

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY

ANNUAL FINANCIAL REPORT

UNAUDITED

FISCAL YEAR ENDED AUGUST 31, 2024



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 ♦ Stephen F. Austin State University ♦ 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 Health Science Center at San Antonio ♦ The University of Texas M. D.
Anderson Cancer Center ♦ The University of Texas System Administration

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY
FINANCIAL STATEMENTS

Presented herein are the financial statements for The University of Texas Rio Grande Valley for the year ended August 31, 2024. These Statements have been prepared in compliance with applicable State statutes, Governmental Accounting Standards Board pronouncements, and the Texas Comptroller of Public Accounts' Annual Financial Reporting Requirements.

This "internal report" supplements the consolidated published Annual Financial Report of The University of Texas System and is intended to be for limited distribution primarily to financial and academic officers of the University who need access to the details included herein. It also provides an historical record of transactions relating to this particular institution.

The Annual Financial Report for public distribution for The University of Texas System includes primary statements on a consolidated System-wide basis, including footnotes and Managements' Discussion and Analysis.

The University of Texas System Board of Regents

Executive Administrative Officials, The University of Texas System

Principal Administrative Officers and the Business & Financial Staff,
The University of Texas Rio Grande Valley

At August 31, 2024

Officers

Kevin P. Eltife, Chairman

Janiece Longoria, Vice Chairman

James C. "Rad" Weaver, Vice Chairman

Stacey Napier, General Counsel to the Board of Regents

Members

Term Expiration *

Christina Melton Crain	February 1, 2025	Dallas
Jodie Lee Jiles	February 1, 2025	Houston
Kelcy L. Warren	February 1, 2025	Dallas
Kevin P. Eltife	February 1, 2027	Tyler
Nolan Perez	February 1, 2027	Harlingen
Stuart W. Stedman	February 1, 2027	Houston
Janiece Longoria	February 1, 2029	Houston
James C. "Rad" Weaver	February 1, 2029	San Antonio
Robert P. Gauntt	February 1, 2029	Austin
Anthony John Dragun (Student Regent)	May 1, 2025	Dallas

* 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.

The University of Texas System Executive Administrative Officials

James B. Milliken	Chancellor
Jonathan C. Pruitt	Executive Vice Chancellor for Business Affairs
Archie L. Holmes, Jr.	Executive Vice Chancellor for Academic Affairs
John M. Zerwas	Executive 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. Sharporn	Vice Chancellor and General Counsel
Thomas Britton "Britt" Harris IV	President and Chief Executive Officer—UTIMCO
Rich Hall	Chief Investment Officer—UTIMCO

The University of Texas Rio Grande Valley

Guy Bailey	President
Luis H. Zayas	Provost and Senior Vice President for Academic Affairs
Michael Mueller	Executive Vice President for Finance and Business Affairs, Chief Financial Officer
Michael B. Hocker	Dean, School of Medicine and Senior Vice President for UT Health Rio Grande Valley
Javier La Fontaine	Dean, School of Podiatric Medicine
Can (John) Saygin	Senior Vice President for Research and Dean, Graduate College
Kelly Nassour	Executive Vice President for Institutional Advancement
Maggie Hinojosa	Senior Vice President for Strategic Enrollment and Student Affairs
Veronica Gonzales	Senior Vice President for Governmental and Community Relations
Patrick Gonzales	Vice President for University Marketing and Communications
Chasse Conque	Vice President and Director of Athletics
Samantha Allen	Chief of Staff

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The University of Texas Rio Grande Valley
Exhibit A Statement of Net Position
As of August 31, 2024

	Current Year Totals	Prior Year Totals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	\$ 145,617,893.38	\$ 114,374,250.17
Restricted Cash & Cash Equivalents	(32,858,846.77)	(16,094,029.96)
Balance in State Appropriations	19,842,371.12	11,028,145.77
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2024 & \$0.00 in 2023)	40,300,783.71	32,139,174.75
Other Intergov. (allow. \$0.00 in 2024 & \$0.00 in 2023)	6,062,395.11	6,470,069.15
Student (allow. \$11,613,542.87 in 2024 & \$9,623,558.43 in 2023)	23,383,621.77	13,245,148.54
Patient & Healthcare(allow. \$1,251,988.39 in 2024 & \$1,575,327.45 in 2023)	4,847,070.06	3,675,764.06
Interest and dividends	532,005.75	583,194.97
Contributions (allow. \$19,988.57 in 2024 & \$41,730.70 in 2023)	2,761,307.77	6,158,756.84
Other (allow. \$239,321.71 in 2024 & \$153,420.71 in 2023)	35,656,646.85	28,166,437.70
Lease Receivable (Current)	53,230.29	52,029.95
P3 Receivable (Current)	1,356,555.55	5,156.66
Due From System Administration	16,913,417.49	62,522,408.27
Due From Other Institutions	1,122,387.89	1,022,804.50
Due From Other Agencies	10,629,202.99	11,562,013.60
Inventories	201,390.09	180,173.48
Loans & Contracts (allow. \$15,574,916.38 in 2024 & \$15,068,974.69 in 2023)	11,622,489.98	10,479,437.67
Other Current Assets	2,813,479.25	592,240.83
Total Current Assets	290,857,402.28	286,163,176.95
Noncurrent Assets:		
Restricted Investments	6,259,460.90	6,259,460.90
Loans & Contracts (allow. \$207,914.80 in 2024 & \$279,757.27 in 2023)	51,205.01	69,165.62
Funds Held by System Administration (Restricted)	84,566,652.57	72,172,804.57
Contributions Rec. (allow. \$31,124.93 in 2024 & \$173,796.02 in 2023)	15,894,110.32	3,299,619.61
Unrestricted Investments	200,803,971.01	217,511,719.91
Funds Held by System Administration (Unrestricted)	65,244,125.25	62,088,265.26
Lease Receivable (Noncurrent)	110,172.97	163,403.26
Other Noncurrent Assets	4,464,078.60	775,868.76
P3 Receivable	15,391,516.69	7,230,594.19
Gross Capital/Intangible Assets	1,643,711,299.26	1,435,091,685.72
Accumulated Depreciation/Amortization	(778,957,675.03)	(722,171,744.00)
Total Noncurrent Assets	1,257,538,917.55	1,082,490,843.80
Total Assets	1,548,396,319.83	1,368,654,020.75
Total Assets and Deferred Outflows	1,548,396,319.83	1,368,654,020.75
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	40,050,898.54	32,605,505.72
Salaries Payable	26,480,754.31	25,865,909.33
Other Intergovernmental Payables	816,559.32	487,579.32
Due To System Administration	5,528,086.13	5,087,879.73
Due To Other Institutions	220,892.89	147,709.39
Due To Other State Agencies	655,435.59	650,277.38
Unearned Revenue	119,162,869.12	116,938,897.12
Employees' Compensable Leave (Current)	7,678,108.58	6,655,430.36
Notes, Loans, and Leases Payable (Current)	8,329,067.35	7,575,249.49
Other Current Liabilities	3,442,221.51	3,297,187.12
Total Current Liabilities	212,364,893.34	199,311,624.96
Noncurrent Liabilities:		
Employees' Compensable Leave (Noncurrent)	8,728,842.45	8,376,969.55
Liability to Beneficiaries	127,256.50	122,015.57
Notes, Loans, and Leases Payable (Noncurrent)	22,289,216.48	24,974,748.48
Other Noncurrent Liabilities	211,960.80	223,722.88
Total Noncurrent Liabilities	31,357,276.23	33,697,456.48
Total Liabilities	243,722,169.57	233,009,081.44
Total Deferred Inflows of Resources	57,878,824.34	14,539,372.72
Total Liabilities and Deferred Inflows	301,600,993.91	247,548,454.16
NET POSITION		
Net Investment in Capital Assets	834,135,340.40	680,369,943.75
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	59,746,959.20	50,722,515.78
Expendable		
Capital Projects	(9,071,831.73)	46,807,642.06
Funds Functioning as Endowment (Restricted)	2,206,302.76	2,103,467.50
Other Expendable	46,879,810.24	46,752,704.79
Unrestricted	312,898,745.05	294,349,292.71
Total Net Position	\$ 1,246,795,325.92	\$ 1,121,105,566.59

The University of Texas Rio Grande Valley
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2024

	Current Year Totals	Prior Year Totals
Operating Revenues:		
Student Tuition and Fees	\$ 309,857,421.36	\$ 288,829,632.33
Discounts and Allowances	(181,324,623.69)	(174,378,003.80)
Federal Sponsored Programs	63,183,896.53	54,144,865.79
Federal Sponsored Programs Pass-Through from State Agencies	8,272,429.36	10,446,151.30
State Sponsored Programs Pass-Through from State Agencies	59,968,288.21	59,077,759.35
Local Sponsored Programs	18,224,277.60	19,521,949.26
Private Sponsored Programs	8,315,328.35	23,137,515.88
Sales and Services of Educational Activities	10,572,692.41	12,896,908.76
Professional Fees (Patient Charges)	42,106,280.78	48,380,484.70
Discounts and Allowances Professional Fees (Patient Charges)	(26,775,285.57)	(30,940,513.20)
Auxiliary Enterprises	10,545,543.88	11,159,978.73
Discounts and Allowances Auxiliary Enterprises	(408,102.36)	(257,485.34)
Other Operating Revenues	18,708,370.97	17,198,727.89
Total Operating Revenues	<u>341,246,517.83</u>	<u>339,217,971.65</u>
Operating Expenses:		
Instruction	208,218,972.20	212,989,670.50
Research	72,842,701.51	60,167,164.68
Public Service	14,212,384.73	17,556,216.72
Hospitals / Clinics	36,414,877.26	35,677,093.06
Academic Support	83,752,441.14	78,352,787.05
Student Services	33,863,858.21	35,470,880.79
Institutional Support	41,025,669.97	40,116,780.02
Operations and Maintenance of Plant	44,517,425.13	43,038,808.11
Scholarships and Fellowships	52,660,470.82	59,025,099.96
Auxiliary Enterprises	39,796,669.40	36,263,593.32
Depreciation and Amortization	64,983,875.82	61,898,224.54
Total Operating Expenses	<u>692,289,346.19</u>	<u>680,556,318.75</u>
Operating Income (Loss)	<u>(351,042,828.36)</u>	<u>(341,338,347.10)</u>
Nonoperating Revenues (Expenses):		
State Appropriations	201,819,022.54	174,626,186.67
Federal Nonexchange Sponsored Programs	117,223,866.76	104,590,049.97
Federal Nonexchange Pass-Through	41,306.94	6,255,624.06
Gift Contributions for Operations	3,634,483.80	6,908,800.20
Investment Income	24,201,674.42	17,125,027.84
Net Increase (Decrease) in Fair Value of Investments	20,638,329.37	1,851,657.19
Interest Expense on Capital Asset Financings	(537,593.90)	(353,132.33)
Gain (Loss) on Sale of Capital Assets	289,048.65	(85,374.98)
Other Nonoperating Revenues	508,218.25	1,385,499.62
Other Nonoperating (Expenses)	(1,282,279.29)	(749,542.49)
Net Nonoperating Revenues (Expenses)	<u>366,536,077.54</u>	<u>311,554,795.75</u>
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	15,493,249.18	(29,783,551.35)
Gifts and Sponsored Programs for Capital Acquisitions	15,604,183.29	1,079,461.86
Additions to Permanent Endowments	7,077,973.29	5,484,681.91
Reclass from/(to) Other Institutions	(82,259,107.54)	(52,679,543.56)
Capital Asset Purchases		
Transactions Between Funds		
Transfers Between Institutions & System, Debt Service - Mandatory	(30,075,317.94)	(24,601,842.62)
Transfers Between Institutions & System Admin. - Non mandatory	195,158,210.80	160,174,934.28
Transfers From Other State Agencies	4,692,123.64	4,599,053.05
Transfers to Other State Agencies	(1,555.39)	(8,486.41)
Legislative Appropriations Lapsed		
Transfers Between Funds		
Change in Net Position	<u>125,689,759.33</u>	<u>64,264,707.16</u>
Beginning Net Position	1,121,105,566.59	1,056,840,859.43
Ending Net Position	<u>\$ 1,246,795,325.92</u>	<u>\$ 1,121,105,566.59</u>

The University of Texas Rio Grande Valley
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2024

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	\$ 131,351,610.97	\$ 125,757,451.73
Proceeds from Patients and Customers	14,159,689.21	20,448,375.13
Proceeds from Sponsored Programs	141,960,364.07	158,075,550.88
Proceeds from Auxiliaries	13,171,546.06	9,947,809.22
Proceeds from Other Revenues	55,087,817.58	19,461,395.62
Payments to Suppliers	(173,946,694.72)	(184,399,712.41)
Payments to Employees	(451,203,633.28)	(439,387,827.29)
Payments for Loans Provided	(14,239,928.66)	(13,656,347.30)
Proceeds from Loan Programs	13,202,562.39	13,115,415.04
Net Cash Provided (Used) by Operating Activities	<u>(270,456,666.38)</u>	<u>(290,637,889.38)</u>
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	193,004,797.19	176,919,422.23
Proceeds from Operating Gifts	8,806,431.01	7,082,795.61
Proceeds from Private Gifts for Endowment Purposes	7,077,973.29	5,484,681.91
Proceeds from Other Noncapital Financing Activities	77,722,281.45	75,075,295.61
Receipts for Transfers from System or Other Agencies	11,859,689.28	15,090,287.49
Payments for Transfers to System or Other Agencies	(686,493.39)	(10,604.02)
Payments for Other Uses	(80,502,205.39)	(75,599,881.36)
Proceeds from Nonexchange Sponsored Programs	117,265,173.70	110,845,674.03
Net Cash Provided by Noncapital Financing Activities	<u>334,547,647.14</u>	<u>314,887,671.50</u>
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	152,041,988.53	48,496,042.74
Proceeds from Capital Appropriations, Grants, and Gifts	1,000,000.00	1,001,207.58
Proceeds from Sale of Capital Assets	429,026.38	15,025.42
Payments for Additions to Capital Assets	(209,463,785.23)	(76,091,723.94)
Payments of Principal on Capital Related Debt and Other L-T Obligations	(9,070,888.63)	(8,078,932.88)
Mandatory Transfers to System for Capital Related Debt	(30,075,317.94)	(24,601,842.62)
Payments of Interest on Capital Related Debt and Other L-T Obligations	(537,593.90)	(353,132.33)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(95,676,570.79)</u>	<u>(59,613,356.03)</u>
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	21,828,074.92	11,185,576.98
Proceeds from Interest and Investment Income	3,329,584.58	3,641,473.94
Proceeds from Interest and Investment Income Invested by System	20,906,756.93	13,521,716.84
Payments to Acquire Investments Invested by System	-	-
Net Cash Provided (Used) by Investing Activities	<u>46,064,416.43</u>	<u>28,348,767.76</u>
Net Increase (Decrease) in Cash	14,478,826.40	(7,014,806.15)
Cash and Cash Equivalents (Beginning of the Year)	98,280,220.21	105,295,026.36
Cash and Cash Equivalents (End of the Year)	<u>\$ 112,759,046.61</u>	<u>\$ 98,280,220.21</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(351,042,828.36)	(341,338,347.10)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	64,983,875.82	61,898,224.54
Bad Debt Expense	(87,725.43)	(188,644.66)
Changes in Assets and Liabilities:		
Accounts Receivable	(24,191,021.28)	(4,735,677.32)
Lessor-Related Balances	(1,851.70)	88,341.31
P3 Related Balances	30,142,814.17	(913,342.71)
Inventories	(21,216.61)	14,312.93
Loans and Contracts	(1,037,366.27)	(540,932.26)
Other Current and Noncurrent Assets	(2,197,714.26)	(370,112.17)
Accounts Payable	8,824,365.71	(10,989,468.97)
Due to System	440,206.40	313,730.01
Unearned Revenue	2,223,972.00	4,235,159.89
Employees' Compensable Leave	1,374,551.12	567,890.00
Other Current and Noncurrent Liabilities	133,272.31	1,320,977.13
Total Adjustments	<u>80,586,161.98</u>	<u>50,700,457.72</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (270,456,666.38)</u>	<u>\$ (290,637,889.38)</u>
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	20,638,329.37	1,851,657.19
Donated Capital Assets	235,194.44	78,254.28
Capital Assets Acquired/Adjusted Under Lease Purchases or Direct Borrowings	7,169,763.49	8,969,981.28
Miscellaneous Noncash Transactions	289,048.65	(93,133.37)