

**UNIVERSITY OF HOUSTON
CLEAR LAKE**

**UNAUDITED ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED AUGUST 31, 2014

UNIVERSITY OF HOUSTON – CLEAR LAKE
PRIMARY STATEMENTS

Unaudited

University of Houston - Clear Lake (759)
 Statement of Net Position
 August 31, 2014

	Total 2014
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	\$ 22,800.00
Cash in Bank	6,113,254.36
Cash in State Treasury	9,842,299.49
Cash Equivalents	13,568,148.16
Restricted:	
Cash In Bank	(4,279,575.13)
Legislative Appropriation	3,671,789.78
Receivables:	
Federal Receivables	4,999,650.95
UHS Intercampus Receivables	17,249,267.03
Accounts Receivable	8,067,440.47
Other	3,360.14
Due From Other Agencies	272,765.87
Consumable Inventories	7,359.63
Prepaid Costs	2,812,287.39
Loans and Contracts	1,826,849.66
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Total Current Assets	<hr/> 64,177,697.80
Non-Current Assets	
Restricted:	
UHS Intercampus Receivables	15,194,278.22
Loans and Contracts	481,173.65
UHS Intercampus Receivables	11,186,213.74
Capital Assets	
Non-Depreciable or Non-Amortizable	11,563,685.39
Depreciable or Amortizable, Net	61,099,914.00
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Total Non-Current Assets	<hr/> 99,525,265.00
Total Assets	<hr/> 163,702,962.80
Total Assets and Deferred Outflow of Resources	<hr/> 163,702,962.80

Unaudited

University of Houston - Clear Lake (759)
Statement of Net Position
August 31, 2014

	Total 2014
Liabilities	
Current Liabilities:	
Payables:	
Accounts Payable	1,445,066.44
Federal Payable	49,889.74
Payroll Payable	3,305,554.54
UHS Intercampus Payable	107,613.19
Other Payable	51,724.67
Due to Other Agencies	35,358.75
Unearned Revenues	29,444,187.47
Revenue Bonds Payable	2,375,190.14
Claims and Judgments Payable	21,433.14
Employees' Compensable Leave	1,005,939.92
Capital Lease Obligations	390,700.61
Funds Held for Others	390,784.38
Total Current Liabilities	38,623,442.99
Non-Current Liabilities	
Revenue Bonds Payable	23,568,344.43
Employees' Compensable Leave	1,044,487.99
Capital Lease Obligations	5,858,558.87
Total Non-Current Liabilities	30,471,391.29
Total Liabilities	69,094,834.28
Total Liabilities and Deferred Inflow of Resources	69,094,834.28
Net Position	
Invested in Capital Assets, Net of Related Debt	40,487,406.49
Restricted for:	
Funds Held as Permanent Investments	
Non-Expendable	
True Endowments, Annuities	9,877,119.34
Expendable	
Funds Functioning as Endowments	5,288,479.81
Other Restricted	2,635,650.04
Unrestricted	36,319,472.84
Total Net Position	\$ 94,608,128.52

Unaudited

University of Houston - Clear Lake (759)
 Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended August 31, 2014

	Total 2014
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Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	\$ 57,842,280.54
Discounts and Allowances	(4,632,945.09)
Auxiliary Enterprise-Pledged	1,358,530.22
Other Sales of Goods and Services-Pledged	1,097,751.23
Federal Revenue-Operating (PR-OP Grants/Contributions)	2,085,713.18
Federal Pass Through Revenue (PR-OP Grants/Contributions)	599,754.20
State Grant Revenue (PR-OP Grants/Contributions)	305,657.07
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	1,874,573.24
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	667,197.16
Other Operating Revenues (PR-Chgs for Services)	3,708.00
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Total Operating Revenues	61,202,219.75
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Operating Expenses	
Instruction	39,897,060.24
Research	1,716,464.71
Public Service	422,521.89
Academic Support	13,903,900.01
Student Services	5,695,050.47
Institutional Support	14,514,551.60
Physical Plant	6,049,029.21
Scholarships & Fellowships	10,927,182.51
Auxiliary Enterprises	5,903,740.34
Depreciation and Amortization	5,662,662.76
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Total Operating Expenses	104,692,163.74
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Operating Income (Loss)	(43,489,943.99)
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Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	24,451,405.00
Additional Appropriations (GR)	6,439,753.43
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	8,823,560.19
State Pass Through Revenues Non-Operating	99,452.00
Gifts (PR-OP Grants/Contributions)	580,072.63
Interest and Investment Income (PR-Chgs for Services)	2,010,162.80
Interest Expense and Fiscal Charges	(1,103,841.37)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	1,299,964.66
Other Nonoperating Revenues	30,025.32
Other Nonoperating Expenses	(5,514,754.44)
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Total Nonoperating Revenues (Expenses)	37,115,800.22
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Unaudited

University of Houston - Clear Lake (759)
 Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended August 31, 2014

	Total 2014
<u>Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers</u>	<u>(6,374,143.77)</u>
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	5,214,167.00
Additions to Permanent and Term Endowments	194,425.00
UHS Intercampus Transfers-In	2,884,079.93
UHS Intercampus Transfers-Out	(196,972.00)
Incr NA Interagency Transfer Capital Assets	8,960.01
Transfers-In	1,143.99
Transfers-Out	(440,666.04)
Legislative Appropriations Lapsed	(1,659.33)
<u>Total Other Revenue, Expenses, Gains, Losses and Transfers</u>	<u>7,663,478.56</u>
<u>Changes in Net Position</u>	<u>1,289,334.79</u>
<u>Net Position, Beginning</u>	<u>93,318,793.73</u>
<u>Net Position, Ending</u>	<u>\$ 94,608,128.52</u>

Unaudited

University of Houston - Clear Lake (759)
 Matrix of Operating Expenses Reported by Function
 For the Year Ended August 31, 2014

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Cost of Goods Sold	\$	\$	\$	\$	\$
Salaries and Wages	29,022,845.12	901,768.78	73,639.02	7,164,561.72	2,428,706.14
Payroll Related Costs	7,145,357.24	193,579.11	6,955.62	1,996,227.83	731,935.79
Professional Fees and Services	694,420.78	66,343.51	287,020.80	496,922.86	1,017,247.41
Travel	214,747.80	101,480.88	8,601.60	271,796.43	59,826.85
Materials and Supplies	914,149.55	228,499.37	20,857.50	2,134,188.63	568,336.70
Communication and Utilities	215,938.92	15,776.13	592.83	425,671.60	128,270.38
Repairs and Maintenance	69,797.62	4,828.10	2,725.45	604,305.89	150.00
Rentals and Leases	203,038.14	3,925.07		274,540.98	122,855.74
Printing and Reproduction	47,903.02	1,019.50	670.57	83,986.00	110,820.67
Depreciation and Amortization					
Interest	173.28	0.17		197.65	135.24
Scholarships	936,791.93	6,035.61		67,706.39	115,566.10
Claims and Losses					
Other Operating Expenses	431,896.84	193,208.48	21,458.50	383,794.03	411,199.45
Total Operating Expenses	\$ 39,897,060.24	\$ 1,716,464.71	\$ 422,521.89	\$ 13,903,900.01	\$ 5,695,050.47

Unaudited

University of Houston - Clear Lake (759)
 Matrix of Operating Expenses Reported by Function
 For the Year Ended August 31, 2014

Institutional Support	Operation and Maintenance of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total 2014
\$	\$	\$	\$ 15,446.84	\$	\$ 15,446.84
7,864,651.91	2,154,222.28	201,056.83	3,225,447.51		53,036,899.31
2,294,118.36	871,687.02	680.10	880,364.27		14,120,905.34
2,494,275.16	483,297.27	25,248.61	531,873.64		6,096,650.04
49,702.19	1,672.04	5,535.00	47,362.70		760,725.49
307,848.28	327,260.46	2,992.95	354,526.85		4,858,660.29
296,127.80	1,433,912.09	89.77	474,525.81		2,990,905.33
31,529.70	679,069.83	8,499.28	64,176.65		1,465,082.52
89,006.34	12,585.22		68,830.92		774,782.41
105,830.12	311.00	1,685.00	44,294.15		396,520.03
				5,662,662.76	5,662,662.76
176.43			78.80		761.57
984,005.37		10,629,825.74	34,054.76		12,773,985.90
53,904.15					53,904.15
(56,624.21)	85,012.00	51,569.23	162,757.44		1,684,271.76
<u>\$ 14,514,551.60</u>	<u>\$ 6,049,029.21</u>	<u>\$ 10,927,182.51</u>	<u>\$ 5,903,740.34</u>	<u>\$ 5,662,662.76</u>	<u>\$ 104,692,163.74</u>

Unaudited

University of Houston - Clear Lake (759)
Statement of Cash Flows
For the Year Ended August 31, 2014

	Total 2014
Cash Flows From Operating Activities	
Receipts from Customers	\$ 1,324,171.52
Proceeds from Tuition and Fees	56,810,247.89
Proceeds from Research Grants and Contracts	5,197,580.96
Proceeds from Loan Programs	3,280,618.72
Proceeds from Auxiliaries	1,100,872.76
Proceeds from Other Revenues	3,708.00
Payments to Suppliers for Goods and Services	(17,790,622.72)
Payments to Employees for Salaries	(52,978,538.77)
Payments to Employees for Benefits	(14,022,267.01)
Payments for Loans Provided	(3,545,221.37)
Payments for Other Expenses	(14,521,283.87)
Net Cash Provided (Used) by Operating Activities	(35,140,733.89)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	31,937,202.64
Proceeds from Gifts	995,072.63
Proceeds from Endowments	194,425.00
Proceeds of Transfers from Other Funds	2,915,249.24
Proceeds from Grants	8,923,012.19
Payments for Transfers to Other Funds	(3,158,142.45)
Net Cash Provided (Used) by Noncapital Financing Activities	41,806,819.25
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Contributions	5,214,167.00
Payments for Additions to Capital Assets	(4,862,112.48)
Payments of Principal on Debt Issuance	(1,946,457.11)
Payments for Capital Lease	(382,928.44)
Payments of Interest on Debt Issuance	(1,103,841.37)
Payments of Other Costs on Debt Issuance	(174,936.75)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,256,109.15)
Cash Flows From Investing Activities	
Proceeds from Investment Income	2,010,162.80
Payments to Acquire Investments	(1,650,603.81)
Net Cash Provided (Used) by Investing Activities	359,558.99
Net Increase (Decrease) in Cash and Cash Equivalents	3,769,535.20
Cash and Cash Equivalents, September 1	21,497,391.68
Cash and Cash Equivalents, August 31	\$ 25,266,926.88

Unaudited

University of Houston - Clear Lake (759)
Statement of Cash Flows
For the Year Ended August 31, 2014

	Total 2014
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Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
<u>Operating Income (Loss)</u>	<u>\$ (43,489,943.99)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities	
Amortization and Depreciation	5,662,662.76
Operating Income and Cash Flow Categories: Classification Differences	(264,602.65)
Changes in Assets and Liabilities:	
(Increase) Decrease In Receivables	(1,497,212.00)
(Increase) Decrease in Inventories	10,517.76
(Increase) Decrease in Prepaid Expenses	(706,194.50)
(Increase) Decrease in Other Assets	(26,913.01)
Increase (Decrease) in Payables	257,043.31
Increase (Decrease) in Deferred Income	4,824,305.08
Increase (Decrease) in Compensated Absences	98,638.33
Increase (Decrease) in Benefits Payable	58,360.54
Increase (Decrease) in Other Liabilities	(67,395.52)
<u>Total Adjustments</u>	<u>8,349,210.10</u>
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>\$ (35,140,733.89)</u>
Non Cash Transactions	
<u>Net Change in Fair Value of Investments</u>	<u>\$ 1,299,964.66</u>
<u>Non Cash Transactions</u>	<u>\$ 1,299,964.66</u>

