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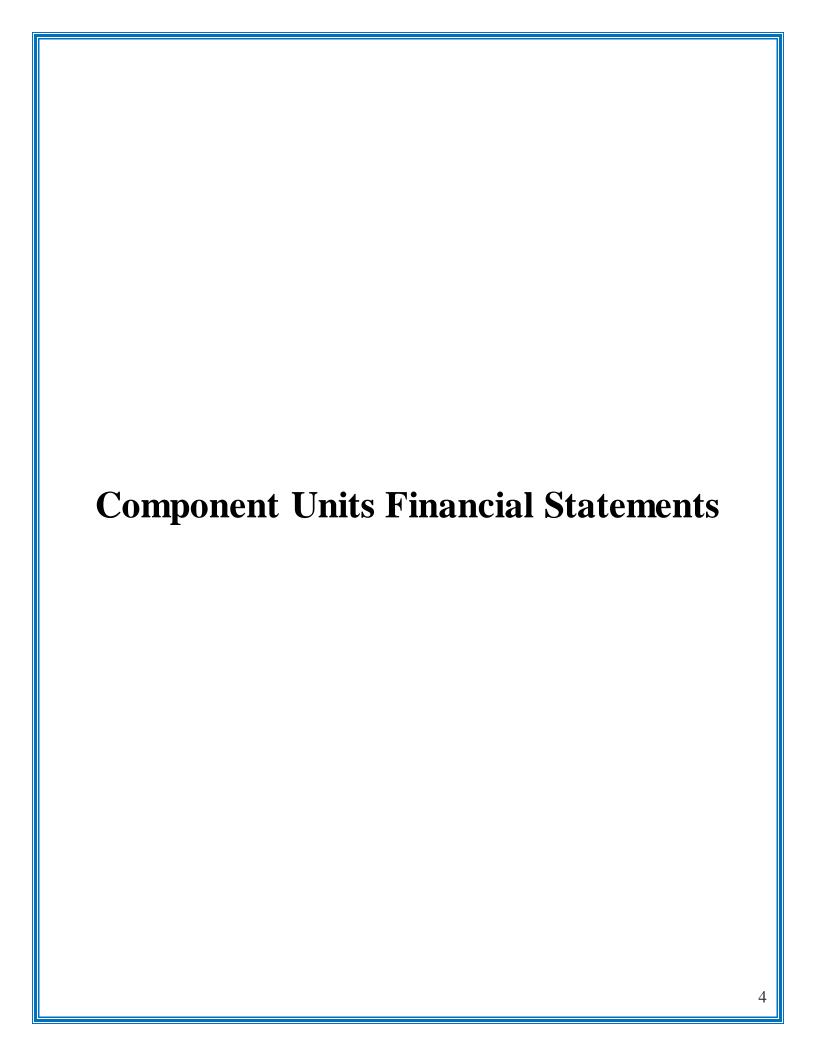
STATE UNIVERSITY OF NEW YORK AT BUFFALO ASSETS, LIABILITIES AND NET ASSETS BALANCE AT JUNE 30, 2019

	State F		Research			
				Foundation		Total
Assets						
Current assets:						
Cash and cash equivalents	S	305,104,302	\$	1,795,078	\$	306,899,380
Accounts and notes receivable, net	S	16,435,072	\$	608,923	\$	17,043,995
Other receivables	S	18,011,700	\$	27,215,438	\$	45,227,138
Short-term investments	\$	-	\$	124,366,821	\$	124,366,821
Inventory	\$	2,147,356	\$	-	\$	2,147,356
Prepaid expenses	S	2,196,043	\$	-	\$	2,196,043
Other assets		_	\$	159,082	\$	159,082
Total current assets	s	343,894,473	S	154,145,342	S	498,039,815
Noncurrent assets:						
Property, plant and equipment, net	s	1,379,671,371	\$	11,467,110	\$	1,391,138,481
Loans receivable	s	14,391,992	\$	-	\$	14,391,992
Other assets	s	2,825,483	\$	16,366,327	\$	19,191,810
Total noncurrent assets	<u>s</u>	1,396,888,846	s	27,833,437	\$	1,424,722,283
Total assets	\$	1,740,783,319	\$	181,978,779	\$	1,922,762,098
Current liabilities:						
Current liabilities:						
Accounts payable	\$	60,714,868	\$	10,163,217	\$	70,878,085
Current portion of long-term debt	S	50,775,192	\$	3,702,112	\$	54,477,304
Deferred revenue	S	9,907,021	\$	48,140,325	\$	58,047,346
Interest Payable	\$	5,301,754	\$	-	\$	5,301,754
Other current liabilities		1,302,270	\$	378,544	\$	1,680,814
Total current liabilities		128,001,105	\$	62,384,198	\$	190,385,303
Noncurrent liabilities:						
Long-term debt	\$	1,024,112,951	\$	-	\$	1,024,112,951
Deferred revenue	S	-	\$	4,085,025	\$	4,085,025
Other long-term liabilities		39,455,713	\$	10,952,329	\$	50,408,042
Total noncurrent liabilities		1,063,568,664	\$	15,037,354	\$	1,078,606,018
Total liabilities		1,191,569,769	\$	77,421,552	\$	1,268,991,321
Net Assets:						
Unrestricted	\$	219,271,794	\$	104,557,227	\$	323,829,021
Restricted - nonexpendable	\$	327,164,815	\$	-	\$	327,164,815
Restricted - expendable		2,776,941	\$	_	\$	2,776,941
Total net assets		549,213,550		104,557,227	\$	653,770,777
Total liabilities and net assets		1,740,783,319	\$	181,978,779	\$	1,922,762,098

STATE UNIVERSITY OF NEW YORK AT BUFFALO STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

	State	Research			
			Foundation		Total
Operating Revenues:					
Tuition and fees, net	\$ 291,994,973	\$	-	\$	291,994,973
Grants and contracts	\$ 51,751,423	\$	147,521,233	\$	199,272,656
Other	\$ 88,846,058	\$	5,116,130	\$	93,962,188
Auxiliary enterprises	\$ 24,870,751	\$	-	\$	24,870,751
Hospitals and clinical revenue	\$ 4,180,106	\$	-	\$	4,180,106
Total revenues	\$ 461,643,311	\$	152,637,363	\$	614,280,674
Operating Expenses:					
Instruction	\$ 407,271,469	\$	13,904,466	\$	421,175,935
Research	\$ 27,713,052	\$	89,269,315	\$	116,982,367
Public service	\$ 3,286,283	\$	6,006,871	\$	9,293,154
Academic support	\$ 98,518,385	\$	13,913,160	\$	112,431,545
Student services	\$ 35,503,054	\$	445,979	\$	35,949,033
Institutional support	\$ 104,908,518	\$	20,110,739	\$	125,019,257
Operation and maintenance of plant	\$ 79,413,273	\$	3,551,900	\$	82,965,173
Depreciation	\$ 71,030,342	\$	2,435,657	\$	73,465,999
Scholarships and fellowships	\$ 40,105,646	\$	1,025,848	\$	41,131,494
Hospitals and clinics	\$ 9,865,625	\$	-	\$	9,865,625
Auxiliary enterprises	\$ 78,613,156	\$	221,069	\$	78,834,225
Other expenses	\$ 965,179	\$	-	\$	965,179
Total expenses	\$ 957,193,982	\$	150,885,004	\$	1,108,078,986
Non-operating revenues (expenses):					
State appropriations	\$ 503,671,329	\$	-	\$	503,671,329
State and Federal Aid Grants	\$ 72,804,505	\$	-	\$	72,804,505
Net Gain on Investment	\$ 6,902,393	\$	5,924,998	\$	12,827,391
Gifts and other non-operating revenue (expense)	\$ 22,191,709	\$	(7,204,423)	\$	14,987,286
Interest expense	\$ (52,361,579)	\$	-	\$	(52,361,579)
Loss on disposal of plant assets	\$ (2,138,126)		(14,503)	\$	(2,152,629)
Total non-operating revenues	\$ 551,070,231	\$	(1,293,928)	\$	549,776,303
Capital Gifts and Grants	\$ 645,530	\$	3,109,545	\$	3,755,075
Change in Net Assets	\$ 56,165,090	\$	3,567,976	\$	59,733,066
Net Position at the beginning of year	\$ (775,299,159)	\$	88,732,327	\$	(686,566,832)
Restatement of beginning net position for elimination of OPEB	\$ 1,270,522,308	\$	-	\$	1,270,522,308
Restatement of beginning net position for adj. Ed Debt	\$ 10,082,235	\$	-	\$	10,082,235
Net Position at the end of year	\$ 561,470,474	\$	92,300,303	\$	653,770,777

See accompanying notes to financial statements



STATE UNIVERSITY OF NEW YORK AT BUFFALO COMPONENT UNITS ASSETS, LIABILITIES AND NET ASSETS BALANCE AT JUNE 30, 2019

		2019				
Assets						
Assets:						
Cash and cash equivalents	\$	24,977,492				
Accounts receivable, net	\$	6,763,454				
Other receivables	\$	48,393,193				
Inventory	\$	950,299				
Prepaid expenses and deposit	\$	704,271				
Property, plant and equipment, net	\$	113,487,202				
Investments	\$	1,079,709,791				
Fine Arts	\$	15,776,361				
Other assets	<u>\$</u>	342,894				
Total assets	\$	1,291,104,957				
<u>Liabilities:</u>						
<u>Liabilities:</u>						
Accounts payable	\$	14,446,766				
Accrued expenses	\$	11,623,958				
Current portion of long-term debt	\$	653,130				
Deferred revenue	\$	266,736				
Long-term debt	\$	130,851,449				
Other long-term liabilities	\$	27,555,094				
Total liabilities		185,397,133				
Net Assets:						
Without donor restrictions	\$	360,861,480				
With donor restrictions		744,846,344				
Total net assets	\$	1,105,707,824				
Total liabilities and net assets	\$	1,291,104,957				

STATE UNIVERSITY OF NEW YORK AT BUFFALO COMPONENT UNITS STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

		ithout Donor Restrictions		With Donor Restrictions		Total
Revenues:						
Contributions, gifts and grants	\$	5,883,819	\$	32,842,721	\$	38,726,540
Food Service	\$	42,465,300	\$	-	\$	42,465,300
Other Auxilary services	\$	3,919,434	\$	-	\$	3,919,434
Rental Income	\$	27,766,359	\$	-	\$	27,766,359
Program income and special events	\$	6,163,887	\$	-	\$	6,163,887
Investment Income, net	\$	13,531,979	\$	42,340,441	\$	55,872,420
Net realized and unrealized gains (loss)	\$	(1,373,009)	\$	-	\$	(1,373,009)
Change in value of split interest agreements	\$	10,973	\$	1,248,980	\$	1,259,953
Other Activities and services	\$	7,574,011	\$	-	\$	7,574,011
Other Sources	\$	11,958,779	\$	-	\$	11,958,779
Faculty Practice and Dental Training	\$	11,190,582	\$	-	\$	11,190,582
Net Assets released from restrictions	\$	62,680,829	\$	(62,680,829)	\$	
Total revenues	\$	191,772,943	\$	13,751,313	\$	205,524,256
Expenses:						
Food Service	\$	32,415,224	\$		\$	32,415,224
Other auxiliary services	\$ \$	3,259,922	\$ \$	_	\$ \$	3,259,922
Program services	\$ \$	84,204,920	\$ \$	_	\$	84,204,920
Real Estate	\$ \$	22,004,306		_	ъ \$	22,004,306
Management and General	\$ \$	9,662,903	\$ \$	-	ъ \$	9,662,903
Fundraising	\$ \$	9,510,073	\$	_	\$ \$	9,510,073
Other expenses	\$	9,510,073	\$	_	\$	9,510,075
Total expenses	<u> </u>	161,057,348	<u> </u>		<u> </u>	161,057,348
Total expenses	<u>.</u>	101,037,346	<u>.</u>		<u>.</u>	101,037,540
Increase net assets	<u> </u>	30,715,595	\$	13,751,313	\$	44,466,908
Net Assets at the beginning of year	\$	330,145,885	\$	731,095,031	\$	1,061,240,916
Net assets at the end of year	\$	360,861,480	\$	744,846,344	\$	1,105,707,824

See accompanying notes to financial statements

STATE UNIVERSITY OF NEW YORK AT BUFFALO NOTES TO FINANCIAL STATEMENTS

1. University at Buffalo Financial Presentation

In July 2018, The State University of New York at Buffalo (UB) adopted a financial statement format consistent with the State University of New York's (SUNY) audited financial statements. The University assumed this position in order to conform to GASB pronouncements. The University has relied on information provided by SUNY for the allocation of various net asset values not easily identified by the University.

The State University of New York at Buffalo (UB) is comprised of various entities that are closely affiliated with UB and therefore are included within the campus financial statements. Inclusion in the reporting entity is based primarily on the notion of financial accountability.

Entities that meet these criteria and therefore are included in the financial statements are:

- State Operating dollars from the approved New York State budget.
- Income Fund Reimbursable (IFR) and State University Tuition Reimbursable Account (SUTRA) activity which are comprised of self-supporting programs providing services for students and clients and for administering other charged tuition and fees in excess of what is needed to support the state budget. These accounts also include fees for contract courses and summer/winter sessions.
- Construction fund dollars include State and The Research Foundation for SUNY assets that are tracked in the SUNY system along with the depreciation associated with those assets. This also includes State construction in progress and capitalized interest.
- SUNY Integrated Postsecondary Education Data System (IPED) reported financial information.
- The Research Foundation for SUNY (RF) is a private, nonprofit educational corporation that administers externally funded contracts and grants for and on behalf of SUNY.
- Auxiliary enterprises:
 - ➤ Dormitory Income Fund Reimbursable (DIFR), a self-supporting fund used to administer dormitory (residence hall) rental fees and charges.

These unaudited financial statements are prepared from information received from the entities listed above.

2. Fringe Benefits

Employee fringe benefits (i.e., health insurance, worker's compensation, retirement and post-retirement benefits) are paid by the State on behalf of UB for employees funded through State Operating accounts. Other State-held funding sources such as IFR/SUTRA along with non-State entities, as outlined in Note 1, pay their own fringe benefits costs. The fringe benefits amount for UB employees paid by State Operating funds is calculated by taking the fringe benefits rate which is determined by the State, and applying it to total eligible personal service and temporary service costs incurred. These imputed costs are included in the financial statements.

3. Cash and Cash Equivalents

Cash and cash equivalents represent University at Buffalo funds held in the short-term investment pool (STIP) in the State Treasury or in local depositories by the various entities included in these statements.

The following schedule summarizes cash and cash equivalents by funding source:

	<u>2019</u>
State-held funds:	
State Operating	\$66,527,382
IFR and SUTRA	206,878,178
DIFR	31,698,742
The Research Foundation for SUNY	1,795,078
Total	\$306,899,380

The Research Foundation for SUNY (RF) has two pools of cash, unrestricted (non-sponsored) and restricted (sponsored). Unrestricted cash represents the majority of the balance and consists of facilities and administrative (indirect) cost recovery dollars that were not spent at the end of the fiscal year. Restricted cash is the consolidated balance of payments to the University by sponsors in excess of current expenditures for sponsored research projects.

4. Accounts and Notes Receivable

Accounts and notes receivable totaled \$17,043,995 for the fiscal year ended June 30, 2019. Depending upon the funding source these receivables occurred for a variety of reasons.

State and auxiliary enterprises receivables occur due to student billings for tuition, fees, and room and board payments. Research receivables arise from sponsored awards where the expenditures exceed the cash received whether the difference is billed to the sponsor or not billed yet.

The only notes receivable are student loans awarded from the former State-held endowment fund. These notes have various interest rates and repayment terms.

Certain entities carry an allowance for doubtful accounts on their balance sheet. This amount is calculated in different ways depending on the funding source. Each entity writes off balances during the year as they are deemed uncollectible which, in most cases, is based upon the aging of the receivables.

5. Property, Plant and Equipment

Fixed assets are either stated at historical cost if purchased or at fair market value at date of receipt if acquired by gift. Fixed assets are shown net of accumulated depreciation of \$1,391,138,481 as of June 30, 2019. The majority of the University depreciates its assets using the straight-line method over the assets estimated useful life. In general, the buildings and components are depreciated between 25-50 years, capital equipment, furniture, and fixtures lives range from 4 to 15 years and library acquisitions are depreciated over 10 years.

6. Postemployment and Post-retirement Benefits

The State University provides health insurance coverage for eligible retired State University employees and their survivors through the New York State Health Insurance Program (NYSHIP). The State University, through NYSHIP, offers comprehensive benefits through various providers consisting of hospital, medical, mental health, substance abuse and prescription drug programs. The State administers NYSHIP and has the authority under Article XI of Civil Service Law to establish and amend the benefit

provisions offered. NYSHIP is considered a single employer defined benefit plan offered by the State University to its participants. Prior to July 1, 2018, the University, as a participant in the plan, recognized these other postemployment benefit (OPEB) expenses on an accrual basis. During the current year, SUNY collectively with the University's approval removed OPEB costs from the University's financial statements which resulted in restatements of net position at 7/1/2018 and the comparative statements for fiscal year 2018.

7. Restatement

The elimination of OPEB costs and a debt restatement were applied retroactively to the beginning net position at July 1, 2018. The following is a reconciliation of the total net position as previously reported at July 1, 2018 to the total restatement net position (in thousands):

Total Net Position as previously reported at July 1, 2018	\$ (686,566)
Elimination of University's OPEB costs that are State Obligations	\$ 1,270,522
Debt restatement	\$ 10,082
Total Net Position at July 1, 2018 (restated)	\$ 594,038

The State University of New York is liable for the OPEB costs on behalf of the University at Buffalo. Prior to 7/1/2018, The University statements reflected these costs within the financial statements. During the current year, SUNY collectively with the University's approval, removed OPEB costs from the University's financial statements resulting in restatements of the net position at 7/1/2018 and the comparative statements for fiscal year 2018.

8. Component Units Financial Presentation

The reported totals of the discreetly presented Component Units include the campus related Foundation and the auxiliary service entity, Faculty-Student Association (dba Campus Dining and Shops). The Foundation is a nonprofit organization responsible for the fiscal administration of revenues and support received for the promotion, development and advancement of the welfare of the university, and its students, faculty, staff and alumni. The Foundation received the majority of their support and revenues through contributions, gifts and grants and provides benefits to their campus, students, faculty staff and alumni. Campus Dining and Shops is a campus-based, legally separate, nonprofit organization which as independent contractor operates, manages and promotes educationally related services for the benefit of the campus community.

These organizations are exempt from federal income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. All of the financial data for these organizations was derived from each entity's individual audited financial statements, report in accordance with generally accepted accounting principles promulgated by FASB.

Net Asset Classifications

Unrestricted net position represents resources whose uses are not restricted by donor-imposed stipulations and are generally available for the support of the University campus and Foundation programs and activities. Temporarily restricted net assets represent resources whose use is limited by donor-imposed stipulation that either expire by the passage of time or are removed by specific actions. Permanently restricted net assets represent resources that donors have stipulated must be maintained permanently. The income derived from the permanently restricted net assets is permitted to be spent in part or in whole, restricted by the donor's wishes.

Endowment and Other Investments

The Component Unit investments are recorded at fair value and investment income is reported net of investment fees. Realized and unrealized gains and losses are reflected in the Statement of Activities.

The composition of these investments (excluding cash) is as follows:

	June 30, 2019				
				UBF	
Investment Receivable	\$	-	\$	-	
Fixed income securities	\$	-	\$	130,421,709	
Domestic equity	\$	2,931,925	\$	245,082,578	
International equity	\$	710,128	\$	196,371,128	
Alternative investments					
Real as sets	\$	-	\$	108,901,382	
Equity Partnerships	\$	-	\$	181,435,901	
Hedge funds	\$	-	\$	191,239,120	
Other	\$	20,962,217	\$	607,698	
	\$	24,604,270	\$	1,054,059,516	

Long-term Liabilities

The Component Units have entered into several debt obligations to finance various capital facilities or large equipment purchases. Total long-term and short-term obligations are summarized:

		2019
Campus Dining & Shops (CDS)		
Unsecured note payable related to a former party in annual principal payments and semi- annual interest payments totaling \$951,091 per year, based on a fixed interest rate of 4.81% through June 30, 2026.	\$	6,194,584
University at Buffalo Foundation (UBF)		
Village of Kenmore Housing Authority bonds payable in monthly installments of \$47,516 through January 2028, including interest at 4.95%, net of unamortized debt issuance costs of \$126,231 in 2019. (Flickinger Project)	\$	3,842,634
Town of Amherst Development Corporation bonds payable in annual principal installments that escalate through maturity in October 2035 plus variable rate interest, net of amortized debt issuance costs of \$632,218 in 2019. (South Lake Village/Replacement Bonds)	\$	18,897,782
	4	10,091,102
Town of Amherst Development Corporation bonds payable in monthly principal installments that escalate through maturity in August 2042 plus variable rate interest, net of unamortized debt issuance costs of \$744,154 in 2019. (Flint Village and Creekside		
Village Refunding Bonds)	\$	26,390,846
Town of Amherst Development Corporation bonds payable in annual principal installments that escalate through maturity in October 2045, plus interest ranging from 3.00% to 5.00% adjusted annually, net of amortized debt issuance costs of \$1,548,453 in 2019, and inclusive of unamortized premium of \$5,174,139 in 2019 (Greiner Hall and Hadley Village Refunding Bonds)	\$	66,570,686
Operating Line of Credit payable on demand and bearing interest at 4%, which is 1.5%		
below the bank's prime rate.	\$	9,608,047
Total debt obligations	\$	131,504,579
Current portion of long-term debt	\$	653,130
Long-term debt	\$	130,851,449

Other Receivables

Other receivables consist of contributions receivable within UBF. These contributions represent unconditional promises to give. An allowance for uncollectible contributions receivable is estimated for \$1,959,476 at June 30, 2019.

As of June 30, 2019, UBF has also received bequest intentions and revocable trusts that management estimates will approximate \$114.4 million. These intentions and conditional promises to give are not recognized as assets in the accompanying consolidated financial statements. Amounts received under these conditional promises to give will generally be restricted for specific purposes stipulated by the donors, primarily endowments for faculty support, scholarships, and general operating support of particular departments and divisions of the University.

9. Fiscal Years

The campus financial statements incorporate a twelve-month period for all entities. These entities operate under different fiscal periods. The following schedule provides the fiscal year end of the entities included in these financial statements:

Funding type	Fiscal year end
State-held funds:	
State Operating	June 30th
IFR and SUTRA	June 30th
DIFR	June 30 th
State University Construction Fund	March 31st
University at Buffalo Foundation	June 30th
The Research Foundation for SUNY	June 30th
Campus Dining & Shops	May 31st

