurrent Liabilities	39,051.62	-	-	-	196,551,151.09
Total Liabilities	158,072.45	15,652.38	687,752.02	-	506,846,290.71
Net Investment in Capital Assets	-	791,833.36	40,850,016.22	-	93,618,625.50
Restricted Nonexpendable	-	-	-	-	51,567,922.52
Restricted Expendable	-	-	-	25,327,569.77	484,285,556.90
Unrestricted	20,048.79	(643,225.05)	(366,857.36)	-	276,352,876.09
Total Net Position	$ 20,048.79	148,608.31	40,483,158.86	25,327,569.77	905,824,981.01
Condensed Statement of Revenues, Expenses and Changes in Net Position					
Operating Revenues	$ -	357,178.43	177,107.21	-	412,448,444.93
Operating Expenses	(787.50)	(430,616.76)	(1,099,817.23)	(60,278.72)	(394,027,189.37)
Operating Income/(Loss)	(787.50)	(73,438.33)	(922,710.02)	(60,278.72)	18,421,255.56
Nonoperating Revenues (Expenses)	-	-	372,833.87	2,754,913.73	47,729,871.13
Income/(Loss) Before Other Changes in Net Position	(787.50)	(73,438.33)	(549,876.15)	2,694,635.01	66,151,126.69
Other Changes in Net Position	-	6,132.30	41,033,035.01	22,632,934.76	62,403,889.84
Change in Net Position	(787.50)	(67,306.03)	40,483,158.86	25,327,569.77	128,555,016.53
Net Position - August 31, 2018	20,836.29	215,914.34	-	-	777,269,964.48
Net Position-August 31, 2019	$ 20,048.79	148,608.31	40,483,158.86	25,327,569.77	905,824,981.01
Condensed Statement of Cash Flows					
Net Cash provided (used) by:					
Operating Activities	$ -	(73,438.33)	(5,100.90)	(60,278.72)	106,754,028.93
Noncapital Financing Activities	-	-	18,312.62	354,521.25	(28,941,837.25)
Capital and Related Financing	-	-	48,444.01	22,278,413.51	18,719,731.91
Investing Activities	-	26,553.54	-	(21,739,623.46)	(62,705,442.02)
Net Increase (Decrease) in Cash and Cash Equivalents	-	(46,884.79)	61,655.73	833,032.58	33,826,481.57
Cash and Cash Equivalents – August 31, 2018	211.28	133,758.65	-	-	249,826,999.63
Cash and Cash Equivalents – August 31, 2019	$ 211.28	86,873.86	61,655.73	833,032.58	283,653,481.20

ASSETS HELD BY AFFILIATED ORGANIZATIONS

GASB authoritative guidance provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the System. This guidance states that a legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The System has defined significance as 5% of System's net position. As of August 31, 2020, none of the System's potential component units individually meet the 5% of System's net position criteria for inclusion in the System's financial statements. Based upon the most recent available information, the combined net position of these potential component units reported by the organizations total $2,770,619,257.00 at August 31, 2020 and $2,707,624,087.00 at August 31, 2019.

2. Related Parties

Through the normal course of operations, the System both receives funds from and provides funds to other State agencies in support of sponsored research programs. Funds received and provided during the year ended August 31, 2020, related to pass-through grants were $449,033,155.01 and $19,000,256.23, respectively. Funds received and provided during the year ended August 31, 2019, related to pass-through grants were $412,390,161.51 and $9,054,946.35, respectively.

Other related-party transactions identified in the financial statements include Due From/To Other State Agencies, State Appropriations, Capital Appropriations and Transfers From/To Other State Agencies.

3. Joint Ventures

The University of Texas Southwestern Medical Center (UTSW) and Texas Health Resources (THR) are participating members of Southwestern Health Resources (SWHR) entities, including SWHR, SWHR Clinically Integrated Network (CIN), and SWHR Joint Operating Company (JOC). This integrated regional health network offers key advantages for patients in North Texas including: a) a broad, integrated continuum of physician-driven care utilizing UTSW's network of faculty and community-based physicians, THR's employed physicians, and independent physicians affiliated with both organizations; and b) an integrated hospital network consisting of UTSW's two university hospitals and THR's wholly-controlled and joint-ventured community hospitals. UTSW's equity interest in SWHR, SWHR CIN, and SWHR JOC at August 31, 2020 and 2019 was $52,551,252.08 and $23,681,501.17, respectively, or approximately 50%.

UTSW is a participating member of Texas Health Hospital Frisco (THHF). THHF is a joint venture entered into by UTSW and THR on August 27, 2018 whose purpose is to provide superior medical care to the residents of Collin County and other surrounding areas. UTSW's equity interest in THHF at August 31, 2020 and 2019 was $100,635,709.98 and $105,046,823.19, respectively, or 49%. No separate financial statements were completed for fiscal year 2019. THHF started operations in December of 2019.

UTSW is a participating member of Pediatric Health Management Services. Pediatric Health Management Services is a joint venture entered into by UTSW and Children's Health System of Texas on October 1, 2019. UTSW's equity interest in Pediatric Health Management Services at August 31, 2020 was 50%, however there were no financial transactions in fiscal year 2020.

U. T. Southwestern Health Systems (UTSHS), a blended component unit of UTSW, is a participating member of U. T. Southwestern DVA Healthcare, LLP (DVA). DVA is a joint venture between UTSHS and Davita Inc. to provide care for dialysis patients in the Dallas-Fort Worth area. UTSHS's equity interest in DVA at August 31, 2020 and 2019 was $8,038,642.57 and $10,597,068.69, respectively, or 49%. Separate financial statements for DaVita may be obtained at DaVita Inc., 601 Hawaii Street, El Segundo, California 90245 or www.davita.com.

UTSHS is a participating member of Crowder Dialysis, LLC (Crowder). Crowder is a joint venture between UTSHS, Crowder, and Renal Treatment Centers-Southeast, LP, formed for the purpose of developing, establishing, owning or leasing, and operating one or more licensed outpatient dialysis and renal care service centers and for the purpose of doing such other things as are necessary, convenient, desirable or incidental to the foregoing, and for such other purposes as may be agreed upon from time to time. UTSHS's equity interest in Crowder at August 31, 2020 and 2019 was $1,065,211.87 and $1,124,413.87, respectively or 49%. Separate financial statements for Crowder may be obtained at c/o DaVita Inc., 2000 16th Street, Denver, Colorado, 80202 or www.DaVita.com.

U. T. Health Science Center - Houston's blended component unit, U. T. Physicians, is a participating member of Physician's Dialysis of Houston. Physician's Dialysis of Houston is a joint venture entered into by U. T. Physicians and DaVita, Inc. U. T. Physician's equity interest in Physician's Dialysis of Houston at August 31, 2020 and 2019 was $849,019.54 and $921,147.55, respectively, or 35.62%. Separate financial statements for Physician's Dialysis of Houston may be obtained at Physician's Dialysis of Houston, Attention: Marie Sinfield, 1423 Pacific Avenue, Tacoma, Washington 98402.

U. T. Health Science Center - Houston's blended component unit, U. T. Physicians, is a participating member of TMC Holding Company, L.L.C. (TMC Holding). TMC Holding is a Limited Liability Corporation entered into by U. T. Physicians, Baylor College of Medicine and Memorial Hermann/USP Surgery Centers III, L.L.P. U. T. Physicians' equity interest in TMC Holding at August 31, 2020 and 2019 was $467,238.03 and $405,220.32, respectively, or 18.1%. Separate financial statements for TMC Holding may be obtained by contacting Vanessa Smith, 3050 Post Oak Boulevard, Suite 620, Houston, Texas 77056.

U. T. Health Science Center - Houston's blended component unit, U. T. Physicians, is a participating member of Bluesky MOB, L.L.P. Bluesky MOB, L.L.P. is a Limited Liability Partnership of which U. T. Physicians purchased an 18.7% interest in for $380,754.85 on August 1, 2012. U. T. Physicians' equity interest in Bluesky MOB, LLP at August 31, 2020 and 2019 was $380,754.85, or 18.7%. Separate financial statements for Bluesky MOB, L.L.P. may be obtained at Moore, Reichl, & Baker, P.C., c/o Doug Reichl, CPA, 11200 Westheimer Suite 410, Houston, Texas, 77042.

U. T. Health Science Center - Houston and M. D. Anderson are participating members of the Texas Medical Center Central Heating and Cooling Services Cooperative Association (TECO). TECO was incorporated on October 2, 1975, for the purpose of operating a central heating and cooling services facility on a cooperative basis solely for the benefit of eligible institutions. On June 1, 2003, TECO transferred substantially all of its assets and operation to TECO Corporation, and TECO Corporation assumed the liabilities and obligations of TECO. TECO still renders services to member and non-member patrons at cost. Savings or margins are refunded to the member and non-member patrons on a patronage basis in the form of cash or equity by TECO. In fiscal year 2016, U. T. Health Science Center – Houston purchased the Jessie Jones Library and obtained additional patronage equity in TECO in the amount of $301,800.00 via the Houston Academy of Medicine's shares of TECO equity. U. T. Health Science Center - Houston's equity interest in TECO at August 31, 2020 and 2019 was $14,498,887.00 and $12,989,382.00, respectively, or 11.0% and 11.6%, respectively. M. D. Anderson's equity interest in TECO at August 31, 2020 and 2019 was $46,810,037.00 and $42,265,157.00, respectively, or 35.4% and 37.6%, respectively. Separate financial statements for TECO may be obtained at Thermal Energy Corporation, 1615 Braeswood Boulevard, Houston, Texas 77030 or http://teco.tmc.edu/home/teco_home.php.

M. D. Anderson is a participating member of the Texas Medical Center Hospital Laundry Cooperative Association (the Association). The Association was established on April 30, 1971, for the purpose of acquiring, owning, and operating a laundry system on a cooperative basis solely for the benefit of members of the Association. Net earnings of the Association may be refunded to the members on a patronage basis or retained by the Association as equity allocated to the members. M. D. Anderson's equity interest in the Association at August 31, 2020 and 2019 was $6,279,039.14 and $5,924,559.92, respectively, or 40%. Separate financial statements for the Association may be obtained at 9424 Fannin Street, Building C, Houston, Texas 77045.

M. D. Anderson is a participating member of P.E.T. Net Houston, LLC (PETNet). PETNet is a joint venture entered into by M. D. Anderson and P.E.T. Pharmaceuticals, Inc. to lease and operate a facility located on M. D. Anderson's campus to produce positron radiopharmaceuticals and isotopes. Construction of the facility commenced in 2003. M. D. Anderson's equity interest in PETNet at August 31, 2020 and 2019 was $4,383,301.25 and $2,849,145.47, respectively, or 49%. Separate financial statements for PETNet may be obtained at Siemens Medical Solutions USA, Inc., 51 Valley Stream Parkway, Malvern, Pennsylvania 19355.

M. D. Anderson was a participating member in the National Center for Therapeutics Manufacturing (the "NCTM"). M. D. Anderson entered into a Collaboration, Investment and Facility Use Agreement as of May 19, 2010 with Texas A&M University System to collaborate on the design of the NCTM and on grants and proposals relating to cancer therapeutics that could be developed at the NCTM. This joint venture was dissolved in fiscal year 2020, therefore, M. D. Anderson's cost-based interest in NCTM at August 31, 2020 was $0. M. D. Anderson's cost-based interest in NCTM at August 31, 2019 was $1,245,000.00, or approximately 2.5%. Separate financial statements for NCTM may be obtained at http://www.tamus.edu/iit/nctm/.

On March 1, 2018, U. T. Health Science Center – Tyler (UTHSC – Tyler) entered into a joint venture with AHS East Texas Health System, LLC, to form East Texas Health System, LLC, a Texas Limited Liability Company. The resulting health system, known as U. T. Health East Texas, is designed to expand medical education, research and community health in Northeast Texas. U. T. Health Science Center – Tyler's hospital and physician clinic operations are participants in the ten-hospital system, designed to advance the achievement of UTHSC – Tyler's mission through financial and clinical alignment and integration and to improve the delivery of cost effective, quality health care services in the Northeast Texas region. UTHSC – Tyler's equity interest in U. T. Health East Texas at August 31, 2020 and 2019 was $17,254,300.00 and $10,457,300.00, respectively, or approximately 30%.

In March 2016, U. T. Austin entered into a joint venture with Ascension Seton and Central Health to form Capital City Innovation (CCI), a nonprofit organization. CCI was created to provide a vision, focused strategic direction, advocacy for, and synergistic coordination of expertise, culture, uses and development to support the creation, growth and sustainability of an Innovation Zone in Austin, Texas. U. T. Austin's equity interest in CCI at August 31, 2020 was $350,000.00, or 23.7%.

4. Summary of Significant Accounting Policies

BASIS OF ACCOUNTING

The proprietary financial statements of the System have been prepared using the economic resources measurement focus and the accrual basis of accounting and reports as a business type activity, as defined by GASB. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The System's fiduciary funds account for assets held in a custodial capacity and are accounted for on the accrual basis of accounting in accordance with GASB Statement No. 84, *Fiduciary Activities*. All financial statements of the System have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the GASB.

GASB STATEMENTS IMPLEMENTED IN FISCAL YEAR 2019

GASB Statement No. 83, Certain Asset Retirement Obligations (ARO), effective 2019, addressed accounting and financial reporting for AROs related to clean-up and decommissioning of items using radiation such as broadscope licenses, cyclotrons, and nuclear reactors.

GASB Statement No. 85, *Omnibus 2017*, effective 2019, addressed practice issues that were identified during implementation and application of certain GASB statements. The implementation of Statement 85 had no effect on the System's net position or changes in net position for the years ended August 31, 2019 and 2018.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective 2019, addressed note disclosures based on liability type. The implementation of Statement 88 had no effect on the System's net position or changes in net position for the years ended August 31, 2019 and 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective 2021, simplifies interest expense accounting and enhances the relevance of information about capital assets. GASB Statement No. 89 discontinued the capitalization of interest costs during construction. The Texas State Comptroller's Office decided to early implement this standard in 2019. The implementation of Statement 89 resulted in more interest expense being reflected beginning in 2019.

GASB STATEMENTS IMPLEMENTED IN FISCAL YEAR 2020

GASB Statement No. 84, *Fiduciary Activities*, effective 2020, established criteria for identifying fiduciary activities which should be reported in a fiduciary fund in the financial statements. While GASB Statement No. 95 allowed for an extension of one year to implement the statement, the State Comptroller's Office decided to implement GASB Statement No. 84 in 2020.

As a result of this implementation, activities previously reported by the System within business type activities as agency funds were analyzed to determine if those activities qualified for fiduciary fund reporting. All activities not requiring fiduciary fund reporting were moved to other funds within System's business type activities, and financial reporting for those activities was adjusted. Activities requiring fiduciary fund reporting were moved out of System's agency funds into fiduciary funds, and therefore, those activities are now reported within separate fiduciary fund financial statement. All of System's fiduciary funds are reported as custodial funds. Almost all of System's custodial funds relate to the portion of System investment funds held for external organizations and are reported as custodial funds-external investment pool. All other custodial funds are reported as custodial funds-other and include activities such as student organizations and funds held for associations. The effect of implementing GASB Statement No. 84 on the System's financial statements for the year ended August 31, 2019 was as follows:

Statement of Net Position as of August 31, 2019

		As Reported in Fiscal Year 2019	GASB Statement No. 84 Restatement	Restated Fiscal Year 2019
ASSETS AND DEFERRED OUTFLOWS				
Total Current Assets	$	8,675,346,693.91	(6,190,585.78)	8,669,156,108.13
Total Noncurrent Assets		72,640,460,408.97	(245,583,371.33)	72,394,877,037.64
Total Assets		81,315,807,102.88	(251,773,957.11)	81,064,033,145.77
Total Deferred Outflows of Resources		3,376,021,305.37	-	3,376,021,305.37
Total Assets and Deferred Outflows	$	84,691,828,408.25	(251,773,957.11)	84,440,054,451.14
LIABILITIES AND DEFERRED INFLOWS				
Total Current Liabilities	$	10,015,688,598.67	100,367,460.85	10,116,056,059.52
Total Noncurrent Liabilities		26,051,932,331.76	(347,791,323.96)	25,704,141,007.80
Total Liabilities		36,067,620,930.43	(247,423,863.11)	35,820,197,067.32
Total Deferred Inflows of Resources		2,761,591,966.93	-	2,761,591,966.93
Total Liabilities and Deferred Inflows	$	38,829,212,897.36	(247,423,863.11)	38,581,789,034.25
NET POSITION				
Net Investment in Capital Assets	$	6,747,250,462.18	(6,214,651.12)	6,741,035,811.06
Restricted:				
Nonexpendable		26,986,429,001.19	-	26,986,429,001.19
Expendable		14,861,667,664.42	23,566.57	14,861,691,230.99
Unrestricted		(2,732,731,616.90)	1,840,990.55	(2,730,890,626.35)
Total Net Position	$	45,862,615,510.89	(4,350,094.00)	45,858,265,416.89

Statement of Revenues, Expenses, and Changes in Net Position for the Year Ended August 31, 2019

		As Reported in Fiscal Year 2019	GASB Statement No. 84 Restatement	Restated Fiscal Year 2019
Total Operating Revenues	$	16,049,319,498.80	(5,652,236.09)	16,043,667,262.71
Total Operating Expenses		20,284,778,376.20	342,655.94	20,285,121,032.14
Operating Income (Loss)		(4,235,458,877.40)	(5,994,892.03)	(4,241,453,769.43)
Net Nonoperating Revenues (Expenses)		4,569,182,233.74	294,335.55	4,569,476,569.29
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers		333,723,356.34	(5,700,556.48)	328,022,799.86
Other		138,104,138.49	-	138,104,138.49
Change in Net Position		471,827,494.83	(5,700,556.48)	466,126,938.35
Beginning Net Position		45,390,788,016.06	1,350,462.48	45,392,138,478.54
Ending Net Position	$	45,862,615,510.89	(4,350,094.00)	45,858,265,416.89

Statement of Cash Flows as of August 31, 2019

		As Reported in Fiscal Year 2019	GASB Statement No. 84 Restatement	Restated Fiscal Year 2019
Cash and Cash Equivalents	$	4,049,203,185.63	(1,789,206.96)	4,047,413,978.67

Paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans: an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32,* are effective in 2020. This statement clarifies that, for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans, primary governments that perform the duties that a governing board typically performs in the absence of a governing board is not the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable. This statement also limits the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74. This additional guidance further solidifies the conclusion that UT System does not have any pension or OPEB related fiduciary funds or component units.

GASB Statement No. 90, *Majority Equity Interests*, effective 2020, improved the consistency and comparability of reporting majority equity interests in a legally separate organization and improved the relevance of financial statement information for certain component units. While GASB Statement No. 95 allowed for an extension of one year to implement the statement, the State Comptroller's Office decided to implement GASB Statement No. 90 in 2020. The implementation of Statement 90 had no effect on the System's net position or changes in net position for the years ended August 31, 2020 and 2019.

GASB Statement No. 95, *Postponement of the Effective dates of Certain Authoritative Guidance*, effective immediately, provides temporary relief to governments in light of the COVID-19 pandemic by delaying the implementation dates of many standards by one year. GASB Statement No. 95 had no effect on the System's net position or changes in net position.

CASH AND CASH EQUIVALENTS

Short-term, highly liquid investments with maturities of three months or less when purchased are generally considered cash and cash equivalents. It is the System's policy to exclude items that meet this definition if they are part of an investment pool, which has an investment horizon of one year or greater. Therefore, highly liquid investments that are part of the Permanent University Fund (PUF), General Endowment Fund (GEF) and Intermediate Term Fund (ITF) are not considered cash and cash equivalents. Additionally, endowments invested in money market accounts are also excluded from Cash and Cash Equivalents as the intent is to invest these funds for more than one year. Cash held in the State treasury for the PUF, the Permanent Health Fund (PHF) and the Available University Fund (AUF) are considered cash and cash equivalents. Other highly liquid investments of these major funds which are held in pooled funds and invested with custodians are not considered cash and cash equivalents according to the investment policies of the System. Restricted cash and cash equivalents include cash held in the State treasury for the PUF and PHF and restricted sources of funds used for construction of capital assets as well as funds held for debt service. The System holds bond proceeds in restricted investments to be disbursed to the institutions to support capital projects on a cost reimbursable basis.

BALANCE IN STATE APPROPRIATIONS

This item represents the balance of General Revenue funds at August 31 as calculated in the Texas State Comptroller's General Revenue Reconciliation.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative instruments are recorded at fair value. The fair value of derivative instruments is recorded as either an investment, an investment derivative liability, a hedging derivative asset or a hedging derivative liability on the statement of net position. The valuation of investment derivative instruments is discussed in the Investments disclosure below. The System has calculated the fair value of the interest rate swaps using a forecast of expected discounted future net cash flows and considered the nonperformance risk of the parties.

The System has entered into interest rate swap agreements with various counterparties, all of which are highly rated financial institutions, to manage various risks associated with the System's debt programs. Each of the System's interest rate swaps is a contractual agreement entered into between the System and a counterparty under which each party agrees to exchange periodic fixed or variable payments, based upon a stated notional amount, over the stated life of the agreement. The net differential paid or received is recognized over the life of the agreement as an adjustment to interest expense.

Interest rate swaps determined to be hedging derivative instruments are designated as cash flow hedges. Hedging derivative instrument assets and hedging derivative instrument liabilities are recorded on the System's statement of net position. Under hedge accounting, for derivative instruments that are determined to be effective, changes in the fair value of hedging derivative instruments are considered to be deferred inflows (for hedging derivative instruments with positive fair values) or deferred outflows (for hedging derivative instruments with negative fair values).

Changes in the fair value of derivative instruments that are not effective are recorded as net increase (decrease) in the fair value of investments in the statement of revenues, expenses and changes in net position.

INVESTMENTS

The majority of the investments of the System, except for PUF lands, are managed by UTIMCO, a private investment corporation that provides services to the System and its related foundations. All investments are reported as noncurrent as these funds have an investment horizon extending beyond one year. Restricted investments include investments restricted by legal or contractual requirements, including those related to donors and constitutional restrictions.

The audited financial statements of the funds managed by UTIMCO may be found on UTIMCO's website and inquiries may be directed to UTIMCO via www.utimco.org.

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date.

The System is authorized to invest funds, as provided in Section 51.0031 of the Texas Education Code and the Constitution of the State of Texas, under prudent investor investment standards. Such investments include various fixed income and equity type securities, hedge funds, public market funds, and private investments. The investments of the System are governed by various investment policies approved by the U. T. System Board of Regents.

CONTRIBUTIONS RECEIVABLE

Current and noncurrent contributions receivable are amounts pledged to the System by donors, net of allowances. Multi-year gift pledges greater than $10,000 must be reported at the discounted present value. At the beginning of each fiscal year, the System re-establishes the scale of discount rates applicable for present valuing new multi-year gift pledges that are received during the new fiscal year. The scale of discount rates is based upon U.S. Treasury Notes and Bonds asked yields as listed in the Wall Street Journal on the first day of the fiscal year. Existing gift pledges are not recalculated since these pledges were previously calculated at historical discount rates.

INVENTORIES

Inventories, consisting primarily of supplies and merchandise for resale, are valued at cost, typically based on the specific identification, weighted average or first-in, first-out methods, which are not in excess of net realizable value.

RESTRICTED ASSETS

Restricted assets include funds restricted by legal or contractual requirements, including those related to sponsored programs, donors, constitutional restrictions, bond covenants, and loan agreements.

LOANS AND CONTRACTS

Current and noncurrent loans and contracts are receivables, net of allowances, related to student loans.

SECURITIES LENDING COLLATERAL AND OBLIGATIONS

The collateral secured for securities lent are reported as an asset on the statement of net position. The obligations for securities lent are reported as a liability on the statement of net position that directly offsets the cash collateral received from brokers or dealers in exchange for securities loaned. The costs of securities lending transactions are reported as part of investment income in the statement of revenues, expenses and changes in net position. See Note 6 for details regarding the securities lending program.

CAPITAL AND INTANGIBLE ASSETS

Capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. The System follows the State's capitalization policy with a cost equal to or greater than $5,000.00 for equipment items, $100,000.00 for buildings, building improvements and improvements other than buildings, and $500,000.00 for infrastructure items, and an estimated useful life of greater than one year. Purchases of library books are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Outlays for construction in progress are capitalized as incurred. The thresholds for software are $100,000.00 for purchased software and $1,000,000.00 for internally developed software including Enterprise Resource Planning replacements. The System capitalizes but does not depreciate works of art and historical treasures that are held for exhibition, education, research and public service. These collections are protected and preserved.

Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, generally two to fifteen years for equipment items, five years for software, six years for Enterprise Resource Planning replacements, fifteen years for library books, ten to fifty years for buildings and their components and fifteen to forty years for infrastructure elements.

OTHER ASSETS

Other current assets are primarily made up of prepaid expenses, while other noncurrent assets are primarily made up of equity interests in joint ventures that do not meet the definition of an investment and beneficial interests in irrevocable split-interest agreements in which a third-party is the intermediary.

DEFERRED OUTFLOWS

Deferred outflows consist of the fair value of hedging derivative instruments in a liability position, unamortized losses on refunding of debt, unamortized interest rate lock termination payments, certain changes in the net pension and total OPEB liability, unamortized portions of asset retirement obligation, and excess consideration paid in a government acquisition. Changes in fair value for effective hedges that are achieved with derivative instruments are to be reported as deferred inflows and deferred outflows in the statement of net position. For debt refundings, 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. When a Treasury Lock is used to hedge interest rate exposure on bonds, the lock termination payment is recorded as a deferred outflow and is amortized, using the straight-line method, over the remaining life of the related debt in the statement of revenues, expenses and changes in net position as a component of interest expense. Changes in the net pension liability not included in pension expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to pensions, and employer contributions subsequent to the measurement date of the net pension liability are also required to be reported as deferred outflows of resources. Similarly, changes in the total OPEB liability not included in OPEB expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to OPEB, and employer contributions subsequent to the measurement date of the total OPEB liability are also required to be reported as deferred outflows of resources. For asset retirement obligations, deferred outflows are recognized for anticipated clean-up and decommissioning costs, amortized over the life of the related assets. Deferred outflows are also recognized for excess consideration paid in a government acquisition, amortized over the estimated service life.

UNEARNED REVENUE

Unearned revenue represents revenues such as tuition recorded in August for the fall semester and payments received in advance for sponsored programs.

ASSETS HELD FOR OTHERS – CURRENT AND NONCURRENT

Assets held for others is the liability offsetting the assets held for defined contribution pension plans managed by the System. Included in assets held for others as of August 31, 2020 and 2019 is $565,511,273.93 and $516,598,582.19, respectively, for the Physician's Referral Service Supplemental Retirement Plan/Retirement Benefit Plan at M. D. Anderson.

LIABILITY TO BENEFICIARIES

The System holds numerous irrevocable charitable remainder trusts and a pooled income fund. Together, these assets are reflected in the accompanying consolidated financial statements within restricted investments.

The charitable remainder trusts designate the U. T. System Board of Regents as both trustee and remainder beneficiary. The System is required to pay to the donors (or other donor-designated income beneficiaries) either a fixed amount or the lesser of a fixed percentage of the fair value of the trusts' assets or the trusts' income during the beneficiaries' lives. Trust assets are measured at acquisition value when received and at fair value thereafter. A corresponding liability to beneficiaries is measured at the present value of expected future cash flows to be paid to the beneficiaries based upon the applicable federal rate on the gift date. Upon death of the income beneficiaries, substantially all of the principal balance passes to the System to be used in accordance with the donors' wishes.

The pooled income fund was formed with contributions from several donors. The contributed assets are invested and managed by UTIMCO. Donors (or designated beneficiaries) periodically receive, during their lives, a share of the income earned on the fund proportionate to the value of their contributions to the fund. Upon death of the income beneficiaries, substantially all of the principal balance passes to the System to be used in accordance with the donors' wishes. Contribution revenue is measured at the acquisition value of the assets received, discounted for a term equal to the life expectancies of the beneficiaries.

TOTAL OPEB LIABILITY

OPEB are provided to the System's retirees under the U. T. System Employee Group Insurance Program (EGIP). The EGIP is a single-employer defined benefit OPEB plan. The System and member contribution rates are determined annually by the System based on the recommendations of the Office of Employee Benefits staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred and (i) the funds appropriated and (ii) the funding policy established by the Texas Legislature in connection with benefits provided through the EGIP. The System revises benefits when necessary to match expected benefit and administrative costs with available revenue. The plan is operated on a pay-as-you-go basis. The OPEB plan described herein is not administered through a trust.

NET PENSION LIABILITY

The System participates in a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the Teacher Retirement System of Texas (TRS). TRS is primarily funded through State and employee contributions. The System receives a proportional share of the net pension liability, pension related deferred outflows and pension related deferred inflows from the Texas Comptroller of Public Accounts.

ASSET RETIREMENT OBLIGATION

The liability related to clean-up and decommissioning of items using radiation such as broadscope licenses, cyclotrons, and nuclear reactors is reported as asset retirement obligation. The liability is measured using best estimates of expected outlays for clean-up and decommissioning costs.

DEFERRED INFLOWS

Deferred inflows consist of the fair value of hedging derivative instruments in an asset position, unamortized gains on refunding of debt, certain changes in the net pension and total OPEB liability, and beneficial interests in irrevocable split-interest agreements. Changes in fair value for effective hedges that are achieved with derivative instruments are to be reported as deferred inflows and deferred outflows in the statement of net position. For debt refundings, 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. Changes in the net pension liability not included in pension expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to pensions. Similarly, changes in the total OPEB liability not included in OPEB expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to OPEB. For irrevocable split-interest agreements in which U. T. System has an unconditional beneficial interest, the fair value of the gift beneficial interest is deferred and reported as deferred inflows until the resources become applicable to the reporting period.

NET POSITION – Enterprise Funds

The System has classified resources into the following three net position categories:

Net Investment in Capital Assets

Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted:

Nonexpendable

Net position subject to externally imposed stipulations that require the amounts be maintained in perpetuity by the System. Such assets include the System's permanent endowment funds.

Expendable

Net position whose use by the System is subject to externally imposed stipulations that can be fulfilled by actions of the System pursuant to those stipulations or that expire with the passage of time.

Unrestricted

Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for special purposes by action of management or the U. T. System Board of Regents. Substantially all unrestricted net position is designated for academic programs, patient care, research programs and initiatives, and capital programs (see Note 21 for details on unrestricted net position).

When an expense is incurred that can be paid using either restricted or unrestricted resources, the System addresses each situation on a case-by-case basis prior to determining the resources to be used to satisfy the obligation. Generally, the System's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

NET POSITION – Fiduciary Funds

The System fiduciary funds classify resources into the following two net position categories:

Restricted for Pool Participants:

Net position related to custodial funds-external investment pool

Restricted for Individuals, Organizations, and Other Governments:

Net position related to custodial funds-other

REVENUES AND EXPENSES

Operating revenues include activities such as student tuition and fees; net sales and services of hospitals; net professional fees; net sales and services of auxiliary enterprises; the exchange basis federal, state and local grants and contracts. Operating expenses include salaries and wages, payroll related costs, materials and supplies, depreciation, other contracted services, pension expense, postemployment benefits, and scholarships and fellowships. In addition, all changes to incurred but not reported liabilities related to insurance programs are reflected as operating.

Nonoperating revenues include activities such as gifts and contributions, insurance recoveries received in years subsequent to the associated loss, State appropriations, investment income, the nonexchange basis federal and state grants and contracts, and other revenue sources that are defined as nonoperating revenues by GASB. The System's institutions are the named beneficiaries in certain lawsuits, wills, trusts, and insurance policies. The System does not recognize these potential refunds, gifts and contributions until realized. Nonoperating expenses include activities such as interest expense on capital asset financings, and other expenses that are defined as nonoperating expenses by GASB.

SCHOLARSHIP ALLOWANCES AND STUDENT AID

Financial aid to students is reported in the financial statements as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (student loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expense or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on an entity-wide basis by allocating cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

STATEWIDE INTERFUND TRANSFERS AND INTERFUND PAYABLES

In accordance with the provisions set forth in Article 7, Section 18 of the Texas Constitution, the System transfers one-third of the annual earnings of the PUF investments and lands to the Texas A&M University System (TAMUS). In addition to the transfer of the current year earnings in 2020 and 2019 of $462,365,396.44 and $374,118,284.53, respectively, the System recorded a liability of $1,468,852,913.48 and $1,293,585,081.26 at August 31, 2020 and 2019, respectively, for future amounts due to TAMUS from the PUF to cover principal on outstanding PUF bonds and notes issued by TAMUS. This liability is reported as current and noncurrent statewide interfund payable on the statement of net position. Additional details related to the operations of the PUF can be found in Note 8. Also included in statewide interfund payables as of August 31, 2020 and 2019 is $1,092,634.51 and $2,475,959.65, respectively, related to the revolving loan programs administered by the Texas State Comptroller's Office.

UNCOMPENSATED CARE AND CHARITY CARE

The System's health-related institutions provide uncompensated care to patients who meet certain criteria. Uncompensated care includes the unreimbursed costs for the uninsured and the underinsured as well as the unreimbursed costs from government-sponsored health programs. To calculate uncompensated care, charges are converted to costs which is offset by appropriate patient specific and lump sum funding. Hospital charges are converted to cost by the application of the Medicare cost to charge ratio, as calculated in the most recent Medicare cost report. Since a standard cost report does not exist for physician charges, a proxy cost to charge ratio was developed through a process involving all Texas public academic medical centers and the State Auditor's Office. Uncompensated care costs amounted to $966,453,238.96 and $952,693,885.23 for 2020 and 2019, respectively.

GASB requires health-related institutions to report the cost of providing "charity care." The American Institute of Certified Public Accountants (AICPA) defines charity care as care for which hospitals never expected to be reimbursed. Charity care occurs when a patient applies to the hospital for financial assistance and the hospital waives all or part of its charges. The cost of charity care is calculated using the uncompensated care calculation methodology discussed above. Charity care costs amounted to $127,251,750.99 and $98,597,833.72 for 2020 and 2019, respectively.

NET PATIENT SERVICE REVENUE

The System's health-related institutions have agreements with third-party payors that provide for payments to these institutions at amounts different from their established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare

U. T. Southwestern Medical Center's, U. T. Medical Branch - Galveston's and U. T. Health Science Center - Tyler's inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are reimbursed under a prospective reimbursement methodology. Also, additional reimbursement is received for graduate medical education, disproportionate share, bad debts and other reimbursable costs, as defined, under a variety of payment methodologies.

M. D. Anderson's inpatient acute care services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology that is limited by a facility-specific amount per discharge. The final reimbursement also includes a calculation of an incentive or relief payment determined through a comparison of the facility's current year cost to the facility-specific cost per discharge. Certain outpatient services and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology. Effective August 1, 2000, the Medicare program implemented a prospective payment system for outpatient services. However, as M. D. Anderson is designated as a cancer hospital, the Medicare program provides for a "hold-harmless" payment that is equal to the difference between the prospectively determined amounts and the current year adjusted cost (i.e., the current year adjusted cost is determined through application of a payment to cost ratio, which is derived from a previous Medicare cost report, to the current year actual cost). M. D. Anderson is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary.

The physician practices at other institutions – U. T. Health Science Center - Houston, U. T. Health Science Center – San Antonio, U. T. Austin Dell Medical School, and U. T. Rio Grande Valley – are reimbursed by Medicare according to the Medicare Physician Fee Schedule and/or various Medicare Alternative Payment Models.

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed under a prospective reimbursement methodology. Certain outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The System's health-related institutions are reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the System's health-related institutions and audits thereof by the Medicaid fiscal intermediary.

The System's health-related institutions have also entered into payment agreements with certain commercial, Medicaid and Medicare payors which offer benefit plans for health maintenance organizations, and preferred provider organizations. The basis for payment to the System's health-related institutions under these agreements includes prospectively determined rates for inpatient and outpatient services. The System's health-related institutions recognized bad debt expense of $397,832,930.89 and $361,141,031.27 in 2020 and 2019, respectively.

COVID-19

In January 2020, the World Health Organization declared the novel coronavirus (COVID-19) a Public Health Emergency of International Concern. On March 13, 2020, the Governor of the State of Texas declared a state of emergency. On March 19, 2020, the Governor signed Executive Orders to mitigate the spread of COVID-19 in Texas that closed all non-essential businesses and services statewide, canceled or postponed all non-essential gatherings of individuals, and emphasized social distancing practices in business and personal life. The orders resulted in work-from-home policies, travel restrictions, online education and closure of student residential buildings, and cancellation of events. In addition, the restrictions required rescheduling of elective or non-critical surgical and procedural cases along with non-urgent and routine provider appointments, as well as redeployment of resources to address the novel coronavirus needs. This resulted in reduced hospital and faculty practice patient care revenues and operating cash flows. To alleviate the economic impact, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides economic grants to offset additional expenses and forgone revenue which was reported as Nonexchange Sponsored Programs. In mid-April, consistent with the guidance from regulatory agencies, the System resumed surgical and professional services that were postponed in March and early April. The outbreak of COVID-19 caused domestic and global disruption in operations for institutions of higher education and healthcare organizations and negatively impacted the financial markets and the value of the System's investments. Other adverse consequences of COVID-19 or any other similar outbreaks in the future may include, but are not limited to, decline in enrollment, decline in demand for housing, decline in demand for System programs that involve travel or that have international connections, and declines in patient service revenues. The System continues to carefully monitor developments and the directives of federal, state and local officials to determine what additional precautions and procedures may need to be implemented by the System. While the COVID-19 outbreak has adversely impacted the System's fiscal year 2020 results, the System cannot at this time accurately predict the full extent to which the COVID-19 outbreak will affect the System's future finances and operations.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5. Disaggregation of Other Receivable Balances

Net other receivables at August 31, 2020 and 2019 for the System are detailed by type as follows:

Net Other Receivables		2020	*Restated 2019
Receivables related to investments	$	103,812,538.89	159,631,321.80
Receivables related to gifts, grants and sponsored programs		72,435,737.24	88,121,764.74
Receivables related to external parties/other companies		210,722,150.42	166,346,366.37
Receivables related to auxiliary enterprises		19,783,823.54	17,916,998.83
Receivables related to payroll		6,551,096.47	2,109,943.18
Receivables related to patents		1,471,065.01	1,132,059.44
Receivables related to travel		461,326.69	1,618,533.18
Receivables related to loan funds and financial aid		6,849,873.21	2,927,014.52
Receivables related to other various activities		37,867,676.97	46,700,895.50
Total	$	459,955,288.44	486,504,897.56

*August 31, 2019 net other receivables for the System was restated due to implementing GASB Statement No. 84, resulting in a decrease of System net other receivables of $546,803.64. See Note 4 for further details.

In addition, net other receivables at August 31, 2020 and 2019 for the System's fiduciary funds was $119,022.56 and $6,661.59, respectively.

6. Deposits, Investments and Repurchase Agreements

DEPOSITS OF CASH IN BANK

As of August 31, 2020 and 2019, the carrying amount of the System's deposits was $190,196,810.01 and $94,952,174.72, respectively, as presented below:

		2020	*Restated 2019
Cash and cash equivalents per statement of cash flows and Exhibit A	$	3,996,795,686.36	4,047,413,978.67
Less: Cash in State Treasury		1,250,021,800.90	1,223,612,049.44
Repurchase agreement – Texas Treasury Safekeeping Trust Co.		2,147,665.24	374,109.00
Other cash equivalent investments		2,532,602,886.03	2,711,916,807.71
Other		21,826,524.18	16,558,837.80
Deposits of cash in bank	$	190,196,810.01	94,952,174.72

*August 31, 2019 deposits of cash in bank for the System was restated due to implementing GASB Statement No. 84, resulting in a reclass of $1,789,206.96 of cash in bank from System's enterprise funds to fiduciary funds. See Note 4 for further details.

In addition, cash and cash equivalents at August 31, 2020 and 2019 for the System's fiduciary funds was $1,569,998.48 and $1,789,206.96, respectively.

As of August 31, 2020 and 2019, the total bank balances held by System were $231,600,369.96 and $130,672,652.97, respectively.

DEPOSIT RISKS

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the System 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. The System maintains depository relationships with various banking institutions. The System's policy is that all deposits are governed by a bank depository agreement between the System and the respective banking institution. State law requires that the System's deposits, to the extent such deposits exceed the maximum insured limit under deposit insurance provided by the Federal Deposit Insurance Corporation, shall at all times be collateralized with government securities.

As of August 31, 2020, U. T. Health Science Center at Tyler's blended component unit, East Texas Quality Care Network (ETQCN), held deposits that were exposed to custodial credit risk. ETQCN has no policies regarding these deposits. As of August 31, 2020, the bank balances exposed to custodial risk as uninsured and uncollateralized deposits were $12,706.76. As of August 31, 2019, there were no System bank balances exposed to custodial risk as uninsured and uncollateralized deposits.

INVESTMENTS

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. GAAP provides a hierarchy that prioritizes the inputs of fair value measurements based on the extent to which inputs to valuation techniques are observable in the marketplace. The hierarchy assigns a higher priority to observable inputs that reflect verifiable information obtained from independent sources, and a lower priority to unobservable inputs that would reflect management's assumptions about how market participants would value an asset or liability based on the best information available. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the hierarchy of inputs used to measure fair value are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs.

The System's investments with readily available fair values are primarily valued on the basis of market valuations provided by independent pricing services.

Debt securities held by System include U.S. government and agency obligations, corporate obligations, corporate asset and mortgage backed securities, and international obligations. U.S. government obligations valued based on unadjusted prices in active markets are categorized as Level 1. Debt securities, including corporate obligations and governmental and international obligations are valued based upon prices supplied by Intercontinental Exchange Data Services and other major fixed income pricing services, external broker quotes and internal pricing matrices. Debt securities valued based on multiple quotations or models utilizing observable market inputs are categorized as Level 2; otherwise they would be categorized as Level 3.

Fixed income money market and bond mutual funds consist primarily of money market investments, foreign currencies and other overnight funds. Investments in publicly listed money market funds are categorized as Level 1.

Mutual funds include a large portion of the holdings for the University of Texas System Governmental Retirement Arrangement (UTGRA), discussed in Note 18. A majority of the underlying investments in UTGRA are valued based on the closing price on the primary exchange on which they are traded and are classified as Level 1. The remaining holdings are classified as Levels 2 and 3.

Equity securities, including common and preferred stocks, fair values are based on the closing price on the primary exchange on which they are traded (if a closing price is not available, the average of the last reported bid and ask price is used). When these securities are actively traded, and valuation adjustments are not applied, they are categorized as Level 1. In the event that a stock is not actively traded or a closing price is unavailable on a national or international securities exchange, the last available price per the exchange would be used, and the security would be categorized as Level 2.

Other commingled funds at fair value include fixed income and U.S. equity funds. International other commingled funds at fair value include non-U.S. developed equity, emerging markets, real estate and natural resources. Fair values are based on the closing price on the primary exchange on which the security is traded (if a closing price is not available, the average of the last reported bid and ask price is used). Investments valued as such are classified as Level 1.

Real estate and other investments include real estate, commodities and the asset positions of investment derivative instruments. The fair value of the PUF land's interest in oil and gas is based on a third party reserve study of proved, probable, and possible reserves. The present value of the royalty cash flows is calculated by applying a ten percent discount rate to future expected production volumes of oil and gas based on the price of oil and gas on August 31. The PUF lands' surface interests are reported at the price per acre from the American Society of Farm Managers and Rural Appraisers. The PUF lands are categorized as Level 3 in the fair value hierarchy. The remaining minerals, the trust minerals, because of size, distribution, and limited production histories are generally valued at three times the previous 12 months' revenue. As a rule of thumb, this measure has been used historically to determine the selling price of these types of properties by willing parties. Other real estate holdings are reported by one of the following methods of valuation: the latest available appraised amount as determined by an independent State certified or other licensed appraiser, tax assessments use for real estate investments with values that are not significant or by any other generally accepted industry standard. All other real estate is categorized as Level 3 in the fair value hierarchy, with a small amount valued using net asset value.

Physical commodities, specifically gold, were valued using the composite closing price from Bloomberg for the XAU currency code which represents the standard for one troy ounce of gold and were categorized as Level 1.

All derivative instrument investments are categorized as Level 2 in the fair value hierarchy, except for some of the purchased options which are categorized as Level 1. The fair values of the interest rate swaps on U. T. System's debt are calculated using a forecast of expected discounted future net cash flows. Other swaps are fair valued by using independent broker quotes or using models with primarily externally verifiable model inputs. Foreign exchange contracts are fair valued at closing market prices on the valuation date.

Alternative investments include private equity securities and limited partnerships, or private investment funds. Equity securities related to non-public equity investments are valued using a variety of methods, including information from recent rounds of financing, the Guideline Public Company method, the Discounted Cash Flow method, the Common Stock Equivalent method and the Option-Pricing method. The fair value of private investment funds, which consist of non-regulated investment funds and various other investment vehicles, are estimated by management using the investment's capital account balance at the closest available reporting date, as communicated by the investment manager, adjusted for contributions and withdrawals subsequent to the latest available reporting date as well as consideration of any other information, which has been provided by the investment manager or other sources. These investments are classified as Level 3.

Miscellaneous investments primarily include municipal bonds, valued on multiple quotations or models utilizing observable market inputs, and are categorized as Level 2. Investments with fair values based on the closing price on the primary exchange on which they are traded are categorized as Level 1.

GAAP permits management to fair value certain investments that do not have a readily determinable fair value using the investment's net asset value per share or the System's ownership interest in partners' capital as a practical expedient. Investments valued in this manner are not classified in the fair value hierarchy.

The following tables reflect fair value measurements of investments as of August 31, 2020 and 2019, respectively, as categorized by level of the fair value hierarchy, and include both the System's enterprise and fiduciary funds:

Type of Security	Fair Value as of August 31, 2020	Fair Value Measurement Using: Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Debt Securities:				
U.S. Government Treasury Securities	$ 590,915,551.17	590,915,551.17	-	-
U.S. Government Treasury TIPS	657,178,002.78	657,178,002.78	-	-
U.S. Government Agency Obligations	996,848,792.81	-	996,848,792.81	-
Corporate Obligations	1,540,612,268.28	-	1,539,888,520.28	723,748.00
Corporate Asset and Mortgage Backed Securities	145,231,616.84	-	145,231,616.84	-
International Obligations (Government and Corporate)	2,937,242,362.65	-	2,937,242,362.65	-
Fixed Income Money Market and Bond Mutual Funds	2,570,766,996.93	2,570,766,996.93	-	-
Mutual Funds	552,600,958.36	548,669,520.49	3,931,437.87	-
Equity Securities:				
Equity	2,133,184,690.22	2,127,612,003.74	5,572,686.48	-
International Equity	3,192,542,011.19	3,192,263,914.36	278,096.83	-
Other Commingled Funds:				
Fixed Income	237,736,337.39	237,736,337.39	-	-
U. S. Equity	15,859,174.29	15,859,174.29	-	-
International Other Commingled Funds:				
Global Developed Equity	8,896,961.68	8,896,961.68	-	-
Emerging Markets	88,739,996.82	88,739,996.82	-	-
Real Estate and Other:				
PUF Lands	6,885,688,521.00	-	-	6,885,688,521.00
Other Real Estate	494,218,403.18	-	-	494,218,403.18
Investment Derivative Instruments – Asset Positions	171,769,566.80	10,378,343.71	161,391,223.09	-
Alternative Investments:				
Private Investments	536,021,737.70	-	-	536,021,737.70
Miscellaneous	17,214,361.41	1,689,189.63	15,525,146.78	25.00
Total Investments by Fair Value Level	23,773,268,311.50	10,050,705,992.99	5,805,909,883.63	7,916,652,434.88

Type of Security	Fair Value as of August 31, 2020	Fair Value Measurement Using: Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Funds Fair Valued Using Net Asset Value:				
Real Estate	29,147,134.30			
Hedge Funds	11,896,734,733.30			
Other Commingled Funds – U.S. Equity	2,945,805,658.72			
International Other Commingled Funds	5,521,925,617.15			
Private Investments	14,450,208,491.62			
Total Investment Funds Fair Valued Using Net Asset Value	34,843,821,635.09			
Investments Held in Cash (Not at Fair Value)	167,745,229.42			
Other Investments (Not at Fair Value)	473,564.85			
Total Investments	$ 58,785,308,740.86			
Securities Lending Collateral Investment Pool (see Securities Lending section)	$ 420,834,111.45	-	420,834,111.45	-
Investments Classified as Cash Equivalents:				
Repurchase Agreement - Texas Treasury Safekeeping Trust Co. (Not at Fair Value)	$ 2,147,665.24			
Fixed Income Money Market Funds	2,532,435,988.85	2,532,435,988.85	-	-
Time Deposits (Not at Fair Value)	166,897.18			
Total Investments Classified as Cash Equivalents	$ 2,534,750,551.27			
Deposit with Brokers for Derivative Contracts, net (related to investments):				
U.S. Government Direct Obligations	$ 29,034,943.21	29,034,943.21	-	-
Held in Cash (Not at Fair Value)	(71,251,369.21)			
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	$ (42,216,426.00)			

Type of Security	Fair Value as of August 31, 2019	Fair Value Measurement Using: Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Debt Securities:				
U.S. Government Treasury Securities	$ 1,085,171,388.68	1,085,171,388.68	-	-
U.S. Government Treasury TIPS	50,904,129.21	50,904,129.21	-	-
U.S. Government Agency Obligations	979,578,924.29	-	979,578,924.29	-
Corporate Obligations	1,145,070,988.84	-	1,144,127,971.84	943,017.00
Corporate Asset and Mortgage Backed Securities	99,367,788.53	-	99,367,788.53	-
International Obligations (Government and Corporate)	2,730,210,132.34	-	2,730,210,132.34	-
Fixed Income Money Market and Bond Mutual Funds	2,262,520,047.82	2,262,520,047.82	-	-
Mutual Funds	477,544,039.17	467,914,143.34	9,629,895.83	-
Equity Securities:				
Equity	1,580,902,757.89	1,569,592,964.37	11,309,793.52	-
International Equity	3,693,653,516.24	3,693,624,555.18	28,961.06	-
Other Commingled Funds:				
Fixed Income	34,942,240.78	34,942,240.78	-	-
U. S. Equity	71,306,592.15	71,306,592.15	-	-
Real Estate and Other:				
PUF Lands	7,323,051,848.00	-	-	7,323,051,848.00
Other Real Estate	514,930,960.26	-	-	514,930,960.26
Physical Commodities - Gold	691,714,404.91	691,714,404.91	-	-
Investment Derivative Instruments – Asset Positions	144,420,222.31	2,251,717.94	142,168,504.37	-
Alternative Investments:				
Private Investments	500,576,474.37	-	-	500,576,474.37
Miscellaneous	16,857,007.74	1,567,922.52	13,470,439.38	1,818,645.84
Total Investments by Fair Value Level	23,402,723,463.53	9,931,510,106.90	5,129,892,411.16	8,341,320,945.47

Type of Security	Fair Value as of August 31, 2019	Fair Value Measurement Using: Quoted Prices in Active markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Funds Fair Valued Using Net Asset Value:				
Real Estate	28,963,137.69			
Hedge Funds	10,887,909,385.50			
Other Commingled Funds – U.S. Equity	2,062,260,179.04			
International Other Commingled Funds	4,635,180,016.39			
Private Investments	13,249,237,891.11			
Total Investment Funds Fair Valued Using Net Asset Value	30,863,550,609.73			
Investments Held in Cash (Not at Fair Value)	180,545,315.78			
Other Investments (Not at Fair Value)	450,471.68			
Total Investments	$ 54,447,269,860.72			
Securities Lending Collateral Investment Pool (see Securities Lending section)	$ 453,059,220.56	-	453,059,220.56	-
Investments Classified as Cash Equivalents:				
Repurchase Agreement - Texas Treasury Safekeeping Trust Co. (Not at Fair Value)	$ 374,109.00			
Fixed Income Money Market Funds	2,711,750,688.39	2,711,750,688.39	-	-
Time Deposits (Not at Fair Value)	166,119.32			
Total Investments Classified as Cash Equivalents	$ 2,712,290,916.71			
Deposit with Brokers for Derivative Contracts, net (related to investments):				
U.S. Government Direct Obligations	$ 4,189,699.99	4,189,699.99	-	-
Held in Cash (Not at Fair Value)	(38,251,403.25)			
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	$ (34,061,703.26)			

The following tables display the breakout of total investments, securities lending collateral, total investments classified as cash equivalents, and total deposit with brokers for derivative contracts, net between enterprise and fiduciary funds as of August 31, 2020 and 2019:

	August 31, 2020		
	Enterprise Funds	Fiduciary Funds	Total
Total Investments	$ 58,531,455,372.98	253,853,367.88	58,785,308,740.86
Securities Lending Collateral	418,831,991.31	2,002,120.14	420,834,111.45
Total Investments Classified as Cash Equivalents	2,534,750,551.27	-	2,534,750,551.27
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	(41,967,130.87)	(249,295.13)	(42,216,426.00)

	August 31, 2019		
	Enterprise Funds	Fiduciary Funds	Total
Total Investments	$ 54,209,543,759.80	237,726,100.92	54,447,269,860.72
Securities Lending Collateral	450,955,438.34	2,103,782.22	453,059,220.56
Total Investments Classified as Cash Equivalents	2,712,290,916.71	-	2,712,290,916.71
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	(33,963,823.03)	(97,880.23)	(34,061,703.26)

Investment funds fair valued at net asset value per share or based on the System's ownership interest in partner's capital include externally managed funds, limited partnerships, and corporate structures which are generally unrated and may be unregulated. The composition of investment funds that are fair valued using Net Asset Value (NAV) at August 31, 2020 and 2019 is summarized in the tables below as they are included within the asset mix of the System. Tables and disclosures that follow include both the System's enterprise and fiduciary funds.

	Fair Value as of August 31, 2020	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investment Funds Fair Valued Using Net Asset Value				
Real Estate				
Redeemable Within One Year	$ 29,147,134.30	-	Quarterly	60 days
Hedge Funds				
Redeemable Within One Year	4,784,850,341.07		Monthly to Annually	5 - 100 Days
Redeemable Beyond One Year	5,631,336,061.00		Quarterly to Annually	45 - 120 Days
Nonredeemable	1,480,548,331.23		Not Applicable	Not Applicable
Total Hedge Funds	11,896,734,733.30	1,316,518,693.11		
Other Commingled Funds – U. S. Equity				
Redeemable Within One Year	1,812,195,578.00		Daily to Annually	10 - 90 Days
Redeemable Beyond One Year	1,133,610,080.72		Annually	90 Days
Total Other Commingled Funds – U. S. Equity	2,945,805,658.72	82,877,646.00		
International Other Commingled Funds:				
Non-U.S. Developed Equity				
Redeemable Within One Year	1,079,283,771.82		Monthly to Quarterly	6 - 30 Days
Total Non-U.S. Developed Equity	1,079,283,771.82	-		
Global Developed Equity				
Redeemable Within One Year	2,546,122,157.00		Monthly to Quarterly	30 - 60 Days
Redeemable Beyond One Year	125,091,539.08		Monthly	45 Days
Total Global Developed Equity	2,671,213,696.08	-		
Emerging Markets				
Redeemable Within One Year	1,514,073,280.00		Daily to Semi-Annually	1 - 90 Days
Redeemable Beyond One Year	218,858,431.00		Monthly to Quarterly	60 - 90 Days
Nonredeemable	38,496,438.25		Not Applicable	Not Applicable
Total Emerging Markets	1,771,428,149.25	132,825,744.00		
Total International Other Commingled Funds	5,521,925,617.15	132,825,744.00		
Limited Partnerships (Private Investments)				
Redeemable Within One Year	22,636,738.73		Quarterly	90 days
Nonredeemable	14,427,571,752.89		Not Applicable	Not Applicable
Total Limited Partnerships (Private Investments)	14,450,208,491.62	8,862,092,209.00		
Total Investment Funds Fair Valued Using NAV	$ 34,843,821,635.09	10,394,314,292.11		

		Fair Value as of August 31, 2019	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investment Funds Fair Valued Using Net Asset Value					
Real Estate					
Redeemable Within One Year	$	28,963,137.69	-	Quarterly	60 Days
Hedge Funds					
Redeemable Within One Year		5,110,879,513.70		Monthly to 3 years	5 - 90 Days
Redeemable Beyond One Year		4,595,201,598.80		Quarterly to 3 years	45 - 120 Days
Nonredeemable		1,181,828,273.00		Not Applicable	Not Applicable
Total Hedge Funds		10,887,909,385.50	1,098,734,077.39		
Other Commingled Funds – U. S. Equity					
Redeemable Within One Year		1,147,412,546.04		Daily to Annually	1 - 90 Days
Redeemable Beyond One Year		914,847,633.00		Annually	1 - 90 Days
Total Other Commingled Funds – U. S. Equity		2,062,260,179.04	192,202,759.00		
International Other Commingled Funds:					
Non-U.S. Developed Equity					
Redeemable Within One Year		925,339,624.49		Monthly to Quarterly	6 - 30 Days
Total Non-U.S. Developed Equity		925,339,624.49	-		
Global Developed Equity					
Redeemable Within One Year		2,009,781,389.27		Monthly to Quarterly	30 - 60 Days
Redeemable Beyond One Year		170,671,670.00		Monthly	60 Days
Total Global Developed Equity		2,180,453,059.27	-		
Emerging Markets					
Redeemable Within One Year		1,286,490,016.00		Daily to Semi-Annually	1 - 90 Days
Redeemable Beyond One Year		188,276,345.00		Monthly to Quarterly	45 - 60 Days
Nonredeemable		54,620,971.63		Not Applicable	Not Applicable
Total Emerging Markets		1,529,387,332.63	61,617,987.00		
Total International Other Commingled Funds		4,635,180,016.39	61,617,987.00		
Limited Partnerships (Private Investments)					
Redeemable Within One Year		19,816,293.50		Quarterly	90 days
Nonredeemable		13,229,421,597.61		Not Applicable	Not Applicable
Total Limited Partnerships (Private Investments)		13,249,237,891.11	7,524,136,004.84		
Total Investment Funds Fair Valued Using NAV	$	30,863,550,609.73	8,876,690,828.23		

The System invests in hedge fund pools which are invested in private funds with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These investment managers may invest in both long and short securities and may utilize leverage in their portfolios. The funds invested may be subject to a lock-up restriction of typically one to three years before the investment may be withdrawn from the manager without significant penalty. The amounts shown as nonredeemable are considered illiquid in that they typically become liquid over multi-year periods when and if the fund managers distribute proceeds realized from the underlying fund investments and the timing cannot be estimated. There are certain risks associated with these private funds, some of which include investment manager risk, market risk and liquidity risk, as well as the risk of utilizing leverage in the portfolios. The hedge fund pools have committed $1,316,518,693.11 and $1,098,734,077.39 of future funding to various hedge fund investments as of August 31, 2020 and 2019, respectively. Hedge funds are fair valued by management based on net asset value information provided by the investment manager, as well as other relevant factors.

Public market funds are invested in exchange traded funds, index funds and private placements with external investment managers who invest in equity and fixed income securities of both domestic and international issuers. These funds are characterized as public market funds based on individual risk/return characteristics and their relationship to the overall asset mix of the funds. Some of these investment managers may invest in both long and short securities and may utilize modest leverage in their portfolios. The amounts shown as nonredeemable are considered illiquid in that they typically become liquid over multi-year periods when and if the fund managers distribute proceeds realized from the underlying fund investments and the timing cannot be estimated. Certain of these investments are held through limited liability companies of which UTIMCO is the sole managing member. There are certain risks associated with these investments, some of which are investment manager risk, market risk and liquidity risk, as well as the risk of utilizing leverage in the portfolios. As of August 31, 2020 and 2019, future fundings in the amount of $215,703,390.00 and $253,820,746.00, respectively, have been committed to certain public market funds. The fair value of private investment funds, are estimated using the investment's capital account balance at the closest available reporting date, as communicated by the investment manager, adjusted for contributions and withdrawals subsequent to the latest available reporting date as well as consideration of any other information, which has been provided by the investment manager or other sources.

The System invests in private investments through private investment pools which are invested in limited partnerships with external investment managers or general partners who invest primarily in private equity securities. These investments, domestic and international, are illiquid and typically become liquid over multi-year periods when and if the fund managers distribute proceeds realized from underlying fund investments. It is estimated that the underlying assets of the private investments will be liquidated over seven to ten years. There are certain risks associated with these investments, some of which are liquidity risk, market risk, event risk and investment manager risk. Certain of these investments are held through LLCs, of which UTIMCO is the sole managing member. The System had committed $8,862,092,209.00 and $7,524,136,004.84 of future funding to various private investments as of August 31, 2020 and 2019, respectively.

Hedge funds, private investments and public market funds include investments in private placement vehicles that are subject to risk, which could result in the loss of invested capital. The risks include the following:

- *Key personnel risk* – The success of certain funds is substantially dependent upon key investment managers and the loss of those individuals may adversely impact the fund's performance.
- *Liquidity risk* – Many of the System's investment funds may impose lock-up periods, which would cause the System to incur penalties to redeem its units or prevent the System from redeeming its shares until a certain period of time has elapsed.
- *Limited transparency* – As private placement investment vehicles, these funds may not disclose the holdings of their portfolios.
- *Investment strategy risk* – These funds often employ sophisticated investment strategies and may use leverage, wh*i*ch could result in the loss of invested capital.

Investments in hedge funds, private investments and public market funds are also subject to the investment risks discussed below. Fixed income investments held by these funds would also be subject to credit risk and interest rate risk; moreover, they may invest in securities whose fair values would be sensitive to changes in interest rates.

The fair values of these various investment funds, excluding the publicly traded funds, as of August 31, 2020 and 2019 were $34,843,821,635.09 and $30,863,550,609.73, respectively.

INVESTMENT RISKS

(A) *Credit Risk* - Article VII, Section 11b of the Texas Constitution authorizes the U. T. System Board of Regents, subject to procedures and restrictions it establishes, to invest System funds in any kind of investment and in amounts it considers appropriate, provided that it adheres to the prudent investor standard. This standard provides that the U. T. System Board of Regents, in making investments, may acquire, exchange, sell, supervise, manage or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment that prudent investors, exercising reasonable care, skill and caution, would acquire or retain in light of the purposes, terms, distribution requirements and other circumstances of the fund then prevailing, taking into consideration the investment of all of the assets of the fund rather than a single investment.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSRO). The System's investment policy does not provide specific requirements and limitations regarding investment ratings. Per GASB authoritative guidance, unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. In 2011, some of the U.S. government direct obligations were downgraded and thus U.S. government direct obligations are included in the credit risk disclosure. The following tables present each applicable investment type, in both the System's enterprise and fiduciary funds, grouped by rating as of August 31, 2020 and 2019:

Investment Type		August 31, 2020 MOODY'S Fair Value	Rating	STANDARD & POOR'S Fair Value	Rating	FITCH Fair Value	Rating
Investments and Investments Classified as Cash Equivalents:							
U.S. Government Direct Obligations	$	1,248,093,553.95	Aaa	844,454,882.31	AA	834,357,608.95	AAA
		-	-	403,638,671.64	NR	413,735,945.00	NR
U.S. Government Agency Obligations		994,247,825.89	Aaa	994,247,825.89	AA	994,247,825.89	AAA
		775,598.99	Aa	2,600,966.92	NR	2,600,966.92	NR
		1,825,367.93	Ba	-	-	-	-
Corporate Obligations		28,957,838.18	Aaa	26,588,080.17	AAA	2,369,758.01	AAA
		178,963,748.17	Aa	152,222,781.50	AA	101,057,343.14	AA
		786,157,736.10	A	670,399,911.38	A	624,961,957.79	A
		492,055,720.11	Baa	645,731,811.73	BBB	351,949,074.64	BBB
		45,186,263.16	Ba	37,411,566.12	BB	37,639,028.34	BB
		1,633,230.47	Caa	1,633,230.47	CCC	422,635,106.36	NR
		7,657,732.09	NR	6,624,886.91	NR	-	-
Corporate Asset and Mortgage Backed Securities		78,334,843.60	Aaa	17,795,766.04	AAA	73,386,945.22	AAA
		5,162,211.47	Aa	1,103,073.09	AA	3,074,319.57	AA
		5,973,858.97	A	7,862,733.38	A	2,643,832.66	A
		4,192,843.78	Baa	9,112,718.34	BBB	6,690,162.74	BBB
		1,573,924.73	Ba	2,500,909.17	BB	1,904,531.51	BB
		7,788,243.83	B	1,591,635.43	B	57,531,825.14	NR
		1,748,441.42	Caa	8,040,576.66	CCC	-	-
		714,842.81	Ca	656,512.31	CC	-	-
		39,742,406.23	NR	13,299.81	D	-	-
			-	96,554,392.61	NR	-	-
International Obligations (Government and Corporate)		430,613,668.53	Aaa	349,505,431.82	AAA	337,996,225.10	AAA
		279,893,389.80	Aa	154,218,992.41	AA	419,459,390.09	AA
		692,352,305.19	A	223,581,478.85	A	470,952,981.91	A
		617,163,633.38	Baa	574,827,082.90	BBB	510,428,410.21	BBB
		175,361,679.85	Ba	152,794,696.17	BB	173,636,222.38	BB
		15,260,091.67	B	10,942,106.71	B	4,317,420.89	B
		726,597,594.23	NR	1,471,372,573.79	NR	1,020,451,712.07	NR
Fixed Income Money Market and Mutual Funds		4,952,844,801.21	Aaa	4,952,844,801.21	AAA	165,630,283.16	AAA
		318,103,413.99	NR	318,103,413.99	NR	5,105,317,932.04	NR
Repurchase Agreement - Texas Treasury Safekeeping Trust Co.		2,147,665.24	NR	2,147,665.24	AA	2,147,665.24	NR
Miscellaneous		535,592.90	Aaa	4,199,127.40	AAA	6,828,955.88	AAA
		8,259,406.00	Aa	8,005,787.88	AA	4,575,015.00	AA
		2,714,862.00	A	2,428,654.00	A	2,644,514.00	BBB
		140,124.60	Baa	355,984.60	BBB	239,379,896.47	NR
		241,778,395.85	NR	238,438,827.47	NR	-	-
Total Investments and Investments Classified as Cash Equivalents	$	12,394,552,856.32		12,394,552,856.32		12,394,552,856.32	
Deposit with Brokers for Derivative Contracts, net (related to investments):							
U.S. Government Direct Obligations	$	29,034,943.21	Aaa	29,034,943.21	AA	13,496,095.16	AAA
		-	-	-	-	15,538,848.05	NR
Cash		(71,251,369.21)	NR	(71,251,369.21)	NR	(71,251,369.21)	NR
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	$	(42,216,426.00)		(42,216,426.00)		(42,216,426.00)	

	August 31, 2019					
	MOODY'S		STANDARD & POOR'S		FITCH	
Investment Type	**Fair Value**	**Rating**	**Fair Value**	**Rating**	**Fair Value**	**Rating**
Investments and Investments Classified as Cash Equivalents:						
U.S. Government Direct Obligations	$ 1,136,075,517.89	Aaa	1,136,075,517.89	AA	1,136,075,517.89	AAA
U.S. Government Agency Obligations	976,114,655.10	Aaa	976,114,655.10	AA	976,114,655.10	AAA
	1,058,446.91	A	3,464,269.19	NR	3,464,269.19	NR
	2,405,822.28	B	-	-	-	-
Corporate Obligations	50,359,686.49	Aaa	28,706,211.06	AAA	31,130,011.83	AAA
	116,971,079.55	Aa	103,281,588.72	AA	101,794,020.04	AA
	634,304,869.17	A	569,704,702.03	A	558,135,336.63	A
	319,380,573.85	Baa	427,659,494.44	BBB	225,478,751.22	BBB
	13,519,218.64	Ba	4,477,734.54	BB	941,859.86	BB
	1,140.00	B	1,140.00	B	227,591,009.26	NR
	10,534,421.14	NR	5,037.50	D	-	-
	-	-	11,235,080.55	NR	-	-
Corporate Asset and Mortgage Backed Securities	57,118,812.24	Aaa	9,029,141.96	AAA	41,471,072.14	AAA
	3,733,392.23	Aa	6,289,112.65	AA	3,355,538.83	AA
	6,589,118.93	A	4,918,438.07	A	2,929,604.25	A
	6,951,502.70	Baa	7,820,961.07	BBB	4,467,661.51	BBB
	5,026,276.14	Ba	4,384,366.81	BB	1,855,430.68	BB
	230,032.41	B	2,220,418.42	B	555,884.29	B
	2,938,821.69	Caa	5,760,717.57	CCC	44,732,596.83	NR
	848,782.07	Ca	905,218.48	CC	-	-
	15,931,050.12	NR	23,259.76	D	-	-
	-	-	58,016,153.74	NR	-	-
International Obligations (Government and Corporate)	462,821,638.89	Aaa	316,026,141.67	AAA	421,894,904.38	AAA
	296,759,770.15	Aa	188,483,221.43	AA	281,043,623.07	AA
	808,213,011.73	A	519,524,808.66	A	499,653,948.41	A
	476,932,579.07	Baa	231,923,142.54	BBB	508,080,877.20	BBB
	89,529,681.34	Ba	167,740,801.84	BB	162,096,805.45	BB
	9,455,793.29	B	10,200,596.72	B	1,782,272.75	B
	586,497,657.87	NR	1,296,311,419.48	NR	855,657,701.08	NR
Fixed Income Money Market and Mutual Funds	4,828,561,995.14	Aaa	4,828,561,995.14	AAA	210,572,100.36	AAA
	326,254,056.85	NR	326,254,056.85	NR	4,944,243,951.63	NR
Repurchase Agreement - Texas Treasury Safekeeping Trust Co.	374,109.00	NR	374,109.00	AA	374,109.00	NR
Miscellaneous	1,522,215.65	Aaa	5,189,101.35	AAA	8,392,637.58	AAA
	4,618,627.10	Aa	4,958,984.68	AA	8,341.10	AA
	2,720,388.00	A	2,431,382.00	A	2,431,382.00	A
	147,009.70	Baa	371,765.70	BBB	224,756.00	BBB
	39,570,559.03	NR	35,627,565.75	NR	37,521,682.80	NR
Total Investments and Investments Classified as Cash Equivalents	$ 11,294,072,312.36		11,294,072,312.36		11,294,072,312.36	
Deposit with Brokers for Derivative Contracts, net (related to investments):						
U.S. Government Direct Obligations	$ 4,189,699.99	Aaa	4,189,699.99	AA	4,189,699.99	AAA
Cash	(38,251,403.25)	NR	(38,251,403.25)	NR	(38,251,403.25)	NR
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	$ (34,061,703.26)		(34,061,703.26)		(34,061,703.26)	

(B) *Concentrations of Credit Risk* – The System's investment policy statements for funds managed by UTIMCO contain the limitation that no more than five percent of the fair value of fixed income securities may be invested in corporate or municipal bonds of a single issuer. As of August 31, 2020 and 2019, these funds did not hold any direct investments in any one issuer of corporate or municipal bonds that were five percent or more of the fair value of the fund's fixed income investments.

(C) *Custodial Credit Risk* – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the System will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Texas State Statutes and the System's investment policy statements do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments. As of August 31, 2020 and 2019, the System did not have any investments that are exposed to custodial credit risk.

(D) *Interest Rate Risk* – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Interest rate risk inherent in the System's investments is measured by monitoring the modified duration of the overall investment portfolio. Modified duration estimates the sensitivity of the System's investments to changes in interest rates. The System has no specific policy statement limitations with respect to its overall modified duration. The following table summarizes the System's modified duration in years by investment type, in both the System's enterprise and fiduciary funds, as of August 31, 2020 and 2019:

	August 31, 2020		August 31, 2019	
Investment Type	**Fair Value**	**Modified Duration**	**Fair Value**	**Modified Duration**
Investments:				
U.S. Government Guaranteed:				
U.S. Treasury Bills	$ 63,978.94	-	302,944,464.05	0.41
U.S. Treasury Bonds and Notes	590,851,572.23	3.67	782,226,924.63	10.40
U.S. Treasury Inflation Protected	657,178,002.78	8.50	50,904,129.21	11.34
U.S. Agency Asset Backed	36,944,066.17	3.75	12,814,861.12	1.83
Total U.S. Government Guaranteed	1,285,037,620.12	6.14	1,148,890,379.01	7.71
U.S. Government Non-Guaranteed:				
U.S. Agency	230,615,133.00	2.41	564,562,181.44	2.89
U.S. Agency Asset Backed	729,289,593.64	2.98	402,201,881.73	2.23
Total U.S. Government Non-Guaranteed	959,904,726.64	2.84	966,764,063.17	2.62
Total U.S. Government	2,244,942,346.76	4.73	2,115,654,442.18	5.38
Corporate Obligations:				
Domestic	1,685,843,885.12	8.68	1,244,438,777.37	5.00
Foreign	621,721,855.47	4.36	492,234,319.94	6.04
Total Corporate Obligations	2,307,565,740.59	7.52	1,736,673,097.31	5.30
Foreign Government and Provincial Obligations	2,315,520,507.18	7.32	2,237,975,812.40	4.17
Other Debt Securities	15,525,146.78	9.14	13,470,439.38	8.30
Total Debt Securities	6,883,553,741.31	6.55	6,103,773,791.27	4.92
Other Investment Funds - Debt	237,736,337.39	5.50	34,942,240.78	7.50
Fixed Income Money Market and Mutual Funds	2,738,512,226.35	0.29	2,443,065,363.60	0.31
Total Investments	$ 9,859,802,305.05	4.78	8,581,781,395.65	3.62
Investments Classified as Cash Equivalents:				
Repurchase Agreement - Texas Treasury Safekeeping Trust Co.	$ 2,147,665.24	-	374,109.00	0.01
Fixed Income Money Market Funds	2,532,435,988.85	0.08	2,711,750,688.39	0.08
Time Deposits	166,897.18	-	166,119.32	-
Total Investments Classified as Cash Equivalents	$ 2,534,750,551.27	0.08	2,712,290,916.71	0.08
Deposit with Brokers for Derivative Contracts, net (related to investments):				
U.S. Government Guaranteed:				
U.S. Government Direct Obligations	$ 29,034,943.21	1.91	4,189,699.99	2.53
Total U.S. Government Guaranteed	29,034,943.21	1.91	4,189,699.99	2.53
Cash	(71,251,369.21)	-	(38,251,403.25)	-
Total Deposit with Brokers for Derivative Contracts, net (related to investments)	$ (42,216,426.00)	-	(34,061,703.26)	-

(E) *Investments with Fair Values That Are Highly Sensitive to Interest Rate Changes* – The System may invest in various mortgage backed securities, such as collateralized mortgage backed obligations. The System also may invest in investments that have floating rates with periodic coupon changes in market rates, zero coupon bonds and stripped treasury and agency securities created from coupon securities. No percentage of holdings limitations are specified in the investment policy statements regarding these types of securities. As of August 31, 2020 and 2019, the System's investments included the following investments that are highly sensitive to interest rate changes:

- Collateralized mortgage obligations which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. As of August 31, 2020 and 2019, these securities amounted to $145,735,861.05 and $102,229,674.86, respectively.

- Mortgage backed securities which are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows will affect the fair value of these securities. As of August 31, 2020 and 2019, these securities amounted to $763,744,456.48 and $411,741,517.33, respectively.

- Asset backed securities which are backed by home equity loans, auto loans, equipment loans and credit card receivables. Prepayments by the obligees of the underlying assets in periods of decreasing interest rates could reduce or eliminate the stream of income that would have been received. As of August 31, 2020 and 2019 these securities amounted to $45,599,782.11 and $39,822,205.81, respectively.

(F) *Foreign Currency Risk* – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the System's non-U.S. dollar investments. There are no limitations on investments in non-U.S. denominated bonds or common stocks in relation to the System's total fixed income and developed country equity exposures in the System's investment policy statements.

Classification between domestic common stock and foreign common stock is based on the country of domicile of the issuer, not the currency in which the security is traded. The following tables summarize the System's exposure to non-U.S. dollar investments by asset type as of August 31, 2020 and 2019.

Investment Type	August 31, 2020	August 31, 2019
Foreign Common Stock:		
Australian Dollar	$ 6,470,342	$ 5,425,886
Brazilian Real	228,208,969	403,826,036
Canadian Dollar	6,197,840	10,669,542
Chilean Peso	221,122	3,221,506
Chinese Yuan Renminbi	789,756,647	623,642,930
Colombian Peso	-	404,253
Czech Koruna	-	628,087
Danish Krone	7,777,905	20,422,831
Egyptian Pound	4,374,168	13,873,210
Euro	238,630,362	269,837,940
Hong Kong Dollar	217,719,077	210,745,392
Hungarian Forint	2,687,155	3,972,174
Indian Rupee	60,534,449	87,340,129
Indonesian Rupiah	15,769,208	36,189,495
Japanese Yen	446,281,770	413,174,868
Malaysian Ringgit	10,167,074	23,976,599
Mexican Peso	21,025,436	113,128,500
Norwegian Krone	22,451,029	23,828,718
Peruvian Nuevo Sol	86,217	109,002
Philippine Peso	769,838	2,031,140
Polish Zloty	5,040,360	12,967,415
Qatari Riyal	785,473	4,087,547
Saudi Riyal	-	2,968,303
Singapore Dollar	-	15,663,806
South African Rand	24,639,144	41,313,039
South Korean Won	275,935,555	353,031,003
Sri Lankan Rupee	-	3,223,927
Swedish Krona	19,081,610	8,760,011
Swiss Franc	43,274,659	34,029,141
Taiwan Dollar	114,363,331	166,007,372
Thai Baht	6,496,597	26,520,901
Turkish Lira	25,878,308	45,992,854
UK Pound	123,242,427	154,628,203
United Arab Emirates Dirham	9,843,908	35,440,804
Vietnamese Dong	-	20,052,838
Total Foreign Common Stock	2,727,709,980	3,191,135,402
Other - Equity Securities:		
Chinese Yuan Renminbi	-	3,725,780
Malaysian Ringgit	-	18,091
Taiwan Dollar	-	9,846
Total Other - Equity Securities	-	3,753,717
Foreign Preferred Stocks:		
Brazilian Real	44,108,327	66,839,217
Colombian Peso	-	223,731
Euro	687,257	-
South African Rand	77,251	115,697
South Korean Won	40,377,761	34,381,640
Total Foreign Preferred Stock	85,250,596	101,560,285

(Continued)

Investment Type	August 31, 2020	August 31, 2019
Foreign Government and Provincial Obligations:		
Australian Dollar	$ 123,222,293	$ 79,612,410
Brazilian Real	67,463,115	108,522,960
Canadian Dollar	148,995,917	141,485,939
Chinese Yuan Renminbi	74,415,163	-
Colombian Peso	89,578,119	90,838,499
Euro	479,807,763	451,234,471
Hungarian Forint	-	14,639,202
Indonesian Rupiah	86,266,828	64,223,472
Israeli Shekel	2,282,398	-
Japanese Yen	435,232,760	439,583,954
Malaysian Ringgit	86,909,748	86,859,246
Mexican Peso	284,619,722	300,553,525
New Zealand Dollar	3,163,393	1,044,054
Norwegian Krone	15,876,737	25,977,277
Peruvian Sol	13,479,646	17,611,955
Polish Zloty	25,345,174	109,955,894
Romanian Leu	16,710,233	9,599,848
Russian Ruble	8,946,945	944,010
Singapore Dollar	121,494,867	85,299,682
South African Rand	62,416,642	65,334,487
South Korean Won	12,466,307	12,227,486
UK Pound	59,894,623	29,063,273
Total Foreign Government and Provincial Obligations	2,218,588,393	2,134,611,644
Corporate Obligations:		
Australian Dollar	3,148,712	2,927,571
Canadian Dollar	532,677	1,365,625
Danish Krone	109,073,532	82,252,943
Euro	78,044,338	51,207,274
Indian Rupee	890	870
South African Rand	-	3,300,071
Swedish Krona	-	349,138
UK Pound	82,514,579	66,846,710
Total Corporate Obligations	273,314,728	208,250,202
Purchased Options:		
Australian Dollar	-	51
Brazilian Real	1,221,664	178,130
Canadian Dollar	63,287	-
Euro	14,517,143	5,708,406
Japanese Yen	-	8,386
Swiss Franc	173,758	438,932
Total Purchased Options	15,975,852	6,333,905
Investment Funds-Emerging Markets:		
Brazilian Real	23,720,297	21,129,335
Private Investments:		
Australian Dollar	131,211,294	138,102,249
Canadian Dollar	188,164,162	245,915,713
Euro	481,138,704	357,367,937
Swedish Krona	16,729,196	-
UK Pound	102,057,338	90,054,764
Total Private Investments	919,300,694	831,440,663

(Continued)

Investment Type	August 31, 2020	August 31, 2019
Cash and Cash Equivalents:		
Australian Dollar	$ 101,335	$ 65,364
Brazilian Real	17,206,669	7,427,750
Canadian Dollar	7,939,675	504,445
Chilean Peso	-	30,689
Chinese Yuan Renminbi	65,455,962	26,724,376
Colombian Peso	5,919	1,286,407
Czech Koruna	115,135	83,918
Danish Krone	25,885	(151,810)
Egyptian Pound	2,171,607	10,015
Euro	3,981,551	4,336,301
Hong Kong Dollar	311,686	2,630,257
Hungarian Forint	72,137	99,434
Indian Rupee	821,654	492,900
Indonesian Rupiah	278,958	229,441
Israeli Shekel	250	2,499
Japanese Yen	6,363,712	25,463,593
Malaysian Ringgit	109,983	118,356
Mexican Peso	173,133	1,115,159
New Zealand Dollar	2,298	2,480
Norwegian Krone	1,059	1,519,484
Peruvian Nuevo Sol	-	8,790
Philippine Peso	8,014	18,184
Polish Zloty	106,746	642,837
Qatari Riyal	33,026	285,743
Romanian Leu	-	264
Russian Ruble	61,195	(72)
Singapore Dollar	33,850	47,619
South African Rand	2,883,036	1,785,363
South Korean Won	7,265,753	7,658,895
Swedish Krona	33,854	67,659
Swiss Franc	(409,094)	48,592
Taiwan Dollar	700,849	1,491,515
Thai Baht	(41)	63,037
Turkish Lira	21,358	125,604
UK Pound	2,620,371	(1,207,395)
United Arab Emirates Dirham	74,743	41,961
Total Cash and Cash Equivalents	118,572,268	83,069,654
Written Options:		
Australian Dollar	-	(69,560)
Brazilian Real	(196,044)	(565,609)
Canadian Dollar	(183,903)	-
Euro	(274,280)	-
Japanese Yen	-	(6,621)
Total Written Options	(654,227)	(641,790)

(Concluded)

Investment Type	August 31, 2020	August 31, 2019
Swaps:		
Australian Dollar	$ 110,479	$ 11,595,964
Canadian Dollar	3,568,128	1,894,945
Chinese Yuan Renminbi	24,590	453,198
Czech Koruna	58,467	58,335
Euro	1,532,108	27,737,507
Israeli Shekel	436,353	649,045
Japanese Yen	(468,662)	604,048
Mexican Peso	(20,258)	27,387
New Zealand Dollar	-	9,424
Polish Zloty	116,024	76,855
South African Rand	175,518	71,719
South Korean Won	516,728	668,639
Swedish Krona	124,900	159,562
Swiss Franc	(2,191)	-
UK Pound	(2,966,999)	(2,692,953)
Total Swaps	3,205,185	41,313,675
Futures:		
Australian Dollar	545,302	-
Brazilian Real	(109,868)	-
Canadian Dollar	(641,490)	-
Euro	(2,944,641)	(100,069)
Japanese Yen	(14,899)	-
UK Pound	1,469,230	-
Total Futures	(1,696,366)	(100,069)
Total	$ 6,383,287,399	$ 6,621,856,623

(G) *Counterparty (Credit) Risk* – The derivative instruments utilized by the System contain varying degrees of off-statement of net position risk whereby changes in the fair values of securities underlying the financial instruments may exceed the amounts recognized in the statement of net position. The System manages these risks on an aggregate basis along with the risks associated with its other investments as part of its overall risk management process.

The System had gross counterparty exposure as of August 31, 2020 for options, swaps, and foreign currency exchange contracts as shown in the following table:

	Notional		Fair Value		
	Assets	Liabilities	Assets	Liabilities	Counterparty Rating
Options	$ 98,057,139	16,595,950	5,049,168	46,766	AA
Options	128,601,508	81,237,797	7,466,333	484,312	A
Swaps	248,195,965	207,964,674	13,293,935	3,783,346	AA
Swaps	854,116,061	140,265,634	52,439,935	5,172,077	A
Foreign Currency Exchange Contracts	301,972,700	638,867,340	6,152,619	18,948,401	AA
Foreign Currency Exchange Contracts	2,282,043,931	3,380,273,288	66,619,255	71,692,380	A
	$ 3,912,987,304	4,465,204,683	151,021,245	100,127,282	

The System had gross counterparty exposure as of August 31, 2019 for options, swaps, and foreign currency exchange contracts as shown in the following table:

	Notional		Fair Value		
	Assets	Liabilities	Assets	Liabilities	Counterparty Rating
Options	$ 90,292,592	-	4,988,471	-	AA
Options	28,257,997	42,139,875	164,370	217,724	A
Swaps	68,797,105	31,107,315	8,612,230	6,419,433	AA
Swaps	390,830,439	738,475,144	30,841,650	36,218,577	A
Foreign Currency Exchange Contracts	854,819,016	341,976,218	18,211,712	4,072,944	AA
Foreign Currency Exchange Contracts	2,509,034,543	2,259,678,515	37,644,788	37,510,869	A
	$ 3,942,031,692	3,413,377,067	100,463,221	84,439,547	

As of August 31, 2020 and 2019, the System also had investments in futures contracts, options on futures contracts and exchange-cleared swaps. Futures contracts, options on futures contracts and exchange-cleared swaps expose the System to minimal counterparty credit risk since they are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default, and therefore, they are not presented in the previous tables.

Counterparty risk for swaps, options and foreign currency exchange contracts which are traded over-the-counter is mitigated by having master netting arrangements between the System and its counterparties, and by the posting of collateral on a daily basis by the counterparty to the System to cover the System's exposure to a counterparty above the limits set in place in each master netting agreement. Collateral posted by counterparties is held by the System in one of its accounts at the System's custodian bank. As of August 31, 2020 and 2019, the System held $118,415,119 and $86,947,187, respectively, as collateral related to derivative instruments other than futures, and had on deposit with brokers $55,638,768 and $49,085,725, respectively, as collateral related to derivative instruments other than futures.

SECURITIES LENDING

In accordance with the prudent investor investment standards, the System participates in a securities lending program. The System began the program, under a contract with the System's lending agent, on September 1, 1995. The lending agent is authorized to lend any securities held by the System's custodian except those securities, which the policy guidelines prohibit lending. At August 31, 2020 and 2019, there were a total of $638,836,411.19 and $782,945,046.74, respectively, of securities out on loan to brokers/dealers. A combination of cash and qualified non-cash securities are held as collateral against the outstanding securities on loan. The value of cash collateral held for these securities consisted of $420,834,111.45 at August 31, 2020 and $453,059,220.56 at August 31, 2019. These amounts are recorded as assets, with an offsetting liability to return the collateral on the consolidated statement of net position. The qualified non-cash securities received as collateral for securities lending activities are not recorded as assets because these securities remain under the control of the transferor, except in the event of default.

In security lending transactions, the System transfers its securities to brokers/dealers for collateral, which may be cash, securities issued or guaranteed by the United States government or its agencies, and irrevocable bank letters of credit, and simultaneously agrees to return the collateral for the same securities in the future.

Cash received as collateral for securities lending activities is invested and reinvested in a non-commingled pool exclusively for the benefit of the System. The pool is managed in accordance with investment guidelines established in the securities lending contract between the System and its securities lending agent. The maturities of the investments in the pool do not necessarily match the term of the loans, rather the pool is managed to maintain a maximum dollar weighted average maturity of 60 days and an overnight liquidity of 20 percent. The System was collateralized 103 percent on August 31, 2020 and August 31, 2019 for securities on loan collateralized by cash. The System's collateral pool investments, rating by NRSRO and weighted average maturity in days as of August 31, 2020 and 2019, are shown in the following table and include both the System's enterprise and fiduciary funds.:

	August 31, 2020			August 31, 2019		
Description	**Fair Value**	**Rating**	**Weighted Average**	**Fair Value**	**Rating**	**Weighted Average**
Repurchase Agreements	$ 254,552,268	Not Rated	1	$ 283,087,060	Not Rated	3
U.S. Government Agency Obligations	4,623,523	AA		-		
U.S. Government Agency Obligations	12,999,893	A		-		
Total U.S. Government Agency Obligations	17,623,416		1	-		-
Commercial Paper	34,180,355	A		-		
Commercial Paper	2,647,939	P		12,307,353	P	
Total Commercial Paper	36,828,294		82	12,307,353		58
Corporate Obligations	16,807,609	AA		22,114,656	AA	
Corporate Obligations	15,009,156	A		15,630,294	A	
Total Corporate Obligations	31,816,765		52	37,744,950		43
International Obligations	41,426,523	AA		67,917,573	AA	
International Obligations	26,544,737	A		52,099,574	A	
Total International Obligations	67,971,260		36	120,017,147		38
Certificate of Deposit	7,050,485	A	12	-		
Interest Bearing	1,058,407	AAA		-		
Interest Bearing	2,403,732	AA		-		
Interest Bearing	3,740,879	A		-		
Total Interest Bearing	7,203,018		67	-		-
Other Receivables/Payables	(2,211,395)	Not Rated	-	(97,290)	Not Rated	-
Total Collateral Pool Investment	$ 420,834,111		19	$ 453,059,220		17

Collateral pool investments are uninsured and are held by the securities lending agent, in its name, on behalf of the System, except for the investments in repurchase agreements, which are held in the securities lending agent's name by a third party custodian not affiliated with the System or the borrower of the associated loaned securities. Therefore, the collateral pool is not exposed to custodial credit risk, because the pool investments are not held by counterparties to the lending transactions or a counterparties' trust department or agent. All collateral pool investments are categorized as Level 2 in the fair value hierarchy and are valued based upon prices supplied by major fixed income pricing services, external broker quotes and internal pricing matrices.

Lending income is earned if the returns on those investments exceed the "rebate" paid to borrowers of the securities. The income is then shared with the lending agent based on a contractually negotiated rate split. If the investment of the cash collateral does not provide a return exceeding the rebate or if the investment incurs a loss of principal, part of the payment to the borrower would come from the System's resources and the lending agent based on the rate split.

Loans that are collateralized with securities generate income when the borrower pays a loan premium or fee for the securities loan. This income is split with the same ratio as the earnings for cash collateral. The collateral pledged to the System by the borrower is custodied by the lending agent or through a third-party arrangement. These securities held as collateral are not available to the System for selling or pledging unless the borrower is in default of the loan. The System held collateral equal to 102 and 103 percent of the securities on loan that were collateralized by non-cash securities as of August 31, 2020 and August 31, 2019, respectively.

The collateral received must have a fair value of 102 percent of the loaned securities of United States issuers. If the fair value of the collateral held in connection with loans of securities of United States issuers is less than 100 percent at the close of trading on any business day, the borrower is required to deliver additional collateral by the close of the next business day to equal 102 percent of the fair value.

For non-U. S. issuers, except those foreign securities that are denominated and payable in U.S. Dollars, the collateral should remain at 105 percent of the fair value of the loaned securities at the close of any business day. If it falls below 105 percent, the borrower must deliver additional collateral by the close of the following business day. The System was collateralized 106 percent for international loans on August 31, 2020 and 2019.

In the event of default, where the borrower is unable to return the securities loaned, the System has authorized the lending agent to seize the collateral held. The collateral is then used to replace the borrowed securities where possible. Due to some market conditions, it is possible that the original securities cannot be replaced. If the collateral is insufficient to replace the securities, the lending agent has indemnified the System from any loss due to borrower default.

At August 31, 2020 and 2019, the System had no credit risk exposure to borrowers because the amounts the System owed to borrowers exceeded the amounts the borrowers owed the System.

There were no significant violations of legal or contractual provisions, no borrower or lending agent default losses and no recoveries of prior period losses during the years ended August 31, 2020 and 2019.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative instrument securities are financial instruments whose value is derived, in whole or in part, from the value of any one or more underlying securities or assets, or index of securities or assets, such as stocks, bonds, commodities or currencies. Derivative instruments cover a broad range of financial instruments, such as forwards, futures, options and swaps.

(A) *Futures Contracts* – Futures contracts are used to facilitate various trading strategies, primarily as a tool to increase or decrease market exposure to various asset classes. The fair value of the asset positions is included in investments, and the fair value of the liability positions is included in investment derivatives-liability positions on the consolidated statement of net position. Futures contracts are marked to market daily; that is, 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 mark to market. The amount that is settled in cash with the broker each morning is the fair value of the futures contracts.

The changes in fair value of open futures contracts were increases of $38,742,900 and $9,535,220 for the years ending August 31, 2020 and 2019, respectively, which are included in the net increase (decrease) in fair value of investments on the consolidated statements of revenues, expenses and changes in net position. The System had $20,559,925 and $3,799,760 on deposit with brokers for collateral as margin for the futures contracts as of August 31, 2020 and 2019, respectively. Short futures may be used by internal managers and a limited number of external managers of the System to hedge the System's interest rate or currency risk associated with security positions. The System executes such contracts either on major exchanges or with major international financial institutions and minimizes market and credit risk associated with these contracts through the managers' various trading and credit monitoring techniques.

The following discloses the type, notional value, and fair value of futures contracts at August 31, 2020:

	Notional Value at August 31, 2020		Fair Value at August 31, 2020	
	Long	Short	Assets	Liabilities
Commodity	$ 64,214,021	-	6,840,769	-
Domestic Fixed Income	300,536,037	328,782,502	2,866,038	3,783,503
International Fixed Income	346,085,275	347,912,715	4,079,850	5,156,205
Domestic Equity	323,033,565	8,567,080	87,520	3,538,876
International Equity	41,535,200	19,200,726	18,277	638,289
Totals	$ 1,075,404,098	704,463,023	13,892,454	13,116,873

The following discloses the type, notional value, and fair value of futures contracts at August 31, 2019:

	Notional Value at August 31, 2019		Fair Value at August 31, 2019	
	Long	Short	Assets	Liabilities
Commodity	$ 117,896,302	27,562,270	3,565,952	4,195,969
Domestic Fixed Income	743,404,945	-	287,469	-
International Fixed Income	800,474,562	190,396,222	115,259	215,329
Totals	$ 1,661,775,809	217,958,492	3,968,680	4,411,298

(B) *Foreign Currency Exchange Contracts* – The System enters into forward foreign currency exchange contracts to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities and to facilitate trading strategies primarily as a tool to increase or decrease market exposure to various foreign currencies. When entering into a forward currency contract, the 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 System's net equity therein, representing unrealized gain or loss on the contracts, as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included in investments for the asset positions and investment derivatives-liability positions for the liability positions. These instruments involve market and/or credit risk in excess of the amount recognized in the consolidated statement of net position. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates.

The following tables summarize, by currency, the contractual amounts of the System's foreign exchange contracts at August 31, 2020 and 2019. Foreign currency amounts are translated at exchange rates as of August 31, 2020 and 2019. The "Net Buy" amounts represent the U. S. dollar equivalent of net commitments to purchase foreign currencies and the "Net Sell" amounts represent the U. S. dollar equivalent of net commitments to sell foreign currencies.

Currency		Net Buy August 31, 2020	Net Sell August 31, 2020	Unrealized Gains on Foreign Exchange Contracts August 31, 2020	Unrealized Losses on Foreign Exchange Contracts August 31, 2020
Australian Dollar	$	-	131,399,017	1,494,802	5,014,493
Brazilian Real		-	23,962,186	908,693	574,695
Canadian Dollar		-	92,441,122	1,012,625	3,227,521
Chilean Peso		40,619,839	-	978,571	101,268
Chinese Yuan Renminbi		-	75,443,759	828,881	3,341,796
Colombian Peso		-	22,370,439	1,280,908	46,281
Czech Koruna		33,902,062	-	1,942,075	-
Danish Krone		-	110,163,793	82,975	6,107,406
Egyptian Pound		-	2,035,975	-	10,716
Euro		-	843,340,093	10,153,795	27,192,918
Hong Kong Dollar		2,603,962	-	94,084	111,965
Hungarian Forint		34,578,098	-	9,993	149,849
Indonesian Rupiah		-	40,909,131	705,130	822,450
Israeli Shekel		201,974	1,537,929	67,679	123,446
Japanese Yen		-	598,110,626	11,393,235	2,259,219
Malaysian Ringgit		-	3,280,099	8,594	102,419
Mexican Peso		-	171,896,454	933,813	5,046,902
New Zealand Dollar		-	98,434,804	841,846	2,643,807
Norwegian Krone		34,059,837	-	15,467,784	7,962,849
Peruvian Sol		-	52,066,603	373,204	424,645
Polish Zloty		38,751,178	-	3,772,448	2,319,237
Qatari Riyal		-	28,009	-	112
Romanian Leu		-	17,165,138	-	354,403
Russian Ruble		44,737,356	-	91,476	291,886
Singapore Dollar		-	119,971,536	-	1,744,046
South African Rand		-	63,012,576	118,700	2,122,045
South Korean Won		60,924,983	-	372,803	244,090
Swedish Krona		79,177,729	-	9,304,082	2,082,430
Swiss Franc		-	96,137,864	85,505	2,275,922
Taiwan Dollar		-	3,029,369	49,911	18,941
Thailand Baht		-	48,557,809	66,114	381,160
Turkish Lira		802,285	-	27,907	1,339
Uae Dirham		-	34,404	-	3
UK Pound		5,511,233	57,611,617	10,304,241	13,540,522
TOTAL	$	375,870,536	2,672,940,352	72,771,874	90,640,781

The change in fair value of open foreign currency exchange contracts for the year ending August 31, 2020 was a decrease in the amount of $17,858,296, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

Currency		Net Buy August 31, 2019	Net Sell August 31, 2019	Unrealized Gains on Foreign Exchange Contracts August 31, 2019	Unrealized Losses on Foreign Exchange Contracts August 31, 2019
Argentina Peso	$	-	-	38,001	280,816
Australian Dollar		-	42,780,409	744,343	776,538
Brazilian Real		-	61,593,449	4,937,720	2,204,046
Canadian Dollar		-	135,373,785	1,129,778	923,989
Chilean Peso		43,714,771	-	13,688	1,767,303
Chinese Yuan Renminbi		-	10,752,777	515,795	587,013
Colombian Peso		-	16,073,219	2,350,134	410,461
Czech Koruna		13,420,678	-	-	715,951
Danish Krone		-	101,023,137	1,793,182	89,622
Euro		-	860,943,643	17,273,171	2,389,533
Hong Kong Dollar		-	14,446,799	134,569	68,621
Hungarian Forint		-	52,477,744	1,966,803	346,724
Indian Rupee		-	75,442	885,722	376,040
Indonesian Rupiah		-	27,258,143	403,832	222,581
Israeli Shekel		-	444,127	5,334	3,492
Japanese Yen		-	658,762,062	177,143	13,350,747
Malaysian Ringgit		-	4,099,636	43,159	2
Mexican Peso		-	159,458,594	6,126,275	604,612
New Zealand Dollar		-	32,187,088	2,246,156	1,090,050
Norwegian Krone		37,331,866	-	2,232,002	3,537,642
Peruvian Sol		-	57,284,617	717,719	51,422
Polish Zloty		-	37,524,646	2,245,556	1,005,128
Qatari Riyal		-	285,743	-	1,089
Romanian Leu		-	9,514,383	428,852	111,722
Russian Ruble		14,063,507	-	-	241,441
Singapore Dollar		-	98,282,973	1,049,075	275,420
South African Rand		-	70,987,653	1,207,268	742,340
South Korean Won		49,083,493	-	572,524	1,781,192
Swedish Krona		82,412,289	-	902,676	4,232,544
Swiss Franc		-	67,076,876	813,603	953,441
Taiwan Dollar		-	17,993,987	18,797	160,196
Thailand Baht		-	70,545,116	-	672,500
UK Pound		-	84,252,204	4,883,623	1,609,595
TOTAL	$	240,026,604	2,691,498,252	55,856,500	41,583,813

The change in fair value of open foreign currency exchange contracts for the year ending August 31, 2019 was an increase in the amount of $14,273,249, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

(C) *Written Options* – Written options are used to alter the market (systematic) exposure without trading the underlying cash market securities, and to hedge and control risks, so that the actual risk/return profile is more closely aligned with the target risk/return profile. The fair value is included on the consolidated statement of net position in investment derivatives-liability positions. The following discloses the fair values of the outstanding written call options contracts as of August 31, 2020 and 2019:

	Fair Value at August 31, 2020	
Type	**Assets**	**Liabilities**
Commodity	$ -	2,986,500
Currency	-	249,784
Equity	-	746,337
Interest Rate Swap	-	180,064
Other	-	8,422
	$ -	4,171,107

The change in fair value of open call options for the year ending August 31, 2020, was a decrease in the amount of $2,230,331, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

	Fair Value at August 31, 2019	
Type	**Assets**	**Liabilities**
Commodity	$ -	150,760
Currency	-	116,558
Equity	-	514,470
Other	-	303,728
	$ -	1,085,516

The change in fair value of open call options for the year ending August 31, 2019, was a decrease in the amount of $525,997, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

The following discloses the fair values of the outstanding written put options contracts as of August 31, 2020 and 2019:

	Fair Value at August 31, 2020	
Type	**Assets**	**Liabilities**
Currency	$ -	5,228
Equity	-	147,094
Interest Rate Swap	-	74,214
Other	-	24,123
	$ -	250,659

The change in fair value of open put options for the year ending August 31, 2020, was an increase in the amount of $1,484,722, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

Type		Fair Value at August 31, 2019 Assets	Liabilities
Commodity	$	-	8,160
Currency		-	100,993
Equity		-	107,859
Credit Default Swap		-	173
Interest Rate Swap		-	712,163
Other		19,947	5,742
	$	19,947	935,090

The change in fair value of open put options for the year ending August 31, 2019, was an increase in the amount of $412,328, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

(D) *Swaps* – Swaps are used to adjust interest rate and yield curve exposures. The fair value of the asset positions is included in investments, and the fair value of the liability positions is included in investment derivatives-liability positions on the consolidated statement of net position. The following discloses the notional amount (presented in US dollar equivalents) and the fair values of the outstanding swap contracts as of August 31, 2020:

Type		USD Notional Value	Fair Value at August 31, 2020 Assets	Liabilities
Interest Rate (Pay-Fixed Receive-Variable)	$	849,606,271	12,465,709	268,893
Interest Rate (Pay-Variable Receive-Fixed)		544,066,636	284,000	17,993,694
Credit Default		62,718,410	24,383	1,214,827
Currency		24,588,260	120,486	130,710
Equity		1,238,812,185	58,547,657	8,024,124
Fixed Income		49,999,983	641,299	113,684
Inflation		24,065,520	81,710	215,326
Volatility		32,250,355	509,995	160,456
Total	$	2,826,107,620	72,675,239	28,121,714

The change in fair value of open swap positions for the year ending August 31, 2020, was an increase in the amount of $44,194,805, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

The following discloses the notional amount (presented in US dollar equivalents) and the fair values of the outstanding swap contracts as of August 31, 2019:

Type		USD Notional Value	Fair Value at August 31, 2019 Assets	Liabilities
Interest Rate (Pay-Fixed Receive-Variable)	$	2,564,897,563	19,795,285	173,784
Interest Rate (Pay-Variable Receive-Fixed)		928,497,926	192,659	14,705,522
Credit Default		279,675,125	4,756,134	2,886,957
Commodity		4,073,682	79,007	286,709
Currency		50,088,960	24,853,050	25,285,460
Equity		985,297,169	5,796,272	14,193,706
Fixed Income		15,000,000	-	1,338,898
Volatility		9,700,000	-	897,686
Total	$	4,837,230,425	55,472,407	59,768,722

The change in fair value of open swap positions for the year ending August 31, 2019, was a decrease in the amount of $6,675,200, which is included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position.

7. Derivative Instruments

Derivative instruments are financial instruments the value of which is derived, in whole or part, from the value of any one or more underlying assets or index of asset values. Derivative instruments include forwards, futures, options and swaps. Hedging derivative instrument contracts are entered into for the purpose of reducing the overall cost of borrowing long-term capital and to protect the System against the risk of rising interest rates. The hedging derivative instruments primarily consist of interest rate swap agreements entered into in connection with long-term bonds. The derivative instrument contracts enable the System to issue bonds at a cost less than what the System would have paid to issue conventional fixed-rate debt. Investment derivative instruments are entered into with the intention of managing transaction or currency exchange risk in purchasing, selling or holding investments. Ineffective hedges are also reported as investment derivative instruments. All derivative instruments are categorized as Level 2 in the fair value hierarchy, except for futures contracts and some of the purchased options which are categorized as Level 1. The fair values of the interest rate swaps are calculated using a forecast of expected discounted future net cash flows. Other swaps are fair valued by using independent broker quotes or using models with primarily externally verifiable model inputs. Futures contracts and foreign exchange contracts are fair valued at closing market prices on the valuation date. The following disclosures summarize the System's derivative instrument activity, in both the System's enterprise and fiduciary funds, as reported in the consolidated financial statements.

	Change in Fair Value (FV) 8/31/19 to 8/31/20		Fair Value at 8/31/20		
	Classification	Amount	Classification	Amount	Notional Amount
Cash Flow-Interest Rate Swaps					
Hedging Derivative Instrument Assets					
Pay-Fixed Receive-Variable	Def Inflows	$ 414,453.00	Hedging Derivative Instrument Asset	$ 414,453.00	240,340,000.00
Hedging Derivative Instrument Liabilities					
Pay-Fixed Receive-Variable	Def Outflows	(87,712,057.00)	Hedging Derivative Instrument Liab	(413,075,150.00)	1,599,140,000.00
Investment Derivative Instrument Assets					
Basis Swaps	Net Incr. (Decr.) in FV of Invest	(17,070,791.00)	Investments	7,973,847.00	641,855,000.00
Investment Derivative Instrument Liabilities					
Basis Swaps	Net Incr. (Decr.) in FV of Invest	(59,074,660.00)	Invest Deriv Instrument – Liab Positions	(59,518,065.00)	1,026,800,000.00
Investment Derivative Instruments					
Investment Derivative Instrument Assets:					
Swaps:					
Pay-Fixed Receive-Variable		12,712,873.00		12,465,709.00	488,080,606.00
Pay-Variable Receive-Fixed		284,000.00		284,000.00	9,448,006.00
Credit Default		(2,774.00)		24,383.00	2,711,495.00
Currency		120,486.00		120,486.00	6,434,085.00
Equity		58,205,165.00		58,547,657.00	965,552,686.00
Fixed Income		641,299.00		641,299.00	25,000,000.00
Inflation		81,710.00		81,710.00	9,238,755.00
Volatility		509,995.00		509,995.00	19,950,355.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	72,552,754.00	Investments	72,675,239.00	1,526,415,988.00
Futures	Net Incr. (Decr.) in FV of Invest	13,892,454.00	Other Accounts Receivable	13,892,454.00	1,075,404,098.00
Unrealized Gains on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	72,771,874.00	Investments	72,771,874.00	2,584,016,631.00
Purchased Options	Net Incr. (Decr.) in FV of Invest	(1,621,094.00)	Investments	18,348,606.80	329,175,216.00
Investment Derivative Instrument Liabilities:					
Swaps:					
Pay-Fixed Receive-Variable		(305,900.00)		(268,893.00)	361,525,665.00
Pay-Variable Receive-Fixed		(17,993,694.00)		(17,993,694.00)	534,618,630.00
Credit Default		(495,770.00)		(1,214,827.00)	60,006,915.00
Currency		(130,710.00)		(130,710.00)	18,154,175.00
Equity		(8,942,409.00)		(8,024,124.00)	273,259,499.00
Fixed Income		(113,684.00)		(113,684.00)	24,999,983.00
Inflation		(215,326.00)		(215,326.00)	14,826,765.00
Volatility		(160,456.00)		(160,456.00)	12,300,000.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	(28,357,949.00)	Invest Deriv – Liab Positions	(28,121,714.00)	1,299,691,632.00
Futures	Net Incr. (Decr.) in FV of Invest	(13,116,873.00)	Current Accounts Payable	(13,116,873.00)	704,463,023.00
Unrealized Losses on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	(90,630,170.00)	Invest Deriv – Liab Positions	(90,640,781.00)	4,019,140,628.00
Options Written	Net Incr. (Decr.) in FV of Invest	(765,556.00)	Invest Deriv – Liab Positions	(4,421,765.17)	402,772,499.00

	Change in Fair Value (FV) 8/31/18 to 8/31/19		Fair Value at 8/31/19		
	Classification	Amount	Classification	Amount	Notional Amount
Cash Flow-Interest Rate Swaps					
Hedging Derivative Instrument Assets			Hedging Derivative		
Pay-Fixed Receive-Variable	Def Inflows	$ (37,067,661.00)	Instrument Asset	$ -	-
Hedging Derivative Instrument Liabilities			Hedging Derivative		
Pay-Fixed Receive-Variable	Def Outflows	(160,008,887.00)	Instrument Liab	(325,363,093.00)	1,626,205,000.00
Investment Derivative Instrument Assets	Net Incr. (Decr.) in				
Basis Swaps	FV of Invest	(51,270,783.00)	Investments	25,044,638.00	987,225,000.00
			Invest Deriv		
Investment Derivative Instrument Liabilities	Net Incr. (Decr.) in		Instrument – Liab		
Basis Swaps	FV of Invest	(443,405.00)	Positions	(443,405.00)	539,890,000.00
Investment Derivative Instruments					
Investment Derivative Instrument Assets:					
Swaps:					
Pay-Fixed Receive-Variable		19,989,445.00		19,795,285.00	997,521,334.00
Pay-Variable Receive-Fixed		(1,325,894.00)		192,659.00	79,700,000.00
Credit Default		4,735,981.00		4,756,134.00	201,153,625.00
Commodity		79,007.00		79,007.00	929,141.00
Currency		24,853,050.00		24,853,050.00	24,803,500.00
Equity		5,468,193.00		5,796,272.00	315,677,002.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	53,799,782.00	Investments	55,472,407.00	1,619,784,602.00
Futures	Net Incr. (Decr.) in FV of Invest	3,968,680.00	Other Accounts Receivable	3,968,680.00	1,661,775,809.00
Unrealized Gains on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	55,856,500.00	Investments	55,856,500.00	3,363,853,559.00
Purchased Options	Net Incr. (Decr.) in FV of Invest	(3,887,162.00)	Investments	8,046,677.31	242,890,177.00
Investment Derivative Instrument Liabilities:					
Swaps:					
Pay-Fixed Receive-Variable		(33,686.00)		(173,784.00)	1,567,376,229.00
Pay-Variable Receive-Fixed		(14,810,599.00)		(14,705,522.00)	848,797,926.00
Credit Default		(2,155,937.00)		(2,886,957.00)	78,521,500.00
Commodity		(286,709.00)		(286,709.00)	3,144,541.00
Currency		(25,285,460.00)		(25,285,460.00)	25,285,460.00
Equity		(15,785,586.00)		(14,193,706.00)	669,620,167.00
Volatility		(778,107.00)		(897,686.00)	9,700,000.00
Fixed Income		(1,338,898.00)		(1,338,898.00)	15,000,000.00
Total Swaps	Net Incr. (Decr.) in FV of Invest	(60,474,982.00)	Invest Deriv – Liab Positions	(59,768,722.00)	3,217,445,823.00
Futures	Net Incr. (Decr.) in FV of Invest	(4,411,298.00)	Current Accounts Payable	(4,411,298.00)	217,958,492.00
Unrealized Losses on Foreign Forwards	Net Incr. (Decr.) in FV of Invest	(41,583,251.00)	Invest Deriv – Liab Positions	(41,583,813.00)	2,601,654,733.00
Options Written	Net Incr. (Decr.) in FV of Invest	(113,669.00)	Invest Deriv – Liab Positions	(2,000,658.28)	335,117,858.00

Fiduciary fund investment derivative instrument assets of $779,587.72 and $515,000.38 as of August 31, 2020 and 2019, respectively, are included in the numbers in the tables above. Fiduciary fund investment derivative instrument liabilities of $492,293.13 and $442,622.34 as of August 31, 2020 and 2019, respectively, are included in the numbers in the tables above.

See Note 13 for more information on Cash Flow Hedges – Interest Rate Swaps and Note 6 for more information on Investment Derivative Instruments.

8. Endowments

Investments include $43,633,709,225.39 and $41,239,330,108.77 of endowment funds as of August 31, 2020 and 2019, respectively. The net position classifications on the statement of net position related to endowment funds as of August 31, 2020 and 2019 are as follows:

Net Position Classification of Endowments		2020	2019
Restricted, nonexpendable	$	27,761,434,506.83	26,986,429,001.19
Restricted, expendable:			
Net Appreciation on True Endowments		12,497,357,474.50	11,522,342,879.98
Funds Functioning as Endowments		700,007,580.81	623,206,716.71
Book Value of Term Endowments		56,607,523.51	57,138,544.44
Net Appreciation on Term Endowments		44,714,604.37	45,596,869.69
Unrestricted:			
Funds Functioning as Endowments		731,631,279.01	491,292,177.19
Total	$	41,791,752,969.03	39,726,006,189.20

In the table above, amounts reported as "Net Appreciation" represent net appreciation on investments of donor or constitutionally restricted endowments that are available for authorization for expenditure by the U. T. System Board of Regents. For donor restricted endowments, pursuant to the Uniform Prudent Management of Institutional Funds Act, as adopted by Texas, the U. T. System Board of Regents may distribute net appreciation, realized and unrealized, in the fair value of the assets of endowment holdings over the historic dollar value of the gifts, to the extent prudent. The System's policy is to retain all undistributed net realized and unrealized appreciation within the endowment funds. The System's endowment distribution policy is further discussed below.

ENDOWMENTS AND SIMILAR FUNDS – STATE

These endowments are comprised of the PUF and the PHF. The PUF was established for the benefit of the System and the Texas A&M University System. The University of Texas System administers the PHF and the distributions from the PHF benefit the System's health-related institutions, as well as for the Texas A&M University Health Science Center, the University of North Texas Health Science Center at Fort Worth, the Texas Tech University Health Science Center and Baylor College of Medicine.

The PUF was established by Article 7, Section 11 of the Texas Constitution of 1876 through the appropriation of land grants. Amendments to the Constitution, approved by voters in 1999, were related to the investment of the PUF and the distributions from the PUF to the AUF. The Constitution, as amended, is summarized as follows: (i) The U. T. System Board of Regents is held to a "prudent investor" rather than a "prudent person" standard; (ii) distributions to the AUF are made from the total return on all PUF investment assets; (iii) the U. T. System Board of Regents determines the amount of distributions to the AUF, which may not exceed an amount equal to 7% of the average net fair value of investment assets, except as necessary to pay debt service on PUF bonds and notes; (iv) the U. T. System Board of Regents determines the amount of distributions to the AUF in a manner intended to provide the AUF with a stable and predictable stream of annual distributions and to maintain, over time, the purchasing power of PUF investments and annual distributions to the AUF; and (v) the expenses of managing PUF land and investments are paid by the PUF.

The U. T. System Board of Regents manages certain permanent funds for health-related institutions of higher education as more fully described in Chapter 63 of the Texas Education Code. Certain funds created by this statute were transferred to the U. T. System Board of Regents on August 30, 1999, to be managed and invested in the same manner as the U. T. System Board of Regents manages and invests other endowment funds. The PHF as defined in the statute is classified as Endowment and Similar Funds – State. These endowments provide support for programs that benefit medical research, health education or treatment at health-related institutions. The U. T. System Board of Regents determines the amount of distributions to support the programs on an annual basis.

The annual payout of the PHF is determined by the U. T. System Board of Regents. The annual payout is typically adjusted by the average consumer price index of the previous twelve quarters provided that the distribution rate remains within a range of 3.5% to 5.5% of the PHF's net position; however, the U. T. System Board of Regents may approve distribution amount above, within, or below this range.

The General Endowment Fund (GEF), created March 1, 2001, is a pooled fund established for the collective investment of long-term funds under the control and management of the U. T. System Board of Regents. The GEF is organized as a pooled investment and has two participants, the PHF and the LTF. The PHF and LTF initially purchased units of the GEF on March 1, 2001, in exchange for the contribution of their investment assets. The GEF provides for greater diversification of investments than would be possible if each account were managed separately. The annual payout of the LTF is also determined by the U. T. System Board of Regents. The annual payout is typically adjusted by the average consumer price index of the previous twelve quarters provided that the distribution rate remains within a range of 3.5% to 5.5% of the LTF's net position; however, the U. T. System Board of Regents may approve distribution amount above, within, or below this range.

ENDOWMENT AND SIMILAR FUNDS - OTHER THAN STATE

The funds are subject to restrictions of endowment and trust instruments, requiring that the principal be maintained and that only the income be utilized. Funds may include Permanent Endowments, Term Endowments and Funds Functioning as Endowments. Funds Functioning as Endowments consist of amounts that have been internally dedicated by the System for long-term investment purposes. Funds with external donor restrictions are classified as Funds Functioning as Endowments – Restricted. If no external restriction exists, the funds are classified as Funds Functioning as Endowments – Unrestricted. Endowment holdings may be invested in the LTF, or may be separately invested based upon the following three factors: (i) there are investment restrictions incorporated into the trust or endowment document; (ii) the inability to sell the gifted investment asset; or (iii) they are holdings being migrated upon liquidation into the LTF. Distributions are based upon the actual income received from the separately invested holdings.

AVAILABLE UNIVERSITY FUND

The AUF consists of distributions made to it from the total return on the PUF investment assets and surface income from PUF lands. All surface income from the PUF lands (i.e., grazing leases and land easements) is deposited to the AUF. The AUF must be used first to pay debt service on the PUF bonds and notes. After debt service requirements are met, the AUF may be appropriated for the support and maintenance of U. T. Austin and U. T. System Administration.

9. Capital Assets

A summary of changes in the capital assets for the year ended August 31, 2020, is presented below.

	Balance 09/01/19	Adjustments	Reclassifications Completed CIP
Nondepreciable Assets:			
Land and Land Improvements	$ 937,955,452.98	-	-
Construction in Progress (CIP)	1,525,954,050.32	-	(1,079,468,776.33)
Nondepreciable Collections	680,564,337.05	-	185,014.31
Nonamortizable Intangible Assets	22,125,707.73	-	410,550.04
Total Nondepreciable/Nonamortizable Assets	3,166,599,548.08	-	(1,078,873,211.98)
Depreciable Assets:			
Buildings and Building Improvements	21,749,990,217.07	-	915,787,531.28
Infrastructure	722,056,604.90	-	8,699,700.01
Facilities and Other Improvements	1,175,595,682.61	-	60,199,449.59
Furniture and Equipment	4,565,596,799.23	-	15,653,333.58
Vehicles, Boats and Aircraft	93,185,265.46	-	-
Other Depreciable Assets (including Library Books)	864,438,957.98	-	54,658,583.68
Total Depreciable Assets at Historical Cost	29,170,863,527.25	-	1,054,998,598.14
Less Accumulated Depreciation for:			
Buildings and Building Improvements	(10,470,366,605.00)	-	-
Infrastructure	(260,172,482.08)	-	-
Facilities and Other Improvements	(546,864,466.83)	-	-
Furniture and Equipment	(3,120,011,673.74)	-	-
Vehicles, Boats and Aircraft	(71,564,552.96)	-	-
Other Depreciable Assets (including Library Books)	(594,902,222.88)	-	-
Total Accumulated Depreciation	(15,063,882,003.49)	-	-
Depreciable Assets, net	14,106,981,523.76	-	1,054,998,598.14
Amortizable Intangible Assets:			
Computer Software	1,291,780,938.50	-	23,874,613.84
Other Intangibles	700,000.00	-	-
Total Amortizable Intangible Assets	1,292,480,938.50	-	23,874,613.84
Less Accumulated Amortization for:			
Computer Software	(1,025,436,526.63)	-	-
Other Intangibles	-	-	-
Total Accumulated Amortization	(1,025,436,526.63)	-	-
Intangible Capital Assets, net	267,044,411.87	-	23,874,613.84
Capital Assets, net	$ 17,540,625,483.71	-	-

Reclassifications Interagency Transfers - In	Reclassifications Interagency Transfers - Out	Additions	Deletions	Balance 08/31/20
-	-	11,799,699.70	-	949,755,152.68
-	-	1,144,617,597.00	(2,508,316.72)	1,588,594,554.27
-	-	14,217,595.83	(23,759.94)	694,943,187.25
-	-	-	-	22,536,257.77
-	-	1,170,634,892.53	(2,532,076.66)	3,255,829,151.97
-	-	126,082,569.61	(3,649,032.47)	22,788,211,285.49
-	-	831,237.85	-	731,587,542.76
-	-	1,960,565.40	(1,637,183.42)	1,236,118,514.18
-	(514,411.27)	486,908,318.97	(178,289,067.85)	4,889,354,972.66
42,487.48	-	14,510,580.96	(8,641,150.11)	99,097,183.79
-	-	53,107,222.00	(12,227,832.11)	959,976,931.55
42,487.48	(514,411.27)	683,400,494.79	(204,444,265.96)	30,704,346,430.43
-	-	(929,361,493.01)	1,711,478.01	(11,398,016,620.00)
-	-	(28,072,206.89)	-	(288,244,688.97)
-	-	(56,786,413.48)	738,193.14	(602,912,687.17)
-	430,700.50	(414,527,309.11)	143,268,271.70	(3,390,840,010.65)
(42,487.48)	-	(7,217,811.99)	8,439,608.86	(70,385,243.57)
-	-	(39,970,003.10)	10,998,641.02	(623,873,584.96)
(42,487.48)	430,700.50	(1,475,935,237.58)	165,156,192.73	(16,374,272,835.32)
-	(83,710.77)	(792,534,742.79)	(39,288,073.23)	14,330,073,595.11
-	-	32,545,119.75	(48,401,966.96)	1,299,798,705.13
-	-	-	-	700,000.00
-	-	32,545,119.75	(48,401,966.96)	1,300,498,705.13
-	-	(95,276,623.53)	47,421,031.59	(1,073,292,118.57)
-	-	(140,000.00)	-	(140,000.00)
-	-	(95,416,623.53)	47,421,031.59	(1,073,432,118.57)
-	-	(62,871,503.78)	(980,935.37)	227,066,586.56
-	(83,710.77)	315,228,645.96	(42,801,085.26)	17,812,969,333.64

A summary of changes in the capital assets for the year ended August 31, 2019, is presented below and includes adjustments made for GASB Statement No. 84. See Note 4 for further details on the restatement.

	Balance 09/01/18	Adjustments	Reclassifications Completed CIP
Nondepreciable Assets:			
Land and Land Improvements	$ 914,961,493.61	-	-
Construction in Progress (CIP)	1,405,106,614.99	-	(1,075,970,913.93)
Nondepreciable Collections	624,852,810.76	-	1,497,298.37
Nonamortizable Intangible Assets	20,830,789.73	-	1,294,918.00
Total Nondepreciable/Nonamortizable Assets	2,965,751,709.09	-	(1,073,178,697.56)
Depreciable Assets:			
Buildings and Building Improvements	20,540,930,285.33	-	904,457,742.39
Infrastructure	712,952,044.99	-	8,121,213.89
Facilities and Other Improvements	1,150,165,461.26	-	46,925,782.14
Furniture and Equipment	4,189,266,317.10	-	17,668,037.52
Vehicles, Boats and Aircraft	89,058,541.30	-	237,516.90
Other Depreciable Assets (including Library Books)	820,361,329.28	-	1,304,351.50
Total Depreciable Assets at Historical Cost	27,502,733,979.26	-	978,714,644.34
Less Accumulated Depreciation for:			
Buildings and Building Improvements	(9,559,458,289.22)	-	-
Infrastructure	(232,428,275.63)	-	-
Facilities and Other Improvements	(531,550,562.15)	-	-
Furniture and Equipment	(2,908,536,764.73)	-	-
Vehicles, Boats and Aircraft	(68,168,885.03)	-	-
Other Depreciable Assets (including Library Books)	(558,960,790.54)	-	-
Total Accumulated Depreciation	(13,859,103,567.30)	-	-
Depreciable Assets, net	13,643,630,411.96	-	978,714,644.34
Amortizable Intangible Assets:			
Computer Software	1,220,272,163.84	-	94,464,053.22
Other Intangibles	-	-	-
Total Amortizable Intangible Assets	1,220,272,163.84	-	94,464,053.22
Less Accumulated Amortization for:			
Computer Software	(940,368,889.68)	-	-
Total Accumulated Amortization	(940,368,889.68)	-	-
Intangible Capital Assets, net	279,903,274.16	-	94,464,053.22
Capital Assets, net	$ 16,889,285,395.21	-	-

Reclassifications Interagency Transfers - In	Reclassifications Interagency Transfers - Out	Additions	Deletions	Balance 08/31/19
-	-	23,756,295.38	(762,336.01)	937,955,452.98
-	-	1,223,399,264.83	(26,580,915.57)	1,525,954,050.32
-	-	57,912,063.79	(3,697,835.87)	680,564,337.05
-	-	-	-	22,125,707.73
-	-	1,305,067,624.00	(31,041,087.45)	3,166,599,548.08
-	-	313,387,352.88	(8,785,163.53)	21,749,990,217.07
-	-	983,346.02	-	722,056,604.90
-	-	19,556,661.66	(41,052,222.45)	1,175,595,682.61
336,890.92	(85,421.32)	550,295,297.23	(191,884,322.22)	4,565,596,799.23
-	-	7,268,130.01	(3,378,922.75)	93,185,265.46
-	-	44,934,240.36	(2,160,963.16)	864,438,957.98
336,890.92	(85,421.32)	936,425,028.16	(247,261,594.11)	29,170,863,527.25
-	-	(915,547,294.28)	4,638,978.50	(10,470,366,605.00)
-	-	(27,744,206.45)	-	(260,172,482.08)
-	-	(56,317,683.12)	41,003,778.44	(546,864,466.83)
(305,494.07)	72,078.10	(371,663,366.19)	160,421,873.15	(3,120,011,673.74)
-	-	(6,367,371.01)	2,971,703.08	(71,564,552.96)
-	-	(38,102,395.50)	2,160,963.16	(594,902,222.88)
(305,494.07)	72,078.10	(1,415,742,316.55)	211,197,296.33	(15,063,882,003.49)
31,396.85	(13,343.22)	(479,317,288.39)	(36,064,297.78)	14,106,981,523.76
-	-	20,215,288.14	(43,170,566.70)	1,291,780,938.50
-	-	700,000.00	-	700,000.00
-	-	20,915,288.14	(43,170,566.70)	1,292,480,938.50
-	-	(119,976,769.68)	34,909,132.73	(1,025,436,526.63)
-	-	(119,976,769.68)	34,909,132.73	(1,025,436,526.63)
-	-	(99,061,481.54)	(8,261,433.97)	267,044,411.87
31,396.85	(13,343.22)	726,688,854.07	(75,366,819.20)	17,540,625,483.71

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and Insurance Recoveries*, requires the disclosure of impairment losses and associated insurance recoveries. On July 25, 2020, U. T. Rio Grande Valley suffered damage to buildings, facilities and improvements and equipment as a result of Hurricane *Hanna*, which resulted in an impairment of capital assets for the year ended August 31, 2020.

U. T. RIO GRANDE VALLEY		2020
OPERATING IMPAIRMENT LOSSES – CAPITAL ASSETS		
Impairment Losses – Capital Assets	$	(1,565,374.39)
Net Losses – Capital Assets	$	(1,565,374.39)

U. T. System Administration made the decision to discontinue the Institute for Transformational Learning resulting in the impairment of the technology platform that had been created for competency-based education for the year ended August 31, 2019:

U. T. SYSTEM ADMINISTRATION		2019
OPERATING IMPAIRMENT LOSSES – CAPITAL ASSETS		
Impairment Losses – Capital Assets	$	(8,114,384.66)
Net Losses – Capital Assets	$	(8,114,384.66)

U. T. System Administration made the decision to impair Project Diabetes Obesity Control which was being developed to collect data and use IBM Watson artificial intelligence to offer care advice for the year ended August 31, 2019:

U. T. SYSTEM ADMINISTRATION		2019
OPERATING IMPAIRMENT LOSSES – CAPITAL ASSETS		
Impairment Losses – Capital Assets	$	(17,725,619.00)
Net Losses – Capital Assets	$	(17,725,619.00)

U. T. Austin made the decision to abandon the implementation of Workday for financials which resulted in the following impairment losses for the year ended August 31, 2019:

U. T. AUSTIN		2019
OPERATING IMPAIRMENT LOSSES – CAPITAL ASSETS		
Impairment Losses – Capital Assets	$	(7,955,731.97)
Net Losses – Capital Assets	$	(7,955,731.97)

U. T. Austin's Marine Science Institute in Port Aransas suffered extensive physical damage as a result of Hurricane *Harvey,* which resulted in the following residual impairment losses and insurance recoveries for the years ended August 31, 2020 and 2019:

U. T. AUSTIN		2020
OTHER NONOPERATING (REVENUE) EXPENSE		
Insurance Recoveries for Other than Capital Assets – Current Year Losses	$	346,574.00
Net Losses – Other than Capital Assets	$	346,574.00

U. T. AUSTIN		2019
OPERATING IMPAIRMENT LOSSES – CAPITAL ASSETS		
Impairment Losses – Capital Assets	$	(11,896.25)
Net Losses – Capital Assets	$	(11,896.25)
OTHER NONOPERATING (REVENUE) EXPENSE		
Insurance Recoveries for Other than Capital Assets – Current Year Losses	$	5,136,753.36
Net Losses – Other than Capital Assets	$	5,136,753.36

GASB Statement No. 83, *Certain Asset Retirement Obligations*, requires the disclosure of asset retirement obligations resulting from Texas Administrative Code, Title 25, Part 1, Chapter 289. Subchapter F, Rule 289.252, Licensing of Radioactive Material. The liabilities were measured using best estimates of current values of outlays expected. The Texas Administrative Code, Title 25, Part 1, Chapter 289. Subchapter F, Rule 289.252 (gg)(6)(D) exempts State licenses from providing financial assurances and no assets have been restricted for payment of the liability.

The Asset Retirement Obligation for the year ended August 31, 2020, is presented below (remaining life of the corresponding Deferred Outflows in months):

Asset Retirement Obligation		**Amount**	**Life**
Broadscope	$	8,078,863.05	0-77 months
Cyclotron		10,110,079.37	0-6 months
Gamma Knife		2,346,043.25	0-4 months
Proton Therapy		1,289,962.50	0 months
Gamma Pod		334,752.80	48 months
Irradiator		255,485.56	3 months
Nuclear Engineering Teaching Lab		3,894,000.00	3 months
Total	$	26,309,186.53	

The Asset Retirement Obligation for the year ended August 31, 2019, is presented below:

Asset Retirement Obligation		**Amount**	**Life**
Broadscope	$	8,078,863.05	0-89 months
Cyclotron		10,110,079.37	0-18 months
Gamma Knife		2,346,043.25	0-16 months
Proton Therapy		1,289,962.50	12 months
Gamma Pod		334,752.80	60 months
Irradiator		255,485.56	15 months
Nuclear Engineering Teaching Lab		3,894,000.00	15 months
Total	$	26,309,186.53	

10. Short-Term Debt

The System had RFS Commercial Paper Notes and PUF Commercial Paper Notes outstanding at August 31, 2020 and 2019. The notes are issued to provide interim financing for capital improvements and to finance equipment purchases. While the interest is payable on these notes in periodic installments not to exceed 270 days, they are generally intended to be refinanced with long-term debt. Short-term debt activity for the year ended August 31, 2020, is summarized below:

	Balance 09/01/19	Additions	Reductions	Balance 8/31/20
Commercial Paper Notes:				
Permanent University Fund CP Notes	$ 690,000,000.00	260,000,000.00	90,000,000.00	860,000,000.00
Revenue Financing System CP Notes	800,522,000.00	550,410,000.00	797,234,000.00	553,698,000.00
Total Commercial Paper Notes	$ 1,490,522,000.00	810,410,000.00	887,234,000.00	1,413,698,000.00

Short-term debt activity for the year ended August 31, 2019, is summarized below:

	Balance 09/01/18	Additions	Reductions	Balance 8/31/19
Commercial Paper Notes:				
Permanent University Fund CP Notes	$ 455,000,000.00	295,000,000.00	60,000,000.00	690,000,000.00
Revenue Financing System CP Notes	730,868,000.00	720,132,000.00	650,478,000.00	800,522,000.00
Total Commercial Paper Notes	$ 1,185,868,000.00	1,015,132,000.00	710,478,000.00	1,490,522,000.00

General information related to the commercial paper notes at August 31, 2020, is summarized as follows:

- Note or loan payable issue name: Permanent University Fund Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B
  Purpose: To provide interim financing for capital improvements and to finance capital equipment purchases
  Issue Date: September 1, 2019 through August 31, 2020
  Authorized Amount: Aggregate principal amount not to exceed $1.25 billion
  Source of revenue for debt service: Available University Fund
  Terms: Interest payable in periodic installments not to exceed 270 days at interest rates established by the System's commercial paper dealers

- Note or loan payable issue name: Revenue Financing System (RFS) Commercial Paper Notes, Series A and Taxable Commercial Paper Notes, Series B
  Purpose: To provide interim financing for capital improvements and to finance capital equipment purchases
  Issue Date: September 1, 2019 through August 31, 2020
  Authorized Amount: Aggregate principal amount not to exceed $1.25 billion
  Source of revenue for debt service: All pledged revenues, subject to the provisions of the Prior Encumbered Obligations, collectively: (a) the pledged tuition fee; (b) the pledged General Fee; and (c) any or all of the revenues, funds, and balances lawfully available to the U. T. System Board of Regents and derived from and attributable to any Member of the Revenue Financing System, which are lawfully available to the U. T. System Board of Regents for payments on parity debt.
  Terms: Interest payable in periodic installments not to exceed 270 days at interest rates established by the System's commercial paper dealers

11. Leases

OPERATING LEASES

The System has entered into various operating leases for buildings, equipment, vehicles and land. Rental expenses for operating leases were $173,783,403.38 in 2020 and $140,038,470.01 in 2019. Contingent rental expense for the years ending August 31, 2020 and 2019 was $937,081.80 and $1,138,995.49, respectively. Future minimum lease rental payments under noncancelable operating leases having an initial term in excess of one year as of August 31, 2020, were as follows:

Fiscal Year		Lease Payments
2021	$	116,612,042.29
2022		93,468,824.63
2023		74,896,270.34
2024		61,844,291.02
2025		52,379,747.31
2026 – 2030		165,278,128.22
2031 – 2035		19,982,194.89
2036 – 2040		14,972,186.10
2041 – 2045		16,311,256.35
2046 – 2050		17,782,213.64
2051 and beyond		9,395,324.84
Total Minimum Future Payments	$	642,922,479.63

The System has also leased buildings, land, and other capital assets to outside parties under various operating leases. The cost, carrying value and accumulated depreciation of these leased assets as of August 31, 2020 and 2019 were as follows:

Assets Leased		2020	2019
Buildings:			
Cost	$	240,581,862.29	253,877,983.25
Less: Accumulated Depreciation		(87,787,124.21)	(78,321,572.52)
Carrying Value of Buildings		152,794,738.08	175,556,410.73
Land		26,424,358.00	19,397,677.03
Total Carrying Value	$	179,219,096.08	194,954,087.76

The System reported no contingent rental income in 2020 and $458,792.66 contingent rental income in 2019. Rental income from operating leases was $36,683,624.27 in 2020 and $34,346,629.16 in 2019. Future minimum lease rental income under noncancelable operating leases as of August 31, 2020, was as follows:

Fiscal Year		Lease Income
2021	$	33,882,172.99
2022		28,540,712.07
2023		24,824,034.35
2024		20,178,785.43
2025		17,297,387.58
2026 and beyond		737,724,868.14
Total	$	862,447,960.56

CAPITAL LEASES

Certain leases to finance the purchase of property are capitalized at the present value of future minimum lease payments. The original capitalized cost of all such property under capital lease as of August 31, 2020 and 2019 is as follows:

Assets Under Capital Lease		2020	2019
Furniture and Equipment	$	146,166.88	146,166.88
Less: Accumulated Depreciation		(55,186.46)	(36,329.27)
Buildings		167,873,387.57	148,943,119.02
Less: Accumulated Depreciation		(20,297,292.63)	(9,102,079.50)
Total	$	147,667,075.36	139,950,877.13

Capital lease obligations are due in annual installments through 2034. The following is a schedule of the future minimum lease payments for leased property at August 31, 2020.

Fiscal Year		Principal	Interest	Total
2021	$	5,121,246.81	6,974,128.34	12,095,375.15
2022		7,341,975.43	6,710,622.39	14,052,597.82
2023		9,439,345.78	6,359,596.73	15,798,942.51
2024		10,602,122.67	5,931,629.11	16,533,751.78
2025		11,316,750.12	5,469,958.33	16,786,708.45
2026 – 2030		68,575,002.61	19,290,924.79	87,865,927.40
2031 – 2035		54,746,223.93	3,833,946.48	58,580,170.41
Total Minimum Lease Payments	$	167,142,667.35	54,570,806.17	221,713,473.52

12. Summary of Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2020, is summarized as follows:

	Balance 09/01/19	Additions	Reductions	Balance 08/31/20	Amounts due within one year
Bonds Payable:					
Permanent University Fund	$ 2,416,760,000.00	-	53,570,000.00	2,363,190,000.00	395,175,000.00
Revenue Financing System	6,424,415,000.00	749,450,000.00	428,410,000.00	6,745,455,000.00	1,292,310,000.00
Subtotal Bonds Payable – Par	8,841,175,000.00	749,450,000.00	481,980,000.00	9,108,645,000.00	1,687,485,000.00
Unamortized Net Premiums	659,264,013.90	163,618,149.30	89,948,001.73	732,934,161.47	89,662,961.98
Total Bonds Payable	9,500,439,013.90	913,068,149.30	571,928,001.73	9,841,579,161.47	1,777,147,961.98
Notes, Loans and Leases Payable:					
Notes and Loans Payable	19,000,000.00	-	-	19,000,000.00	19,000,000.00
Notes from Direct Borrowings	4,958,180.52	416,678.23	2,938,599.04	2,436,259.71	1,668,276.59
Lease Obligations	152,920,858.31	18,930,268.55	4,708,459.51	167,142,667.35	5,121,246.81
Total Notes, Loans and Leases Payable	176,879,038.83	19,346,946.78	7,647,058.55	188,578,927.06	25,789,523.40
Total OPEB Liability	10,355,785,546.00	1,434,272,351	241,312,017	11,548,745,880.00	204,857,443.00
Net Pension Liability	4,919,537,167.00	-	402,066,852.00	4,517,470,315.00	-
Hedging Derivative Liability	325,363,093.00	87,712,057.00	-	413,075,150.00	-
Employee Compensable Leave	672,550,484.53	419,048,694.05	331,359,758.90	760,239,419.68	425,645,325.42
Incurred But Not Reported Self-Insurance Claims	168,418,992.00	1,317,150,635.86	1,323,011,516.05	162,558,111.81	134,652,727.14
Asset Retirement Obligation	26,309,186.53	-	-	26,309,186.53	-
Total	$ 26,145,282,521.79	4,190,598,833.99	2,877,325,204.23	27,458,556,151.55	2,568,092,980.94

Long-term liability activity for the year ended August 31, 2019, is summarized as follows:

	Balance 09/01/18	Additions	Reductions	Balance 08/31/19	Amounts due within one year
Bonds Payable:					
Permanent University Fund	$ 2,467,895,000.00	-	51,135,000.00	2,416,760,000.00	399,260,000.00
Revenue Financing System	6,484,265,000.00	639,150,000.00	699,000,000.00	6,424,415,000.00	1,303,925,000.00
Subtotal Bonds Payable – Par	8,952,160,000.00	639,150,000.00	750,135,000.00	8,841,175,000.00	1,703,185,000.00
Unamortized Net Premiums	545,810,032.54	210,114,187.40	96,660,206.04	659,264,013.90	86,305,557.87
Total Bonds Payable	9,497,970,032.54	849,264,187.40	846,795,206.04	9,500,439,013.90	1,789,490,557.87
Notes, Loans and Leases Payable:					
Notes and Loans Payable	19,000,000.00	-	-	19,000,000.00	-
Notes from Direct Borrowings	7,295,156.61	1,502,455.11	3,839,431.20	4,958,180.52	3,026,953.67
Lease Obligations	92,552.57	153,793,760.90	965,455.16	152,920,858.31	3,551,022.24
Total Notes, Loans and Leases Payable	26,387,709.18	155,296,216.01	4,804,886.36	176,879,038.83	6,577,975.91
Total OPEB Liability	10,717,111,345.00	1,221,531,048.00	1,582,856,847.00	10,355,785,546.00	230,593,877.00
Net Pension Liability	2,650,044,162.00	2,570,582,129.00	301,089,124.00	4,919,537,167.00	-
Hedging Derivative Liability	165,354,206.00	160,008,887.00	-	325,363,093.00	-
Employee Compensable Leave	640,542,364.90	341,194,893.19	309,186,773.56	672,550,484.53	428,376,654.27
Incurred But Not Reported Self-Insurance Claims	164,919,188.00	1,372,894,455.84	1,369,394,651.84	168,418,992.00	140,388,415.32
Asset Retirement Obligation	25,364,406.82	2,078,828.75	1,134,049.04	26,309,186.53	-
Total	$ 23,887,693,414.44	6,672,850,645.19	4,415,261,537.84	26,145,282,521.79	2,595,427,480.37

PROJECTED BOND DEBT SERVICE REQUIREMENTS

The principal and interest expense for the next five years and beyond are projected below for bonds issued and outstanding:

Fiscal Year	Principal	Interest	Total
2021	$ 1,687,485,000.00	347,153,556.24	2,034,638,556.24
2022	337,675,000.00	331,380,887.92	669,055,887.92
2023	336,475,000.00	314,704,483.38	651,179,483.38
2024	332,550,000.00	298,062,230.48	630,612,230.48
2025	323,720,000.00	281,678,648.08	605,398,648.08
2026 – 2030	1,377,680,000.00	1,193,238,060.32	2,570,918,060.32
2031 – 2035	1,016,774,000.00	900,737,812.32	1,917,511,812.32
2036 – 2040	1,014,766,000.00	671,435,397.00	1,686,201,397.00
2041 – 2045	827,035,000.00	454,911,419.54	1,281,946,419.54
2046 – 2050	1,854,485,000.00	169,654,702.78	2,024,139,702.78
Total Requirements	$ 9,108,645,000.00	4,962,957,198.06	14,071,602,198.06

The System's variable rate demand bonds mature at various dates through August 1, 2045. Outstanding principal balances on variable rate demand bonds may be classified as non-current liabilities if the issuer has entered into a "take-out agreement" to convert bonds "put" but not resold into some other form of long-term obligation. In the absence of such an agreement, the total outstanding principal balances for these bonds are required to be classified as current liabilities. Although it is the System's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the System does not have "take-out" agreements in place. Accordingly, the System has classified the total outstanding principal balances on its variable rate demand bonds as current liabilities. The obligations totaled $1,349,140,000.00 and $1,376,205,000.00 at August 31, 2020 and 2019, respectively.

Total interest expense for the years ended August 31, 2020 and 2019 was $416,436,678.69 and $417,812,494.80, respectively. GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, early implemented in 2019, discontinued the capitalization of interest costs during construction. Interest expense was reduced by $81,660,225.06 and $83,022,144.52 for the amortization of premiums, deferred gains and losses on refundings, and interest rate lock termination payments for the years ended August 31, 2020 and 2019, respectively. The remaining amounts of $334,776,453.63 in 2020 and $334,790,350.28 in 2019 were reported as interest expense.

PLEDGED FUTURE REVENUES

The following table provides the pledged future revenue information for the System's bonds:

		2020	2019
Pledged Revenue Required for Future Principal and Interest on Existing Bonds	$	14,071,602,198.06	13,696,645,891.05
Term of Commitment Year Ending 8/31		2050	2049
Percentage of Revenue Pledged		92.4%	91.7%
Current Year Pledged Revenue	$	12,997,300,061.74	12,556,776,249.83
Current Year Principal and Interest Paid	$	746,245,896.04	746,533,594.09

Notes and loans payable obligations are due in annual installments through 2021. General information related to notes and loans payable at August 31, 2020, which in substance are not bonds, is summarized as follows:

Fiscal Year		Principal	Interest	Total
2021	$	19,000,000.00	477,628.33	19,477,628.33
Total Requirements	$	19,000,000.00	477,628.33	19,477,628.33

General information related to notes and loans payable at August 31, 2020, is summarized as follows:

- Note or Loan Payable issue name: JP Morgan Private Bank, Client Services
  Purpose: To provide financing for the construction of the Moncrief Cancer Center building
  Component Unit: U. T. Southwestern Medical Center's Blended Component Unit
  Issue Date: August 8, 2011, Renewed on August 28, 2019
  Authorized Amount: $19,000,000
  Source of revenue for debt service: Assets of Luther King Capital Management
  Terms: Fixed rate of 2.49% Per Annum. Interest is paid monthly. Renewal on August 31, 2021

DIRECT BORROWINGS

Certain direct borrowings to finance the purchase of property are capitalized at the present value of future minimum direct borrowing payments. The original capitalized cost of all such property financed with direct borrowings as of August 31, 2020 and 2019 is as follows:

Assets - Direct Borrowings		2020	2019
Furniture and Equipment	$	13,708,152.18	16,177,785.99
Less: Accumulated Depreciation		(11,125,700.97)	(9,710,956.83)
Nondepreciable Collections		808,024.43	2,239,046.40
Total	$	3,390,475.64	8,705,875.56

Direct borrowing obligations are due in annual installments through 2024. The following is a schedule of the future minimum payments for direct borrowings at August 31, 2020.

Fiscal Year		Principal	Interest	Total
2021	$	1,668,276.59	57,147.72	1,725,424.31
2022		636,939.52	28,314.76	665,254.28
2023		129,809.69	12,830.89	142,640.58
2024		1,233.91	1.88	1,235.79
Total Minimum Payments	$	2,436,259.71	98,295.25	2,534,554.96

POLLUTION REMEDIATION OBLIGATION

The University of Texas System Administration purchased contaminated land with plans to remediate. The estimated outlays for the pollution remediation are $3,500,000.00 using the expected cash flow technique. These pollution remediation outlays qualify for capitalization and $2,733,125.28 and $941,177.12 were capitalized through August 31, 2020 and 2019 respectively. The purchase price of $213,584,352.24 and total expected outlays did not exceed the fair market value of the uncontaminated property of $232,290,000.00, and as such, no pollution remediation liability was established.

EMPLOYEES' COMPENSABLE LEAVE

Substantially all full-time System employees earn annual leave from eight to twenty-one hours per month depending upon the respective employee's years of State employment. State law permits employees to carry 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. Eligible part-time employees' annual leave accrual rate and maximum carryover are proportional to the number of hours appointed to work. Employees with at least six months of continuous State service who terminate their employment are entitled to payment for all accumulated annual leave. Both an expense and a liability are recorded as the benefits accrue to employees. 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 personal or family illness or to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid to an employee's estate is one-half of the employee's accumulated sick leave or 336 hours, whichever is less. The System's policy is to recognize the cost of sick leave when paid, and the liability is not shown in the consolidated financial statements since experience indicates the expense for sick leave to be minimal. Eligible part-time employees' sick leave accrual rate is proportional to the number of hours appointed to work. This obligation is usually paid from the same funding source(s) as the employee's salary or wage compensation.

13. Bonded Indebtedness

At August 31, 2020 and 2019, the System had outstanding bonds payable of $9,108,645,000.00 and $8,841,175,000.00, respectively. Permanent University Fund bonds are secured by and payable from the System's interest in the Available University Fund, which consists of distributions from the investment income of the Permanent University Fund. Revenue Financing System debt is secured by and payable from Pledged Revenues as defined in the Master Resolution establishing the Revenue Financing System. Pledged Revenues consist of all lawfully available revenues, funds and balances, with certain exceptions, pledged to secure revenue-supported indebtedness issued under the Master Resolution.

Bonded Indebtedness	Interest Rates	Maturity Dates		Outstanding Principal
Permanent University Fund	0.06%-5.262%	2021-2047	$	2,363,190,000
Revenue Financing System	0.06%-5.375%	2021-2050		6,745,455,000

As of August 31, 2020, the following amounts were authorized, but unissued: Permanent University Fund bonds up to a maximum aggregate amount of $750 million and Revenue Financing System bonds up to a maximum aggregate amount of $850 million, each authorized to be issued on or before August 31, 2021. All bonds issued by the System are defined as revenue bonds. Segment information requirements are not applicable, due to the bond indentures' lack of specifically identifiable activities and external party imposed separate accounting requirements. General information related to bonds outstanding as of August 31, 2020, is summarized in the following table.

Bond Series	Purpose	Issue Date	Amount Issued
Permanent University Fund:			
Refunding Bonds Series 2006B	To refund $85,545,000 principal amount of Permanent University Fund Bonds, Series 2002B, maturing on July 1 in the years 2020 through 2022, both inclusive; to refund $172,985,000 principal amount of Permanent University Fund Bonds, Series 2004B, maturing on July 1 in the years 2023, 2026 and 2028 through 2030, both inclusive; to refund $51,905,000 principal amount of Permanent University Fund Bonds, Series 2005B, maturing on July 1 in the year 2035	January 24, 2007	$284,065,000
Taxable Bonds Series 2009A	To refund $250,000,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	September 17, 2009	250,000,000
Bonds Series 2014A	To refund $252,500,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	February 10, 2014	240,340,000
Bonds Series 2014B	To refund $17,240,000 principal amount of Permanent University Fund Bonds, Series 2004A, maturing on July 1 in the years 2015 and 2016; and to refund $223,535,000 principal amount of Permanent University Fund Bonds, Series 2004B, maturing on July 1 in the years 2024, 2025, 2027 and 2033	April 2, 2014	221,580,000
Refunding Bonds Series 2015A	To refund $50,390,000 principal amount of Permanent University Fund Refunding Bonds, Series 2005A, maturing on July 1 in the years 2016 through 2019, both inclusive; to refund $72,720,000 principal amount of Permanent University Fund Bonds, Series 2005B, maturing on July 1 in the years 2018, 2019, 2034 and 2035; and to refund $87,485,000 principal amount of Permanent University Fund Bonds, Series 2006C, maturing on July 1 in the years 2017 through 2035, both inclusive	April 2, 2015	197,970,000
Bonds Series 2015B	To refund $252,500,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	August 25, 2015	220,565,000
Bonds Taxable Series 2015C	To refund $125,500,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	December 9, 2015	126,020,000
Bonds Series 2016A	To refund $137,000,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	January 5, 2016	117,270,000
Bonds Series 2016B	To refund $319,000,000 principal amount of Permanent University Fund Commercial Paper Notes, Series A	September 1, 2016	272,350,000
Taxable Bonds Series 2017A	To refund $81,000,000 principal amount of Permanent University Fund Commercial Paper Notes, Series A, and to refund $220,000,000 principal amount of Permanent University Fund Taxable Commercial Paper Notes, Series B	November 14, 2017	302,640,000

Bond Series	Purpose	Issue Date	Amount Issued
Revenue Financing System:			
Refunding Bonds Series 2002A	To advance refund $54,575,000 principal amount of Revenue Financing System Bonds, Series 1999A maturing from 2010-2016 and 2020 to achieve debt service savings and pay the cost of issuance	September 27, 2002	54,430,000
Refunding Bonds Series 2002B	To advance refund $109,240,000 principal amount of Revenue Financing System Bonds, Series 1999B maturing from 2010-2017 and 2020 to achieve debt service savings and pay the cost of issuance	September 27, 2002	108,855,000
Refunding Bonds Series 2004B	To refund $310,460,000 principal amount of portions of Revenue Financing System Bonds, Series 1996B, 1998B, 1998D, 1999B and 2001B, and pay the cost of issuance	March 9, 2004	300,330,000
Refunding Bonds Series 2006C	To refund $177,835,000 principal amount of portions of Revenue Financing System Bonds, 2001C, 2003A and 2004C and pay the cost of issuance	January 4, 2007	175,115,000
Bonds Series 2010A	To refund $258,392,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of $134,369,000 and pay the cost of issuance	March 25, 2010	331,415,000
Refunding Bonds Series 2010B	To refund $393,690,000 principal amount of portions of Revenue Financing System Bonds, 2006B, 2006D and 2006F and pay the cost of issuance	April 14, 2010	385,380,000
Taxable Bonds Series 2010C	To provide new money of $600,741,596 and pay the cost of issuance	September 23, 2010	604,310,000
Taxable Bonds Series 2010D	To refund $349,415,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of $163,441,000 and pay the cost of issuance	June 30, 2010	516,245,000
Refunding Bonds Series 2012A	To refund $53,990,000 principal amount of portions of Revenue Financing System Bonds, 2003A and 2004C, to refund $186,296,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A and pay the cost of issuance	March 1, 2012	195,850,000
Bonds Series 2012B	To refund $96,542,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of $184,128,000 and pay the cost of issuance	March 21, 2012	238,135,000
Bonds Series 2014A	To refund $179,411,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of $103,148,328 and pay the cost of issuance	May 1, 2014	259,135,000
Refunding Bonds Series 2014B	To refund $261,840,000 principal amount of portions of Revenue Financing System Bonds, 2006B, 2006D and 2006F, and pay the cost of issuance	November 24, 2014	250,700,000
Bonds Taxable Series 2016A	To refund $48,494,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund $107,630,000 principal amount of Revenue Financing System Taxable Commercial Paper Notes, Series B, provide new money of $98,745,350 and pay the cost of issuance	January 14, 2016	255,825,000
Bonds Series 2016B	To refund $105,478,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, provide new money of $118,490,125 and pay the cost of issuance	January 22, 2016	206,040,000

Bond Series	Purpose	Issue Date	Amount Issued
Revenue Financing System: (continued)			
Refunding Bonds Series 2016C	To refund $87,145,000 principal amount of Revenue Financing System Bonds, Series 2008A, provide new money of $64,800,000 and pay the cost of issuance	May 10, 2016	133,240,000
Bonds Series 2016D	To provide new money of $260,000,000 and pay the cost of issuance	July 1, 2016	213,180,000
Bonds Series 2016E	To provide new money of $245,000,000 and pay the cost of issuance	August 22, 2016	196,215,000
Bonds Series 2016F	To refund $465,019,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, and pay the cost of issuance	September 1, 2016	376,030,000
Refunding Bonds Series 2016H	To refund $266,640,000 principal amount of portions of Revenue Financing System Bonds, 2006D and 2006F, and pay the cost of issuance	November 17, 2016	233,350,000
Refunding Bonds Series 2016I	To refund $202,010,000 principal amount of portions of Revenue Financing System Bonds, 2006E and 2010A, and pay the cost of issuance	November 30, 2016	184,725,000
Bonds Series 2016J	To provide new money of $352,832,000 and pay the cost of issuance	January 4, 2017	306,925,000
Bonds Taxable Series 2017A	To refund $349,000,000 principal amount of Revenue Financing System Taxable Commercial Paper Notes, Series B, and pay the cost of issuance	September 14, 2017	350,815,000
Bonds Series 2017B	To refund $87,455,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund $191,664,000 principal amount of Revenue Financing System Taxable Commercial Paper Notes, Series B, and pay the cost of issuance	October 24, 2017	265,490,000
Refunding Bonds Series 2017C	To refund $265,855,000 principal amount of portions of Revenue Financing System Bonds, 2009D, 2012A and 2012B, and pay the cost of issuance	December 7, 2017	258,465,000
Refunding Bonds Series 2019A	To refund $386,785,000 principal amount of portions of Revenue Financing System Bonds, 2009B and 2014B, and pay the cost of issuance	June 13, 2019	320,435,000
Bonds Series 2019B	To refund $449,478,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, and pay the cost of issuance	July 18, 2019	318,715,000
Bonds Series 2020A	To refund $381,590,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund $99,530,000 of Revenue Financing System Bonds, Series 2016F and pay the cost of issuance	April 14, 2020	347,580,000
Bonds Taxable Series 2020B	To refund $159,500,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund $139,412,000 principal amount of Revenue Financing System Taxable Commercial Paper Notes, Series	May 29, 2020	300,805,000
Bonds Series 2020C	To refund $98,800,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to refund $28,405,000 of Revenue Financing System Bonds, Series 2017B and pay the cost of issuance	June 16, 2020	101,065,000

DEMAND BONDS

Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, Revenue Financing System Bonds, Taxable Series 2016G, and Permanent University Fund Bonds, Series 2008A are variable rate demand bonds with an option to tender on seven days' notice. The System has entered into corresponding interest rate swap agreements to convert the System's interest rate exposure to a fixed rate. The Revenue Financing System Refunding Bonds, Series 2007B and the corresponding swap agreements extend to August 15, 2034. The Revenue Financing System Bonds, Series 2008B and the corresponding swap agreements extend to August 15, 2039. The Revenue Financing System Bonds, Taxable Series 2016G and the corresponding swap agreements extend to August 15, 2045. The Permanent University Fund Bonds, Series 2008A and the corresponding swap agreements extend to July 1, 2038. The Board of Regents is obligated to pay the purchase price of demand bonds tendered for purchase and not remarketed by using lawfully available funds. General information related to these demand bonds is summarized in the following table:

Bond Series	Purpose	Issue Date	Amount Issued
Permanent University Fund:			
Bonds Series 2008A	To refund $400,000,000 of Permanent University Fund Flexible Notes, Series A and pay costs of issuance	October 30, 2008	$ 400,905,000
Revenue Financing System:			
Refunding Bonds Series 2007B	To refund $169,015,000 of Revenue Financing System Bonds, Series 2003B and $149,860,000 of Revenue Financing System Bonds, Series 2004D, and pay costs of issuance	December 20, 2007	345,460,000
Bonds Series 2008B	To refund $461,922,000 of Revenue Financing System Commercial Paper Notes, Series A and $34,715,000 of Revenue Financing System Bonds, Series 1998B, provide $182,590,000 of new money to finance the costs of campus improvements, and pay costs of issuance	March 18, 2008	685,485,000
Bonds Taxable Series 2016G	To refund $250,000,000 principal amount of Revenue Financing System Commercial Paper Notes, Series A, and pay the cost of issuance	September 15, 2016	250,000,000

BUILD AMERICA BONDS

The American Recovery and Reinvestment Act of 2009 authorized the issuance of Build America Bonds (BABs), whereby certain issuers are authorized to issue taxable bonds and receive from the federal government a subsidy equal to 35% of the interest payments on Direct Payment BABs reduced by the applicable federal sequestration reduction rate. The System did not issue any BABs during 2020 or 2019. The System had $1,217,945,000.00 and $1,248,190,000.00 of BABs outstanding at August 31, 2020 and 2019, respectively.

EARLY EXTINGUISHMENTS IN FISCAL YEAR 2020

Revenue Financing System Bonds, Series 2020A were issued on April 14, 2020, to current refund $381,590,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to current refund $99,530,000.00 principal amount of Revenue Financing System Bonds, Series 2016F, and to pay the costs of issuance related thereof.

- Net proceeds related to the issuance were $482,952,631.45, which represents the principal amount of the 2020A Bonds of $347,580,000.00, plus an original issue premium of $136,544,008.60, less an underwriting discount of $1,171,377.15. The net proceeds were used to pay costs of issuance of $425,580.02, to deposit $99,897,016.88 with the escrow agent for the refunded bonds, to purchase $382,630,034.00 of eligible defeasance securities and to deposit $0.55 with the escrow agent for the refunded notes.
- The refunded bonds and notes are considered fully defeased and the liability for these obligations has been removed from the consolidated statement of net position.
- An accounting loss of $1,407,051.43 resulted from the transaction as the reacquisition price of $482,527,051.43 exceeded the net carrying amount of $481,120,000.00 par value.
- As a result of this refunding, the System reduced its future debt service payments by $40,686,466.87 from closing through August 15, 2050, and an economic gain from the transaction resulted in a net present value savings of $27,249,490.21 between the old and new debt service payments.

Revenue Financing System Bonds, Taxable Series 2020B were issued on May 29, 2020, to current refund $159,500,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to current refund $139,412,000.00 principal amount of Revenue Financing System Taxable Commercial Paper Notes, Series B and to pay the costs of issuance related thereof.

- Net proceeds related to the issuance were $299,615,687.67, which represents the principal amount of the 2020B Bonds of $300,805,000.00 less an underwriting discount of $1,189,312.33. The net proceeds were used to pay costs of issuance of $274,273.12, to purchase $132,306,480.00 of eligible defeasance securities and to deposit $167,034,934.55 with the escrow agent for the refunded notes.
- The refunded notes are considered fully defeased and the liability for these obligations has been removed from the consolidated statement of net position.
- An accounting loss of $429,414.55 resulted from the transaction as the reacquisition price of $299,341,414.55 exceeded the net carrying amount of $298,912,000.00 par value.

Revenue Financing System Bonds, Series 2020C were issued on June 16, 2020, to current refund $98,800,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A, to current refund $28,405,000.00 principal amount of Revenue Financing System Bonds, Series 2017B, and to pay the costs of issuance related thereof.

- Net proceeds related to the issuance were $127,865,464.36, which represents the principal amount of the 2020C Bonds of $101,065,000.00, plus an original issue premium of $27,074,140.70, less an underwriting discount of $273,676.34. The net proceeds were used to pay costs of issuance of $134,805.44, to deposit $81,415,005.92 with the escrow agent for the refunded notes, and to purchase $46,315,653.00 of eligible defeasance securities.
- The refunded bonds and notes are considered fully defeased and the liability for these obligations has been removed from the consolidated statement of net position.
- An accounting loss of $525,658.92 resulted from the transaction as the reacquisition price of $127,730,658.92 exceeded the net carrying amount of $127,205,000.00 par value.
- As a result of this refunding, the System reduced its future debt service payments by $9,853,182.44 from closing through August 15, 2043, and an economic gain from the transaction resulted in a net present value savings of $7,889,222.85 between the old and new debt service payments.

EARLY EXTINGUISHMENTS IN FISCAL YEAR 2019

Revenue Financing System Refunding Bonds, Series 2019A were issued on June 13, 2019 to current refund $330,545,000.00 principal amount of Revenue Financing System Taxable Bonds, Series 2009B, to current refund $56,240,000.00 principal amount of Revenue Financing System Bonds, Series 2014B, and to pay the costs of issuance related thereof.

- Net proceeds related to the issuance were $396,559,354.15, which represents the principal amount of the 2019A Bonds of $320,435,000.00, plus an original issue premium of $77,249,682.25, less an underwriting discount of $1,125,328.10. The net proceeds were used to pay costs of issuance of $335,448.22, to purchase $396,222,701.83 of eligible defeasance securities and to deposit $1,204.10 with the escrow agent for the refunded bonds. These escrow funds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.
- The refunded bonds are considered fully defeased and the liability for these obligations has been removed from the consolidated statement of net position.
- An accounting loss of $6,430,596.15 resulted from the transaction as the reacquisition price of $396,223,905.93 exceeded the net carrying amount of $386,785,000.00 par value, $4,662,017.63 of unamortized original issue premium, and $1,653,707.85 of unamortized loss from Revenue Financing System Bonds, Series 2014B.
- As a result of this refunding, the System reduced its future debt service payments by $94,198,456.09 from closing through August 15, 2041, and an economic gain from the transaction resulted in a net present value savings of $67,897,658.56 between the old and new debt service payments.

Revenue Financing System Bonds, Series 2019B were issued on July 18, 2019 to current refund $449,478,000.00 principal amount of Revenue Financing System Commercial Paper Notes, Series A and to pay the costs of issuance related thereof.

- Net proceeds related to the issuance were $450,577,597.16, which represents the principal amount of the 2019B Bonds of $318,715,000.00, plus an original issue premium of $132,864,505.15, less an underwriting discount of $1,001,907.99. The net proceeds were used to pay costs of issuance of $357,470.25, to purchase $450,219,810.23 of eligible defeasance securities and to deposit $316.68 with the escrow agent for the refunded notes.
- The refunded notes are considered fully defeased and the liability for these obligations has been removed from the consolidated statement of net position.
- An accounting loss of $742,126.91 resulted from the transaction as the reacquisition price of $450,220,126.91 exceeded the net carrying amount of $449,478,000.00 par value.

CASH FLOW DERIVATIVE INSTRUMENTS – HEDGING DERIVATIVE INSTRUMENT INTEREST RATE SWAPS

All interest rate swaps are valued using the fair value hierarchy of level 2. The System has calculated the fair value of the interest rate swaps using a forecast of expected discounted future net cash flows and considered the nonperformance risk of the parties. The following table outlines the terms of the System's hedging derivative instrument interest rate swap agreements in effect at August 31, 2020:

Interest Rate Swaps - by type	Hedgeable Item	Current Notional	Effective Date	Maturity Date	Terms*	Embedded Options?	Cash Paid or Received	Counterparty Credit Rating (Moody's/S&P)	Weighted Average Maturity As of 8/31/20
Pay Fixed; receive variable	PUF Bonds 2008A	$172,845,000.00	11/3/2008	7/1/2038	Pay 3.696%; receive SIFMA	No	No	Aa2/A+	13.7 yrs
	PUF Bonds 2008A	172,845,000.00	11/3/2008	7/1/2038	Pay 3.6575%; receive SIFMA	No	No	Aa3/A+	13.7 yrs
	PUF Bonds 2014A	240,340,000.00	6/30/2023	7/1/2041	Pay 0.72%; receive 80% of Fed Funds	No	No	Aa3/A+	20.3 yrs
	RFS Bonds 2007B	161,745,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa2/A+	8.2 yrs
	RFS Bonds 2007B	161,745,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa2/A+	8.2 yrs
	RFS Bonds 2008B	107,375,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	Aa2/A+	10.4 yrs
	RFS Bonds 2008B	107,375,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	A3/BBB+	10.4 yrs
	RFS Bonds 2008B	215,210,000.00	3/18/2008	8/1/2039	Pay 3.614%; receive SIFMA	No	No	Aa2/A+	9.6 yrs
	RFS Bonds 2016G	250,000,000.00	12/1/2016	8/1/2045	Pay 2.000%; receive 100% of 1M LIBOR	No	No	Aa3/A+	24.9 yrs
	RFS Bonds 2020D**	250,000,000.00	11/1/2020	8/1/2049	Pay 1.576%; receive 100% of 1M LIBOR	No	No	Aa3/A+	28.9 yrs
TOTAL		**$1,839,480,000.00**							

*London Interbank Offer Rate (LIBOR)
*Securities Industry and Financial Markets Association (SIFMA)
*USD-Federal Funds-H.15 (Fed Funds)
**RFS Taxable Bonds, Series 2020D expected to be issued prior to the effective date.

The following table outlines the terms of the System's hedging derivative instrument interest rate swap agreements in effect at August 31, 2019:

Interest Rate Swaps - by type	Hedgeable Item	Current Notional	Effective Date	Maturity Date	Terms*	Embedded Options?	Cash Paid or Received	Counterparty Credit Rating (Moody's/S&P)	Weighted Average Maturity As of 8/31/19
Pay Fixed; receive variable	PUF Bonds 2008A	$176,070,000.00	11/3/2008	7/1/2038	Pay 3.696%; receive SIFMA	No	No	Aa2/A+	14.5 yrs
	PUF Bonds 2008A	176,070,000.00	11/3/2008	7/1/2038	Pay 3.6575%; receive SIFMA	No	No	Aa3/A+	14.5 yrs
	RFS Bonds 2007B	162,470,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa2/A+	9.1 yrs
	RFS Bonds 2007B	162,470,000.00	12/20/2007	8/1/2034	Pay 3.805%; receive SIFMA	No	No	Aa2/A+	9.1 yrs
	RFS Bonds 2008B	111,180,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	Aa2/A+	11.0 yrs
	RFS Bonds 2008B	111,180,000.00	3/18/2008	8/1/2036	Pay 3.900%; receive SIFMA	No	No	A3/BBB+	11.0 yrs
	RFS Bonds 2008B	226,765,000.00	3/18/2008	8/1/2039	Pay 3.614%; receive SIFMA	No	No	Aa2/A+	10.1 yrs
	RFS Bonds 2016G	250,000,000.00	12/1/2016	8/1/2045	Pay 2.000%; receive 100% of 1M LIBOR	No	No	Aa3/A+	25.9 yrs
	RFS Bonds 2020A**	250,000,000.00	11/1/2020	8/1/2049	Pay 1.576%; receive 100% of 1M LIBOR	No	No	Aa3/A+	29.9 yrs
TOTAL		**$1,626,205,000.00**							

*London Interbank Offer Rate (LIBOR)

*Securities Industry and Financial Markets Association (SIFMA)

**RFS Taxable Bonds, Series 2020A expected to be issued prior to the effective date.

The following is the fair value of the derivative instrument agreements related to debt in effect at August 31, 2020 based on the zero-coupon method and the classification of change in fair value from the previous fiscal year:

Derivative Instruments by type	Hedgeable Item	Current Notional	Accrued Interest (through 8/31/20)	Fair Value as of 8/31/20	Fair Value as of 8/31/19	Change in Fair Value 8/31/19 - 8/31/20	Change in Fair Value Recorded as
Hedging Derivative Assets	PUF Bonds 2014A	240,340,000.00	-	414,453.00	-	414,453.00	Def Inflow
		240,340,000.00	-	414,453.00	-	414,453.00	
Hedging Derivative Liabilities	PUF Bonds 2008A	172,845,000.00	1,049,754.79	(61,832,024.00)	(54,139,201.00)	(7,692,823.00)	Def Outflow
	PUF Bonds 2008A	172,845,000.00	1,038,663.90	(61,030,797.00)	(53,319,653.00)	(7,711,144.00)	Def Outflow
	RFS Bonds 2007B	161,745,000.00	464,666.32	(40,756,136.00)	(36,641,790.00)	(4,114,346.00)	Def Outflow
	RFS Bonds 2007B	161,745,000.00	464,666.32	(40,756,136.00)	(36,641,790.00)	(4,114,346.00)	Def Outflow
	RFS Bonds 2008B	107,375,000.00	316,404.23	(32,844,045.00)	(29,572,546.00)	(3,271,499.00)	Def Outflow
	RFS Bonds 2008B	107,375,000.00	316,404.23	(32,844,045.00)	(29,572,546.00)	(3,271,499.00)	Def Outflow
	RFS Bonds 2008B	215,210,000.00	586,291.69	(55,792,651.00)	(49,801,448.00)	(5,991,203.00)	Def Outflow
	RFS Bonds 2016G	250,000,000.00	357,181.03	(52,562,720.00)	(27,522,348.00)	(25,040,372.00)	Def Outflow
	RFS Bonds 2020D	250,000,000.00	-	(34,656,596.00)	(8,151,771.00)	(26,504,825.00)	Def Outflow
		1,599,140,000.00	4,594,032.51	(413,075,150.00)	(325,363,093.00)	(87,712,057.00)	
Investment Derivatives-Asset Positions	RFS Bonds 2008B	90,270,000.00	(12,348.17)	1,869,882.00	3,835,817.00	(1,965,935.00)	Decr. in Fair Value of Inv
	RFS Bonds 2008B	92,045,000.00	(11,287.46)	670,042.00	2,027,764.00	(1,357,722.00)	Decr. in Fair Value of Inv
	RFS Bonds 2008B	117,190,000.00	(16,158.64)	2,064,266.00	4,504,893.00	(2,440,627.00)	Decr. in Fair Value of Inv
	PUF Bonds 2008A	172,845,000.00	(44,478.87)	1,131,646.00	3,899,151.00	(2,767,505.00)	Decr. in Fair Value of Inv
	PUF Bonds 2008A	169,505,000.00	-	2,238,011.00	-	2,238,011.00	Incr. in Fair Value of Inv
	RFS Bonds 2016A	-	-	-	5,267,406.00	(5,267,406.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	-	-	-	5,509,607.00	(5,509,607.00)	Decr. in Fair Value of Inv
		641,855,000.00	(84,273.14)	7,973,847.00	25,044,638.00	(17,070,791.00)	
Investment Derivatives-Liability Positions	PUF Bonds 2006B	259,325,000.00	(4,129.36)	(1,678,035.00)	(254,938.00)	(1,423,097.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(54,007.50)	(21,714,253.00)	(188,467.00)	(21,525,786.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(62,535.00)	(18,683,075.00)	-	(18,683,075.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(79,590.00)	(17,442,702.00)	-	(17,442,702.00)	Decr. in Fair Value of Inv
		1,026,800,000.00	(200,261.86)	(59,518,065.00)	(443,405.00)	(59,074,660.00)	
TOTAL		**$3,508,135,000.00**	**4,309,497.51**	**(464,204,915.00)**	**(300,761,860.00)**	**(163,443,055.00)**	

The following is the fair value of the derivative instrument agreements related to debt in effect at August 31, 2019 based on the zero-coupon method and the classification of change in fair value from the previous fiscal year:

Derivative Instruments by type	Hedgeable Item	Current Notional	Accrued Interest (through 8/31/19)	Fair Value as of 8/31/19	Fair Value as of 8/31/18	Change in Fair Value 8/31/18 - 8/31/19	Change in Fair Value Recorded as
Hedging Derivative Assets	RFS Bonds 2016G	-	-	-	37,067,661.00	(37,067,661.00)	Def Inflow
		-	-	-	37,067,661.00	(37,067,661.00)	
Hedging Derivative Liabilities	PUF Bonds 2008A	176,070,000.00	881,701.30	(54,139,201.00)	(29,316,763.00)	(24,822,438.00)	Def Outflow
	PUF Bonds 2008A	176,070,000.00	870,403.48	(53,319,653.00)	(28,528,871.00)	(24,790,782.00)	Def Outflow
	RFS Bonds 2007B	162,470,000.00	327,947.02	(36,641,790.00)	(22,122,264.00)	(14,519,526.00)	Def Outflow
	RFS Bonds 2007B	162,470,000.00	327,947.02	(36,641,790.00)	(22,122,264.00)	(14,519,526.00)	Def Outflow
	RFS Bonds 2008B	111,180,000.00	233,219.48	(29,572,546.00)	(17,618,120.00)	(11,954,426.00)	Def Outflow
	RFS Bonds 2008B	111,180,000.00	233,219.48	(29,572,546.00)	(17,618,120.00)	(11,954,426.00)	Def Outflow
	RFS Bonds 2008B	226,765,000.00	421,633.56	(49,801,448.00)	(28,027,804.00)	(21,773,644.00)	Def Outflow
	RFS Bonds 2016G	250,000,000.00	(48,624.22)	(27,522,348.00)	-	(27,522,348.00)	Def Outflow
	RFS Bonds 2020A	250,000,000.00	-	(8,151,771.00)	-	(8,151,771.00)	Def Outflow
		1,626,205,000.00	3,247,447.12	(325,363,093.00)	(165,354,206.00)	(160,008,887.00)	
Investment Derivatives - Asset Positions	RFS Bonds 2008B	90,270,000.00	(67,687.58)	3,835,817.00	8,523,952.00	(4,688,135.00)	Decr. in Fair Value of Inv
	RFS Bonds 2008B	92,045,000.00	(57,915.32)	2,027,764.00	4,454,582.00	(2,426,818.00)	Decr. in Fair Value of Inv
	RFS Bonds 2008B	117,190,000.00	(88,960.02)	4,504,893.00	9,209,001.00	(4,704,108.00)	Decr. in Fair Value of Inv
	PUF Bonds 2006B	-	-	-	1,752,222.00	(1,752,222.00)	Decr. in Fair Value of Inv
	PUF Bonds 2008A	176,070,000.00	(192,582.19)	3,899,151.00	7,843,574.00	(3,944,423.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	-	-	-	11,360,653.00	(11,360,653.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(62,535.00)	5,267,406.00	16,577,142.00	(11,309,736.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(79,590.00)	5,509,607.00	16,594,295.00	(11,084,688.00)	Decr. in Fair Value of Inv
		987,225,000.00	(549,270.11)	25,044,638.00	76,315,421.00	(51,270,783.00)	
Investment Derivatives-Liability Positions	PUF Bonds 2006B	284,065,000.00	(106,403.20)	(254,938.00)	-	(254,938.00)	Decr. in Fair Value of Inv
	RFS Bonds 2016A	255,825,000.00	(54,007.50)	(188,467.00)	-	(188,467.00)	Decr. in Fair Value of Inv
		539,890,000.00	(160,410.70)	(443,405.00)	-	(443,405.00)	
TOTAL		**$3,153,320,000.00**	**2,537,766.31**	**(300,761,860.00)**	**(51,971,124.00)**	**(248,790,736.00)**	

Derivative Instrument Objectives

Derivative Instruments by type	Hedgeable Item	Current Notional	Objective	Effective at 8/31/20	Evaluation for Effectiveness
Hedging Derivative Instruments	PUF Bonds 2008A	$172,845,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	PUF Bonds 2008A	172,845,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	PUF Bonds 2014A	240,340,000.00	Hedge changes in cash flows on Series 2014A bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	161,745,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	161,745,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	107,375,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	107,375,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	215,210,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2016G	250,000,000.00	Hedge changes in cash flows on Series 2016G bonds	Yes	Consistent Critical Terms
	RFS Bonds 2020D	250,000,000.00	Hedge changes in cash flows on Series 2020D bonds	Yes	Consistent Critical Terms
Investment Derivative Instruments	PUF Bonds 2006B	259,325,000.00	Manage changes in cash flows on Series 2006B bonds	N/A	N/A
	PUF Bonds 2008A	172,845,000.00	Manage changes in cash flows on Series 2008A bonds	N/A	N/A
	PUF Bonds 2008A	169,505,000.00	Manage changes in cash flows on Series 2008A bonds	N/A	N/A
	RFS Bonds 2008B	90,270,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2008B	92,045,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2008B	117,190,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
TOTAL		**$3,508,135,000.00**			

Derivative Instrument Objectives

Derivative Instruments by type	Hedgeable Item	Current Notional	Objective	Effective at 8/31/19	Evaluation for Effectiveness
Hedging Derivative Instruments	PUF Bonds 2008A	$176,070,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	PUF Bonds 2008A	176,070,000.00	Hedge changes in cash flows on Series 2008A bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	162,470,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2007B	162,470,000.00	Hedge changes in cash flows on Series 2007B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	111,180,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	111,180,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2008B	226,765,000.00	Hedge changes in cash flows on Series 2008B bonds	Yes	Consistent Critical Terms
	RFS Bonds 2016G	250,000,000.00	Hedge changes in cash flows on Series 2016G bonds	Yes	Consistent Critical Terms
	RFS Bonds 2020A	250,000,000.00	Hedge changes in cash flows on Series 2020A bonds	Yes	Consistent Critical Terms
Investment Derivative Instruments	PUF Bonds 2006B	284,065,000.00	Manage changes in cash flows on Series 2006B bonds	N/A	N/A
	PUF Bonds 2008A	176,070,000.00	Manage changes in cash flows on Series 2008A bonds	N/A	N/A
	RFS Bonds 2008B	90,270,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2008B	92,045,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2008B	117,190,000.00	Manage changes in cash flows on Series 2008B bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
	RFS Bonds 2016A	255,825,000.00	Manage changes in cash flows on Series 2016A bonds	N/A	N/A
TOTAL		**$3,153,320,000.00**			

The fair value of interest rate swaps reported as investment derivative instruments-asset positions of $7,973,847.00 and $25,044,638.00 as of August 31, 2020 and 2019, respectively, is included on the consolidated statement of net position as noncurrent unrestricted investments and in the summary of investments in Note 6. The fair value of interest rate swaps reported as investment derivative instruments-liability positions of $59,518,065.00 and $443,405.00 as of August 31, 2020 and 2019 is included on the consolidated statement of net position as investment derivative instruments-liability positions. The change in fair value of interest rate swaps reported as investment derivative instruments are included in the net increase (decrease) in fair value of investments on the consolidated statement of revenues, expenses and changes in net position. For the years ending August 31, 2020 and 2019, the change in fair value of interest rate swaps reported as investment derivative instruments was a decrease in the amount of $76,145,451.00 and $51,714,188.00, respectively.

Hedging Derivative Instrument and Investment Derivative Instrument Risks

Credit Risk: The System is exposed to credit risk if the counterparty to an interest rate swap fails to meet the terms and obligations of its contracts. Contracts with a positive fair value expose the System to credit risk. The System faces a maximum possible loss equivalent to the amount of the swap contract's fair value, less any collateral held by the System provided by the counterparty. Contracts with a negative fair value do not expose the System to credit risk. All of the counterparties associated with swap contracts with the System are creditworthy financial institutions. Additionally, each of the System's swap counterparties has agreed to provide collateral to the System to the extent the positive value before considering nonperformance risk of the parties exceeds certain threshold amounts. Should a counterparty fail to meet its contractual agreements, or if the System's credit rating falls below investment grade (Baa2 by Moody's or BBB by S&P), the System could be required to pay or receive a substantial termination payment. As of August 31, 2020, the System's credit ratings were Aaa by Moody's and AAA by S&P. The System does not have to post collateral due to changes in fair value of its swap agreements unless the System does not have a credit rating or the System commits a specified event of default and the event of default is continuing. As of August 31, 2020, the maximum loss due to credit risk was $7,973,847.00. It is the System's policy to require counterparty collateral posting provisions in its non-exchange-traded derivative instruments. These terms require collateralization of the aggregate value of derivative instruments in asset positions, net of the effect of applicable threshold amounts based on each counterparty's credit rating. Although collateral posted can be in the form of cash, U.S. Treasury or U.S. agency securities held directly by the System or by a third-party custodian approved by the System, collateral posted is currently only in the form of cash held directly by the System. The System has not entered into master netting arrangements.

Bankruptcy Risk: The System is exposed to bankruptcy risk of its swap counterparties. The amount of any termination the System would receive, if a termination payment is owed, would be subject to the swap counterparty's ability to make the required payment. Upon the swap counterparty's bankruptcy, the System's obligation to make payments, the timing of termination, and the valuation of the swap upon termination may be affected by relevant bankruptcy law.

Interest Rate Risk: Interest rate risk involves the risk that the value of the System's interest rate swaps will fluctuate because of changes in interest rates. The value of interest rate swap agreements with a longer weighted average maturity tend to be more sensitive to changing interest rates, and therefore, more volatile than those with shorter maturities.

Basis Risk: The System is exposed to basis risk when the variable rate received under an interest rate swap does not match the variable rate paid on hedged bonds. The interest rate on the System's variable rate bonds is a tax-exempt interest rate based on the System's credit ratings. The variable receipt on the System's interest rate swaps is based on either a tax-exempt index (SIFMA) or a taxable index (LIBOR). Tax-exempt interest rates can change without a corresponding change in taxable interest rates due to factors affecting the tax-exempt market that do not have a similar effect on the taxable market.

Index Risk: The System is exposed to risk that the method of establishing LIBOR, the Thomson Municipal Market Data (MMD) or the SIFMA index could change over time. A change in LIBOR, MMD or the SIFMA index may affect the rate that the System pays or receives on certain interest rate swaps.

LIBOR Discontinuation Risk: In addition, on July 27, 2017, the Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of LIBOR rates after 2021 (the "FCA Announcement"). A portion of the System's swaps use a LIBOR-based rate as a reference rate for determining payments to be received or payments to be made thereunder. It is not possible to predict the effect of the FCA Announcement, any changes in the methods pursuant to which LIBOR rates are determined, or any other reforms to LIBOR that may be enacted, any of which may adversely affect the determination of LIBOR rates or result in the phasing out of LIBOR as a reference rate. Any such effects could result in a sudden or prolonged increase or decrease in reported LIBOR rates or result in the replacement of LIBOR with other reference rates and could have a negative impact on the market value of the System's swaps and the payment obligations of the System thereunder.

Liquidity Risk: The System is exposed to risk that, under certain market conditions, the System may be unable to terminate, assign or novate an interest rate swap. The System may not amend, assign or novate a swap without the swap counterparty's consent. There can be no assurance that another party will be willing to accept an assignment or novation of the System's interest rate swap.

Termination Risk: Termination risk is the risk that the swap may be terminated prior to its scheduled maturity date as a result of certain specified events. None of the System's interest rate swaps are subject to automatic early termination. The System is subject to termination risk if the System's credit rating falls below investment grade (Baa2 by Moody's or BBB by S&P), or if the System commits a specified event of default or other specified event of termination. The System has the right to optionally terminate any of its swaps at any time. At termination, if the fair value of the swap is negative, the System would be liable to pay a termination payment to the appropriate counterparty in the amount of the swap's fair value. If the fair value of the swap is positive at termination, the counterparty would owe a termination payment to the System in the amount of the swap's fair value.

Amortization Risk: Amortization risk is the risk caused by a mismatch between the amortization of a derivative instrument contract and the underlying hedged bonds. The System is not exposed to amortization risk by exactly matching the notional amounts and amortization schedules of its swap contracts with the principal amounts and amortization schedules of the associated hedged bonds.

Market Access Risk: Each swap associated with underlying variable rate debt that is subject to tender at the option of the bondholder is subject to market access risk. In the event the System is unable to remarket its variable rate bonds, the System may choose to refund the variable rate bonds with fixed-rate bonds and optionally terminate the related interest rate swap agreements. Should an early termination event occur, the System could be required to pay or to receive a substantial termination payment. As of August 31, 2020, the System had market access risk associated with $1,349,140,000.00 aggregate notional amount of pay-fixed, receive-variable interest rate swaps used to hedge interest rate risk on variable rate bonds subject to tender. As of August 31, 2020, the System's variable rate bonds carried the highest short-term ratings from Moody's and S&P of VMIG1 and A-1+, respectively.

Hedging Derivative Instrument Swap Scheduled Payments

The following tables reflect the scheduled payments on the hedging derivative instrument swap agreements which differ from the presentation in the projected bond debt service requirements table for the related demand bonds. The debt service requirements reflect the entire outstanding balance of the demand bonds in 2021 because the bonds are supported by internal liquidity.

As of August 31, 2020

	Associated Variable Rate Bonds		Pay-Fixed Receive-Variable Interest Rate	
Fiscal Year	**Principal[1]**	**Interest[2]**	**Swaps[3]**	**Total**
2021	$ 28,055,000.00	975,660.50	44,791,714.98	73,822,375.48
2022	46,425,000.00	958,752.50	43,773,167.73	91,156,920.23
2023	48,185,000.00	929,953.50	42,072,834.89	91,187,788.39
2024	49,785,000.00	900,063.50	40,307,857.69	90,992,921.19
2025	57,325,000.00	869,175.50	38,483,661.49	96,677,836.99
2026-2030	290,565,000.00	3,817,750.50	161,269,397.07	455,652,147.57
2031-2035	273,055,000.00	2,874,433.00	105,629,384.63	381,558,817.63
2036-2040	305,745,000.00	1,882,299.00	45,910,888.12	353,538,187.12
2041-2045	250,000,000.00	1,500,000.00	23,045,250.00	274,545,250.00

[1]Reflects scheduled principal and interest payments of Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, Revenue Financing System Bonds, Taxable Series 2016G, and Permanent University Fund Bonds, Series 2008A to be optionally or mandatorily redeemed in the fiscal years reflected.

[2]Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2020 on its Series 2008A Bonds, Series 2007B Bonds, Series 2008B, and Series 2016G Bonds.

[3]Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2020 and applied on the respective notional amounts of the swaps through their respective termination dates.

As of August 31, 2019				
	Associated Variable Rate Bonds		Pay-Fixed Receive-Variable Interest Rate	
Fiscal Year	Principal[1]	Interest[2]	Swaps[3]	Total
2020	$ 27,065,000.00	19,992,344.00	26,694,834.05	73,752,178.05
2021	28,055,000.00	19,641,908.00	26,053,500.98	73,750,408.98
2022	46,425,000.00	19,278,654.00	25,388,446.73	91,092,100.73
2023	48,185,000.00	18,670,582.00	24,273,068.89	91,128,650.89
2024	49,785,000.00	18,039,465.00	23,115,222.69	90,939,687.69
2025-2029	287,690,000.00	79,576,197.50	96,076,103.86	463,342,301.36
2030-2034	297,240,000.00	59,857,107.50	59,754,629.79	416,851,737.29
2035-2039	341,760,000.00	39,147,324.00	21,498,048.66	402,405,372.66
2040-2044	-	26,500,000.00	(1,400,000.00)	25,100,000.00
2045-2049	250,000,000.00	5,300,000.00	(280,000.00)	255,020,000.00

[1]Reflects scheduled principal and interest payments of Revenue Financing System Refunding Bonds, Series 2007B, Revenue Financing System Bonds, Series 2008B, Revenue Financing System Bonds, Taxable Series 2016G, and Permanent University Fund Bonds, Series 2008A to be optionally or mandatorily redeemed in the fiscal years reflected.

[2]Annual debt service requirements are computed using the System's interest rates in effect on August 31, 2019 on its Series 2008A Bonds, Series 2007B Bonds, Series 2008B, and Series 2016G Bonds.

[3]Reflects net payments on pay-fixed, receive-variable interest rate swaps based on static interest rate environment as of August 31, 2019 and applied on the respective notional amounts of the swaps through their respective termination dates.

14. Stewardship, Compliance and Accountability

The System had no significant violations of bond or note covenants. Per State law, the System cannot spend amounts in excess of appropriations granted by the Texas Legislature. There are no deficits reported in net position.

15. Risk Management and Related Insurance

The System has eight funded self-insurance/high retention plans providing coverage in the following areas: employee health and dental, unemployment compensation, workers' compensation, professional medical liability, property protection, directors and officers/employment practices and cyber liability, construction contractor insurance, and automobile, property and liability.

EMPLOYEE AND RETIREE INSURANCE BENEFITS

The U. T. System Employee Benefits program provides health insurance, dental insurance, vision insurance, life insurance, accidental death and dismemberment (AD&D), long-term disability, short-term disability, and flexible spending account coverage to all benefits-eligible employees and retirees of the System and its fourteen institutions. These insurance benefits are provided through both self-funded and fully-insured arrangements. A portion of the System's cost of providing group health and basic life insurance coverage is paid by the State as specified in the General Appropriations Act. The System's Office of Employee Benefits (OEB) is responsible for the overall administration of the insurance plans. The System's OEB program was established by Chapter 1601 of the *Texas Insurance Code* and complies with State laws and statues pertinent to employee benefits for the System.

Effective January 1, 2006, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries under Medicare Part D. Medicare Part D provides sponsors of postemployment healthcare plans with various subsidies related to prescription drug benefit costs of retirees who are eligible for, but not enrolled in, Medicare Part D, if the sponsor's plan provides a prescription drug benefit that is actuarially equivalent to the Medicare Part D benefit.

The System has participated in the Medicare Part D Retiree Drug Subsidy (RDS) program since 2006 which provides a subsidy of up to 28 percent of the amount of eligible prescription drug benefit costs of retirees who are eligible for, but not enrolled in, Medicare Part D. The System recognized $1,710,100.48 of Medicare Part D RDS revenue from the federal government in 2020. In 2019 the System was required to refund $92,638.25 to the Medicare Part D RDS program after the annual reconciliation was performed. The annual reconciliation recognizes any payments made by the Medicare RDS program. The System significantly reduced reliance on the RDS program beginning January 1, 2017. Only a small number of eligible participants remained covered under RDS after December 31, 2016.

The System implemented an Employer Group Waiver Plan (EGWP) effective January 1, 2017, in order to access larger Medicare Part D subsidies. For most eligible participants, the EGWP replaces the RDS program previously used to access such subsidies. The System recognized $30,374,122.54 and $29,090,167.99 of Medicare EGWP payments from the federal government in 2020 and 2019, respectively.

UNEMPLOYMENT COMPENSATION INSURANCE

The General Appropriations Act requires the System to reimburse the Texas Workforce Commission (TWC) for 50% of the unemployment benefits paid to qualified former employees paid from general revenue funds and 100% of the unemployment benefits paid from local funds.

WORKERS' COMPENSATION INSURANCE

The Workers' Compensation Insurance (WCI) program provides coverage to all employees of the System and its fourteen institutions. Under the oversight of the System's Office of Risk Management (ORM), the System self-insures and administers the systemwide program through the use of a third-party administrator. The coverage provides income and medical benefits to all employees who have sustained compensable job-related injuries or occupational diseases. The program's statutory authority is embodied in Chapter 503 of the *Texas Labor Code.*

PROFESSIONAL MEDICAL LIABILITY BENEFIT PLAN

The coverage provided under the Professional Medical Liability Benefit Plan (the "Plan") is on an occurrence basis; thus, a participant is covered by the Plan for claims and lawsuits relating to events that occurred while enrolled in the Plan, including those filed after the participant has left the System's employment or training. The Plan covers all the System staff physicians, dentists, residents, fellows, and medical and dental students who have been enrolled. Effective July 1, 2020, healthcare professional staff members and faculty who are licensed, certified, or registered to provide patient care have Plan coverage. The limits of liability of the Plan include an annual policy aggregate of $30 million, an annual aggregate of $1.5 million for each staff physician, resident, fellow and healthcare professional ($500,000 per claim), and a $75,000 annual aggregate for each medical and dental student ($25,000 per claim). Additional coverage is available outside of Texas and for approved international activities. Liability is limited to $2 million per claim, regardless of the number of claimants or plan participants involved in an incident.

The limits of liability are prescribed by law as $100,000 per health care liability claim per physician determined to be a public servant. U. T. institutions are covered under the Plan for actions that could have been brought against an individual plan participant. The liability of a U. T. institution is limited by law to $250,000 per person injured and $500,000 per occurrence for bodily injury or death.

COMPREHENSIVE PROPERTY PROTECTION PROGRAM

The Comprehensive Property Protection Plan (CPPP) uses a combination of interim financing and commercial insurance to provide Fire and All Other Perils (Fire and AOP) and Named Windstorm and Flood (Wind and Flood) coverage. All coverage is subject to the terms, exclusions, limits and conditions of the Insurance Policies. The Fire and AOP program provides a $1.3 billion per occurrence limit for most perils, with sub-limits that do apply. The System participates in a seven percent (7%) quota share of the $75 million layer excess of the $25 million layer of commercial insurance coverage. Deductibles for Fire and AOP are $5 million per occurrence with a $15 million annual aggregate limit; institutions have a $250,000 per occurrence deductible. The commercial insurance coverage for Named Windstorm and resulting perils provides a $250 million per occurrence limit with the System participating in a seven percent (7%) quota share of the $75 million layer excess of the $25 million layer. M. D. Anderson purchases a dedicated $100 million policy excess of the $250 million per occurrence Named Windstorm CPPP limit. Deductibles for Wind and Flood are $100 million per occurrence for U. T. Medical Branch - Galveston (locations in Galveston only), $50 million per occurrence for U. T. Health Science Center - Houston (locations in Texas Medical Center only) and M. D. Anderson (locations in Texas Medical Center Only), 5% of affected values in other Tier 1 counties, and AOP deductibles for all other locations.

Primary insurance policies are purchased on certain flood and wind exposed properties to partially offset the large deductibles. These policies provide underlying limits (up to $4.4 million per building/contents for wind and $1 million maximum building/contents for flood) and are purchased through the Texas Windstorm Insurance Association (TWIA) for facilities in Tier 1 seacoast territories and the National Flood Insurance Program (NFIP) for properties located in higher risk flood zones. U. T. Medical Branch - Galveston purchases a $50 million Named Windstorm buydown policy to reduce the $100 million Wind and Flood deductible for locations in Galveston only. M. D. Anderson purchases a $25 million Named Windstorm Multi Year Single Limit (MYSL) buydown policy to reduce the $50 million Wind and Flood deductible; they have a 25% share of the $25 million to $50 million layer. The interim financing component of the program participates in losses resulting from physical damage that exceeds the coverage available under these primary policies and the institution's deductible. The interim financing for the Wind and Flood program is funded by annual contributions made by each institution in addition to the payment of insurance premiums.

DIRECTORS AND OFFICERS/EMPLOYMENT PRACTICES LIABILITY PLAN AND CYBER LIABILITY PROGRAM

The Directors and Officers Liability (D&O) and Employment Practices Liability (EPL) Plan (the "Plan") provides coverage for claims arising from actual or alleged wrongful acts performed by the Plan beneficiaries and for EPL claims, such as wrongful termination, failure to promote, and wrongful discipline.

Coverage applies to individual board members, employees, faculty, and other covered individuals, as well as to each of the institutions and U. T. System Administration. The limit of liability is a $15 million annual aggregate (Coverages A, B and C combined), with an additional $5 million self-insured annual aggregate excess limit for Coverages A and B. Self-insured retentions for the Plan are subject to a $5 million annual aggregate. Coverage A applies to non-indemnifiable claims made against individuals and it has no deductible. Coverage B applies to a U. T. institution that is required to indemnify a covered individual with deductibles of $100,000 per individual and $300,000 per occurrence. Coverage C applies to a U. T. institution with a $300,000 deductible. In the event a loss involves any or all of Coverages A, B, and C, then only the single largest deductible amount will apply.

The Cyber Liability Program provides coverage for claims arising from the following causes of loss: media liability, network security liability, privacy liability, regulatory liability, loss of digital assets, network asset protection, and Payment Card Industry Data Security Standard (PCI-DSS). The limit of liability on the commercial insurance policy is a $50 million annual aggregate. Each claim is subject to a $2.5 million retention and annual aggregate with a $500,000 each and every claim retention once the annual aggregate has been met, except for PCI-DSS which is $1 million. Institutions have a $250,000 per claim deductible. M. D. Anderson purchases a $10 million standalone policy which is primary to the Cyber Liability Program and has a $250,000 per claim deductible.

ROLLING OWNER CONTROLLED INSURANCE PROGRAM

The Rolling Owner Controlled Insurance Program (ROCIP) was established for the centralized purchase of construction contractor insurance on various capital improvement projects. This program provides workers' compensation, employers' liability and general liability insurance coverage for all contractors enrolled on projects participating in the program. Each coverage carries a $250,000 per occurrence deductible with a maximum $375,000 per occurrence clash deductible, if more than one coverage is triggered by the same occurrence. Deductibles are paid through the program's self-insurance fund. The self-insurance fund also pays portions of certain Builder's Risk deductibles applicable to water damage and delay in completion claims.

AUTOMOBILE, PROPERTY & LIABILITY PLAN

The Automobile, Property & Liability Plan provides automobile liability and physical damage coverage for owned, leased, hired, and non-owned (excess liability only) vehicles, along with general liability coverage for certain scheduled exposures. All coverages are subject to a self-insured retention of $50,000 for liability claims and $25,000 for physical damage claims, subject to a $730,000 annual aggregate stop loss for the FY 2020 policy term. Institution deductibles are $2,500 per occurrence for liability, $1,000 per vehicle for physical damage, and $5,000 per vehicle for vehicles valued over $100,000.

INCURRED BUT NOT REPORTED SELF-INSURANCE CLAIMS

Insurance claims that were Incurred But Not Reported (IBNR) were actuarially determined for the employee's health and dental, workers' compensation, professional medical liability, directors and officers/employment practices liability and cyber liability program, rolling owner controlled, and automobile, property and liability self-insurance plans. IBNR figures for the workers' compensation, professional medical liability, directors and officers/employment practices liability and cyber liability program, rolling owner controlled, and automobile, property and liability self-insurance plans include liabilities for unpaid reported claims and are reported on an undiscounted basis. The IBNR liability for the property protection self-insurance plan is not actuarially determined but estimated based on unpaid reported claims. Since an annual accrual is recorded for the third quarter TWC billing, no IBNR liability is recorded for Unemployment Compensation Insurance. No settlements exceeded insurance coverage in the past three fiscal years.

Since the responsibility for processing all claims for self-funded employee health and dental benefits has been fully delegated to third parties, the IBNR claims liability for those benefits does not include a provision for unallocated loss adjustment expenses (ULAE). However, it does include a provision of 5% of the projected incurred but unpaid claims for the administrative expenses associated with processing those claims. The IBNR claims liability for the workers' compensation, professional medical liability, directors and officers/employment practices liability and cyber liability program, rolling owner controlled, and automobile, property and liability self-insurance plans includes a related accrual for allocated loss adjustment expenses (ALAE), which are the claim-specific defense and settlement costs associated with the ultimate settlement of those claims. They do not include a provision for ULAE, which are general administrative expenses associated with claims settlement, but are not specifically attributable to individual claims.

Changes in the System's claims liabilities for the various self-insurance plans during fiscal years 2020 and 2019 were as follows:

Fiscal Year 2020 Plan	IBNR Liability 09/01/19	Current Year Claims and Changes in Estimates	Claims Payments	IBNR Liability 08/31/20
Employee Health and Dental	$ 113,900,000.00	1,307,148,182.41	(1,312,748,182.41)	108,300,000.00
Workers' Compensation	5,385,000.00	1,631,912.75	(2,763,912.75)	4,253,000.00
Professional Medical Liability	19,486,096.00	4,538,386.67	(4,412,443.67)	19,612,039.00
Property Protection – Fire & AOP	5,125,000.00	1,674,805.83	194.17	6,800,000.00
Property Protection – Wind & Flood	16,862,347.00	524,161.53	(676,166.72)	16,710,341.81
Directors and Officers/EPL/Cyber	2,218,557.00	74,460.00	-	2,293,017.00
ROCIP	4,989,570.00	797,031.79	(1,825,931.79)	3,960,670.00
Automobile, Property & Liability	452,422.00	761,694.88	(585,072.88)	629,044.00
TOTAL	$ 168,418,992.00	1,317,150,635.86	(1,323,011,516.05)	162,558,111.81

Fiscal Year 2019 Plan	IBNR Liability 09/01/18	Current Year Claims and Changes in Estimates	Claims Payments	IBNR Liability 08/31/19
Employee Health and Dental	$ 103,800,000.00	1,366,389,798.56	(1,356,289,798.56)	113,900,000.00
Workers' Compensation	7,023,000.00	1,590,715.15	(3,228,715.15)	5,385,000.00
Professional Medical Liability	20,496,140.00	2,837,812.84	(3,847,856.84)	19,486,096.00
Property Protection – Fire & AOP	6,462,000.00	(654,844.73)	(682,155.27)	5,125,000.00
Property Protection – Wind & Flood	20,000,000.00	(1,760,525.33)	(1,377,127.67)	16,862,347.00
Directors and Officers/EPL/Cyber	1,618,478.00	1,751,562.97	(1,151,483.97)	2,218,557.00
ROCIP	5,141,318.00	2,218,522.10	(2,370,270.10)	4,989,570.00
Automobile, Property & Liability	378,252.00	521,414.28	(447,244.28)	452,422.00
TOTAL	$ 164,919,188.00	1,372,894,455.84	(1,369,394,651.84)	168,418,992.00

16. Postemployment Health Care and Life Insurance Benefits

In addition to providing pension benefits, the State provides certain health and life insurance benefits for retired employees (OPEB), in accordance with State statutes. Many employees may become eligible for the health and life insurance benefits as a retired employee if they meet certain age and service requirements as defined by the State. Similar benefits for active employees are provided through the same self-funded plan. For the years ended August 31, 2020 and 2019, the State and retiree contribution rates for the self-funded plan per full-time retired employee are shown in the following table. The retiree contributes any premium charged over and above the State contributions.

	2020		2019	
Level of Coverage	**Employer**	**Retiree**	**Employer**	**Retiree**
Retiree Only	$ 628.05	-	$ 598.14	-
Retiree/Spouse	957.27	270.41	911.69	257.53
Retiree/Children	838.70	282.81	798.76	269.34
Retiree/Family	1,169.89	532.51	1,114.18	507.15

PLAN DESCRIPTION AND FUNDING POLICY

OPEB are provided to the System's retirees under the U. T. System Employee Group Insurance Program (EGIP). The EGIP is a single-employer defined benefit OPEB plan; however, due to the State statute requiring appropriations for funding the plan, the State is reporting a proportionate share. Chapter 1551 of the *Texas Insurance Code*, Sections 310 and 311, require that the State contribute to the cost of each participant's insurance coverage. The funds are appropriated under the General Appropriations Act Higher Education Employees Group Insurance (HEGI) Contributions. The State's proportion was 20.51 and 20.82 percent of the collective OPEB related liabilities, deferred outflows and inflows and expense based on HEGI contributions by the State to total contributions as of August 31, 2020 and 2019. The System's proportion as of August 31, 2020 and 2019 was 79.49 and 79.18 percent. At August 31, 2020 and 2019, the amount of the total OPEB liability related to the System reported by the State was $2,979,287,588 and $2,723,817,586, respectively. The amount reported by the State is related to the premium sharing contributions, which are recognized as State appropriation general revenue on the System's financial statements in the fiscal year that the State contributed the amounts for OPEB on the System's behalf.

The System and member contribution rates are determined annually by the System based on the recommendations of the OEB staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs expected to be incurred and (i) the funds appropriated and (ii) the funding policy established by the Texas Legislature in connection with benefits provided through the EGIP. The System revises benefits when necessary to match expected benefit and administrative costs with available revenue. The plan is operated on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

EMPLOYEES COVERED BY BENEFIT TERMS

The benefits provided are discussed in Note 15. The authority under which the obligations of the plan members and the System are established and may be amended is Chapter 1601, *Texas Insurance Code*. At the respective valuation dates, the following employees were covered by the benefit terms:

	Valuation Date	
	12/31/2019	**12/31/2017**
a. Inactive employees or beneficiaries currently receiving benefit payments	30,057	27,597
b. Inactive employees entitled to but not yet receiving benefit payments	11,681	12,311
c. Active employees	99,474	90,605
d. Total	141,212	130,513

TOTAL OPEB LIABILITY

The System has elected to use a measurement date that is eight months in advance of the fiscal year end. The System's proportionate share of the total OPEB liability of $11,548,745,880, current portion of $204,857,443 and a noncurrent portion of $11,343,888,437, reported for the fiscal year ended August 31, 2020 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that same date. The System's proportionate share of the total OPEB liability of $10,355,785,546, current portion of $230,593,877 and a noncurrent portion of $10,125,191,669, reported for the fiscal year ended August 31, 2019 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2017 and rolled forward twelve months to December 31, 2018.

ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability as of December 31, 2019 was determined by an actuarial valuation as of that same date using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	3.05% to 9.05% (includes inflation)
Discount rate	2.74%
Healthcare cost trend rates	7.50% for CY22 decreasing 0.50% per year to 5.00% for CY27, then decreasing to 4.75% for CY28 and to an ultimate rate of 4.30% for CY29 and later years

Mortality:

a. Service Retirees, Survivors and other Inactive Members:
Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018.

b. Disability Retirees:
Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.

c. Active Members:
Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014.

Discount Rate

a. For fiscal year ended August 31, 2020: The discount rate used to measure the total OPEB liability as of December 31, 2019 was 2.74%. The discount rate used to determine the total OPEB liability as of December 31, 2018 was 4.10%.

b. For fiscal year ended August 31, 2019: The discount rate used to measure the total OPEB liability as of December 31, 2018 was 4.10%. The discount rate used to measure the total OPEB liability as of December 31, 2017 was 3.44%.

c. Municipal Bond Rate: 2.74% as of December 31, 2019 and 4.10% as of December 31, 2018; the source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Many of the actuarial assumptions used in this valuation were based on the results of an actuarial experience study performed by the TRS retirement plan actuary as of August 31, 2017.

The following assumptions or other inputs were changed since the previous measurement date:

i. **Demographic Assumptions**

Assumed rates of retirement, disability, termination, and mortality and assumed salary increases have been updated to reflect assumptions adopted by the TRS Trustees since the last valuation date. These new assumptions were adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

In addition, the following assumptions were updated to reflect recent plan experience and expected trends:

- Percentage of future male and female retirees assumed to be married and electing coverage for their spouse.
- The proportion of future retirees covering dependent children.
- Percentage of future retirees and future retiree spouses assumed to use tobacco.
- Percentage of future Service Retirees assumed to elect health coverage at retirement and remain covered until death.

ii. **Economic Assumptions**

- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The expenses directly related to the payment of EGIP health benefits have been updated since the previous valuation to reflect changes in vendors.
- The Patient-Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated since the previous valuation to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an assumption adopted by the TRS Trustees since the last valuation date. This new assumption was adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

iii. **Other Inputs**

- The discount rate was changed as a result of requirements by GASB Statement No. 75 to utilize the yield or index rate as of the measurement date for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher.

As of the measurement date of December 31, 2019, no changes in benefit terms have occurred. Accordingly, the benefit terms used in this valuation have not been changed since the prior valuation.

Sensitivity of the System's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate

	1% Decrease (1.74%)	FY20 Discount Rate (2.74%)	1% Increase (3.74%)
Total OPEB Liability	$ 14,085,364,566	$ 11,548,745,880	$ 9,609,506,534

	1% Decrease (3.10%)	FY19 Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB Liability	$ 12,565,850,208	$ 10,355,785,546	$ 8,682,139,141

Sensitivity of the System's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

	1% Decrease[1]	FY20 Healthcare Cost Trend Rates[1]	1% Increase[1]
Total OPEB Liability	$ 9,428,532,482	$ 11,548,745,880	$ 14,408,214,665

	1% Decrease[2]	FY19 Healthcare Cost Trend Rates[2]	1% Increase[2]
Total OPEB Liability	$ 8,606,162,337	$ 10,355,785,546	$ 12,679,927,126

[1]Healthcare Cost Trend Rates used for fiscal year 2020 are shown below:

Calendar Year	1% Decrease	Healthcare Cost Trend Rates	1% Increase
2022	6.50%	7.50%	8.50%
2023	6.00%	7.00%	8.00%
2024	5.50%	6.50%	7.50%
2025	5.00%	6.00%	7.00%
2026	4.50%	5.50%	6.50%
2027	4.00%	5.00%	6.00%
2028	3.75%	4.75%	5.75%
2029 and beyond	3.30%	4.30%	5.30%

[2]Healthcare Cost Trend Rates used for fiscal year 2019 are shown below:

Fiscal Year	1% Decrease	Healthcare Cost Trend Rates	1% Increase
2019	6.00%	7.00%	8.00%
2020	7.00%	8.00%	9.00%
2021	6.50%	7.50%	8.50%
2022	6.00%	7.00%	8.00%
2023	5.50%	6.50%	7.50%
2024	5.00%	6.00%	7.00%
2025	4.50%	5.50%	6.50%
2026	4.00%	5.00%	6.00%
2027 and beyond	3.50%	4.50%	5.50%

CHANGES IN THE SYSTEM'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY

		Increase (Decrease) in Total OPEB Liability	
		For Measurement Year from 12/31/2018 to 12/31/2019	For Measurement Year from 12/31/2017 to 12/31/2018
Balance at Beginning of Measurement Year	$	10,355,785,546	10,717,111,345
Changes for the year:			
Service cost		471,785,731	548,093,347
Interest		442,516,885	394,480,742
Differences between expected and actual experience		(89,235,022)	-
Changes of assumptions or other inputs		478,407,758	(1,429,460,396)
Benefit payments (employer)		(152,076,995)	(153,396,451)
Net changes		1,151,398,357	(640,282,758)
Changes in Proportional Share		41,561,977	278,956,959
Balance at End of Measurement Year	$	11,548,745,880	10,355,785,546

The System recognized OPEB expense of $686,449,366 for the fiscal year ended August 31, 2020 and $664,784,810 for the fiscal year ended August 31, 2019.

The changes in the total OPEB liability, including both the System's and the State's portion, are shown in the table below.

		Increase (Decrease) in Total OPEB Liability	
		For Measurement Year from 12/31/2018 to 12/31/2019	For Measurement Year from 12/31/2017 to 12/31/2018
Balance at Beginning of Measurement Year	$	13,079,603,132	13,888,295,465
Changes for the year:			
Service cost		593,494,649	692,254,917
Interest		556,675,173	498,238,547
Differences between expected and actual experience		(112,255,426)	-
Changes of assumptions or other inputs		601,824,994	(1,805,442,436)
Benefit payments (employer)		(191,309,054)	(193,743,361)
Net changes		1,448,430,336	(808,692,333)
Balance at End of Measurement Year	$	14,528,033,468	13,079,603,132

At each fiscal year-end, the System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources listed in the table below.

		As of 8/31/2020		As of 8/31/2019	
		Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	-	165,000,318	-	104,127,465
Changes of assumptions or other inputs		421,250,320	1,760,786,373	-	2,058,144,539
Change in proportion and contribution difference		340,424,226	34,816,859	355,767,722	44,612,494
Contributions subsequent to the measurement date		99,305,239	-	111,317,743	-
Total	$	860,979,785	1,960,603,550	467,085,465	2,206,884,498

Amounts reported as Deferred Outflows/(Inflows) of Resources will be recognized in OPEB expense as follows:

For the Fiscal Year ended August 31, 2020:

Fiscal Year Ended August 31		**Amount**
2021	$	(229,536,643)
2022		(229,536,643)
2023		(229,536,643)
2024		(229,536,643)
2025		(186,596,898)
Thereafter		(94,185,534)
Total	$	(1,198,929,004)

17. Pension Plans

TEACHER RETIREMENT SYSTEM (TRS)

The State of Texas has joint contributory retirement plans for substantially all its employees. One of the primary plans in which the System participates is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the Teacher Retirement System of Texas. TRS is primarily funded through State and employee contributions. Depending upon the source of funding for a participant's salary, the System may be required to make contributions in lieu of the State.

All System personnel employed in a position on a half time or greater basis for at least 4½ months or more are eligible for membership in the TRS retirement plan. However, students employed in positions that require student status as a condition of employment do not participate. Members with at least five years of service have a vested right to unreduced retirement benefits at age 65 or provided they have a combination of age plus years of service totaling 80 or more. However, members who began TRS participation on or after September 1, 2007 must be age 60 to retire with unreduced benefits and members who are not vested in TRS on August 31, 2014 must be age 62 to retire with unreduced benefits under the second option. Members are fully vested after five years of service and are entitled to any reduced benefits for which the eligibility requirements have been met prior to meeting the eligibility requirements for unreduced benefits.

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.

TRS contribution rates for both employers and employees are not actuarially determined but are legally established by the State Legislature. Contributions by employees were 7.7 percent of gross earnings for 2020, 2019 and 2018. Depending upon the source of funding for the employee's compensation, the State or the System contributes a percentage of participant salaries totaling 7.5 percent of annual compensation for 2020 and 6.8 percent of annual compensation for 2019 and 2018. The System's actual contributions excluding the State match to TRS previously reported for the years ended August 31, 2020, 2019 and 2018 were $366,510,043.33, $302,294,697.94, and $282,808,370.01, respectively.

The total pension liability is determined by an annual actuarial valuation. The tables below present the actuarial methods and assumptions used to measure the total pension liability as of the August 31, 2019 and August 31, 2018 measurement dates.

Summary of Actuarial Methods and Assumptions* – TRS Plan	
Actuarial Valuation Date	Aug 31, 2018 rolled forward to Aug 31, 2019
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Floating
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	7.25%
Investment Rate of Return	7.25%
Long-term Expected Rate of Return	7.25%
Municipal Bond Rate as of August 2019	2.63%**
Inflation	2.30%
Salary Increase	3.05% to 9.05% including inflation
Payroll Growth Rate	3.00%
Mortality:	
Active	90% of the RP 2014 Employee Mortality Tables for males and females with full generational mortality
Post-Retirement	2018 TRS Healthy Pensioner Mortality Tables with full generation projection using Scale U-MP
Ad Hoc Post-Employment Benefit Changes	None

Summary of Actuarial Methods and Assumptions* – TRS Plan	
Actuarial Valuation Date	Aug 31, 2017 rolled forward to Aug 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	6.907%
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 9.05% including inflation
Payroll Growth Rate	2.50%
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

Notes:

*The assumptions used to determine the ADC are those in effect for the August 31, 2018 and August 31, 2017 actuarial valuations. 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 the 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 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 the 2018 TRS Healthy Pensioner Mortality Tables.

The actuarial assumptions used in the determination of the total pension liability as of the August 31, 2019 measurement date are the same assumptions used in the actuarial valuation as of August 31, 2018, except for a change in the following assumptions:

- the single discount rate as of August 31, 2018 was a blended rate of 6.907%, changed to the-long term rate of return of 7.25% as of August 31, 2019; and,
- the enactment of Senate Bill 3 by the 2019 Legislature impacted future salaries by giving eligible active members a $2,700 increase in fiscal year 2020 in addition to the salary increases expected.

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

The discount rate of 7.25% 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%. 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 8.50% of payroll for the measurement period ending August 31, 2020, gradually increasing to 9.55% over the next several years. This includes a factor for all employer and State contributions for active and rehired retirees. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments to determine the total pension liability.

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 geometric real rates of return for each major asset class for the plan's investment portfolio as of the August 31, 2019 measurement date are presented below:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Global Equity		
U.S.	18%	6.4%
Non-U.S. Developed	13%	6.3%
Emerging Markets	9%	7.3%
Private Equity	14%	8.4%
Stable Value		
U.S. Treasury	16%	3.1%
Stable Value Hedge Funds	5%	4.5%
Real Return		
Real Assets	15%	8.5%
Energy, Natural Resources, and Infrastructure	6%	7.3%
Risk Parity		
Risk Parity	8%	5.8%/6.5%
Asset Allocation Leverage Cash	2%	2.5
Asset Allocation Leverage	-6%	2.7
Total	100%	

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan's investment portfolio as of the August 31, 2018 measurement date are presented below:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity		
U.S.	18%	5.7%
Non-U.S. Developed	13%	6.9%
Emerging Markets	9%	8.95%
Directional Hedge Funds	4%	3.53%
Private Equity	13%	10.18%
Stable Value		
U.S. Treasury	11%	1.11%
Absolute Return	0%	0.00%
Stable Value Hedge Funds	4%	3.09%
Cash	1%	-0.30
Real Return		
Global Inflation Linked Bonds	3%	0.70%
Real Assets	14%	5.21%
Energy and Natural Resources	5%	7.48%
Commodities	0%	0.00%
Risk Parity		
Risk Parity	5%	3.70%
Total	100%	

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

Sensitivity of System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate FY20

1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
$6,944,008,124.09	$4,517,470,315.00	$2,551,506,320.90

Sensitivity of System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate FY19

1% Decrease (5.907%)	Current Discount Rate (6.907%)	1% Increase (7.907%)
$7,424,761,246.14	$4,919,537,167.00	$2,891,409,695.67

The pension plan's fiduciary net position is determined using economic resources measurement focus and the 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 2019 Comprehensive Annual Financial Report. Further information regarding actuarial assumptions and conclusions, together with audited financial statements are included in the TRS' annual financial report, which may be obtained from the TRS website at www.trs.state.tx.us.

As of August 31, 2020 and 2019, respectively, the System reported a liability of $4,517,470,315.00 and $4,919,537,167.00 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of August 31, 2019 and 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2018 and 2017, respectively, and rolled forward to the measurement date. The System's proportion as of the August 31, 2019 and 2018 measurements dates was 8.6902629 and 8.9377185 percent, respectively. The System's 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 periods September 1, 2018 through August 31, 2019 and September 1, 2017 through August 31, 2018. At August 31, 2020 and 2019, respectively, the amount of the net pension liability related to the System reported by the State was $1,898,921,776.18 and $1,355,571,593.31. The amount reported by the State is related to the on-behalf contributions, which are recognized as State appropriation general revenue on the System's financial statements in the fiscal year that the State contributed the amounts to TRS on the System's behalf.

For the years ending August 31, 2020 and 2019, the System recognized pension expense of $806,337,921.00 and $584,838,293.00, respectively. At August 31, 2020 and 2019, the System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 18,977,416.00	156,853,736.00
Changes of assumptions	1,401,541,150.00	579,183,110.00
Net diff between projected and actual investment return	45,360,614.00	-
Change in proportion and contribution difference	389,095,208.00	320,667,583.00
Contributions subsequent to the measurement date	366,510,043.33	-
Total	$ 2,221,484,431.33	1,056,704,429.00

		2019	
		Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$	30,664,357.00	120,706,016.00
Changes of assumptions		1,773,730,108.00	55,429,111.00
Net diff between projected and actual investment return		-	93,344,698.00
Change in proportion and contribution difference		409,961,416.00	242,370,998.00
Contributions subsequent to the measurement date		302,294,697.94	-
Total	$	2,516,650,578.94	511,850,823.00

The $366,510,043.33 and $302,294,697.94 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 years ending August 31, 2021 and 2020, respectively.

Amounts reported as deferred outflows and inflows of resources related to pensions as of August 31, 2020 will be recognized in pension expense in the following years:

Fiscal Year		Increase (Reduction) of Pension Expense
2021	$	140,371,435
2022		101,501,186
2023		273,470,234
2024		248,055,841
2025		81,813,431
Thereafter		(46,942,168)
Total	$	798,269,959

OPTIONAL RETIREMENT PROGRAM (ORP)

The State has also established an optional defined contribution retirement program for institutions of higher education. Participation in the ORP is in lieu of participation in the TRS. ORP is available to certain eligible employees who hold faculty positions and other professional positions including but limited to director-level and above, librarians and coaches. The ORP provides for the purchase of annuity contracts and mutual funds. Participants are vested in the employer contributions after one year and one day of service. Depending upon the source of funding for the employee's compensation, the System may be required to make the employer contributions in lieu of the State. Since these are individual annuity contracts, the State and the System have no additional or unfunded liability for this program. The employee and employer contribution rates are established by the State Legislature each biennium. The State provides an option for a local supplement on top of the state base rate. Each institution within the System can decide to adopt and fund a local supplement each year to provide each ORP employee the maximum employer rate. The chancellor then approves the employer rates each fiscal year. The contributions made by participants (6.65 percent of annual compensation) and the System (6.6 percent State base rate) for the fiscal years ended August 31, 2020, 2019 and 2018, respectively, are provided in the following table.

		2020	2019	2018
Participant Contributions	$	179,904,852.00	172,807,007.00	164,972,085.00
System Contributions		229,656,329.00	220,698,101.00	210,928,114.00
Total	$	409,561,181.00	393,505,108.00	375,900,199.00

EMPLOYEES RETIREMENT SYSTEM (ERS)

Certain employees at U. T. Medical Branch - Galveston participate in the Employees Retirement System of Texas. The Board of Trustees of the Employees Retirement System of Texas is the administrator of the ERS, which is considered to be a single employer defined benefit pension plan. ERS covers the eligible System employees who are not covered by the TRS or the ORP. Benefits vest after five years of credited service. Employees may retire at age 60 with five years of service or any combination of age plus years of service that equals 80.

The ERS plan provides a standard monthly benefit in a life annuity at retirement as well as death and disability benefits for members. Additional payment options are available. The benefit and contribution provisions are authorized by State law and may be amended by the Texas Legislature. Contribution requirements are not actuarially determined. The ERS contribution requirement, calculated using entry age normal actuarial cost method, is established through State statute.

The funding policy requires monthly contributions by both the State and employees. For the year beginning September 1, 2015, the required contributions for the State and the employee are each 9.5 percent of pay. For Law Enforcement and Custodial Officers Supplemental Retirement Fund eligible employees, the State and the employee contribution is an additional 0.50 percent of pay, respectively.

The Texas State Comptroller's Office has decided not to allocate ERS pension to proprietary funds due to immateriality, as a result, there is no ERS pension net pension liability reported in the System's financial statements. Additional information can be obtained from the separately issued ERS *Comprehensive Annual Financial Report* which can be obtained from the Employees Retirement System of Texas, 200 East 18th Street, Austin, Texas 78701 or found on the ERS website at www.ers.texas.gov.

18. Deferred Compensation

DEFERRED COMPENSATION-457(b)

The System employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the TEX. GOV'T. CODE ANN., Sec. 609.001. The System offers its own deferred compensation plan, created in accordance with Internal Revenue Code Section 457(b). All System employees are eligible to participate in the System's plan and cannot participate in the plan offered by the state of Texas. All investments, amounts, property, and rights held under the Deferred Compensation Trust Fund are held for the exclusive benefit of participants and beneficiaries at the fair market value of the plan account for each participant in the accounts established by the participants with the System's retirement providers. The System has no liability under the plan.

TAX-SHELTERED ANNUITY-403(b)

The System also administers the UTSaver Tax-Sheltered Annuity Program (TSA), created in accordance with IRC Section 403(b). All employees are eligible to participate. The UTSaver TSA is a private plan, and the deductions, purchased investments and earnings attributed to each employee's 403(b) plan are held by vendors chosen by the employee. The vendors may be insurance companies, banks or approved non-bank trustees such as mutual fund companies. The assets of this plan do not belong to the System or the State. Therefore, neither the System nor the State has a liability related to this plan.

THE UNIVERSITY OF TEXAS SYSTEM GOVERNMENTAL RETIREMENT ARRANGEMENT (UTGRA)

The University of Texas System Governmental Retirement Arrangement (UTGRA) is an excess benefit plan established by the System, via Section 415(m) of the Internal Revenue Code, to provide certain participants in the ORP that portion of their benefits that would otherwise be payable under the ORP except for the $57,000.00 limit on contributions imposed by Section 415 of the Internal Revenue Code (IRC) for calendar year 2020 ($56,000 for calendar year 2019). At August 31, 2020 and 2019, there were 605 and 615 plan members, respectively. Persons employed by the System prior to September 1, 1996, whose compensation exceeds the limit set by IRC Section 401(a)(17) and whose ORP contribution is limited by the $57,000.00 cap under IRC Section 415(c) for calendar year 2020 ($56,000 for calendar year 2019), defer 6.65 percent of their excess compensation while the System contributes between 6.58 percent and 8.5 percent depending upon the institution and the date of employment. The System contributed $3,382,244.61 for the year ended August 31, 2020 and $4,755,524.46 for the year ended August 31, 2019. The participants contributed $2,646,109.02 for the year ended August 31, 2020 and $3,720,498.55 for the year ended August 31, 2019. Plan provisions are established and may be amended at any time by the U. T. System Board of Regents.

Plan assets are recorded at fair value and are invested in contracts and accounts in a similar manner to the ORP. Participants are immediately vested in the plan, both for the employee deferrals and the employer contributions. However, deferrals, contributions, purchased investments and earnings attributable to the plan are the property of the System and subject only to the claims of the System's general creditors. Participant's rights under the plan are equal to those of the general creditors of the System in an amount equal to the fair value of the participant's account balance. The System has no liability under the UTGRA that would exceed the aggregate value of the investments, and it is unlikely that any of UTGRA's assets will be used to satisfy the claims of general creditors in the future.

PHYSICIANS REFERRAL SERVICE SUPPLEMENTAL RETIREMENT PLAN (SRP)/RETIREMENT BENEFIT PLAN (RBP)

M. D. Anderson has established, primarily for the physicians of its Physicians Referral Service, the Physicians Referral Service Supplemental Retirement Plan (SRP)/Retirement Benefit Plan (RBP) of the Anderson Hospital (collectively "the SRP/RBP"). The SRP/RBP is a non-qualified plan described by Section 457(f) of the Internal Revenue Code of 1986, as amended. The SRP/RBP is reported on the accrual basis of accounting. Assets of the SRP/RBP remain subject to the claims of the general creditors of M. D. Anderson.

In general, only physicians hired before July 1, 1986, participate in the SRP. The remainder of eligible employees participates in the RBP. Retirement benefits are available to persons who have reached the normal retirement age (55 for the RBP, 65 for the SRP) with five years of service. Early retirement benefits are available under the SRP. Additional information can be obtained from the separately issued financial statements of the SRP/RBP.

19. Commitments and Contingent Liabilities

On August 31, 2020, various lawsuits and claims involving the System were pending. After conferring with legal counsel concerning pending litigation and claims, the System's management believes that the outcome of pending litigation should not have a material adverse effect on the financial statements of the System.

The System continues to implement its $4.0 billion capital improvement program, planned for fiscal years 2021 through 2026, to upgrade facilities. Contracts have been entered into for the construction and renovation of various facilities. These projects are in various stages of completion.

The System receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. The System believes that the liability, if any, for reimbursement which may arise as the result of audits, would not be material.

Based on the credit support annex agreements with all counterparties, the System does not have to post any collateral for any hedging derivative instruments.

Laws and regulations governing the Medicare and Medicaid programs and certain other third-party programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates of third-party settlements will change by a material amount in the near term. The System's intent is to be in compliance with all applicable laws and regulations, and it is not aware of any significant pending or threatened investigations involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future review and interpretation. Changes in the Medicare and Medicaid programs and a reduction of funding could have an adverse effect on the System.

20. Matrix of Operating Expenses Reported by Function

For the year ended August 31, 2020, the following table represents operating expenses for both natural and functional classifications for the System:

Operating Expenses	Instruction	Research	Public Service	Hospitals and Clinics	Academic Support
Cost of Goods Sold	$ 575,622.67	82.67	1,531,362.78	29,890,791.69	271,394.74
Salaries and Wages	3,243,315,156.17	1,479,036,205.75	154,743,258.54	3,173,122,017.22	650,210,565.81
Payroll Related Costs	677,112,217.54	353,583,276.84	37,927,137.28	771,171,614.13	178,782,722.72
Membership Dues	9,715,722.99	2,433,013.33	378,086.63	8,476,775.96	3,501,630.11
Registration Fees/ Meetings/Conferences	16,141,061.08	7,419,974.57	4,014,267.72	3,426,118.44	7,027,788.98
Professional Fees and Services	44,428,669.75	77,604,344.57	18,646,526.30	311,366,612.94	30,427,263.86
Other Contracted Services	42,160,798.61	239,327,752.09	36,827,814.77	302,721,018.47	58,694,231.18
Fees and Other Charges	13,181,863.00	22,919,696.16	3,486,574.66	24,574,309.82	8,446,125.01
Travel	20,842,513.37	25,802,807.46	3,578,721.19	12,396,093.48	9,700,539.73
Materials and Supplies	72,456,196.48	216,642,798.11	44,304,657.47	2,020,403,132.08	70,191,288.22
Utilities	574,846.06	2,441,019.70	222,677.15	8,699,416.08	103,541.52
Communications	15,357,549.71	3,749,561.72	2,833,134.86	20,355,385.82	4,592,494.08
Repairs and Maintenance	9,920,461.72	21,541,940.62	5,157,858.77	154,170,845.19	11,488,502.40
Rentals and Leases	18,761,053.40	10,893,813.93	3,344,859.43	93,345,508.64	11,009,832.65
Printing and Reproduction	4,326,585.01	4,635,566.99	2,568,314.04	5,643,903.82	3,149,757.05
Royalty Payments	277,889.11	2,510,595.88	4,357.21	6,020,899.57	8,067,853.54
Bad Debt Expense	2,478.00	-	-	-	-
Impairment of Capital Assets	-	-	-	-	-
Asset Retirement Expense	-	-	-	-	-
Insurance Costs/Premiums	5,414,007.41	382,956.51	369,837.43	19,737,622.92	206,222.50
Claims and Losses	-	-	-	-	-
OPEB Expense	227,584,168.24	100,772,447.17	11,622,495.37	216,080,045.65	42,640,460.14
Pension Expense	267,331,800.67	118,372,380.50	13,652,367.11	253,818,480.15	50,087,627.26
Scholarships and Fellowships	17,331,983.70	50,647,766.36	1,718,087.48	7,313.19	3,439,178.55
Depreciation and Amortization	-	-	-	-	-
Federal Sponsored Pass-through to State Agencies	569,094.72	4,767,351.74	1,935,990.28	-	-
State Sponsored Pass-through to State Agencies	156,000.00	693,686.74	152,206.89	-	9,230,625.00
Other Operating Expenses	26,137,140.55	109,413,695.62	14,747,137.72	6,090,686.99	13,010,636.51
Total Operating Expenses	$ 4,733,674,879.96	2,855,592,735.03	363,767,731.08	7,441,518,592.25	1,174,280,281.56

Student Services	Institutional Support	Operations and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
12,602.60	765,113.13	201,358.46	175,348.17	25,279,331.79	-	58,703,008.70
122,196,615.59	513,874,739.45	263,838,059.17	19,518,954.03	232,418,389.48	-	9,852,273,961.21
32,595,843.87	(125,780,934.00)	76,665,625.38	1,638,774.90	57,367,425.20	-	2,061,063,703.86
654,057.66	4,723,920.03	224,974.71	32,598.76	2,575,257.76	-	32,716,037.94
1,517,803.80	3,456,729.29	504,087.45	166,442.23	2,911,392.15	-	46,585,665.71
8,054,865.23	74,465,348.09	37,626,064.99	638,316.55	18,582,917.18	-	621,840,929.46
58,763,109.01	44,635,487.41	54,299,964.46	656,631.33	79,580,195.52	-	917,667,002.85
3,186,089.80	7,950,417.44	4,340,452.35	542,899.50	7,480,150.36	-	96,108,578.10
2,652,457.25	4,968,084.08	715,320.78	463,083.46	22,753,145.03	-	103,872,765.83
16,265,062.89	52,813,685.91	83,167,465.09	1,636,809.29	37,985,848.17	-	2,615,866,943.71
25,364.44	6,170,701.56	213,244,183.11	(1,716.91)	34,794,264.64	-	266,274,297.35
1,774,177.76	38,310,473.09	2,380,735.61	58,023.91	9,141,800.51	-	98,553,337.07
4,635,744.33	42,982,874.97	112,928,026.87	265,087.84	31,477,209.00	-	394,568,551.71
2,532,738.42	15,800,145.27	27,059,338.31	537,294.59	10,590,782.58	-	193,875,367.22
2,703,589.05	4,538,834.87	546,822.94	87,641.34	3,064,347.68	-	31,265,362.79
12,005.25	620,991.88	-	31.15	98,278.95	-	17,612,902.54
(1,392,556.41)	-	-	-	-	-	(1,390,078.41)
-	-	1,565,374.39	-	-	-	1,565,374.39
-	-	2,641,092.47	-	-	-	2,641,092.47
1,503,457.09	(5,280,393.85)	4,490,430.92	5,012.66	1,832,711.64	-	28,661,865.23
-	32,279,902.25	-	-	-	-	32,279,902.25
8,984,705.50	39,575,626.80	19,731,706.48	1,339,525.05	18,118,185.60	-	686,449,366.00
10,553,886.58	46,487,520.01	23,177,853.99	1,573,473.44	21,282,531.29	-	806,337,921.00
2,587,087.73	1,137,759.04	2,464.10	475,360,712.43	17,745,215.60	-	569,977,568.18
-	-	-	-	-	1,571,809,662.84	1,571,809,662.84
-	232,302.95	-	-	-	-	7,504,739.69
-	728,997.91	-	534,000.00	-	-	11,495,516.54
10,497,799.62	10,147,007.63	4,694,175.65	2,888,698.86	17,416,503.74	-	215,043,482.89
290,316,507.06	815,605,335.21	934,045,577.68	508,117,642.58	652,495,883.87	1,571,809,662.84	21,341,224,829.12

For the year ended August 31, 2019, the following table represents operating expenses for both natural and functional classifications for the System, with adjustments made for GASB Statement No. 84. See Note 4 for further details on the restatement:

Operating Expenses	Instruction	Research	Public Service	Hospitals and Clinics	Academic Support
Cost of Goods Sold	$ 820,909.49	61.17	1,591,185.76	24,976,056.78	417,267.14
Salaries and Wages	3,061,741,397.79	1,355,714,572.01	156,360,064.41	2,906,973,829.10	573,651,774.79
Payroll Related Costs	601,818,378.83	315,545,193.13	36,476,301.06	698,643,877.99	149,160,791.18
Membership Dues	9,814,861.57	2,685,603.02	273,198.03	8,596,352.76	3,677,263.17
Registration Fees/ Meetings/Conferences	23,501,886.22	12,431,539.46	6,423,676.25	5,106,742.34	10,759,576.38
Professional Fees and Services	42,207,393.14	78,501,067.69	21,122,449.18	306,361,715.46	37,256,968.92
Other Contracted Services	67,441,502.85	222,742,408.30	37,886,730.12	301,775,569.63	61,157,861.11
Fees and Other Charges	15,728,075.73	17,937,541.35	4,058,158.38	25,294,677.05	5,193,384.78
Travel	35,027,564.45	45,761,383.53	6,113,579.94	17,224,643.36	16,153,433.57
Materials and Supplies	90,105,446.26	232,998,143.95	39,349,641.83	1,870,761,797.71	69,529,590.35
Utilities	441,864.83	2,184,395.72	188,925.82	7,689,867.85	129,929.60
Communications	14,652,945.15	3,280,195.65	1,833,674.29	18,719,051.55	4,200,421.70
Repairs and Maintenance	1,494,087.27	16,142,240.23	1,228,823.85	146,717,337.61	8,560,294.97
Rentals and Leases	14,608,336.33	7,397,550.12	4,708,291.26	82,896,102.77	11,295,343.11
Printing and Reproduction	5,716,939.54	5,188,557.49	3,235,852.75	5,631,695.51	3,726,652.24
Royalty Payments	342,978.64	3,667,693.09	3,428.18	6,745,576.61	8,064,421.07
Bad Debt Expense	-	-	-	-	-
Impairment of Capital Assets	-	-	17,725,619.00	-	8,114,384.66
Asset Retirement Expense	-	-	-	-	-
Insurance Costs/Premiums	3,974,933.76	368,770.95	275,004.58	25,714,031.83	186,811.51
Claims and Losses	-	-	-	-	-
OPEB Expense	227,303,414.17	97,904,422.92	11,282,015.94	205,366,762.11	38,786,621.39
Pension Expense	199,968,078.00	86,130,511.28	9,925,249.26	180,669,511.07	34,122,171.72
Scholarships and Fellowships	15,343,025.76	51,585,217.72	2,249,699.67	2,213.50	2,723,195.47
Depreciation and Amortization	-	-	-	-	-
Federal Sponsored Pass-through to State Agencies	244,199.35	3,225,578.54	3,429,898.91	-	-
State Sponsored Pass-through to State Agencies	60,000.00	806,647.77	68,791.00	-	-
Other Operating Expenses	33,031,378.38	91,156,970.89	19,432,023.78	34,496,518.37	15,861,616.03
Total Operating Expenses	$ 4,465,389,597.51	2,653,356,265.98	385,242,283.25	6,880,363,930.96	1,062,729,774.86

Student Services	Institutional Support	Operations and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
2,023.13	529,163.22	159,640.16	(8,526.50)	29,604,741.90	-	58,092,522.25
120,873,279.45	532,419,877.29	265,455,119.48	18,020,934.12	243,748,057.40	-	9,234,958,905.84
31,298,245.37	(41,304,249.25)	76,780,578.14	1,896,112.30	52,804,404.45	-	1,923,119,633.20
692,631.24	4,850,612.83	458,375.62	43,647.56	3,220,706.93	-	34,313,252.73
2,479,586.39	5,969,628.31	798,492.69	178,899.31	5,849,546.62	-	73,499,573.97
9,523,650.79	84,637,404.99	34,936,981.40	600,520.64	17,469,758.85	-	632,617,911.06
60,719,801.27	41,964,576.67	61,599,496.44	984,339.25	103,429,564.91	-	959,701,850.55
4,720,311.87	9,233,313.88	5,156,243.17	569,602.45	7,511,397.73	-	95,402,706.39
4,550,686.50	8,555,161.24	1,405,035.19	1,267,679.67	32,182,852.76	-	168,242,020.21
16,415,068.65	44,230,742.08	82,813,466.02	1,133,697.79	44,141,816.77	-	2,491,479,411.41
29,701.98	3,270,591.38	226,031,105.39	340.60	36,352,089.25	-	276,318,812.42
1,895,642.81	32,502,984.10	3,015,722.52	10,184.73	9,499,939.03	-	89,610,761.53
3,355,813.03	35,511,128.19	105,218,393.19	66,429.42	28,887,553.01	-	347,182,100.77
4,286,258.61	15,921,372.41	21,809,489.14	518,029.59	11,870,835.48	-	175,311,608.82
3,199,660.32	6,734,964.87	236,008.99	103,803.63	4,893,920.38	-	38,668,055.72
11,822.33	1,935,190.29	-	346.33	19,617.13	-	20,791,073.67
3,281,750.85	-	-	-	-	-	3,281,750.85
-	7,955,731.97	11,896.25	-	-	-	33,807,631.88
-	-	2,394,539.29	-	-	-	2,394,539.29
771,632.10	(2,758,877.47)	2,271,281.15	952.22	14,702,599.91	-	45,507,140.54
-	65,470,962.38	-	-	-	-	65,470,962.38
9,451,547.62	37,167,326.48	18,324,118.63	1,261,338.55	17,937,242.19	-	664,784,810.00
8,314,911.67	32,697,611.99	16,120,474.03	1,109,650.93	15,780,123.05	-	584,838,293.00
2,538,685.92	326,391.50	802.50	380,143,271.64	17,937,803.47	-	472,850,307.15
-	-	-	-	-	1,536,019,254.06	1,536,019,254.06
-	-	-	-	-	-	6,899,676.80
-	791,830.78	-	428,000.00	-	-	2,155,269.55
11,221,760.27	15,261,260.16	3,793,007.50	2,112,538.95	21,434,121.77	-	247,801,196.10
299,634,472.17	943,874,700.29	928,790,266.89	410,441,793.18	719,278,692.99	1,536,019,254.06	20,285,121,032.14

21. Net Position

The System's net position at August 31, 2020 and 2019 was comprised of the following:

	2020	*Restated 2019
Net investment in capital assets	$ 6,606,751,520.44	6,741,035,811.06
Restricted		
Nonexpendable	27,761,434,506.83	26,986,429,001.19
Expendable	16,084,898,251.18	14,861,691,230.99
Total restricted	43,846,332,758.01	41,848,120,232.18
Unrestricted net position:		
Unrestricted		
Reserved		
Encumbrances	1,311,944,876.97	1,040,911,682.32
Accounts receivable (less unearned revenue portion)	1,342,019,171.63	1,399,036,867.35
Inventories	180,089,466.70	161,424,609.94
Self-insurance plans	793,477,462.42	585,380,139.73
Other specific purposes:		
Advanced Research/Advanced Technology Programs	-	3,422,082.55
Notes Receivable	9,260.12	137,003.23
Deposits	1,433,644.43	1,369,637.96
Prepaid expenses	136,035,255.76	160,268,219.21
Deferred charges	1,043,983.44	623,184.70
Imprest funds	947,513.36	1,141,663.00
Travel advances	230,144.71	334,524.33
Unreserved		
Allocated		
Funds functioning as endowment-unrestricted	731,631,279.01	491,292,177.19
Provision for operating budgets	99,485,851.00	50,526,494.00
Capital projects	3,710,426,295.70	2,277,599,265.34
Debt service	122,419,349.65	186,058,546.71
Start-up/matching	137,914,354.16	115,389,566.84
Utilities reserve	11,169,964.22	11,690,869.17
Research enhancement and support	533,152,224.45	414,686,491.47
Market adjustments	112,776,939.61	47,336,690.51
Student fees	217,429,689.62	193,995,584.10
Texas Tomorrow Fund shortfall	4,196,729.72	5,464,509.64
Instructional program support	977,177,808.51	827,867,990.36
Dean, chair and faculty recruitment packages	8,669,083.33	10,346,634.14
Self-supporting enterprises	193,426,436.63	168,948,974.43
Patient care support	2,206,864,770.69	902,703,266.94
Practice plan minimum operating reserve of 90 days	272,513,925.72	310,221,801.67
Unallocated	(14,895,842,245.63)	(12,099,069,103.18)
Total unrestricted	(1,789,356,764.07)	(2,730,890,626.35)
Total net position	$ 48,663,727,514.38	45,858,265,416.89

*August 31, 2019 unrestricted net position was restated as a result of implementing GASB Statement No. 84. See Note 4 for further details.

As of August 31, 2020 and 2019, restricted nonexpendable net position includes $21,193,107,511.62 and $20,925,167,822.76, respectively, of the Permanent University Fund corpus, and $820,000,000.00 for both years of the Permanent Health Fund corpus. As of August 31, 2020 and 2019, restricted expendable net position includes $8,694,358,135.55 and $8,090,101,757.86, respectively, of the Permanent University Fund appreciation, and $441,715,351.96 and $383,960,649.62, respectively, of the Permanent Health Fund appreciation.

Unrestricted net position, detailed in the table above, is not subject to externally imposed stipulations. Unrestricted net position may be designated for special purposes by actions of the Texas Legislature, internal management, and the U. T. System Board of Regents, or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic programs, patient care, research programs and initiatives, and capital programs.

The System's fiduciary fund net position at August 31, 2020 and 2019 was comprised of the following:

		2020	*Restated 2019
Restricted for:			
Pooled participants	$	250,642,298.35	235,007,997.99
Individuals, organizations, and other governments		1,558,777.90	1,777,636.92
Total fiduciary fund net position		252,201,076.25	236,785,634.91

22. Termination Benefits

U. T. System Administration contracted with NextJob to provide outplacement services to employees of the System who implemented a reduction in force. U. T. System Administration incurred expenses of $205,450.00 for 741 terminated employees of the System as of August 31, 2020 and $112,750.00 for 553 terminated employees of the System as of August 31, 2019. While U. T. System Administration contracted with NextJob, the U. T. institutions may incur travel expenses for NextJob if they request NextJob to come to their campus or if the institution requests services that fall outside of the standard service in the contract.

In 2019, U. T. Austin Intercollegiate Athletics offered a Voluntary Exit Incentive Program (VEIP) to reduce its number of full-time employees and control expenses. Those employees who elected to participate in the VEIP received a one-time, lump-sum payment equal to $17,000.00 or 25% of their base pay, whichever was greater. The total amount paid out to employees was $112,746.00.

In 2019, U. T. San Antonio offered a Voluntary Separation Incentive Program (VSIP) to eligible faculty. Those employees who elected to participate in the VSIP received one lump-sum payment equal to nine months of their annual base salary. The total of $3,435,176.49 was included in salaries payable at August 31, 2019.

Healthcare continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA) is provided for both voluntary and involuntary terminations. COBRA participants are eligible to continue group benefits for 18 to 36 months, depending upon the circumstances leading to loss of coverage. COBRA benefits for the self-insured plans offered by the System for the years ended August 31, 2020 and 2019 are provided below:

		2020	2019
Total Number of Participants[1]		2,317	2,659
Premium Revenue	$	5,360,191.83	5,642,357.30
2% Administrative Fee Revenue[2]		(108,028.66)	(110,561.91)
Net COBRA Premium		5,252,163.17	5,531,795.39
Less Claims Paid		(11,758,307.77)	(12,759,632.53)
Cost to System	$	(6,506,144.60)	(7,227,837.14)

[1]The participants above are for the self-insured program.
[2]The 2 percent administrative fee is retained by U. T. COBRA in OEB for administering the COBRA benefit and is paid by the participant.

23. Deferred Outflows of Resources and Deferred Inflows of Resources

As of August 31, 2020 and 2019, the System reported deferred outflows of resources and deferred inflows of resources in connection with its hedging derivative instruments, unamortized (losses)/gains on refunding debt, the OPEB plan, the TRS pension plan, unamortized interest rate lock termination payments, asset retirement obligations, beneficial interests in irrevocable split-interest agreements, and acquisitions, as presented in the table below:

	2020		2019	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Hedging Derivative Instruments	$ 413,075,150.00	414,453.00	325,363,093.00	-
Unamortized Loss/Gain on Refunding Debt	23,302,387.76	5,475,365.03	30,243,963.59	6,808,659.99
OPEB Related	860,979,785.00	1,960,603,550.00	467,085,465.00	2,206,884,498.00
Pension Related	2,221,484,431.33	1,056,704,429.00	2,516,650,578.94	511,850,823.00
Unamortized Interest Rate Lock Termination	8,404,496.79	-	8,721,867.69	-
Asset Retirement Obligation	2,109,901.31	-	4,750,993.78	-
Split-Interest Agreements	-	40,006,036.78	-	36,047,985.94
Acquisition Related	14,057,685.81	-	23,205,343.37	-
Total	$ 3,543,413,838.00	3,063,203,833.81	3,376,021,305.37	2,761,591,966.93

Deferred outflows of resources of $413,075,150.00 and $325,363,093.00 as of August 31, 2020 and 2019, respectively, were related to hedging derivative instruments in a liability position. Deferred inflows of resources of $414,453.00 as of August 31, 2020 were related to hedging derivative instruments in an asset position. The hedging derivative instrument asset and liability are disclosed in Note 7.

Deferred outflows of resources of $23,302,387.76 and $30,243,963.59 as of August 31, 2020 and 2019, respectively, were related to the unamortized losses on refunding debt. Deferred inflows of resources of $5,475,365.03 and $6,808,659.99 as of August 31, 2020 and 2019, respectively, were related to the unamortized gains on refunding debt. For debt refundings, 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.

Deferred outflows of resources of $860,979,785.00 and $467,085,465.00 and deferred inflows of resources of $1,960,603,550.00 and $2,206,884,498.00 as of August 31, 2020 and 2019, respectively, were related to the OPEB plan. See Note 16 for additional information.

Deferred outflows of resources of $2,221,484,431.33 and $2,516,650,578.94 and deferred inflows of resources of $1,056,704,429.00 and $511,850,823.00 as of August 31, 2020 and 2019, respectively, were related to the TRS pension plan. See Note 17 for additional information.

Deferred outflows of resources of $8,404,496.79 and $8,721,867.69 as of August 31, 2020 and 2019, respectively, were related to unamortized interest rate lock termination payments.

Deferred outflows of resources of $2,109,901.31 and $4,750,993.78 as of August 31, 2020 and 2019, respectively, were related to asset retirement obligations.

Deferred inflows of resources of $40,006,036.78 and $36,047,985.94 as of August 31, 2020 and 2019, respectively, were related to U. T. System's unconditional beneficial interests in irrevocable split-interest agreements.

Deferred outflows of resources of $14,057,685.81 and $23,205,343.37 as of August 31, 2020 and 2019, were related to unamortized excess consideration paid as a result of an asset purchase agreement with PTC- Houston Management, LP in fiscal year 2019.

24. Subsequent Events

On September 21, 2020, the U. T. System Board of Regents issued $54,000,000 in RFS Taxable Commercial Paper Notes, Series B to finance a variety of capital projects and equipment purchases at various U. T. System institutions. Subsequent to this issuance, the System had $87,000,000 of RFS Taxable Commercial Paper Notes, Series B outstanding.

On October 21, 2020, the U. T. System Board of Regents issued $85,000,000 in PUF Taxable Commercial Paper Notes, Series B to finance a variety of capital projects and equipment purchases at various U. T. System institutions. Subsequent to this issuance, the System had $236,000,000 of PUF Taxable Commercial Paper Notes, Series B outstanding.

On October 21, 2020, the U. T. System Board of Regents issued $101,340,000 in RFS Taxable Commercial Paper Notes, Series B to finance a variety of capital projects and equipment purchases at various U. T. System institutions. Subsequent to this issuance, the System had $250,000,000 of RFS Taxable Commercial Paper Notes, Series B outstanding.

On November 20, 2020, the U. T. System Board of Regents issued $90,000,000 in RFS Taxable Commercial Paper Notes, Series B to finance a variety of capital projects and equipment purchases at various U. T. System institutions. Subsequent to this issuance, the System had $340,000,000 of RFS Taxable Commercial Paper Notes, Series B outstanding.

25. Upcoming Accounting Pronouncements

GASB Statement No. 87, *Leases*, effective 2022, establishes a single model for lease accounting. The System is evaluating the effect that Statement 87 will have on its financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*, effective 2023, provides a single method of reporting conduit debt obligations. The System is evaluating the effect that Statement 91 will have on its financial statements.

GASB Statement No. 92, *Omnibus 2020*, effective 2022, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues identified during implementation of certain GASB Statements. GASB Statement No. 92 will have no effect on the System's net position or changes in net position.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, effective 2022, preserves consistency and comparability of reporting hedging derivative instruments and leases after agreements are amended to replace LIBOR. GASB Statement No. 93 will have no effect on the System's net position or changes in net position.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective 2023, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements and provides guidance for availability payment arrangements. The System is evaluating the effect that Statement 94 will have on its financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA), is effective 2023, This Statement defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. The System is evaluating the effect that Statement 96 will have on its financial statements.

Other than the portion of this statement implemented in 2020, the remainder of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* is effective *2022*. The requirements relate to the accounting and financial reporting for Section 457 plans, and for all other arrangements, clarify that for purposes of determining whether a primary government is financially accountable for a potential component unit, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. The System is evaluating the effect that this portion of Statement 97 will have on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

THE UNIVERSITY OF TEXAS SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SYSTEM'S PROPORTIONATE SHARE OF CHANGES
IN THE EMPLOYER TOTAL OPEB LIABILITY AND RELATED RATIOS
December 31, 2019

Last 10 Years

		2019	2018	2017	2016
1. Total OPEB Liability					
Service cost	$	471,785,731	548,093,347	569,296,804	584,209,916
Interest		442,516,885	394,480,742	426,298,831	384,344,675
Changes of benefit terms[4]		-	-	-	-
Differences between expected and actual experience		(89,235,022)	-	(136,662,956)	-
Changes of assumptions or other inputs[5]		478,407,758	(1,429,460,396)	(781,692,644)	(299,449,010)
Benefit payments (employer)		(152,076,995)	(153,396,451)	(137,157,472)	(147,648,350)
Other changes		-	-	-	-
Net Change in Total OPEB Liability		1,151,398,357	(640,282,758)	(59,917,437)	521,457,231
Total OPEB Liability – Beginning		10,355,785,546	10,717,111,345	10,777,028,782	10,255,571,551
Changes in Proportionate Share		41,561,977	278,956,959	-	-
Total OPEB Liability – Ending	$	11,548,745,880	10,355,785,546	10,717,111,345	10,777,028,782
2. Covered-Employee Payroll	$	5,107,856,866	4,799,749,927	4,491,860,695	4,619,997,871
3. Total OPEB Liability as a Percentage of Covered-Employee Payroll		226.10%	215.76%	238.59%	233.27%

Notes to Schedule:

Only four years of information is presented due to GASB Statement No. 75 being implemented in 2018. Additional years will be displayed as they become available.

Information is presented using measurement date which precedes the fiscal year end by eight months.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes in benefit terms: None

Changes in assumptions or other inputs: Changes of assumptions and other inputs reflect the changes in the discount rate each period. The following are the discount rates used in each period:

2019	2.74%
2018	4.10%
2017	3.44%
2016	3.78%

In 2019, amounts reflect updated assumed rates of retirement, disability, termination and mortality, and assumed inflation and salary increases, adjustments to assumptions for expenses, percentage of future retirees assumed to be married and electing coverage for their spouse, proportion of future retirees covering dependent children, percentage of future retirees and future retiree spouses assumed to use tobacco, percentage of future Service Retirees assumed to elect health coverage at retirement and remain covered until death, assumed per capita health benefit costs and assumed trend for health benefit costs and retiree contributions.

THE UNIVERSITY OF TEXAS SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS PLAN
August 31, 2020

Schedule of the System's Proportionate Share of the Total OPEB Liability as of the December 31 Measurement Date

	2019	2018	2017	2016
System's proportion of the total OPEB liability	79.4928364%	79.1750747%	77.1664987%	77.1664987%
System's proportionate share of the total OPEB liability	$ 11,548,745,880	10,355,785,546	10,717,111,345	10,777,028,782
State's proportionate share of the total OPEB liability related to System	2,979,287,588	2,723,817,586	3,171,184,120	3,188,913,639
Total OPEB liability related to System	$ 14,528,033,468	13,079,603,132	13,888,295,465	13,965,942,421
System's covered payroll	$ 6,425,556,183	6,062,198,170	5,820,998,450	5,987,051,307
System's proportionate share of the total OPEB liability as a percentage of its covered payroll	179.73%	170.83%	184.11%	180.01%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%

Only four years of information is presented due to GASB Statement 75 being implemented in 2018. Additional years will be displayed as they become available.

THE UNIVERSITY OF TEXAS SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
TEACHER RETIREMENT SYSTEM PENSION PLAN
August 31, 2020

Schedule of the System's Proportionate Share of the Net Pension Liability as of the August 31 Measurement Date

	2019	2018	2017	2016	2015	2014
System's proportion of the net pension liability	8.6902629%	8.9377185%	8.2879633%	8.2932305%	7.7646311%	8.6199871%
System's proportionate share of the net pension liability	$ 4,517,470,315.00	4,919,537,167.00	2,650,044,162.00	3,133,888,495.00	2,744,693,745.00	2,302,987,540.82
State's proportionate share of the net pension liability related to System	1,898,921,776.18	1,355,571,593.31	894,941,497.90	893,178,321.45	786,436,008.85	892,687,939.18
Total net pension liability related to System	$ 6,416,392,091.18	6,275,108,760.31	3,544,985,659.90	4,027,066,816.45	3,531,129,753.85	3,195,675,480.00
System's covered payroll	$ 5,435,527,295.45	5,106,576,133.12	4,891,473,913.38	4,635,793,582.08	4,472,632,859.92	4,018,776,650.31
System's proportionate share of the net pension liability as a percentage of its covered payroll	83.11%	96.34%	54.18%	67.60%	61.37%	57.31%
Plan fiduciary net position as a percentage of the total pension liability	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

Schedule of the System's Contributions as of August 31

	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ 445,661,076.19	369,615,856.09	347,247,177.05	332,620,226.11	315,233,963.58	304,139,034.47
Contributions in relation to the statutorily required contributions	$ 366,510,043.33	302,294,697.94	282,808,370.01	262,734,718.43	262,370,366.30	244,723,300.51
Contribution deficiency (excess)	$ 79,151,032.86	67,321,158.15	64,438,807.04	69,885,507.68	52,863,597.28	59,415,733.96
System's covered payroll	$ 5,942,147,682.33	5,435,527,295.45	5,106,576,133.12	4,891,473,913.38	4,635,793,582.08	4,472,632,859.92
Contributions as a percentage of covered payroll	6.17%	5.56%	5.54%	5.37%	5.66%	5.47%

Contributions by the State of Texas on behalf of the System substantially resolve the contribution deficiency.

Only six years of information is presented due to GASB Statement 68 being implemented in 2015. Additional years will be displayed as they become available.

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The University of Texas System Administration
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 1,247,229,732.39	1,178,224,738.18
Restricted Cash & Cash Equivalents	22,319,506.30	24,032,174.30
Balance in State Appropriations	738,292.94	
Securities Lending Collateral	418,831,991.31	450,955,438.34
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	28,618,695.09	16,512,513.17
Interest and Dividend Receivables	51,178,589.69	59,806,554.53
Contributions (allow. $17.50 in 2020 & $48.78 in 2019)	1,118.06	10,523.08
Investment Trades Receivables	952,085,413.50	717,741,082.24
Other (allow. $0.00 in 2020 & $0.00 in 2019)	173,111,533.26	213,377,152.51
Due From Other Funds	169,179,501.22	183,492,356.69
Due From Other Institutions	139,064,905.29	121,591,155.20
Due From Other Agencies	137,693.04	65,657.88
Other Current Assets	35,168,777.53	28,131,321.38
Total Current Assets	3,237,665,749.62	2,993,940,667.50
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	528,122.12	809,446.23
Restricted Investments	47,615,141,650.67	44,016,678,284.93
Deposit with Brokers for Derivative Contracts	75,854,046.15	52,629,262.73
Contributions Rec. (allow. $82.50 in 2020 & $51.22 in 2019)	5,271.82	11,050.81
Unrestricted Investments	9,625,166,902.01	9,513,457,188.45
Funds Held by System Administration (Unrestricted)	(4,042,648,216.80)	(2,774,020,086.81)
Hedging Derivative Asset (Noncurrent)	414,453.00	
Other Noncurrent Assets	33,594,119.16	31,455,611.11
Gross Capital/Intangible Assets	11,756,234,949.78	11,475,104,587.04
Accumulated Depreciation/Amortization	(156,567,303.17)	(146,305,886.38)
Total Noncurrent Assets	64,907,723,994.74	62,169,819,458.11
Total Assets	68,145,389,744.36	65,163,760,125.61
Total Deferred Outflows of Resources	3,527,246,250.88	3,348,064,968.22
Total Assets and Deferred Outflows	71,672,635,995.24	68,511,825,093.83
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	266,840,967.21	213,604,593.68
Salaries Payable	3,603,903.38	4,379,571.03
Investment Trades Payables	1,565,176,537.09	1,213,899,526.65
Incurred But Not Reported Self Insurance Claims	134,652,727.14	140,388,415.32
Total Other Postemployment Benefits Liability	204,857,443.00	230,593,877.00
Securities Lending Obligations	418,831,991.31	450,955,438.34
Due To Other Funds	169,179,501.22	183,492,356.69
Due To Other Institutions	706,102,357.40	824,382,339.07
Due To Other State Agencies	21,509,075.00	20,930,644.66
Statewide Interfund Payable	55,892,732.95	69,302,167.78
Unearned Revenue	29,864.55	682,627.42
Employees' Compensable Leave - Current Portion	2,439,508.58	2,729,655.81
Short-term Debt - Commercial Paper Notes	1,413,698,000.00	1,490,522,000.00
Notes, Loans, and Leases Payable		
Revenue Bonds Payable	1,777,147,961.98	1,789,490,557.87
Other Current Liabilities	1,297,193.41	11,403.83
Total Current Liabilities	6,741,259,764.22	6,635,365,175.15
Noncurrent Liabilities:		
Incurred But Not Reported Self Insurance Claims	27,905,384.67	28,030,576.68
Employees' Compensable Leave	4,054,595.71	4,892,050.24
Assets Held for Others	139,159,336.28	128,190,401.67
Liability to Beneficiaries	15,832,411.27	14,041,656.69
Total Other Postemployment Benefits Liability	11,343,888,437.00	10,125,191,669.00
Net Pension Liability	4,517,470,315.00	4,919,537,167.00
Notes, Loans, and Leases Payable		
Revenue Bonds Payable	8,064,431,199.49	7,710,948,456.03
Statewide Interfund Payable	1,412,960,180.53	1,224,282,913.48
Hedging Derivative Liability (Noncurrent)	413,075,150.00	325,363,093.00
Payable to Brokers for Collateral Held	117,821,177.02	97,923,085.76
Investment Derivatives - Liability Positions	182,210,032.04	103,353,975.94
Other Noncurrent Liabilities	2,876,919.00	3,204,474.70
Total Noncurrent Liabilities	26,241,685,138.01	24,684,959,520.19
Total Liabilities	32,982,944,902.23	31,320,324,695.34
Total Deferred Inflows of Resources	3,063,203,833.81	2,761,591,966.93
Total Liabilities and Deferred Inflows	36,046,148,736.04	34,081,916,662.27
NET POSITION		
Net Investment in Capital Assets	373,346,015.33	376,470,254.61
Restricted for:		
Nonexpendable		
Permanent University Fund Endowment	21,193,107,511.62	20,925,167,822.76
Permanent Health and True Endowments Held for Institutions	5,613,267,154.29	5,110,976,793.10
Permanent Health and True Endowments	396,769,408.77	395,749,739.77
Expendable		
Capital Projects	5,876,891.66	5,012,725.70
Debt Service	2,412,191.39	803,466.98
Funds Functioning as Endowment (Restricted)	8,610,124.19	8,252,548.75
Funds Functioning as Endowments (Restricted Held for Institutions)	691,397,456.62	614,954,167.96
Other Expendable	12,490,767,093.68	11,544,007,139.18
Unrestricted	(5,149,066,588.35)	(4,551,486,227.25)
Total Net Position	$ 35,626,487,259.20	34,429,908,431.56

The University of Texas System Administration
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Federal Sponsored Programs	32,084,223.02	28,997,529.74
State Sponsored Programs Pass-Through from State Agencies	10,206,794.00	
Sales and Services of Educational Activities	24,956,539.38	24,369,617.14
Other Operating Revenues	323,727,009.51	235,314,677.83
Total Operating Revenues	390,974,565.91	288,681,824.71
Operating Expenses:		
Instruction		
Research		
Public Service	3,250,401.20	21,844,804.68
Academic Support	8,269,312.91	16,575,160.06
Student Services		
Institutional Support	1,288,692,026.83	1,135,270,986.63
Operations and Maintenance of Plant	416,562.27	2,772,590.97
Scholarships and Fellowships	1,825,250.00	1,755,991.00
Auxiliary Enterprises		
Depreciation and Amortization	16,922,488.67	23,804,107.72
Total Operating Expenses	1,319,376,041.88	1,202,023,641.06
Operating Income (Loss)	(928,401,475.97)	(913,341,816.35)
Nonoperating Revenues (Expenses):		
State Appropriations	8,820,703.00	8,870,153.00
Federal Nonexchange Sponsored Programs	19,973,091.08	25,603,646.87
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	363,275.31	1,020,239.86
Investment Income	2,968,714,438.71	3,242,348,683.94
Net Increase (Decrease) in Fair Value of Investments	446,461,749.64	(2,543,157,871.99)
Interest Expense on Capital Asset Financings	(327,445,930.00)	(328,566,699.61)
Gain (Loss) on Sale of Capital Assets	2,525,994.59	(53,572.12)
Other Nonoperating Revenues	615.93	448,343.40
Other Nonoperating (Expenses)	(7,884,285.28)	(8,147,640.52)
Net Nonoperating Revenues (Expenses)	3,111,529,652.98	398,365,282.83
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	2,183,128,177.01	(514,976,533.52)
Gifts and Sponsored Programs for Capital Acquisitions		2,000,000.00
Additions to Permanent Endowments	148,800,926.01	219,482,452.03
Reclass from/(to) Other Institutions	(245,744,027.12)	(785,817,051.85)
Change in Proceeds of Bonds Payable	273,993,185.23	311,274,600.85
Transfers Between Institutions & System, Debt Service - Mandatory	737,956,343.72	742,558,162.67
Transfers Between Institutions & System Admin. - Non mandatory	(1,264,916,935.45)	(1,406,301,298.17)
Transfers From Other State Agencies	1,000,000.00	
Transfers to Other State Agencies	(637,638,841.76)	392,779,590.25
Legislative Appropriations Lapsed		
Change in Net Position	1,196,578,827.64	(1,824,559,258.24)
Beginning Net Position	34,429,908,431.56	26,833,374,337.93
Restatements		9,421,093,351.87
Beginning Net Position (As Restated)	34,429,908,431.56	36,254,467,689.80
Ending Net Position	$ 35,626,487,259.20	34,429,908,431.56

The University of Texas System Administration
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Sponsored Programs	37,918,981.86	23,368,256.50
Proceeds from Other Revenues	337,007,980.78	251,377,346.29
Payments to Suppliers	(259,955,006.30)	(352,148,982.49)
Payments to Employees	(73,257,464.44)	(73,706,558.95)
Net Cash Provided (Used) by Operating Activities	41,714,491.90	(151,109,938.65)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	8,082,410.06	8,870,153.00
Proceeds from Operating Gifts	370,959.32	1,024,600.41
Proceeds from Private Gifts for Endowment Purposes	128,323,335.31	481,667,915.08
Proceeds from Other Noncapital Financing Activities	615.93	448,343.40
Receipts for Transfers from System or Other Agencies	2,501,747.76	420,755.45
Payments for Transfers to System or Other Agencies	(853,167,712.85)	(927,419,475.16)
Payments for Other Uses	(2,699,690.29)	(3,714,177.47)
Proceeds from Nonexchange Sponsored Programs	12,166,909.16	25,914,447.13
Net Cash Provided by Noncapital Financing Activities	(704,421,425.60)	(412,787,438.16)
Cash Flows from Capital and Related Financing Activities:		
Proceeds from Issuance of Capital Debt	1,722,759,378.92	1,854,957,281.47
Nonmandatory Capital Related Transfers	(1,047,112,908.63)	(1,113,567,309.89)
Payments of Other Costs on Debt Issuance	(5,184,594.99)	(4,433,463.05)
Proceeds from Capital Appropriations, Grants, and Gifts	-	2,000,000.00
Proceeds from Sale of Capital Assets	2,543,410.00	33,975.00
Payments for Additions to Capital Assets	(16,948,919.07)	(14,441,650.39)
Payments of Principal on Capital Related Debt	(1,369,214,000.00)	(1,460,613,000.00)
Mandatory Transfers to System for Capital Related Debt	737,956,343.72	742,558,162.67
Payments of Interest on Capital Related Debt	(414,169,737.69)	(410,760,068.99)
Net Cash Provided (Used) by Capital and Related Financing Activities	(389,371,027.74)	(404,266,073.18)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	36,014,504,516.34	31,931,245,458.16
Proceeds from Interest and Investment Income	1,053,250,809.02	1,498,147,763.96
Payments to Acquire Investments	(35,948,666,361.82)	(32,525,191,874.26)
Net Cash Provided (Used) by Investing Activities	1,119,088,963.54	904,201,347.86
Net Increase (Decrease) in Cash	67,011,002.10	(63,962,102.13)
Cash and Cash Equivalents (Beginning of the Year)	1,203,066,358.71	1,267,028,460.84
Cash and Cash Equivalents (End of the Year)	$ 1,270,077,360.81	$ 1,203,066,358.71
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(928,401,475.97)	(913,341,816.35)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	16,922,488.67	23,804,107.72
Gross Loss on Impairment of Capital Assets	-	25,840,003.66
OPEB Expense	686,449,366.00	664,784,810.00
Pension Expense	806,337,921.00	584,838,293.00
Changes in Assets and Liabilities:		
Accounts Receivable	(19,884,279.55)	(13,376,658.49)
Other Current and Noncurrent Assets	(5,359,119.66)	844,906.28
Deferred Outflows-Other Postemployment Benefits	(393,894,320.00)	(364,048,918.00)
Deferred Outflows-Pension Related	295,166,147.61	(1,832,590,812.93)
Accounts Payable	5,994,291.64	12,648,637.96
Due to System	(17,473,750.09)	(4,645,165.08)
Unearned Revenue	(645,262.87)	59,502.59
Employees' Compensable Leave	(1,127,601.76)	(425,565.79)
Other Postemployment Benefits Obligation	506,510,968.00	(1,026,110,609.00)
Pension Related Obligations	(1,208,404,773.00)	1,684,654,712.00
Deferred Inflows-Other Postemployment Benefits	(246,280,948.00)	1,178,400,403.00
Deferred Inflows-Pension Related	544,853,606.00	(172,639,351.00)
Other Current and Noncurrent Liabilities	951,233.88	193,581.78
Total Adjustments	970,115,967.87	762,231,877.70
Net Cash Provided (Used) by Operating Activities	$ 41,714,491.90	$ (151,109,938.65)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	446,461,749.64	(2,543,157,871.99)
Miscellaneous Noncash Transactions	2,520,381.49	(25,893,575.78)

The University of Texas System Administration
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	-	-
Accounts Receivable, Net:			
Interest and Dividends	195,572.50	-	195,572.50
Investment Trades	3,701,948.20	-	3,701,948.20
Other	114,287.91	-	114,287.91
Total Accounts Receivable, Net	4,011,808.61	-	4,011,808.61
Investments at Fair Value:			
Investment Derivatives - Asset Positions	779,587.72	-	779,587.72
Other Investments	253,073,780.16	-	253,073,780.16
Total Investments	253,853,367.88	-	253,853,367.88
Securities Lending Collateral	2,002,120.14	-	2,002,120.14
Deposit with Brokers for Derivative Contracts	344,647.39	-	344,647.39
Other Assets	5,397.19	-	5,397.19
Total Assets	260,217,341.21	-	260,217,341.21
LIABILITIES			
Accounts Payable and Accrued Liabilities	519,134.69	-	519,134.69
Investment Trades Payables	5,967,552.38	-	5,967,552.38
Securities Lending Obligations	2,002,120.14	-	2,002,120.14
Investment Derivatives - Liability Positions	492,293.13	-	492,293.13
Payable to Brokers for Collateral Held	593,942.52	-	593,942.52
Total Liabilities	9,575,042.86	-	9,575,042.86
NET POSITION			
Restricted for:			
Pool Participants	250,642,298.35	-	250,642,298.35
Individuals, Organizations, and Other Governments	-	-	-
Total Net Position	$ 250,642,298.35	-	250,642,298.35

The University of Texas System Administration
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	-	-
Accounts Receivable, Net:			
Interest and Dividends	237,883.21	-	237,883.21
Investment Trades	3,046,455.22	-	3,046,455.22
Other	6,661.59	-	6,661.59
Total Accounts Receivable, Net	3,291,000.02	-	3,291,000.02
Investments at Fair Value:			
Investment Derivatives - Asset Positions	515,000.38	-	515,000.38
Other Investments	237,211,100.54	-	237,211,100.54
Total Investments	237,726,100.92	-	237,726,100.92
Securities Lending Collateral	2,103,782.22	-	2,103,782.22
Deposit with Brokers for Derivative Contracts	256,221.33	-	256,221.33
Other Assets	4,991.20	-	4,991.20
Total Assets	243,382,095.69	-	243,382,095.69
LIABILITIES			
Accounts Payable and Accrued Liabilities	281,585.99	-	281,585.99
Investment Trades Payables	5,192,005.59	-	5,192,005.59
Securities Lending Obligations	2,103,782.22	-	2,103,782.22
Investment Derivatives - Liability Positions	442,622.34	-	442,622.34
Payable to Brokers for Collateral Held	354,101.56	-	354,101.56
Total Liabilities	8,374,097.70	-	8,374,097.70
NET POSITION			
Restricted for:			
Pool Participants	235,007,997.99	-	235,007,997.99
Individuals, Organizations, and Other Governments	-	-	-
Total Net Position	$ 235,007,997.99	-	235,007,997.99

The University of Texas System Administration
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	4,065,113.71	-	4,065,113.71
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	4,065,113.71	-	4,065,113.71
Investment Earnings:			
Interest, Dividends, and Other	2,307,916.36	-	2,307,916.36
Realized Gain (Loss) on Sale of Investments	58,583.26	-	58,583.26
Net Increase (Decrease) in Fair Value of Investments	9,723,025.41	-	9,723,025.41
Total Investment Earnings	12,089,525.03	-	12,089,525.03
Miscellaneous	-	-	-
Total Additions	16,154,638.74	-	16,154,638.74
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	520,338.38	-	520,338.38
Payments to Participants	-	-	-
Other Expenses	-	-	-
Total Deductions	520,338.38	-	520,338.38
Net Increase (Decrease) in Fiduciary Net Position	15,634,300.36	-	15,634,300.36
Beginning Net Position	235,007,997.99	-	235,007,997.99
Ending Net Position	$ 250,642,298.35	-	250,642,298.35

The University of Texas System Administration
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	4,127,278.23	-	4,127,278.23
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	4,127,278.23	-	4,127,278.23
Investment Earnings:			
Interest, Dividends, and Other	3,534,707.31	-	3,534,707.31
Realized Gain (Loss) on Sale of Investments	50,046.18	-	50,046.18
Net Increase (Decrease) in Fair Value of Investments	(1,309,013.33)	-	(1,309,013.33)
Total Investment Earnings	2,275,740.16	-	2,275,740.16
Miscellaneous	-	-	-
Total Additions	6,403,018.39	-	6,403,018.39
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	768,032.99	-	768,032.99
Payments to Participants	-	-	-
Other Expenses	-	-	-
Total Deductions	768,032.99	-	768,032.99
Net Increase (Decrease) in Fiduciary Net Position	5,634,985.40	-	5,634,985.40
Beginning Net Position	-	-	-
Restatements	229,373,012.59	-	229,373,012.59
Beginning Net Position (As Restated)	229,373,012.59	-	229,373,012.59
Ending Net Position	$ 235,007,997.99	-	235,007,997.99

The University of Texas at Arlington
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 169,790,226.10	235,499,656.78
Restricted Cash & Cash Equivalents	(29,945,755.89)	(67,369,680.24)
Balance in State Appropriations	13,188,013.36	12,942,028.92
Accounts Receivable, Net:		
Federal (allow. $516,659.48 in 2020 & $2,677,808.59 in 2019)	21,192,955.98	57,664,409.27
Other Intergov. (allow. $1,257,543.50 in 2020 & $516,659.48 in 2019)	742,032.62	18,721.34
Student (allow. $7,645,077.07 in 2020 & $4,091,945.86 in 2019)	56,286,796.02	60,852,099.62
Interest and Dividend Receivables	680.80	680.80
Contributions (allow. $6,328.48 in 2020 & $9,874.69 in 2019)	310,095.40	483,871.76
Other (allow. $55,255.99 in 2020 & $76,522.25 in 2019)	6,744,901.96	10,876,128.72
Due From System Administration	1,723,553.10	4,790,785.14
Due From Other Institutions	258,076.35	181,550.61
Due From Other Agencies	2,969,180.21	3,189,573.87
Inventories	202,915.25	192,686.53
Loans & Contracts (allow. $4,805,360.33 in 2020 & $4,983,416.09 in 2019)	11,928,492.81	12,146,017.37
Other Current Assets	4,445,754.80	5,044,885.69
Total Current Assets	259,837,918.87	336,513,416.18
Noncurrent Assets:		
Restricted Investments	25,197,031.52	26,763,367.19
Loans & Contracts (allow. $694,612.60 in 2020 & $782,755.67 in 2019)	602,172.02	1,442,738.52
Funds Held by System Administration (Restricted)	150,280,823.04	140,299,044.18
Contributions Rec. (allow. $1,267.49 in 2020 & $6,394.15 in 2019)	62,107.13	313,313.21
Unrestricted Investments	500,815,128.97	424,921,666.56
Funds Held by System Administration (Unrestricted)	76,076,074.34	22,392,584.78
Gross Capital/Intangible Assets	1,398,027,265.14	1,354,424,928.79
Accumulated Depreciation/Amortization	(680,849,242.32)	(632,327,935.96)
Total Noncurrent Assets	1,470,211,359.84	1,338,229,707.27
Total Assets	1,730,049,278.71	1,674,743,123.45
Total Deferred Outflows of Resources	132,181.05	152,780.70
Total Assets and Deferred Outflows	1,730,181,459.76	1,674,895,904.15
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	26,319,551.65	23,688,386.34
Salaries Payable	19,279,015.46	21,323,902.66
Due To System Administration	4,809,734.12	3,961,104.55
Due To Other Institutions	326,963.11	266,263.70
Due To Other State Agencies	279,300.06	341,870.71
Statewide Interfund Payable	597,191.23	1,273,392.16
Unearned Revenue	151,007,196.68	160,246,607.66
Employees' Compensable Leave - Current Portion	5,132,853.52	5,217,692.44
Notes, Loans, and Leases Payable		
Other Current Liabilities	987,391.48	1,227,733.29
Total Current Liabilities	208,739,197.31	217,546,953.51
Noncurrent Liabilities:		
Employees' Compensable Leave	10,846,439.78	7,770,295.41
Liability to Beneficiaries	33,893.19	26,974.54
Notes, Loans, and Leases Payable		
Statewide Interfund Payable	285,929.15	851,061.49
Asset Retirement Obligation	193,980.00	193,980.00
Other Noncurrent Liabilities	2,135,897.88	2,550,552.27
Total Noncurrent Liabilities	13,496,140.00	11,392,863.71
Total Liabilities	222,235,337.31	228,939,817.22
Total Deferred Inflows of Resources	80,050.30	80,050.30
Total Liabilities and Deferred Inflows	222,315,387.61	229,019,867.52
NET POSITION		
Net Investment in Capital Assets	717,178,022.82	722,096,992.83
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	105,077,531.40	100,711,420.17
Expendable		
Capital Projects	41,393,312.85	38,574,025.93
Funds Functioning as Endowment (Restricted)	4,842,220.90	4,626,716.47
Other Expendable	63,797,728.79	60,056,763.48
Unrestricted	575,577,255.39	519,810,117.75
Total Net Position	$ 1,507,866,072.15	1,445,876,036.63

The University of Texas at Arlington
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 460,612,215.77	449,946,181.37
Discounts and Allowances	(120,758,416.17)	(122,469,614.26)
Federal Sponsored Programs	49,028,950.65	47,611,097.14
Federal Sponsored Programs Pass-Through from State Agencies	7,058,721.26	5,805,314.35
State Sponsored Programs Pass-Through from State Agencies	21,428,800.54	22,339,802.57
Local Sponsored Programs	797,920.28	1,466,417.68
Private Sponsored Programs	2,474,905.48	5,931,754.82
Sales and Services of Educational Activities	26,886,165.10	32,882,974.15
Auxiliary Enterprises	33,504,950.00	50,367,537.01
Other Operating Revenues	6,652,797.36	12,421,039.14
Total Operating Revenues	487,687,010.27	506,302,503.97
Operating Expenses:		
Instruction	194,078,882.30	186,376,761.61
Research	101,962,294.72	96,479,805.21
Public Service	15,800,427.78	14,459,423.04
Academic Support	53,548,251.66	50,643,635.00
Student Services	90,930,391.39	93,479,922.73
Institutional Support	56,743,574.02	51,039,043.10
Operations and Maintenance of Plant	36,303,190.35	36,101,605.59
Scholarships and Fellowships	45,313,949.80	32,236,352.88
Auxiliary Enterprises	57,383,325.52	58,709,592.05
Depreciation and Amortization	55,852,821.44	55,273,125.24
Total Operating Expenses	707,917,108.98	674,799,266.45
Operating Income (Loss)	(220,230,098.71)	(168,496,762.48)
Nonoperating Revenues (Expenses):		
State Appropriations	150,525,100.06	131,658,250.47
Federal Nonexchange Sponsored Programs	76,532,706.76	60,638,840.76
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through	487,500.00	513,500.00
Gift Contributions for Operations	8,709,545.28	12,525,734.32
Investment Income	28,340,951.12	26,663,703.77
Net Increase (Decrease) in Fair Value of Investments	34,149,328.59	2,727,807.76
Interest Expense on Capital Asset Financings	(32,058.89)	(50,959.83)
Gain (Loss) on Sale of Capital Assets	(891,025.33)	(1,384,198.49)
Other Nonoperating Revenues	6,997,573.26	3,824,186.97
Other Nonoperating (Expenses)	(2,335,522.68)	(555,401.54)
Net Nonoperating Revenues (Expenses)	302,484,098.17	236,561,464.19
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	82,253,999.46	68,064,701.71
Gifts and Sponsored Programs for Capital Acquisitions	558,747.27	4,382,122.57
Additions to Permanent Endowments	3,341,803.21	3,267,366.14
Reclass from/(to) Other Institutions	3,912,076.19	12,217,974.12
Transfers Between Institutions & System, Debt Service - Mandatory	(33,539,329.80)	(33,833,206.51)
Transfers Between Institutions & System Admin. - Non mandatory	5,944,472.52	8,840,097.83
Transfers From Other State Agencies	783,698.29	988,731.79
Transfers to Other State Agencies	(54,964.50)	3,632.10
Legislative Appropriations Lapsed	(1,210,467.12)	(524.50)
Change in Net Position	61,990,035.52	63,923,631.05
Beginning Net Position	1,445,876,036.63	1,381,952,405.58
Ending Net Position	$ 1,507,866,072.15	1,445,876,036.63

The University of Texas at Arlington
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	340,812,212.66	331,953,885.70
Proceeds from Sponsored Programs	107,057,001.47	72,891,540.34
Proceeds from Auxiliaries	33,181,018.13	50,543,319.02
Proceeds from Other Revenues	32,718,542.54	47,360,232.79
Payments to Suppliers	(252,286,350.65)	(241,974,074.29)
Payments to Employees	(396,431,917.69)	(382,255,902.98)
Payments for Loans Provided	(5,784,562.42)	(40,199,562.94)
Proceeds from Loan Programs	7,067,350.66	37,042,352.85
Net Cash Provided (Used) by Operating Activities	(133,666,705.30)	(124,638,209.51)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	149,068,648.50	133,800,183.41
Proceeds from Operating Gifts	8,672,348.12	12,535,480.56
Proceeds from Private Gifts for Endowment Purposes	3,341,803.21	3,267,366.14
Proceeds from Other Noncapital Financing Activities	184,953,055.13	3,748,339.17
Receipts for Transfers from System or Other Agencies	2,597,886.71	1,148,390.50
Payments for Transfers to System or Other Agencies	(1,241,333.27)	(779,567.63)
Payments for Other Uses	(150,456,629.30)	(118,236.10)
Proceeds from Nonexchange Sponsored Programs	51,951,704.26	69,522,568.49
Net Cash Provided by Noncapital Financing Activities	248,887,483.36	223,124,524.54
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	10,954,778.81	23,398,890.62
Proceeds from Capital Appropriations, Grants, and Gifts	480,010.00	4,006,998.67
Payments for Additions to Capital Assets	(46,029,016.84)	(41,628,025.88)
Mandatory Transfers to System for Capital Related Debt	(33,539,329.80)	(33,833,206.51)
Payments of Interest on Capital Related Debt	(32,058.89)	(50,959.83)
Net Cash Provided (Used) by Capital and Related Financing Activities	(68,165,616.72)	(48,106,302.93)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	978,074.74	1,293,339.37
Proceeds from Interest and Investment Income Invested by System	27,517,405.51	24,743,578.21
Payments to Acquire Investments Invested by System	(103,836,147.92)	(45,956,909.16)
Net Cash Provided (Used) by Investing Activities	(75,340,667.67)	(19,919,991.58)
Net Increase (Decrease) in Cash	(28,285,506.33)	30,460,020.52
Cash and Cash Equivalents (Beginning of the Year)	168,129,976.54	138,126,686.27
Restatements to Cash for GASB Implementation	-	(456,730.25)
Cash and Cash Equivalents (End of the Year)	$ 139,844,470.21	$ 168,129,976.54
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(220,230,098.71)	(168,496,762.48)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	55,852,821.44	55,273,125.24
Bad Debt Expense	(223,119.18)	919,738.48
Changes in Assets and Liabilities:		
Accounts Receivable	36,245,250.98	(12,670,415.74)
Inventories	(10,228.72)	20,695.56
Loans and Contracts	1,282,788.24	(3,157,210.09)
Other Current and Noncurrent Assets	599,130.89	(428,053.02)
Accounts Payable	(1,149,377.73)	(5,739,904.31)
Due to System	848,629.57	151,909.09
Unearned Revenue	(9,239,410.98)	9,685,326.22
Employees' Compensable Leave	2,991,305.45	356,408.68
Asset Retirement Obligations	20,599.65	20,599.65
Other Current and Noncurrent Liabilities	(654,996.20)	(573,666.79)
Total Adjustments	86,563,393.41	43,858,552.97
Net Cash Provided (Used) by Operating Activities	$ (133,666,705.30)	$ (124,638,209.51)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	34,149,328.59	2,727,807.76
Donated Capital Assets	540,916.87	622,819.00
Miscellaneous Noncash Transactions	2,160,319.66	(1,802,912.86)

The University of Texas at Arlington
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	300,532.06	300,532.06
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	300,532.06	300,532.06
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	300,532.06	300,532.06
Total Net Position	$ -	300,532.06	300,532.06

The University of Texas at Arlington
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	456,730.25	456,730.25
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	456,730.25	456,730.25
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	456,730.25	456,730.25
Total Net Position	$ -	456,730.25	456,730.25

The University of Texas at Arlington
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	190,217.95	190,217.95
Contributions from Foundations or Associations	-	-	-
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	190,217.95	190,217.95
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	190,217.95	190,217.95
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	340,108.77	340,108.77
Payments to Participants	-	-	-
Other Expenses	-	6,307.37	6,307.37
Total Deductions	-	346,416.14	346,416.14
Net Increase (Decrease) in Fiduciary Net Position	-	(156,198.19)	(156,198.19)
Beginning Net Position	-	456,730.25	456,730.25
Ending Net Position	$ -	300,532.06	300,532.06

The University of Texas at Arlington
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	310,930.76	310,930.76
Contributions from Foundations or Associations	-	3,000.00	3,000.00
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	313,930.76	313,930.76
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	313,930.76	313,930.76
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	278,884.85	278,884.85
Total Deductions	-	278,884.85	278,884.85
Net Increase (Decrease) in Fiduciary Net Position	-	35,045.91	35,045.91
Beginning Net Position	-	-	-
Restatements	-	421,684.34	421,684.34
Beginning Net Position (As Restated)	-	421,684.34	421,684.34
Ending Net Position	$ -	456,730.25	456,730.25

The University of Texas at Austin
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 417,513,375.71	375,373,358.74
Restricted Cash & Cash Equivalents	97,320,362.18	90,545,362.56
Balance in State Appropriations	10,836,439.28	7,973,209.84
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	103,564,761.66	70,179,731.05
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	6,458,785.44	6,766,237.81
Student (allow. $1,427,228.51 in 2020 & $1,042,987.95 in 2019)	60,734,760.39	91,872,511.22
Interest and Dividend Receivables	8,576,601.66	8,785,399.25
Contributions (allow. $170,252.24 in 2020 & $1,363,582.32 in 2019)	119,056,322.74	69,065,717.24
Other (allow. $257,847.27 in 2020 & $106,523.97 in 2019)	36,573,565.76	37,197,309.46
Due From Other Funds	142,145,148.49	66,979,866.52
Due From System Administration	613,690,935.30	609,047,934.52
Due From Other Institutions	541,583.95	818,162.02
Due From Other Agencies	9,536,665.99	7,552,311.77
Inventories	6,261,475.48	6,057,262.17
Loans & Contracts (allow. $0.00 in 2020 & $0.00 in 2019)	9,225,510.03	7,857,714.40
Other Current Assets	68,720,973.93	70,365,753.17
Total Current Assets	1,710,757,267.99	1,526,437,841.74
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)		63,417.80
Restricted Investments	320,623,607.11	350,965,965.98
Loans & Contracts (allow. $19,855,717.18 in 2020 & $20,187,497.73 in 2019)	23,791,552.20	33,076,545.77
Funds Held by System Administration (Restricted)	4,620,028,578.56	4,342,019,763.53
Contributions Rec. (allow. $9,613.68 in 2020 & $1,667.89 in 2019)	312,935,296.45	197,818,307.65
Unrestricted Investments	973,816,166.74	968,055,952.62
Funds Held by System Administration (Unrestricted)	720,233,377.84	370,420,462.87
Other Noncurrent Assets	14,625,772.40	7,187,328.00
Gross Capital/Intangible Assets	8,440,752,996.87	7,962,885,540.14
Accumulated Depreciation/Amortization	(4,129,977,874.54)	(3,817,999,998.41)
Total Noncurrent Assets	11,296,829,473.63	10,414,493,285.95
Total Assets	13,007,586,741.62	11,940,931,127.69
Total Deferred Outflows of Resources	299,538.45	1,497,692.30
Total Assets and Deferred Outflows	13,007,886,280.07	11,942,428,819.99
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	127,618,159.01	128,212,595.95
Salaries Payable	115,231,014.32	103,996,089.17
Due To Other Funds	142,145,148.49	66,979,866.52
Due To System Administration	22,420,064.66	20,881,547.00
Due To Other Institutions	638,366.12	465,110.97
Due To Other State Agencies	135,909,337.95	1,448,868.95
Unearned Revenue	479,154,783.69	571,373,850.17
Employees' Compensable Leave - Current Portion	33,467,528.16	39,376,659.70
Notes, Loans, and Leases Payable	230,684.97	640,336.53
Other Current Liabilities	3,547,413.87	8,885,777.08
Total Current Liabilities	1,060,362,501.24	942,260,702.04
Noncurrent Liabilities:		
Employees' Compensable Leave	41,525,390.40	24,619,040.37
Liability to Beneficiaries	9,760,600.27	8,615,975.53
Notes, Loans, and Leases Payable	384,964.88	424,687.50
Asset Retirement Obligation	4,456,500.00	4,456,500.00
Other Noncurrent Liabilities	26,558,535.84	42,718,656.85
Total Noncurrent Liabilities	82,685,991.39	80,834,860.25
Total Liabilities	1,143,048,492.63	1,023,095,562.29
Total Deferred Inflows of Resources	17,210,214.56	12,185,176.56
Total Liabilities and Deferred Inflows	1,160,258,707.19	1,035,280,738.85
NET POSITION		
Net Investment in Capital Assets	4,310,159,472.48	4,143,820,517.70
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	2,245,377,088.11	2,169,432,258.52
Expendable		
Capital Projects	(29,324,395.89)	32,092,268.35
Funds Functioning as Endowment (Restricted)	323,918,840.66	307,212,037.19
Other Expendable	2,730,725,788.77	2,494,999,207.21
Unrestricted	2,266,770,778.75	1,759,591,792.17
Total Net Position	$ 11,847,627,572.88	10,907,148,081.14

The University of Texas at Austin
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 703,649,950.66	698,441,077.39
Discounts and Allowances	(191,117,831.28)	(182,861,093.61)
Federal Sponsored Programs	531,006,299.26	442,717,142.06
Federal Sponsored Programs Pass-Through from State Agencies	13,380,382.10	14,496,940.26
State Sponsored Programs Pass-Through from State Agencies	58,679,281.63	61,464,223.75
Local Sponsored Programs	4,200,883.40	14,553,434.46
Private Sponsored Programs	164,312,262.82	132,730,882.26
Sales and Services of Educational Activities	283,344,902.79	308,290,630.88
Discounts and Allowances Sales and Services of Educational Activities	4,433.50	(13,563.81)
Professional Fees (Patient Charges)	15,859,731.11	10,187,945.87
Discounts and Allowances Professional Fees (Patient Charges)	(7,999,078.24)	(4,158,945.97)
Auxiliary Enterprises	287,862,107.84	361,815,872.84
Discounts and Allowances Auxiliary Enterprises	(17,282,978.46)	(12,191,186.38)
Other Operating Revenues	11,524,548.01	10,377,101.43
Total Operating Revenues	1,857,424,895.14	1,855,850,461.43
Operating Expenses:		
Instruction	687,871,603.11	676,702,611.58
Research	548,443,344.85	516,252,929.11
Public Service	113,190,177.58	126,117,790.68
Hospitals / Clinics	82,078,714.57	33,615,386.58
Academic Support	382,753,601.13	351,620,955.32
Student Services	45,770,623.67	52,333,306.58
Institutional Support	179,327,516.96	183,972,733.19
Operations and Maintenance of Plant	208,364,884.08	223,019,080.25
Scholarships and Fellowships	133,957,715.39	122,587,499.25
Auxiliary Enterprises	279,047,456.28	323,388,375.29
Depreciation and Amortization	351,585,235.08	346,250,532.88
Total Operating Expenses	3,012,390,872.70	2,955,861,200.71
Operating Income (Loss)	(1,154,965,977.56)	(1,100,010,739.28)
Nonoperating Revenues (Expenses):		
State Appropriations	373,951,425.05	355,860,024.18
Federal Nonexchange Sponsored Programs	61,301,539.97	45,771,675.83
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Local Nonexchange Sponsored Programs	35,002,449.00	35,002,047.98
Gift Contributions for Operations	311,415,642.42	173,651,718.89
Investment Income	280,366,557.42	278,285,756.47
Net Increase (Decrease) in Fair Value of Investments	253,174,540.05	123,032,572.56
Interest Expense on Capital Asset Financings	(22,969.37)	(20,995.59)
Gain (Loss) on Sale of Capital Assets	(26,992,042.39)	(25,034,194.92)
Other Nonoperating Revenues	24,662,250.11	38,181,497.40
Other Nonoperating (Expenses)	(789,259.57)	(695,197.58)
Net Nonoperating Revenues (Expenses)	1,312,070,132.69	1,024,034,905.22
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	157,104,155.13	(75,975,834.06)
Gifts and Sponsored Programs for Capital Acquisitions	78,093,701.41	145,865,179.20
Additions to Permanent Endowments	63,476,181.86	121,040,429.78
Reclass from/(to) Other Institutions	28,104,522.48	(182,228,542.53)
Transfers Between Institutions & System, Debt Service - Mandatory	(151,482,164.86)	(150,335,347.26)
Transfers Between Institutions & System Admin. - Non mandatory	769,175,159.09	704,401,417.00
Transfers From Other State Agencies	3,507,937.13	1,922,484.98
Transfers to Other State Agencies	(7,500,000.00)	134,389.79
Legislative Appropriations Lapsed	(0.50)	(3,310.00)
Change in Net Position	940,479,491.74	564,552,087.32
Beginning Net Position	10,907,148,081.14	10,342,218,398.25
Restatements		377,595.57
Beginning Net Position (As Restated)	10,907,148,081.14	10,342,595,993.82
Ending Net Position	$ 11,847,627,572.88	10,907,148,081.14

The University of Texas at Austin
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	559,454,183.93	521,789,049.32
Proceeds from Patients and Customers	7,860,652.87	6,028,999.90
Proceeds from Sponsored Programs	890,020,323.33	658,046,430.97
Proceeds from Auxiliaries	166,416,355.95	346,328,328.61
Proceeds from Other Revenues	269,046,067.32	325,284,630.88
Payments to Suppliers	(863,782,957.10)	(891,466,593.29)
Payments to Employees	(1,791,846,702.27)	(1,676,481,137.48)
Payments for Loans Provided	(17,418,041.64)	(18,416,164.74)
Proceeds from Loan Programs	25,639,788.83	27,303,197.72
Net Cash Provided (Used) by Operating Activities	(754,610,328.78)	(701,583,258.11)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	371,088,195.11	353,378,133.46
Proceeds from Operating Gifts	146,308,048.12	115,747,822.26
Proceeds from Private Gifts for Endowment Purposes	63,476,181.86	121,040,429.78
Proceeds from Other Noncapital Financing Activities	(244,263,604.61)	8,623,985.58
Receipts for Transfers from System or Other Agencies	629,884,314.92	361,197,457.60
Payments for Transfers to System or Other Agencies	(7,825,729.12)	(298,047.29)
Payments for Other Uses	242,487,838.34	(307,897.94)
Proceeds from Nonexchange Sponsored Programs	80,774,124.83	80,576,840.89
Net Cash Provided by Noncapital Financing Activities	1,281,929,369.45	1,039,958,724.34
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	168,039,768.33	172,877,723.36
Proceeds from Capital Appropriations, Grants, and Gifts	66,635,840.12	108,227,707.62
Proceeds from Sale of Capital Assets	289,622.50	1,173,543.80
Payments for Additions to Capital Assets	(491,443,086.95)	(394,468,031.90)
Payments of Principal on Capital Related Debt	(640,276.56)	(572,096.52)
Mandatory Transfers to System for Capital Related Debt	(151,482,164.86)	(150,335,347.26)
Payments of Interest on Capital Related Debt	(22,969.37)	(20,995.59)
Net Cash Provided (Used) by Capital and Related Financing Activities	(408,623,266.79)	(263,117,496.49)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	220,929,999.03	222,953,709.34
Proceeds from Interest and Investment Income Invested by System	58,146,246.34	55,994,736.45
Payments to Acquire Investments Invested by System	(348,920,420.46)	(256,143,856.53)
Net Cash Provided (Used) by Investing Activities	(69,844,175.09)	22,804,589.26
Net Increase (Decrease) in Cash	48,851,598.79	98,062,559.00
Cash and Cash Equivalents (Beginning of the Year)	465,982,139.10	368,237,184.69
Restatements to Cash for GASB Implementation	-	(317,604.59)
Cash and Cash Equivalents (End of the Year)	$ 514,833,737.89	$ 465,982,139.10
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(1,154,965,977.56)	(1,100,010,739.28)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	351,585,235.08	346,250,532.88
Gross Loss on Impairment of Capital Assets	-	7,967,628.22
Bad Debt Expense	(304,549.25)	1,205,785.75
Changes in Assets and Liabilities:		
Accounts Receivable	15,562,272.45	(17,921,630.22)
Inventories	(204,213.31)	(182,624.75)
Loans and Contracts	8,221,747.19	8,887,032.98
Other Current and Noncurrent Assets	(768,627.16)	(1,199,372.58)
Accounts Payable	126,247,444.48	36,885,230.80
Due to System	1,538,517.66	219,613.01
Unearned Revenue	(92,219,066.48)	12,934,898.21
Employees' Compensable Leave	10,997,218.49	(731,840.00)
Asset Retirement Obligations	1,198,153.85	1,453,835.67
Other Current and Noncurrent Liabilities	(21,498,484.22)	2,658,391.20
Total Adjustments	400,355,648.78	398,427,481.17
Net Cash Provided (Used) by Operating Activities	$ (754,610,328.78)	$ (701,583,258.11)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	253,174,540.05	123,032,572.56
Donated Capital Assets	11,457,861.29	37,637,471.58
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	190,902.38	559,873.10
Miscellaneous Noncash Transactions	(4,354,180.32)	(3,610,744.48)

The University of Texas at Austin
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	268,697.93	268,697.93
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	268,697.93	268,697.93
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	268,697.93	268,697.93
Total Net Position	$ -	268,697.93	268,697.93

The University of Texas at Austin
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	317,604.59	317,604.59
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	317,604.59	317,604.59
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	317,604.59	317,604.59
Total Net Position	$ -	317,604.59	317,604.59

The University of Texas at Austin
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	-	231,560.66	231,560.66
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	231,560.66	231,560.66
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	231,560.66	231,560.66
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	280,467.32	280,467.32
Total Deductions	-	280,467.32	280,467.32
Net Increase (Decrease) in Fiduciary Net Position	-	(48,906.66)	(48,906.66)
Beginning Net Position	-	317,604.59	317,604.59
Ending Net Position	$ -	268,697.93	268,697.93

The University of Texas at Austin
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	-	482,398.00	482,398.00
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	9,166.44	9,166.44
Total Contributions	-	491,564.44	491,564.44
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	491,564.44	491,564.44
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	596,098.19	596,098.19
Total Deductions	-	596,098.19	596,098.19
Net Increase (Decrease) in Fiduciary Net Position	-	(104,533.75)	(104,533.75)
Beginning Net Position	-	-	-
Restatements	-	422,138.34	422,138.34
Beginning Net Position (As Restated)	-	422,138.34	422,138.34
Ending Net Position	$ -	317,604.59	317,604.59

The University of Texas at Dallas
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 131,359,769.36	111,006,292.44
Restricted Cash & Cash Equivalents	14,989,627.18	16,341,819.33
Balance in State Appropriations	1,039,171.91	9,075,617.16
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	14,680,421.26	11,255,098.18
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	280,374.10	448,877.56
Student (allow. $2,438,925.65 in 2020 & $2,521,425.82 in 2019)	36,716,811.44	34,483,960.81
Interest and Dividend Receivables	615,103.64	655,365.37
Contributions (allow. $448,554.48 in 2020 & $502,374.05 in 2019)	8,522,534.99	9,545,107.03
Other (allow. $1,926,692.15 in 2020 & $1,536,530.43 in 2019)	13,546,975.82	7,040,152.19
Due From System Administration	3,866,406.99	14,037,495.59
Due From Other Institutions	497,202.76	409,656.02
Due From Other Agencies	6,790,389.06	9,410,401.73
Inventories	351,010.13	416,135.24
Loans & Contracts (allow. $449,682.61 in 2020 & $135,689.69 in 2019)	6,631,796.22	7,549,683.29
Other Current Assets	3,470,513.06	7,972,256.21
Total Current Assets	243,358,107.92	239,647,918.15
Noncurrent Assets:		
Restricted Investments	35,017,942.51	48,506,816.79
Loans & Contracts (allow. $326,641.36 in 2020 & $675,377.01 in 2019)	1,258,804.35	729,784.40
Funds Held by System Administration (Restricted)	542,640,130.22	505,100,198.34
Contributions Rec. (allow. $21,888.10 in 2020 & $16,941.44 in 2019)	415,874.00	321,887.32
Unrestricted Investments	217,465,587.94	200,340,096.56
Funds Held by System Administration (Unrestricted)	60,110,576.37	53,366,120.45
Other Noncurrent Assets	2.00	2.00
Gross Capital/Intangible Assets	1,902,734,083.98	1,855,638,688.79
Accumulated Depreciation/Amortization	(792,130,638.77)	(709,237,704.14)
Total Noncurrent Assets	1,967,512,362.60	1,954,765,890.51
Total Assets	2,210,870,470.52	2,194,413,808.66
Total Assets and Deferred Outflows	2,210,870,470.52	2,194,413,808.66
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	14,145,180.79	16,187,640.74
Salaries Payable	30,917,398.93	29,587,594.66
Due To System Administration	4,456,063.46	3,749,278.85
Due To Other Institutions	233,000.97	155,909.14
Due To Other State Agencies	16,325.93	
Unearned Revenue	147,423,324.33	159,728,155.83
Employees' Compensable Leave - Current Portion	5,636,844.41	6,058,404.73
Notes, Loans, and Leases Payable		79,185.26
Assets Held for Others		
Other Current Liabilities	417,277.52	330,657.26
Total Current Liabilities	203,245,416.34	215,876,826.47
Noncurrent Liabilities:		
Employees' Compensable Leave	8,344,161.23	4,396,980.52
Notes, Loans, and Leases Payable		
Asset Retirement Obligation	41,092.50	41,092.50
Other Noncurrent Liabilities	230,121.44	483,914.40
Total Noncurrent Liabilities	8,615,375.17	4,921,987.42
Total Liabilities	211,860,791.51	220,798,813.89
Total Liabilities and Deferred Inflows	211,860,791.51	220,798,813.89
NET POSITION		
Net Investment in Capital Assets	1,110,603,445.21	1,146,321,799.39
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	295,480,235.59	283,644,782.71
Expendable		
Capital Projects	27,831,181.77	38,856,611.49
Funds Functioning as Endowment (Restricted)	70,511,561.82	45,918,962.48
Other Expendable	263,530,816.58	282,004,319.55
Unrestricted	231,052,438.04	176,868,519.15
Total Net Position	$ 1,999,009,679.01	1,973,614,994.77

The University of Texas at Dallas
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 456,886,411.00	415,793,803.81
Discounts and Allowances	(140,957,241.00)	(122,517,998.00)
Federal Sponsored Programs	55,643,804.50	49,202,229.37
Federal Sponsored Programs Pass-Through from State Agencies	1,289,581.20	1,703,616.19
State Sponsored Programs Pass-Through from State Agencies	15,372,701.39	15,245,698.34
Local Sponsored Programs	25,000.00	2,357.24
Private Sponsored Programs	13,266,103.14	11,171,811.31
Sales and Services of Educational Activities	30,320,031.19	38,566,025.18
Auxiliary Enterprises	39,988,790.20	62,449,552.60
Other Operating Revenues	7,308,990.76	5,959,606.00
Total Operating Revenues	479,144,172.38	477,576,702.04
Operating Expenses:		
Instruction	204,346,862.76	198,889,758.09
Research	104,835,790.91	99,779,383.33
Public Service	11,561,554.12	13,652,617.82
Academic Support	67,917,676.37	63,485,370.56
Student Services	20,559,066.07	19,146,219.64
Institutional Support	45,966,040.67	48,073,537.41
Operations and Maintenance of Plant	47,106,539.26	45,690,129.82
Scholarships and Fellowships	52,063,825.51	42,531,644.06
Auxiliary Enterprises	46,625,973.18	60,918,531.69
Depreciation and Amortization	84,439,516.97	82,144,698.75
Total Operating Expenses	685,422,845.82	674,311,891.17
Operating Income (Loss)	(206,278,673.44)	(196,735,189.13)
Nonoperating Revenues (Expenses):		
State Appropriations	119,379,785.92	108,550,781.41
Federal Nonexchange Sponsored Programs	40,060,526.36	31,584,416.00
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through	2,184,181.00	
Gift Contributions for Operations	16,655,339.08	10,925,414.21
Investment Income	42,989,047.60	37,192,760.77
Net Increase (Decrease) in Fair Value of Investments	12,725,281.40	22,638,312.20
Interest Expense on Capital Asset Financings	(2,185.19)	(4,999.41)
Gain (Loss) on Sale of Capital Assets	(234,582.49)	(489,253.35)
Other Nonoperating Revenues	765,020.78	256,635.90
Net Nonoperating Revenues (Expenses)	234,522,414.46	210,654,067.73
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	28,243,741.02	13,918,878.60
Gifts and Sponsored Programs for Capital Acquisitions	6,106,902.82	64,248,074.98
Additions to Permanent Endowments	4,801,791.97	6,204,569.52
Reclass from/(to) Other Institutions	22,174,618.38	54,350,938.64
Transfers Between Institutions & System, Debt Service - Mandatory	(57,876,220.32)	(62,557,310.52)
Transfers Between Institutions & System Admin. - Non mandatory	13,274,684.18	10,968,628.67
Transfers From Other State Agencies	8,734,245.33	8,328,168.09
Transfers to Other State Agencies	(61,033.89)	211,249.02
Legislative Appropriations Lapsed	(4,045.25)	(609.15)
Change in Net Position	25,394,684.24	95,250,089.81
Beginning Net Position	1,973,614,994.77	1,878,362,511.67
Restatements		2,393.29
Beginning Net Position (As Restated)	1,973,614,994.77	1,878,364,904.96
Ending Net Position	$ 1,999,009,679.01	1,973,614,994.77

The University of Texas at Dallas
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	316,046,270.51	296,094,242.65
Proceeds from Sponsored Programs	83,287,031.88	75,154,733.29
Proceeds from Auxiliaries	23,549,838.86	71,110,568.93
Proceeds from Other Revenues	37,703,428.91	43,951,873.70
Payments to Suppliers	(179,349,213.30)	(187,817,472.76)
Payments to Employees	(409,933,560.80)	(400,074,820.64)
Payments for Loans Provided	(14,740,196.60)	(18,691,973.05)
Proceeds from Loan Programs	15,124,063.72	20,246,629.31
Net Cash Provided (Used) by Operating Activities	(128,312,336.82)	(100,026,218.57)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	127,412,185.92	106,803,695.33
Proceeds from Operating Gifts	17,583,924.44	12,585,215.86
Proceeds from Private Gifts for Endowment Purposes	4,801,791.97	6,204,569.52
Proceeds from Other Noncapital Financing Activities	101,012,147.61	-
Receipts for Transfers from System or Other Agencies	17,950,580.78	14,483,935.37
Payments for Transfers to System or Other Agencies	-	(401,684.10)
Payments for Other Uses	(102,739,324.00)	-
Proceeds from Nonexchange Sponsored Programs	41,401,892.36	38,763,906.00
Net Cash Provided by Noncapital Financing Activities	207,423,199.08	178,439,637.98
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	34,001,823.13	71,140,988.47
Proceeds from Capital Appropriations, Grants, and Gifts	6,106,902.82	22,860,518.72
Proceeds from Sale of Capital Assets	40,455.51	35,488.86
Payments for Additions to Capital Assets	(52,531,373.49)	(82,498,258.33)
Payments of Principal on Capital Related Debt	(79,185.26)	(105,193.58)
Mandatory Transfers to System for Capital Related Debt	(57,876,220.32)	(62,557,310.52)
Payments of Interest on Capital Related Debt	(2,185.19)	(4,999.41)
Net Cash Provided (Used) by Capital and Related Financing Activities	(70,339,782.80)	(51,128,765.79)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	22,695,985.27	-
Proceeds from Sales of Investments Invested by System	-	22,409,621.02
Proceeds from Interest and Investment Income	2,187,905.60	3,143,625.27
Proceeds from Interest and Investment Income Invested by System	43,238,023.21	31,157,697.17
Payments to Acquire Investments	(342,176.29)	(23,909,600.19)
Payments to Acquire Investments Invested by System	(57,549,532.48)	-
Net Cash Provided (Used) by Investing Activities	10,230,205.31	32,801,343.27
Net Increase (Decrease) in Cash	19,001,284.77	60,085,996.89
Cash and Cash Equivalents (Beginning of the Year)	127,348,111.77	67,262,114.88
Cash and Cash Equivalents (End of the Year)	$ 146,349,396.54	$ 127,348,111.77
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(206,278,673.44)	(196,735,189.13)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	84,439,516.97	82,144,698.75
Bad Debt Expense	5,000.00	1,528,231.01
Changes in Assets and Liabilities:		
Accounts Receivable	(6,179,015.78)	(2,098,266.20)
Inventories	65,125.11	(183,415.58)
Loans and Contracts	383,867.12	1,554,656.26
Other Current and Noncurrent Assets	4,501,743.15	776,843.66
Accounts Payable	2,989,699.25	2,270,352.23
Due to System	706,784.61	(239,108.94)
Unearned Revenue	(12,304,831.50)	11,335,277.94
Employees' Compensable Leave	3,525,620.39	33,736.07
Asset Retirement Obligations	-	20,546.25
Other Current and Noncurrent Liabilities	(167,172.70)	(434,580.89)
Total Adjustments	77,966,336.62	96,708,970.56
Net Cash Provided (Used) by Operating Activities	$ (128,312,336.82)	$ (100,026,218.57)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	12,725,281.40	22,638,312.20
Donated Capital Assets	-	41,387,556.26
Miscellaneous Noncash Transactions	(290,003.28)	(394,257.98)

The University of Texas at El Paso
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 54,856,598.10	55,170,899.53
Restricted Cash & Cash Equivalents	10,792,085.88	13,136,936.73
Balance in State Appropriations	3,499,682.66	2,492,770.55
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	21,986,225.17	18,251,151.06
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	4,323,318.72	4,537,751.98
Student (allow. $2,458,539.11 in 2020 & $2,374,032.46 in 2019)	36,887,661.01	34,874,920.89
Interest and Dividend Receivables	265,359.90	265,085.76
Contributions (allow. $358,727.93 in 2020 & $689,894.56 in 2019)	2,032,791.57	3,909,402.49
Other (allow. $1,313,790.76 in 2020 & $1,436,443.48 in 2019)	15,373,133.11	15,046,272.05
Due From System Administration	3,256,419.48	14,412,716.43
Due From Other Institutions	138,995.49	49,073.42
Due From Other Agencies	173,355.59	110,988.14
Inventories	282,973.62	260,056.02
Loans & Contracts (allow. $921,433.29 in 2020 & $930,600.05 in 2019)	1,795,826.30	2,451,700.55
Other Current Assets	16,501,761.80	17,634,371.85
Total Current Assets	172,166,188.40	182,604,097.45
Noncurrent Assets:		
Restricted Investments	12,103,947.44	12,593,788.25
Loans & Contracts (allow. $137,685.43 in 2020 & $204,278.06 in 2019)	275,934.02	555,553.35
Funds Held by System Administration (Restricted)	278,549,628.93	268,178,577.01
Contributions Rec. (allow. $104,161.81 in 2020 & $66,748.44 in 2019)	3,183,787.48	3,387,157.67
Unrestricted Investments	90,302,651.77	76,709,078.90
Funds Held by System Administration (Unrestricted)	3,787,183.64	3,577,883.05
Other Noncurrent Assets	2,112,899.00	1,914,590.00
Gross Capital/Intangible Assets	987,801,131.34	956,783,561.78
Accumulated Depreciation/Amortization	(452,641,871.88)	(426,424,504.15)
Total Noncurrent Assets	925,475,291.74	897,275,685.86
Total Assets	1,097,641,480.14	1,079,879,783.31
Total Assets and Deferred Outflows	1,097,641,480.14	1,079,879,783.31
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	11,385,258.63	18,165,716.29
Salaries Payable	11,781,808.88	10,569,968.44
Due To System Administration	3,296,101.72	2,541,774.59
Due To Other Institutions	49,796.72	179,251.26
Due To Other State Agencies	37,608.48	106,240.68
Unearned Revenue	95,022,523.05	98,230,361.31
Employees' Compensable Leave - Current Portion	3,624,482.33	3,666,215.45
Notes, Loans, and Leases Payable		
Assets Held for Others		
Other Current Liabilities	8,384,064.52	9,598,097.33
Total Current Liabilities	133,581,644.33	143,057,625.35
Noncurrent Liabilities:		
Employees' Compensable Leave	6,795,257.87	5,349,883.64
Liability to Beneficiaries	2,877,960.78	2,691,022.16
Notes, Loans, and Leases Payable		
Other Noncurrent Liabilities	2,833,827.65	2,833,827.65
Total Noncurrent Liabilities	12,507,046.30	10,874,733.45
Total Liabilities	146,088,690.63	153,932,358.80
Total Deferred Inflows of Resources	3,277,579.80	3,079,270.80
Total Liabilities and Deferred Inflows	149,366,270.43	157,011,629.60
NET POSITION		
Net Investment in Capital Assets	535,159,259.46	530,359,057.63
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	140,194,729.32	136,196,293.90
Expendable		
Capital Projects	2,099,954.51	10,754,089.04
Funds Functioning as Endowment (Restricted)	21,208,832.26	20,353,082.39
Other Expendable	164,412,883.85	159,396,541.12
Unrestricted	85,199,550.31	65,809,089.63
Total Net Position	$ 948,275,209.71	922,868,153.71

The University of Texas at El Paso
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 205,970,378.35	192,952,720.48
Discounts and Allowances	(58,427,113.00)	(55,271,705.00)
Federal Sponsored Programs	47,143,875.13	50,102,097.05
Federal Sponsored Programs Pass-Through from State Agencies	1,243,908.77	940,154.49
State Sponsored Programs Pass-Through from State Agencies	28,284,772.05	24,380,772.47
Local Sponsored Programs	679,787.99	1,493,976.97
Private Sponsored Programs	4,328,856.39	6,949,968.75
Sales and Services of Educational Activities	7,321,572.80	7,288,249.59
Auxiliary Enterprises	30,777,293.67	38,482,113.22
Other Operating Revenues	128,233.96	288,665.63
Total Operating Revenues	267,451,566.11	267,607,013.65
Operating Expenses:		
Instruction	110,477,172.14	112,587,434.15
Research	92,042,196.44	86,244,325.57
Public Service	7,122,627.83	5,488,288.92
Hospitals / Clinics		
Academic Support	25,784,950.86	24,687,917.63
Student Services	19,938,184.71	18,248,295.32
Institutional Support	31,419,599.76	31,549,871.60
Operations and Maintenance of Plant	29,493,112.01	28,669,636.41
Scholarships and Fellowships	67,125,277.58	59,025,925.86
Auxiliary Enterprises	48,710,842.67	53,037,495.99
Depreciation and Amortization	31,707,587.32	30,772,804.29
Total Operating Expenses	463,821,551.32	450,311,995.74
Operating Income (Loss)	(196,369,985.21)	(182,704,982.09)
Nonoperating Revenues (Expenses):		
State Appropriations	115,315,224.15	107,836,564.80
Federal Nonexchange Sponsored Programs	73,463,919.59	63,971,200.15
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through	381,768.00	
Gift Contributions for Operations	5,647,889.52	5,085,691.86
Investment Income	18,716,775.64	16,700,545.38
Net Increase (Decrease) in Fair Value of Investments	10,065,680.77	2,378,923.87
Gain (Loss) on Sale of Capital Assets	(1,579,578.84)	(114,698.99)
Other Nonoperating Revenues	71,170.00	
Other Nonoperating (Expenses)	(596,794.73)	(1,507,853.75)
Net Nonoperating Revenues (Expenses)	221,486,054.10	194,350,373.32
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	25,116,068.89	11,645,391.23
Gifts and Sponsored Programs for Capital Acquisitions	191,975.60	6,079,835.64
Additions to Permanent Endowments	1,924,441.40	3,873,211.20
Reclass from/(to) Other Institutions	20,777,108.32	18,000,327.89
Transfers Between Institutions & System, Debt Service - Mandatory	(27,881,125.95)	(28,126,499.74)
Transfers Between Institutions & System Admin. - Non mandatory	5,092,232.92	27,559,459.69
Transfers From Other State Agencies	578,087.00	500,638.00
Transfers to Other State Agencies	(390,945.68)	96,006.47
Legislative Appropriations Lapsed	(786.50)	
Change in Net Position	25,407,056.00	39,436,357.44
Beginning Net Position	922,868,153.71	883,137,553.36
Restatements		294,242.91
Beginning Net Position (As Restated)	922,868,153.71	883,431,796.27
Ending Net Position	$ 948,275,209.71	922,868,153.71

The University of Texas at El Paso
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	145,739,100.31	143,414,203.33
Proceeds from Sponsored Programs	79,729,740.49	79,666,982.16
Proceeds from Auxiliaries	27,574,222.71	39,450,717.11
Proceeds from Other Revenues	5,399,093.12	7,492,409.44
Payments to Suppliers	(170,888,436.70)	(171,783,209.28)
Payments to Employees	(258,719,123.66)	(247,887,469.05)
Payments for Loans Provided	(2,597,184.42)	(4,327,146.11)
Proceeds from Loan Programs	3,608,437.39	4,927,922.46
Net Cash Provided (Used) by Operating Activities	(170,154,150.76)	(149,045,589.94)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	114,307,525.54	107,412,819.65
Proceeds from Operating Gifts	7,312,491.37	5,581,254.31
Proceeds from Private Gifts for Endowment Purposes	1,924,441.40	3,873,211.20
Proceeds from Other Noncapital Financing Activities	77,022,922.57	-
Receipts for Transfers from System or Other Agencies	2,367,707.85	654,350.00
Payments for Transfers to System or Other Agencies	(766,969.52)	(248,253.47)
Payments for Other Uses	(80,926,920.00)	(1,507,853.75)
Proceeds from Nonexchange Sponsored Programs	75,934,480.98	64,524,435.37
Net Cash Provided by Noncapital Financing Activities	197,175,680.19	180,289,963.31
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	37,680,531.28	47,859,078.39
Proceeds from Capital Appropriations, Grants, and Gifts	450,000.01	3,031,716.56
Payments for Additions to Capital Assets	(43,227,992.34)	(58,166,578.16)
Mandatory Transfers to System for Capital Related Debt	(27,881,125.95)	(28,126,499.74)
Net Cash Provided (Used) by Capital and Related Financing Activities	(32,978,587.00)	(35,402,282.95)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	643,357.87	1,240,389.36
Proceeds from Interest and Investment Income Invested by System	16,086,012.60	15,440,494.53
Payments to Acquire Investments Invested by System	(13,431,465.18)	(14,381,301.49)
Net Cash Provided (Used) by Investing Activities	3,297,905.29	2,299,582.40
Net Increase (Decrease) in Cash	(2,659,152.28)	(1,858,327.18)
Cash and Cash Equivalents (Beginning of the Year)	68,307,836.26	70,938,015.23
Restatements to Cash for GASB Implementation	-	(771,851.79)
Cash and Cash Equivalents (End of the Year)	$ 65,648,683.98	$ 68,307,836.26
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(196,369,985.21)	(182,704,982.09)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	31,707,587.32	30,772,804.29
Bad Debt Expense	(75,759.39)	(286,882.64)
Changes in Assets and Liabilities:		
Accounts Receivable	(4,257,740.21)	331,939.95
Inventories	(22,917.60)	142,595.93
Loans and Contracts	1,011,252.97	600,776.35
Other Current and Noncurrent Assets	1,132,610.05	(2,412,156.75)
Accounts Payable	(1,015,295.86)	964,801.01
Due to System	754,327.13	71,353.52
Unearned Revenue	(3,207,838.26)	6,874,232.43
Employees' Compensable Leave	1,403,641.11	576,199.58
Other Current and Noncurrent Liabilities	(1,214,032.81)	(3,976,271.52)
Total Adjustments	26,215,834.45	33,659,392.15
Net Cash Provided (Used) by Operating Activities	$ (170,154,150.76)	$ (149,045,589.94)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	10,065,680.77	2,378,923.87
Donated Capital Assets	157,354.85	39,202.60
Miscellaneous Noncash Transactions	(2,186,562.64)	(114,698.99)

The University of Texas at El Paso
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	695,284.90	695,284.90
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	(0.00)	(0.00)
Total Accounts Receivable, Net	-	(0.00)	(0.00)
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	695,284.90	695,284.90
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	0.00	0.00
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	0.00	0.00
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	695,284.90	695,284.90
Total Net Position	$ -	695,284.90	695,284.90

The University of Texas at El Paso
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	771,851.79	771,851.79
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	771,851.79	771,851.79
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	771,851.79	771,851.79
Total Net Position	$ -	771,851.79	771,851.79

The University of Texas at El Paso
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	33,612.52	33,612.52
Contributions from Foundations or Associations	-	82,040.09	82,040.09
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	115,652.61	115,652.61
Investment Earnings:			
Interest, Dividends, and Other	-	3,160.41	3,160.41
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	3,160.41	3,160.41
Miscellaneous	-	115,813.18	115,813.18
Total Additions	-	234,626.20	234,626.20
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	311,193.09	311,193.09
Total Deductions	-	311,193.09	311,193.09
Net Increase (Decrease) in Fiduciary Net Position	-	(76,566.89)	(76,566.89)
Beginning Net Position	-	771,851.79	771,851.79
Ending Net Position	$ -	695,284.90	695,284.90

The University of Texas at El Paso
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	69,306.32	69,306.32
Contributions from Foundations or Associations	-	537,369.21	537,369.21
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	606,675.53	606,675.53
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	606,675.53	606,675.53
DEDUCTIONS			
Payments to Student Organizations	-	65,660.27	65,660.27
Payments to Foundations or Associations	-	38,102.33	38,102.33
Payments to Participants	-	-	-
Other Expenses	-	572,593.31	572,593.31
Total Deductions	-	676,355.91	676,355.91
Net Increase (Decrease) in Fiduciary Net Position	-	(69,680.38)	(69,680.38)
Beginning Net Position	-	-	-
Restatements	-	841,532.17	841,532.17
Beginning Net Position (As Restated)	-	841,532.17	841,532.17
Ending Net Position	$ -	771,851.79	771,851.79

The University of Texas Permian Basin
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 1,531,217.82	12,420,421.72
Restricted Cash & Cash Equivalents	19,883,762.82	17,385,345.04
Balance in State Appropriations	575,827.56	674,192.35
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	1,680,257.19	(896,456.33)
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	3,080,383.30	3,429,895.20
Student (allow. $13,430,595.30 in 2020 & $2,194,062.60 in 2019)	6,551,261.05	(3,525,932.64)
Contributions (allow. $499,533.30 in 2020 & $364,700.00 in 2019)	4,495,799.70	3,282,300.00
Other (allow. $0.00 in 2020 & $2,958.00 in 2019)	3,810,455.46	15,680,223.44
Due From System Administration	1,540,207.19	8,899,800.09
Due From Other Agencies		28,372.90
Inventories	385,290.95	361,956.94
Loans & Contracts (allow. $0.00 in 2020 & $269,984.89 in 2019)	136,711.03	19,281.53
Other Current Assets	3,383,901.64	1,045,113.69
Total Current Assets	47,055,075.71	58,804,513.93
Noncurrent Assets:		
Funds Held by System Administration (Restricted)	52,873,643.65	49,258,519.87
Contributions Rec. (allow. $904,444.55 in 2020 & $951,019.04 in 2019)	8,140,000.99	8,559,171.31
Unrestricted Investments	12,571,946.50	3,777,432.46
Funds Held by System Administration (Unrestricted)	11,801.32	
Gross Capital/Intangible Assets	444,468,659.94	427,436,838.07
Accumulated Depreciation/Amortization	(189,505,737.56)	(170,582,716.83)
Total Noncurrent Assets	328,560,314.84	318,449,244.88
Total Assets	375,615,390.55	377,253,758.81
Total Assets and Deferred Outflows	375,615,390.55	377,253,758.81
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	6,445,452.99	15,413,477.07
Salaries Payable	3,181,446.60	257,745.65
Other Intergovernmental Payables		(7,178.66)
Due To System Administration	726,334.48	635,070.07
Unearned Revenue	23,581,294.06	28,320,418.42
Employees' Compensable Leave - Current Portion	441,396.45	512,806.34
Notes, Loans, and Leases Payable		
Assets Held for Others		
Other Current Liabilities	2,353,369.98	(1,117,087.60)
Total Current Liabilities	36,729,294.56	44,015,251.29
Noncurrent Liabilities:		
Employees' Compensable Leave	1,550,004.08	1,123,488.15
Notes, Loans, and Leases Payable		
Total Noncurrent Liabilities	1,550,004.08	1,123,488.15
Total Liabilities	38,279,298.64	45,138,739.44
Total Liabilities and Deferred Inflows	38,279,298.64	45,138,739.44
NET POSITION		
Net Investment in Capital Assets	254,962,922.38	256,854,121.24
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	36,537,758.31	35,055,692.27
Expendable		
Capital Projects	(308,297.24)	(2,309,951.98)
Funds Functioning as Endowment (Restricted)	919,441.58	820,717.64
Other Expendable	48,227,103.86	47,450,657.67
Unrestricted	(3,002,836.98)	(5,756,217.47)
Total Net Position	$ 337,336,091.91	332,115,019.37

The University of Texas Permian Basin

Exhibit B Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 52,818,099.52	19,122,416.28
Discounts and Allowances	(6,466,936.78)	(27,552,471.00)
Federal Sponsored Programs	1,489,909.81	809,407.89
Federal Sponsored Programs Pass-Through from State Agencies	1,335,660.18	(161,423.23)
State Sponsored Programs Pass-Through from State Agencies	9,618,595.33	8,130,551.58
Local Sponsored Programs	2,724,154.36	4,535,963.89
Private Sponsored Programs	553,321.75	176,043.34
Sales and Services of Educational Activities	1,187,301.52	1,842,129.11
Auxiliary Enterprises	9,978,060.67	4,397,451.56
Discounts and Allowances Auxiliary Enterprises	(197,372.00)	
Other Operating Revenues	280,288.84	1,080,256.08
Total Operating Revenues	73,321,083.20	12,380,325.50
Operating Expenses:		
Instruction	34,824,755.81	25,924,706.38
Research	1,714,052.72	1,508,785.68
Public Service	3,936,076.95	4,423,170.56
Academic Support	6,925,517.56	9,530,293.61
Student Services	3,168,427.40	4,187,996.92
Institutional Support	10,994,198.36	9,755,072.80
Operations and Maintenance of Plant	12,889,020.88	12,082,265.20
Scholarships and Fellowships	26,530,216.94	4,537,231.43
Auxiliary Enterprises	9,657,088.46	10,436,407.07
Depreciation and Amortization	19,039,162.63	16,161,863.63
Total Operating Expenses	129,678,517.71	98,547,793.28
Operating Income (Loss)	(56,357,434.51)	(86,167,467.78)
Nonoperating Revenues (Expenses):		
State Appropriations	36,463,877.94	35,719,306.70
Federal Nonexchange Sponsored Programs	10,476,139.96	9,564,775.79
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	4,232,473.95	2,792,420.80
Investment Income	3,176,620.04	3,090,069.45
Net Increase (Decrease) in Fair Value of Investments	2,762,617.00	(242,543.82)
Gain (Loss) on Sale of Capital Assets	(2,760.19)	(30,203.95)
Other Nonoperating Revenues		467,934.38
Other Nonoperating (Expenses)		(145,260.48)
Net Nonoperating Revenues (Expenses)	57,108,968.70	51,216,498.87
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	751,534.19	(34,950,968.91)
Gifts and Sponsored Programs for Capital Acquisitions	193,430.00	2,310,003.67
Additions to Permanent Endowments	1,132,472.55	956,499.62
Reclass from/(to) Other Institutions	18,409,584.72	15,082,366.54
Transfers Between Institutions & System, Debt Service - Mandatory	(18,715,560.66)	(18,730,583.52)
Transfers Between Institutions & System Admin. - Non mandatory	3,477,680.80	20,640,528.00
Transfers From Other State Agencies	68,524.00	83,031.72
Legislative Appropriations Lapsed	(96,593.06)	
Change in Net Position	5,221,072.54	(14,609,122.88)
Beginning Net Position	332,115,019.37	346,706,478.96
Restatements		17,663.29
Beginning Net Position (As Restated)	332,115,019.37	346,724,142.25
Ending Net Position	$ 337,336,091.91	332,115,019.37

The University of Texas Permian Basin
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	33,549,461.45	18,470,533.49
Proceeds from Sponsored Programs	21,624,418.62	16,376,148.00
Proceeds from Auxiliaries	4,661,836.11	4,773,512.59
Proceeds from Other Revenues	6,121,636.63	16,469,049.08
Payments to Suppliers	(51,104,235.08)	(35,778,184.91)
Payments to Employees	(50,717,549.84)	(49,419,970.07)
Payments for Loans Provided	(117,429.50)	(223,236.55)
Proceeds from Loan Programs	-	333,401.96
Net Cash Provided (Used) by Operating Activities	(35,981,861.61)	(28,998,746.41)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	36,465,649.67	36,103,042.77
Proceeds from Operating Gifts	3,438,144.57	3,793,070.69
Proceeds from Private Gifts for Endowment Purposes	1,132,472.55	956,499.62
Proceeds from Other Noncapital Financing Activities	20,156,294.00	394,792.85
Receipts for Transfers from System or Other Agencies	1,988,016.97	3,195,094.96
Payments for Other Uses	(22,572,995.96)	(473,500.52)
Proceeds from Nonexchange Sponsored Programs	10,476,139.96	9,564,775.79
Net Cash Provided by Noncapital Financing Activities	51,083,721.76	53,533,776.16
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	27,327,376.28	35,932,794.89
Payments for Additions to Capital Assets	(25,622,248.96)	(37,778,401.97)
Mandatory Transfers to System for Capital Related Debt	(18,715,560.66)	(18,730,583.52)
Net Cash Provided (Used) by Capital and Related Financing Activities	(17,010,433.34)	(20,576,190.60)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	8,462,703.21
Proceeds from Interest and Investment Income	219,557.74	251,179.61
Proceeds from Interest and Investment Income Invested by System	2,957,051.47	2,838,889.84
Payments to Acquire Investments Invested by System	(9,658,822.14)	-
Net Cash Provided (Used) by Investing Activities	(6,482,212.93)	11,552,772.66
Net Increase (Decrease) in Cash	(8,390,786.12)	15,511,611.81
Cash and Cash Equivalents (Beginning of the Year)	29,805,766.76	14,358,946.55
Restatements to Cash for GASB Implementation	-	(64,791.60)
Cash and Cash Equivalents (End of the Year)	$ 21,414,980.64	$ 29,805,766.76
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(56,357,434.51)	(86,167,467.78)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	19,039,162.63	16,161,863.63
Changes in Assets and Liabilities:		
Accounts Receivable	2,346,327.57	42,994,613.67
Inventories	(23,334.01)	25,236.62
Loans and Contracts	(117,429.50)	110,165.41
Other Current and Noncurrent Assets	(2,338,787.95)	(815,326.03)
Accounts Payable	2,291,930.49	(2,294,063.33)
Due to System	91,264.41	20,435.52
Unearned Revenue	(4,739,124.36)	1,869,440.74
Employees' Compensable Leave	355,106.04	128,607.19
Other Current and Noncurrent Liabilities	3,470,457.58	(1,032,252.05)
Total Adjustments	20,375,572.90	57,168,721.37
Net Cash Provided (Used) by Operating Activities	$ (35,981,861.61)	$ (28,998,746.41)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	2,762,617.00	(242,543.82)
Donated Capital Assets	193,430.00	2,310,003.67
Miscellaneous Noncash Transactions	(2,760.19)	42,937.58

The University of Texas Permian Basin
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	84,294.05	84,294.05
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	4,734.65	4,734.65
Total Accounts Receivable, Net	-	4,734.65	4,734.65
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	89,028.70	89,028.70
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	89,028.70	89,028.70
Total Net Position	$ -	89,028.70	89,028.70

The University of Texas Permian Basin
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	64,791.60	64,791.60
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	64,791.60	64,791.60
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	-	-
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	64,791.60	64,791.60
Total Net Position	$ -	64,791.60	64,791.60

The University of Texas Permian Basin
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	6,021.28	6,021.28
Contributions from Foundations or Associations	-	22,500.00	22,500.00
Contributions Faculty/Staff Organizations	-	2,863.00	2,863.00
Contributions from Participants	-	-	-
Other Contributions	-	6,659.38	6,659.38
Total Contributions	-	38,043.66	38,043.66
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	38,043.66	38,043.66
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	13,806.56	13,806.56
Total Deductions	-	13,806.56	13,806.56
Net Increase (Decrease) in Fiduciary Net Position	-	24,237.10	24,237.10
Beginning Net Position	-	64,791.60	64,791.60
Ending Net Position	$ -	89,028.70	89,028.70

The University of Texas Permian Basin
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	-	-	-
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	-	-
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	-	-
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	-	-
Other Expenses	-	-	-
Total Deductions	-	-	-
Net Increase (Decrease) in Fiduciary Net Position	-	-	-
Beginning Net Position	-	-	-
Restatements	-	64,791.60	64,791.60
Beginning Net Position (As Restated)	-	64,791.60	64,791.60
Ending Net Position	$ -	64,791.60	64,791.60

The University of Texas Rio Grande Valley
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 107,309,537.74	81,095,198.60
Restricted Cash & Cash Equivalents	22,918,773.37	(429,190.45)
Balance in State Appropriations	11,220,292.60	13,456,730.58
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	31,002,491.14	31,764,924.65
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	4,224,272.75	4,266,843.85
Student (allow. $4,991,373.93 in 2020 & $4,703,807.50 in 2019)	13,644,786.82	11,376,737.22
Patient & Healthcare(allow. $1,846,466.93 in 2020 & $34,749,297.23 in 2019)	7,091,072.57	5,180,479.42
Interest and Dividend Receivables	331,254.32	309,406.55
Contributions (allow. $34,008.87 in 2020 & $31,065.62 in 2019)	4,321,930.86	6,030,383.45
Other (allow. $153,420.71 in 2020 & $153,420.71 in 2019)	21,399,928.30	18,540,074.60
Due From System Administration	14,248,462.27	17,709,411.55
Due From Other Institutions	199,443.95	368,858.56
Due From Other Agencies	2,870,073.58	797,447.31
Inventories	809,448.75	357,887.96
Loans & Contracts (allow. $10,161,273.64 in 2020 & $9,600,588.40 in 2019)	13,316,409.91	12,117,959.18
Other Current Assets	788,407.11	523,615.83
Total Current Assets	255,696,586.04	203,466,768.86
Noncurrent Assets:		
Restricted Investments	3,405,298.69	3,129,213.21
Loans & Contracts (allow. $711,022.90 in 2020 & $1,050,184.02 in 2019)	176,982.03	118,934.41
Funds Held by System Administration (Restricted)	47,147,934.94	43,153,808.03
Contributions Rec. (allow. $162,671.10 in 2020 & $157,557.61 in 2019)	6,681,456.65	7,020,269.26
Unrestricted Investments	126,395,031.33	116,111,783.77
Funds Held by System Administration (Unrestricted)	21,943,629.43	21,115,825.98
Other Noncurrent Assets	359,113.00	470,026.00
Gross Capital/Intangible Assets	1,193,419,906.10	1,161,553,060.73
Accumulated Depreciation/Amortization	(562,357,938.27)	(512,362,497.36)
Total Noncurrent Assets	837,171,413.90	840,310,424.03
Total Assets	1,092,867,999.94	1,043,777,192.89
Total Assets and Deferred Outflows	1,092,867,999.94	1,043,777,192.89
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	35,795,540.56	34,884,658.78
Salaries Payable	22,747,202.20	17,903,243.34
Federal Payables		
Other Intergovernmental Payables	11,354.32	15,982.89
Due To System Administration	4,441,670.53	3,921,765.93
Due To Other Institutions	177,874.07	94,224.72
Due To Other State Agencies	1,583,968.54	2,431,406.41
Unearned Revenue	118,893,631.85	87,542,937.03
Employees' Compensable Leave - Current Portion	4,176,388.72	3,637,232.42
Notes, Loans, and Leases Payable	16,494.82	
Other Current Liabilities	2,329,564.90	1,967,561.95
Total Current Liabilities	190,173,690.51	152,399,013.47
Noncurrent Liabilities:		
Employees' Compensable Leave	8,711,290.45	6,970,199.47
Liability to Beneficiaries	168,941.17	147,728.79
Notes, Loans, and Leases Payable	15,760.98	
Total Noncurrent Liabilities	8,895,992.60	7,117,928.26
Total Liabilities	199,069,683.11	159,516,941.73
Total Deferred Inflows of Resources	538,304.61	649,217.61
Total Liabilities and Deferred Inflows	199,607,987.72	160,166,159.34
NET POSITION		
Net Investment in Capital Assets	631,029,712.03	649,190,563.37
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	31,204,321.54	29,024,890.50
Expendable		
Capital Projects	9,499,120.61	3,275,273.08
Funds Functioning as Endowment (Restricted)	1,838,872.64	1,769,303.25
Other Expendable	44,788,283.86	44,912,581.82
Unrestricted	174,899,701.54	155,438,421.53
Total Net Position	$ 893,260,012.22	883,611,033.55

The University of Texas Rio Grande Valley
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 249,967,850.18	220,509,262.93
Discounts and Allowances	(137,541,524.59)	(115,292,048.66)
Federal Sponsored Programs	38,389,200.16	41,110,393.94
Federal Sponsored Programs Pass-Through from State Agencies	1,878,036.20	2,050,875.99
State Sponsored Programs Pass-Through from State Agencies	48,657,569.92	42,154,061.10
Local Sponsored Programs	25,801,176.14	26,469,754.37
Private Sponsored Programs	13,219,513.79	8,754,078.73
Sales and Services of Educational Activities	6,302,957.19	7,736,328.44
Professional Fees (Patient Charges)	41,029,707.88	17,819,013.52
Discounts and Allowances Professional Fees (Patient Charges)	(25,194,371.81)	(12,602,275.15)
Auxiliary Enterprises	7,068,847.17	9,425,690.20
Discounts and Allowances Auxiliary Enterprises	(692,660.66)	
Other Operating Revenues	21,746,700.18	13,411,107.46
Total Operating Revenues	290,633,001.75	261,546,242.87
Operating Expenses:		
Instruction	174,822,171.87	153,791,028.41
Research	45,129,371.49	44,386,004.15
Public Service	11,121,261.20	19,015,671.86
Hospitals / Clinics	37,088,906.04	29,320,229.18
Academic Support	66,554,937.13	53,187,981.91
Student Services	27,606,160.40	30,497,238.16
Institutional Support	38,849,871.87	37,830,799.59
Operations and Maintenance of Plant	37,563,912.40	36,575,818.87
Scholarships and Fellowships	67,156,172.36	53,491,586.16
Auxiliary Enterprises	26,100,944.52	28,221,315.45
Depreciation and Amortization	51,720,408.21	48,650,301.97
Total Operating Expenses	583,714,117.49	534,967,975.71
Operating Income (Loss)	(293,081,115.74)	(273,421,732.84)
Nonoperating Revenues (Expenses):		
State Appropriations	155,971,875.76	141,965,152.03
Federal Nonexchange Sponsored Programs	114,155,682.85	89,883,953.60
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	3,837,073.78	4,644,752.66
Investment Income	8,732,396.42	9,695,568.19
Net Increase (Decrease) in Fair Value of Investments	9,550,735.29	2,076,315.19
Gain (Loss) on Sale of Capital Assets	(52,327.47)	(7,796.01)
Other Nonoperating Revenues	705,063.32	
Other Nonoperating (Expenses)	(1,030,747.44)	(80,000.00)
Net Nonoperating Revenues (Expenses)	291,869,752.51	248,177,945.66
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	(1,211,363.23)	(25,243,787.18)
Gifts and Sponsored Programs for Capital Acquisitions	133,900.84	1,263,922.00
Additions to Permanent Endowments	2,119,267.83	2,375,149.29
Reclass from/(to) Other Institutions	(33,762,360.43)	38,529,479.73
Transfers Between Institutions & System, Debt Service - Mandatory	(24,458,023.92)	(25,529,026.11)
Transfers Between Institutions & System Admin. - Non mandatory	64,750,002.19	14,100,093.43
Transfers From Other State Agencies	2,125,719.00	410,532.00
Transfers to Other State Agencies	(15,443.12)	
Legislative Appropriations Lapsed	(32,720.49)	(2,470.00)
Change in Net Position	9,648,978.67	5,903,893.16
Beginning Net Position	883,611,033.55	877,707,140.39
Ending Net Position	$ 893,260,012.22	883,611,033.55

The University of Texas Rio Grande Valley
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	122,015,272.86	110,095,577.59
Proceeds from Patients and Customers	13,924,742.92	5,564,334.68
Proceeds from Sponsored Programs	107,743,647.34	141,661,024.53
Proceeds from Auxiliaries	6,688,399.10	9,390,826.66
Proceeds from Other Revenues	51,631,978.92	20,695,101.20
Payments to Suppliers	(163,830,877.78)	(164,537,599.85)
Payments to Employees	(354,951,077.29)	(329,892,411.43)
Payments for Loans Provided	(15,202,667.80)	(10,875,671.35)
Proceeds from Loan Programs	14,541,904.22	17,097,476.62
Net Cash Provided (Used) by Operating Activities	(217,438,677.51)	(200,801,341.35)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	158,175,593.25	141,066,444.89
Proceeds from Operating Gifts	5,884,338.98	5,928,897.62
Proceeds from Private Gifts for Endowment Purposes	2,119,267.83	2,375,149.29
Proceeds from Other Noncapital Financing Activities	81,992,178.12	(49,601.36)
Receipts for Transfers from System or Other Agencies	5,912,102.33	784,000.88
Payments for Transfers to System or Other Agencies	(285.00)	-
Payments for Other Uses	(81,596,988.44)	(80,000.00)
Proceeds from Nonexchange Sponsored Programs	125,004,323.70	88,108,238.29
Net Cash Provided by Noncapital Financing Activities	297,490,530.77	238,133,129.61
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	30,658,510.71	54,018,898.55
Proceeds from Sale of Capital Assets	3,706.57	9,653.83
Payments for Additions to Capital Assets	(39,598,958.58)	(60,716,655.15)
Mandatory Transfers to System for Capital Related Debt	(24,458,023.92)	(25,529,026.11)
Net Cash Provided (Used) by Capital and Related Financing Activities	(33,394,765.22)	(32,217,128.88)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	957,490.75	1,754,207.84
Proceeds from Interest and Investment Income Invested by System	7,757,039.90	7,916,493.44
Payments to Acquire Investments Invested by System	(5,809,315.73)	(5,903,097.45)
Net Cash Provided (Used) by Investing Activities	2,905,214.92	3,767,603.83
Net Increase (Decrease) in Cash	49,562,302.96	8,882,263.21
Cash and Cash Equivalents (Beginning of the Year)	80,666,008.15	71,783,744.94
Cash and Cash Equivalents (End of the Year)	$ 130,228,311.11	$ 80,666,008.15
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(293,081,115.74)	(273,421,732.84)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	51,720,408.21	48,650,301.97
Gross Loss on Impairment of Capital Assets	1,565,374.39	-
Bad Debt Expense	(595,734.77)	(82,062.20)
Changes in Assets and Liabilities:		
Accounts Receivable	(19,706,218.15)	3,205,152.05
Inventories	(451,560.79)	(130,355.97)
Loans and Contracts	(660,763.58)	6,221,805.27
Other Current and Noncurrent Assets	(264,791.28)	(127,525.62)
Accounts Payable	9,522,874.55	(6,230,567.52)
Due to System	519,904.60	346,285.11
Unearned Revenue	31,350,694.82	21,450,208.20
Employees' Compensable Leave	2,280,247.28	1,549,103.04
Other Current and Noncurrent Liabilities	362,002.95	(2,231,952.84)
Total Adjustments	75,642,438.23	72,620,391.49
Net Cash Provided (Used) by Operating Activities	$ (217,438,677.51)	$ (200,801,341.35)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	9,550,735.29	2,076,315.19
Donated Capital Assets	133,900.84	1,263,922.00
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	32,255.80	-
Miscellaneous Noncash Transactions	(1,633,144.98)	(7,796.01)

The University of Texas at San Antonio
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 58,919,859.76	54,191,895.68
Restricted Cash & Cash Equivalents	31,759,361.84	48,379,355.06
Balance in State Appropriations	6,693,764.65	1,852,720.89
Accounts Receivable, Net:		
Federal (allow. $966,723.17 in 2020 & $539,535.82 in 2019)	29,190,965.22	16,418,746.20
Other Intergov. (allow. $1,641,652.29 in 2020 & $913,813.52 in 2019)	4,526,493.62	3,923,735.62
Student (allow. $1,550,591.49 in 2020 & $1,352,000.00 in 2019)	55,527,218.89	47,045,218.49
Interest and Dividend Receivables	1,087,401.44	1,025,991.09
Contributions (allow. $3,497.44 in 2020 & $2,713.57 in 2019)	454,432.85	549,670.32
Other (allow. $0.00 in 2020 & $0.00 in 2019)	5,531,772.45	4,330,499.62
Due From System Administration	2,131,177.11	22,421,764.92
Due From Other Institutions	526,490.40	376,473.55
Due From Other Agencies	493,365.88	1,028,231.97
Inventories	639,812.97	649,720.48
Loans & Contracts (allow. $771,227.82 in 2020 & $707,277.20 in 2019)	4,191,963.56	3,288,948.48
Other Current Assets	29,595,566.14	28,653,383.76
Total Current Assets	231,269,646.78	234,136,356.13
Noncurrent Assets:		
Restricted Investments	2,000,000.00	2,000,000.00
Loans & Contracts (allow. $804,765.39 in 2020 & $933,655.95 in 2019)	4,374,146.62	4,341,644.68
Funds Held by System Administration (Restricted)	162,160,956.44	153,001,814.08
Contributions Rec. (allow. $1,948.15 in 2020 & $1,300.68 in 2019)	392,395.77	263,470.01
Unrestricted Investments	304,859,271.57	282,918,805.81
Funds Held by System Administration (Unrestricted)	19,883,803.28	19,097,467.70
Other Noncurrent Assets	2,057,058.00	100,001.00
Gross Capital/Intangible Assets	1,452,597,935.74	1,372,475,202.14
Accumulated Depreciation/Amortization	(712,197,121.71)	(663,252,371.51)
Total Noncurrent Assets	1,236,128,445.71	1,170,946,033.91
Total Assets	1,467,398,092.49	1,405,082,390.04
Total Assets and Deferred Outflows	1,467,398,092.49	1,405,082,390.04
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	27,311,259.38	29,942,730.05
Salaries Payable	18,579,502.31	19,734,870.18
Other Intergovernmental Payables	674,031.57	
Due To System Administration	4,292,417.88	3,420,779.20
Due To Other Institutions	76,082.50	179,978.34
Due To Other State Agencies	394,411.67	291,239.74
Unearned Revenue	159,355,916.49	151,952,313.60
Employees' Compensable Leave - Current Portion	5,393,154.06	5,308,493.66
Notes, Loans, and Leases Payable		
Assets Held for Others		
Other Current Liabilities	2,697,985.14	2,307,186.17
Total Current Liabilities	218,774,761.00	213,137,590.94
Noncurrent Liabilities:		
Employees' Compensable Leave	6,599,890.77	5,289,272.26
Liability to Beneficiaries	293,078.10	139,526.75
Notes, Loans, and Leases Payable		
Other Noncurrent Liabilities	945,836.69	967,879.34
Total Noncurrent Liabilities	7,838,805.56	6,396,678.35
Total Liabilities	226,613,566.56	219,534,269.29
Total Deferred Inflows of Resources	2,279,971.13	158,460.87
Total Liabilities and Deferred Inflows	228,893,537.69	219,692,730.16
NET POSITION		
Net Investment in Capital Assets	740,400,814.03	709,222,830.63
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	122,086,468.68	119,142,828.50
Expendable		
Capital Projects	(2,108,456.17)	9,007,067.12
Funds Functioning as Endowment (Restricted)	2,039,961.49	1,932,418.32
Other Expendable	109,039,961.54	106,428,219.85
Unrestricted	267,045,805.23	239,656,295.46
Total Net Position	$ 1,238,504,554.80	1,185,389,659.88

The University of Texas at San Antonio
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 328,405,970.15	305,348,983.50
Discounts and Allowances	(101,242,362.70)	(97,607,117.42)
Federal Sponsored Programs	44,704,182.29	45,284,349.51
Federal Sponsored Programs Pass-Through from State Agencies	1,912,185.37	1,942,372.05
State Sponsored Programs Pass-Through from State Agencies	26,955,731.07	26,537,277.96
Local Sponsored Programs	4,080,234.50	811,110.97
Private Sponsored Programs	5,565,718.25	6,131,946.79
Sales and Services of Educational Activities	10,522,324.91	12,410,675.42
Discounts and Allowances Sales and Services of Educational Activities	(224,921.68)	(265,113.47)
Auxiliary Enterprises	36,326,616.78	46,993,268.19
Other Operating Revenues	2,911,730.31	5,438,067.40
Total Operating Revenues	359,917,409.25	353,025,820.90
Operating Expenses:		
Instruction	116,289,403.35	139,892,414.84
Research	98,611,060.11	67,458,953.45
Public Service	15,494,837.07	16,091,029.54
Academic Support	72,405,213.02	64,572,707.59
Student Services	31,496,632.07	30,906,138.28
Institutional Support	44,160,372.48	44,412,665.07
Operations and Maintenance of Plant	50,360,792.78	45,381,303.09
Scholarships and Fellowships	64,126,925.27	51,062,580.88
Auxiliary Enterprises	54,877,141.26	58,147,884.23
Depreciation and Amortization	51,138,246.30	49,952,039.84
Total Operating Expenses	598,960,623.71	567,877,716.81
Operating Income (Loss)	(239,043,214.46)	(214,851,895.91)
Nonoperating Revenues (Expenses):		
State Appropriations	144,082,313.17	130,954,493.81
Federal Nonexchange Sponsored Programs	85,215,038.69	62,709,249.34
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through	1,225,000.00	1,116,623.00
Gift Contributions for Operations	5,814,101.34	7,032,168.92
Investment Income	20,619,550.75	20,916,820.02
Net Increase (Decrease) in Fair Value of Investments	21,752,227.58	6,603,086.55
Gain (Loss) on Sale of Capital Assets	(50,552.52)	(136,007.20)
Other Nonoperating Revenues	24,039.90	803,167.07
Other Nonoperating (Expenses)	216,341.46	(83,885.13)
Net Nonoperating Revenues (Expenses)	278,898,060.37	229,915,716.38
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	39,854,845.91	15,063,820.47
Gifts and Sponsored Programs for Capital Acquisitions	11,333,415.64	10,554,771.63
Additions to Permanent Endowments	1,336,262.53	3,713,114.55
Reclass from/(to) Other Institutions	12,994,966.78	192,442.65
Transfers Between Institutions & System, Debt Service - Mandatory	(37,055,771.75)	(37,657,015.89)
Transfers Between Institutions & System Admin. - Non mandatory	23,637,714.38	48,654,861.93
Transfers From Other State Agencies	2,493,163.67	1,780,269.00
Transfers to Other State Agencies	(733,827.48)	3.65
Legislative Appropriations Lapsed	(745,874.76)	(886.50)
Change in Net Position	53,114,894.92	42,301,374.19
Beginning Net Position	1,185,389,659.88	1,143,080,430.47
Restatements		7,855.22
Beginning Net Position (As Restated)	1,185,389,659.88	1,143,088,285.69
Ending Net Position	$ 1,238,504,554.80	1,185,389,659.88

The University of Texas at San Antonio
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	233,827,100.13	215,252,939.91
Proceeds from Sponsored Programs	86,052,022.24	94,337,085.81
Proceeds from Auxiliaries	27,505,322.94	45,141,590.78
Proceeds from Other Revenues	14,118,998.38	16,362,128.42
Payments to Suppliers	(186,387,022.27)	(183,930,782.45)
Payments to Employees	(353,853,022.89)	(334,472,965.02)
Payments for Loans Provided	(15,541,968.88)	(13,790,993.62)
Proceeds from Loan Programs	14,666,883.50	17,116,892.08
Net Cash Provided (Used) by Operating Activities	(179,611,686.85)	(143,984,104.09)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	138,495,394.65	133,973,582.00
Proceeds from Operating Gifts	5,780,413.05	7,989,158.72
Proceeds from Private Gifts for Endowment Purposes	1,336,262.53	3,713,114.55
Proceeds from Other Noncapital Financing Activities	115,717,670.90	803,167.07
Receipts for Transfers from System or Other Agencies	7,623,551.05	3,454,384.93
Payments for Transfers to System or Other Agencies	(733,827.48)	(3.65)
Payments for Other Uses	(128,725,840.85)	(83,885.13)
Proceeds from Nonexchange Sponsored Programs	81,625,771.40	62,566,803.00
Net Cash Provided by Noncapital Financing Activities	221,119,395.25	212,416,321.49
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	51,792,234.62	41,671,597.08
Proceeds from Capital Appropriations, Grants, and Gifts	10,714,857.96	10,000,000.00
Proceeds from Sale of Capital Assets	26,675.10	47,362.20
Payments for Additions to Capital Assets	(89,620,809.33)	(57,345,504.33)
Mandatory Transfers to System for Capital Related Debt	(37,055,771.75)	(37,657,015.89)
Net Cash Provided (Used) by Capital and Related Financing Activities	(64,142,813.40)	(43,283,560.94)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	747,459.78	1,316,357.86
Proceeds from Interest and Investment Income Invested by System	19,811,327.59	19,533,871.83
Payments to Acquire Investments Invested by System	(9,815,711.51)	(12,969,003.32)
Net Cash Provided (Used) by Investing Activities	10,743,075.86	7,881,226.37
Net Increase (Decrease) in Cash	(11,892,029.14)	33,029,882.83
Cash and Cash Equivalents (Beginning of the Year)	102,571,250.74	69,667,822.03
Restatements to Cash for GASB Implementation	-	(126,454.12)
Cash and Cash Equivalents (End of the Year)	$ 90,679,221.60	$ 102,571,250.74
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(239,043,214.46)	(214,851,895.91)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	51,138,246.30	49,952,039.84
Bad Debt Expense	(62,823.44)	57,512.53
Changes in Assets and Liabilities:		
Accounts Receivable	(6,689,161.72)	6,662,449.45
Inventories	9,907.51	(28,147.40)
Loans and Contracts	(872,693.58)	3,331,299.64
Other Current and Noncurrent Assets	(942,182.38)	(3,284,492.50)
Accounts Payable	6,810,958.12	2,866,627.05
Due to System	871,638.68	142,984.15
Unearned Revenue	7,403,602.89	12,804,828.08
Employees' Compensable Leave	1,395,278.91	443,428.49
Other Current and Noncurrent Liabilities	368,756.32	(2,080,737.51)
Total Adjustments	59,431,527.61	70,867,791.82
Net Cash Provided (Used) by Operating Activities	$ (179,611,686.85)	$ (143,984,104.09)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	21,752,227.58	6,603,086.55
Donated Capital Assets	618,557.68	554,771.63
Miscellaneous Noncash Transactions	(50,552.52)	(136,007.20)

The University of Texas at San Antonio
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	158,689.26	158,689.26
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	158,689.26	158,689.26
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	14,352.55	14,352.55
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	14,352.55	14,352.55
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	144,336.71	144,336.71
Total Net Position	$ -	144,336.71	144,336.71

The University of Texas at San Antonio
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	126,454.12	126,454.12
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	126,454.12	126,454.12
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	10,639.31	10,639.31
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	10,639.31	10,639.31
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	115,814.81	115,814.81
Total Net Position	$ -	115,814.81	115,814.81

The University of Texas at San Antonio
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	13,569.62	13,569.62
Contributions from Foundations or Associations	-	16,705.50	16,705.50
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	42,323.50	42,323.50
Total Contributions	-	72,598.62	72,598.62
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	72,598.62	72,598.62
DEDUCTIONS			
Payments to Student Organizations	-	23,868.22	23,868.22
Payments to Foundations or Associations	-	20,208.50	20,208.50
Payments to Participants	-	-	-
Other Expenses	-	-	-
Total Deductions	-	44,076.72	44,076.72
Net Increase (Decrease) in Fiduciary Net Position	-	28,521.90	28,521.90
Beginning Net Position	-	115,814.81	115,814.81
Ending Net Position	$ -	144,336.71	144,336.71

The University of Texas at San Antonio
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	105,445.03	105,445.03
Contributions from Foundations or Associations	-	360.00	360.00
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	-	-
Other Contributions	-	-	-
Total Contributions	-	105,805.03	105,805.03
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	105,805.03	105,805.03
DEDUCTIONS			
Payments to Student Organizations	-	8,411.47	8,411.47
Payments to Foundations or Associations	-	107.26	107.26
Payments to Participants	-	-	-
Other Expenses	-	-	-
Total Deductions	-	8,518.73	8,518.73
Net Increase (Decrease) in Fiduciary Net Position	-	97,286.30	97,286.30
Beginning Net Position	-	-	-
Restatements	-	18,528.51	18,528.51
Beginning Net Position (As Restated)	-	18,528.51	18,528.51
Ending Net Position	$ -	115,814.81	115,814.81

The University of Texas at Tyler
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 47,857,534.92	32,524,436.16
Restricted Cash & Cash Equivalents	(20,380,408.63)	1,291,798.99
Balance in State Appropriations	1,997,744.19	2,111,585.80
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	33,957,374.21	9,723,792.72
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	1,904,381.77	1,992,955.97
Student (allow. $1,911,537.28 in 2020 & $2,079,284.95 in 2019)	11,575,838.45	10,721,680.39
Interest and Dividend Receivables	30,589.86	98,693.16
Contributions (allow. $1,300.00 in 2020 & $75,900.00 in 2019)	1,322,672.03	1,346,444.80
Other (allow. $0.00 in 2020 & $0.00 in 2019)	5,921,905.38	5,303,987.44
Due From System Administration	1,095,212.18	2,742,223.12
Due From Other Institutions	24,858.93	8,420.36
Due From Other Agencies	10,407.53	20,890.72
Loans & Contracts (allow. $1,690,039.10 in 2020 & $2,230,825.01 in 2019)	3,440,671.01	2,125,192.41
Other Current Assets	3,347,051.49	2,440,531.16
Total Current Assets	92,105,833.32	72,452,633.20
Noncurrent Assets:		
Funds Held by System Administration (Restricted)	98,484,132.86	87,871,031.42
Contributions Rec. (allow. $900.00 in 2020 & $900.00 in 2019)	105,584.12	104,781.84
Unrestricted Investments	25,649,287.84	44,159,107.01
Funds Held by System Administration (Unrestricted)	183,953.61	176,994.17
Gross Capital/Intangible Assets	415,296,091.12	411,998,522.16
Accumulated Depreciation/Amortization	(211,543,795.34)	(195,729,101.82)
Total Noncurrent Assets	328,175,254.21	348,581,334.78
Total Assets	420,281,087.53	421,033,967.98
Total Assets and Deferred Outflows	420,281,087.53	421,033,967.98
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	12,466,770.88	12,459,872.31
Salaries Payable	4,151,693.06	4,746,485.79
Due To System Administration	1,350,295.56	1,205,657.83
Due To Other Institutions		527.50
Due To Other State Agencies	24,094.88	
Unearned Revenue	35,263,148.70	34,670,651.67
Employees' Compensable Leave - Current Portion	1,082,368.83	1,099,202.64
Notes, Loans, and Leases Payable		
Other Current Liabilities	263,715.21	264,982.36
Total Current Liabilities	54,602,087.12	54,447,380.10
Noncurrent Liabilities:		
Employees' Compensable Leave	1,947,124.86	1,425,248.89
Notes, Loans, and Leases Payable		
Other Noncurrent Liabilities	378,595.62	378,595.62
Total Noncurrent Liabilities	2,325,720.48	1,803,844.51
Total Liabilities	56,927,807.60	56,251,224.61
Total Liabilities and Deferred Inflows	56,927,807.60	56,251,224.61
NET POSITION		
Net Investment in Capital Assets	203,752,295.78	216,269,420.34
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	50,331,134.57	43,333,550.05
Expendable		
Capital Projects	2,949,755.35	2,224,671.96
Funds Functioning as Endowment (Restricted)	2,163,270.94	1,942,128.65
Other Expendable	65,236,614.65	58,325,807.18
Unrestricted	38,920,208.64	42,687,165.19
Total Net Position	$ 363,353,279.93	364,782,743.37

The University of Texas at Tyler
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 83,382,561.08	80,155,808.19
Discounts and Allowances	(29,366,665.37)	(28,236,259.38)
Federal Sponsored Programs	5,184,319.85	4,078,628.99
Federal Sponsored Programs Pass-Through from State Agencies	299,520.96	(276,794.04)
State Sponsored Programs Pass-Through from State Agencies	11,233,656.28	9,917,684.49
Private Sponsored Programs	464,688.84	1,364,978.93
Sales and Services of Educational Activities	10,757,113.91	11,246,267.68
Auxiliary Enterprises	9,737,991.81	10,553,752.20
Other Operating Revenues	279,750.29	323,691.18
Total Operating Revenues	91,972,937.65	89,127,758.24
Operating Expenses:		
Instruction	58,947,039.75	56,531,783.83
Research	1,989,406.83	2,071,915.96
Public Service	558,234.81	596,655.38
Academic Support	16,746,951.26	17,154,652.49
Student Services	12,881,528.49	11,944,337.33
Institutional Support	14,690,558.24	13,679,287.93
Operations and Maintenance of Plant	13,902,618.82	12,224,090.76
Scholarships and Fellowships	9,959,089.88	9,152,272.99
Auxiliary Enterprises	11,848,012.32	13,307,990.64
Depreciation and Amortization	17,180,352.74	17,202,653.52
Total Operating Expenses	158,703,793.14	153,865,640.83
Operating Income (Loss)	(66,730,855.49)	(64,737,882.59)
Nonoperating Revenues (Expenses):		
State Appropriations	42,416,824.81	43,955,396.92
Federal Nonexchange Sponsored Programs	16,597,516.54	12,157,348.00
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	1,104,566.36	2,491,978.58
Investment Income	8,785,185.64	6,509,591.09
Net Increase (Decrease) in Fair Value of Investments	4,383,263.56	543,563.09
Gain (Loss) on Sale of Capital Assets	(96,983.29)	(4,201.51)
Other Nonoperating Revenues		5,875.00
Other Nonoperating (Expenses)	(412,276.57)	(3,604.85)
Net Nonoperating Revenues (Expenses)	72,778,097.05	65,655,946.32
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	6,047,241.56	918,063.73
Gifts and Sponsored Programs for Capital Acquisitions	4,800.00	105,261.18
Additions to Permanent Endowments	3,924,270.17	923,105.97
Reclass from/(to) Other Institutions	491,171.35	9,437,735.84
Transfers Between Institutions & System, Debt Service - Mandatory	(15,858,546.68)	(15,924,267.95)
Transfers Between Institutions & System Admin. - Non mandatory	3,755,247.87	1,358,104.57
Transfers From Other State Agencies	219,453.00	309,433.00
Legislative Appropriations Lapsed	(13,100.71)	(330.00)
Change in Net Position	(1,429,463.44)	(2,872,893.66)
Beginning Net Position	364,782,743.37	367,313,432.04
Restatements		342,204.99
Beginning Net Position (As Restated)	364,782,743.37	367,655,637.03
Ending Net Position	$ 363,353,279.93	364,782,743.37

The University of Texas at Tyler
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	54,548,568.33	49,509,822.64
Proceeds from Sponsored Programs	22,450,587.24	15,878,657.11
Proceeds from Auxiliaries	8,909,862.23	10,437,150.91
Proceeds from Other Revenues	10,333,711.29	9,752,085.11
Payments to Suppliers	(45,504,379.46)	(43,368,042.36)
Payments to Employees	(94,644,885.29)	(88,824,113.49)
Payments for Loans Provided	(2,839,115.33)	(1,041,827.95)
Proceeds from Loan Programs	2,064,422.64	1,580,140.47
Net Cash Provided (Used) by Operating Activities	(44,681,228.35)	(46,076,127.56)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	42,517,565.71	43,740,168.98
Proceeds from Operating Gifts	1,132,336.85	3,108,464.40
Proceeds from Private Gifts for Endowment Purposes	3,924,270.17	923,105.97
Proceeds from Other Noncapital Financing Activities	13,246,639.00	5,875.00
Receipts for Transfers from System or Other Agencies	1,112,904.46	579,783.63
Payments for Other Uses	(32,686,137.01)	(173,482.07)
Proceeds from Nonexchange Sponsored Programs	6,483,270.02	12,963,438.33
Net Cash Provided by Noncapital Financing Activities	35,730,849.20	61,147,354.24
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	4,999,974.31	11,928,466.69
Proceeds from Capital Appropriations, Grants, and Gifts	-	841,500.00
Payments for Additions to Capital Assets	(7,656,472.52)	(12,240,849.44)
Mandatory Transfers to System for Capital Related Debt	(15,858,546.68)	(15,924,267.95)
Net Cash Provided (Used) by Capital and Related Financing Activities	(18,515,044.89)	(15,395,150.70)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	12,273,021.85	-
Proceeds from Interest and Investment Income	4,996,289.57	2,071,615.95
Proceeds from Interest and Investment Income Invested by System	3,857,003.76	4,442,265.35
Payments to Acquire Investments Invested by System	-	(6,432,820.12)
Net Cash Provided (Used) by Investing Activities	21,126,315.18	81,061.18
Net Increase (Decrease) in Cash	(6,339,108.86)	(242,862.84)
Cash and Cash Equivalents (Beginning of the Year)	33,816,235.15	34,059,097.99
Cash and Cash Equivalents (End of the Year)	$ 27,477,126.29	$ 33,816,235.15
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(66,730,855.49)	(64,737,882.59)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	17,180,352.74	17,202,653.52
Bad Debt Expense	(540,327.91)	(273,438.53)
Changes in Assets and Liabilities:		
Accounts Receivable	3,653,044.29	(1,729,870.96)
Loans and Contracts	(774,692.69)	538,312.52
Other Current and Noncurrent Assets	(906,520.33)	868,518.19
Accounts Payable	2,196,861.27	3,580,204.58
Due to System	144,637.73	71,450.66
Unearned Revenue	592,497.03	104,194.83
Employees' Compensable Leave	505,042.16	180,414.64
Other Current and Noncurrent Liabilities	(1,267.15)	(1,880,684.42)
Total Adjustments	22,049,627.14	18,661,755.03
Net Cash Provided (Used) by Operating Activities	$ (44,681,228.35)	$ (46,076,127.56)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	4,383,263.56	543,563.09
Miscellaneous Noncash Transactions	(96,983.29)	(4,201.51)

The University of Texas Southwestern Medical Center

Exhibit A Statement of Net Position

As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 39,278,852.26	179,719,272.42
Restricted Cash & Cash Equivalents	118,808,153.93	65,039,686.09
Balance in State Appropriations	70,377,552.53	41,480,467.55
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	35,318,633.04	37,256,092.58
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	22,034,252.83	41,128,216.80
Patient & Healthcare(allow. $116,052,096.07 in 2020 & $141,915,853.17 in 2019)	346,818,451.29	367,373,315.03
Interest and Dividend Receivables	49,819.75	51,272.95
Contributions (allow. $0.00 in 2020 & $0.00 in 2019)	10,466,638.62	18,133,624.75
Other (allow. $10,499,940.45 in 2020 & $6,405,102.96 in 2019)	107,659,404.73	71,098,584.22
Due From System Administration	31,479,769.57	88,144,612.63
Due From Other Institutions	566,338.58	439,930.73
Due From Other Agencies	5,276,308.34	8,081,086.76
Inventories	50,512,232.48	44,019,891.58
Loans & Contracts (allow. $40,627.22 in 2020 & $36,814.37 in 2019)	1,510,599.71	1,144,096.96
Other Current Assets	14,863,399.89	16,975,971.40
Total Current Assets	855,020,407.55	980,086,122.45
Noncurrent Assets:		
Cash and Cash Equivalents (Noncurrent Restricted)	39,026,066.72	2,835,925.47
Restricted Investments	793,144,832.22	610,567,869.71
Loans & Contracts (allow. $35,378.94 in 2020 & $89,086.25 in 2019)	1,315,458.34	2,768,574.12
Funds Held by System Administration (Restricted)	1,583,448,831.29	1,180,508,586.95
Contributions Rec. (allow. $0.00 in 2020 & $0.00 in 2019)	23,958,938.48	33,131,037.30
Unrestricted Investments	403,510,537.81	807,524,535.07
Funds Held by System Administration (Unrestricted)	300,014,401.50	307,256,305.29
Other Noncurrent Assets	171,117,703.50	145,966,048.92
Gross Capital/Intangible Assets	4,531,498,471.53	4,022,767,905.69
Accumulated Depreciation/Amortization	(1,859,918,405.39)	(1,689,246,215.26)
Total Noncurrent Assets	5,987,116,836.00	5,424,080,573.26
Total Assets	6,842,137,243.55	6,404,166,695.71
Total Deferred Outflows of Resources	638,767.44	1,111,411.72
Total Assets and Deferred Outflows	6,842,776,010.99	6,405,278,107.43
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	304,082,839.13	304,175,921.48
Salaries Payable	88,037,388.58	77,273,525.23
Due To System Administration	21,030,697.37	18,634,124.72
Due To Other Institutions	977,043.56	878,403.13
Due To Other State Agencies	1,583,357.45	221,379.50
Unearned Revenue	44,575,518.31	54,749,104.98
Employees' Compensable Leave - Current Portion	53,440,128.57	55,526,890.72
Notes, Loans, and Leases Payable	19,000,000.00	
Assets Held for Others		
Other Current Liabilities	619,275.97	72,442.42
Total Current Liabilities	533,346,248.94	511,531,792.18
Noncurrent Liabilities:		
Employees' Compensable Leave	105,378,528.68	72,781,188.80
Notes, Loans, and Leases Payable		19,000,000.00
Asset Retirement Obligation	2,056,700.28	2,056,700.28
Other Noncurrent Liabilities	2,926,839.00	3,005,868.77
Total Noncurrent Liabilities	110,362,067.96	96,843,757.85
Total Liabilities	643,708,316.90	608,375,550.03
Total Deferred Inflows of Resources	4,676,885.00	4,111,129.00
Total Liabilities and Deferred Inflows	648,385,201.90	612,486,679.03
NET POSITION		
Net Investment in Capital Assets	2,671,580,066.14	2,333,521,690.43
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	1,016,704,450.57	694,633,691.07
Expendable		
Capital Projects	201,339,084.25	229,348,874.06
Funds Functioning as Endowment (Restricted)	81,160,624.21	59,451,133.42
Other Expendable	1,301,240,786.15	1,181,723,328.16
Unrestricted	922,365,797.77	1,294,112,711.26
Total Net Position	$ 6,194,390,809.09	5,792,791,428.40

The University of Texas Southwestern Medical Center
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 29,192,366.96	27,620,700.58
Discounts and Allowances	(3,071,054.48)	(1,458,836.64)
Federal Sponsored Programs	239,101,324.75	200,727,516.12
Federal Sponsored Programs Pass-Through from State Agencies	3,781,191.92	4,750,480.91
State Sponsored Programs Pass-Through from State Agencies	46,879,347.15	45,300,011.19
Local Sponsored Programs	146,076,875.30	130,062,815.80
Private Sponsored Programs	251,110,101.56	209,825,053.44
Sales and Services of Educational Activities	5,921,193.59	14,137,740.54
Sales and Services of Hospitals	3,941,058,807.88	3,700,778,521.69
Discounts and Allowances Sales and Services of Hospitals	(2,429,447,470.65)	(2,224,402,714.66)
Professional Fees (Patient Charges)	2,195,191,576.32	2,257,074,398.83
Discounts and Allowances Professional Fees (Patient Charges)	(1,557,617,231.02)	(1,550,660,604.62)
Auxiliary Enterprises	24,542,625.12	24,046,598.59
Other Operating Revenues	182,597,605.62	121,778,540.27
Total Operating Revenues	3,075,317,260.02	2,959,580,222.04
Operating Expenses:		
Instruction	1,083,968,567.75	966,468,295.60
Research	397,379,610.11	377,797,166.20
Public Service	26,183,863.05	32,314,761.26
Hospitals / Clinics	1,542,908,962.95	1,392,876,326.45
Academic Support	78,570,971.42	62,776,862.51
Student Services	2,997,242.19	6,436,410.49
Institutional Support	78,857,437.56	84,544,966.21
Operations and Maintenance of Plant	88,748,299.59	92,371,394.65
Scholarships and Fellowships	5,783,897.29	2,429,870.02
Auxiliary Enterprises	28,105,977.53	27,112,447.81
Depreciation and Amortization	181,754,557.22	183,365,468.02
Total Operating Expenses	3,515,259,386.66	3,228,493,969.22
Operating Income (Loss)	(439,942,126.64)	(268,913,747.18)
Nonoperating Revenues (Expenses):		
State Appropriations	202,173,236.56	194,086,167.57
Federal Nonexchange Sponsored Programs	42,459,638.12	
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	65,911,298.34	65,375,900.03
Investment Income	173,937,707.02	186,628,868.65
Net Increase (Decrease) in Fair Value of Investments	130,409,662.90	(24,515,680.99)
Gain (Loss) on Sale of Capital Assets	(908,662.70)	(1,553,225.64)
Other Nonoperating Revenues	1,697,952.67	1,874,561.75
Other Nonoperating (Expenses)	(2,853,834.16)	(8,166,581.59)
Net Nonoperating Revenues (Expenses)	612,826,998.75	413,730,009.78
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	172,884,872.11	144,816,262.60
Gifts and Sponsored Programs for Capital Acquisitions	1,941,842.13	8,078,738.21
Additions to Permanent Endowments	14,739,152.93	13,796,205.35
Reclass from/(to) Other Institutions	205,388,947.49	(261,477,149.40)
Transfers Between Institutions & System, Debt Service - Mandatory	(109,221,820.42)	(107,981,841.47)
Transfers Between Institutions & System Admin. - Non mandatory	111,979,824.65	417,669,083.81
Transfers From Other State Agencies	3,899,932.00	28,207.00
Transfers to Other State Agencies	(13,370.20)	84,289.51
Legislative Appropriations Lapsed		(2,331.00)
Change in Net Position	401,599,380.69	214,842,885.59
Beginning Net Position	5,792,791,428.40	5,577,948,542.81
Ending Net Position	$ 6,194,390,809.09	5,792,791,428.40

The University of Texas Southwestern Medical Center
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	26,884,943.16	24,960,534.04
Proceeds from Patients and Customers	2,166,996,496.23	2,156,051,246.05
Proceeds from Sponsored Programs	713,742,620.98	620,688,458.01
Proceeds from Auxiliaries	24,513,486.61	23,840,194.30
Proceeds from Other Revenues	122,822,129.45	36,979,725.04
Payments to Suppliers	(1,094,627,816.99)	(976,044,773.38)
Payments to Employees	(2,192,804,545.01)	(1,986,466,171.59)
Payments for Loans Provided	-	(510.71)
Proceeds from Loan Programs	920,003.06	1,029,843.52
Net Cash Provided (Used) by Operating Activities	(231,552,682.51)	(98,961,454.72)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	173,276,151.58	190,050,763.00
Proceeds from Operating Gifts	81,233,974.01	79,148,872.91
Proceeds from Private Gifts for Endowment Purposes	14,739,152.93	13,796,205.35
Proceeds from Other Noncapital Financing Activities	12,901,603.28	1,149.17
Receipts for Transfers from System or Other Agencies	14,419,079.36	2,169,145.79
Payments for Transfers to System or Other Agencies	-	(13,505.50)
Payments for Other Uses	(39,803,414.12)	(20,725,286.00)
Proceeds from Nonexchange Sponsored Programs	42,459,638.12	-
Net Cash Provided by Noncapital Financing Activities	299,226,185.16	264,427,344.72
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	364,155,503.16	187,064,233.91
Proceeds from Capital Appropriations, Grants, and Gifts	3,458,251.41	6,018,209.58
Proceeds from Sale of Capital Assets	60,909.08	379,472.41
Payments for Additions to Capital Assets	(506,051,577.95)	(310,754,141.60)
Mandatory Transfers to System for Capital Related Debt	(109,221,820.42)	(107,981,841.47)
Net Cash Provided (Used) by Capital and Related Financing Activities	(247,598,734.72)	(225,274,067.17)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	161,602,354.60	134,692,335.72
Proceeds from Interest and Investment Income Invested by System	11,692,709.30	53,818,481.22
Payments to Acquire Investments Invested by System	(43,851,642.90)	(12,113,307.51)
Net Cash Provided (Used) by Investing Activities	129,443,421.00	176,397,509.43
Net Increase (Decrease) in Cash	(50,481,811.07)	116,589,332.26
Cash and Cash Equivalents (Beginning of the Year)	247,594,883.98	131,005,551.72
Cash and Cash Equivalents (End of the Year)	$ 197,113,072.91	$ 247,594,883.98
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(439,942,126.64)	(268,913,747.18)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	181,754,557.22	183,365,468.02
Bad Debt Expense	166,609.97	49,372.30
Changes in Assets and Liabilities:		
Accounts Receivable	14,696,953.99	4,834,908.70
Inventories	(6,492,340.90)	(7,182,506.56)
Loans and Contracts	920,003.06	1,029,332.81
Other Current and Noncurrent Assets	(22,473,327.07)	(102,566,147.18)
Accounts Payable	16,142,976.09	83,887,170.66
Due to System	2,396,572.65	943,769.24
Unearned Revenue	(10,173,586.67)	(585,658.77)
Employees' Compensable Leave	30,510,577.73	4,978,376.78
Asset Retirement Obligations	472,644.28	472,644.28
Other Current and Noncurrent Liabilities	467,803.78	725,562.18
Total Adjustments	208,389,444.13	169,952,292.46
Net Cash Provided (Used) by Operating Activities	$ (231,552,682.51)	$ (98,961,454.72)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	130,409,662.90	(24,515,680.99)
Donated Capital Assets	-	112,500.00
Miscellaneous Noncash Transactions	(293,845.59)	246,280.43

The University of Texas Medical Branch at Galveston

Exhibit A Statement of Net Position

As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 179,699,004.11	158,790,539.79
Restricted Cash & Cash Equivalents	10,121,763.96	11,869,275.50
Balance in State Appropriations	2,766,070.36	(1,336,529.65)
Accounts Receivable, Net:		
Federal (allow. $2,217,778.33 in 2020 & $2,357,810.79 in 2019)	13,596,873.94	10,904,365.48
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	2,192,980.93	2,470,960.19
Student (allow. $1,647,369.26 in 2020 & $1,398,229.86 in 2019)	16,470,563.30	15,235,836.57
Patient & Healthcare(allow. $70,524,150.07 in 2020 & $59,976,466.95 in 2019)	110,680,479.70	131,115,171.36
Interest and Dividend Receivables	1,188,395.76	1,407,261.89
Contributions (allow. $14,627.21 in 2020 & $14,245.01 in 2019)	57,958.89	45,336.70
Other (allow. $0.00 in 2020 & $0.00 in 2019)	16,498,429.50	13,536,119.12
Due From System Administration	2,831,251.93	9,019,748.42
Due From Other Institutions	1,006,820.76	1,695,779.37
Due From Other Agencies	9,869,670.00	25,592,126.14
Inventories	32,177,126.40	27,391,689.71
Loans & Contracts (allow. $0.00 in 2020 & $0.00 in 2019)	1,490,842.64	1,542,352.70
Other Current Assets	20,576,600.54	18,375,057.95
Total Current Assets	421,224,832.72	427,655,091.24
Noncurrent Assets:		
Restricted Investments	23,476,574.32	26,809,471.22
Loans & Contracts (allow. $1,211,826.89 in 2020 & $1,417,658.25 in 2019)	5,299,421.36	4,579,019.25
Funds Held by System Administration (Restricted)	625,380,480.15	582,404,870.26
Contributions Rec. (allow. $1,226.60 in 2020 & $58.09 in 2019)	46,453.94	2,293.67
Unrestricted Investments	456,115,278.17	426,014,217.65
Funds Held by System Administration (Unrestricted)	115,844,223.44	30,527,973.99
Other Noncurrent Assets	1,620,002.00	2,200,795.15
Gross Capital/Intangible Assets	3,912,118,476.82	3,768,015,207.79
Accumulated Depreciation/Amortization	(1,840,306,416.16)	(1,664,915,338.99)
Total Noncurrent Assets	3,299,594,494.04	3,175,638,509.99
Total Assets	3,720,819,326.76	3,603,293,601.23
Total Assets and Deferred Outflows	3,720,819,326.76	3,603,293,601.23
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	205,512,441.19	247,797,838.86
Salaries Payable	40,740,816.08	38,036,998.71
Due To System Administration	18,160,956.61	16,980,002.61
Due To Other Institutions	985,516.10	3,013,239.05
Due To Other State Agencies	178,385.82	152,356.88
Unearned Revenue	63,883,033.02	62,977,765.02
Employees' Compensable Leave - Current Portion	52,296,053.51	51,027,831.76
Notes, Loans, and Leases Payable	6,195,688.35	5,487,905.33
Assets Held for Others		
Other Current Liabilities	300,000.00	157,459.23
Total Current Liabilities	388,252,890.68	425,631,397.45
Noncurrent Liabilities:		
Employees' Compensable Leave	30,429,895.32	26,525,407.03
Liability to Beneficiaries	30,779.93	27,776.09
Notes, Loans, and Leases Payable	162,245,598.50	150,423,940.42
Asset Retirement Obligation	512,836.25	512,836.25
Other Noncurrent Liabilities	1,730,388.99	2,287,358.42
Total Noncurrent Liabilities	194,949,498.99	179,777,318.21
Total Liabilities	583,202,389.67	605,408,715.66
Total Deferred Inflows of Resources	280,603.14	263,654.74
Total Liabilities and Deferred Inflows	583,482,992.81	605,672,370.40
NET POSITION		
Net Investment in Capital Assets	1,903,370,773.81	1,947,188,023.05
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	350,090,041.50	335,099,017.96
Expendable		
Capital Projects	619,577.66	2,512,596.10
Funds Functioning as Endowment (Restricted)	39,384,208.47	36,488,959.57
Other Expendable	279,094,377.36	251,728,783.43
Unrestricted	564,777,355.15	424,603,850.72
Total Net Position	$ 3,137,336,333.95	2,997,621,230.83

The University of Texas Medical Branch at Galveston
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 49,897,205.60	47,756,477.21
Discounts and Allowances	(4,753,661.84)	(3,745,442.59)
Federal Sponsored Programs	128,869,572.49	121,943,781.69
Federal Sponsored Programs Pass-Through from State Agencies	9,485,270.69	9,867,146.04
State Sponsored Programs Pass-Through from State Agencies	13,471,195.73	10,906,152.03
Local Sponsored Programs	624,333.81	787,103.62
Private Sponsored Programs	51,767,655.51	58,424,099.37
Sales and Services of Educational Activities	14,582,433.45	13,685,164.63
Sales and Services of Hospitals	4,011,608,744.78	3,889,695,927.04
Discounts and Allowances Sales and Services of Hospitals	(2,687,597,311.10)	(2,601,820,032.03)
Professional Fees (Patient Charges)	589,686,707.19	619,596,041.06
Discounts and Allowances Professional Fees (Patient Charges)	(388,575,842.23)	(402,292,059.89)
Auxiliary Enterprises	14,029,085.29	14,605,583.59
Other Operating Revenues	61,205,631.19	45,712,578.05
Total Operating Revenues	1,864,301,020.56	1,825,122,519.82
Operating Expenses:		
Instruction	362,709,033.82	367,614,547.12
Research	112,649,397.96	109,642,787.17
Public Service	20,282,936.75	19,200,220.98
Hospitals / Clinics	1,461,912,040.80	1,385,571,467.74
Academic Support	32,863,157.67	37,626,761.52
Student Services	6,993,568.22	6,909,864.28
Institutional Support	89,069,518.77	92,403,217.60
Operations and Maintenance of Plant	55,676,791.41	57,135,166.51
Scholarships and Fellowships	9,243,591.35	9,277,220.01
Auxiliary Enterprises	12,666,253.48	12,878,621.75
Depreciation and Amortization	194,140,529.40	179,980,597.41
Total Operating Expenses	2,358,206,819.63	2,278,240,472.09
Operating Income (Loss)	(493,905,799.07)	(453,117,952.27)
Nonoperating Revenues (Expenses):		
State Appropriations	384,205,535.39	372,131,702.51
Federal Nonexchange Sponsored Programs	64,361,682.03	1,006,996.00
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	9,841,881.36	10,226,233.00
Investment Income	61,008,338.95	66,915,691.05
Net Increase (Decrease) in Fair Value of Investments	54,444,791.80	5,058,276.58
Interest Expense on Capital Asset Financings	(7,247,943.87)	(6,102,789.26)
Gain (Loss) on Sale of Capital Assets	(977,666.54)	(3,438,493.82)
Other Nonoperating Revenues	5,730,239.49	2,367,073.04
Other Nonoperating (Expenses)	(496,682.94)	(234,351.51)
Net Nonoperating Revenues (Expenses)	570,870,175.67	447,930,337.59
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	76,964,376.60	(5,187,614.68)
Gifts and Sponsored Programs for Capital Acquisitions	20,824,784.76	46,496,483.11
Additions to Permanent Endowments	11,505,990.51	3,197,505.88
Reclass from/(to) Other Institutions	61,511,435.63	78,911,426.92
Transfers Between Institutions & System, Debt Service - Mandatory	(91,367,972.07)	(89,465,329.36)
Transfers Between Institutions & System Admin. - Non mandatory	58,477,287.69	44,829,552.58
Transfers From Other State Agencies	72,495,684.80	68,698,506.77
Transfers to Other State Agencies	(70,696,484.80)	68,613,289.44
Legislative Appropriations Lapsed		(2,759.00)
Change in Net Position	139,715,103.12	78,864,482.78
Beginning Net Position	2,997,621,230.83	2,918,756,748.05
Ending Net Position	$ 3,137,336,333.95	2,997,621,230.83

The University of Texas Medical Branch at Galveston
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	46,339,623.30	41,904,638.06
Proceeds from Patients and Customers	1,549,731,043.60	1,502,158,857.95
Proceeds from Sponsored Programs	199,507,260.52	207,150,330.17
Proceeds from Auxiliaries	14,002,133.10	14,917,905.79
Proceeds from Other Revenues	74,632,332.75	59,011,761.03
Payments to Suppliers	(748,607,503.21)	(675,638,639.40)
Payments to Employees	(1,441,602,689.86)	(1,386,765,217.84)
Payments for Loans Provided	(1,910,539.06)	(351,845.28)
Proceeds from Loan Programs	1,241,647.01	348,356.11
Net Cash Provided (Used) by Operating Activities	(306,666,691.85)	(237,263,853.41)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	380,102,935.38	375,044,703.78
Proceeds from Operating Gifts	10,099,165.50	11,143,090.99
Proceeds from Private Gifts for Endowment Purposes	11,505,990.51	3,197,505.88
Proceeds from Other Noncapital Financing Activities	45,759,262.49	2,367,073.04
Receipts for Transfers from System or Other Agencies	99,701,731.97	91,095,457.78
Payments for Transfers to System or Other Agencies	(93,282,035.80)	(91,114,267.44)
Payments for Other Uses	(41,335,055.62)	(234,351.51)
Proceeds from Nonexchange Sponsored Programs	63,714,760.00	1,005,323.00
Net Cash Provided by Noncapital Financing Activities	476,266,754.43	392,504,535.52
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	119,858,374.79	176,447,593.66
Proceeds from Capital Appropriations, Grants, and Gifts	34,978,980.59	70,023,691.82
Proceeds from Sale of Capital Assets	86,357.61	461,287.95
Payments for Additions to Capital Assets	(160,786,043.48)	(291,090,913.84)
Payments of Principal on Capital Related Debt	(6,594,347.50)	(3,725,633.86)
Mandatory Transfers to System for Capital Related Debt	(91,367,972.07)	(89,465,329.36)
Payments of Interest on Capital Related Debt	(7,247,943.87)	(1,287,411.46)
Net Cash Provided (Used) by Capital and Related Financing Activities	(111,072,593.93)	(138,636,715.09)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	-	2,604,898.03
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	13,420,931.26	17,407,229.75
Proceeds from Interest and Investment Income Invested by System	47,807,831.79	49,297,814.16
Payments to Acquire Investments	(1,099,756.00)	(2,604,898.03)
Payments to Acquire Investments Invested by System	(99,495,522.92)	(32,368,381.18)
Net Cash Provided (Used) by Investing Activities	(39,366,515.87)	34,336,662.73
Net Increase (Decrease) in Cash	19,160,952.78	50,940,629.75
Cash and Cash Equivalents (Beginning of the Year)	170,659,815.29	119,719,185.54
Cash and Cash Equivalents (End of the Year)	$ 189,820,768.07	$ 170,659,815.29
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(493,905,799.07)	(453,117,952.27)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	194,140,529.40	179,980,597.41
Changes in Assets and Liabilities:		
Accounts Receivable	12,687,048.72	(9,114,013.47)
Inventories	(4,785,436.69)	(5,248,494.90)
Loans and Contracts	(668,892.05)	(3,489.17)
Other Current and Noncurrent Assets	(1,620,749.44)	(1,688,052.59)
Accounts Payable	(21,326,633.22)	55,460,346.98
Due to System	1,180,954.00	525,193.51
Unearned Revenue	2,874,005.12	(3,734,426.93)
Employees' Compensable Leave	5,172,710.04	1,603,228.02
Other Current and Noncurrent Liabilities	(414,428.66)	(1,926,790.00)
Total Adjustments	187,239,107.22	215,854,098.86
Net Cash Provided (Used) by Operating Activities	$ (306,666,691.85)	$ (237,263,853.41)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	54,444,791.80	5,058,276.58
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	19,123,788.60	148,943,119.02
Miscellaneous Noncash Transactions	(977,666.54)	(3,416,973.49)

The University of Texas Health Science Center at Houston

Exhibit A Statement of Net Position

As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 200,279,470.30	178,001,893.16
Restricted Cash & Cash Equivalents	97,185,085.10	112,377,273.31
Balance in State Appropriations	14,447,711.39	17,625,539.40
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	21,516,905.53	19,753,757.20
Other Intergov. (allow. $784,624.38 in 2020 & $147,592.05 in 2019)	51,764,293.38	47,942,188.87
Student (allow. $915,046.49 in 2020 & $851,377.74 in 2019)	20,920,988.15	17,697,298.90
Patient & Healthcare(allow. $6,987,153.37 in 2020 & $6,378,221.96 in 2019)	55,429,079.56	54,858,268.74
Interest and Dividend Receivables	697,634.94	1,411,197.52
Contributions (allow. $75,718.14 in 2020 & $96,812.74 in 2019)	3,088,677.54	3,949,164.31
Other (allow. $21,993.17 in 2020 & $20,899.44 in 2019)	15,330,817.03	26,844,527.28
Due From System Administration	5,898,142.77	8,883,744.55
Due From Other Institutions	5,650,914.37	1,577,775.11
Due From Other Agencies	3,236,455.67	3,170,546.96
Inventories	738,399.77	772,149.13
Loans & Contracts (allow. $87,862.75 in 2020 & $260,431.95 in 2019)	1,849,149.63	5,259,267.22
Other Current Assets	5,184,480.37	3,997,869.25
Total Current Assets	503,218,205.50	504,122,460.91
Noncurrent Assets:		
Restricted Investments	61,443,345.55	66,709,633.54
Loans & Contracts (allow. $617,255.93 in 2020 & $488,000.73 in 2019)	8,387,503.57	5,382,704.65
Funds Held by System Administration (Restricted)	435,588,838.52	392,508,950.57
Contributions Rec. (allow. $93,184.19 in 2020 & $119,807.20 in 2019)	3,801,149.03	4,887,148.78
Unrestricted Investments	223,449,691.60	334,634,963.82
Funds Held by System Administration (Unrestricted)	592,683,995.30	327,224,230.86
Other Noncurrent Assets	16,745,254.40	16,030,744.27
Gross Capital/Intangible Assets	1,426,978,432.92	1,365,086,080.01
Accumulated Depreciation/Amortization	(824,212,526.58)	(764,270,540.70)
Total Noncurrent Assets	1,944,865,684.31	1,748,193,915.80
Total Assets	2,448,083,889.81	2,252,316,376.71
Total Assets and Deferred Outflows	2,448,083,889.81	2,252,316,376.71
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	91,397,580.36	83,035,763.32
Salaries Payable	78,030,082.18	42,498,346.61
Due To System Administration	12,744,349.89	11,131,582.92
Due To Other Institutions	2,048,408.37	600,180.20
Due To Other State Agencies	57,816,167.71	97,304,249.05
Unearned Revenue	83,527,124.94	76,957,722.94
Employees' Compensable Leave - Current Portion	46,503,800.22	39,174,020.26
Notes, Loans, and Leases Payable		
Assets Held for Others		
Other Current Liabilities	24,594,782.85	106,070,288.52
Total Current Liabilities	396,662,296.52	456,772,153.82
Noncurrent Liabilities:		
Employees' Compensable Leave	18,333,363.27	33,170,207.43
Liability to Beneficiaries	212,719.61	190,411.48
Notes, Loans, and Leases Payable		
Asset Retirement Obligation	975,121.25	975,121.25
Other Noncurrent Liabilities	116,086,893.89	3,101,952.99
Total Noncurrent Liabilities	135,608,098.02	37,437,693.15
Total Liabilities	532,270,394.54	494,209,846.97
Total Deferred Inflows of Resources	647,638.03	704,057.03
Total Liabilities and Deferred Inflows	532,918,032.57	494,913,904.00
NET POSITION		
Net Investment in Capital Assets	602,765,906.34	600,815,539.31
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	307,126,371.75	282,765,217.46
Expendable		
Capital Projects	5,366,068.89	2,043,714.78
Funds Functioning as Endowment (Restricted)	31,346,074.29	29,407,122.77
Other Expendable	228,216,570.36	195,017,616.53
Unrestricted	740,344,865.61	647,353,261.86
Total Net Position	$ 1,915,165,857.24	1,757,402,472.71

The University of Texas Health Science Center at Houston
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 63,613,064.19	61,104,402.84
Discounts and Allowances	(1,818,309.20)	(1,411,910.11)
Federal Sponsored Programs	137,426,076.91	134,765,581.28
Federal Sponsored Programs Pass-Through from State Agencies	25,946,842.91	23,941,860.19
State Sponsored Programs Pass-Through from State Agencies	24,306,684.86	23,103,659.51
Local Sponsored Programs	520,260,162.33	480,170,478.13
Private Sponsored Programs	155,040,945.87	147,796,003.51
Sales and Services of Educational Activities	38,591,552.87	39,268,166.12
Sales and Services of Hospitals	143,083,882.40	137,995,649.93
Discounts and Allowances Sales and Services of Hospitals	(59,880,293.39)	(63,449,925.70)
Professional Fees (Patient Charges)	1,989,020,513.57	1,922,452,456.97
Discounts and Allowances Professional Fees (Patient Charges)	(1,583,410,664.65)	(1,538,965,192.01)
Auxiliary Enterprises	25,093,500.53	27,154,291.34
Other Operating Revenues	94,937,613.15	70,534,713.07
Total Operating Revenues	1,572,211,572.35	1,464,460,235.07
Operating Expenses:		
Instruction	790,124,803.88	745,849,630.43
Research	206,404,588.04	204,772,051.64
Public Service	35,711,108.41	33,696,444.30
Hospitals / Clinics	505,868,179.58	448,537,362.77
Academic Support	65,167,843.59	56,879,366.56
Student Services	10,954,367.83	10,531,008.68
Institutional Support	83,102,616.51	76,655,259.13
Operations and Maintenance of Plant	42,238,034.18	43,659,044.15
Scholarships and Fellowships	10,259,131.63	10,570,159.08
Auxiliary Enterprises	16,999,904.01	17,498,942.41
Depreciation and Amortization	69,126,734.66	68,136,690.82
Total Operating Expenses	1,835,957,312.32	1,716,785,959.97
Operating Income (Loss)	(263,745,739.97)	(252,325,724.90)
Nonoperating Revenues (Expenses):		
State Appropriations	234,938,593.98	216,741,048.21
Federal Nonexchange Sponsored Programs	9,062,111.84	1,304,635.00
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	18,153,127.77	16,941,361.72
Investment Income	71,864,177.11	67,099,424.90
Net Increase (Decrease) in Fair Value of Investments	38,075,529.00	(3,486,189.32)
Gain (Loss) on Sale of Capital Assets	(1,218,700.99)	(488,647.90)
Other Nonoperating Revenues	2,100,401.71	4,407,335.79
Other Nonoperating (Expenses)	(929,809.00)	(41,500.49)
Net Nonoperating Revenues (Expenses)	372,045,431.42	302,477,467.91
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	108,299,691.45	50,151,743.01
Additions to Permanent Endowments	17,259,895.80	24,176,512.46
Reclass from/(to) Other Institutions	19,517,584.66	21,953,421.33
Transfers Between Institutions & System, Debt Service - Mandatory	(32,754,450.23)	(32,452,538.08)
Transfers Between Institutions & System Admin. - Non mandatory	42,487,713.52	20,675,590.32
Transfers From Other State Agencies	2,981,435.73	54,494.00
Transfers to Other State Agencies	(28,486.40)	58,875.11
Legislative Appropriations Lapsed		(71,505.00)
Change in Net Position	157,763,384.53	84,428,842.93
Beginning Net Position	1,757,402,472.71	1,672,973,629.78
Ending Net Position	$ 1,915,165,857.24	1,757,402,472.71

The University of Texas Health Science Center at Houston
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	62,763,300.78	60,538,505.51
Proceeds from Patients and Customers	506,427,426.53	459,348,748.78
Proceeds from Sponsored Programs	832,094,035.35	775,967,833.81
Proceeds from Auxiliaries	25,083,116.14	27,248,065.05
Proceeds from Other Revenues	142,837,813.48	128,356,790.29
Payments to Suppliers	(362,490,632.07)	(391,168,278.63)
Payments to Employees	(1,365,062,363.09)	(1,245,282,585.31)
Payments for Loans Provided	(1,557,769.81)	(1,666,645.41)
Proceeds from Loan Programs	1,963,088.48	2,283,286.25
Net Cash Provided (Used) by Operating Activities	(157,941,984.21)	(184,374,279.66)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	238,116,421.99	213,065,946.54
Proceeds from Operating Gifts	20,099,614.29	19,476,679.19
Proceeds from Private Gifts for Endowment Purposes	17,259,895.80	24,176,512.46
Proceeds from Other Noncapital Financing Activities	52,433,209.55	101,648,731.59
Receipts for Transfers from System or Other Agencies	14,235,318.15	6,604,958.04
Payments for Transfers to System or Other Agencies	(385,292.84)	(247,049.39)
Payments for Other Uses	(51,750,457.07)	(41,500.36)
Proceeds from Nonexchange Sponsored Programs	9,157,439.84	2,571,968.44
Net Cash Provided by Noncapital Financing Activities	299,166,149.71	367,256,246.51
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	54,666,755.05	57,664,050.01
Proceeds from Sale of Capital Assets	662,918.41	124,101.51
Payments for Additions to Capital Assets	(74,644,836.64)	(75,138,171.14)
Mandatory Transfers to System for Capital Related Debt	(32,754,450.23)	(32,452,538.08)
Net Cash Provided (Used) by Capital and Related Financing Activities	(52,069,613.41)	(49,802,557.70)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	3,164,427.48	3,070,796.79
Proceeds from Interest and Investment Income Invested by System	68,756,664.41	64,045,534.64
Payments to Acquire Investments	(42,400.64)	(108,739.25)
Payments to Acquire Investments Invested by System	(153,947,854.41)	(75,411,030.46)
Net Cash Provided (Used) by Investing Activities	(82,069,163.16)	(8,403,438.28)
Net Increase (Decrease) in Cash	7,085,388.93	124,675,970.87
Cash and Cash Equivalents (Beginning of the Year)	290,379,166.47	165,703,195.60
Cash and Cash Equivalents (End of the Year)	$ 297,464,555.40	$ 290,379,166.47
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(263,745,739.97)	(252,325,724.90)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	69,126,734.66	68,136,690.82
Changes in Assets and Liabilities:		
Accounts Receivable	(1,700,468.63)	(26,018,685.75)
Inventories	33,749.36	(222,966.79)
Loans and Contracts	405,318.67	616,640.84
Other Current and Noncurrent Assets	(1,957,540.25)	(1,159,679.03)
Accounts Payable	7,711,421.95	5,473,472.98
Due to System	1,612,766.97	1,663,575.31
Unearned Revenue	6,569,402.00	4,923,380.01
Employees' Compensable Leave	(7,507,064.20)	3,897,615.15
Asset Retirement Obligations	-	(611,267.79)
Other Current and Noncurrent Liabilities	31,509,435.23	11,252,669.49
Total Adjustments	105,803,755.76	67,951,445.24
Net Cash Provided (Used) by Operating Activities	$ (157,941,984.21)	$ (184,374,279.66)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	38,075,529.00	(3,486,189.32)
Miscellaneous Noncash Transactions	(1,134,984.26)	(499,598.62)

The University of Texas Health Science Center at San Antonio
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 127,576,877.97	97,999,814.58
Restricted Cash & Cash Equivalents	71,119,174.88	47,975,518.87
Balance in State Appropriations	28,284,438.67	19,105,432.62
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	16,168,916.81	18,388,192.45
Other Intergov. (allow. $0.00 in 2020 & $0.00 in 2019)	10,897,019.97	11,545,060.04
Student (allow. $0.00 in 2020 & $0.00 in 2019)	13,848,007.05	13,029,217.33
Patient & Healthcare(allow. $3,729,449.84 in 2020 & $4,482,380.72 in 2019)	24,579,581.76	29,427,073.55
Interest and Dividend Receivables	935,614.63	1,096,369.81
Contributions (allow. $45,929.90 in 2020 & $20,336.14 in 2019)	2,378,572.72	1,718,014.84
Other (allow. $0.00 in 2020 & $0.00 in 2019)	13,233,244.04	10,523,708.21
Due From System Administration	6,079,640.24	12,957,837.56
Due From Other Institutions	169,459.03	328,380.77
Due From Other Agencies	6,688,031.41	3,495,874.75
Inventories	5,744,702.34	5,356,395.28
Loans & Contracts (allow. $3,555.01 in 2020 & $12,246.61 in 2019)	576,430.67	726,836.72
Other Current Assets	2,074,200.01	1,127,729.43
Total Current Assets	330,353,912.20	274,801,456.81
Noncurrent Assets:		
Restricted Investments	64,724,785.53	70,446,245.95
Loans & Contracts (allow. $11,250.57 in 2020 & $12,539.38 in 2019)	1,824,079.40	2,464,519.07
Funds Held by System Administration (Restricted)	644,073,065.48	599,645,946.51
Contributions Rec. (allow. $75,701.24 in 2020 & $45,002.33 in 2019)	9,662,909.66	4,750,493.77
Unrestricted Investments	315,321,316.97	327,938,434.27
Funds Held by System Administration (Unrestricted)	19,682,225.65	18,863,901.28
Other Noncurrent Assets	1,610,180.06	1,410,771.00
Gross Capital/Intangible Assets	1,469,521,774.80	1,423,324,051.25
Accumulated Depreciation/Amortization	(792,560,782.20)	(737,308,786.85)
Total Noncurrent Assets	1,733,859,555.35	1,711,535,576.25
Total Assets	2,064,213,467.55	1,986,337,033.06
Total Assets and Deferred Outflows	2,064,213,467.55	1,986,337,033.06
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	34,817,055.46	36,249,255.86
Salaries Payable	36,994,520.38	40,160,453.93
Federal Payables		714,520.04
Due To System Administration	7,762,815.33	7,199,332.42
Due To Other Institutions	4,736,767.73	522,757.29
Due To Other State Agencies	14,339,607.68	85,969.65
Statewide Interfund Payable	144,853.07	141,991.87
Unearned Revenue	59,751,756.69	53,315,209.06
Employees' Compensable Leave - Current Portion	29,052,782.56	27,884,323.12
Notes, Loans, and Leases Payable	346,655.26	370,548.79
Assets Held for Others		
Other Current Liabilities	5,316,905.30	5,098,107.50
Total Current Liabilities	193,263,719.46	171,742,469.53
Noncurrent Liabilities:		
Employees' Compensable Leave	31,468,648.87	32,537,423.38
Liability to Beneficiaries	374,934.75	313,129.12
Notes, Loans, and Leases Payable	143,079.30	452,435.00
Statewide Interfund Payable	64,661.06	209,514.13
Asset Retirement Obligation	1,215,785.00	1,215,785.00
Other Noncurrent Liabilities	3,303,104.75	3,470,754.68
Total Noncurrent Liabilities	36,570,213.73	38,199,041.31
Total Liabilities	229,833,933.19	209,941,510.84
Total Deferred Inflows of Resources	2,214,044.12	2,215,655.12
Total Liabilities and Deferred Inflows	232,047,977.31	212,157,165.96
NET POSITION		
Net Investment in Capital Assets	676,471,258.04	685,192,280.61
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	431,188,666.69	413,656,658.75
Expendable		
Capital Projects	1,812,523.55	4,501,239.14
Funds Functioning as Endowment (Restricted)	28,668,241.76	27,119,759.58
Other Expendable	320,307,062.45	287,769,819.57
Unrestricted	373,717,737.75	355,940,109.45
Total Net Position	$ 1,832,165,490.24	1,774,179,867.10

The University of Texas Health Science Center at San Antonio
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 53,665,211.10	51,588,294.01
Discounts and Allowances	(3,137,950.96)	(2,847,740.56)
Federal Sponsored Programs	111,786,491.09	111,929,098.86
Federal Sponsored Programs Pass-Through from State Agencies	18,084,356.63	9,143,648.87
State Sponsored Programs Pass-Through from State Agencies	17,184,845.32	14,611,695.15
Local Sponsored Programs	188,024,403.70	182,382,412.37
Private Sponsored Programs	28,650,915.79	27,727,595.34
Sales and Services of Educational Activities	33,309,945.46	35,172,980.48
Professional Fees (Patient Charges)	770,647,285.02	738,971,185.99
Discounts and Allowances Professional Fees (Patient Charges)	(533,649,191.74)	(498,801,319.15)
Auxiliary Enterprises	4,646,995.63	5,270,528.47
Other Operating Revenues	41,256,174.38	29,334,815.37
Total Operating Revenues	730,469,481.42	704,483,195.20
Operating Expenses:		
Instruction	417,965,583.50	419,188,827.34
Research	146,211,127.30	136,963,943.19
Public Service	48,942,085.83	42,922,576.71
Hospitals / Clinics	159,909,123.83	135,932,925.99
Academic Support	43,281,448.50	46,407,373.66
Student Services	2,265,797.96	2,250,833.68
Institutional Support	49,992,003.43	47,374,794.74
Operations and Maintenance of Plant	38,366,777.21	36,651,385.56
Scholarships and Fellowships	10,748,474.29	7,392,270.84
Auxiliary Enterprises	4,745,887.61	5,671,555.00
Depreciation and Amortization	61,421,885.98	58,318,282.24
Total Operating Expenses	983,850,195.44	939,074,768.95
Operating Income (Loss)	(253,380,714.02)	(234,591,573.75)
Nonoperating Revenues (Expenses):		
State Appropriations	184,385,767.95	172,545,475.01
Federal Nonexchange Sponsored Programs	6,857,411.79	1,124,721.09
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	8,799,125.12	12,424,586.69
Investment Income	48,537,873.27	48,386,253.01
Net Increase (Decrease) in Fair Value of Investments	42,503,976.20	4,240,196.66
Interest Expense on Capital Asset Financings	(25,366.31)	(43,906.58)
Gain (Loss) on Sale of Capital Assets	(370,081.30)	(4,247,059.12)
Other Nonoperating (Expenses)	(35,000.00)	(177,500.00)
Net Nonoperating Revenues (Expenses)	290,653,706.72	234,252,766.76
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	37,272,992.70	(338,806.99)
Gifts and Sponsored Programs for Capital Acquisitions	7,939,498.76	224,114.85
Additions to Permanent Endowments	14,643,254.59	23,221,398.18
Reclass from/(to) Other Institutions	20,318,606.03	47,253,903.39
Transfers Between Institutions & System, Debt Service - Mandatory	(29,779,320.03)	(30,486,216.84)
Transfers Between Institutions & System Admin. - Non mandatory	5,667,705.97	11,526,825.41
Transfers From Other State Agencies	1,972,055.12	66,697.79
Transfers to Other State Agencies	(49,169.50)	72,045.00
Legislative Appropriations Lapsed	(0.50)	(713.50)
Change in Net Position	57,985,623.14	51,395,157.29
Beginning Net Position	1,774,179,867.10	1,722,784,709.81
Ending Net Position	$ 1,832,165,490.24	1,774,179,867.10

The University of Texas Health Science Center at San Antonio
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	51,077,776.77	49,673,008.21
Proceeds from Patients and Customers	241,845,585.07	237,123,374.21
Proceeds from Sponsored Programs	379,404,206.36	342,419,453.15
Proceeds from Auxiliaries	4,646,995.63	5,270,528.47
Proceeds from Other Revenues	74,441,148.86	64,610,093.05
Payments to Suppliers	(254,143,501.51)	(249,212,182.98)
Payments to Employees	(669,855,913.61)	(622,731,000.33)
Proceeds from Loan Programs	550,220.16	579,112.47
Net Cash Provided (Used) by Operating Activities	(172,033,482.27)	(172,267,613.75)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	175,206,761.40	174,125,566.02
Proceeds from Operating Gifts	11,160,470.06	24,609,165.09
Proceeds from Private Gifts for Endowment Purposes	14,643,254.59	23,221,398.18
Proceeds from Other Noncapital Financing Activities	32,259,125.28	-
Receipts for Transfers from System or Other Agencies	5,563,954.62	2,215,729.83
Payments for Transfers to System or Other Agencies	(4,321,860.06)	(72,045.00)
Payments for Other Uses	(28,057,629.01)	(177,499.99)
Proceeds from Nonexchange Sponsored Programs	6,857,441.79	1,592,996.09
Net Cash Provided by Noncapital Financing Activities	213,311,518.67	225,515,310.22
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	33,560,628.75	72,055,974.71
Proceeds from Capital Appropriations, Grants, and Gifts	12,133.06	762,127.46
Payments for Additions to Capital Assets	(56,318,916.41)	(95,391,237.97)
Payments of Principal on Capital Related Debt	(333,249.23)	(401,962.40)
Mandatory Transfers to System for Capital Related Debt	(29,779,320.03)	(30,486,216.84)
Payments of Interest on Capital Related Debt	(25,366.31)	(43,906.58)
Net Cash Provided (Used) by Capital and Related Financing Activities	(52,884,090.17)	(53,505,221.62)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	15,658,916.21	-
Proceeds from Interest and Investment Income	1,062,063.94	2,002,183.45
Proceeds from Interest and Investment Income Invested by System	47,605,793.02	46,308,437.26
Payments to Acquire Investments Invested by System	-	(25,618,259.88)
Net Cash Provided (Used) by Investing Activities	64,326,773.17	22,692,360.83
Net Increase (Decrease) in Cash	52,720,719.40	22,434,835.68
Cash and Cash Equivalents (Beginning of the Year)	145,975,333.45	123,540,497.77
Cash and Cash Equivalents (End of the Year)	$ 198,696,052.85	$ 145,975,333.45
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(253,380,714.02)	(234,591,573.75)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	61,421,885.98	58,318,282.24
Bad Debt Expense	240,625.56	163,494.15
Changes in Assets and Liabilities:		
Accounts Receivable	1,137,152.49	(9,186,224.40)
Inventories	(388,307.06)	(1,598,880.72)
Loans and Contracts	550,220.16	579,112.47
Other Current and Noncurrent Assets	(1,147,490.64)	(210,760.41)
Accounts Payable	12,382,281.92	9,924,331.98
Due to System	563,482.91	260,570.47
Unearned Revenue	6,436,547.63	3,452,182.71
Employees' Compensable Leave	99,684.93	618,296.08
Other Current and Noncurrent Liabilities	51,147.87	3,555.43
Total Adjustments	81,347,231.75	62,323,960.00
Net Cash Provided (Used) by Operating Activities	$ (172,033,482.27)	$ (172,267,613.75)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	42,503,976.20	4,240,196.66
Donated Capital Assets	74,995.00	64,926.84
Capital Assets Acquired Under Capital Lease Purchases or Direct Borrowings	-	977,846.09
Miscellaneous Noncash Transactions	(354,638.18)	(4,242,597.33)

The University of Texas M. D. Anderson Cancer Center

Exhibit A Statement of Net Position

As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ 314,834,186.55	469,659,415.89
Restricted Cash & Cash Equivalents	383,968,031.82	453,094,037.12
Balance in State Appropriations	630,788.94	
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	231,078,396.81	214,303,497.88
Patient & Healthcare(allow. $110,668,166.14 in 2020 & $97,877,597.91 in 2019)	330,722,546.33	438,940,286.08
Interest and Dividend Receivables	9,388,526.13	10,493,979.63
Contributions (allow. $344,751.70 in 2020 & $1,201,470.47 in 2019)	6,550,282.28	4,592,918.99
Other (allow. $12,154,227.88 in 2020 & $2,543,845.59 in 2019)	18,983,205.94	33,007,308.23
Due From System Administration	17,422,875.41	8,789,726.89
Due From Other Institutions	3,128,179.06	2,993,971.38
Due From Other Agencies	8,327,925.02	5,290,597.81
Inventories	78,853,188.49	72,096,932.24
Other Current Assets	91,139,729.12	89,075,355.10
Total Current Assets	1,495,027,861.90	1,802,338,027.24
Noncurrent Assets:		
Restricted Investments	1,243,043,512.06	1,164,742,211.35
Funds Held by System Administration (Restricted)	763,812,002.28	718,430,970.43
Contributions Rec. (allow. $308,373.64 in 2020 & $314,100.08 in 2019)	5,859,099.16	5,967,901.52
Unrestricted Investments	3,848,724,262.58	3,609,113,908.13
Funds Held by System Administration (Unrestricted)	2,510,087,678.29	1,309,157,326.41
Other Noncurrent Assets	71,288,019.42	64,604,452.09
Gross Capital/Intangible Assets	6,776,874,320.65	6,655,854,353.88
Accumulated Depreciation/Amortization	(4,044,224,117.15)	(3,775,866,970.39)
Total Noncurrent Assets	11,175,464,777.29	9,752,004,153.42
Total Assets	12,670,492,639.19	11,554,342,180.66
Total Deferred Outflows of Resources	15,097,100.18	25,194,452.43
Total Assets and Deferred Outflows	12,685,589,739.37	11,579,536,633.09
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	199,161,078.71	226,160,830.97
Salaries Payable	242,002,767.12	230,931,367.61
Federal Payables	10,000,469.30	48,580,682.06
Other Intergovernmental Payables		27,308.42
Due To System Administration	31,568,631.00	25,650,782.12
Due To Other Institutions	2,095,087.46	2,646,138.00
Due To Other State Agencies	154,230.10	106,686.12
Unearned Revenue	349,071,414.83	290,567,732.57
Employees' Compensable Leave - Current Portion	179,482,675.08	183,425,434.68
Notes, Loans, and Leases Payable		
Assets Held for Others	79.00	34,215.27
Other Current Liabilities	32,155,615.10	99,996,590.80
Total Current Liabilities	1,045,692,047.70	1,108,127,768.62
Noncurrent Liabilities:		
Employees' Compensable Leave	55,375,926.06	15,540,687.62
Assets Held for Others	565,511,273.93	516,598,582.19
Liability to Beneficiaries	1,134,626.40	1,012,264.01
Notes, Loans, and Leases Payable		
Asset Retirement Obligation	16,632,171.25	16,632,171.25
Other Noncurrent Liabilities	1,833,811.99	2,800,458.15
Total Noncurrent Liabilities	640,487,809.63	552,584,163.22
Total Liabilities	1,686,179,857.33	1,660,711,931.84
Total Deferred Inflows of Resources	4,514,223.76	2,750,203.76
Total Liabilities and Deferred Inflows	1,690,694,081.09	1,663,462,135.60
NET POSITION		
Net Investment in Capital Assets	2,732,650,203.50	2,879,987,383.49
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	1,006,112,745.85	988,937,972.72
Expendable		
Capital Projects	157,945,932.42	156,135,124.15
Funds Functioning as Endowment (Restricted)	81,253,039.06	75,850,607.25
Other Expendable	566,170,715.00	534,012,057.05
Unrestricted	6,450,763,022.45	5,281,151,352.83
Total Net Position	$ 10,994,895,658.28	9,916,074,497.49

The University of Texas M. D. Anderson Cancer Center
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 1,911,722.61	1,845,339.54
Discounts and Allowances	(5,018.48)	(29,419.22)
Federal Sponsored Programs	213,362,178.00	205,908,366.20
Federal Sponsored Programs Pass-Through from State Agencies	3,611,927.63	3,024,887.47
State Sponsored Programs Pass-Through from State Agencies	43,423,469.51	45,320,730.43
Private Sponsored Programs	228,849,041.81	151,304,668.17
Sales and Services of Educational Activities	2,033,497.97	2,718,135.90
Sales and Services of Hospitals	8,230,793,993.01	8,539,430,341.64
Discounts and Allowances Sales and Services of Hospitals	(4,278,718,388.99)	(4,416,862,474.98)
Professional Fees (Patient Charges)	1,428,320,087.50	1,543,246,773.63
Discounts and Allowances Professional Fees (Patient Charges)	(1,033,021,488.19)	(1,091,974,352.71)
Auxiliary Enterprises	33,096,205.26	45,934,460.27
Other Operating Revenues	132,212,140.88	125,466,176.42
Total Operating Revenues	5,005,869,368.52	5,155,333,632.76
Operating Expenses:		
Instruction	95,609,442.54	79,836,559.63
Research	840,274,379.64	784,212,601.42
Public Service	36,737,675.22	22,931,878.22
Hospitals / Clinics	3,151,164,460.21	3,088,355,761.25
Academic Support	187,213,254.03	155,871,136.43
Student Services	1,001,182.51	624,297.56
Institutional Support	169,338,731.86	177,650,582.81
Operations and Maintenance of Plant	234,274,570.45	224,596,168.25
Scholarships and Fellowships	2,102,092.40	2,902,703.26
Auxiliary Enterprises	26,201,725.97	25,365,457.02
Depreciation and Amortization	368,523,283.22	361,057,889.90
Total Operating Expenses	5,112,440,798.05	4,923,405,035.75
Operating Income (Loss)	(106,571,429.53)	231,928,597.01
Nonoperating Revenues (Expenses):		
State Appropriations	218,244,173.13	209,733,872.11
Federal Nonexchange Sponsored Programs	83,930,353.59	606,159.49
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	130,895,141.73	110,517,279.70
Investment Income	350,770,632.02	301,369,140.18
Net Increase (Decrease) in Fair Value of Investments	372,016,912.23	73,571,995.15
Gain (Loss) on Sale of Capital Assets	(135,775.93)	259,288.87
Other Nonoperating Revenues	6,244,214.39	27,280,979.14
Other Nonoperating (Expenses)	(535,940.28)	(151,657.90)
Net Nonoperating Revenues (Expenses)	1,161,429,710.88	723,187,056.74
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	1,054,858,281.35	955,115,653.75
Gifts and Sponsored Programs for Capital Acquisitions	209,289.94	838,202.81
Additions to Permanent Endowments	12,713,100.04	15,423,612.89
Reclass from/(to) Other Institutions	(42,470,561.15)	53,430,481.43
Transfers Between Institutions & System, Debt Service - Mandatory	(99,750,960.91)	(101,458,031.45)
Transfers Between Institutions & System Admin. - Non mandatory	153,268,343.76	70,041,646.18
Transfers From Other State Agencies	41,810,872.36	45,235,719.09
Transfers to Other State Agencies	(41,817,204.60)	45,227,130.50
Legislative Appropriations Lapsed		(299.00)
Change in Net Position	1,078,821,160.79	993,399,855.20
Beginning Net Position	9,916,074,497.49	8,922,366,135.08
Restatements		308,507.21
Beginning Net Position (As Restated)	9,916,074,497.49	8,922,674,642.29
Ending Net Position	$ 10,994,895,658.28	9,916,074,497.49

The University of Texas M. D. Anderson Cancer Center
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	1,822,545.69	1,868,586.60
Proceeds from Patients and Customers	4,455,591,943.08	4,548,789,071.82
Proceeds from Sponsored Programs	455,734,368.63	442,417,583.06
Proceeds from Auxiliaries	33,251,471.41	45,976,514.97
Proceeds from Other Revenues	144,242,266.20	148,805,502.70
Payments to Suppliers	(1,934,569,467.85)	(1,902,688,819.60)
Payments to Employees	(2,824,600,899.39)	(2,664,191,645.02)
Net Cash Provided (Used) by Operating Activities	331,472,227.77	620,976,794.53
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	217,613,384.19	209,733,573.11
Proceeds from Operating Gifts	129,035,660.47	116,945,086.68
Proceeds from Private Gifts for Endowment Purposes	12,713,100.04	15,423,612.89
Proceeds from Other Noncapital Financing Activities	6,024,630.39	27,280,979.14
Receipts for Transfers from System or Other Agencies	121,936,698.60	110,613,351.45
Payments for Transfers to System or Other Agencies	(46,144,765.76)	(47,612,539.70)
Payments for Other Uses	(52,260.28)	(151,657.90)
Proceeds from Nonexchange Sponsored Programs	83,714,130.59	606,159.49
Net Cash Provided by Noncapital Financing Activities	524,840,578.24	432,838,565.16
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	27,660,678.50	72,609,231.10
Proceeds from Capital Appropriations, Grants, and Gifts	159,289.94	689,202.81
Proceeds from Sale of Capital Assets	2,828,455.50	1,612,619.46
Payments for Additions to Capital Assets	(228,961,211.55)	(482,887,715.53)
Mandatory Transfers to System for Capital Related Debt	(99,750,960.91)	(101,458,031.45)
Net Cash Provided (Used) by Capital and Related Financing Activities	(298,063,748.52)	(509,434,693.61)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	64,692,069.75	55,721,259.70
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	126,833,972.45	121,283,082.28
Proceeds from Interest and Investment Income Invested by System	225,446,952.12	188,445,736.66
Payments to Acquire Investments	(57,902,211.51)	(91,600,682.17)
Payments to Acquire Investments Invested by System	(1,141,271,074.94)	(456,140,816.49)
Net Cash Provided (Used) by Investing Activities	(782,200,292.13)	(182,291,420.02)
Net Increase (Decrease) in Cash	(223,951,234.64)	362,089,246.06
Cash and Cash Equivalents (Beginning of the Year)	922,753,453.01	560,664,206.95
Cash and Cash Equivalents (End of the Year)	$ 698,802,218.37	$ 922,753,453.01
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(106,571,429.53)	231,928,597.01
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	368,523,283.22	361,057,889.90
Changes in Assets and Liabilities:		
Accounts Receivable	100,411,547.34	(47,947,352.58)
Inventories	(6,756,256.25)	(6,610,502.33)
Other Current and Noncurrent Assets	(6,983,921.35)	3,921,083.97
Accounts Payable	(49,583,862.53)	(12,698,398.75)
Due to System	5,917,848.88	537,140.48
Unearned Revenue	58,514,602.59	60,420,978.87
Employees' Compensable Leave	35,892,478.84	18,726,959.16
Asset Retirement Obligations	949,694.69	426,913.44
Other Current and Noncurrent Liabilities	(68,841,758.13)	11,213,485.36
Total Adjustments	438,043,657.30	389,048,197.52
Net Cash Provided (Used) by Operating Activities	$ 331,472,227.77	$ 620,976,794.53
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	372,016,912.23	73,571,995.15
Donated Capital Assets	50,000.00	149,000.00
Miscellaneous Noncash Transactions	(138,133.59)	259,288.87

The University of Texas Health Science Center at Tyler
Exhibit A Statement of Net Position
As of August 31, 2020

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	$ (8,399,619.38)	(16,907,772.87)
Restricted Cash & Cash Equivalents	16,745,349.07	7,328,833.96
Balance in State Appropriations	4,686,030.51	2,006,163.16
Accounts Receivable, Net:		
Federal (allow. $0.00 in 2020 & $0.00 in 2019)	13,159,713.05	12,656,372.86
Student (allow. $0.00 in 2020 & $0.00 in 2019)	48,245.07	8,482.58
Patient & Healthcare(allow. $22,708,567.57 in 2020 & $9,466,753.01 in 2019)	25,030,378.12	19,100,130.02
Contributions (allow. $0.00 in 2020 & $0.00 in 2019)	9,400,246.39	155,530.74
Other (allow. $0.00 in 2020 & $0.00 in 2019)	6,236,015.70	4,102,850.47
Due From Other Funds	146,716.51	219,648.22
Due From System Administration	838,303.86	2,524,537.66
Due From Other Institutions	207,369.47	31,246.29
Due From Other Agencies	1,019,165.90	1,048,485.58
Inventories	3,130,890.07	3,491,846.66
Other Current Assets	2,859,904.07	2,327,024.90
Total Current Assets	75,108,708.41	38,093,380.23
Noncurrent Assets:		
Funds Held by System Administration (Restricted)	55,139,659.89	52,571,699.41
Unrestricted Investments	2,715,223.00	1,926,083.00
Funds Held by System Administration (Unrestricted)	301,494.26	290,087.94
Other Noncurrent Assets	20,348,014.70	12,310,749.82
Gross Capital/Intangible Assets	378,671,422.08	368,923,931.62
Accumulated Depreciation/Amortization	(198,711,182.85)	(183,487,961.37)
Total Noncurrent Assets	258,464,631.08	252,534,590.42
Total Assets	333,573,339.49	290,627,970.65
Total Assets and Deferred Outflows	333,573,339.49	290,627,970.65
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	17,032,184.24	19,190,479.47
Salaries Payable	5,747,500.81	3,883,011.78
Due To Other Funds	146,716.51	219,648.22
Due To System Administration	2,004,772.68	1,678,352.39
Due To Other Institutions	570,826.39	277,294.89
Due To Other State Agencies	2,974,632.99	18,698.00
Unearned Revenue	2,261,846.87	1,100,271.53
Employees' Compensable Leave - Current Portion	3,475,360.42	3,731,790.54
Notes, Loans, and Leases Payable		
Assets Held for Others		
Other Current Liabilities	11,494,139.14	
Total Current Liabilities	45,707,980.05	30,099,546.82
Noncurrent Liabilities:		
Employees' Compensable Leave	3,233,576.91	1,782,457.05
Liability to Beneficiaries	944,877.07	876,848.22
Notes, Loans, and Leases Payable		
Asset Retirement Obligation	225,000.00	225,000.00
Other Noncurrent Liabilities	1,546,856.85	1,030,481.19
Total Noncurrent Liabilities	5,950,310.83	3,914,786.46
Total Liabilities	51,658,290.88	34,014,333.28
Total Deferred Inflows of Resources	170,748.03	170,748.03
Total Liabilities and Deferred Inflows	51,829,038.91	34,185,081.31
NET POSITION		
Net Investment in Capital Assets	179,960,239.23	185,435,970.25
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	34,046,042.56	33,877,164.08
Expendable		
Capital Projects	343,446.91	(56,136.84)
Funds Functioning as Endowment (Restricted)	2,142,266.54	2,061,218.98
Other Expendable	44,169,365.46	25,221,770.87
Unrestricted	21,082,939.88	9,902,902.00
Total Net Position	$ 281,744,300.58	256,442,889.34

The University of Texas Health Science Center at Tyler
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	$ 399,939.00	262,488.78
Federal Sponsored Programs	8,443,632.23	7,573,051.53
Federal Sponsored Programs Pass-Through from State Agencies	1,889,650.87	1,869,558.44
State Sponsored Programs Pass-Through from State Agencies	3,237,710.34	5,582,422.71
Private Sponsored Programs	22,129,344.50	10,755,445.39
Sales and Services of Educational Activities	4,167,011.68	4,885,475.50
Sales and Services of Hospitals	383,005,498.21	201,552,672.63
Discounts and Allowances Sales and Services of Hospitals	(264,705,268.27)	(145,734,400.57)
Professional Fees (Patient Charges)	111,781,316.46	59,915,314.72
Discounts and Allowances Professional Fees (Patient Charges)	(87,235,504.49)	(43,126,848.78)
Auxiliary Enterprises	159,204.89	160,179.12
Other Operating Revenues	37,532,695.55	32,072,406.50
Total Operating Revenues	220,805,230.97	135,767,765.97
Operating Expenses:		
Instruction	22,348,385.40	18,611,945.45
Research	18,423,286.52	15,200,720.50
Public Service		14,024.08
Hospitals / Clinics	197,711,977.64	127,363,322.06
Academic Support	2,121,744.96	1,559,383.84
Student Services	210,107.37	88,384.50
Institutional Support	14,961,321.11	11,652,614.33
Operations and Maintenance of Plant	10,138,688.55	10,092,108.99
Scholarships and Fellowships	89,246.00	47,139.91
Auxiliary Enterprises	239,632.33	154,824.37
Depreciation and Amortization	17,256,853.00	14,948,197.83
Total Operating Expenses	283,501,242.88	199,732,665.86
Operating Income (Loss)	(62,696,011.91)	(63,964,899.89)
Nonoperating Revenues (Expenses):		
State Appropriations	58,440,682.00	52,557,899.05
Federal Nonexchange Sponsored Programs	3,860,317.01	
Federal Nonexchange Pass-Through		
State Nonexchange Pass-Through		
Gift Contributions for Operations	12,414,008.05	994,252.61
Investment Income	3,609,657.30	3,801,883.56
Net Increase (Decrease) in Fair Value of Investments	3,052,839.81	415,994.94
Gain (Loss) on Sale of Capital Assets	(63,332.35)	7,568.62
Other Nonoperating Revenues	1,698.12	2,469.25
Other Nonoperating (Expenses)		(48,500.00)
Net Nonoperating Revenues (Expenses)	81,315,869.94	57,731,568.03
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	18,619,858.03	(6,233,331.86)
Gifts and Sponsored Programs for Capital Acquisitions	259,211.82	335,283.00
Additions to Permanent Endowments	47,257.76	814,819.21
Reclass from/(to) Other Institutions	9,742,580.84	19,703,571.24
Transfers Between Institutions & System, Debt Service - Mandatory	(8,215,076.12)	(8,020,947.97)
Transfers Between Institutions & System Admin. - Non mandatory	3,928,865.91	5,035,408.75
Transfers From Other State Agencies	28,040,613.31	22,759,094.36
Transfers to Other State Agencies	(27,121,900.31)	22,759,094.36
Legislative Appropriations Lapsed		(416.00)
Change in Net Position	25,301,411.24	11,634,386.37
Beginning Net Position	256,442,889.34	244,808,502.97
Ending Net Position	$ 281,744,300.58	256,442,889.34

The University of Texas Health Science Center at Tyler
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2020

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	360,176.51	277,859.30
Proceeds from Patients and Customers	136,915,793.81	70,625,528.96
Proceeds from Sponsored Programs	34,892,614.65	27,345,514.84
Proceeds from Auxiliaries	159,204.89	160,179.12
Proceeds from Other Revenues	46,666,614.38	28,791,827.76
Payments to Suppliers	(113,020,847.08)	(62,866,431.89)
Payments to Employees	(151,505,188.12)	(121,715,142.61)
Net Cash Provided (Used) by Operating Activities	(45,531,630.96)	(57,380,664.52)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	55,760,814.65	51,548,679.13
Proceeds from Operating Gifts	3,095,508.66	994,252.61
Proceeds from Private Gifts for Endowment Purposes	47,257.76	814,819.21
Proceeds from Other Noncapital Financing Activities	221,677.12	2,469.25
Receipts for Transfers from System or Other Agencies	30,843,703.02	23,168,885.22
Payments for Transfers to System or Other Agencies	(27,121,900.31)	(22,759,094.36)
Payments for Other Uses	2,449,828.06	(1,087,927.13)
Proceeds from Nonexchange Sponsored Programs	3,860,317.01	-
Net Cash Provided by Noncapital Financing Activities	69,157,205.97	52,682,083.93
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	12,552,274.05	29,992,570.74
Proceeds from Capital Appropriations, Grants, and Gifts	332,995.56	245,091.90
Proceeds from Sale of Capital Assets	36,780.80	67,422.17
Payments for Additions to Capital Assets	(13,772,216.65)	(31,474,436.27)
Mandatory Transfers to System for Capital Related Debt	(8,215,076.12)	(8,020,947.97)
Net Cash Provided (Used) by Capital and Related Financing Activities	(9,065,242.36)	(9,190,299.43)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	-
Proceeds from Interest and Investment Income	30,928.83	46,191.01
Proceeds from Interest and Investment Income Invested by System	3,581,045.26	3,807,550.35
Payments to Acquire Investments Invested by System	(247,638.14)	(926,169.79)
Net Cash Provided (Used) by Investing Activities	3,364,335.95	2,927,571.57
Net Increase (Decrease) in Cash	17,924,668.60	(10,961,308.45)
Cash and Cash Equivalents (Beginning of the Year)	(9,578,938.91)	1,434,144.15
Restatements to Cash for GASB Implementation	-	(51,774.61)
Cash and Cash Equivalents (End of the Year)	$ 8,345,729.69	$ (9,578,938.91)
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(62,696,011.91)	(63,964,899.89)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	17,256,853.00	14,948,197.83
Changes in Assets and Liabilities:		
Accounts Receivable	(8,450,431.30)	(1,317,210.91)
Inventories	360,956.59	(663,547.00)
Other Current and Noncurrent Assets	(8,570,144.05)	(9,189,274.71)
Accounts Payable	1,873,946.54	2,413,505.78
Due to System	326,420.29	(70,006.05)
Unearned Revenue	1,161,575.34	243,076.90
Employees' Compensable Leave	1,194,689.74	73,152.54
Other Current and Noncurrent Liabilities	12,010,514.80	146,340.99
Total Adjustments	17,164,380.95	6,584,235.37
Net Cash Provided (Used) by Operating Activities	$ (45,531,630.96)	$ (57,380,664.52)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	3,052,839.81	415,994.94
Donated Capital Assets	-	10.00
Miscellaneous Noncash Transactions	(63,332.35)	7,568.62

The University of Texas Health Science Center at Tyler
Statement of Fiduciary Net Position
As of August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	62,500.28	62,500.28
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	62,500.28	62,500.28
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	1,602.68	1,602.68
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	1,602.68	1,602.68
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	60,897.60	60,897.60
Total Net Position	$ -	60,897.60	60,897.60

The University of Texas Health Science Center at Tyler
Statement of Fiduciary Net Position
As of August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ASSETS			
Cash and Cash Equivalents	$ -	51,774.61	51,774.61
Accounts Receivable, Net:			
Interest and Dividends	-	-	-
Investment Trades	-	-	-
Other	-	-	-
Total Accounts Receivable, Net	-	-	-
Investments at Fair Value:			
Investment Derivatives - Asset Positions	-	-	-
Other Investments	-	-	-
Total Investments	-	-	-
Securities Lending Collateral	-	-	-
Deposit with Brokers for Derivative Contracts	-	-	-
Other Assets	-	-	-
Total Assets	-	51,774.61	51,774.61
LIABILITIES			
Accounts Payable and Accrued Liabilities	-	930.73	930.73
Investment Trades Payables	-	-	-
Securities Lending Obligations	-	-	-
Investment Derivatives - Liability Positions	-	-	-
Payable to Brokers for Collateral Held	-	-	-
Total Liabilities	-	930.73	930.73
NET POSITION			
Restricted for:			
Pool Participants	-	-	-
Individuals, Organizations, and Other Governments	-	50,843.88	50,843.88
Total Net Position	$ -	50,843.88	50,843.88

The University of Texas Health Science Center at Tyler
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2020

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	-	-	-
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	11,652.00	11,652.00
Other Contributions	-	-	-
Total Contributions	-	11,652.00	11,652.00
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	11,652.00	11,652.00
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	1,598.28	1,598.28
Other Expenses	-	-	-
Total Deductions	-	1,598.28	1,598.28
Net Increase (Decrease) in Fiduciary Net Position	-	10,053.72	10,053.72
Beginning Net Position	-	50,843.88	50,843.88
Ending Net Position	$ -	60,897.60	60,897.60

The University of Texas Health Science Center at Tyler
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2019

	Custodial Funds		
	External Investment Pool Fund	Custodial Funds - Other	Total Fiduciary Activities
ADDITIONS			
Contributions:			
Contributions from Student Organizations	$ -	-	-
Contributions from Foundations or Associations	-	-	-
Contributions Faculty/Staff Organizations	-	-	-
Contributions from Participants	-	9,396.00	9,396.00
Other Contributions	-	-	-
Total Contributions	-	9,396.00	9,396.00
Investment Earnings:			
Interest, Dividends, and Other	-	-	-
Realized Gain (Loss) on Sale of Investments	-	-	-
Net Increase (Decrease) in Fair Value of Investments	-	-	-
Total Investment Earnings	-	-	-
Miscellaneous	-	-	-
Total Additions	-	9,396.00	9,396.00
DEDUCTIONS			
Payments to Student Organizations	-	-	-
Payments to Foundations or Associations	-	-	-
Payments to Participants	-	2,975.24	2,975.24
Other Expenses	-	-	-
Total Deductions	-	2,975.24	2,975.24
Net Increase (Decrease) in Fiduciary Net Position	-	6,420.76	6,420.76
Beginning Net Position	-	-	-
Restatements	-	44,423.12	44,423.12
Beginning Net Position (As Restated)	-	44,423.12	44,423.12
Ending Net Position	$ -	50,843.88	50,843.88

The University of Texas System
Schedule 2 -- Bonds Payable (Consolidated)
For the Year Ended August 31, 2020

2A: MISCELLANEOUS BOND INFORMATION

Description of Issue	Bonds Issued to Date	Range of Interest Rates	Terms of Variable Interest Rates	Scheduled Maturities First Year	Scheduled Maturities Last Year	First Call Date	Maturity Date (MM/DD/YYYY)
Revenue Bonds:							
Self Supporting:							
PUF Refunding Bonds, 2006B	$ 284,065,000.00	5.000-5.250%	NA	2020	2035	N/A	07/01/2035
PUF Bonds, 2008A	400,905,000.00	VAR	Weekly	2011	2038	Optional	07/01/2038
PUF Taxable Bonds, 2009A	250,000,000.00	5.262%	NA	2034	2039	Make-Whole	07/01/2039
PUF Bonds, 2014A	240,340,000.00	5.000%	NA	2040	2041	07/01/23	07/01/2041
PUF Bonds, 2014B	221,580,000.00	2.000-5.000%	NA	2015	2033	07/01/24	07/01/2033
PUF Refunding Bonds, 2015A	197,970,000.00	2.000-5.000%	NA	2016	2035	07/01/24	07/01/2035
PUF Bonds, 2015B	220,565,000.00	2.000-5.000%	NA	2016	2035	07/01/25	07/01/2035
PUF Taxable Bonds, 2015C	126,020,000.00	3.780%	NA	2045	2045	Make-Whole	07/01/2045
PUF Bonds, 2016A	117,270,000.00	3.250-5.000%	NA	2017	2035	07/01/25	07/01/2035
PUF Bonds, 2016B	272,350,000.00	2.000-5.000%	NA	2017	2041	07/01/26	07/01/2041
PUF Taxable Bonds, 2017A	302,640,000.00	3.376%	NA	2047	2047	01/01/47	07/01/2047
RFS Refunding Bonds, 2002A	54,430,000.00	2.000-5.250%	NA	2003	2020	N/A	08/15/2020
RFS Refunding Bonds, 2002B	108,855,000.00	2.000-5.250%	NA	2003	2020	N/A	08/15/2020
RFS Refunding Bonds, 2006C	175,115,000.00	3.500-5.000%	NA	2008	2023	N/A	08/15/2023
RFS Refunding Bonds, 2007B	345,460,000.00	VAR	Weekly	2008	2034	Optional	08/01/2034
RFS Bonds, 2008B	685,485,000.00	VAR	Weekly	2009	2039	Optional	08/01/2039
RFS Bonds, 2010A	331,415,000.00	3.000-5.000%	NA	2012	2024	02/15/20	08/15/2024
RFS Refunding Bonds, 2010B	385,380,000.00	1.500-5.375%	NA	2010	2024	N/A	08/15/2024
RFS Taxable Bonds, 2010C	604,310,000.00	3.225-4.794%	NA	2018	2046	Make-Whole	08/15/2046
RFS Taxable Bonds, 2010D	516,245,000.00	0.630-5.134%	NA	2011	2042	Make-Whole	08/15/2042
RFS Refunding Bonds, 2012A	195,850,000.00	2.000-5.000%	NA	2013	2027	02/15/22	08/15/2027
RFS Bonds, 2012B	238,135,000.00	2.000-5.000%	NA	2013	2043	08/15/22	08/15/2043
RFS Bonds, 2014A	259,135,000.00	2.000-5.000%	NA	2015	2044	08/15/24	08/15/2044
RFS Refunding Bonds, 2014B	250,700,000.00	2.000-5.700%	NA	2015	2037	08/15/19	08/15/2037
RFS Taxable Bonds, 2016A	255,825,000.00	3.852%	NA	2046	2046	Make-Whole	08/15/2046
RFS Bonds, 2016B	206,040,000.00	2.500-5.000%	NA	2026	2046	08/15/21	08/15/2046
RFS Refunding Bonds, 2016C	133,240,000.00	2.000-5.000%	NA	2017	2026	N/A	08/15/2026
RFS Bonds, 2016D	213,180,000.00	2.000-5.000%	NA	2017	2026	N/A	08/15/2026
RFS Bonds, 2016E	196,215,000.00	2.000-5.000%	NA	2017	2027	N/A	08/15/2027
RFS Bonds, 2016F	376,030,000.00	2.000-5.000%	NA	2041	2047	08/15/19	08/15/2047
RFS Bonds, Taxable 2016G	250,000,000.00	VAR	Weekly	2045	2045	Optional	08/01/2045
RFS Refunding Bonds, 2016H	233,350,000.00	2.000-5.000%	NA	2017	2038	08/15/26	08/15/2038
RFS Refunding Bonds, 2016I	184,725,000.00	5.000%	NA	2018	2024	N/A	08/15/2024
RFS Bonds, 2016J	306,925,000.00	3.000-5.000%	NA	2017	2028	08/15/26	08/15/2028
RFS Bonds, Taxable 2017A	350,815,000.00	3.354%	NA	2047	2047	02/15/47	08/15/2047
RFS Bonds, 2017B	265,490,000.00	3.375-5.000%	NA	2027	2044	08/15/20	08/15/2044
RFS Refunding Bonds, 2017C (TRB)	33,290,000.00	2.500-5.000%	NA	2019	2027	N/A	08/15/2027
RFS Refunding Bonds, 2017C (non-TRB)	225,175,000.00	2.500-5.000%	NA	2018	2035	08/15/27	08/15/2035
RFS Refunding Bonds, 2019A	320,435,000.00	3.000-5.000%	NA	2026	2041	08/15/29	08/15/2041
RFS Bonds, 2019B	318,715,000.00	5.000%	NA	2029	2049	Make-Whole	08/15/2049
RFS Bonds, 2020A	347,580,000.00	3.500-5.000%	NA	2030	2050	Make-Whole	08/15/2050
RFS Bonds, Taxable 2020B	300,805,000.00	2.439%	NA	2048	2049	Make-Whole	08/15/2049
RFS Bonds, 2020C	101,065,000.00	2.375%-5.000%	NA	2028	2043	08/15/30	08/15/2043
TOTAL BONDS ISSUED	$ 11,403,120,000.00						

The University of Texas System
Schedule 2 -- Bonds Payable (Consolidated)
For the Year Ended August 31, 2020

2B: CHANGES IN BONDED INDEBTEDNESS

Description of Issue	Bonds Outstanding 9/1/2019	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2020	Unamortized Premium/ (Discount)	Net Bonds Outstanding 8/31/2020	Principal Due Within One Year	Amortization of Premiums/ (Discounts) Due Within One Year	Amounts Due Within One Year
Revenue Bonds:										
Self Supporting:										
PUF Refunding Bonds, 2006B	$ 284,065,000.00	-	24,740,000.00	-	259,325,000.00	17,331,695.94	276,656,695.94	25,980,000.00	1,824,389.05	27,804,389.05
PUF Bonds, 2008A	352,140,000.00	-	6,450,000.00	-	345,690,000.00	-	345,690,000.00	345,690,000.00	-	345,690,000.00
PUF Taxable Bonds, 2009A	250,000,000.00	-	-	-	250,000,000.00	-	250,000,000.00	-	-	-
PUF Bonds, 2014A	240,340,000.00	-	-	-	240,340,000.00	3,735,284.09	244,075,284.09	-	1,494,113.67	1,494,113.67
PUF Bonds, 2014B	205,200,000.00	-	-	-	205,200,000.00	7,925,351.39	213,125,351.39	-	2,264,386.13	2,264,386.13
PUF Refunding Bonds, 2015A	110,765,000.00	-	2,620,000.00	-	108,145,000.00	7,395,150.39	115,540,150.39	2,755,000.00	2,112,900.12	4,867,900.12
PUF Bonds, 2015B	188,720,000.00	-	8,455,000.00	-	180,265,000.00	16,421,498.65	196,686,498.65	8,875,000.00	3,284,299.74	12,159,299.74
PUF Taxable Bonds, 2015C	126,020,000.00	-	-	-	126,020,000.00	-	126,020,000.00	-	-	-
PUF Bonds, 2016A	105,120,000.00	-	4,445,000.00	-	100,675,000.00	10,637,929.69	111,312,929.69	4,670,000.00	2,127,585.95	6,797,585.95
PUF Bonds, 2016B	251,750,000.00	-	6,860,000.00	-	244,890,000.00	28,741,387.03	273,631,387.03	7,205,000.00	4,790,231.18	11,995,231.18
PUF Taxable Bonds, 2017A	302,640,000.00	-	-	-	302,640,000.00	-	302,640,000.00	-	-	-
RFS Refunding Bonds, 2002A	1,615,000.00	-	1,615,000.00	-	-	-	-	-	-	-
RFS Refunding Bonds, 2002B	1,690,000.00	-	1,690,000.00	-	-	-	-	-	-	-
RFS Refunding Bonds, 2006C	79,300,000.00	-	30,590,000.00	-	48,710,000.00	2,950,259.58	51,660,259.58	30,525,000.00	1,180,103.82	31,705,103.82
RFS Refunding Bonds, 2007B	324,940,000.00	-	1,450,000.00	-	323,490,000.00	-	323,490,000.00	323,490,000.00	-	323,490,000.00
RFS Bonds, 2008B	449,125,000.00	-	19,165,000.00	-	429,960,000.00	-	429,960,000.00	429,960,000.00	-	429,960,000.00
RFS Bonds, 2010A	39,490,000.00	-	39,490,000.00	-	-	-	-	-	-	-
RFS Refunding Bonds, 2010B	241,275,000.00	-	58,120,000.00	-	183,155,000.00	13,803,836.16	196,958,836.16	60,045,000.00	3,943,953.18	63,988,953.18
RFS Taxable Bonds, 2010C	580,895,000.00	-	15,760,000.00	-	565,135,000.00	-	565,135,000.00	16,105,000.00	-	16,105,000.00
RFS Taxable Bonds, 2010D	417,295,000.00	-	14,485,000.00	-	402,810,000.00	-	402,810,000.00	13,975,000.00	-	13,975,000.00
RFS Refunding Bonds, 2012A	96,660,000.00	-	11,500,000.00	-	85,160,000.00	5,243,096.18	90,403,096.18	12,235,000.00	3,495,397.46	15,730,397.46
RFS Bonds, 2012B	94,905,000.00	-	5,730,000.00	-	89,175,000.00	3,194,819.34	92,369,819.34	6,015,000.00	2,129,879.54	8,144,879.54
RFS Bonds, 2014A	237,915,000.00	-	5,485,000.00	-	232,430,000.00	8,645,284.97	241,075,284.97	5,710,000.00	2,470,081.45	8,180,081.45
RFS Refunding Bonds, 2014B	188,255,000.00	-	500,000.00	-	187,755,000.00	11,687,699.69	199,442,699.69	535,000.00	2,921,924.92	3,456,924.92
RFS Taxable Bonds, 2016A	255,825,000.00	-	-	-	255,825,000.00	-	255,825,000.00	-	-	-
RFS Bonds, 2016B	206,040,000.00	-	-	-	206,040,000.00	10,700,984.58	216,740,984.58	-	1,945,633.56	1,945,633.56
RFS Refunding Bonds, 2016C	94,060,000.00	-	21,355,000.00	-	72,705,000.00	15,146,903.56	87,851,903.56	18,980,000.00	2,524,483.92	21,504,483.92
RFS Bonds, 2016D	181,675,000.00	-	12,060,000.00	-	169,615,000.00	28,581,256.15	198,196,256.15	27,365,000.00	4,763,542.70	32,128,542.70
RFS Bonds, 2016E	169,340,000.00	-	9,665,000.00	-	159,675,000.00	31,490,061.42	191,165,061.42	10,150,000.00	4,498,580.21	14,648,580.21
RFS Bonds, 2016F	376,030,000.00	-	-	99,530,000.00	276,500,000.00	53,476,110.80	329,976,110.80	-	3,498,952.12	3,498,952.12
RFS Bonds, Taxable 2016G	250,000,000.00	-	-	-	250,000,000.00	-	250,000,000.00	250,000,000.00	-	250,000,000.00
RFS Refunding Bonds, 2016H	193,920,000.00	-	17,030,000.00	-	176,890,000.00	24,105,073.51	200,995,073.51	17,600,000.00	4,017,512.26	21,617,512.26
RFS Refunding Bonds, 2016I	170,455,000.00	-	4,795,000.00	-	165,660,000.00	18,371,615.74	184,031,615.74	36,860,000.00	4,592,903.94	41,452,903.94
RFS Bonds, 2016J	262,680,000.00	-	14,255,000.00	-	248,425,000.00	28,207,639.46	276,632,639.46	16,215,000.00	4,701,273.25	20,916,273.25
RFS Bonds, Taxable 2017A	350,815,000.00	-	-	-	350,815,000.00	-	350,815,000.00	-	-	-
RFS Bonds, 2017B	265,490,000.00	-	-	28,405,000.00	237,085,000.00	9,622,678.88	246,707,678.88	-	1,374,668.41	1,374,668.41
RFS Refunding Bonds, 2017C (TRB)	33,183,000.00	-	110,000.00	-	33,073,000.00	4,897,156.87	37,970,156.87	115,000.00	699,593.84	814,593.84
RFS Refunding Bonds, 2017C (non-TRB)	222,392,000.00	-	15,625,000.00	-	206,767,000.00	18,762,172.06	225,529,172.06	16,430,000.00	3,567,898.98	19,997,898.98
RFS Refunding Bonds, 2019A	320,435,000.00	-	-	-	320,435,000.00	65,662,229.90	386,097,229.90	-	7,724,968.23	7,724,968.23
RFS Bonds, 2019B	318,715,000.00	-	-	-	318,715,000.00	126,221,279.89	444,936,279.89	-	4,428,816.84	4,428,816.84
RFS Bonds, 2020A	-	347,580,000.00	-	-	347,580,000.00	134,268,275.12	481,848,275.12	-	4,551,466.95	4,551,466.95
RFS Bonds, Taxable 2020B	-	300,805,000.00	-	-	300,805,000.00	-	300,805,000.00	-	-	-
RFS Bonds, 2020C	-	101,065,000.00	-	-	101,065,000.00	25,707,430.43	126,772,430.43	-	2,733,420.56	2,733,420.56
TOTAL CHANGES IN BONDS	$ 8,841,175,000.00	749,450,000.00	354,045,000.00	127,935,000.00	9,108,645,000.00	732,934,161.47	9,841,579,161.47	1,687,485,000.00	89,662,961.98	1,777,147,961.98

The University of Texas System

Schedule 2 -- Bonds Payable (Consolidated)

For the Year Ended August 31, 2020

2C: PROJECTED CASH PAYMENT DEBT SERVICE REQUIREMENTS (1)

Description of Issue	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	2041-2045	2046-2050	Total Debt Service Requirements
Revenue Bonds:											
Self Supporting:											
PUF Refunding Bonds, 2006B											
Principal	$ 25,980,000.00	27,335,000.00	25,660,000.00	-	-	133,790,000.00	46,560,000.00	-	-	-	259,325,000.00
Interest	13,614,562.50	12,250,612.50	10,815,525.00	9,468,375.00	9,468,375.00	35,819,175.00	11,031,037.50	-	-	-	102,467,662.50
PUF Bonds, 2008A (1)											
Principal	345,690,000.00	-	-	-	-	-	-	-	-	-	345,690,000.00
Interest	3,977.80	-	-	-	-	-	-	-	-	-	3,977.80
PUF Taxable Bonds, 2009A											
Principal	-	-	-	-	-	-	53,644,000.00	196,356,000.00	-	-	250,000,000.00
Interest	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	13,155,000.00	65,775,000.00	64,389,831.12	32,191,337.40	-	-	228,131,168.52
PUF Bonds, 2014A											
Principal	-	-	-	-	-	-	-	117,240,000.00	123,100,000.00	-	240,340,000.00
Interest	12,017,000.00	12,017,000.00	12,017,000.00	12,017,000.00	12,017,000.00	60,085,000.00	60,085,000.00	60,085,000.00	6,155,000.00	-	246,495,000.00
PUF Bonds, 2014B											
Principal	-	-	-	30,665,000.00	32,200,000.00	35,435,000.00	106,900,000.00	-	-	-	205,200,000.00
Interest	9,191,000.00	9,191,000.00	9,191,000.00	9,191,000.00	7,657,750.00	24,923,500.00	7,655,600.00	-	-	-	77,000,850.00
PUF Refunding Bonds, 2015A											
Principal	2,755,000.00	2,885,000.00	6,075,000.00	3,060,000.00	3,215,000.00	34,255,000.00	55,900,000.00	-	-	-	108,145,000.00
Interest	4,248,375.00	4,124,125.00	3,979,875.00	3,793,575.00	3,640,575.00	15,143,375.00	6,541,562.50	-	-	-	41,471,462.50
PUF Bonds, 2015B											
Principal	8,875,000.00	9,325,000.00	9,785,000.00	9,955,000.00	10,395,000.00	61,480,000.00	70,450,000.00	-	-	-	180,265,000.00
Interest	8,636,900.00	8,193,150.00	7,726,900.00	7,237,650.00	6,739,900.00	25,761,175.00	9,392,125.00	-	-	-	73,687,800.00
PUF Bonds, 2015C											
Principal	-	-	-	-	-	-	-	-	126,020,000.00	-	126,020,000.00
Interest	4,763,556.00	4,763,556.00	4,763,556.00	4,763,556.00	4,763,556.00	23,817,780.00	23,817,780.00	23,817,780.00	23,817,780.00	-	119,088,900.00
PUF Bonds, 2016A											
Principal	4,670,000.00	4,905,000.00	5,150,000.00	5,405,000.00	5,675,000.00	32,935,000.00	41,935,000.00	-	-	-	100,675,000.00
Interest	4,807,987.50	4,574,487.50	4,329,237.50	4,071,737.50	3,801,487.50	14,455,687.50	5,445,487.50	-	-	-	41,486,112.50
PUF Bonds, 2016B											
Principal	7,205,000.00	7,560,000.00	7,940,000.00	8,340,000.00	8,755,000.00	50,165,000.00	62,850,000.00	76,655,000.00	15,420,000.00	-	244,890,000.00
Interest	10,750,500.00	10,390,250.00	10,012,250.00	9,615,250.00	9,198,250.00	39,594,850.00	26,922,700.00	12,455,600.00	616,800.00	-	129,556,450.00
PUF Bonds, Taxable 2017A											
Principal	-	-	-	-	-	-	-	-	-	302,640,000.00	302,640,000.00
Interest	10,217,126.40	10,217,126.40	10,217,126.40	10,217,126.40	10,217,126.40	51,085,632.00	51,085,632.00	51,085,632.00	51,085,632.00	15,410,764.80	270,838,924.80
RFS Refunding Bonds, 2002A											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
RFS Refunding Bonds, 2002B											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
RFS Refunding Bonds, 2006C											
Principal	30,525,000.00	13,375,000.00	4,810,000.00	-	-	-	-	-	-	-	48,710,000.00
Interest	2,435,500.00	909,250.00	240,500.00	-	-	-	-	-	-	-	3,585,250.00
RFS Refunding Bonds, 2007B (1)											
Principal	323,490,000.00	-	-	-	-	-	-	-	-	-	323,490,000.00
Interest	4,032.59	-	-	-	-	-	-	-	-	-	4,032.59
RFS Bonds, 2008B (1)											
Principal	429,960,000.00	-	-	-	-	-	-	-	-	-	429,960,000.00
Interest	4,947.49	-	-	-	-	-	-	-	-	-	4,947.49
RFS Bonds, 2010A											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
RFS Refunding Bonds, 2010B											
Principal	60,045,000.00	48,215,000.00	36,600,000.00	38,295,000.00	-	-	-	-	-	-	183,155,000.00
Interest	9,181,700.00	6,262,450.00	3,851,700.00	1,884,450.00	-	-	-	-	-	-	21,180,300.00
RFS Taxable Bonds, 2010C											
Principal	16,105,000.00	16,495,000.00	16,875,000.00	17,310,000.00	17,745,000.00	96,670,000.00	111,975,000.00	130,365,000.00	119,910,000.00	21,685,000.00	565,135,000.00
Interest	26,075,415.96	25,499,662.20	24,893,470.96	24,248,002.20	23,559,929.70	105,694,277.26	81,605,865.00	53,076,051.90	21,354,873.00	1,039,578.90	387,047,127.08
RFS Taxable Bonds, 2010D											
Principal	13,975,000.00	14,340,000.00	14,795,000.00	15,270,000.00	15,760,000.00	86,800,000.00	92,590,000.00	107,700,000.00	41,580,000.00	-	402,810,000.00
Interest	20,285,604.76	19,711,651.50	19,018,025.70	18,302,391.56	17,563,781.66	75,620,099.46	52,752,620.10	27,626,824.10	3,176,919.20	-	254,057,918.04
RFS Refunding Bonds, 2012A											
Principal	12,235,000.00	34,605,000.00	26,400,000.00	985,000.00	3,730,000.00	7,205,000.00	-	-	-	-	85,160,000.00
Interest	4,111,800.00	3,592,400.00	1,885,150.00	586,150.00	546,750.00	524,750.00	-	-	-	-	11,247,000.00
RFS Bonds, 2012B											
Principal	6,015,000.00	6,305,000.00	-	-	-	-	-	50,895,000.00	25,960,000.00	-	89,175,000.00
Interest	4,458,750.00	4,158,000.00	3,842,750.00	3,842,750.00	3,842,750.00	19,213,750.00	19,213,750.00	14,389,000.00	2,185,750.00	-	75,147,250.00
RFS Bonds, 2014A											
Principal	5,710,000.00	5,990,000.00	6,300,000.00	6,585,000.00	5,895,000.00	41,445,000.00	53,055,000.00	55,890,000.00	51,560,000.00	-	232,430,000.00
Interest	10,710,287.50	10,424,787.50	10,125,287.50	9,831,587.50	9,502,337.50	42,544,862.50	31,517,000.00	18,882,900.00	6,206,050.00	-	149,745,100.00
RFS Refunding Bonds, 2014B											
Principal	535,000.00	550,000.00	4,660,000.00	705,000.00	36,510,000.00	108,280,000.00	15,415,000.00	21,100,000.00	-	-	187,755,000.00
Interest	9,165,900.00	9,144,500.00	9,122,500.00	8,889,500.00	8,854,250.00	21,578,250.00	4,990,750.00	1,162,600.00	-	-	72,908,250.00
RFS Taxable Bonds, 2016A											
Principal	-	-	-	-	-	-	-	-	-	255,825,000.00	255,825,000.00
Interest	9,854,379.00	9,854,379.00	9,854,379.00	9,854,379.00	9,854,379.00	49,271,895.00	49,271,895.00	49,271,895.00	49,271,895.00	9,854,379.00	256,213,854.00

Description of Issue	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	2041-2045	2046-2050	Total Debt Service Requirements
RFS Bonds, 2016B											
Principal	-	-	-	-	-	56,040,000.00	-	122,500,000.00	-	27,500,000.00	206,040,000.00
Interest	7,077,000.00	7,720,750.00	7,720,750.00	7,720,750.00	7,720,750.00	30,408,250.00	33,884,375.00	12,553,125.00	7,425,000.00	1,512,500.00	123,743,250.00
RFS Refunding Bonds, 2016C											
Principal	18,980,000.00	8,445,000.00	7,660,000.00	11,155,000.00	20,395,000.00	6,070,000.00	-	-	-	-	72,705,000.00
Interest	3,635,250.00	2,686,250.00	2,264,000.00	1,881,000.00	1,323,250.00	303,500.00	-	-	-	-	12,093,250.00
RFS Bonds, 2016D											
Principal	27,365,000.00	20,995,000.00	24,990,000.00	25,080,000.00	40,875,000.00	30,310,000.00	-	-	-	-	169,615,000.00
Interest	8,480,750.00	7,112,500.00	6,062,750.00	4,813,250.00	3,559,250.00	1,515,500.00	-	-	-	-	31,544,000.00
RFS Bonds, 2016E											
Principal	10,150,000.00	18,360,000.00	25,225,000.00	18,030,000.00	19,715,000.00	68,195,000.00	-	-	-	-	159,675,000.00
Interest	7,939,500.00	7,468,000.00	6,555,250.00	5,294,750.00	4,394,700.00	5,151,500.00	-	-	-	-	36,803,700.00
RFS Bonds, 2016F											
Principal	-	-	-	-	-	-	-	-	80,000,000.00	196,500,000.00	276,500,000.00
Interest	12,225,000.00	12,225,000.00	12,225,000.00	12,225,000.00	12,225,000.00	61,125,000.00	61,125,000.00	61,125,000.00	61,125,000.00	19,650,000.00	325,275,000.00
RFS Bonds, Taxable 2016G [1]											
Principal	250,000,000.00	-	-	-	-	-	-	-	-	-	250,000,000.00
Interest	5,753.42	-	-	-	-	-	-	-	-	-	5,753.42
RFS Refunding Bonds, 2016H											
Principal	17,600,000.00	16,590,000.00	12,935,000.00	15,355,000.00	12,820,000.00	37,320,000.00	37,485,000.00	26,785,000.00	-	-	176,890,000.00
Interest	8,135,100.00	7,255,100.00	6,425,600.00	5,778,850.00	5,011,100.00	17,385,000.00	9,978,850.00	1,795,050.00	-	-	61,764,650.00
RFS Refunding Bonds, 2016I											
Principal	36,860,000.00	44,450,000.00	48,490,000.00	35,860,000.00	-	-	-	-	-	-	165,660,000.00
Interest	8,283,000.00	6,440,000.00	4,217,500.00	1,793,000.00	-	-	-	-	-	-	20,733,500.00
RFS Bonds, 2016J											
Principal	16,215,000.00	19,590,000.00	27,250,000.00	61,415,000.00	51,745,000.00	72,210,000.00	-	-	-	-	248,425,000.00
Interest	12,333,150.00	11,522,400.00	10,542,900.00	9,180,400.00	6,109,650.00	6,410,450.00	-	-	-	-	56,098,950.00
RFS Bonds, Taxable 2017A											
Principal	-	-	-	-	-	-	-	-	-	350,815,000.00	350,815,000.00
Interest	11,766,335.10	11,766,335.10	11,766,335.10	11,766,335.10	11,766,335.10	58,831,675.50	58,831,675.50	58,831,675.50	58,831,675.50	23,532,670.20	317,691,047.70
RFS Bonds, 2017B											
Principal	-	-	-	-	-	23,945,000.00	-	-	213,140,000.00	-	237,085,000.00
Interest	9,369,881.26	9,369,881.26	9,369,881.26	9,369,881.26	9,369,881.26	43,257,656.30	40,863,156.30	40,863,156.30	32,690,525.04	-	204,523,900.24
RFS Refunding Bonds, 2017C (TRB)											
Principal	115,000.00	121,000.00	127,000.00	3,109,000.00	11,425,000.00	18,176,000.00	-	-	-	-	33,073,000.00
Interest	1,653,650.00	1,647,900.00	1,641,850.00	1,635,500.00	1,480,050.00	1,217,700.00	-	-	-	-	9,276,650.00
RFS Refunding Bonds, 2017C (non-TRB)											
Principal	16,430,000.00	17,239,000.00	24,748,000.00	25,971,000.00	26,865,000.00	48,034,000.00	47,480,000.00	-	-	-	206,767,000.00
Interest	9,388,750.00	8,567,250.00	7,705,300.00	6,467,900.00	5,169,350.00	14,114,800.00	4,092,450.00	-	-	-	55,505,800.00
RFS Refunding Bonds, 2019A											
Principal	-	-	-	-	-	79,275,000.00	170,535,000.00	69,280,000.00	1,345,000.00	-	320,435,000.00
Interest	15,722,750.00	15,722,750.00	15,722,750.00	15,722,750.00	15,722,750.00	70,597,550.00	41,438,000.00	9,917,100.00	40,350.00	-	200,606,750.00
RFS Bonds, 2019B											
Principal	-	-	-	-	-	60,000,000.00	-	-	-	258,715,000.00	318,715,000.00
Interest	15,935,750.00	15,935,750.00	15,935,750.00	15,935,750.00	15,935,750.00	76,678,750.00	64,678,750.00	64,678,750.00	64,678,750.00	45,432,750.00	395,826,500.00
RFS Bonds, 2020A											
Principal	-	-	-	-	-	167,580,000.00	-	40,000,000.00	-	140,000,000.00	347,580,000.00
Interest	15,879,000.00	15,879,000.00	15,879,000.00	15,879,000.00	15,879,000.00	79,395,000.00	37,500,000.00	37,500,000.00	27,500,000.00	27,500,000.00	288,790,000.00
RFS Bonds, Taxable 2020B											
Principal	-	-	-	-	-	-	-	-	-	300,805,000.00	300,805,000.00
Interest	7,336,633.96	7,336,633.96	7,336,633.96	7,336,633.96	7,336,633.96	36,683,169.80	36,683,169.80	36,683,169.80	36,683,169.80	25,722,059.88	209,137,908.88
RFS Bonds, 2020C											
Principal	-	-	-	-	-	22,065,000.00	50,000,000.00	-	29,000,000.00	-	101,065,000.00
Interest	4,292,000.00	4,292,000.00	4,292,000.00	4,292,000.00	4,292,000.00	19,253,500.00	5,943,750.00	3,443,750.00	2,066,250.00	-	52,167,250.00
SUMMARY DEBT SERVICE:											
Total Principal	1,687,485,000.00	337,675,000.00	336,475,000.00	332,550,000.00	323,720,000.00	1,377,680,000.00	1,016,774,000.00	1,014,766,000.00	827,035,000.00	1,854,485,000.00	9,108,645,000.00
Total Projected Interest	347,153,556.24	331,380,887.92	314,704,483.38	298,062,230.48	281,678,648.08	1,193,238,060.32	900,737,812.32	671,435,397.00	454,911,419.54	169,654,702.78	4,962,957,198.06
PROJECTED BOND DEBT SERVICE	$ 2,034,638,556.24	669,055,887.92	651,179,483.38	630,612,230.48	605,398,648.08	2,570,918,060.32	1,917,511,812.32	1,686,201,397.00	1,281,946,419.54	2,024,139,702.78	14,071,602,198.06

(1) The PUF Bonds, Series 2008A, the RFS Refunding Bonds, Series 2007B, the RFS Bonds, Series 2008B, and the RFS Bonds, Series 2016G are currently variable rate bonds. As required by GASB Statement No. 38 annual debt service requirements are computed using the System's effective rates of 0.06%, 0.07%, 0.06%, and 0.12% (respectively), on par amounts of $345,690,000, $323,490,000, $429,960,000 and $250,000,000 (respectively). Interest on variable rate bonds will fluctuate based upon current market conditions and is reset weekly. As required, interest expense per this schedule is presented on a cash basis; whereas, the financial statements are presented on an accrual basis. Although variable rate bonds may come due in one year, debt service is generally expected to be payable through final maturity on each series (July 2038, August 2034, August 2039, and August 2045 respectively). Expected annual debt service requirements on $172,845,000 in principal amount of the PUF Bonds, Series 2008A are computed using a base rate of 3.696%, and annual debt service requirements on the remaining $172,845,000 in principal amount of the PUF Bonds, Series 2008A are computed using a base rate of 3.6575%, each obtained as a result of the 2008A Swap Agreements. Expected annual debt service requirements on the RFS Refunding Bonds, Series 2007B are computed using a base rate of 3.805% obtained as a result of the 2007B Swap Agreements. Expected annual debt service requirements on $214,750,000 in principal amount of the RFS Bonds, Series 2008B are computed using a base rate of 3.900%, and annual debt service requirements on the remaining $215,210,000 in principal amount of the Series 2008B Bonds are computed using a base rate of 3.614%, each obtained as a result of the 2008B Swap Agreements. Expected annual debt service requirements on the RFS Bonds, Taxable Series 2016G are computed using a base rate of 2.00% obtained as a result of the 2016G Swap Agreement.

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2D: ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE

Revenue Bonds

Description of Issue		Pledged Revenues: Operating Revenues	Pledged Revenues: Investment Interest Earned	Pledged Revenues: Other Pledged Revenues	Pledged Revenues: Total Pledged Sources for Debt Service [4]
Self Supporting:					
Permanent University Fund					
Pledged Revenues [1]	$		106,322.23	940,721,044.40	940,827,366.63
PUF Refunding Bonds, 2006B					
PUF Bonds, 2008A					
PUF Taxable Bonds, 2009A					
PUF Bonds, 2014A					
PUF Bonds, 2014B					
PUF Refunding Bonds, 2015A					
PUF Bonds, 2015B					
PUF Taxable Bonds, 2015C					
PUF Bonds, 2016A					
PUF Bonds, 2016B					
PUF Taxable Bonds, 2017A					
Revenue Financing System					
Pledged Revenues [2]		10,950,061,311.00	1,028,395,392.47	78,015,991.64	12,056,472,695.11
RFS Refunding Bonds, 2002A					
RFS Refunding Bonds, 2002B					
RFS Refunding Bonds, 2006C					
RFS Refunding Bonds, 2007B					
RFS Bonds, 2008B					
RFS Bonds, 2010A					
RFS Refunding Bonds, 2010B					
RFS Taxable Bonds, 2010C					
RFS Taxable Bonds, 2010D					
RFS Refunding Bonds, 2012A					
RFS Bonds, 2012B					
RFS Bonds, 2014A					
RFS Refunding Bonds, 2014B					
RFS Taxable Bonds, 2016A					
RFS Bonds, 2016B					
RFS Refunding Bonds, 2016C					
RFS Bonds, 2016D					
RFS Bonds, 2016E					
RFS Bonds, 2016F					
RFS Bonds, Taxable 2016G					
RFS Refunding Bonds, 2016H					
RFS Refunding Bonds, 2016I					
RFS Bonds, 2016J					
RFS Bonds, Taxable 2017A					
RFS Bonds, 2017B					
RFS Refunding Bonds, 2017C (TRB)					
RFS Refunding Bonds, 2017C (non-TRB)					
RFS Refunding Bonds, 2019A					
RFS Bonds, 2019B					
RFS Bonds, 2020A					
RFS Bonds, Taxable 2020B					
RFS Bonds, 2020C					
Total Revenue Bonds	$	10,950,061,311.00	1,028,501,714.70	1,018,737,036.04	12,997,300,061.74

(1) Revenues also pledged to Permanent University Fund Commercial Notes, Series A and Permanent University Fund Taxable Commercial Notes, Series B on a subordinate lien basis.

(2) Revenues also pledged to Revenue Financing System Commercial Paper Notes, Series A and Revenue Financing System Taxable Commercial Paper Notes, Series B on an equal and ratable basis.

(3) As required by the Texas State Comptroller's Financial Reporting Requirements, interest expense for Fiscal Year 2020 is presented on a cash basis and therefore the data does not agree with information presented in the Statement of Revenues, Expenses and Change in Net Assets, nor the Notes of the financials, which are prepared on the accrual basis of accounting. The effect of this difference is a $923,632.20 net decrease due to accrued interest expense.

(4) The related operating expenditures against these gross pledged revenues were $12,651,195,325.07.

Debt Service		Refunded or	Interest & Sinking Fund		Bond Reserve Fund	
Principal	Interest [3]	Extinguished	Minimum	Actual	Minimum	Actual
24,740,000.00	14,851,562.50	-	N/A		N/A	N/A
6,450,000.00	12,760,369.58	-	N/A		N/A	N/A
-	13,155,000.00	-	N/A		N/A	N/A
-	12,017,000.00	-	N/A		N/A	N/A
-	9,191,000.00	-	N/A		N/A	N/A
2,620,000.00	4,379,375.00	-	N/A		N/A	N/A
8,455,000.00	9,059,650.00	-	N/A		N/A	N/A
-	4,763,556.00	-	N/A		N/A	N/A
4,445,000.00	5,030,237.50	-	N/A		N/A	N/A
6,860,000.00	11,093,500.00	-	N/A		N/A	N/A
-	10,217,126.40	-	N/A		N/A	N/A
1,615,000.00	84,787.50	-	N/A		N/A	N/A
1,690,000.00	88,725.00	-	N/A		N/A	N/A
30,590,000.00	3,965,000.00	-	N/A		N/A	N/A
1,450,000.00	12,363,100.45	-	N/A		N/A	N/A
19,165,000.00	16,611,398.99	-	N/A		N/A	N/A
39,490,000.00	1,796,600.00	-	N/A		N/A	N/A
58,120,000.00	11,766,200.00	-	N/A		N/A	N/A
15,760,000.00	26,612,043.96	-	N/A		N/A	N/A
14,485,000.00	20,863,121.70	-	N/A		N/A	N/A
11,500,000.00	4,599,800.00	-	N/A		N/A	N/A
5,730,000.00	4,745,250.00	-	N/A		N/A	N/A
5,485,000.00	10,934,537.50	-	N/A		N/A	N/A
500,000.00	9,185,900.00	-	N/A		N/A	N/A
-	9,854,379.00	-	N/A		N/A	N/A
-	7,077,000.00	-	N/A		N/A	N/A
21,355,000.00	4,703,000.00	-	N/A		N/A	N/A
12,060,000.00	9,083,750.00	-	N/A		N/A	N/A
9,665,000.00	8,422,750.00	-	N/A		N/A	N/A
-	13,344,712.50	99,530,000.00	N/A		N/A	N/A
-	5,261,737.96	-	N/A		N/A	N/A
17,030,000.00	8,986,600.00	-	N/A		N/A	N/A
4,795,000.00	8,522,750.00	-	N/A		N/A	N/A
14,255,000.00	13,045,900.00	-	N/A		N/A	N/A
-	11,766,335.10	-	N/A		N/A	N/A
-	9,724,943.76	28,405,000.00	N/A		N/A	N/A
110,000.00	1,659,150.00	-	N/A		N/A	N/A
15,625,000.00	10,170,000.00	-	N/A		N/A	N/A
-	15,722,750.00	-	N/A		N/A	N/A
-	17,130,931.25	-	N/A		N/A	N/A
-	5,337,108.33		N/A		N/A	N/A
-	1,548,844.95		N/A		N/A	N/A
-	703,411.11		N/A		N/A	N/A
354,045,000.00	392,200,896.04	127,935,000.00	-	-	-	-

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2E: DEFEASED BONDS OUTSTANDING

The Balance Sheet at August 31, 2020 does not include $146,955,000 of bonds payable which were fully defeased during fiscal years 2017. Direct obligations of the United States of America and noncallable obligations of an agency or instrumentality of the United States of America, including obligations unconditionally guaranteed by the United States of America, rated not less than AAA or its equivalent, in amounts, maturities, and bearing interest at rates sufficient to provide funds to pay in full the principal of, redemption premium, if any, and interest on the defeased bonds are being held by various escrow agents. Shown below is a listing of the defeased bonds outstanding at August 31, 2020.

Description of Issue	Year Refunded/ Defeased	Par Value Outstanding
Revenue Financing System Bonds		
Series 2012A	2017	35,985,000
Series 2012B	2017	110,970,000
		146,955,000
Total Defeased Bonds Outstanding		$ 146,955,000

The University of Texas System
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2F: EARLY EXTINGUISHMENT AND REFUNDING

Description of Debt Extinguished/Refunded	Description of Newly Issued Debt	Category	Amount Extinguished or Refunded	For Refunding Only: Refunding Issue Par Value	For Refunding Only: Cash Flow Increase (Decrease)	For Refunding Only: Economic Gain (Loss)
RFS Bonds, Series 2016F	RFS Refunding Bonds, Series 2020A	Current Refunding	99,530,000.00	70,155,000.00	40,686,466.87	27,249,490.21
RFS Bonds, Series 2017B	RFS Bonds, Series 2020C	Current Refunding	28,405,000.00	29,156,424.00	9,853,182.44	7,889,222.85
TOTAL BONDS			127,935,000.00	99,311,424.00	50,539,649.31	35,138,713.06
RFS Tax-Exempt Commercial Paper Notes, Series A	RFS Bonds, Series 2020A	Current Refunding	381,590,000.00	277,425,000.00	N/A	N/A
RFS Tax-Exempt Commercial Paper Notes, Series A	RFS Bonds, Taxable Series 2020B	Current Refunding	159,500,000.00	160,510,108.00	N/A	N/A
RFS Taxable Commercial Paper Notes, Series B	RFS Bonds, Taxable Series 2020B	Current Refunding	139,412,000.00	140,294,892.00	N/A	N/A
RFS Tax-Exempt Commercial Paper Notes, Series A	RFS Bonds, Series 2020C	Current Refunding	98,800,000.00	71,908,576.00	N/A	N/A
TOTAL OTHER			779,302,000.00	650,138,576.00	0.00	0.00
TOTAL			$ 907,237,000.00	749,450,000.00	50,539,649.31	35,138,713.06