

**FINANCIAL REPORT**

**of the**

**UNIVERSITY OF NORTH TEXAS  
HEALTH SCIENCE CENTER**

**FORT WORTH, TEXAS**

**Scott Ransom, DO, MBA, MPH, President**

**For the year ended August 31, 2008**



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UNIVERSITY of NORTH TEXAS  
HEALTH SCIENCE CENTER *at Fort Worth*

★  
Education, Research,  
Patient Care *and* Service

November 20, 2008

Scott Ransom DO, MBA, MPH  
President  
University of North Texas Health Science Center at Fort Worth  
Fort Worth, Texas 76107

Dear Dr. Ransom:

We are pleased to submit the Annual Financial Report of the University of North Texas Health Science Center at Fort Worth for the year ended August 31, 2008, in compliance with TEX. GOV'T CODE ANN §2101.011 and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basis Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the 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; 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 Dudley Craig at 817-735-2255. Dudley Craig may also be contacted for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

A handwritten signature in black ink, appearing to read "S. R. Russell".

Steve R. Russell  
Executive Vice President

A handwritten signature in black ink, appearing to read "Stephen Oeffner".

Stephen Oeffner  
Associate Vice President



**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER**

**ORGANIZATIONAL DATA**

**August 31, 2008**

**BOARD OF REGENTS**

Gwyn Shea.....(Term expires 5-22-13).....Irving  
Jack A. Wall.....(Term expires 5-22-13)..... Dallas  
Don A. Buchholz .....(Term expires 5-22-13)..... Dallas

Rice Tilley ..... (Term expires 5-22-09).....Fort Worth  
Gayle Strange.....(Term expires 5-22-09).....Denton  
Robert A. Nickell.....(Term expires 5-22-09)..... Dallas

Charles Mitchell.....(Term expires 5-22-11).....Mesquite  
C. Dan Smith .....(Term expires 5-22-11)..... Plano  
Al Silva .....(Term expires 5-22-11)..... San Antonio

**OFFICERS OF THE BOARD**

Don A. Buchholz .....Chairman  
Gayle Strange..... Vice Chairman  
Jana Dean..... Secretary

**ADMINISTRATIVE OFFICERS**

Lee Jackson..... Chancellor  
Scott Ransom .....President  
Steve R. Russell.....Executive Vice President, Finance and Administration

**UNAUDITED**

**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Statement of Net Assets**  
**For the Year Ended August 31, 2008**

	<b>August 31, 2008</b>	<b>August 31, 2007</b>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents		
Cash on Hand	\$ 21,401.39	\$ 19,045.83
Cash in Bank	(860,296.62)	(684,228.41)
Reimbursement Due from Treasury	426,946.95	91,472.14
Cash in State Treasury	3,205,553.68	3,502,763.75
Cash Equivalents	41,960,491.18	44,453,766.70
Short Term Investments	-	-
Restricted:		
Cash and Cash Equivalents		
Cash on Hand	500.00	-
Cash in Bank	527,361.40	(120,384.15)
Cash in State Treasury	-	-
Cash Equivalents	12,091,663.94	4,888,041.23
Short Term Investments	-	-
Legislative Appropriations	12,028,775.77	10,960,766.23
Receivables from:		
Federal	4,312,059.90	2,986,821.94
Other Intergovernmental	74,114.95	2,694.17
Interest and Dividends	-	-
Accounts Receivable	11,315,909.40	15,417,314.43
Gifts Receivable	1,774,500.00	867,898.06
Other Receivables	-	-
Due From Other Agencies	4,092,438.38	2,850,754.07
Due From Other Components	72,264.55	-
Consumable Inventories	314,860.98	393,141.55
Merchandise Inventories	21,803.87	21,803.87
Loans and Contracts	453,331.12	459,245.31
Other Current Assets	11,721.31	64,144.20
Total Current Assets	91,845,402.15	86,175,060.92
Non-Current Assets		
Restricted:		
Cash and Cash Equivalents		
Cash in Bank	-	-
Cash in State Treasury	-	-
Cash Equivalents	-	-
Investments	31,421,733.35	35,194,373.79
Loans and Contracts	4,023,784.26	4,223,508.23
Investments	-	-
Gift Receivables	-	-
Capital Assets:		
Non-Depreciable		
Land and Land Improvements	23,728,390.72	23,459,146.83
Construction in Progress	1,732,993.95	-
Other Capital Assets	170,077.23	169,851.28
Depreciable		
Buildings and Building Improvements	112,992,322.10	107,653,609.28
Less Accumulated Depreciation	(51,295,410.42)	(47,185,400.23)
Infrastructure	-	-
Less Accumulated Depreciation	-	-



**UNAUDITED**

	<b>August 31, 2008</b>	<b>August 31, 2007</b>
Facilities and Other Improvement	1,322,255.64	1,322,255.64
Less Accumulated Depreciation	(793,549.74)	(726,536.58)
Furniture and Equipment	29,900,132.91	28,034,536.15
Less Accumulated Depreciation	(17,415,715.45)	(16,600,470.70)
Vehicles, Boats and Aircraft	525,684.01	564,965.01
Less Accumulated Depreciation	(389,000.04)	(417,841.73)
Other Capital Assets	16,960,428.42	16,048,770.53
Less Accumulated Depreciation	(11,223,247.57)	(10,555,205.42)
Other Non-Current Assets	-	-
<b>Total Non-Current Assets</b>	<b>141,660,879.37</b>	<b>141,185,562.08</b>
<b>Total Assets</b>	<b>\$ 233,506,281.52</b>	<b>\$ 227,360,623.00</b>
<b>LIABILITIES</b>		
Current Liabilities		
Payables From:		
Accounts Payable	\$ 4,223,414.77	\$ 2,901,419.03
Payroll Payable	9,318,451.57	7,998,522.12
Other Payables	733,058.14	773,325.37
Due to Other Funds	-	-
Due to Other Agencies	-	-
Due to Other Components	-	1,027,935.29
Deferred Revenues	6,361,625.22	6,207,451.29
Notes and Loans Payable	-	-
Revenue Bonds Payable	2,590,000.00	2,485,000.00
Employees Compensable Leave	784,545.43	529,841.79
Capital Lease Obligations	-	179,656.32
Liabilities Paid from Restricted Assets	-	-
Funds Held for Others	13,924,479.49	12,599,061.52
Other Current Liabilities	-	-
<b>Total Current Liabilities</b>	<b>37,935,574.62</b>	<b>34,702,212.73</b>
Non-Current Liabilities		
Notes and Loans Payable	-	-
Contra Liability-Due From Other Components-CP	16,075,000.00	18,550,000.00
Revenue Bonds Payable	37,320,000.00	39,910,000.00
Employee's Compensable Leave	6,368,359.69	6,217,531.62
Capital Lease Obligations	-	441,247.57
Funds Held for Others	-	-
Other Non-Current Liabilities	13,578.85	13,578.85
<b>Total Non-Current Liabilities</b>	<b>59,776,938.54</b>	<b>65,132,358.04</b>
<b>Total Liabilities</b>	<b>97,712,513.16</b>	<b>99,834,570.77</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	50,442,977.87	40,414,392.28
Restricted for:		
Debt Retirement	19,091.31	-
Capital Projects	-	-
Employee Benefits	-	-
Funds Held as Permanent Investments		
Non-Expendable	28,601,134.08	31,594,235.33
Expendable	-	-
Other Restricted	13,142,309.81	11,295,394.71
Unrestricted	43,588,255.29	44,222,029.91
<b>Total Net Assets</b>	<b>135,793,768.36</b>	<b>127,526,052.23</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 233,506,281.52</b>	<b>\$ 227,360,623.00</b>

**UNAUDITED**

**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**For the Fiscal Year Ended August 31, 2008**

	<b>August 31, 2008</b>	<b>August 31, 2007</b>
<b>OPERATING REVENUES</b>		
Sales of Goods and Services:		
Tuition and Fees - Non-Pledged	\$ 10,621,465.63	\$ 9,976,046.06
Tuition and Fees - Pledged	-	-
Discounts and Allowances	(361,255.84)	(238,102.00)
Professional Fees - Non-Pledged	79,625,226.54	74,249,456.13
Professional Fees - Pledged	-	-
Discounts and Allowances	-	(67,496.00)
Auxiliary Enterprises - Non-Pledged	-	-
Auxiliary Enterprises - Pledged	-	-
Discounts and Allowances	-	-
Other Sales of Goods and Services - Non-Pledged	2,632,460.12	2,154,310.76
Other Sales of Goods and Services - Pledged	-	-
Discounts and Allowances	-	-
Federal Revenue - Operating	20,466,173.75	19,557,088.89
Federal Pass Through Revenue	168,579.90	30,238.18
State Grant Revenue	95,729.21	56,067.83
State Grant Pass Through Revenue	2,342,349.34	1,699,062.75
Other Grants and Contracts - Operating	3,348,856.34	3,357,022.55
Other Operating Revenues	65,607.74	43,057.14
<b>Total Operating Revenues</b>	<b>119,005,192.73</b>	<b>110,816,752.29</b>
<b>OPERATING EXPENSES <sup>(1)</sup></b>		
Instruction	28,442,012.49	25,787,993.47
Research	24,939,145.53	22,740,418.09
Public Service	4,365,759.41	3,324,662.03
Academic Support	86,444,786.90	72,466,983.42
Student Services	2,379,271.54	2,100,370.24
Institutional Support	19,167,924.49	16,122,137.75
Operations and Maintenance of Plant	8,426,828.96	7,647,989.62
Scholarships and Fellowships	832,357.25	642,148.73
Auxiliary Enterprises	272,008.30	316,188.95
Depreciation	7,221,109.37	6,905,536.76
<b>Total Operating Expenses</b>	<b>182,491,204.24</b>	<b>158,054,429.06</b>
<b>Operating Income/(Loss)</b>	<b>(63,486,011.51)</b>	<b>(47,237,676.77)</b>

**UNAUDITED**

	<b>August 31, 2008</b>	<b>August 31, 2007</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Legislative Appropriations (GR)	56,385,726.00	48,461,018.00
Additional Appropriations (GR)	8,849,328.92	7,724,658.33
State Grant Pass Through Revenue	-	-
Gifts	105,500.00	124,855.00
Investment Income	4,171,953.73	4,287,379.00
Loan Premium/Fees on Securities Lending	-	-
Investing Activities Expense	-	-
Interest Expense and Fiscal Charges	(2,009,817.02)	(2,131,005.78)
Borrower Rebates and Agent Fees	-	-
Gain/(Loss) on Sale of Capital Assets	(148,394.91)	(465,630.94)
Net Increase (Decrease) in Fair Value of Investments	(2,993,450.25)	2,767,664.49
Settlement of Claims	(455,679.50)	(199,965.18)
Other Nonoperating Revenues - Non-Pledged	-	9,291.63
Other Nonoperating Revenues - Pledged	-	-
Other Nonoperating Expenses	(40,308.90)	(37,673.89)
<b>Total Nonoperating Revenues /(Expenses)</b>	<b>63,864,858.07</b>	<b>60,540,590.66</b>
<b>Income/(Loss) before Other Revenues, Expenses, Gains, Losses and Transfers</b>	<b>378,846.56</b>	<b>13,302,913.89</b>
<b>OTHER REVENUES, EXPENSES, GAINS LOSSES AND TRANSFERS</b>		
Capital Contributions	1,810,677.10	1,892,868.91
Capital Appropriations - HEAF (GR)	8,139,391.00	5,426,261.00
Contributions to Permanent and Term Endowments	-	-
Special Items	-	-
Extraordinary Items	-	-
Interagency Transfers Cap Assets-Increase	42,341.89	-
Interagency Transfers Cap Assets-Decrease	(533,128.73)	(555,051.95)
Transfers-In	-	-
Transfers-Out	726,548.53	(1,494,465.73)
Legislative Transfers-In	-	-
Legislative Transfers-Out	(2,292,115.74)	-
Legislative Appropriation Lapses	(4,844.48)	(1,815.79)
<b>Total Other Revenue, Expenses, Gain/Losses and Transfers</b>	<b>7,888,869.57</b>	<b>5,267,796.44</b>
<b>CHANGE IN NET ASSETS</b>	<b>8,267,716.13</b>	<b>18,570,710.33</b>
Net Assets, Beginning	127,526,052.23	108,955,341.90
Restatements	-	-
Net Assets, Beginning, as Restated	127,526,052.23	108,955,341.90
<b>NET ASSETS, ENDING</b>	<b>\$ 135,793,768.36</b>	<b>\$ 127,526,052.23</b>

<sup>(1)</sup> See Note 1: Matrix of Operating Expenses Reported by Function on Page 8.

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**

**Note 1: Matrix of Operating Expenses Reported by Function**

**For the Fiscal Year Ended August 31, 2008**

<b>Operating Expenses</b>	<b>Instruction</b>	<b>Research</b>	<b>Public Service</b>	<b>Academic Support</b>	<b>Student Services</b>
<b>Cost of Goods Sold</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Salaries and Wages</b>	21,670,096.17	14,235,738.64	2,750,560.09	39,314,847.17	1,254,680.13
<b>Payroll Related Costs</b>	4,727,575.18	2,727,799.26	583,446.35	6,719,872.49	279,263.03
<b>Professional Fees &amp; Svcs</b>	344,832.37	2,807,387.07	342,282.16	17,699,599.54	181,066.90
<b>Federal Pass-Thru Expense</b>	-	71,742.83	-	-	-
<b>State Grant Pass-Thru Exp</b>	-	-	-	-	-
<b>Travel</b>	164,548.94	366,995.17	94,093.61	447,200.07	75,498.75
<b>Material and Supplies</b>	626,872.88	2,652,968.64	522,383.69	4,511,022.40	193,025.03
<b>Communication &amp; Utilities</b>	952.30	8,296.86	(7.00)	224,393.88	(5.03)
<b>Repairs and Maintenance</b>	82,795.97	315,784.07	13,323.77	313,790.43	17,696.11
<b>Rentals and Leases</b>	10,344.45	64,999.17	316.34	1,005,517.25	11,911.66
<b>Printing and Reproduction</b>	7,440.42	81,775.43	97.33	155,452.00	14,088.40
<b>Depreciation</b>	-	-	-	-	-
<b>Bad Debt Expense</b>	-	-	-	4,930,647.95	225,900.39
<b>Interest</b>	-	-	-	-	-
<b>Scholarships</b>	235,362.50	312,098.53	-	(26,511.56)	-
<b>Claims and Losses</b>	-	-	-	-	-
<b>Other Operating Expenses</b>	571,191.31	1,293,559.86	59,263.07	11,148,955.28	126,146.17
<b>Total Operating Expenses</b>	<b>\$ 28,442,012.49</b>	<b>\$ 24,939,145.53</b>	<b>\$ 4,365,759.41</b>	<b>\$ 86,444,786.90</b>	<b>\$ 2,379,271.54</b>

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<b>Institutional Support</b>	<b>Operation and Maintenance of Plant</b>	<b>Scholarships and Fellowships</b>	<b>Auxiliary Enterprises</b>	<b>Depreciation</b>	<b>2008 Total Expenditures</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11,547,165.63	2,867,282.89	8,235.00	173,034.37	-	93,821,640.09
2,679,651.59	576,779.07	24.80	39,541.88	-	18,333,953.65
313,644.39	(51,238.37)	-	8,548.06	-	21,646,122.12
-	-	-	-	-	71,742.83
-	-	-	-	-	-
231,744.21	8,151.44	-	-	-	1,388,232.19
1,950,737.72	806,571.98	-	30,954.66	-	11,294,537.00
347,004.35	3,303,043.60	-	-	-	3,883,678.96
435,902.21	179,068.46	-	17,395.12	-	1,375,756.14
254,045.55	162,269.04	-	(2,905.64)	-	1,506,497.82
78,227.57	1,383.40	-	269.58	-	338,734.13
-	-	-	-	7,221,109.37	7,221,109.37
-	-	-	-	-	5,156,548.34
348.94	-	-	-	-	348.94
-	-	791,875.00	-	-	1,312,824.47
-	-	-	-	-	-
1,329,452.33	573,517.45	32,222.45	5,170.27	-	15,139,478.19
<b>\$ 19,167,924.49</b>	<b>\$ 8,426,828.96</b>	<b>\$ 832,357.25</b>	<b>\$ 272,008.30</b>	<b>\$ 7,221,109.37</b>	<b>\$ 182,491,204.24</b>

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**

**Statement of Cash Flows**

**For the Fiscal Year Ended August 31, 2008**

	<b>August 31, 2008</b>	<b>August 31, 2007</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from Tuition and Fees	\$ 10,679,284.50	\$ 9,429,035.73
Proceeds Received from Customers	81,657,004.07	73,710,562.42
Proceeds from Sponsored Projects	24,305,668.29	26,372,844.46
Proceeds from Loan Programs	243,941.85	246,030.73
Proceeds from Auxiliaries	-	-
Proceeds from Other Revenues	65,607.74	43,057.14
Payments to Suppliers for Goods and Services	(40,111,562.62)	(32,997,260.52)
Payments to Employees for Salaries and Benefits	(110,430,132.57)	(100,731,552.65)
Payments for Loans Provided	-	-
Payments for Other Expenses	(18,743,652.05)	(16,554,746.98)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(52,333,840.79)</b>	<b>(40,482,029.67)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Proceeds from State Appropriations	65,235,054.92	56,185,676.33
Proceeds from Debt Issuance	-	-
Proceeds from Legislative Transfers	-	-
Proceeds from Gifts	105,500.00	124,855.00
Proceeds from Endowments	-	-
Proceeds of Transfers from Other Agencies	-	-
Proceeds of Transfers from Other Components	-	-
Proceeds from Other Revenues	2,615,781.55	2,347,268.51
Proceeds from Contributed Capital	-	-
Payments of Principal on Debt Issuance	(218,146.86)	(207,758.92)
Payments of Interest	(74,781.05)	(86,297.05)
Payments of Other Costs of Debt Issuance	(9,511.00)	(10,549.83)
Payments for Transfers to Other Agencies	(80,004.88)	(80,867.61)
Payments for Transfers to Other Components	(2,283,323.26)	(81,444.74)
Payments for Other Uses	(539,136.57)	(987,046.01)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>64,751,432.85</b>	<b>57,203,835.68</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from State Appropriations - HEAF	8,139,391.00	5,426,261.00
Proceeds from Disposal of Capital Assets	-	-
Proceeds from Debt Issuance	-	-
Proceeds from Capital Contributions	-	-
Proceeds of Transfers from Other Components - Commercial Paper	-	-
Payments for Additions to Fixed Assets	(12,689,943.13)	(6,590,224.78)
Payments of Principal on Debt Issuance	(2,485,000.00)	(2,430,000.00)
Payments of Interest on Debt Issuance	(2,009,817.02)	(2,131,005.78)
Payments of Other Costs of Debt Issuance	-	-
Payments for Transfers to Other Components - Commercial Paper	(2,475,000.00)	-
Payments for Transfers to Other Components	-	-
Payments for Disposal of Capital Assets	-	-
<b>Net Cash Provided (Used) From Capital &amp; Related Financing Activities</b>	<b>(11,520,369.15)</b>	<b>(5,724,969.56)</b>

**UNAUDITED**

	August 31, 2008	August 31, 2007
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	403,641.00	1,115,659.84
Proceeds from Interest and Investment Income	4,211,585.20	3,780,361.63
Proceeds from Principal Payments on Loans	-	-
Payments to Acquire Investments	(289,304.28)	(33,902.94)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>4,325,921.92</b>	<b>4,862,118.53</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>5,223,144.83</b>	<b>15,858,954.98</b>
<b>Cash and Cash Equivalents --September 1, 2007 and 2006</b>	52,150,477.09	36,291,522.11
<b>Restatements to Beginning Cash and Cash Equivalents</b>	-	-
<b>Cash and Cash Equivalents --August 31, 2008 and 2007</b>	<b>\$ 57,373,621.92</b>	<b>\$ 52,150,477.09</b>
Displayed as:		
Unrestricted Cash and Cash Equivalents (Statement of Net Assets)	\$ 44,754,096.58	\$ 47,382,820.01
Short-term Investments (Statement of Net Assets)	-	-
Restricted Cash and Cash Equivalents (Statement of Net Assets)	12,619,525.34	4,767,657.08
Restricted Short-term Investments (Statement of Net Assets)	-	-
	<b>\$ 57,373,621.92</b>	<b>\$ 52,150,477.09</b>
<b>Reconciliation of Operating Income to</b>		
<b>Net Cash Provided by Operating Activities</b>		
<b>Operating Income/(Loss)</b>	<b>\$ (63,486,011.51)</b>	<b>\$ (47,237,676.77)</b>
<b>Adjustments to Reconcile Operating Income to</b>		
<b>Net Cash Provided by Operating Activities</b>		
Depreciation	7,221,109.37	6,905,536.76
Bad Debt Expense	5,156,548.34	2,704,620.35
Operating Income and Cash Flow Categories		
Classification Differences		
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	(3,449,544.51)	656,626.41
(Increase) Decrease in Inventories	78,280.57	(7,502.55)
(Increase) Decrease in Loans & Contracts	-	-
(Increase) Decrease in Other Assets	(1,015,586.65)	(602,791.17)
(Increase) Decrease in Prepaid Expenses	-	-
Increase (Decrease) in Payables	3,007,189.67	(903,996.71)
Increase (Decrease) in Due to Other Components	-	-
Increase (Decrease) in Deferred Income	154,173.93	(1,996,845.99)
Increase (Decrease) in Other Liabilities	-	-
<b>Total Adjustments</b>	<b>11,152,170.72</b>	<b>6,755,647.10</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ (52,333,840.79)</b>	<b>\$ (40,482,029.67)</b>
<b>Non Cash Transactions</b>		
Net Increase (Decrease) in FMV of Investments	\$ (2,993,450.25)	\$ 2,767,664.49
Amortization of Investment Premiums/(Discounts)	\$ -	\$ -
Donation of non-cash investment	\$ -	\$ -

*The accompanying Notes to the Combined Financial Statements are an integral part of the financial statements.*

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Notes to Schedule 1A - Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended August 31, 2008**

**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 Changes in Revenues, Expenses and Net Assets		
Federal Grants and Contracts		\$ 20,466,173.75
Federal Pass-Through Grants from Other State Agencies/Universities		168,579.90
Subtotal		<u>\$ 20,634,753.65</u>
Reconciling Items:		
New Loans Processed:		
Disadvantaged Student Loans		\$ 7,500.00
Federal Perkins Loan Program		361,242.00
Federal Family Education Loans		22,579,525.57
Total Pass - Through & Expenditures per Federal Schedule		<u>\$ 43,583,021.22</u>

**Note 3: Student Loans Processed and Administrative Costs Recovered**

Federal Grantor/ CFDA Number/Program Name	New Loans Processed	Admin. Costs Recovered	Total Loans Processed & Admin Costs Recovered	Ending Balances of Previous Year's Loans
<i>U.S. Dept. of Health and Human Services</i>				
93.342 Health Professions/Disadvantaged Student Loan	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 415,117.53
<i>Total U.S. Dept. of Health and Human Services</i>	<u>\$ 7,500.00</u>	<u>\$ -</u>	<u>\$ 7,500.00</u>	<u>\$ 415,117.53</u>
<i>U.S. Department of Education</i>				
84.032 Federal Family Education Loans	\$ 22,579,525.57	\$ -	\$ 22,579,525.57	\$ -
84.038 Federal Perkins Loan Program	361,242.00	-	361,242.00	3,857,246.43
<i>Total U.S. Department of Education</i>	<u>22,940,767.57</u>	<u>-</u>	<u>22,940,767.57</u>	<u>3,857,246.43</u>
<b>TOTAL LOANS AND RECOVERIES</b>	<u><u>\$ 22,948,267.57</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 22,948,267.57</u></u>	<u><u>\$ 4,272,363.96</u></u>

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

N/A

**Note 4: Depository Libraries for Government Publications**

N/A

**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: Deferred Federal Revenue**

The University of North Texas Health Science Center does not report any Federal Deferred Revenue



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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 1B - Schedule of State Grant Pass-Throughs From/To State Agencies**  
**For the Fiscal Year Ended August 31, 2008**

**Pass-Through From: State Agencies**

**To University of North Texas Health Science Center (763)**

Texas Higher Education Coordinating Board (Agency 781)	
Family Practice Residency	\$ 88,858.00
Advanced Research Program	546,256.34
Texas College Work Study Program	8,235.00
Work Study Mentorship Program	99,000.00
Texas Department of Public Safety (Agency 405)	825,000.00
Office of the Governor (Agency 300)	775,000.00

Total Pass-Through From Other Agencies	<u>\$ 2,342,349.34</u>
(Statement of Revenues, Expenses, and Changes in Net Assets)	

**Pass-Through To:**

N/A

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 2A - Miscellaneous Bond Information**  
**For the Fiscal Year Ended August 31, 2008**

Description of Issue	Bonds Issued to Date	Range of Interest Rates	Terms of Variable Interest Rates	Scheduled Maturities		First Call Date
				First Year	Last Year	
RFS Bonds, Series 1999	\$ 9,500,000.00	4.25% - 5.40%	N/A	1999	2019	04/15/09
RFS Refunding and Improvement Bonds, Series 1999A	15,535,000.00	5.00% - 5.75%	N/A	2000	2019	04/15/09
RFS Bonds, Series 2002	27,130,000.00	2.00% - 5.00%	N/A	2003	2022	04/15/12
RFS Refunding Bonds, Series 2003A	2,915,000.00	5.375% - 5.500%	N/A	2003	2017	04/15/13
RFS Refunding and Improvement Bonds, Series 2005	11,250,000.00	3.25% - 5.25%	N/A	2006	2025	04/15/15
Total	<u>\$ 66,330,000.00</u>					

\*RFS - Revenue Financing System

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 2B - Changes in Bonded Indebtedness**  
**For the Fiscal Year Ended August 31, 2008**

<b>Description of Issue</b>	<b>Bonds Outstanding 9/1/2007</b>	<b>Bonds Issued</b>	<b>Bonds Matured or Retired</b>	<b>Bonds Refunded or Extinguished</b>	<b>Bonds Outstanding 8/31/2008</b>	<b>Amounts Due Within One Year</b>
RFS Bonds, Series 1999	\$ 790,000.00	\$ -	\$ 385,000.00	\$ -	\$ 405,000.00	\$ 405,000.00
RFS Refunding and Improvement Bonds, Series 1999A	5,675,000.00	-	1,020,000.00	-	4,655,000.00	1,070,000.00
RFS Bonds, Series 2002	21,875,000.00	-	1,080,000.00	-	20,795,000.00	1,115,000.00
RFS Refunding Bonds, Series 2003A	2,915,000.00	-	-	-	2,915,000.00	-
RFS Refunding and Improvement Bonds, Series 2005	11,140,000.00	-	-	-	11,140,000.00	-
<b>Total</b>	<b>\$ 42,395,000.00</b>	<b>\$ -</b>	<b>\$ 2,485,000.00</b>	<b>\$ -</b>	<b>\$ 39,910,000.00</b>	<b>\$ 2,590,000.00</b>

\*

**Footnotes:**

\* Bond premiums, discounts and issuance costs were not individually greater than 5% of the par value of the bond issue; therefore, they are not capitalized and amortized over the life of the bonds. They were expensed at the time of the bond issue.

Bonds Payable per Statement of Net Assets

\$ 39,910,000.00

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 2C - Debt Service Requirements**  
**For the Fiscal Year Ended August 31, 2008**

<u>Description of Issue</u>	<u>Year</u>	<u>Principal</u>	<u>Interest</u>
<b>Revenue Bonds</b>			
RFS Bonds, Series 1999	2009	\$ 405,000.00	\$ 21,262.50
		<u>405,000.00</u>	<u>21,262.50</u>
RFS Refunding and Improvement Bonds, Series 1999A	2009	1,070,000.00	244,893.74
	2010	425,000.00	191,393.74
	2011	445,000.00	170,143.75
	2012	465,000.00	147,337.50
	2013	495,000.00	122,925.00
	2014-2018	1,480,000.00	298,087.50
	2019	275,000.00	15,812.50
		<u>4,655,000.00</u>	<u>1,190,593.73</u>
RFS Bonds, Series 2002	2009	1,115,000.00	961,868.76
	2010	1,155,000.00	922,843.76
	2011	1,195,000.00	880,975.00
	2012	1,240,000.00	834,668.76
	2013	1,290,000.00	785,068.76
	2014-2018	7,425,000.00	2,961,093.80
	2019-2022	7,375,000.00	935,225.02
		<u>20,795,000.00</u>	<u>8,281,743.86</u>
RFS Refunding Bonds, Series 2003A	2009	-	159,175.00
	2010	-	159,175.00
	2011	-	159,175.00
	2012	-	159,175.00
	2013	-	159,175.00
	2014-2017	2,915,000.00	484,450.00
		<u>2,915,000.00</u>	<u>1,280,325.00</u>
RFS Refunding and Improvement Bonds, Series 2005	2009	-	553,087.50
	2010	1,125,000.00	553,087.50
	2011	1,180,000.00	502,462.50
	2012	1,245,000.00	440,512.50
	2013	1,305,000.00	378,262.50
	2014-2018	5,200,000.00	1,049,212.50
	2019	1,085,000.00	56,962.50
		<u>-</u>	<u>-</u>
		<u>11,140,000.00</u>	<u>3,533,587.50</u>
Less Accretion:		<u>-</u>	<u>-</u>
Total:		<u>\$ 39,910,000.00</u>	<u>\$ 14,307,512.59</u> *

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

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 2D - Analysis of Funds Available for Debt Service**  
**For the Fiscal Year Ended August 31, 2008**

<u>Description of Issue</u>	<u>Pledged and other Sources and Related Expenditures for FY 2008</u>			
	<u>Total Pledged and Other Sources</u>	<u>Operating Expenses/ Expenditures &amp; Capital Outlay</u>	<u>Debt Service</u>	
			<u>Principal</u>	<u>Interest*</u>
Revenue Financing System Bonds, Series '99, '99A, '02, '03A & '05	\$ 35,486,577.91	\$ 600.00	\$ 2,485,000.00	\$ 2,046,987.52
Total	<u>\$ 35,486,577.91</u>	<u>\$ 600.00</u>	<u>\$ 2,485,000.00</u>	<u>\$ 2,046,987.52</u>

\* In accordance with the State Comptroller's reporting requirements, the interest amounts on this schedule represent interest per the bonds amortization schedules rather than interest on a full accrual basis.

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**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 2E - Defeased Bonds Outstanding**  
**For the Fiscal Year Ended August 31, 2008**

<u>Description of Issue</u>	<u>Year Refunded</u>	<u>Par Value Outstanding</u>
RFS Bonds, Series 1999	2005	\$ 5,455,000.00
RFS Refunding and Improvement Bonds, Series 1999A	2005	<u>5,975,000.00</u>
		<u>\$ 11,430,000.00</u>

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UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)  
Schedule 2F - Early Extinguishment and Refunding  
For the Fiscal Year Ended August 31, 2008

<u>Description of Issue</u>	<u>Category</u>	<u>Amount Extinguished or Refunded</u>	<u>For Refunding Only</u>		
			<u>Refunding Issue Par Value</u>	<u>Cash Flow Increase (Decrease)</u>	<u>Economic Gain/ Loss</u>
		\$ -	\$ -	\$ -	\$ -
		<hr/>	<hr/>	<hr/>	<hr/>
	Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**UNAUDITED**

**UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER (763)**  
**Schedule 3 - Reconciliation of Cash in State Treasury**  
**For the Fiscal Year Ended August 31, 2008**

<u>Cash in State Treasury</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Year Total</u>
Local Revenue Fund 0280	\$ 2,773,165.66	\$ -	\$ 2,773,165.66
Local Revenue Fund 0819	432,388.02	-	432,388.02
<b>Total Cash in State Treasury (Statement of Net Assets)</b>	<b><u><u>\$ 3,205,553.68</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ 3,205,553.68</u></u></b>