

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF NET POSITION

(in thousands)	2022	June 30, 2021
Assets		
Current Assets:		
Cash and cash equivalents	\$ 2,951,905	\$ 1,003,846
Investments for operating activities	1,691,019	1,912,859
Investments for capital activities	559,411	627,926
Investments for student loan activities	68,387	70,481
Accounts receivable, net	996,475	970,600
Current portion of notes and pledges receivable, net	108,164	108,789
Current portion of other assets	179,403	183,656
Cash collateral held by agent	23,037	20,040
Total Current Assets	6,577,801	4,898,197
Noncurrent Assets:		
Unexpended bond proceeds	305,452	52,451
Endowment, life income and other investments	17,837,664	17,532,653
Notes and pledges receivable, net	273,986	260,756
Other assets	126,435	131,951
Capital assets, net	6,265,812	6,432,423
Total Noncurrent Assets	24,809,349	24,410,234
Total Assets	31,387,150	29,308,431
Deferred Outflows	1,045,098	1,124,313

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CONSOLIDATED STATEMENT OF NET POSITION, CONTINUED

(in thousands)	June 30,	
	2022	2021
Liabilities		
Current Liabilities:		
Accounts payable	408,727	356,020
Accrued compensation and other	754,888	746,422
Unearned revenue	412,866	553,784
Current portion of insurance and benefits reserves	646,591	269,789
Current portion of obligations for postemployment benefits	97,354	95,581
Commercial paper and current portion of bonds payable	209,311	235,875
Long-term bonds payable subject to remarketing, net	274,392	300,542
Collateral held for securities lending	23,037	20,040
Total Current Liabilities	2,827,166	2,578,053
Noncurrent Liabilities:		
Accrued compensation	23,496	103,563
Insurance and benefits reserves	177,023	170,059
Obligations for defined benefit pension plan, net	(22,675)	(6,322)
Obligations for postemployment benefits	4,200,305	4,316,565
Obligations under life income agreements	73,554	76,995
Government loan advances	43,580	55,585
Bonds payable	4,722,319	2,777,621
Other liabilities	296,462	382,819
Total Noncurrent Liabilities	9,514,064	7,876,885
Total Liabilities	12,341,230	10,454,938
Deferred Inflows	792,557	474,742
Net Position		
Net investment in capital assets	3,522,018	3,669,608
Restricted:		
Nonexpendable	2,821,876	2,625,459
Expendable	7,615,023	7,582,296
Unrestricted	5,339,544	5,625,701
Total Net Position	\$ 19,298,461	\$ 19,503,064

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

(in thousands)	Year Ended June 30,	
	2022	2021
Operating Revenues		
Student tuition and fees	\$ 2,085,014	\$ 1,977,983
Less scholarship allowances	498,938	497,162
Net student tuition and fees	1,586,076	1,480,821
Federal grants and contracts	1,095,005	1,019,559
State and local grants and contracts	12,372	12,577
Nongovernmental sponsored programs	253,876	232,286
Sales and services of educational departments	141,498	140,594
Auxiliary enterprises:		
Patient care revenues (net of provision for bad debts of \$146,099 in 2022 and \$140,672 in 2021)	5,605,741	5,351,066
Student residence fees (net of scholarship allowances of \$24,767 in 2022 and \$10,260 in 2021)	121,919	50,334
Other revenues	241,115	115,029
Student loan interest income and fees	2,622	2,057
Total Operating Revenues	9,060,224	8,404,323
Operating Expenses		
Compensation and benefits	6,573,834	6,137,455
Supplies and services	3,137,104	2,562,079
Depreciation	606,523	620,037
Scholarships and fellowships	230,946	200,431
Total Operating Expenses	10,548,407	9,520,002
Operating Loss	(1,488,183)	(1,115,679)
Nonoperating Revenues (Expenses)		
State educational appropriations	391,639	373,230
Federal Pell grants	53,552	53,396
Federal economic relief funds	151,926	255,673
Private gifts for other than capital and endowment purposes	219,068	184,108
Net investment income	336,345	5,141,252
Interest expense	(125,248)	(97,924)
Federal subsidies for interest on Build America Bonds	5,519	5,529
Total Nonoperating Revenues, Net	1,032,801	5,915,264
(Loss) Income Before Other Revenues (Expenses)	(455,382)	4,799,585
Other Revenues (Expenses)		
State capital appropriations	29,760	32,062
Capital gifts and grants	46,222	14,639
Private gifts for permanent endowment purposes	188,803	136,402
Other	(14,006)	(6,624)
Total Other Revenues, Net	250,779	176,479
(Decrease) Increase in Net Position	(204,603)	4,976,064
Net Position, Beginning of Year	19,503,064	14,527,000
Net Position, End of Year	\$ 19,298,461	\$ 19,503,064

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CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands)	Year Ended June 30,	
	2022	2021
Cash Flows from Operating Activities		
Student tuition and fees	\$ 1,590,126	\$ 1,487,613
Federal, state and local grants and contracts	1,110,673	1,016,803
Nongovernmental sponsored programs	266,398	238,827
Sales and services of educational departments and other	391,838	274,661
Patient care revenues	5,367,111	4,994,855
Student residence fees	122,470	50,936
Payments to employees	(4,884,734)	(4,543,478)
Payments for benefits	(1,524,661)	(1,142,841)
Payments to suppliers	(2,688,744)	(2,467,119)
Payments for scholarships and fellowships	(230,946)	(200,431)
Student loans issued	(7,014)	(6,430)
Student loans collected	14,985	15,662
Student loan interest and fees collected	2,622	2,057
Net Cash Used in Operating Activities	(469,876)	(278,885)
Cash Flows from Noncapital Financing Activities		
State educational appropriations	390,943	331,523
Federal Pell grants	53,552	53,396
Federal economic relief funds	149,484	249,737
Private gifts and other receipts	378,153	285,710
Proceeds from issuance of debt	1,700,000	
Interest payments on debt	(18,787)	(16,830)
Payments for bond refunding and related costs	(13,651)	
Student direct lending receipts	312,072	312,147
Student direct lending disbursements	(315,257)	(311,608)
Amounts received for annuity and life income funds	1,223	5,979
Amounts paid to annuitants and life beneficiaries and related expenses	(11,194)	(9,118)
Net Cash Provided by Noncapital Financing Activities	2,626,538	900,936
Cash Flows from Capital and Related Financing Activities		
State capital appropriations	29,491	31,033
Private gifts and other receipts	38,750	37,792
Principal and interest payments on lease liabilities	(67,299)	(66,409)
Proceeds from issuance of capital debt	782,838	164,875
Principal payments on capital debt	(527,900)	(211,690)
Interest payments on capital debt	(119,730)	(86,834)
Federal subsidies for Build America Bonds interest	5,524	5,531
Payments for bond refunding and related costs	(3,104)	
Purchases of capital assets	(428,852)	(498,316)
Proceeds from sales of capital assets	9,214	1,739
Net Cash Used in Capital and Related Financing Activities	(281,068)	(622,279)

(in thousands)	Year Ended June 30,	
	2022	2021
Cash Flows from Investing Activities		
Interest and dividends on investments, net	44,637	24,323
Proceeds from sales and maturities of investments	9,795,835	8,341,799
Purchases of investments	(9,405,226)	(8,710,091)
Net (increase) decrease in unexpended capital debt proceeds	(253,001)	73,454
Net (increase) decrease in cash equivalents from noncurrent investments	(95,546)	8,232
Net increase in fiduciary custodial funds and other	(14,234)	(9,044)
Net Cash Provided by (Used in) Investing Activities	72,465	(271,327)
Net Increase (Decrease) in Cash and Cash Equivalents	1,948,059	(271,555)
Cash and Cash Equivalents, Beginning of Year	1,003,846	1,275,401
Cash and Cash Equivalents, End of Year	\$ 2,951,905	\$ 1,003,846
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	\$ (1,488,183)	\$ (1,115,679)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	606,523	620,037
Changes in assets and liabilities:		
Accounts receivable, net	(10,502)	(331,111)
Notes and pledges receivable, net	(416)	(283)
Other assets	9,280	(46,807)
Accounts payable	60,333	(11,484)
Accrued compensation and other	(145,861)	209,818
Unearned revenue	(141,472)	(27,287)
Insurance and benefits reserves	383,766	136,417
Obligations for defined benefit pension plan, net	(16,353)	(5,075)
Obligations for postemployment benefits	(114,487)	934,658
Changes in deferred outflows	105,899	(615,072)
Changes in deferred inflows	281,597	(27,017)
Net Cash Used in Operating Activities	\$ (469,876)	\$ (278,885)

The accompanying notes are an integral part of the consolidated financial statements.

FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION

(in thousands)	June 30,		September 30,	
	2022	2021	2021	2020
	Custodial Funds		Pension Trust Funds	
Assets				
Receivables			\$ 1,109	\$ 220
Investments	\$ 293,682	\$ 274,374	89,697	77,486
Total Assets	293,682	274,374	90,806	77,706
Liabilities				
Due to individuals and organizations	50,590	50,578	318	142
Total Liabilities	50,590	50,578	318	142
Fiduciary Net Position				
Restricted for:				
Pension			90,488	77,564
Organizations	243,092	223,796		
Total Fiduciary Net Position	\$ 243,092	\$ 223,796	\$ 90,488	\$ 77,564

The accompanying notes are an integral part of the consolidated financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

(in thousands)	Year Ended June 30,		Year Ended September 30,	
	2022	2021	2021	2020
	Custodial Funds		Pension Trust Funds	
Additions				
Contributions:				
Organizations	\$ 2,162	\$ 6,327		
Employer			\$ 2,227	\$ 60
Total contributions	2,162	6,327	2,227	60
Net investment income	18,832	54,582	16,966	7,079
Total Additions	20,994	60,909	19,193	7,139
Deductions				
Benefits paid to participants			5,846	5,565
Administrative expenses			423	375
Withdrawals	1,698	872		
Total Deductions	1,698	872	6,269	5,940
Increase in Fiduciary Net Position	19,296	60,037	12,924	1,199
Fiduciary Net Position, Beginning of Year	223,796	163,759	77,564	76,365
Fiduciary Net Position, End of Year	\$ 243,092	\$ 223,796	\$ 90,488	\$ 77,564

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