

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY

ANNUAL FINANCIAL REPORT

UNAUDITED

FISCAL YEAR ENDED AUGUST 31, 2025



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, 2025. 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, 2025

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 *

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
Christina Melton Crain	February 1, 2031	Dallas
Jodie Lee Jiles	February 1, 2031	Houston
Kelcy L. Warren	February 1, 2031	Dallas
Luke Schwartz (Student Regent)	May 1, 2026	Tyler

* 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

John M. Zerwas	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
Julia J. Rathgeber	Vice Chancellor for Governmental Relations
Randa S. Safady	Vice Chancellor for External Relations, Communications, and Advancement Services
Daniel H. Sharphorn	Vice Chancellor and General Counsel
Rich Hall	President, Chief Executive Officer and Chief Investment Officer-UTIMCO

The University of Texas Rio Grande Valley

Guy Bailey	President
Maggie Hinojosa	Executive Vice President for Strategic Initiatives and Student Affairs and Deputy to the President
Luis H. Zayas	Provost and Executive Vice President for Academic Affairs
Kelly Nassour	Executive Vice President for Institutional Advancement
Michael Mueller	Executive Vice President for Finance and Business Affairs, Chief Financial Officer
Brian Dean	Interim Executive Vice President for Health Affairs
Veronica Gonzales	Senior Vice President for Governmental and Community Relations
Chasse Conque	Senior Vice President and Director of Athletics
Can (John) Saygin	Senior Vice President for Research and Dean, Graduate College
Patrick Gonzales	Vice President for University Marketing and Communications
Samantha Allen	Vice President of Human Resources and Regulatory Affairs
Javier La Fontaine	Dean, School of Podiatric Medicine
William Miller	Dean, School of Optometry

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The University of Texas Rio Grande Valley
Exhibit A Statement of Net Position
As of August 31, 2025

	Current YearTotals	Prior YearTotals
ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash & Cash Equivalents	\$ 139,087,751.53	\$ 145,617,893.38
Restricted Cash & Cash Equivalents	(13,332,757.84)	(32,858,846.77)
Balance in State Appropriations	24,771,656.77	19,842,371.12
Accounts Receivable, Net:		
Federal (allow. \$0.00 in 2025 & \$0.00 in 2024)	43,207,107.60	40,300,783.71
Other Intergov. (allow. \$0.00 in 2025 & \$0.00 in 2024)	7,300,420.38	6,062,395.11
Student (allow. \$14,203,153.97 in 2025 & \$11,613,542.87 in 2024)	32,397,953.29	23,383,621.77
Patient & Healthcare(allow. \$427,026.77 in 2025 & \$1,251,988.39 in 2024)	5,898,152.48	4,847,070.06
Interest and dividends	528,918.40	532,005.75
Contributions (allow. \$29,489.94 in 2025 & \$19,988.57 in 2024)	2,221,542.69	2,761,307.77
Other (allow. \$21,173,856.19 in 2025 & \$239,321.71 in 2024)	16,558,417.73	35,656,646.85
Lease Receivable (Current)	54,458.31	53,230.29
P3 Receivable (Current)	1,191,121.61	1,356,555.55
Due From System Administration	39,544,063.23	16,913,417.49
Due From Other Institutions	826,596.41	1,122,387.89
Due From Other Agencies	1,864,543.35	10,629,202.99
Inventories	175,816.49	201,390.09
Loans & Contracts (allow. \$16,686,664.06 in 2025 & \$15,574,916.38 in 2024)	9,382,799.01	11,622,489.98
Other Current Assets	874,998.32	2,813,479.25
Total Current Assets	<u>312,553,559.76</u>	<u>290,857,402.28</u>
Noncurrent Assets:		
Restricted Investments	-	6,259,460.90
Loans & Contracts (allow. \$170,144.45 in 2025 & \$207,914.80 in 2024)	41,762.42	51,205.01
Funds Held by System Administration (Restricted)	93,063,488.73	84,566,652.57
Contributions Rec. (allow. \$1,292,375.40 in 2025 & \$31,124.93 in 2024)	13,177,957.66	15,894,110.32
Unrestricted Investments	204,934,228.10	200,803,971.01
Funds Held by System Administration (Unrestricted)	81,652,570.35	65,244,125.25
Lease Receivable (Noncurrent)	55,714.66	110,172.97
Other Noncurrent Assets	6,243,829.96	4,464,078.60
P3 Receivable	14,200,395.08	15,391,516.69
Gross Capital/Intangible Assets	1,820,048,117.25	1,643,711,299.26
Accumulated Depreciation/Amortization	(837,683,878.49)	(778,957,675.03)
Total Noncurrent Assets	<u>1,395,734,185.72</u>	<u>1,257,538,917.55</u>
Total Assets	<u>1,708,287,745.48</u>	<u>1,548,396,319.83</u>
Total Assets and Deferred Outflows	<u>1,708,287,745.48</u>	<u>1,548,396,319.83</u>
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	52,219,884.13	40,050,898.54
Salaries Payable	34,167,003.07	26,480,754.31
Other Intergovernmental Payables	1,125,476.64	816,559.32
Due To System Administration	5,986,975.38	5,528,086.13
Due To Other Institutions	157,156.73	220,892.89
Due To Other State Agencies	691,319.40	655,435.59
Unearned Revenue	132,550,032.52	119,162,869.12
Employees' Compensable Leave (Current)	9,181,192.21	7,678,108.58
Notes, Loans, and Leases Payable (Current)	9,405,980.83	8,329,067.35
Other Current Liabilities	3,115,929.68	3,442,221.51
Total Current Liabilities	<u>248,600,950.59</u>	<u>212,364,893.34</u>
Noncurrent Liabilities:		
Employees' Compensable Leave (Noncurrent)	10,336,181.72	8,728,842.45
Liability to Beneficiaries	126,766.09	127,256.50
Notes, Loans, and Leases Payable (Noncurrent)	17,920,620.50	22,289,216.48
Other Noncurrent Liabilities	373,753.48	211,960.80
Total Noncurrent Liabilities	<u>28,757,321.79</u>	<u>31,357,276.23</u>
Total Liabilities	<u>277,358,272.38</u>	<u>243,722,169.57</u>
Total Deferred Inflows of Resources	<u>55,952,477.80</u>	<u>57,878,824.34</u>
Total Liabilities and Deferred Inflows	<u>333,310,750.18</u>	<u>301,600,993.91</u>
NET POSITION		
Net Investment in Capital Assets	955,037,637.43	834,135,340.40
Restricted for:		
Nonexpendable		
Permanent Health and True Endowments	64,283,994.86	59,746,959.20
Expendable		
Capital Projects	5,174,705.29	(9,071,831.73)
Funds Functioning as Endowment (Restricted)	2,306,465.89	2,206,302.76
Other Expendable	61,812,584.86	46,879,810.24
Unrestricted	286,361,606.97	312,898,745.05
Total Net Position	<u>\$ 1,374,976,995.30</u>	<u>\$ 1,246,795,325.92</u>

The University of Texas Rio Grande Valley
Exhibit B Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2025

	Current YearTotals	Prior YearTotals
Operating Revenues:		
Student Tuition and Fees	\$ 324,623,943.67	\$ 309,857,421.36
Discounts and Allowances	(216,390,808.76)	(181,324,623.69)
Federal Sponsored Programs	75,540,796.44	63,183,896.53
Federal Sponsored Programs Pass-Through from State Agencies	3,844,739.29	8,272,429.36
State Sponsored Programs Pass-Through from State Agencies	78,098,197.67	59,968,288.21
Local Sponsored Programs	(5,296,868.99)	18,224,277.60
Private Sponsored Programs	8,383,361.98	8,315,328.35
Sales and Services of Educational Activities	10,859,548.59	10,572,692.41
Professional Fees (Patient Charges)	53,514,153.30	42,106,280.78
Discounts and Allowances Professional Fees (Patient Charges)	(35,067,952.67)	(26,775,285.57)
Auxiliary Enterprises	12,483,657.89	10,545,543.88
Discounts and Allowances Auxiliary Enterprises	(640,836.42)	(408,102.36)
Other Operating Revenues	24,378,238.02	18,708,370.97
Total Operating Revenues	334,330,170.01	341,246,517.83
Operating Expenses:		
Instruction	215,046,833.03	208,218,972.20
Research	86,618,734.90	72,842,701.51
Public Service	13,887,070.11	14,212,384.73
Hospitals / Clinics	49,710,268.29	36,414,877.26
Academic Support	86,063,305.70	83,752,441.14
Student Services	38,525,833.44	33,863,858.21
Institutional Support	44,447,305.53	41,025,669.97
Operations and Maintenance of Plant	49,014,073.49	44,517,425.13
Scholarships and Fellowships	49,611,260.17	52,660,470.82
Auxiliary Enterprises	42,783,823.91	39,796,669.40
Depreciation and Amortization	75,140,758.90	64,983,875.82
Total Operating Expenses	750,849,267.47	692,289,346.19
Operating Income (Loss)	(416,519,097.46)	(351,042,828.36)
Nonoperating Revenues (Expenses):		
State Appropriations	194,893,705.74	201,819,022.54
Federal Nonexchange Sponsored Programs	136,278,700.78	117,223,866.76
Federal Nonexchange Pass-Through	-	41,306.94
Gift Contributions for Operations	6,510,854.41	3,634,483.80
Investment Income	31,190,484.39	24,201,674.42
Net Increase (Decrease) in Fair Value of Investments	13,221,370.64	20,638,329.37
Interest Expense on Capital Asset Financings	(643,403.52)	(537,593.90)
Gain (Loss) on Sale of Capital Assets	(1,556,595.28)	289,048.65
Other Nonoperating Revenues	21,870.00	508,218.25
Other Nonoperating (Expenses)	(801,622.77)	(1,282,279.29)
Net Nonoperating Revenues (Expenses)	379,115,364.39	366,536,077.54
Income/(Loss) Before Other Revenue, Expenses, Gains/(Losses), and Transfers	(37,403,733.07)	15,493,249.18
Gifts and Sponsored Programs for Capital Acquisitions	3,120,022.69	15,604,183.29
Additions to Permanent Endowments	3,394,568.16	7,077,973.29
Reclass from/(to) Other Institutions	179,575,488.19	(82,259,107.54)
Capital Asset Purchases		
Transactions Between Funds		
Transfers Between Institutions & System, Debt Service - Mandatory	(25,697,013.70)	(30,075,317.94)
Transfers Between Institutions & System Admin. - Non mandatory	(1,723,782.71)	195,158,210.80
Transfers From Other State Agencies	6,917,475.28	4,692,123.64
Transfers to Other State Agencies	(1,355.46)	(1,555.39)
Legislative Appropriations Lapsed		
Transfers Between Funds		
Change in Net Position	128,181,669.38	125,689,759.33
Beginning Net Position	1,246,795,325.92	1,121,105,566.59
Ending Net Position	\$ 1,374,976,995.30	\$ 1,246,795,325.92

The University of Texas Rio Grande Valley
Exhibit C - Statement of Cash Flows
For the Year Ended August 31, 2025

	Current Year Totals	Prior Year Totals
Cash Flows from Operating Activities:		
Proceeds from Tuition and Fees	\$ 114,335,355.44	\$ 131,351,610.97
Proceeds from Patients and Customers	17,395,118.21	14,159,689.21
Proceeds from Sponsored Programs	176,032,801.66	141,960,364.07
Proceeds from Auxiliaries	13,315,304.80	13,171,546.06
Proceeds from Other Revenues	35,909,484.65	55,087,817.58
Payments to Suppliers	(177,204,566.07)	(173,946,694.72)
Payments to Employees	(478,024,367.94)	(451,203,633.28)
Payments for Loans Provided	(9,545,703.15)	(14,239,928.66)
Proceeds from Loan Programs	11,856,224.98	13,202,562.39
Net Cash Provided (Used) by Operating Activities	(295,930,347.42)	(270,456,666.38)
Cash Flows from Noncapital Financing Activities:		
Proceeds from State Appropriations	189,964,420.09	193,004,797.19
Proceeds from Operating Gifts	6,681,181.56	8,806,431.01
Proceeds from Private Gifts for Endowment Purposes	3,394,568.16	7,077,973.29
Proceeds from Other Noncapital Financing Activities	79,425,294.20	77,722,281.45
Receipts for Transfers from System or Other Agencies	14,256,996.59	11,859,689.28
Payments for Transfers to System or Other Agencies	(11,270.46)	(686,493.39)
Payments for Other Uses	(76,842,430.99)	(80,502,205.39)
Proceeds from Nonexchange Sponsored Programs	136,278,700.78	117,265,173.70
Net Cash Provided by Noncapital Financing Activities	353,147,459.93	334,547,647.14
Cash Flows from Capital and Related Financing Activities:		
Nonmandatory Capital Related Transfers	147,878,416.85	152,041,988.53
Proceeds from Capital Appropriations, Grants, and Gifts	4,267,448.60	1,000,000.00
Proceeds from Sale of Capital Assets	4,658,798.54	429,026.38
Payments for Additions to Capital Assets	(185,171,384.69)	(209,463,785.23)
Payments of Principal on Capital Related Debt and Other L-T Obligations	(11,182,997.00)	(9,070,888.63)
Mandatory Transfers to System for Capital Related Debt	(25,697,013.70)	(30,075,317.94)
Payments of Interest on Capital Related Debt and Other L-T Obligations	(643,403.52)	(537,593.90)
Net Cash Provided (Used) by Capital and Related Financing Activities	(65,890,134.92)	(95,676,570.79)
Cash Flows from Investing Activities		
Proceeds from Sales of Investments Invested by System	-	21,828,074.92
Proceeds from Interest and Investment Income	3,663,473.82	3,329,584.58
Proceeds from Interest and Investment Income Invested by System	27,543,134.50	20,906,756.93
Payments to Acquire Investments Invested by System	(9,537,638.83)	-
Net Cash Provided (Used) by Investing Activities	21,668,969.49	46,064,416.43
Net Increase (Decrease) in Cash	12,995,947.08	14,478,826.40
Cash and Cash Equivalents (Beginning of the Year)	112,759,046.61	98,280,220.21
Cash and Cash Equivalents (End of the Year)	\$ 125,754,993.69	\$ 112,759,046.61
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	(416,519,097.46)	(351,042,828.36)
Adjustments to Reconcile Operating Results to Net Cash:		
Depreciation and Amortization Expense	75,140,758.90	64,983,875.82
Bad Debt Expense	(61,388.27)	(87,725.43)
Changes in Assets and Liabilities:		
Accounts Receivable	11,310,223.94	(24,191,021.28)
Lessor-Related Balances	(651.37)	(1,851.70)
P3 Related Balances	(1,989,633.72)	30,142,814.17
Inventories	25,573.60	(21,216.61)
Loans and Contracts	2,310,521.83	(1,037,366.27)
Other Current and Noncurrent Assets	1,614,895.57	(2,197,714.26)
Accounts Payable	15,446,473.16	8,824,365.71
Due to System	458,889.25	440,206.40
Unearned Revenue	13,387,163.40	2,223,972.00
Employees' Compensable Leave	3,110,422.90	1,374,551.12
Other Current and Noncurrent Liabilities	(164,499.15)	133,272.31
Total Adjustments	120,588,750.04	80,586,161.98
Net Cash Provided (Used) by Operating Activities	\$ (295,930,347.42)	\$ (270,456,666.38)
Non Cash Transactions:		
Net Increase (Decrease) in Fair Value of Investments	13,221,370.64	20,638,329.37
Donated Capital Assets	1,938,164.68	235,194.44
Capital Assets Acquired/Adjusted Under Lease Purchases or Direct Borrowings	8,092,558.53	7,169,763.49
Miscellaneous Noncash Transactions	(1,556,595.28)	289,048.65