

FINANCIAL REPORT

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UNIVERSITY OF
SOUTH ALABAMA

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THE UNIVERSITY OF SOUTH ALABAMA
300 UNIVERSITY BLVD
MOBILE, ALABAMA 36688-3000
TEL: 251-934-2000 FAX: 251-934-2001

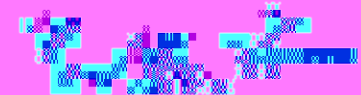
THE UNIVERSITY OF SOUTH ALABAMA

is pleased to submit the Annual Financial Report of the University for the year ended August 31, 2010.

UNIVERSITY OF SOUTH ALABAMA, MOBILE, ALABAMA 36688-3000

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UNIVERSITY OF NORTH TEXAS

ORGANIZATIONAL DATA

August 31, 2013

BOARD OF REGENTS

Brint Ryan..... (Term expires 5-22-15) Dallas
Michael R. Bradford (Term expires 5-22-15) Midland
Steve Mitchell (Term expires 5-22-15) Richardson

Donald Potts..... (Term expires 5-22-17) Dallas
Al Silva (Term expires 5-22-17) San Antonio
Milton B. Lee..... (Term expires 5-22-17) San Antonio

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

STUDENT REGENT

Rudy Reynoso..... (Term expires 5-31-14) Sherman

OFFICERS OF THE BOARD

Jack A. Wall..... Chairman
Brint Ryan..... Vice Chairman
Julia A. Boyce..... Secretary

ADMINISTRATIVE OFFICERS

Lee Jackson..... Chancellor
V. Lane Rawlins President
Andrew M. Harris Vice President for Finance & Administration
Lee Miara Associate Vice President for Finance and Control

	August 31, 2013	August 31, 2012
Other Capital Assets	107,348,447.25	100,460,771.04
Less Accumulated Depreciation	(57,934,131.90)	(52,531,982.28)
Other Non-Current Assets	37,875.00	230,066.42
Total Non-Current Assets and Deferred Outflows	<u>769,714,126.47</u>	<u>733,267,917.84</u>
Total Assets and Deferred Outflows	<u>\$ 1,128,329,474.40</u>	<u>\$ 1,115,925,409.64</u>

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities

Payables From:

Accounts Payable	13,355,397.64	18,009,866.74
Payroll Payable	22,494,130.69	13,661,969.28
Other Payables	1,311,200.92	845,459.53
Due to Other Agencies	46,415.29	66,232.97
Due to Other Components	623,539.35	-
Deferred Inflows	172,538,151.85	150,383,450.41
Revenue Bonds Payable	15,391,928.00	15,106,928.00
Employees Compensable Leave	1,421,963.41	1,576,418.72
Capital Lease Obligations	2,911.15	6,986.76
Funds Held for Others	2,996,825.74	2,251,168.61
Other Current Liabilities	5,335,768.09	5,294,752.89
Total Current Liabilities	<u>235,518,232.13</u>	<u>207,203,233.91</u>

Non-Current Liabilities

Notes and Loans Payable		
Contra-Due to Other Components-CP	43,462,000.00	41,632,000.00
Revenue Bonds Payable	293,583,876.38	308,975,804.38
Employees Compensable Leave	8,906,940.53	8,485,038.96
Capital Lease Obligations	-	2,911.15
Funds Held for Others	1,117,859.33	1,701,615.67
Other Non-Current Liabilities	1,850,328.99	1,538,816.95
Total Non-Current Liabilities and Deferred Inflows	<u>348,921,005.23</u>	<u>362,336,187.11</u>
Total Liabilities and Deferred Inflows	<u>584,439,237.36</u>	<u>569,539,421.02</u>

NET POSITION

Invested in Capital Assets, Net of Related Debt	318,013,809.34	275,670,946.34
Restricted for:		
Capital Projects	36,365,199.15	44,266,447.89
Funds Held as Permanent Investments		
Non-Expendable	21,101,704.43	20,296,794.49
Expendable	2,592,418.89	3,409,289.75
Other Restricted	24,571,149.21	40,998,163.75
Unrestricted	141,245,956.02	161,744,346.40
Total Net Position	<u>543,890,237.04</u>	<u>546,385,988.62</u>
Total Liabilities and Net Position	<u>\$ 1,128,329,474.40</u>	<u>\$ 1,115,925,409.64</u>

UNIVERSITY OF NORTH TEXAS (752)

UNIVERSITY OF NORTH TEXAS (752)

Note 1: Matrix of Operating Expenses Reported by Function

For the Fiscal Year Ended August 31, 2013

	Instruction	Research	Public Service	Academic Support	Student Services
Operating Expenses					
Cost of Goods Sold	\$ (2,657.18)	\$ -	\$ -	\$ 167,330.86	\$ 151,767.41
Salaries and Wage	139,089,812.04	11,930,997.09	3,365,313.68	32,681,210.96	27,450,191.78
Payroll Related Cost					

Institutional
Support

Operation and
Maintenance of
Plant

Scholarships

Auxiliary

2013
Total

UNIVERSITY OF NORTH TEXAS (752)
Statement of Cash Flows
For the Fiscal Year Ended August 31, 2013

	August 31, 2013	August 31, 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from Tuition and Fees	\$ 245,916,773.17	\$ 224,991,621.34
Proceeds Received from Customers	29,042,244.42	23,508,061.74
Proceeds from Sponsored Projects	55,377,486.28	53,981,362.82
Proceeds from Loan Programs	13,328,318.42	7,458,194.83
Proceeds from Auxiliaries	50,040,933.34	50,317,749.03
Proceeds from Other Revenues	1,140,750.29	407,806.73
Payments to Suppliers for Goods and Services	(132,189,223.47)	(173,266,577.81)
Payments to Employees for Salaries and Benefits	(309,824,446.51)	(322,702,804.50)
Payments for Loans Provided	(10,172,903.01)	(6,159,353.42)
Payments for Other Expenses	(66,329,998.26)	(61,955,580.82)
Net Cash Provided (Used) by Operating Activities	(123,670,065.33)	(203,419,520.06)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from State Appropriations	114,096,732.07	134,419,362.08
Proceeds from Legislative Transfers	(1,316,995.85)	4,076,423.35
Proceeds from Gifts	10,605,776.36	9,841,775.00
Proceeds from Endowments	281,293.21	1,687,686.03
Proceeds of Transfers from Other Agencies	-	45,715.73
Proceeds of Transfers from Other Components	623,539.35	317,584.80
Proceeds from Grant Receipts	47,449,729.90	44,179,907.83
Proceeds from Other Revenues	20,000.00	278,115.42
Payments of Interest	(96,448.96)	(171.91)
Payments for Transfers to Other Agencies	(19,817.68)	-
Payments for Transfers to Other Components	(3,743,284.96)	(9,730,842.55)
Payments for Other Uses	(22,683.95)	(40,779.75)
Net Cash Provided (Used) by Noncapital Financing Activities	167,877,839.49	185,074,776.03
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from State Appropriations	29,064,050.34	16,381,983.96
Proceeds from Disposal of Capital Assets	533,209.59	-
Proceeds from Debt Issuance	1,586,928.00	32,995,196.07
Proceeds from Capital Contributions	-	1,444,072.68
Proceeds of Transfers from Other Components	1,830,000.00	-
Payments for Additions to Fixed Assets	(83,173,382.32)	(75,728,662.10)
Payments of Principal on Debt Issuance	(6,986.76)	(6,986.76)
Payments of Interest on Debt Issuance	(12,966,429.79)	(18,109,347.76)
Payments of Other Costs of Debt Issuance	(494,989.56)	(594,882.63)
Payments for Transfers to Other Components	-	(4,718,000.00)
Payments for Disposal of Capital Assets	-	(81,636.00)
Net Cash Provided (Used) From Capital & Related Financing Activities	(63,627,600.50)	6

	August 31, 2013	August 31, 2012
Cash and Cash Equivalents--September 1, 2012 and 2011	204,376,619.67	277,367,998.60
Restatements to Beginning Cash and Cash Equivalents	-	-
Cash and Cash Equivalents--August 31, 2013 and 2012	<u>\$ 137,033,128.07</u>	<u>\$ 204,376,619.67</u>
Displayed as:		
Unrestricted Cash and Cash Equivalents (Statement of Net Position)	\$ 136,536,927.25	\$ 167,666,758.42
Restricted Cash and Cash Equivalents (Statement of Net Position)	496,200.86	36,709,861.25
	<u>\$ 137,033,128.07</u>	<u>\$ 204,376,619.67</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income/(Loss)	\$ (186,413,536.79)	\$ (179,964,368.92)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation	38,155,100.97	36,983,539.64
Bad Debt Expense	3,799,012.62	441,516.76
Operating Income and Cash Flow Categories Classification Differences		
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	(10,346,917.22)	(16,416,631.79)
(Increase) Decrease in Inventories	311,616.37	(430,626.52)
(Increase) Decrease in Loans & Contracts	3,120,208.11	1,243,276.54
(Increase) Decrease in Prepaid Expenses	449,638.33	(9,174,015.15)
Increase (Decrease) in Payables	5,100,110.84	(44,839,336.51)
Increase (Decrease) in Deferred Inflows	22,154,701.44	8,737,125.89
Total Adjustments	<u>62,743,471.46</u>	<u>(23,455,151.14)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (123,670,065.33)</u>	<u>\$ (203,419,520.06)</u>
Non Cash Transactions		
Net Increase (Decrease) in FMV of Investments	\$ 2,265,532.85	\$ 2,373,277.88
Amortization of Investment Premiums/(Discounts)	\$ 15,700.98	\$ 440,635.70
Amortization of Bond Premiums/(Discounts)	\$ 1,301,928.00	\$ 926,069.73
Gain/(Loss) on disposal of Capital Assets	\$ (533,209.59)	\$ (60,364.61)

University of North Texas (752)
 Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies
 For the Fiscal Year Ended August 31, 2013

Pass-through From State Agencies:

To University of North Texas (752)

Texas State Board of Public Accountancy (Agency 457)	
Fifth Year Accounting Student Scholarship Program	\$ 15,000.00
Cancer Prevention and Research Institute of Texas (Agency 542)	
RP110363 - Prostate Cancer Model in Zebra Fish	54,723.14
Texas Commission on Environmental Quality (Agency 582)	
TEHI Asthma Study	40,271.77
Texas Education Agency (Agency 701)	
Available School Fund - Per Capita	166,905.00
Foundation School Program (FSP) - Formula	2,228,478.00
University of Texas System (Agency 720)	
Joint Admission Medical Program (JAMP)	15,974.32
Texas Woman's University (Agency 731)	
College Readiness Initiative	43,781.27
Texas Tech University (Agency 733)	
CPRIT Beam Scanning Radar for Tumor Tracking in Lung Cancer Radiotherapy	29,758.05
University of Texas at Dallas (Agency 738)	
Fast PVT-Tolerant Physical Design of RF IC Components	1,257.43
Texas Higher Education Coordinating Board (Agency 781)	
Minority Health Research and Education	27,817.29
TEXAS Grant Program	15,129,982.00
Advanced Research Program	(19.79)
Texas Research Incentive Program - HB51	175,000.00
College Work Study Program	155,489.45
College Readiness Initiative	212,632.69
Top 10% Scholarships	1,867,281.00
Work Study Mentorship Program	175,537.80
Texas Research Incentive Program - HB1025	1,315,000.00
Texas Commission on the Arts (Agency 813)	
Arts Create	3,793.00

Total Pass-Through from State Agencies	
(Statement of Revenues, Expenses, and Changes in Net Position)	<u><u>\$ 21,658,662.42</u></u>

Pass-through To State Agencies:

From University of North Texas (752)

Texas A&M University - Kingsville (Agency 732)	
Ozone Near Non-Attainment	91,345.85
University of North Texas Health Science Center at Fort Worth (Agency 763)	
Texas Environmental Health Institute (TEHI) Asthma Study	12,198.03
Allied Health Pathway: A Minority Male Initiative	53,587.26

Total Pass-Through to State Agencies	<u><u>\$ 157,131.14</u></u>
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UNIVERSITY OF NORTH TEXAS (752)
 Schedule 2A - Miscellaneous Bond Information
 For the Fiscal Year Ended August 31, 2013

Description of Issue	Bonds Issued to Date	Range of Interest Rates	Terms of Variable Interest Rate	Scheduled Maturities		First Call Date
				First Year	Last Year	
RFS Bonds, Series 2003	\$ 31,180,000.00	3.0000% - 5.0000%	N/A	2005	2013	4/15/2013
RFS Refunding Bonds, Series 2003A	3,270,000.00	5.3750% - 5.5000%	N/A	2003	2017	4/15/2013
RFS Bonds, Taxable Series 2003B	4,980,000.00	2.5000% - 6.2000%	N/A	2003	2013	4/15/2013
RFS Refunding and Improvement Bonds, Series 2005	42,890,000.00	3.2500% - 5.2500%	N/A	2006	2025	4/15/2015
RFS Bonds, Series 2007	39,070,000.00	4.0000% - 5.0000%	N/A	2008	2036	4/15/2016
RFS Bonds, Series 2009A	132,190,000.00	3.0000% - 5.0000%	N/A	2010	2040	4/15/2019
RFS Refunding Bonds, Series 2009B	12,345,000.00	3.0000% - u3.002t5,22101t5,Ser096(00)-1743.23034/15/2019				

UNIVERSITY OF NORTH TEXAS (752)
 Schedule 2B - Changes in Bonded Indebtedness

	Bonds Outstanding 09/01/12	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 08/31/13
RFS Bonds, Series 2003	\$ 730,000.00	\$ -	\$ 730,000.00	\$ -	\$ -
RFS Refunding Bonds, Series 2003A	3,270,000.00	-	-	-	3,270,000.00
RFS Bonds, Taxable Series 2003B	85,000.00	-	85,000.00	-	-
RFS Refunding and Improvement Bonds, Series 2005	25,935,000.00	-	3,020,000.00	-	-

	Unamortized Premium *	Unamortized Discount	Unamortized Gain/(Loss) on Refunding	Net Bonds Outstanding 08/31/13	Amounts Due Within One Year
\$	-	\$	-	\$	-
	-		-	3,270,000.00	-
	-		-	-	-
	-		-	22,915,000.00	3,155,000.00
	-		-	34,235,000.00	860,000.00
	7,257,760.05		-	r 7j 2f	r 7j 2f

UNIVERSITY OF NORTH TEXAS (752)
 Schedule 2C - Debt Service Requirements
 For the Fiscal Year Ended August 31, 2013

Description of Issue	Year	Principal	Interest*
Revenue Bonds			
RFS Refunding Bonds, Series 2003A	2014	\$ -	\$ 178,737.50
	2015	890,000.00	178,737.50
	2016	1,160,000.00	130,900.00
	2017	1,220,000.00	67,100.00
		<u>3,270,000.00</u>	<u>555,475.00</u>
RFS Refunding and Improvement Bonds, Series 2005	2014	3,155,000.00	1,121,850.00
	2015	3,315,000.00	979,875.00
	2016	2,210,000.00	830,700.00
	2017	2,325,000.00	714,675.00
	2018	2,440,000.00	592,612.50
	2019-2023	6,950,000.00	1,470,962.50
	2024-2025	2,520,000.00	171,225.00
		<u>22,915,000.00</u>	<u>5,881,900.00</u>
RFS Bonds, Series 2007	2014	860,000.00	1,611,225.00
	2015	900,000.00	1,576,825.00
	2016	935,000.00	1,536,325.00
	2017	985,000.00	1,494,250.00
	2018	1,015,000.00	1,454,850.00
	2019-2023	5,835,000.00	6,539,700.00
	2024-2028	7,430,000.00	4,947,500.00
	2029-2033	9,465,000.00	2,905,675.00
	2034-2036	6,810,000.00	621,900.00
		<u>34,235,000.00</u>	<u>22,688,250.00</u>
RFS Bonds, Series 2009A	2014	3,025,000.00	6,007,250.00
	2015	3,165,000.00	5,856,000.00
	2016	3,330,000.00	5,697,750.00
	2017	3,490,000.00	5,531,250.00
	2018	3,660,000.00	5,356,750.00
	2019-2023	21,255,000.00	23,846,750.00
	2024-2028	27,135,000.00	17,974,250.00
	2029-2033	21,075,000.00	11,451,750.00
	2034-2038	23,085,000.00	6,305,750.00
	2039-2040	10,925,000.00	826,000.00
		<u>120,145,000.00</u>	<u>88,853,500.00</u>
RFS Refunding Bonds, Series 2009B	2014	830,000.00	442,737.50
	2015	1,815,000.00	409,537.50
	2016	1,890,000.00	336,937.50
	2017	1,965,000.00	261,337.50
	2018	2,045,000.00	182,737.50
	2019	2,125,000.00	100,937.50
		<u>10,670,000.00</u>	<u>1,734,225.00</u>
RFS Refunding Bonds, Series 2010	2014	3,865,000.00	1,789,000.00
	2015	2,300,000.00	1,595,750.00
	2016	2,425,000.00	1,480,750.00
	2017	2,545,000.00	1,359,500.00
	2018	2,640,000.00	1,257,700.00
	2019-2023	21,485,000.00	3,741,450.00
	2024	2,620,000.00	131,000.00
		<u>37,880,000.00</u>	<u>11,355,150.00</u>

Description of Issue

Year

UNIVERSITY OF NORTH TEXAS (752)
Schedule 2D - Analysis of Funds Available for Debt Service
For the Fiscal Year Ended August 31, 2013

Description of Issue	Total Pledged and Other Sources	Operating Expenses/ Expenditures &
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UNIVERSITY OF NORTH TEXAS (752)
 Schedule 3 - Reconciliation of Cash in State Treasury
 For the Fiscal Year Ended August 31, 2013

Cash in State Treasury	Unrestricted	Restricted	Current Year Total
Local Revenue Fund 0258	\$ 5,102,393.16	-	\$ 5,102,393.16
Total Cash in State Treasury (Statement of Net Position)	\$ 5,102,393.16	-	\$ 5,102,393.16

