ANNUAL FINANCIAL REPORT

of the

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION

DALLAS, TEXAS

Lee Jackson, Chancellor

For the Year Ended August 31, 2016

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UNT HEALTH SCIENCE CENTER

UNT DALLAS

UNT System Administration

November 18, 2016

Mr. Lee Jackson, Chancellor University of North Texas System 1901 Main Street Dallas, Texas 75201

Dear Chancellor Jackson:

We are pleased to submit the annual financial report of the University of North Texas System for the year ended August 31, 2016, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

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

If you have any questions, please contact Jane-Anne Kanke (940) 565-3214.

Sincerely.

Jane-Anne Kanke, MBA

Senior Director, Financial Systems Support & Reporting

UNT System

Approved:

Janet Waldron

Vice Chancellor for Finance

UNT System

C. Aaron LeMay, JD, CPA, M.S. Ed

Interim Associate Vice Chancellor for Finance & System

Controller

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UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION

ORGANIZATIONAL DATA

August 31, 2016

BOARD OF REGENTS

Danald Batts	(Torm ownings F 22 17)	Dallas					
Donald Potts							
Al Silva							
Milton B. Lee	(Term expires 5-22-17)	San Antonio					
Rusty Reid	• •						
Gwyn Shea							
B. Glen Whitley	(Term expires 5-22-19)	Hurst					
Brint Ryan	(Term expires 5-22-21)	Dallas					
A.K. Mago	(Term expires 5-22-21)	Dallas					
Laura Wright	(Term expires 5-22-21)	Dallas					
	STUDENT REGENT						
Christopher Lee	(Term expires 5-31-17)	Houston					
	OFFICERS OF THE BOARD						
Brint Ryan							
Donald Potts		Vice Chairman					
Rosemary R. Haggett		Secretary					
ADMINISTRATIVE OFFICERS							
Lee F. Jackson		Chancellor					
Janet Waldron							
Janet Waluron		vice charicend for Finance					

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Statement of Net Position As of August 31, 2016

		August 31, 2016				
ASSETS						
Current Assets						
Cash and Cash Equivalents:						
Cash in Bank	\$	957,838.58				
Cash Equivalents		4,088,036.31				
Legislative Appropriations		2,083,537.99				
Receivables From:						
Other Receivables		164,261.50				
Due from Other Components		27,331,188.56				
Consumable Inventories		6,929.49				
Merchandise Inventories		51,398.40				
Pre-Paid Items		578,753.88				
Total Current Assets	\$	35,261,944.71				
Non-Current Assets						
Investments (Note 3)	\$	5,396,632.04				
Capital Assets (Note 2):						
Non-Depreciable or Non-Amortizable		5,220,781.16				
Depreciable or Amortizable, Net		50,196,212.25				
Total Non-Current Assets	\$	60,813,625.45				
Total Assets	\$	96,075,570.16				
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows of Resources	\$	22,414,275.00				
Total Deferred Outflows of Resources	\$ \$	22,414,275.00				
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$	118,489,845.16				
LIABILITIES						
Current Liabilities						
Payables From:						
Accounts Payable	\$	3,276,687.33				
Payroll Payable	Ψ	4,224,249.30				
Interest		562,868.07				
Notes and Loans Payable (Note 4, 5)		20,150,000.00				
Revenue Bonds Payable (Note 5, 6)		1,706,262.75				
Employees' Compensable Leave (Note 5)		614,809.15				
Capital Lease Obligations (Note 5, 8)		1,154,463.32				
Total Current Liabilities	\$	31,689,339.92				
Total Current Liabilities	. 3	31,069,339.32				
Non-Current Liabilities		24 574 446 42				
Revenue Bonds Payable (Note 5, 6)	\$	31,574,416.40				
Employees' Compensable Leave (Note 5)		2,639,614.10				
Capital Lease Obligations (Note 5, 8)		2,484,982.29				
Net Pension Liability (Note 5, 9)		118,374,598.00				
Total Non-Current Liabilities	<u>\$</u> \$	155,073,610.79				
Total Liabilities	<u>\$</u>	186,762,950.71				

Continued on Next Page

	August 31, 2016				
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources	\$	21,022,617.01			
Total Deferred Inflows of Resources	\$	21,022,617.01			
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$	207,785,567.72			
NET POSITION Net Investment in Capital Assets Unrestricted	\$	17,726,288.56 (107,022,011.12)			
Total Net Position	\$	(89,295,722.56)			

Concluded

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Statement of Revenues, Expenses and Changes in Net Position For the Year Ended August 31, 2016

Auxillary Enterprises \$ 1,940,319.56 Auxillary Enterprises 85,448.60 Other Operating Revenues 70,657.84 Total Operating Revenues \$ 2,996,226.00 OPERATING EXPENSES (1) Instruction \$ (3,309,577) Research (3,309,577) Public Service (3,309,577) Academic Support 28,354.09 Student Services 5,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Operation and Maintenance of Plant 2,187,302.26 Cobiarships and Fellowships 1,1259 Aduxilary Enterprises 2,522,337,07 Operating Expenses 5 (64,581,003.16) Operating Expenses 5 (64,581,003.16) Operating Loss 5 (5,77,429.16) NONOPERATING REVENUES (EXPENSES) 1 Legislative Appropriations (GR) 3,294,472.59 Investment Income 10,209,362.27 Use on Sale of Capital Assets (5,9213.02 Net Increase in Fair Value of Investments 3,725,46.76 Other Nonoperating Revenues 1,120,936.21			August 31, 2016
Sales of Goods and Services 70,557,84 Other Operating Revenues 70,557,84 Total Operating Revenues \$ 2,9054,260 OPERATING EXPENSES (1) \$ (17,324,79) Instruction \$ (13,005,77) Research (3,190,57) Public Service (1,961,68) Academic Support (5,286,79) Institutional Support 5 (62,195,246) Operation and Maintenance of Plant (2,187,302,26) Scholarships and Fellowships (112,59) Depreciation and Amortization 5,365,195,20 Depreciation and Amortization 5,365,195,20 Operating Expenses \$ (64,581,003,16) NONOPERATING REVENUES (EXPENSES) \$ (64,581,003,16) NONOPERATING REVENUES (EXPENSES) \$ (3,294,472,59) Legislative Appropriations (GR) \$ (3,294,472,59) Investment Income 10,905,822,20 Investment Income 10,905,822,20 Investment Income 10,905,822,20 Interest Expense and Fiscal Charges 15,213,20 Other Nonoperating Revenues 15,213,20 Total Nonoperating Expenses <th></th> <th></th> <th></th>			
Other Operating Revenues 70,657.84 Total Operating Revenues \$ 2,096,426.00 OPERATING EXPENSES (1) \$ (17,324.79) Instruction \$ (17,324.79) Research (3,190,577) Public Service (1,961.68) Academic Support 56,621,952.46 Student Services (5,286.79) Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (121,59) Auxiliary Enterprises 2,252,537.07 Depreciation and Amortization 3,245,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (46,881,003.16) NONOPERATING REVENUES (EXPENSES) ** Legislative Appropriations (GR) \$ 3,294.472.59 Investment Income \$ 1,297.62.20 Investment Income \$ 1,297.62.20 Loss on Sale of Capital Assets \$ (2,20).80 Other Nonoperating Revenues \$ 118,736.18 Other Nonoperating Revenues \$ 7,802,763.43 Other Nonoperating Expenses and Transfers \$ (56,	, , ,	\$	
Total Operating Expenses (1) \$ (17,324.79) Instruction \$ (17,324.79) Research (3,190.57) Public Service (1,961.68) Academic Support 56,621,952.46 Student Services (5,286.79) Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) \$ (3,234,472.59) Legislative Appropriations (GR) \$ 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,20),862.27 Interest Expense and Fiscal Charges (5,281.302) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues (5,281.302) Net Increase in Fair Value of Investments (5,281.302) Other Nonoperating Revenues (Expenses (5,281.302)			,
Instruction \$ (17,324.79) Research (3,190.577) Public Service (1,961.68) Academic Support 28,354.09 Instruction and Maintenance of Plant 56,621,952.46 Operation and Maintenance of Plant 56,621,952.46 Operation and Maintenance of Plant 56,621,952.46 Operation and Maintenance of Plant 5,621,952.46 Operating Loss 2,187,302.26 Operating Loss 5,365,1952.46 Operating Revenues (EXPENSES) Legislative Appropriations (GR) 3,294,472.59 Investment Income 10,9762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (9,213.02) Other Nonoperating Revenues (1,298,62.27) Other Revenues, Expenses and Transfers (3,263,491,74) OTHER REVENUES, EXPENSES AND TRANSFERS (3,263,491,74) Interagency Transfers of Capital Assets-Decrease (3,349,956.00) Interagency Transfers of Capital Assets-Decrease (3,349,956.00) Transfers Between Components (3,499,056.00)			
Instruction \$ (17,324.79) Research (3,190.57) Public Service (1,961.68) Academic Support 28,354.09 Student Services (5,286.79) Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (121.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ (64,581,003.16) Operating Los \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) \$ (56,774.29.16) Legislative Appropriations (GR) \$ 3,294,472.59 Investment Income 10,976.2.0 Interest Expense and Fiscal Charges (1,20),862.27 Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Expenses 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04)	Total Operating Revenues	<u>\$</u>	2,096,426.00
Research (3,190,57) Public Service (1,961,68) Academic Support 28,354,09 Student Services (5,286,79) Institutional Support 56,621,952,46 Operation and Maintenance of Plant 2,187,302,26 Scholarships and Fellowships (112,59) Auxiliary Enterprises 2,522,537,07 Depreciation and Amortization 5,345,159,70 Operating Loss \$ 66,677,429,16 Operating Los \$ (64,581,003,16) NONOPERATING REVENUES (EXPENSES) \$ 5,350,223,00 Legislative Appropriations (GR) \$ 5,350,223,00 Additional Appropriations (GR) \$ 9,722,24,67 Investment Income 109,762,20 Interest Expense and Fiscal Charges (1,209,862,27) Loss on Sale of Capital Assets (99,213,02) Other Nonoperating Revenues 118,736,18 Other Nonoperating Revenues 118,736,18 Other Nonoperating Expenses \$ (56,778,239,73) Total Nonoperating Expenses \$ (56,778,239,73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (56,778,239,73) Int	OPERATING EXPENSES (1)		
Public Service (1,961.68) Academic Support (5,286.79) Institutional Support 55,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) * (64,581,003.16) Legislative Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Expenses 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses (173,879.92) Total Nonoperating Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS (1,050,023.18) Interagency Transfers of Capital	Instruction	\$	(17,324.79)
Academic Support 28,354.09 Student Services (5,286.79) Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677.429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) ** Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) \$ 2,924,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses \$ 5,6778,239.73 OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309,04) Interagency Transfers of Capital Assets-Increase \$ (460,309,04) Interagency Transfers of Capital A	Research		(3,190.57)
Student Services (5,286.79) Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) * (64,581,003.16) Legislative Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (12,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Increase \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (3,499,656.00) Interagency Transfers of Legislative Transfers Out 6,824,103.82 L	Public Service		(1,961.68)
Institutional Support 56,621,952.46 Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ 5,350,223.00 NONOPERATING REVENUES (EXPENSES) \$ 5,350,223.00 Legislative Appropriations (GR) \$ 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Other Nonoperating Revenues (59,213.02) Other Nonoperating Revenues (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS 1 (173,879.92) Interagency Transfers of Capital Assets-Decrease (460,309.04) Interagency Transfers of Capital Assets-Decrease (460,309.04) Interagency Transfers of Capital Assets-Decrease (3,499,656.00) Legislative Transfers Out <td>Academic Support</td> <td></td> <td>28,354.09</td>	Academic Support		28,354.09
Operation and Maintenance of Plant 2,187,302.26 Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) *** Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (822,103.82) Legislative Transfers Out \$ (3	Student Services		(5,286.79)
Scholarships and Fellowships (112.59) Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) \$ 5,350,223.00 Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses \$ 7,802,763.43 Loss Before Other Revenues (Expenses) \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (3,29,4103.82) Legislative Transfers of Capital Assets-Increase \$ (3,29,656.00) Transfers Between Components \$ (3,29,656.00) Total Other Re	Institutional Support		56,621,952.46
Auxiliary Enterprises 2,522,537.07 Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) \$ 5,350,223.00 Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Expenses \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (3,499,656.00) Transfers Between Components \$ (3,499,656.00) Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION	Operation and Maintenance of Plant		2,187,302.26
Depreciation and Amortization 5,345,159.70 Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) S. 350,223.00 Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ 7,802,763.43 OTHER REVENUES, EXPENSES AND TRANSFERS \$ (36,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (3,499,656.00) Interagency Transfers Out (3,499,656.00) Transfers Between Components \$ (32,63,491.74) CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Scholarships and Fellowships		(112.59)
Total Operating Expenses \$ 66,677,429.16 Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) \$ 5,350,223.00 Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (3,099,656.00) Interagency Transfers Out (3,499,656.00) Transfers Between Components \$ (3,263,491.74) CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Auxiliary Enterprises		2,522,537.07
Operating Loss \$ (64,581,003.16) NONOPERATING REVENUES (EXPENSES) S Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (12,009,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (86,032,03.18) Legislative Transfers Out \$ (86,003.2,30.82) Transfers Between Components \$ (3,499,656.00) Total Other Revenues, Expenses and Transfers \$ (3,499,656.00) CHANGE IN NET POSITION \$ (3,263,491.74)	Depreciation and Amortization		5,345,159.70
NONOPERATING REVENUES (EXPENSES) \$ 5,350,223.00 Legislative Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease 1,050,023.18 Legislative Transfers Out 6,824,103.82 Legislative Transfers Out (3,499,656.00) Transfers Between Components \$ 9,600,586.03 Total Other Revenues, Expenses and Transfers \$ 3,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Total Operating Expenses	\$	66,677,429.16
Legislative Appropriations (GR) \$ 5,350,223.00 Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase 1,050,023.18 Legislative Transfers of Lapital Assets-Increase (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Operating Loss	\$	(64,581,003.16)
Additional Appropriations (GR) 3,294,472.59 Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS \$ (460,309.04) Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase 1,050,023.18 Legislative Transfers Out (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 33,263,491.74) CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	NONOPERATING REVENUES (EXPENSES)		
Investment Income 109,762.20 Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ (460,309.04) 1.050,023.18 Legislative Transfers Out (3,499,656.00) 349,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Legislative Appropriations (GR)	\$	5,350,223.00
Interest Expense and Fiscal Charges (1,209,862.27) Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase 1,050,023.18 Legislative Transfers In 6,824,103.82 Legislative Transfers Out (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Additional Appropriations (GR)		3,294,472.59
Loss on Sale of Capital Assets (59,213.02) Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase 1,050,023.18 6,824,103.82 Legislative Transfers Out (3,499,656.00) (3,499,656.00) Transfers Between Components 49,600,586.03 (3,490,586.03) Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Investment Income		109,762.20
Net Increase in Fair Value of Investments 372,524.67 Other Nonoperating Revenues 118,736.18 Other Nonoperating Expenses (173,879.92) Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS	Interest Expense and Fiscal Charges		(1,209,862.27)
Other Nonoperating Revenues118,736.18Other Nonoperating Expenses(173,879.92)Total Nonoperating Revenues (Expenses)\$ 7,802,763.43Loss Before Other Revenues, Expenses and Transfers\$ (56,778,239.73)OTHER REVENUES, EXPENSES AND TRANSFERSInteragency Transfers of Capital Assets-Decrease\$ (460,309.04)Interagency Transfers of Capital Assets-Increase1,050,023.18Legislative Transfers In6,824,103.82Legislative Transfers Out(3,499,656.00)Transfers Between Components49,600,586.03Total Other Revenues, Expenses and Transfers\$ 53,514,747.99CHANGE IN NET POSITION\$ (3,263,491.74)Beginning Net Position\$ (86,032,230.82)	Loss on Sale of Capital Assets		(59,213.02)
Other Nonoperating Expenses(173,879.92)Total Nonoperating Revenues (Expenses)\$ 7,802,763.43Loss Before Other Revenues, Expenses and Transfers\$ (56,778,239.73)OTHER REVENUES, EXPENSES AND TRANSFERSInteragency Transfers of Capital Assets-Decrease\$ (460,309.04)Interagency Transfers of Capital Assets-Increase\$ (460,309.04)Interagency Transfers of Capital Assets-Increase\$ (3,499,656.00)Legislative Transfers Out(3,499,656.00)Transfers Between Components49,600,586.03Total Other Revenues, Expenses and Transfers\$ 33,514,747.99CHANGE IN NET POSITION\$ (3,263,491.74)Beginning Net Position\$ (86,032,230.82)	Net Increase in Fair Value of Investments		372,524.67
Total Nonoperating Revenues (Expenses) \$ 7,802,763.43 Loss Before Other Revenues, Expenses and Transfers \$ (56,778,239.73) OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease \$ (460,309.04) Interagency Transfers of Capital Assets-Increase \$ 1,050,023.18 Legislative Transfers In \$ 6,824,103.82 Legislative Transfers Out \$ (3,499,656.00) Transfers Between Components \$ 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Other Nonoperating Revenues		118,736.18
Loss Before Other Revenues, Expenses and Transfers OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease Interagency Transfers of Capital Assets-Increase Interagency Transfers of Capital Assets-Increase Legislative Transfers In Egislative Transfers Out Transfers Between Components Total Other Revenues, Expenses and Transfers CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Other Nonoperating Expenses		(173,879.92)
OTHER REVENUES, EXPENSES AND TRANSFERS Interagency Transfers of Capital Assets-Decrease Interagency Transfers of Capital Assets-Increase Interagency Transfers of Capital Assets-Increase Legislative Transfers In Legislative Transfers Out Transfers Between Components Total Other Revenues, Expenses and Transfers CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	Total Nonoperating Revenues (Expenses)	\$	7,802,763.43
Interagency Transfers of Capital Assets-Decrease Interagency Transfers of Capital Assets-Increase Interagency Transfers of Capital Assets-Increase Integislative Transfers In Integislative Transfers Out Itansfers Between Components Integislative Transfers Out Itansfers Out Itansf	Loss Before Other Revenues, Expenses and Transfers	\$	(56,778,239.73)
Interagency Transfers of Capital Assets-Increase 1,050,023.18 Legislative Transfers In 6,824,103.82 Legislative Transfers Out (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	OTHER REVENUES, EXPENSES AND TRANSFERS		
Interagency Transfers of Capital Assets-Increase 1,050,023.18 Legislative Transfers In 6,824,103.82 Legislative Transfers Out (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	•	\$	(460,309.04)
Legislative Transfers In 6,824,103.82 Legislative Transfers Out (3,499,656.00) Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	• ,	·	
Legislative Transfers Out Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)			
Transfers Between Components 49,600,586.03 Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	<u> </u>		
Total Other Revenues, Expenses and Transfers \$ 53,514,747.99 CHANGE IN NET POSITION \$ (3,263,491.74) Beginning Net Position \$ (86,032,230.82)	<u> </u>		49,600,586.03
Beginning Net Position \$ (86,032,230.82)	·	\$	
	CHANGE IN NET POSITION	\$	(3,263,491.74)
ENDING NET POSITION \$ (89,295,722.56)	Beginning Net Position	\$	(86,032,230.82)
	ENDING NET POSITION	\$	(89,295,722.56)

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

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769)

Matrix of Operating Expenses Reported by Function

For the Year Ended August 31, 2016

							Operation and			Depreciation	
			Public	Academic	Student	Institutional	Maintenance of	Scholarships	Auxiliary	and	Total
Operating Expenses	 nstruction	Research	Service	Support	Services	Support	Plant	and Fellowships	Enterprises	Amortization	Expenditures
Salaries and Wages	\$ - \$	- \$	- \$	- \$	- \$	31,857,930.97	\$ 1,422,546.23	\$ - \$	111,563.19 \$	- :	\$ 33,392,040.39
Payroll Related Costs	(28,882.56)	(5,319.06)	(3,270.39)	(10,777.20)	(8,813.71)	8,517,611.62	464,567.50	(187.71)	27,214.64	-	8,952,143.13
Professional Fees and Services	-	-	-	18,000.00	-	7,747,135.78	93,338.41	-	538,465.18	-	8,396,939.37
Travel	-	-	-	5.00	-	478,598.23	9,118.37	-	(34.60)	-	487,687.00
Materials and Supplies	-	-	-	16,813.63	-	743,338.98	48,795.00	-	46,961.62	-	855,909.23
Communications and Utilities	-	-	-	-	-	1,822,929.23	17,121.36	-	304,239.73	-	2,144,290.32
Repairs and Maintenance	-	-	-	-	-	3,070,038.20	92,097.98	-	926,043.22	-	4,088,179.40
Rentals and Leases	-	-	-	-	-	1,215,542.90	5,356.69	-	121,904.67	-	1,342,804.26
Printing and Reproduction	-	-	-	-	-	118,810.47	2,408.13	-	7,225.03	-	128,443.63
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	5,345,159.70	5,345,159.70
Claims and Losses	-	-	-	-	-	3,500.00	-	-	-	-	3,500.00
Other Operating Expenses	 11,557.77	2,128.49	1,308.71	4,312.66	3,526.92	1,046,516.08	31,952.59	75.12	438,954.39	-	1,540,332.73
Total Operating Expenses	\$ (17,324.79) \$	(3,190.57) \$	(1,961.68) \$	28,354.09 \$	(5,286.79) \$	56,621,952.46	\$ 2,187,302.26	\$ (112.59) \$	2,522,537.07 \$	5,345,159.70	\$ 66,677,429.16

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Statement of Cash Flows For the Year Ended August 31, 2016

		August 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES	'	
Proceeds from Auxiliaries	\$	1,906,426.66
Proceeds from Other Revenues		20,602.77
Payments to Suppliers for Goods and Services		(18,028,144.95)
Payments to Employees		(38,941,013.66)
Payments for Other Expenses		(3,500.00)
Net Cash Provided (Used) by Operating Activities	\$	(55,045,629.18)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from State Appropriations	\$	4,566,300.51
Proceeds from Transfers from Other Components		51,109,233.84
Proceeds from Legislative Transfers		6,824,103.82
Proceeds from Other Revenues		118,736.18
Payments for Legislative Transfers		(3,499,656.00)
Payments for Other Uses		(180.00)
Net Cash Provided (Used) by Noncapital Financing Activities	\$	59,118,538.35
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from Sale of Capital Assets	\$	2,000.00
Proceeds from Debt Issuance		34,681,941.90
Payments for Additions to Capital Assets		(6,060,776.88)
Payments for Capital Leases		(1,099,488.88)
Payments of Principal on Debt Issuance		(34,900,000.00)
Payments of Other Costs of Debt Issuance		(173,699.92)
Payments of Interest on Debt Issuance		(1,266,593.28)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$	(8,816,617.06)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	\$	3,612,003.82
Proceeds from Interest and Investment Income		109,762.20
Net Cash Provided (Used) by Investing Activities	\$	3,721,766.02
Net Increase/(Decrease) in Cash and Cash Equivalents	\$	(1,021,941.87)
Cash and Cash Equivalents, September 1, 2015	\$	6,067,816.76
Cash and Cash Equivalents, August 31, 2016	\$	5,045,874.89

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Statement of Cash Flows For the Year Ended August 31, 2016

	August 31, 2016			
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED)		_		
BY OPERATING ACTIVITIES				
Operating Loss	\$	(64,581,003.16)		
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used)				
by Operating Activities:				
Depreciation and Amortization	\$	5,345,159.70		
Pension Expense		(55,742.71)		
Employee Benefits Paid by State		2,675,749.44		
Changes in Assets and Liabilities:				
(Increase) Decrease in Receivables		1,441,151.84		
(Increase) Decrease in Inventories		(34,995.44)		
(Increase) Decrease in Prepaid Expenses		126,710.29		
Increase (Decrease) in Payables		1,220,941.65		
Increase (Decrease) in Unearned Revenue		(1,610,548.41)		
Increase (Decrease) in Other Liabilities		426,947.62		
Total Adjustments	\$	9,535,373.98		
Net Cash Provided (Used) by Operating Activities	\$	(55,045,629.18)		
NON-CASH TRANSACTIONS				
Net Change in Fair Value of Investments	\$	372,524.67		
Gain (Loss) on Sales/Disposals of Capital Assets		(59,213.02)		
Amortization of Bond Premiums (Discounts)		184,344.74		
Capital Assets Acquired with Payables		348,317.32		
Interagency Transfer of Capital Assets		589,714.14		

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Schedule 2A - Miscellaneous Bond Information For the Year Ended August 31, 2016

	Bonds	Terms of Variable	Scheduled Maturities		First	
	Issued	Range of	Interest	First	Last	Call
Description of Issue	to Date	Interest Rates	Rates	Year	Year	Date
RFS Refunding Bonds, Series 2015A	12,580,000.00	5.0000% - 5.0000%	N/A	2021	2035	4/15/2025
RFS Refunding Bonds, Series 2015B	5,030,000.00	4.0000% - 5.0000%	N/A	2016	2021	N/A
RFS Refunding Bonds, Series 2015C	14,140,000.00	2.4460% - 10.0000%	N/A	2016	2033	12/1/2018
Total	\$ 31,750,000.00					

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769)

Schedule 2B - Changes in Bonded Indebtedness

For the Year Ended August 31, 2016

Description of Issue	Bonds Outstanding 09/01/15	Bonds Matured Issued or Retire		Bonds Refunded or Extinguished	Bonds Outstanding 08/31/16	Unamortized Premium	Net Bonds Outstanding 08/31/16	Amounts Due Within One Year	Bonds Outstanding 08/31/16	
RFS Bonds, Series 2007	\$ 14,485,000.00	\$ -	\$ 420,000.00	\$ 14,065,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	
RFS Refunding Bonds, Series 2015A	-	12,580,000.00	-	-	12,580,000.00	2,135,679.15	14,715,679.15	171,262.75	14,544,416.40	
RFS Refunding Bonds, Series 2015B	-	5,030,000.00	605,000.00	-	4,425,000.00	-	4,425,000.00	895,000.00	3,530,000.00	
RFS Refunding Bonds, Series 2015C		14,140,000.00	-		14,140,000.00		14,140,000.00	640,000.00	13,500,000.00	
Total	\$ 14,485,000.00	\$ 31,750,000.00	\$ 1,025,000.00	\$ 14,065,000.00	\$ 31,145,000.00	\$ 2,135,679.15	\$ 33,280,679.15	\$ 1,706,262.75	\$ 31,574,416.40	

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769)

Schedule 2C - Debt Service Requirements

For the Fiscal Year Ended August 31, 2016

Description of Issue	Year		Principal	Interest*		
Revenue Bonds						
RFS Bonds, Series 2015A	2017	\$	-	\$	629,000.00	
	2018		-		629,000.00	
	2019		-		629,000.00	
	2020		-		629,000.00	
	2021		50,000.00		629,000.00	
	2022-2026		4,475,000.00		2,685,000.00	
	2027-2031		4,475,000.00		1,566,250.00	
	2032-2035		3,580,000.00		447,500.00	
		\$	12,580,000.00	\$	7,843,750.00	
RFS Bonds, Series 2015B	2017	\$	895,000.00	\$	77,249.06	
,	2018	•	895,000.00	·	67,932.10	
	2019		895,000.00		55,625.86	
	2020		895,000.00		39,668.00	
	2021		845,000.00		20,846.16	
		\$	4,425,000.00	\$	261,321.18	
RFS Bonds, Series 2015C	2017	\$	640,000.00	\$	384,223.11	
	2018		700,000.00		325,929.50	
	2019		720,000.00		308,685.20	
	2020		740,000.00		290,951.70	
	2021		750,000.00		272,790.15	
	2022-2026		4,040,000.00		1,077,768.75	
	2027-2031		4,560,000.00		2,270,250.00	
	2032-2033		1,990,000.00		250,250.00	
		\$	14,140,000.00	\$	5,180,848.41	
Total		\$	31,145,000.00	\$	13,285,919.59	

^{*} In accordance with the State Comptroller's reporting requirements, the interest amounts on this schedule represent interest expense per the bond amortization schedules rather than interest on a full accural basis.

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Schedule 2D - Analysis of Funds Available for Debt Service For the Year Ended August 31, 2016

Pledged and Other Sources and Related Expenditures

	rieugeu and Other Sources and Related Expenditures							
	\ <u></u>	Total		Operating				
		Pledged Expe		Expenses/				
	and Other Sources		Expenditures & Capital Outlay			ce		
Description of Issue						Principal	Interest *	
RFS Bonds '15A, '15B & '15C	\$	18,534,572.99	\$	324,807.50	\$	1,025,000.00	\$	1,027,568.46
Total	\$	18,534,572.99	\$	324,807.50	\$	1,025,000.00	\$	1,027,568.46

^{*} In accordance with State Comptroller reporting requirements, the interest amounts on this schedule represent interest expense per the bond amortization schedules rather than interest on a full accrual basis.

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UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION (769) Schedule 2F - Early Extinguishment and Refunding For the Year Ended August 31, 2016

				For Refundings Only					
Description of Issue	Category	Amount Extinguished or Refunded		Refunding Issued Par Value		Cash Flow Increase (Decrease)		Economic Gain/ (Loss)	
Revenue Bonds	Current								
RFS Bonds, Series 2007	Refunding	\$	14,065,000.00	\$	14,140,000.00	\$	2,754,279.59	\$	1,383,966.18
Total		\$	14,065,000.00	\$	14,140,000.00	\$	2,754,279.59	\$	1,383,966.18