UNIVERSITY OF HOUSTON SYSTEM

UNAUDITED COMBINED ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

Includes Primary Financial Statements for UHS Campuses and Administration:

University of Houston
University of Houston – Clear Lake
University of Houston – Downtown
University of Houston – Victoria
University of Houston – System Administration

UNIVERSITY OF HOUSTON SYSTEM

TABLE OF CONTENTS

MISCELLANEOUS DATA — SECTION

Letter of Transmittal I

Organizational Data II

Statement of Procedure Regarding Annual Financial Report III

PRIMARY STATEMENTS

Combined Balance Sheet / Statement of Net Position – Proprietary Funds 1

Combined Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds 2

Combined Matrix of Operating Expenses Reported by Function – Proprietary Funds 3

Combined Statement of Cash Flows – Proprietary Funds 4

Notes to the Financial Statements 5

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE

TRS-A (Not Applicable) 6A

TRS-B (Not Applicable) 6B

SUPPORTING STATEMENTS

SCHEDULE

2-A Combined Miscellaneous Bond Information 7

2-B Combined Changes in Bonded Indebtedness 8

2-C Combined Debt Service Requirements 9

2-D Combined Analysis of Funds Available for Debt Service 10

2-E Combined Defeased Bonds Outstanding 11

2-F Combined Early Extinguishment and Refunding 12

3 Combined Reconciliation of Cash in State Treasury 13

UHS CAMPUS PRIMARY STATEMENTS

University of Houston 14

University of Houston - Clear Lake 15

University of Houston - Downtown 16

University of Houston - Victoria 17

University of Houston - System Administration 18

UNIVERSITY of
HOUSTON
Division of Administration and Finance
Financial Reporting Department

Kevin L. Draper, CPA
Executive Director

November 19, 2020

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Jerry McGinty II, Executive Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the annual financial report of the University of Houston System for the year ended August 31, 2020, in compliance with Texas Government Code Annotated §2101.011 and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements-And Management's Discussion and Analysis-for State and Local Governments, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Ms. Linda Klemm at 713-743-4407. Ms. Andrea Tebo may be contacted at 713-743-8722 for questions related to the Schedule of Expenditures of Federal Awards.

Sincerely,

Kevin L. Draper
Executive Director, Financial Reporting

cc: Karin Livingston
Associate VC/VP for Finance

5000 Gulf Freeway • Houston, Texas 77204-0901 • Location: Technology Bridge, Building 1, Room 232
Office: 713.743.8726 • Fax: 713.743.8798 • kdraper@uh.edu • www.uh.edu/finance

University of Houston System

Organizational Data
August 31, 2020

Board of Regents

Tilman J. Fertitta, Houston	Term Expires August 31, 2021
Beth Madison, Houston	Term Expires August 31, 2021
Gerald W. McElvy, Southlake	Term Expires August 31, 2021
Doug H. Brooks, Dallas	Term Expires August 31, 2023
Jack B. Moore, Houston	Term Expires August 31, 2023
Steve I. Chazen, Houston	Term Expires August 31, 2023
Durga D. Agrawal, Houston	Term Expires August 31, 2025
Alonzo Cantu, McAllen	Term Expires August 31, 2025
John A. McCall, Jr., Crockett	Term Expires August 31, 2025
Alvaro De la Cruz, Jr. (Student Regent), Victoria	Term Expires May 31, 2021

Officers of the Board (Fiscal Year 2020):

Tilman J. Fertitta	Chairman
Gerald W. McElvy	Vice Chairman
Beth Madison	Secretary

Officers of the Board (Fiscal Year 2021):

Tilman J. Fertitta	Chairman
Gerald W. McElvy	Vice Chairman
Beth Madison	Secretary

Administrative Officers

Renu Khator	Chancellor
Paula Myrick Short	Senior Vice Chancellor for Academic Affairs and Provost
Jim McShan	Senior Vice Chancellor for Administration and Finance
Amr Elnashai	Vice Chancellor for Research and Technology Transfer
Dona H. Cornell	Vice Chancellor for Legal Affairs and General Counsel
Eloise Dunn Brice	Vice Chancellor for University Advancement
J. Richard Walker	Vice Chancellor for Student Affairs and Enrollment Services
Jason Smith	Vice Chancellor for Governmental Relations
Lisa Holdeman	Vice Chancellor for Marketing and Communications

Renu Khator	President – University of Houston
Ira K. Blake	President – UH - Clear Lake
Antonio D. Tillis	President – UH – Downtown (Interim)
Robert K. Glenn	President – UH - Victoria

University of Houston System

Financial Statements
(With Detailed Supportive Schedules)

Statement of Procedure Regarding
Annual Financial Report

Present herein are the financial statements with detailed supportive schedules for the University of Houston System for the fiscal year ended August 31, 2020. These statements and detailed supportive schedules are in compliance with the guidelines in *Reporting Requirements for Annual Financial Reports of State Agencies and Universities,* published by the Texas Comptroller of Public Accounts. Additionally, this report has been prepared in accordance with the requirements in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments.*

The State Auditor has not audited the accompanying annual financial statements and, therefore, an opinion has not been nor will be expressed on the financial statements and related information contained in this report. The information contained in the combined financial statements of the University of Houston System, and its related components, is part of and included in the State of Texas Comprehensive Annual Report. The Annual Financial Report of the University of Houston System is reviewed by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report, upon which an opinion is expressed.

UNIVERSITY OF HOUSTON SYSTEM

PRIMARY STATEMENTS

Unaudited

University of Houston System (797)
Combined Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	$ 63,229.00
Cash in Bank	(348,409,247.57)
Cash in Transit/Reimburse From Treasury	29,872,676.98
Cash in State Treasury	117,172,867.86
Cash Equivalents	410,518,406.84
Short Term Investments	329,491,551.55
Restricted:	
Cash In Bank	345,074,876.41
Legislative Appropriation	193,936,176.63
Receivables:	
Federal Receivables	22,636,335.01
Interest and Dividends	1,290,566.20
Accounts Receivable	54,926,639.16
Gifts	99,190,331.41
Other	4,015,470.17
Due From Other Agencies	21,182,793.73
Consumable Inventories	150,596.87
Merchandise Inventories	1,333,822.80
Prepaid Costs	56,274,570.63
Loans and Contracts	27,581,715.77
Total Current Assets	1,366,303,379.45
Non-Current Assets	
Restricted:	
Receivables	84,678,944.59
Loans and Contracts	1,784,717.09
Investments	1,059,540,172.75
Capital Assets	
Non-Depreciable or Non-Amortizable	496,627,274.54
Depreciable or Amortizable, Net	1,576,256,763.81
Total Non-Current Assets	3,218,887,872.78
Total Assets	4,585,191,252.23
Deferred Outflows of Resources	
Loss on Bond Refunding	1,339,667.33
Pensions	189,470,802.00
Other Post-Employment Benefits	477,481,459.00
Total Deferred Outflows of Resources	668,291,928.33
Total Assets and Deferred Outflows of Resources	$ 5,253,483,180.56

Unaudited

University of Houston System (797)
Combined Statement of Net Position
August 31, 2020

	Total FY2020
Liabilities	
Current Liabilities:	
Payables:	
Accounts Payable	$ 52,202,411.03
Federal Payable	7,476,078.62
Payroll Payable	68,010,973.37
Other Payable	2,629,042.95
Due to Other Agencies	2,738,306.03
Unearned Revenues	293,418,755.98
Notes and Loans Payable	43,681,000.00
Revenue Bonds Payable	88,177,911.77
Claims and Judgments Payable	677,700.89
Employees' Compensable Leave	16,677,264.89
Capital Lease Obligations	559,321.65
Other Post-Employment Benefits	21,169,958.00
Funds Held for Others	14,027,461.20
Total Current Liabilities	611,446,186.38
Non Current-Liabilities	
Revenue Bonds Payable	1,576,906,149.02
Net Pension Liability	327,906,868.00
Employees' Compensable Leave	16,635,671.67
Capital Lease Obligations	4,561,956.59
Other Post-Employment Benefits	646,770,295.00
Total Non-Current Liabilities	2,572,780,940.28
Total Liabilities	3,184,227,126.66
Deferred Inflows of Resources	
Pensions	97,300,337.00
Other Post-Employment Benefits	181,270,379.00
Total Deferred Inflows of Resources	278,570,716.00
Total Liabilities and Deferred Inflows of Resources	$ 3,462,797,842.66
Net Position	
Invested in Capital Assets, Net of Related Debt	$ 691,364,325.10
Restricted for:	
Debt Retirement	9,123,289.29
Capital Projects	30,621,656.18
Funds Held as Permanent Investments	
Non-Expendable	
True Endowments, Annuities	541,521,040.25
Expendable	
Term Endowments	1,362,381.53
Funds Functioning as Endowments	52,005,983.16
Other Restricted	326,525,337.49
Unrestricted	138,161,324.90
Total Net Position	$ 1,790,685,337.90

Unaudited

University of Houston System (797)
Combined Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	$ 774,278,350.27
Discounts and Allowances	(207,143,238.44)
Auxiliary Enterprise-Pledged	111,123,477.57
Discounts and Allowances	(13,429,913.67)
Other Sales of Goods and Services-Pledged	83,101,090.93
Federal Revenue-Operating (PR-OP Grants/Contributions)	100,361,843.58
Federal Pass Through Revenue (PR-OP Grants/Contributions)	6,369,428.44
State Grant Revenue (PR-OP Grants/Contributions)	7,523,123.79
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	56,216,185.07
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	31,061,581.32
Other Operating Revenues (PR-Chgs for Services)	1,739,371.83
Total Operating Revenues	951,201,300.69
Operating Expenses	
Instruction	412,651,279.21
Research	167,661,850.82
Public Service	46,137,818.32
Academic Support	276,457,517.47
Student Services	66,741,937.13
Institutional Support	157,701,076.08
Physical Plant	74,371,100.75
Scholarships & Fellowships	119,833,285.91
Auxiliary Enterprises	149,439,123.65
Depreciation and Amortization	119,212,718.83
Total Operating Expenses	1,590,207,708.17
Operating Income (Loss)	(639,006,407.48)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	332,652,326.00
Additional Appropriations (GR)	22,535,980.52
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	161,897,115.95
Gifts (PR-OP Grants/Contributions)	71,394,598.25
Interest and Investment Income (PR-Chgs for Services)	39,925,935.36
Interest Expense and Fiscal Charges	(54,878,617.24)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	67,415,154.11
Other Nonoperating Revenues	16,039,951.60
Other Nonoperating Expenses	(24,457,481.07)
Total Nonoperating Revenues (Expenses)	632,524,963.48

Unaudited

University of Houston System (797)
Combined Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ (6,481,444.00)
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	76,803,908.00
Federal Grant - Capital Grant Contributions	1,000,000.00
Additions to Permanent and Term Endowments	14,732,776.18
Transfers-In	17,011,032.08
Legislative Transfers-In	790,011.00
Legislative Appropriations Lapsed	(14,872,749.17)
Total Other Revenues, Expenses, Gains, Losses and Transfers	95,464,978.09
Changes in Net Position	88,983,534.09
Net Position Beginning	1,701,471,785.34
Restatements	230,018.47
Net Position Beginning, as Restated	1,701,701,803.81
Net Position, Ending	$ 1,790,685,337.90

Unaudited

University of Houston System (797)
Combined Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Cost of Goods Sold	$	$	$ 668,694.40	$ 2,164.93	$
Salaries and Wages	299,639,566.19	71,711,459.31	15,424,132.54	134,494,075.36	30,185,305.36
Payroll Related Costs	103,109,670.88	18,290,738.72	6,841,686.83	62,816,820.46	21,384,513.52
Professional Fees and Services	1,957,523.76	40,126,396.60	10,263,946.43	11,937,191.78	4,096,923.00
Federal Pass Through Expenses	70,512.36	1,641,830.16	1,192,800.68		
State Pass Through Expenses		29,078.02			
Travel	834,054.72	2,303,739.02	235,173.74	2,790,856.33	559,027.76
Materials and Supplies	1,885,260.54	9,043,857.57	1,644,505.49	9,721,484.29	2,962,512.35
Communication and Utilities	687,122.70	817,869.43	1,010,328.91	16,401,827.85	607,818.94
Repairs and Maintenance	222,379.23	1,031,548.95	495,364.27	4,606,503.54	262,985.35
Rentals and Leases	570,145.96	778,670.75	5,921,223.81	6,288,175.62	823,406.36
Printing and Reproduction	115,547.10	276,313.83	404,988.35	760,070.05	553,055.48
Depreciation and Amortization					
Interest	890.04	4,183.19	14,231.91	11,643.70	12,066.43
Scholarships	2,687,652.20	779,139.26	37,410.26	4,103,960.60	563,215.99
Claims and Judgments					7,788.54
Other Operating Expenses	870,953.53	20,827,026.01	1,983,330.70	22,522,742.96	4,723,318.05
Total Operating Expenses	$ 412,651,279.21	$ 167,661,850.82	$ 46,137,818.32	$ 276,457,517.47	$ 66,741,937.13

Unaudited

University of Houston System (797)
Combined Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$	$	$	$ 543,248.37	$	$ 1,214,107.70
78,301,774.25	20,549,656.84	1,149,474.77	51,580,345.42		703,035,790.04
50,223,543.70	9,122,820.36	1,113.62	28,579,096.48		300,370,004.57
8,108,683.16	12,202,556.61	638,321.40	31,811,572.45		121,143,115.19
		1,780.20			2,906,923.40
					29,078.02
387,920.00	24,531.28	28,131.58	3,975,490.21		11,138,924.64
2,448,535.29	2,507,827.18	58,845.94	7,146,654.12		37,419,482.77
1,550,201.96	15,061,616.09	888.04	10,478,025.55		46,615,699.47
3,494,523.44	3,488,175.70	1,078.95	3,225,754.10		16,828,313.53
3,404,171.93	8,700,858.52	12,022.38	2,097,253.55		28,595,928.88
571,000.08	67,067.53	5,035.66	509,496.98		3,262,575.06
				119,212,718.83	119,212,718.83
63,808.20	661,818.57	505.95	24,628.35		793,776.34
3,695,849.75		117,850,959.61	2,694,705.97		132,412,893.64
943,616.20			5,000.00		956,404.74
4,507,448.12	1,984,172.07	85,127.81	6,767,852.10		64,271,971.35
$ 157,701,076.08	$ 74,371,100.75	$ 119,833,285.91	$ 149,439,123.65	$ 119,212,718.83	$ 1,590,207,708.17

Unaudited

University of Houston System (797)
Combined Statement of Cash Flows
For the Year Ended August 31, 2020

	Total 2020
Cash Flows From Operating Activities	
Receipts from Customers	$ 78,160,971.78
Proceeds from Tuition and Fees	571,363,007.69
Proceeds from Research Grants and Contracts	202,830,728.61
Proceeds from Loan Programs	132,453,985.61
Proceeds from Auxiliaries	96,702,454.54
Proceeds from a Defined Benefit Pension Plan	140,933,778.00
Proceeds from a Defined Benefit OPEB Plan	29,000,966.00
Proceeds from Other Revenues	1,739,371.83
Payments to Suppliers for Goods and Services	(273,330,207.51)
Payments to Employees for Salaries	(703,421,452.24)
Payments to Employees for Benefits	(143,938,438.81)
Payments for Loans Provided	(135,901,995.32)
Payments for a Defined Benefit Pension Plan	(140,933,778.00)
Payments for a Defined Benefit OPEB Plan	(29,029,562.00)
Payments for Other Expenses	(209,765,609.63)
Net Cash Provided (Used) by Operating Activities	(383,135,779.45)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	306,748,789.56
Proceeds from Gifts	73,734,149.82
Proceeds from Endowments	14,732,776.18
Proceeds of Transfers from Other Funds	43,273,232.78
Proceeds from Grants	161,897,115.95
Payments for Transfers to Other Funds	(2,868,482.54)
Net Cash Provided (Used) by Noncapital Financing Activities	597,517,581.75
Cash Flows from Capital and Related Financing Activities	
Proceeds from Debt Issuance	483,260,000.00
Proceeds from Federal Grants and Contracts	1,000,000.00
Proceeds from Other Financing Activities	220,818,385.83
Proceeds from Capital Contributions	76,803,908.00
Payments for Additions to Capital Assets	(235,285,876.06)
Payments of Principal on Debt Issuance	(217,699,999.99)
Payments for Capital Lease	(550,123.04)
Payments of Interest on Debt Issuance	(55,919,160.18)
Payments of Other Costs on Debt Issuance	(282,128,980.94)
Net Cash Provided (Used) by Capital and Related Financing Activities	(9,701,846.38)
Cash Flows From Investing Activities	
Proceeds from Sales of Investments	1,290,129,515.19
Proceeds from Interest Income	129,621.98
Proceeds from Investment Income	39,925,935.36
Payments to Acquire Investments	(1,428,675,776.13)
Net Cash Provided (Used) by Investing Activities	(98,490,703.60)

Unaudited

University of Houston System (797)
Combined Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	106,189,252.32
Cash and Cash Equivalents, September 1		448,103,557.20
Cash and Cash Equivalents, August 31	$	554,292,809.52
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(639,006,407.48)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Pension Expense		61,227,122.00
OPEB Expense		116,163,099.00
Depreciation and Amortization Expense		119,212,718.83
Capital Expenditures		
Operating Income and Cash Flow Categories:		
Classification Differences		(3,448,009.71)
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		(425,763.04)
(Increase) Decrease in Inventories		(595,570.15)
(Increase) Decrease in Prepaid Expenses		991,915.34
(Increase) Decrease in Other Assets		(4,951,830.01)
(Increase) Decrease in DOR - Pensions		53,706,503.00
(Increase) Decrease in DOR - OPEB		70,034,438.00
Increase (Decrease) in Payables		(1,418,720.05)
Increase (Decrease) in Deferred Income		(3,245,319.39)
Increase (Decrease) in Compensated Absences		6,231,477.76
Increase (Decrease) in Benefits Payable		(385,662.20)
Increase (Decrease) in Liabilities to Employees for Defined Benefit Pensions		(140,933,778.00)
Increase (Decrease) in Liabilities to Employees for Defined Benefit OPEB		(29,029,562.00)
Increase (Decrease) in Other Liabilities		(6,266,101.35)
Increase (Decrease) in Deferred Inflows of Resources-Pensions		62,542,729.00
Increase (Decrease) in Deferred Inflows of Resources-OPEB		(43,539,059.00)
Total Adjustments		255,870,628.03
Net Cash Provided (Used) by Operating Activities	$	(383,135,779.45)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	67,415,154.11
Non Cash Transactions	$	67,415,154.11

Blank Page

UNIVERSITY OF HOUSTON SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2020

NOTE 1: Summary of Significant Accounting Policies

Entity

The University of Houston System (the System) is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The System serves the state as the primary provider of educational and cultural opportunities, skilled employers and leaders, technical knowledge, and innovative research to the Houston metropolitan area and the Gulf Coast region. Houston and the upper Gulf Coast region represent approximately one fourth of the state's population and economy.

The System includes within this report all components as determined by an analysis of their relationship to the System as listed below.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Reporting Consideration for COVID-19 Response

The CARES Act establishes and funds the Higher Education Emergency Relief Fund (HEERF). Sections 18004(a)(1) and 18004(c) of the CARES Act, which address the HEERF, allow institutions of higher education to use up to 50 percent of the funds they receive to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus.

As of August 31, 2020, The University of Houston System used these funds to provide additional emergency financial aid grants to students, reimbursements and waivers for tuition, housing, room and board and other fee refunds for students; as well as providing additional technology hardware to students, such as laptops, or tablets, or covering the added cost of technology fees. These funds were additionally used for campus safety and operations; for purchasing, leasing or renting additional instructional equipment and supplies in order to reduce the number of students sharing equipment or supplies during a single class period and to provide time for disinfection between uses; as well as to enable distance learning, or upgrading campus Wi-Fi access or extending open networks to parking lots or open spaces. The System also expended funds to establish Spanish communications on the University website as well as expenses for staff to deliver customer services to students remotely.

The accompanying financial statements and related information have been prepared in conformity with the instructions contained in the State Comptroller's manual, *Reporting Requirements for Annual Financial Reports of State Agencies and Universities.* The instructions and the accompanying report are designed to assist the Texas Comptroller of Public Accounts in compiling and preparing a Comprehensive Annual Financial Report for the State of Texas. Since the System's annual financial report is not subject to a separate financial audit, certain information, such as Management's Discussion and Analysis and a complete set of Government-Wide Financial Statements, are not included in the accompanying report. The System's financial statements are considered to be materially accurate in all respects.

Blended Component Units

No component units have been identified which should have been blended into an appropriated fund.

Discretely Presented Component Units
These component units are legally separate from the state, but are financially accountable to the state, or have a relationship with the state, such that exclusion would cause the financial statements to be misleading or incomplete. The component unit columns of the financial statements include the financial data of these entities.

No component units have been identified which should have been discretely presented in the financial statements.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-Wide Adjustment Fund Types

General Fund
The General Fund is the principal operating fund used to account for most of the state's general activities. It accounts for all financial resources except those accounted for in other funds.

Special Revenue Funds
Special Revenue funds are used to account for the proceeds of specific revenue sources (other than for private-purpose trusts or for major capital projects) that are legally restricted to use for specified purposes.

Debt Service Funds
Debt Service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Project Funds
Capital Project funds are used to account for financial resources used for the acquisition, repair, renovation or construction of major capital facilities (other than those financed by proprietary or similar trust funds).

Permanent Funds
Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the state's programs.

Capital Asset Adjustment Fund Type
The Capital Asset Adjustment fund type will be used to convert governmental fund type capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type
The Long-Term Liabilities Adjustment fund type will be used to convert governmental fund type debt from modified accrual to full accrual.

Other Adjustments Fund Type
The Other Adjustments fund type will be used to convert all other governmental fund type activity from modified accrual to full accrual.

Proprietary Fund Types

Enterprise Funds
Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. Activities must be reported as enterprise funds if any one of the following criteria is met:

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.

2. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges.

3. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

Internal Service Funds

Internal Service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a governmental unit, or to other governmental units within the state, on a cost-reimbursement basis.

Fiduciary Fund Types

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund or a private purpose trust fund is used.

Pension Trust Funds

Pension trust funds are used to account for resources held in trust for the member and beneficiaries of defined benefit pension plans. A separate pension trust fund is used for each separate pension plan. Separate pension trust funds also may be established to account for supplemental pension benefits.

External Investment Trust Funds

External investment trust funds are used to account for the state's external portion of investment pools reported by the sponsoring government.

Agency Funds

Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Private-Purpose Trust Funds

Private-purpose trust funds are used to account for all other trust arrangements whose principal and interest benefit individuals, private organizations, or other governments.

Component Units

The fund types of individual discrete component units are available from the component units' separately issued financial statements. Additional information about component units can be found in Note 19.

Governmental Component Units are used to account for discretely presented component units that follow governmental fund accounting principles.

Proprietary Component Units are used to account for the discretely presented component units which follow proprietary fund measurement focus and accounting principles.

Business-Type Activities

The operations of universities are considered to be a Business-Type Activity. The System charges fees to external users for goods and services. Consequently, the accompanying financial statements are presented using the proprietary fund type structure.

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for by using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end. The State of Texas considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid employee compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments, and full accrual revenues and expenses. The activity will be recognized in these fund types.

Proprietary funds, pension trust funds, external investment trust funds, and private-purpose trust funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Operating expenses for the enterprise and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Budget and Budgetary Accounting

The budget is prepared biennially and represents appropriations authorized by the Legislature and approved by the Governor (the General Appropriations Act).

Additionally, the System prepares an annual budget which represents anticipated sources of revenues and authorized uses. This budget is approved by the System's Board of Regents.

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

Assets, Liabilities, and Fund Balances/Net Position

ASSETS

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Securities Lending Collateral

Investments are stated at fair value in all funds, except pension trust funds, in accordance with GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. For pension trust funds, investments are required to be reported at fair value using the accrual basis of accounting in accordance with GASB Statement 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans.

Securities lent are reported as assets on the balance sheet. The costs of securities lending transactions are reported as expenditures or expenses in the Operating Statement. These costs are reported at gross.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements. Assets held in reserve for guaranteed student loan defaults are also included.

Inventories and Prepaid Items

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Capital Assets

Assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year are capitalized. These assets are capitalized at cost or, if purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all exhaustible assets. Inexhaustible assets such as works of art and historical treasures, are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

Current Receivables - Other

Other receivables include year-end revenue accruals. This account can appear in governmental and proprietary fund types.

Non-Current Receivables - Other

Receivable balances not expected to be collected within one year of fiscal year end.

LIABILITIES

Accounts Payable

Accounts payable represent the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Current Payables - Other

Payables are the accrual at year-end of expenditure transactions. Payables may be included in either the governmental or proprietary fund types.

Non-Current Payables - Other

Payable balances not expected to be paid within one year of fiscal year end.

Employees' Compensable Leave Balances

Employees' Compensable Leave Balances represent the liability that becomes due upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or non-current in the Statement of Net Position.

Capital Lease Obligations

Capital lease obligations represent the liability for future lease payments under capital lease contracts contingent upon the appropriation of funding by the Legislature. Liabilities are reported separately as either current or non-current in the Statement of Net Position.

Bonds Payable - General Obligation Bonds

The unmatured principal of general obligations bonds is accounted for in the Long-term Liabilities column. Payables are reported separately as either current or non-current in the Statement of Net Position.

Bonds Payable are recorded at par. The bond proceeds are accounted for as an Other Financing Source in the governmental funds when received, and expenditures for payment of principal and

interest are recorded in debt service funds when paid. These amounts are adjusted in the Long-Term Liabilities column.

Bonds Payable - Revenue Bonds

Revenue bonds are generally accounted for in the proprietary funds. The Bonds Payable are reported at par, less unamortized discount or plus unamortized premium. Interest expense is reported on the accrual basis with amortization of discount or premium. Payables are reported separately as either current or non-current in the Statement of Net Position.

FUND BALANCE/NET POSITION

The difference between fund assets and liabilities is Net Position on the government-wide, proprietary, and fiduciary fund statements; and the Fund Balance is the difference between fund assets and liabilities on the governmental fund statements.

Reservations of Fund Balance

Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reservations are legally restricted to a specific future use and are not available for expenditure.

Reserved for Encumbrances

This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

Unreserved/Undesignated

This represents the unappropriated balance at year-end.

Invested In Capital Assets, Net Of Related Debt

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position

Restricted net position result when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

Unrestricted net position consist of net position, which do not meet the definition of the two preceding categories. Unrestricted net position often have constraints on resources, which are imposed by management, but can be removed or modified.

INTERFUND ACTIVITIES AND BALANCES

The System has the following types of transactions between funds:

Transfers

Legally required transfers that are reported when incurred as Transfers In by the recipient fund and as Transfers Out by the disbursing fund.

Reimbursements

Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.

Interfund Receivables and Payables

Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter, it is classified as Current. Repayment for two (or more) years is classified as Non-Current.

Interfund Sales and Purchases

Charges or collections for services rendered by one fund to another are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the System's interfund activities and balances are presented in Note 12.

Blank Page

NOTE 2: Capital Assets

A summary of changes in Capital Assets for the year ending August 31, 2020 is presented in Table 2.

Table 2 - Capital Assets

	University of Houston System									
Business-Type Activities:	**Balance**	**09/01/19**	**Adjustments**	**Completed CIP**	**Inc-Int'agy Trans**	**Dec-Int'agy Trans**	**Additions**	**Deletions**	**Balance**	**08/31/20**
Non-Depreciable/Non-Amortizable Assets										
Land & Land Improvements	$	145,961,074.46	$ -	$ -	$ -	$ -	$ -	$ (805,949.40)	$	145,155,125.06
Construction in Progress		326,441,828.82	(29,263.50)	(185,869,102.17)	-	-	207,796,728.00	-		348,340,191.15
Other Tangible Capital Assets		3,131,957.33	-	-	-	-	-	-		3,131,957.33
Other InTangible Capital Assets		-	-	-	-	-	1.00	-		1.00
Total Non-Depreciable and Non-Amortizable Assets		475,534,860.61	(29,263.50)	(185,869,102.17)	-	-	207,796,729.00	(805,949.40)		496,627,274.54
Depreciable Assets										
Buildings & Building Improvements		2,107,736,508.62	-	183,367,713.41	-	-	3,837,736.44	-		2,294,941,958.47
Infrastructure		67,537,612.13	-	520,000.00	-	-	-	-		68,057,612.13
Facilities & Other Improvements		289,733,275.75	-	236,250.71	-	-	996,172.37	-		290,965,698.83
Furniture & Equipment		282,983,231.28	387,955.99	-	-	-	18,222,372.36	(3,139,310.25)		298,454,249.38
Vehicle, Boats & Aircraft		8,613,470.12	-	-	-	-	917,666.14	(300,112.43)		9,231,023.83
Other Capital Assets		170,893,101.05	-	-	-	-	4,969,858.17	(1,674,496.46)		174,188,462.76
Total Depreciable Assets		2,927,497,198.95	387,955.99	184,123,964.12	-	-	28,943,805.48	(5,113,919.14)		3,135,839,005.40
Less Accumulated Depreciation For:										
Buildings & Building Improvements		(979,216,349.81)	-	-	-	-	(79,587,692.47)	-		(1,058,804,042.28)
Infrastructure		(43,480,336.31)	-	-	-	-	(1,475,163.07)	-		(44,955,499.38)
Facilities & Other Improvements		(89,628,966.65)	-	-	-	-	(10,156,709.32)	-		(99,785,675.97)
Furniture & Equipment		(211,488,424.19)	(128,674.02)	-	(36,859.93)	-	(20,516,910.57)	2,905,376.69		(229,265,492.02)
Vehicle, Boats & Aircraft		(6,183,637.32)	-	-	-	-	(655,601.16)	292,720.18		(6,546,518.30)
Other Capital Assets		(118,182,561.08)	-	-	-	-	(6,576,800.06)	1,641,779.72		(123,117,581.42)
Total Accumulated Depreciation		(1,448,180,275.36)	(128,674.02)	-	(36,859.93)	-	(118,968,876.65)	4,839,876.59		(1,562,474,809.37)
Depreciable Assets, Net		1,479,316,923.59	259,281.97	184,123,964.12	(36,859.93)	-	(90,025,071.17)	(274,042.55)		1,573,364,196.03
Amortizable Assets-Intangible										
Computer Software		46,786,181.41	-	1,745,138.05	-	-	1,284,735.56	-		49,816,055.02
Other Intangible Capital Assets		-	-	-	-	-	-	-		-
Total Amortizable Assets-Intangible		46,786,181.41	-	1,745,138.05	-	-	1,284,735.56	-		49,816,055.02
Less Accumulated Amortization For:										
Computer Software		(46,679,645.06)	-	-	-	-	(243,842.18)	-		(46,923,487.24)
Other Intangible Capital Assets		-	-	-	-	-	-	-		-
Total Accumulated Amortization		(46,679,645.06)	-	-	-	-	(243,842.18)	-		(46,923,487.24)
Amortizable Assets-Intangible, Net		106,536.35	-	1,745,138.05	-	-	1,040,893.38	-		2,892,567.78
Total Business-Type Activities - Capital Assets, Net	$	1,954,958,320.55	$ 230,018.47	$ 0.00	$ (36,859.93)	$ -	$ 118,812,551.21	$ (1,079,991.95)	$	2,072,884,038.35

NOTE 3: Deposits, Investments, & Repurchase Agreements

The University of Houston System is authorized by statute to make investments following the "prudent person rule". There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

As of August 31, 2020, the carrying amount of deposits was $3,334,371.16 as presented below:

Governmental and Business-Type Activities	
Cash in Bank-Carrying Amount	$ 3,334,371.16
Total Cash in Bank per Annual Financial Report	$ 3,334,371.16

Reconciliation of Cash per Annual Financial Report	
Proprietary Funds, Current Assets, Cash in Bank	(348,409,247.57)
Proprietary Funds, Current Assets, Restricted Cash in Bank	$ 345,074,876.41
Cash in Bank per Annual Financial Report	$ 3,334,371.16

These amounts consist of all cash in local banks. These amounts are included on the Statement of Net Position as part of the "Cash and Cash Equivalents" accounts.

As of August 31, 2020, the total bank balance was as follows:

Governmental and Business-Type Activities	$ 1,493,576.01

Custodial Credit Risk – The System has no deposits that are at risk of recovery due to the failure of a depository financial institution.

Foreign Currency Risk – The System maintains no foreign bank accounts.

Investments

As of August 31, 2020, fair value of investments were:

	Fair Value Hierarchy				
Governmental and Business-Type Activities	Level 1 Inputs	Level 2 Inputs	Level 3 Input	Net Position Value	Fair Value
U.S. Government Agency Obligations	31,768,730.25	-	-	-	$ 31,768,730.25
U.S. Treasury Securities	158,447,112.50	-	-	-	158,447,112.50
Corporate Obligations	153,834,160.31	-	-	-	153,834,160.31
Equities	61,742,782.90	-	-	76,584,716.59	138,327,499.49
International Equities	-	-	-	152,069,650.44	152,069,650.44
Fixed Income Money Market & Bond Mutual Funds	414,528,924.79	-	-	-	414,528,924.79
Other Commingled Funds (TexPool)	-	-	-	132,178,574.69	132,178,574.69
Other Commingled Funds	-	-	-	199,438,429.48	199,438,429.48
Externally Managed Investments-Domestic	56,764,600.99	-	-	156,309,816.35	213,074,417.34
Externally Managed Investments-International	11,312,236.00	-	-	184,796,981.40	196,109,217.40
Real Estate	-	75,000.00	-	-	75,000.00
Miscellaneous Investments	9,698,414.45	-	-	-	9,698,414.45
Total Investments	898,096,962.19	75,000.00	-	901,378,168.95	$ 1,799,550,131.14

Reconciliation of Investments per Annual Financial Statements	
Proprietary Funds, Current Assets, Cash Equivalents	$ 410,518,406.84
Proprietary Funds, Current Assets, Short-Term Investments	329,491,551.55
Proprietary Funds, Non-Current Assets, Investments	1,059,540,172.75
Investments per Annual Financial Statements	$ 1,799,550,131.14

Custodial Credit Risk (Investments) – The System has no direct investments held by its custodians that are not covered by insurance.

Foreign Currency Risk (Investments) – The System has no direct investments subject to foreign currency risk, nor any denominated in a foreign currency.

Credit Risk (Investments) – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The general investment policy of the System limits investments in debt securities that are not in the top three investment grade ratings issued by nationally recognized statistical rating organizations to 5% of total investments. As of August 31, 2020, the System had no direct investment in securities with credit risk exposure that exceeded its policy limit. As of August 31, 2020, the System's credit quality distribution for securities with credit risk exposure was:

Investments as Rated by Standard & Poor's

Fund Type	GAAP Fund	Investment Type	AAAf	AAAm	AAf	Af	BBBf	NR
05	9999	US Govt Agency Obligations	$20,260,876.53		$11,540,088.57			
		Corporate Obligations	$14,074,449.39		$29,837,169.90	$57,354,064.08	$45,491,525.74	$7,044,716.35
		Miscellaneous Investments	$2,061,373.25		$6,754,830.55	$235,629.80		$646,580.85

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2020, the System's concentration of credit risk in any single issuer did not exceed 5% of total investment assets as reported on the Statement of Net Position.

Reverse Repurchase Agreements

The System has no investments in reverse repurchase agreements.

Securities Lending

The System does not participate in a security-lending program.

NOTE 4: Short-Term Debt

In the prior fiscal year, the System issued commercial paper (Consolidated Revenue Commercial Paper Program, Series A) to facilitate renovation and construction projects at the University of Houston. The balance remaining from the prior year issuance was redeemed during fiscal year 2020. Additional commercial paper was issued during fiscal year 2020, the proceeds of which were used to provide interim financing for renovation and construction projects at UH, UH-System Administration, UH-Clear Lake, UH-Victoria, and UH-Downtown.

Table 4 – Commercial Paper Activity

Business-Type Activities	Balance 9/01/19	Additions	Reductions	Balance 8/31/20
Commercial Paper	$ 94,972,000.00	$ 0.00	$ 51,291,000.00	$ 43,681,000.00

NOTE 5: Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2020, the following changes, presented in Table 5.1, occurred in liabilities:

Table 5.1 – Long-Term Liabilities

Business-Type Activities	Balance 9/1/19	Additions	Reductions	Other Changes	Balance 8/31/20	Due Within 1 Year	Due Thereafter
Claims and Judgments	$ 338,911.39	$ 1,295,194.24	$ 956,404.74	$ 0.00	$ 677,700.89	$ 677,700.89	$ 0.00
Capital Lease-Direct Placement	5,671,401.28	0.00	550,123.04	0.00	5,121,278.24	559,321.65	4,561,956.59
Employee Compensable Leave	27,081,458.80	18,682,850.17	12,451,372.41	0.00	33,312,936.56	16,677,264.89	16,635,671.67
Revenue Bonds Payable	1,377,666,614.42	483,260,000.00	217,699,999.99	21,857,446.36	1,665,084,060.79	88,177,911.77	1,576,906,149.02
Total	$ 1,410,758,385.89	$ 503,238,044.41	$ 231,657,900.18	$ 21,857,446.36	$ 1,704,195,976.48	$ 106,092,199.20	$ 1,598,103,777.28

Claims and Judgments

At August 31, 2020, various lawsuits and claims involving the System were pending. While the ultimate liability, if any, with respect to litigation and other claims asserted against the System cannot be reasonably estimated at this time, such liability, to the extent not provided for by insurance or otherwise, is not expected to have a material effect on System accounts.

Capital Lease-Direct Placement

See Note 8 for detailed capital lease note disclosure requirements.

Notes and Loans Payable

As of August 31, 2020, the System had no notes and loans payable.

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Position. An expense and liability for proprietary fund types are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Full-time state employees earn annual leave from eight to twenty-one hours per month depending on the respective employees' years of State employment. The State's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 532 for those employees with 35 or more years of state service. Accrued leave in excess of the normal maximum was converted to sick leave at the conclusion of fiscal year 2020. Employees with at least six months of State service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed.

Non-debt liability obligations are usually paid from the same funding source from which the employee's salary or wage compensation was paid.

Lump sum payments made to employees, who separated from state service during the 2020 fiscal year, for accrued vacation and compensatory leave totaled $ 2,933,740.71.

Revenue Bonds Payable

See Note 6 for required Revenue Bond disclosures.

NOTE 6: Bonded Indebtedness

Bonds Payable

Detailed supplemental bond information is disclosed in Schedule 2-A, Miscellaneous Bond Information; Schedule 2-B, Changes in Bonded Indebtedness; Schedule 2-C, Debt Service Requirements; Schedule 2-D, Analysis of Funds Available for Debt Service; Schedule 2-E, Defeased Bonds Outstanding; and Schedule 2-F, Early Extinguishment and Refunding.

Revenue Bonds

At August 31, 2020, the System had no bonds payable classified as Revenue Bonds.

General Obligation Bonds

At August 31, 2020, the System had no bonds payable classified as General Obligation Bonds.

Refunding Bonds

- **Consolidated Revenue and Refunding Bonds, Series 2008**
  - To (a) refund and defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on the behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper noted above, the proceeds were used to finance the construction of the Calhoun Lofts, East Parking Garage Part 1; and MacGregor Land purchase (UH), the Allied Health Facility; The Regional Center for Economic Development; and Building 2, Sugarland (UHV).
  - $175,030,000: all bonds have been issued (UH – $143,615,000 and UHV – $31,415,000).
  - Issued 07-01-2008.
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriations–Tuition Revenue Bonds.)
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY16 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2008 series bonds that mature subsequent to 02-15-2020 totaling $67,525,000, after they are called for early redemption on 02-15-2019.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY17 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2008 series bonds that mature subsequent to 02-15-2022 totaling $38,400,000, after they are called for early redemption on 02-15-2018.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2008 series bonds that mature subsequent to 02-15-2020 totaling $13,230,000, after they are called for early redemption on 03-20-2020.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2008 series bonds that mature subsequent to 02-15-2020 totaling $3,955,000, after they are called for early redemption on 03-20-2020.

- **Consolidated Revenue and Refunding Bonds, Series 2009**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.

- In addition to the defeasement of the commercial paper noted above, the proceeds were used to finance the Science Lab renovations, the purchase of Bayou Oaks, the construction of the Stadium Parking Garage Part 1 and East Garage Part 2 (UH), and the renovation of the Arbor Building (UHCL).
- Issued 02-04-2009.
- $108,395,000; all bonds authorized have been issued (UH – $98,230,000 and UHCL – $10,165,000).
- Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
- Sufficient funds from proceeds of advance refunding bonds were deposited in FY17, with an escrow agent to provide for full payment of certain outstanding obligations related to the 2009 series bonds that mature subsequent to 02-15-2021 totaling $50,325,000, after they are called for early redemption on 02-15-2019.
- Sufficient funds from proceeds of advance refunding bonds were deposited in FY18, with an escrow agent to provide for full payment of certain outstanding obligations related to the 2009 series bonds that mature subsequent to 02-15-2020 totaling $9,925,000, after they are called for early redemption on 02-15-2019.

- **Consolidated Revenue and Refunding Bonds, Series 2009-A**
  - To (a) refund and defease $20,515,000 of outstanding Consolidated Revenue Bonds, Series 1999 and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the bonds noted above, the proceeds were used to finance the construction of Cougar Village Part 1 (UH).
  - Issued 07-02-2009.
  - $71,175,000; all bonds authorized have been issued ($52,200,000 revenue bonds: UH; and $18,975,000 refunding bonds: UH – $6,829,102.50, UHD – $4,267,477.50, and UHV – $7,878,420.00).
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 4.885%.
  - Net proceeds from refunding series - $20,892,799.63, after receipt of bond premium of $1,719,638.50, and additional available funds of $377,640.50, and payment of $179,479.37 in underwriting fees, insurance, and other issuance costs.
  - Sufficient funds were deposited with an escrow agent to provide for full payment of all outstanding obligations related to the 1999 series bonds, after they were called for early redemption.
  - The 1999 series bonds maturing subsequent to 02-15-2009 are considered fully defeased, and the obligation for those bonds has been removed from the reported liabilities of the System.
  - Refunding of the 1999 series bonds reduced the System's debt service payments over the life of the bond issues by approximately $2,023,239.08.
  - Economic gain - $1,742,552.43; the difference between the net present value of the old and new debt service payments.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY17 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2009A series bonds that mature subsequent to 02-15-2024 totaling $12,840,000, after they are called for early redemption on 02-15-2019.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY18 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2009A series bonds that mature subsequent to 02-15-2021 totaling $22,095,000, after they are called for early redemption on 02-15-2019.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2009A series bonds that mature subsequent to 02-15-2020 totaling $1,950,000, after they are called for early redemption on 03-20-2020.

- **Consolidated Revenue and Refunding Bonds, Series 2010-A**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance construction costs related to the renovation of UH Moody Towers Dining Hall and the purchase of UH Energy Research Park.
  - Issued 04-15-2010.

- $23,305,000; all bonds authorized have been issued (UH – $23,305,000).
- Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.
- Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2010A series bonds that mature subsequent to 02-15-2020 totaling $16,285,000, after they are called for early redemption on 03-20-2020.

- **Consolidated Revenue and Refunding Bonds, Series 2010-B**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance costs related to the construction of a classroom/business building and the Health and Biomedical Sciences building (UH), the renovation of certain facilities at the UH Energy Research Park (UH), and construction costs related to Jaguar Residence Hall (UHV).
  - This bond issue is a qualified Build America Bond (BAB) as defined within Sections 54AA and 6431 of the Internal Revenue Code of 1986, as amended.
  - Issued 04-15-2010.
  - $79,975,000; all bonds authorized have been issued (UH – $74,595,000 and UHV – $5,380,000).
  - Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. The System will receive interest subsidy payments from the U.S. Treasury equal to 35 percent of the interest payable on related qualified Build America Bonds contemporaneously with the interest payment dates of the qualified Build America Bonds.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2010B series bonds that mature subsequent to 02-15-2020 totaling $63,275,000, after they are called for early redemption on 03-20-2020.

- **Consolidated Revenue and Refunding Bonds, Series 2011-A**
  - To (a) refund and defease $78,195,000 of outstanding Consolidated Revenue Bonds, Series 2002-A and $9,255,000 of Consolidated Revenue Refunding Bonds, Series 2002-B and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of the University Center, Quadrangle, Moody Towers, Cougar Place, Cougar Village 2, Radio Station, Parking Garage 1A, and various buildings at UH Energy Research Park (UH) and Residential Housing (UHV).
  - Issued 12-29-2011.
  - $265,500,000; all bonds authorized have been issued ($75,640,000 refunding bonds: UH - $35,921,187.96, UHCL – $18,691,900.89, UHD – $9,487,588.77, and UHV – $11,539,322.38; and $189,860,000 revenue bonds: UH – $179,785,000 and UHV – $10,075,000).
  - Source of revenue for debt service – Tuition and various other fees, revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 4.464013%.
  - Net proceeds from refunding series - $89,366,528.00, after receipt of bond premium of $12,525,317.05 and additional available funds of $1,427,621.11 and payment of $226,410.16 in underwriting fees, insurance, and other issuance costs.
  - Sufficient funds were deposited with an escrow agent to provide for full payment of all outstanding obligations related to the 2002-A and 2002-B series bonds, after they were called for early redemption on 02-15-2012.
  - The 2002-A and 2002-B series bonds maturing subsequent to 02-15-2012 are considered fully defeased and the obligation for those bonds has been removed from the reported liabilities of the System.
  - Refunding of the 2002-A and 2002-B series bonds reduced the System's debt service payments over the life of the bond issues by approximately $12,683,166.71.
  - Economic gain - $11,417,870.29; the difference between the net present value of the old and new debt service payments.

- Outstanding bonds maturing subsequent to 02-15-2016 totaling $7,360,000 were extinguished early by using existing assets.
- Outstanding bonds maturing subsequent to 02-15-2033 totaling $750,000 were extinguished early by using existing assets.
- Sufficient funds from proceeds of advance refunding bonds were deposited in FY18 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2011A series bonds that mature subsequent to 02-15-2022 totaling $121,595,000, after they are called for early redemption on 02-15-2021.

- **Consolidated Revenue and Refunding Bonds, Series 2011-B**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance construction costs for West Dining Hall and renovation of the University Center (UH).
  - Issued 12-29-2011.
  - $21,310,000; all bonds authorized have been issued (UH – $21,310,000).
  - Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2011B series bonds that mature subsequent to 02-15-2025 totaling $10,710,000, after they are called for early redemption on 02-15-2021.

- **Consolidated Revenue and Refunding Bonds, Series 2013-A**
  - To (a) refund and defease $5,175,000 of Consolidated Revenue Refunding Bonds, Series 2003; $16,355,000 of Consolidated Revenue Bonds, Series 2005; and $10,415,000 of Consolidated Revenue and Refunding Bonds, Series 2006, and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of the Girard Street Parking Garage (UHD); Jaguar Court Residence Facility (UHV); and UH Energy Research Park renovations and improvements (UH); and (b) to defease certain outstanding commercial paper notes of the System.
  - Issued 9-17-2013.
  - $50,155,000; all bonds authorized have been issued ($30,110,000 refunding bonds: UH - $20,335,000, UHD – $9,605,000, and UHV – $170,000; and $20,045,000 revenue bonds: UH – $10,045,000, UHD – $6,035,000, and UHV – $3,965,000).
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 4.74%.
  - Net proceeds from refunding series - $33,077,545.71, after receipt of bond premium of $3,186,375.65 and payment of $218,829.94 in underwriting fees, insurance, and other issuance costs.
  - Sufficient funds were deposited with an escrow agent to provide for full payment of all outstanding obligations related to the 2003, 2005, and 2006 series' bonds, after they were called for early redemption on 02-15-2015.
  - The advance refunded 2003, 2005, and 2006 series' bonds maturing subsequent to 02-15-2015 are considered fully defeased and the obligation for those bonds has been removed from the reported liabilities of the System.
  - Refunding of the 2003, 2005, and 2006 series' bonds reduced the System's debt service payments over the life of the bond issues by approximately $3,116,482.36.
  - Economic gain - $2,640,370.82; the difference between the net present value of the old and new debt service payments.
  - Accounting Loss (deferred outflow of resources) - $515,099.28; the accounting loss (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2013-B**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance the construction of a Football Stadium (UH), a Multidisciplinary Research and Engineering Building (UH), UH Energy Research Park renovations and improvements (UH), and Jaguar Court Residence Facility (UHV).
  - Issued 9-17-2013.
  - $102,420,000; all bonds authorized have been issued (UH – $101,200,000 and UHV – $1,220,000).
  - Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.
  - Sufficient funds from proceeds of advance refunding bonds were deposited in FY20 with an escrow agent to provide for full payment of certain outstanding obligations related to the 2013B series bonds that mature subsequent to 02-15-2029 totaling $37,805,000, after they are called for early redemption on 02-15-2022.

- **Consolidated Revenue Refunding Bonds, Series 2014**
  - To refund $18,385,000 of Consolidated Revenue Bonds, Series 2006; and $32,715,000 of Consolidated Revenue and Refunding Bonds, Series 2006.
  - Issued 11-18-2014.
  - $47,915,000; all bonds authorized have been issued (UH – $29,525,000, UHD – $17,765,000, and UHV – $625,000).
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 4.67%.
  - Net proceeds from refunding series - $52,309,205.77, after receipt of bond premium of $5,037,241.05 and payment of $643,035.28 in underwriting fees, insurance, and other issuance costs.
  - Sufficient funds were deposited with an escrow agent to provide for full payment of all outstanding obligations related to the 2006 series bonds, after they were called for early redemption on 02-15-2015.
  - The advance refunded 2006 series bonds maturing subsequent to 02-15-2015 are considered fully defeased and the obligation for those bonds has been removed from the reported liabilities of the System.
  - Refunding of the 2006 series bonds reduced the System's debt service payments over the life of the bond issues by approximately $9,051,334.58.
  - Economic gain - $7,400,593.85; the difference between the net present value of the old and new debt service payments.
  - Accounting gain (deferred inflow of resources) - $445,456.16; the accounting gain (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2016-A**
  - To (a) refund and defease $67,525,000 of Consolidated Revenue and Refunding Bonds, Series 2008; and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of Sophomore housing facilities – 3200 N. Ben Wilson Residence Facility (UHV), and (b) to defease certain outstanding commercial paper notes of the System.
  - Issued 2-16-2016.
  - $100,650,000; all bonds authorized have been issued ($63,605,000 refunding bonds: UHSA - $10,260,000, UH – $49,480,000, and UHV – $3,865,000; and $37,045,000 revenue bonds: UH – $21,290,000, UHSA – $6,910,000, and UHV – $8,845,000).
  - Source of revenue for debt service – Designated Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.
  - Average interest rate of bonds refunded - 5.106634%.
  - Net proceeds from refunding series - $73,326,358.81 after receipt of bond premium of $10,146,107.80 and payment of $424,748.99 in underwriting fees, insurance, and other issuance costs.

- Sufficient funds were deposited with an escrow agent to provide for full payment of all outstanding obligations related to the 2008 series bonds maturing subsequent to 02-15-2019, after they are called for early redemption on 02-15-2018.
- The advance refunded 2008 series bonds maturing subsequent to 02-15-2019 are considered fully defeased and the obligation for those bonds has been removed from the reported liabilities of the System.
- Refunding of the 2008 series bonds reduced the System's debt service payments over the life of the bond issues by approximately $11,368,241.94.
- Economic gain - $9,431,071.76; the difference between the net present value of the old and new debt service payments.
- Accounting loss (deferred outflow of resources) - $3,725,515.23; the accounting loss (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2016-B**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance a portion of the Multidisciplinary Research and Engineering Building (UH); the Science, Technology, Engineering, and Mathematics Building (UHCL); and the Health and Biomedical Building 2 (UH).
  - Issued 2-16-2016.
  - $184,350,000; all bonds authorized have been issued (UH – $120,300,000 and UHCL – $64,050,000).
  - Source of revenue for debt service – Designated tuition and various other fees, revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriations–Tuition Revenue Bonds.)

- **Consolidated Revenue and Refunding Bonds, Series 2017-A**
  - To (a) advance refund and defease $38,400,000 of Consolidated Revenue Refunding Bonds, Series 2008; $50,325,000 of Consolidated Revenue and Refunding Bonds, Series 2009; and $12,840,000 of Consolidated Revenue and Refunding Bonds, Series 2009A; (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System; and (c) to defease certain outstanding commercial paper notes of the System.
  - In addition to the defeasement of the notes and bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of various properties, buildings, and facilities at the University of Houston – System Administration, University of Houston, University of Houston – Clear Lake, University of Houston – Downtown, and University of Houston – Victoria.
  - Issued 2-16-2018.
  - $379,450,000; all bonds authorized have been issued; (a) $93,460,000 refunding bonds: Series 2008: UHSA – $265,000, UH – $35,300,000, and UHV – $95,000; Series 2009: UH – $41,990,000, and UHCL – $4,165,000; and Series 2009A: UH - $11,645,000; and (b) $285,990,000 new money revenue bonds: UHSA – $40,920,000, UH – $47,180,000, UHCL – $53,830,000, UHD – $84,750,000 and UHV – $59,310,000.
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 4.971035%.
  - Net proceeds from refunding series - $108,438,040.58, after receipt of $93,460,000 par value, plus receipt of the bond premium of $15,956,653, and payment of $978,612.42 in underwriting fees, insurance, and other issuance costs.
  - Refunding of the 2008, 2009, and 2009A series' bonds reduced the System's debt service payments over the life of the bond issues by approximately $14,322,761.90.
  - Economic gain - $10,020,739.63; the difference between the net present value of the old and new debt service payments.
  - Accounting loss (deferred outflow of resources) - $2,300,255.73; the accounting loss (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2017-B**
  - To (a) defease certain outstanding commercial paper notes of the System and (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the commercial paper note above, the proceeds were used to finance the Basketball Arena (UH) and Football Stadium (UH).
  - Issued 2-16-2018.
  - $11,635,000; all bonds authorized have been issued (UH – $11,635,000).
  - Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.

- **Consolidated Revenue and Refunding Bonds, Series 2017-C**
  - To (a) advance refund and defease $9,925,000 of Consolidated Revenue Refunding Bonds, Series 2009; $22,095,000 of Consolidated Revenue and Refunding Bonds, Series 2009A; and $121,595,000 of Consolidated Revenue and Refunding Bonds, Series 2011A; (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System and (c) to defease certain outstanding commercial paper notes of the System.
  - In addition to the defeasement of the commercial paper noted above, the proceeds were used to finance the Quad new residential housing and new Parking Garage 5 (UH), Freshman new residential housing (UHCL), and campus expansion (UHV).
  - Issued 12-21-2017.
  - $320,635,000; all bonds authorized have been issued; (a) $150,685,000 refunding bonds: Series 2009: , UH – $9,130,000, and UHCL – $525,000; Series 2009A: UH – $22,720,000; and Series 2011A: UH – $111,720,000; and UHV – $6,590,000 and (b) $169,950,000 new money revenue bonds: UH – $142,940,000, UHCL – $21,320,000, and UHV – $5,690,000.
  - Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
  - Average interest rate of bonds refunded - 3.69%.
  - Net proceeds from refunding series - $165,811,307.74 after receipt of $150,685,000 par value, plus receipt of the bond premium of $16,137,005.30, and payment of $1,010,697.56 in underwriting fees, insurance, and other issuance costs.
  - Refunding of the 2009, 2009A, and 2011A series' bonds reduced the System's debt service payments over the life of the bond issues by approximately $24,628,909.00.
  - Economic gain - $17,123,196.00; the difference between the net present value of the old and new debt service payments.
  - Accounting loss (deferred outflow of resources) - $744,303.44; the accounting loss (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2020-A**
  - To (a) advance refund and defease $13,230,000 of Consolidated Revenue Refunding Bonds, Series 2008; $1,950,000 of Consolidated Revenue and Refunding Bonds, Series 2009A; and $63,275,000 of Consolidated Revenue and Refunding Bonds, Series 2010B; (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operation and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System; and (c) to defease certain outstanding commercial paper notes of the System.
  - In addition to the defeasement of the notes and bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of various properties, buildings, and facilities at the University of Houston, University of Houston – Downtown, and University of Houston – Victoria.
  - Issued 2-19-2020.
  - $320,635,000; all bonds authorized have been issued; (a) $68,255,000 refunding bonds: Series 2008: UHSA – $375,000, UH – $11,070,000, and UHV – $135,000; Series 2009A: UH – $1,640,000; and Series 2010B: UH - $51,500,000 and UHV – $3,535,000; and (b) $252,380,000 new money revenue bonds: UH – $210,615,000, UHD – $31,545,000, and UHV – $10,220,000.

- Source of revenue for debt service – Tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations. (Funding for fiscal year 2020 partially from Legislative Appropriation-Tuition Revenue Bonds.)
- Average interest rate of bonds refunded – 3.968953%.
- Net proceeds from refunding series - $78,788,387.21, after receipt of $68,255,000 par value, plus receipt of the bond premium of $10,758,186.25, and payment of $224,799.04 in underwriting fees, insurance, and other issuance costs.
- Refunding of the 2008, 2009A, and 2010B series' bonds reduced the System's debt service payments over the life of the bond issues by approximately $15,204,230.00.
- Economic gain - $12,862,320.00; the difference between the net present value of the old and new debt service payments.
- Accounting gain (deferred inflow of resources) - $434,718.51; the accounting gain (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

- **Consolidated Revenue and Refunding Bonds, Series 2020-B**
  - To (a) refund and defease $3,955,000 of outstanding Consolidated Revenue Bonds, Series 2008; $16,285,000 of Consolidated Revenue Bonds, Series 2010-A; $10,710,000 of Consolidated Revenue Bonds, Series 2011-B; and $37,805,000 of Consolidated Revenue Bonds, Series 2013-B; (b) finance the acquisition, purchase, construction, improvement, enlargement, and equipping of property, buildings, structures, activities, services, operations and other facilities, roads, or related infrastructure for or on behalf of the System, including individual campuses of the System.
  - In addition to the defeasement of the bonds noted above, the proceeds were used to finance the acquisition, construction, or renovation of the Fertitta Center, Hilton Expansion, and the Auxillary Retail Center (UH).
  - Issued 2-19-2020.
  - $162,625,000; all bonds authorized have been issued ($71,835,000 refunding bonds: UH – $71,490,000 and UHV – $345,000; and $90,790,000 revenue bonds: UH - $90,790,000).
  - Source of revenue for debt service – Designated tuition and various other fees and revenues and balances that may be legally available for payment of debt obligations.
  - Average interest rate of bonds refunded – 2.511015%.
  - Net proceeds from refunding series – $71,807,589.51, after receipt of $71,835,000 par value plus receipt of the bond premium of $427,770.55, and payment of $455,181.04 in underwriting fees, insurance, and other issuance costs.
  - Refunding of the 2008, 2010-A, 2011-B, and 2013-B series bonds reduced the System's debt service payments over the life of the bond issues by approximately $17,709,151.
  - Economic gain - $14,089,063; the difference between the net present value of the old and new debt service payments.
  - Accounting loss (deferred outflow of resources) - $2,536,780.29; the accounting loss (the difference between the reacquisition price and the net carrying value of the refunded bonds) resulted from the advance refunding.

Pledged Future Revenues

GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, makes a basic distinction between sales of receivables and future revenues, on the one hand, and the pledging of receivables or future revenues to repay a borrowing (a collateralized borrowing), on the other. The following table provides the pledged future revenue information for the System's revenue bonds:

	Government Activities	Business-Type Activities	Component Units
Pledged revenue required for future principal and interest on existing revenue bonds	$ NA	$ 2,178,706,846.21	$ NA
Term of commitment year ending 08/31	NA	2052	NA
Percentage of revenue pledged	NA	100%	NA
Current year pledged revenue	$ NA	$ 1,025,414,372.11	$ NA
Current year principal and interest paid	$ NA	$ 133,400,653.62	$ NA

Pledged revenue sources:
Governmental activities – None.
Business-type activities – Operating income from tuition and fees, and sales and service revenue from auxiliary and non-auxiliary activities including intercollegiate athletics, residential life, parking, rental of facilities, continuing education, royalties, publications, clinics, bookstores, and vending commissions.
Component Units – None.

Build America Bonds

Build America Bonds (BABs) were created as part of the federal American Recovery and Reinvestment Act of 2009 (ARRA). Taxable bonds were issued by governmental entities, including state agencies and state universities, as Tax Credit BABs or as Direct Payment BABs. Tax Credit BABs provide a federal tax credit to investors equal to 35 percent of the interest received from the bond issuer. Direct Payment BABs provide a direct federal reimbursement to state and local governmental issuers equal to 35 percent of the interest paid on the bonds. Authority to issue BABs expired on December 31, 2010.

During the 2010 fiscal year, the University of Houston System issued $79,975,000 of Consolidated Revenue and Refunding Bonds, Series 2010-B, taxable revenue bonds under the Direct Payment BABs program.

Pursuant to the requirements of the Balanced Budget Emergency Deficit Control Act of 1985, as amended, certain automatic reductions occurred as of March 1, 2013, until further amended. These reductions apply to certain qualified bonds, including BABs.

As of August 31, 2020, the University of Houston System has replaced the Build America Bonds with newly issued CRRB bonds. The remaining BAB balance was satisfied by the new bond issuance.

NOTE 7: Derivative

Not Applicable.

NOTE 8: Leases

Operating Leases

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating lease obligations:

Fund Type	Amount
Proprietary Fund	$ 7,010,400.19

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year are as follows:

Year Ending August 31,	Amount
2021	$ 1,224,854.08
2022	873,730.06
2023	562,840.15
2024	362,115.99
2025	239,975.44
2026-2030	840,000.00
2031-2035	840,000.00
2036-2040	560,000.00
Total Minimum Future Lease Rental Payments	$ 5,503,515.72

Capital Leases

The System has entered into long-term leases for financing the purchase of certain capital assets. Such leases are classified as capital leases for accounting purposes and are recorded at the present value of the future minimum lease payments at the inception of the lease. A summary of the original capitalized costs of all such property under lease in addition to the accumulated depreciation as of August 31, 2020 is as follows:

Assets Under Capital Leases
Year Ended August 31, 2020

Primary Government – Business-Type Activities			
Class of Property	Assets under Capital Lease	Sum of Principal Payments	Total
Buildings	$ 9,650,588.00	$ 4,529,309.76	$ 5,121,278.24
Total	$ 9,650,588.00	$ 4,529,309.76	$ 5,121,278.24

Primary Government – Business-Type Activities			
Class of Property	Assets under Capital Lease	Accumulated Depreciation	Total
Buildings	$ 9,650,588.00	$ 4,112,430.77	$ 5,538,157.23
Total	$ 9,650,588.00	$ 4,112,430.77	$ 5,538,157.23

Future Capital Lease Payments
Year Ending August 31, 2020

Primary Government – Business-Type Activities			
Year	Principal	Interest	Total Future Minimum Lease Payments
2021	$ 559,321.65	$ 197,809.47	$ 757,131.12
2022	564,240.58	172,941.75	737,182.33
2023	568,107.91	148,270.60	716,378.51
2024	571,168.16	123,979.10	695,147.26
2025	569,627.54	99,493.91	669,121.45
2026-2030	2,288,812.40	173,947.11	2,462,759.51
2031-2035	0	0	0
Total	$ 5,121,278.24	$ 916,441.94	$ 6,037,720.18

The above capital lease information is related in entirety to a lease of building space from the City of Pearland, Texas by the University of Houston System, for the use and benefit of University of Houston – Clear Lake.

Regarding GASB 88 disclosure for the capital lease reported in Notes 5 and 8 as a financed purchase:

a) UH System does not have any unused lines of credit;
b) UH System has not pledged assets as collateral for debt;
c) UH System's debt (lease) agreement includes terms for events of default with finance related consequences, as detailed below:

The System's outstanding capital lease payments from direct placements related to business-type activities of $6,037,720.18 contain a provision that in the event of default, the System will be liable for damages equal to the total of (i) the cost of recovering the leased premises, (ii) the cost of removing and storing personal property, (iii) the unpaid amount earned at the time of lease termination plus interest, (iv) the present value (discounted at 8% per annum) of the balance due for the remainder of the term less the present value of the fair market rental value and the cost to prepare the premises for occupancy, and (v) any other sum owed under the lease agreement.

NOTE 9: Defined Benefit Pension Plans and Defined Contribution Plan

The State has joint contributory retirement plans for substantially all its employees. The System participates in the plans administered by the Teachers Retirement System of Texas. Future pension costs are the liabilities of the Retirement System. The Retirement System does not account for each State agency separately. Annual financial reports prepared by the Retirement System include audited financial statements and actuarial assumptions and conclusions.

The state has also established an Optional Retirement Program for institutions of higher education. Participation in the Optional Retirement Program is available to certain eligible employees and is in lieu of participation in the Teacher Retirement System.

The contributions made by plan members and employers for the fiscal year ended August 31, 2020 are:

	TRS Participants	ORP Participants	Total Contributions
Member Contributions	$ 29,973,400.57	$ 14,974,194.00	$ 44,947,594.57
Employer Contributions	29,356,742.23	15,932,815.00	45,289,557.23
Total	$ 59,330,142.80	$ 30,907,009.00	$ 90,237,151.80

NOTE 10: Deferred Compensation (Administering Agencies Only)

Not Applicable.

NOTE 11: Postemployment Benefits other than Pensions

Not Applicable.

NOTE 12: Interfund Activity and Transactions

Not Applicable.

NOTE 13: Continuance Subject to Review

The System is not subject to the provisions of the Texas Sunset Act (Chapter 325, Texas Government Code Annotated). The Act provides for the regular assessment of the continuing need for state agencies to exist. Certain agencies, such as institutions of higher education and courts, are not subject to the Sunset Act.

NOTE 14: Adjustments to Fund Balances/Net Position

During fiscal year 2020, certain accounting changes or adjustments were made that required the restatement of fund balances or net position. The restatements are presented below:

Table 14.1 – Restatement of Net Position for FY2020

	Enterprise Funds
Fund Balance/Net Position, 09/01/19	$ 1,701,471,785.34
Current Year Restatements	230,018.47
Fund Balance/Net Position, 09/01/19 Restated	$ 1,701,701,803.81

Table 14.2 – Changes in Net Position for FY2019

	Enterprise Funds
Change in Net Position, 08/31/19	$ 43,127,268.68
Current Year Restatements	230,018.47

Change in Net Position, 08/31/19 Restated	$ 43,357,287.15

A restatement of $230,018.47 in Enterprise Funds is due to corrections related to asset valuation in the prior period.

NOTE 15: Contingencies and Commitments

Unpaid Claims and Lawsuits

As mentioned in Note 5, various lawsuits and claims involving the System were pending. While the ultimate liability, if any, remains uncertain, management does not expect any possible adverse ruling to have a material effect on the System accounts.

Federal Assistance

The System has received several federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based on prior experience, management believes such disallowances, if any, will be immaterial.

Arbitrage

Rebatable arbitrage is defined by Internal Revenue Code, Section 148, as earnings on investments purchased with the gross proceeds of a bond issue in excess of the amount that would have been earned if the investment were invested at a yield equal to the yield on the bond issue. The rebatable arbitrage must be paid to the federal government.

The System monitors its investments to restrict earnings to a yield less than the bond issue and, therefore, limit any arbitrage liability. The System estimates that rebatable arbitrage liability, if any, will be immaterial to its overall financial condition.

Construction Commitments

The System has several contractual agreements with various external housing management entities to construct, maintain, and manage off-campus student housing complexes. Under certain circumstances, the System may have contingent liabilities to these entities. Based on prior experience, previous years' liabilities have been immaterial, and management believes no such liabilities currently exist. Additional information is provided in Note 19.

Investment Funds

The System has entered into contractual commitments to fund private investments made by external investment managers. Investments in which a public market does not exist have an inherent uncertainty of valuation. Because of this uncertainty, the estimate of fair value for alternative investments may differ from the values that would have been used had a ready market existed. As displayed in Note 3, the fair value of Externally Managed Investments is: Domestic – $213,074,417.34 and International – $196,109,217.40 The total amount of unfunded commitment is: $151,186,808.00, composed of Domestic – $78,813,938.00 and International – $72,372,870.00.

NOTE 16: Subsequent Events

.As of the date this report was issued, there have been no additional events since August 31, 2020 that had a significant financial impact and require disclosure.

NOTE 17: Risk Management

The System is exposed to a variety of civil claims resulting from the performance of its duties. It is System policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed.

The System assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently, there is the purchase of some commercial insurance, and the System is not involved in any risk pools with other government entities.

The System's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience, and economic factors. There were no significant reductions in insurance coverage in the past year and losses did not exceed funding arrangements during the past three years. Changes in the balances of the agency's claims liabilities during fiscal 2019 and 2020 were:

Table 17.1 – Balance of Claims Activity

	Beginning Balance	Increase	Decrease	Ending Balance
2020	$ 338,911.39	$ 1,295,194.24	$ 956,404.74	$ 677,700.89
2019	$ 323,089.18	$ 699,607.38	$ 683,785.17	$ 338,911.39

Liabilities include an amount for estimated future workers' compensation and unemployment claims that have been incurred as of the fiscal year end, but that have not been reported. 2020 increases and decreases also include current year assessments and payments of legal settlements in the amount of $196,454.35. Payments for worker's compensation claims of $607,864.27 and for unemployment claims of $152,086.12 make up the remainder of the decrease total of $956,404.74.

NOTE 18: Management's Discussion and Analysis(MD&A)

Not Applicable.

NOTE 19: The Financial Reporting Entity

Not Applicable.

NOTE 20: Stewardship, Compliance, and Accountability

Not Applicable.

NOTE 21: N/A

Not Applicable.

NOTE 22: Donor Restricted Endowments

Expenditure of endowed funds is not permitted without the express consent of the donor. The majority of the System's endowments are held in perpetuity. In many cases, endowment earnings are expendable for student financial assistance or other purposes as specified by the donor. In other cases, endowment earnings are reinvested.

The Regents of the University of Houston System have established an endowment policy which attempts to balance the long-term objective of maintaining the purchasing power of the endowment with the goal of providing a reasonable, predictable, stable, and sustainable level of income to support current needs. Payout is derived from interest, dividends, and realized gains net of portfolio management fees. The historical rate of payout has been 4 to 5 percent, with any change to this range to be approved by the Board.

The net appreciation (cumulative and unexpended) on donor-restricted endowments, presented below in Table 22.1, is available for authorization and expenditure by the System:

Table 22.1 – Net Appreciation of Endowments

Donor-Restricted Endowments	Amount of Net Appreciation/(Depreciation)	Reported in Net Position
True Endowments	$ 163,265,723.11	Restricted Expendable
Term Endowments	380,702.89	Restricted Expendable
Total	$ 163,646,426.00	

(A fair market value increase of $97,844,837.95 was recognized for endowments at or above historical cost, and a fair market value increase of $0.00 was recognized for endowments below historical cost.)

Variances from prior year-end for expendable and nonexpendable balances are shown in Table 22.2:

Table 22.2 - Changes from Prior Year Balances:

Endowment Funds	Increase/(Decrease)	Reason for Change
Expendable Balances		
True Endowments	57,723,778.65	Fair value increase in portfolio
True Endowments	(25,007,695.50)	Spending distribution from endowment
Term Endowments	148,263.29	Fair value increase in portfolio
Term Endowments	(72,855.00)	Spending distribution from endowment
Non-Expendable Balances		
True Endowments	0.00	
Term Endowments	0.00	

NOTE 23: Extraordinary and Special Items

Not Applicable.

NOTE 24: Disaggregation of Receivable & Payable Balances

Not Applicable.

A. Taxes Receivable

Not Applicable.

B. Federal Receivable

Not Applicable.

C. Tax Refunds Payable

Not Applicable.

D. Other Receivables - Current

Not Applicable.

E. Other Payables – Current

Not Applicable.

F. Other Receivables – Non-Current

Not Applicable.

G. Other Payables – Non-Current

Not Applicable.

NOTE 25: Termination Benefits
Not Applicable.

NOTE 26: Segment Information
Not Applicable.

NOTE 27: Service Concession Arrangements
Not Applicable.

NOTE 28: Deferred Outflows of Resources and Deferred Inflows of Resources
In fiscal 2020, the System reported deferred outflows of resources and deferred inflows of resources in connection with the TRS pension plan.

As of August 31, 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Loss/Gain on Bond Refunding	$ 1,339,667.33	$ 0.00
Pension Plans	189,470,802.00	97,300,337.00
Other Post-Employment Benefits	477,481,459.00	181,270,379.00
Total	$ 668,291,928.33	$ 278,570,716.00

Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore, will not be recognized as an expense or expenditure until that time.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as revenue until that time.

NOTE 29: Troubled Debt Restructuring
Not Applicable.

NOTE 30: Non-Exchange Financial Guarantees
Not Applicable.

NOTE 31: Tax Abatements
Not Applicable.

NOTE 32: Governmental Fund Balances
Not Applicable.

UNIVERSITY OF HOUSTON SYSTEM

SUPPORTING SCHEDULES

Unaudited

Schedule 2-A
University of Houston System (797)
Combined Schedule of Miscellaneous Bond Information
For the Year Ended August 31, 2020

Business-Type Activities
Revenue Bonds

Description of Issue	Issued Year	Bonds Issued to Date	Range of Interest Rates	Terms Of Variable Interest Rate	Scheduled Maturities First Year	Scheduled Maturities Last Year	First Call Date
Consolidated Revenue Refunding Bonds							
Self-supporting Revenue Bonds							
Consolidated Revenue & Refunding Bonds Series	2008	175,030,000.00	4.0000% - 5.2500%		2008	2038	2/15/2019
Consolidated Revenue & Refunding Bonds Series	2009	108,395,000.00	3.0000% - 5.0000%		2009	2033	2/15/2019
Consolidated Revenue & Refunding Bonds Series	2009-A	71,175,000.00	4.0000% - 5.0000%		2010	2034	2/15/2019
Consolidated Revenue & Refunding Bonds Series	2010-A	23,305,000.00	4.2500% - 6.1250%		2011	2035	2/15/2020
Consolidated Revenue & Refunding Bonds Series	2010-B	79,975,000.00	4.4500% - 6.3100%		2017	2035	2/15/2020
Consolidated Revenue & Refunding Bonds Series	2011-A	265,500,000.00	2.0000% - 5.0000%		2013	2043	2/15/2021
Consolidated Revenue & Refunding Bonds Series	2011-B	21,310,000.00	2.7500% - 4.8500%		2013	2037	N/A
Consolidated Revenue & Refunding Bonds Series	2013-A	50,155,000.00	3.0000% - 5.0000%		2013	2033	2/15/2022
Consolidated Revenue & Refunding Bonds Series	2013-B	102,420,000.00	0.3500% - 5.0400%		2013	2037	2/15/2022
Consolidated Revenue Refunding Bond Series	2014	47,915,000.00	2.0000% - 5.0000%		2015	2030	2/15/2024
Consolidated Revenue & Refunding Bonds Series	2016-A	100,650,000.00	4.0000% - 5.0000%		2017	2047	2/15/2025
Consolidated Revenue & Refunding Bonds Series	2016-B	184,350,000.00	2.5000% - 3.5900%		2017	2036	2/15/2025
Consolidated Revenue & Refunding Bonds Series	2017-A	379,450,000.00	5.0000% - 5.0000%		2018	2038	2/15/2026
Consolidated Revenue & Refunding Bonds Series	2017-B	11,635,000.00	3.0000% - 4.0000%		2018	2038	2/15/2026
Consolidated Revenue & Refunding Bonds Series	2017-C	320,635,000.00	3.1250% - 5.0000%		2019	2049	2/15/2026
Consolidated Revenue & Refunding Bonds Series	2020-A	320,635,000.00	3.0000% - 5.0000%		2020	2052	2/15/2030
Consolidated Revenue & Refunding Bonds Series	2020-B	162,625,000.00	2.0200% - 3.2500%		2020	2050	2/15/2030
Consolidated Revenue Bonds							
Self-supporting Revenue Bonds							
None							
		$ 2,425,160,000.00					

Blank Page

Schedule 2-B
University of Houston System (797)
Combined Schedule Of Changes In Bonded Indebtedness
For The Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Bonds Outstanding 09/01/2019	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 08/31/2020
General Obligation Bonds					
None					
Revenue Bonds					
Consolidated Revenue & Refunding Bonds Series 2008	$ 18,050,000.00	$	$ 865,000.00	$ 17,185,000.00	$
Consolidated Revenue & Refunding Bonds Series 2009	5,000,000.00		5,000,000.00		
Consolidated Revenue & Refunding Bonds Series 2009-A	3,825,000.00		1,875,000.00	1,950,000.00	
Consolidated Revenue & Refunding Bonds Series 2010-A	17,140,000.00		855,000.00	16,285,000.00	
Consolidated Revenue & Refunding Bonds Series 2010-B	67,650,000.00		4,375,000.00	63,275,000.00	
Consolidated Revenue & Refunding Bonds Series 2011-A	54,500,000.01		11,969,999.99		42,530,000.02
Consolidated Revenue & Refunding Bonds Series 2011-B	16,160,000.00		830,000.00	10,710,000.00	4,620,000.00
Consolidated Revenue & Refunding Bonds Series 2013-A	30,780,000.00		3,995,000.00		26,785,000.00
Consolidated Revenue & Refunding Bonds Series 2013-B	82,475,000.00		3,745,000.00	37,805,000.00	40,925,000.00
Consolidated Revenue & Refunding Bonds Series 2016-A	98,120,000.00		6,100,000.00		92,020,000.00
Consolidated Revenue & Refunding Bonds Series 2016-B	145,740,000.00		14,725,000.00		131,015,000.00
Consolidated Revenue & Refunding Bonds Series 2017-A	361,895,000.00		9,455,000.00		352,440,000.00
Consolidated Revenue & Refunding Bonds Series 2017-B	10,870,000.00		405,000.00		10,465,000.00
Consolidated Revenue & Refunding Bonds Series 2017-C	320,460,000.00		4,070,000.00		316,390,000.00
Consolidated Revenue & Refunding Bonds Series 2020-A		320,635,000.00			320,635,000.00
Consolidated Revenue & Refunding Bonds Series 2020-B		162,625,000.00			162,625,000.00
Consolidated Revenue Refunding Bonds Series 2014	36,855,000.00		2,225,000.00		34,630,000.00
Total Revenue Bonds	$ 1,269,520,000.01	$ 483,260,000.00	$ 70,489,999.99	$ 147,210,000.00	$ 1,535,080,000.02

	Unamortized Premium	Unamortized Discount	Issuance Costs	Unamortized Gain / (Loss) On Refunding	Net Bonds Outstanding 08/31/2020	Amounts Due Within One Year
Revenue Bonds						
Consolidated Revenue & Refunding Bonds Series 2008	$	$	$	$	$	$
Consolidated Revenue & Refunding Bonds Series 2009						
Consolidated Revenue & Refunding Bonds Series 2009-A						
Consolidated Revenue & Refunding Bonds Series 2010-A						
Consolidated Revenue & Refunding Bonds Series 2010-B						
Consolidated Revenue & Refunding Bonds Series 2011-A	6,016,376.63				48,546,376.65	13,868,466.47
Consolidated Revenue & Refunding Bonds Series 2011-B	31,865.40				4,651,865.40	867,081.20
Consolidated Revenue & Refunding Bonds Series 2013-A	1,400,208.80				28,185,208.80	4,553,457.13
Consolidated Revenue & Refunding Bonds Series 2013-B	216,712.94				41,141,712.94	3,890,495.64
Consolidated Revenue & Refunding Bonds Series 2016-A	10,136,111.81				102,156,111.81	7,256,462.61
Consolidated Revenue & Refunding Bonds Series 2016-B	1,777,667.50				132,792,667.50	15,367,175.02
Consolidated Revenue & Refunding Bonds Series 2017-A	48,681,510.61				401,121,510.61	13,224,308.40
Consolidated Revenue & Refunding Bonds Series 2017-B	139,036.37				10,604,036.37	428,426.45
Consolidated Revenue & Refunding Bonds Series 2017-C	27,065,877.95				343,455,877.95	10,492,851.41
Consolidated Revenue & Refunding Bonds Series 2020-A	30,563,749.09				351,198,749.09	12,397,525.92
Consolidated Revenue & Refunding Bonds Series 2020-B	1,067,578.49				163,692,578.49	3,177,803.73
Consolidated Revenue Refunding Bonds Series 2014	2,907,365.18				37,537,365.18	2,653,857.79
Total Revenue Bonds	$ 130,004,060.77	$	$	$	$ 1,665,084,060.79	$ 88,177,911.77

Blank Page

Unaudited

Schedule 2-C
University of Houston System (797)
Combined Schedule of Debt Service Requirements
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year	Principal	Interest	Total
General Obligations Bonds				
Self-Supporting Bonds				
None		$	$	$
Not Self-Supporting Bonds				
None		$	$	$
Revenue Bonds				
Self-Supporting Bonds				
Consolidated Revenue & Refunding Bonds Series 2008	2021	$	$	
	2022			
	2023			
	2024			
	2025			
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$	$	$
Consolidated Revenue & Refunding Bonds Series 2009	2021	$	$	
	2022			
	2023			
	2024			
	2025			
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$	$	$
Consolidated Revenue & Refunding Bonds Series 2009-A	2021	$	$	
	2022			
	2023			
	2024			
	2025			
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$	$	$

Unaudited

Schedule 2-C
University of Houston System (797)
Combined Schedule of Debt Service Requirements
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year	Principal	Interest	Total
Consolidated Revenue & Refunding Bonds Series 2010-A	2021	$	$	$
	2022			
	2023			
	2024			
	2025			
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$	$	$
Consolidated Revenue & Refunding Bonds Series 2010-B	2021	$	$	$
	2022			
	2023			
	2024			
	2025			
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$	$	$
Consolidated Revenue & Refunding Bonds Series 2011-A	2021	$ 12,630,000.01	$ 1,810,750.00	$ 14,440,750.01
	2022	13,295,000.00	1,162,625.00	14,457,625.00
	2023		830,250.00	830,250.00
	2024		830,250.00	830,250.00
	2025		830,250.00	830,250.00
	2026 - 2030		4,151,250.00	4,151,250.00
	2031 - 2035	16,605,000.01	1,668,375.00	18,273,375.01
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 42,530,000.02	$ 11,283,750.00	$ 53,813,750.02

Unaudited

Schedule 2-C
University of Houston System (797)
Combined Schedule of Debt Service Requirements
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year	Principal	Interest	Total
Consolidated Revenue & Refunding Bonds Series 2011-B	2021	$ 860,000.00	$ 154,262.52	$ 1,014,262.52
	2022	890,000.00	125,268.77	1,015,268.77
	2023	920,000.00	94,150.02	1,014,150.02
	2024	955,000.00	59,546.89	1,014,546.89
	2025	995,000.00	20,521.88	1,015,521.88
	2026 - 2030			
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 4,620,000.00	$ 453,750.08	$ 5,073,750.08
Consolidated Revenue & Refunding Bonds Series 2013-A	2021	$ 4,210,000.00	$ 1,037,806.26	$ 5,247,806.26
	2022	4,415,000.00	844,256.26	5,259,256.26
	2023	2,590,000.00	704,156.26	3,294,156.26
	2024	2,690,000.00	598,556.26	3,288,556.26
	2025	2,800,000.00	488,756.26	3,288,756.26
	2026 - 2030	5,890,000.00	1,589,890.66	7,479,890.66
	2031 - 2035	4,190,000.00	303,250.01	4,493,250.01
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 26,785,000.00	$ 5,566,671.97	$ 32,351,671.97
Consolidated Revenue & Refunding Bonds Series 2013-B	2021	$ 3,865,000.00	$ 1,652,781.00	$ 5,517,781.00
	2022	3,995,000.00	1,518,097.25	5,513,097.25
	2023	4,145,000.00	1,367,809.25	5,512,809.25
	2024	4,315,000.00	1,202,564.00	5,517,564.00
	2025	4,490,000.00	1,024,201.50	5,514,201.50
	2026 - 2030	20,115,000.00	1,947,161.27	22,062,161.27
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 40,925,000.00	$ 8,712,614.27	$ 49,637,614.27
Consolidated Revenue & Refunding Bonds Series 2014	2021	$ 2,300,000.00	$ 1,346,600.00	$ 3,646,600.00
	2022	2,365,000.00	1,276,625.00	3,641,625.00
	2023	4,460,000.00	1,151,950.00	5,611,950.00
	2024	4,650,000.00	969,750.00	5,619,750.00
	2025	4,865,000.00	755,125.00	5,620,125.00
	2026 - 2030	15,990,000.00	1,197,450.00	17,187,450.00
	2031 - 2035			
	2036 - 2040			
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 34,630,000.00	$ 6,697,500.00	$ 41,327,500.00

Unaudited

Schedule 2-C
University of Houston System (797)
Combined Schedule of Debt Service Requirements
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year	Principal	Interest	Total
Consolidated Revenue & Refunding Bonds Series 2016-A	2021	$ 6,405,000.00	$ 3,792,575.00	$ 10,197,575.00
	2022	6,735,000.00	3,464,075.00	10,199,075.00
	2023	6,880,000.00	3,123,700.00	10,003,700.00
	2024	7,170,000.00	2,772,450.00	9,942,450.00
	2025	7,600,000.00	2,441,200.00	10,041,200.00
	2026 - 2030	31,290,000.00	7,993,800.00	39,283,800.00
	2031 - 2035	13,650,000.00	3,399,400.00	17,049,400.00
	2036 - 2040	4,825,000.00	1,938,100.00	6,763,100.00
	2041 - 2045	5,115,000.00	998,100.00	6,113,100.00
	2046 - 2050	2,350,000.00	95,000.00	2,445,000.00
	2051 - 2055			
		$ 92,020,000.00	$ 30,018,400.00	$ 122,038,400.00
Consolidated Revenue & Refunding Bonds Series 2016-B	2021	$ 15,120,000.00	$ 3,927,972.00	$ 19,047,972.00
	2022	6,745,000.00	3,654,659.50	10,399,659.50
	2023	6,915,000.00	3,483,909.50	10,398,909.50
	2024	6,570,000.00	3,305,492.00	9,875,492.00
	2025	6,760,000.00	3,117,182.00	9,877,182.00
	2026 - 2030	37,050,000.00	12,331,532.75	49,381,532.75
	2031 - 2035	42,490,000.00	5,541,350.50	48,031,350.50
	2036 - 2040	9,365,000.00	168,101.75	9,533,101.75
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 131,015,000.00	$ 35,530,200.00	$ 166,545,200.00
Consolidated Revenue & Refunding Bonds Series 2017-A	2021	$ 9,930,000.00	$ 17,373,750.00	$ 27,303,750.00
	2022	15,530,000.00	16,737,250.00	32,267,250.00
	2023	16,525,000.00	15,935,875.00	32,460,875.00
	2024	17,420,000.00	15,087,250.00	32,507,250.00
	2025	20,275,000.00	14,144,875.00	34,419,875.00
	2026 - 2030	108,385,000.00	54,386,125.00	162,771,125.00
	2031 - 2035	105,510,000.00	28,972,500.00	134,482,500.00
	2036 - 2040	58,865,000.00	3,392,375.00	62,257,375.00
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 352,440,000.00	$ 166,030,000.00	$ 518,470,000.00
Consolidated Revenue & Refunding Bonds Series 2017-B	2021	$ 420,000.00	$ 371,495.00	$ 791,495.00
	2022	435,000.00	354,395.00	789,395.00
	2023	455,000.00	336,595.00	791,595.00
	2024	475,000.00	317,995.00	792,995.00
	2025	495,000.00	298,595.00	793,595.00
	2026 - 2030	2,720,000.00	1,240,392.50	3,960,392.50
	2031 - 2035	3,220,000.00	737,390.00	3,957,390.00
	2036 - 2040	2,245,000.00	130,055.00	2,375,055.00
	2041 - 2045			
	2046 - 2050			
	2051 - 2055			
		$ 10,465,000.00	$ 3,786,912.50	$ 14,251,912.50

Unaudited

Schedule 2-C
University of Houston System (797)
Combined Schedule of Debt Service Requirements
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year	Principal	Interest	Total
Consolidated Revenue & Refunding Bonds Series 2017-C	2021	$ 9,055,000.00	13,297,600.04	22,352,600.04
	2022	6,355,000.00	12,912,350.04	19,267,350.04
	2023	11,400,000.00	12,468,475.04	23,868,475.04
	2024	11,995,000.00	11,883,600.04	23,878,600.04
	2025	10,505,000.00	11,321,100.04	21,826,100.04
	2026 - 2030	63,610,000.00	47,649,625.20	111,259,625.20
	2031 - 2035	75,225,000.00	31,209,225.20	106,434,225.20
	2036 - 2040	67,250,000.00	17,542,337.52	84,792,337.52
	2041 - 2045	38,780,000.00	7,752,700.00	46,532,700.00
	2046 - 2050	22,215,000.00	1,821,700.00	24,036,700.00
	2051 - 2055			
		$ 316,390,000.00	$ 167,858,713.12	$ 484,248,713.12
Consolidated Revenue & Refunding Bonds Series 2020-A	2021	$ 10,585,000.00	11,447,125.00	22,032,125.00
	2022	9,720,000.00	10,939,500.00	20,659,500.00
	2023	10,335,000.00	10,438,125.00	20,773,125.00
	2024	10,840,000.00	9,908,750.00	20,748,750.00
	2025	11,385,000.00	9,353,125.00	20,738,125.00
	2026 - 2030	66,125,000.00	37,507,925.00	103,632,925.00
	2031 - 2035	56,830,000.00	25,828,200.00	82,658,200.00
	2036 - 2040	54,275,000.00	17,669,025.00	71,944,025.00
	2041 - 2045	42,420,000.00	10,418,250.00	52,838,250.00
	2046 - 2050	48,120,000.00	3,695,700.00	51,815,700.00
	2051 - 2055			
		$ 320,635,000.00	$ 147,205,725.00	$ 467,840,725.00
Consolidated Revenue & Refunding Bonds Series 2020-B	2021	$ 3,125,000.00	4,322,052.50	7,447,052.50
	2022	3,215,000.00	4,226,952.50	7,441,952.50
	2023	5,050,000.00	4,102,977.50	9,152,977.50
	2024	5,205,000.00	3,949,152.50	9,154,152.50
	2025	5,365,000.00	3,790,602.50	9,155,602.50
	2026 - 2030	35,450,000.00	16,847,966.25	52,297,966.25
	2031 - 2035	48,640,000.00	11,549,511.00	60,189,511.00
	2036 - 2040	26,075,000.00	6,477,187.25	32,552,187.25
	2041 - 2045	14,985,000.00	3,719,881.00	18,704,881.00
	2046 - 2050	11,820,000.00	1,379,067.50	13,199,067.50
	2051 - 2055	3,695,000.00	117,258.75	3,812,258.75
		$ 162,625,000.00	$ 60,482,609.25	$ 223,107,609.25
Summary				
All Bonds Issues, All Series	2021	$ 78,505,000.01	$ 60,534,769.32	$ 139,039,769.33
	2022	73,695,000.00	57,216,054.32	130,911,054.32
	2023	69,675,000.00	54,037,972.57	123,712,972.57
	2024	72,285,000.00	50,885,356.69	123,170,356.69
	2025	75,535,000.00	47,585,534.18	123,120,534.18
	2026 - 2030	386,625,000.00	186,843,118.63	573,468,118.63
	2031 - 2035	366,360,000.01	109,209,201.71	475,569,201.72
	2036 - 2040	222,900,000.00	47,317,181.52	270,217,181.52
	2041 - 2045	101,300,000.00	22,888,931.00	124,188,931.00
	2046 - 2050	84,505,000.00	6,991,467.50	91,496,467.50
	2051 - 2055	3,695,000.00	117,258.75	3,812,258.75
Total as shown above		$ 1,535,080,000.02	$ 643,626,846.19	$ 2,178,706,846.21

Unaudited

Schedule 2-D
University of Houston System (797)
Combined Analysis of Funds Available for Debt Service
For the Year Ended August 31, 2020

Business-Type Activities
General Obligation Bonds

Description of Issue	Beginning Balance Available for Debt Service 09/01/2019	Sources of Funds				Total Sources Available
		Pledged Sources		Other Sources		
		Interest Earned on Investments	Other Pledged Sources	Operating Transfers	State's General Revenue	
	$	$	$	$	$	$
Total	$	$	$	$	$	$

	Application of Funds				
	Principal	Interest	Refunded or Extinguished	Other Application of Funds	Total Application of Funds
	$	$	$	$	$
Total	$	$	$	$	$

	Ending Balance Available for Debt Service at 08/31/2019	
	Required	Actual
	$	$
Total	$	$

Unaudited

Schedule 2-D
University of Houston System (797)
Combined Analysis of Funds Available for Debt Service
For the Year Ended August 31, 2020

Business-Type Activities
Revenue Bonds

Description of Issue	Pledged and Other Sources and Related Expenditure for FY 2020							
	Operating Revenues	Interest Earned on Investments	Other Pledged Revenues	a Total Pledged Sources	b Other Sources	c Operating Expenses & Expenditures	d Capital Outlay	(a+b-c-d) Net Available for Debt Service
Consolidated Revenue Refunding Bonds and Consolidated Revenue Bonds (A)	$	$ 1,402.04	$ 1,025,412,970.07	$ 1,025,414,372.11	$	$	$	$ 1,025,414,372.11
Total	$	$ 1,402.04	$ 1,025,412,970.07	$ 1,025,414,372.11	$	$	$	$ 1,025,414,372.11

(A) Other Pledged Revenues Consist of

Tuition and Fees	$ 774,278,350.27
Investment Income	16,922,940.80
Sales and Service	194,224,327.00
Legislative Appropriations	39,987,352.00
Total as shown above	$ 1,025,412,970.07

(B) Expenditures associated with pledged sources were approximately $ 882,017,279.69

Description of Issue	Debt Service		Refunded or Extinguished	Interest & Sinking Fund		Reserve Fund	
	Principal	Interest		Minimum	Actual	Minimum	Actual
Consolidated Revenue & Refunding Bonds Series 2008	$ 865,000.00	$ 305,767.63	$	$	$	$	$
Consolidated Revenue & Refunding Bonds Series 2009	5,000,000.00	125,000.00					
Consolidated Revenue & Refunding Bonds Series 2009-A	1,875,000.00	19,591.42					
Consolidated Revenue & Refunding Bonds Series 2010-A	855,000.00	1,060,458.02					
Consolidated Revenue & Refunding Bonds Series 2010-B	4,375,000.00	2,205,833.43					
Consolidated Revenue & Refunding Bonds Series 2011-A	11,969,999.99	2,425,750.00					
Consolidated Revenue & Refunding Bonds Series 2011-B	830,000.00	708,074.64					
Consolidated Revenue & Refunding Bonds Series 2013-A	3,995,000.00	1,242,931.28					
Consolidated Revenue & Refunding Bonds Series 2013-B	3,745,000.00	5,225,965.61					
Consolidated Revenue Refunding Bonds Series 2014	2,225,000.00	1,414,475.00					
Consolidated Revenue & Refunding Bonds Series 2016-A	6,100,000.00	4,105,200.00					
Consolidated Revenue & Refunding Bonds Series 2016-B	14,725,000.00	4,337,847.00					
Consolidated Revenue & Refunding Bonds Series 2017-A	9,455,000.00	17,858,375.00					
Consolidated Revenue & Refunding Bonds Series 2017-B	405,000.00	387,995.00					
Consolidated Revenue & Refunding Bonds Series 2017-C	4,070,000.00	13,625,725.01					
Consolidated Revenue & Refunding Bonds Series 2020-A		5,725,744.46					
Consolidated Revenue & Refunding Bonds Series 2020-B		2,135,920.13					
Consolidated Revenue Variable Rate Demand							
Total	$ 70,489,999.99	$ 62,910,653.63	$	$	$	$	$

Blank Page

Unaudited

Schedule 2-E
University of Houston System (797)
Combined Schedule of Defeased Bonds Outstanding
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Year Refunded	Par Value Outstanding
General Obligations Bonds		
Schedule not used.		$
Total		$
Revenue Bonds		
Consolidated Revenue & Refunding Bonds Series 2008	2016	67,525,000.00
Consolidated Revenue & Refunding Bonds Series 2008	2017	38,400,000.00
Consolidated Revenue & Refunding Bonds Series 2009	2017	50,325,000.00
Consolidated Revenue & Refunding Bonds Series 2009-A	2017	12,840,000.00
Consolidated Revenue & Refunding Bonds Series 2009	2018	9,925,000.00
Consolidated Revenue & Refunding Bonds Series 2009-A	2018	22,095,000.00
Consolidated Revenue & Refunding Bonds Series 2011-A	2018	121,595,000.00
Consolidated Revenue & Refunding Bonds Series 2008	2020	13,230,000.00
Consolidated Revenue & Refunding Bonds Series 2008	2020	3,955,000.00
Consolidated Revenue & Refunding Bonds Series 2009-A	2020	1,950,000.00
Consolidated Revenue & Refunding Bonds Series 2010-A	2020	16,285,000.00
Consolidated Revenue & Refunding Bonds Series 2010-B	2020	63,275,000.00
Consolidated Revenue & Refunding Bonds Series 2011-B	2020	10,710,000.00
Consolidated Revenue & Refunding Bonds Series 2013-B	2020	37,805,000.00
Total		$ 469,915,000.00

Blank Page

Unaudited

Schedule 2-F
University of Houston System (797)
Combined Schedule of Early Extinguishment and Refunding
For the Year Ended August 31, 2020

Business-Type Activities

Description of Issue	Category	Amount Extinguished Or Refunded	For Refunding Only: Refunding Issue Par Value	For Refunding Only: Cash Flow Increase / (Decrease)	For Refunding Only: Economic Gain / (Loss)
General Obligations Bonds					
Schedule not used.		$	$	$	$
Total		$	$	$	$
Revenue Bonds					
Consolidated Revenue & Refunding Bonds Series 2008	Advance Refunding	$ 13,230,000.00	11,580,000.00	5,499,529.18	4,652,435.94
Consolidated Revenue & Refunding Bonds Series 2008	Advance Refunding	3,955,000.00	3,665,000.00	810,642.83	644,950.24
Consolidated Revenue & Refunding Bonds Series 2009-A	Advance Refunding	1,950,000.00	1,640,000.00	306,911.11	259,637.51
Consolidated Revenue & Refunding Bonds Series 2010-A	Advance Refunding	16,285,000.00	16,860,000.00	4,040,156.25	3,214,362.62
Consolidated Revenue & Refunding Bonds Series 2010-B	Advance Refunding	63,275,000.00	55,035,000.00	9,397,789.71	7,950,246.55
Consolidated Revenue & Refunding Bonds Series 2011-B	Advance Refunding	10,710,000.00	10,990,000.00	2,657,779.77	2,114,539.00
Consolidated Revenue & Refunding Bonds Series 2013-B	Advance Refunding	37,805,000.00	40,320,000.00	10,200,572.15	8,115,611.14
Total		$ 147,210,000.00	$ 140,090,000.00	$ 32,913,381.00	$ 26,951,783.00

Blank Page

Unaudited

Schedule 3
University of Houston System (797)
Combined Reconciliation of Cash in State Treasury
For the Quarter Ended August 31, 2020

Cash in State Treasury	Unrestricted
Local Revenue Fund No 0225 (UH - 730)	$ 104,480,920.61
Local Revenue Fund No 0229 (UHC - 759)	10,852,079.83
Local Revenue Fund No 0233 (UHV - 765)	840,979.09
Local Revenue Fund No 0268 (UHD - 784)	998,888.33
Total Cash in State Treasury (UH-Consolidated)	$ 117,172,867.86

UNIVERSITY OF HOUSTON

UNAUDITED ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

UNIVERSITY OF HOUSTON

PRIMARY STATEMENTS

Unaudited

University of Houston (730)
Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	$ 36,695.00
Cash in Bank	(525,951,059.94)
Cash in State Treasury	104,480,920.61
Cash Equivalents	221,910,680.11
Short Term Investments	381,565.56
Restricted:	
Cash In Bank	533,814,286.89
Legislative Appropriation	168,263,804.78
Receivables:	
Federal Receivables	2,321,723.77
UHS Intercampus Receivables	326,799,965.53
Accounts Receivable	35,399,303.30
Gifts	94,625,587.99
Other	1,816,642.94
Due From Other Agencies	20,984,762.40
Consumable Inventories	113,937.96
Merchandise Inventories	1,333,822.80
Prepaid Costs	39,635,590.45
Loans and Contracts	12,289,511.58
Total Current Assets	1,038,257,741.73
Non-Current Assets	
Restricted:	
Receivables	79,635,548.25
UHS Intercampus Receivables	706,221,625.32
Loans and Contracts	1,502,360.62
Investments	1,729,948.13
UHS Intercampus Receivables	144,983,338.08
Capital Assets	
Non-Depreciable or Non-Amortizable	386,127,702.95
Depreciable or Amortizable, Net	1,090,093,748.13
Total Non-Current Assets	2,410,294,271.48
Total Assets	3,448,552,013.21
Deferred Outflows of Resources	
Loss on Bond Refunding	1,325,002.30
Total Deferred Outflows of Resources	1,325,002.30
Total Assets and Deferred Outflows of Resources	$ 3,449,877,015.51

Unaudited

University of Houston (730)
Statement of Net Position
August 31, 2020

	Total FY2020
Liabilities	
Current Liabilities:	
Payables:	
Accounts Payable	$ 32,835,523.97
Federal Payable	40,145.20
Payroll Payable	42,780,227.05
UHS Intercampus Payable	48,332,548.02
Other Payable	1,835,574.28
Due to Other Agencies	699,913.47
Unearned Revenues	188,224,731.07
Revenue Bonds Payable	63,451,247.00
Claims and Judgments Payable	489,161.73
Employees' Compensable Leave	12,094,205.14
Funds Held for Others	14,701,686.17
Total Current Liabilities	405,484,963.10
Non Current-Liabilities	
Revenue Bonds Payable	1,138,896,771.66
Employees' Compensable Leave	12,064,959.82
Total Non-Current Liabilities	1,150,961,731.48
Total Liabilities	1,556,446,694.58
Deferred Inflows of Resources	
Gain on Bond Refunding	
Total Deferred Inflows of Resources	
Total Liabilities and Deferred Inflows of Resources	$ 1,556,446,694.58
Net Position	
Invested in Capital Assets, Net of Related Debt	$ 491,505,671.25
Restricted for:	
Debt Retirement	4,187,728.00
Capital Projects	21,838,232.41
Funds Held as Permanent Investments	
Non-Expendable	
True Endowments, Annuities	448,114,178.85
Expendable	
Term Endowments	1,362,381.53
Funds Functioning as Endowments	36,858,020.00
Other Restricted	296,919,074.33
Unrestricted	592,645,034.56
Total Net Position	$ 1,893,430,320.93

Unaudited

University of Houston (730)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	$ 550,786,709.31
Discounts and Allowances	(149,328,751.82)
Auxiliary Enterprise-Pledged	103,085,455.66
Discounts and Allowances	(12,424,343.20)
Other Sales of Goods and Services-Pledged	78,926,627.01
Federal Revenue-Operating (PR-OP Grants/Contributions)	88,651,775.20
Federal Pass Through Revenue (PR-OP Grants/Contributions)	5,625,594.69
State Grant Revenue (PR-OP Grants/Contributions)	6,985,763.29
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	42,952,419.48
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	29,711,352.31
Other Operating Revenues (PR-Chgs for Services)	1,653,427.58
Total Operating Revenues	746,626,029.51
Operating Expenses	
Instruction	265,641,812.83
Research	159,890,400.88
Public Service	40,263,986.89
Academic Support	190,673,615.29
Student Services	32,783,431.63
Institutional Support	79,644,533.82
Physical Plant	52,856,776.49
Scholarships & Fellowships	73,672,059.30
Auxiliary Enterprises	115,459,925.37
Depreciation and Amortization	86,898,132.73
Total Operating Expenses	1,097,784,675.23
Operating Income (Loss)	(351,158,645.72)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	221,750,099.00
Additional Appropriations (GR)	39,251,658.20
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	98,116,856.58
Gifts (PR-OP Grants/Contributions)	68,134,880.64
Interest and Investment Income (PR-Chgs for Services)	29,026,889.81
Interest Expense and Fiscal Charges	(38,537,515.86)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	51,733,795.79
Other Nonoperating Revenues	16,039,790.82
Other Nonoperating Expenses	(15,003,255.60)
Total Nonoperating Revenues (Expenses)	470,513,199.38

Unaudited

University of Houston (730)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ 119,354,553.66
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	52,770,054.00
Additions to Permanent and Term Endowments	13,275,873.73
UHS Intercampus Transfers-In	27,455,291.33
UHS IntercampusTransfers-Out	(7,451,229.27)
Transfers-In	46,846,072.87
Transfers-Out	(34,720,119.43)
Legislative Transfers-In	618,461.00
Legislative Appropriations Lapsed	(9,959,213.00)
Total Other Revenues, Expenses, Gains, Losses and Transfers	88,835,191.23
Changes in Net Position	208,189,744.89
Net Position Beginning	1,684,981,294.07
Restatements	259,281.97
Net Position Beginning, as Restated	1,685,240,576.04
Net Position, Ending	$ 1,893,430,320.93

Unaudited

University of Houston (730)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Cost of Goods Sold	$	$	$ 668,694.40	$ 2,164.93	$
Salaries and Wages	210,582,368.19	69,039,873.31	13,689,989.72	102,431,026.39	17,186,103.82
Payroll Related Costs	51,090,926.78	14,538,501.57	4,316,044.69	27,409,868.87	4,994,982.23
Professional Fees and Services	1,184,952.25	39,757,163.36	9,425,742.27	10,346,971.29	2,790,163.16
Federal Pass Through Expenses	70,512.36	1,485,861.10	1,192,800.68		
State Pass Through Expenses		29,078.02			
Travel	479,091.64	2,157,779.75	212,265.44	2,206,906.73	317,585.52
Materials and Supplies	1,097,692.17	8,760,090.13	1,443,134.30	6,363,330.05	2,248,901.06
Communication and Utilities	447,362.03	801,954.41	993,459.23	14,985,617.03	329,675.19
Repairs and Maintenance	48,950.29	1,013,042.49	490,798.94	2,847,351.27	115,662.24
Rentals and Leases	174,905.03	750,502.62	5,860,928.56	3,574,880.48	527,554.03
Printing and Reproduction	84,358.99	270,902.70	390,894.02	666,016.37	398,539.49
Depreciation and Amortization					
Interest	456.03	4,172.20	13,963.87	9,589.06	11,006.54
Scholarships	222,132.99	587,282.96	30,276.74	3,248,267.04	341,707.29
Claims and Judgments					7,788.54
Other Operating Expenses	158,104.08	20,694,196.26	1,534,994.03	16,581,625.78	3,513,762.52
Total Operating Expenses	$ 265,641,812.83	$ 159,890,400.88	$ 40,263,986.89	$ 190,673,615.29	$ 32,783,431.63

Unaudited

University of Houston (730)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$	$	$	$ 536,086.52	$	$ 1,206,945.85
46,515,799.02	14,932,506.21	649,370.73	43,683,458.10		518,710,495.49
13,882,295.14	6,742,845.86	962.20	9,518,185.05		132,494,612.39
5,447,900.35	7,069,645.46	530,320.12	28,482,831.59		105,035,689.85
		1,780.20			2,750,954.34
					29,078.02
213,355.78	9,715.62	20,907.31	3,839,175.06		9,456,782.85
1,066,517.25	1,043,631.68	39,126.84	6,177,942.38		28,240,365.86
1,009,312.07	11,108,877.20	843.04	9,723,206.72		39,400,306.92
3,000,944.45	1,723,441.97	1,015.97	2,597,371.03		11,838,578.65
2,223,534.37	8,444,039.90	11,928.08	1,819,908.91		23,388,181.98
417,515.77	6,751.80	5,035.66	421,083.51		2,661,098.31
				86,898,132.73	86,898,132.73
5,182.48	67.03	218.63	5,526.37		50,182.21
2,746,935.75		72,303,227.51	2,493,167.51		81,972,997.79
743,683.30			5,000.00		756,471.84
2,371,558.09	1,775,253.76	107,323.01	6,156,982.62		52,893,800.15
$ 79,644,533.82	$ 52,856,776.49	$ 73,672,059.30	$ 115,459,925.37	$ 86,898,132.73	$ 1,097,784,675.23

Unaudited

University of Houston (730)
Statement of Cash Flows
For the Year Ended August 31, 2020

	Total 2020
Cash Flows From Operating Activities	
Receipts from Customers	$ 71,548,822.51
Proceeds from Tuition and Fees	392,009,608.64
Proceeds from Research Grants and Contracts	174,818,335.02
Proceeds from Loan Programs	114,129,615.25
Proceeds from Auxiliaries	88,730,670.51
Proceeds from Other Revenues	1,653,427.58
Payments to Suppliers for Goods and Services	(220,621,178.04)
Payments to Employees for Salaries	(521,597,415.62)
Payments to Employees for Benefits	(128,307,287.25)
Payments for Loans Provided	(115,074,781.76)
Payments for Other Expenses	(145,741,091.20)
Net Cash Provided (Used) by Operating Activities	(288,451,274.36)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	217,740,803.43
Proceeds from Gifts	69,675,388.78
Proceeds from Endowments	13,275,873.73
Proceeds of Transfers from Other Funds	97,011,561.87
Proceeds from Grants	98,116,856.58
Payments for Transfers to Other Funds	(37,439,618.72)
Net Cash Provided (Used) by Noncapital Financing Activities	458,380,865.67
Cash Flows from Capital and Related Financing Activities	
Proceeds from Debt Issuance	437,105,000.00
Proceeds from Other Financing Activities	27,312,425.25
Proceeds from Capital Contributions	52,770,054.00
Payments for Additions to Capital Assets	(188,674,991.44)
Payments of Principal on Debt Issuance	(193,155,137.47)
Payments of Interest on Debt Issuance	(39,580,072.81)
Payments of Other Costs on Debt Issuance	(212,597,070.70)
Net Cash Provided (Used) by Capital and Related Financing Activities	(116,819,793.17)
Cash Flows From Investing Activities	
Proceeds from Sales of Investments	200,272.93
Proceeds from Investment Income	29,026,889.81
Payments to Acquire Investments	(39,445,115.01)
Net Cash Provided (Used) by Investing Activities	(10,217,952.27)

Unaudited

University of Houston (730)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	42,891,845.87
Cash and Cash Equivalents, September 1		291,399,676.80
Cash and Cash Equivalents, August 31	$	334,291,522.67
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(351,158,645.72)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization Expense		86,898,132.73
Operating Income and Cash Flow Categories:		
Classification Differences		(945,166.51)
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		(4,355,629.26)
(Increase) Decrease in Inventories		(586,602.64)
(Increase) Decrease in Prepaid Expenses		1,811,965.48
(Increase) Decrease in Other Assets		(5,289,920.26)
Increase (Decrease) in Payables		(620,839.60)
Increase (Decrease) in Deferred Income		(8,374,555.49)
Increase (Decrease) in Compensated Absences		4,187,325.14
Increase (Decrease) in Benefits Payable		(2,886,920.13)
Increase (Decrease) in Other Liabilities		(7,130,418.10)
Total Adjustments		62,707,371.36
Net Cash Provided (Used) by Operating Activities	$	(288,451,274.36)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	51,733,795.79
Non Cash Transactions	$	51,733,795.79

UNIVERSITY OF HOUSTON
CLEAR LAKE

UNAUDITED ANNUAL
FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

UNIVERSITY OF HOUSTON – CLEAR LAKE

PRIMARY STATEMENTS

Unaudited

University of Houston - Clear Lake (759)
Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	$ 13,150.00
Cash in Bank	2,499,302.89
Cash in State Treasury	10,852,079.83
Cash Equivalents	37,144,715.76
Restricted:	
Cash In Bank	(743,846.80)
Legislative Appropriation	6,824,453.48
Receivables:	
Federal Receivables	6,301,065.16
UHS Intercampus Receivables	20,736,220.23
Accounts Receivable	8,449,807.19
Gifts	1,077,336.60
Other	1,210,498.36
Due From Other Agencies	104,973.19
Consumable Inventories	8,788.78
Prepaid Costs	5,200,227.13
Loans and Contracts	1,930,717.73
Total Current Assets	101,609,489.53
Non-Current Assets	
Restricted:	
Receivables	157,629.36
UHS Intercampus Receivables	18,760,247.23
Loans and Contracts	282,356.47
Investments	110,750.00
UHS Intercampus Receivables	11,602,672.12
Capital Assets	
Non-Depreciable or Non-Amortizable	13,442,960.07
Depreciable or Amortizable, Net	179,590,179.30
Total Non-Current Assets	223,946,794.55
Total Assets	325,556,284.08
Deferred Outflows of Resources	
Loss on Bond Refunding	
Total Deferred Outflows of Resources	
Total Assets and Deferred Outflows of Resources	$ 325,556,284.08

Unaudited

University of Houston - Clear Lake (759)
Statement of Net Position
August 31, 2020

		Total FY2020
Liabilities		
Current Liabilities:		
Payables:		
Accounts Payable	$	2,171,292.79
Federal Payable		80,760.33
Payroll Payable		6,716,455.41
UHS Intercampus Payable		(2,869,633.52)
Other Payable		231,456.71
Due to Other Agencies		24,090.36
Unearned Revenues		34,800,274.83
Revenue Bonds Payable		8,519,247.29
Claims and Judgments Payable		71,005.09
Employees' Compensable Leave		1,359,657.15
Capital Lease Obligations		559,321.65
Funds Held for Others		452,623.51
Total Current Liabilities		52,116,551.60
Non Current-Liabilities		
Revenue Bonds Payable		135,065,184.02
Employees' Compensable Leave		1,356,369.33
Capital Lease Obligations		4,561,956.59
Total Non-Current Liabilities		140,983,509.94
Total Liabilities		193,100,061.54
Deferred Inflows of Resources		
Gain on Bond Refunding		
Total Deferred Inflows of Resources		
Total Liabilities and Deferred Inflows of Resources	$	193,100,061.54
Net Position		
Invested in Capital Assets, Net of Related Debt	$	45,669,063.29
Restricted for:		
Capital Projects		50,662.58
Funds Held as Permanent Investments		
Non-Expendable		
True Endowments, Annuities		12,128,748.95
Expendable		
Funds Functioning as Endowments		5,089,539.86
Other Restricted		4,120,315.51
Unrestricted		65,397,892.35
Total Net Position	$	132,456,222.54

Unaudited

University of Houston - Clear Lake (759)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	$ 79,321,494.51
Discounts and Allowances	(14,972,076.00)
Auxiliary Enterprise-Pledged	2,011,177.44
Other Sales of Goods and Services-Pledged	1,133,221.41
Federal Revenue-Operating (PR-OP Grants/Contributions)	3,948,167.79
Federal Pass Through Revenue (PR-OP Grants/Contributions)	369,047.69
State Grant Revenue (PR-OP Grants/Contributions)	349,860.94
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	4,168,197.61
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	331,075.83
Other Operating Revenues (PR-Chgs for Services)	80,646.56
Total Operating Revenues	76,740,813.78
Operating Expenses	
Instruction	45,810,678.49
Research	1,363,259.86
Public Service	34,521.27
Academic Support	19,131,886.75
Student Services	6,541,817.76
Institutional Support	19,044,949.63
Physical Plant	8,447,103.22
Scholarships & Fellowships	11,770,735.24
Auxiliary Enterprises	6,830,000.79
Depreciation and Amortization	13,079,189.64
Total Operating Expenses	132,054,142.65
Operating Income (Loss)	(55,313,328.87)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	29,180,801.00
Additional Appropriations (GR)	7,477,089.16
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	15,863,364.08
Gifts (PR-OP Grants/Contributions)	820,175.18
Interest and Investment Income (PR-Chgs for Services)	2,254,502.43
Interest Expense and Fiscal Charges	(4,944,845.77)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	2,340,586.24
Other Nonoperating Revenues	(407,440.12)
Other Nonoperating Expenses	(4,569,462.94)
Total Nonoperating Revenues (Expenses)	48,014,769.26

Unaudited

University of Houston - Clear Lake (759)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ (7,298,559.61)
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	8,005,116.00
Additions to Permanent and Term Endowments	212,738.50
UHS Intercampus Transfers-In	8,315,561.88
UHS IntercampusTransfers-Out	(250,677.46)
Transfers-In	50,182.24
Legislative Transfers-In	84,187.00
Legislative Appropriations Lapsed	(1,237,991.75)
Total Other Revenues, Expenses, Gains, Losses and Transfers	15,179,116.41
Changes in Net Position	7,880,556.80
Net Position Beginning	124,575,665.74
Restatements	
Net Position Beginning, as Restated	124,575,665.74
Net Position, Ending	$ 132,456,222.54

Unaudited

University of Houston - Clear Lake (759)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Cost of Goods Sold	$	$	$	$	$
Salaries and Wages	33,891,450.89	1,011,388.59	6,206.66	9,854,894.04	3,789,759.35
Payroll Related Costs	8,380,077.44	215,085.99	2,183.92	2,819,955.84	1,391,934.73
Professional Fees and Services	390,503.25	84,434.62	350.00	583,784.33	339,632.11
Travel	47,354.89	51,687.57		239,175.44	34,283.99
Materials and Supplies	225,559.29	89,711.55	27.94	1,184,560.72	146,787.19
Communication and Utilities	125,134.08	7,543.17	600.45	489,403.85	61,579.37
Repairs and Maintenance	15,812.13	18,506.46		732,668.79	3,607.00
Rentals and Leases	125,547.81	7,889.63		980,192.96	145,161.62
Printing and Reproduction	9,878.67	296.00		51,008.53	60,774.10
Depreciation and Amortization					
Interest	64.47	6.02		1,052.72	257.38
Scholarships	2,344,020.08	5,500.00		349,848.52	34,133.97
Claims and Judgments					
Other Operating Expenses	255,275.49	(128,789.74)	25,152.30	1,845,341.01	533,906.95
Total Operating Expenses	$ 45,810,678.49	$ 1,363,259.86	$ 34,521.27	$ 19,131,886.75	$ 6,541,817.76

Unaudited

University of Houston - Clear Lake (759)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$	$	$	$ 6,412.48	$ 0.00	$ 6,412.48
9,620,419.80	2,599,720.15	207,604.92	3,958,519.57	0.00	64,939,963.97
3,910,961.04	1,330,400.39	130.27	967,814.55	0.00	19,018,544.17
4,166,437.54	714,411.30	22,983.00	576,633.00	0.00	6,879,169.15
31,633.02	1,517.41		50,219.60	0.00	455,871.92
341,633.47	673,166.31	2,926.31	520,914.40	0.00	3,185,287.18
147,926.55	1,868,362.99	45.00	162,862.82	0.00	2,863,458.28
222,729.92	1,051,980.29	62.98	211,323.31	0.00	2,256,690.88
68,997.54	27,846.12	94.30	69,277.50	0.00	1,425,007.48
64,120.70	59,703.73		12,391.06	0.00	258,172.79
				13,079,189.64	13,079,189.64
552.11	326.57		58.71	0.00	2,317.98
1,500.00		11,565,266.09	97,488.27	0.00	14,397,756.93
79,109.22				0.00	79,109.22
388,928.72	119,667.96	(28,377.63)	196,085.52	0.00	3,207,190.58
$ 19,044,949.63	$ 8,447,103.22	$ 11,770,735.24	$ 6,830,000.79	$ 13,079,189.64	$ 132,054,142.65

Unaudited

University of Houston - Clear Lake (759)
Statement of Cash Flows
For the Year Ended August 31, 2020

	Total 2020
Cash Flows From Operating Activities	
Receipts from Customers	$ 1,034,168.52
Proceeds from Tuition and Fees	64,515,016.57
Proceeds from Research Grants and Contracts	8,683,215.88
Proceeds from Loan Programs	4,333,473.56
Proceeds from Auxiliaries	2,094,224.06
Proceeds from Other Revenues	80,646.56
Payments to Suppliers for Goods and Services	(28,378,687.91)
Payments to Employees for Salaries	(65,133,542.56)
Payments to Employees for Benefits	(18,403,022.88)
Payments for Loans Provided	(4,097,243.71)
Payments for Other Expenses	(17,587,303.64)
Net Cash Provided (Used) by Operating Activities	(52,859,055.55)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	36,727,158.71
Proceeds from Gifts	1,084,104.68
Proceeds from Endowments	212,738.50
Proceeds of Transfers from Other Funds	7,958,304.00
Proceeds from Grants	15,863,364.08
Payments for Transfers to Other Funds	(4,820,140.40)
Net Cash Provided (Used) by Noncapital Financing Activities	57,025,529.57
Cash Flows from Capital and Related Financing Activities	
Proceeds from Other Financing Activities	3,672,964.39
Proceeds from Capital Contributions	8,005,116.00
Payments for Additions to Capital Assets	(4,444,650.49)
Payments of Principal on Debt Issuance	(7,320,505.78)
Payments for Capital Lease	(550,123.04)
Payments of Interest on Debt Issuance	(4,944,845.77)
Payments of Other Costs on Debt Issuance	(939,699.51)
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,521,744.20)
Cash Flows From Investing Activities	
Proceeds from Investment Income	2,254,502.43
Payments to Acquire Investments	(346,883.64)
Net Cash Provided (Used) by Investing Activities	1,907,618.79

Unaudited

University of Houston - Clear Lake (759)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	(447,651.39)
Cash and Cash Equivalents, September 1		50,213,053.07
Cash and Cash Equivalents, August 31	$	49,765,401.68
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(55,313,328.87)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization Expense		13,079,189.64
Operating Income and Cash Flow Categories:		
Classification Differences		236,229.85
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		(494,094.65)
(Increase) Decrease in Inventories		(4,025.67)
(Increase) Decrease in Prepaid Expenses		(1,701,025.03)
(Increase) Decrease in Other Assets		218,159.64
Increase (Decrease) in Payables		(9,323,045.31)
Increase (Decrease) in Deferred Income		(64,957.57)
Increase (Decrease) in Compensated Absences		615,521.29
Increase (Decrease) in Benefits Payable		(193,578.59)
Increase (Decrease) in Other Liabilities		85,899.72
Total Adjustments		2,454,273.32
Net Cash Provided (Used) by Operating Activities	$	(52,859,055.55)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	2,340,586.24
Non Cash Transactions	$	2,340,586.24

UNIVERSITY OF HOUSTON DOWNTOWN

UNAUDITED ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

UNIVERSITY OF HOUSTON – DOWNTOWN

PRIMARY STATEMENTS

Unaudited

University of Houston - Downtown (784)
Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	$ 11,450.00
Cash in Bank	(13,903,353.18)
Cash in Transit/Reimburse From Treasury	2,381,571.99
Cash in State Treasury	998,888.33
Cash Equivalents	37,916,611.54
Restricted:	
Cash In Bank	20,135,628.31
Legislative Appropriation	12,811,635.28
Receivables:	
Federal Receivables	9,919,972.77
UHS Intercampus Receivables	25,688,968.82
Accounts Receivable	7,788,148.50
Gifts	3,209,554.11
Other	(810,818.02)
Due From Other Agencies	87,350.48
Consumable Inventories	27,870.13
Prepaid Costs	6,152,134.09
Loans and Contracts	10,912,217.95
Total Current Assets	123,327,831.10
Non-Current Assets	
Restricted:	
Receivables	4,285,475.25
UHS Intercampus Receivables	64,156,287.31
Investments	121,100.00
UHS Intercampus Receivables	8,658,841.38
Capital Assets	
Non-Depreciable or Non-Amortizable	27,698,068.45
Depreciable or Amortizable, Net	172,125,703.60
Total Non-Current Assets	277,045,475.99
Total Assets	400,373,307.09
Deferred Outflows of Resources	
Loss on Bond Refunding	
Total Deferred Outflows of Resources	
Total Assets and Deferred Outflows of Resources	$ 400,373,307.09

Unaudited

University of Houston - Downtown (784)
Statement of Net Position
August 31, 2020

		Total FY2020
Liabilities		
Current Liabilities:		
Payables:		
Accounts Payable	$	3,779,739.64
Federal Payable		7,331,779.55
Payroll Payable		7,589,321.23
UHS Intercampus Payable		4,897,282.41
Other Payable		246,136.65
Due to Other Agencies		2,011,446.59
Unearned Revenues		52,869,911.45
Revenue Bonds Payable		8,442,295.28
Claims and Judgments Payable		105,512.46
Employees' Compensable Leave		2,100,028.05
Funds Held for Others		(1,735,818.47)
Total Current Liabilities		87,637,634.84
Non Current-Liabilities		
Revenue Bonds Payable		135,549,986.74
Employees' Compensable Leave		2,093,670.88
Total Non-Current Liabilities		137,643,657.62
Total Liabilities		225,281,292.46
Deferred Inflows of Resources		
Gain on Bond Refunding		
Total Deferred Inflows of Resources		
Total Liabilities and Deferred Inflows of Resources	$	225,281,292.46
Net Position		
Invested in Capital Assets, Net of Related Debt	$	93,066,872.59
Restricted for:		
Debt Retirement		405.90
Capital Projects		218,192.42
Funds Held as Permanent Investments		
Non-Expendable		
True Endowments, Annuities		24,859,649.52
Expendable		
Funds Functioning as Endowments		2,303,003.30
Other Restricted		13,066,270.35
Unrestricted		41,577,620.55
Total Net Position	$	175,092,014.63

Unaudited

University of Houston - Downtown (784)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	$ 109,512,443.23
Discounts and Allowances	(33,369,855.06)
Auxiliary Enterprise-Pledged	2,347,714.54
Other Sales of Goods and Services-Pledged	2,541,495.74
Federal Revenue-Operating (PR-OP Grants/Contributions)	5,703,958.87
Federal Pass Through Revenue (PR-OP Grants/Contributions)	298,872.46
State Grant Revenue (PR-OP Grants/Contributions)	50,083.13
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	6,644,439.68
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	818,118.34
Other Operating Revenues (PR-Chgs for Services)	5,297.69
Total Operating Revenues	94,552,568.62
Operating Expenses	
Instruction	50,902,259.94
Research	2,376,805.05
Public Service	3,060,235.81
Academic Support	30,853,437.81
Student Services	7,722,355.31
Institutional Support	23,666,929.27
Physical Plant	9,187,218.86
Scholarships & Fellowships	26,368,590.06
Auxiliary Enterprises	8,078,231.31
Depreciation and Amortization	11,930,742.22
Total Operating Expenses	174,146,805.64
Operating Income (Loss)	(79,594,237.02)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	25,549,503.00
Additional Appropriations (GR)	6,917,866.66
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	37,957,032.09
Gifts (PR-OP Grants/Contributions)	2,239,158.98
Interest and Investment Income (PR-Chgs for Services)	2,023,685.74
Interest Expense and Fiscal Charges	(4,299,806.66)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	3,222,543.96
Other Nonoperating Revenues	5,401.04
Other Nonoperating Expenses	(1,931,540.49)
Total Nonoperating Revenues (Expenses)	71,683,844.32

Unaudited

University of Houston - Downtown (784)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ (7,910,392.70)
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	11,752,877.00
Additions to Permanent and Term Endowments	1,123,567.00
UHS Intercampus Transfers-In	8,833,812.85
UHS IntercampusTransfers-Out	(274,678.46)
Transfers-In	8,058,465.00
Transfers-Out	(4,000,000.00)
Legislative Transfers-In	51,226.00
Total Other Revenues, Expenses, Gains, Losses and Transfers	25,545,269.39
Changes in Net Position	17,634,876.69
Net Position Beginning	157,457,137.94
Restatements	
Net Position Beginning, as Restated	157,457,137.94
Net Position, Ending	$ 175,092,014.63

Unaudited

University of Houston - Downtown (784)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Cost of Goods Sold	$	$	$	$	$
Salaries and Wages	39,616,043.08	1,025,520.92	1,312,237.23	17,080,036.82	5,080,328.93
Payroll Related Costs	9,971,322.10	275,876.01	356,233.84	5,213,313.54	1,626,345.58
Professional Fees and Services	230,835.45	236,426.02	815,114.74	521,526.11	552,617.17
Federal Pass Through Expenses		155,969.06			
Travel	253,552.65	87,611.46	16,024.72	222,589.51	15,616.24
Materials and Supplies	260,434.10	178,101.93	141,574.04	1,843,691.22	117,177.44
Communication and Utilities	105,021.92	8,222.87	13,752.76	367,342.92	73,070.05
Repairs and Maintenance	1,627.66		3,049.91	962,670.30	18,698.64
Rentals and Leases	108,215.05	10,161.60	28,318.31	1,559,936.77	23,409.26
Printing and Reproduction	13,220.09	4,693.47	5,263.10	25,988.05	40,807.40
Depreciation and Amortization					
Interest	327.52		261.42	688.39	514.87
Scholarships	30,773.74	153,716.83	7,133.52	227,797.05	11,961.87
Claims and Judgments					
Other Operating Expenses	310,886.58	240,504.88	361,272.22	2,827,857.13	161,807.86
Total Operating Expenses	$ 50,902,259.94	$ 2,376,805.05	$ 3,060,235.81	$ 30,853,437.81	$ 7,722,355.31

Unaudited

University of Houston - Downtown (784)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$	$	$	$ 749.37	$	$ 749.37
11,173,594.98	2,281,442.24	75,584.64	3,444,443.47		81,089,232.31
3,671,880.30	1,031,197.77	15.58	1,016,611.72		23,162,796.44
4,212,056.35	3,572,949.09	59,204.00	2,263,696.35		12,464,425.28
					155,969.06
53,862.72	8,757.10	7,224.27	75,388.47		740,627.14
901,948.35	279,356.62	16,792.79	291,240.74		4,030,317.23
204,648.72	1,424,394.78		234,097.51		2,430,551.53
124,958.04	491,663.54		133,084.51		1,735,752.60
719,714.57	6,677.69		169,183.01		2,625,616.26
74,997.15	110.00		43,188.02		208,267.28
				11,930,742.22	11,930,742.22
616.60	2,956.43	287.32	439.04		6,091.59
946,671.84		26,209,211.46	39,599.82		27,626,866.13
74,564.03					74,564.03
1,507,415.62	87,713.60	270.00	366,509.28		5,864,237.17
$ 23,666,929.27	$ 9,187,218.86	$ 26,368,590.06	$ 8,078,231.31	$ 11,930,742.22	$ 174,146,805.64

Unaudited

University of Houston - Downtown (784)
Statement of Cash Flows
For the Year Ended August 31, 2020

	Total 2020
Cash Flows From Operating Activities	
Receipts from Customers	$ 3,016,208.52
Proceeds from Tuition and Fees	88,698,303.30
Proceeds from Research Grants and Contracts	14,531,091.17
Proceeds from Loan Programs	10,719,302.59
Proceeds from Auxiliaries	2,320,831.63
Proceeds from Other Revenues	5,297.69
Payments to Suppliers for Goods and Services	(24,889,937.60)
Payments to Employees for Salaries	(78,628,052.55)
Payments to Employees for Benefits	(22,212,206.96)
Payments for Loans Provided	(13,568,729.71)
Payments for Other Expenses	(34,460,306.83)
Net Cash Provided (Used) by Operating Activities	(54,468,198.75)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	29,501,019.37
Proceeds from Gifts	2,542,760.14
Proceeds from Endowments	1,123,567.00
Proceeds of Transfers from Other Funds	20,449,521.14
Proceeds from Grants	37,957,032.09
Payments for Transfers to Other Funds	(6,155,116.05)
Net Cash Provided (Used) by Noncapital Financing Activities	85,418,783.69
Cash Flows from Capital and Related Financing Activities	
Proceeds from Debt Issuance	31,545,000.00
Proceeds from Other Financing Activities	3,551,842.25
Proceeds from Capital Contributions	11,752,877.00
Payments for Additions to Capital Assets	(9,528,032.80)
Payments of Principal on Debt Issuance	(5,913,328.54)
Payments of Interest on Debt Issuance	(4,299,806.66)
Payments of Other Costs on Debt Issuance	(30,053,963.63)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,945,412.38)
Cash Flows From Investing Activities	
Proceeds from Investment Income	2,023,685.74
Payments to Acquire Investments	(1,306,398.38)
Net Cash Provided (Used) by Investing Activities	717,287.36

Unaudited

University of Houston - Downtown (784)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	28,722,459.92
Cash and Cash Equivalents, September 1		18,818,337.07
Cash and Cash Equivalents, August 31	$	47,540,796.99
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(79,594,237.02)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization Expense		11,930,742.22
Operating Income and Cash Flow Categories:		
Classification Differences		(2,849,427.12)
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		364,994.98
(Increase) Decrease in Inventories		(4,941.84)
(Increase) Decrease in Prepaid Expenses		733,352.07
(Increase) Decrease in Other Assets		120,193.99
Increase (Decrease) in Payables		5,932,816.02
Increase (Decrease) in Deferred Income		4,233,099.53
Increase (Decrease) in Compensated Absences		950,589.48
Increase (Decrease) in Benefits Payable		2,461,179.76
Increase (Decrease) in Other Liabilities		1,253,439.18
Total Adjustments		25,126,038.27
Net Cash Provided (Used) by Operating Activities	$	(54,468,198.75)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	3,222,543.96
Non Cash Transactions	$	3,222,543.96

UNIVERSITY OF HOUSTON VICTORIA

UNAUDITED ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

UNIVERSITY OF HOUSTON – VICTORIA

PRIMARY STATEMENTS

Unaudited

University of Houston - Victoria (765)
Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash on Hand	$ 1,934.00
Cash in Bank	4,044,334.73
Cash in State Treasury	840,979.09
Cash Equivalents	6,252,654.89
Restricted:	
Cash In Bank	(2,120,090.92)
Legislative Appropriation	5,876,205.37
Receivables:	
Federal Receivables	4,093,573.31
UHS Intercampus Receivables	1,181,305.55
Accounts Receivable	2,034,849.05
Gifts	277,852.71
Other	10,860.56
Due From Other Agencies	5,707.66
Prepaid Costs	4,935,026.70
Loans and Contracts	2,449,268.51
Total Current Assets	29,884,461.21
Non-Current Assets	
Restricted:	
Receivables	600,291.73
UHS Intercampus Receivables	37,012,328.15
Investments	72,670.00
UHS Intercampus Receivables	2,923,073.38
Capital Assets	
Non-Depreciable or Non-Amortizable	42,779,256.81
Depreciable or Amortizable, Net	87,402,177.36
Total Non-Current Assets	170,789,797.43
Total Assets	200,674,258.64
Deferred Outflows of Resources	
Loss on Bond Refunding	14,665.03
Total Deferred Outflows of Resources	14,665.03
Total Assets and Deferred Outflows of Resources	$ 200,688,923.67

Unaudited

University of Houston - Victoria (765)
Statement of Net Position
August 31, 2020

		Total FY2020
Liabilities		
Current Liabilities:		
Payables:		
Accounts Payable	$	5,323,978.86
Federal Payable		23,393.54
Payroll Payable		2,009,257.90
UHS Intercampus Payable		6,071,446.47
Other Payable		232,330.72
Due to Other Agencies		2,855.61
Unearned Revenues		17,514,087.55
Revenue Bonds Payable		4,830,798.37
Claims and Judgments Payable		12,021.61
Employees' Compensable Leave		647,384.22
Funds Held for Others		635,921.13
Total Current Liabilities		37,303,475.98
Non Current-Liabilities		
Revenue Bonds Payable		117,041,966.20
Employees' Compensable Leave		645,832.34
Total Non-Current Liabilities		117,687,798.54
Total Liabilities		154,991,274.52
Deferred Inflows of Resources		
Gain on Bond Refunding		
Total Deferred Inflows of Resources		
Total Liabilities and Deferred Inflows of Resources	$	154,991,274.52
Net Position		
Invested in Capital Assets, Net of Related Debt	$	23,389,493.50
Restricted for:		
Debt Retirement		370,800.00
Capital Projects		6,485,385.98
Funds Held as Permanent Investments		
Non-Expendable		
True Endowments, Annuities		8,983,707.12
Expendable		
Funds Functioning as Endowments		972,353.30
Other Restricted		3,868,630.95
Unrestricted		1,627,278.30
Total Net Position	$	45,697,649.15

Unaudited

University of Houston - Victoria (765)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Tuition and Fees-Pledged	$ 34,657,703.22
Discounts and Allowances	(9,472,555.56)
Auxiliary Enterprise-Pledged	3,679,129.93
Discounts and Allowances	(1,005,570.47)
Other Sales of Goods and Services-Pledged	444,575.39
Federal Revenue-Operating (PR-OP Grants/Contributions)	2,057,941.72
Federal Pass Through Revenue (PR-OP Grants/Contributions)	75,913.60
State Grant Revenue (PR-OP Grants/Contributions)	136,797.09
State Grant Pass Through Revenue (PR-OP Grants/Contributions)	2,451,128.30
Other Grants and Contracts-Operating (PR-OP Grants/Contributions)	201,034.84
Total Operating Revenues	33,226,098.06
Operating Expenses	
Instruction	21,100,154.73
Research	398,582.66
Public Service	745,707.88
Academic Support	10,005,482.03
Student Services	7,427,266.17
Institutional Support	5,801,671.28
Physical Plant	2,990,344.58
Scholarships & Fellowships	8,021,901.31
Auxiliary Enterprises	2,167,066.42
Depreciation and Amortization	5,035,630.66
Total Operating Expenses	63,693,807.72
Operating Income (Loss)	(30,467,709.66)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	14,650,338.00
Additional Appropriations (GR)	3,839,796.64
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	9,321,554.97
Gifts (PR-OP Grants/Contributions)	283,804.33
Interest and Investment Income (PR-Chgs for Services)	439,476.54
Interest Expense and Fiscal Charges	(4,152,114.39)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	985,037.43
Other Nonoperating Revenues	40,580.38
Other Nonoperating Expenses	(3,206,463.95)
Total Nonoperating Revenues (Expenses)	22,202,009.95

Unaudited

University of Houston - Victoria (765)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ (8,265,699.71)
Other Revenues, Expenses, Gains, Losses and Transfers	
Capital Appropriation (HEAF)	4,275,861.00
Federal Grant - Capital Grant Contributions	1,000,000.00
Additions to Permanent and Term Endowments	120,596.95
UHS Intercampus Transfers-In	4,252,891.89
UHS IntercampusTransfers-Out	(124,229.00)
Transfers-In	776,230.64
Legislative Transfers-In	36,137.00
Legislative Appropriations Lapsed	(732,425.00)
Total Other Revenues, Expenses, Gains, Losses and Transfers	9,605,063.48
Changes in Net Position	1,339,363.77
Net Position Beginning	44,387,548.88
Restatements	(29,263.50)
Net Position Beginning, as Restated	44,358,285.38
Net Position, Ending	$ 45,697,649.15

Unaudited

University of Houston - Victoria (765)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Salaries and Wages	$ 15,549,704.03	$ 200,589.45	$ 415,698.93	$ 4,540,940.28	$ 3,746,999.26
Payroll Related Costs	4,335,309.34	72,159.82	133,857.91	1,414,482.17	1,309,363.72
Professional Fees and Services	286,894.81	48,372.60	22,739.42	1,250,192.33	601,045.56
Travel	54,055.54	6,660.24	6,883.58	122,184.65	191,542.01
Materials and Supplies	301,574.98	15,953.96	59,769.21	329,902.30	449,646.66
Communication and Utilities	9,604.67	148.98	2,516.47	559,464.05	143,494.33
Repairs and Maintenance	155,989.15		1,515.42	63,813.18	125,017.47
Rentals and Leases	161,478.07	516.90	31,976.94	161,165.41	117,681.45
Printing and Reproduction	8,089.35	421.66	8,831.23	17,057.10	52,934.49
Depreciation and Amortization					
Interest	42.02	4.97	6.62	313.53	287.64
Scholarships	90,725.39	32,639.47		278,047.99	175,412.86
Claims and Judgments					
Other Operating Expenses	146,687.38	21,114.61	61,912.15	1,267,919.04	513,840.72
Total Operating Expenses	$ 21,100,154.73	$ 398,582.66	$ 745,707.88	$ 10,005,482.03	$ 7,427,266.17

Unaudited

University of Houston - Victoria (765)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$ 3,435,162.49	$ 595,824.68	$ 216,914.48	$ 493,924.28	$	$ 29,195,757.88
1,084,505.58	217,126.17	5.57	149,585.40		8,716,395.68
718,107.56	649,410.94	25,814.28	511,411.51		4,113,989.01
27,503.60	4,541.15		10,707.08		424,077.85
45,593.99	490,420.06		156,556.60		1,849,417.76
106,561.03	609,249.89		357,858.50		1,788,897.92
111,452.11	179,999.92		283,975.25		921,762.50
160,664.42	222,294.81		38,884.13		894,662.13
7,977.56	27.00		32,834.39		128,172.78
				5,035,630.66	5,035,630.66
133.94	20,151.12		18,604.23		39,544.07
742.16		7,773,254.55	64,450.37		8,415,272.79
43,721.96					43,721.96
59,544.88	1,298.84	5,912.43	48,274.68		2,126,504.73
$ 5,801,671.28	$ 2,990,344.58	$ 8,021,901.31	$ 2,167,066.42	$ 5,035,630.66	$ 63,693,807.72

Unaudited

University of Houston - Victoria (765)
Statement of Cash Flows
For the Year Ended August 31, 2020

	Total 2020
Cash Flows From Operating Activities	
Receipts from Customers	$ 437,293.83
Proceeds from Tuition and Fees	26,140,079.18
Proceeds from Research Grants and Contracts	4,797,467.20
Proceeds from Loan Programs	3,271,594.21
Proceeds from Auxiliaries	3,556,728.34
Payments to Suppliers for Goods and Services	(7,177,599.03)
Payments to Employees for Salaries	(29,149,363.38)
Payments to Employees for Benefits	(8,473,675.09)
Payments for Loans Provided	(3,161,240.14)
Payments for Other Expenses	(11,083,017.83)
Net Cash Provided (Used) by Operating Activities	(20,841,732.71)
Cash Flows from Noncapital Financing Activities	
Proceeds from State Appropriations	15,752,889.62
Proceeds from Gifts	377,804.33
Proceeds from Endowments	120,596.95
Proceeds of Transfers from Other Funds	5,069,702.91
Proceeds from Grants	9,321,554.97
Payments for Transfers to Other Funds	(1,589,911.38)
Net Cash Provided (Used) by Noncapital Financing Activities	29,052,637.40
Cash Flows from Capital and Related Financing Activities	
Proceeds from Debt Issuance	14,235,000.00
Proceeds from Federal Grants and Contracts	1,000,000.00
Proceeds from Other Financing Activities	19,904,759.00
Proceeds from Capital Contributions	4,275,861.00
Payments for Additions to Capital Assets	(31,557,997.03)
Payments of Principal on Debt Issuance	(8,516,028.20)
Payments of Interest on Debt Issuance	(4,150,100.38)
Payments of Other Costs on Debt Issuance	(2,500,037.68)
Net Cash Provided (Used) by Capital and Related Financing Activities	(7,308,543.29)
Cash Flows From Investing Activities	
Proceeds from Investment Income	439,476.54
Payments to Acquire Investments	(35,500.00)
Net Cash Provided (Used) by Investing Activities	403,976.54

Unaudited

University of Houston - Victoria (765)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	1,306,337.94
Cash and Cash Equivalents, September 1		7,713,473.85
Cash and Cash Equivalents, August 31	$	9,019,811.79
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(30,467,709.66)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization Expense		5,035,630.66
Operating Income and Cash Flow Categories:		
Classification Differences		110,354.07
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		1,989,813.87
(Increase) Decrease in Prepaid Expenses		153,511.92
(Increase) Decrease in Other Assets		(263.38)
Increase (Decrease) in Payables		1,546,424.50
Increase (Decrease) in Deferred Income		960,939.14
Increase (Decrease) in Compensated Absences		242,720.59
Increase (Decrease) in Benefits Payable		46,394.50
Increase (Decrease) in Other Liabilities		(459,548.92)
Total Adjustments		9,625,976.95
Net Cash Provided (Used) by Operating Activities	$	(20,841,732.71)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	985,037.43
Non Cash Transactions	$	985,037.43

UNIVERSITY OF HOUSTON
SYSTEM ADMINISTRATION

UNAUDITED ANNUAL
FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2020

UNIVERSITY OF HOUSTON – SYSTEM ADMINISTRATION

PRIMARY STATEMENTS

Unaudited

University of Houston - System Administration (783)
Statement of Net Position
August 31, 2020

	Total FY2020
Assets	
Current Assets	
Cash and Cash Equivalents	
Cash in Bank	$ 184,901,527.93
Cash in Transit/Reimburse From Treasury	27,491,104.99
Cash Equivalents	107,293,744.54
Short Term Investments	329,109,985.99
Restricted:	
Cash In Bank	(206,011,101.07)
Legislative Appropriation	160,077.72
Receivables:	
UHS Intercampus Receivables	11,917,024.84
Interest and Dividends	1,290,566.20
Accounts Receivable	1,254,531.12
Other	1,788,286.33
Prepaid Costs	351,592.26
Total Current Assets	459,547,340.85
Non-Current Assets	
Restricted:	
Receivables	
UHS Intercampus Receivables	36,383,222.64
Investments	1,057,505,704.62
Capital Assets	
Non-Depreciable or Non-Amortizable	26,579,286.26
Depreciable or Amortizable, Net	47,044,955.42
Total Non-Current Assets	1,167,513,168.94
Total Assets	1,627,060,509.79
Deferred Outflows of Resources	
Loss on Bond Refunding	
Total Deferred Outflows of Resources	
Total Assets and Deferred Outflows of Resources	$ 1,627,060,509.79

Unaudited

University of Houston - System Administration (783)
Statement of Net Position
August 31, 2020

	Total FY2020
Liabilities	
Current Liabilities:	
Payables:	
Accounts Payable	$ 8,091,875.77
Payroll Payable	8,915,711.78
UHS Intercampus Payable	1,360,593,477.20
Other Payable	83,544.59
Unearned Revenues	9,751.08
Notes and Loans Payable	43,681,000.00
Revenue Bonds Payable	2,934,323.83
Employees' Compensable Leave	475,990.33
Funds Held for Others	(26,951.14)
Total Current Liabilities	1,424,758,723.44
Non Current-Liabilities	
Revenue Bonds Payable	50,352,240.40
Employees' Compensable Leave	474,839.30
Total Non-Current Liabilities	50,827,079.70
Total Liabilities	1,475,585,803.14
Deferred Inflows of Resources	
Gain on Bond Refunding	
Total Deferred Inflows of Resources	
Total Liabilities and Deferred Inflows of Resources	$ 1,475,585,803.14
Net Position	
Invested in Capital Assets, Net of Related Debt	$ 37,733,224.47
Restricted for:	
Debt Retirement	4,564,355.39
Capital Projects	2,029,182.79
Funds Held as Permanent Investments	
Non-Expendable	
True Endowments, Annuities	47,434,755.81
Expendable	
Funds Functioning as Endowments	6,783,066.70
Other Restricted	8,551,046.35
Unrestricted	44,379,075.14
Total Net Position	$ 151,474,706.65

Unaudited

University of Houston - System Administration (783)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Operating Revenues	
Sales of Goods and Services (PR-Chgs for Services)	
Other Sales of Goods and Services-Pledged	$ 55,171.38
State Grant Revenue (PR-OP Grants/Contributions)	619.34
Total Operating Revenues	55,790.72
Operating Expenses	
Research	514,722.14
Academic Support	869,422.90
Student Services	452,508.47
Institutional Support	11,125,328.97
Physical Plant	1,137,402.48
Depreciation and Amortization	2,269,023.58
Total Operating Expenses	16,368,408.54
Operating Income (Loss)	(16,312,617.82)
Non-Operating Revenues (Expenses)	
Legislative Revenue (GR)	41,521,585.00
Additional Appropriations (GR)	467,925.47
Federal Revenue Non-Operating (PR-OP Grants/Contributions)	638,308.23
Gifts (PR-OP Grants/Contributions)	(83,420.88)
Interest and Investment Income (PR-Chgs for Services)	6,181,380.84
Interest Expense and Fiscal Charges	(2,944,334.56)
Net Incr (Decr) in Fair Value of Investments (PR-OP Grants/Contrib)	9,133,190.69
Other Nonoperating Revenues	8,954,887.48
Other Nonoperating Expenses	253,241.91
Total Nonoperating Revenues (Expenses)	64,122,764.18

Unaudited

University of Houston - System Administration (783)
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended August 31, 2020

	Total 2020
Income (Loss) before Other Revenues, Expenses, Gains, Losses and Transfers	$ 47,810,146.36
Other Revenues, Expenses, Gains, Losses and Transfers	
UHS Intercampus Transfers-In	6,917,020.79
UHS IntercampusTransfers-Out	(47,673,764.55)
Transfers-In	200.76
Legislative Appropriations Lapsed	(2,943,119.42)
Total Other Revenues, Expenses, Gains, Losses and Transfers	(43,699,662.42)
Changes in Net Position	4,110,483.94
Net Position Beginning	147,364,222.71
Restatements	
Net Position Beginning, as Restated	147,364,222.71
Net Position, Ending	$ 151,474,706.65

Unaudited

University of Houston - System Administration (783)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Operating Expenses	Instruction	Research	Public Service	Academic Support	Student Services
Salaries and Wages	$	$ 434,087.04	$	$ 587,177.83	$ 382,114.00
Payroll Related Costs		71,035.10		115,401.35	60,794.47
Professional Fees and Services				154,843.72	
Travel					
Materials and Supplies					
Communication and Utilities					
Repairs and Maintenance					
Rentals and Leases		9,600.00		12,000.00	9,600.00
Printing and Reproduction					
Depreciation and Amortization					
Interest					
Claims and Judgments					
Other Operating Expenses					
Total Operating Expenses	$	$ 514,722.14	$	$ 869,422.90	$ 452,508.47

Unaudited

University of Houston - System Administration (783)
Matrix of Operating Expenses Reported by Function
For the Year Ended August 31, 2020

Institutional Support	Operation and Maintainence of Plant	Scholarships and Fellowships	Auxiliary Enterprises	Depreciation and Amortization	Total Expenses
$ 7,556,797.96	$ 140,163.56	$	$	$	$ 9,100,340.39
1,899,697.53	48,995.05				2,195,923.50
920,722.36	196,139.82				1,271,705.90
61,564.88					61,564.88
92,842.23	21,252.51				114,094.74
81,753.59	50,731.23				132,484.82
34,438.92	41,089.98				75,528.90
231,261.03					262,461.03
6,388.90	475.00				6,863.90
				2,269,023.58	2,269,023.58
57,323.07	638,317.42				695,640.49
2,537.69					2,537.69
180,000.81	237.91				180,238.72
$ 11,125,328.97	$ 1,137,402.48	$	$	$ 2,269,023.58	$ 16,368,408.54

Unaudited

University of Houston - System Administration (783)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Cash Flows From Operating Activities		
Receipts from Customers	$	2,124,478.40
Proceeds from Research Grants and Contracts		619.34
Payments to Suppliers for Goods and Services		(884,668.93)
Payments to Employees for Salaries		(8,913,078.13)
Payments to Employees for Benefits		(1,960,602.24)
Payments for Other Expenses		(893,890.13)
Net Cash Provided (Used) by Operating Activities		(10,527,141.69)
Cash Flows from Noncapital Financing Activities		
Proceeds from State Appropriations		42,445,274.04
Proceeds from Gifts		54,091.89
Proceeds of Transfers from Other Funds		15,872,109.03
Proceeds from Grants		638,308.23
Payments for Transfers to Other Funds		(47,358,394.16)
Net Cash Provided (Used) by Noncapital Financing Activities		11,651,389.03
Cash Flows from Capital and Related Financing Activities		
Proceeds from Debt Issuance		375,000.00
Proceeds from Other Financing Activities		166,376,394.94
Payments for Additions to Capital Assets		(1,080,204.30)
Payments of Principal on Debt Issuance		(2,795,000.00)
Payments of Interest on Debt Issuance		(2,944,334.56)
Payments of Other Costs on Debt Issuance		(36,038,209.42)
Net Cash Provided (Used) by Capital and Related Financing Activities		123,893,646.66
Cash Flows From Investing Activities		
Proceeds from Sales of Investments		1,289,929,242.26
Proceeds from Interest Income		129,621.98
Proceeds from Investment Income		6,181,380.84
Payments to Acquire Investments		(1,387,541,879.10)
Net Cash Provided (Used) by Investing Activities		(91,301,634.02)

Unaudited

University of Houston - System Administration (783)
Statement of Cash Flows
For the Year Ended August 31, 2020

		Total 2020
Net Increase (Decrease) in Cash and Cash Equivalents	$	33,716,259.98
Cash and Cash Equivalents, September 1		79,959,016.41
Cash and Cash Equivalents, August 31	$	113,675,276.39
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	$	(16,312,617.82)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation and Amortization Expense		2,269,023.58
Changes in Assets and Liabilities:		
(Increase) Decrease In Receivables		2,069,152.02
(Increase) Decrease in Prepaid Expenses		(5,889.10)
Increase (Decrease) in Payables		1,045,924.34
Increase (Decrease) in Deferred Income		155.00
Increase (Decrease) in Compensated Absences		235,321.26
Increase (Decrease) in Benefits Payable		187,262.26
Increase (Decrease) in Other Liabilities		(15,473.23)
Total Adjustments		5,785,476.13
Net Cash Provided (Used) by Operating Activities	$	(10,527,141.69)
Non Cash Transactions		
Net Change in Fair Value of Investments	$	9,133,190.69
Non Cash Transactions	$	9,133,190.69