University of Houston System

Overview of the Preliminary Annual Financial Report For FY 2011

November 16, 2011

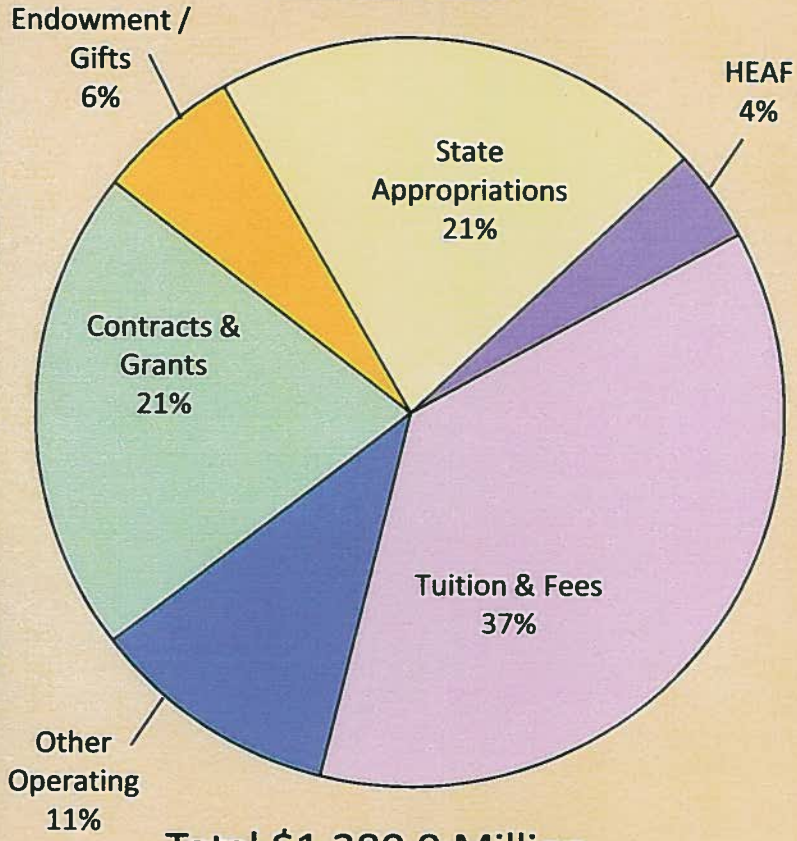
University of Houston System
FY 2011 Annual Financial Report Timeline

- **Aug 31** - Fiscal year end
- **Sep 22** - Departmental accounting activity completed
- **Oct 21** - Ledger closed and preliminary management review completed
- **Oct 28** - Final management review completed
- **Nov 16** - Financial results for all UHS presented to Board of Regents
- **Nov 20** - AFR submitted to State Comptroller & State Auditor
- **Feb 28** - Statewide comprehensive audit completed

11/15/2011
F&A – H-15

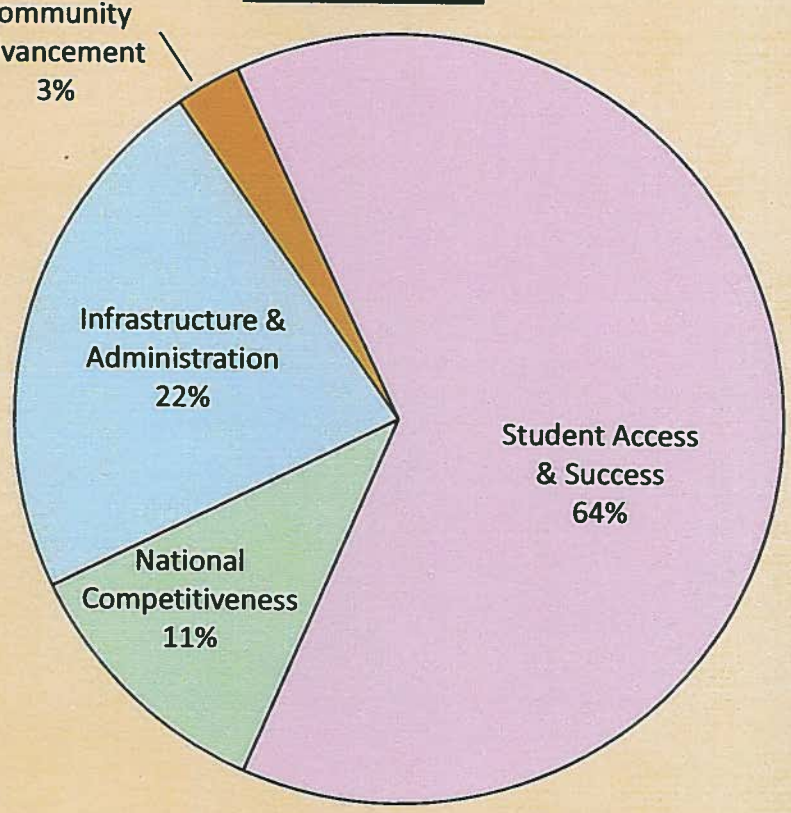
University of Houston System Combined FY 2011 Preliminary Results of Operations

Revenues



Total $1,280.9 Million

Expenses



Total $1,197.8 Million

Note: Expenses exclude construction spending from revenue bond proceeds.

11/15/2011
F&A – H-16

University of Houston System Combined Analysis of Revenues FY 2008 - 2011

($ Millions)

		A 2008 Actual	B 2009 Actual	C 2010 Actual	D 2011 Preliminary	E 2011 Budget *
1	State Appropriations	$ 283.0	$ 289.0	$ 284.4	$ 273.4	$ 295.0
2	HEAF	53.2	53.3	53.3	50.9	50.9
3	Tuition & Fees	365.3	399.0	436.5	471.9	455.4
4	Other Operating	99.0	97.3	102.1	137.4	149.1
5	Contracts & Grants	154.4	187.0	251.2	268.1	237.8
6	Endowment / Gifts	54.4	43.5	46.7	79.2	29.7
7	Total	$ 1,009.3	$ 1,069.1	$ 1,174.2	$ 1,280.9	$ 1,217.9

* FY2011 Budget as adopted on 5-18-2010

University of Houston System Combined Revenues by UHS Component FY 2011 (Preliminary)

($ Millions)

		A State Appropriations	B HEAF	C Tuition & Fees	D Other Operating	E Contracts & Grants	F Endowment / Gifts	G Preliminary 2011 Total
1	University of Houston	$ 181.4	$ 35.9	$ 344.1	$ 119.8	$ 202.1	$ 71.4	$ 954.7
2	UH - Clear Lake	35.2	5.2	47.8	8.7	14.9	1.1	$ 112.9
3	UH - Downtown	33.9	7.4	59.8	6.2	41.7	1.8	$ 150.8
4	UH - Victoria	18.9	2.4	20.2	1.8	7.8	0.8	$ 51.9
5	UH System Admin	4.0	-	-	0.9	1.6	4.1	$ 10.6
6	UH System Total	$ 273.4	$ 50.9	$ 471.9	$ 137.4	$ 268.1	$ 79.2	$ 1,280.9

University of Houston System Combined Analysis of Operating Expenses FY 2008 – 2011

($ Millions)

		A 2008 Actual	B 2009 Actual	C 2010 Actual	D 2011 Preliminary	E 2011 Budget *
1	Student Access and Success	$ 613.1	$ 670.5	$ 737.1	$ 760.5	$ 754.0
2	National Competitiveness	81.0	87.8	98.3	134.9	152.6
3	Infrastructure & Administration	173.0	206.1	200.1	269.4	276.8
4	Community Advancement	40.3	41.0	42.8	33.0	34.5
5	Total	$ 907.4	$ 1,005.4	$ 1,078.3	$ 1,197.8	$ 1,217.9

* FY2011 Budget as adopted on 5-18-2010

University of Houston System Combined Expenses by UHS Component FY 2011 (Preliminary)

($ Millions)

		A Student Access & Success	B National Competitiveness	C Infrastructure & Administration	D Community Advancement	E Preliminary 2011 Total
1	University of Houston	$ 538.1	$ 124.0	$ 188.0	$ 29.8	$ 879.9
2	UH - Clear Lake	70.5	3.4	29.6	-	$ 103.5
3	UH - Downtown	107.8	3.7	31.1	2.6	$ 145.2
4	UH - Victoria	39.1	1.2	12.2	0.5	$ 53.0
5	UH System Admin	5.0	2.6	8.5	0.1	$ 16.2
6	UH System Total	$ 760.5	$ 134.9	$ 269.4	$ 33.0	$ 1,197.8

University of Houston System Combined
Analysis of Asset Balances
FY 2008 – 2011

On August 31 ($ Millions)

		2008 Actual	2009 Actual	2010 Actual	2011 Preliminary
	Assets				
1	**Cash, Appropriations, & Investments**	**$ 1,146.0**	**$ 1,039.2**	**$ 1,150.9**	**$ 1,172.9**
	Consisting of:				
2	Unrestricted cash balances	(26.2)	(19.2)	(38.4)	(67.0)
3	Restricted cash balances	55.3	66.6	60.2	104.7
4	Investments (includes Endow ment)	1,023.2	842.9	970.8	1,025.3
5	Appropriation balances	93.7	148.9	158.3	109.9
6	**Capital Assets, net of depreciation**	**$ 626.4**	**$ 775.1**	**$ 859.8**	**$ 964.1**
	Consisting of:				
7	Land	86.3	100.8	100.9	101.4
8	Construction in progress	81.2	47.2	93.5	174.7
9	Buildings, facilities, infrastructure	361.6	528.1	529.2	514.0
10	Equipment, softw are, art, books	97.3	99.0	136.2	174.0
11	**Other Assets**	**$ 135.6**	**$ 155.1**	**$ 193.0**	**$ 217.8**
	Consisting of:				
12	Receivables	72.9	65.3	100.3	125.9
13	Loans receivable	21.0	31.4	40.3	22.6
14	Prepaid expenses	39.4	55.9	50.2	67.3
15	Inventories	2.3	2.5	2.2	2.0
16	**Total Assets**	$ 1,908.0	$ 1,969.4	$ 2,203.7	$ 2,354.8

University of Houston System Combined
Analysis of Liability Balances & Equity Balance
FY 2008 – 2011

On August 31 ($ Millions)

		A 2008 Actual	B 2009 Actual	C 2010 Actual	D 2011 Preliminary
	Liabilities				
1	**Payables & Accrued Liabilities**	**$ 55.0**	**$ 69.0**	**$ 71.7**	**$ 105.3**
	Consisting of:				
2	Accounts payable	20.0	34.2	34.7	67.1
3	Federal funds payable	1.7	1.0	0.1	0.1
4	Payroll payable	33.0	33.5	36.6	37.9
5	Claims payable (WCI / UCI)	0.3	0.3	0.3	0.2
6	**Revenue Bonds & Notes Payable**	**$ 453.0**	**$ 610.9**	**$ 683.3**	**$ 717.1**
7	**Other Liabilities**	**$ 215.6**	**$ 161.2**	**$ 225.8**	**$ 215.3**
	Consisting of:				
8	Deferred revenue	181.3	124.0	189.9	181.9
9	Compensable leave	21.8	23.1	23.1	23.9
10	Funds held in custody	12.5	14.1	12.8	9.5
11	**Total Liabilities**	$ 723.6	$ 841.1	$ 980.8	$ 1,037.7
12	**Total Equity Balance**	$ 1,184.4	$ 1,128.3	$ 1,222.9	$ 1,317.1

University of Houston System Combined
Asset, Liability & Equity Balances by UHS Component
Preliminary FY 2011
On August 31 ($ Millions)

		A University of Houston	B UH Clear Lake	C UH Downtown	D UH Victoria	E UH System Admin	F UH System 2011 Total
	Assets						
1	Cash, Appropriations, & Investments	$ 276.2	$ 31.3	$ 36.8	$ 11.2	$ 817.4	$ 1,172.9
2	Capital Assets, net of depreciation	707.8	72.2	95.9	23.2	65.0	964.1
3	Other Assets	151.6	13.8	22.0	28.6	1.8	217.8
4	**Total Assets**	$ 1,135.6	$ 117.3	$ 154.7	$ 63.0	$ 884.2	$ 2,354.8
	Liabilities						
5	Payables & Accrued Liabilities	$ 51.1	$ 12.5	$ 6.9	$ 3.2	$ 31.6	$ 105.3
6	Revenue Bonds & Notes Payable	543.5	32.4	56.1	43.0	42.1	717.1
7	Other Liabilities	155.8	24.7	23.4	10.6	0.8	215.3
8	**Total Liabilities**	$ 750.4	$ 69.6	$ 86.4	$ 56.8	$ 74.5	$ 1,037.7
9	**Total Equity Balance**	$ 385.2	$ 47.7	$ 68.3	$ 6.2	$ 809.7	$ 1,317.1