



The UNIVERSITY of OKLAHOMA
HEALTH SCIENCES CENTER



Audited Financial Report and Reports Required by OMB Circular A-133
As of and for the Year Ended June 30, 2015

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Independent Auditor's 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 Sciences Center (the Center), a component unit of the State of Oklahoma, which comprise the statement of net position as of June 30, 2015, 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.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 auditor considers 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 Sciences Center as of June 30, 2015 and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1, the financial statements of the Center reporting entity are intended to present the financial position, changes in financial position, and cash flows of only the activities of the Center. They do not purport to, and do not, present fairly the financial position of the Board of Regents of the University of Oklahoma as of June 30, 2015, the changes in its financial position or its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1 of the financial statements, in 2015 the Center adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition of Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. The Center recorded the cumulative effect of adopting GASB Statements No. 68 and 71 as an adjustment of net position as of July 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

The financial statements of the Center, as of and for the year ended June 30, 2014, were audited by other auditors whose report dated October 7, 2014, expressed an unmodified opinion on those statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (unaudited) and the required supplementary information (unaudited) (schedule of funding progress and notes to required supplementary information, schedule of the Center's proportionate share of the net pension liability, and schedule of the Center's contributions) 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 Supplementary Information

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, 2015, and have issued our report thereon dated October 20, 2015, which contained an unmodified opinion on those financial statements. Our report includes emphasis of matter paragraphs describing the adoption of new accounting standards in fiscal year ended June 30, 2015 and the acknowledgement that the Center is a part of the Board of Regents and these financial statements reflect only the assets, liabilities and revenues and expenses of the Center and not the Board of Regents as a whole. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2015, 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. The report for the year ended June 30, 2014 was audited by other auditors and was dated October 7, 2014.

McGladrey LLP

Oklahoma City, Oklahoma
October 20, 2015

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

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 ended June 30, 2015 and 2014. Management has prepared the financial statements and the related footnote disclosures along with this discussion and analysis.

Financial Highlights

2015

The Center's financial position, as a whole, improved during the fiscal year ended June 30, 2015. Net position increased approximately \$51 million or 5.1 percent over the previous year (before cumulative effect of change in accounting principle). After the cumulative effect of change in accounting principle, net position reflected a \$190.5 million decrease. As a result, the adjusted change in net position reflected an increase in net investment in capital assets of \$9.1 million, a decrease in unrestricted net position of \$207.2 million, and an increase in restricted net position of \$7.6 million.

2014

The Center's financial position, as a whole, improved during the fiscal year ended June 30, 2014. Net position increased approximately \$71.6 million or 7.7 percent over the previous year. The change resulted from increases in net investment in capital assets of \$19.8 million, unrestricted net position of \$39 million, and restricted net position of \$12.8 million.

The following graph illustrates the comparative change in net position by category for the years 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.

The Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position

The Statements of Net Position and the Statements 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 are indicators 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 University of Oklahoma Health Sciences Center

**Management's Discussion and Analysis (Unaudited)
June 30, 2015 and 2014**

Overview of the Financial Statements and Financial Analysis (Continued)

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 years ended June 30:

Condensed Statements of Net Position, June 30 (In Millions)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assets			
Current assets	\$ 747.8	\$ 743.6	\$ 694.4
Capital assets, net	588.9	587.3	510.6
Other noncurrent assets	100.6	49.2	49.2
Total assets	<u>\$ 1,437.3</u>	<u>\$ 1,380.1</u>	<u>\$ 1,254.2</u>
Deferred Outflows of Resources	<u>\$ 17.4</u>	<u>\$ 0.6</u>	<u>\$ 0.8</u>
Liabilities			
Current liabilities	\$ 127.3	\$ 106.3	\$ 112.2
Noncurrent liabilities	465.9	271.5	212.3
Total liabilities	<u>\$ 593.2</u>	<u>\$ 377.8</u>	<u>\$ 324.5</u>
Deferred inflows of Resources	<u>\$ 49.9</u>	<u>\$ 0.8</u>	<u>\$ -</u>
Net Position			
Net investment in capital assets	\$ 409.0	\$ 399.9	\$ 380.1
Restricted	202.5	194.9	182.0
Unrestricted	200.1	407.3	368.4
Total net position	<u>\$ 811.6</u>	<u>\$ 1,002.1</u>	<u>\$ 930.5</u>
Increase (decrease) in net position	<u>\$ (190.5)</u>	<u>\$ 71.6</u>	

Condensed Statements of Revenues, Expenses, and Changes in Net Position, June 30 (in Millions)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating revenues	\$ 847.1	\$ 809.2	\$ 712.6
Operating expenses	946.0	890.0	831.2
Operating loss	(98.9)	(80.8)	(118.6)
Net nonoperating revenues	136.9	137.4	169.8
Other revenues, expenses and gains or losses	13.0	15.0	12.3
Net change in net position	51.0	71.6	63.5
Net Position at beginning of year	1,002.1	930.5	867.0
Restatement—Implementation of GASB 68 and 71	(241.5)	-	-
Net Position at end of year	<u>\$ 811.6</u>	<u>\$ 1,002.1</u>	<u>\$ 930.5</u>

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Overview of the Financial Statements and Financial Analysis (Continued)

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

Operating Revenues (in Millions)

	2015	2014	2013
Operating Revenues:			
Tuition and fees	\$ 59.2	\$ 57.7	\$ 57.2
Patient care	380.6	372.7	335.4
Grants and contracts	292.9	299.8	255.1
Sales and services of educational activities	1.6	1.3	1.6
Auxiliary enterprises	29.8	27.5	20.6
Other	83.0	50.2	42.7
Total operating revenues	<u>\$ 847.1</u>	<u>\$ 809.2</u>	<u>\$ 712.6</u>

Changes in operating revenues included the following:

2015

Student tuition and fees revenue increased 2.6 percent or \$1.5 million in fiscal year 2015.

Patient care increased moderately over the past year with additional revenues of \$7.9 million. This was due to increased patient volume, procedures performed and higher gross charges within the OU Physicians clinical practice.

Federal grants and contracts decreased during the year by \$3.5 million. This was primarily in awards funded by the National Institutes of Health.

State grants and contracts decreased during 2015 by \$4.7 million. This was due to the loss of Urology support from the University Hospital Trust, and the cessation of grants at the College of Medicine-Tulsa.

Sales and services of auxiliary enterprises had an increase in revenues during 2015 of \$2.3 million, resulting from increased lease revenues at the University Research Park.

Other revenues increased \$32.8 million during the year. This was primarily due to increased pharmaceutical sales during the year.

2014

Student tuition and fees revenue increased .9 percent or \$.5 million in fiscal year 2014.

Patient care increased significantly over the past year with additional revenues of \$37.3 million. This was due to increased patient volume, procedures performed and higher gross charges within the OU Physicians clinical practice.

Federal grants and contracts increased during the year by \$4.2 million. This was primarily in awards funded by the National Institutes of Health.

State grants and contracts increased during 2014 with additional revenues of \$1.6 million, or 1.9 percent. This was primarily due to increased Graduate Medical Education (GME) funding for the College of Medicine-Tulsa.

Private grants and contracts increased significantly over the past year with increased revenues of \$38.9 million. The increase was primarily the result of the Center entering into a contract with the OU Medical Center for mission support.

Sales and services of auxiliary enterprises had an increase in revenues during 2014 of \$6.9 million resulting from lease revenues at the newly purchased University Research Park in 2014.

Other revenues increased \$7.5 million during the year. This was primarily due to increased pharmaceutical sales during the year.

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Overview of the Financial Statements and Financial Analysis (Continued)

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

Operating Expenses (in Millions)

	2015	2014	2013
Operating Expenses:			
Compensation and benefits	\$ 634.6	\$ 610.9	\$ 582.0
Contractual services	74.0	66.6	62.5
Supplies and materials	122.9	98.6	82.7
Depreciation	27.6	26.7	24.3
Utilities	13.8	13.6	12.5
Communications	7.3	6.8	6.6
Scholarships	2.2	2.3	2.2
Other	63.7	64.5	58.3
Total operating expenses	<u>\$ 946.1</u>	<u>\$ 890.0</u>	<u>\$ 831.1</u>

Changes in operating expenses were the result of the following:

2015

Compensation and benefits expense increased 3.9 percent or \$23.7 million during fiscal year 2015. 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 \$7.4 million during the past year. This was due to the timing of library online services, and an increase in data processing type payments during the year.

Supplies and materials expense showed a significant increase for the year of 24.6 percent, or \$24.3 million. This was due to the increased cost of pharmaceutical drugs used in patient care, particularly cancer fighting drugs.

Depreciation expense increased 3.3 percent or \$.9 million for the year. The increase was due to an overall increase in the capital asset base.

2014

Compensation and benefits expense increased 5 percent or \$28.9 million during fiscal year 2014. 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 \$4.1 million during the past year. This was due to an increase in subrecipient payments made on grant awards and increased contractual activity occurring in auxiliary and service unit operations.

Supplies and materials expense showed a significant increase for the year of 19.2 percent, or \$15.9 million. This was due to increased purchases of pharmaceutical drugs for patient care.

Depreciation expense increased 10 percent or \$2.4 million for the year. The increase was due to an overall increase in the capital asset base.

Utilities expense showed an increase of 8.8 percent or \$1.1 million. This was primarily due to expanded services provided to the newly acquired University Research Park.

Other expenses increased by 10.6 percent or \$6.2 million during the year. The increase was due to settlement payments made during the year, offset by a decrease in malpractice insurance premiums.

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Overview of the Financial Statements and Financial Analysis (Continued)

The following summarizes the Center's non-operating revenues and expenses for the years ended June 30:

Nonoperating Revenues and Expenses (in Millions)

	2015	2014	2013
Nonoperating Revenue:			
State appropriations	\$ 97.9	\$ 97.9	\$ 96.8
FICA refund	-	-	34.9
On-behalf payments	13.4	12.9	13.0
Private gifts	11.4	12.1	10.2
Interest on indebtedness	(9.0)	(8.4)	(6.6)
Investment income	10.0	11.1	11.2
Endowment income	13.2	11.8	10.3
Net nonoperating revenue	<u>\$ 136.9</u>	<u>\$ 137.4</u>	<u>\$ 169.8</u>

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

2015

State appropriations were flat during 2015, resulting in the same amount of revenue as 2014.

On-behalf payments increased \$.5 million for the year, resulting from both an increase in the OCIA debt payments and the OTRS on-behalf payments.

Private gifts experienced a decrease of 5.7 percent or \$.7 million for the year.

Interest on indebtedness increased 7 percent or \$.6 million in fiscal year 2015. The increase was primarily the result of interest incurred related to the Series 2013 General Revenue Bonds issued in September 2013.

Investment income showed a slight decrease of \$1.1 million during fiscal year 2015.

Endowment income had a significant percentage increase of 11.9 percent or \$1.4 million for the year. The increase was the result of higher endowment activity due to recently filled endowed chair positions.

2014

State appropriations showed an increase of 1.1 percent or \$1.1 million in fiscal year 2014.

On-behalf payments decreased \$0.1 million for the year.

Private gifts experienced a significant percentage increase of 18.6 percent or \$1.9 million for the year. The increase was due to gifts received by the College of Nursing, College of Medicine-Tulsa, and the Department of Pediatrics.

Interest on indebtedness increased 27.3 percent or \$1.8 million in fiscal year 2014. The increase was primarily the result of interest incurred related to the Series 2013 General Revenue Bonds issued in September 2013.

Investment income showed a small decrease of \$0.1 million during fiscal year 2014.

Endowment income had a significant percentage increase of 14.6 percent or \$1.5 million for the year. The increase was the result of higher endowment activity due to recently filled endowed chair positions.

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Overview of the Financial Statements and Financial Analysis (Continued)

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 years ended June 30:

Condensed Statements of Cash Flows for the Year (in Millions)

	2015	2014	2013
Cash provided (used) by:			
Operating activities	\$ (34.5)	\$ (44.5)	\$ (67.8)
Noncapital financing activities	121.1	98.4	174.2
Capital and related financing activities	(32.8)	(46.6)	(24.9)
Investing activities	(41.9)	8.9	9.8
Net increase in cash	11.9	16.2	91.3
Cash, beginning of the year	595.0	578.8	487.5
Cash, end of year	<u>\$ 606.9</u>	<u>\$ 595.0</u>	<u>\$ 578.8</u>

2015

The Center's overall liquidity improved during the year, with a net increase to cash of \$11.9 million. Cash used in operating activities totaled \$34.5 million, a decrease of approximately \$10 million over the prior year. The use of cash was due to overall revenues not being sufficient to offset increased compensation, benefits, contractual services and other operating costs. Significant cash flow increases were related to changes in private grants and contracts (\$24.4 million), patient revenues (\$25.1 million), other additions (\$31.6 million), sales and services of auxiliary enterprises (\$3.2 million), and to a much smaller degree in tuition and fees (\$1.3 million). There was a significant decrease in cash flows in state grants and contracts (\$5.7 million) and a moderate decrease in federal grants and contracts (\$1.1 million).

Overall, cash provided by noncapital and related activities was \$121.1 million, a net increase of approximately \$22.7 million over the prior year. This increase in cash flows was primarily due to lower Medical Resident FICA refund payments (\$22.4 million). In addition, there was a modest increase in endowment income (\$1.6 million), offset by a similar decrease in private gifts (\$1.5 million).

Cash flows used in connection with capital and related financing activities totaled \$32.8 million, a decrease of \$13.9 million compared to the prior year. This was a result of a decrease in proceeds from bonds payable (\$62.2 million), offset by a decrease in cash used for the purchase of capital assets (\$83.7 million). In addition, cash provided by state grants and contracts for capital projects decreased by (\$4 million) and was partially offset by an increase in cash used for principal and interest payments (\$3.6 million).

Cash flows used in investing activities totaled \$41.9 million, an increase of \$50.8 million from the prior year. The use of cash primarily resulted from the purchase of investments (\$51.1 million) during FY15, and was slightly offset by the receipt of investment income (\$.3 million).

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Overview of the Financial Statements and Financial Analysis (Continued)

2014

The Center's overall liquidity improved during the year, with a net increase to cash of \$16.2 million. Cash used in operating activities decreased approximately \$23.3 million over the prior year. This was due to overall revenues not being sufficient to offset increased compensation, benefits, contractual services and other operating costs. Significant cash flow increases incurred related to changes in private grants and contracts (\$32.9 million), patient revenues (\$23 million), other additions (\$7.5 million), federal grants and contracts (\$6.3 million), sales and services of auxiliary enterprises (\$6.1 million), and to a much smaller degree in tuition and fees (\$.7 million) and steam and chilled water plan revenues (\$0.1 million). There was a significant decrease in cash flows in state grants and contracts (\$10.8 million) and minor decreases in sales and services of educational activities and interest on loans receivable. There was a significant increase in private gifts (\$3.4 million) for the year and a modest increase in endowment income (\$0.1 million). State appropriations increased (\$1.1 million).

Overall there was a net decrease of approximately \$75.8 million in cash flows provided by non-capital and related financing activities primarily due to lower Medical Resident FICA refunds and applicable interest and payments of FICA refunds (\$80.1 million).

Cash flows used in connection with capital and related financing activities increased by \$21.8 million. This was a result of increases in proceeds from bonds payable (\$62.2 million), state grants and contracts for capital projects (\$3.9 million) and proceeds from the sale of capital assets (\$1 million), partially offset by decreases in state appropriations for capital projects (\$.8 million), private gifts for capital projects (\$0.5 million) and state school land funds (\$0.3 million). Increases in purchases of capital assets (\$86.6 million) and principal and interest paid on capital debt and lease (\$0.1 million) had a negative impact on cash flows associated with capital and related financing activities.

A decrease in cash flows 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 \$0.9 million.

Capital Asset and Debt Administration

The following summarizes the Center's Capital Assets at June 30:

Capital Assets, Net, at Year-End (in Millions)

	2015	2014	2013
Art	\$ 0.7	\$ 0.7	\$ 0.7
Land and infrastructure	39.7	40.5	29.8
Buildings	501.2	500.3	433.6
Furniture, fixtures, and equipment	44.7	42.3	41.9
Library materials	2.6	3.5	4.6
Totals	<u>\$ 588.9</u>	<u>\$ 587.3</u>	<u>\$ 510.6</u>

2015

At June 30, 2015, the Center had approximately \$588.9 million invested in capital assets, net of accumulated depreciation of \$298.6 million. Depreciation charges for the current year totaled \$27.6 million compared to \$26.7 million in the prior year.

2014

At June 30, 2014, the Center had approximately \$587.3 million invested in capital assets, net of accumulated depreciation of \$275.3 million. Depreciation charges for the current year totaled \$26.7 million compared to \$24.3 million in the prior year.

The University of Oklahoma Health Sciences Center

Management's Discussion and Analysis (Unaudited) June 30, 2015 and 2014

Debt

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

Outstanding Debt, at Year-End (in Millions)

	2015	2014	2013
General revenue bonds	\$ 148.1	\$ 152.6	\$ 93.6
Auxiliary facility revenue bonds	4.0	4.7	5.3
Lease obligations	27.1	29.2	31.2
Notes payable	0.2	0.7	1.2
Totals	<u>\$ 179.4</u>	<u>\$ 187.2</u>	<u>\$ 131.3</u>

2015

At fiscal year-end 2015, the Center had approximately \$179.4 million in outstanding debt, a decrease of approximately \$7.8 million over the prior year.

The Center entered into a five 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 Bond Series 2014C. The Center financed \$.4 million to purchase a Practice Management System. Debt repayments of \$8.2 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.

2014

At fiscal year-end 2014, the Center had approximately \$187 million in outstanding debt, an increase of approximately \$56 million over the prior year.

The Center entered into one new long term general obligation bond financing arrangement during the current year totaling \$62.4 million. This provided funds to acquire real property which included the Presbyterian Health Foundation Research Park. Debt repayments of \$5 million were made during the year. In addition, the Center's 2005F lease agreement with the Oklahoma Capital Improvement Authority (OCIA) was restructured through a partial refunding of OCIA's 2005F bond debt. The lease restructuring reduced future principal payments, resulting in recording a deferred inflow of resources of \$0.8 million. 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 related to its role as the state's primary resource for the training of healthcare professionals. Future success is highly 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. While support remains strong, a shortfall in the State's general revenue resulted in a 3.5 percent decrease in appropriations for fiscal year 2016.

Despite the downturn in the State's economy, the Center's overall financial position enables it to provide consistent levels of service to students, patients, researchers, and citizens state-wide. Increases in tuition and mandatory fees are expected to produce an additional 6.8 percent in the current year. Another important factor impacting the Center's economic outlook is the operation of its professional practice plans. The professional practice plans continue to contribute significantly to the Center's financial performance and are expected to remain stable.

The University of Oklahoma Health Sciences Center

Statements of Net Position
June 30, 2015 and 2014
(In Thousands)

Assets	2015	2014
Current Assets		
Cash and cash equivalents	\$ 578,645	\$ 564,144
Restricted cash and cash equivalents	28,239	30,806
Accounts receivable, net of allowances	135,348	143,112
Inventories and supplies	1,785	1,723
Loans to students, net of allowance for uncollectible loans	1,135	1,131
Deposits and prepaid expenses	2,690	2,691
Total current assets	747,842	743,607
Noncurrent Assets		
Endowment investments	41,135	40,588
Other long-term investments	51,968	724
Investments in real estate	175	175
Loans to students, net	5,269	5,648
Deposits and prepaid expenses	2,034	2,032
Capital assets, net	588,894	587,331
Total noncurrent assets	689,475	636,498
Total assets	\$ 1,437,317	\$ 1,380,105
Deferred Outflows of Resources		
Deferred outflow—Pensions	\$ 17,148	\$ -
Deferred charge on OCIA lease restructure	279	558
Total deferred outflows of resources	\$ 17,427	\$ 558

(Continued)

The University of Oklahoma Health Sciences Center

Statements of Net Position (Continued)
 June 30, 2015 and 2014
 (In Thousands)

Liabilities	2015	2014
Current Liabilities		
Accounts payable and accrued expenses	\$ 71,661	\$ 53,024
Unearned revenue	9,111	8,037
Accrued interest payable	3,786	3,866
Deposits held in custody for others	6,520	4,659
Long-term liabilities, current portion:		
Accrued compensated absences	24,133	24,898
Post employment benefits obligation	3,959	3,598
Capital lease payable	2,566	2,442
Notes payable	240	466
Revenue bonds payable	5,420	5,256
Total current liabilities	127,396	106,246
Noncurrent Liabilities		
Accrued compensated absences	6,807	8,299
Net pension liability	197,023	-
Post employment benefits obligation	83,697	77,094
Federal loan program contributions refundable	7,147	7,060
Capital lease payable	24,567	26,770
Notes payable	-	240
Revenue bonds payable	146,623	152,043
Total noncurrent liabilities	465,864	271,506
Total liabilities	\$ 593,260	\$ 377,752
Deferred Inflows of Resources		
Deferred inflows—pensions	\$ 49,155	\$ -
Deferred credit on OCIA lease restructure	723	771
Total deferred inflows of resources	\$ 49,878	\$ 771
Net Position		
Net investment in capital assets	\$ 409,034	\$ 399,901
Restricted for:		
Nonexpendable	28,592	28,592
Expendable:		
Education and general	147,182	138,816
Capital projects	16,943	17,808
Debt service	9,756	9,674
Unrestricted	200,099	407,349
Total net position	\$ 811,606	\$ 1,002,140

See Notes to Financial Statements.

The University of Oklahoma Health Sciences Center

Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2015 and 2014
(In Thousands)

	2015	2014
Operating Revenues:		
Student tuition and fees (net of scholarship allowances of \$3,834 and \$3,685 for 2015 and 2014, respectively)	\$ 59,165	\$ 57,648
Patient care (net of provisions for contractual, bad debt and other adjustments of \$453,385 and \$391,308 for 2015 and 2014, respectively)	380,646	372,711
Federal grants and contracts	77,137	80,684
State grants and contracts	83,836	88,540
Private grants and contracts	131,937	130,639
Sales and services of educational activities	1,556	1,285
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)	6,375	6,341
Other	23,447	21,120
Other revenues (including \$188 and \$200 from interest on student loans for 2015 and 2014, respectively)	83,021	50,195
Total operating revenue	847,120	809,163
Operating Expenses:		
Compensation and benefits	634,582	610,917
Contractual services	73,966	66,536
Supplies and materials	122,889	98,581
Depreciation	27,580	26,721
Utilities	13,827	13,590
Communication	7,321	6,820
Scholarships	2,232	2,307
Other	63,673	64,518
Total operating expenses	946,070	889,990
Operating loss	(98,950)	(80,827)
Nonoperating Revenues and (Expenses):		
State appropriations	97,900	97,900
On-behalf payments	13,395	12,886
Private gifts	11,432	12,107
Interest on indebtedness	(9,038)	(8,375)
Net investment income	10,008	11,085
Endowment income	13,231	11,849
Net nonoperating revenues and (expenses)	136,928	137,452
Income before other revenues, (expenses), gains, or (losses)	37,978	56,625

(Continued)

The University of Oklahoma Health Sciences Center

Statements of Revenues, Expenses, and Changes in Net Position (Continued)
 Years Ended June 30, 2015 and 2014
 (In Thousands)

	2015	2014
Other revenue, (expenses), gains, or (losses):		
State grants and contracts for capital projects	498	4,586
State appropriations for capital projects	5,610	5,749
Private gifts for capital projects	3,755	2,135
State school land funds	3,113	2,499
Total other revenue, (expenses), gains, or (losses)	12,976	14,969
Change in net position	50,954	71,594
Net Position at beginning of year	1,002,140	930,546
Restatement—Implementation of GASB 68 and 71	(241,488)	-
Net Position at end of year	\$ 811,606	\$ 1,002,140

See Notes to Financial Statements.

The University of Oklahoma Health Sciences Center

Statements of Cash Flows
Years Ended June 30, 2015 and 2014
(In Thousands)

	2015	2014
Cash Flows from Operating Activities		
Tuition and fees	\$ 59,033	\$ 57,721
Patient revenues	381,720	356,659
Federal grants and contracts	79,490	80,615
State grants and contracts	81,016	86,687
Private grants and contracts	144,097	119,651
Sales and services of auxiliary enterprises	23,507	20,356
Sales and services of educational activities	1,457	1,487
Steam and chilled water plant revenues	6,407	6,439
Interest on loans receivable	188	200
Other additions	18,633	6,083
Pharmacy sales	63,044	44,024
Loans issued to students	(917)	(1,550)
Collection of loans	1,312	1,143
Compensation and benefits	(608,980)	(593,027)
Contractual services	(73,977)	(66,182)
Supplies and materials, utilities, communications, scholarships and fellowships, other and deposits held in custody	(210,505)	(164,851)
Net cash flows used in operating activities	(34,475)	(44,545)
Cash Flows from Noncapital and Related Financing Activities		
State appropriations	97,900	97,900
FICA refund	(207)	(22,623)
Endowment income	11,869	10,319
Private gifts	11,401	12,890
Direct Loan receipts	64,418	64,539
Direct Loan disbursements	(64,418)	(64,539)
Net increase (decrease) to Federal loan program contributions refundable	87	(22)
Net cash flows provided by noncapital and related financing activities	121,050	98,464
Cash Flows from Capital and Related Financing Activities		
Proceeds from bonds payable	-	62,181
State grants and contracts for capital projects	528	4,556
State appropriations for capital projects	5,573	5,845
Private gifts for capital projects	2,476	1,835
Proceeds from sale of capital assets	-	1,000
Purchases of capital assets	(30,155)	(113,903)
Principal paid on capital debt and leases	(6,315)	(5,041)
Interest paid on capital debt and leases	(7,971)	(5,615)
State school land funds	3,113	2,499
Net cash used in capital and related financing activities	(32,751)	(46,643)
Cash Flows from Investing Activities		
Investment income	8,128	7,908
Proceeds from sales and maturities of investments	1,032	997
Purchase of investments	(51,050)	(10)
Net cash flows provided by (used in) investing activities	(41,890)	8,895
Net increase in cash and cash equivalents	11,934	16,171
Cash and Cash Equivalents, beginning of year	594,950	578,779
Cash and Cash Equivalents, end of year	\$ 606,884	\$ 594,950

(Continued)

The University of Oklahoma Health Sciences Center

Statements of Cash Flows (Continued)
Years Ended June 30, 2015 and 2014
(In Thousands)

	2015	2014
Reconciliation of Operating Loss to Cash Used in Operating Activities		
Operating loss	\$ (98,950)	\$ (80,827)
Depreciation expense	27,580	26,721
Loss on disposal of capital assets	1,449	9,615
OTRS on-behalf contribution	10,556	11,321
Change in assets and liabilities:		
Accounts receivable (does not include endowment)	10,442	(28,957)
Inventories and supplies	(62)	(205)
Loans to students	375	(386)
Deposits and prepaid expenses	(1)	(758)
Deferred outflows related to pensions	(938)	-
Accounts payable and accrued expenses	18,745	11,184
Unearned revenue	1,074	(220)
Compensated absences	(2,257)	106
Deferred inflows related to pensions	49,155	-
Post employment benefits obligation	6,964	5,712
Net pension liability	(60,675)	-
Deposits held in custody for others	2,068	2,149
Net cash flows used in operating activities	\$ (34,475)	\$ (44,545)
Supplemental Schedule of Noncash Investing and Financing Activities		
On-behalf interest paid by OCIA	\$ 912	\$ 866
On-behalf principal payments made by OCIA	\$ 1,927	\$ 699
Amortization of bond insurance cost	\$ 3	\$ 5
Amortization of bond discount/premium	\$ (39)	\$ (39)
Amortization of ODFA discount	\$ 1	\$ 2
Capitalization of interest	\$ 36	\$ 148
Capital assets acquired via capital lease	\$ 401	\$ 28
Deferred inflows of resources related to OCIA lease restructure	\$ 771	\$ 783
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position		
Current assets:		
Cash and cash equivalents	\$ 578,645	\$ 564,144
Restricted cash and cash equivalents	28,239	30,806
	\$ 606,884	\$ 594,950

See Notes to Financial Statements.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 1. Summary of Significant Accounting Policies

Nature of the organization: The University of Oklahoma Health Sciences Center (the Center) is a comprehensive university operating under the jurisdiction of the Board of Regents of the University of Oklahoma (Board of Regents) and the Oklahoma State Regents for Higher Education.

Reporting entity: The Center is one of the four institutions of higher education in Oklahoma that comprise the Regents of the University of Oklahoma, which in turn is part of the Higher Education Component Unit of the State of Oklahoma.

The Board of Regents has constitutional authority to govern, control and manage the Regents of the University of Oklahoma, which consists of four institutions (University of Oklahoma Health Sciences Center, University of Oklahoma Norman Campus, Rogers State University, and Cameron University). The authority includes but is not limited to the power to designate management, the ability to significantly influence operations, acquire and take title to real and personal property in its name, and appoint or hire all necessary officers, supervisors, instructors, and employees for member institutions.

Accordingly, the Center is considered an organizational unit of the Regents of the University of Oklahoma reporting entity for financial reporting purposes due to the significance of its legal, operational and financial relationships with the Board of Regents, as defined in Section 2100 of the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards.

In prior years, the Center reported itself as a component unit of the State of Oklahoma. Because the Center is not a legally separate entity, therefore it is not component unit of the State. Based on an evaluation performed by management during 2015, it was determined that the Center is an organizational unit with the Board of Regents as mentioned above.

The Center consists of seven academic colleges, including Colleges of Medicine, Public Health, Allied Health, Dentistry, Nursing, Pharmacy and the Graduate College.

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 PPPs are included in the accompanying financial statements of the Center.

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. Because the resources received and held by the OU Foundation are not entirely or almost entirely held for the benefit of the Center, however, such financial statements are not included in the separate financial statements of the Center.

Financial statement presentation: The GASB is the recognized standard-setting body for accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to public sector institutions of higher education. The Center applies all applicable GASB pronouncements.

Basis of accounting: The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, in accordance with U.S. GAAP. 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.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

Investments: The Center accounts for its investments at fair value. Investments held by OU Foundation are pooled investments. Ownership interest in those pools are unitized. The OU Foundation calculates the net asset value per unit monthly based on the value of the underlying assets in each pool. New investments and withdrawals from those pools for the benefit of the unit holders are transmitted at the net asset value per unit on the monthly valuation dates. With the exception of alternative investments, the pooled funds are held in the custody of the Bank of New York-Mellon. Changes in unrealized gain (loss), if any, on the carrying value of the investments are reported as a component of investment income 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 PPPs and clinics. Accounts receivable are recorded net of contractual adjustments and estimated uncollectible amounts.

The Center determines its uncollectable balances and contractual 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.

The Center grants credit without collateral to its patients. The following summarizes the estimated percentage of net patient accounts receivable from all payors as of June 30, 2015 and 2014:

	2015	2014
Medicare	17%	14%
Medicaid	21%	18%
Other third-party and commercial payors	33%	31%
Other, including self pay	29%	37%

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, to maintain sinking or reserve funds, or to purchase capital or other noncurrent assets are classified as restricted in the statements of net position.

Contributions: From time to time, the Center receives contributions from individuals and private organizations. Revenues from contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted for a specific operating purpose are reported as non-operating revenues. Amounts restricted to capital acquisitions are reported as capital grants, gifts, and donations.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

Endowments are provided to the Center on a voluntary basis by individuals and private organizations. Permanent endowments require that the principal or corpus of the endowment be retained in perpetuity. If a donor has not provided specific instructions, the net appreciation of the investments of endowment funds are recorded with investment income in non-operating revenue.

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 five 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 2015, total interest incurred was \$9,077, of which \$36 was capitalized. In 2014, total interest incurred was \$8,523, of which \$148 was capitalized.

Intangible assets are reported with capital assets. Intangible assets subject to amortization are amortized over their respective estimated useful lives ranging from five 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 2015 or 2014.

Unearned revenues: Unearned revenues consist primarily of grant revenues for which the work on the grant has not yet been completed. They also consist 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; (3) amounts for accrued compensated absences; (4) postemployment benefits obligation; (5) net pension liability; and other liabilities that will not be paid within the next fiscal year. Bond issuance costs are expensed as incurred regardless of whether they are included in bond proceeds.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Teacher's Retirement System (OTRS) and additions to/deductions from OTRS's fiduciary net position have been determined on the same basis as reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by OTRS are reported at fair value.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

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, 2015 and 2014, the Center's deferred outflows of resources included deferred charges on an OCIA lease restructure. The OCIA deferred outflows of resources are recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. At June 30, 2015, deferred outflows also included deferred charges related to pensions. The Center's deferred outflows related to pensions are recognized as a component of compensation expense in the following year.

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, 2015 and 2014, the Center has deferred inflows of resources related to an OCIA lease restructure. The OCIA deferred inflows of resources are recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. At June 30, 2015, there were also deferred inflows related to pensions. The Center's deferred inflows related to pensions are recognized as a component of compensation expense over five years for the difference in projected and actual earnings, or over the expected remaining life of the difference in expected and actual plan experience.

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 and related deferred inflows of resources 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 non-operating 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.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 1. Summary of Significant Accounting Policies (Continued)

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB, such as state appropriations and investment income.

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 non-operating 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). These amounts are immaterial to the financial statements of the Center.

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 2015: The Center adopted two new accounting pronouncements during the year ended June 30, 2015, as follows:

GASB 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. The Center recorded the cumulative effect of adopting GASB Statements No. 68 and 71, totaling \$241,488, as an adjustment of net position as of July 1, 2014.

GASB Statement No. 71, *Pension transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68* (GASB No. 71) amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement were required to be adopted simultaneously with the adoption of GASB Statement 68. The adoption of GASB No. 71 resulted in the recording of a deferred outflow of \$17,148 for contributions after the measurement date of June 30, 2014.

The 2014 financial statements were not restated for the adoption of GASB No. 68 and No. 71 because information related to the Net Pension Liability as of July 1, 2013 was not available.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (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 and the fiscal year in which they are effective are described below:

GASB Statement No. 72, *Fair Value Measurement and Application* (GASB No. 72) addresses accounting and financial reporting issues related to fair value measurements. The Statement defines *fair value* as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (GASB No. 73) was issued June 2015 and establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement No. 68. It also amends certain provisions of Statement No. 68 for pension plans and pensions that are within their respective scopes. It is effective for fiscal years beginning after June 15, 2015, except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement No. 68, which are effective for fiscal years beginning after June 30, 2016. Earlier application is encouraged.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB No. 75) was issued in June 2015 and replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. The provisions of GASB No. 75 are effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (GASB No. 76) was issued in June 2015 and supersedes Statement No 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

The Center is currently evaluating the impact that these new standards will have on its financial statements.

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.

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 2. Deposits and Investments (Continued)

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 participate 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 percent 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 percent of maturity value.

Cash and cash equivalents: At June 30, 2015 and 2014, the carrying amount of the Center's deposits with the State Treasurer and other financial institutions were \$606,884 and \$594,950, respectively. These amounts consisted of deposits with the OST (\$576,785 and \$564,958), deposits with financial institutions (\$21,053 and \$21,028), deposits with trustees (\$9,001 and \$8,924), and petty cash and change funds (\$45 and \$40). Of funds on deposit with the OST, amounts invested in *OK INVEST* total \$486,086 in 2015 and \$457,345 in 2014. Amounts invested in *OK INVEST* are available for unrestricted withdrawal and are reported as cash equivalents.

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* at June 30, 2015 and 2014, is as follows:

OK INVEST Portfolio	June 30, 2015	
	Cost	Market Value
U.S. agency securities	\$ 195,154	\$ 194,943
Money market mutual funds	61,023	61,023
End of Day Commercial Paper Sweep	9,835	9,835
Certificates of deposit	13,272	13,272
Mortgage backed agency securities	190,693	193,131
Municipal bonds	6,740	7,308
Foreign bonds	3,743	3,743
U.S. Treasury obligations	5,626	6,754
Total	\$ 486,086	\$ 490,009

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements
(In Thousands)

Note 2. Deposits and Investments (Continued)

OK INVEST Portfolio	June 30, 2014	
	Cost	Market Value
U.S. agency securities	\$ 209,831	\$ 209,423
Money market mutual funds	22,081	22,081
End of Day Commercial Paper Sweep	9,624	9,624
Certificates of deposit	11,872	11,872
Mortgage backed agency securities	187,882	191,758
Municipal bonds	7,017	7,771
Foreign bonds	3,593	3,593
U.S. Treasury obligations	5,445	6,741
Total	<u>\$ 457,345</u>	<u>\$ 462,863</u>

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 and 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.

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 2. Deposits and Investments (Continued)

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

	2015	2014
Regent's Fund Investment Pool—OU Foundation	\$ 41,135	\$ 40,588
OU Foundation Long Term Investment	51,172	-
Fidelity Revenue Sharing Investment	796	724
Real Property	175	175
	<u>93,278</u>	<u>41,487</u>
OK-Invest Internal Investment Pool (classified as cash equivalents in the Statements of Net Position)	490,009	462,863
Total Investments	<u>\$ 583,287</u>	<u>\$ 504,350</u>

Investments in the Regent's Fund Investment Pool and the OU Foundation Long Term Investment consist primarily of investments in pooled investments at June 30, 2015, and money market funds at June 30, 2014. The Fidelity Investments category consists of accumulated funds from revenue sharing in the employee defined contribution accounts held and managed by Fidelity.

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.

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) in the Regent's Fund investment pool and held in the University's name.
- Long term investments are held by the University of Oklahoma Foundation in the Expendable Investment Pool II and held in the University's name.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 2. Deposits and Investments (Continued)

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's short term investment strategy imposes a limit on the amount the Center may invest in any one issuer to 50 percent of the total investment portfolio. The Center has adopted the OU Foundation's "Statement of Investment Policy" for the Regent's Fund and other intermediate term funds invested at the OU Foundation. The Foundation's investments are pooled for investment management purposes into a *Consolidated Investment Fund (CIF)* and an *Expendable Investment Pool (EIP)*. Within the CIF, investments consist primarily of equity securities, U.S. government securities, corporate bonds and alternative holdings. Within the EIP, investments consist of liquid money market funds, mutual funds, equities and separate accounts holding U.S. government and corporate fixed income securities.

Interest rate risk: The Center has a short term investment strategy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Center has adopted the OU Foundation's "Statement of Investment Policy" for intermediate term funds invested at the OU Foundation. 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, 2015, 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 Foundation with a portion of their funds totaling \$41,135 and \$40,588 for 2015 and 2014, respectively, of which \$37,852 and \$37,689 are endowment funds. These funds are held in the Regent's Fund investments on behalf of the Center.

The Center has entrusted the University of Oklahoma Foundation with a portion of their funds totaling \$51,172 and \$0 for 2015 and 2014, respectively. These funds are held in the Expendable Investment Pool II on behalf of the Center.

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:

	2015	2014
Accounts receivable	\$ 234,491	\$ 221,455
Less allowance and contractual adjustments	(99,143)	(78,343)
Accounts receivable, net	<u>\$ 135,348</u>	<u>\$ 143,112</u>

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements
(In Thousands)

Note 3. Accounts Receivable (Continued)

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

	2015	2014
Auxiliary enterprises:		
Accounts receivable	\$ 7,519	\$ 6,501
Less allowance	(106)	(182)
Accounts receivable, net	<u>\$ 7,413</u>	<u>\$ 6,319</u>
PPP patient billings:		
Accounts receivable	\$ 164,062	\$ 143,431
Less contractual adjustments	(91,277)	(70,473)
Less allowance	(7,760)	(7,688)
Accounts receivable, net	<u>\$ 65,025</u>	<u>\$ 65,270</u>
Due from federal, state and private grants		
Accounts receivable, no allowance	<u>\$ 60,205</u>	<u>\$ 69,761</u>
State tuition and fees:		
Accounts receivable, no allowance	<u>\$ 1,221</u>	<u>\$ 1,269</u>
Other accounts receivable, no allowance	<u>\$ 1,484</u>	<u>\$ 493</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.

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 \$413,898 and \$348,994 for the years ending June 30, 2015 and 2014, 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 are determined after application of contractual and other adjustments, total \$39,487 and \$42,314 for the years ending June 30, 2015 and 2014, respectively, and are included in patient care revenues in the statements of revenues, expenses, and changes in net position.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 4 Net Patient Service Revenue (Continued)

The following summarizes the estimated percentage of gross patient charges from all payors as of June 30, 2015 and June 30, 2014.

	2015	2014
Medicare	22%	23%
Medicaid	32%	32%
Other third-party and commercial payors	38%	37%
Other, including self pay	8%	8%

Note 5. Inventories

Inventories consisted of the following at June 30:

	2015	2014
Site support	\$ 240	\$ 247
Telecommunications	199	219
Other service units	109	129
Dental supply store	423	336
Other auxiliaries	9	11
Pharmacies	805	781
	<u>\$ 1,785</u>	<u>\$ 1,723</u>

Note 6. Loans to Students

The Center had student loans outstanding of \$6,404 and \$6,779 (net of allowance for uncollectible loans of \$337 and \$357) at June 30, 2015 and 2014, respectively. Student loans made under the Health Professions Student Loan Program and the Nursing Student Loan Program represented approximately \$6,458 and \$6,802 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, 2015 and 2014, \$7,147 and \$7,060, 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 percent of the distribution of income produced by "Section Thirteen State Educational Institutions Fund" assets and 100 percent of the distribution of income produced by the University's "New College Fund."

The University, as a whole, received \$9,384 and \$10,608 during the years ended June 30, 2015 and 2014, respectively, which is restricted to acquisition of buildings, equipment, or other capital items. Of these amounts, the Center received approximately \$3,113 and \$2,499 in 2015 and 2014, 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 \$183,330 (\$172,328 restricted corpus) and \$180,984 (\$160,791 restricted corpus) at June 30, 2015 and 2014, respectively. Such trust funds, held by the Commissioners of the Land Office, have not been reflected in the accompanying financial statements.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 7. Funds Held in Trust by Others (Continued)

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 \$160,987 and \$193,997 at June 30, 2015 and 2014, 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 \$6,835 and \$6,039 at June 30, 2015 and 2014, respectively, have been reflected as assets in the statements of net position.

With regard to the institutional matching funds, approximately \$260,702 and \$252,808, 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, 2015 and 2014, respectively. These funds are not recorded by OU Health Sciences Center.

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2015, includes the following:

	Beginning Balance	Additions	Transfers	Deductions	Ending Balance
Capital assets not being depreciated:					
Art	\$ 722	\$ 13	\$ -	\$ -	\$ 735
Land	32,005	1	-	-	32,006
Construction in-progress	12,332	10,713	(17,669)	-	5,376
Total capital assets not being depreciated	45,059	10,727	(17,669)	-	38,117
Capital assets being depreciated:					
Improvements	15,941	13	46	-	16,000
Buildings	591,824	7,048	15,373	(227)	614,018
Equipment	135,440	12,504	2,123	(5,515)	144,552
Infrastructure	6,442	19	81	-	6,542
Leasehold improvements	38,324	226	46	-	38,596
Library materials	29,568	55	-	-	29,623
Total capital assets being depreciated	817,539	19,865	17,669	(5,742)	849,331
Less accumulated depreciation					
Improvements	12,676	711	-	-	13,387
Buildings	121,352	11,942	-	-	133,294
Equipment	93,186	10,987	-	(4,293)	99,880
Infrastructure	1,200	306	-	-	1,506
Leasehold improvements	20,795	2,677	-	-	23,472
Library materials	26,058	957	-	-	27,015
Total accumulated depreciation	275,267	27,580	-	(4,293)	298,554
Total capital assets being depreciated, net	542,272	(7,715)	17,669	(1,449)	550,777
Capital assets, net	\$ 587,331	\$ 3,012	\$ -	\$ (1,449)	\$ 588,894

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements
(In Thousands)

Note 8. Capital Assets (Continued)

Capital asset activity for the year ended June 30, 2014, includes the following:

	Beginning Balance	Additions	Transfers	Deductions	Ending Balance
Capital assets not being depreciated:					
Art	\$ 722	\$ -	\$ -	\$ -	\$ 722
Land	26,701	-	5,496	(192)	32,005
Construction in-progress	8,634	102,970	(99,272)	-	12,332
Total capital assets not being depreciated	36,057	102,970	(93,776)	(192)	45,059
Capital assets being depreciated:					
Improvements	14,176	77	1,688	-	15,941
Buildings	516,661	1,094	83,788	(9,719)	591,824
Equipment	127,156	9,420	3,301	(4,437)	135,440
Infrastructure	1,823	-	4,619	-	6,442
Leasehold improvements	37,506	467	380	(29)	38,324
Library materials	29,517	51	-	-	29,568
Total capital assets being depreciated	726,839	11,109	93,776	(14,185)	817,539
Less accumulated depreciation					
Improvements	12,019	657	-	-	12,676
Buildings	110,995	11,386	-	(1,029)	121,352
Equipment	85,240	10,657	-	(2,711)	93,186
Infrastructure	893	307	-	-	1,200
Leasehold improvements	18,187	2,630	-	(22)	20,795
Library materials	24,974	1,084	-	-	26,058
Total accumulated depreciation	252,308	26,721	-	(3,762)	275,267
Total capital assets being depreciated, net	474,531	(15,612)	93,776	(10,423)	542,272
Capital assets, net	\$ 510,588	\$ 87,358	\$ -	\$ (10,615)	\$ 587,331

Note 9. Unearned Revenue

Unearned revenue consists of the following at June 30:

	2015	2014
Prepaid tuition and student fees	\$ 1,036	\$ 1,215
Auxiliary enterprises and other activities	222	219
Contracts	7,853	6,603
	\$ 9,111	\$ 8,037

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (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, 2015:

	Issue Dates	Interest Rates (in Percent)	Maturity Through	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds, notes and capital leases:								
Revenue bonds payable:								
Utility System Series 2004 A&B	2004	2.61-4.85	11/1/2019	\$ 4,652	\$ -	\$ (706)	\$ 3,946	\$ 731
General Revenue Bonds Series 2008 A&B	2008	3.28-6.63	7/1/2036	64,551	-	(1,396)	63,155	1,486
General Revenue Bonds Series 2010 A&B	2010	1.24-5.00	7/1/2030	25,667	-	(2,106)	23,561	2,145
General Revenue Bonds Series 2013A	2013	.46-6.0	7/1/2043	62,429	-	(1,048)	61,381	1,058
				157,299	-	(5,256)	152,043	5,420
Notes payable				706	-	(466)	240	240
ODFA capital leases payable				4,649	401	(546)	4,504	573
OCIA capital leases payable				24,543	-	(1,926)	22,617	1,981
Equipment capital lease				20	-	(8)	12	12
Total bonds, notes, and capital leases				187,217	401	(8,202)	179,416	8,226
Other noncurrent liabilities:								
Accrued compensated absences				33,197	26,601	(28,858)	30,940	24,133
Net pension liability				-	197,023	-	197,023	-
Post employment benefits obligation				80,692	10,045	(3,081)	87,656	3,959
Federal loans program contributions refundable				7,060	87	-	7,147	-
Total other noncurrent liabilities				120,949	233,756	(31,939)	322,766	28,092
Total noncurrent liabilities				\$ 308,166	\$ 234,157	\$ (40,141)	\$ 502,182	\$ 36,318

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 10. Long-Term Liabilities (Continued)

The following is a summary of long-term obligation transactions of the Center for the year ended June 30, 2014:

	Issue Dates	Interest Rates (in Percent)	Maturity Through	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds, notes and capital leases:								
Revenue bonds payable:								
Utility System Series 2004 A&B	2004	2.61-4.85	11/1/2019	\$ 5,323	\$ -	\$ (671)	\$ 4,652	\$ 706
General Revenue Bonds Series 2008 A&B	2008	3.28-6.63	7/1/2036	65,887	-	(1,336)	64,551	1,396
General Revenue Bonds Series 2010 A&B	2010	1.24-5.00	7/1/2030	27,733	-	(2,066)	25,667	2,106
General Revenue Bonds Series 2013A	2013	.46-6.0	7/1/2043	-	62,372	57	62,429	1,048
				98,943	62,372	(4,016)	157,299	5,256
Notes payable:				1,154	-	(448)	706	466
ODFA capital leases payable				5,177	-	(528)	4,649	505
OCIA capital leases payable				26,025	14,109	(15,591)	24,543	1,926
Equipment capital lease				-	28	(8)	20	11
Total bonds, notes, and capital leases				131,299	76,509	(20,591)	187,217	8,164
Other noncurrent liabilities:								
Accrued compensated absences				33,091	26,218	(26,112)	33,197	24,898
Post employment benefits obligation				74,980	8,597	(2,885)	80,692	3,598
Federal loans program contributions refundable				7,082	-	(22)	7,060	-
Total other noncurrent liabilities				115,153	34,815	(29,019)	120,949	28,496
Total noncurrent liabilities				\$ 246,452	\$ 111,324	\$ (49,610)	\$ 308,166	\$ 36,660

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.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 10. Long-Term Liabilities (Continued)

In FY14, General Revenue Bonds, Series 2013A, 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 acquire a research park for the Center. 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.

The total principal and interest remaining to be paid on the General Revenue Bonds is \$259,271. Total pledged revenue received in the current year was \$592,669. Debt service payments of \$12,107, including both principal and interest, were 2 percent of pledged revenues.

Utility System 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, 2015 and 2014, the Center had \$515 and \$503 respectively, of cash and investments held in trust for the bond indentures, restricted to the payment of principal and interest.

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. 41st 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 percent and is payable over 8.5 years, with annual payments of \$489. The outstanding balance at June 30, 2015 and 2014, was \$240 and \$706, 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, 2013. Accordingly, the Series 2003 Bonds are considered to have been extinguished, and neither the 2003 Series Bonds nor the associated escrow fund is included in the Center's statements of net position as of June 30, 2015 or 2014.

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 \$140 and \$347 net of accumulated depreciation of \$1,874 and \$1,667 at June 30, 2015 and 2014, respectively. As of 2015, assets totaling \$286 were retired with accumulated depreciation of \$244. 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 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 \$5,218 and \$5,339 net of accumulated depreciation of \$849 and \$728 as of June 30, 2015 and 2014, respectively. Depreciation expense on these capital lease assets is included in depreciation expense on the statements of revenues, expenses, and changes in net position.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 10. Long-Term Liabilities (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 2007C. The Center financed \$1,304 to construct a cooling tower on the Tulsa Oklahoma campus. Assets under this capital lease totaled \$1,119 and \$1,145 net of accumulated depreciation of \$185 and \$159 at June 30, 2015 and 2014, 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 \$0 and \$18 net of accumulated depreciation of \$333 and \$315 at June 30, 2015 and 2014, 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 2014, 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 2014C. The Center financed \$401 to purchase a Practice Management System. Assets under this capital lease totaled \$348 net of accumulated depreciation of \$53 at June 30, 2015. 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: The Oklahoma Capital Improvement Authority (OCIA) periodically issues bonds, which are allocated to the State Regents for Higher Education (the State Regents), to be used for specific projects at Oklahoma higher education institutions. The Center has participated in these projects as discussed below. In each of the transactions, OCIA and the Center have entered into a lease agreement with terms characteristic of a capital lease. As a result, the Center recognizes its share of the liability and the related assets in connection with the projects being constructed or acquired, in its financial statements. Annually, the State Legislature appropriates funds to the State Regents to make the monthly lease principal and interest payments on-behalf of the Center.

In the fall of 2005, the Center entered into a 25 year lease agreement with the OCIA and the State Regents 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 \$22,587 and \$23,110, net of accumulated depreciation of \$3,559 and \$3,036 at June 30, 2015 and 2014, respectively.

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 years ended June 30, 2015 and 2014, 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.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 10. Long-Term Liabilities (Continued)

In April 2014, the Center's 2005F lease agreement with the OCIA was restructured through a partial refunding of OCIA's 2005F bond debt. OCIA issued a new bond, Series 2014A. 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 by restructuring debt service. Consequently, the Center's lease agreement with OCIA automatically restructured to secure the new bond issues. This lease restructuring has reduced the principal payments. The Center has recorded a deferred inflow of resources \$783, which is the difference between the reacquisition price and the net carrying amount of the old debt, that is being amortized over the remaining life of the old debt or the life of the debt, whichever is shorter. During the years ended June 30, 2015 and 2014, amortization of the deferred inflows of resources was \$48 and \$12 respectively. This restructuring resulted in an aggregate debt service difference for principal and interest between the original lease agreement and the restructured lease agreement of \$1,828.

During the year ended June 30, 2015, the State Regents made lease principal and interest payments totaling \$2,852 on behalf of the Center. These on-behalf payments have been recorded as restricted State appropriations in the Center's statement of revenues, expenses, and changes in net position. As stated above, the on-behalf payments are subject to annual appropriations by the State Legislature.

Maturities of principal and interest requirements on revenue bonds payable, capital lease obligations, and notes payable are as follows at June 30, 2015:

	2016	2017	2018	2019	2020	2021 2025	2026 2030	2031 2035	2036 2040	2041 2045	Total
Utility System Series 2004 A&B	\$ 872	\$ 875	\$ 871	\$ 870	\$ 872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,360
General Revenue Bond 2008 Series A&B	4,805	4,804	4,798	4,795	4,790	23,888	23,908	23,799	9,478	-	105,065
General Revenue Bond 2010 Series A&B	3,053	3,049	2,903	2,900	2,283	11,345	3,542	256	-	-	29,331
General Revenue Bond 2013 Series A	4,306	4,308	4,305	4,307	4,306	21,525	21,519	21,533	21,534	17,232	124,875
Total principal and interest	13,036	13,036	12,877	12,872	12,251	56,758	48,969	45,588	31,012	17,232	263,631
Less interest	7,616	7,415	7,186	6,936	6,668	29,085	22,156	15,252	7,306	1,968	111,588
Total principal	5,420	5,621	5,691	5,936	5,583	27,673	26,813	30,336	23,706	15,264	152,043
Capital leases	3,670	4,055	4,057	4,023	1,337	8,270	8,925	1,778	-	-	36,115
Less interest	1,104	1,058	937	796	711	2,964	1,369	43	-	-	8,982
Total principal	2,566	2,997	3,120	3,227	626	5,306	7,556	1,735	-	-	27,133
Notes payable	245	-	-	-	-	-	-	-	-	-	245
Less interest	5	-	-	-	-	-	-	-	-	-	5
Total principal	240	-	-	-	-	-	-	-	-	-	240
Total	\$ 8,226	\$ 8,618	\$ 8,811	\$ 9,163	\$ 6,209	\$ 32,979	\$ 34,369	\$ 32,071	\$ 23,706	\$ 15,264	\$ 179,416

Note 11. Operating Leases

Lessee commitments: 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 \$9,660 and \$8,143 for 2015 and 2014, respectively.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 11. Operating Leases (Continued)

Lessor agreements: The Center has various non-cancelable operating leases consisting of Center owned building space or land leased to non-Center entities. The majority of the leases are for space leased at the University Research Park (URP) which was purchased by the Center in October 2013. Various other leases from other Center owned property are also in effect. The following schedule presents minimum future rentals receivable by property from these contracts (expressed in thousands):

	2016	2017	2018	2019	2020	Thereafter
University Research Park	\$ 5,212	\$ 4,642	\$ 4,150	\$ 3,067	\$ 2,954	\$ 2,327
Harold Hamm Diabetes Center (HHDC)	432	408	124	128	132	708
College of Pharmacy (COP)	4	-	-	-	-	-
Student Union (SU)	15	-	-	-	-	-
Land Leases	45	45	45	46	46	1,907
	<u>\$ 5,708</u>	<u>\$ 5,095</u>	<u>\$ 4,319</u>	<u>\$ 3,241</u>	<u>\$ 3,132</u>	<u>\$ 4,942</u>

The cost and carrying amount of the leased property attributed to non-cancelable leases for the year ended June 30, 2015:

	URP	HHDC	COP	SU	Land
Land cost	\$ -	\$ -	\$ -	\$ -	\$ 500
Building cost	33,621	3,544	51	108	-
Less accumulated depreciation	(1,139)	(423)	(26)	(34)	-
Net leased property	<u>\$ 32,482</u>	<u>\$ 3,121</u>	<u>\$ 25</u>	<u>\$ 74</u>	<u>\$ 500</u>

The Center also has various other leases that are cancelable or currently month-to-month. The following schedule includes the cost and carrying amount of the leased property for these leases for the year ended June 30, 2015:

	Cost	Accumulated Depreciation	Net Leased Property
University Research Park	\$ 10,917	\$ (368)	\$ 10,549
Student Union	452	(143)	309
Family Medicine	77	(29)	48
Stephenson Cancer Center	30,611	(2,448)	28,163
O'Donoghue Building	342	(272)	70
Rogers Building	134	(33)	101
Biomedical Research Center	67	(18)	49
Basic Sciences Education Building	16	(7)	9
Tulsa Schusterman Center	2,541	(494)	2,047
Land	310	-	310
Net Leased Property	<u>\$ 45,467</u>	<u>\$ (3,812)</u>	<u>\$ 41,655</u>

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

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:

Name of Plan/System	Type of Plan
Oklahoma Teachers’ Retirement System (OTRS)	Cost Sharing Multiple Employer Defined Benefit Plan
Oklahoma Law Enforcement Retirement System (OLERS) – certain University employees	Cost-Sharing Multiple Employer Defined Benefit Plan
Oklahoma Public Employees Retirement Plan (OPERS)	Cost-Sharing Multiple Employer Defined Benefit Plan
Optional Retirement Plan (ORP)	Defined Contribution Plan
University of Oklahoma Defined Contribution Plan (Plan 1)	Defined Contribution Plan
University of Oklahoma Defined Contribution Plan for Hourly Employees who are Non-OTRS Participants (Plan 2)	Defined Contribution Plan

Oklahoma Teachers Retirement System

Plan description: The Center participates in the OTRS, a cost-sharing multiple-employer public employee retirement system that is self-administered. OTRS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 70 of the Oklahoma State Statutes assigns the authority for management and operation of OTRS to the Board of Trustees of the System. OTRS issues a publicly available annual financial report that can be obtained at www.ok.gov/TRS/.

Benefits provided: OTRS provides defined retirement benefits based on members’ final compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon the death of eligible members. Title 70 O. S. Sec. 17-105 defines all retirement benefits. The authority to establish and amend benefit provisions rests with the State Legislature.

Benefit provisions include:

- Members become 100% vested in retirement benefits earned to date after five years of credited Oklahoma service. Members who joined OTRS on June 30, 1992 or prior are eligible to retire at maximum benefits when age and years of creditable service total 80. Members joining OTRS after June 30, 1992 are eligible for maximum benefits when their age and years of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55, and at age 62 receive unreduced benefits based on their years of service. The maximum retirement benefit is equal to 2 percent of final compensation for each year of credited service.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 12. Retirement Plans (Continued)

- Final compensation for members who joined OTRS prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining OTRS after June 30, 1992 is defined as the average of the highest five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to \$40 or \$25, depending on the member's election. Monthly benefits are 1/12 of this amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities. Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100 percent of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member may elect to receive, in lieu of the aforementioned benefits, the retirement benefit the member was entitled to at the time of death as provided under the Joint Survivor Benefit Option.
- Upon the death of a retired member, OTRS will pay \$5 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable years of credited service.
- Upon separation from OTRS, members' contributions are refundable with interest based on certain restrictions provided in the plan, or by the IRC.
- Members may elect to make additional contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

Contributions: The contribution requirements of OTRS are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 7 percent of their annual compensation. The Center's contribution rate is 8.55 percent for the years ended June 30, 2015 and 2014. In addition, the Center is required to contribute 2.5 percent as a result of the adoption of ORP, Plan 1 and Plan 2 (the Alternate Retirement Plans, or ARP) for certain employees that have elected not to participate in OTRS due to a one-time irrevocable election provision which became effective July 1, 2004. The Center's contributions to OTRS in 2015 and 2014, which include the 8.55 percent regular employer contribution and the 2.5 percent ARP contribution, were approximately \$15,511 and \$15,296, respectively, equal to the required contributions each year. In addition, the State of Oklahoma also contributed 5 percent of State revenues from sales, use and individual income taxes to OTRS. The amounts contributed on-behalf of the Center and recognized in the Center's Statement of Revenues, Expenses and Changes in Net Position as both revenues and compensation and employee benefit expense in 2015 and 2014 were \$10,137 and \$11,321, respectively. These on-behalf payments do not meet the definition of a special funding situation.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2015, the Center reported a liability of \$196,223 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014. The Center's proportion of the net pension liability was based on the Center's contributions to OTRS relative to total contributions of OTRS for all participating employers for the year ended June 30, 2014. Based upon this information, the Center's proportion was 3.42693201 percent.

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 12. Retirement Plans (Continued)

For the year ended June 30, 2015, the Center recognized pension expense of \$15,071. At June 30, 2015, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,039
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	44,619
Center contributions subsequent to the measurement date	16,939	-
Total	\$ 16,939	\$ 47,658

Deferred pension outflows totaling \$16,939 resulting from the Center's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. The deferred inflows totaling \$44,619 resulting from the difference between projected and actual earnings on pension plan investments will be recognized in pension expense over five years. The deferred inflows totaling \$3,039 resulting from differences between expected and actual experience will be recognized in pension expense using the average expected remaining life of the Plan. The average expected remaining service life of the plan participants is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the plan are estimated at 6.32 years at June 30, 2014 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>	<u>Deferred Inflows</u>
2016	\$ (11,726)
2017	(11,726)
2018	(11,726)
2019	(11,726)
2020	(571)
Thereafter	(183)
	\$ (47,658)

Actuarial assumptions: The total pension liability was determined based on an actuarial valuation prepared as of July 1, 2014 using the following actuarial assumptions:

- Actuarial Cost Method—Entry Age Normal
- Amortization Method—Level Percentage of Payroll
- Amortization Period—Amortization over an open 30-year period
- Asset Valuation Method—5-year smooth market
- Inflation—3.00 percent
- Salary Increases—Composed of 3.00 percent inflation, plus 1.00 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
- Investment Rate of Return—8.00 percent

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 12. Retirement Plans (Continued)

- Retirement Age—Experience-based table of rates based on age, service, and gender. Adopted by the Board in September 2010 in conjunction with the five year experience study for the period ending June 30, 2009.
- Mortality—RP-2000 Combined Mortality Table, projected to 2016 using Scale AA, multiplied by 90 percent for males and 80 percent for females.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2014, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic All Cap Equity*	7.0%	8.9%
Domestic Large Cap Equity	10.0%	8.5%
Domestic Mid Cap Equity	13.0%	9.2%
Domestic Small Cap Equity	10.0%	9.2%
International Large Cap Equity	11.5%	9.2%
International Small Cap Equity	6.0%	9.2%
Core Plus Fixed Income	17.5%	4.3%
High-yield Fixed Income	6.0%	6.7%
Private Equity	5.0%	10.1%
Real Estate**	7.0%	7.8%
Master Limited Partnerships	7.0%	10.1%
Total	<u>100%</u>	

* The Domestic All Cap Equity total expected return is a combination of 3 rates - US Large cap, US Mid Cap and US Small Cap

** The Real Estate total expected return is a combination of US Direct Real Estate (unlevered) and US Value added Real Estate (unlevered)

Discount rate: The discount rate used to measure the total pension liability was 8.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 5 percent of sales, use and individual income taxes, as established by statute. Based on these assumptions, OTRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 12. Retirement Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following table presents the net pension liability of the Center calculated using the discount rate of 8.0 percent, as well as what the Center's net pension liability would be if OTRS calculated the total pension liability using a discount rate that is 1-percentage point lower (7.0%) or 1-percentage point higher (9.0%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Center's net pension liability	\$ 275,668	\$ 196,223	\$ 129,169

Oklahoma Law Enforcement Retirement System

Certain Center employees are members of the OLEERS. The Center has recorded the following amounts related to these employees participation in OLEERS:

Net pension liability	\$ 705
Deferred outflows related to pensions	174
Deferred inflows related to pensions	1,148
Pension expense	163

Because the Center's participation in OLEERS is not material to the Center's financial statements, additional information and disclosures are not included in these financial statements. OLEERS issues a publicly available annual financial report that can be obtained at www.oleers.state.ok.us.

Oklahoma Public Employees Retirement System

Certain Center employees are members of the OPERS. The Center has recorded the following amounts related to these employees participation in OPERS:

Net pension liability	\$ 95
Deferred outflows related to pensions	35
Deferred inflows related to pensions	349
Pension expense	6

Because the Center's participation in OPERS is not material to the Center's financial statements, additional information and disclosures are not included in these financial statements. OPERS issues a publicly available annual financial report that can be obtained at www.opers.ok.gov.

Defined Contribution Plan—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.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 12. Retirement Plans (Continued)

Funding policy: The ORP provisions and contribution requirements are established and may be amended by the Center. The Center's contribution rate is 9 percent 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, 2015 and 2014 were approximately \$22,317 and \$21,040, respectively. Employees do not contribute to the ORP. The vesting period for the ORP is three years.

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 percent for Plan 1 and 8 percent for Plan 2 of covered payroll and is determined by the previously mentioned plan document. Total contributions to Plans 1 and 2 were \$11,854 and \$6,620, respectively, for the year ended June 30, 2015. Total contributions to Plans 1 and 2 were \$11,996 and \$6,769, respectively, for the year ended June 30, 2014. Employees do not contribute to Plans 1 and 2. The vesting period for both Plan 1 and Plan 2 is three years.

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.

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 percent premium subsidy for Group 1 retirees.

The University of Oklahoma Health Sciences Center

**Notes to the Financial Statements
(In Thousands)**

Note 12. Retirement Plans (Continued)

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, 2015, 1,452 retirees met the age and service eligibility requirements. For the years ended June 30, 2015 and 2014, the Center contributed \$3,081 and \$2,885, respectively, for current retirees.

Note 13. Other Postemployment Benefits

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:

	2015	2014
Annual Required Contribution (ARC)	\$ 9,462	\$ 7,948
Interest on net OPEB obligation	4,035	3,749
Adjustment to ARC	(3,452)	(3,100)
Annual OPEB cost	<u>10,045</u>	<u>8,597</u>
Contributions paid during year	<u>(3,081)</u>	<u>(2,885)</u>
Increase in net OPEB obligation	6,964	5,712
Net OPEB Obligation—beginning of year	80,692	74,980
Net OPEB Obligation—end of year	<u>\$ 87,656</u>	<u>\$ 80,692</u>

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 13. Other Postemployment Benefits (Continued)

Funded status and funding progress: The unfunded actuarial accrued liability totaled \$123,793 as of the January 1, 2015 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 \$339,742, and the ratio of the UAAL to the covered payroll was 36 percent.

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.

Trend information:

<u>Fiscal Year Ended</u>	<u>Annual OPEB</u>		<u>Net OPEB</u>	
	<u>Annual OPEB</u>	<u>Cost Contributed</u>	<u>Obligation (Asset)</u>	
2015	\$ 10,045	31%	\$	87,656
2014	8,597	34%		80,692
2013	9,455	27%		74,980

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, 2015 actuarial valuation date, the projected unit credit cost method was used. The actuarial assumptions include the following: a 5 percent 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 percent initially, reduced by decrements to 4.5 percent after seven years (8.5 percent for 2015), and a payroll annual inflation rate of 3.5 percent.

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 course and scope of their employment under the Oklahoma Governmental Tort Claims Act.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 14. Risk Management (Continued)

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.
- In addition, certain fine arts and valuable papers are covered under a separate policy of insurance.
- General liability and tort claim coverages (including comprehensive general liability, auto liability, personal injury liability, aircraft liability, watercraft liability, leased vehicles, and equipment) are provided to the Center by 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 filed one claim in the past three fiscal years.
- Medical malpractice losses are insured by Academic Physicians Insurance Company, a captive insurance company formed to finance the medical professional liability insurance for the Center.

Settled claims have not exceeded coverage in any of the three preceding 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, 2015 and 2014, the accrued workers' compensation liability totaled approximately \$1,835 and \$2,537, 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, 2015 and 2014, the required reserve was \$342 and \$374, respectively. The minimum cash balance is considered each year during the fringe benefit rate-setting process.

Effective July 1, 2013 the Center entered into an agreement for self-funded student health insurance. The plan is administered by a third party, and claims are processed by Blue Cross Blue Shield. The premiums for the insurance are paid by the student directly to Academic HealthPlans (AHP) into a fund managed by AHP. The claims and administrative expenses are paid as incurred directly from the fund. The Center records the cash balance of the fund in its financial statements, as well as an actuarially determined liability for incurred but not reported claims. As of June 30, 2015 and 2014, the cash balance for the plan was \$339 and \$313, respectively, and the accrued liability for claims not yet reported totaled \$111 and \$64, respectively.

Effective January 1, 2015 the Center entered into an agreement for self-funded employee health insurance. The self-funded plan applies to non-HMO employee health coverage. The plan is administered and claims are paid by Blue Cross Blue Shield. The premiums for the insurance are collected and recorded in a self-insurance fund at the Center. The claims and administrative expenses are paid as incurred directly from the fund. The Center records the cash balance of the fund in its financial statements, as well as an actuarially determined liability for incurred but not reported claims. As of June 30, 2015, the cash balance for the plan was \$3,777 and the accrued liability for claims not yet reported totaled \$2,784.

The University of Oklahoma Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 15. Contingencies and Commitments

At June 30, 2015 and 2014, the Center had outstanding commitments under construction contracts of \$1,285 and \$1,905, 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 U.S Department of Justice and other federal agencies are increasing resources dedicated to regulatory investigation and compliance audits of health care providers. The Center is subject to these regulatory efforts. Management is currently unaware of any regulatory matters, which will have material adverse effect on the Center's financial position or results of operations.

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.

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 \$38,107 and \$36,977 for 2015 and 2014, respectively. Amounts due from HCA for such transactions were \$7,673 and \$6,032 as of June 30, 2015 and 2014, respectively, and are included in accounts receivable, net of allowances, on the statements 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 to 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.

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 \$10,559 and \$8,304 for fiscal years 2015 and 2014, respectively, thus eliminating the Center's deductible expense for current and future claims. As of and for the year ended June 30, 2015, the economic resources of the Captive include total assets of \$51,969, total revenue of \$9,052, and total equity of \$26,337. The Captive is not considered a component unit of the Center 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 Health Sciences Center

Notes to the Financial Statements (In Thousands)

Note 16. Affiliates and Related Party Transactions (Continued)

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, 2015 and 2014, the OU Foundation had net position of approximately \$1,354,034 (unaudited) and \$1,227,143 (audited), respectively. The OU Foundation expended on behalf of the Norman Campus and the Center approximately \$88,189 in 2015 and \$112,377 in 2014 for facilities and equipment, salary supplements, general educational assistance, faculty awards, and scholarships. Of these expenditures, \$14,406 in 2015 and \$13,856 in 2014 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.

The Center's investments are also held by OU Foundation.

As discussed in Note 1, the OU Foundation is not considered a component unit of the Center because the resources received and held by the OU Foundation are not entirely or almost entirely held for the benefit of the Center.

On June 10, 2015, the Center entered into an agreement with the University of Oklahoma Norman Campus (OU Norman), to purchase the University Village Apartments for \$5,367. The apartments are located on the Center's campus; however previous ownership of the asset belonged to OU Norman. Cash was transferred to OU Norman on June 11, 2015, and the capital asset is included in the Center's Statement of Net Position as of June 30, 2015.

Note 17. Subsequent Events

The Center has evaluated events and transactions that occurred subsequent to June 30, 2015, through October 19, 2015, the date these financial statements were available to be issued, for potential recognition or disclosure in the financial statements. There were no subsequent events requiring recognition or disclosure.

Note 18. Functional Classifications

For the years ended June 30, 2015 and 2014, the following table represents operating expenses within functional classification:

	2015	2014
Function:		
Instruction	\$ 211,730	\$ 205,546
Research	82,736	83,617
Public service	27,638	28,271
Academic support	43,438	40,047
Student services	5,829	5,664
Institutional support	34,619	34,191
Operations and maintenance of plant	30,953	36,266
Scholarships/Fellowships	1,799	1,855
Clinical operations	475,607	427,566
Agency	1	4
Auxiliary enterprises	8,453	7,065
Service unit	17,086	17,700
Plant	6,181	2,198
Total operating expenses	<u>\$ 946,070</u>	<u>\$ 889,990</u>

Required Supplementary Information

The University of Oklahoma Health Sciences Center

Required Supplementary Information

University of Oklahoma Health Sciences Center Retiree Health/Dental Insurance

Schedule of Funding Progress for Other Post-Employment Health and Life Insurance Benefits
(Unaudited)

June 30, 2015

(In Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	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)
January 1, 2013	\$ -	\$ 111,512	\$ 111,512	\$ -	\$ 305,292	37%
January 1, 2014	-	106,445	106,445	-	330,214	32%
January 1, 2015	-	123,793	123,793	-	339,742	36%

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

The University of Oklahoma Health Sciences Center

**Required Supplementary Information
Schedule of the Center's Proportionate Share of the Net Pension Liability (Unaudited)
Oklahoma Teacher's Retirement System (OTRS)**

Last 10 Fiscal Years *
(Dollar amounts in thousands)

Center's proportion of the net pension liability		3.4%
Center's proportionate share of the net pension liability	\$	196,223
Center's covered-employee payroll		156,304
Center's proportionate share of the net pension liability as a percentage of its covered-employee payroll		125.5%
Plan fiduciary net position as a percentage of the total pension liability		72.4%

Notes to Schedule:

* Only the current fiscal year is presented because 10-year data is not yet available.

The University of Oklahoma Health Sciences Center

**Required Supplementary Information
Schedule of the Center's Contributions (Unaudited)
Oklahoma Teacher's Retirement System (OTRS)**

Last 10 Fiscal Years

(Dollar amounts in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 13,364	\$ 13,291	\$ 13,174	\$ 13,279	\$ 12,711	\$ 12,480	\$ 11,714	\$ 10,998	\$ 9,406	\$ 9,226
Contributions in relation to the contractually required contribution	(13,364)	(13,291)	(13,174)	(13,279)	(12,711)	(12,480)	(11,714)	(10,998)	(9,406)	(9,226)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Center's covered-employee payroll	\$ 156,304	\$ 155,156	\$ 153,450	\$ 154,379	\$ 147,297	\$ 148,491	\$ 149,100	\$ 147,005	\$ 131,903	\$ 128,962
Contributions as a percentage of covered-employee payroll	8.55%	8.57%	8.59%	8.60%	8.63%	8.40%	7.86%	7.48%	7.13%	7.15%

Other Supplementary Information



**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***

Independent Auditor's Report

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, 2015, 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 20, 2015. Our report includes emphasis of matter paragraphs describing the adoption of new accounting standards in fiscal year ended June 30, 2015 and the acknowledgement that the Center is a part of the Board of Regents and these financial statements reflect only the assets, liabilities and revenues and expenses of the Center and not the Board of Regents as a whole.

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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over financial reporting.

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.

The image shows a handwritten signature in cursive script that reads "McGladrey LLP".

Oklahoma City, Oklahoma
October 20, 2015



Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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, 2015. 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.

Auditor's 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, 2015.

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.

McGladrey LLP

Oklahoma City, Oklahoma
October 20, 2015

The University of Oklahoma Health Sciences Center

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Research and Development	
Department of Health and Human Services—ARRA	\$ (679)
Department of Health and Human Services	53,869,018
Department of Defense	356,284
Department of Education	1,079,731
National Science Foundation	72,546
Other Federal Agencies	124,431
	<hr/>
Total research and development	55,501,331
	<hr/>
Training	
Department of Health and Human Services—ARRA	196,381
Department of Health and Human Services	4,813,020
Department of Defense	342,070
Department of Agriculture	1,551,795
Department of Justice	442,988
Other Federal Agencies	149,853
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Total training	7,496,107
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Other	
Department of Health and Human Services	12,153,842
Department of Justice	30,461
	<hr/>
Total other	12,184,303
	<hr/>
Student Financial Aid	
Department of Education	64,418,414
Department of Health and Human Services	881,200
	<hr/>
Total student financial aid	65,299,614
	<hr/>
Total federal program expenditures	\$ 140,481,355
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The University of Oklahoma Health Sciences Center

Detailed Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Research and Development Expenditures - Direct							
Department of Health and Human Services							
Rsrch	DHHS	FDA	93.000	410,131	Baboon Model of Pertussis Disease and Vaccine Evaluation	HHSF2232012100081	F
Rsrch	DHHS	NCI	93.000	1,434,573	Preclinical Efficacy & Intermediate Endpoint Biomarkers	HHSN2612012000131	H
Rsrch	DHHS	NCI	93.000	1,338,780	Preclinical inVivo and in Vivo Agent Development Assays	HHSN2612012000201	H
Rsrch	DHHS	NCI	93.000	11,007	Smoking Cessation for Cervical Cancer Survivors in a Saf		H
Rsrch	DHHS	NHLBI	93.077	454,107	AMPK as a Redox Sensor and Modulator	2R01HL089920	H
Rsrch	DHHS	FDA	93.103	(2,170)	Direct Discovery of HLA-Associated Influenza Epitopes	1U01FD004410	H
Rsrch	DHHS	MCHB	93.110	34,611	Interventions to Promote Adolescent Immunizations	1R40MC21522	H
Rsrch	DHHS	MCHB	93.110	4,937	Secondary Data Analysis of PRAMS and Postpartum Depressi	1R40MC21521	H
Rsrch	DHHS	NIDCR	93.121	4,049	A Novel Class of Signal Transduction System in Streptoco	1R21DE023850	H
Rsrch	DHHS	NIDCR	93.121	45,110	Function of adhesins in veillonellae's role as keystone	2R15DE019940	H
Rsrch	DHHS	NIDCR	93.121	10,302	Mechanism of ImmunoreceptorTyrosine-Based Activation	5R01DE018898	H
Rsrch	DHHS	NIDCR	93.121	292,472	Pyruvate Oxidase Determines Ecological Fitness of Oral S	1R01DE021726	H
Rsrch	DHHS	NIDCR	93.121	44,848	Ser/Thr protein Kinase PknB as Target to Decrease Strept	1R03DE022601	H
Rsrch	DHHS	NIDCR	93.121	23,260	The irvA Dependent Pathway: A Link Between Stress Adapt	1R01DE018893	H
Rsrch	DHHS	NIDCR	93.121	11,501	The LytTR Regulatory Systems of Streptococcus Mutans	1R01DE022083	H
Rsrch	DHHS	NIDCR	93.121	116,846	Veillonellae: keystone species in biofilm development	1R21DE024235	H
Rsrch	DHHS	MCHB	93.127	128,609	Emergency Medical Services for Children (EMSC) State Par	5H33MC06689	H
Rsrch	DHHS	NCCAM	93.213	226,639	Role of SIRT1 in Vasoprotection	1R01AT006526	H
Rsrch	DHHS	AHRQ	93.226	112,116	Disseminating and Implementing PCOR Through the	1R18HS023919	H
Rsrch	DHHS	AHRQ	93.226	69,220	Establishing the Coordinated Consortium of Networks (CoC	1P30HS021644	H
Rsrch	DHHS	AHRQ	93.226	215,948	Rural County-Based Primary Health Care Model	1R18HS023237	H
Rsrch	DHHS	NIMH	93.242	178,541	Behavioral and Molecular Effects of Antenatal SSRI Expos	7K08MH099240	H
Rsrch	DHHS	NIOSH	93.262	422,036	The Role of IL-6 Receptor in Irritant Dermatitis	5R01OH010241	H
Rsrch	DHHS	NIAAA	93.273	131,580	Collaborative Biosocial Research on HIV Risk and Prevent	1R21AA022596	H
Rsrch	DHHS	NIAAA	93.273	25,649	Neuroimaging in the Oklahoma Family Health Patterns Proj	1R01AA01969	H
Rsrch	DHHS	NIAAA	93.273	502,175	Oklahoma Family Health Plan: A Study Across Generations	2R01AA012207	H
Rsrch	DHHS	NCMHD	93.307	1,251,596	American Indians Diabetes Prevention Center: Impacting	2P20MD000528	H
Rsrch	DHHS	ORIP	93.351	1,278,270	Baboon Research Resource Program	2P40OD010988	H
Rsrch	DHHS	NIHOD	93.351	746,147	OUHSC Specific Pathogen Free Baboon Research	1P40OD010431	H
Rsrch	DHHS	NCI	93.393	286,280	Anti-Migration Therapy for Prevention and Treatment of B	7R01CA160271	H
Rsrch	DHHS	NCI	93.393	276,461	HMG-CoA (Hydroxy-3methyl Glutaryl-Coenzyme A) Reductase	2R01CA094962	H
Rsrch	DHHS	NCI	93.393	97,995	Novel Methods to Reduce Children's Secondhand Smoke Expo	1R21CA164521	H
Rsrch	DHHS	NCI	93.393	58,165	Targeting cancer stem cell initiation during pancreatic	1R03CA181584	H
Rsrch	DHHS	NCI	93.393	(5,708)	Understanding the Role of Sgo1 in Colorectal Cancer	1R03CA162538	H
Rsrch	DHHS	NCI	93.395	388,372	Bmi-1, a potential therapeutic target in ovarian cancer	R01CA157481	H
Rsrch	DHHS	NCI	93.395	(4,753)	Development of a gold nanoparticles based targeted deliv	7R01CA135011	H
Rsrch	DHHS	NCI	93.395	399,081	HuR Targeted Nanotherapy for Lung Cancer	1R01CA167516	H
Rsrch	DHHS	NCI	93.395	1,232,257	Lead Academic Participating Site for the Development and	1U10CA180798	H
Rsrch	DHHS	NCI	93.395	4,714	Molecular mechanism of antiangiogenic properties of gold	7R01CA136494	H
Rsrch	DHHS	NCI	93.395	66,620	Role of Dietary Zinc Transporter ZIP4 in Pancreatic Canc	7R01CA138701	H
Rsrch	DHHS	NCI	93.395	96,288	Targeting DCLK1 kinase activity in pancreatic cancer	1R21CA186175	H
Rsrch	DHHS	NCI	93.396	361,847	ARRDC3-Integrin Beta4 Pathway as a Therapeutic Target of	7R01CA163657	H
Rsrch	DHHS	NCI	93.396	261,283	ETV1 and JMJD2 Demethylases in Prostate Cancer	1R01CA154745	H
Rsrch	DHHS	NCI	93.396	202,371	How KAI1/CD82 Suppresses Cancer Invasion and Metastasis	7R01CA096991	H
Rsrch	DHHS	NCI	93.396	44,678	Regulation of JNK (Jun N-Terminal Kinase)-Signaling Mole	7R01CA123233	H
Rsrch	DHHS	NCI	93.396	57,559	The role of DCLK1 in the initiation of pancreatic ductal	1R01CA182869	H
Rsrch	DHHS	NCI	93.396	20,913	ZIP4 is a Novel Molecular Target in Human Pancreatic Can	1R01CA186338	H
Rsrch	DHHS	NHLBI	93.837	414,713	AMP-Activated Protein Kinase in Diabetes	2R01HL080499	H
Rsrch	DHHS	NHLBI	93.837	83,849	Angiotensin-II, GTPCH1 and 26S Proteasomes	1R01HL096032	H
Rsrch	DHHS	NHLBI	93.837	373,017	Anti-aging gene klotho, a novel therapeutic target for c	1R01HL118558	H
Rsrch	DHHS	NHLBI	93.837	40,470	Autoimmune Determinants of Human Cardiac Myosin	5R01HL056267	H
Rsrch	DHHS	NHLBI	93.837	388,898	Controlling VSMC Proliferation and Migration	1R01HL110488	H

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Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Research and Development Expenditures - Direct							
Department of Health and Human Services							
Rsrch	DHHS	NHLBI	93.837	783,164	CVD in American Indians Study and Data Management Center	1R01HL109284	H
Rsrch	DHHS	NHLBI	93.837	411,745	Cystathionine beta synthase (CBS) and angiogenesis	1R01HL120585	H
Rsrch	DHHS	NHLBI	93.837	255,145	Molecular Mechanisms of Conduit Arterial Stiffening	1R01HL105302	H
Rsrch	DHHS	NHLBI	93.837	66,139	Oxidant Stress and Diabetic Endothelial Dysfunction	2R01HL074399	H
Rsrch	DHHS	NHLBI	93.837	275,331	Prevention of High Fat Diet-Induced Vascular Injury	1R01HL105157	H
Rsrch	DHHS	NHLBI	93.837	267,203	Reactive Nitrogen Species and Accelerated Atherosclerosis	2R01HL079584	H
Rsrch	DHHS	NHLBI	93.837	349,851	Regulation of Blood Pressure by Klotho	1R01HL102074	H
Rsrch	DHHS	NHLBI	93.837	42,487	Rural Tow Walkability: Measuring the Effect of the Built	7R01HL103478	H
Rsrch	DHHS	NHLBI	93.837	605,962	Tribal Health and Resilience in Vulnerable Environments	41R01HL117729	H
Rsrch	DHHS	NHLBI	93.838	396,517	Investigation into Cold-Induced Pulmonary Vascular Infla	1R01HL116863	H
Rsrch	DHHS	NHLBI	93.839	267,515	Biologic Evaluation of Liposome-Encapsulated Hemoglobin	1R01HL104286	H
Rsrch	DHHS	NHLBI	93.839	24,104	Oklahoma-University of Texas Southwestern Hemostasis Con	5U01HL072283	H
Rsrch	DHHS	NIAMS	93.846	386,814	Calcium Regulation in Osteoclasts	1R01AR064211	H
Rsrch	DHHS	NIDDK	93.847	69,821	Genome-Wide Association Scan to Identify Risk Genes	5R01DK082766	H
Rsrch	DHHS	NIDDK	93.847	169,495	Isolation and Characterization of Intestinal Stem Cells	5U01DK085508	H
Rsrch	DHHS	NIDDK	93.847	354,549	Mechanistic studies on obesity-deteriorated glucose and	7R01DK097092	H
Rsrch	DHHS	NIDDK	93.847	364,567	Molecular Mechanism of Kidney Aging	1R01DK093403	H
Rsrch	DHHS	NIDDK	93.847	239,052	Prenatal Conditions and the Pathway to Obesity/Diabetes	1R01DK089034	H
Rsrch	DHHS	NIDDK	93.847	392,733	Regulation of Calcium Signaling by the PKD2 Gene Product	5R01DK059599	H
Rsrch	DHHS	NIDDK	93.847	74,293	The Role of Altered Permeability in Bladder Diseases	1P20DK097799	H
Rsrch	DHHS	NINDS	93.853	14,173	A Novel Role for Very Long Chain Fatty Acids in the Cent	1F31NS089358	H
Rsrch	DHHS	NINDS	93.853	222,417	EFECAB: Improving Pig Management to Prevent Epilepsy in	1R01NS064901	H
Rsrch	DHHS	NINDS	93.853	379,422	Effects of Radiation on Brain Microvasculature and Cogni	2R01NS056218	H
Rsrch	DHHS	NINDS	93.853	160,571	Inflammatory mediators and mechanisms during central ner	1R21NS082639	H
Rsrch	DHHS	NINDS	93.853	158,551	Novel Role of Very Long Chain Fatty Acids in The Brain	1R21NS090117	H
Rsrch	DHHS	NINDS	93.853	309,802	RNA-Induced Transcriptional Gene Silencing in Friedreich	1R01NS072418	H
Rsrch	DHHS	NINDS	93.853	93,234	Understanding the Inflammatory Processes of Neurocystice	1R21NS077466	H
Rsrch	DHHS	NIAID	93.855	220,677	Bacteriophage control of DNA repair in streptococcus pyo	2R15AI072718	H
Rsrch	DHHS	NIAID	93.855	162,142	Development of an Antimicrobial Peptide Therapeutic for	5U01AI075391	H
Rsrch	DHHS	NIAID	93.855	110,040	Discovery and Targeting of HIV-1 Associated Antigens	1R01AI090672	H
Rsrch	DHHS	NIAID	93.855	175,880	Discovery and Targeting of West Nile Virus Epitopes	1U01AI082057	H
Rsrch	DHHS	NIAID	93.855	420,263	Outer Membrane Proteins of Borrelia burgdorferi	2R01AI059373	H
Rsrch	DHHS	NIAID	93.855	365,908	Pore Formation by Cholesterol Dependent Cytolysins	2R01AI037657	H
Rsrch	DHHS	NIAID	93.855	250,714	Regulation of Humoral Immunity By NKT Cells	2R56AI078993	H
Rsrch	DHHS	NIAID	93.855	72,613	Regulation of the VDJ Recombinase During Genotoxic Stres	1R21AI094141	H
Rsrch	DHHS	NIAID	93.855	90,745	Role of CD4 T cell inhibitor receptors during Plasmodium	1K22AI099070	H
Rsrch	DHHS	NIAID	93.855	366,687	The Neuroimmunology of Viral Infection	2R01AI053108	H
Rsrch	DHHS	NIAID	93.855	423,073	The Role of Non-Canonical Base-Pairs in RNA Editing	1R01AI088011	H
Rsrch	DHHS	NIGMS	93.859	398,174	Cytosolic Proline Hydroxylation and Glycosylation	2R01GM037539	H
Rsrch	DHHS	NIGMS	93.859	196,371	Fibroblast Differentiation in Wound Healing	2R01GM060651	H
Rsrch	DHHS	NIGMS	93.859	280,936	Function and Regulation of OATP1B1 and OATP1B3	7R01GM094268	H
Rsrch	DHHS	NIGMS	93.859	2,012,903	Mentoring Diabetes Research in Oklahoma (COBRE)	9P20GM104934	H
Rsrch	DHHS	NIGMS	93.859	1,864,663	Mentoring Translational Cancer Research in Oklahoma (CoB	5P20GM103639	H
Rsrch	DHHS	NIGMS	93.859	45,814	NIR-activatable Prodrugs for Treating Peritoneally Metas	1R01GM113940	H
Rsrch	DHHS	NIGMS	93.859	3,520,762	Oklahoma IDeA Network of Biomedical Research Excellence	2P20GM103447	H
Rsrch	DHHS	NIGMS	93.859	3,723,192	Oklahoma Shared Clinical and Translational Resources	1U54GM104938	H
Rsrch	DHHS	NIGMS	93.859	259,419	RAMP-Altered Class B GPCR Hormone Recognition	1R01GM104251	H
Rsrch	DHHS	NIGMS	93.859	224,731	Structural and Functional Specificity of Rab GTPases	2R01GM074692	H
Rsrch	DHHS	NIGMS	93.859	81,445	Structure and Function of Hyaluronan Synthases	2R01GM035978	H
Rsrch	DHHS	NIGMS	93.859	253,240	Structure-Function of Bcl-2-Related Apoptosis Regulators	2R01GM062964	H
Rsrch	DHHS	NICHHD	93.865	266,461	Luteal Progesterone Supplementation in Clomiphene Citrat	1U10HD077680	H

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Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Research and Development Expenditures - Direct							
Department of Health and Human Services							
Rsrch	DHHS	NICHD	93.865	14,494	Prone Locomotion in Infants with or at Risk for Disabili	1R21HD061678	H
Rsrch	DHHS	NICHD	93.865	254,343	Short-Term Outcomes of Interventions for Reproductive Dy	1R01HD074579	H
Rsrch	DHHS	NIA	93.866	465,677	Interaction of Genotype and Level of Dietary Restriction	1R01AG045693	H
Rsrch	DHHS	NIA	93.866	317,803	Microvascular mechanism of neuroinflammation; role of Nr	1R01AG047879	H
Rsrch	DHHS	NIA	93.866	310,216	Novel Approaches for Regulation of IGF-1 Levels Througho	1R01AG038747	H
Rsrch	DHHS	NIA	93.866	233,995	Sirt1, Vascular Aging, and Aortic Aneurysm	1R01AG047776	H
Rsrch	DHHS	NIA	93.866	22,763	When They Say No: Older Adults' Perspectives on Home and	1R15AG048535	H
Rsrch	DHHS	NEI	93.867	298,637	A New Pathogenic Mechanism for Diabetic Retinopathy	2R01EY019309	H
Rsrch	DHHS	NEI	93.867	460,475	Compacted DNA Nanoparticles for Ocular Therapy	2R01EY018656	H
Rsrch	DHHS	NEI	93.867	517,473	Corneal Lymphatics and Adaptive Immunity	1R01EY021238	H
Rsrch	DHHS	NEI	93.867	360,759	DNA Nanoparticle Formulations for Optimal Ocular Gene De	1R01EY022778	H
Rsrch	DHHS	NEI	93.867	363,779	Documentation of Novel Keratoconus Markers: In Vitro and	1R01EY023568	H
Rsrch	DHHS	NEI	93.867	348,918	Insulin-Therapy Resistant Epigenetic Modifications in Di	7R01EY021716	H
Rsrch	DHHS	NEI	93.867	162,763	Light Activation of Retinal Insulin Receptor Signaling	2R01EY016507	H
Rsrch	DHHS	NEI	93.867	261,564	Lipid Metabolism in the Retina	2R01EY004149	H
Rsrch	DHHS	NEI	93.867	250,115	Mechanism of Cone Degeneration Resulting from CNG	1R01EY019490	H
Rsrch	DHHS	NEI	93.867	236,707	Mechanism of Photoreceptor Cell Degeneration in Animal M	2R01EY010609	H
Rsrch	DHHS	NEI	93.867	4,885	Mechanisms of Inflammation and Vision Loss in Endophthal	5R01EY012985	H
Rsrch	DHHS	NEI	93.867	149,956	New Models of Endogenous Bacterial Endophthalmitis	1R21EY022466	H
Rsrch	DHHS	NEI	93.867	781,701	P30-Center Core Grant for Vision Research	1P30EY021725	H
Rsrch	DHHS	NEI	93.867	545,753	Prolonged Inhibition of Pathologic Neovascularization by	1R01EY022111	H
Rsrch	DHHS	NEI	93.867	372,929	Regulation of Scleral Growth and Remodeling in Myopia	2R01EY009391	H
Rsrch	DHHS	NEI	93.867	113,182	Retinal Degeneration Caused by Alterations in Protein Ty	2R01EY018137	H
Rsrch	DHHS	NEI	93.867	56,571	Retinal Degeneration Conference	1R13EY022574	H
Rsrch	DHHS	NEI	93.867	210,789	Role of Caveolin-1 in the Maintenance of Blood-Retinal B	5R01EY019494	H
Rsrch	DHHS	NEI	93.867	296,093	Second Messengers in the Retina	2R01EY000871	H
Rsrch	DHHS	NEI	93.867	407,064	Sphingolipid Metabolism and Signaling in the Retina	1R01EY022071	H
Rsrch	DHHS	NEI	93.867	10,551	Sphingolipid signaling in corneal wound healing and fibr	1R21EY025256	H
Rsrch	DHHS	NEI	93.867	86,832	Studies of RPE65 (Retinal Pigment Epithelium-Specific 65	2R01EY012231	H
Rsrch	DHHS	NEI	93.867	153,586	Study of the Retinal Pigment Epithelium (RPE) Barrier	1R01EY020900	H
Rsrch	DHHS	NEI	93.867	94,884	Suppressing Thyroid Hormone Signaling to Protect Cones i	1R21EY024583	H
Rsrch	DHHS	NEI	93.867	107,115	The Role of the Wnt Signaling Pathway in Choroidal Neova	2R01EY018659	H
Rsrch	DHHS	NEI	93.867	420,378	Vascular Permeability and Ocular Infections	1R01EY024140	H
Total Research and Development - DHHS Direct				<u>46,282,520</u>			
Department of Defense							
Rsrch	DOD	ARMY	12.420	96,502	A Synergistic Combination Therapy of Photodynamic Therap	W81XWH1410392	D
Rsrch	DOD	ARMY	12.420	136,591	Molecular Mechanism of Chronic Pain and its Modulation b	W81XWH1120077	D
Rsrch	DOD	ARMY	12.420	28,979	Tuft Cell Regulation of miRNAs in Pancreatic Cancer	W81XWH1210503	D
Total Research and Development - DOD Direct				<u>262,072</u>			
Department of Education							
Rsrch	DOE	EDUCATION	84.324	564,198	Evaluating a Model for Community-Based Intervention	R324A110353	E
Rsrch	DOE	EDUCATION	84.324	511,888	Project DATA: A Multisite Evaluation of a School-Based M	R324A120232	E
Total Research and Development - DOE Direct				<u>1,076,087</u>			
Total Research and Development Exp - Direct				<u>47,620,679</u>			
Research and Development Expenditures - ARRA Flow Through							
Department of Health and Human Services							
Rsrch	DHHS	LEIDOS	93.000	(679)	The Cancer Genome Atlas (TCGA)	HHSN261200800001E	Y

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Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Research and Development Expenditures - Flow Through							
Department of Health and Human Services							
Rsrch	DHHS	PULMOKINE	93.000	12,387	An inhaled dry powder formulation for the treatment mult	HHSN272201300015C	T
Rsrch	DHHS	CINCINCHMC	93.000	10,638	Clinic-Based Interdisciplinary Intervention for Parents		T
Rsrch	DHHS	WESTAT	93.000	27,450	Follow-up of women enrolled in the Biopsy Study (Succeed	HHSN261201300016C	T
Rsrch	DHHS	UWASHINGTO	93.000	400	Perceptions, Availability and Use of Flavored Electronic		T
Rsrch	DHHS	UTANDERSON	93.077	8,806	Informing and Correcting Perceptions Regarding Tobacco P	5P50CA180906	T
Rsrch	DHHS	OHIOSTATE	93.103	8,123	Ph 3 of Cyclosporine or Corticosteroids Adjunct to Plasm	1R01FD003932	T
Rsrch	DHHS	UCOLORADO	93.110	90,853	/Maternal and Child Health Research Program	1R40MC23632	T
Rsrch	DHHS	UARKANSAMS	93.110	(1,198)	Heartland Genetics Project	5H46MC24089	T
Rsrch	DHHS	UARKANSAMS	93.110	14,474	Heartland Genetics Services Collaborative - Heartland Ge	5H46MC24089	T
Rsrch	DHHS	PENNSTATEU	93.121	78,329	Effect of HPV16 and ART on the Epigenome Leading to AIDS	1R01DE024964	T
Rsrch	DHHS	OREGONSTAT	93.136	10,964	Opioid Analgesic Policies and Prescription Drug Abuse an	1U01CE002500	T
Rsrch	DHHS	UWASHINGTO	93.155	9,624	Rural Health Research Center (RHRC12)	6U1CRH03712	T
Rsrch	DHHS	UALABAMABI	93.226	14,623	Deep South Arthritis and Musculoskeletal CERT's	1U19HS021110	T
Rsrch	DHHS	UPITTSBURG	93.242	2,584	8590A Statewide RCT of Two Implementation Models	1R01MH095750	T
Rsrch	DHHS	UCSD	93.242	12,472	EBP Sustainment in a Statewide Service System	2R01MH072961	T
Rsrch	DHHS	LAURBRAIN	93.242	76,568	Inflammatory Transcripts, Genes and Positive Valence Sys	1R01MH098099	T
Rsrch	DHHS	UCSD	93.242	9,936	Interagency Collaborative Teams to Scale-Up Evidence Bas	1R01MH092950	T
Rsrch	DHHS	JHU	93.243	13,200	Pediatric Integrated Care Collaborative (PICC)	5U79SM061259	T
Rsrch	DHHS	UALABAMABI	93.262	50,740	A Novel Desorption Technique for Improved Sensitivity in	1R21OH010373	T
Rsrch	DHHS	UALABAMABI	93.262	14,810	Determining Absolute Sampling Efficiencies for Endotoxin	2T42OH008436	T
Rsrch	DHHS	PENNSTATEU	93.273	20,549	A Diagnostic Plasma Protein Panel for Alcohol Abuse	1R01AA021661	T
Rsrch	DHHS	OICA	93.297	143,980	OKPOWER	90AP2665	T
Rsrch	DHHS	UNIVMIAMI	93.351	4,183	MHC-Bound, SIV-Derived, CTL and HTL Epitopes	8R24OD011086	T
Rsrch	DHHS	UNVWISCMAD	93.389	4,448	Immunogenetics of Macaques Used in Biodefense and AIDS R	2R24RR021745	T
Rsrch	DHHS	USFLORIDA	93.389	28,601	Type I Diabetes TrailNet (Trial Net)	1U01DK61055	T
Rsrch	DHHS	UTANDERSON	93.393	2,201	(PQA3) Smartphone Delivered Attentional Bias Modificatio	1R01CA184781	T
Rsrch	DHHS	UCSF	93.393	24,358	Countering Young Adult Tobacco Marketing in Mars	5U01CA154240	T
Rsrch	DHHS	UNIVKANMED	93.393	49,526	Culturally-Tailored Smoking Cessation for Amer Indians	5R01CA141618	T
Rsrch	DHHS	UTANDERSON	93.393	6,164	Enhancing Cancer Outreach for Low-Income Adults with Inn	5R01CA141628	T
Rsrch	DHHS	UCSD	93.393	53,602	Nonsmokers and Tobacco Control Norms: Population Survey	1U01CA154280	T
Rsrch	DHHS	ACRADIOLOG	93.394	6,791	A Multicenter Trial of FDG-PET/CT Staging of	ACRIN6685	T
Rsrch	DHHS	ACRADIOLOG	93.394	27,464	GOG 262/ACRIN 6695: A Randomized Phase III Trial of Ever	ACRIN6695	T
Rsrch	DHHS	ONOCOLYTI	93.395	37,066	A 2-Arm Randomized Phase II Study of Carboplatin, Paclit	NCI8601	T
Rsrch	DHHS	ACRADIOLOG	93.395	4,575	A Prospective, Multi-center Comparison of Mu	ACRIN6690	T
Rsrch	DHHS	DUKECLINIC	93.395	(409)	A Randomized Phase III Trial Comparing 16 to 18 Weeks of	U10CA76001	T
Rsrch	DHHS	BRIGHAMWH	93.395	40,730	Alliance for Clinical Trials in Oncology (Alliance)	OK003	T
Rsrch	DHHS	CHILDHPHIL	93.395	160,890	Children's Oncology Group Chair's Grant	1U10CA180886	T
Rsrch	DHHS	COAREBIO	93.395	14,948	Developing an Antibody-Drug Conjugate against Pancreatic	1R43CA189436	T
Rsrch	DHHS	COAREBIO	93.395	10,183	Development of an ADC to target tumor stem cells in colo	1R43CA186577	T
Rsrch	DHHS	COAREBIO	93.395	33,113	Development of Monoclonal Antibodies to Treat Pancreatic	1R43CA174025	T
Rsrch	DHHS	ECOG	93.395	38,590	ECOG-ACRIN Agreement	U10CA180820	T
Rsrch	DHHS	NRGONCFND	93.395	20,022	Gynecological Cancer Committee Chair	1U10CA180868	T
Rsrch	DHHS	GOG	93.395	51,081	NIH Subcont Participation in Gynecologic Oncology Protoc	27469083	T
Rsrch	DHHS	NRGONCFND	93.395	729,692	NRG Oncology		T
Rsrch	DHHS	NRGONCFND	93.395	113,533	NRG Oncology NCORP Research Base	1UG1CA189867	T
Rsrch	DHHS	CASEWESTER	93.395	9,252	Randomized phase II study of intravenous 3-aminopyridine	3U01CA062502	T
Rsrch	DHHS	SWOG	93.395	20,364	Southwest Oncology Group Agreement - Federally Funded st	CA32102	T
Rsrch	DHHS	OPTIMUM	93.395	8,416	Synergistic Chemo-siRNA Combination Therapy	1R01CA158300	T
Rsrch	DHHS	OPTIMUM	93.395	23,159	Synergistic chemo-siRNA combination therapy - U Oklahoma	R01CA158300	T
Rsrch	DHHS	UNEBLINC	93.396	11,087	Hyaluronan Signaling and Turnover in Prostate Cancer	1R01CA165574	T
Rsrch	DHHS	AUCD	93.424	70,933	Legacy for Children™ Spanish Evaluation	1U38OT000140	T

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Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID
Research and Development Expenditures - Flow Through						
Department of Health and Human Services						
Rsrch	DHHS	JHU	93.505	2,452	Home Visiting Research Network	UD5SMC24070
Rsrch	DHHS	OSDH	93.505	701,847	Independent Evaluation of Ok Competitive MIECHV	3409016352
Rsrch	DHHS	NORTHCARE	93.605	141,561	Family Connections Grant: Child Welfare/TANF Collaborati	90CF004701
Rsrch	DHHS	MAYOCLINIC	93.610	590,852	AWARE: Patient-centric electronic environment for improv	1C1CMS330964
Rsrch	DHHS	SSOK	93.652	56,465	From Vulnerable to Resilient: Program Evaluation	90CO1092001
Rsrch	DHHS	ACADPEIDAA	93.733	45,664	National Immunization Partnership with the APA (NIPA)	1H23IP000850
Rsrch	DHHS	UWASHINGTO	93.837	4,253	Cerebrovascular Disease in American Indians: Prevalence,	5R01HL093086
Rsrch	DHHS	WASHINGTON	93.837	11,414	Hypoplastic Left Heart Syndrome: Expression RHD in the	7R01HL098634
Rsrch	DHHS	UCSD	93.837	27,758	Privacy-Preserving Shared Access to Computing on Sensiti	3U54HL108460
Rsrch	DHHS	NERI	93.837	29	Treatment of Preserved Cardiac Function Heart Failure wi	N01HC45207
Rsrch	DHHS	OMRF	93.838	13,827	IRF 4-Mediated Regulation of Lung Dendritic Cells During	1R01HL119501
Rsrch	DHHS	NMDP	93.839	3,024	A Multi-Center, Phase III, Randomized Trial of Reduced I	BMTCTN1101
Rsrch	DHHS	NMDP	93.839	3,060	A Phase II/III Randomized, Multicenter Trial Comparing S	BMTCTN0801
Rsrch	DHHS	NMDP	93.839	259	Blood Stem Cells V Marrow	1U01HL69294
Rsrch	DHHS	PHOENICIA	93.839	127,397	Development of a clinical hemoglobin modulator	2R42HL110727
Rsrch	DHHS	UWASHINGTO	93.839	35,306	Innovative Multigenerational Household Intervention to R	1R01HL122148
Rsrch	DHHS	NERI	93.839	21,272	Red Cell Storage Duration Study (RECESS)	U01HL072268
Rsrch	DHHS	NERI	93.839	2,402	RING Study-Thru NERI	U01HL072268
Rsrch	DHHS	RENSELAER	93.839	92,693	Synthetic Heparan Sulfate: Probing Biosynthesis to Prepa	2R01HL062244
Rsrch	DHHS	UMICHIGAN	93.846	1,663	A Clinical Trial for the Surgical Treatment of Elderly D	R01AR062066
Rsrch	DHHS	OMRF	93.846	22,588	Oklahoma Sjogren's Syndrome Center of Research Tr	1P50AR060804
Rsrch	DHHS	OMRF	93.846	288,100	Oklahoma Sjogren's Syndrome Center of Research Translati	1P50AR060804
Rsrch	DHHS	CHILDMERCH	93.847	1,522	Chronic Kidney Disease in Children (CKiD III)	2U01DK066143
Rsrch	DHHS	COLUMBIAUN	93.847	18,711	Quiescent Dclk1 + Stem Cells in the Mouse Intestine	1R56DK097016
Rsrch	DHHS	GEORGEWASH	93.847	389,084	Studies to Treat or Prevent Pediatric Type 2 Diabetes	5U01DK061230
Rsrch	DHHS	GEORGEWASH	93.847	2,325	TODAY Genetics Study	2U01DK061230
Rsrch	DHHS	USFLORIDA	93.847	14	Type 1 Diabetes TrialNet	U01DK61055
Rsrch	DHHS	UMINN	93.853	2,461	Antihypertensive Treatment of Acute Cerebral Hemorrhage	U01NS062091
Rsrch	DHHS	CINCINCHMC	93.853	2,974	Childhood and Adolescent Migraine Prevention Study	5U01NS076788
Rsrch	DHHS	SUNY	93.853	6,918	Neurocognitive Function and Cerebral Perfusion in Cardia	5R21NS067278
Rsrch	DHHS	OHSU	93.853	68,089	Role of Extracellular Matrix in Hypoxic-Ischemic Perinat	2R01NS054044
Rsrch	DHHS	UBUFFALO	93.855	36,046	Control of Toxoplasma gondii Growth by the Host Cell Tra	5R01AI069986
Rsrch	DHHS	DUKECLINIC	93.855	12,152	Development of Cationic Peptide Adjuvants and Formulatio	5U01AI082107
Rsrch	DHHS	OMRF	93.855	67,205	Edema Toxin Suppression of Immune Responses	5U19AI062629
Rsrch	DHHS	STANFORD	93.855	11,623	HLA Typing Core for CCHI Investigators	5U19AI057229
Rsrch	DHHS	UCSF	93.855	135,391	Human Natural Killer Cell Recognition of Cytomegalovirus	1R21AI108860
Rsrch	DHHS	UCLOSANGEL	93.855	92,752	Identifying NKT Cell Lipids of Chlamydia Trachomatis and	1R21AI112293
Rsrch	DHHS	RESTRINST	93.855	26,520	Inhaled Caprazamycin for Tuberculosis Therapy	1R01AI091882
Rsrch	DHHS	STANFORD	93.855	2,221	Innate Immune Responses Upon West Nile Virus Infection o	5U19AI057229
Rsrch	DHHS	OMRF	93.855	71,504	Molecular and Immunologic Analysis of the Pathobiology o	2U19AI062629
Rsrch	DHHS	MASSGEN	93.855	2,954	Prospective Cohort Study of Sever Bronchiolitis of Recur	5U01AI087881
Rsrch	DHHS	OMRF	93.855	229,365	Role of B. (Bacillus) anthracis Toxins in Human Inhalati	5U19AI062629
Rsrch	DHHS	UNIVKANMED	93.855	83,562	Stable, needleless subunit vaccine against Shigella spp	1R21AI105467
Rsrch	DHHS	OMRF	93.855	4,929	Toxin Core	5U19AI062629
Rsrch	DHHS	OMRF	93.855	212,902	Toxin-Mediated Suppression of Human PBMC Responses Durin	2U19AI062629
Rsrch	DHHS	OSU	93.859	194,076	Control of Lung Inflammation by Surfactant Protein-A-TLR	1P20GM103648
Rsrch	DHHS	OMRF	93.859	14,285	Interdisciplinary Research in Vascular Biology	8P20GM103441
Rsrch	DHHS	OMRF	93.859	26,574	o2C-AR autoantibodies in Raynaud's Syndrome	8P30GM103510
Rsrch	DHHS	OSU	93.859	167,244	Oklahoma Center for Respiratory and Infectious Diseases	1P20GM103648
Rsrch	DHHS	OUNORMAN	93.859	548,405	Oklahoma COBRE in Structural Biology	1P20GM103640
Rsrch	DHHS	YALEUNIV	93.865	9,102	Assessment of Multiple Intrauterine Gestations from Ovar	5U10HD055925

(Continued)

The University of Oklahoma Health Sciences Center

Detailed Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Research and Development Expenditures - Flow Through							
Department of Health and Human Services							
Rsrch	DHHS	UMINN	93.865	110,954	Maternal Obesity, Breast-milk Composition and Infant Gro	1R01HD080444	T
Rsrch	DHHS	LOMALINDAU	93.865	36,369	Mechanisms of Acclimatization: Fetus and Adult	P01HD03131226	T
Rsrch	DHHS	YALEUNIV	93.865	6,839	Optimal Treatment for Women with a Persisting Pregnancy	2U10HD055925	T
Rsrch	DHHS	UARKANSAMS	93.866	7,716	Arkansas Claude Pepper Older Americans Independence Cent	5P30AG028718	T
Rsrch	DHHS	UARKANSAMS	93.866	10,465	Arkansas Older Americans Independence Center at UAMS-RCD	1P30AG028718	T
Rsrch	DHHS	UCOLORADO	93.866	5,266	Native Elder Research Center	5P30AG015292	T
Rsrch	DHHS	JAEBCENTER	93.867	1,256	A Randomized Trial of Levodopa as Treatment for Residual	ATS17	T
Rsrch	DHHS	CHILDHPHIL	93.867	5,974	Postnatal Growth and Retinopathy of Prematurity (G-ROP)	1R01EY021137	T
Rsrch	DHHS	CHILDHPHIL	93.867	29,791	Telemedicine Approaches to Evaluating Acute	1U10EY017014	T
Rsrch	DHHS	CHILDHPHIL	93.867	76,088	Telemedicine Approaches to Evaluating Acute-Phase Retino	U10EY017014	T
Rsrch	DHHS	SCHEPENSER	93.867	190,625	Transplantation of a self-assembled corneal substitute	5R01EY020886	T
Rsrch	DHHS	CHEROKEEOK	93.933	68,496	Preventing Excessive Gestational Weight Gain in American	U26HS300412	T
Rsrch	DHHS	ODMH	93.959	166,988	Substance Abuse Prevention Block Grant Evaluation	3B08T1010042	T
Total Research and Development Exp - DHHS Flow Through				<u>7,586,498</u>			
Research and Development Expenditures - Flow Through							
Other							
Rsrch	DOD	JHU	12.420	94,212	Major Extremity Trauma Research Consortium	W81XWH1020090	T
Rsrch	OJP	JHU	16.540	9,589	Juvenile Registration and Notification Policy Effects: A	2011MUFX4004	T
Rsrch	NSF	UTULSA	47.070	1,192	Multi-digit coordination by compliant connections in an	IIS1427250	T
Rsrch	NSF	OUNORMAN	47.070	71,354	Robot Assistants to Promote Crawling and Walking in Chil	IIS1208639	T
Rsrch	EPA	OUNORMAN	66.509	2,639	Balancing Sustainability, Clean Air, Healthy Learning In	83563401	T
Rsrch	EPA	UTULSA	66.509	2,524	From Home to School: Total Indoor Air Quality Interventi	RD83559601	T
Rsrch	DOE	UKY	84.324	3,644	Relationship of Student Outcomes to School-Based Physica	R324A110204	T
Rsrch	USHOMELND	UMARYLAND	97.061	109,679	Mental Models of Intelligence Collectors and Analysts fo	2012ST061CS0001	T
Total Research and Development Exp - Other Flow Through				<u>294,833</u>			
Total Research and Development Exp - Flow Through				<u>7,880,652</u>			
Total Research and Development Expenditures				<u>55,501,331</u>			
Training Expenditures - Direct ARRA							
Department of Health and Human Services							
Trng	DHHS	BHP	93.403	196,381	Pediatric Primary Care Residency Training in Behavioral	1D5FHP20669	Y
Training Expenditures - Direct							
Department of Health and Human Services							
Trng	DHHS	NCCAN	93.000	166,060	Effective Training for All/AN Mental Health Clinicians	HHSP233201400045C	H
Trng	DHHS	NCCAN	93.000	32,059	Project Making Medicine: Training in the Treatment of C	HHSP23320092926YC	H
Trng	DHHS	OPHPR	93.069	348,065	Southwest Center Preparedness and Emergency Response	1U90TP000420	H
Trng	DHHS	MCHB	93.110	579,847	Oklahoma LEND Leadership Education in Neurodevelopmental	5T73MC00033	H
Trng	DHHS	MCHB	93.110	116,993	Oklahoma Maternal Child Health Leadership Education in D	2T77MC09799	H
Trng	DHHS	BHP	93.191	112,605	Interdisciplinary Training in Child Abuse and Neglect in	1D40HP26871	H
Trng	DHHS	CMHS	93.243	634,285	NCTSI Treatment and Services Adaptation Centers TSA Part	5U79SM061278	H
Trng	DHHS	BHP	93.247	371,059	Advanced Nursing Education Grants	1D09HP25024	H
Trng	DHHS	BHP	93.250	73,271	Geriatric Academic Career Award	1K01HP20519	H
Trng	DHHS	NIOSH	93.262	107,290	Industrial Hygiene Training	2T03OH008614	H
Trng	DHHS	BHP	93.358	7,757	Advanced Education Nursing Traineeship Program	1A10HP25113	H
Trng	DHHS	BHP	93.513	176,000	Critical Shortage of Oklahoma NPs	1T57HP20588	H
Trng	DHHS	BHP	93.514	101,968	Expansion of Physician Assistant Training Program	1T88HP20943	H
Trng	DHHS	BHP	93.516	53,485	The Southwest Public Health Training Center	1UB6HP20183	H
Trng	DHHS	ADD	93.632	477,397	University Center of Excellence (CORE)	90DD0685	H

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The University of Oklahoma Health Sciences Center

Detailed Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Training Expenditures - Direct							
Department of Health and Human Services							
Trng	DHHS	NIAID	93.855	177,763	Molecular Basis of Immunity - Kirschstein - NRSA	2T32AI007633	H
Trng	DHHS	NICHD	93.865	57,927	Teacher-Child Interaction Training: A Classroom-Based Pr	1F32HD075535	H
Trng	DHHS	NIA	93.866	51,518	Summer Training Course in Aging Research	7R13AG012917	H
Trng	DHHS	NIA	93.866	32,207	The Influence and Regulation of Neuronal ROCK Signaling	1F32AG048728	H
Trng	DHHS	NEI	93.867	145,119	Cellular & Molecular Cascades in Vision Research	1T32EY023202	H
Trng	DHHS	BHP	93.884	120,993	An Innovative Longitudinal Clinical Experience for Physi	1D57HP23249	H
Trng	DHHS	BHP	93.884	88,245	Faculty Development in Primary Care	5D55HP23210	H
Trng	DHHS	BHP	93.969	479,705	Oklahoma Geriatric Education Center	6UB4HP19197	H
				<u>4,511,620</u>			
Total Training - DHHS Direct							
Other							
Trng	DOA	USDA	10.855	147,688	Oklahoma Healthy Aging Initiative Distance Learning and	OK0746A17	A
Trng	DOD	ARMY	12.420	61,109	Smad3 and Smad4: Novel Inhibitors of ETV1-dependant Pros	W81XWH1310083	D
Trng	DOD	DEFINTELAG	12.598	280,961	Center for Intelligence and National Security	HHM4021410007	D
Trng	DOJ	OJP	16.543	45,880	Expertise in Evidence-Based Practice for Sexual Behavior	2010WPBXX062	J
Trng	DOJ	OJP	16.543	397,108	Process and Implementation Evaluation of Community-Based	2013MUMUK102	J
Trng	DOE	EDUCATION	84.325	24,911	Web-Based Preparation of Occupational and Physical Thera	H325K080335	E
Trng	DOE	EDUCATION	84.325	123,338	Web-based Preperation of Occupational and Physical Thera	H325K120310	E
				<u>1,080,996</u>			
				<u>5,788,997</u>			
Total Training Expenditures - Direct							
Training Expenditures - Flow Through							
Department of Health and Human Services							
Trng	DHHS	CHEROKEEOK	93.000	17,108	Cherokee NARCH (Student Development Project)		T
Trng	DHHS	HAM-TMC	93.000	4,941	Improving OU-T Reach with Enhanced Media Presentations	HHSN276201100007C	T
Trng	DHHS	HAM-TMC	93.000	14,803	OU-Tulsa Schusterman Library Outreach Subcontract 2014-2	HHSN276201100007C	T
Trng	DHHS	HAM-TMC	93.000	1,500	Professional Development Award - ACRL 2015 Conference	HHSN276201100007C	T
Trng	DHHS	HAM-TMC	93.000	1,500	Professional Development Award (PDA) Year 4	HHSN276201100007C	T
Trng	DHHS	HAM-TMC	93.000	3,780	Social Work Students and Health Literacy Interventions i	HHSN276201100007C	T
Trng	DHHS	UNIVMISSOU	93.073	8,627	Midwest Regional Fetal Alcohol Training Center	5U84DD000884	T
Trng	DHHS	ARKCHRINST	93.110	31,576	Heartland Genetics and Newborn Screening Collaborative	1H46MC24089	T
Trng	DHHS	KRISTIHOUS	93.243	12,646	Evidence Based Treatment for Children with Sexual Behavi	5U79SM061116	T
Trng	DHHS	TULANE	93.249	72,028	Region 6 Public Health Center Training Grant	1UB6HP27874	T
Trng	DHHS	UCOLORADO	93.600	(1,811)	Buffering Toxic Stress	90YR0058	T
Trng	DHHS	ODHS	93.778	11,388	Blue Ribbon panel	15000352	T
Trng	DHHS	CHEROKEEOK	93.933	22,677	Oklahoma NARCH Student Development Program (NARCH VI)	110216	T
Trng	DHHS	ODMH	93.959	100,636	Chemical Dependency Workforce Development Grant	4529048527	T
				<u>301,400</u>			
Total Training - DHHS Flow Through							
Other							
Trng	DOA	ODHS	10.561	1,404,106	Oklahoma Nutrition Information and Education (ONIE) Soci	14001543	T
Trng	NSF	ASBMB	47.074	1,604	Science Enthusiasm is Contagious - Secondary to Primary		T
				<u>1,405,710</u>			
				<u>1,707,110</u>			
				<u>7,496,107</u>			
Total Training Expenditures							

(Continued)

The University of Oklahoma Health Sciences Center

Detailed Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Other Expenditures - Direct							
Department of Health and Human Services							
Other	DHHS	HIVAIDSBUR	93.153	369,163	Ryan White Part D WICY Program	5H12HA24834	H
Other	DHHS	NCBDDD	93.184	101,285	Active Surveillance for Venous Thromboembolism in a raci	2U50DD000899	H
Other	DHHS	HRSA	93.253	202,351	Oklahoma Poison control Center Support and Enhancement P	2H4BHS15502	H
Other	DHHS	HIVAIDSBUR	93.918	738,288	Ryan White Part C Early Intervention Services (EIS) Prog	2H76HA00185	H
Total Other - DHHS Direct				<u>1,411,087</u>			
Other Expenditures - Flow Through							
Department of Health and Human Services							
Other	DHHS	A+GOVERSOL	93.000	83,918	Health Information Exchange and Interoperability (HEI)	7760107400062	T
Other	DHHS	OKHOSPITAL	93.000	35,351	Hospital Engagement Network	HHSM50020120017C	T
Other	DHHS	HAM-TMC	93.000	17,344	Point of Need Health Information Outreach in Oklahoma:	HHSN276201100007C	T
Other	DHHS	AGING	93.043	7,167	Areawide Aging Agency Nutrition and Supportive Services		T
Other	DHHS	EODD	93.043	23,727	Eastern Oklahoma Development Area Agency on Aging		T
Other	DHHS	AGING	93.043	45,194	Oklahoma Healthy Aging Initiative Health Promotion		T
Other	DHHS	UTEXASHSC	93.110	22,340	Comprehensive Hemophilia and Diagnostic Treatment	1H30MC24051	T
Other	DHHS	PARKLANDHL	93.145	195,597	Texas/Oklahoma AIDS Education and Training Center	OTHER5939	T
Other	DHHS	UTEXASHSC	93.184	19,546	Prevention of the Complications of Bleeding Disorder Thr	1U27DD000862	T
Other	DHHS	UNIVKANMED	93.211	80,664	Heartland Telehealth Resource Center	1G22RH20214	T
Other	DHHS	ODMH	93.243	85,406	Be-Me Training and Support	4529048529	T
Other	DHHS	ODMH	93.243	219,448	Psychological Services for Trauma-Exposed Children	4529048529	T
Other	DHHS	ODMH	93.243	11,240	Sooner SUCCESS Sibshop/ODMHSAS Partnership		T
Other	DHHS	UNIVMISSOU	93.243	207,924	The Terrorism and Disaster Center	1U79SM061264	T
Other	DHHS	AMCHP	93.292	9,517	Act Early State Systems	1U38OT000140	T
Other	DHHS	GOG	93.395	4,336	GOG-Co - Cancer Prevention and Control Committee	2U10CA101165	T
Other	DHHS	OSDH	93.505	726,950	Evidence-Based Child Maltreatment Prevention and Family	3409018536	T
Other	DHHS	OKCCBH	93.531	5,000	CTG Toolkits		T
Other	DHHS	ODDC	93.630	67,101	Oklahoma Early Access Autism Project	0111789	T
Other	DHHS	ODDC	93.630	107	Oklahoma Sibshop Implementation Initiative	14014263	T
Other	DHHS	ODHS	93.643	12,401	22nd Oklahoma Child Abuse and Neglect Conference	0100689	T
Other	DHHS	ODHS	93.643	657	Group Treatment for Children with Sexual Behavior Proble	14015604	T
Other	DHHS	ODHS	93.643	39,965	Oklahoma Advisory Board Task Force on Child Abuse and Ne	0100686	T
Other	DHHS	ODHS	93.643	99,826	School Age Program for Children with Problematic Sexual	15000691	T
Other	DHHS	ODHS	93.652	175,577	TASCC - Oklahoma Trauma Assessment & Service Center Coll	PA15000699	T
Other	DHHS	ODHS	93.658	2,186,996	Oklahoma Child Welfare Comprehensive Training Program	0100538	T
Other	DHHS	OHCA	93.778	3,840,286	Drug Utilization Review (DUR) Board (Oklahoma Health Car	8079002858	T
Other	DHHS	ODHS	93.778	183,624	EFFORT - Occupational therapy, physical therapy, speech-	12000438	T
Other	DHHS	ODHS	93.778	242,556	Oklahoma Autism Network	12000424	T
Other	DHHS	ODHS	93.778	62,320	Sooner SUCCESS Statewide Information and Referral	0100517	T
Other	DHHS	ODHS	93.778	11,485	Technical Assistance and Consultation in Autism Spectrum	13008507	T
Other	DHHS	OFMQ	93.779	46,943	Reducing Adverse Drug Events (10th Scope of Work)		T
Other	DHHS	OSDH	93.889	56,938	Medical Reserve Corps Education Coordinator		T
Other	DHHS	OSDH	93.917	55,018	HIV Drug Assistance Program (HDAP) to Promote Adherence		T
Other	DHHS	OSDH	93.917	213,244	Ryan White Part B Co-Pay Assistance	3409019633	T
Other	DHHS	OSDH	93.917	661,094	Ryan White Part B Services	3409019629	T
Other	DHHS	OSDH	93.994	65,185	Acute Poisoning Management and Educational Activities fo	3409019145	T
Other	DHHS	ODHS	93.994	28,343	Family Partners	0010299	T
Other	DHHS	ODHS	93.994	331,974	Oklahoma Infant Transition Program	12000472	T
Other	DHHS	OSDH	93.994	88,061	Pediatric Metabolic Genetic Services, Case Management	3409016887	T
Other	DHHS	ODHS	93.994	105,019	Sickle Cell State Program	0700563	T
Other	DHHS	ODHS	93.994	367,366	Sooner SUCCESS	13000583	T
Total Other - DHHS Flow Through				<u>10,742,755</u>			
				(Continued)			

The University of Oklahoma Health Sciences Center

Detailed Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Flow-Thru Entity	CFDA	Expenditures	Title	OU Agency ID	
Department of Justice							
Other	DOJ	SODAC	16.575	30,461	TF-CBT Group Treatment Program	2014VAGX	T
Total Other Expenditures - Flow Through				10,773,216			
Total Other Expenditures				12,184,303			
Student Financial Assistance Program - Direct							
Department of Education							
FinAid	DOE		84.268	64,418,414	Federal Direct Student Loans		
Student Financial Assistance Program - Direct							
Department of Health and Human Services							
FinAid	DHHS		93.342	250,000	Health Professions Student Loan (HPSL) - Pharmacy	061400022-77	
FinAid	DHHS		93.342	324,000	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	307,200	Health Professions Undergraduate Nursing Student Loan		
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Physical Therapy	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students -Occupational Therapy	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Dental Hygiene	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Physician Assistant	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Medicine	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Dentistry	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Pharmacy	1T08HP22363	H
FinAid	DHHS	BHP	93.925		Scholarships for Disadvantaged Students - Bac Nursing	1T08HP22363	H
Total DHHS Student Financial Assistance				<u>881,200</u>			
Total Student Financial Assistance				<u>65,299,614</u>			
Total Federal Expenditures				<u>\$ 140,481,355</u>			

The University of Oklahoma Health Sciences Center

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2015

Note 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, 2015.

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.

Note 2.

For purposes of the Schedule, expenditures for federal award programs are recognized on a cash basis of accounting. Expenditures are recognized when paid.

Note 3.

The accompanying detailed Schedule of Expenditures of Federal Awards for the Center is an integral part of the Schedule of Expenditures of Federal Awards.

Note 4.

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.

Note 5.

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, 2015 under the Health Professions Student Loan Program (HPSL, PCL, LDS) and the Nursing Student Loan Program are \$6,458,233 and \$1,488,115, respectively.

The University of Oklahoma Health Sciences Center

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Note 6.

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:

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure	
Research and Development						
Department of Health and Human Services						
Rsrch	DHHS	NCI	INTEGRATED LABORATORY SYSTEMS INC	93.000	\$ 64,922	H
Rsrch	DHHS	NCI	MEDICAL COLLEGE OF WISCONSIN INC	93.000	810,390	H
Rsrch	DHHS	NCI	OHIO STATE UNIVERSITY	93.000	309,600	H
Rsrch	DHHS	NCI	UNIVERSITY OF UTAH	93.000	228,762	H
Rsrch	DHHS	NCI	UNIVERSITY OF WASHINGTON	93.000	140,433	H
Rsrch	DHHS	MCHB	MAYO CLINIC	93.110	2,903	H
Rsrch	DHHS	MCHB	MEDICAL UNIVERSITY OF SOUTH CAROLINA	93.110	13,430	H
Rsrch	DHHS	AHRQ	WESTAT INC	93.226	2,434	H
Rsrch	DHHS	AHRQ	LA NET COMMUNITY HEALTH RESOURCE NETWORK	93.226	10,833	H
Rsrch	DHHS	AHRQ	RESEARCH FDTN OF STATE UNIV OF NEW YORK	93.226	9,999	H
Rsrch	DHHS	AHRQ	WESTAT INC	93.226	13,846	H
Rsrch	DHHS	AHRQ	UNIVERSITY OF MISSOURI	93.226	55,051	H
Rsrch	DHHS	NIOSH	CASE WESTERN RESERVE UNIVERSITY	93.262	18,074	H
Rsrch	DHHS	NIAAA	UNIVERSITY OF OKLAHOMA	93.273	17,252	H
Rsrch	DHHS	NIAAA	US CIVILIAN RESEARCH & DEVELOPMENT FDTN	93.273	21,665	H
Rsrch	DHHS	NIAAA	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	93.273	196,300	H
Rsrch	DHHS	NCMHD	CHICKASAW NATION DIVISION OF HEALTH	93.307	21,717	H
Rsrch	DHHS	NCMHD	CHOCTAW NATION OF OKLAHOMA	93.307	138,046	H
Rsrch	DHHS	NCMHD	OKLAHOMA STATE UNIVERSITY	93.307	760	H
Rsrch	DHHS	NIHOD	OKLAHOMA STATE UNIVERSITY	93.351	139,101	H
Rsrch	DHHS	ORIP	OKLAHOMA STATE UNIVERSITY	93.351	176,131	H
Rsrch	DHHS	NCI	MEDICAL UNIVERSITY OF SOUTH CAROLINA	93.393	5,702	H
Rsrch	DHHS	NCI	MIRIAM HOSPITAL	93.393	16,761	H
Rsrch	DHHS	NCI	THOMAS JEFFERSON UNIVERSITY	93.393	28,107	H
Rsrch	DHHS	NCI	UNIVERSITY OF MISSOURI	93.395	1,460	H
Rsrch	DHHS	NCI	MAYO CLINIC	93.395	1,867	H
Rsrch	DHHS	NCI	UNIVERSITY OF COLORADO BOARD OF REGENTS	93.395	27,873	H
Rsrch	DHHS	NCI	UT MD ANDERSON CANCER CENTER	93.395	30,364	H
Rsrch	DHHS	NHLBI	CHICKASAW NATION TRIBAL GOVERNMENT	93.837	24,063	H
Rsrch	DHHS	NHLBI	CHOCTAW NATION OF OKLAHOMA	93.837	45,417	H
Rsrch	DHHS	NHLBI	DARTMOUTH COLLEGE	93.837	4,290	H
Rsrch	DHHS	NHLBI	MEDICAL COLLEGE OF WISCONSIN INC	93.837	51,537	H
Rsrch	DHHS	NHLBI	TEXAS A&M UNIVERSITY	93.837	30,597	H
Rsrch	DHHS	NHLBI	UNIVERSITY OF WASHINGTON	93.837	91,372	H
Rsrch	DHHS	NIDDK	CHOCTAW NATION OF OKLAHOMA	93.847	13,024	H
Rsrch	DHHS	NIDDK	CHICKASAW NATION DIVISION OF HEALTH	93.847	14,342	H
Rsrch	DHHS	NIDDK	MASSACHUSETTS GENERAL HOSPITAL	93.847	18,294	H
Rsrch	DHHS	NIDDK	UNIVERSITY OF PENNSYLVANIA	93.847	33,343	H
Rsrch	DHHS	NINDS	AFRICSANTE	93.853	143,000	H
Rsrch	DHHS	NIAID	BIOLYTX PHARMACEUTICALS CORP	93.855	17,050	H
Rsrch	DHHS	NIAID	COVANCE LABORATORIES INC	93.855	8,950	H
Rsrch	DHHS	NIAID	RECEPTOR LOGIC INC	93.855	30,100	H
Rsrch	DHHS	NIAID	TEXAS A&M AGRILIFE RESEARCH	93.855	86,864	H
Rsrch	DHHS	NIAID	TEXAS AGRILIFE RESEARCH	93.855	48,192	H
Rsrch	DHHS	NIAID	TEXAS TECH UNIVERSITY HLTH SCIENCES CTR	93.855	32,578	H
Rsrch	DHHS	NIAID	UNIVERSITY OF SOUTHERN CALIFORNIA	93.855	22,710	H
Rsrch	DHHS	NIAID	WASHINGTON UNIVERSITY	93.855	75,206	H
Rsrch	DHHS	NIGMS	COMANCHE NATION	93.859	49,847	H

(Continued)

The University of Oklahoma Health Sciences Center

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure	
Rsrch	DHHS	NIGMS	LANGSTON UNIVERSITY	93.859	22,208	H
Rsrch	DHHS	NIGMS	NORTHEASTERN STATE UNIVERSITY	93.859	215,241	H
Rsrch	DHHS	NIGMS	OCA INTER-TRIBAL HEALTH BOARD	93.859	207,440	H
Rsrch	DHHS	NIGMS	OKLAHOMA CITY COMMUNITY COLLEGE	93.859	33,516	H
Rsrch	DHHS	NIGMS	OKLAHOMA MEDICAL RESEARCH FOUNDATION	93.859	1,091,466	H
Rsrch	DHHS	NIGMS	SOUTHWESTERN OKLAHOMA STATE UNIVERSITY	93.859	107,159	H
Rsrch	DHHS	NIGMS	TULSA COMMUNITY COLLEGE	93.859	93,311	H
Rsrch	DHHS	NIGMS	UNIVERSITY OF CENTRAL OKLAHOMA	93.859	235,439	H
Rsrch	DHHS	NIGMS	UNIVERSITY OF COLORADO BOARD OF REGENTS	93.859	3,540	H
Rsrch	DHHS	NIGMS	UNIVERSITY OF OKLAHOMA	93.859	171,364	H
Rsrch	DHHS	NICHD	ANN & ROBERT H LURIE CHIL HOSP OF CHI	93.865	4,205	H
Rsrch	DHHS	NICHD	CHILDRENS HOSPITAL OF PHILADELPHIA	93.865	8,291	H
Rsrch	DHHS	NICHD	CINCINNATI CHILDRENS HOSPITAL MED CTR	93.865	7,591	H
Rsrch	DHHS	NICHD	OKLAHOMA STATE UNIVERSITY	93.865	5,586	H
Rsrch	DHHS	NICHD	RESEARCH FDTN OF STATE UNIV OF NEW YORK	93.865	6,160	H
Rsrch	DHHS	NICHD	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	93.865	4,420	H
Rsrch	DHHS	NICHD	UNIVERSITY OF COLORADO BOARD OF REGENTS	93.865	9,594	H
Rsrch	DHHS	NICHD	WASHINGTON UNIVERSITY	93.865	3,908	H
Rsrch	DHHS	NICHD	WEILL MEDICAL COLLEGE OF CORNELL UNIV	93.865	600	H
Rsrch	DHHS	NIA	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	93.866	95,037	H
Rsrch	DHHS	NEI	VIRGINIA TECH	93.867	21,014	H
Rsrch	DHHS	NEI	SCHEPENS EYE RESEARCH INST	93.867	22,692	H
Rsrch	DHHS	NEI	UNIVERSITY OF CENTRAL FLORIDA	93.867	29,944	H
Rsrch	DHHS	NEI	COPERNICUS THERAPEUTICS INC	93.867	84,094	H
Rsrch	DHHS	UCSF	OKLAHOMA STATE UNIVERSITY	93.393	15,836	T
Rsrch	DHHS	GOG	BAYLOR RESEARCH INSTITUTE	93.395	1,541	T
Rsrch	DHHS	GOG	CARILION MEDICAL CENTER	93.395	1,733	T
Rsrch	DHHS	GOG	FEINSTEIN INSTITUTE FOR MEDICAL RESEARCH	93.395	4,058	T
Rsrch	DHHS	GOG	TULSA CANCER INSTITUTE PLLC	93.395	6,900	T
Rsrch	DHHS	NRGONCFND	CARILION MEDICAL CENTER	93.395	4,900	T
Rsrch	DHHS	NRGONCFND	TULSA CANCER INSTITUTE PLLC	93.395	76,600	T
Rsrch	DHHS	AUCD	LATINO COMMUNITY DEVELOPMENT AGENCY	93.424	2,598	T
Rsrch	DHHS	OSDH	COMMUNITY SERVICE COUN OF GREATER TULSA	93.505	101,014	T
Rsrch	DHHS	OSDH	LATINO COMMUNITY DEVELOPMENT AGENCY	93.505	109,793	T
Rsrch	DHHS	OSDH	NORTH OKLAHOMA COUNTY MENTAL HEALTH CTR	93.505	36,894	T
Rsrch	DHHS	OSDH	OKLAHOMA PART FOR SCH READINESS FDTN INC	93.505	67,898	T
Rsrch	DHHS	OSDH	OKLAHOMA STATE UNIVERSITY	93.505	17,449	T
Rsrch	DHHS	OSDH	PARENT CHILD CENTER OF TULSA INC	93.505	79,548	T
Rsrch	DHHS	GEORGEWASH	CHOCTAW NATION OF OKLAHOMA	93.847	771	T
Rsrch	DHHS	GEORGEWASH	CHICKASAW NATION DIVISION OF HEALTH	93.847	2,207	T
Rsrch	DHHS	GEORGEWASH	ABSENTEE SHAWNEE TRIBAL HEALTH AUTHORITY	93.847	2,513	T
Total Department of Health and Human Services					6,360,630	
Research and Development						
Department of Education						
Rsrch	DOE	EDUCATION	UNIVERSITY OF WASHINGTON	84.324	599,037	E
Total Research and Development					599,037	
Training						
Department of Health and Human Services - ARRA						
Trng	DHHS	BHP	OKLAHOMA STATE UNIVERSITY	93.403	32,342	Y
Training						
Department of Health and Human Services						
Trng	DHHS	MCHB	UNIVERSITY OF OKLAHOMA	93.110	24,067	H
Trng	DHHS	CMHS	DUKE UNIVERSITY	93.243	57,241	H

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The University of Oklahoma Health Sciences Center

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2015

Program	Federal Agency	Federal Sub Agency	Subrecipient	CFDA	Expenditure	
Trng	DHHS	SAMHSA	DUKE UNIVERSITY	93.243	175,830	H
Trng	DHHS	BHP	UNIVERSITY OF OKLAHOMA	93.247	6,334	H
Trng	DHHS	BHP	OCA INTER-TRIBAL HEALTH BOARD	93.516	6,000	H
Trng	DHHS	BHP	OKLAHOMA CITY-COUNTY HEALTH DEPT	93.516	6,999	H
Trng	DHHS	ADD	EAST CENTRAL UNIVERSITY	93.632	10,078	H
Trng	DHHS	ADD	CAMERON UNIVERSITY	93.632	10,600	H
Trng	DHHS	NIA	UNIVERSITY OF WASHINGTON	93.866	28,993	H
Trng	DHHS	BHP	CAMERON UNIVERSITY	93.969	362	H
Trng	DHHS	BHP	TULSA COMMUNITY COLLEGE	93.969	1,116	H
Trng	DHHS	BHP	RURAL HEALTH PROJECTS INC	93.969	6,735	H
Trng	DHHS	BHP	LANGSTON UNIVERSITY	93.969	7,506	H
Trng	DHHS	BHP	UNIVERSITY OF CENTRAL OKLAHOMA	93.969	9,320	H
Trng	DHHS	BHP	TULSA COMMUNITY COLLEGE	93.969	10,379	H
Trng	DHHS	BHP	LANGSTON UNIVERSITY	93.969	15,023	H
Trng	DHHS	BHP	CAMERON UNIVERSITY	93.969	17,126	H
Trng	DHHS	BHP	OKLAHOMA STATE UNIVERSITY	93.969	48,259	H
Total Department of Health and Human Services					<u>441,969</u>	
Training						
Department of Justice						
Trng	DOJ	OJP	CHILDRENS AID AND FAMILY SERVICES INC	16.543	9,916	D
Trng	DOJ	OJP	CHILDRENS INSTITUTE INC	16.543	13,525	D
Trng	DOJ	OJP	LUTHERAN FAMILY SERVICES OF NEBRASKA INC	16.543	11,333	D
Trng	DOJ	OJP	OKLAHOMA STATE UNIVERSITY	16.543	10,600	D
Total Department of Justice					<u>45,374</u>	
Training						
Department of Defense						
Trng	DOD	DEFINTELAG	UNIVERSITY OF OKLAHOMA	12.598	22,377	D
Total Training					<u>542,062</u>	
Other						
Department of Health and Human Services						
Other	DHHS	PARKLANDHL	CHEROKEE NATION	93.145	34,261	T
Other	DHHS	OSDH	NORTH OKLAHOMA COUNTY MENTAL HEALTH CTR	93.505	79,877	T
Other	DHHS	OSDH	LATINO COMMUNITY DEVELOPMENT AGENCY	93.505	107,352	T
Other	DHHS	OSDH	PARENT CHILD CENTER OF TULSA INC	93.505	138,396	T
Total Other					<u>359,885</u>	
Total Amounts Provided to Subrecipients					<u>\$ 7,861,615</u>	

The University of Oklahoma Health Sciences Center

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2015**

Comment Number	Comment	Corrective Action Taken
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Findings Related to the Financial Statement Audit as Reported in Accordance with Generally Accepted Government Auditing Standards:

A. Internal Control

No matters were reported.

B. Compliance Findings

No matters were reported.

Findings and Questioned Costs for Federal Awards:

A. Internal Control

No matters were reported.

B. Compliance Findings

No matters were reported.

The University of Oklahoma Health Sciences Center

Schedule of Findings and Questioned Costs
Year Ended June 30, 2015

I. Summary of Auditor's Results:

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? 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? 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:

CFDA Number	Name of Federal Program
*	Student Financial Aid Cluster
*	Research and Development Cluster
93.778	Medical Assistance Program

* See the 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

II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

(A) Internal Control

No matters were reported.

(B) Compliance Findings

No matters were reported.

III. Findings Required to be Reported in Accordance with OMB Circular A-133

(A) Internal Control

No matters were reported.

(B) Compliance Findings

No matters were reported.

The University of Oklahoma Health Sciences Center

Schedule of Agency Acronyms
Year Ended June 30, 2015

SPONSOR	DESCRIPTION
A+GOVERSOL	A+ Government Solutions, Inc.
ACADPEDIAA	Academic Pediatric Association
ACRADIOLOG	American College of Radiology
AGING	Areawide Aging Agency of Central Okla.
AMCHP	Assoc of Maternal & Child Health Program
ARKCHRINST	Arkansas Children's Hospital Rsch Inst
ASBMB	American Society for Biochemistry
AUCD	Assn University Centers on Disabilities
BRIGHAMWH	Brigham and Women's Hospital
CASEWESTER	Case Western Reserve University
CHEROKEEOK	Cherokee Nation of Oklahoma
CHILDMERCH	Children's Mercy Hospital - Kansas City
CHILDHPHIL	Children's Hospital of Philadelphia
CINCINCHMC	Cincinnati Children's Hospital Med Ctr
COAREBIO	COARE Biotechnology, Inc.
COLUMBIAUN	Columbia University
DEFINTELAG	Defense Intelligence Agency
DUKECLINIC	Duke Clinical Research Institute
ECOG	ECOG-ACRIN Cancer Research Group
EODD	Eastern Oklahoma Development District
GEORGEWASH	George Washington University
GOG	Gynecologic Oncology Group
HAM-TMC	Houston Academy of Med-Texas Med Ct
JAEBCENTER	Jaeb Center for Health Research
JHU	John Hopkins University
KRISTIHOUS	Kristi House
LOMALINDAU	Loma Linda University
MASSGEN	Massachusetts General Hospital
MAYOCLINIC	Mayo Clinic
NERI	New England Research Institute
NMDP	National Marrow Donor Program
NORTHCARE	NorthCare
NRGONCFND	NRG Oncology Foundation, Inc.
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
OHIOSTATE	Ohio State University
OHSU	Oregon Health Science University
OICA	Oklahoma Institute for Child Advocacy
OKCCBH	Oklahoma City-County Board of Health
OKHOSPITAL	Oklahoma Hospital Association
OMRF	Oklahoma Medical Research Foundation

(Continued)

The University of Oklahoma Health Sciences Center

Schedule of Agency Acronyms (Continued)

Year Ended June 30, 2015

SPONSOR	DESCRIPTION
ONOCOLYTI	Oncolytics Biotech
OPTIMUM	Optimum Therapeutics LLC
OREGONSTAT	Oregon State University
OSDH	Oklahoma State Department of Health
OSU	Oklahoma State University
OUNORMAN	University of Oklahoma
PARKLANDHL	Parkland Health and Hospital System
PENNSTATEU	Pennsylvania State Univ College of Med
PHOENICIA	Phoenicia Biosciences, Inc
PULMOKINE	Pulmokine
RENSELAER	Rensselaer Polytechnic Institute
RESTRIINST	Research Triangle Institute
SCHEPENSER	Schepens Eye Research Institute
SODAC	Oklahoma District Attorneys Council
SSOK	Smart Start Oklahoma
STANFORD	Stanford University
SUNY	State University of New York
SWOG	Southwest Oncology Group
TULANE	Tulane University
UALABAMABI	University of Alabama Birmingham
UARKANSAMS	University of Arkansas for Medical Sciences
UBUFFALO	University of Buffalo
UCLOSANGEL	University of California Los Angeles
UCOLORADO	University of Colorado
UCSD	University of California - San Diego
UCSF	University of California, San Francisco
UKY	University of Kentucky
UMARYLAND	University of Maryland
UMICHIGAN	University of Michigan
UMINN	University of Minnesota
UPITTSBURG	University of Pittsburgh
UNEBLINC	University of Nebraska - Lincoln
UNIVKANMED	University of Kansas Medical Center
UNIVMIAMI	University of Miami
UNIVMISSOU	University of Missouri
UNVWISCMAD	Univeristy of Wisconsin - Madison
USFLORIDA	University of South Florida
UTANDERSON	Univ of Texas MD Anderson Cancer Center
UTEXASHSC	University of Texas Health Sciences Center
UTULSA	University of Tulsa
UWASHINGTO	University of Washington
WASHINGTON	Washington University in St. Louis
WESTAT	WESTAT, Inc
YALEUNIV	Yale University