



*Review of the*  
**FY 2023 Texas Tech University System  
Annual Combined Financial Report**

James Mauldin, CPA

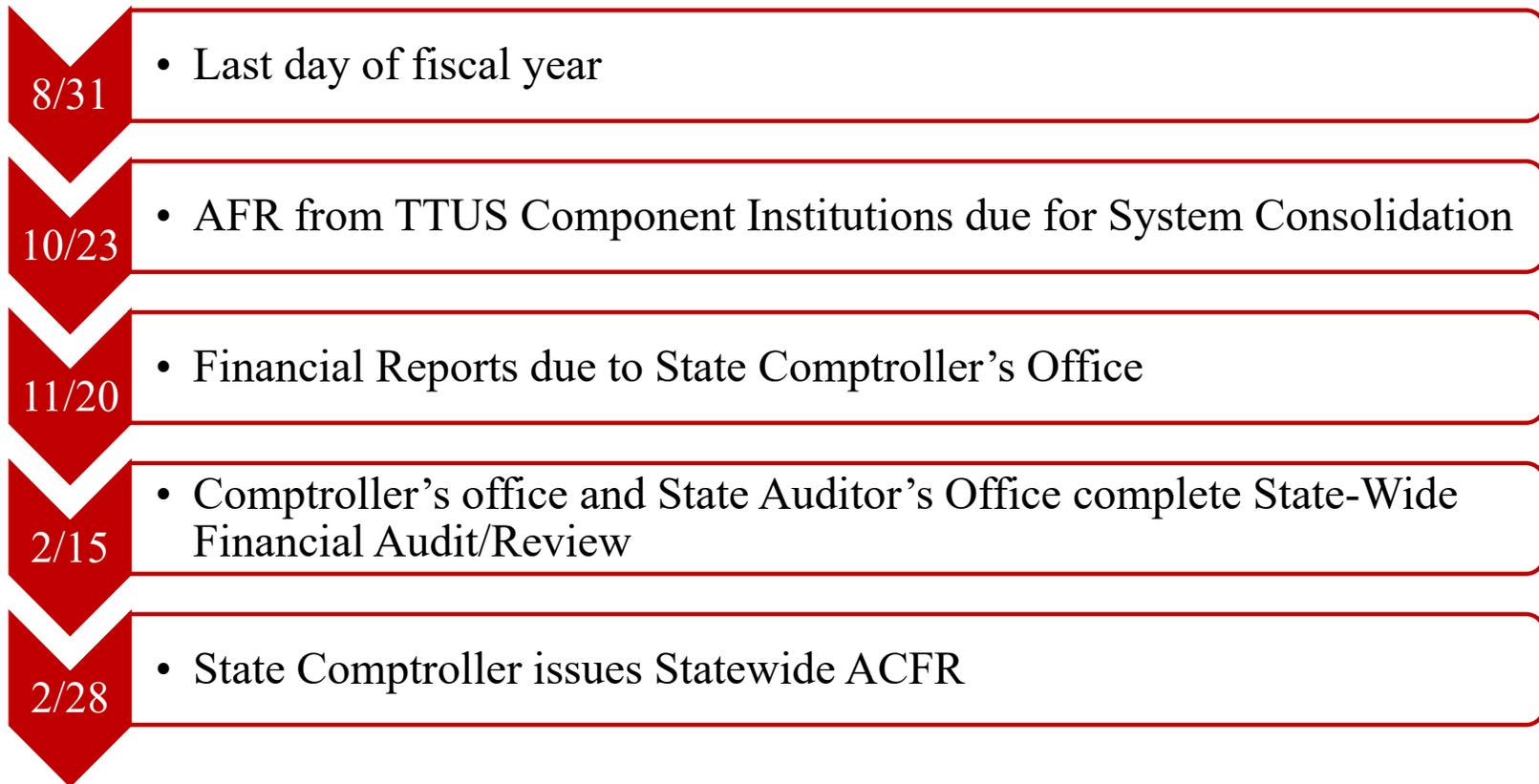
TTUS Vice Chancellor and CFO

*February 29 - March 1, 2024*



# Texas Tech University System

## Timeline for Annual Combined Financial Reporting (ACFR)





# Statement of Net Position

## FY 2019 – FY 2023 (In Thousands)

|   | <i>Restated</i>  |                  |                  |                  | FY 2023          |
|---|------------------|------------------|------------------|------------------|------------------|
|   | FY 2019          | FY 2020          | FY 2021          | FY 2022          |                  |
| <b>Assets &amp; Deferred Outflows</b>           |                  |                  |                  |                  |                  |
| Current Assets                                  | 717,904          | 740,275          | 821,928          | 929,024          | 968,248          |
| Capital Assets, Net                             | 1,779,293        | 1,842,111        | 1,953,276        | 2,137,712        | 2,220,453        |
| Non-Current Investments                         | 2,290,577        | 2,372,864        | 2,905,798        | 3,007,800        | 3,225,682        |
| Other Non-Current Assets                        | 146,296          | 235,793          | 159,578          | 199,357          | 475,521          |
| <b>TOTAL ASSETS</b>                             | <u>4,934,070</u> | <u>5,191,043</u> | <u>5,840,580</u> | <u>6,273,893</u> | <u>6,889,904</u> |
| TOTAL DEFERRED OUTFLOWS                         | 796,317          | 710,618          | 534,081          | 406,266          | 292,510          |
| <b>Liabilities &amp; Deferred Inflows</b>       |                  |                  |                  |                  |                  |
| Current Liabilities                             | 560,348          | 554,015          | 619,825          | 690,551          | 721,993          |
| Non-Current Net Pension & OPEB Liabilities      | 1,117,931        | 1,209,372        | 1,183,923        | 1,148,971        | 1,132,689        |
| Revenue Bonds Payable                           | 646,174          | 788,229          | 729,113          | 794,585          | 997,543          |
| Other Non-Current Liabilities                   | 53,777           | 64,899           | 108,935          | 127,815          | 161,229          |
| <b>TOTAL LIABILITIES</b>                        | <u>2,378,230</u> | <u>2,616,515</u> | <u>2,641,796</u> | <u>2,761,922</u> | <u>3,013,454</u> |
| TOTAL DEFERRED INFLOWS                          | 360,314          | 331,763          | 334,248          | 391,309          | 403,632          |
| <b>Net Position</b>                             |                  |                  |                  |                  |                  |
| Invested in Capital Assets, Net of Related Debt | 1,081,349        | 1,129,812        | 1,149,262        | 1,195,007        | 1,300,013        |
| Restricted, Expendable                          | 512,744          | 502,413          | 715,989          | 769,217          | 818,721          |
| Restricted, Non-Expendable                      | 758,054          | 786,164          | 828,326          | 895,202          | 927,485          |
| Unrestricted                                    | 639,696          | 534,994          | 705,040          | 667,502          | 719,109          |
| <b>Total Net Position</b>                       | <u>2,991,843</u> | <u>2,953,383</u> | <u>3,398,617</u> | <u>3,526,928</u> | <u>3,765,328</u> |

• Total Net Position increased by 7% from FY22 to FY23.

\*MSU added to TTUS financials in FY22.



# Revenues, Expenses, and Changes in Net Position

## FY 2019 – FY 2023 (In Thousands)

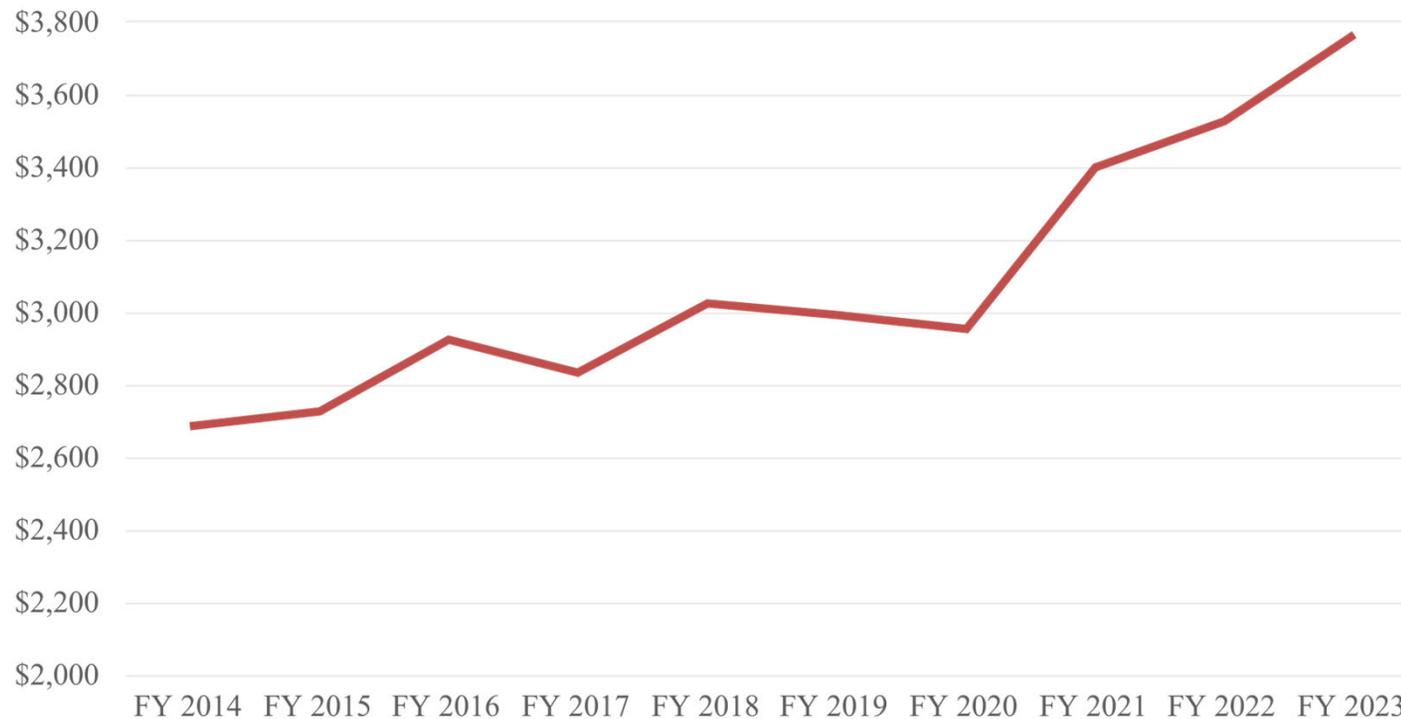
|   | Restated         |                  |                  |                  | FY 2023          |
|---|------------------|------------------|------------------|------------------|------------------|
|   | FY 2019          | FY 2020          | FY 2021          | FY 2022          |                  |
| <b>Revenues</b>   |                  |                  |                  |                  |                  |
| Tuition and Fees  | 451,387          | 461,533          | 481,326          | 552,452          | 553,288          |
| Patient Fees  | 287,391          | 285,223          | 290,480          | 305,432          | 318,823          |
| Sales and Services ( <i>Room Rent, Meals, Athletics</i> ) | 207,137          | 176,114          | 170,960          | 220,107          | 235,122          |
| Grants and Contracts                                      | 422,063          | 461,538          | 504,070          | 605,234          | 583,879          |
| Other Revenue   | 32,953           | 57,245           | 57,808           | 114,157          | 109,772          |
| Legislative Appropriations ( <i>General Revenue</i> )     | 560,340          | 604,278          | 586,386          | 654,691          | 706,286          |
| Private Gifts   | 122,305          | 88,959           | 113,729          | 222,608          | 186,053          |
| Investment Income   | 18,101           | 86,405           | 30,656           | 82,787           | 90,887           |
| <b>TOTAL REVENUE</b>                                      | <b>2,101,675</b> | <b>2,221,295</b> | <b>2,235,416</b> | <b>2,757,468</b> | <b>2,784,110</b> |
| <b>Expenses</b>   |                  |                  |                  |                  |                  |
| Salaries, Wages, & Benefits                               | 1,416,550        | 1,481,158        | 1,458,117        | 1,534,502        | 1,648,442        |
| Professional Fees and Services                            | 86,413           | 94,818           | 88,709           | 112,885          | 129,502          |
| Travel  | 37,982           | 22,891           | 10,389           | 32,460           | 42,085           |
| Materials and Supplies                                    | 92,474           | 86,612           | 93,213           | 113,586          | 122,716          |
| Utilities, Rentals, & Leases                              | 79,316           | 76,069           | 76,971           | 84,966           | 86,777           |
| Repairs & Maintenance                                     | 46,296           | 47,163           | 48,467           | 59,310           | 70,986           |
| Interest Expense on Capital Assets, Depreciation          | 158,719          | 160,674          | 176,457          | 219,595          | 217,752          |
| Scholarships  | 84,013           | 101,880          | 102,398          | 151,827          | 98,309           |
| Other Operating Expenses                                  | 157,008          | 140,644          | 130,878          | 200,197          | 232,425          |
| <b>TOTAL EXPENSES</b>                                     | <b>2,158,771</b> | <b>2,211,910</b> | <b>2,185,599</b> | <b>2,509,329</b> | <b>2,648,993</b> |
| <b>Other</b>  |                  |                  |                  |                  |                  |
| Increase (Decrease) in Fair Mkt Value of Inv              | 24,131           | (47,846)         | 419,976          | (187,641)        | 103,283          |
| Transfer In of MSU Prior Period Beginning Balances        | —                | —                | —                | 120,451          | —                |
| <b>Total Change in Net Position</b>                       | <b>(32,965)</b>  | <b>(38,460)</b>  | <b>469,793</b>   | <b>180,949</b>   | <b>238,400</b>   |
| <b>Beginning Net Position (Sept 1) as Restated</b>        | <b>3,024,809</b> | <b>2,991,843</b> | <b>2,928,824</b> | <b>3,345,979</b> | <b>3,526,928</b> |
| <b>Ending Net Position</b>                                | <b>2,991,843</b> | <b>2,953,383</b> | <b>3,398,617</b> | <b>3,526,928</b> | <b>3,765,328</b> |

\*MSU added to TTUS financials in FY22.



# Changes in Net Position

## FY 2014 – FY 2023 (In Millions)



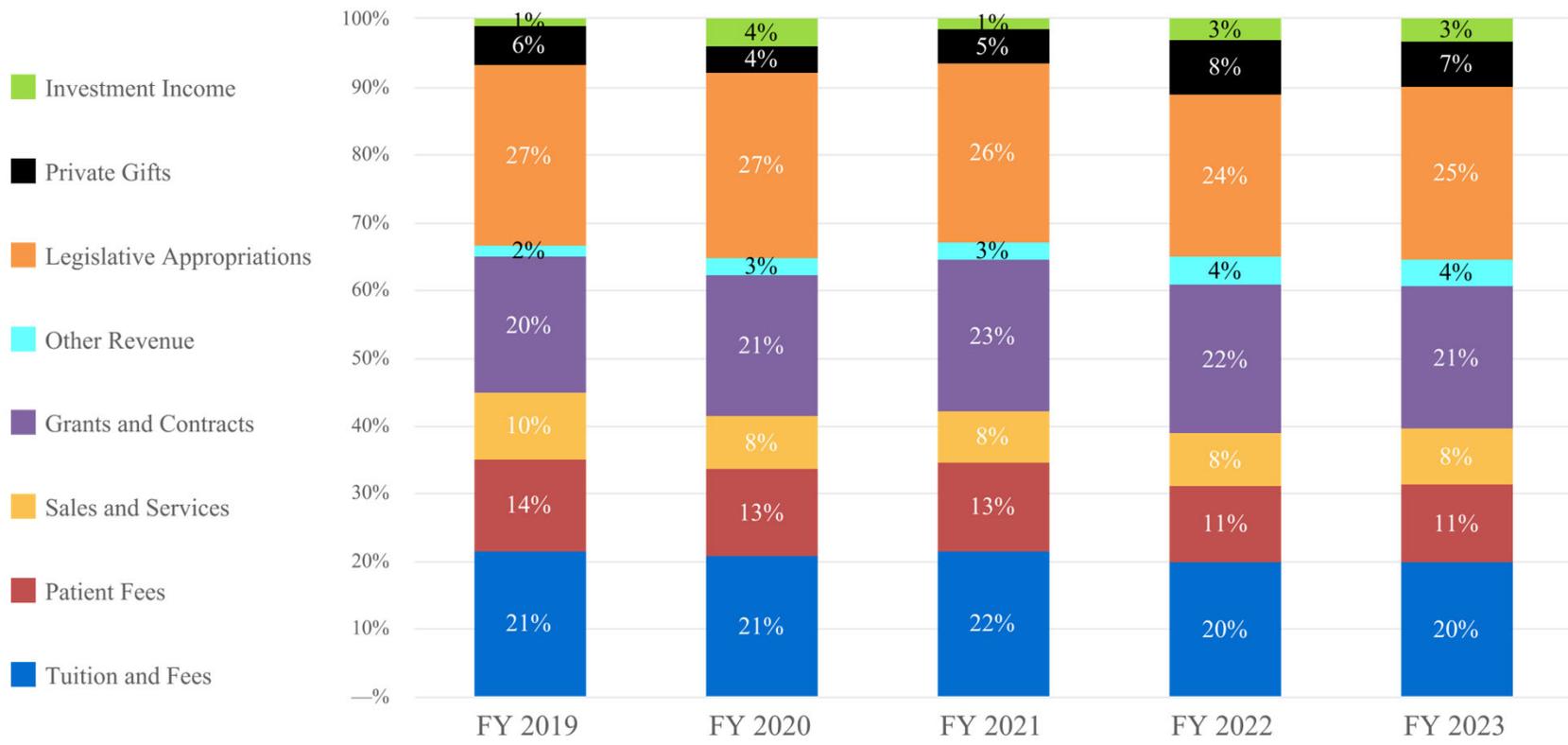
- 40% increase in Total Net Position over the last 10 years
- Net Position 10-yr Compound Annual Growth Rate (CAGR) of 3.43%

\*MSU added to TTUS financials in FY22.



# Analysis of Total Revenues by Category

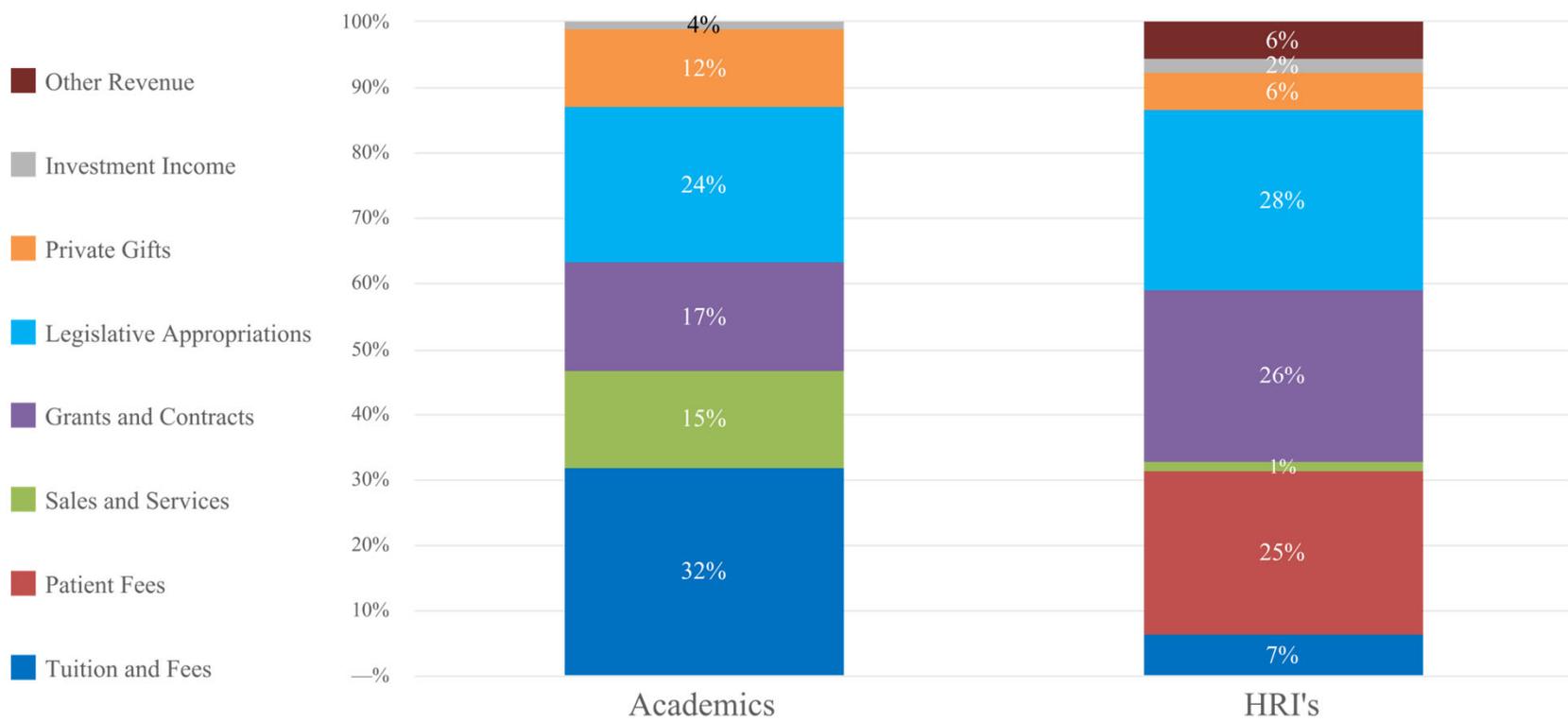
## FY 2019 - FY 2023





# Analysis of Total Revenues

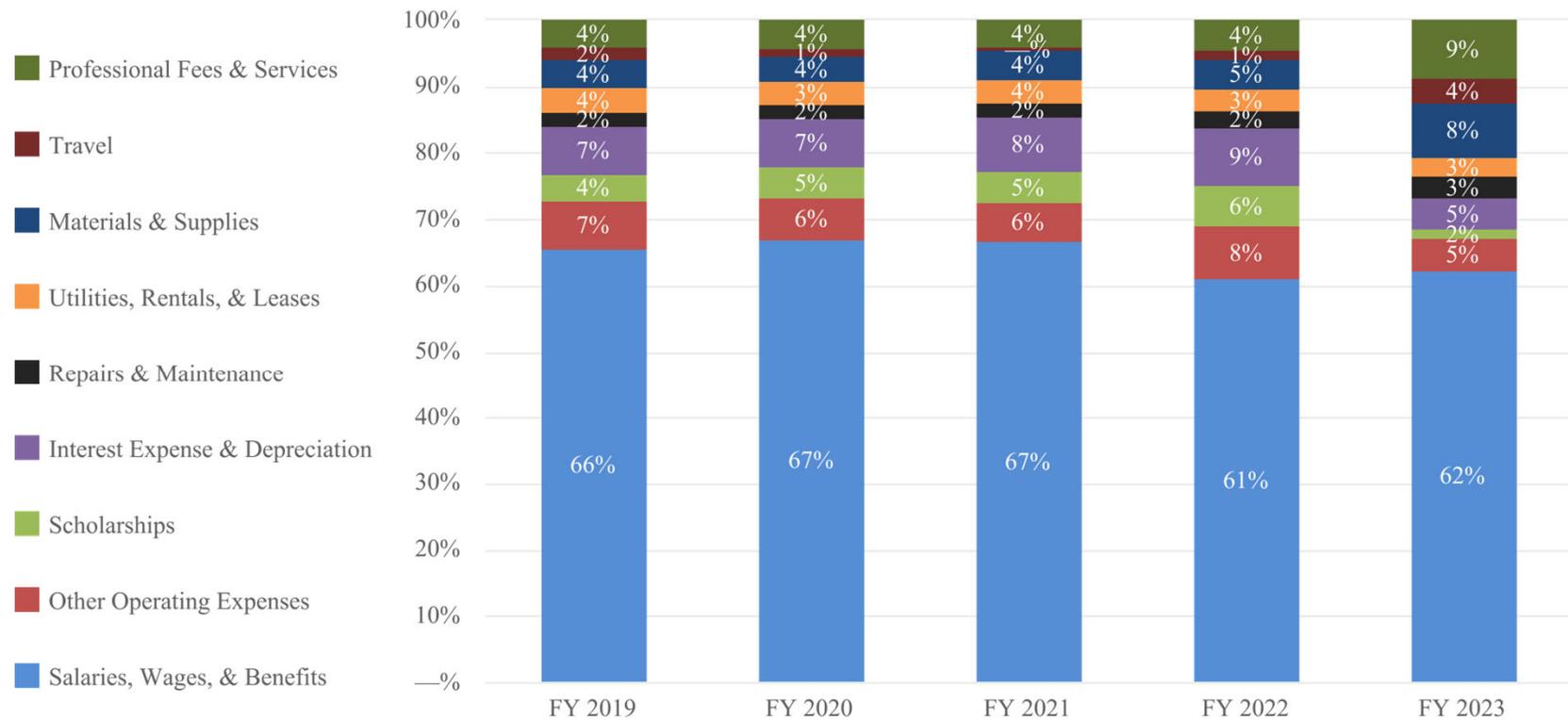
## FY 2023 Academic Institution to Health-Related Institution (HRI) Comparison





# Analysis of Total Expenses by Category

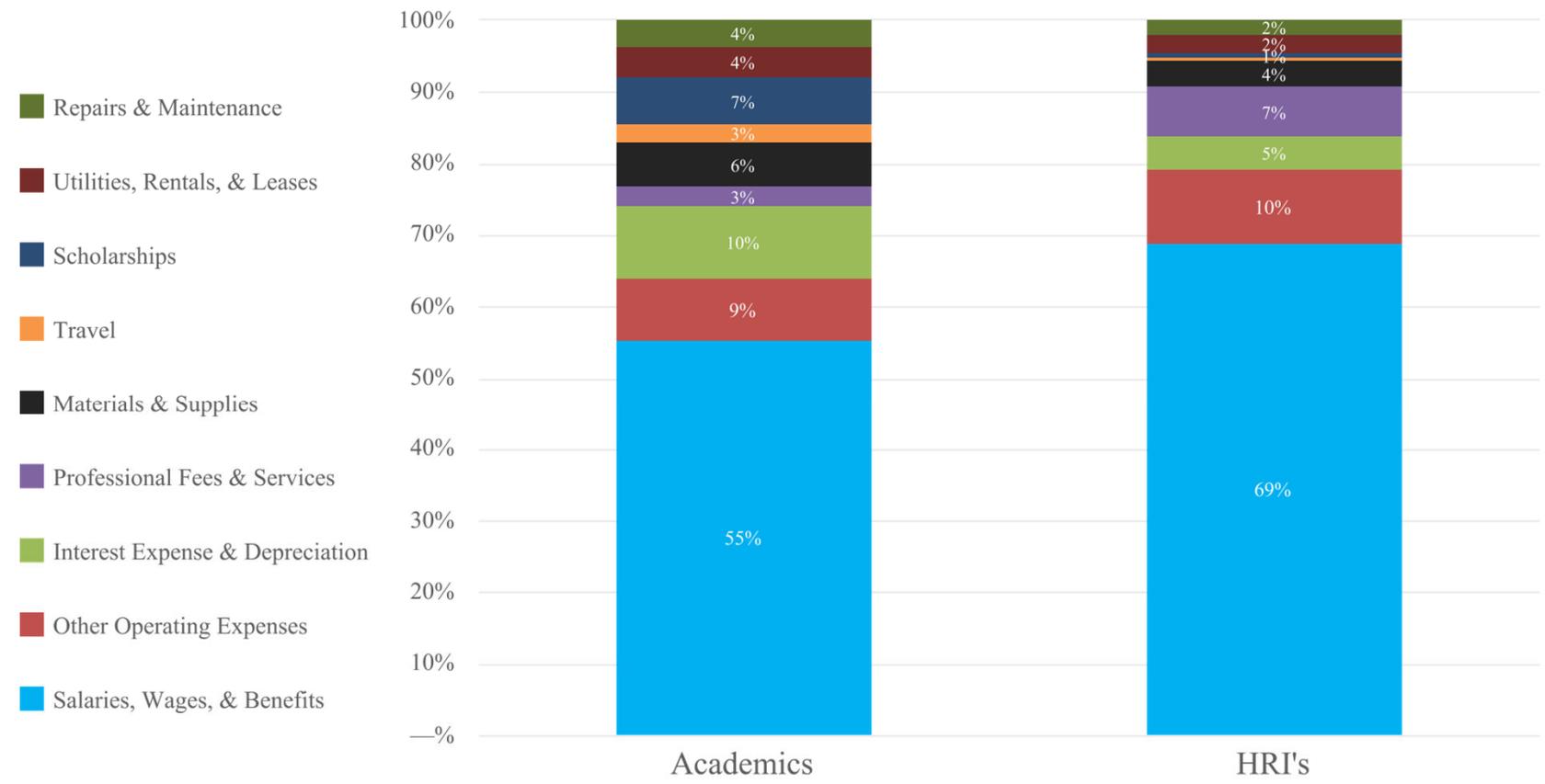
## FY 2019 - FY 2023





# Analysis of Total Expenses

## FY 2023 Academic Institution to Health-Related Institution (HRI) Comparison

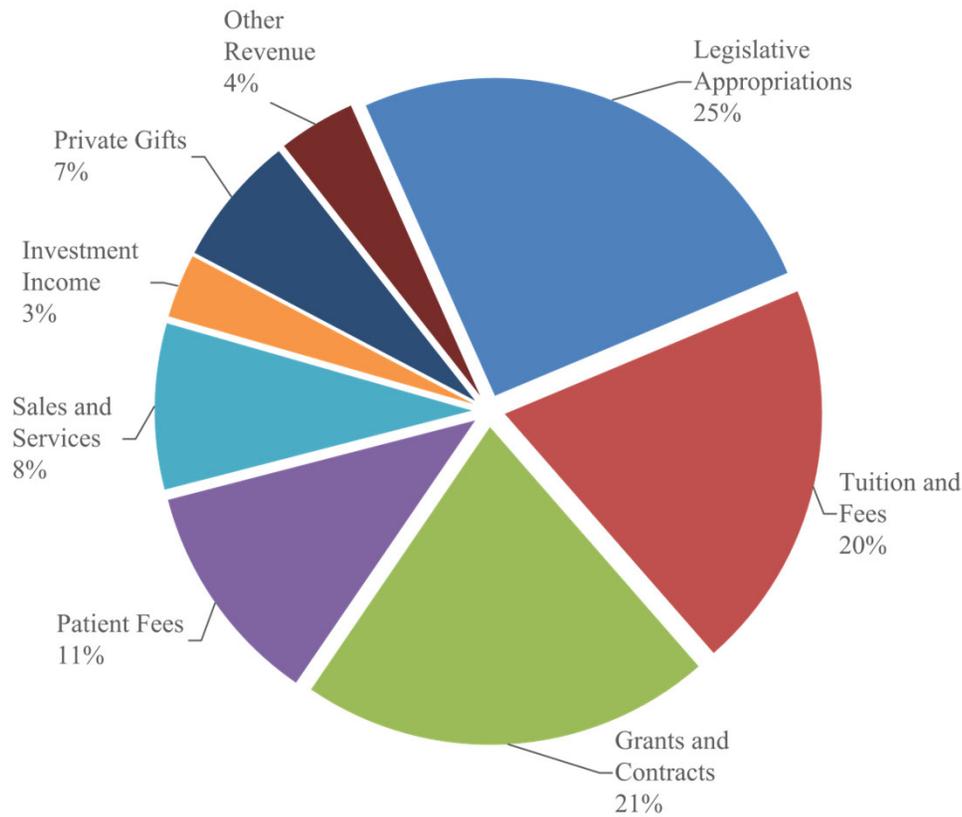




TEXAS TECH UNIVERSITY SYSTEM™



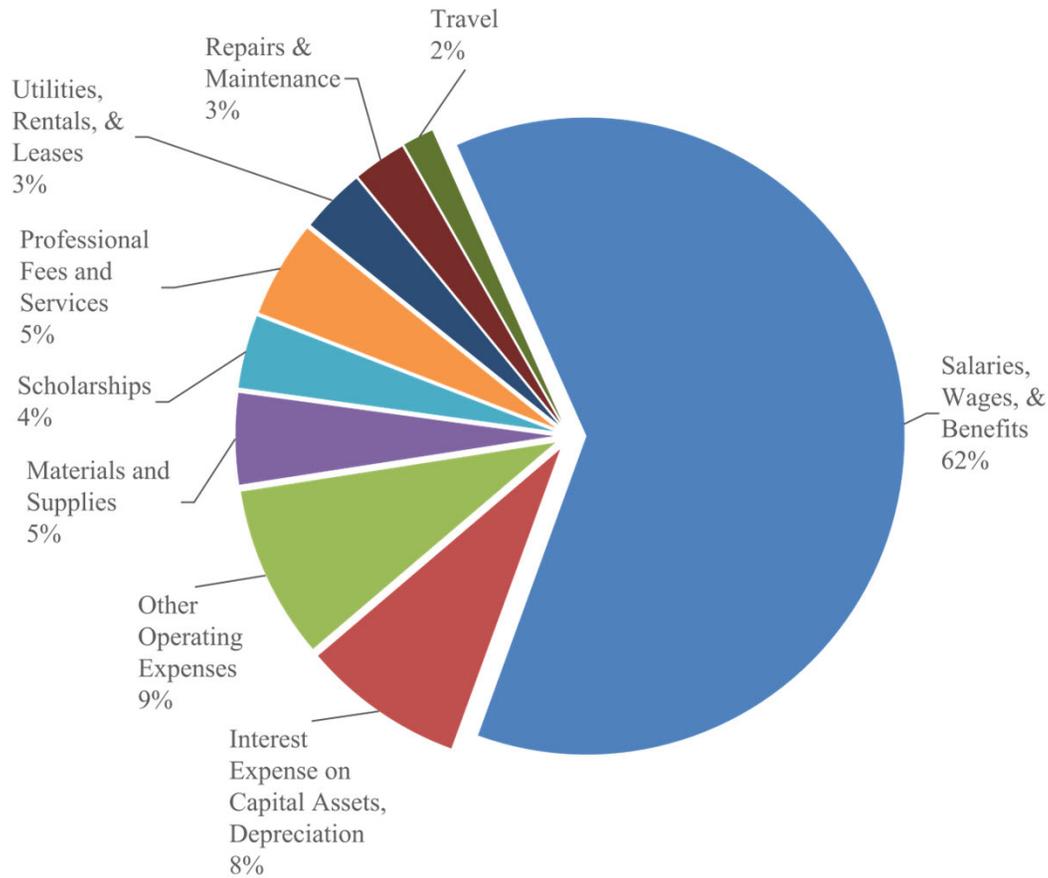
# Total Revenues, FY 2023



| Revenues (in thousands)                                    | FY 2023          |     |
|--|------------------|-----|
| Legislative Appropriations ( <i>General Revenue, HEF</i> ) | 706,286          | 25% |
| Tuition and Fees   | 553,288          | 20% |
| Grants and Contracts                                       | 583,879          | 21% |
| Patient Fees   | 318,823          | 11% |
| Sales and Services ( <i>Room rent, Meals, Athletics</i> )  | 235,122          | 8%  |
| Investment Income  | 90,887           | 3%  |
| Private Gifts  | 186,053          | 7%  |
| Other Revenue  | 109,772          | 4%  |
| <b>TOTAL REVENUE</b>                                       | <b>2,784,110</b> |     |



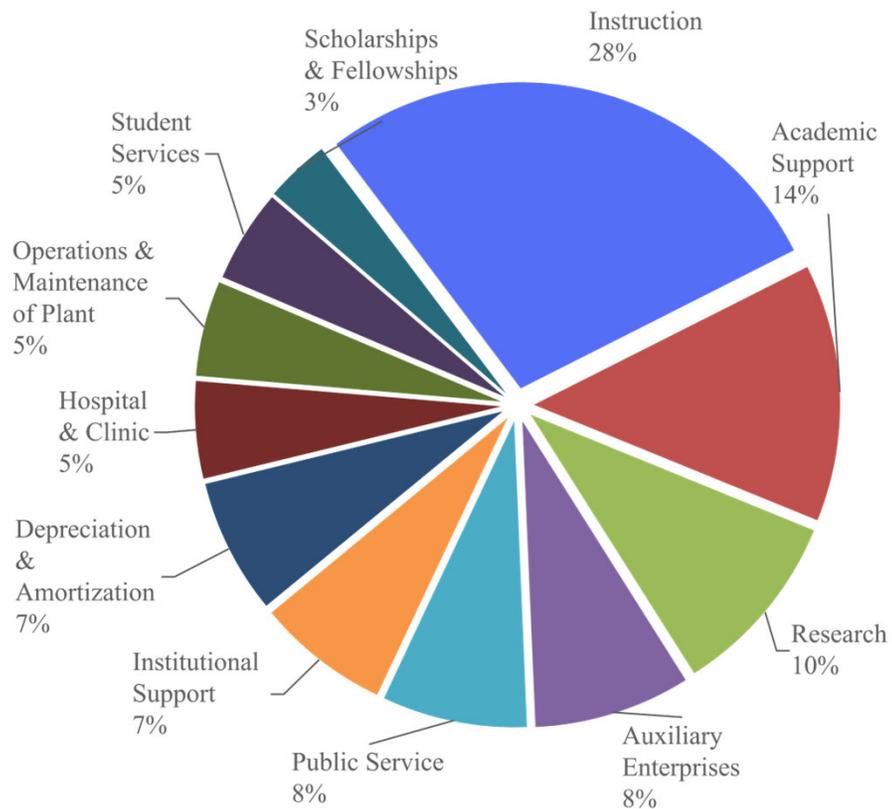
# Total Expenses, FY 2023



| Expenses (in thousands)                          | FY 2023          |     |
|--|------------------|-----|
| Salaries, Wages, & Benefits                      | 1,648,442        | 62% |
| Interest Expense on Capital Assets, Depreciation | 217,752          | 8%  |
| Other Operating Expenses                         | 232,425          | 9%  |
| Materials and Supplies                           | 122,716          | 5%  |
| Scholarships                                     | 98,309           | 4%  |
| Professional Fees and Services                   | 129,502          | 5%  |
| Utilities, Rentals, & Leases                     | 86,777           | 3%  |
| Repairs & Maintenance                            | 70,986           | 3%  |
| Travel   | 42,085           | 2%  |
| <b>TOTAL EXPENSES</b>                            | <b>2,648,993</b> |     |



# Operating Expenses by NACUBO Function, FY 2023



| Operating Expenses by NACUBO Function (in thousands)                                | FY 2023          |     |
|---|------------------|-----|
| Instruction ( <i>faculty salaries, academic admin depts., office supplies</i> )     | 729,102          | 28% |
| Academic Support ( <i>libraries, academic compounding, central academic admin</i> ) | 355,920          | 14% |
| Research  | 258,346          | 10% |
| Auxiliary Enterprises ( <i>Athletics, Res. Hall, Dining</i> )                       | 217,457          | 8%  |
| Public Service ( <i>SBDC, public broadcasting, TDCJ</i> )                           | 200,763          | 8%  |
| Institutional Support ( <i>General Admin., Exec. Mgt., legal/fiscal ops</i> )       | 183,860          | 7%  |
| Depreciation and Amortization   | 187,488          | 7%  |
| Hospital and Clinic   | 134,719          | 5%  |
| Operations and Maintenance of Plant   | 131,989          | 5%  |
| Student Services ( <i>admissions, registrar, financial aid</i> )                    | 128,729          | 5%  |
| Scholarships and Fellowships  | 89,601           | 3%  |
| <b>TOTAL OPERATING EXPENSES</b>   | <b>2,617,974</b> |     |