

# **University of Hawai‘i State of Hawai‘i**

(A Component Unit of the State of Hawai‘i)

**University of Hawai‘i Hilo  
Supplemental Information**

**June 30, 2020 and 2019**



CERTIFIED PUBLIC ACCOUNTANTS

---

## Report of Independent Auditors on Supplemental Information

To the Board of Regents  
University of Hawai'i

We have audited the financial statements of the University of Hawai'i ("University") as of and for the years ended June 30, 2020 and 2019 and our report thereon dated December 3, 2020, which expressed an unmodified opinion on those financial statements, which can be made readily available by the University upon request. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. Supplemental schedules I through III ("supplemental schedules") are presented for purposes of additional analysis of the financial statements, and are 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 supplemental schedules are fairly stated in all material respects in relation to the financial statements as a whole.

*Acuity* LLP

Honolulu, Hawai'i  
December 3, 2020

---

999 BISHOP STREET, SUITE 1900  
HONOLULU, HAWAII 96813  
TELEPHONE: 808 531 3400 FACSIMILE: 808 531 3433

*Acuity LLP is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.*

**University of Hawai'i**  
**State of Hawai'i**  
(A Component Unit of the State of Hawai'i)  
**University of Hawai'i Hilo**  
**Statements of Net Position**  
**June 30, 2020 and 2019**  
*(All dollars reported in thousands)*

**Schedule I**

	2020	2019
<b>Assets and Deferred Outflows of Resources</b>		
Current assets		
Cash and cash equivalents	\$ 3,382	\$ 5,304
Operating investments	15,230	20,214
Due from State of Hawai'i	-	7
Accounts receivable, net	3,429	3,813
Current portion of notes receivable, net	107	133
Due from Research Corporation of the University of Hawai'i	311	480
Prepaid expenses and other current assets	283	353
Total current assets	<u>22,742</u>	<u>30,304</u>
Noncurrent assets		
Due from State of Hawai'i	16,922	11,627
Endowment and other investments	1,680	6,319
Notes receivable, net	1,375	1,292
Capital assets, net	196,492	200,448
Total noncurrent assets	<u>216,469</u>	<u>219,686</u>
Total assets	<u>239,211</u>	<u>249,990</u>
Deferred outflows of resources		
Deferred loss on refunding	1,162	1,267
Total deferred outflows of resources	<u>1,162</u>	<u>1,267</u>
Total assets and deferred outflows of resources	<u>\$ 240,373</u>	<u>\$ 251,257</u>
<b>Liabilities and Net Position</b>		
Current liabilities		
Accounts payable	\$ 2,939	\$ 5,954
Accrued payroll and fringe benefits	3,327	3,316
Advances from sponsors	965	1,450
Unearned revenue	2,157	2,945
Due to State of Hawai'i	6	24
Current portion of long-term liabilities	2,666	2,646
Other current liabilities	273	279
Total current liabilities	<u>12,333</u>	<u>16,614</u>
Noncurrent liabilities		
Due to campuses and funds	1,203	6,195
Revenue bonds payable	23,465	24,260
Asset retirement obligation	-	2,706
Other noncurrent liabilities	6,801	5,403
Total noncurrent liabilities	<u>31,469</u>	<u>38,564</u>
Total liabilities	<u>43,802</u>	<u>55,178</u>
Net position		
Net investment in capital assets	172,667	178,102
Restricted		
Nonexpendable	62	62
Expendable	17,980	12,339
Unrestricted	5,862	5,576
Total net position	<u>196,571</u>	<u>196,079</u>
Total liabilities and net position	<u>\$ 240,373</u>	<u>\$ 251,257</u>

**University of Hawai'i**  
**State of Hawai'i**  
(A Component Unit of the State of Hawai'i)  
**University of Hawai'i Hilo**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Years Ended June 30, 2020 and 2019**  
*(All dollars reported in thousands)*

**Schedule II**

	2020	2019
<b>Operating revenues</b>		
Student tuition and fees	\$ 35,718	\$ 36,572
Less: Scholarship allowances	12,698	13,151
Net student tuition and fees	<u>23,020</u>	<u>23,421</u>
Federal appropriations, grants and contracts	13,729	12,946
State and local grants and contracts	579	806
Nongovernmental sponsored programs	2,105	2,333
Sales and services of educational departments, other	1,175	1,073
Auxiliary enterprises		
Student housing (net of scholarship allowances of \$382 and \$449)	3,279	3,348
Other auxiliary enterprises revenues	3,453	3,730
Other operating revenues	27	316
Total operating revenues	<u>47,367</u>	<u>47,973</u>
<b>Operating expenses</b>		
Compensation and benefits	83,703	83,407
Supplies, services and cost of goods sold	11,804	11,097
Depreciation and amortization	9,366	9,871
Telephone and utilities	4,475	4,745
Scholarships and fellowships	3,876	2,742
Travel expenses	1,628	2,566
Repairs and maintenance	1,522	1,008
Other operating expenses	3,035	2,793
Total operating expenses	<u>119,409</u>	<u>118,229</u>
Operating loss	<u>(72,042)</u>	<u>(70,256)</u>
<b>Nonoperating revenues (expenses)</b>		
State appropriations	37,645	38,192
Federal Pell grants	6,272	6,475
Federal CARES Act Program	1,225	-
Net investment income	651	1,045
Interest expense	(1,032)	(1,065)
Transfers from State of Hawai'i for fringe benefits	23,323	21,810
Loss on disposal of capital assets	(20)	(1,053)
Other, net	(3,851)	(2,989)
Net nonoperating revenues before capital and endowment additions	<u>64,213</u>	<u>62,415</u>
Capital – state appropriations	8,321	3,500
Capital federal grants/subsidies	-	123
Capital private grants and gifts	-	23
Net transfers to State of Hawai'i for capital assets	-	(25)
Total other revenues	<u>8,321</u>	<u>3,621</u>
Net nonoperating revenues	<u>72,534</u>	<u>66,036</u>
Change in net position	492	(4,220)
<b>Net position</b>		
Beginning of year	<u>196,079</u>	<u>200,299</u>
End of year	<u>\$ 196,571</u>	<u>\$ 196,079</u>

**University of Hawai'i**  
**State of Hawai'i**  
(A Component Unit of the State of Hawai'i)  
**University of Hawai'i Hilo**  
**Summarized Statements of Cash Flows**  
**Years Ended June 30, 2020 and 2019**  
*(All dollars reported in thousands)*

**Schedule III**

	<b>2020</b>	<b>2019</b>
Cash received from operations	\$ 46,770	\$ 48,736
Cash payments for operations	<u>(91,445)</u>	<u>(85,744)</u>
Net cash used in operating activities	(44,675)	(37,008)
Net cash provided by noncapital financing activities	41,893	41,467
Net cash used in capital and related financing activities	(9,414)	(4,406)
Net cash provided by (used in) investing activities	<u>10,274</u>	<u>(827)</u>
Net decrease in cash and cash equivalents	(1,922)	(774)
<b>Cash and cash equivalents</b>		
Beginning of year	<u>5,304</u>	<u>6,078</u>
End of year	<u>\$ 3,382</u>	<u>\$ 5,304</u>

**University of Hawai'i**  
**State of Hawai'i**  
(A Component Unit of the State of Hawai'i)  
**University of Hawai'i Hilo**  
**Notes to Schedules I through III**  
**June 30, 2020 and 2019**  
*(All dollars reported in thousands)*

---

**1. Basis of Presentation**

The accompanying statements of net position and related statements of revenues, expenses, and changes in net position, and cash flows present the financial position and results of operations of the University of Hawai'i Hilo, and are presented on the accrual basis of accounting. The financial information of the University of Hawai'i Foundation are not reflected in these schedules.

For additional information that is essential to a full understanding of the information presented in these schedules, refer to the University's financial statements.

**2. Employee Benefits**

In accordance with University policy, the University's liability for other postemployment benefits ("OPEB"), deferred outflows of resources, and deferred inflows of resources related to OPEB ("OPEB benefits") are not allocated internally to individual departments, funds and campuses. Accordingly, OPEB benefits are not reflected in these schedules.

In accordance with University policy, the University's liability for pension benefits, deferred outflows of resources, and deferred inflows of resources related to pensions ("pension benefits") are not allocated internally to individual departments, funds and campuses. Accordingly, pension benefits are not reflected in these schedules.