

**UNIVERSITY SYSTEM OF MARYLAND**

Financial Statements and Supplemental Data

For the Year Ended June 30, 2001, together with  
Report of Independent Auditors

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## Report of Independent Auditors

Board of Regents  
University System of Maryland

We have audited the accompanying balance sheet of the University System of Maryland (the System), a component unit of the State of Maryland, as of June 30, 2001, and the related statements of changes in fund balances and current funds revenues, expenditures, and other changes for the year then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the component unit included as discretely presented amounts in the System's financial statements. The financial statements of the component unit were audited by other auditors whose report thereon has been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for the component unit, is solely based on the report of the other auditors.

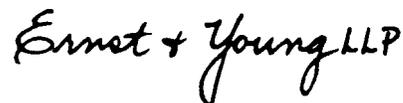
We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the System as of June 30, 2001, and its changes in fund balances and current funds revenues, expenditures, and other changes for the year then ended, in conformity with accounting principles generally accepted in the United States.

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2001, the System changed its capitalization threshold on real property fixed assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2001, on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the System taken as a whole. The accompanying supplemental data contained on pages 18 to 60 of this report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.



November 13, 2001

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

Board of Regents  
University System of Maryland

We have audited the financial statements of the University System of Maryland (the System), a component unit of the State of Maryland, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 13, 2001, which expressed reliance on other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

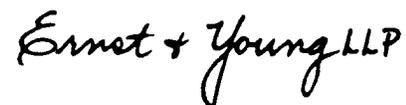
As part of obtaining reasonable assurance about whether the System's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the System's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to the Board of Regents of the System in a separate letter dated November 13, 2001.

This report is intended solely for the information and use of the System's Board of Regents, the audit committee, management, the United States Department of Health and Human Services (the cognizant agency), federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.



November 13, 2001

**UNIVERSITY SYSTEM OF MARYLAND  
BALANCE SHEET  
JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Agency Funds	Endowment and Similar Funds	Plant Funds	Component Unit
	Unrestricted	Restricted	Total					
<b>ASSETS</b>								
Cash and cash equivalents	\$320,234,097	\$3,553,651	\$323,787,748	\$3,675,936	\$2,942,722	\$2,000,759	\$245,712,423	\$137,092
Investments	2,510,684		2,510,684		299,733	224,235,057	7,518,778	
Accounts receivable (net of allowance for doubtful accounts of \$7,811,208)	54,938,570	99,895,717	154,834,287	762,930	1,655,664		34,131	4,400
Notes receivable (net of allowance for doubtful notes of \$7,503,460)		5,692,925	5,692,925	61,114,160				
Accrued interest receivable					25,276	741,556	507,237	
Inventories	9,354,974		9,354,974					
Prepaid expenses and deferred charges	6,876,135		6,876,135					2,748,567
Investment in plant							3,415,185,266	
Due from other funds	40,120,888	4,563,133	44,684,021	323,981	239,986		1,754,073	
<b>Total assets</b>	<b>\$434,035,348</b>	<b>\$113,705,426</b>	<b>\$547,740,774</b>	<b>\$65,877,007</b>	<b>\$5,163,381</b>	<b>\$226,977,372</b>	<b>\$3,670,711,908</b>	<b>\$2,890,059</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Accounts payable and accrued liabilities	\$119,926,483	\$34,482,629	\$154,409,112	\$291,644	\$368,775	\$208,712	\$35,774,246	\$469,329
Accrued workers' compensation	20,735,674	37,326	20,773,000					
Accrued vacation costs	97,273,515	1,240,643	98,514,158					
Due to other funds	9,272,379	35,251,908	44,524,287	7,223	1,489,104		981,447	
Revenue bonds							722,307,043	
Notes payable and other long-term debt							74,865,282	836,828
Obligations under capital lease agreements							5,512,187	
Deferred revenue	56,434,974		56,434,974					443,938
Funds held for others					3,305,502			
<b>Total liabilities</b>	<b>303,643,025</b>	<b>71,012,506</b>	<b>374,655,531</b>	<b>298,867</b>	<b>5,163,381</b>	<b>208,712</b>	<b>839,440,205</b>	<b>1,750,095</b>
<b>COMMITMENTS AND CONTINGENCIES</b>								
<b>FUND BALANCES</b>								
Unrestricted, allocated:								
Encumbrances	26,485,476		26,485,476					
Loans to students				1,413,648				
Unexpended plant funds							87,413,622	
Renewals and replacements							48,234,991	
Retirement of indebtedness							415,323	
Unrestricted, unallocated	103,906,847		103,906,847					1,139,964
Endowment and similar funds						226,768,660		
Net investment in plant							2,661,222,282	
Restricted:								
Sponsored research		42,692,920	42,692,920					
U.S. government loan programs				64,164,492				
Unexpended plant funds							33,985,485	
<b>Total fund balances</b>	<b>130,392,323</b>	<b>42,692,920</b>	<b>173,085,243</b>	<b>65,578,140</b>		<b>226,768,660</b>	<b>2,831,271,703</b>	<b>1,139,964</b>
<b>Total liabilities and fund balances</b>	<b>\$434,035,348</b>	<b>\$113,705,426</b>	<b>\$547,740,774</b>	<b>\$65,877,007</b>	<b>\$5,163,381</b>	<b>\$226,977,372</b>	<b>\$3,670,711,908</b>	<b>\$2,890,059</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY SYSTEM OF MARYLAND  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<u>CURRENT FUNDS</u>			<u>Loan Funds</u>	<u>Endowment and Similar Funds</u>	<u>Plant Funds</u>	<u>Component Unit</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>				
<b><u>REVENUES AND OTHER ADDITIONS</u></b>							
Educational and general revenues	\$1,651,826,587		\$1,651,826,587				
Auxiliary enterprises revenues	315,950,602		315,950,602				
State appropriations - restricted						\$100,298,757	
Government grants and contracts - restricted		\$532,371,589	532,371,589			10,476,450	
Private gifts, grants and contracts - restricted		134,340,870	134,340,870	\$16,979	\$671,337	4,113,139	
Investment income - restricted		5,676,520	5,676,520	18,153	22,938,502	6,654,899	
Interest on notes receivable				1,455,277			
Expended for plant facilities (including \$51,997,079 charged to current funds expenditures)						319,188,374	
U.S. government advances				1,066,712			
Retirement of indebtedness						36,743,453	
Other sources				119,170		214,429	
<b>Total revenues and other additions</b>	<b>1,967,777,189</b>	<b>672,388,979</b>	<b>2,640,166,168</b>	<b>2,676,291</b>	<b>23,609,839</b>	<b>477,689,501</b>	
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>							
Educational and general expenditures	1,578,647,219	584,194,924	2,162,842,143				
Auxiliary enterprises expenditures	239,474,321	117,773	239,592,094				
Indirect costs recovered		88,940,567	88,940,567				
Loan cancellations, write-offs and refunds, net of recoveries				1,313,148			
Retirement of indebtedness						36,743,453	
Interest on indebtedness						34,122,230	
Expended for plant facilities (including non-capitalized expenditures of \$41,949,687)						309,140,982	
Disposal of property, plant and equipment						56,181,392	
Other				700,293	825,127		\$302,426
<b>Total expenditures and other deductions</b>	<b>1,818,121,540</b>	<b>673,253,264</b>	<b>2,491,374,804</b>	<b>2,013,441</b>	<b>825,127</b>	<b>436,188,057</b>	<b>302,426</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>149,655,649</b>	<b>(864,285)</b>	<b>148,791,364</b>	<b>662,850</b>	<b>22,784,712</b>	<b>41,501,444</b>	<b>(302,426)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>							
Mandatory:							
Debt service	(63,473,149)		(63,473,149)			63,473,149	
Loan fund matching grant	(362,897)		(362,897)	362,897			
Nonmandatory:							
Renewals and replacements	(40,479,218)	(313,541)	(40,792,759)			40,792,759	
Other	(42,043,411)	4,046,401	(37,997,010)	(132,370)	(7,457,006)	45,586,386	
<b>Total transfers among funds</b>	<b>(146,358,675)</b>	<b>3,732,860</b>	<b>(142,625,815)</b>	<b>230,527</b>	<b>(7,457,006)</b>	<b>149,852,294</b>	
<b>Net increase (decrease) in fund balances</b>	<b>3,296,974</b>	<b>2,868,575</b>	<b>6,165,549</b>	<b>893,377</b>	<b>15,327,706</b>	<b>191,353,738</b>	<b>(302,426)</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>127,095,349</b>	<b>39,824,345</b>	<b>166,919,694</b>	<b>64,684,763</b>	<b>211,440,954</b>	<b>2,761,698,939</b>	<b>1,442,390</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(121,780,974)</b>	
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$130,392,323</b>	<b>\$42,692,920</b>	<b>\$173,085,243</b>	<b>\$65,578,140</b>	<b>\$226,768,660</b>	<b>\$2,831,271,703</b>	<b>\$1,139,964</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY SYSTEM OF MARYLAND**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b><u>REVENUES</u></b>			
Tuition and fees	\$594,118,301		\$594,118,301
State appropriations	798,692,408		798,692,408
Federal grants and contracts	66,721,282	\$330,532,119	397,253,401
State and local grants and contracts	11,115,288	128,900,125	140,015,413
Private gifts, grants and contracts	22,804,990	127,068,267	149,873,257
Investment income:			
Endowment	2,549,957	10,569,410	13,119,367
Other	26,791,595	21,475	26,813,070
Sales and services of educational departments	106,212,383		106,212,383
Sales and services of public service activities	14,029,770		14,029,770
Sales and services of auxiliary enterprises	305,518,632		305,518,632
Other	19,222,583		19,222,583
<b>Total revenues</b>	<b>1,967,777,189</b>	<b>597,091,396</b>	<b>2,564,868,585</b>
<b><u>EXPENDITURES AND MANDATORY TRANSFERS</u></b>			
Instruction	680,244,753	42,876,879	723,121,632
Research	134,956,577	344,056,326	479,012,903
Public service	35,809,659	92,831,942	128,641,601
Academic support	185,265,668	4,342,530	189,608,198
Student services	86,880,295	2,504,796	89,385,091
Institutional support	236,943,953	4,763,039	241,706,992
Operation and maintenance of plant	136,130,709	1,592	136,132,301
Scholarships and fellowships	78,337,887	60,682,374	139,020,261
Auxiliary enterprises	239,474,321	117,773	239,592,094
Hospital	4,077,718	32,135,446	36,213,164
<b>Total expenditures</b>	<b>1,818,121,540</b>	<b>584,312,697</b>	<b>2,402,434,237</b>
<b>Mandatory transfers</b>	<b>(63,836,046)</b>		<b>(63,836,046)</b>
<b>Total expenditures and mandatory transfers</b>	<b>1,881,957,586</b>	<b>584,312,697</b>	<b>2,466,270,283</b>
<b><u>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</u></b>			
Nonmandatory transfers	(82,522,629)	3,732,860	(78,789,769)
Excess of restricted receipts over transfers to revenues		(13,642,984)	(13,642,984)
<b>Total other transfers and additions (deductions)</b>	<b>(82,522,629)</b>	<b>(9,910,124)</b>	<b>(92,432,753)</b>
<b>NET INCREASE IN FUND BALANCES</b>	<b>\$3,296,974</b>	<b>\$2,868,575</b>	<b>\$6,165,549</b>

The accompanying notes are an integral part of this statement.

## UNIVERSITY SYSTEM OF MARYLAND

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2001

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#### ORGANIZATION AND PURPOSE

The University System of Maryland (the System) is a component unit of the State of Maryland (the State) and is governed by its Board of Regents (the Board).

The System comprises eleven degree-granting institutions, two research components and an administrative unit. Its degree-granting institutions provide a full range of undergraduate, graduate, professional and continuing education opportunities for students. Its research and public service components conduct basic and applied research, and transfer new technology to constituencies. The administrative unit includes the System Chancellor and staff who serve as support to the Board.

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the System have been prepared in accordance with the accounting guidance and reporting practices applicable to colleges and universities, as outlined in the pronouncements of the Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants Industry Audit Guide, *Audits of Colleges and Universities*.

The significant accounting policies followed by the System are summarized below.

**Reporting Entity** - The financial statements of the System include all funds and organizations included in the legal entity encompassed by the System, and other legally separate entities for which the System is financially accountable or which otherwise meet the criteria established in GASB Statement #14, *The Financial Reporting Entity*.

The System has recognized, as affiliated foundations, fifteen organizations created and operated in support of the interests of the System or any of the institutions which comprise the System. Members of the Board of Directors of one affiliated foundation, the University of Maryland Baltimore County Research Park Corporation, Inc., are selected with the approval of the System's Board of Regents, and as a result, this foundation meets the criteria for inclusion in the financial reporting entity. Complete financial statements of the University of Maryland Baltimore County Research Park Corporation, Inc. may be requested at UMBC Research Park Corporation, 1450 South Rolling Road, Baltimore, Maryland 21227. None of the other affiliated foundations satisfy the criteria for inclusion in the financial reporting entity.

The University of Maryland, Baltimore operates hospital and critical care facilities under contractual arrangements with the State. The expenditures relating to these activities are reported within the hospital functional category. The revenues derived from these activities are reported primarily as contract and grant revenues.

**Accrual Basis** - The financial statements of the System have been prepared on the accrual basis of accounting. The Statement of Current Funds Revenues, Expenditures and Other Changes is a

statement of financial activities of the Current Funds for the reporting period. It does not purport to present the results of operations or the net income for the period as would a statement of income.

To the extent that Current Funds resources are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures in the case of acquisitions of moveable equipment and library holdings, (2) transfers of a mandatory nature for payments in liquidation of long-term construction and equipment loans and (3) transfers of a nonmandatory nature for all other cases.

**Fund Accounting** - In order to ensure observance of limitations and restrictions placed on the use of the resources available to the System, the accounts of the System are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into Funds according to the activities or objectives specified.

**Inventories** - Inventories are valued at cost, determined under the first-in, first-out method, which is not in excess of net realizable value.

**Plant** - Property, plant, equipment, and books and materials which are part of a catalogued library, are stated principally at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Consistent with generally accepted accounting principles for public colleges and universities, depreciation on plant assets is not recorded.

**Encumbrances** - Unrestricted fund balances allocated for encumbrances represent commitments for purchases of goods or services not yet received as of the balance sheet date.

**Pending changes in accounting principles** - In June 1999, the GASB issued GASB Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and in November 1999, GASB Statement Number 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. These Statements establish financial reporting standards for public colleges and universities, with changes in both measurement and display of financial statement elements. In June 2001, GASB Statement Number 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, and GASB Statement Number 38, *Certain Financial Statement Note Disclosures*, were issued.

The System is in the process of assessing the impact of these Statements and will present its financial statements for the year ended June 30, 2002 in accordance with the new requirements.

## **1. CHANGE IN ACCOUNTING PRINCIPLE**

On July 1, 2000, the System increased the threshold amount used for determining whether real property fixed assets should be capitalized, or charged to expenditures in order to keep the types of assets being capitalized consistent over time with changes in general price levels. To recognize the change, the System removed \$121,780,974 of assets recorded in Invested in Plant in the Plant Fund.

## 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2001, Cash and Cash Equivalents consist of the following:

Demand and time deposits	\$2,183,234
Cash and short-term investments on deposit with the State Treasurer	464,548,506
Mutual funds and money market funds, at fair value	<u>111,387,848</u>
Total	<u>\$578,119,588</u>

At June 30, 2001, the carrying amount of the System's demand and time deposits for all Funds was \$2,183,234, as compared to bank balances of \$5,956,532. The difference is primarily caused by items in-transit. Of the bank balances, \$5,105,258 was covered by Federal, private or foreign national government depository insurance, or was collateralized by a pledge of United States Treasury obligations held by the System's agents in the name of the System, and \$851,274 was uninsured and uncollateralized.

At June 30, 2001, Investments consist of the following, stated at fair value:

U.S. & state government obligations	\$3,679,557
Repurchase agreements	7,518,778
Corporate equity securities	182,903,426
Corporate debt securities	27,320,843
Asset-backed securities	12,913,415
Foreign government obligations	<u>228,233</u>
Total	<u>\$234,564,252</u>

The System's investments are categorized, in accordance with GASB Statement Number 3, as being insured or registered, or securities held by the System or its agent in the System's name. Mutual funds and money market funds are not subject to risk categorization under GASB Statement Number 3.

The Annotated Code of Maryland requires the System to maintain its cash balances, except for assets associated with Endowment and Similar Funds, or proceeds of System financing arrangements, on deposit with the State Treasurer. The State Treasurer maintains these and other State funds on a pooled basis in accordance with the Annotated Code of Maryland. Thus, the System's share of this pool cannot be categorized in accordance with GASB Statement Number 3.

The System has entered into agreements with trustees for the benefit and security of registered holders of certain debt obligations issued by the System. These agreements permit the System to invest amounts maintained in trust funds in:

- United States Treasury and agency obligations.
- Deposits, having a maturity of not more than 365 days, in any bank, savings institution or trust company to the extent such deposits are fully insured or collateralized.
- Commercial paper rated at least A-1 by Standard & Poor's Corporation (Standard & Poor's) and P-1 by Moody's Investors Service, Inc. (Moody's) having a maturity of not more than 270 days.
- Repurchase agreements.
- Obligations of any state or political subdivision rated by Standard & Poor's and Moody's in one of its two highest rating categories.
- Corporate obligations rated AAA by Standard & Poor's and Aaa by Moody's.

Assets associated with Endowment and Similar Funds are invested in accordance with the terms of donor agreements in those instances where such agreements place constraints on allowable investments.

The System invests a portion of its Endowment and Similar Funds in various forms of asset-backed securities, as a means of enhancing portfolio-wide risk-adjusted returns. The values of asset-backed securities are generally based on the future cash flows associated with the underlying pools of assets. Accordingly, asset-backed securities are subject to market risk due to fluctuations in interest rates, prepayment risks, and various liquidity factors related to the specific underlying pools of assets. At June 30, 2001, the System had investments in asset-backed securities of \$12,913,415, representing 5.5% of total investments, including collateralized mortgage obligations of \$11,013,783 and mortgage pass-through securities of \$1,899,632.

### 3. INVESTMENT IN PLANT

At June 30, 2001, the components of Investment in Plant are as follows:

Land	\$59,990,423
Improvements other than buildings	150,708,589
Buildings	2,258,671,372
Contents	608,602,942
Facilities recorded under capital lease agreements	4,136,104
Construction in progress	333,075,836
	<hr/>
Total	<u><u>\$3,415,185,266</u></u>

Total interest expense incurred on revenue bonds, long-term debt and obligations under capital lease agreements during the year ended June 30, 2001 was \$36,922,012. Interest expense of \$2,799,782 associated with projects not yet completed was recorded as construction in progress during the year. The remaining \$34,122,230 is reported as interest on indebtedness.

### 4. DUE TO / FROM OTHER FUNDS

Amounts due from other Funds and amounts due to other Funds (collectively, interfund balances) between Current Funds - Unrestricted and Current Funds - Restricted represent timing differences between the expenditure of resources for restricted purposes and reimbursement from Federal and other agencies.

Interfund balances between Current Funds - Unrestricted and Plant Funds, Loan Funds and Agency Funds represent pooled resources transferred among fund groups to eliminate temporary cash deficits.

At June 30, 2001, the amounts due from, and payable to, other funds, are detailed below.

	<b>Due to other funds</b>					
	<u>Current Funds</u>		Loan Funds	Agency Funds	Plant Funds	Total
	Unrestricted	Restricted				
<b><u>Due from other funds</u></b>						
Current Funds - Unrestricted	\$3,769,507	\$34,023,607	\$7,223	\$1,489,104	\$831,447	\$40,120,888
Current Funds - Restricted	4,563,133					4,563,133
Loan Funds	173,981				150,000	323,981
Agency Funds	39,986	200,000				239,986
Plant Funds	725,772	1,028,301				1,754,073
						<hr/>
Total	<u>\$9,272,379</u>	<u>\$35,251,908</u>	<u>\$7,223</u>	<u>\$1,489,104</u>	<u>\$981,447</u>	<u>\$47,002,061</u>

## 5. REVENUE BONDS, NOTES PAYABLE AND OTHER LONG-TERM DEBT

The System finances the construction, renovation and acquisition of certain facilities and equipment through the issuance of debt obligations. State law limits the aggregate principal amount of debt outstanding and the present value of future minimum lease payments on capital lease obligations for real property to no more than \$875,000,000.

### Auxiliary Facility and Tuition Revenue Bonds

At June 30, 2001, Auxiliary Facility and Tuition Revenue Bonds (Revenue Bonds) consisted of the following:

	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Principal Outstanding</u>
1989 Series B	6.8% - 6.9%	2001-2004	\$8,878,761
1992 Series A	5.8% - 6.0%	2002-2004	9,300,000
1992 Series B	6.0% - 6.1%	2002-2003	4,115,000
1992 Series C	5.5%	2002-2022	2,089,000
1993 Series A	4.8% - 5.5%	2002-2013	37,640,000
1993 Series B	6.6% - 7.0%	2002-2013	14,130,000
1993 Refunding Series C	4.3% - 5.1%	2001-2014	119,695,000
1995 Series A	5.0% - 5.6%	2002-2016	45,850,000
1996 Series A	5.4% - 5.7%	2002-2017	48,130,000
1997 Series A	5.0% - 5.1%	2002-2018	54,850,000
1998 Series A	5.0%	2002-2019	85,715,000
1999 Series A	4.0% - 4.5%	2002-2019	114,590,000
1999 Series B	4.1% - 5.0%	2001-2008	13,245,000
2000 Series A	4.5% - 5.7%	2001-2020	90,000,000
2001 Series A	3.7% - 5.0%	2002-2021	75,000,000
			723,227,761
	Unamortized discount		(920,718)
	Revenue Bonds, less unamortized discount		\$722,307,043

Revenue Bonds have been issued pursuant to an Indenture of Trust, an agreement entered into with a trustee for the benefit of holders of Revenue Bonds. Pursuant to the Indenture of Trust, the System has agreed to charge and collect tuition revenues and net auxiliary facility fees in an amount that is not less than 200% of the maximum annual debt service on Revenue Bonds.

On July 20, 2000, the System issued \$90,000,000 of University System of Maryland Auxiliary Facility and Tuition Revenue Bonds, 2000 Series A (the 2000 Series A bonds). The 2000 Series A bonds consist of serial bonds maturing through the year ending June 30, 2020 with stated rates of interest of from 4.5% to 5.75%, and were issued at an aggregate premium of \$205,242. On June 11, 2001, the System issued \$75,000,000 of University System of Maryland Auxiliary Facility and Tuition Revenue Bonds, 2001 Series A (the 2001 Series A bonds). The 2001 Series A bonds consist of serial bonds maturing through the year ending June 30, 2021 with stated rates of interest of from 3.75% to 5% and were issued at a discount of \$437,221.

At June 30, 2001, cash and cash equivalents in the amount of \$79,864,866 were held by the trustee as unexpended proceeds of the Revenue Bonds.

**Notes Payable and Other Long-term Debt**

Notes payable and other long-term debt consist of the following at June 30, 2001:

Equipment Loan Program Obligations,	
less unamortized discount of \$25,885	\$53,024,115
Certificates of Participation	17,800,000
Other	<u>4,041,167</u>
Notes payable and other long-term debt	<u><u>\$74,865,282</u></u>

**Equipment Loan Program Obligations**

Equipment Loan Program Obligations (the Equipment Obligations) include debt issued in 1992 pursuant to an Indenture of Trust, an agreement entered into with a trustee for the benefit of holders of Equipment Obligations, dated June 1, 1992, and amounts issued during 1996, 1997 and 2000 under a separate agreement dated April 1, 1995. Under the terms of the 1992 Indenture of Trust agreement, a minimum of 80% of the equipment purchased or refinanced through the use of the proceeds of the Equipment Obligations is subject to a lien until full payment of the related Equipment Obligations has been made. At June 30, 2001, equipment with a recorded value of \$45,209,525 was subject to the lien created by the June 1, 1992 Indenture of Trust, and unexpended proceeds in the amount of \$24,291,955 were held by the trustee.

**Certificates of Participation**

The System issued \$17,800,000 of variable rate demand Certificates of Participation on October 30, 2000 to finance the construction of an addition to the School of Business at the University of Maryland, College Park. Payments of principal will be made annually on June 1 beginning in 2003 and ending June 1, 2015. Interest is payable semiannually on December 1 and June 1. Interest charges are determined on a weekly basis by a remarketing agent, using the lowest rate that would permit the sale of the Certificates at par plus accrued interest. The System has the option of converting the Certificates to a daily rate, a multi-annual rate, a commercial paper rate, or a fixed rate.

**Other**

Other debt and notes payable include amounts borrowed to finance equipment acquisitions.

Future principal and interest payments are as follows:

Year ended June 30,	Auxiliary Facility and Tuition Revenue Bonds		Notes Payable and Other Long-term Debt		Total Payments
	Principal	Interest	Principal	Interest	
2002	\$40,630,861	\$37,836,521	\$2,495,110	\$4,083,447	\$85,045,939
2003	41,263,191	36,628,064	2,635,741	3,948,297	84,475,293
2004	42,036,974	34,924,479	2,971,881	3,801,487	83,734,821
2005	41,142,738	31,007,623	3,281,180	3,633,905	79,065,446
2006	44,950,000	27,160,625	2,945,738	3,450,023	78,506,386
2007 and thereafter	513,203,997	165,649,975	60,561,517	24,340,261	763,755,750
Total	\$723,227,761	\$333,207,287	\$74,891,167	\$43,257,420	\$1,174,583,635

## 6. LEASES

### Obligations Under Capital Leases

The System (the University of Maryland Biotechnology Institute) leases a facility under an agreement recorded as a capital lease. The obligation is recorded at the present value of future minimum lease payments using a discount rate of 6.8%.

Future minimum payments on obligations under capital lease agreements are as follows:

Year ending June 30,	Total
2002	\$511,986
2003	511,986
2004	511,986
2005	511,986
2006	511,986
2007 and thereafter	7,423,797
Total future lease payments	9,983,727
Interest component	(4,471,540)
Present value of future lease payments	<u>\$5,512,187</u>

### Operating Leases

The System and its constituent units lease facilities and equipment under agreements reported as operating leases. Many provide for an optional extension of the terms of the agreements and increases in payment amounts based on changes in indices such as the Consumer Price Index.

Future minimum payments on operating leases with an initial or remaining noncancelable term in excess of one year are as follows:

<u>Year ending June 30,</u>	<u>Minimum Annual Lease Payments</u>
2002	\$6,869,303
2003	5,333,485
2004	4,732,468
2005	4,326,290
2006	1,690,835
2007 and thereafter	<u>1,430,272</u>
Total	<u><u>\$24,382,653</u></u>

Operating lease expenditures for the year ended June 30, 2001 were \$7,632,304.

The System has entered into lease agreements with developers at 4 of its institutions. These agreements provide the developers the use of System land for periods of 30 to 40 years. In each agreement, the developer will construct and manage the properties to provide housing services to students.

## **7. RETIREMENT AND PENSION PLANS**

Most System employees participate in the State's Retirement and Pension Systems (the State Systems), which is an agent, multiple-employer public employee retirement system. While the State Systems is an agent, multiple-employer public employee retirement system, the University System of Maryland accounts for the plan as a cost-sharing multiple-employer public employee retirement system, as a separate valuation is not performed for the University System of Maryland, and the only obligation to the plan is its required annual contributions. The State Systems prepare a Comprehensive Annual Financial Report, which can be obtained from the State Retirement and Pension Systems at 120 East Baltimore Street, Baltimore, Maryland 21202.

Certain employees participate in an optional program with the Teachers Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF).

### **State Systems**

#### ***Plan Description***

The State Systems are defined benefit plans with unfunded accrued actuarial liabilities. The State Systems, which are administered in accordance with Article 73B of the Annotated Code of Maryland, are managed by a Board of Trustees, and are included in the State of Maryland financial reporting entity.

Participants in the State Systems may receive retirement benefits after satisfying age and length of service requirements. Retirement benefits under each of the State Systems plans are based on the

length of service and the average of the highest three consecutive years' compensation. Retirement benefits are paid on a monthly basis.

All four State Systems plans provide retirement, death and disability benefits in accordance with State statutes.

### ***Funding Policy***

The System's required contributions are based upon actuarial valuations. Effective July 1, 1980, in accordance with the law governing the State Systems, all benefits of the State Systems are funded in advance. The aggregate entry age normal cost method is the actuarial cost method used.

Both the System and covered employees are required by State statute to contribute to the State Systems. The contribution from the employees is 5% for participants in the State Systems retirement plans (with a 5% limit on the annual cost of living allowance and 7% for those who elect a limit on the cost of living allowance commensurate with the Consumer Price Index); and 2% for participants in the State Systems pension plans. Contributions are deducted from participant's salary and wage payments and are remitted to the State Systems on a regular, periodic basis.

The System made its required contributions during the years ended June 30, 2001, 2000, and 1999 of \$22,781,383, \$31,574,374, and \$32,721,762, respectively.

### **TIAA-CREF**

Some employees participate in the optional TIAA-CREF programs, which are defined contribution money purchase plans funded currently each year. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings. Qualified employees are eligible to participate from the date of employment. State legislation provides that the System contribute 7.25% of covered employees' total salaries each month and that the employee may elect to contribute 5% of total annual salary or 5% of total annual salary in excess of the Social Security wage base. The System's contribution along with that of the employee is immediately and fully vested. The contributions for the year ended June 30, 2001 were \$57,291,906, which consisted of \$29,637,963 from the System and \$27,653,943 from employees.

## **8. OTHER POSTEMPLOYMENT BENEFITS**

Former System employees who are receiving retirement benefits may participate in the State health care insurance plans. These plans, which provide insurance coverage for medical, dental and hospital costs, are funded currently by the payment of premiums to the carriers and, under State policy, are jointly contributory. Depending on the health care insurance plan selected, retired employees contribute up to \$55 monthly towards the cost of premiums. System costs for premiums paid to the State health care insurance plans for the approximately 3,200 retired employees receiving these benefits amounted to \$17,376,204 for the year ended June 30, 2001.

## **9. ENDOWMENT FUNDS**

The balances of the fund groups making up the Endowment and Similar Funds at June 30, 2001 are as follows:

Endowments	\$172,191,537
Quasi-endowments	<u>54,577,123</u>
Total	<u><u>\$226,768,660</u></u>

## 10. CONSTRUCTION COMMITMENTS

The estimated costs to complete construction in progress at June 30, 2001 is \$312,349,000, of which \$56,918,000 is available from bond proceeds, \$175,783,000 is to be derived from State appropriations and grants, and \$79,648,000 which will be provided from System funds.

## 11. BUDGETING AND BUDGETARY CONTROL

The Constitution of Maryland requires the Governor to submit to the General Assembly an annual balanced budget for the following fiscal year for all agencies, including the institutions and component units of the System. The budget for the System is prepared and adopted for Current Unrestricted Funds and Current Restricted Funds for each institution and component units. All System budgetary expenditures for Current Unrestricted Funds and Current Restricted Funds are made pursuant to the appropriations in the annual budget, as amended.

Total budgeted (as amended) and actual (budgetary basis) expenditures for the year ended June 30, 2001 are as follows:

	<u>Final Budget</u>	<u>Actual</u>
Current Unrestricted Funds	\$1,972,160,935	\$1,947,910,440
Current Restricted Funds	<u>608,575,553</u>	<u>577,966,280</u>
Total	<u><u>\$2,580,736,488</u></u>	<u><u>\$2,525,876,720</u></u>

Expenditures under the System's budgetary basis of accounting do not include the effect of changes in certain liabilities, principally the provisions for annual leave and workers' compensation costs, and the effects of other adjustments made to the System's accounting records, which are maintained on a modified accrual basis, in order to prepare financial statements on an accrual basis.

## **12. CONTINGENT LIABILITIES**

The System is involved in a number of legal actions that arise in the normal course of its operations. In the opinion of management, based on the advice of the State Attorney General, such actions, as well as any exposure to unasserted claims, will not have a material adverse effect on the System's financial position.

## **13. RISK MANAGEMENT**

The System participates in State-wide self-insurance programs for many forms of risk of loss, including general liability, property and casualty, workers' compensation, environmental and anti-trust liabilities, as well as certain employee health benefit programs.

The System remits 'premiums' to the State of Maryland, to cover costs of claims servicing and claims payments. The premiums are based on a percentage of annual payroll or are based on average loss experience, taking into account recent trends in actual claims experience, and providing for catastrophic losses.

The System records a liability when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. Liabilities recorded include a provision for claims incurred but not reported. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal doctrines, and damage awards, actual claims could differ from estimates. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Liabilities for incurred workers' compensation losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a 4% discount rate. The provision for workers' compensation is based upon a separately determined actuarial valuation for the fiscal year ended June 30, 2001.

As of June 30, 2001, the System has recorded \$20,773,000 in liabilities associated with workers' compensation.

## **14. SUBSEQUENT EVENTS**

On November 13, 2001, the System issued \$58,390,000 of University System of Maryland Auxiliary Facility and Tuition Revenue Bonds, 2001 Series B (the 2001 Series B bonds). The 2001 Series B bonds consist of serial bonds maturing through the year ended June 30, 2022 with stated rates of interest of from 3.5% to 4.625%, and were issued at an aggregate premium of \$198,565. Of the proceeds of the 2001 Series B, approximately \$30,485,000 will be used to fund new construction and renovation projects, while \$28,433,419 will be used to advance refund an aggregate of \$26,620,000 of outstanding principal of the 1992 Series A, 1993 Series A, and 1996 Series A revenue bonds.

**UNIVERSITY OF MARYLAND, BALTIMORE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Agency Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>				
<b>ASSETS</b>							
Cash and cash equivalents	\$74,411,785		\$74,411,785	\$1,436,738	\$75,260	\$760,446	\$11,115,499
Investments						86,018,791	
Accounts receivable (net of allowance for doubtful accounts of \$661,083)	4,384,425	\$28,804,669	33,189,094				
Notes receivable (net of allowance for doubtful notes of \$888,143)				26,590,643			
Accrued interest receivable						285,272	
Prepaid expenses and deferred charges	194,677		194,677				
Investment in plant							539,091,304
Due from other funds	11,215,906		11,215,906	137,385			
<b>Total assets</b>	<b>\$90,206,793</b>	<b>\$28,804,669</b>	<b>\$119,011,462</b>	<b>\$28,164,766</b>	<b>\$75,260</b>	<b>\$87,064,509</b>	<b>\$550,206,803</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable and accrued liabilities	\$27,574,840	\$9,158,268	\$36,733,108	\$58,792		\$80,570	\$2,287,735
Accrued workers' compensation	4,413,000		4,413,000				
Accrued vacation costs	31,558,465		31,558,465				
Due to other funds	137,385	11,215,906	11,353,291				
Revenue bonds							58,583,091
Notes payable and other long-term debt							1,732,116
Deferred revenue	1,907,939		1,907,939				
Funds held for others					\$75,260		
<b>Total liabilities</b>	<b>65,591,629</b>	<b>20,374,174</b>	<b>85,965,803</b>	<b>58,792</b>	<b>75,260</b>	<b>80,570</b>	<b>62,602,942</b>
<b>FUND BALANCES</b>							
Unrestricted, allocated:							
Loans to students				728,281			
Unexpended plant funds							11,038,688
Unrestricted, unallocated	24,615,164		24,615,164				
Endowment and similar funds						86,983,939	
Net investment in plant							476,488,362
Restricted:							
Sponsored research and other restricted purposes		8,430,495	8,430,495				
U.S. government loan programs				27,377,693			
Unexpended plant funds							76,811
<b>Total fund balances</b>	<b>24,615,164</b>	<b>8,430,495</b>	<b>33,045,659</b>	<b>28,105,974</b>		<b>86,983,939</b>	<b>487,603,861</b>
<b>Total liabilities and fund balances</b>	<b>\$90,206,793</b>	<b>\$28,804,669</b>	<b>\$119,011,462</b>	<b>\$28,164,766</b>	<b>\$75,260</b>	<b>\$87,064,509</b>	<b>\$550,206,803</b>

The accompanying notes are an integral part of this statement.

UNIVERSITY OF MARYLAND, BALTIMORE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001

	CURRENT FUNDS			Loan Funds	Endowment and Similar Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>REVENUES AND OTHER ADDITIONS</b>						
Educational and general revenues	\$285,679,707		\$285,679,707			
Auxiliary enterprises revenues	16,481,997		16,481,997			
State appropriations - restricted						\$20,540,844
Government grants and contracts - restricted		\$138,893,397	138,893,397			
Private gifts, grants and contracts - restricted		75,378,793	75,378,793		\$280,770	6,335
Investment income - restricted		1,975,553	1,975,553		8,857,196	
Interest on notes receivable				\$587,945		
Expended for plant facilities (including \$7,061,831 charged to current funds expenditures)						46,680,888
U.S. government advances				417,185		
Retirement of indebtedness						2,659,715
Other				60,444		
<b>Total revenues and other additions</b>	<b>302,161,704</b>	<b>216,247,743</b>	<b>518,409,447</b>	<b>1,065,574</b>	<b>9,137,966</b>	<b>69,887,782</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS</b>						
Educational and general expenditures	270,850,150	185,306,061	456,156,211			
Auxiliary enterprises expenditures	11,618,060		11,618,060			
Indirect costs recovered		32,388,577	32,388,577			
Loan cancellations, write-offs and refunds, net of recoveries				185,700		
Retirement of indebtedness						2,659,715
Interest on indebtedness						3,147,849
Expended for plant facilities (including non-capitalized expenditures of \$2,185,018)						41,804,075
Disposal of property, plant and equipment						18,191,237
Transfers to (from) other University System of Maryland institutions	728,915		728,915			(1,175,598)
Other				168,034	318,146	
<b>Total expenditures and other deductions</b>	<b>283,197,125</b>	<b>217,694,638</b>	<b>500,891,763</b>	<b>353,734</b>	<b>318,146</b>	<b>64,627,278</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>18,964,579</b>	<b>(1,446,895)</b>	<b>17,517,684</b>	<b>711,840</b>	<b>8,819,820</b>	<b>5,260,504</b>
<b>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</b>						
Mandatory:						
Debt service	(6,031,942)		(6,031,942)			6,031,942
Loan fund matching grant	(137,385)		(137,385)	137,385		
Nonmandatory:						
Renewals and replacements	(274,106)		(274,106)			274,106
Other	(15,239,285)	1,790,226	(13,449,059)	(149,696)	(3,051,021)	16,649,776
<b>Total transfers among funds</b>	<b>(21,682,718)</b>	<b>1,790,226</b>	<b>(19,892,492)</b>	<b>(12,311)</b>	<b>(3,051,021)</b>	<b>22,955,824</b>
<b>Net increase (decrease) in fund balances</b>	<b>(2,718,139)</b>	<b>343,331</b>	<b>(2,374,808)</b>	<b>699,529</b>	<b>5,768,799</b>	<b>28,216,328</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>27,333,303</b>	<b>8,087,164</b>	<b>35,420,467</b>	<b>27,406,445</b>	<b>81,215,140</b>	<b>460,595,388</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(1,207,855)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$24,615,164</b>	<b>\$8,430,495</b>	<b>\$33,045,659</b>	<b>\$28,105,974</b>	<b>\$86,983,939</b>	<b>\$487,603,861</b>

The accompanying notes are an integral part of this statement.

UNIVERSITY OF MARYLAND, BALTIMORE  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES  
YEAR ENDED JUNE 30, 2001

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$43,637,580		\$43,637,580
State appropriations	139,883,705		139,883,705
Federal grants and contracts	25,154,717	\$80,344,746	105,499,463
State and local grants and contracts	1,640,199	31,701,370	33,341,569
Private gifts, grants and contracts	5,907,241	69,854,547	75,761,788
Investment income:			
Endowment		4,036,672	4,036,672
Other	5,254,220		5,254,220
Sales and services of educational departments	64,202,045		64,202,045
Sales and services of auxiliary enterprises	16,481,997		16,481,997
<b>Total revenues</b>	<b>302,161,704</b>	<b>185,937,335</b>	<b>488,099,039</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	144,529,454	14,131,633	158,661,087
Research	22,703,774	106,713,378	129,417,152
Public service	330,717	26,243,017	26,573,734
Academic support	29,003,542	1,258,945	30,262,487
Student services	2,384,234	42,500	2,426,734
Institutional support	39,103,154		39,103,154
Operation and maintenance of plant	23,015,623		23,015,623
Scholarships and fellowships	5,701,934	4,781,142	10,483,076
Auxiliary enterprises	11,618,060		11,618,060
Hospital	4,077,718	32,135,446	36,213,164
<b>Total expenditures</b>	<b>282,468,210</b>	<b>185,306,061</b>	<b>467,774,271</b>
<b>Mandatory transfers</b>	<b>(6,169,327)</b>		<b>(6,169,327)</b>
<b>Total expenditures and mandatory transfers</b>	<b>288,637,537</b>	<b>185,306,061</b>	<b>473,943,598</b>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(15,513,391)	1,790,226	(13,723,165)
Transfers (to) other University System of Maryland institutions	(728,915)		(728,915)
Excess of restricted receipts over transfers to revenues		(2,078,169)	(2,078,169)
<b>Total other transfers and additions (deductions)</b>	<b>(16,242,306)</b>	<b>(287,943)</b>	<b>(16,530,249)</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<b>(\$2,718,139)</b>	<b>\$343,331</b>	<b>(\$2,374,808)</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, COLLEGE PARK**  
**BALANCE SHEET**  
**JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Endowment and Similar Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>ASSETS</b>						
Cash and cash equivalents	\$125,581,157		\$125,581,157	\$840,162	\$996,743	\$92,578,139
Investments	2,317,708		2,317,708		122,373,554	
Accounts receivable (net of allowance for doubtful accounts of \$1,865,900)	10,439,121	\$30,085,375	40,524,496			18,000
Notes receivable (net of allowance for doubtful notes of \$1,968,903)				11,105,872		
Accrued interest receivable					404,515	63,730
Inventories	1,996,916		1,996,916			
Prepaid expenses and deferred charges	2,768,749		2,768,749			
Investment in plant						1,370,107,400
Due from other funds	2,874,671		2,874,671			
Inter-institutional balances						(350,197)
<b>Total assets</b>	<b>\$145,978,322</b>	<b>\$30,085,375</b>	<b>\$176,063,697</b>	<b>\$11,946,034</b>	<b>\$123,774,812</b>	<b>\$1,462,417,072</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$28,864,845	\$12,287,997	\$41,152,842	\$396	\$114,248	\$21,553,146
Accrued workers' compensation	6,784,000		6,784,000			
Accrued vacation costs	34,815,630		34,815,630			
Due to other funds		2,874,671	2,874,671			
Revenue bonds						307,027,456
Notes payable and other long-term debt						29,975,002
Deferred revenue	22,447,968		22,447,968			
<b>Total liabilities</b>	<b>92,912,443</b>	<b>15,162,668</b>	<b>108,075,111</b>	<b>396</b>	<b>114,248</b>	<b>358,555,604</b>
<b>FUND BALANCES</b>						
Unrestricted, allocated:						
Encumbrances	23,792,042		23,792,042			
Loans to students				666,189		
Unexpended plant funds						31,262,355
Renewals and replacements						47,298,482
Unrestricted, unallocated	29,273,837		29,273,837			
Endowment and similar funds					123,660,564	
Net investment in plant						1,011,283,329
Restricted:						
Sponsored research and other restricted purposes		14,922,707	14,922,707			
U.S. government loan programs				11,279,449		
Unexpended plant funds						14,017,302
<b>Total fund balances</b>	<b>53,065,879</b>	<b>14,922,707</b>	<b>67,988,586</b>	<b>11,945,638</b>	<b>123,660,564</b>	<b>1,103,861,468</b>
<b>Total liabilities and fund balances</b>	<b>\$145,978,322</b>	<b>\$30,085,375</b>	<b>\$176,063,697</b>	<b>\$11,946,034</b>	<b>\$123,774,812</b>	<b>\$1,462,417,072</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, COLLEGE PARK**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Endowment and Similar Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>REVENUES AND OTHER ADDITIONS</b>						
Educational and general revenues	\$626,122,220		\$626,122,220			
Auxiliary enterprises revenues	131,257,809		131,257,809			
State appropriations - restricted						\$37,955,679
Government grants and contracts - restricted		\$211,418,771	211,418,771			10,476,450
Private gifts, grants and contracts - restricted		37,372,264	37,372,264	\$16,979	\$293,110	3,511,200
Investment income - restricted		3,376,290	3,376,290	13,156	12,615,743	37,456
Interest on notes receivable				243,668		
Expended for plant facilities (including \$23,549,095 charged to current funds expenditures)						134,562,242
U.S. government advances				43,592		
Retirement of indebtedness						18,085,707
Other sources						185,573
<b>Total revenues and other additions</b>	<b>757,380,029</b>	<b>252,167,325</b>	<b>1,009,547,354</b>	<b>317,395</b>	<b>12,908,853</b>	<b>204,814,307</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS</b>						
Educational and general expenditures	598,303,040	217,428,002	815,731,042			
Auxiliary enterprises expenditures	93,508,151		93,508,151			
Indirect costs recovered		38,451,370	38,451,370			
Loan cancellations, write-offs and refunds, net of recoveries				413,194		
Retirement of indebtedness						18,085,707
Interest on indebtedness						14,319,916
Expended for plant facilities (including non-capitalized expenditures of \$26,103,573)						137,116,720
Transfers to (from) other University System of Maryland institutions	(919,631)		(919,631)			(1,669,564)
Disposal of property, plant and equipment						12,558,828
Other				256,933	451,618	
<b>Total expenditures and other deductions</b>	<b>690,891,560</b>	<b>255,879,372</b>	<b>946,770,932</b>	<b>670,127</b>	<b>451,618</b>	<b>180,411,607</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>66,488,469</b>	<b>(3,712,047)</b>	<b>62,776,422</b>	<b>(352,732)</b>	<b>12,457,235</b>	<b>24,402,700</b>
<b>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</b>						
Mandatory:						
Debt service	(26,042,046)		(26,042,046)			26,042,046
Loan fund matching grant	(28,179)		(28,179)	28,179		
Nonmandatory:						
Renewals and replacements	(36,563,956)	(313,541)	(36,877,497)			36,877,497
Other	(274,645)	2,553,234	2,278,589		(4,360,887)	2,082,298
<b>Total transfers among funds</b>	<b>(62,908,826)</b>	<b>2,239,693</b>	<b>(60,669,133)</b>	<b>28,179</b>	<b>(4,360,887)</b>	<b>65,001,841</b>
<b>Net increase (decrease) in fund balances</b>	<b>3,579,643</b>	<b>(1,472,354)</b>	<b>2,107,289</b>	<b>(324,553)</b>	<b>8,096,348</b>	<b>89,404,541</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>49,486,236</b>	<b>16,395,061</b>	<b>65,881,297</b>	<b>12,270,191</b>	<b>115,564,216</b>	<b>1,057,870,375</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(43,413,448)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$53,065,879</b>	<b>\$14,922,707</b>	<b>\$67,988,586</b>	<b>\$11,945,638</b>	<b>\$123,660,564</b>	<b>\$1,103,861,468</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, COLLEGE PARK**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$199,294,417		\$199,294,417
State appropriations	333,110,408		333,110,408
Federal grants and contracts	28,298,712	\$145,273,740	173,572,452
State and local grants and contracts	5,133,617	33,943,283	39,076,900
Private gifts, grants and contracts	12,152,128	40,232,012	52,384,140
Investment income:			
Endowment	2,473,507	6,169,735	8,643,242
Other	12,548,324		12,548,324
Sales and services of educational departments	29,204,258		29,204,258
Sales and services of auxiliary enterprises	121,780,972		121,780,972
Other	13,383,686		13,383,686
<b>Total revenues</b>	<b>757,380,029</b>	<b>225,618,770</b>	<b>982,998,799</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	254,979,397	13,465,534	268,444,931
Research	66,461,077	164,056,080	230,517,157
Public service	24,929,622	23,385,636	48,315,258
Academic support	67,746,412	1,054,274	68,800,686
Student services	25,362,197	388,829	25,751,026
Institutional support	61,300,427	266,763	61,567,190
Operation and maintenance of plant	57,543,549		57,543,549
Scholarships and fellowships	39,980,359	14,810,886	54,791,245
Auxiliary enterprises	93,508,151		93,508,151
<b>Total expenditures</b>	<b>691,811,191</b>	<b>217,428,002</b>	<b>909,239,193</b>
<b>Mandatory transfers</b>	<b>(26,070,225)</b>		<b>(26,070,225)</b>
<b>Total expenditures and mandatory transfers</b>	<b>717,881,416</b>	<b>217,428,002</b>	<b>935,309,418</b>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(36,838,601)	2,239,693	(34,598,908)
Transfers from other University System of Maryland institutions	919,631		919,631
Excess of restricted receipts over transfers to revenues		(11,902,815)	(11,902,815)
<b>Total other transfers and additions (deductions)</b>	<b>(35,918,970)</b>	<b>(9,663,122)</b>	<b>(45,582,092)</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<b>\$3,579,643</b>	<b>(\$1,472,354)</b>	<b>\$2,107,289</b>

The accompanying notes are an integral part of this statement.

**BOWIE STATE UNIVERSITY  
BALANCE SHEET  
JUNE 30, 2001**

	<u>CURRENT FUNDS</u>			<u>Loan Funds</u>	<u>Agency Funds</u>	<u>Plant Funds</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>			
<b><u>ASSETS</u></b>						
Cash and cash equivalents						
Accounts receivable (net of allowance for doubtful accounts of \$475,000)	\$2,256,985	\$3,332,874	\$5,589,859		\$1,170,014	\$106,898
Notes receivable (net of allowance for doubtful notes of \$1,013,951)				\$475,652		
Inventories	49,590		49,590			
Investment in plant						103,583,716
Due from other funds	4,911,982	950	4,912,932	157,931	39,986	8,272
Inter-institutional balances	(1,326,671)		(1,326,671)			(38,338)
<b>Total assets</b>	<b><u>\$5,891,886</u></b>	<b><u>\$3,333,824</u></b>	<b><u>\$9,225,710</u></b>	<b><u>\$633,583</u></b>	<b><u>\$1,210,000</u></b>	<b><u>\$103,660,548</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Accounts payable and accrued liabilities	\$2,364,929	\$408,824	\$2,773,753			\$395,329
Accrued workers' compensation	425,000		425,000			
Accrued vacation costs	1,374,612		1,374,612			
Due to other funds	734,121	2,925,000	3,659,121		\$1,210,000	250,000
Revenue bonds						6,541,932
Notes payable and other long-term debt						7,768,243
<b>Total liabilities</b>	<b><u>4,898,662</u></b>	<b><u>3,333,824</u></b>	<b><u>8,232,486</u></b>		<b><u>1,210,000</u></b>	<b><u>14,955,504</u></b>
<b><u>FUND BALANCES</u></b>						
Unrestricted, allocated:						
Unexpended plant funds						106,898
Unrestricted, unallocated	993,224		993,224			
Net investment in plant						88,598,146
Restricted:						
U.S. government loan programs				\$633,583		
<b>Total fund balances</b>	<b><u>993,224</u></b>		<b><u>993,224</u></b>	<b><u>633,583</u></b>		<b><u>88,705,044</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$5,891,886</u></b>	<b><u>\$3,333,824</u></b>	<b><u>\$9,225,710</u></b>	<b><u>\$633,583</u></b>	<b><u>\$1,210,000</u></b>	<b><u>\$103,660,548</u></b>

The accompanying notes are an integral part of this statement.

**BOWIE STATE UNIVERSITY**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2001**

	<u>CURRENT FUNDS</u>			<u>Loan Funds</u>	<u>Plant Funds</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>		
<b><u>REVENUES AND OTHER ADDITIONS</u></b>					
Educational and general revenues	\$39,383,292		\$39,383,292		
Auxiliary enterprises revenues	6,936,073		6,936,073		
State appropriations - restricted					\$4,326,164
Government grants and contracts - restricted		\$9,068,108	9,068,108		
Private gifts, grants and contracts - restricted		425,741	425,741		
Interest on notes receivable				\$29,602	
Expended for plant facilities (including \$1,714,085 charged to current funds expenditures)					8,593,096
Retirement of indebtedness					879,278
Other				5,587	
<b>Total revenues and other additions</b>	<u>46,319,365</u>	<u>9,493,849</u>	<u>55,813,214</u>	<u>35,189</u>	<u>13,798,538</u>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>					
Educational and general expenditures	37,428,866	9,493,849	46,922,715		
Auxiliary enterprises expenditures	5,861,148		5,861,148		
Loan cancellations, write-offs and refunds, net of recoveries				11,676	
Retirement of indebtedness					879,278
Interest on indebtedness					668,610
Expended for plant facilities (including non-capitalized expenditures of \$2,962,665)					9,841,676
Disposal of property, plant and equipment					951,633
Transfers to (from) other University System of Maryland institutions	883,820		883,820		(173,998)
<b>Total expenditures and other deductions</b>	<u>44,173,834</u>	<u>9,493,849</u>	<u>53,667,683</u>	<u>11,676</u>	<u>12,167,199</u>
<b>Net increase in fund balances before transfers</b>	<u>2,145,531</u>		<u>2,145,531</u>	<u>23,513</u>	<u>1,631,339</u>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>					
Mandatory:					
Debt service	(1,535,860)		(1,535,860)		1,535,860
Nonmandatory:					
Renewals and replacements					
Other	(441,419)		(441,419)		441,419
<b>Total transfers among funds</b>	<u>(1,977,279)</u>		<u>(1,977,279)</u>		<u>1,977,279</u>
<b>Net increase in fund balances</b>	168,252		168,252	23,513	3,608,618
<b>FUND BALANCES, JUNE 30, 2000</b>	824,972		824,972	610,070	86,635,350
<b>Adjustment for change in accounting principle (see note #1)</b>					(1,538,924)
<b>FUND BALANCES, JUNE 30, 2001</b>	<u>\$993,224</u>		<u>\$993,224</u>	<u>\$633,583</u>	<u>\$88,705,044</u>

The accompanying notes are an integral part of this statement.

**BOWIE STATE UNIVERSITY**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$17,212,868		\$17,212,868
State appropriations	21,310,546		21,310,546
Federal grants and contracts	533,537	\$8,044,579	8,578,116
State and local grants and contracts	32,826	1,023,529	1,056,355
Private gifts, grants and contracts	2,000	425,741	427,741
Sales and services of auxiliary enterprises	6,936,073		6,936,073
Other	291,515		291,515
<b>Total revenues</b>	<u>46,319,365</u>	<u>9,493,849</u>	<u>55,813,214</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	15,662,674	1,585,730	17,248,404
Research	140,358	2,602,626	2,742,984
Public service	1,662		1,662
Academic support	3,655,333	1,003,944	4,659,277
Student services	2,495,648	503,274	2,998,922
Institutional support	8,690,670	1,494,350	10,185,020
Operation and maintenance of plant	4,631,083		4,631,083
Scholarships and fellowships	2,151,438	2,303,925	4,455,363
Auxiliary enterprises	5,861,148		5,861,148
<b>Total expenditures</b>	43,290,014	9,493,849	52,783,863
<b>Mandatory transfers</b>	<u>(1,535,860)</u>		<u>(1,535,860)</u>
<b>Total expenditures and mandatory transfers</b>	<u>44,825,874</u>	<u>9,493,849</u>	<u>54,319,723</u>
<b>OTHER TRANSFERS AND (DEDUCTIONS)</b>			
Nonmandatory transfers	(441,419)		(441,419)
Transfers (to) other University System of Maryland institutions	<u>(883,820)</u>		<u>(883,820)</u>
<b>Total other transfers and (deductions)</b>	<u>(1,325,239)</u>		<u>(1,325,239)</u>
<b>NET INCREASE IN FUND BALANCES</b>	<u>\$168,252</u>		<u>\$168,252</u>

The accompanying notes are an integral part of this statement.

**TOWSON UNIVERSITY  
BALANCE SHEET  
JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Agency Funds	Endowment and Similar Funds	Plant Funds
	Unrestricted	Restricted	Total				
<b>ASSETS</b>							
Cash and cash equivalents	\$25,953,142		\$25,953,142	\$90,768	\$1,046,945	\$54,875	\$761,995
Investments						1,842,859	
Accounts receivable (net of allowance for doubtful accounts of \$203,000)	2,631,203	\$4,308,270	6,939,473	717,331	82,138		
Notes receivable (net of allowance for doubtful notes of \$1,346,470)				12,824,904			
Accrued interest receivable						3,726	1,715
Inventories	1,941,334		1,941,334				
Prepaid expenses and deferred charges	1,287,484		1,287,484				
Investment in plant							298,395,406
Due from other funds	103,583		103,583				
<b>Total assets</b>	<u>\$31,916,746</u>	<u>\$4,308,270</u>	<u>\$36,225,016</u>	<u>\$13,633,003</u>	<u>\$1,129,083</u>	<u>\$1,901,460</u>	<u>\$299,159,116</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable and accrued liabilities	\$14,128,971	\$417,609	\$14,546,580		\$56,676	\$1,054	\$1,437,869
Accrued workers' compensation	2,334,000		2,334,000				
Accrued vacation costs	5,956,815		5,956,815				
Due to other funds		103,583	103,583				
Revenue bonds							73,392,513
Notes payable and other long-term debt							4,452,141
Deferred revenue	5,872,244		5,872,244				
Funds held for others					1,072,407		
<b>Total liabilities</b>	<u>28,292,030</u>	<u>521,192</u>	<u>28,813,222</u>		<u>1,129,083</u>	<u>1,054</u>	<u>79,282,523</u>
<b>FUND BALANCES</b>							
Unrestricted, allocated:							
Encumbrances	5,104		5,104				
Unexpended plant funds							346,672
Retirement of indebtedness							415,323
Unrestricted, unallocated	3,619,612		3,619,612				
Endowment and similar funds						1,900,406	
Net investment in plant							219,114,598
Restricted:							
Sponsored research and other restricted purposes		3,787,078	3,787,078				
U.S. government loan programs				\$13,633,003			
<b>Total fund balances</b>	<u>3,624,716</u>	<u>3,787,078</u>	<u>7,411,794</u>	<u>13,633,003</u>		<u>1,900,406</u>	<u>219,876,593</u>
<b>Total liabilities and fund balances</b>	<u>\$31,916,746</u>	<u>\$4,308,270</u>	<u>\$36,225,016</u>	<u>\$13,633,003</u>	<u>\$1,129,083</u>	<u>\$1,901,460</u>	<u>\$299,159,116</u>

The accompanying notes are an integral part of this statement.

**TOWSON UNIVERSITY**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b>REVENUES AND OTHER ADDITIONS</b>						
Educational and general revenues	\$146,009,536		\$146,009,536			
Auxiliary enterprises revenues	52,828,937		52,828,937			
State appropriations - restricted						\$14,004,506
Government grants and contracts - restricted		\$21,142,572	21,142,572			
Private gifts, grants and contracts - restricted		2,367,970	2,367,970			128,400
Investment income - restricted		21,475	21,475		\$114,238	216,064
Interest on notes receivable				\$297,512		
Expended for plant facilities (including \$5,429,815 charged to current funds expenditures)						29,678,039
U.S. government advances				406,640		
Retirement of indebtedness						4,935,105
Other sources				30,240		28,856
<b>Total revenues and other additions</b>	<b>198,838,473</b>	<b>23,532,017</b>	<b>222,370,490</b>	<b>734,392</b>	<b>114,238</b>	<b>48,990,970</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS</b>						
Educational and general expenditures	133,970,732	20,241,018	154,211,750			
Auxiliary enterprises expenditures	42,002,440	38,689	42,041,129			
Indirect costs recovered		336,810	336,810			
Loan cancellations, write-offs and refunds, net of recoveries				330,524		
Retirement of indebtedness						4,935,105
Interest on indebtedness						4,129,822
Expended for plant facilities (including non-capitalized expenditures of \$1,753,397)						26,001,621
Disposal of property, plant and equipment						1,208,999
Transfers to other University System of Maryland institutions	3,334,616		3,334,616			896,176
Other				133,205	4,070	
<b>Total expenditures and other deductions</b>	<b>179,307,788</b>	<b>20,616,517</b>	<b>199,924,305</b>	<b>463,729</b>	<b>4,070</b>	<b>37,171,723</b>
<b>Net increase in fund balances before transfers</b>	<b>19,530,685</b>	<b>2,915,500</b>	<b>22,446,185</b>	<b>270,663</b>	<b>110,168</b>	<b>11,819,247</b>
<b>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</b>						
Mandatory:						
Debt service	(9,186,364)		(9,186,364)			9,186,364
Loan fund matching grant	(135,547)		(135,547)	135,547		
Nonmandatory:						
Other	(9,372,619)	27,802	(9,344,817)		(41,371)	9,386,188
<b>Total transfers among funds</b>	<b>(18,694,530)</b>	<b>27,802</b>	<b>(18,666,728)</b>	<b>135,547</b>	<b>(41,371)</b>	<b>18,572,552</b>
<b>Net increase in fund balances</b>	<b>836,155</b>	<b>2,943,302</b>	<b>3,779,457</b>	<b>406,210</b>	<b>68,797</b>	<b>30,391,799</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>2,788,561</b>	<b>843,776</b>	<b>3,632,337</b>	<b>13,226,793</b>	<b>1,831,609</b>	<b>190,650,722</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(1,165,928)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$3,624,716</b>	<b>\$3,787,078</b>	<b>\$7,411,794</b>	<b>\$13,633,003</b>	<b>\$1,900,406</b>	<b>\$219,876,593</b>

The accompanying notes are an integral part of this statement.

**TOWSON UNIVERSITY**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b><u>REVENUES</u></b>			
Tuition and fees	\$76,274,663		\$76,274,663
State appropriations	64,180,645		64,180,645
Federal grants and contracts	44,583	\$11,184,691	11,229,274
State and local grants and contracts		10,333,107	10,333,107
Private gifts, grants and contracts	1,562,003	2,499,710	4,061,713
Investment income:			
Endowment	39,967		39,967
Other	1,420,900	21,475	1,442,375
Sales and services of educational departments	2,142,932		2,142,932
Sales and services of auxiliary enterprises	52,828,937		52,828,937
Other	343,843		343,843
<b>Total revenues</b>	<b>198,838,473</b>	<b>24,038,983</b>	<b>222,877,456</b>
<b><u>EXPENDITURES AND MANDATORY TRANSFERS</u></b>			
Instruction	56,685,018		56,685,018
Research	743,536	6,458,217	7,201,753
Public service	2,107,876	7,297,453	9,405,329
Academic support	19,687,682		19,687,682
Student services	11,102,932	27,517	11,130,449
Institutional support	22,871,247		22,871,247
Operation and maintenance of plant	8,504,881		8,504,881
Scholarships and fellowships	12,267,560	6,457,831	18,725,391
Auxiliary enterprises	42,002,440	38,689	42,041,129
<b>Total expenditures</b>	<b>175,973,172</b>	<b>20,279,707</b>	<b>196,252,879</b>
<b>Mandatory transfers</b>	<b>(9,321,911)</b>		<b>(9,321,911)</b>
<b>Total expenditures and mandatory transfers</b>	<b>185,295,083</b>	<b>20,279,707</b>	<b>205,574,790</b>
<b><u>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</u></b>			
Nonmandatory transfers	(9,372,619)	27,802	(9,344,817)
Transfers (to) other University System of Maryland institutions	(3,334,616)		(3,334,616)
Excess of restricted receipts over transfers to revenues		(843,776)	(843,776)
<b>Total other transfers and addition (deductions)</b>	<b>(12,707,235)</b>	<b>(815,974)</b>	<b>(13,523,209)</b>
<b>NET INCREASE IN FUND BALANCES</b>	<b>\$836,155</b>	<b>\$2,943,302</b>	<b>\$3,779,457</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND EASTERN SHORE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Agency Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>				
<b>ASSETS</b>							
Cash and cash equivalents	\$3,912,440		\$3,912,440	\$56,469		\$3,138	\$8,689,509
Investments						487,176	
Accounts receivable (net of allowance for doubtful accounts of \$658,674)	6,885,493	\$5,693,900	12,579,393		\$279,104		
Notes receivable (net of allowance for doubtful notes of \$3,472)		5,692,925	5,692,925	41,149			
Accrued interest receivable						1,540	32
Investment in plant							168,441,642
Due from other funds	1,180,216		1,180,216				(74,535)
<b>Total assets</b>	<b>\$11,978,149</b>	<b>\$11,386,825</b>	<b>\$23,364,974</b>	<b>\$97,618</b>	<b>\$279,104</b>	<b>\$491,854</b>	<b>\$177,056,648</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable and accrued liabilities	\$6,195,257	\$878,344	\$7,073,601			\$435	\$1,222,094
Accrued workers' compensation	969,000		969,000				
Accrued vacation costs	2,096,618		2,096,618				
Due to other funds		901,112	901,112		\$279,104		
Revenue bonds							51,032,346
Notes payable and other long-term debt							392,136
Deferred revenue	238,601		238,601				
<b>Total liabilities</b>	<b>9,499,476</b>	<b>1,779,456</b>	<b>11,278,932</b>		<b>279,104</b>	<b>435</b>	<b>52,646,576</b>
<b>FUND BALANCES</b>							
Unrestricted, allocated:							
Unexpended plant funds							8,688,388
Unrestricted, unallocated	2,478,673		2,478,673				
Endowment and similar funds						491,419	
Net investment in plant							115,720,563
Restricted:							
Sponsored research and other restricted purposes		9,607,369	9,607,369				
U.S. government loan programs				\$97,618			
Renewals and replacements							1,121
<b>Total fund balances</b>	<b>2,478,673</b>	<b>9,607,369</b>	<b>12,086,042</b>	<b>97,618</b>		<b>491,419</b>	<b>124,410,072</b>
<b>Total liabilities and fund balances</b>	<b>\$11,978,149</b>	<b>\$11,386,825</b>	<b>\$23,364,974</b>	<b>\$97,618</b>	<b>\$279,104</b>	<b>\$491,854</b>	<b>\$177,056,648</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND EASTERN SHORE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b><u>REVENUES AND OTHER ADDITIONS</u></b>						
Educational and general revenues	\$36,061,879		\$36,061,879			
Auxiliary enterprises revenues	13,703,488		13,703,488			
State appropriations - restricted						\$1,965,182
Government grants and contracts - restricted		\$15,988,760	15,988,760			
Private gifts, grants and contracts - restricted		728,498	728,498			
Investment income - restricted		59,034	59,034		\$48,080	
Interest on notes receivable				\$13,430		
Expended for plant facilities (including \$1,254,879 charged to current funds expenditures)						20,049,897
U.S. government advances				3,119		
Retirement of indebtedness						1,654,253
<b>Total revenues and other additions</b>	<b>49,765,367</b>	<b>16,776,292</b>	<b>66,541,659</b>	<b>16,549</b>	<b>48,080</b>	<b>23,669,332</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>						
Educational and general expenditures	33,953,781	15,732,942	49,686,723			
Auxiliary enterprises expenditures	8,820,966	8,732	8,829,698			
Indirect costs recovered		750,193	750,193			
Loan cancellations, write-offs and refunds, net of recoveries				25,915		
Retirement of indebtedness						1,654,253
Interest on indebtedness						1,786,203
Expended for plant facilities (including non-capitalized expenditures of \$1,691,740)						20,486,758
Disposal of property, plant and equipment						5,017,273
Transfers to (from) other University System of Maryland institutions	(148,330)		(148,330)			(322,988)
Other					1,735	
<b>Total expenditures and other deductions</b>	<b>42,626,417</b>	<b>16,491,867</b>	<b>59,118,284</b>	<b>25,915</b>	<b>1,735</b>	<b>28,621,499</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>7,138,950</b>	<b>284,425</b>	<b>7,423,375</b>	<b>(9,366)</b>	<b>46,345</b>	<b>(4,952,167)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>						
Mandatory:						
Debt service	(3,745,955)		(3,745,955)			3,745,955
Nonmandatory:						
Renewals and replacements	(1,346,990)		(1,346,990)			1,346,990
Other	(1,595,339)	93,137	(1,688,476)	17,326	10,035	1,661,115
<b>Total transfers among funds</b>	<b>(6,688,284)</b>	<b>93,137</b>	<b>(6,781,421)</b>	<b>17,326</b>	<b>10,035</b>	<b>6,754,060</b>
<b>Net increase in fund balances</b>	<b>450,666</b>	<b>191,288</b>	<b>641,954</b>	<b>7,960</b>	<b>56,380</b>	<b>1,801,893</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>2,028,007</b>	<b>9,416,081</b>	<b>11,444,088</b>	<b>89,658</b>	<b>435,039</b>	<b>124,128,167</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(1,519,988)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$2,478,673</b>	<b>\$9,607,369</b>	<b>\$12,086,042</b>	<b>\$97,618</b>	<b>\$491,419</b>	<b>\$124,410,072</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND EASTERN SHORE**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$11,864,131		\$11,864,131
State appropriations	22,474,219		22,474,219
Federal grants and contracts	352,832	\$10,833,207	11,186,039
State and local grants and contracts		4,170,464	4,170,464
Private gifts, grants and contracts	2,984	619,168	622,152
Investment income:			0
Endowment		118,835	118,835
Other	806,507		806,507
Sales and services of educational departments	192,691		192,691
Sales and services of auxiliary enterprises	13,669,041		13,669,041
Other	402,962		402,962
<b>Total revenues</b>	<b>49,765,367</b>	<b>15,741,674</b>	<b>65,507,041</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	12,691,283	4,481,594	17,172,877
Research	1,026,188	5,493,397	6,519,585
Public service	1,500	754,315	755,815
Academic support	2,960,180	223,713	3,183,893
Student services	1,705,855	306,608	2,012,463
Institutional support	7,206,993	597,109	7,804,102
Operation and maintenance of plant	5,834,580		5,834,580
Scholarships and fellowships	2,527,202	3,876,206	6,403,408
Auxiliary enterprises	8,820,966	8,732	8,829,698
<b>Total expenditures</b>	<b>42,774,747</b>	<b>15,741,674</b>	<b>58,516,421</b>
<b>Mandatory transfers</b>	<b>(3,745,955)</b>		<b>(3,745,955)</b>
<b>Total expenditures and mandatory transfers</b>	<b>46,520,702</b>	<b>15,741,674</b>	<b>62,262,376</b>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(2,942,329)	(93,137)	(3,035,466)
Transfers from other University System of Maryland institutions	148,330		148,330
Excess of restricted receipts over transfers to revenues		284,425	284,425
<b>Total other transfers and additions (deductions)</b>	<b>(2,793,999)</b>	<b>191,288</b>	<b>(2,602,711)</b>
<b>NET INCREASE IN FUND BALANCES</b>	<b>\$450,666</b>	<b>\$191,288</b>	<b>\$641,954</b>

The accompanying notes are an integral part of this statement.

**FROSTBURG STATE UNIVERSITY  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Agency Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>				
<b>ASSETS</b>							
Cash and cash equivalents	\$7,426,857	\$385,556	\$7,812,413	\$24,916	\$633,631	\$5,275	\$63,976
Investments						789,348	
Accounts receivable (net of allowance for doubtful accounts of \$27,604)	530,263	289,896	820,159		119,133		
Notes receivable (net of allowance for doubtful notes of \$139,283)				1,320,282			
Accrued interest receivable					25,276	2,588	
Inventories	812,862		812,862.00				
Prepaid expenses and deferred charges	55,175		55,175.00				
Investment in plant							77,903,006
Due from other funds	731,447		731,447.00				
Inter-institutional balances							(71,655)
<b>Total assets</b>	<b>\$9,556,604</b>	<b>\$675,452</b>	<b>\$10,232,056</b>	<b>\$1,345,198</b>	<b>\$778,040</b>	<b>\$797,211</b>	<b>\$77,895,327</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable and accrued liabilities	\$4,413,488	\$200,164	\$4,613,652		\$194,048	\$731	\$245,050
Accrued workers' compensation	713,000		713,000				
Accrued vacation costs	1,974,504	64,166	2,038,670				
Due to other funds							731,447
Revenue bonds							16,111,466
Notes payable and other long-term debt							19,094
Deferred revenue	588,991		588,991				
Funds held for others					583,992		
<b>Total liabilities</b>	<b>7,689,983</b>	<b>264,330</b>	<b>7,954,313</b>		<b>778,040</b>	<b>731</b>	<b>17,107,057</b>
<b>FUND BALANCES</b>							
Unrestricted, allocated:							
Encumbrances	461,271		461,271				
Renewals and replacements							180,426
Unrestricted, unallocated	1,405,350		1,405,350				
Endowment and similar funds						796,480	
Net investment in plant							60,607,844
Restricted:							
Sponsored research and other restricted purposes		411,122	411,122				
U.S. government loan programs				\$1,345,198			
<b>Total fund balances</b>	<b>1,866,621</b>	<b>411,122</b>	<b>2,277,743</b>	<b>1,345,198</b>		<b>796,480</b>	<b>60,788,270</b>
<b>Total liabilities and fund balances</b>	<b>\$9,556,604</b>	<b>\$675,452</b>	<b>\$10,232,056</b>	<b>\$1,345,198</b>	<b>\$778,040</b>	<b>\$797,211</b>	<b>\$77,895,327</b>

The accompanying notes are an integral part of this statement.

**FROSTBURG STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b>REVENUES AND OTHER ADDITIONS</b>						
Educational and general revenues	\$47,890,802		\$47,890,802			
Auxiliary enterprises revenues	16,296,823		16,296,823			
State appropriations - restricted						\$2,607,454
Government grants and contracts - restricted		\$5,402,458	5,402,458			
Private gifts, grants and contracts - restricted		136,487	136,487			
Investment income - restricted		8,375	8,375		\$12,955	
Interest on notes receivable				\$27,426		
Expended for plant facilities (including \$657,110 charged to current funds expenditures)						4,159,010
U.S. government advances				10,298		
Retirement of indebtedness						1,034,571
Other sources				5,551		
<b>Total revenues and other additions</b>	<b>64,187,625</b>	<b>5,547,320</b>	<b>69,734,945</b>	<b>43,275</b>	<b>12,955</b>	<b>7,801,035</b>
<b>EXPENDITURES AND OTHER DEDUCTIONS</b>						
Educational and general expenditures	45,927,378	5,213,103	51,140,481			
Auxiliary enterprises expenditures	15,043,008	38,403	15,081,411			
Indirect costs recovered		139,742	139,742			
Loan cancellations, write-offs and refunds, net of recoveries				(117,002)		
Retirement of indebtedness						1,034,571
Interest on indebtedness						796,791
Expended for plant facilities (including non-capitalized expenditures of \$345,784)						3,847,684
Disposal of property, plant and equipment						1,748,214
Transfers (from) other University System of Maryland institutions	(23,430)		(23,430)			(58,583)
Other				15,691	3,529	
<b>Total expenditures and other deductions</b>	<b>60,946,956</b>	<b>5,391,248</b>	<b>66,338,204</b>	<b>(101,311)</b>	<b>3,529</b>	<b>7,368,677</b>
<b>Net increase in fund balances before transfers</b>	<b>3,240,669</b>	<b>156,072</b>	<b>3,396,741</b>	<b>144,586</b>	<b>9,426</b>	<b>432,358</b>
<b>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</b>						
Mandatory:						
Debt service	(1,830,310)		(1,830,310)			1,830,310
Loan fund matching grant	(3,433)		(3,433)	3,433		
Nonmandatory:						
Renewals and replacements	(737,342)		(737,342)			737,342
Other	(1,055,131)	(7,325)	(1,062,456)		757,325	305,131
<b>Total transfers among funds</b>	<b>(3,626,216)</b>	<b>(7,325)</b>	<b>(3,633,541)</b>	<b>3,433</b>	<b>757,325</b>	<b>2,872,783</b>
<b>Net increase (decrease) in fund balances</b>	<b>(385,547)</b>	<b>148,747</b>	<b>(236,800)</b>	<b>148,019</b>	<b>766,751</b>	<b>3,305,141</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>2,252,168</b>	<b>262,375</b>	<b>2,514,543</b>	<b>1,197,179</b>	<b>29,729</b>	<b>94,987,990</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(37,504,861)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$1,866,621</b>	<b>\$411,122</b>	<b>\$2,277,743</b>	<b>\$1,345,198</b>	<b>\$796,480</b>	<b>\$60,788,270</b>

The accompanying notes are an integral part of this statement.

**FROSTBURG STATE UNIVERSITY**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$18,778,198		\$18,778,198
State appropriations	26,568,603		26,568,603
Federal grants and contracts	95,995	\$3,640,315	3,736,310
State and local grants and contracts	92,844	1,551,011	1,643,855
Private gifts, grants and contracts	282,613	135,442	418,055
Investment income:			
Endowment		8,375	8,375
Other	868,897		868,897
Sales and services of educational departments	700,986		700,986
Sales and services of auxiliary enterprises	15,781,840		15,781,840
Other	1,017,649		1,017,649
<b>Total revenues</b>	<b>64,187,625</b>	<b>5,335,143</b>	<b>69,522,768</b>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	22,222,133	27,570	22,249,703
Public service	37,346	2,547,690	2,585,036
Academic support	6,083,007	3,902	6,086,909
Student services	3,201,969	14,173	3,216,142
Institutional support	7,500,082	7,980	7,508,062
Operation and maintenance of plant	4,558,432		4,558,432
Scholarships and fellowships	2,324,409	2,611,788	4,936,197
Auxiliary enterprises	15,043,008	38,403	15,081,411
<b>Total expenditures</b>	<b>60,970,386</b>	<b>5,251,506</b>	<b>66,221,892</b>
<b>Mandatory transfers</b>	<b>(1,833,743)</b>		<b>(1,833,743)</b>
<b>Total expenditures and mandatory transfers</b>	<b>62,804,129</b>	<b>5,251,506</b>	<b>68,055,635</b>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(1,792,473)	(7,325)	(1,799,798)
Transfers from other University System of Maryland institutions	23,430		23,430
Excess of restricted receipts over transfers to revenues		72,435	72,435
<b>Total other transfers and additions (deductions)</b>	<b>(1,769,043)</b>	<b>65,110</b>	<b>(1,703,933)</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<b>(\$385,547)</b>	<b>\$148,747</b>	<b>(\$236,800)</b>

The accompanying notes are an integral part of this statement.

**COPPIN STATE COLLEGE  
BALANCE SHEET  
JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Endowment and Similar Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>ASSETS</b>						
Cash and cash equivalents	\$2,271,923	\$1,794,621	\$4,066,544	\$787,900	\$76,898	\$227,756
Investments					185,471	
Accounts receivable (net of allowance for doubtful accounts of \$327,353)	1,949,076	109,808	2,058,884			
Notes receivable (net of allowance for doubtful notes of \$894,578)				1,179,710		
Accrued interest receivable					783	
Inventories	31,862		31,862			
Prepaid expenses and deferred charges	1,604		1,604			
Investment in plant						66,745,492
Inter-institutional balances	(717,500)		(717,500)			
<b>Total assets</b>	<u>\$3,536,965</u>	<u>\$1,904,429</u>	<u>\$5,441,394</u>	<u>\$1,967,610</u>	<u>\$263,152</u>	<u>\$66,973,248</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$2,094,571	\$1,794,621	\$3,889,192	\$227,157	\$222	\$221,453
Accrued workers' compensation	491,000		491,000			
Accrued vacation costs	1,535,594	109,808	1,645,402			
Revenue bonds						17,204,563
Notes payable and other long-term debt						2,025,996
Deferred revenue	821,964		821,964			
<b>Total liabilities</b>	<u>4,943,129</u>	<u>1,904,429</u>	<u>6,847,558</u>	<u>227,157</u>	<u>222</u>	<u>19,452,012</u>
<b>FUND BALANCES</b>						
Unrestricted, allocated						
Unexpended plant funds						227,756
Unrestricted, unallocated	(1,406,164)		(1,406,164)			
Endowment and similar funds					262,930	
Net investment in plant						47,293,480
Restricted:						
U.S. government loan programs				1,740,453		
<b>Total fund balances</b>	<u>(1,406,164)</u>		<u>(1,406,164)</u>	<u>1,740,453</u>	<u>262,930</u>	<u>47,521,236</u>
<b>Total liabilities and fund balances</b>	<u>\$3,536,965</u>	<u>\$1,904,429</u>	<u>\$5,441,394</u>	<u>\$1,967,610</u>	<u>\$263,152</u>	<u>\$66,973,248</u>

The accompanying notes are an integral part of this statement.

**COPPIN STATE COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b><u>REVENUES AND OTHER ADDITIONS</u></b>						
Educational and general revenues	\$29,197,750		\$29,197,750			
Auxiliary enterprises revenues	4,357,820		4,357,820			
State appropriations - restricted						\$203,729
Government grants and contracts - restricted		\$9,964,839	9,964,839			
Private gifts, grants and contracts - restricted		448,424	448,424		\$97,457	
Investment income - restricted					16,007	
Interest on notes receivable				\$39,214		
Expended for plant facilities (including \$215,699 charged to current funds expenditures)						11,138,067
Retirement of indebtedness						422,183
<b>Total revenues and other additions</b>	<b>33,555,570</b>	<b>10,413,263</b>	<b>43,968,833</b>	<b>39,214</b>	<b>113,464</b>	<b>11,763,979</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>						
Educational and general expenditures	27,474,713	10,399,889	37,874,602			
Auxiliary enterprises expenditures	3,145,642	13,374	3,159,016			
Loan cancellations, write-offs and refunds, net of recoveries				11,815		
Retirement of indebtedness						422,183
Interest on indebtedness						461,627
Expended for plant facilities (including non-capitalized expenditures of \$373,494)						11,295,862
Transfers to (from) other University System of Maryland institutions	458,866		458,866			(318,740)
Other					715	
<b>Total expenditures and other deductions</b>	<b>31,079,221</b>	<b>10,413,263</b>	<b>41,492,484</b>	<b>11,815</b>	<b>715</b>	<b>11,860,932</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>2,476,349</b>		<b>2,476,349</b>	<b>27,399</b>	<b>112,749</b>	<b>(96,953)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>						
Mandatory:						
Debt service	(923,346)		(923,346)			923,346
Nonmandatory:						
Other	(355,822)		(355,822)		(1,814)	357,636
<b>Total transfers among funds</b>	<b>(1,279,168)</b>		<b>(1,279,168)</b>		<b>(1,814)</b>	<b>1,280,982</b>
<b>Net increase in fund balances</b>	<b>1,197,181</b>		<b>1,197,181</b>	<b>27,399</b>	<b>110,935</b>	<b>1,184,029</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>(2,603,345)</b>		<b>(2,603,345)</b>	<b>1,713,054</b>	<b>151,995</b>	<b>46,337,207</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>(\$1,406,164)</b>		<b>(\$1,406,164)</b>	<b>\$1,740,453</b>	<b>\$262,930</b>	<b>\$47,521,236</b>

The accompanying notes are an integral part of this statement.

**COPPIN STATE COLLEGE**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$10,361,983		\$10,361,983
State appropriations	18,623,000		18,623,000
Federal grants and contracts	74,778	\$8,358,289	8,433,067
State and local grants and contracts	36,050	2,046,778	2,082,828
Private gifts, grants and contracts		8,196	8,196
Investment income:			
Other	99,889		99,889
Sales and services of auxiliary enterprises	4,357,820		4,357,820
Other	2,050		2,050
<b>Total revenues</b>	<u>33,555,570</u>	<u>10,413,263</u>	<u>43,968,833</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	10,275,393	2,458,639	12,734,032
Research		10,000	10,000
Academic support	2,564,878	608,398	3,173,276
Student services	3,184,391	908,659	4,093,050
Institutional support	7,983,495	1,484,169	9,467,664
Operation and maintenance of plant	3,074,397		3,074,397
Scholarships and fellowships	392,159	4,930,024	5,322,183
Auxiliary enterprises	3,145,642	13,374	3,159,016
<b>Total expenditures</b>	<u>30,620,355</u>	<u>10,413,263</u>	<u>41,033,618</u>
<b>Mandatory transfers</b>	<u>(923,346)</u>		<u>(923,346)</u>
<b>Total expenditures and mandatory transfers</b>	<u>31,543,701</u>	<u>10,413,263</u>	<u>41,956,964</u>
<b>OTHER TRANSFERS AND (DEDUCTIONS)</b>			
Nonmandatory transfers	(355,822)		(355,822)
Transfers (to) other University System of Maryland institutions	(458,866)		(458,866)
<b>Total other transfers and (deductions)</b>	<u>(814,688)</u>		<u>(814,688)</u>
<b>NET INCREASE IN FUND BALANCES</b>	<u>\$1,197,181</u>		<u>\$1,197,181</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF BALTIMORE  
BALANCE SHEET  
JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Agency Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>ASSETS</b>						
Cash and cash equivalents	\$12,222,532		\$12,222,532	\$114,000	\$563,582	
Accounts receivable (net of allowance for doubtful accounts of \$100)	1,631,536	\$973,164	2,604,700	45,599		
Notes receivable (net of allowance for doubtful notes of \$166,506)				3,141,771		
Accrued interest receivable						\$14,402
Inventories	46,402		46,402			
Prepaid expenses and deferred charges	45,000		45,000			
Investment in plant						71,387,526
Due from other funds	973,164		973,164			
<b>Total assets</b>	<u>\$14,918,634</u>	<u>\$973,164</u>	<u>\$15,891,798</u>	<u>\$3,301,370</u>	<u>\$563,582</u>	<u>\$71,401,928</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$3,103,305		\$3,103,305	\$3,804		\$112,946
Accrued workers' compensation	448,000		448,000			
Accrued vacation costs	1,821,272		1,821,272			
Due to other funds		\$973,164	973,164			
Revenue bonds						8,318,443
Notes payable and other long-term debt						214,772
Deferred revenue	1,925,070		1,925,070			
Funds held for others					\$563,582	
<b>Total liabilities</b>	<u>7,297,647</u>	<u>973,164</u>	<u>8,270,811</u>	<u>3,804</u>	<u>563,582</u>	<u>8,646,161</u>
<b>FUND BALANCES</b>						
Unrestricted, unallocated	7,620,987		7,620,987			
Net investment in plant						62,755,767
Restricted:						
U.S. government loan programs				3,297,566		
<b>Total fund balances</b>	<u>7,620,987</u>		<u>7,620,987</u>	<u>3,297,566</u>		<u>62,755,767</u>
<b>Total liabilities and fund balances</b>	<u>\$14,918,634</u>	<u>\$973,164</u>	<u>\$15,891,798</u>	<u>\$3,301,370</u>	<u>\$563,582</u>	<u>\$71,401,928</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF BALTIMORE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>		
<b><u>REVENUES AND OTHER ADDITIONS</u></b>					
Educational and general revenues	\$48,272,624		\$48,272,624		
Auxiliary enterprises revenues	3,920,211		3,920,211		
State appropriations - restricted					\$2,489,450
Government grants and contracts - restricted		\$5,882,097	5,882,097		
Private gifts, grants and contracts - restricted		543,085	543,085		37,508
Interest on notes receivable				\$92,810	
Expended for plant facilities (including \$1,020,554 charged to current funds expenditures)					3,826,105
U.S. government advances				108,725	
Retirement of indebtedness					786,270
Other sources				6,159	
<b>Total revenues and other additions</b>	<u>52,192,835</u>	<u>6,425,182</u>	<u>58,618,017</u>	<u>207,694</u>	<u>7,139,333</u>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>					
Educational and general expenditures	46,459,857	5,617,424	52,077,281		
Auxiliary enterprises expenditures	1,851,991		1,851,991		
Indirect costs recovered		807,758	807,758		
Retirement of indebtedness					786,270
Interest on indebtedness					444,131
Expended for plant facilities (including non-capitalized expenditures of \$202,066)					3,007,617
Disposal of property, plant and equipment					441,830
Transfers to (from) other University System of Maryland institutions	1,697,788		1,697,788		(98,198)
Other				99,647	
<b>Total expenditures and other deductions</b>	<u>50,009,636</u>	<u>6,425,182</u>	<u>56,434,818</u>	<u>99,647</u>	<u>4,581,650</u>
<b>Net increase in fund balances before transfers</b>	<u>2,183,199</u>		<u>2,183,199</u>	<u>108,047</u>	<u>2,557,683</u>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>					
Mandatory:					
Debt service	(1,225,939)		(1,225,939)		1,225,939
Loan fund matching grant	(36,242)		(36,242)	36,242	
Nonmandatory					
Other					
<b>Total transfers among funds</b>	<u>(1,262,181)</u>		<u>(1,262,181)</u>	<u>36,242</u>	<u>1,225,939</u>
<b>Net increase in fund balances</b>	921,018		921,018	144,289	3,783,622
<b>FUND BALANCES, JUNE 30, 2000</b>	6,699,969		6,699,969	3,153,277	61,303,817
<b>Adjustment for change in accounting principle (see note #1)</b>					(2,331,672)
<b>FUND BALANCES, JUNE 30, 2001</b>	<u>\$7,620,987</u>		<u>\$7,620,987</u>	<u>\$3,297,566</u>	<u>\$62,755,767</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF BALTIMORE**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$23,207,434		\$23,207,434
State appropriations	23,475,571		23,475,571
Federal grants and contracts	121,412	\$1,572,562	1,693,974
State and local grants and contracts	635,145	3,602,823	4,237,968
Private gifts, grants and contracts	126,740	442,039	568,779
Investment income:			
Other	467,764		467,764
Sales and services of educational departments	186,415		186,415
Sales and services of auxiliary enterprises	3,920,211		3,920,211
Other	52,143		52,143
<b>Total revenues</b>	<u>52,192,835</u>	<u>5,617,424</u>	<u>57,810,259</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	20,974,126	63,900	21,038,026
Research	271,563	4,194,012	4,465,575
Academic support	8,277,548	43,734	8,321,282
Student services	3,867,017	111,175	3,978,192
Institutional support	7,737,294	2,449	7,739,743
Operation and maintenance of plant	4,046,035		4,046,035
Scholarships and fellowships	1,286,274	1,202,154	2,488,428
Auxiliary enterprises	1,851,991		1,851,991
<b>Total expenditures</b>	<u>48,311,848</u>	<u>5,617,424</u>	<u>53,929,272</u>
<b>Mandatory transfers</b>	<u>(1,262,181)</u>		<u>(1,262,181)</u>
<b>Total expenditures and mandatory transfers</b>	<u>49,574,029</u>	<u>5,617,424</u>	<u>55,191,453</u>
<b>OTHER TRANSFERS AND (DEDUCTIONS)</b>			
Transfers (to) other University System of Maryland institutions	<u>(1,697,788)</u>		<u>(1,697,788)</u>
<b>Total other transfers and (deductions)</b>	<u>(1,697,788)</u>		<u>(1,697,788)</u>
<b>NET INCREASE IN FUND BALANCES</b>	<u>\$921,018</u>		<u>\$921,018</u>

The accompanying notes are an integral part of the statement.

**SALISBURY STATE UNIVERSITY  
BALANCE SHEET  
JUNE 30, 2001**

	CURRENT FUNDS			Loan Funds	Agency Funds	Plant Funds
	Unrestricted	Restricted	Total			
<b>ASSETS</b>						
Cash and cash equivalents	\$12,789,740	\$898,293	\$13,688,033	\$144,008	\$619,694	\$620,625
Accounts receivable (net of allowance for doubtful accounts of \$70,336)	576,451	369,147	945,598		5,275	
Notes receivable (net of allowance for doubtful notes of \$368,772)				1,197,052		
Inventories	865,397		865,397			
Prepaid expenses and deferred charges	222		222			
Investment in plant						153,980,811
Due from other funds	273,283		273,283		200,000	
Inter-institutional balances						(1,929,535)
<b>Total assets</b>	<b>\$14,505,093</b>	<b>\$1,267,440</b>	<b>\$15,772,533</b>	<b>\$1,341,060</b>	<b>\$824,969</b>	<b>\$152,671,901</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$5,644,068	\$167,389	\$5,811,457	\$1,412	\$118,051	\$2,385,586
Accrued workers' compensation	1,039,000		1,039,000			
Accrued vacation costs	2,506,829		2,506,829			
Due to other funds	273,283	200,000	473,283			
Revenue bonds						43,077,198
Notes payable and other long-term debt						1,568,072
Deferred revenue	1,429,600		1,429,600			
Funds held for others					706,918	
<b>Total liabilities</b>	<b>10,892,780</b>	<b>367,389</b>	<b>11,260,169</b>	<b>1,412</b>	<b>824,969</b>	<b>47,030,856</b>
<b>FUND BALANCES</b>						
Unrestricted, allocated:						
Encumbrances	2,227,059		2,227,059			
Loans to students				1,760		
Unexpended plant funds						178,542
Renewals and replacements						442,083
Unrestricted, unallocated	1,385,254		1,385,254			
Net investment in plant						105,020,420
Restricted:						
Sponsored research and other restricted purposes		900,051	900,051			
U.S. government loan programs				1,337,888		
<b>Total fund balances</b>	<b>3,612,313</b>	<b>900,051</b>	<b>4,512,364</b>	<b>1,339,648</b>		<b>105,641,045</b>
<b>Total liabilities and fund balances</b>	<b>\$14,505,093</b>	<b>\$1,267,440</b>	<b>\$15,772,533</b>	<b>\$1,341,060</b>	<b>\$824,969</b>	<b>\$152,671,901</b>

The accompanying notes are an integral part of this statement.

**SALISBURY STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>		
<b><u>REVENUES AND OTHER ADDITIONS</u></b>					
Educational and general revenues	\$54,369,950		\$54,369,950		
Auxiliary enterprises revenues	24,776,361		24,776,361		
State appropriations - restricted					\$9,014,981
Government grants and contracts - restricted		\$5,673,795	5,673,795		
Private gifts, grants and contracts - restricted		514,393	514,393		22,841
Investment income - restricted				\$4,997	27,428
Interest on notes receivable				26,742	
Expended for plant facilities (including \$61,972 charged to current funds expenditures)					11,617,505
U.S. government advances				10,133	
Retirement of indebtedness					2,966,008
Other sources				1,440	
<b>Total revenues and other additions</b>	<b>79,146,311</b>	<b>6,188,188</b>	<b>85,334,499</b>	<b>43,312</b>	<b>23,648,763</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>					
Educational and general expenditures	52,508,605	5,518,211	58,026,816		
Auxiliary enterprises expenditures	19,540,481		19,540,481		
Loan cancellations, write-offs and refunds, net of recoveries				188,839	
Retirement of indebtedness					2,966,008
Interest on indebtedness					2,537,413
Expended for plant facilities (including non-capitalized expenditures of \$8,375)					11,563,908
Disposal of property, plant and equipment					3,872,431
Transfers to (from) other University System of Maryland institutions	(673,436)		(673,436)		132,834
Other				2,152	
<b>Total expenditures and other deductions</b>	<b>71,375,650</b>	<b>5,518,211</b>	<b>76,893,861</b>	<b>190,991</b>	<b>21,072,594</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>7,770,661</b>	<b>669,977</b>	<b>8,440,638</b>	<b>(147,679)</b>	<b>2,576,169</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>					
Mandatory:					
Debt service	(5,823,015)		(5,823,015)		5,823,015
Loan fund matching grant	(3,378)		(3,378)	3,378	
Nonmandatory:					
Renewals and replacements	(2,650)		(2,650)		2,650
Other	(456,000)		(456,000)		456,000
<b>Total transfers among funds</b>	<b>(6,285,043)</b>		<b>(6,285,043)</b>	<b>3,378</b>	<b>6,281,665</b>
<b>Net increase (decrease) in fund balances</b>	<b>1,485,618</b>	<b>669,977</b>	<b>2,155,595</b>	<b>(144,301)</b>	<b>8,857,834</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>2,126,695</b>	<b>230,074</b>	<b>2,356,769</b>	<b>1,483,949</b>	<b>113,793,878</b>
<b>Adjustment for change in accounting principle (see note #1)</b>					<b>(17,010,667)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$3,612,313</b>	<b>\$900,051</b>	<b>\$4,512,364</b>	<b>\$1,339,648</b>	<b>\$105,641,045</b>

The accompanying notes are an integral part of this statement.

**SALISBURY STATE UNIVERSITY**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$25,290,486		\$25,290,486
State appropriations	28,100,148		28,100,148
Federal grants and contracts		\$2,896,846	2,896,846
State and local grants and contracts		2,179,778	2,179,778
Private gifts, grants and contracts		441,587	441,587
Investment income:			
Other	955,624		955,624
Sales and services of educational departments	140,427		140,427
Sales and services of auxiliary enterprises	24,399,699		24,399,699
Other	259,927		259,927
<b>Total revenues</b>	<u>79,146,311</u>	<u>5,518,211</u>	<u>84,664,522</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	24,328,066		24,328,066
Research	258,362	3,468,238	3,726,600
Academic support	6,097,788		6,097,788
Student services	4,332,756	132,784	4,465,540
Institutional support	9,956,601		9,956,601
Operation and maintenance of plant	6,343,166		6,343,166
Scholarships and fellowships	1,191,866	1,917,189	3,109,055
Auxiliary enterprises	19,540,481		19,540,481
<b>Total expenditures</b>	<u>72,049,086</u>	<u>5,518,211</u>	<u>77,567,297</u>
<b>Mandatory transfers</b>	<u>(5,826,393)</u>		<u>(5,826,393)</u>
<b>Total expenditures and mandatory transfers</b>	<u>77,875,479</u>	<u>5,518,211</u>	<u>83,393,690</u>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(458,650)		(458,650)
Transfers from other University System of Maryland institutions	673,436		673,436
Excess of restricted receipts over transfers to revenues		669,977	669,977
<b>Total other transfers and additions (deductions)</b>	<u>214,786</u>	<u>669,977</u>	<u>884,763</u>
<b>NET INCREASE IN FUND BALANCES</b>	<u>\$1,485,618</u>	<u>\$669,977</u>	<u>\$2,155,595</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b>ASSETS</b>						
Cash and cash equivalents	\$26,385,486		\$26,385,486	\$5,918	\$1,373	\$5,038,753
Investments	192,976		192,976		203,572	
Accounts receivable (net of allowance for doubtful accounts of \$3,028,204)	20,644,726	\$609,054	21,253,780			
Notes receivable (net of allowance for doubtful notes of \$367,923)				1,357,624		
Accrued interest receivable					674	
Inventories	3,131,816		3,131,816			
Prepaid expenses and deferred charges	1,553,492		1,553,492			
Investment in plant						82,639,484
Due from other funds	2,444,603		2,444,603			794,175
<b>Total assets</b>	<b>\$54,353,099</b>	<b>\$609,054</b>	<b>\$54,962,153</b>	<b>\$1,363,542</b>	<b>\$205,619</b>	<b>\$88,472,412</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$14,215,854	\$211,508	\$14,427,362	\$83	\$190	\$1,313,621
Accrued workers' compensation	1,005,000		1,005,000			
Accrued vacation costs	5,102,293		5,102,293			
Due to other funds	2,813,196	425,582	3,238,778			
Revenue bonds						42,356
Notes payable and other long-term debt						407,866
Deferred revenue	16,817,926		16,817,926			
<b>Total liabilities</b>	<b>39,954,269</b>	<b>637,090</b>	<b>40,591,359</b>	<b>83</b>	<b>190</b>	<b>1,763,843</b>
<b>FUND BALANCES</b>						
Unrestricted, allocated:						
Unexpended plant funds						5,021,075
Unrestricted, unallocated	14,398,830		14,398,830			
Endowment and similar funds					205,429	
Net investment in plant						81,669,816
Restricted:						
Sponsored research		(28,036)	(28,036)			
U.S. government loan programs				1,363,459		
Unexpended plant funds						17,678
<b>Total fund balances</b>	<b>14,398,830</b>	<b>(28,036)</b>	<b>14,370,794</b>	<b>1,363,459</b>	<b>205,429</b>	<b>86,708,569</b>
<b>Total liabilities and fund balances</b>	<b>\$54,353,099</b>	<b>\$609,054</b>	<b>\$54,962,153</b>	<b>\$1,363,542</b>	<b>\$205,619</b>	<b>\$88,472,412</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b><u>REVENUES AND OTHER ADDITIONS</u></b>						
Educational and general revenues	\$150,462,104		\$150,462,104			
Auxiliary enterprises revenues	7,473,908		7,473,908			
Government grants and contracts - restricted		\$8,663,103	8,663,103			
Private gifts, grants and contracts - restricted		590,377	590,377			\$3,774
Investment income - restricted		4,374	4,374		\$21,036	
Interest on notes receivable				\$36,008		
Expended for plant facilities (including \$1,766,170 charged to current funds expenditures)						4,758,522
U.S. government advances				50,441		
Other sources						1,449
<b>Total revenues and other additions</b>	<b>157,936,012</b>	<b>9,257,854</b>	<b>167,193,866</b>	<b>86,449</b>	<b>21,036</b>	<b>4,763,745</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>						
Educational and general expenditures	147,642,775	8,831,266	156,474,041			
Auxiliary enterprises expenditures	6,890,129	18,374	6,908,503			
Indirect costs recovered		444,790	444,790			
Loan cancellations, write-offs and refunds, net of recoveries				85,716		
Retirement of indebtedness						1,449
Interest on indebtedness						14,025
Expended for plant facilities (including non-capitalized expenditures of \$760,635)						3,752,987
Disposal of property, plant and equipment						1,819,309
Transfers to (from) other University System of Maryland institutions	291,758		291,758			(246,503)
Other					753	
<b>Total expenditures and other deductions</b>	<b>154,824,662</b>	<b>9,294,430</b>	<b>164,119,092</b>	<b>85,716</b>	<b>753</b>	<b>5,341,267</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>3,111,350</b>	<b>(36,576)</b>	<b>3,074,774</b>	<b>733</b>	<b>20,283</b>	<b>(577,522)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>						
Mandatory:						
Debt service	(15,475)		(15,475)			15,475
Loan fund matching grant	(13,207)		(13,207)	13,207		
Nonmandatory:						
Renewals and replacements	(300,864)		(300,864)			300,864
Other	(2,089,433)	8,540	(2,080,893)		(5,016)	2,085,909
<b>Total transfers among funds</b>	<b>(2,418,979)</b>	<b>8,540</b>	<b>(2,410,439)</b>	<b>13,207</b>	<b>(5,016)</b>	<b>2,402,248</b>
<b>Net increase (decrease) in fund balances</b>	<b>692,371</b>	<b>(28,036)</b>	<b>664,335</b>	<b>13,940</b>	<b>15,267</b>	<b>1,824,726</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>13,706,459</b>		<b>13,706,459</b>	<b>1,349,519</b>	<b>190,162</b>	<b>84,883,843</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$14,398,830</b>	<b>(\$28,036)</b>	<b>\$14,370,794</b>	<b>\$1,363,459</b>	<b>\$205,429</b>	<b>\$86,708,569</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES  
YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$119,841,581		\$119,841,581
State appropriations	13,512,375		13,512,375
Federal grants and contracts	355,765	\$7,791,468	8,147,233
State and local grants and contracts	79,843	426,844	506,687
Private gifts, grants and contracts	1,302	590,376	591,678
Investment income:			
Endowment		4,374	4,374
Other	1,656,829		1,656,829
Sales and services of educational departments	2,553,614		2,553,614
Sales and services of public service activities	11,051,237		11,051,237
Sales and services of auxiliary enterprises	7,473,908		7,473,908
Other	1,409,558		1,409,558
<b>Total revenues</b>	<u>157,936,012</u>	<u>8,813,062</u>	<u>166,749,074</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	54,492,633	3,550,730	58,043,363
Research	485,080		485,080
Public service	8,285,102	17	8,285,119
Academic support	21,923,557	27,718	21,951,275
Student services	21,059,929	69,277	21,129,206
Institutional support	32,525,923	11,885	32,537,808
Operation and maintenance of plant	7,016,313	1,592	7,017,905
Scholarships and fellowships	1,854,238	5,170,047	7,024,285
Auxiliary enterprises	6,890,129	18,374	6,908,503
<b>Total expenditures</b>	<u>154,532,904</u>	<u>8,849,640</u>	<u>163,382,544</u>
<b>Mandatory transfers</b>	<u>(28,682)</u>		<u>(28,682)</u>
<b>Total expenditures and mandatory transfers</b>	<u>154,561,586</u>	<u>8,849,640</u>	<u>163,411,226</u>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(2,390,297)	8,540	(2,381,757)
Transfers (to) other University System of Maryland institutions	(291,758)		(291,758)
Excess of restricted receipts over transfers to revenues		<u>2</u>	<u>2</u>
<b>Total other transfers and additions (deductions)</b>	<u>(2,682,055)</u>	<u>8,542</u>	<u>(2,673,513)</u>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<u>\$692,371</u>	<u>(\$28,036)</u>	<u>\$664,335</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, BALTIMORE COUNTY**  
**BALANCE SHEET**  
**JUNE 30, 2001**

	<u>CURRENT FUNDS</u>			<u>Loan Funds</u>	<u>Endowment and Similar Funds</u>	<u>Plant Funds</u>	<u>Component Unit</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>				
<b>ASSETS</b>							
Cash and cash equivalents	\$18,330,562		\$18,330,562	\$175,057	\$4,668	\$3,402,834	\$137,092
Investments					706,527		
Accounts receivable (net of allowance for doubtful accounts of \$493,904)	2,970,290	\$13,923,631	16,893,921				4,400
Notes receivable (net of allowance for doubtful notes of \$345,459)				1,879,501		14,653	
Accrued interest receivable					2,290	14,202	
Inventories	478,795		478,795				
Prepaid expenses and deferred charges	969,732		969,732				
Investment in plant						333,199,064	2,748,567
Due from other funds	8,118,671	4,562,183	12,680,854	28,665			
<b>Total assets</b>	<u>\$30,868,050</u>	<u>\$18,485,814</u>	<u>\$49,353,864</u>	<u>\$2,083,223</u>	<u>\$713,485</u>	<u>\$336,630,753</u>	<u>\$2,890,059</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Accounts payable and accrued liabilities	\$7,644,042	\$7,943,866	\$15,587,908		\$647	\$1,611,224	\$469,329
Accrued workers' compensation	1,329,674	37,326	1,367,000				
Accrued vacation costs	4,666,209	496,078	5,162,287				
Due to other funds	4,596,894	8,105,402	12,702,296	\$7,223			
Revenue bonds						71,634,761	
Notes payable and other long-term debt						5,938,176	836,828
Deferred revenue	4,384,671		4,384,671				443,938
<b>Total liabilities</b>	<u>22,621,490</u>	<u>16,582,672</u>	<u>39,204,162</u>	<u>7,223</u>	<u>647</u>	<u>79,184,161</u>	<u>1,750,095</u>
<b>FUND BALANCES</b>							
Unrestricted, allocated:							
Loans to students				17,418			
Unexpended plant funds						2,779,105	
Renewals and replacements						314,000	
Unrestricted, unallocated	8,246,560		8,246,560				1,139,964
Endowment and similar funds					712,838		
Net investment in plant						254,043,758	
Restricted:							
Sponsored research		1,903,142	1,903,142				
U.S. government loan programs				2,058,582			
Unexpended plant funds						309,729	
<b>Total fund balances</b>	<u>8,246,560</u>	<u>1,903,142</u>	<u>10,149,702</u>	<u>2,076,000</u>	<u>712,838</u>	<u>257,446,592</u>	<u>1,139,964</u>
<b>Total liabilities and fund balances</b>	<u>\$30,868,050</u>	<u>\$18,485,814</u>	<u>\$49,353,864</u>	<u>\$2,083,223</u>	<u>\$713,485</u>	<u>\$336,630,753</u>	<u>\$2,890,059</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, BALTIMORE COUNTY**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Loan Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>	<b>Component Unit</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>				
<b><u>REVENUES AND OTHER ADDITIONS</u></b>							
Educational and general revenues	\$133,195,092		\$133,195,092				
Auxiliary enterprises revenues	37,917,175		37,917,175				
State appropriations - restricted						\$4,668,069	
Government grants and contracts - restricted		\$68,903,658	68,903,658				
Private gifts, grants and contracts - restricted		7,776,290	7,776,290			342,159	
Investment income - restricted					\$71,519		
Interest on notes receivable				\$60,920			
Expended for plant facilities (including \$6,363,180 charged to current funds expenditures)						35,530,432	
U.S. government advances				16,579			
Retirement of indebtedness						2,680,258	
Other sources				9,749			
<b>Total revenues and other additions</b>	<b>171,112,267</b>	<b>76,679,948</b>	<b>247,792,215</b>	<b>87,248</b>	<b>71,519</b>	<b>43,220,918</b>	
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>							
Educational and general expenditures	128,947,251	67,628,918	196,576,169				
Auxiliary enterprises expenditures	31,192,305	201	31,192,506				
Indirect costs recovered		8,834,843	8,834,843				
Loan cancellations, write-offs and refunds, net of recoveries				176,771			
Retirement of indebtedness						2,680,258	
Interest on indebtedness						2,447,737	
Expended for plant facilities (including non-capitalized expenditures of \$4,189,407)						33,356,659	
Disposal of property, plant and equipment						6,392,721	
Transfers to (from) other University of Maryland institutions	833,198		833,198			(541,219)	
Other				24,631	2,569		\$302,426
<b>Total expenditures and other deductions</b>	<b>160,972,754</b>	<b>76,463,962</b>	<b>237,436,716</b>	<b>201,402</b>	<b>2,569</b>	<b>44,336,156</b>	<b>302,426</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>10,139,513</b>	<b>215,986</b>	<b>10,355,499</b>	<b>(114,154)</b>	<b>68,950</b>	<b>(1,115,238)</b>	<b>(302,426)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>							
Mandatory:							
Debt service	(5,763,573)		(5,763,573)			5,763,573	
Loan fund matching grant	(5,526)		(5,526)	5,526			
Nonmandatory:							
Renewals and replacements	(1,089,382)		(1,089,382)			1,089,382	
Other	(5,744,107)	(499,999)	(6,244,106)		(15,464)	6,259,570	
<b>Total transfers among funds</b>	<b>(12,602,588)</b>	<b>(499,999)</b>	<b>(13,102,587)</b>	<b>5,526</b>	<b>(15,464)</b>	<b>13,112,525</b>	
<b>Net increase (decrease) in fund balances</b>	<b>(2,463,075)</b>	<b>(284,013)</b>	<b>(2,747,088)</b>	<b>(108,628)</b>	<b>53,486</b>	<b>11,997,287</b>	<b>(302,426)</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>10,709,635</b>	<b>2,187,155</b>	<b>12,896,790</b>	<b>2,184,628</b>	<b>659,352</b>	<b>257,648,561</b>	<b>1,442,390</b>
<b>Adjustment for change in accounting principle (see note #1)</b>						<b>(12,199,256)</b>	
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$8,246,560</b>	<b>\$1,903,142</b>	<b>\$10,149,702</b>	<b>\$2,076,000</b>	<b>\$712,838</b>	<b>\$257,446,592</b>	<b>\$1,139,964</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND, BALTIMORE COUNTY**  
**STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES**  
**YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
Tuition and fees	\$48,354,960		\$48,354,960
State appropriations	66,473,513		66,473,513
Federal grants and contracts	5,916,516	\$29,888,155	35,804,671
State and local grants and contracts	2,462,421	31,032,061	33,494,482
Private gifts, grants and contracts	1,202,738	7,075,129	8,277,867
Investment income:			
Endowment	36,483		36,483
Other	1,433,829		1,433,829
Sales and services of educational departments	3,223,602		3,223,602
Sales and services of public service activities	2,978,533		2,978,533
Sales and services of auxiliary enterprises	37,888,134		37,888,134
Other	1,141,538		1,141,538
<b>Total revenues</b>	<u>171,112,267</u>	<u>67,995,345</u>	<u>239,107,612</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Instruction	63,404,576	3,111,549	66,516,125
Research	3,352,914	19,282,199	22,635,113
Public service	115,834	32,603,814	32,719,648
Academic support	14,276,189	10,174	14,286,363
Student services	8,183,367		8,183,367
Institutional support	19,391,273		19,391,273
Operation and maintenance of plant	11,562,650		11,562,650
Scholarships and fellowships	8,660,448	12,621,182	21,281,630
Auxiliary enterprises	31,192,305	201	31,192,506
<b>Total expenditures</b>	<u>160,139,556</u>	<u>67,629,119</u>	<u>227,768,675</u>
<b>Mandatory transfers</b>	<u>(5,769,099)</u>		<u>(5,769,099)</u>
<b>Total expenditures and mandatory transfers</b>	<u>165,908,655</u>	<u>67,629,119</u>	<u>233,537,774</u>
<b>OTHER TRANSFERS AND (DEDUCTIONS)</b>			
Nonmandatory transfers	(6,833,489)	(499,999)	(7,333,488)
Transfers (from) other University of Maryland System institutions	(833,198)		(833,198)
Excess of restricted receipts over transfers to revenues		(150,240)	(150,240)
<b>Total other transfers and (deductions)</b>	<u>(7,666,687)</u>	<u>(650,239)</u>	<u>(8,316,926)</u>
<b>NET (DECREASE) IN FUND BALANCES</b>	<u>(\$2,463,075)</u>	<u>(\$284,013)</u>	<u>(\$2,747,088)</u>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$24,555		\$24,555	\$8,212
Accounts receivable		\$6,163,395	6,163,395	
Investment in plant				65,251,081
Due from other funds	4,934,355		4,934,355	234,126
Inter-institutional balances				(32,230)
<b>Total assets</b>	<b>\$4,958,910</b>	<b>\$6,163,395</b>	<b>\$11,122,305</b>	<b>\$65,461,189</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable and accrued liabilities	\$1,378,340	\$424,323	\$1,802,663	\$78,113
Accrued workers' compensation	707,000		707,000	
Accrued vacation costs	1,420,119	570,591	1,990,710	
Due to other funds		5,168,481	5,168,481	
Revenue bonds				5,743,408
Notes payable and other long-term debt				670,948
<b>Total liabilities</b>	<b>3,505,459</b>	<b>6,163,395</b>	<b>9,668,854</b>	<b>6,492,469</b>
<b>FUND BALANCES</b>				
Unrestricted, allocated:				
Unexpended plant funds				3,198
Unrestricted, unallocated	1,453,451		1,453,451	
Net investment in plant				58,960,508
Restricted:				
Unexpended plant funds				5,014
<b>Total fund balances</b>	<b>1,453,451</b>		<b>1,453,451</b>	<b>58,968,720</b>
<b>Total liabilities and fund balances</b>	<b>\$4,958,910</b>	<b>\$6,163,395</b>	<b>\$11,122,305</b>	<b>\$65,461,189</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	
<b><u>REVENUES AND OTHER ADDITIONS</u></b>				
Educational and general revenues	\$18,416,775		\$18,416,775	
State appropriations - restricted				\$1,422,429
Government grants and contracts - restricted		\$17,204,905	17,204,905	
Private gifts, grants and contracts - restricted		1,264,675	1,264,675	
Expended for plant facilities (including \$1,064,915 charged to current funds expenditures)				3,652,922
Retirement of indebtedness				282,207
<b>Total revenues and other additions</b>	<b>18,416,775</b>	<b>18,469,580</b>	<b>36,886,355</b>	<b>5,357,558</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>				
Educational and general expenditures	17,941,936	15,114,581	33,056,517	
Indirect costs recovered		3,354,999	3,354,999	
Retirement of indebtedness				282,207
Interest on indebtedness				262,491
Expended for plant facilities (including non-capitalized expenditures of \$589,838)				3,177,845
Disposal of property, plant and equipment				570,773
Transfers (from) other University System of Maryland institutions	(508,056)		(508,056)	(40,938)
<b>Total expenditures and other deductions</b>	<b>17,433,880</b>	<b>18,469,580</b>	<b>35,903,460</b>	<b>4,252,378</b>
<b>Net increase in fund balances before transfers</b>	<b>982,895</b>		<b>982,895</b>	<b>1,105,180</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>				
Mandatory:				
Debt service	(569,087)		(569,087)	569,087
Nonmandatory:				
Renewals and replacements	(163,928)		(163,928)	163,928
Other	(16,804)		(16,804)	16,804
<b>Total transfers among funds</b>	<b>(749,819)</b>		<b>(749,819)</b>	<b>749,819</b>
<b>Net increase in fund balances</b>	<b>233,076</b>		<b>233,076</b>	<b>1,854,999</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>1,220,375</b>		<b>1,220,375</b>	<b>61,002,096</b>
<b>Adjustment for change in accounting principle (see note #1)</b>				<b>(3,888,375)</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$1,453,451</b>		<b>\$1,453,451</b>	<b>\$58,968,720</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES  
YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b><u>REVENUES</u></b>			
State appropriations	\$12,777,374		\$12,777,374
Federal grants and contracts	2,532,559	\$9,728,963	12,261,522
State and local grants and contracts	699,925	4,243,458	4,943,383
Private gifts, grants and contracts	122,515	1,142,160	1,264,675
Sales and services of educational departments	2,239,402		2,239,402
Other	45,000		45,000
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	<b>18,416,775</b>	<b>15,114,581</b>	<b>33,531,356</b>
<b><u>EXPENDITURES AND MANDATORY TRANSFERS</u></b>			
Research	17,941,936	15,114,581	33,056,517
<b>Mandatory transfers</b>	<b>(569,087)</b>	<b></b>	<b>(569,087)</b>
	<hr/>	<hr/>	<hr/>
<b>Total expenditures and mandatory transfers</b>	<b>18,511,023</b>	<b>15,114,581</b>	<b>33,625,604</b>
<b><u>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</u></b>			
Nonmandatory transfers	(180,732)		(180,732)
Transfers from other University System of Maryland institutions	508,056		508,056
	<hr/>	<hr/>	<hr/>
<b>Total other transfers and additions (deductions)</b>	<b>327,324</b>	<b></b>	<b>327,324</b>
<b>NET INCREASE IN FUND BALANCES</b>	<b><u>\$233,076</u></b>	<b><u></u></b>	<b><u>\$233,076</u></b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND BIOTECHNOLOGY INSTITUTE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$6,846,419		\$6,846,419	\$493,353
Accounts receivable	8,065	\$5,214,712	5,222,777	
Investment in plant				78,714,103
Due from other funds	2,359,007		2,359,007	
Inter-institutional balances				(19,767)
<b>Total assets</b>	<b>\$9,213,491</b>	<b>\$5,214,712</b>	<b>\$14,428,203</b>	<b>\$79,187,689</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable and accrued liabilities	\$838,394	\$571,894	\$1,410,288	\$61,889
Accrued vacation costs	1,332,722		1,332,722	
Due to other funds		2,359,007	2,359,007	
Obligations under capital lease agreements				5,512,187
<b>Total liabilities</b>	<b>2,171,116</b>	<b>2,930,901</b>	<b>5,102,017</b>	<b>5,574,076</b>
<b>FUND BALANCES</b>				
Unrestricted, unallocated				
Unexpended plant funds				481,986
Unrestricted, unallocated	7,042,375		7,042,375	
Net investment in plant				73,120,260
Restricted:				
Sponsored research and other restricted purposes		2,283,811	2,283,811	
Unexpended plant funds				11,367
<b>Total fund balances</b>	<b>7,042,375</b>	<b>2,283,811</b>	<b>9,326,186</b>	<b>73,613,613</b>
<b>Total liabilities and fund balances</b>	<b>\$9,213,491</b>	<b>\$5,214,712</b>	<b>\$14,428,203</b>	<b>\$79,187,689</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND BIOTECHNOLOGY INSTITUTE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	
<b><u>REVENUES AND OTHER ADDITIONS</u></b>				
Educational and general revenues	\$23,358,043		\$23,358,043	
State appropriations - restricted				\$1,100,270
Government grants and contracts - restricted		\$13,990,626	13,990,626	
Private gifts, grants and contracts - restricted		6,426,709	6,426,709	60,922
Expended for plant facilities (including \$1,563,582 charged to current funds expenditures)				4,667,457
Retirement of indebtedness				197,529
<b>Total revenues and other additions</b>	<b>23,358,043</b>	<b>20,417,335</b>	<b>43,775,378</b>	<b>6,026,178</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>				
Educational and general expenditures	21,571,789	16,663,598	38,235,387	
Indirect costs recovered		3,431,485	3,431,485	
Retirement of indebtedness				197,529
Interest on indebtedness				378,181
Expended for plant facilities				3,103,875
Disposal of property, plant and equipment				2,928,159
Transfers to other University System of Maryland institutions	26,272		26,272	62
<b>Total expenditures and other deductions</b>	<b>21,598,061</b>	<b>20,095,083</b>	<b>41,693,144</b>	<b>6,607,806</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>1,759,982</b>	<b>322,252</b>	<b>2,082,234</b>	<b>(581,628)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>				
Mandatory:				
Debt service	(769,531)		(769,531)	769,531
Nonmandatory:				
Other	(1,428,989)		(1,428,989)	1,428,989
<b>Total transfers among funds</b>	<b>(2,198,520)</b>		<b>(2,198,520)</b>	<b>2,198,520</b>
<b>Net increase (decrease) in fund balances</b>	<b>(438,538)</b>	<b>322,252</b>	<b>(116,286)</b>	<b>1,616,892</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>7,480,913</b>	<b>1,961,559</b>	<b>9,442,472</b>	<b>71,996,721</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$7,042,375</b>	<b>\$2,283,811</b>	<b>\$9,326,186</b>	<b>\$73,613,613</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY OF MARYLAND BIOTECHNOLOGY INSTITUTE  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES  
YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
State appropriations	\$16,244,159		\$16,244,159
Federal grants and contracts	3,239,876	\$10,866,830	14,106,706
State and local grants and contracts	302,418	2,476,195	2,778,613
Private gifts, grants and contracts	1,435,394	3,320,573	4,755,967
Investment income:			
Other	710,185		710,185
Sales and services of educational departments	1,426,011		1,426,011
<b>Total revenues</b>	<u>23,358,043</u>	<u>16,663,598</u>	<u>40,021,641</u>
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Research	<u>21,571,789</u>	<u>16,663,598</u>	<u>38,235,387</u>
<b>Total expenditures</b>	21,571,789	16,663,598	38,235,387
<b>Mandatory transfers</b>	<u>(769,531)</u>		<u>(769,531)</u>
<b>Total expenditures and mandatory transfers</b>	<u>22,341,320</u>	<u>16,663,598</u>	<u>39,004,918</u>
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(1,428,989)		(1,428,989)
Transfers (to) other University System of Maryland institutions	(26,272)		(26,272)
Excess of restricted receipts over transfers to revenues		<u>322,252</u>	<u>322,252</u>
<b>Total other transfers and additions (deductions)</b>	<u>(1,455,261)</u>	<u>322,252</u>	<u>(1,133,009)</u>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<u>(\$438,538)</u>	<u>\$322,252</u>	<u>(\$116,286)</u>

The accompanying notes are in integral part of this statement.

**UNIVERSITY SYSTEM OF MARYLAND OFFICE  
BALANCE SHEET  
JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Agency Funds</b>	<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>			
<b>ASSETS</b>						
Cash and cash equivalents	\$4,077,499	\$475,181	\$4,552,680	\$3,610	\$97,343	\$122,604,874
Investments				299,733	11,627,759	7,518,778
Accounts receivable	30,936	17,822	48,758			1,478
Accrued interest receivable					40,168	413,156
Investment in plant						5,745,231
Due from other funds						717,500
Inter-institutional balances	2,044,171		2,044,171			2,516,257
<b>Total assets</b>	<b>\$6,152,606</b>	<b>\$493,003</b>	<b>\$6,645,609</b>	<b>\$303,343</b>	<b>\$11,765,270</b>	<b>\$139,517,274</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable and accrued liabilities	\$1,465,579	\$17,822	\$1,483,401		\$10,615	\$2,848,191
Accrued workers' compensation	78,000		78,000			
Accrued vacation costs	1,111,833		1,111,833			
Due to other funds	717,500		717,500			
Revenue bonds						63,597,510
Notes payable and other long-term debt						19,700,720
Funds held for others				\$303,343		
<b>Total liabilities</b>	<b>3,372,912</b>	<b>17,822</b>	<b>3,390,734</b>	<b>303,343</b>	<b>10,615</b>	<b>86,146,421</b>
<b>FUND BALANCES</b>						
Unrestricted, allocated:						
Unexpended plant funds						27,278,959
Unrestricted, unallocated	2,779,694		2,779,694			
Endowment and similar funds					11,754,655	
Net investment in plant						6,545,431
Restricted:						
Sponsored research and other restricted purposes		475,181	475,181			
Unexpended plant funds						19,546,463
<b>Total fund balances</b>	<b>2,779,694</b>	<b>475,181</b>	<b>3,254,875</b>	<b>\$303,343</b>	<b>11,754,655</b>	<b>53,370,853</b>
<b>Total liabilities and fund balances</b>	<b>\$6,152,606</b>	<b>\$493,003</b>	<b>\$6,645,609</b>	<b>\$303,343</b>	<b>\$11,765,270</b>	<b>\$139,517,274</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY SYSTEM OF MARYLAND OFFICE  
STATEMENT OF CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2001**

	<b>CURRENT FUNDS</b>			<b>Endowment and Similar Funds</b>	<b>Plant Funds</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>		
<b><u>REVENUES AND OTHER ADDITIONS</u></b>					
Educational and general revenues	\$13,406,813		\$13,406,813		
Government grants and contracts - restricted		\$174,500	174,500		
Private gifts, grants and contracts - restricted		367,164	367,164		
Investment income - restricted		231,419	231,419	\$1,181,728	\$6,373,951
Expended for plant facilities (including \$274,192 charged to current funds expenditures)					274,192
Retirement of indebtedness					158,920
<b>Total revenues and other additions</b>	<b>13,406,813</b>	<b>773,083</b>	<b>14,179,896</b>	<b>1,181,728</b>	<b>6,807,063</b>
<b><u>EXPENDITURES AND OTHER DEDUCTIONS</u></b>					
Educational and general expenditures	15,666,346	1,006,062	16,672,408		
Retirement of indebtedness					158,920
Interest on indebtedness					2,727,434
Expended for plant facilities (including non-capitalized expenditures of \$783,695)					783,695
Disposal of property, plant and equipment					479,985
Transfers to (from) other University System of Maryland institutions	(5,982,350)		(5,982,350)		3,617,257
Other				41,992	
<b>Total expenditures and other deductions</b>	<b>9,683,996</b>	<b>1,006,062</b>	<b>10,690,058</b>	<b>41,992</b>	<b>7,767,291</b>
<b>Net increase (decrease) in fund balances before transfers</b>	<b>3,722,817</b>	<b>(232,979)</b>	<b>3,489,838</b>	<b>1,139,736</b>	<b>(960,228)</b>
<b><u>TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS)</u></b>					
Mandatory					
Debt service	(10,706)		(10,706)		10,706
Nonmandatory:					
Other	(3,973,818)	267,060	(3,706,758)	(748,793)	4,455,551
<b>Total transfers among funds</b>	<b>(3,984,524)</b>	<b>267,060</b>	<b>(3,717,464)</b>	<b>(748,793)</b>	<b>4,466,257</b>
<b>Net increase (decrease) in fund balances</b>	<b>(261,707)</b>	<b>34,081</b>	<b>(227,626)</b>	<b>390,943</b>	<b>3,506,029</b>
<b>FUND BALANCES, JUNE 30, 2000</b>	<b>3,041,401</b>	<b>441,100</b>	<b>3,482,501</b>	<b>11,363,712</b>	<b>49,864,824</b>
<b>FUND BALANCES, JUNE 30, 2001</b>	<b>\$2,779,694</b>	<b>\$475,181</b>	<b>\$3,254,875</b>	<b>\$11,754,655</b>	<b>\$53,370,853</b>

The accompanying notes are an integral part of this statement.

**UNIVERSITY SYSTEM OF MARYLAND OFFICE  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES  
YEAR ENDED JUNE 30, 2001**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Current Funds Total</u>
<b>REVENUES</b>			
State appropriations	\$11,958,142		\$11,958,142
Federal grants and contracts		\$107,728	107,728
State & local grants & contracts		169,424	169,424
Private gifts, grants and contracts	7,332	281,587	288,919
Investment income:			
Endowment		231,419	231,419
Other	568,627		568,627
Other	872,712		872,712
	<u>13,406,813</u>	<u>790,158</u>	<u>14,196,971</u>
<b>Total revenues</b>			
<b>EXPENDITURES AND MANDATORY TRANSFERS</b>			
Academic support	2,989,552	107,728	3,097,280
Institutional support	12,676,794	898,334	13,575,128
	<u>15,666,346</u>	<u>1,006,062</u>	<u>16,672,408</u>
<b>Total expenditures</b>			<b>16,672,408</b>
<b>Mandatory transfers</b>	<b>(10,706)</b>		<b>(10,706)</b>
	<u>15,677,052</u>	<u>1,006,062</u>	<u>16,683,114</u>
<b>Total expenditures and mandatory transfers</b>			
<b>OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS)</b>			
Nonmandatory transfers	(3,973,818)	267,060	(3,706,758)
Transfers from other University System of Maryland institutions	5,982,350		5,982,350
Excess of restricted receipts over transfers to revenues		(17,075)	(17,075)
	<u>2,008,532</u>	<u>249,985</u>	<u>2,258,517</u>
<b>Total other transfers and additions (deductions)</b>			<b>2,258,517</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCES</b>	<b>(\$261,707)</b>	<b>\$34,081</b>	<b>(\$227,626)</b>

The accompanying notes are an integral part of this statement.

## UNIVERSITY SYSTEM OF MARYLAND

### NOTES TO SUPPLEMENTAL DATA YEAR ENDED JUNE 30, 2001

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#### ACCOUNTING AND REPORTING PRACTICES

##### Supplemental data reporting units

University System of Maryland Office (System Office), composed of the offices of the Chancellor and Vice Chancellors and their respective staffs, provides central executive and administrative services and supports and coordinates the efforts of the entire System. The expenditures incurred in connection with these activities have not been allocated to the other units of the System and accordingly have been included in the financial records of System Office.

##### Facilities maintenance expenditures

Certain expenditures for facilities management for System Office and the University of Maryland University College are included in the financial records of University of Maryland, College Park.

##### System-wide financing arrangements

The System constructs, acquires, and renovates plant facilities using the proceeds of Revenue Bonds and other financing arrangements. The proceeds of System-wide financing arrangements are used in accordance with Board authorizations, which specify the projects for which the funds are to be used. Unexpended proceeds and a proportionate share of the outstanding debt obligation are reported on the financial records of System Office.

Institutions are obligated to provide a proportionate share of the principal and interest payments attributable to auxiliary enterprises projects financed using the proceeds of System-wide financing arrangements. Currently, each instructional institution, with the exception of the University of Maryland University College, provides a portion of the debt service attributable to academic facilities. To the extent that an instructional institution provides (or receives) resources for debt service for academic facilities (and the proportionate share of the outstanding debt obligation) recorded on another System institution or unit, such amounts are reported as a Transfer To / (From) Other University System of Maryland Institutions within the Education and General Fund Group.