

ANNUAL FINANCIAL REPORT

of the

**UNIVERSITY OF NORTH TEXAS
HEALTH SCIENCE CENTER**

FORT WORTH, TEXAS

Michael R. Williams, DO, MD, MBA, President

For the Year Ended August 31, 2020



THE UNIVERSITY *of* NORTH TEXAS
HEALTH SCIENCE CENTER *at* FORT WORTH

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THE UNIVERSITY *of* NORTH TEXAS
HEALTH SCIENCE CENTER *at* FORT WORTH



THE UNIVERSITY *of* NORTH TEXAS
HEALTH SCIENCE CENTER *at* FORT WORTH

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER

ORGANIZATIONAL DATA

August 31, 2020

BOARD OF REGENTS

G. Brint Ryan	(Term expires May 2021)	Dallas
A.K. Mago	(Term expires May 2021)	Dallas
Laura Wright	(Term expires May 2021)	Dallas
Mary Denny	(Term expires May 2023)	Aubrey
Milton B. Lee	(Term expires May 2023)	San Antonio
Carlos Munguia	(Term expires May 2023)	University Park
Melisa Denis	(Term expires May 2025)	Southlake
Daniel Feehan	(Term expires May 2025)	Fort Worth
John Scott, Jr., D.O.	(Term expires May 2025)	Keller

STUDENT REGENT

Dianna Nguyen	(Term expires May 2021)	Arlington
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OFFICERS OF THE BOARD

Laura Wright	Chairman
Milton B. Lee	Vice Chairman
Rosemary R. Haggett	Secretary

ADMINISTRATIVE OFFICERS

Lesa Roe	Chancellor
Michael R. Williams	President
Gregory R. Anderson	Executive Vice President, Finance & Operations

UNAUDITED

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Statement of Net Position
 As of August 31, 2020

	<u>August 31,</u> <u>2020</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents:	
Cash on Hand	\$ 18,440.76
Cash in Bank	3,575,086.22
Cash in Transit/Reimburse from Treasury	302,782.95
Cash in State Treasury	6,709,634.54
Cash Equivalents	84,693,385.76
Restricted Cash and Cash Equivalents:	
Cash on Hand	50.00
Cash in Bank	2,688,498.16
Legislative Appropriations	33,296,655.77
Receivables From:	
Accounts Receivable	7,166,879.57
Federal	3,445,311.97
Other Intergovernmental	605,055.66
Clinical Practice	2,400,754.12
Interest and Dividends	182,350.74
Other Receivables	1,536,899.36
Due From Other Agencies	7,282,137.64
Due from Other Components	178,792.71
Consumable Inventories	448,585.70
Prepaid Items	2,509,329.61
Loans and Contracts	3,918,117.25
Other Current Assets	209,067.75
Total Current Assets	<u>\$ 161,167,816.24</u>
Non Current Assets	
Restricted Investments	\$ 42,056,606.03
Loans and Contracts	2,533,789.42
Investments	102,456,279.20
Capital Assets:	
Non Depreciable or Non Amortizable	31,926,384.65
Depreciable or Amortizable, Net	240,062,423.85
Total Non Current Assets	<u>\$ 419,035,483.15</u>
Total Assets	<u>\$ 580,203,299.39</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources	\$ 818,792.65
Total Deferred Outflows of Resources	<u>\$ 818,792.65</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 581,022,092.04</u>

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UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Statement of Net Position
 As of August 31, 2020

	<u>August 31,</u> <u>2020</u>
LIABILITIES	
Current Liabilities	
Payables From:	
Accounts Payable	\$ 10,312,550.45
Payroll Payable	15,895,582.26
Other Payables	850,535.09
Due To Other Agencies	55,956.90
Due to Other Components	1,608,928.01
Unearned Revenue	18,313,718.08
Claims and Judgments	1,173,150.00
Employees' Compensable Leave	1,302,324.35
Funds Held for Others	256,418.46
Total Current Liabilities	<u>\$ 49,769,163.60</u>
Non Current Liabilities	
Claims and Judgments	\$ 403,815.00
Employees' Compensable Leave	8,517,123.97
Asset Retirement Obligation	1,251,000.00
Other Non Current Liabilities	566,903.84
Total Non Current Liabilities	<u>\$ 10,738,842.81</u>
Total Liabilities	<u>\$ 60,508,006.41</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources	\$ -
Total Deferred Inflows of Resources	<u>\$ -</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 60,508,006.41</u>
NET POSITION	
Net Investment in Capital Assets	\$ 270,413,607.16
Restricted For:	
Funds Held as Permanent Investments	
Non Expendable	34,005,966.77
Expendable	10,949,282.05
Other Restricted	17,551,281.28
Unrestricted	187,593,948.37
Total Net Position	<u>\$ 520,514,085.63</u>

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UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Statement of Revenues, Expenses and Changes in Net Position
 For the Year Ended August 31, 2020

	August 31, 2020
OPERATING REVENUES	
Tuition and Fees	\$ 33,058,014.17
Discounts and Allowances	(2,304,879.33)
Professional Fees	19,719,365.89
Discounts and Allowances	(10,701,285.61)
Auxiliary Enterprises	729,406.03
Sales of Goods and Services	57,303,629.86
Federal Grant Revenue	35,826,422.79
Federal Pass Through Revenue	1,236,573.71
State Grant Revenue	1,629,828.73
State Grant Pass Through Revenue	1,574,999.70
Other Contracts and Grants	4,793,024.37
Other Operating Revenues	467,048.37
Total Operating Revenues	\$ 143,332,148.68
OPERATING EXPENSES ⁽¹⁾	
Instruction	\$ 76,645,510.11
Research	34,125,246.21
Public Service	49,159,460.46
Academic Support	6,003,111.00
Auxiliary Maintenance (Other)	1,100,311.00
Professional Fees (Services)	8,861,135.64
Travel (C5, 131)	22,321,111.00
Pass (Pass)	2,111,111.00
Public	1,111,111.00

UNAUDITED

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Statement of Cash Flows
 For the Year Ended August 31, 2020

	August 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Customers	\$ 66,869,642.61
Proceeds from Tuition and Fees	29,235,083.67
Proceeds from Research Grants and Contracts	47,284,659.38
Proceeds from Loan Programs	262,427.39
Proceeds from Auxiliaries	729,406.03
Proceeds from Other Revenues	409,521.32
Payments to Suppliers for Goods and Services	(71,735,280.56)
Payments to Employees	(131,169,453.83)
Payments for Other Expenses	(7,892,542.50)
Net Cash Used by Operating Activities	\$ (66,006,536.49)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from State Appropriations	\$ 104,512,113.15
Proceeds from Gifts	3,331,036.17
Proceeds from Endowments	2,000,000.00
Proceeds from Transfers from Other Agencies	7,414.00
Proceeds from Transfers from Other Components	1,188,785.91
Proceeds from Legislative Transfers	3,539,994.04
Proceeds from Grant Receipts	1,196,308.99
Proceeds from Other Revenues	290,725.42
Payments for Legislative Transfers	(15,735,046.00)
Payments for Transfers to Other Components	(22,212,558.72)
Payments for Legislative Appropriation Lapses	(445,327.35)
Payments for Other Uses	(565,364.46)
Net Cash Provided by Noncapital Financing Activities	\$ 77,108,081.15
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Sale of Capital Assets	\$ 55,223.47
Proceeds from State Appropriations	17,091,856.00
Payments for Additions to Capital Assets	(16,734,192.12)
Payments for Transfers to Other Components for Debt Issuance	(203,916.53)
Net Cash Provided by Capital and Related Financing Activities	\$ 208,970.82
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	\$ 196,854,341.00
Proceeds from Interest and Investment Income	3,507,852.99
Payments to Acquire Investments	(198,446,236.97)
Net Cash Provided by Investing Activities	\$ 1,915,957.02
Net Increase in Cash and Cash Equivalents	\$ 13,226,472.50
Cash and Cash Equivalents, September 1, 2019	\$ 84,761,405.89
Cash and Cash Equivalents, August 31, 2020	\$ 97,987,878.39

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UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Statement of Cash Flows
 For the Year Ended August 31, 2020

	<u>August 31,</u> <u>2020</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED)	
BY OPERATING ACTIVITIES	
Operating Loss	\$ (95,113,851.71)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used)	
by Operating Activities:	
Depreciation and Amortization Expense	\$ 17,553,607.06
Asset Retirement Obligation Expense	58,870.59
Employee Benefits Paid by State	9,672,024.49
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	(2,295,993.04)
(Increase) Decrease in Inventories	14,402.98
(Increase) Decrease in Prepaid Expenses	(465,510.48)
(Increase) Decrease in Loans and Contracts	262,427.39
(Increase) Decrease in Other Assets	45,722.25
Increase (Decrease) in Payables	(1,471,192.51)
Increase (Decrease) in Unearned Revenue	3,492,157.37
Increase (Decrease) in Compensated Absence Liability	1,734,078.96
Increase (Decrease) in Other Liabilities	506,720.16
Total Adjustments	<u>\$ 29,107,315.22</u>
Net Cash Used by Operating Activities	<u>\$ (66,006,536.49)</u>
NON CASH TRANSACTIONS	
Net Change in Fair Value of Investments	\$ 10,297,400.62
Loss on Sale of Capital Assets	(154,402.56)
Interagency Transfer of Capital Assets	(125,825.98)

Federal Grantor/Pass through Grantor/Program Title	CFDA Number	NSE Name/Identifying Number	Agy/Univ No	Pass Through From Agencies or Universities Amount	Pass Through From Non State Entities Amount	Direct Program Amount	Total PT From and Direct Prog. Amount	Agy/Univ No.	Pass Through To Agencies or Universities Amount	Pass Through To Non State Entities Amount	Expenditures Amount	Total PT To and Expenditures Amount
National Science Foundation												
<u>Direct Programs:</u>												
Engineering	47.041					6,773.17	6,773.17				6,773.17	6,773.17
Totals National Science Foundation						6,773.17	6,773.17				6,773.17	6,773.17
U.S. Department of Education												
<u>Direct Programs:</u>												
COVID 19 Education Stabilization Fund	84.425					1,196,308.99	1,196,308.99				1,196,308.99	1,196,308.99
Totals U.S. Department of Education						1,196,308.99	1,196,308.99				1,196,308.99	1,196,308.99
U.S. Department of Health and Human Services												
<u>Direct Programs:</u>												
Drug Abuse and Addiction Research Programs	93.279					15,621.11	15,621.11				15,621.11	15,621.11
Cancer Biology Research	93.396					244,086.41	244,086.41				244,086.41	244,086.41
Cardiovascular Diseases Research	93.837					326,998.93	326,998.93				326,998.93	326,998.93
Aging Research	93.866					13,158.65	13,158.65				13,158.65	13,158.65
Medical Library Assistance	93.879					58,722.12	58,722.12				58,722.12	58,722.12
Pass Through To Texas A&M University								711	58,722.12			
Medical Library Assistance	93.879					23,955.96	23,955.96				23,955.96	23,955.96
Pass Through To University of Texas at Arlington								714	23,955.96			
Medical Library Assistance	93.879					6,109.38	6,109.38				6,109.38	6,109.38
Pass Through To Texas Tech University Health Sciences Center								739	6,109.38			
Medical Library Assistance	93.879					3,198.28	3,198.28				3,198.28	3,198.28
Pass Through To University of Texas at Grande Valle								746	3,198.28			
Medical Library Assistance	93.879					17,922.79	17,922.79				17,922.79	17,922.79
Pass Through To University of North Texas								752	17,922.79			
PPHF Geriatric Education Centers	93.969					(484.39)	(484.39)				(484.39)	(484.39)
Pass Through From Maternal and Child Health Services Block Grant to the State	93.994						391,440.83				391,440.83	391,440.83
Pass Through From Department of State Health Service			537	391,440.83								
Totals U.S. Department of Health and Human Services				391,440.83		709,289.24	1,100,730.07		109,908.53		990,821.54	1,100,730.07
U.S. Department of Justice												
<u>Direct Programs:</u>												
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560					164,342.30	164,342.30				164,342.30	164,342.30
Pass Through From Crime Victims Assistance	16.575						429,940.81				429,940.81	429,940.81
Pass Through From Governor's Fiscal			300	429,940.81								
Totals U.S. Department of Justice				429,940.81		164,342.30	594,283.11				594,283.11	594,283.11
Research & Development Cluster												
National Aeronautics and Space Administration												
Office of Stem Engagement (OSTEM)	43.008	Langston University/ LU 5 58015 1NCE			35,356.84		35,356.84				35,356.84	35,356.84
<u>Direct Programs:</u>												
Exploration	43.003					312,743.48	312,743.48				312,743.48	312,743.48
Totals National Aeronautics and Space Administration					35,356.84	312,743.48	348,100.32				348,100.32	348,100.32

Federal

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)
 Notes to Schedule A - Schedule Expenditures of Federal Award
 For the Fiscal Year Ended August 31, 2020

Note 1: Nonmonetary Assistance
 A

Note 2: Reconciliation

<p>U.S. Department of Health and Human Services U.S. Department of Education U.S. Department of Justice U.S. Department of State U.S. Department of the Interior U.S. Department of Agriculture U.S. Department of Veterans Affairs U.S. Department of Housing and Urban Development U.S. Department of Labor U.S. Department of Transportation U.S. Department of Energy U.S. Department of Commerce U.S. Department of the Treasury</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>	<p>111,000 60,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000</p>
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Note 3: Students

<p>U.S. Department of Health and Human Services U.S. Department of Education U.S. Department of the Treasury</p>	<p>2,000 2,000 2,000</p>	<p>2,000 2,000 2,000</p>	<p>2,000 2,000 2,000</p>	<p>2,000 2,000 2,000</p>	<p>2,000 2,000 2,000</p>	<p>2,000 2,000 2,000</p>						
Total U.S. Department of Health and Human Services							2,000	2,000	2,000	2,000	2,000	2,000
U.S. Department of Education							2,000	2,000	2,000	2,000	2,000	2,000
Total Department of Education							2,000	2,000	2,000	2,000	2,000	2,000
Total Loans and Recoveries							2,000	2,000	2,000	2,000	2,000	2,000

Note 4: Depositories for Government Repatriation
 A

Note 5: Unemployment Insurance Fund
 A

Note 6: Rebates from the Special Supplemental Food Program for Women, Infants and Children (WIC)
 A

Note 7: Deferred Federal Revenue
 A

Note

UNIVERSITY OF NORTH TEXAS HEALTHSCIENCE CENTER (763)
 Schedule 1B or Schedule of State Grant Pass Through From/To State Agencies
 For the Year Ending August 31, 2020

Pass through From State Agencies:
 To University of North Texas Health Science Center (763)

Code	Description	Amount	Account
0012	Research	\$ 428,605	52
0301	Research	114,435.9	51
0000	Salaries	257.0	09
0000	Salaries	249,700.0	09
0000	Salaries	200,300.0	09
0000	Salaries	11,000.0	09

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UNIVERSITY OF NORTH HEALING CENTER (763)
 Schedule 3 r Reconciliation Cash in State Treasury
 For the Year Ended August 31, 2020

Cash in State Treasury	Unrestricted	Current Year Total
Local Revenue Fund 0280	\$ 5,126,029.63	\$ 5,126,029.63
Local Revenue Fund 0819	1,583,604.91	1,583,604.91
Total Cash in State Treasury (Statement of Net Position)	<u>\$ 6,709,634.54</u>	<u>\$ 6,709,634.54</u>