



June 27, 2024

Carlos Morales, Ph.D.

HETS Chair and President of TCC Connect Campus–Tarrant County College

A handwritten signature in blue ink, appearing to read "Gladys Nieves", is written over the printed name.

Eng. Gladys Nieves

HETS Treasurer and President EDP University

HETS – Annual Financial Report for the fiscal year 2023-2024 (As of May 31, 2024, June 2024 Projected)

The Hispanic Educational Technology Services (HETS) financial information, included in this report, corresponds to fiscal year 2024. Since the fiscal year has not yet concluded, financial results include projection for the month of June. A comparative report of Budget versus Actual results is being included for further review and analysis of this period's HETS financial accomplishments. The statements present HETS Financial Position, Changes in Net Assets and Cash Flows.

Budget versus Actual Analysis

HETS current year of operations are being presented with the approved 2023-2024 budget. Total revenue was lower than anticipated resulting in an 87% achievement. This lower than anticipated achievement is mostly attributable to the Memberships Dues revenues and Corporate Sponsorships revenues lower than expected by \$14k and \$12k, respectively. Total expenses achieved 96% of the budget, having a saving mostly in the items of Direct Services of \$5k and Operational Expenses of \$6k. Saving in those two items was due to savings in HETS Online Journal (\$3k), HETS PDEs (\$5k), and HETS Online Resources & Social Media (\$5k), partially offset by Student Leadership & Social Media which was over by \$8k. Savings in Operational Expenses were mostly in the item of Administration Support (\$4.5k).

Statement of Financial Position

HETS total assets amounted to \$177,107 and to \$161,661 as of June 30, 2024, and 2023, respectively, or an increase of 10%.

Accounts receivable on June 30, 2024, consist of the following:

Membership Dues	\$68,712
Corporate Sponsors	<u>500</u>
Total	69,212
Less allowance for doubtful accounts	<u>371</u>
Accounts receivable, net	<u>\$68,841</u>

Total current liabilities amounted to \$105,005 and to \$65,149 as of June 30, 2024, and 2023, respectively, for an increase of 61%. Accounts payable corresponds to HETS' personnel salaries and fringe benefits that will be reimbursed to the Inter American University in July 2024. Accrued expenses correspond to expenses to be incurred during the month of June 2024. Increase on Deferred Revenues is due to grant received at the end of fiscal year from WCET (Western Interstate Commission for Higher Education) expected to be accomplished by early 2025.

Total Net Assets amounted to \$177,107 and \$161,661 as of June 30, 2024, and 2023, respectively.

Statement of Activities

HETS' revenues from its educational activities, memberships and sponsorships amounted to \$250,845 and \$255,749 for the fiscal years 2024 and 2023, respectively, or a decrease of 2%. The decrease is mostly attributable to a decrease in Corporate Sponsorships and Student Leadership & Best Practices / Event Coordination.

HETS' expenses comprised of administrative, direct services and operational expenses amounted to \$275,255 and to \$258,861 for fiscal years 2024 and 2023, respectively for an increase of 6%, mostly due to Direct Services.

Change in Net Assets for the fiscal year decreased 684% from a net deficit of \$3k as of June 30, 2023, to an estimated net deficit of \$24k as of June 30, 2024.

Conclusion

The report shows HETS' efforts to maintain and increase participant members, provide educational services, and maintain adequate control over costs and expenditures. HETS financials also show a stable positive outlook. Although an estimated net deficit of \$24k is projected as June 2024, it's important to highlight that expenses continue to be within the approved HETS budget, and the expenses were due mostly due to investment in Direct Services.