

**UNIVERSITY OF OKLAHOMA  
HEALTH SCIENCES CENTER**

**June 30, 2013**

UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012

AUDITED FINANCIAL STATEMENTS

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REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*  
AND OMB CIRCULAR A-133

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## Independent Auditors' Report

Board of Regents of the University of Oklahoma  
University of Oklahoma Health Sciences Center  
Norman, Oklahoma

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the University of Oklahoma Health Science Center (the "Center"), a component unit of the State of Oklahoma, which comprise the statements of net position as of June 30, 2013 and 2012, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University of Oklahoma Health Science Center as of June 30, 2013 and 2012, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, in 2013 the Center adopted several new accounting pronouncements issued by the Governmental Accounting Standards Board, including GASB Statements No. 63 and 65. The provisions of GASB Statements No. 63 and 65 required the Center to retroactively restate its 2012 financial statements upon adoption. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (schedule of funding progress and notes to required supplementary information) as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2013, on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Cole & Reed P.C.

Oklahoma City, Oklahoma  
October 8, 2013

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis**  
**Years Ending June 30, 2013 and 2012**

The discussion and analysis of The University of Oklahoma Health Sciences Center's (the "Center") financial statements provides an overview of the Center's financial activities for the years ending June 30, 2013 and 2012. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis.

**FINANCIAL HIGHLIGHTS**

2013

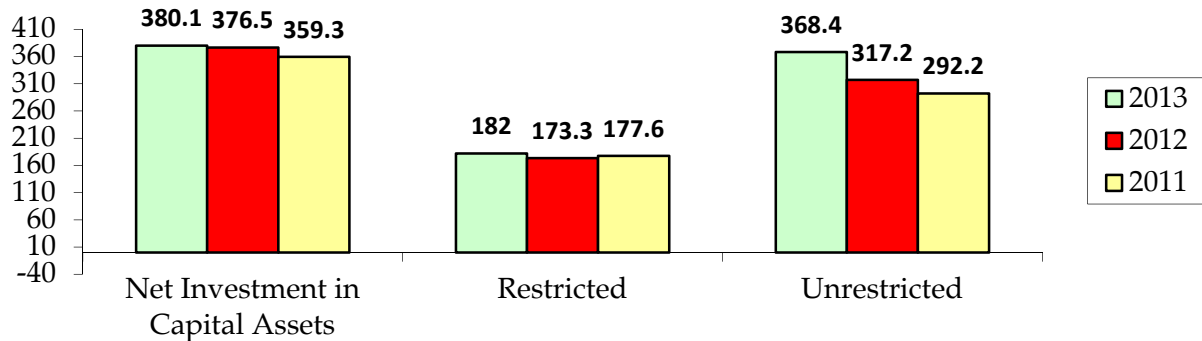
The Center's financial position, as a whole, improved during the fiscal year ending June 30, 2013. Net position increased approximately \$63.5 million or 7.3% over the previous year. The change resulted from increases in net investment in capital assets of \$3.6 million, unrestricted net position of \$51.2 million, and restricted net position of \$8.7 million.

2012

The Center's financial position, as a whole, improved during the fiscal year ending June 30, 2012. Net position increased approximately \$37.9 million or 4.6% over the previous year. The change resulted from increases in net investment in capital assets of \$17.2 million, unrestricted net position of \$25.0 million, and a decrease in restricted net position of \$4.3 million.

The following graph illustrates the comparative change in net position by category for the periods ended June 30:

NET POSITION (*in Millions*)



**OVERVIEW OF THE FINANCIAL STATEMENTS AND FINANCIAL ANALYSIS**

This report consists of Management's Discussion and Analysis (this part), the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. These statements provide both long-term and short-term financial information on the Center as a whole.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**THE STATEMENT OF NET POSITION AND STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN NET POSITION**

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report the Center's net position and how it has changed. Net position - the difference between combined assets and deferred outflows of resources and combined liabilities and deferred inflows of resources - is one way to measure the Center's financial health, or position. Over time, increases or decreases in the Center's net position is an indicator of whether its financial health is improving. Non-financial factors are also important to consider, including student enrollment, condition of campus buildings, patient census, and trends in national health care reimbursement policies.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. All of the current year's revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the Center's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, as well as, the Center's revenues, expenses, and changes in net position for the periods ended June 30:

CONDENSED STATEMENT OF NET POSITION, END OF YEAR *(in millions)*

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Current Assets	\$ 694.4	\$ 602.5	\$ 584.4
Capital Assets, net	510.6	511.5	499.4
Other Noncurrent Assets	<u>49.2</u>	<u>48.6</u>	<u>50.6</u>
Total Assets	1,254.2	1,162.6	1,134.4
 Deferred Outflows of Resources	 0.8	 1.2	 1.3
Current Liabilities	112.2	86.1	98.6
Noncurrent Liabilities	<u>212.3</u>	<u>210.7</u>	<u>208.0</u>
Total Liabilities	324.5	296.8	306.6
 Deferred Inflows of Resources	 -	 -	 -
Net Position:			
Net investment in capital assets	380.1	376.5	359.3
Restricted	182.0	173.3	177.6
Unrestricted	<u>368.4</u>	<u>317.2</u>	<u>292.2</u>
Total Net Position	<u>\$ 930.5</u>	<u>\$ 867.0</u>	<u>\$ 829.1</u>
Increase in Net Position	<u>\$ 63.5</u>	<u>\$ 37.9</u>	

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**THE STATEMENT OF NET POSITION AND STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN NET POSITION--Continued**

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION,  
YEAR ENDED (*in millions*)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Operating Revenues	\$ 712.6	\$ 685.1	\$ 662.9
Operating Expenses	<u>831.2</u>	<u>795.1</u>	<u>756.7</u>
Operating Loss	(118.6)	(110.0)	(93.8)
Net Nonoperating Revenues	169.8	128.7	145.7
Other Revenues, Expenses, and Gains or Losses	<u>12.3</u>	<u>19.2</u>	<u>35.2</u>
Net Change in Net Position	63.5	37.9	87.1
Net Position at Beginning of year	<u>867.0</u>	<u>829.1</u>	<u>742.0</u>
Net Position at End of year	<u><u>\$ 930.5</u></u>	<u><u>\$ 867.0</u></u>	<u><u>\$ 829.1</u></u>

**OPERATING REVENUES**

The following summarizes the Center's operating revenues for the periods ended June 30:

OPERATING REVENUES, (*in millions*)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tuition and Fees	\$ 57.2	\$ 53.5	\$ 56.3
Patient Care	335.4	317.8	290.6
Grants and Contracts	255.1	242.9	254.0
Sales and Services of Educational Activities	1.6	1.4	1.4
Auxiliary Enterprises	20.6	21.8	19.5
Other	<u>42.7</u>	<u>47.7</u>	<u>41.1</u>
Total Operating Revenues	<u><u>\$ 712.6</u></u>	<u><u>\$ 685.1</u></u>	<u><u>\$ 662.9</u></u>

Changes in operating revenues included the following:

2013

Student tuition and fees revenue increased 7% or \$3.7 million in fiscal year 2013. This was primarily due to tuition rate and mandatory fee increases.

Patient care increased significantly over the past year with additional revenues of \$17.6 million. This was due to increased patient volume in areas such as Cancer Care, Anesthesiology and Neurosurgery.

Federal grants and contracts decreased during the year by \$1.6 million. This was primarily in awards funded by the National Institutes of Health.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**OPERATING REVENUES-Continued**

2013-Continued

State grants and contracts reflected a significant increase over the past year with additional revenues of \$16.2 million or 22.9%. This was primarily due to increased Graduate Medical Education (GME) funding for the College of Medicine-Tulsa, new grant funding for the Stephenson Cancer Center and new grant funding received from the University Hospitals Authority & Trust.

Private grants and contracts decreased during 2013 with lower revenues of \$2.4 million. The decrease was primarily due to a reduction in funding received from the OU Medical Center for mission support offset by an increase in revenues received by the Stephenson Cancer Center.

Sales and services of auxiliary enterprises had a decrease in revenues during 2013 of \$1.2 million.

Other revenues decreased \$5 million during the year. This was primarily due to the reclass of revenues into other operating revenue categories.

2012

Student tuition and fees revenue decreased 4.9% or \$2.8 million in fiscal year 2012. This was due to phasing out the College of Nursing ORBIS distance education program and a timing difference in the recognition of revenue as a result of a variation in academic year start dates.

Patient care increased over the past year in the amount of \$27.2 million. This was due to increased patient volume in areas such as Cancer Care, Anesthesiology and Otorhinolaryngology.

Federal grants and contracts decreased during the year by \$6.1 million. Sponsored program awards funded under the American Recovery and Reinvestment Act (ARRA) comprised the majority of the decrease in activity.

State grants and contracts increased 3% or \$2.1 million over the prior fiscal year.

Private grants and contracts decreased during 2012 with lower revenues of \$7.1 million. The decrease was primarily due to a reduction in funding received from the OU Medical Center for mission support offset by increases in clinical trial and residency program revenues.

Sales and services of auxiliary enterprises had an increase in revenues during 2012 of \$2.3 million. This was primarily due to an increase in rental income derived from the Peggy and Charles Stephenson Cancer Center.

Other revenues increased \$6.6 million during the year. This was primarily due to an increase in pharmaceutical sales at the OU pharmacies.



**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**OPERATING EXPENSES**

The following summarizes the Center's operating expenses for the periods ended June 30:

OPERATING EXPENSES (*in millions*)

	2013	2012	2011
Compensation and Benefits	\$ 582.0	\$ 560.2	\$ 533.7
Contractual Services	62.5	58.9	59.9
Supplies and Materials	82.7	73.6	66.4
Depreciation	24.3	24.0	21.6
Utilities	12.5	12.6	12.3
Communications	6.6	6.3	6.2
Scholarships	2.2	2.1	2.7
Other	58.3	57.4	53.9
Total Operating Expenses	\$ 831.1	\$ 795.1	\$ 756.7

Changes in operating expenses were the result of the following:

2013

Compensation and benefits expense increased 3.9% or \$21.8 million during fiscal year 2013. This was due to an increase in faculty and staff salaries during the year, as well as, an increase in professional practice plan supplementation payments. There also was an increase in associated benefit costs.

Contractual services expense increased approximately \$3.6 million during the past year. This was primarily related to services provided for the new Information Technology Data Center and, to a lesser degree, building maintenance.

Supplies and materials expense showed an increase for the year of 12.4% or \$9.1 million. This was due to increased purchases of merchandise for resale and pharmaceutical drugs for patient care.

Depreciation expense increased 1.2% or \$.3 million for the year.

Utilities expense showed a small decrease of 1% or \$.1 million.

Other expenses increased by 1.6% or \$.9 million during the year.

2012

Compensation and benefits expense increased 5% or \$26.5 million during fiscal year 2012. This was primarily due to an increase in faculty salaries during the year, as well as, an increase in professional practice plan supplementation payments. There also was an increase in associated benefit costs.

Contractual services expense decreased approximately \$1 million during the past year.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**OPERATING EXPENSES-Continued**

2012--Continued

Supplies and materials expense showed a significant increase for the year of 10.9% or \$7.2 million. This was due to increased purchases of merchandise for resale and pharmaceutical drugs for patient care.

Depreciation expense increased 10.8% or \$2.4 million. The increase was due to an overall increase in the capital asset base.

Utilities expense for the year showed a modest increase of only 2.3% or \$.3 million during fiscal year 2012. This was primarily due to relatively stable prices of electricity, natural gas and water.

Other expenses increased 6.5% or \$3.5 million during the year. This was primarily due to increased matching costs related to the Graduate Medical Education and Enhanced Medicaid Reimbursement programs.

**NONOPERATING REVENUES AND EXPENSES**

The following summarizes the Center's nonoperating revenues and expenses for the periods ended June 30:

NONOPERATING REVENUES AND EXPENSES (*in millions*)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
State Appropriations	\$ 96.8	\$ 96.3	\$ 96.1
State Payments from Federal ARRA Revenue	-	-	7.1
FICA Refund	34.9	-	-
On-behalf Payments	13.0	11.7	9.6
Private Gifts	10.2	9.7	10.5
Interest on Indebtedness	(6.6)	(5.7)	(1.6)
Investment Income	11.2	6.6	14.9
Endowment Income	10.3	10.1	9.1
Net Nonoperating Revenue	<u>\$ 169.8</u>	<u>\$ 128.7</u>	<u>\$ 145.7</u>

Changes in nonoperating revenues and expenses were the result of the following:

2013

State appropriations showed a small increase of \$.5 million in fiscal year 2013.

A significant refund was received in the amount of \$34.9 million related to the IRS settlement of Medical Resident FICA claims. The amount received represented refund of FICA matching payments made on Resident salaries and applicable interest.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**NONOPERATING REVENUES AND EXPENSES--Continued**

2013--Continued

On-behalf payments increased 11.1% or \$1.3 million during the year. This was the result of increased payments made by the State to the Teachers Retirement System and interest payments made by the OCIA.

Private gifts increased 5.2% or \$.5 million for the year.

Interest on indebtedness increased 15.8% or \$.9 million in fiscal year 2013. The increase was primarily the result of increased interest incurred for the year related to the OCIA debt.

Investment income increased by approximately 69.7% or \$4.6 million during fiscal year 2013. The increase was due to higher market values realized in endowed investments and the related investment earnings.

Endowment income increased 2% or \$.2 million for the year.

2012

State appropriations were basically flat for the year showing a small increase of \$.2 million in fiscal year 2012.

State payments from federal ARRA revenue decreased 100% or \$7.1 million compared to the prior fiscal year. This was due to this program ending in fiscal year 2011.

On-behalf payments increased 21.6% or \$2.1 million during the year. This was the result of increased payments made by the State to the Teachers Retirement System and interest payments made by the OCIA.

Private gifts decreased 7.6% or \$.8 million for the year.

Interest on indebtedness increased 241.8% or \$4.1 million in fiscal year 2012. The increase was primarily the result of lower capitalized interest being recorded for the year.

Investment income decreased approximately 55.5% or \$8.3 million during fiscal year 2012. The decrease was due to lower market values in the endowed investments more than offsetting investment income earned.

Endowment income increased 10.9% or \$1 million for the year.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**THE STATEMENT OF CASH FLOWS**

The primary purpose of the Statement of Cash Flows is to provide information about the cash receipts and disbursements of an entity during a period. This statement also aids in the assessment of an entity's ability to generate future net cash flows, ability to meet obligations as they come due, and needs for external financing.

The following summarizes the Center's cash flows for the periods ended June 30:

CONDENSED STATEMENTS OF CASH FLOWS FOR THE YEAR (*in millions*)

	2013	2012	2011
Cash Provided (used) by:			
Operating	\$ (60.9)	\$ (90.1)	\$ (30.8)
Noncapital Financing Activities	174.2	115.0	122.4
Capital and Related Financing Activities	(31.8)	(37.2)	(46.0)
Investing Activities	9.8	9.5	24.9
Net Increase (decrease) in Cash	91.3	(2.8)	70.5
Cash, Beginning of the year	487.5	490.3	419.8
Cash, End of the year	\$ 578.8	\$ 487.5	\$ 490.3

2013

The Center's overall liquidity improved during the year, with a net increase to cash of \$91.3 million. Cash used in operating activities decreased approximately \$29.2 million over the prior year. This was due to overall revenues more than offsetting increased compensation and benefit costs. Lower contractual services and other operating costs had a positive impact on overall cash used by operating activities for the year. Significant cash flow increases incurred related to changes in state grants and contracts (\$38.3 million), patient revenues (\$24 million), tuition and fees (\$1.7 million) and to a much smaller degree in sales and service of educational activities (\$.1 million). Lower cash flows were experienced in federal grants and contracts (\$7.3 million), private grants and contracts (\$5.2 million), other additions (\$4.6 million), sales and services of auxiliary enterprises (\$.6 million) and steam and chilled water plant revenues (\$.4 million). An increase in endowment income (\$1.2 million) more than offset a decrease in cash flows from private gifts (\$.2 million). State appropriations increased by a modest amount (\$.5 million). Overall, there was a net increase of approximately \$59.2 million in cash flows provided by non-capital and related financing activities primarily due to receipt of the Medical Resident FICA refund and applicable interest (\$57.5 million). Cash flows associated with capital and related financing activities decreased by \$5.4 million. This was a result of decreases in proceeds from federal grants and contracts for capital projects (\$6.6 million) and state appropriations for capital projects (\$.3 million) partially offset by increases in state school land funds (\$.3 million) and state grants and contracts for capital projects (\$.1 million). A decrease in purchases of capital assets (\$11.4 million) and principal and interest paid on capital debt and lease (\$.5 million) had a positive impact on cash flows associated with capital and related financing activities. An increase in cash flows in proceeds from sales and maturities of investments and a decrease in investment income resulted in an overall cash increase from investing activities of approximately \$.3 million.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**THE STATEMENT OF CASH FLOWS--Continued**

2012

The Center's overall liquidity declined during the year, with a net decrease to cash of \$2.8 million. Cash used in operating activities increased approximately \$59.3 million over the prior year. This was due to overall revenues not being sufficient to offset increased compensation, benefit and other operating costs. Significant cash flow increases incurred related to changes in patient revenues (\$13.4 million) and other additions (\$6.3 million) and to a lesser degree in sales and service of auxiliary enterprises (\$2.2 million). Lower cash flows were experienced in private grants and contracts (\$13.2 million), state grants and contracts (\$10.6 million) and federal grants and contracts (\$6.3 million). There was also a decrease in tuition and fees (\$1.8 million). An increase in endowment income (\$.5 million) was offset by decreases in cash flows from State payments from federal ARRA revenue (\$7.1 million) and private gifts (\$.9 million). State appropriations increased by a small amount (\$.2 million). Overall, there was a net decrease of approximately \$7.4 million in cash flows provided by non-capital and related financing activities. Cash flows associated with capital and related financing activities decreased by \$8.8 million. This was a result of decreases in proceeds from state grants and contracts for capital projects (\$12.3 million), private gifts for capital projects (\$10.4 million), proceeds from sale of capital assets (\$1.3 million), state school land funds (\$1 million), and endowment gifts (\$.1 million) partially offset by increases in federal grants and contracts for capital projects (\$6.2 million) and state appropriations for capital projects (\$.1 million). A decrease in purchases of capital assets (\$24.5 million) and principal and interest paid on capital debt and lease (\$3.1 million) had a positive impact on cash flows associated with capital and related financing activities. Partially offsetting this was a net increase in interest paid on capital debt and lease (\$.1 million) which negatively impacted the overall cash use during the year. An increase in cash flows on the purchase of investments, a decrease in proceeds from sales and maturities of investments, and a decrease in investment income resulted in an overall cash decrease from investing activities of approximately \$15.4 million.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

The following summarizes the Center's Capital Assets for the periods ended June 30:

CAPITAL ASSETS, net, AT YEAR-END (*in millions*)

	2013	2012	2011
Art	\$ 0.7	\$ 0.7	\$ -
Land and Infrastructure	29.8	30.2	30.0
Buildings	433.6	431.8	420.5
Furniture, Fixtures, and Equipment	41.9	43.2	42.1
Library Materials	4.6	5.6	6.8
Totals	<u>\$ 510.6</u>	<u>\$ 511.5</u>	<u>\$ 499.4</u>

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**CAPITAL ASSET AND DEBT ADMINISTRATION--Continued**

CAPITAL ASSETS--Continued

2013

At June 30, 2013, the Center had approximately \$510.6 million invested in capital assets, net of accumulated depreciation of \$252.3 million. Depreciation charges for the current year totaled \$24.3 million compared to \$24 million in the prior year.

2012

At June 30, 2012, the Center had approximately \$511.5 million invested in capital assets, net of accumulated depreciation of \$231.6 million. Depreciation charges for the current year totaled \$24 million compared to \$21.6 million in the prior year.

Major capital projects completed during 2013 included upgrades to the Steam and Chilled Water Plant and an addition to the Campus Police Station.

Major capital projects initiated during 2013 included the Peggy and Charles Stephenson Cancer Center Phase I Clinical Trials expansion and remodel, extension of the Steam and Chilled Water utilities tunnel system, and expansion of the OU Wayman Tisdale Specialty Health Center. There was also continuing work on exterior and interior renovations to the Harold Hamm Diabetes Center, Dental Clinical Sciences Building phase I remodel, and consolidation and remodel of office space for Information Technology.

The Center has approximately \$100 million in capital projects planned for the fiscal year ending June 30, 2014. Major projects include acquisition of real property which includes the Presbyterian Health Foundation Research Park and continuing work on the Dental Clinical Sciences Building phase I remodel, expansion of the OU Wayman Tisdale Specialty Health Center, and expansion and remodel of space for the Peggy and Charles Stephenson Cancer Center Phase I Clinical Trials.

More detailed information related to the Center's capital assets is presented in Note 8 to the financial statements.

**UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER**  
**Management's Discussion and Analysis--Continued**  
**Years Ending June 30, 2013 and 2012**

**DEBT**

The following summarizes outstanding debt by type as of June 30:

OUTSTANDING DEBT, AT YEAR-END (*in millions*)

	2013	2012	2011
General Revenue Bonds	93.6	96.9	99.9
Auxiliary Facility Revenue Bonds	5.3	6.0	6.6
Lease Obligations	31.2	31.7	32.5
Notes Payable	1.2	1.6	2.4
Totals	<u>\$ 131.3</u>	<u>\$ 136.2</u>	<u>\$ 141.4</u>

2013

At fiscal year-end 2013, the Center had approximately \$131 million in outstanding debt, a decrease of approximately \$5 million over the prior year.

The Center entered into no new long term financing arrangements during the current year. Debt repayments of \$4.9 million were made during the year. More detailed information related to the Center's long-term liabilities is presented in Note 10 to the financial statements.

2012

At fiscal year-end 2012, the Center had approximately \$136 million in outstanding debt, a decrease of approximately \$5 million over the prior year.

The Center entered into no new long term financing arrangements during the year. Debt repayments of \$5.2 million were made during the year. More detailed information related to the Center's long-term liabilities is presented in Note 10 to the financial statements.

**ECONOMIC OUTLOOK**

The Center's economic position is closely aligned with its role as the state's primary facility for the training of healthcare professionals. Future success is largely dependent upon the ability to recruit and retain highly qualified students, faculty, and staff, as well as, ongoing financial and political support from state government. The Center is poised to continue its tradition of support and service to students, patients, the research community, and citizens of Oklahoma.

As the state's economy improves, support to the Center is steady with an increase of 1.2% in state appropriations for fiscal year 2014. Increases in tuition and mandatory fees are expected to produce an additional 3% in the current year. Another factor impacting the Center's economic outlook is the operations of its professional practice plans. The professional practice plans continue to contribute significantly to the Center's financial performance and are anticipated to remain stable.

STATEMENTS OF NET POSITION

UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

	June 30 (in thousands)	
	<u>2013</u>	<u>2012</u> <i>(Restated)</i>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 553,453	\$ 458,898
Restricted cash and cash equivalents	22,634	25,526
Accounts receivable, net of allowances	113,846	114,330
Inventories and supplies	1,518	1,679
Loans to students, net of allowance for uncollectible loans	995	961
Deposits and prepaid expenses	<u>1,985</u>	<u>1,079</u>
TOTAL CURRENT ASSETS	694,431	602,473
NONCURRENT ASSETS		
Restricted cash and cash equivalents	2,692	3,074
Endowment investments	38,896	37,557
Investments in real estate	175	175
Loans to students, net	5,398	5,805
Deposits and prepaid expenses	1,980	2,038
Capital assets, net	<u>510,588</u>	<u>511,482</u>
TOTAL NONCURRENT ASSETS	<u>559,729</u>	<u>560,131</u>
TOTAL ASSETS	<u>\$ 1,254,160</u>	<u>\$ 1,162,604</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on OCIA lease restructure	<u>\$ 836</u>	<u>\$ 1,115</u>



## STATEMENTS OF NET POSITION--Continued

## UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

	June 30 (in thousands)	
	<u>2013</u>	<u>2012</u> <i>(Restated)</i>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 41,614	\$ 36,403
Unearned revenue	8,257	8,868
Accrued interest payable	2,322	2,373
Deposits held in custody for others	25,805	5,832
Long-term liabilities, current portion:		
Accrued compensated absences	25,149	24,632
Post employment benefits obligation	3,309	3,079
Capital lease payable	1,227	510
Notes payable	448	431
Revenue bonds payable	4,073	3,953
TOTAL CURRENT LIABILITIES	<u>112,204</u>	<u>86,081</u>
<b>NONCURRENT LIABILITIES</b>		
Accrued compensated absences	7,942	7,357
Post employment benefits obligation	71,671	65,073
Federal loan program contributions refundable	7,082	6,944
Capital lease payable	29,975	31,202
Notes payable	706	1,154
Revenue bonds payable	94,870	98,943
TOTAL NONCURRENT LIABILITIES	<u>212,246</u>	<u>210,673</u>
TOTAL LIABILITIES	<u>\$ 324,450</u>	<u>\$ 296,754</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ -</u>	<u>\$ -</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 380,125	\$ 376,404
Restricted for:		
Nonexpendable	28,592	28,592
Expendable:		
Education and general	129,748	117,558
Capital projects	15,147	18,910
Debt service	8,585	8,276
Unrestricted	368,349	317,225
TOTAL NET POSITION	<u>\$ 930,546</u>	<u>\$ 866,965</u>

See notes to financial statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

	Years Ended June 30 (in thousands)	
	2013	2012 (Restated)
<b>OPERATING REVENUES</b>		
Student tuition and fees (net of scholarship allowances of \$3,312 and \$3,468 for 2013 and 2012, respectively)	\$ 57,222	\$ 53,506
Patient care (net of provisions for contractual, bad debt and other adjustments of \$378,135 and \$355,546 for 2013 and 2012, respectively)	335,392	317,882
Federal grants and contracts	76,485	78,075
State grants and contracts	86,863	70,661
Private grants and contracts	91,723	94,116
Sales and services of educational activities	1,583	1,407
Sales and services of auxiliary enterprises:		
Steam and chilled water plant revenues: (revenues are pledged as security for the Utility System System Revenue Bonds Series 1998A, 1998B, and 2004)	6,373	6,630
Other	14,186	15,162
Other revenues (including \$201 and \$205 from interest on student loans for 2013 and 2012 respectively)	42,754	47,633
<b>TOTAL OPERATING REVENUE</b>	<u>712,581</u>	<u>685,072</u>
<b>OPERATING EXPENSES</b>		
Compensation and benefits	582,039	560,192
Contractual services	62,440	58,875
Supplies and materials	82,686	73,583
Depreciation	24,299	23,984
Utilities	12,486	12,622
Communication	6,622	6,327
Scholarships	2,230	2,108
Other	58,331	57,448
<b>TOTAL OPERATING EXPENSES</b>	<u>831,133</u>	<u>795,139</u>
<b>OPERATING LOSS</b>	(118,552)	(110,067)
<b>NONOPERATING REVENUES AND EXPENSES</b>		
State appropriations	96,823	96,309
FICA refund	34,939	-
On-behalf payments	13,016	11,658
Private gifts	10,193	9,698
Interest on indebtedness	(6,586)	(5,698)
Net investment income	11,168	6,650
Endowment income	10,322	10,086
<b>NET NONOPERATING REVENUES AND EXPENSES</b>	<u>169,875</u>	<u>128,703</u>
Income before other revenues, expenses, gains or losses	51,323	18,636
<b>OTHER REVENUE EXPENSES, GAINS OR LOSSES</b>		
Federal grants and contracts for capital projects	-	6,596
State grants and contracts for capital projects	589	592
State appropriations for capital projects	6,603	6,829
Private gifts for capital projects	2,227	2,662
State school land funds	2,839	2,540
Additions to permanent endowments	-	-
<b>CHANGE IN NET POSITION</b>	<u>63,581</u>	<u>37,855</u>
<b>NET POSITION AT BEGINNING OF YEAR</b>	<u>866,965</u>	<u>829,110</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 930,546</u>	<u>\$ 866,965</u>

See notes to financial statements.

# STATEMENTS OF CASH FLOWS

## THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

	Years Ended June 30 (in thousands)	
	2013	2012 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 56,979	\$ 55,291
Patient revenues	333,641	309,612
Sales and services of auxiliary enterprises	14,265	14,820
Sales and services of educational activities	1,494	1,440
Steam and Chilled Water Plant revenues	6,340	6,686
Federal grants and contracts	74,330	81,612
State grants and contracts	97,501	59,216
Private grants and contracts	86,793	91,961
Interest on loans receivable	201	205
Other additions	42,656	47,260
Loans issued to students	(726)	(1,373)
Collection of loans	1,120	967
Compensation and benefits	(562,228)	(539,907)
Contractual services	(62,790)	(64,691)
Supplies and materials, utilities, communications, scholarships and fellowships, other, and deposits held in custody	(150,441)	(153,211)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(60,865)	(90,112)
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>		
State appropriations	96,823	96,309
FICA refund	57,523	-
Endowment income	10,197	8,991
Private gifts	9,489	9,686
Direct Loan receipts	65,212	68,942
Direct Loan disbursements	(65,212)	(68,942)
Net increase to Federal loan program contributions refundable	138	53
NET CASH FLOWS PROVIDED BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	174,170	115,039
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
State grants and contracts for capital projects	665	525
State appropriations for capital projects	6,649	6,936
Federal grants and contracts for capital projects	-	6,596
Private gifts for capital projects	2,336	2,362
Purchases of capital assets	(34,339)	(45,717)
Principal paid on capital debt and lease	(4,878)	(5,154)
Interest paid on capital debt and lease	(5,125)	(5,309)
State school land funds	2,839	2,540
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(31,853)	(37,221)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	8,275	8,416
Proceeds from sales and maturities of investments	1,554	1,085
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	9,829	9,501
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	91,281	(2,793)
<b>CASH AND CASH EQUIVALENTS BEGINNING OF YEAR</b>	487,498	490,291
<b>CASH AND CASH EQUIVALENTS END OF YEAR</b>	<u>\$ 578,779</u>	<u>\$ 487,498</u>

STATEMENTS OF CASH FLOWS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

	Years Ended June 30 (in thousands)	
	<u>2013</u>	<u>2012</u> (Restated)
RECONCILIATION OF OPERATING LOSS		
TO CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (118,552)	\$ (110,067)
Depreciation expense	24,299	23,984
Loss on disposal of capital assets	11,125	9,755
OTRS on-behalf contribution	11,576	11,359
Change in assets and liabilities:		
Accounts receivable (does not include endowment)	2,247	(20,112)
Inventories and supplies	161	(77)
Loans to students	373	(385)
Deposits and prepaid expenses	(848)	140
Accounts payable and accrued expenses	5,211	(14,925)
Unearned revenue	(611)	3,291
Compensated absences	1,102	1,704
Post employment benefits obligation	6,828	6,722
Deposits held in custody for others	(3,776)	(1,501)
NET CASH FLOWS USED BY OPERATING ACTIVITIES	<u>\$ (60,865)</u>	<u>\$ (90,112)</u>
SUPPLEMENTAL SCHEDULE OF NONCASH		
INVESTING AND FINANCING ACTIVITIES		
On-behalf interest paid by OCIA	\$ 1,440	\$ 299
Amortization of bond insurance cost	5	5
Amortization of bond discount/premium	16	18
Amortization of ODFA discount	3	3
Capitalization of interest	191	121
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
TO THE STATEMENT OF NET ASSETS		
Current Assets		
Cash and cash equivalents	\$ 553,453	\$ 458,898
Restricted cash and cash equivalents	22,634	25,526
Noncurrent assets		
Restricted cash and cash equivalents	<u>2,692</u>	<u>3,074</u>
	<u>\$ 578,779</u>	<u>\$ 487,498</u>

See notes to financial statements.

## NOTES TO FINANCIAL STATEMENTS

### THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

#### NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Reporting Entity: The financial reporting entity, as defined by Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, and as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and Statement No. 61, *The Financial Reporting Entity*, consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading.

The University of Oklahoma Health Sciences Center (the "Center") is an agency of the State of Oklahoma governed by The Board of Regents of the University of Oklahoma (the "Board") and the Oklahoma State Regents for Higher Education (the "State Regents"). The Center is a separate operational unit of the University of Oklahoma, which is a component unit of the State of Oklahoma, and is included in the financial statements of the State of Oklahoma as part of the Higher Education component unit. The Center consists of seven academic colleges, including the Colleges of Medicine, Public Health, Allied Health, Dentistry, Nursing, Pharmacy and the Graduate College. These financial statements do not include the operations of the University of Oklahoma Norman Campus (the "Norman Campus"), Cameron University or Rogers State University, which are distinct operational entities that prepare separate financial statements for the Board. Each entity receives separate state appropriations and prepares separate budgets. These entities are managed as separate component units of the State of Oklahoma higher education component and supported in large part by separate systems and management personnel.

The University of Oklahoma Foundation, Inc. (the "OU Foundation") is an Oklahoma not-for-profit organization organized for the purpose of receiving and administering gifts intended for the benefit of the University of Oklahoma as a whole, including both the Norman Campus and the Center. Accordingly, the resources received and held by the OU Foundation are not entirely or almost entirely held for the benefit of the Center. As a result, the OU Foundation is not considered a component unit of the Center under the definition of GASB Statement No. 39.

Faculty members in the Colleges of Medicine, Public Health, Allied Health, Dentistry, Nursing and Pharmacy may participate in Professional Practice Plans (PPP's). Faculty who participate in a PPP are primarily committed to the academic and research programs of the Center; however, they also engage in professional practice activities related to patient care and services. A significant portion of PPP revenue is generated from patient care services provided to patients through the OU Medical Center. The OU Medical Center includes Presbyterian Hospital, University Hospital and Children's Hospital of Oklahoma, all located in Oklahoma City. The financial position and operations of the PPP's are included in the accompanying financial statements of the Center.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Financial Statement Presentation: The Center's financial statements are presented in accordance with the requirements of GASB Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. Under GASB Statements No. 34 and No. 35, the Center is required to present a statement of net position classified between current and noncurrent assets and liabilities and deferred outflows and inflows, a statement of revenues, expenses and changes in net position, with separate presentation for operating and nonoperating revenues and expenses and a statement of cash flows using the direct method.

Basis of Accounting: For financial reporting purposes, the Center is considered a special-purpose government engaged only in business-type activities. Accordingly, the Center's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All intra-agency transactions have been eliminated.

Cash Equivalents: For purposes of the statements of cash flows, the Center considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State Treasurer's Cash Management Program are considered cash equivalents.

Deposits and Investments: The Center accounts for its investments at fair value, as determined by quoted market prices, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures, an Amendment of GASB Statement No. 3*, the Center has disclosed its deposit and investment policies related to the risks identified in GASB Statement No. 40. Changes in unrealized gain (loss), if any, on the carrying value of the investments are separately reported in the statements of revenues, expenses and changes in net position.

Accounts Receivable: Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the federal, state and local governments, and private sources, in connection with reimbursement of allowable expenditures made pursuant to the Center's grants and contracts, construction projects and unspent proceeds from capital leases. Additionally, a significant portion of the accounts receivable is comprised of amounts due for services provided through the PPP's and clinics. Accounts receivable are recorded net of contractual adjustments and estimated uncollectible amounts.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Accounts Receivable--Continued: The Center determines its allowances by considering a number of factors, including the length of time accounts receivable are past due and the Center's previous loss history (including historical payment trends by payor for PPP receivable balances), which is indirectly impacted by the condition of the general economy and the industry as a whole. The Center writes off specific accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to patient care revenue.

Medical Malpractice Coverage Claims: The Center is covered for medical malpractice risks under a medical malpractice insurance policy (See Note 16). The Center pays a fixed premium for coverage of malpractice claims the Center might potentially incur.

Inventories: Inventories, consisting of merchandise for resale and supplies, are stated at the lower of aggregate cost or aggregate market. Cost is determined for the various types of inventory using the first-in, first-out and average cost methods, as deemed appropriate.

Restricted Cash and Investments: Cash and investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase capital or other noncurrent assets, are classified as restricted in the statements of net position.

Capital Assets: Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. The Center's capitalization policy for furniture, fixtures and equipment, includes all items with a unit cost of \$5 or more and an estimated useful life of greater than one year. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for infrastructure, 10 years for land improvements, library materials, furniture, fixtures and equipment and 5 years for vehicles, computers and computer accessories or the duration of the lease term for capital leases.

Costs incurred during construction of long-lived assets are recorded as construction in progress and are not depreciated until placed in service. The Center capitalizes interest as a component of capital assets constructed for its own use. In 2013, total interest incurred was \$6,777, of which \$191 was capitalized. In 2012, total interest incurred was \$5,819, of which \$121 was capitalized.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Capital Assets--Continued: Intangible assets are reported with capital assets. Intangible assets subject to amortization are amortized over their respective estimated useful lives ranging from 5 to 15 years. Intangible assets with indefinite useful lives are not material to the financial statements.

Capital assets are subject to an evaluation of possible impairment when events or circumstances indicate that the related changes in carrying amounts may not be recoverable. If required, impairment losses are reported in the statement of revenues, expenses and changes in net position. There were no events or changes in conditions requiring recognition of an impairment loss in either 2013 or 2012.

Unearned Revenues: Unearned revenues consist primarily of grant revenues for which the work on the grant has not yet been completed. It also consists of prepaid patient revenues on long-term contracts received during the year, but related to the subsequent accounting period, and amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period.

Compensated Absences: Employees' compensated absences are accrued when earned. The obligation at the end of the year and expenditure incurred during the year are recorded as accrued compensated absences in the statements of net position, and as a component of compensation and benefit expense in the statements of revenues, expenses and changes in net position.

Noncurrent Liabilities: Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; (2) federal loans liability; and (3) amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year.

Deferred Outflows of Resources: Deferred outflows are the consumption of net position by the Center that are applicable to a future reporting period. At June 30, 2013 and 2012, the Center's deferred outflows of resources were comprised of deferred charges on an OCIA lease restructure.

Deferred Inflows of Resources: Deferred inflows are the acquisition of net position by the Center that are applicable to a future reporting period. At June 30, 2013 and 2012, the Center has no deferred inflows of resources.



NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Net Position: The Center's net position is classified as follows:

*Net investment in capital assets*: This represents the Center's investment in capital assets (net of accumulated depreciation) and related deferred outflows reduced by outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

*Restricted net position - nonexpendable*: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

*Restricted net position - expendable*: Expendable restricted net position includes resources in which the Center is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

*Unrestricted net position*: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the Center, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Center's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Classification of Revenues: The Center has classified its revenues as either operating or nonoperating revenues according to the following criteria:

*Operating revenues*: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) patient revenues, (3) sales and services of educational activities, (4) sales and services of auxiliary enterprises, (5) most federal, state, and local grants and contracts, and (6) interest on student loans.

*Nonoperating revenues*: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting*, and GASB No. 34, such as state appropriations and investment income.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Scholarship Allowances: Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the statements of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the Center, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenues in the Center's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the Center has recorded a scholarship allowance.

Tax Status: As a state institution of higher education, the income of the Center is exempt from federal and state income taxes; however, income generated from activities unrelated to the exempt purpose is subject to income tax under Internal Revenue Code Section 511 (a)(2)(B).

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

New Accounting Pronouncements Adopted in Fiscal Year 2013: The Center adopted several new accounting pronouncements during the year ended June 30, 2013 as follows:

- Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*.  
GASB No. 60 addresses issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement applies only to those arrangements in which specific criteria determining whether a transferor has control over the facility are met. The Center will only be required to adopt the provisions of GASB No. 60 if it enters into an SCA, and it currently has not entered into any such arrangements.
- Statement No. 61, *The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34*.  
GASB No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. The adoption of GASB No. 61 did not have an impact on the Center's financial statement presentation.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

New Accounting Pronouncements Adopted in Fiscal Year 2013--Continued:

- Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.*

GASB No. 62 is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. The adoption of GASB No. 62 did not have an impact on the Center's financial position, or changes in financial position or cash flows, or its financial statement presentation.

- Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.*

GASB No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Adoption of this statement has required the Center to make changes in its financial statement presentation, and required certain financial statement elements previously reported as assets to be reported as deferred outflows of resources. Financial statement elements previously classified as assets at June 30, 2012 and totaling \$1,115 were reclassified to Deferred Outflows of Resources.

- Statement No. 65, *Items Previously Reported as Assets and Liabilities*

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources (expenses) or inflows of resources (revenues), certain items that were previously recognized as assets and liabilities. The Center has chosen to early adopt GASB Statement No. 65 in 2013. As a result of the adoption of GASB Statement No. 65, the Center's Net Position as of July 1, 2011 decreased by \$680 from amounts previously reported, and the Changes in Net Position for the Year Ended June 30, 2012 increased by \$51 from amounts previously reported. Net Position as of June 30, 2012 decreased from \$867,594 as originally reported to \$866,965, a decrease of \$629.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

New Accounting Pronouncements Issued Not Yet Adopted: The GASB has also issued several new accounting pronouncements which will be effective to the Center in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the Center's consideration of the impact of these pronouncements are described below:

*Fiscal Year Ended June 30, 2014*

• Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

GASB No. 70 requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The government is required to report the guaranteed obligation until it is legally released as an obligor, and when it is legally released, it should recognize revenue as a result of this release. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for certain disclosure requirements which may be applied prospectively, the provisions of this Statement are required to be applied retroactively. The Center has not yet evaluated the effects that GASB No. 70 will have on its financial statements.

*Fiscal Year Ended June 30, 2015*

• Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*

GASB No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and pension expenses. GASB No. 68 also details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. Defined benefit pensions are further classified by GASB No. 68 as single employer plans, agent employer plans and cost-sharing plans, and recognition and disclosure requirements are addressed for each classification. GASB No. 68 was issued in June 2012, and implementation guidance is expected to be issued in November 2013. Although the Center has not yet quantified the impact that GASB No. 68 will have on its financial statements, it believes that adoption will result in a significant decrease in its Net Position.

• Statement No. 69, *Government Combinations and Disposals of Government Operations*

GASB No. 69 was issued in January 2013 and establishes accounting and financial reporting standards related to government combinations and disposals of government operations. Government combinations can include a variety of transactions, including mergers, acquisitions and transfers of operations. A disposal of a government's operations results in the removal of specific activities of a government. The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis. Earlier application is encouraged.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Reclassifications: Certain amounts in the 2012 financial statements have been reclassified to conform to the current year presentation, which primarily relates to \$34,863 of 2012 patient care bad debt expense, previously included in other operating expenses, being reclassified as a reduction to patient care revenue. This reclassification had no impact on the Center's net position or change in net position.

NOTE 2--DEPOSITS AND INVESTMENTS

Deposits: *Custodial credit risk* for deposits is the risk that in the event of a bank failure, the Center's deposits may not be returned or the Center will not be able to recover collateral securities in the possession of an outside party. Generally, the Center deposits its funds with the Office of the State Treasurer (OST) and those funds are pooled with funds of other state agencies and then, in accordance with statutory limitations, are placed in financial institutions or invested as the OST may determine, in the state's name. State statutes require the OST to ensure that all state funds are either insured by Federal Deposit Insurance, collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The OST's responsibilities include receiving and collateralizing the deposit of State funds, investing State funds in compliance with statutory requirements, and maintaining adequate liquidity to meet the cash flow needs of the State and all its funds and agencies. If the Center deposits funds directly with financial institutions, those funds must be insured by Federal Deposit Insurance or collateralized by securities held by the cognizant Federal Reserve Bank in the Center's name, or invested in U.S. government obligations in the Center's name.

Some deposits with the OST are placed in the OST's internal investment pool *OK INVEST*. *OK INVEST* pools the resources of all state funds and agencies and invests them in (a) U.S. treasury securities which are explicitly backed by the full faith and credit of the U.S. government; (b) U.S. agency securities which carry an implicit guarantee of the full faith and credit of the U.S. government; (c) money market mutual funds which participates in investments, either directly or indirectly, in securities issued by the U.S. treasury and/or agency and repurchase agreements relating to such securities; (d) investments related to tri-party repurchase agreements which are collateralized at 102% and, whereby, the collateral is held by a third party in the name of the OST; (e) collateralized certificates of deposits; (f) commercial paper; (g) obligations of state and local governments; and (h) State of Israel bonds.

Deposits with financial institutions primarily consist of money market funds that invest in U.S. Treasury bills, notes and securities backed by the full faith and credit of the U.S. Government, some of which may be subject to repurchase agreements. Repurchase agreements are collateralized with securities backed by the full faith and credit of the U.S. Government at 102% of maturity value.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 2--DEPOSITS AND INVESTMENTS--Continued

Cash and Cash Equivalents: At June 30, 2013 and 2012, the carrying amount of the Center's deposits with the State Treasurer and other financial institutions were \$578,779 and \$487,498, respectively. These amounts consisted of deposits with the OST (\$551,869 and \$460,642), deposits with financial institutions (\$20,714 and \$20,714), deposits with trustees (\$6,152 and \$6,092), and petty cash and change funds (\$44 and \$50). Of funds on deposit with the OST, amounts invested in *OK INVEST* total \$437,208 in 2013 and \$334,654 in 2012.

For financial reporting purposes, deposits with the OST that are invested in *OK INVEST* are classified as cash equivalents. The distribution of deposits in *OK INVEST* are as follows:

At June 30, 2013

OK INVEST Portfolio	Cost	Market Value
U.S. agency securities	\$ 171,859	\$ 171,133
Money market mutual funds	41,026	41,026
End of Day Commercial Paper Sweep	9,189	9,189
Certificates of deposit	11,169	11,169
Mortgage backed agency securities	187,870	188,793
Municipal bonds	7,366	8,153
Foreign bonds	3,453	3,451
U.S. Treasury obligations	5,276	6,439
TOTAL	<u>\$ 437,208</u>	<u>\$ 439,353</u>

At June 30, 2012

OK INVEST Portfolio	Cost	Market Value
U.S. agency securities	\$ 118,317	\$ 118,665
Money market mutual funds	45,808	45,808
Certificates of deposit	10,809	10,809
Mortgage backed agency securities	147,711	156,937
Municipal bonds	6,003	6,848
Foreign bonds	1,684	1,684
U.S. Treasury obligations	4,322	5,392
TOTAL	<u>\$ 334,654</u>	<u>\$ 346,143</u>

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 2--DEPOSITS AND INVESTMENTS--Continued

Agencies and funds that are considered to be part of the State's reporting entity in the State's Comprehensive Annual Financial Report are allowed to participate in *OK INVEST*. Oklahoma statutes and the OST establish the primary objectives and guidelines governing the investment of funds in *OK INVEST*. Safety, liquidity, and return on investment are the objectives which establish the framework for the day to day *OK INVEST* management with an emphasis on safety of the capital and the probable income to be derived and meeting the State and its funds and agencies' daily cash flow requirements.

Guidelines in the Investment Policy address credit quality requirements, diversification percentages and specify the types and maturities of allowable investments, and the specifics regarding these policies can be found on the OST website at <http://www.treasurer.state.ok.us/>. The State Treasurer, at his discretion, may further limit or restrict such investments on a day to day basis. *OK INVEST* includes investments in securities with an overnight maturity as well as in U.S. government securities with a maturity of up to ten years. *OK INVEST* maintains an overall weighted average maturity of no more than four years. Participants in *OK INVEST* maintain an interest in its underlying investments and, accordingly, may be exposed to certain risks. As stated in the OST information statement, the main risks are interest rate risk, credit/default risk, liquidity risk, and U.S. government securities risk.

*Interest rate risk* is the risk that during periods of rising interest rates, the yield and market value of the securities will tend to be lower than prevailing market rates; in periods of falling interest rates, the yield will tend to be higher. *Credit/default risk* is the risk that an issuer or guarantor of a security, or a bank or other financial institution that has entered into a repurchase agreement, may default on its payment obligations. *Liquidity risk* is the risk that *OK INVEST* will be unable to pay redemption proceeds within the stated time period because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. *U.S. Government securities risk* is the risk that the U.S. government will not provide financial support to U.S. government agencies, instrumentalities or sponsored enterprises if it is not obligated to do so by law. Various investment restrictions and limitations are enumerated in the State Treasurer's Investment Policy to mitigate those risks; however, any interest in *OK INVEST* is not insured or guaranteed by the State of Oklahoma, the Federal Deposit Insurance Corporation or any other government agency.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 2--DEPOSITS AND INVESTMENTS--Continued

Investments: At June 30, the fair value of the Center's investments consisted of the following:

	2013	2012
University of Oklahoma, Norman Campus Investment Pool	\$ 38,896	\$ 37,557
Real Property	175	175
	<u>\$ 39,071</u>	<u>\$ 37,732</u>

Investments in the University of Oklahoma Norman Campus Investment Pool consist primarily of investments in U.S. and International equity funds.

Information regarding the various risk categories for the Center's deposits and investments and the policies for managing that risk are included below:

Credit Risk: Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation, causing the Center to experience a loss of principal. As a means of limiting exposure to losses arising from credit risk, the Center limits its exposure to this risk as follows:

- State law limits investments in obligations of state and local governments to the highest rating from at least one nationally recognized rating agency acceptable to the State Treasurer.
- Short-term investments managed by the Center are generally limited to direct obligations of the United States Government and its agencies, certificates of deposit and demand deposits.
- The Board has authorized endowment and similar funds to be invested in direct obligations of the United States Government and its agencies, certificates of deposit, prime commercial paper, bankers acceptances, demand deposits, corporate debt (no bond below a single A rating by Moody's Investors Service or Standard & Poor's Corporation may be purchased), convertible securities and equity securities.
- The Center's fixed income securities are generally limited to holdings of high quality fixed income securities. As of June 30, 2013 and 2012, the Center's investment in fixed income securities has a credit rating of at least BBB as rated by Standard & Poors Corporation.



NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 2--DEPOSITS AND INVESTMENTS--Continued

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of a depository institution, the Center will not be able to recover deposits or will not be able to recover collateral securities in the possession of an outside party. For investments, custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the Center will not be able to recover the value of investment or collateral securities in the possession of an outside party. As a means of limiting its exposure to losses arising from custodial credit risk, the Center's investment policies limit the exposure to this risk as follows:

- Investment securities held in bond debt service reserve funds are held by the respective bond trustee for the benefit of the Center and bondholders.
- Endowment investments are pooled with the University of Oklahoma Norman Campus ("the University") and held in the University's name.

Concentration of Credit Risk: Center investments can be exposed to a concentration of credit risk if significant amounts are invested in any one issuer. The Center has imposed a limit on the amount the Center may invest in any one issuer. The majority of the investments are in the University of Oklahoma, Norman Campus Investment Pool, investing in fixed income funds and investments guaranteed by the U.S. Government.

Interest Rate Risk: The Center has a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Center is responsible for determining its operating cash flow requirements and to insure that adequate funds are available to maintain the Center's operations. In determining liquidity needs, the appropriate mix of short-term, intermediate, and long-term investments will be evaluated. As of June 30, 2013, the Center held no investments subject to stated maturity schedules.

Title 70, Section 4306 of the Oklahoma Statutes directs, authorizes, and empowers the Center's Board of Regents to hold, invest or sell donor-restricted endowments in a manner which is consistent with the terms of the gift as stipulated by the donor and with the provision of any applicable laws.

The Center has entrusted the University of Oklahoma Norman Campus with a portion of their funds totaling \$38,896 and \$37,557 for 2013 and 2012, of which \$35,938 and \$34,603 are endowment funds. These funds are held in the Regent's Fund investments on behalf of the Center.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 3--ACCOUNTS RECEIVABLE

Accounts receivable are shown net of contractual allowances and doubtful accounts in the accompanying statements of net position. At June 30, the accounts receivable and allowances are as follows:

	<u>2013</u>	<u>2012</u>
Accounts receivable	\$ 182,130	\$ 177,746
Less: allowance and contractual adjustments	<u>(68,284)</u>	<u>(63,416)</u>
Accounts receivable, net	<u>\$ 113,846</u>	<u>\$ 114,330</u>

The following is a breakdown of the June 30 accounts receivable balances:

	<u>2013</u>	<u>2012</u>
Auxiliary enterprises		
Accounts receivable	\$ 5,743	\$ 6,051
Less: allowance	<u>(116)</u>	<u>(112)</u>
Accounts receivable, net	<u>\$ 5,627</u>	<u>\$ 5,939</u>
PPP patient billings		
Accounts receivable	\$ 121,104	\$ 115,109
Less: contractual adjustments	<u>(61,677)</u>	<u>(57,341)</u>
Less: allowance	<u>(6,491)</u>	<u>(5,963)</u>
Accounts receivable, net	<u>\$ 52,936</u>	<u>\$ 51,805</u>
Due from Federal, State and private grants		
Accounts receivable, no allowance	<u>\$ 52,867</u>	<u>\$ 55,567</u>
Student tuition and fees		
Accounts receivable, no allowance	<u>\$ 1,252</u>	<u>\$ 1,019</u>
Other Accounts receivable, no allowance	<u>\$ 1,164</u>	<u>\$ -</u>

NOTE 4--NET PATIENT SERVICE REVENUE

The Center has agreements with third-party payors that provide for payments to the Center at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

*Medicare* Inpatient acute care and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates that vary accordingly to the Current Procedural Terminology (CPT) code billed by the provider. These codes are established by the American Medical Association and are adopted for use by the Center for Medicaid and Medicare Services (CMS) as a basis for their provider reimbursement methodology.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 4--NET PATIENT SERVICE REVENUE--Continued

*Medicaid* Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed at a prospectively determined per diem rate or established fee.

*Workers' Compensation* Inpatient and outpatient services rendered under workers' compensation are reimbursed according to the State of Oklahoma fee schedule or at a predetermined discount from the State of Oklahoma fee schedule.

*Other Carriers* The Center has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates and discounts from established charges.

Differences between the Center's established patient care rates and agreed upon rates with third party payors total \$378,135 and \$355,546 for the years ending June 30, 2013 and 2012, respectively, and are reflected as contractual and other adjustments to patient care revenues in the statements of revenues, expenses, and changes in net position. The Center's bad debt expenses related to patient care services, which is determined after application of contractual and other adjustments, totals \$38,216 and \$34,863 for the years ending June 30, 2013 and 2012, respectively, and is included in patient care revenues in the statements of revenues expenses and changes in net position.

NOTE 5--INVENTORY

Inventories consisted of the following at June 30:

	<u>2013</u>	<u>2012</u>
Site support	\$ 237	\$ 228
Telecommunications	285	306
Other service units	123	134
Dental supply store	152	257
Other auxiliaries	9	9
Pharmacies	712	745
	<u>\$ 1,518</u>	<u>\$ 1,679</u>

## NOTES TO FINANCIAL STATEMENTS--Continued

### THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

#### NOTE 6--LOANS TO STUDENTS

The Center had student loans outstanding of \$6,393 and \$6,766 (net of allowance for uncollectible loans of \$336 and \$357) at June 30, 2013 and 2012, respectively. Student loans made under the Health Professions Student Loan Program and the Nursing Student Loan Program represented approximately \$6,381 and \$6,705 of these amounts. Under these programs, the U.S. Department of Health and Human Services, Bureau of Health Professions, provides funds for eight-ninths (8/9) of the loans, and the Center provides the remaining funds. At June 30, 2013 and 2012, \$7,082 and \$6,944, respectively, are included as federal loan program contributions refundable in the statements of net position as these amounts are refundable to the U.S. government upon cessation of the programs.

#### NOTE 7--FUNDS HELD IN TRUST BY OTHERS

The University of Oklahoma (the "University") has a beneficial interest in the "Section Thirteen State Educational Institutions Fund" and the "New College Fund" held in the care of the Commissioners of the Land Office as trustees. The University has the right to receive annually 30% of the distribution of income produced by "Section Thirteen State Educational Institutions Fund" assets and 100% of the distribution of income produced by the University's "New College Fund".

The University, as a whole, received \$9,858 and \$11,857 during the years ended June 30, 2013 and 2012, respectively, which is restricted to acquisition of buildings, equipment or other capital items. Of these amounts, the Center received approximately \$2,839 and \$2,540 in 2013 and 2012, respectively. Present state law prohibits the distribution of any corpus of these funds. The estimated fair value of the total trust fund for the University, held in trust by the Commissioners of the Land Office, was approximately \$160,992 (\$148,705 restricted corpus) and \$148,008 (\$136,656 restricted corpus) at June 30, 2013 and 2012, respectively. Such trust funds, held by the Commissioners of the Land Office, have not been reflected in the accompanying financial statements.

In connection with the State Regents' Endowment Program, the State of Oklahoma has matched contributions received under the program. The cumulative match amount, plus any retained accumulated earnings, totaled \$183,396 and \$126,434 at June 30, 2013 and 2012, respectively, and is invested by the State Regents on behalf of the Center. The Center will receive an annual distribution of earnings on these funds; however, as legal title of the state match is retained by the State Regents, only the funds available for distribution, for which the Center has incurred allowable reimbursable expenses, or \$5,168 and \$5,317 at June 30, 2013 and 2012, respectively, have been reflected as assets in the statements of net position.

With regard to the institutional matching funds, approximately \$248,171 and \$241,922, of cumulative undisbursed contributions have been made to the OU Foundation, for the benefit of the Center, and are on deposit with the OU Foundation at June 30, 2013 and 2012, respectively.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 8--CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, includes the following:

	Beginning Balance	Additions	Transfers	Deductions	Ending Balance
Capital assets not being depreciated:					
Art	\$ 717	\$ 26	\$ -	\$ (21)	\$ 722
Land	26,701	-	-	-	26,701
Construction in-progress	10,353	22,759	(17,487)	(6,991)	8,634
Total capital assets not being depreciated	37,771	22,785	(17,487)	(7,012)	36,057
Capital assets being depreciated:					
Improvements	14,079	97	-	-	14,176
Buildings	502,609	1,670	14,466	(2,084)	516,661
Equipment	121,544	9,495	1,705	(5,588)	127,156
Infrastructure	1,744	92	-	(13)	1,823
Leasehold improvements	35,915	275	1,316	-	37,506
Library materials	29,401	116	-	-	29,517
Total capital assets being depreciated	705,292	11,745	17,487	(7,685)	726,839
Less: accumulated depreciation					
Improvements	11,482	537	-	-	12,019
Buildings	102,076	10,016	-	(1,097)	110,995
Equipment	78,343	9,372	-	(2,475)	85,240
Infrastructure	815	78	-	-	893
Leasehold improvements	15,077	3,110	-	-	18,187
Library materials	23,788	1,186	-	-	24,974
Total accumulated depreciation	231,581	24,299	-	(3,572)	252,308
Total capital assets being depreciated, net	473,711	(12,554)	17,487	(4,113)	474,531
Capital assets, net	<u>\$ 511,482</u>	<u>\$ 10,231</u>	<u>\$ -</u>	<u>\$ (11,125)</u>	<u>\$ 510,588</u>

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 8--CAPITAL ASSETS--Continued

Capital asset activity for the year ended June 30, 2012, includes the following:

	Beginning Balance	Additions	Transfers	Deductions	Ending Balance
Capital assets not being depreciated:					
Art	\$ -	\$ 610	\$ 107	\$ -	\$ 717
Land	26,115	-	646	(60)	26,701
Construction in-progress	28,890	33,088	(44,766)	(6,859)	10,353
Total capital assets not being depreciated	55,005	33,698	(44,013)	(6,919)	37,771
Capital assets being depreciated:					
Improvements	13,723	106	235	15	14,079
Buildings	475,365	866	26,452	(74)	502,609
Equipment	113,379	10,412	3,770	(6,017)	121,544
Infrastructure	1,744	-	-	-	1,744
Leasehold improvements	21,699	660	13,556	-	35,915
Library materials	29,305	96	-	-	29,401
Total capital assets being depreciated	655,215	12,140	44,013	(6,076)	705,292
Less: accumulated depreciation					
Improvements	10,881	601	-	-	11,482
Buildings	92,514	9,582	-	(20)	102,076
Equipment	71,279	10,284	-	(3,220)	78,343
Infrastructure	739	76	-	-	815
Leasehold improvements	12,912	2,165	-	-	15,077
Library materials	22,512	1,276	-	-	23,788
Total accumulated depreciation	210,837	23,984	-	(3,240)	231,581
Total capital assets being depreciated, net	444,378	(11,844)	44,013	(2,836)	473,711
Capital assets, net	<u>\$ 499,383</u>	<u>\$ 21,854</u>	<u>\$ -</u>	<u>\$ (9,755)</u>	<u>\$ 511,482</u>

NOTE 9--UNEARNED REVENUE

Unearned revenue consists of the following at June 30:

	2013	2012
Prepaid tuition and student fees	\$ 1,125	\$ 1,135
Auxiliary enterprises and other activities	105	113
Long-term contracts	7,027	7,620
	<u>\$ 8,257</u>	<u>\$ 8,868</u>

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 10--LONG-TERM LIABILITIES

The following is a summary of long-term obligation transactions of the Center for the year ended June 30, 2013:

	Issue Dates	Interest Rates	Maturity Through	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds, notes and capital leases	(In %)							
Revenue bonds payable:								
Utility System Series 2004 A&B	2004	2.61-4.85	11/1/2019	5,969	-	(646)	5,323	671
General Revenue Bonds Series 2008 A&B	2008	3.28-6.63	7/1/2036	67,168	-	(1,281)	65,887	1,336
General Revenue Bonds Series 2010 A&B	2010	1.24-5.00	7/1/2030	29,759	-	(2,026)	27,733	2,066
				102,896	-	(3,953)	98,943	4,073
Notes payable				1,585	-	(431)	1,154	448
ODFA capital leases payable				5,687	-	(510)	5,177	528
OCIA capital leases payable				26,025	-	-	26,025	699
Total bonds, notes, and capital leases				136,193	-	(4,894)	131,299	5,748
Other noncurrent liabilities								
Accrued compensated absences				31,989	1,102	-	33,091	25,149
Post employment benefits obligation				68,152	9,455	(2,627)	74,980	3,309
Federal loan program contributions refundable				6,944	138	-	7,082	-
Total other noncurrent liabilities				107,085	10,695	(2,627)	115,153	28,458
Total noncurrent liabilities				\$ 243,278	\$ 10,695	\$ (7,521)	\$ 246,452	\$ 34,206

The following is a summary of long-term obligation transactions of the Center for the year ended June 30, 2012:

	Issue Dates	Interest Rates	Maturity Through	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds, notes and capital leases	(In %)							
Revenue bonds payable:								
Utility System Series 2004 A&B	2004	2.61-4.85	11/1/2019	6,584	-	(615)	5,969	646
General Revenue Bonds Series 2008 A&B	2008	3.28-6.63	7/1/2036	68,399	-	(1,231)	67,168	1,281
General Revenue Bonds Series 2010 A&B	2010	1.24-5.00	7/1/2030	31,500	-	(1,741)	29,759	2,026
				106,483	-	(3,587)	102,896	3,953
Notes payable				2,339	-	(754)	1,585	431
ODFA capital leases payable				6,518	-	(831)	5,687	510
OCIA capital leases payable				26,025	-	-	26,025	-
Total bonds, notes, and capital leases				141,365	-	(5,172)	136,193	4,894
Other noncurrent liabilities								
Accrued compensated absences				30,285	1,704	-	31,989	24,632
Post employment benefits obligation				61,430	9,871	(3,149)	68,152	3,079
Federal loan program contributions refundable				6,891	53	-	6,944	-
Total other noncurrent liabilities				98,606	11,628	(3,149)	107,085	27,711
Total noncurrent liabilities				\$ 239,971	\$ 11,628	\$ (8,321)	\$ 243,278	\$ 32,605

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 10--LONG-TERM LIABILITIES--Continued

Revenue Bonds Payable: In FY09, General Revenue Bonds, Series 2008A and 2008B, were issued by the Board of Regents pursuant to the Master Resolution establishing the University of Oklahoma Health Sciences Center General Revenue Financing System in support of funding for the OU Cancer Institute. The revenue pledged as security for these obligations is any or all revenues of the Center which are lawfully available for the payment of obligations, excluding revenues appropriated by the state legislature (except for in certain circumstances the Dedicated Tobacco Tax Revenues), funds whose purpose has been restricted by the donors or grantors to a purpose inconsistent with the payment of such obligations, and any funds pledged for Prior Encumbered Obligations.

In FY10, General Revenue Bonds, Series 2010A and 2010B, were issued by the Board of Regents pursuant to the Master Resolution establishing the University of Oklahoma Health Sciences Center General Revenue Financing System. These bonds were issued to provide funds to refund certain prior bond issues, and to construct, renovate, remodel, expand and equip certain additions and improvements to parking, utility, and data center facilities on the Center's Oklahoma City campus. The revenue pledged as security for these obligations is any or all revenues of the Center which are lawfully available for the payment of obligations, excluding revenues appropriated by the state legislature, funds whose purpose has been restricted by the donors or grantors to a purpose inconsistent with the payment of such obligations, and any funds pledged for prior encumbered obligations.

Revenue bonds issued prior to the Resolution (prior encumbered obligations) are payable both as to principal and interest from the net revenues arising from operations of the physical plant utilities system and certain student fees which are pledged under the various bond indentures. At June 30, 2013 and 2012, the Center had \$485 and \$473 respectively, of cash and investments held in trust for the bond indentures, restricted to the payment of principal and interest.



NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 10--LONG-TERM LIABILITIES--Continued

Revenue Bonds Payable--Continued:

Tulsa Campus Series 2003 Defeasance

On December 5, 2006, the Board of Regents of The University of Oklahoma authorized the issuance of the \$3,500 Board of Regents of the University of Oklahoma on behalf of the University of Oklahoma Health Sciences Center Refunding Revenue Note, Series 2007 (the "Series 2007 Note"). The proceeds of the Series 2007 Note along with existing Center funds were used to advance refund the remainder of the \$17,770 The Board of Regents of the University of Oklahoma University of Oklahoma Tulsa Campus Revenue Bonds Series 2003A (the "Series 2003 Bonds") which was loaned to the Board of Regents of the University of Oklahoma and used in the acquisition of the Tulsa Campus located at 4502 E. 41<sup>st</sup> Street, Tulsa, Oklahoma. The Series 2007 Note is dated June 1, 2007 and is payable solely from the net revenues of the clinical operations of the Tulsa branch of the University of Oklahoma College of Medicine. The Series 2007 Note bears interest at 3.94% and is payable over 8.5 years, with annual payments of \$489. The outstanding balance at June 30, 2013 and 2012 was \$1,154 and \$1,585 respectively. In accordance with the advanced refunding, the Center deposited \$17,360 into an escrow fund and purchased government securities bearing interest in amounts sufficient to pay the Series 2003 Bonds at January 1, 2014. Accordingly, the Series 2003 Bonds are considered to have been extinguished and neither the 2003 Series Bonds nor the associated escrow fund are included in the Center's statements of net position as of June 30, 2013. The balance of the 2003 Series Bonds outstanding at June 30, 2013 and 2012 was \$12,150 and \$13,105 respectively.

Capital Lease Obligations:

ODFA Master Lease Obligations

In August 2005, the Center entered into a 7 year lease agreement with ODFA and the State Regents as beneficiary of a portion of the proceeds from the Oklahoma Development Finance Authority Oklahoma State Regents for Higher Education Master Lease Revenue Bonds Series 2005B. The Center financed \$2,300 to upgrade the parking access system. Assets under this capital lease totaled \$553 and \$783 net of accumulated depreciation of \$1,577 and \$1,347 at June 30, 2013 and 2012. During 2011, assets totaling \$170 were retired with accumulated depreciation of \$151. Depreciation expense on these capital lease assets is included in depreciation expense on the statements of revenues, expenses and changes in net position.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 10--LONG-TERM LIABILITIES--Continued

Capital Lease Obligations--Continued:

ODFA Master Lease Obligations--Continued

In December 2007, the Center entered into a 15 year lease agreement with ODFA and the State Regents as beneficiary of a portion of the proceeds from the Oklahoma Development Finance Authority Oklahoma State Regents for Higher Education Master Lease Revenue Bonds Series 2007B. The Center financed \$6,067 to renovate the Medical Student Education Facility on the Oklahoma City, Oklahoma campus. Assets under this capital lease totaled \$5,460 and \$5,582 net of accumulated depreciation of \$607 and \$485 as of June 30, 2013 and 2012, respectively. Depreciation expense on these capital lease assets is included in depreciation expense on the statements of revenues, expenses and changes in net position.

In December 2007, the Center entered into a 15 year lease agreement with ODFA and the State Regents as beneficiary of a portion of the proceeds from the Oklahoma Development Finance Authority Oklahoma State Regents for Higher Education Master Lease Revenue Bonds Series 2007C. The Center financed \$1,304 to construct a cooling tower on the Tulsa Oklahoma campus. Assets under this capital lease totaled \$1,171 and \$1,197 net of accumulated depreciation of \$133 and \$107 at June 30, 2013 and 2012 respectively. Depreciation expense on these capital lease assets is included in depreciation expense on the statements of revenues, expenses and changes in net position.

In July 2009, the Center entered into a 5 year lease agreement with ODFA and the State Regents as beneficiary of a portion of the proceeds from the Oklahoma Development Finance Authority Oklahoma State Regents for Higher Education Master Lease Revenue Bonds Series 2009B. The Center financed \$333 to purchase a Practice Management System. Assets under this capital lease totaled \$85 and \$152 net of accumulated depreciation of \$248 and \$181 at June 30, 2013 and 2012 respectively. Depreciation expense on these capital lease assets is included in depreciation expense on the statements of revenues, expenses and changes in net position.

OCIA Capital Lease Obligations

In the fall of 2005, the Center entered into a 25 year lease agreement with the Oklahoma Capital Improvement Authority ("OCIA") and the Oklahoma State Regents for Higher Education as beneficiary of a portion of the proceeds from the OCIA State Facilities Revenue Bonds, Series 2005F and 2005G. The Center received \$26,146 of the proceeds for capital improvement projects on the Oklahoma City and Tulsa Campuses as approved by the Regents. Assets under these capital leases totaled \$23,633 and \$24,156, net of accumulated depreciation of \$2,513 and \$1,990 at June 30, 2013 and 2012, respectively.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 10--LONG-TERM LIABILITIES--Continued

Capital Lease Obligations--Continued:

OCIA Capital Lease Obligations--Continued

In August 2010, the Center's 2005F lease agreement with the OCIA was restructured through a partial refunding of OCIA's 2005F bond debt. OCIA issued two new bonds, Series 2010A and 2010B. The Center's lease agreements with OCIA secure the OCIA bond debt and any future debt that might be issued to refund earlier bond issues. OCIA issued this new debt to provide budgetary relief for fiscal years 2011 and 2012 by extending and restructuring debt service. Consequently, the Center's lease agreement with OCIA automatically restructured to secure the new bond issues. This lease restructuring has extended certain principal payments into the future, resulting in a charge or cost on restructuring. The Center has recorded a deferred outflow of resources of \$2,295 on restructuring that is being amortized over a period of 6 years and wrote off \$623 of previously capitalized deferred outflows of resources from the refinanced 2005F agreement. During the year ended June 30, 2013 and 2012, amortization of the deferred outflows of resources was \$279. This restructuring resulted in an aggregate debt service difference for principal and interest between the original lease agreement and the restructured lease agreement of \$113 which also approximates the economic cost of the lease restructuring.

Lease payments made by the State of Oklahoma on behalf of the Center are held by the OCIA for future principal and interest payments of the OCIA Bonds. The OCIA deposits the lease payments into an interest-bearing fund and may use the interest earnings to reduce the Center's future lease payments.

Maturities of principal and interest requirements on revenue bonds payable, capital lease obligations and notes payable are as follows at June 30, 2013:

	2014	2015	2016	2017	2018	2019 2023	2024 2028	2029 2033	2034 2037	Total
Utility System Series 2004A&B	869	874	872	875	871	1,742	-	-	-	6,103
General Revenue Bond 2008 Series A& B	4,819	4,806	4,805	4,804	4,798	23,922	23,907	23,848	18,981	114,690
General Revenue Bond 2010 Series A& B	3,083	3,073	3,053	3,049	2,903	12,002	7,555	768	-	35,486
Total principal and interest	8,771	8,753	8,730	8,728	8,572	37,666	31,462	24,616	18,981	156,279
Less: interest	4,698	4,546	4,368	4,180	3,973	16,461	10,745	6,537	1,828	57,336
Total principal	4,073	4,207	4,362	4,548	4,599	21,205	20,717	18,079	17,153	98,943
Capital leases	2,503	3,641	3,654	4,041	4,037	10,314	9,548	5,706	-	43,444
Less: interest	1,276	1,208	1,180	1,130	999	3,783	2,262	404	-	12,242
Total principal	1,227	2,433	2,474	2,911	3,038	6,531	7,286	5,302	-	31,202
Notes payable	489	489	245	-	-	-	-	-	-	1,223
Less: interest	41	23	5	-	-	-	-	-	-	69
Total principal	448	466	240	-	-	-	-	-	-	1,154
Total	\$ 5,748	\$ 7,106	\$ 7,076	\$ 7,459	\$ 7,637	\$ 27,736	\$ 28,003	\$ 23,381	\$ 17,153	\$ 131,299

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 11--OPERATING LEASES

The Center has entered into certain other operating leases for equipment, office space, vehicles and other miscellaneous items. All operating leases are for a one-year term with an option to renew based on available funding. Rental expenditures under all operating leases were approximately \$8,843 and \$7,989 for 2013 and 2012, respectively.

NOTE 12--RETIREMENT PLANS

The Center's academic and nonacademic personnel are covered by various retirement plans depending on job classification. The plans available to Center personnel include the Oklahoma Teacher's Retirement System, the University of Oklahoma Defined Contribution Plan, and the University of Oklahoma Defined Contribution Plan for Hourly Employees who are not participants of the Oklahoma Teachers' Retirement System.

A summary of significant data for each of the retirement plans follows:

Defined Benefit Plan - Oklahoma Teachers Retirement System

Plan Description: The Center contributes to the Oklahoma Teachers' Retirement System (the "OTRS" or the "System"), a cost-sharing multiple-employer public employee retirement system which is self-administered.

The OTRS provides retirement, disability, and death benefits to plan members and beneficiaries. The benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 70 of the Oklahoma statutes, Sections 17-101 through 116.9, as amended, assigns the authority for management and operation of the plan to the Board of Trustees of the System.

The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the OTRS. That annual report may be obtained by writing to the OTRS, P.O. 53524, Oklahoma City, OK 73152 or by calling (405)-521-2387, or at the OTRS website at [www.tris.state.ok.us](http://www.tris.state.ok.us).

Funding Policy: The System members and the Center are required to contribute at a rate set by statute. The contribution requirements of the System members and the Center are established and may be amended by the legislature of the State of Oklahoma.

For the years ended June 30, 2013 and 2012, the contribution rate for System members of 7% is applied to their total compensation.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 12--RETIREMENT PLANS--Continued

*Defined Benefit Plan - Oklahoma Teachers Retirement System--Continued*

Funding Policy--Continued: The local employer contribution rate was 8.55% for the years ended June 30, 2013 and 2012, respectively. For the years ended June 30, 2013 and 2012, the State contributed 5% of State revenues from sales and use taxes and individual income taxes. Contributions made by the State from the dedicated taxes are considered on-behalf payments for the Center's employees. The amount benefiting the Center's employees is estimated at \$11,576 and \$11,359 for the years ended June 30, 2013 and 2012, respectively, based on an allocation of the Center's covered payroll to total payroll for the OTRS.

The Center's contributions to the System for the years ended June 30, 2013, 2012, and 2011 were approximately \$13,174, \$13,280, and \$12,612, respectively, and were equal to the required contributions for each year.

*Defined Contribution Plans - Optional Retirement Plan*

Plan Description: Monthly employees, hired July 1, 2004 or later, who would have been previously required to participate in OTRS, now have the option to elect either OTRS (along with Plans 1 or 2 described below) or the Optional Retirement Plan (ORP) within the first 90 days of employment. This is a one-time election and if an employee does not make an election, the employee defaults into OTRS and will also participate in Plan 1 or 2 of the Defined Contribution Plan noted below. Hourly employees not participating in OTRS are also included in this plan; however their option to not participate in OTRS is revocable and can be changed upon their request.

Under the ORP, the Center contributes, at the direction of the participating employee, to the master record keeper, Fidelity Investments Company. The ORP is a non-contributory defined contribution plan and the retirement investment firm is separately managed. Participants in the plan have the ability to direct their investments to a variety of different fund options and companies within the plan. The authority for contributing to the Defined Contribution plans is contained in the following policy document, "University of Oklahoma Defined Contribution Retirement Plan", amended and restated July 2004.

Funding Policy: The ORP provisions and contribution requirements are established and may be amended by the Center. The Center's contribution rate is 9% of covered payroll and is determined by the previously mentioned plan document. The Center's contributions to the ORP for the years ended June 30, 2013, and 2012, were approximately \$18,862 and \$16,690, respectively. Employees do not contribute to the ORP. The vesting period for the ORP is three years.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 12--RETIREMENT PLANS--Continued

Defined Contribution Plan --Plan 1 and Plan 2

Plan Descriptions: For employees participating in OTRS, contributions to the defined contribution plan fall into Plan 1 or Plan 2 depending upon the employee's participation date. The Center contributes at the direction of the participating employee, to the master record keeper, Fidelity Investments Company. Plans 1 and 2 are non-contributory defined contribution plans and the retirement investment firm is separately managed. Participants in the plan have the ability to direct their investments to a variety of different fund options and companies within the plan. The authority for contributing to the Defined Contribution plans is contained in the following policy document, "University of Oklahoma Defined Contribution Retirement Plan", amended and restated July 2004.

Funding Policy: Plan 1 and Plan 2 provisions and contribution requirements are established and may be amended by the Center. The Center's contribution rate is 15% for Plan 1 and 8% for Plan 2 of covered payroll and is determined by the previously mentioned plan document. Total contributions to Plans 1 and 2 were \$11,886 and \$6,522, respectively, for the year ended June 30, 2013. Total contributions to Plans 1 and 2 were \$11,914 and \$6,324, respectively, for the year ended June 30, 2012. Employees do not contribute to Plans 1 and 2. The vesting period for both Plan 1 and Plan 2 is three years.

NOTE 13--OTHER POST-EMPLOYMENT BENEFITS

Plan Description: Health and dental insurance is provided by the Center for all retirees who began employment prior to January 1, 2008 and meet specific age and service requirements, with varying premium subsidies based on retirement age and years of service as described below. Employees hired on or after January 1, 2008, may participate in the retiree insurance plan at the group rates at the retiree's own expense. Retirees may also elect the Center's health and dental coverage for eligible dependents at their own expense. The Center's retiree insurance plan is considered a single-employer defined benefit plan. After retirees become eligible for Medicare primary coverage, those participating in the OTRS (see Note 12) are provided with the Oklahoma State and Education Employees Group health plan as a secondary plan. For retirees not participating in OTRS, the Center's insurance continues in a secondary role. The Center's plan does not issue a standalone financial report. The Center has the authority to establish and amend the benefit provisions offered to retirees. The Board of Regents approved the following changes to the Retiree Medical Benefits Plan at their May 2012 meeting.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 13--OTHER POST-EMPLOYMENT BENEFITS--Continued

Plan Description--Continued:

1. As part of these changes, two eligibility groups were established for future subsidized Center retiree medical benefits:

Group 1- Current retirees, employees currently eligible to retire, and those who will meet eligibility for retirement on or before December 31, 2015.

Group 2- Current employees hired on or before January 1, 2008 who will meet eligibility requirements on or after January 1, 2016.

2. The Center will continue to provide a 100% premium subsidy for Group 1 retirees.
3. An insurance premium subsidy for Group 2 was established as follows:

Retirement Age	Years of Service			
	10-14	15-19	20-24	25+
Under 55	Employees can retire with 25 years of service. No university subsidy until age 55.			
55-61	Not eligible	55%-must meet rule of 80	65%-must meet rule of 80	75%
62-64	55%	65%	75%	85%
65+	65%	75%	85%	100%

4. For the Center's Medicare Plan participants who retired on or after July 1, 1995, an individual deductible will be phased in beginning January 1, 2013. Effective January 1, 2016, the Medicare coordination method will be changed to "exclusion" and the annual out-of-pocket maximum will be reduced from \$3,000 to \$1,500.
5. Beginning January 1, 2013, retirees will be allowed a one-time opportunity to opt-out of the Center's retiree medical plan coverage if the individual is enrolled in other coverage. The retiree may return to the Center's plan if medical coverage is maintained during the opt-out period.

Funding Policy: For the Center's plan, the contribution requirement is based on a projected pay-as-you-go basis. The funding policy may be amended by the Regents of the University. The Center pays the premiums for the current retirees. On June 30, 2013, 1,351 retirees met the age and service eligibility requirements. For the years ended June 30, 2013 and 2012, the Center contributed \$2,627 and \$3,149 respectively, for current retirees.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 13--OTHER POST-EMPLOYMENT BENEFITS--Continued

Annual OPEB Cost and Net OPEB Obligation: The Center's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB No. 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Center's annual OPEB cost, the amount actually contributed by the Center, and changes in the Center's net OPEB obligation for the years ended June 30:

	2013	2012
Annual Required Contribution (ARC)	\$ 8,864	\$ 9,339
Interest on Net OPEB Obligation	3,408	3,072
Adjustment to ARC	<u>(2,817)</u>	<u>(2,540)</u>
Annual OPEB Cost	9,455	9,871
Contributions paid during year	<u>(2,627)</u>	<u>(3,149)</u>
Increase in net OPEB Obligation	6,828	6,722
Net OPEB obligation-beginning of year	<u>68,152</u>	<u>61,430</u>
Net OPEB obligation-end of year	<u>\$ 74,980</u>	<u>\$ 68,152</u>

Funded Status and Funding Progress: The unfunded actuarial accrued liability, totaled \$111,512 as of the January 1, 2013 actuarial valuation date. The initial unfunded actuarial accrued liability (UAAL) is being amortized over an open period of thirty years using the level percentage of projected covered payroll amortization method. The covered payroll (annual payroll of active employees covered by the plan, subsidized and nonsubsidized) was \$305,292 and the ratio of the UAAL to the covered payroll was 37%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.



NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 13--OTHER POST-EMPLOYMENT BENEFITS--Continued

Trend Information:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2013	\$ 9,455	27%	\$ 74,980
2012	\$ 9,871	32%	\$ 68,152
2011	\$ 16,951	19%	\$ 61,430

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the Retirement Policy document, amended as of July 1, 2002. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in reported amounts and reflect a long-term perspective of the calculations. In the January 1, 2013 actuarial valuation date, the projected unit credit cost method was used. The actuarial assumptions include the following: a 5% investment rate of return, which is based on the expected long-term investment returns of the Center's own investments, an annual healthcare cost trend rate of 9% initially, reduced by decrements to 4.5% after seven years (8.5% for 2013), and a payroll annual inflation rate of 3.5%.

NOTE 14--RISK MANAGEMENT

Due to the diverse risk exposure of the Center, the insurance portfolio contains a comprehensive variety of coverage. Oklahoma Statutes require participation of all State agencies in basic general liability, tort claim coverage, directors and officers liability, and property and casualty programs provided by the State of Oklahoma Division of Capital Assets Management Risk Management Department ("DCAMRM"). In addition to these basic policies, the Center's Office of Risk Management establishes guidelines in risk assessment, risk avoidance, risk acceptance and risk transfer.

The Center and individual employees are provided sovereign immunity when performing official business within the scope of their employment under the Oklahoma Governmental Tort Claims Act.

Beyond acceptable retention levels, complete risk transfer is practiced by purchasing conventional insurance coverage either directly from a provider or through DCAMRM. These coverages are as follows:

- The buildings and contents are insured for replacement value. Each loss incident is subject to a \$500 deductible.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 14--RISK MANAGEMENT--Continued

- General liability and tort claim coverages (including comprehensive general liability, auto liability, personal injury liability, aircraft liability, watercraft liability, leased vehicles and equipment) are purchased by the Center from DCAMRM. To complement coverage provided by State Statute, additional coverage is purchased based on specific departmental and institutional needs and risks, but the related risks are not considered material to the Center as a whole. The Center has not filed any claims in any of the past three fiscal years.

*Self-Funded Programs*

The Center's workers' compensation program is self-funded and is administered by a third party. The Center maintains a cash deposit with the administrator and reimburses the administrator for claims paid on a monthly basis and administrative expenses are paid on a quarterly basis. Benefits provided are prescribed by State Statute and include lump sum payments for rated disabilities, in addition to medical expenses and a portion of salary loss, resulting from an on-the-job injury or illness. The Center records a liability for workers' compensation in its financial statements based on annual actuarial valuations. As of June 30, 2013 and 2012, the accrued workers' compensation liability totaled approximately \$2,176 and \$1,695, respectively.

The Center's unemployment compensation insurance program is also self-funded. Unemployment benefits that separated employees receive are determined by Oklahoma Statutes and are administered by the Oklahoma Employment Security Commission ("OESC"). As a reimbursing employer, the Center is billed quarterly by the OESC for benefits paid to former employees. The Center's reserve with the OESC is the average claims paid over the past three years. As of June 30, 2013 and 2012, the required reserve was \$439 and \$420, respectively. The minimum cash balance is considered each year during the fringe benefit rate-setting process.

NOTE 15--CONTINGENCIES AND COMMITMENTS

At June 30, 2013 and 2012, the Center had outstanding commitments under construction contracts of \$10,358 and \$5,846, respectively.

In the normal course of operations, the Center is a defendant in several lawsuits; however, Center officials are of the opinion, based on the advice of in-house legal counsel, that the ultimate outcome of this litigation will not have a material effect on the future operations or financial position of the Center.

The Center receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that the liability, if any, for reimbursement which may arise as the result of audits, would not be material.

## NOTES TO FINANCIAL STATEMENTS--Continued

### THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

#### NOTE 15--CONTINGENCIES AND COMMITMENTS--Continued

In March 2010, the Internal Revenue Service (IRS) announced that for periods ending before April 1, 2005, medical residents are excepted from the Federal Insurance Contributions Act (FICA) taxes based on the student exception under IRC section 3121 (b)(10). During 2013, the IRS issued a refund to the Center of approximately \$57.5 million for FICA taxes previously paid plus statutory interest. Approximately \$23.7 million of the refund will be returned to residents and has been recorded as deposits held in custody for others at June 30, 2013 in the accompanying statements of net position. The remaining \$33.8 million represents the employer portion of FICA taxes paid by the Center. This amount, plus a receivable of \$1.1 million, has been recorded as non-operating revenue in the accompanying statements of revenues, expenses, and changes in net position.

#### NOTE 16--AFFILIATES AND RELATED PARTY TRANSACTIONS

##### *HCA Health Services of Oklahoma, Inc. d/b/a OU Medical Center*

The Center has contracts with HCA Health Services of Oklahoma, Inc. d/b/a OU Medical Center ("HCA") for the Center's staff to provide in-service education and administrative duties within University Hospital and Children's Hospital of Oklahoma, two of the institutions comprising the OU Medical Center. In addition, the Center provides phone services and steam and chilled water for heating and cooling purposes to the OU Medical Center. Total sales and services under the above transactions were approximately \$33,927 and \$28,713 for 2013 and 2012, respectively. Amounts due from HCA for such transactions was \$6,612 and \$5,925 as of June 30, 2013 and 2012, respectively, and is included in accounts receivable, net of allowances, on the statement of net position.

##### *The Tulsa Foundation for Health Care Services, Inc.*

The Tulsa Foundation for Health Care Services, Inc. (the "Tulsa Foundation") is an Oklahoma not-for-profit organization organized for the benefit of, to perform the functions of, or carry out the purposes of, the University of Oklahoma College of Medicine – Tulsa Bedlam Clinic and/or successor clinics. The purposes of the Tulsa Foundation are exclusively charitable, educational and research, specifically to receive funds from various entities to provide compassionate medical and health care services for the underserved community in the greater Tulsa area with an emphasis on caring for children and their families through the Bedlam Clinic, or its successor entities. The economic resources received and held by the Tulsa Foundation for the benefit of the Center are not significant to its overall financial position. As a result, the Tulsa Foundation is not considered a component unit of the Center under the definition of GASB Statement No. 39.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 16--AFFILIATES AND RELATED PARTY TRANSACTIONS--Continued

*The Academic Physicians Insurance Company*

The Academic Physicians Insurance Company (the "Captive"), formed in 2006, is a not-for-profit insurance company formed and domiciled in the State of Vermont as an Alternative Risk Financing Vehicle for the purpose of financing the medical professional liability insurance for College of Medicine faculty practicing as OU Physicians. Premiums paid by the Center to obtain professional liability coverage from the Captive totaled \$11,020 and \$9,043 for fiscal years 2013 and 2012 respectively, thus eliminating the Center's deductible expense for current and future claims. As of and for the year ended June 30, 2013, the economic resources of the Captive include total assets of \$50,872, total revenue of \$8,353 and total equity of \$24,498. The Captive is not considered a component unit of the Center under the definition of GASB Statement No. 39, as the economic resources received and held by the Captive are not significant to the Center's overall financial position and the Center is not entitled to, or have the ability to otherwise access a majority of the resources received or held by the Captive.

*The University of Oklahoma Foundation*

The OU Foundation is a public foundation organized to receive and administer gifts for the benefit of the Norman Campus and the Center. At June 30, 2013 and 2012, the OU Foundation had audited net position of approximately \$1,065,299 and \$927,028, respectively. The OU Foundation expended on behalf of the Norman Campus and the Center approximately \$102,981 in 2013 and \$97,648 in 2012 for facilities and equipment, salary supplements, general educational assistance, faculty awards and scholarships. Of these expenditures, \$11,920 in 2013 and \$14,432 in 2012 are reflected in the Center's financial statements as revenue or private gifts and expenditures. The amounts not reflected herein consist of direct OU Foundation expenditures for general university educational purposes and amounts reflected in the Norman Campus financial statements.

As discussed in Note 1, the OU Foundation is not considered a component unit of the Center under the definition of GASB Statement No. 39 because the resources received and held by the OU Foundation are not entirely or almost entirely held for the benefit of the Center.

NOTES TO FINANCIAL STATEMENTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 and 2012 (in thousands)

NOTE 17--SUBSEQUENT EVENTS

The Center has evaluated events and transactions that occurred subsequent to June 30, 2013 through October 8, 2013, the date these financial statements were available to be issued, for potential recognition or disclosure in the financial statements. On September 26, 2013, the Center closed on the sale of \$64 million in general obligation taxable bonds (Series 2013A). The proceeds of the bonds were used on October 1, 2013 to acquire, for \$85 million, real property which includes the Presbyterian Health Foundation Research Park (Research Park). A cash contribution from the Center was also used in the purchase of the Research Park. The property is in close proximity to the Center and includes more than 700,000 square feet of modern biomedical research lab and office space.

NOTE 18--FUNCTIONAL CLASSIFICATIONS

For the years ended June 30, 2013 and 2012, the following table represents operating expenses within functional classification:

Function:	2013	2012
Instruction	\$ 193,701	\$ 185,732
Research	78,847	78,688
Public service	33,170	36,195
Academic support	39,686	41,746
Student services	5,128	3,981
Institutional support	28,380	25,731
Operations and maintenance of plant	29,134	25,719
Scholarships/Fellowships	1,640	1,901
Clinical operations	397,580	365,971
Agency	6	12
Auxiliary enterprises	3,561	2,745
Service unit	12,314	14,697
Plant	7,986	12,021
Total Operating Expenses	\$ 831,133	\$ 795,139

REQUIRED SUPPLEMENTARY  
INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

June 30, 2013 (in thousands)

University of Oklahoma Health Sciences Center Retiree Health/Dental Insurance

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --entry age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Percentage of Covered Payroll ((b-a)/c)
1/1/2011	\$ -	\$ 154,808	\$ 154,808	\$ -	\$ 290,262	53%
1/1/2012	\$ -	\$ 104,027	\$ 104,027	\$ -	\$ 305,883	34%
1/1/2013	\$ -	\$ 111,512	\$ 111,512	\$ -	\$ 305,292	37%

The Center obtains an actuarial valuation annually.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Annual Required Contributions

See Note 13 for actuarial assumptions and other information used to determine the annual required contributions (ARC) for the plan.

Benefit Provisions

During the year ended June 30, 2012, the University's Board of Regents approved significant changes to the University's retiree health/dental insurance plans. A more complete description of changes are described in Note 13 to the financial statements.

REPORTS REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS*  
AND OMB CIRCULAR A-133



**Independent Auditors' Report on  
Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with Government Auditing Standards**

Board of Regents of the University of Oklahoma  
University of Oklahoma Health Sciences Center  
Norman, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University of Oklahoma Health Sciences Center (the "Center"), a component unit of the State of Oklahoma, which comprise the statement of net position as of June 30, 2013, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 8, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Center's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cole & Reed P.C.

Oklahoma City, Oklahoma  
October 8, 2013

**Independent Auditors' Report on  
Compliance for Each Major Federal Program; Report on  
Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by OMB Circular A-133**

Board of Regents of the University of Oklahoma  
University of Oklahoma Health Sciences Center  
Norman, Oklahoma

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the University of Oklahoma Health Sciences Center (the "Center") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Center's major federal programs for the year ended June 30, 2013. The Center's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Center's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Center's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## **Report on Internal Control Over Compliance**

Management of the Center is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the Center as of and for the year ended June 30, 2013, and have issued our report thereon dated October 8, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Cole & Reed P.C.*

Oklahoma City, Oklahoma  
October 8, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Federal Grantor/Pass-through Grantor/Program Title	Expenditures
Research and Development:	
Department of Health and Human Services - ARRA	\$ 1,641,176
Department of Health and Human Services	51,954,808
Department of Defense	766,659
Other Federal Agencies	<u>1,415,778</u>
Total Research and Development	55,778,421
Training:	
Department of Health and Human Services - ARRA	181,315
Department of Health and Human Services	5,502,948
Other Federal Agencies	<u>1,478,095</u>
Total Training	7,162,358
Other:	
Department of Health and Human Services - ARRA	24,103
Department of Health and Human Services	11,397,300
Department of Education	<u>1,570,863</u>
Total Other	12,992,266
Student Financial Aid:	
Department of Education	65,212,205
Department of Health and Human Services	<u>801,739</u>
Total Student Financial Aid	<u>66,013,944</u>
Total Federal Program Expenditures	<u>\$ 141,946,989</u>

See notes to schedule of expenditures of federal awards.

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
<b>Research and Development Expenditures - ARRA Direct</b>						
<b>Department of Health and Human Services</b>						
Rsrch	DHHS		93.701	\$ 31,739	Implementation of Asthma Guidelines in Primary Care; Com	1R01HL091827
Rsrch	DHHS		93.701	1,727	Power Seat Function Usage on Tissue Viab	1R03HD060751
Rsrch	DHHS		93.701	89,962	Native Navigation Across the Cancer Continuum in Comanch	1R15NR012195
Rsrch	DHHS		93.701	10,511	Blood Flow Oscillations and Early Detection of Pressure	1R21HD065073-01
Rsrch	DHHS		93.701	24,589	Prevention of Inherited Retinal Diseases by Therapeutic	5R01EY018724-02
Rsrch	DHHS		93.701	172,391	Genetic Variations in the HPA (Hypothalamic-Pituitary Ad	5R21HL092363
Rsrch	DHHS		93.710	901,300	Leveraging Practice Based Research Networks to Accelerat	1R18HS019945
<b>Total Research and Development - DHHS ARRA Direct</b>				<b>1,232,219</b>		
<b>Research and Development Expenditures - Direct</b>						
<b>Department of Health and Human Services</b>						
Rsrch	DHHS		93.000	102,246	Integrating Primary Care Practices and Community-Based P	HHSA290200710009I
Rsrch	DHHS		93.000	80,429	Using Health Information Technology to Improve Healthcar	HHSA290200710009I
Rsrch	DHHS		93.000	336,261	Baboon Model of Pertussis Disease and Vaccine Evaluation	HHSF223201210008I
Rsrch	DHHS		93.000	156,524	Preclinical Efficacy & Intermediate Endpoint Biomarkers	HHSN261201200013I
Rsrch	DHHS		93.000	211,773	Preclinical inVitro and in Vivo Agent Development Assays	HHSN261201200020I
Rsrch	DHHS		93.103	391,679	Direct Discovery of HLA-Associated Influenza Epitopes	1U01FD004410
Rsrch	DHHS		93.103	(5,326)	Non-Human Primate Model of Pertussis Infection and Trans	HHSF223201110652P
Rsrch	DHHS		93.110	1,047	Secondary Data Analysis of PRAMS and Postpartum Depressi	1R40MC21521
Rsrch	DHHS		93.110	278,339	Interventions to Promote Adolescent Immunizations	1R40MC21522
Rsrch	DHHS		93.113	81,265	Dermatological Effects of Gulf Oil	1R03ES020546
Rsrch	DHHS		93.121	323,339	The irvA Dependent Pathway: A Link Between Stress Adapt	1R01DE018893
Rsrch	DHHS		93.121	63,275	Ser/Thr protein Kinase PknB as Target to Decrease Strept	1R03DE022601
Rsrch	DHHS		93.121	40,000	Degradation of Nanoscale Topography of Resin	1R15DE019566
Rsrch	DHHS		93.121	79,723	Host Immune Response to E. (Enterococcus) faecalis Biofi	1R21DE020928
Rsrch	DHHS		93.121	159,341	Developing Genetic Transformation System in Veillonellae	2R15DE019940
Rsrch	DHHS		93.121	116,135	Interspecies Streptococcal Antagonism in Oral Biofilms	4R00DE018400
Rsrch	DHHS		93.121	190,639	Mechanism of ImmunoreceptorTyrosine-Based Activation	5R01DE019398
Rsrch	DHHS		93.121	19,568	Examining Multilevel Associations in Dental Research	R03DE019805

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Flow Thru Entity	CFDA	Expenditures	Title	OU Agency ID
Rsrch	DHHS		93.127	145,154	Emergency Medical Services for Children (EMSC) State Par	2H33MC06689
Rsrch	DHHS		93.213	316,030	Role of SIRT1 in Vasoprotection	1R01AT006526
Rsrch	DHHS		93.226	67,233	Establishing the Coordinated Consortium of Networks (CoC	1P30HS021644
Rsrch	DHHS		93.226	434,772	Primary Care Extension in Oklahoma: An Evidence-Based Ap	1U18HS020972
Rsrch	DHHS		93.226	87,508	Using Health Risk Appraisal to Prioritize Primary Care I	5K08HS016470
Rsrch	DHHS		93.273	318,210	Preventing Fetal Alcohol Syndrome	1R01AA016234
Rsrch	DHHS		93.273	134,163	Neuroimaging in the Oklahoma Family Health Patterns Proj	1R01AA01969
Rsrch	DHHS		93.273	236,026	Psychophysiological Precursors of Alcoholism	2R01AA012207
Rsrch	DHHS		93.307	1,372,666	American Indians Diabetes Prevention Center: Impacting	2P20MD000528
Rsrch	DHHS		93.351	44,475	Baboon Research Resource Program	
Rsrch	DHHS		93.351	236,846	OUHSC Specific Pathogen Free Baboon Research	1P40OD010431
Rsrch	DHHS		93.389	33,434	Magnetic Injector for Targeted Delivery of Therapeutics	1R21RR026228
Rsrch	DHHS		93.389	736,892	Mentoring Vision Research in Oklahoma - CORE	5P20RR01770309
Rsrch	DHHS		93.389	1,321,897	Baboon Research Resource Program	5P40OD010988
Rsrch	DHHS		93.389	1,499,828	Preclinical Efficacy and Intermediate Endpoint Assays-WA	HHSN261200533000C
Rsrch	DHHS		93.393	(2,321)	Pancreatic Cancer Therapy with GRP Receptor-Targeted Ima	1R03CA143614
Rsrch	DHHS		93.393	83,880	Understanding the Role of Sgo1 in Colorectal Cancer	1R03CA162538
Rsrch	DHHS		93.393	21,220	Novel Methods to Reduce Children's Secondhand Smoke Expo	1R21CA164521
Rsrch	DHHS		93.393	202,693	HMG-CoA (Hydroxy-3methyl Glutaryl-Coenzyme A) Reductase	2R01CA094962
Rsrch	DHHS		93.393	150,662	Enterococcus faecalis, Colorectal Cancer, and Bystander	R01CA127893
Rsrch	DHHS		93.395	55,119	HuR Targeted Nanotherapy for Lung Cancer	1R01CA167516
Rsrch	DHHS		93.395	192,378	Systemic Non-Viral Gene Therapy for Cancer	7R01CA113450
Rsrch	DHHS		93.396	297,644	ETV1 and JMJD2 Demethylases in Prostate Cancer	1R01CA154745
Rsrch	DHHS		93.396	44,686	G Proteins and Their Receptors in Tumor Cell Metastasis	5R01CA116984
Rsrch	DHHS		93.396	302,723	How KAI1/CD82 Suppresses Cancer Invasion and Metastasis	7R01CA096991
Rsrch	DHHS		93.396	176,989	Regulation of JNK (Jun N-Terminal Kinase)-Signaling Mole	7R01CA123233
Rsrch	DHHS		93.837	408,070	Angiotensin-II, GTPCH1 and 26S Proteasomes	1R01HL096032
Rsrch	DHHS		93.837	501,977	Regulation of Blood Pressure by Klotho	1R01HL102074
Rsrch	DHHS		93.837	242,333	Prevention of High Fat Diet-Induced Vascular Injury	1R01HL105157
Rsrch	DHHS		93.837	357,179	Molecular Mechanisms of Conduit Arterial Stiffening	1R01HL105302
Rsrch	DHHS		93.837	37,246	CVD in American Indians Study and Data Management Center	1R01HL109284



DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
Rsrch	DHHS		93.837	434,512	Controlling VSMC Proliferation and Migration	1R01HL110488
Rsrch	DHHS		93.837	256,732	Oxidant Stress and Diabetic Endothelial Dysfunction	2R01HL074399
Rsrch	DHHS		93.837	108,525	Reactive Nitrogen Species and Accelerated Atherosclerosi	2R01HL079584
Rsrch	DHHS		93.837	491,073	AMP-Activated Protein Kinase in Diabetes	2R01HL080499
Rsrch	DHHS		93.837	556,189	AMPK as a Redox Sensor and Modulator	2R01HL089920
Rsrch	DHHS		93.837	610,015	Autoimmune Determinants of Human Cardiac Myosin	5R01HL056267
Rsrch	DHHS		93.837	186,531	Systemic Events in Clostridium Difficile Assoc Disease	5R01HL084489
Rsrch	DHHS		93.837	81,221	Strong Heart Study, Phase V	5U01HL041654
Rsrch	DHHS		93.837	980	Native Healthy Lifestyle: A Return to Balance	5U01HL087354
Rsrch	DHHS		93.837	119,672	Rural Tow Walkability: Measuring the Effect of the Built	7R01HL103478
Rsrch	DHHS		93.839	322,665	Biologic Evaluation of Liposome-Encapsulated Hemoglobin	1R01HL104286
Rsrch	DHHS		93.839	179,228	Oklahoma-University of Texas Southwestern Hemostasis Con	5U01HL072283
Rsrch	DHHS		93.846	26,207	Microarray-Based Biomarkers in Juvenile Idiopathic Arthr	1R01AR060604
Rsrch	DHHS		93.847	169,805	The Role of Altered Permeability in Bladder Diseases	1P20DK097799
Rsrch	DHHS		93.847	321,366	Metabolic Signals Regulating GLUT4 Expression In Vivo	1R01DK081545
Rsrch	DHHS		93.847	269,315	Prenatal Conditions and the Pathway to Obesity/Diabetes	1R01DK089034
Rsrch	DHHS		93.847	33,940	Telomere Attrition and Diabetes Risk in American Indians	1R01DK091369
Rsrch	DHHS		93.847	208,502	Molecular Mechanism of Kidney Aging	1R01DK093403
Rsrch	DHHS		93.847	(5,184)	Mechanism of Catheter Associated Urinary Tract Infection	1R21DK089377
Rsrch	DHHS		93.847	387,398	Regulation of Calcium Signaling by the PKD2 Gene Product	5R01DK059599
Rsrch	DHHS		93.847	96,169	AATF and Renal Protection	5R01DK079057
Rsrch	DHHS		93.847	245,704	Genome-Wide Association Scan to Identify Risk Genes	5R01DK082766
Rsrch	DHHS		93.847	393,242	Isolation and Characterization of Intestinal Stem Cells	5U01DK085508
Rsrch	DHHS		93.847	275,273	Polycystin2 Function in Zebrafish and Medaka	7R01DK078209
Rsrch	DHHS		93.853	396,912	EFECAB: Improving Pig Management to Prevent Epilepsy in	1R01NS064901
Rsrch	DHHS		93.853	2,244	RNA-Induced Transcriptional Gene Silencing in Friedreich	1R01NS072418
Rsrch	DHHS		93.853	103,235	Understanding the Inflammatory Processes of Neurocystice	1R21NS077466
Rsrch	DHHS		93.853	211,506	Properties & determinants of GAA repeat instability	2R01NS047596
Rsrch	DHHS		93.853	179,924	Effects of Radiation on Brain Microvasculature and Cogni	5R01NS056218
Rsrch	DHHS		93.855	41,059	Role of CD4 T cell inhibitor receptors during Plasmodium	1K22AI099070
Rsrch	DHHS		93.855	263,234	Regulation of Humoral Immunity by Natural Killer T (NKT)	1R01AI078993

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
Rsrch	DHHS		93.855	285,732	The Role of Non-Canonical Base-Pairs in RNA Editing	1R01AI088011
Rsrch	DHHS		93.855	465,643	Discovery and Targeting of HIV-1 Associated Antigens	1R01AI090672
Rsrch	DHHS		93.855	27,930	Identification of Host Genes Important for Growth of the	1R21AI087485
Rsrch	DHHS		93.855	120,530	Regulation of the VDJ Recombinase During Genotoxic Stres	1R21AI094141
Rsrch	DHHS		93.855	5,527	Progression of Autoimmunity During Puberty in SLE (Syste	1R56AI085258
Rsrch	DHHS		93.855	1,177,715	Discovery and Targeting of West Nile Virus Epitopes	1U01AI082057
Rsrch	DHHS		93.855	180,291	Haemophilus Influenzae Iron/Heme Regulon	2R01AI029611
Rsrch	DHHS		93.855	436,355	Pore Formation by Cholesterol Dependent Cytolysins	2R01AI037657
Rsrch	DHHS		93.855	314,995	The Neuroimmunology of Viral Infection	2R01AI053108
Rsrch	DHHS		93.855	274,630	Outer Membrane Lipoproteins of Borrelia burgdorferi	2R01AI059373
Rsrch	DHHS		93.855	475,764	Control of Toxoplasma gondii Growth by the Host Cell Tra	2R01AI069986
Rsrch	DHHS		93.855	56,828	Bacteriophage control of DNA repair in streptococcus pyo	2R15AI072718
Rsrch	DHHS		93.855	367,816	Human & Mouse Antibodies Against Influenza Virus	5R01AI050933
Rsrch	DHHS		93.855	412,152	Development of an Antimicrobial Peptide Therapeutic for	5U01AI075391
Rsrch	DHHS		93.855	106,652	Surface Lipoproteins and Serum Resistance in Borrelia bu	R21AI085310
Rsrch	DHHS		93.859	2,147,889	Mentoring Translational Cancer Research in Oklahoma (CoB	1P20GM103639
Rsrch	DHHS		93.859	175,079	Glycoregulation of Skp1 in the Cytoplasm and Nucleus	1R01GM084383
Rsrch	DHHS		93.859	2,887	Regulation of EGFR (Epidermal Growth Factor Receptor) Si	1R01GM092874
Rsrch	DHHS		93.859	152,144	RAMP-Altered Class B GPCR Hormone Recognition	1R01GM104251
Rsrch	DHHS		93.859	196,767	Structure and Function of Hyaluronan Synthases	2R01GM035978
Rsrch	DHHS		93.859	352	Cytosolic Proline Hydroxylation and Glycosylation	2R01GM037539
Rsrch	DHHS		93.859	243,498	Structure-Function of Bcl-2-Related Apoptosis Regulators	2R01GM062964
Rsrch	DHHS		93.859	251,211	Structural and Functional Specificity of Rab GTPases	2R01GM074692
Rsrch	DHHS		93.859	(3,985)	Fibroblast Differentiation in Wound Healing	5R01GM060651
Rsrch	DHHS		93.859	139,945	Function and Regulation of OATP1B1 and OATP1B3	7R01GM094268
Rsrch	DHHS		93.859	3,395,311	Oklahoma IDeA Network of Biomedical Research Excellence	8P20GM103447
Rsrch	DHHS		93.859	2,095,769	Mentoring Diabetes Research in Oklahoma (COBRE)	9P20GM104934
Rsrch	DHHS		93.865	(18,156)	In Utero Programming of Corticotropin Releasing Factor (	1R01HD050620
Rsrch	DHHS		93.865	135,198	Prone Locomotion in Infants with or at Risk for Disabili	1R21HD061678
Rsrch	DHHS		93.865	198,279	Improving Outcomes in DSD	1R21HD067718
Rsrch	DHHS		93.866	11,557	Biological Aging Mitochondrial Variants and Coronary Art	1K01AG034259-01

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Flow Thru Entity	CFDA	Expenditures	Title	OU Agency ID
Rsrch	DHHS		93.866	164,131	Vasoprotection by Caloric Restriction Mimetics in Aging	1K08AG031085
Rsrch	DHHS		93.866	618,283	Novel Approaches for Regulation of IGF-1 Levels Througho	1R01AG038747
Rsrch	DHHS		93.866	49,720	Growth Hormone and IGF-1 in Central Nervous System (CNS)	5P01AG011370
Rsrch	DHHS		93.866	10,626	Home-based vs Supervised Exercise for Claudicants	5R01AG024296
Rsrch	DHHS		93.866	77,570	Cognitive Decline and Protein Expression in Aging	5R01AG026607
Rsrch	DHHS		93.867	498,051	P30-Center Core Grant for Vision Research	1P30EY021725
Rsrch	DHHS		93.867	175,721	CAP37 and Ocular Inflammation	1R01EY015534
Rsrch	DHHS		93.867	542,731	Compacted DNA Nanoparticles for Ocular Therapy	1R01EY018656
Rsrch	DHHS		93.867	313,263	Mechanism of Cone Degeneration Resulting from CNG	1R01EY019490
Rsrch	DHHS		93.867	243,175	ER (Endoplasmic Reticulum) Stress & Diabetic Retinopathy	1R01EY019949
Rsrch	DHHS		93.867	416,081	Study of the Retinal Pigment Epithelium (RPE) Barrier	1R01EY020900
Rsrch	DHHS		93.867	292,035	Corneal Lymphatics and Adaptive Immunity	1R01EY021238
Rsrch	DHHS		93.867	15,135	Modulation of EGFR Signaling to Promote Corneal Epitheli	1R01EY021497
Rsrch	DHHS		93.867	325,115	Sphingolipid Metabolism and Signaling in the Retina	1R01EY022071
Rsrch	DHHS		93.867	557,385	Prolonged Inhibition of Pathologic Neovascularization by	1R01EY022111
Rsrch	DHHS		93.867	270,878	DNA Nanoparticle Formulations for Optimal Ocular Gene De	1R01EY022778
Rsrch	DHHS		93.867	77,883	Retinal Degeneration Conference	1R13EY022574
Rsrch	DHHS		93.867	171,206	Role of PD-L1 in Ocular Toxoplasmosis	1R21EY021259
Rsrch	DHHS		93.867	62,405	New Models of Endogenous Bacterial Endophthalmitis	1R21EY022466
Rsrch	DHHS		93.867	230,663	Second Messengers in the Retina	2R01EY000871
Rsrch	DHHS		93.867	256,330	Regulation of Scleral Growth and Remodeling in Myopia	2R01EY009391
Rsrch	DHHS		93.867	373,079	Studies of RPE65 (Retinal Pigment Epithelium-Specific 65	2R01EY012231
Rsrch	DHHS		93.867	365,720	Light Activation of Retinal Insulin Receptor Signaling	2R01EY016507
Rsrch	DHHS		93.867	461,832	The Role of the WNT Signaling Pathway in Choroidal Neova	2R01EY018659
Rsrch	DHHS		93.867	68,107	A New Pathogenic Mechanism for Diabetic Retinopathy	2R01EY019309
Rsrch	DHHS		93.867	578,956	Lipid Metabolism in the Retina	5R01EY004149
Rsrch	DHHS		93.867	374,024	Mechanism of Photoreceptor Cell Degeneration in Animal	5R01EY010609
Rsrch	DHHS		93.867	507,037	Mechanisms of Inflammation and Vision Loss in Endophthal	5R01EY012985
Rsrch	DHHS		93.867	343,672	Role of Caveolin-1 in the Maintenance of Blood-Retinal B	5R01EY019494
Rsrch	DHHS		93.989	45,933	Role of Mucin-Type O-Glycosylation in Trypanosoma cruzi	R03TW008725
<b>Total Research and Development - DHHS Direct</b>				<b>41,970,115</b>		

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

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<b>Department of Defense</b>						
Rsrch	DOD		12.420	62,051	Targeted Delivery and Remote-Controlled Release of Chemo	W81XWH0910071
Rsrch	DOD		12.420	89,647	The Role Neuropiliand and Vascular Endothelian Growth Fa	W81XWH-09-1-0445
Rsrch	DOD		12.420	4,649	Does EMT Contribute to Radiation Resistance of Breast Ca	W81XWH-10-1-0592
Rsrch	DOD		12.420	37,813	Hyaluronan Oligosaccharides for the Promotion of Remyeli	W81XWH-10-1-0968
Rsrch	DOD		12.420	343,174	Molecular Mechanism of Chronic Pain and its Modulation b	W81XWH1120077
Rsrch	DOD		12.420	85,721	Tuft Cell Regulation of miRNAs in Pancreatic Cancer	W81XWH1210503
<b>Total Research and Development - DOD Direct</b>				<b>623,055</b>		
<b>Department of Education</b>						
Rsrch	DOE		84.324	709,697	Evaluating a Model for Community-Based Intervention	R324A110353
Rsrch	DOE		84.324	341,038	Project DATA: A Multisite Evaluation of a School-Based M	R324A120232
Rsrch	DOE		84.327	102,651	Learning Early Travel Skills: Effects of Power Mobility	H327A080006A
<b>Total Research and Development - DOE Direct</b>				<b>1,153,386</b>		
<b>Total Research and Development Exp - Direct</b>				<b>44,978,775</b>		
<b>Research and Development Expenditures - ARRA Flow Through</b>						
<b>Department of Health and Human Services</b>						
Rsrch	DHHS	SAICF	93.000	14,827	The Cancer Genome Atlas (TCGA)	HHSN261200800001E
Rsrch	DHHS	CHILDMERCH	93.701	10,718	Chronic Kidney Disease in Children (CKiD)	3U01DK066143
Rsrch	DHHS	DUKECLINIC	93.701	7,821	Childhood Arthritis and Research Alliance Network Accele	RC2AR058934
Rsrch	DHHS	YALEUNIV	93.701	259,710	Assessment of Multiple Intrauterine Gestations from Ovar	3U10HD05592502S1
Rsrch	DHHS	OUNORMAN	93.701	(1,226)	Automated Fluorescence In-Situ Hybridization (FISH) Imag	1R01CA136700
Rsrch	DHHS	OHIET	93.719	117,107	GAP Analysis	90HT0035
<b>Total Research and Development Exp - DHHS ARRA Flow Through</b>				<b>408,957</b>		

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<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
<b>Research and Development Expenditures - Flow Through</b>						
<b>Department of Health and Human Services</b>						
Rsrch	DHHS	HAM-TMC	93.000	3,289	School Health Connection: A Health Information Needs As	HHSN276201100007C
Rsrch	DHHS	OHSU	93.000	264,725	Large Scale T Cell Epitope Discovery	HHSN272200900053C
Rsrch	DHHS	NICOA	93.048	1,875	Training for American Indian Caregivers	90HD0004/01
Rsrch	DHHS	ODMH	93.087	42,833	New Directions	90CU0038/06
Rsrch	DHHS	OHIOSTATE	93.103	10,110	Ph 3 of Cyclosporine or Corticosteroids Adjunct to Plasm	1R01FD003932
Rsrch	DHHS	UCOLORADO	93.110	93,907	Maternal and Child Health Research Program	1R40MC23632
Rsrch	DHHS	HARVARDUNI	93.113	58,987	Community-Centered Assessment of Mercury Exposure from F	1R21ES017941
Rsrch	DHHS	UWASHINGTO	93.155	6,137	Rural Training Track Technical Assistance Demonstration	1UA9RH193330100
Rsrch	DHHS	CHILDHPHIL	93.226	12,570	Improving Process Measurement	5R01HS018338
Rsrch	DHHS	UALABAMABI	93.226	16,728	Deep South Arthritis and Musculoskeletal CERT's	1U19HS021110
Rsrch	DHHS	WVIRGINIAU	93.226	(2,008)	Linking Medicare, West Virginia Medicaid, and West Virgi	05-333A-OU
Rsrch	DHHS	LAURBRAIN	93.242	48,893	Inflammatory Transcripts, Genes and Positive Valence Sys	1R01MH098099
Rsrch	DHHS	UCSD	93.242	15,427	Interagency Collaborative Teams to Scale-Up Evidence Bas	1R01MH092950
Rsrch	DHHS	UCSD	93.242	7,297	EBP Sustainment in a Statewide Service System	2R01MH07296106A1
Rsrch	DHHS	UPITTSBURG	93.242	10,284	8590A Statewide RCT of Two Implementation Models	1R01MH095750
Rsrch	DHHS	KIOWATRIBE	93.243	130,805	Suicide Prevention Project	5U79SM059178
Rsrch	DHHS	OICA	93.297	107,318	OKPOWER	90AP2665
Rsrch	DHHS	UNIVMIAMI	93.351	181,835	MHC-Bound, SIV-Derived, CTL and HTL Epitopes	8R24OD011086
Rsrch	DHHS	UNVWISCMAD	93.389	121,228	Immunogenetics of Macaques Used in Biodefense and AIDS R	2R24RR021745
Rsrch	DHHS	USFLORIDA	93.389	8,137	Type I Diabetes TrailNet (Trial Net)	1U01DK61055
Rsrch	DHHS	UCSD	93.393	50,270	Nonsmokers and Tobacco Control Norms: Population Survey	1U01CA154280
Rsrch	DHHS	UCSF	93.393	7,846	Countering Young Adult Tobacco Marketing in Mars	5U01CA154240
Rsrch	DHHS	UIC	93.393	2,880	Tobacco Control in a Rapidly Changing MEDIA Environment	1U01CA154254
Rsrch	DHHS	UNIVKANMED	93.393	312,924	Culturally-Tailored Smoking Cessation for Amer Indians	1R01CA141618
Rsrch	DHHS	UNIVKANMED	93.393	(2,306)	Breast Cancer Prevention by Letrozole in High Risk Women	5R01CA122577
Rsrch	DHHS	ACRADIOLOG	93.394	10,345	ACRIN 6682: Phase II Trial of 64CU-ATSM PET/CT in Cervic	ACRIN6682
Rsrch	DHHS	ACRADIOLOG	93.394	7,771	A Multicenter Trial of FDG-PET/CT Staging of	ACRIN6685
Rsrch	DHHS	ACRADIOLOG	93.394	10,443	GOG 262/ACRIN 6695: A Randomized Phase III Trial of Ever	ACRIN6695
Rsrch	DHHS	OUNORMAN	93.394	(10,374)	Computer aided chromosome Imaging Technique for Cancer d	1R01CA115320

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

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<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
Rsrch	DHHS	CAISSONBIO	93.395	11,135	HEPylated G-CSF:Drug with Safer, Enhanced Delivery for N	1R43CA159494
Rsrch	DHHS	CALGBFND	93.395	106,524	CALBG Membership Support of Cancer and Leukemia Group B	CALGB2694
Rsrch	DHHS	CHILDHPHIL	93.395	179,414	Children's Oncology Group Chair's Grant	U10CA098543
Rsrch	DHHS	DORMATARG	93.395	64,858	Identifying the Drug Target in Dormant Cancer Cells	1RCA16810501
Rsrch	DHHS	DUKECLINIC	93.395	3,157	A Randomized Phase III Trial Comparing 16 to 18 Weeks of	U10CA76001
Rsrch	DHHS	GOG	93.395	1,707,302	NIH Subcont Participation in Gynecologic Oncology Protoc	27469083
Rsrch	DHHS	RTOG	93.395	154,941	Radiation Therapy Oncology Group	U10CA021661
Rsrch	DHHS	SWOG	93.395	3,422	Southwest Oncology Group Agreement	CA32102
Rsrch	DHHS	UNEBLINC	93.396	8,525	Hyaluronan Signaling and Turnover in Prostate Cancer	1R01CA165574
Rsrch	DHHS	NSABP	93.399	89	Study of Tamoxifen and Raloxifene (STAR) for Prevention	U10CA37377
Rsrch	DHHS	UWASHINGTO	93.399	3,125	CINCO Training Core	5P50CA148110
Rsrch	DHHS	UWASHINGTO	93.399	30,094	Regional Native American Community Network Program: Trai	5U54CA153498
Rsrch	DHHS	JHU	93.505	7,859	Home Visiting Research Network	UD5MC24070
Rsrch	DHHS	ODHS	93.505	582,906	Oklahoma Competitive MIECHV Evidence-Based Home Visitati	3409016352
Rsrch	DHHS	OSDH	93.505	700,139	Evidence-Based Child Maltreatment Prevention for High-Ri	90CA1764
Rsrch	DHHS	NORTHCARE	93.605	37,713	Family Connections Grant: Child Welfare/TANF Collaborati	90CF004701
Rsrch	DHHS	CHILDHPHIL	93.837	129,164	Genetic Engineering of Apolipoproteins	2P01HL022633
Rsrch	DHHS	MEDUNIOHIO	93.837	66	Cardiovascular Outcomes in Renal Atherosclerotic Lesions	U01HL071556
Rsrch	DHHS	NERI	93.837	28	Treatment of Preserved Cardiac Function Heart Failure wi	N01HC45207
Rsrch	DHHS	NMDP	93.837	3,071	RDSafe: A Multicenter Study of Hematopoietic Stem Cell	06DON
Rsrch	DHHS	NORTHWEST	93.837	123	PACemaker and $\beta$ -Blocker Therapy Post-Myocardial Infract	1R01HL080416
Rsrch	DHHS	UWASHINGTO	93.837	303,290	Cerebrovascular Disease in American Indians: Prevalence,	5R01HL093086
Rsrch	DHHS	WASHINGTON	93.837	35,969	Developing Animal Model of HLHS: Role of Immune Mediated	1R21HL104391
Rsrch	DHHS	WASHINGTON	93.837	46,856	Hypoplastic Left Heart Syndrome: Expression RHD in the	7R01HL098634
Rsrch	DHHS	DUKECLINIC	93.839	(6,234)	Bridging Anticoagulation in Patients who Require Tempora	1U01HL087229
Rsrch	DHHS	NERI	93.839	3,475	Red Cell Storage Duration Study (RECESS)	15718
Rsrch	DHHS	NERI	93.839	13,635	Initial Treatment of Patients with Immune Thrombocytopen	U01HL072268
Rsrch	DHHS	NERI	93.839	185	RING Study-Thru NERI	U01HL072268
Rsrch	DHHS	NMDP	93.839	11,559	Phase II Trial of Non-Myeloablative Allogeneic Hematopoi	0701
Rsrch	DHHS	NMDP	93.839	372	A Trial of Single Autologous Transplant With or Without	BMTCTN0702
Rsrch	DHHS	OMRF	93.839	5,832	Cellular Regulation of Selectin-Ligand Interactions	5R01HL034363

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Program	Federal Agency	Flow Thru Entity	CFDA	Expenditures	Title	OU Agency ID
Rsrch	DHHS	PHOENICIA	93.839	448	In Vivo Studies of Clinical Stage Globin Modulators	1R41HL110727
Rsrch	DHHS	ALBERTEHN	93.846	12,563	Randomized Placebo Phase Study of Riloncept in the Trea	HHSN268200700015C
Rsrch	DHHS	CHRMC	93.846	1,347	Juvenile Idiopathic Arthritis	1R01AR049762-01A2
Rsrch	DHHS	OMRF	93.846	440,103	Oklahoma Sjogren's Syndrome Center of Research Translati	1P50AR060804
Rsrch	DHHS	OMRF	93.846	72,195	TNFAIP3 (A20) A Novel SIE Susceptibility Gene	5R01AR056360
Rsrch	DHHS	UMICHIGAN	93.846	14,528	A Clinical Trial for the Surgical Treatment of Elderly D	R01AR062066
Rsrch	DHHS	CHILDMERCH	93.847	2,475	Chronic Renal Insufficiency in North American Pediatric	5U01DK066143
Rsrch	DHHS	COLUMBIAUN	93.847	1,483	Quiescent Dcl1 + Stem Cells in the Mouse Intestine	1R56DK097016
Rsrch	DHHS	GEORGEWASH	93.847	476	TODAY Genetics Study	2U01DK061230
Rsrch	DHHS	GEORGEWASH	93.847	636,411	Studies to Treat or Prevent Pediatric Type 2 Diabetes	5U01DK061230
Rsrch	DHHS	MTSINAI	93.847	390	Revascularization in Diabetes Mellitus Patients	1R01HL071988
Rsrch	DHHS	SUNY	93.847	20,467	Randomized Intervention for Children with VesicoUreteral	2U01DK074063
Rsrch	DHHS	UNEBLINC	93.847	2,486	Biotin Deficiency Impairs Silencing of Repeat Regions an	2462360051003
Rsrch	DHHS	USFLORIDA	93.847	5,892	Type 1 Diabetes TrialNet	U01DK61055
Rsrch	DHHS	BAYLOR	93.855	144,796	B Cell Memory in Clostridium Difficile Patients	5U19AI057234
Rsrch	DHHS	BAYLORHCS	93.855	94,966	Dissecting Pleura Biology in Dengue Virus Infection	5U19AI057234
Rsrch	DHHS	DUKECLINIC	93.855	125,285	Development of Cationic Peptide Adjuvants and Formulatio	5U01AI082107
Rsrch	DHHS	INDIANAU	93.855	147	Progression of Autoimmunity During Puberty in SLE	7R56AI085258
Rsrch	DHHS	MASSGEN	93.855	7,808	Prospective Cohort Study of Sever Bronchiolitis of Recur	5U01AI087881
Rsrch	DHHS	OMRF	93.855	291,675	Edema Toxin Suppression of Immune Responses	5U19AI062629
Rsrch	DHHS	OMRF	93.855	51,370	Molecular and Immunologic Analysis of the Pathobiology o	5U19AI062629
Rsrch	DHHS	OMRF	93.855	382,929	Role of B. (Bacillus) anthracis Toxins in Human Inhalati	5U19AI062629
Rsrch	DHHS	OMRF	93.855	70,127	Toxin Core	5U19AI062629
Rsrch	DHHS	RESTRINST	93.855	113,416	Inhaled Caprazamycin for Tuberculosis Therapy	1R01AI091882
Rsrch	DHHS	TEXTECHHSC	93.855	44,225	Experimental Molecular Vaccines for Schistosomiasis	1R01AI071223
Rsrch	DHHS	UIC	93.855	83,914	Post-Translation Regulation of Listeria Monocytogenes Vi	1R01AI083241
Rsrch	DHHS	WASHINGTON	93.855	261,231	The Neonatal Microbiome and Necrotizing Enterocolitis	5UH3AI083265
Rsrch	DHHS	OMRF	93.859	38,246	Complement Inhibition as Sepsis Therapy	1R01GM097747
Rsrch	DHHS	OMRF	93.859	16,102	Interdisciplinary Research in Vascular Biology	8P20GM103441
Rsrch	DHHS	OMRF	93.859	7,398	Understanding the Role of Alternative Splicing in the TN	8P20GM103456
Rsrch	DHHS	OUNORMAN	93.859	482,554	Oklahoma COBRE in Structural Biology	1P20GM103640

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<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
Rsrch	DHHS	LOMALINDAU	93.865	177,146	Leptin and Hypothalomo-Pituitary-Adrenal Function in the	1R01HD051951
Rsrch	DHHS	LOMALINDAU	93.865	29,111	Mechanisms of Acclimatization: Fetus and Adult	P01HD03131226
Rsrch	DHHS	YALEUNIV	93.865	96,322	Assessment of Multiple Intrauterine Gestations from Ovar	5U10HD055925
Rsrch	DHHS	UARKANSAMS	93.866	15,176	Arkansas Older Americans Independence Center at UAMS-RCD	1P30AG028718
Rsrch	DHHS	UARKANSAMS	93.866	16,193	The Effect of Dietary L-arginine Supplementation on the	1P30AG028718
Rsrch	DHHS	CHILDHPHIL	93.867	1,339	Postnatal Growth and Retinopathy of Prematurity (G-ROP)	1R01EY021137
Rsrch	DHHS	CHILDHPHIL	93.867	66,855	Telemedicine Approaches to Evaluating Acute-Phase Retino	1U10EY017014
Rsrch	DHHS	CHILDHPHIL	93.867	188,692	Telemedicine Approaches to Evaluating Acute	U120EY017014
Rsrch	DHHS	JAEBCENTER	93.867	19,616	A Randomized Trial of Levodopa as Treatment for Residual	ATS17
Rsrch	DHHS	WAKEFOREST	93.867	35,550	Longitudinal Changes in Pericardial Adiposity and Subcli	5R01HL098445
Rsrch	DHHS	CHEROKEEOK	93.933	2,335	Oklahoma Native American Research Centers for Health (NA	U26IHS300412
Rsrch	DHHS	CHEROKEEOK	93.933	10,479	Preventing Excessive Gestational Weight Gain in American	U26IHS300412
Rsrch	DHHS	ODMH	93.959	203,196	Substance Abuse Prevention Block Grant Evaluation	637017987
Rsrch	DHHS	NORTHCARE	93.995	5,914	Adolescent Family Life Demonstration Project	5APHPA006035
Rsrch	DHHS	RENSSELAER	98.839	10,546	Synthetic Heparan Sulfate: Probing Biosynthesis to Prepa	2R01HL062244
<b>Total Research and Development Exp - DHHS Flow Through</b>				<b>9,984,693</b>		
<b>Department of Defense</b>						
Rsrch	DOD	OUNORMAN	12.000	2,308	Progression of Bone Changes After Lower Limb Amputation	W81XWH0910641
Rsrch	DOD	NMDP	12.300	(31,144)	A Phase II Multicenter Trial of Myeloablative Double Uni	N00014-06-1-0704
Rsrch	DOD	PRECISTHER	12.420	600	Prediction of Response to Neoadjuvant Chemotherapy in Wo	PT304
Rsrch	DOD	JHU	12.420	171,840	Major Extremity Trauma Research Consortium	W81XWH1020090
<b>Total Research and Development Exp - DOD Flow Through</b>				<b>143,604</b>		
<b>National Science Foundation</b>						
Rsrch	NSF	UCFLORIDA	47.041	10,416	NIRT: Engineered Therapeutic Nanoparticles as Catalytic	CBET0708172
Rsrch	NSF	OUNORMAN	47.070	9,393	Robot Assistants to Promote Crawling and Walking in Chil	IIS1208639
Rsrch	NSF	OSU	47.081	7,657	EPSCoR Research Infrastructure Improvement Plan "Buildin	EPS0814361
<b>Total Research and Development Exp - NSF Flow Through</b>				<b>27,466</b>		



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<b>Other</b>						
Rsrch	DOJ	JHU	16.540	1,714	Juvenile Registration and Notification Policy Effects: A	2011MUFX4004
Rsrch	DOJ	ARIZSTUNIV	16.560	3,161	Police Department's Use of Lethality Assessments: An Exp	2008WGBX0002
Rsrch	DOE	UKY	84.324	41,596	Relationship of Student Outcomes to School-Based Physica	R324A110204
Rsrch	USHOMELN	UMARYLAND	97.061	188,455	Mental Models of Intelligence Collectors and Analysts fo	2012ST061CS0001
<b>Total Research and Development Exp - Other Flow Through</b>				<b>234,926</b>		
<b>Total Research and Development Exp - Flow Through</b>				<b>10,799,646</b>		
<b>Total Research and Development Expenditures</b>				<b>55,778,421</b>		
<b>Training Expenditures - Direct ARRA</b>						
<b>Department of Health and Human Services</b>						
Trng	DHHS		93.403	32,022	Training in Primary Care Medicine and Dentistry	1D5AHP19901-01
Trng	DHHS		93.403	149,293	Pediatric Primary Care Residency Training in Behavioral	1D5FHP20669
<b>Total Training - DHHS ARRA Direct</b>				<b>181,315</b>		
<b>Training Expenditures - Direct</b>						
<b>Department of Health and Human Services</b>						
Trng	DHHS		93.000	185,126	Project Making Medicine: Training in the Treatment of C	HHSP23320092926YC
Trng	DHHS		93.069	449,950	Southwest Center Preparedness and Emergency Response	1U90TP000420
Trng	DHHS		93.110	572,388	Oklahoma LEND Leadership Education in Neurodevelopmental	2T73MC00033
Trng	DHHS		93.110	171,959	Oklahoma Maternal Child Health Leadership Education in D	5T77MC09799
Trng	DHHS		93.243	189,300	NCTSI Treatment and Services Adaptation Centers TSA	1U79SM061278
Trng	DHHS		93.247	344,238	Distance Accessible DNP (Doctor of Nursing Practice	1D09HP18986
Trng	DHHS		93.247	213,901	Advanced Nursing Education Grants	1D09HP25024
Trng	DHHS		93.247	7,767	Advancing the Nursing Ph.D. in Oklahoma	5D09HP10420-02-00
Trng	DHHS		93.250	82,341	Geriatric Academic Career Award	1K01HP20519
Trng	DHHS		93.262	73,397	Industrial Hygiene Training	2T01OH008614
Trng	DHHS		93.358	350,000	Advanced Education Nursing Traineeship Program	1A10HP25113
Trng	DHHS		93.513	176,000	Critical Shortage of Oklahoma NPs	1T57HP20588
Trng	DHHS		93.514	71,742	Expansion of Physician Assistant Training Program	1T88HP20943
Trng	DHHS		93.516	704,852	The Southwest Public Health Training Center	1UB6HP20183

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Trng	DHHS		93.632	575,231	University Center of Excellence (CORE)	90DD0685
Trng	DHHS		93.847	30,649	Central Mechanisms of Stress-Induced Visceral Hypersensi	1F31DK089871
Trng	DHHS		93.855	117,030	Molecular Basis of Immunity - Kirschstein - NRSA	2T32AI007633
Trng	DHHS		93.884	137,785	Faculty Development in Primary Care	1D55HP23210
Trng	DHHS		93.884	116,414	An Innovative Longitudinal Clinical Experience for Physi	1D57HP23249
Trng	DHHS		93.884	79,084	Expansion of Academic Administrative Units in Primary Ca	D54HP05259
Trng	DHHS		93.969	388,254	Oklahoma Geriatric Education Center	6UB4HP19197
<b>Total Training - DHHS Direct</b>				<b>5,037,408</b>		
<b>Department of Education</b>						
Trng	DOE		84.325	36,961	Prep PT/OT Early Intervention	H325K070332
Trng	DOE		84.325	148,284	Web-Based Preparation of Occupational and Physical Thera	H325K080335
Trng	DOE		84.325	33,206	Web-based Preperation of Occupational and Physical Thera	H325K120310
<b>Total Training - DOE Direct</b>				<b>218,451</b>		
<b>Department of Justice</b>						
Trng	DOJ		16.543	156,374	Expertise in Evidence-Based Practice for Sexual Behavior	2010WPBXK062
<b>Total Training Expenditures - Direct</b>				<b>5,593,548</b>		
<b>Training Expenditures - Flow Through</b>						
<b>Department of Health and Human Services</b>						
Trng	DHHS	STLOUISUNI	93.073	5,793	Midwest Regional Fetal Alcohol Syndrome Training Center	1U84DD000884
Trng	DHHS	ARKCHRINST	93.110	252,820	Heartland Genetics and Newborn Screening Collaborative	1H46MC24089
Trng	DHHS	AAMC	93.283	16,274	Training 21st-Century Physicians: Incorp PH Themes into	5U36CD319276
Trng	DHHS	UCOLORADO	93.600	32,826	Buffering Toxic Stress	90YR0058
Trng	DHHS	ODHS	93.643	21,708	Finding Words Oklahoma/Child First	13000592
Trng	DHHS	EASTCENTRU	93.859	1,686	Summer Student Support	5R25GM054938
Trng	DHHS	CHEROKEEOK	93.933	21,966	Oklahoma NARCH Student Development Program (NARCH VI)	110216
Trng	DHHS	ODMH	93.959	101,476	Chemical Dependency Workforce Development Grant	
Trng	DHHS	HAM-TMC	93.000	10,991	A New Point of View: E-Science, World Health & Advanced	HHSN276201100007C
<b>Total Training Expenditures - DHHS Flow Through</b>				<b>465,540</b>		

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
<b>Training Expenditures - Flow Through</b>						
Trng	DOA	ODHS	10.561	<u>1,103,270</u>	Oklahoma Nutrition Information and Education (ONIE) Soci	12003667
		<b>Total Training Exp - Flow Through</b>		<b><u>1,568,810</u></b>		
		<b>Total Training Expenditures</b>		<b>7,162,358</b>		
<b>Other Expenditures</b>						
<b>Department of Health and Human Services</b>						
Other	DHHS		93.153	521,097	Ryan White Part D WICY Program	1H12HA24834
Other	DHHS		93.226	41,111	IMPACT Multi-State Conference	1R13HS021932
Other	DHHS		93.243	375,130	National Child Traumatic Stress Initiative - Category II	5U79SM057278
Other	DHHS		93.253	215,237	Oklahoma Poison Control Center Support and Enhancement	1H4BHS15502
Other	DHHS		93.283	295,777	Active Surveillance for Venous Thromboembolism in a Raci	1U50DD000899
Other	DHHS		93.918	<u>919,718</u>	Ryan White Part C Early Intervention Services (EIS) Prog	2H76HA00185
		<b>Total Other - DHHS Direct</b>		<b>2,368,070</b>		
<b>Other Expenditures -ARRA Flow Through</b>						
<b>Department of Health and Human Services</b>						
Other	DHHS	RUTGERS	93.715	<b>24,103</b>	Accelerating Utilization of CE Findings in Medicaid Ment	1R18HS019937
<b>Other Expenditures - Flow Through</b>						
<b>Department of Health and Human Services</b>						
Other	DHHS	OKHOSPITAL	93.000	27,267	Hospital Engagement Network	HHSM50020120017C
Other	DHHS	HAM-TMC	93.000	15,181	Building a Community of Learners, Educators, and Advocat	HHNS276201100007C
Other	DHHS	ODHS	93.045	13	Oklahoma Respite Resource Network Services (OASIS)	11000580
Other	DHHS	UTEXASHSC	93.110	25,005	Comprehensive Hemophilia and Diagnostic Treatment	1H30MC24051
Other	DHHS	PARKLANDHL	93.145	184,658	Texas/Oklahoma AIDS Education and Training Center	OTHER5939
Other	DHHS	UTEXASHSC	93.184	16,372	Prevention of the Complications of Bleeding Disorder Thr	1U27DD000862
Other	DHHS	UNIVKANMED	93.211	89,766	Heartland Telehealth Resource Center	1G22RH20214
Other	DHHS	UNIVMISSOU	93.243	101,791	The Terrorism and Disaster Center	1U79SM061264
Other	DHHS	DNORTONLCC	93.243	56,057	Evidence-Based Trtmnt Interv for Child & Adolesc w/ Sexu	U79SM059480

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Flow Thru Entity	CFDA	Expenditures	Title	OU Agency ID
Other	DHHS	AUCD	93.283	4,000	Act Early Ambassador Project	
Other	DHHS	GOG	93.395	25,611	GOG-Co - Cancer Prevention and Control Committee	2U10CA101165
Other	DHHS	GOG	93.395	17,074	Co-Chair of the Protocol Committee	U10CA27469
Other	DHHS	ODDC	93.630	121,468	Oklahoma Early Access Project	13018026
Other	DHHS	ODDC	93.630	65,508	Oklahoma Sibshop Implementation Initiative	
Other	DHHS	ODHS	93.643	39,815	Oklahoma Advisory Board Task Force on Child Abuse and Ne	13000589
Other	DHHS	ODHS	93.643	8,652	20th Oklahoma Conference on Child Abuse and Neglect and	13000590
Other	DHHS	ODHS	93.643	92,177	Group Treatment for Children with Sexual Behavior Proble	13000594
Other	DHHS	ODHS	93.658	1,472,089	Oklahoma Child Welfare Comprehensive Training Program	13000422
Other	DHHS	ODHS	93.778	253,255	Oklahoma Autism Network	12000424
Other	DHHS	ODHS	93.778	205,608	EFFORT-Occupational therapy, physical therapy, speech-la	12000438
Other	DHHS	ODHS	93.778	11,798	Autism Spectrum Disorders Program	13008507
Other	DHHS	ODHS	93.778	82,988	Sooner SUCCESS Statewide Information and Referral -- Dev	13020682
Other	DHHS	OHCA	93.778	3,739,159	Drug Utilization Review (DUR) Board	20100162
Other	DHHS	OFMQ	93.779	163,128	Reducing Adverse Drug Events (10th Scope of Work)	
Other	DHHS	OSDH	93.889	50,505	Medical Reserve Corps Education Coordinator	
Other	DHHS	OSDH	93.889	19,254	Hospital Preparedness Program for Hospital Healthcare Or	U3REP090232
Other	DHHS	OSDH	93.917	984,143	Ryan White CARE Act Part B	3409016506
Other	DHHS	OSDH	93.917	77,219	HIV Drug Assistance Program (HDAP) to Promote Adherence	3409016537
Other	DHHS	OSDH	93.917	21,108	Ryan White Part B Co-Pay Assistance	
Other	DHHS	OSDH	93.940	133,925	CDC Prevention and Care	3409016324
Other	DHHS	ODHS	93.994	197	Statewide Information and Referral -- Children with Spec	10000844
Other	DHHS	ODHS	93.994	123,916	Sickle Cell State Program	11000563
Other	DHHS	ODHS	93.994	1	Family Partners	11012527
Other	DHHS	ODHS	93.994	353,428	Oklahoma Infant Transition Program	12000472
Other	DHHS	ODHS	93.994	292,765	Sooner SUCCESS	13000583
Other	DHHS	ODHS	93.994	66,077	Acute Poisoning Management and Educational Activities	3409015843
Other	DHHS	OSDH	93.994	88,252	Pediatric Metabolic Genetic Services, Case Management	
<b>Total Other - DHHS Flow Through</b>				<b>9,029,230</b>		

DETAILED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Flow Thru Entity</u>	<u>CFDA</u>	<u>Expenditures</u>	<u>Title</u>	<u>OU Agency ID</u>
<b>Department of Education</b>						
Other	DOE	OSDED	84.027	561,557	Assistive Technology Program for Oklahoma Public Schools	
Other	DOE	OSDED	84.027	257,528	Oklahoma State Teacher Registry	
Other	DOE	OSDED	84.027	238,186	Project PEAK	
Other	DOE	OSDED	84.173	427,106	Early Foundations: Autism Model and Outreach Project	
Other	DOE	OSDED	84.181	86,486	Oklahoma Autism Network-Training	2010165
<b>Total Other - DOE Flow Through</b>				<b>1,570,863</b>		
<b>Total Other Expenditures - Flow Through</b>				<b>10,624,196</b>		
<b>Total Other Expenditures</b>				<b>12,992,266</b>		
<b>Student Financial Assistance Program - Direct</b>						
<b>Department of Education</b>						
FinAid	DOE		84.268	65,212,205	Federal Direct Student Loans	
<b>Student Financial Assistance Program - Direct</b>						
<b>Department of Health and Human Services</b>						
FinAid	DHHS		93.342	180,000	Health Professions Student Loan (HPSL) - Pharmacy	061400022-77
FinAid	DHHS		93.342	298,668	Health Professions Student Loan (HPSL) - Dentistry	2-7-46-0330-05-1
FinAid	DHHS		93.342	-	Health Professions Student Loan - Medicine	
FinAid	DHHS		93.342	323,071	Health Professions Undergraduate Nursing Student Loan	
<b>Total DHHS Student Financial Assistance</b>				<b>801,739</b>		
<b>Total Student Financial Assistance</b>				<b>66,013,944</b>		
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b>\$ 141,946,989</b>		

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

### THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

1. The purpose of the Schedule of Expenditures of Federal Awards (the "Schedule") is to present a summary of the activities of the University of Oklahoma Health Sciences Center (the "Center") which have been financed by the U.S. Government for the year ended June 30, 2013.

For purposes of the Schedule, federal awards have been classified into two types:

- Direct federal awards consisting of federal assistance and federal student financial aid, and
- Pass-through funds received from non-federal organizations made under federally sponsored programs conducted by those organizations.

Because the schedule presents only a selected portion of the activities of the Center, it is not intended to and does not present the financial position, changes in fund balances or the revenues, expenditures and other changes of the Center.

Complete Catalog of Federal Domestic Assistance ("CFDA") numbers are presented for those programs for which such numbers were available. CFDA prefixes and other identifying numbers are presented for programs for which a complete CFDA is not available.

The Center passes through certain Funds to subgrantee organizations. Expenditures incurred by the subgrantees and reimbursed by the Center are included in the Schedule.

The Center is also the subrecipient of Federal funds that are reported as expenditures and included in the Schedule. The Detailed Schedule of Federal Award Expenditures denotes funding sources for pass-through funds. Federal awards other than those indicated as pass-through are denoted as Federal direct funds.

2. For purposes of the Schedule, expenditures for Federal award programs are recognized on a cash basis of accounting. Expenditures are recognized when paid.
3. Federal awards provided through the Center to subrecipients are treated as expenditures when paid to the subrecipient. Of the Federal expenditures presented in the Schedule, the Center provided Federal awards to subrecipients as follows:

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Federal Sub Agency</u>	<u>Subrecipient</u>	<u>CFDA</u>	<u>Expenditure</u>
<b>Research and Development -ARRA</b>					
<b>Department of Health and Human Services</b>					
Rsrch	DHHS	NEI	UNIVERSITY OF CENTRAL FLORIDA	93.701	\$ 19,356
Rsrch	DHHS	NHLBI	RESEARCH FDTN OF STATE UNIV OF NEW YORK	93.701	3,446
Rsrch	DHHS	NHLBI	TULANE UNIVERSITY	93.701	41,825
Rsrch	DHHS	NICHD	UNIVERSITY OF OKLAHOMA	93.701	4,459
Rsrch	DHHS	AHRQ	BD OF REGENTS OF THE UNIV WISCONSIN SYS	93.710	85,574
Rsrch	DHHS	AHRQ	COMMUNITY PARTNERS FBO LA NET	93.710	7,749
Rsrch	DHHS	AHRQ	LA NET COMMUNITY HEALTH RESOURCE NETWORK	93.710	188,175
Rsrch	DHHS	AHRQ	UNIVERSITY OF MINNESOTA	93.710	200,849
Rsrch	DHHS	AHRQ	WESTAT INC	93.710	183,530
<b>Total Department of Health and Human Services - ARRA</b>					<b>734,963</b>
<b>Research and Development</b>					
<b>Department of Health and Human Services</b>					
Rsrch	DHHS	AHRQ	OKLAHOMA STATE UNIVERSITY	93.000	34,981
Rsrch	DHHS	NCI	INTEGRATED LABORATORY SYSTEMS INC	93.000	118,984
Rsrch	DHHS	MCHB	MEDICAL UNIVERSITY OF SOUTH CAROLINA	93.110	125,554
Rsrch	DHHS	MCHB	UNIV OF NORTH CAROLINA AT CHARLOTTE	93.110	42,242
Rsrch	DHHS	NIDCR	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.121	11,474
Rsrch	DHHS	NIDCR	UNIVERSITY OF NEBRASKA	93.121	14,743
Rsrch	DHHS	AHRQ	LA NET COMMUNITY HEALTH RESOURCE NETWORK	93.226	5,833
Rsrch	DHHS	AHRQ	WESTAT INC	93.226	22,347
Rsrch	DHHS	NIAAA	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	93.273	49,176
Rsrch	DHHS	NCMHD	CHOCTAW NATION OF OKLAHOMA	93.307	41,560
Rsrch	DHHS	NCMHD	OKLAHOMA STATE UNIVERSITY	93.307	7,949
Rsrch	DHHS	NIHOD	OKLAHOMA STATE UNIVERSITY	93.351	35,447
Rsrch	DHHS	NCI	UNIVERSITY OF WASHINGTON	93.389	30,832
Rsrch	DHHS	NCI	UT MD ANDERSON CANCER CENTER	93.389	109,076
Rsrch	DHHS	NCRR	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.389	8,635
Rsrch	DHHS	NCRR	OKLAHOMA STATE UNIVERSITY	93.389	3,013
Rsrch	DHHS	NCRR	OKLAHOMA STATE UNIVERSITY	93.389	166,779
Rsrch	DHHS	NCRR	UNIVERSITY OF MARYLAND COLLEGE PARK	93.389	7,325

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure
Rsrch	DHHS	GOG	BAYLOR RESEARCH INSTITUTE	93.395	10,718
Rsrch	DHHS	GOG	CANCER CARE ASSOCIATES	93.395	27,263
Rsrch	DHHS	GOG	CARILION CLINIC GYN ONCOLOGY	93.395	34,914
Rsrch	DHHS	GOG	FEINSTEIN INSTITUTE FOR MEDICAL RESEARCH	93.395	37,324
Rsrch	DHHS	GOG	TULANE UNIVERSITY	93.395	281
Rsrch	DHHS	GOG	UNIVERSITY OF ARKANSAS FOR MEDICAL SCI	93.395	11,828
Rsrch	DHHS	GOG	UNIVERSITY OF MIAMI	93.395	6,398
Rsrch	DHHS	GOG	WASHINGTON REGIONAL MEDICAL CENTER	93.395	225
Rsrch	DHHS	NCI	CEDAR SINAI MEDICAL CENTER	93.396	19,363
Rsrch	DHHS	OSDH	LATINO COMMUNITY DEVELOPMENT AGENCY	93.505	212,069
Rsrch	DHHS	OSDH	NORTH OKLAHOMA COUNTY MENTAL HEALTH CTR	93.505	27,982
Rsrch	DHHS	OSDH	LATINO COMMUNITY DEVELOPMENT AGENCY	93.505	154,232
Rsrch	DHHS	OSDH	NORTH OKLAHOMA COUNTY MENTAL HEALTH CTR	93.505	14,821
Rsrch	DHHS	NHLBI	MAYO CLINIC	93.837	24,381
Rsrch	DHHS	NHLBI	MAYO CLINIC ROCHESTER	93.837	93,743
Rsrch	DHHS	NHLBI	UNIVERSITY OF WASHINGTON	93.837	77,544
Rsrch	DHHS	NIAMS	MASSACHUSETTS GENERAL HOSPITAL	93.846	9,008
Rsrch	DHHS	NIDDK	MASSACHUSETTS GENERAL HOSPITAL	93.847	10,464
Rsrch	DHHS	NIDDK	UNIVERSITY OF PITTSBURGH	93.847	25,843
Rsrch	DHHS	NIDDK	CHOCTAW NATION OF OKLAHOMA	93.847	17,036
Rsrch	DHHS	NIDDK	UNIVERSITY OF PENNSYLVANIA	93.847	45,183
Rsrch	DHHS	NIDDK	TEXAS BIOMEDICAL RESEARCH INSTITUTE	93.847	23,861
Rsrch	DHHS	NINDS	VIRGINIA TECH	93.853	31,869
Rsrch	DHHS	NINDS	AFRICSANTE	93.853	230,000
Rsrch	DHHS	NINDS	INSTITUTE OF TROPICAL MEDICINE ANTWERP	93.853	41,888
Rsrch	DHHS	NIAID	BIOLYTX PHARMACEUTICALS CORP	93.855	4,790
Rsrch	DHHS	NIAID	TEXAS A & M RESEARCH FOUNDATION	93.855	106,516
Rsrch	DHHS	NIAID	BOSTON COLLEGE	93.855	49,255
Rsrch	DHHS	NIAID	RECEPTOR LOGIC INC	93.855	225,400
Rsrch	DHHS	NIAID	WASHINGTON UNIVERSITY	93.855	440,499
Rsrch	DHHS	NIAID	TEXAS TECH UNIVERSITY HLTH SCIENCES CTR	93.855	131,492
Rsrch	DHHS	NIAID	BAYLOR COLLEGE OF MEDICINE	93.855	3,166
Rsrch	DHHS	NIAID	CINCINNATI CHILDRENS HOSPITAL MED CTR	93.855	630



NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure
Rsrch	DHHS	NIAID	TEXAS AGRILIFE RESEARCH	93.855	25,266
Rsrch	DHHS	NIAID	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.855	2,211
Rsrch	DHHS	NIGMS	UNIVERSITY OF CENTRAL OKLAHOMA	93.859	82,134
Rsrch	DHHS	NIGMS	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.859	146,017
Rsrch	DHHS	NIGMS	CAMERON UNIVERSITY	93.859	29,810
Rsrch	DHHS	NIGMS	COMANCHE NATION	93.859	36,004
Rsrch	DHHS	NIGMS	LANGSTON UNIVERSITY	93.859	15,408
Rsrch	DHHS	NIGMS	NORTHEASTERN STATE UNIVERSITY	93.859	346,188
Rsrch	DHHS	NIGMS	OKLAHOMA CITY COMMUNITY COLLEGE	93.859	54,006
Rsrch	DHHS	NIGMS	REDLANDS COMMUNITY COLLEGE	93.859	25,389
Rsrch	DHHS	NIGMS	SOUTHEASTERN OKLAHOMA STATE UNIVERSITY	93.859	24,575
Rsrch	DHHS	NIGMS	SOUTHWESTERN OKLAHOMA STATE UNIVERSITY	93.859	234,789
Rsrch	DHHS	NIGMS	TULSA COMMUNITY COLLEGE	93.859	51,822
Rsrch	DHHS	NIGMS	UNIVERSITY OF CENTRAL OKLAHOMA	93.859	187,659
Rsrch	DHHS	NIGMS	UNIVERSITY OF TULSA	93.859	500
Rsrch	DHHS	NCRR	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.859	22,358
Rsrch	DHHS	NCRR	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.859	122,778
Rsrch	DHHS	NIGMS	UNIVERSITY OF COLORADO DENVER	93.859	4,321
Rsrch	DHHS	NIGMS	LOUISIANA STATE UNIVERSITY	93.859	64,277
Rsrch	DHHS	NICHD	UNIVERSITY OF OKLAHOMA	93.865	6,951
Rsrch	DHHS	NICHD	VIRGINIA COMMONWEALTH UNIVERSITY	93.865	19,423
Rsrch	DHHS	NIA	PENNSYLVANIA STATE UNIVERSITY	93.866	8,319
Rsrch	DHHS	NIA	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	93.866	52,969
Rsrch	DHHS	NEI	MASSACHUSETTS EYE AND EAR INFIRMARY	93.867	2,857
Rsrch	DHHS	NEI	RESEARCH FDTN OF STATE UNIV OF NEW YORK	93.867	54,330
Rsrch	DHHS	NEI	SCHEPENS EYE RESEARCH INST	93.867	8,674
Rsrch	DHHS	NEI	UNIVERSITY OF CENTRAL FLORIDA	93.867	7,457
Rsrch	DHHS	NEI	VIRGINIA TECH	93.867	41,222
Rsrch	DHHS	NEI	COPERNICUS THERAPEUTICS INC	93.867	98,163
Rsrch	DHHS	CHILDPHIL	INOVEON CORPORATION	93.867	12,292
Rsrch	DHHS	CHILDPHIL	INOVEON CORPORATION	93.867	93,244
Rsrch	DHHS	FIC	FUNDACAO EDUC CIENCIA E DESENVOLVIMENTO	93.989	29,000
<b>Total Department of Health and Human Services</b>					<b>4,896,349</b>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

<u>Program</u>	<u>Federal Agency</u>	<u>Federal Sub Agency</u>	<u>Subrecipient</u>	<u>CFDA</u>	<u>Expenditure</u>
<b>Research and Development</b>					
<b>Department of Education</b>					
Rsrch	DOE	EDUCATION	UNIVERSITY OF WASHINGTON	84.324	69,037
Rsrch	DOE	EDUCATION	UNIVERSITY OF WASHINGTON	84.324	311,072
Rsrch	DOE	EDUCATION	UNIVERSITY OF WASHINGTON	84.324	115,630
				<b>Total Department of Education</b>	<b>495,739</b>
<b>Research and Development</b>					
<b>Other</b>					
Rsrch	USHOMELND	UMARYLAND	MIPT	97.061	21,998
				<b>Total Research and Development</b>	<b>6,149,049</b>
<b>Training</b>					
<b>Department of Health and Human Services - ARRA</b>					
Trng	DHHS	BHP	OKLAHOMA STATE UNIVERSITY	93.403	33,409
<b>Training</b>					
<b>Department of Health and Human Services</b>					
Trng	DHHS	MCHB	UNIVERSITY OF OKLAHOMA	93.110	2,043
Trng	DHHS	MCHB	ARKANSAS CHILDRENS HOSPITAL RES INST	93.110	7,382
Trng	DHHS	MCHB	DEPARTMENT OF HEALTH AND ENVIRONMENT	93.110	26,000
Trng	DHHS	MCHB	IOWA DEPARTMENT OF PUBLIC HEALTH	93.110	5,651
Trng	DHHS	MCHB	KUMC RESEARCH INSTITUTE INC	93.110	34,507
Trng	DHHS	MCHB	MISSOURI DEPT OF HEALTH & SENIOR SVC	93.110	5,917
Trng	DHHS	MCHB	OKLAHOMA FAMILY NETWORK INC	93.110	4,000
Trng	DHHS	MCHB	UNIVERSITY OF CALIFORNIA AT LOS ANGELES	93.110	16,287
Trng	DHHS	MCHB	UNIVERSITY OF IOWA	93.110	9,396
Trng	DHHS	MCHB	UNIVERSITY OF KANSAS CENTER FOR RES INC	93.110	8,214
Trng	DHHS	MCHB	UNIVERSITY OF NEBRASKA	93.110	8,809
Trng	DHHS	BHP	UNIVERSITY OF COLORADO DENVER	93.247	7,176
Trng	DHHS	BHP	UNIVERSITY OF MINNESOTA	93.247	1,543
Trng	DHHS	BHP	ASSOCIATION OF AMERICAN INDIAN PHYSICIAN	93.516	16,200
Trng	DHHS	BHP	COMANCHE COUNTY HEALTH DEPARTMENT	93.516	27,810
Trng	DHHS	BHP	MENTAL HEALTH AND SUBSTANCE ABUSE SERV	93.516	10,000

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure
Trng	DHHS	BHP	OCA INTER-TRIBAL HEALTH BOARD	93.516	46,421
Trng	DHHS	BHP	OKLAHOMA CITY-COUNTY HEALTH DEPT	93.516	42,018
Trng	DHHS	BHP	OKLAHOMA STATE DEPARTMENT OF HEALTH	93.516	52,076
Trng	DHHS	BHP	SCHOOLS FOR HEALTHY LIFESTYLES	93.516	10,385
Trng	DHHS	BHP	TULSA COUNTY	93.516	18,805
Trng	DHHS	BHP	ASSOCIATION OF AMERICAN INDIAN PHYSICIAN	93.516	7,500
Trng	DHHS	BHP	OCA INTER-TRIBAL HEALTH BOARD	93.516	8,588
Trng	DHHS	BHP	OKLAHOMA CITY-COUNTY HEALTH DEPT	93.516	22,022
Trng	DHHS	BHP	TULSA COUNTY	93.516	40,182
Trng	DHHS	ADD	CAMERON UNIVERSITY	93.632	20,600
Trng	DHHS	ADD	EAST CENTRAL UNIVERSITY	93.632	10,600
Trng	DHHS	ADD	UNIVERSITY OF TULSA	93.632	10,600
Trng	DHHS	BHP	LANGSTON UNIVERSITY	93.969	5,271
Trng	DHHS	BHP	OKLAHOMA STATE UNIVERSITY	93.969	14,686
Trng	DHHS	BHP	OSU-CENTER FOR HEALTH SCIENCES	93.969	15,467
Trng	DHHS	BHP	UNIVERSITY OF CENTRAL OKLAHOMA	93.969	9,043
Trng	DHHS	BHP	CAMERON UNIVERSITY	93.969	29,401
Trng	DHHS	BHP	OKLAHOMA STATE UNIVERSITY	93.969	21,245
Trng	DHHS	BHP	RURAL HEALTH PROJECTS INC	93.969	5,679
Trng	DHHS	BHP	TULSA COMMUNITY COLLEGE	93.969	7,093
<b>Total Department of Health and Human Services</b>					<b>588,617</b>
<b>Total Training</b>					<b>622,026</b>
<b>Other</b>					
<b>Department of Health and Human Services</b>					
Other	DHHS	HIVAIDS BUR	LATINO COMMUNITY DEVELOPMENT AGENCY	93.153	11,427
Other	DHHS	SAMHSA	UNIVERSITY OF KANSAS CENTER FOR RES INC	93.243	19,448
Other	DHHS	SAMHSA	UNIVERSITY OF MISSOURI	93.243	2,584
Other	DHHS	SAMHSA	UNIVERSITY OF MISSOURI COLUMBIA	93.243	16,423
Other	DHHS	SAMHSA	UNIVERSITY OF TULSA	93.243	40,735
<b>Total Department of Health and Human Services - Other</b>					<b>90,617</b>
<b>Total Amounts Provided to Subrecipients</b>					<b>\$ 6,861,692</b>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

4. The accompanying Detailed Schedule of Expenditures of Federal Awards for the Center is an integral part of the Schedule of Expenditures of Federal Awards.
5. The University of Oklahoma Norman Campus administers the Pell, Supplemental Education Opportunity Grants and College Work Study student award programs for students attending the Norman and Health Sciences Center Campuses. Grant revenues and expenditures under such programs for students attending these campuses are included in the financial statements of the Norman Campus. Therefore, the Norman Campus Schedule of Expenditures of Federal Awards includes expenditures under such programs for students attending both campuses.
6. Under the Federal Direct Student Loan Program ("Direct Loan Program"), the U.S. Department of Education makes loans to enable a student or parent to pay the costs of the student's attendance at a postsecondary school. The Direct Loan Program enables an eligible student or parent to obtain a loan to pay for the student's cost of attendance directly from the U.S. Department of Education rather than through private lenders. The Center began participation in the Direct Loan Program on July 1, 2010. The Center administers the origination and disbursement of the loans to eligible students or parents. The Center is not responsible for the collection of these loans. Outstanding loans at June 30, 2013 under the Health Professions Student Loan Program (HPSL, PCL, LDS) and the Nursing Student Loan Program are \$5,059,890 and \$1,320,783, respectively.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

**Section I--Summary of Auditors' Results**

*Financial statements*

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

Type of auditors' report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?  yes  no

Identification of major programs:

Student Financial Aid Cluster	*
Research and Development Cluster	*
Oklahoma Child Welfare Comprehensive Training Program	93.658

\* See Detailed Schedule of Expenditures of Federal Awards for identification of CFDA numbers applicable to the major programs.

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee?  yes  no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

**Section II--Findings Required to be Reported in Accordance with *Government Auditing Standards*:**

None to report for the June 30, 2013 period.

**Section III--Finding Required to be Reported in Accordance with OMB Circular A-133:**

None to report for the June 30, 2013 period.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

Year Ended June 30, 2013

No matters were reportable.

# APPENDIX A



## SCHEDULE OF AGENCY ACRONYMS

### THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

SPONSOR	DESCRIPTION
AAMC	Assoc. American Medical Colleges
ACRADIOLOG	American College of Radiology
ALBERTEHN	Albert Einstein Healthcare Network
ARKCHRINST	Arkansas Children's Hospital Research Institute
ARIZSTUNIV	Arizona State University
AUCD	Assn University Centers on Disabilities
BAYLOR	Baylor University Medical Center
BAYLORHCS	Baylor Health Care system
CAISSONBIO	Caisson Biotech, LLC
CALGBFND	Cancer and Leukemia Group B Foundation
CHEROKEEOK	Cherokee Nation of Oklahoma
CHILDMERCH	Children's Mercy Hospital - Kansas City
CHILDHPHIL	Children's Hospital of Philadelphia
CHRMC	Seattle Children's Hospital
COLUMBIAUN	Columbia University
DORMATARG	Dormatarg, Inc.
DNORTONLCC	Dee Norton Lowcounty Children's Center
DUKECLINIC	Duke Clinical Research Institute
EASTCENTRU	East Central University
GEORGEWASH	George Washington University
GOG	Gynecologic Oncology Group
HAM-TMC	Houston Academy of Med-Texas Med Ct
HARVARDUNI	Harvard University
INDIANAUN	Indiana University
JAEBCENTER	Jaeb Center for Health Research
JHU	John Hopkins University
KIOWATRIBE	Kiowa Tribe of Oklahoma
LAURBRAIN	Laureate Institute for Brain Research
LOMALINDAU	Loma Linda University
MASSGEN	Massachusetts General Hospital
MEDUNIOHIO	Medical University of Ohio
MTSINAI	Mt Siani School of Medicine
NERI	New England Research Institute
NICOA	National Indian Council on Aging, Inc.
NMDP	National Marrow Donor Program
NORTHCARE	NorthCare
NORTHWEST	Northwestern University
NSABP	National Surg Adj Breast & Bowel Proj Found

SCHEDULE OF AGENCY ACRONYMS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

SPONSOR	DESCRIPTION
ODDC	Oklahoma Developmental Disabilities Cncl
ODHS	Oklahoma Department of Human Services
ODMH	Oklahoma Department of Mental Health
OFMQ	Oklahoma Foundation for Medical Quality
OHCA	Oklahoma Health Care Authority
OHIET	Oklahoma Health Information Exchange Trust
OHIOSTATE	Ohio State University
OHSU	Oregon Health Science University
OICA	Oklahoma Institute for Child Advocacy
OMRF	Oklahoma Medical Research Foundation
OSDED	Oklahoma State Department of Education
OSDH	Oklahoma State Department of Health
OSU	Oklahoma State University
OUNORMAN	University of Oklahoma
PARKLANDHL	Parkland Health and Hospital System
PHOENICIA	Phoenicia Biosciences, Inc
PRECISTHER	Precision Therapeutics, Inc.
RENSSELAER	Rensselaer Polytechnic Institute
RESTRINST	Research Triangle Institute
RTOG	Radiation Therapy Oncology Group
RUTGERS	Rutgers University
SAICF	SAIC-Frederick, Inc.
STLOUISUNI	Saint Louis University
SUNY	State University of New York
SWOG	Southwest Oncology Group
TEXTECHHSC	Texas Tech Univ Health Sciences Center
UALABAMABI	University of Alabama Birmingham
UARKANSAMS	University of Arkansas for Medical Sciences
UCFLORIDA	University of Central Florida
UCOLORADO	University of Colorado
UCSD	University of California - San Diego
UCSF	University of California - San Francisco
UIC	University of Illinois - Chicago
UKY	University of Kentucky
UMARYLAND	University of Maryland
UMICHIGAN	University of Michigan
UNEBLINC	University of Nebraska - Lincoln
UNIVKANMED	University of Kansas Medical Center

SCHEDULE OF AGENCY ACRONYMS--Continued

THE UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER

<u>SPONSOR</u>	<u>DESCRIPTION</u>
UNIVMIAMI	University of Miami
UNIVMISSOU	University of Missouri
UNVWISCMAD	University of Wisconsin - Madison
UPITTSBURG	University of Pittsburgh
USFLORIDA	University of South Florida
UTEXASHSC	University of Texas Health Sciences Center
UWASHINGTON	University of Washington
WAKEFOREST	Wake Forest University
WASHINGTON	Washington University in St. Louis
WVIRGINIAU	West Virginia University
YALEUNIV	Yale University