

ANNUAL FINANCIAL REPORT

of the

UNIVERSITY OF NORTH TEXAS AT DALLAS

DALLAS, TEXAS

Bob Mong, President

For the Year Ended August 31, 2020



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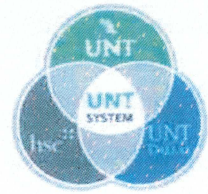
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Office of Finance



November 18, 2020

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

Dear Mr. Mong:

We are pleased to submit the annual financial report of the University of North Texas at Dallas for the year ended August 31, 2020, 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 Victor Aimuyo at (972) 338-1405.

Sincerely,

Victor Aimuyo, CPA
Associate Controller

Approved:

Arthur Bradford, CPA
Senior Vice President & CFO, Finance & Administration

Paula J. Welch, CPA
Associate Vice Chancellor for Finance & System Controller



UNIVERSITY OF NORTH TEXAS AT DALLAS

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

OFFICERS OF THE BOARD

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

ADMINISTRATIVE OFFICERS

Lesia Roe Chancellor
Bob Mong President
Arthur Bradford Senior Vice President & CFO, Finance & Administration

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)

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	\$ 2,629.09
Cash in Bank	254,220.99
Cash in Transit/Reimburse from Treasury	35,795.28
Cash in State Treasury	4,400,686.77
Cash Equivalents	8,436,609.28
Restricted Cash and Cash Equivalents:	
Cash in Bank	50,087.10
Cash Equivalents	4,520,209.23
Legislative Appropriations	5,392,565.03
Receivables From:	
Accounts Receivable	11,598,535.27
Federal	504,317.61
Other Intergovernmental	41,876.10
Interest and Dividends	6,482.33
Other Receivables	544,622.47
Due from Other Components	10,884,607.57
Prepaid Items	2,797,019.43
Loans and Contracts	233,147.28
Total Current Assets	<u>\$ 49,703,410.83</u>
Non-Current Assets	
Restricted Investments	\$ 975,306.10
Investments	6,523,842.91
Capital Assets:	
Non-Depreciable or Non-Amortizable	11,941,057.63
Depreciable or Amortizable, Net	158,885,996.29
Total Non-Current Assets	<u>\$ 178,326,202.93</u>
Total Assets	<u>\$ 228,029,613.76</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources	\$ -
Total Deferred Outflows of Resources	<u>\$ -</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 228,029,613.76</u>

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UNIVERSITY OF NORTH TEXAS AT DALLAS (773)

Statement of Net Position

As of August 31, 2020

	<u>August 31,</u> <u>2020</u>
LIABILITIES	
Current Liabilities	
Payables From:	
Accounts Payable	\$ 7,117,314.82
Payroll Payable	638,354.48
Other Payables	25,550.00
Due to Other Components	1,237,837.52
Unearned Revenue	14,118,912.01
Employees' Compensable Leave	184,070.19
Funds Held for Others	156,617.59
Total Current Liabilities	<u>\$ 23,478,656.61</u>
Non-Current Liabilities	
Employees' Compensable Leave	\$ 1,030,464.27
Total Non-Current Liabilities	<u>\$ 1,030,464.27</u>
Total Liabilities	<u>\$ 24,509,120.88</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources	\$ -
Total Deferred Inflows of Resources	<u>\$ -</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 24,509,120.88</u>
NET POSITION	
Net Investment in Capital Assets	\$ 169,612,440.64
Restricted For:	
Debt Retirement	
Capital Projects	
Funds Held as Permanent Investments	
Non-Expendable	737,204.21
Expendable	11,254,360.78
Other Restricted	2,266,195.67
Unrestricted	19,650,291.58
Total Net Position	<u>\$ 203,520,492.88</u>

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended August 31, 2020

	August 31, 2020
OPERATING REVENUES	
Tuition and Fees	\$ 34,997,586.72
Discounts and Allowances	(7,655,416.26)
Auxiliary Enterprises	995,808.27
Sales of Goods and Services	299,139.21
Federal Grant Revenue	1,557,660.53
State Grant Revenue	36,308.67
State Grant Pass-Through Revenue	3,005,328.14
Other Contracts and Grants	683,656.08
Other Operating Revenues	606,215.15
Total Operating Revenues	\$ 34,526,286.51
OPERATING EXPENSES ⁽¹⁾	
Instruction	\$ 17,679,732.31
Research	41,776.96
Public Service	1,593,499.18
Academic Support	4,803,100.68
Student Services	8,100,155.17
Institutional Support	6,247,129.02
Operation and Maintenance of Plant	7,763,584.36
Scholarships and Fellowships	14,146,153.54
Auxiliary Enterprises	1,183,789.43
Depreciation and Amortization	12,204,019.44
Total Operating Expenses	\$ 73,762,940.09
Operating Loss	\$ (39,236,653.58)
NONOPERATING REVENUES (EXPENSES)	
Legislative Appropriations (GR)	\$ 24,512,594.00
Additional Appropriations (GR)	3,692,747.13
Federal Revenue	8,854,100.04
Gifts	1,081,185.01
Investment Income	328,459.27
Gain on Sale of Capital Assets	309,376.91
Net Increase in Fair Value of Investments	389,265.40
Other Nonoperating Expenses	(56,930.35)
Total Nonoperating Revenues (Expenses)	\$ 39,110,797.41
Loss Before Other Revenues, Expenses and Transfers	\$ (125,856.17)
OTHER REVENUES, EXPENSES AND TRANSFERS	
Capital Contributions	\$ 11,492,191.00
Capital Appropriations (HEF)	2,113,004.00
Interagency Transfers of Capital Assets-Increase	23,197,884.21
Transfers From Other State Agencies	14,122.00
Legislative Transfers In	24,028.00
Legislative Transfers Out	(7,827,584.00)
Legislative Appropriation Lapses	(208,563.00)
Transfers From Other Components	10,474,527.78
Transfers To Other Components	(5,623,421.69)
Total Other Revenues, Expenses and Transfers	\$ 33,656,188.30
CHANGE IN NET POSITION	\$ 33,530,332.13
Beginning Net Position	\$ 169,990,160.75
ENDING NET POSITION	\$ 203,520,492.88

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

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
 Matrix of Operating Expenses Reported by Function
 For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services	Institutional Support	Operation and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenditures
Salaries and Wages	\$ 13,288,347.06	\$ 36,932.30	\$ 841,975.84	\$ 2,987,994.74	\$ 5,004,531.97	\$ 4,110,712.95	\$ 1,917,822.80	\$ 125,814.82	\$ 317,258.31	\$ -	\$ 28,631,390.79
Payroll Related Costs	3,225,562.79	4,844.66	199,969.08	701,849.55	1,408,989.39	672,062.66	636,829.00	-	81,253.09	-	6,931,360.22
Professional Fees and Services	176,037.72	-	298,957.14	187,514.55	728,652.72	523,592.36	538,248.33	-	39,589.83	-	2,492,592.65
Travel	84,267.32	-	28,443.05	34,651.04	74,758.50	59,531.56	6,546.21	-	15,922.82	-	304,120.50
Materials and Supplies	123,893.26	-	78,113.47	479,827.38	365,971.11	410,269.09	899,963.85	-	231,610.42	-	2,589,648.58
Communications and Utilities	59.50	-	1,547.64	69,232.72	7,971.43	140,226.94	700,863.94	-	29,931.20	-	949,833.37
Repairs and Maintenance	45,495.83	-	24,386.04	11,060.44	21,504.33	17,184.37	2,969,473.09	-	117,606.29	-	3,206,710.39
Rentals and Leases	41,850.33	-	6,805.32	187,843.79	126,853.32	24,532.19	48,969.49	-	28,991.19	-	465,845.63
Printing and Reproduction	9,186.91	-	14,912.02	27,830.45	65,534.55	136,177.45	11,436.81	-	7,523.96	-	272,602.15
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	12,204,019.44	12,204,019.44
Scholarships	221,592.99	-	18,034.78	-	-	-	-	14,020,338.72	-	-	14,259,966.49
Other Operating Expenses	463,438.60	-	80,354.80	115,296.02	295,387.85	152,839.45	33,430.84	-	314,102.32	-	1,454,849.88
Total Operating Expenses	\$ 17,679,732.31	\$ 41,776.96	\$ 1,593,499.18	\$ 4,803,100.68	\$ 8,100,155.17	\$ 6,247,129.02	\$ 7,763,584.36	\$ 14,146,153.54	\$ 1,183,789.43	\$ 12,204,019.44	\$ 73,762,940.09

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2020

	August 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Customers	\$ 299,139.21
Proceeds from Tuition and Fees	27,344,529.37
Proceeds from Research Grants and Contracts	7,696,858.19
Proceeds from Loan Programs	15,922.32
Proceeds from Auxiliaries	995,808.27
Proceeds from Other Revenues	450,563.57
Payments to Suppliers for Goods and Services	(12,082,516.88)
Payments to Employees	(34,370,392.38)
Payments for Other Expenses	(17,800,965.02)
Net Cash Used by Operating Activities	\$ (27,451,053.35)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from State Appropriations	\$ 25,019,443.26
Proceeds from Gifts	1,081,185.01
Proceeds from Transfers from Other Agencies	14,122.00
Proceeds from Transfers from Other Components	10,474,527.78
Proceeds from Legislative Transfers	24,028.00
Proceeds from Grant Receipts	8,854,100.04
Payments for Legislative Transfers	(7,827,584.00)
Payments for Transfers to Other Components	(16,792,588.67)
Payments for Legislative Appropriation Lapses	(208,563.00)
Payments for Other Uses	(56,930.35)
Net Cash Provided by Noncapital Financing Activities	\$ 20,581,740.07
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from Sale of Capital Assets	\$ 10,917,581.45
Proceeds from State Appropriations	2,113,004.00
Payments for Additions to Capital Assets	(5,460,822.51)
Payments for Transfers to Other Components for Debt Issuance	(70,484.68)
Net Cash Provided by Capital and Related Financing Activities	\$ 7,499,278.26
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	\$ 33,282,187.51
Proceeds from Interest and Investment Income	337,113.07
Payments to Acquire Investments	(33,155,000.00)
Net Cash Provided by Investing Activities	\$ 464,300.58
Net Increase in Cash and Cash Equivalents	\$ 1,094,265.56
Cash and Cash Equivalents, September 1, 2019	\$ 16,605,972.18
Cash and Cash Equivalents, August 31, 2020	\$ 17,700,237.74

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Statement of Cash Flows
For the Year Ended August 31, 2020

	August 31, 2020
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED)	
BY OPERATING ACTIVITIES	
Operating Loss	\$ (39,236,653.58)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used)	
by Operating Activities:	
Depreciation and Amortization Expense	\$ 12,204,019.44
Employee Benefits Paid by State	2,280,737.17
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	1,232,268.06
(Increase) Decrease in Prepaid Expenses	270,422.41
(Increase) Decrease in Loans and Contracts	15,922.32
Increase (Decrease) in Payables	(2,541,922.28)
Increase (Decrease) in Unearned Revenue	(1,997,793.91)
Increase (Decrease) in Compensated Absence Liability	272,694.24
Increase (Decrease) in Other Liabilities	49,252.78
Total Adjustments	<u>\$ 11,785,600.23</u>
Net Cash Used by Operating Activities	<u>\$ (27,451,053.35)</u>
NON-CASH TRANSACTIONS	
Net Change in Fair Value of Investments	\$ 389,265.40
Donation of Capital Assets	11,492,191.00
Gain on Sale of Capital Assets	309,376.91
Capital Assets Acquired with Payables	1,983,828.19
Interagency Transfer of Capital Assets	23,197,884.21

UNAUDITED

University of North Texas at Dallas (773)
 Schedule 1A - Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended August 31, 2020

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	NSE Name/Identifying Number	Agy/Univ No	Pass-Through From Agencies or Universities Amount	Pass-Through From Non-State Entities Amount	Direct Program Amount	Total PT From and Direct Prog. Amount	Agy/Univ No.	Pass-Through To Agencies or Universities Amount	Pass-Through To Non-State Entities Amount	Expenditures Amount	Total PT To and Expenditures Amount
U.S. Department of Education												
<u>Direct Programs:</u>												
COVID-19 - U.S. Department of Education	84.000	P425E200174				627,621.37	627,621.37				627,621.37	627,621.37
Higher Education Institutional Aid	84.031					178,044.74	178,044.74				178,044.74	178,044.74
English Language Acquisition State Grants	84.365					427,573.69	427,573.69				427,573.69	427,573.69
Totals - U.S. Department of Education				-	-	1,233,239.80	1,233,239.80		-	-	1,233,239.80	1,233,239.80
U.S. Department of Health and Human Services												
<u>Direct Programs:</u>												
Substance Abuse and Mental Health Services Projects of	93.243					97,129.69	97,129.69				97,129.69	97,129.69
Totals - U.S. Department of Health and Human Services				-	-	97,129.69	97,129.69		-	-	97,129.69	97,129.69
Student Financial Assistance Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
Federal Supplemental Educational Opportunity Grants	84.007					136,200.44	136,200.44				136,200.44	136,200.44
Federal Work-Study Program	84.033					108,914.60	108,914.60				108,914.60	108,914.60
Federal Pell Grant Program	84.063					8,239,063.57	8,239,063.57				8,239,063.57	8,239,063.57
Federal Direct Student Loans	84.268					18,777,195.00	18,777,195.00				18,777,195.00	18,777,195.00
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379					23,686.70	23,686.70				23,686.70	23,686.70
Totals - U.S. Department of Education				-	-	27,285,060.31	27,285,060.31		-	-	27,285,060.31	27,285,060.31
TRIO Cluster												
U.S. Department of Education												
<u>Direct Programs:</u>												
TRIO Upward Bound	84.047					314,668.95	314,668.95				314,668.95	314,668.95
TRIO McNair Post-Baccalaureate Achievement	84.217					258,856.82	258,856.82				258,856.82	258,856.82
Totals - U.S. Department of Education				-	-	573,525.77	573,525.77		-	-	573,525.77	573,525.77
Total Expenditures of Federal Awards				-	-	29,188,955.57	29,188,955.57		-	-	29,188,955.57	29,188,955.57

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Notes to Schedule 1A - Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2020

Note 1: Nonmonetary Assistance

N/A

Note 2: Reconciliation

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

Federal Revenues - per Statement of Revenues, Expenses, and Changes in Net Assets	
Federal Grants and Contracts - Operating	\$ 1,557,660.53
Federal Grants and Contracts - Nonoperating	8,854,100.04
Federal Pass-Through Grants from Other State Agencies/Universities - Operating	-
Federal Pass-Through Grants from Other State Agencies/Universities - Nonoperating	-
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Assets	<u>\$ 10,411,760.57</u>
Total Pass Through and Expenditures per Federal Schedule	<u>\$ 10,411,760.57</u>

Note 3a: Student Loans Processed & Administrative Costs Recovered

Federal Grantor/ CFDA Number/ Program Name	New Loans Processed	Admin Costs Recovered	Processed & Admin Costs Recovered	Outstanding Balance of Loans as of 8/31/2020
<i>Department of Education</i>				
84.268 Federal Direct Student Loans	\$ 18,777,195.00	\$ -	\$ 18,777,195.00	\$ -
<i>Total Department of Education</i>	<u>\$ 18,777,195.00</u>	<u>\$ -</u>	<u>\$ 18,777,195.00</u>	<u>\$ -</u>

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

N/A

Note 4: Depository Libraries for Government Publications

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

Note 5: Unemployment Insurance Funds

N/A (Agency 320 only)

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

N/A (Agency 537 only)

Note 7: Federal Deferred Income

N/A

Note 8: Disaster Grants - Public Assistance

N/A

Note 9: Economic Adjustment Assistance

N/A

Note 10: 10% de Minimis Indirect Cost Rate

N/A

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies
For the Year Ended August 31, 2020

Pass-Through From: State Agencies
To University of North Texas at Dallas (773)

Governor Fiscal (Agency 300)	
National Incident Based Reporting System – GR Fund 0001	\$ 24,559.00
Texas Higher Education Coordinating Board (Agency 781)	
TEXAS Grant Program	2,848,097.00
College Readiness Initiative	(10,223.86)
Work Study Mentorship Program	23,559.00
Bilingual Education Program	107,142.00
Education Aide Program	12,195.00
(Statement of Revenues, Expenses, and Changes in Net Assets)	<u><u>\$ 3,005,328.14</u></u>

UNAUDITED

UNIVERSITY OF NORTH TEXAS AT DALLAS (773)
Schedule 3 - Reconciliation of Cash in State Treasury
For the Year Ended August 31, 2020

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0292	\$ 4,400,686.77	\$ 4,400,686.77
Total Cash in State Treasury (Statement of Net Position)	<u>\$ 4,400,686.77</u>	<u>\$ 4,400,686.77</u>