

UNIVERSITY *of*  
NORTHERN COLORADO



Annual Report  
2000–2001

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JUNE 30, 2001**

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AS OF JUNE 30, 2001**

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## MESSAGE FROM THE PRESIDENT

*The second year of our 1999-2005 University Plan finds the University of Northern Colorado achieving a brighter future for its students and for Colorado citizens. Most obvious on campus is the \$41 million renovation and construction of Ross Hall that will provide some of the finest laboratories and classrooms in the Rocky Mountain region. In time a new Bishop-Lehr will join Ross Hall with a \$30 million renovation giving us one of the most student friendly service centers in the nation. The buildings have been designed to showcase University's new architectural standards.*



*While the new UNC will display an attractive and consistent architecture, it is not what will be most important about us. Along with UNC's physical renewal has come a new commitment to academic excellence. Under Provost Marlene Strath's strong leadership UNC received its first fully successful North Central Association accreditation report in two decades. Even as our academic admission standards have been increased, our fall 2001 enrollment exceeded the prior year. The hallmark of UNC's future will be a commitment to higher academic standards. It is the faculty who inspire and motivate the intellectual development of our students. The leadership of the University is pledged to supporting the faculty in that task.*

*A part of that support can be defined in fiscal terms. UNC has set a goal of focusing 55% of its educational and general budget towards instruction. Strong fiscal practices and a streamlined administration will make that goal a reality. We will ensure that the University lives up to both the tradition of higher education and demands of the world today. The path to a brighter future depends on establishing higher academic standards, motivating students to achieve their full potential and focusing resources toward that end.*

*Sincerely,*



Hank Brown  
President



## ACHIEVING A BRIGHTER FUTURE 2000-2001

The mission of the University of Northern Colorado is to develop well-educated citizens and to improve the quality of life in the state and region through teaching, learning, the advancement of knowledge and community service.

*"The University of Northern Colorado is committed to the provision of education programs of the highest quality, the fulfillment of our mission as a comprehensive, doctoral granting institution, and the assurance of the respect and trust given to us by the people of the State of Colorado. Achieving real change and reform while addressing internal and external needs, concerns, and opportunities remains the institutions highest priority."*

*~University of Northern Colorado -  
University Plan 1999-2005*

The following pages highlight some of the accomplishments in the 2000-2001 fiscal year. This second year of the University Plan found us on a path toward a brighter future.

### ACADEMIC PROGRAMS

Enhance the University of Northern Colorado's identity and distinctiveness as a comprehensive Doctoral I institution, with a specialized research mission.

- UNC received its 1st fully successful NCA accreditation report in two decades.
- The Monfort College of Business Humanics program and the Division of Special Education of the College of Education won CCHE Programs of Excellence Awards.
- Five faculty members of the College of Education served as NCATE examiners.

- UNC hosted the annual Teacher Employment Days.



Contribute to the Quality of Life in the state and region through teaching, learning, the advancement of knowledge and community service.

- The College of Performing and Visual Arts continued to serve as a center for the cultural arts for northern Colorado and expanded the awareness and visibility of UNC student performances, exhibitions, and productions beyond the region.



- The Severe Needs Vision Program in the College of Education received the American Association of Colleges for Teacher Education Best Practices Award. This program is also a key part of the recently opened National Center on Low Incidence Disabilities, which received \$1 million in federal funding.
- The Rocky Mountain Theatre Association named the Theatre Arts and Dance production of "One Flew Over the Cuckoo's Nest", a Showcase Feature Production.
- The Mathematics and Sciences Upward Bound Program (COSMOS) in the College of Arts and Sciences helped prepare, support and inspire low income or first generation Colorado high School students to attend Colorado colleges.
- The UNC Symphony Orchestra was the winner of *Downbeat* Magazine's student music award for "Best U.S. College Orchestra 2001."
- UNC made available teacher preparation degree programs to NE Colorado through the REAP program and to Denver through the Center for Urban Education.

- The Rocky Mountain Cancer Rehabilitation Institute in the College of Health and Human Sciences assisted many recovering cancer patients with personalized exercise regimens and initiated and/or sustained multiple research investigations pertaining to the relationship of cancer recovery and exercise physiology.

- The Center for Youth Development in the College of Health and Human Sciences introduced several after school programs in the Greeley community and schools to help "at risk" youths strengthen personal characteristics such as personal responsibility, physical health and healthy behaviors, social values, tolerances for others and self reflection.

Deliver academic programs and educational services efficiently and effectively, to maximize access and resources stewardship.

- The College Transition Center was created to provide scholastic support services programs, including intensive advising to students on academic probation and undeclared students.
- The minimum CCHE admissions index score was increased from 92 to 94.
- The Bachelor of Applied Science (BAS) and Bachelor of Applied Technology degree programs were initiated through distance delivery to Colorado community colleges.

## RESEARCH AND GRADUATE EDUCATION

Provide focused and high quality graduate education consistent with the mission.

- CCHE approved a name change for the graduate program in College Student Personnel Administration to Higher Education and Student Administration Leadership.
- The Graduate Council approved doctoral minors in Applied Statistics and Research Methods, Educational Technology, Educational Psychology, Nursing, and Special Education.

- The Master's in route to the doctoral program concept was approved in Departments of Applied Statistics and Research Methods, Educational Psychology, Mathematical Sciences, and Chemistry and Biochemistry.



### Enhance the Research/Scholarly Activity of the Faculty and Students at the University.

- UNC entered into a research partnership agreement with Rocky Mountain National Park as part of the McGraw Ranch Graduate Research Center and several research projects were initiated within the Park providing opportunities for UNC faculty and students.
- Increased the total funds awarded to the University in grants and contracts by 39% over the previous year.
- The Sponsored Programs and Academic Research Center (SPARC) introduced and organized a grant training workshops and supported faculty attendance at Federal training workshops.
- Ten FY 2001 Summer Faculty Research Fellowships were awarded to faculty members to spend a concentrated six week period of research.
- Ten faculty members, and research collaboratives, were awarded GRA support for research proposed to be conducted during Summer 2001.
- The 9<sup>th</sup> Annual UNC Research Day occurred on April 5, during Academic Excellence Week. SPARC, the Graduate Student Association and the University Honors program collaborated to orga-

nize and manage the event which included graduate and undergraduate research projects along with faculty research.

### Strengthen the Campus Infrastructure Essential for Quality Graduate Education and Scholarly Activities.

- The Undergraduate Research fund supported 19 student research projects, including 10 national and regional conference presentations.
- SPARC's Web site was redesigned to provide enhanced information pertaining to external funding to support scholarly activity.
- The Graduate Student Association (GSA) office was relocated to SPARC, to improve support programs for Graduate Students and the consistency of advising to GSA.
- SPARC initiated a program to support the efforts of college deans to attract the very best faculty candidates possible by providing special awards for "research start-up" funds. This first time program awarded over \$25,000 as start-up funds for 2000-2001 faculty hires.
- An advisory group to SPARC was established comprised of past recipients of the Distinguished Sponsored Program Award.

## FACILITIES

Provide quality facilities needed to attract students, create an environment conducive to learning, and support the academic goals of the university.

- The design work for the Rocky Mountain Cancer Rehabilitation Institute is nearing completion. Construction is anticipated to start April 2002. The facility is funded entirely through a 2.2 million dollar federal grant and will provide research facilities for the College of Health and Human Sciences to study the results of exercise on postoperative cancer patients.

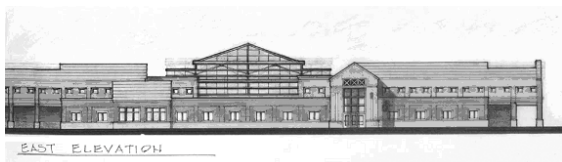


- An addition to the Arts Annex building was completed as well as some renovation to the existing building.



The Arts Annex addition will provide new pottery and sculpture areas for the College of Performing and Visual Arts.

- Renovation of Guggenheim Hall is currently underway and will be complete by May of 2002. This renovation also provides upgraded facilities, including the incorporation of smart classrooms for the visual arts program.
- Design work has started on the Bishop-Lehr Renovation. The building will be renovated to house the majority of student services in a "one-stop shopping" venue. The building will also be renovated for use by various programs of the College of Arts and Sciences.



The new Bishop-Lehr will house the majority of student services in a "one stop shopping" venue.

- The Arlington Park Apartments are under construction with an anticipated completion date of July 2002. The project is a public/private venture with the university owning the land and the developer financing the construction, maintenance, and daily operation of the facility for the duration of the long-term lease. A variety of fully furnished units will be provided with amenities that include private bedroom, internet connections, kitchens and washer/dryer in each apartment.

Rental rates are competitively priced to offer quality, independent living space located within two blocks of the main campus.

- Design work has started on a new dining hall to be located adjacent to the residence halls on west campus. The facility will provide a state of the art facility similar to the renovated Tobey-Kendel dining hall on central campus. The new facility will offer a greater variety of menu items that are currently not available due to the limitations of the existing facility.
- Design work has also commenced on a project that will improve parking and pedestrian circulation in several major areas on campus.
- The Ross Hall project is under construction and the new construction will be completed over the summer of 2002. Renovation of the existing structure will also begin summer of 2002 with completion anticipated in summer 2003.



The new Ross Hall project will provide students with enhanced learning opportunities in new laboratories that allow them to expand their research experience and in classrooms that make the most current instructional technology available.



## ADMINISTRATION

Achieve an appropriate balance of resources for instruction, research, service and support activities required to carry out the mission.

- A comprehensive funding priorities document was developed and approved by the Board of Trustees. University funding priorities continue to be faculty salary parity and instructional needs in general. Additional progress was made towards the 55% target for instruction as a part of the educational and general budget.
- Faculty salaries for the fiscal year 2001-2002 budget increased almost 5.4%. The allocation of \$1.7 million was the single largest budgetary increase.
- Resource strategies continue to be employed for administrative savings.
- The University of Northern Colorado Foundation, Inc. reported another record setting year in donations of \$18 million topping the past record by \$5 million. UNC's endowment has also more than doubled in three years.

**Develop a university enrollment management plan.**

- An enrollment management plan was developed with goals, responsible persons/departments, timeline and resource requirements identified.
- UNC participated in the Governor's Opportunity Scholarship Program which brought a number of high risk students of diverse backgrounds to the campus. UNC became the leader in the state for number of students participating and receiving funds.
- A minority student recruitment and retention plan was developed and implemented through the Offices of Multicultural affairs and Admissions.

## STUDENT AFFAIRS

Promote an environment that supports a successful educational experience for students.

- Academic support and learning skills development was offered to undergraduate students through residence life programming initiatives.



**ResNet is a high-speed data communication network that connects student rooms in UNC's residence halls to the internet.**

- Over 60 workshops were provided to student organizations, residence halls and cultural centers.
- A comprehensive career services home page was designed to provide that assisted students assistance in career planning, major selection and job search processes.
- CHE's McNair Scholars Program assisted traditionally under represented students in higher education in gaining access to graduate school programs by preparing them for graduate school entrance examinations and providing them with experiences and information about how to succeed in graduate school.

**Provide opportunities that educate students physically, socially, emotionally, and intellectually.**

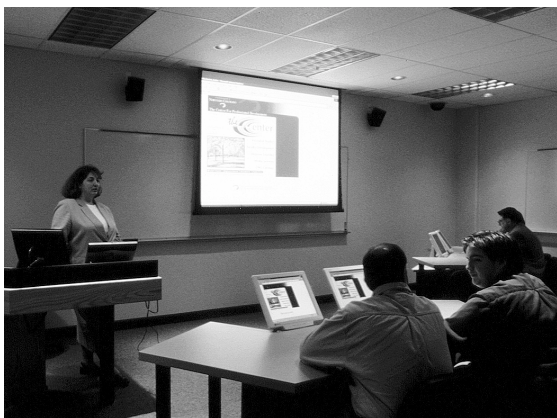
- Student involvement in residence halls was promoted through leadership opportunities in hall government, community volunteerism and hall sponsored activities and events.

- Leadership opportunities for 24 orientation leaders was provided. Orientation leaders participated in a semester long training program that included such topics as leadership styles, communication skills, customer service, student development theory, and advising/counseling skills.
- Student wellness activities were promoted through collaborative programming by Campus Recreation Center, Health and Counseling Center, Housing and Residence Life and Student Activities.

## INFORMATION TECHNOLOGY

Provide information technology to support the University's mission of research, teaching, learning, the advancement of knowledge, and community service through the application of proven technology.

- The "Smart Classroom" prototype was completed the summer of 2001. Faculty had an opportunity to test the design of the technology facilitated classrooms through this prototype. The remaining 49 classrooms are scheduled to be constructed through the summer of 2002. When complete, each of the 10 major classroom buildings will have one or more technology facilitated classroom.



- WEBSTER, the automated registration system, was significantly enhanced to provide students with on-line registration, open class listings and faculty with class rolls with multiple e-mail options.

- A wireless network prototype has been set up in the Michener Library. Students have the opportunity to check out a laptop computer for use in the library. They can move about the library to complete assignments and research projects while remaining attached to the campus network and the Internet.

- The User Support help desk hours were extended to be open from 7 AM to midnight Monday - Friday to provide enhanced support for the students and faculty that are engaged in academic pursuits beyond the typical 8 to 5 day.

- The Center for Professional Development and Outreach provided training sessions for faculty to assist them to incorporate technology in their curriculum, including:

- 12 sessions related to on-line course development and web enhancement of on-campus courses for approximately 175 faculty.
- 6 sessions related to inclusion of multimedia, internet access for on-campus courses and various other technology related subjects for approximately 60 faculty.



- Six hundred fifty personal computers in open labs were connected to the UNC backbone (UNCnet). These computers are renewed on a 7 year cycle and the operating system is updated annually. These labs have standard and specialized software applications. One lab (60 pc's) has extended hours (24 hours per day Sunday-Thursday).

## UNDERSTANDING UNIVERSITY FINANCIAL REPORTING

The University of Northern Colorado is operated as a not-for-profit organization, offering a wide range of graduate and undergraduate degree programs. Since UNC uses available resources to provide services rather than to make a profit, the purpose of the financial reporting system is to account for resources received, held and used rather than to determine net income. To achieve this objective and to conform with generally accepted accounting principles, UNC employs the principles and practices of fund accounting. Fund accounting involves the segregation of revenues and expenditures into separate entities called funds, which reflect the sources of funding and/or the purpose for which the resources are to be expended. Each fund is a self-balancing set of accounts for recording assets, liabilities, fund balances and changes in fund balances. Separate account ranges are maintained for each fund, thereby permitting the control characteristics needed to ensure that UNC abides by the limitations and restriction placed on the use of available resources by external parties and by the Board of Trustees of the University of Northern Colorado. For reporting purposes, the fund groups used by UNC are current funds (unrestricted and restricted), student loan funds, endowment and similar funds and plant funds.

### **CURRENT FUNDS**

The purpose of these funds is to account for the current operations of UNC, and they are further differentiated as either unrestricted or restricted.

#### **CURRENT FUNDS - UNRESTRICTED**

Current unrestricted funds contain no restricted assets and are used to record and report the primary activities of the University. All revenue sources that carry no donor restrictions are received into current unrestricted funds, and all expenditures for the unrestricted current operations, including educational activities and Auxiliary Enterprises operations, are recorded in this group of accounts. The primary sources of revenues include State appropriations, student tuition and fees, indirect expense recovery, and Auxiliary Enterprises sales and services.

#### **CURRENT FUNDS - RESTRICTED**

Current restricted funds refer to contract and grant revenues received by UNC primarily to support instruction, research, public service, scholarships and fellowships. These funds carry external restrictions and may be used only for the purposes stipulated by the source of such funds.

### **STUDENT LOAN FUNDS**

Student loan funds consist of resources made available for financial loans to students. These funds are derived from federal funds, funds from other external sources, loan repayments and required UNC matching funds.

### **ENDOWMENT AND SIMILAR FUNDS**

Endowment and similar funds are designated as pure, quasi or term endowment funds. Pure endowment funds consist

of funds received from donors with the stipulation that the principal remain inviolate and be invested in perpetuity to produce income which is to be expended for the purposes specified by the donor. Quasi-endowment funds serve the same purpose as pure endowment, except that all or part of the principal may be used after a stated period of time or upon the occurrence of a certain event.

### **PLANT FUNDS**

The establishment of a plant fund is an accounting method to separate fixed assets from current funds, thus enabling current funds to reflect the resources available for use in current operations. Fixed assets such as land and buildings are not expected to be converted to cash to be used for program expenditures, hence the need for a separate fund group which accounts separately for invested capital not available for current operations. The plant fund group of accounts consists of unexpended plant (used for the acquisition, renovation or construction of physical properties), retirement of indebtedness (reserved for debt service payments on facilities financed through bonds or notes payable) and investment in plant (representing the capitalized value of the physical property).

### **BALANCE SHEET**

The balance sheet is a statement of UNC's financial position at the end of the fiscal year. It details the assets, liabilities and fund balances of the separate fund groups as of June 30, with figures from the previous fiscal year shown for comparative purposes. The assets listed support the University's activities; liabilities are sums owed to creditors; and fund balances show the aggregate net book value of the University.

### **STATEMENT OF REVENUES, FUNCTIONAL EXPENDITURES AND CHANGES IN FUND BALANCES**

The statement of revenues, functional expenditures and changes in fund balances is a statement of financial transactions that occurred during the year and how the financial activity for the fiscal year has affected the balances in each fund group. The "revenue and other additions" section of the statement provides descriptions of the financial resources received by UNC, grouped by source and classified by fund. The "expenditures and other deductions" section summarizes how financial resources in each fund group were used during the fiscal year. The "transfers among funds" section of the statement is separated into mandatory and nonmandatory transfers. Mandatory transfers are those that are required by agreements with external parties, such as debt service payments on physical facilities. Nonmandatory transfers represent the transfers between fund groups made at the discretion of the University's administration. This statement is not intended to show a profit or loss, as would an income statement for a commercial enterprise. Instead, by referencing the net increase or decrease shown on the statement, the user can determine the change in the fund balances resulting from revenues, expenditures and other changes for the fiscal year.



## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

*The accompanying financial statements of the University of Northern Colorado for the year ended June 30, 2001 were prepared by the management in conformity with generally accepted accounting principles.*

*The management of the University is responsible for the integrity and objectivity of these financial statements, which are presented on the accrual basis of accounting and, accordingly, include some amounts based upon judgement. Other financial information in the annual report is consistent with that in the financial statements. The system of internal accounting controls is designed to assure that the financial reports and the books of account properly reflect the transactions of the institution, in accordance with established policies and procedures as implemented by qualified personnel.*

*The Board of Trustees of the University of Northern Colorado monitors the financial and accounting operations of the institution, including the review and discussion of periodic financial statements, the evaluation and adoption of budgets and the reporting of independent certified public accountants.*



*Frances L. Schoneck  
Vice President of Administration  
and Treasurer to the Board of Trustees*



*Michelle F. Quinn  
Assistant Vice President - Finance*



## Independent Auditors' Report

### Members of the Legislative Audit Committee

We have audited the accompanying combined balance sheet of the University of Northern Colorado (the University), a component unit of the State of Colorado, as of June 30, 2001, and the related statement of revenues, functional expenditures and changes in fund balances for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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, such financial statements present fairly, in all material respects, the financial position of the University of Northern Colorado at June 30, 2001 and the revenues, functional expenditures and changes in fund balances for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2001 on our consideration of the University's internal control over financial reporting and 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.

September 27, 2001

MEMBERS OF  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
SEC AND PRIVATE COMPANIES PRACTICE SECTIONS — AICPA DIVISION FOR CPA FIRMS  
ACCOUNTING FIRMS ASSOCIATED, INC.

# COMBINED BALANCE SHEET, ALL FUNDS

YEAR ENDED JUNE 30, 2001

	Current Funds		Student Loans	Endowment and Similar Funds
	Unrestricted	Restricted		
<b>ASSETS</b>				
Cash on hand and in banks:				
Cash	\$ 164,881	\$	\$ 665	\$
Cash on deposit with State Treasurer	23,201,491	763,076	859,579	
Cash/Investment with Custodian	735,604	103,747		583,507
Accounts receivable:				
Tuition, fees, and services, net	3,736,056		17,183	
Intergovernmental		192,071	195,520	
Other		593,950		
Loans receivable, net			8,183,615	
Inventories	1,681,283			
Other current assets	1,726,773	16,175	665	
Due from other funds		110,661		
Land and improvements				
Buildings and improvements				
Leasehold improvements				
Construction in progress				
Equipment				
Other fixed assets				
Library books				
<b>Total Assets</b>	<b>31,246,088</b>	<b>1,779,680</b>	<b>9,256,562</b>	<b>583,507</b>
<b>LIABILITIES</b>				
Accounts payable	2,138,247	1,595,878	665	
Accrued liabilities	1,748,740			
Due to other funds	119,935			
Deferred credits	5,273,532			
Capital lease obligations				
Bonds and notes payable, net				
Accrued compensated absences	2,676,261			
Other liabilities	861,636	1,500		
<b>Total Liabilities</b>	<b>12,818,351</b>	<b>1,597,378</b>	<b>665</b>	
<b>FUND BALANCES</b>				
U.S. Government grants			8,131,445	
University funds:				
Restricted		182,302	1,124,452	
Unrestricted	21,103,998			
Designated:				
Endowment				497,701
Quasi-endowment				85,806
Unfunded compensated absences	2,676,261			
Net invested in plant				
<b>Total Fund Balances</b>	<b>18,427,737</b>	<b>182,302</b>	<b>9,255,897</b>	<b>583,507</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$31,246,088</b>	<b>\$ 1,779,680</b>	<b>\$ 9,256,562</b>	<b>\$ 583,507</b>

See accompanying notes to financial statements.





				Memorandum Only Totals	
Plant Funds			Agency Funds		
Unexpended	Retirement of Indebtedness	Investment in Plant		2001	2000
\$ 1,608,986	\$ 201,042	\$	\$ 599,815	\$ 164,881 27,233,989 1,422,858	\$ 467,440 26,412,274 2,327,549
6,900			74,792	3,834,931	3,593,438
461,074				387,591	391,280
				1,055,024	636,756
				8,183,615	8,191,594
		618,589	8,064	1,681,283	1,910,474
209,729			9,274	2,370,266	2,639,630
		11,000,530		329,664	98,667
		157,298,339		11,000,530	9,530,292
		495,403		157,298,339	130,247,752
9,617,279		1,270,359		495,403	501,701
		11,349,118		10,887,638	31,383,074
		842,630		11,349,118	10,759,275
		26,882,749		842,630	
				26,882,749	25,521,174
<b>11,903,968</b>	<b>201,042</b>	<b>209,757,717</b>	<b>691,945</b>	<b>265,420,509</b>	<b>254,612,370</b>
869,891	197,929	209,729	10,762	4,615,443	4,132,119
				1,946,669	2,801,806
				329,664	98,667
		470,995	6,352	5,279,884	5,127,005
		42,398,202		470,995	1,148,942
				42,398,202	43,670,583
				2,676,261	2,764,451
			674,831	1,537,967	1,238,469
<b>869,891</b>	<b>197,929</b>	<b>43,078,926</b>	<b>691,945</b>	<b>59,255,085</b>	<b>60,982,042</b>
750,000	3,113			8,131,445	7,738,435
10,284,077				2,059,867	2,935,498
				31,388,075	31,514,947
				497,701	497,080
				85,806	83,507
				(2,676,261)	(2,764,451)
		166,678,791		166,678,791	153,625,312
<b>11,034,077</b>	<b>3,113</b>	<b>166,678,791</b>		<b>206,165,424</b>	<b>193,630,328</b>
<b>\$ 11,903,968</b>	<b>\$ 201,042</b>	<b>\$209,757,717</b>	<b>\$ 691,945</b>	<b>\$ 265,420,509</b>	<b>\$ 254,612,370</b>

**STATEMENT OF REVENUES, FUNCTIONAL EXPENDITURES  
AND CHANGES IN FUND BALANCE**  
YEAR ENDED JUNE 30, 2001

	Current Funds		Student Loan Funds
	Unrestricted	Restricted	
REVENUES AND OTHER ADDITIONS			
Student tuition	\$ 32,574,782	\$	\$
Student fees	6,598,882		
State appropriations	41,959,738	4,773,731	
Federal grants and contracts	60,076	8,094,869	15,444
Federal grants and contracts, received as subrecipient		672,141	
State grants and contracts		2,613,585	
Local grants and contracts		148,267	
Private gifts, grants and contracts		2,676,505	
Investment income	2,511,829	47,042	54,505
Unrealized gain (loss) on investments		(530)	
Indirect costs recovered	491,407		
Sales and services of educational activities	2,324,545		
Sales and services of auxiliary enterprises	31,466,947		
Interest on loans receivable			394,036
Additions to plant facilities			
Retirement of indebtedness			
Other revenue and additions	462,560		
Total revenues and other additions	118,450,766	19,025,610	463,985
EXPENDITURES AND OTHER DEDUCTIONS			
Education and general operations:			
Instruction	42,795,201	2,573,127	
Research	704,406	1,142,506	
Public service	783,873	1,132,127	
Academic support	12,341,312	3,820,548	
Student services	12,466,514	1,277,364	
Institutional support	6,172,452	70,332	
Operation and maintenance of plant	7,143,220	39,594	
Scholarships and fellowships	3,092,618	9,042,434	
Total education and general operations	85,499,596	19,098,032	
Auxiliary enterprises expenditures	21,098,255	230,349	
Loan cancellations and write-offs			26,248
Expended for plant facilities			
Indirect costs recovered		419,349	72,058
Retirement of indebtedness			
Interest on indebtedness			
Disposal of plant facilities			
Capitalization of asset/debt			
Other expenditures and deductions			130,334
Total expenditures and other deductions	106,597,851	19,747,730	228,640
TRANSFERS AMONG FUNDS-- additions (deductions)			
Mandatory transfers:			
Educational and general			
Principal and interest	1,002,798		
Perkins Loan Match		5,148	(5,148)
Auxiliary enterprises			
Principal and interest	3,479,336		
Renewal and replacement	1,506,680		
Total mandatory transfers	5,988,814	5,148	(5,148)
Non-mandatory transfers	906,539		
Total expenditures, deductions and transfers	113,493,204	19,752,878	223,492
Net increase/(decrease) in fund balances	14,957,562	(727,268)	240,493
Fund balance at beginning of year	13,470,175	909,570	9,015,404
Fund balance at end of year	\$ 18,427,737	\$ 182,302	\$ 9,255,897

See accompanying notes to financial statements.



Endowment and Similar Funds	Plant Funds		
	Unexpended	Retirement of Indebtedness	Investment in Plant
\$	\$	\$	\$
	7,665,982		
	26,020		
	149,886		
	118,022		
30,712	229,389	4,154	
(2,964)			
			8,569,951
	1,650		2,025,806
			1,426,366
<b>27,748</b>	<b>8,190,949</b>	<b>4,154</b>	<b>12,022,123</b>
	7,417,270		
		2,027,456	
	348,866	1,947,163	27,444
			7,249,186
	8,269,791		(8,269,791)
24,828			33,805
<b>24,828</b>	<b>16,035,927</b>	<b>3,974,619</b>	<b>(959,356)</b>
		(1,002,798)	
	(580,972)	(2,898,364)	
	(1,506,680)		
	(2,087,652)	(3,901,162)	
	(761,082)	(73,457)	(72,000)
<b>24,828</b>	<b>13,187,193</b>		<b>(1,031,356)</b>
<b>72,920</b>	<b>(4,996,244)</b>	<b>4,154</b>	<b>13,053,479</b>
<b>580,587</b>	<b>16,030,321</b>	<b>(1,041)</b>	<b>153,625,312</b>
<b>\$ 583,507</b>	<b>\$ 11,034,077</b>	<b>\$ 3,113</b>	<b>\$ 166,678,791</b>



# NOTES TO FINANCIAL STATEMENTS

## YEAR ENDED JUNE 30, 2001

### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the University of Northern Colorado (the University) are presented in accordance with fund accounting guidelines set forth in the American Institute of Certified Public Accountants' industry audit guide, *Audits of Colleges and Universities*, and the National Association of College and University Business Officers' publication, *Financial Accounting and Reporting Manual for Higher Education*. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The preparation of the University's financial statements on the basis of accounting described above requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from the estimates.

#### Reporting Entity

The University of Northern Colorado is a component unit of the State of Colorado. The financial statements of the University include all of the integral parts of the University's operations. The University applied various criteria to determine if it is financially accountable for any organization which would require that organization to be included in the University's reporting entity. These criteria include fiscal dependency, financial benefit/burden relationship, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

As required by generally accepted accounting principles, these financial statements present the University (primary government) and its component units. The component units discussed below are included in the University's reporting entity because of the significance of their operational or financial relationships with the University in accordance with Government Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," which was adopted by the University for fiscal year 1994.

#### Blended Component Units

**Student Media Corporation ("Media Corporation")** - The Media Corporation was organized under state law with a primary objective to publish the official school newspaper of the University. The Media Corporation is governed by a Board of Directors comprised of various University administrators, in addition to certain student members and members of the community. The Media Corporation is reported, as if it were a part of the University due to the financial dependency of the Me-

dia Corporation on the University, in addition, its main objective is to provide the University's official newspaper.

Complete financial statements can be obtained from their administrative office.

**KUNC ("KUNC")** - KUNC is a radio station for the University and is licensed in the name of the Trustees of the University. KUNC is not a separate legal body. As such, KUNC is reported as a part of the University.

Complete financial statements can be obtained from their administrative office.

**Alumni Association of the University of Northern Colorado ("Alumni Association")** - The Alumni Association was organized under state law with a purpose of facilitating broad support for the University among alumni. The Alumni Association is governed by a Board of Directors consisting of 23 members of the association. The Alumni Association is reported as if it were a part of the University due to financial dependency of the Alumni Association on the University.

Complete financial statements can be obtained from their administrative office.

#### Discretely Presented Component Units

The University has no component units which are required to be presented as discretely presented component units.

#### Related Organization

**The University of Northern Colorado Foundation, Inc.** The University of Northern Colorado Foundation, Inc. (the Foundation) has been excluded from the reporting entity. The Foundation is a separate legal entity which is fully independent from the University, is not financially dependent upon the University, has a separately elected Board of Directors and, as such, has substantial autonomy and separate government entity characteristics. The Foundation has no fiscal accountability to the University (see Note 6).

#### Other Accounting Policies

A significant portion of the University's operations and activities is funded through state appropriations.

The financial statements of the University have been prepared on the accrual basis.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are main-

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

tained in accordance with the principles of "fund accounting." This is the procedure by which the accounting and reporting activities for resources are performed within funds established based upon the activities and purposes for which the resources are to be used. A separate group of self-balancing accounts is used for each fund; however, in the accompanying financial statements, funds of similar characteristics and purposes have been combined and reported upon as a group of funds.

Within each group of funds, fund balances restricted by outside sources have been identified. Externally restricted funds may only be utilized in accordance with the restrictions placed upon the resources by the external source. Restricted current fund revenues, principally grants and contracts, recognized as the related expenditures were incurred were \$19,752,878 in 2001 and \$18,221,890 in 2000.

Fund group classifications consist of the following:

Current Funds are used primarily for current operating expenditures incurred in performing the primary and support objectives of the University, i.e., instruction, research, public service, and activities to support these functions. The Current Funds group has two basic subgroups, unrestricted and restricted.

Student Loan Funds consist of loans to students and the resources available for such purposes.

Endowment Funds are subject to the restrictions of gift instruments requiring in perpetuity that the principal be invested and the income only be utilized. Term endowment funds are similar to Endowment Funds except that upon the passage of a stated period of time or the occurrence of a particular event, all or part of the principal may be expended. While quasi-endowment funds have been established by the governing board for the same purposes as Endowment Funds, any portion of quasi-endowment funds may be expended. Endowment Funds are administered by the University of Northern Colorado Foundation, Inc. (Note 6).

Plant Funds consist of three self-balancing subgroups. Unexpended Plant Funds are used for the acquisition of long-lived assets for institutional purposes and includes funds for Renewal and Replacement which are set aside for the renewal and replacement of institutional properties. Retirement of Indebtedness Funds are those set aside for debt service charges and the retirement of indebtedness on institutional properties. Investment in Plant includes all long-lived assets of the University.

Agency Funds include funds held by the University as custodian or fiscal agent for others.

Plant Fund assets are recorded at acquisition cost or, if contributed, at fair market value at the date of the gift. Library books are also recorded at cost. Land, land improvements, leasehold improvements, buildings, and building improvements costing in excess of \$50,000; and equipment costing \$5,000 or more are capitalized if they will benefit a program for more than one year. Equipment purchased from federal sources is capitalized at \$5,000. Depreciation on Plant Fund assets is not recorded. When Current Funds are used to finance plant assets, the amounts so provided are accounted for as 1) expenditures, in the case of new and replacement equipment and library books; 2) mandatory transfers, in the case of required provisions for debt amortization and interest, and equipment renewals and replacement; and 3) as transfers of a non-mandatory nature for all other cases. Construction in progress is recorded in the Unexpended and Investment in Plant Funds. Upon completion of a construction in progress project, costs associated with that project are transferred to the Investment in Plant Fund.

Summer session tuition, instructional revenues, student activity fees, and related direct academic expenditures recorded at June 30 which relate to the current summer session are deferred to the subsequent fiscal year, in which the summer session is predominantly conducted.

Interest on loans to students is accrued once loans reach payment status.

Inventories of merchandise and supplies are stated at the lower of cost (first-in, first-out) or market, except at the University Bookstore where cost is determined utilizing the retail method, average cost basis.

All gains and losses arising from the sale, collection, or other disposition of investments and other non-cash assets are accounted for in the fund which owned such assets. Ordinary income derived from investments, receivables, and the like, is accounted for in the fund owning the assets.

All other unrestricted revenue is accounted for in the Unrestricted Current Fund. Restricted gifts, grants, appropriations, endowment income, and other restricted resources are accounted for in the appropriate Restricted Funds. Restricted Current Funds are reported as revenues and expenditures when expended for current operating purposes.

Accounts receivable and loans receivable are recorded net of allowances for doubtful accounts and loans. The allowances are based on experience in previous years, and examination of substantial noncurrent accounts and loans and analysis of the aging of loans.

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

Reimbursement of indirect costs by sponsors are recorded as revenue of the Current Unrestricted Funds.

Total columns on the Combined Balance Sheets are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### 2. CASH ON HAND AND IN BANKS

At June 30, 2001, the University had \$27,233,989 on deposit with the State Treasurer. Detailed information on the State Treasurer's pooled cash and investments is available from that office.

At June 30, 2001, the University had \$40,354 cash on hand and the carrying amount of the University's deposits in banks was \$124,527 and the bank balance was \$3,369,940. Of this bank balance, the entire amount was collateralized by the institution's agent in the institution's name or was covered by collateral held in the pledging institution's trust department in the name of the public deposit pool, as required by the Public Deposit Protection Act. No monies were uninsured or uncollateralized. The statutes of the State of Colorado authorize agencies of the State to invest in certificates of deposit, money market certificates, bonds or other interest-bearing obligations of the United States, state, county and school district bonds, and state, county and municipal warrants.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102 percent of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

The University deposits cash with the Colorado State Treasurer as required by Colorado Revised Statutes (CRS). The State Treasurer pools these deposits and invests them in securities approved by CRS 24-75-601.1. The University reports its share of the Treasurer's unrealized gains or losses based on its participation in the State Treasurer's pool. All of the Treasurer's investments are reported at fair value, which is determined based on quoted market prices at June 30, 2001. The State Treasurer does not invest any of the pool resources in any external investment pool, and there is no assignment of income related to participation in the pool. The unrealized gains or losses included in "Investment Income" reflect only the change in fair value during the current fiscal year. Additional information on the Treasurer's pool may be obtained in the State of Colorado's Comprehensive Annual Financial Report.

Cash/investments with custodian of \$1,422,858 at June 30, 2001 includes U.S. Treasury securities with a cost basis of \$606,216 and market value of \$612,024. The maturity dates range from June 30, 2001 through August 5, 2004 with a yield from 5.205 percent to 7.125 percent.

In 1997, the University entered into a tri-party repurchase agreement with Merrill Lynch and Chase Manhattan Bank to invest the proceeds of the Auxiliary Facilities System Revenue Improvement Bonds, Series 1997. The balance at June 30, 2001 was \$0.

# NOTES TO FINANCIAL STATEMENTS

## YEAR ENDED JUNE 30, 2001

### 3. ACCOUNTS AND LOAN RECEIVABLES

Accounts and loans receivable and related allowance for doubtful accounts at June 30, 2001 and 2000 are as follows:

	June 30, 2001	June 30, 2000
Accounts receivable - tuition, fees, and services, net:		
Current funds:		
Unrestricted (less allowance of \$1,200,227 and \$1,325,842)	\$ 3,736,056	\$ 3,469,556
Loan funds (less allowance of \$7,418 and \$6,173)	17,183	12,662
Unexpended Plant fund	6,900	480
Agency (less allowance of \$45 and \$1,150)	<u>74,792</u>	<u>110,740</u>
Total accounts receivable -tuition, fees, services , net	<u>\$ 3,834,931</u>	<u>\$ 3,593,438</u>
Accounts receivable - intergovernmental:		
Current funds:		
Restricted	\$ 192,071	\$ 209,494
Loan funds	<u>195,520</u>	<u>181,786</u>
Total accounts receivable - intergovernmental	<u>\$ 387,591</u>	<u>\$ 391,280</u>
Accounts receivable - other:		
Current funds:		
Restricted	\$ 593,950	\$ 572,275
Plant funds:		
Unexpended	<u>461,074</u>	<u>64,481</u>
Total accounts receivable - other	<u>\$ 1,055,024</u>	<u>\$ 636,756</u>
Loans receivable:		
Loan funds (less allowance of \$1,145,095 and \$1,143,025)	<u>\$ 8,183,615</u>	<u>\$ 8,191,594</u>

### 4. CAPITAL LEASES

The University leases various equipment under agreements that are accounted for as capital leases. Accordingly, the assets and liabilities are recorded at amounts equal to the lesser of the present values of the minimum lease payments or the fair value of the leased property at the beginning of the respective lease terms. Interest expense related to the lease liabilities is recorded to effect a constant rate of interest over the term of the leases.

The retirement of principal and the interest expense on capital leases are recorded in the Retirement of In-

debtedness Fund. The funding for these leases is from the Current Unrestricted Funds through the use of mandatory transfers for principal and interest into the Retirement of Indebtedness Fund.

These agreements provide that any obligations payable after the current fiscal year are contingent upon funds for that purpose being available.

The gross amount of equipment under capital leases at June 30, 2001 is \$2,162,924.

Future minimum lease payments as of June 30, 2001 are as follows:

Year Ending June 30	Total Minimum Lease Payments	Implicit Interest and Executory Costs	Payments on Principal
2002	\$ 446,564	\$ 27,440	\$ 419,124
2003	19,913	4,439	15,474
2004	21,035	3,106	17,929
2005	13,469	1,505	11,964
2006	6,734	230	6,504
Total capital lease obligation	<u>\$ 507,715</u>	<u>\$ 36,720</u>	<u>\$ 470,995</u>



# NOTES TO FINANCIAL STATEMENTS

## YEAR ENDED JUNE 30, 2001

### 5. OPERATING LEASES

The University leases property and equipment under operating leases expiring in various years through 2007.

Future minimum lease payments under noncancelable operating leases as of June 30, 2001 are as follows:

2002	\$ 128,122
2003	60,609
2004	53,118
2005	46,801
2006	38,559
2007	20,611
	<hr/>
Total minimum lease payments	\$ 347,820
	<hr/> <hr/>

Rental expense under these agreements for the year ended June 30, 2001 was \$186,667. Of this amount, \$69,647 was paid to the State of Colorado.

### 6. UNIVERSITY OF NORTHERN COLORADO FOUNDATION, INC.

The University of Northern Colorado Foundation, Inc. (the Foundation), a not-for-profit corporation incorporated under Article 40, Title 7, of the Colorado Revised Statutes of 1973, was established in February 1966 to promote the welfare, development, growth and well-being of the University of Northern Colorado and also to permit the Foundation to engage in such activities as may be beyond the scope of the Trustees of the University. The Foundation is, in addition, concerned and involved in the affairs of the community.

The voting members of the Foundation Board of Directors are composed of groups of individuals, none of whom are members of the faculty or staff of the University. New Board members are selected by a vote of the existing Board. Members cannot be reelected to successive terms.

The condensed audited financial statements of the Foundation for the year ended June 30, 2001 are summarized as follows:

Statement of Financial Position		Statement of Activities		
		Unrestricted	Temporarily Restricted	Permanently Restricted
Total Assets	\$92,753,039			
		Total Revenues	\$6,452,689	\$15,510,283
Total Liabilities	\$92,468,219			
Total Net Assets	\$90,284,820	Total Expenses	\$6,452,680	\$15,510,280
Total	\$92,753,039			

These financial statements are not combined with the financial statements of the University.

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

**7. BONDS PAYABLE**

Bonds Payable consist of the following at June 30, 2001:

\$17,500,000, April 1, 1994, Auxiliary Facilities System Revenue Refunding and Improvement Bonds; serial bonds due in varying installments through June 1, 2008, interest at 3.40% - 6.00%

Outstanding bond principal	\$ 4,380,000
Less unamortized discount	<u>(40,596)</u>

Bonds payable less unamortized discounts	\$ 4,339,404
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\$30,655,000, May 1, 1997, Auxiliary Facilities System Revenue Bonds; serial bonds due in varying installments through June 1, 2024, interest 4.1% - 5.6%

Outstanding bond principal	\$28,295,000
Less unamortized discount	<u>(368,846)</u>

Bonds payable less unamortized discount	\$27,926,154
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\$10,630,000, April 1, 1998, Auxiliary Facilities System Revenue Refunding Bonds; serial bonds due in varying installments through June 1, 2024, interest at 3.50% - 6.00%

Outstanding bond principal	\$10,265,000
Less unamortized discount	<u>(132,356)</u>

Bonds payable less unamortized discount	<u>\$10,132,644</u>
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TOTAL Bonds payable less unamortized discount	<u><u>\$42,398,202</u></u>
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The annual requirements to amortize these bonds as of June, 30, 2001 are as follows:

Year Ending June 30	Principal	Interest	Total
2002	\$ 1,360,000	\$ 2,290,513	\$ 3,650,513
2003	1,430,000	2,223,232	3,653,232
2004	1,495,000	2,150,902	3,645,902
2005	1,580,000	2,074,502	3,654,502
2006	1,660,000	1,992,928	3,652,928
2007-2011	9,540,000	8,552,529	18,092,529
2012-2016	7,920,000	6,238,969	14,158,969
2017-2021	10,310,000	3,839,281	14,149,281
2022-2024	<u>7,645,000</u>	<u>850,120</u>	<u>8,495,120</u>
Total	<u><u>\$42,940,000</u></u>	<u><u>\$30,212,976</u></u>	<u><u>\$73,152,976</u></u>

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

In August 1986, the Board of Trustees of the University of Northern Colorado in-substance defeased the Colorado State College Housing System Revenue Bonds of 1966 and the University of Northern Colorado Facilities Revenue Bonds, Series 1972 by placing a portion of the proceeds of the Auxiliary System Refunding and Construction Revenue Bonds, Series 1986 in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the in-substance defeased bonds are not included in the University's financial statements. At June 30, 2001, \$2,335,000 of these outstanding bonds are considered in-substance defeased.

In April 1995, the Board of Trustees of the University of Northern Colorado in-substance defeased the Auxiliary Facilities System Refunding and Construction Revenue Bonds, Series 1986 by placing a portion of the proceeds of the Auxiliary Facilities System Refunding and Improvement Bonds, Series 1994 in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the in-substance defeased bonds are not included in the University's financial statements. Bonds have been redeemed.

The following is a summary of required reserves:

	Required Reserve	June 30, 2001 Reserve
Renewal and replacement funds	\$ 750,000	\$ 750,000

In April 1998, the Board of Trustees of the University of Northern Colorado in-substance defeased a portion of the Auxiliary Facilities System Refunding and Improvement Bonds, Series 1994 by placing a portion of the proceeds of the Auxiliary Facilities System Refunding Revenue Bonds, Series 1998A in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the in-substance defeased bonds are not included in the University's financial statements. At June 30, 2001, \$9,300,000 of these outstanding bonds are considered in-substance defeased.

The bonds are secured by certain student fees and a first lien on the University Auxiliary Facilities System, but not necessarily an exclusive first lien, and a pledge of the net revenues derived from the University Auxiliary Facilities System.

The University is required to maintain compliance with certain provisions and covenants contained in the outstanding bond agreements.

## 8. COMPENSATED ABSENCES

University employees accrue annual and sick leave based on length of service and may accumulate it subject to certain limitations regarding the amount which will be paid upon termination. The estimated liability related to compensated absences for which employees are vested at June 30, 2001 and 2000 is \$2,676,261 and \$2,764,451 respectively. Current 2001 expenses include (\$88,190) for the decrease in the estimated compensated absence liability.

The portion of the Current Unrestricted Funds compensated absence liability relating to the Current Restricted Funds and Agency Funds was estimated as \$127,037 and \$205,734 at June 30, 2001 and 2000, respectively.

The recording of the liability for compensated absences results in fund balance deficits which will be funded by State appropriation, federal funds or other sources available in future years, when the liability is paid.

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

#### 9. PENSION PLANS

University of Northern Colorado employees participate in a Public Employees Retirement Association Plan or an Optional Retirement Plan.

##### ***Public Employee Retirement Association:***

##### **Plan Description**

Many of the institution's employees participate in a defined benefit pension plan. The plan's purpose is to provide income to members and their families at retirement or in case of death or disability. The plan is a cost sharing multiple employer plan administered by the Public Employee's Retirement Association (PERA). PERA was established by state statute in 1931. Responsibility for the organization and administration of the plan is placed with the Board of Trustees of PERA. Changes to the plan require legislation by the General Assembly. The state plan, as well as the other divisions' plans, are included in PERA's financial statements which may be obtained by writing PERA at 1300 Logan Street, Denver, Colorado 80203.

Plan members vest after five years of service and most are eligible for retirement benefits at age 50 with 30 years of service, age 60 with 20 years of service, or at age 65 with 5 years of service. Members are also eligible for retirement benefits without a reduction for early retirement if they are at least 55 and have a minimum of 5 years of service credit, and their age plus years of service equals 80 or more. State troopers and judges compromise a small percentage of plan members but have higher contribution rates and are eligible for retirement benefits at different ages and years of service. Monthly benefits are calculated as a percentage of highest average salary (HAS). HAS is one-twelfth of the average of the highest salaries on which contributions were paid, associated with three periods of 12 consecutive months of service credit.

Members disabled, who have five or more years of service credit, six months of which has been earned since the most recent period of membership, may receive retirement benefits if determined to be permanently disabled. If a member dies before retirement, their spouse or their eligible children under the age of 18 (23 if a full time student) are entitled to monthly benefit payments. If there is no eligible spouse, financially dependent parents will receive a survivor's benefit.

##### **Funding Policy**

Most employees contribute 8.0 percent (10.0 percent for state troopers) of their gross covered wages to an individual account in the plan.

During FY00-01, the state contributed 10.4 percent (13.1 percent for state troopers and 14.0 percent for the Judicial Branch) of the employee's gross covered wages which was allocated by PERA before January 1, 2001 as follows:

- 1.1 percent was allocated to the Health Care Trust Fund.
- 9.3 percent was allocated to the defined benefit plan.

After January 1, 2001, the state contribution was allocated to three separate programs by PERA according to a statutory change in funding policy:

- 1.42 percent was allocated to the Health Care Trust Fund.
- The amount needed to meet the match requirement established by the PERA Board was allocated to the Matchmaker program (See Note 10 below).
- The balance remaining after allocations to the Matchmaker program and the Health Care Trust Fund was allocated to the defined benefit plan.

The annual gross covered wages subject to PERA is the gross earnings less any reduction in pay to offset employer contributions to the state sponsored IRC 125 plan established under Section 125 of the Internal Revenue Code. The contribution requirements of plan members and their employers are established and may be amended, by the General Assembly.

The institution's contributions to the three programs described above for the fiscal years ending June 30, 2001, 2000, and 1999 were \$3,407,464, \$4,007,698 and \$3,793,782 respectively. These contributions met the contribution requirement for each year.

##### ***Optional Retirement Plan:***

On March 1, 1993, the Board of Trustees adopted an Optional Retirement Plan (ORP) for faculty and exempt-administrative staff. On the date of adoption, eligible University employees were offered the choice of remaining in PERA or participating in the ORP. New faculty and administrative staff members will be required to enroll in the ORP unless they have one year or more service credit with PERA at the date of hire.

The ORP is a defined contribution plan with three vendors, Copeland Companies, TIAA-CREF, and VALIC, providing a range of investment accounts for participants. For 2000-2001, the employees contributed 8 percent and the University contributed 11.5 percent. The University's

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

contribution to the ORP for the year ended June 30, 2001 was \$2,750,174. All contributions are immediately invested in the employee's account. Normal retirement age for the ORP is age 65 with early retirement permitted at age 55. Benefits available to the employee at retirement are not guaranteed and are determined by contributions and the decisions made by participants for their individual investment accounts.

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#### 10. TAX-DEFERRED VOLUNTARY RETIREMENT PLANS

Beginning on January 1, 2001, the Matchmaker Program established a state match for PERA member's voluntary contributions to tax-deferred retirement plans. The match was 100 percent of up to 3 percent of the employee's gross covered wages paid during the month (7 percent for judges in the Judicial Branch). The PERA Board sets the level of the match annually - based on the actuarial funding of the defined benefit pension plan. Two percent of gross salary plus fifty percent of any reduction in the overall contribution rate due to overfunding of the pension plan was available for the match. PERA offers a voluntary 401k plan entirely separate from the defined benefit pension plan. The state offers a 457 deferred compensation plan and certain agencies and institutions of the state offer a 403b plan. Members who contribute to any of these plans also receive the state match.

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#### 11. POST RETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS

##### Health Care Program

The PERA Health Care Program began covering benefit recipients and qualified dependents on July 1, 1986. This benefit was developed after legislation in 1985 established the Program and the Health Care Fund. Under this program, PERA subsidizes a portion of the monthly premium for health care coverage. The benefit recipient pays any remaining amount of that premium through an automatic deduction from the monthly retirement benefit. During FY00-01, the premium subsidy was \$115.00 for those with 20 years of service credit (\$230.00 for members under age 65), and it was reduced by 5 percent for each year of service fewer than 20. Medicare eligibility also affects the premium subsidy.

The Health Care Trust Fund is maintained by an employer's contribution as discussed above in Note 9B.

Monthly premium costs for participants depend on the health care plan selected, the number of persons being covered, Medicare eligibility, and the number of years of service credit a retiree has. PERA contracts with a

major medical indemnity carrier to administer claims for self-insured plans, and with health maintenance organizations providing services within Colorado. As of December 31, 1999 there were 31,266 participants, including spouses and dependents, from all contributors to the plan.

##### Life Insurance Program

PERA provides its members access to two group life insurance plans offered by Prudential and Rocky Mountain Life. Members may join one or both plans, and they may continue coverage into retirement. Premiums are paid monthly by payroll deduction.

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#### 12. CONTROLLED MAINTENANCE PROJECTS

The Colorado Department of Personnel dba General Support Services agency makes expenditures on behalf of the University for various controlled maintenance projects. There were no completed controlled maintenance projects added to the Investment in Plant for the University for the year ended June 30, 2001.

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#### 13. CAPITAL CONSTRUCTION STATE APPROPRIATIONS

Capital Construction State Appropriations are recognized in the Unexpended Plant Funds only to the extent of current expenditures of \$7,665,982. At June 30, 2001, there were unexpended Capital Construction State Appropriations of \$31,795,591.

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#### 14. COGENERATION PROJECT

The University has a contract with Thermo Power and Electric (T.P. & E.) of Denver, Colorado, whereby a cogeneration facility was built on University land but the developer funded all project, construction and operating costs. The cost to build the facility was approximately \$55 million. Since this is a third-party owned and operated facility, there is no cost to the University. As a by-product to the generation of electricity, which T.P. & E. sells to wholesale suppliers, the University receives high temperature hot water for heating and cooling of University buildings. The system has been operational since October of 1989. Since utility costs were reduced as a result of this nonmonetary transaction, the financial statements have been adjusted to reflect lease revenue and a corresponding increase to utilities expense of \$832,311 in the Current Unrestricted Fund.



## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

#### 15. CUSTODIAL AGREEMENT WITH THE UNIVERSITY OF NORTHERN COLORADO FOUNDATION, INC.

On December 14, 1987, the Board of Trustees for the University of Northern Colorado (the Board) signed a Custodial Agreement with the University of Northern Colorado Foundation, Inc. (the Foundation) to have the Foundation receive, manage and administer gifts and donations on behalf of the Board. During fiscal years 1988 and 1989, the Board transferred the custody of the assets, which met the guidelines of the Custodial Agreement, to the Foundation. The ownership of the assets remains with the Board. All investment regulations applicable to the Board must be followed by the Foundation. The total assets in the custody of the Foundation at June 30, 2001 are \$687,254. During fiscal year 2001, the Board paid an administrative fee of \$6,756 to the Foundation.

#### 16. COMMITMENTS AND CONTINGENT LIABILITIES

As of June 30, 2001, the University has construction commitments of \$4,473,225 for campus roof replacement, Ross Hall addition/renovation, high voltage cable replacement, back flow prevention, Butler-Hancock system replacement, exterior building systems repair, Guggenheim Arts Annex, replace campus stairs and walkways, and smart classrooms.

The University began construction of a Residence Hall, Health and Counseling Center, and Women's Resource Center with an estimated cost of \$38,882,380. As of June 30, 2001, the University had remaining commitments of approximately \$710,761. This project is being financed by the proceeds from the 1997 Auxiliary Facilities System Revenue Bonds (Note 7).

The University receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Current Restricted Funds or other applicable funds. However, in the opinion of the administration, any such disallowed claims will not have a material adverse effect on any of the financial statements of the fund type included herein or on the overall financial position of the University at June 30, 2001.

The University is a defendant in several lawsuits including various claims related to its normal operations. The

University believes that final settlement of matters not covered by insurance will not materially affect its financial condition.

The State of Colorado, including the University, is self-insured in regard to its general and automobile liability exposures. The University also participates in a State commercial insurance policy covering loss or damage to University buildings and contents. In the year ending June 30, 2001, the University paid approximately \$569,519 to participate in these programs. Liability of State higher education institutions is limited by the Colorado Governmental Immunity Act.

#### 17. LEGISLATIVE APPROPRIATIONS

##### Appropriated Funds

The Colorado State Legislature establishes spending authority to the University in its annual Long Appropriations Bill. Appropriated funds include an amount from the State of Colorado's General Fund, as well as certain cash funds. Cash funds include tuition, certain fees, and certain other revenue sources.

For the year ended June 30, 2001, appropriated expenditures were within the authorized spending authority. The University had a total appropriation of \$78,809,057. Actual appropriated revenues earned totaled \$77,463,538. Actual appropriated expenditures and transfers totaled \$75,941,864. The net increase in appropriated fund balance was \$1,521,674.

##### Non-Appropriated Funds

All other revenues and expenditures reported by the University represents non-appropriated funds and are excluded from the annual appropriations bill. Non-appropriated funds include certain grants and contracts, gifts, indirect cost recoveries, certain auxiliary revenues and other revenue sources.

##### Financial Statement Presentation

The accompanying financial statements contain revenues and expenditures from both appropriated and non-appropriated funds. Appropriated and non-appropriated revenues and expenditures are included in each group based upon the principles of fund accounting.

## NOTES TO FINANCIAL STATEMENTS

### YEAR ENDED JUNE 30, 2001

#### 18. SUBSEQUENT EVENTS

##### Laboratory School

Effective July 1, 2001, the Board of Trustees of the University of Northern Colorado relinquished the Laboratory School charter. A group of parents and supporters of the Laboratory School has obtained a charter independent of the University. According to the University's transition plan, the school can retain any fund balances realized by operating at costs below the schools revenue. Thus, during fiscal year 2001, the Laboratory School paid \$150,000 to this group to begin operations. The remainder of the Laboratory School fund balances at June 30, 2001 was relinquished to this group in August, 2001.

The University will lease facilities to the Laboratory School for the 2001-2002 academic year for \$150,000 with an option to renew for 2002-2003 for approximately \$15 per square foot. Certain equipment and furnishings will remain with the group at the conclusion of the lease.

##### KUNC

A Purchase and Sale Agreement dated April 2, 2001 for the sale of KUNC FM license and other assets, was executed by and between the Board of Trustees of the University of Northern Colorado and Community Radio for Northern Colorado, a Colorado nonprofit corporation, for a total price of \$1,405,000. The closing was held on August 2, 2001 and all documents were executed and delivered.

##### University Bookstore

Effective July 12, 2001, the Board of Trustees of the University of Northern Colorado entered into an agreement with Barnes & Noble for the purpose of providing exclusive contracted bookstore management services to the existing University Bookstore. The term of the agreement is renewable annually for one-year terms for the five-year period ending June 30, 2006. The University may terminate the agreement, without cause, by providing ninety days' written notice to Barnes & Noble. During each agreement year, Barnes & Noble will pay the University a guaranteed annual minimum payment of \$525,000 or the applicable percentage of net sales whichever is greater.

##### Auxiliary System Revenue Refunding and Improvement Bonds, Series 2001

On July 24, 2001, A. G. Edwards & Sons, Inc. underwrote the \$50,000,000 Auxiliary System Revenue Refunding and Improvement Bonds, Series 2001, from the Board of Trustees of the University of Northern Colorado for a closing price of \$49,258,981. Funds totaling \$19,669,348 will be used for West Campus dining improvements, parking facility projects and other auxiliary improvements. The remaining funds of \$29,589,633 will be used to advance refund the Series 1997 Bonds.

##### Guarantee Agreement

Effective August 1, 2001, the Board of Trustees of the University of Northern Colorado entered into an agreement with the University of Northern Colorado Foundation Student Housing LLC I guaranteeing the timely payment of debt service on the Colorado Educational and Cultural Facilities Authority Student Housing Revenue Bonds Series, 2001A and Taxable Series 2001B. The obligation of the University to pay the guaranteed amount shall remain in effect until the first to occur of (a) a date that is 12 months after the last planned unit of the Facilities is completed and approved for occupancy and leasing, (b) the Facilities achieves 95% occupancy (excluding rooms for managers, resident assistants and discounted rooms) and/or (c) the University assumes the obligation for the debt service payments on the Series 2001 Bonds. The University has estimated that the total liability will not exceed \$740,000.

**AUXILIARY SERVICES**  
**BUDGET REQUEST SUMMARY - FY 2001/2002**  
SUMMARY OF AUXILIARY FACILITIES FUND

*REVENUE, EXPENSE, TRANSFERS:*

<i>Revenue</i>	1999-2000 Actual	2000-2001 Approved Budget	2001-2002 Operating Changes	2001-2002 Requested Budget
Revenue	\$ 25,928,712	\$ 25,375,914	\$ 973,244	\$ 26,349,158
Less: Cost of Sales	5,950,095	6,000,539	236,539	6,237,078
<i>Adjusted Gross Revenue</i>	<b>\$ 19,978,617</b>	<b>\$ 19,375,375</b>	<b>\$ 736,705</b>	<b>\$ 20,112,080</b>
<i>Expense</i>				
Total Professional Services	\$ 838,619	\$ 940,174	\$ 67,065	\$ 1,007,239
Total Support Services (1)	5,590,611	6,351,651	147,651	6,499,302
Total Personnel	6,429,230	7,291,825	214,716	7,506,541
Total OCE	8,120,210	7,771,961	479,796	8,231,757
Total Travel	30,236	41,776	5,400	41,176
Total Capital Outlay	91,223	97,724	0	97,724
<i>Total Expenses</i>	<b>\$ 14,670,899</b>	<b>\$ 15,203,286</b>	<b>\$ 699,912</b>	<b>\$ 15,903,198</b>
<i>Adjusted Gross Revenue Over/(Under) Expense</i>	<b>\$ 5,307,718</b>	<b>\$ 4,172,089</b>	<b>\$ 36,793</b>	<b>\$ 4,208,882</b>
<i>Mandatory Transfers</i>				
*Debt Service	2,838,831	2,845,859	(6,781)	2,839,078
<i>Non-Mandatory Transfers</i>				
**Facility Use Charge	1,326,230	1,326,230	43,574	1,369,804
<i>Total Transfers</i>	<b>\$ 4,165,061</b>	<b>\$ 4,172,089</b>	<b>\$ 36,793</b>	<b>\$ 4,208,882</b>
<i>Balance</i>	<b>\$ 1,142,657</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

\*Based on Pledged Net Revenue.

\*\* Based on square feet occupied.

(1) Restated to reflect PD Contract moving from Classified to OCE.

# TRENDS IN STATEMENT OF REVENUES, FUNCTIONAL EXPENDITURES AND CHANGES IN FUND BALANCE CURRENT FUNDS

YEARS ENDED JUNE 30

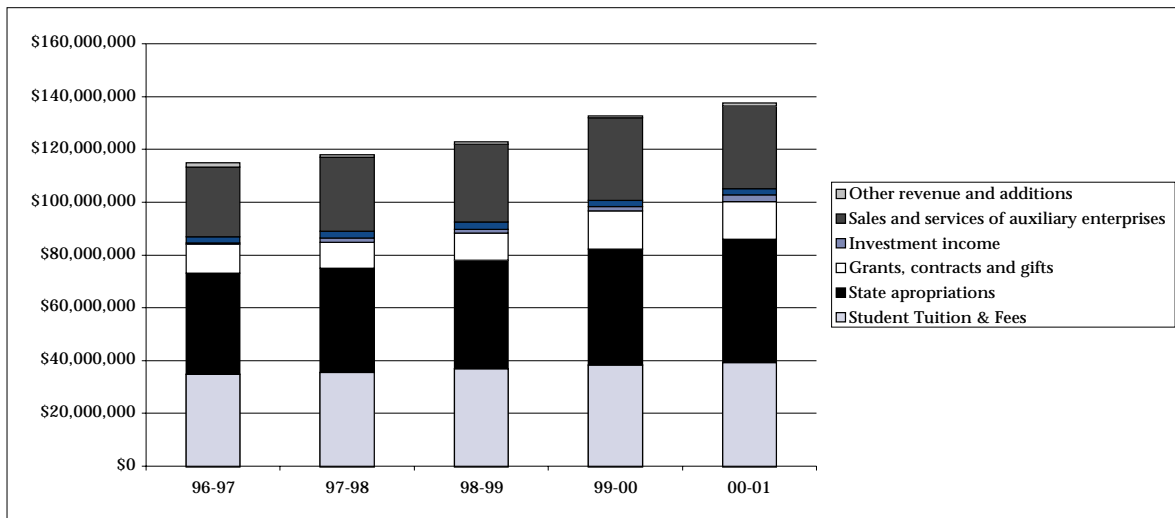
## REVENUES AND OTHER ADDITIONS

	2001	%	2000	%
Student tuition & fees	\$ 39,173,664	28.5%	\$ 38,290,790	28.8%
State appropriations	46,733,469	34.0%	43,950,093	33.1%
Federal grants and contracts	8,154,945	5.9%	8,119,983	6.1%
Federal grants and contracts received as subrecipient	672,141	0.5%	520,181	0.4%
State/Local grants and contracts	2,761,852	2.0%	2,917,058	2.2%
Private gifts, grants and contracts	2,676,505	1.9%	2,845,827	2.1%
Investment income	2,558,871	1.9%	1,578,594	1.2%
Realized gains/losses on investments	(530)	0.0%	0	0.0%
Indirect costs recovered	491,407	0.4%	455,765	0.3%
Sales and services of educational activities	2,324,545	1.7%	2,446,249	1.8%
Sales and services of auxiliary enterprises	31,466,947	22.9%	31,253,134	23.5%
Other revenue and additions	462,560	0.3%	401,965	0.3%
<b>TOTAL REVENUES</b>	<b>\$ 137,476,376</b>	<b>100.0%</b>	<b>\$ 132,779,639</b>	<b>100.0%</b>

## EXPENDITURES AND MANDATORY TRANSFERS

Education and General Operations				
Instruction	\$ 45,368,328	34.0%	\$ 40,462,132	31.3%
Research	1,846,912	1.4%	1,826,446	1.4%
Public service	1,916,000	1.4%	2,789,115	2.2%
Academic support	16,161,860	12.1%	15,650,002	12.1%
Student services	13,743,878	10.3%	13,301,191	10.3%
Institutional support	6,242,784	4.7%	6,997,026	5.4%
Operation and maintenance of plant	7,182,814	5.4%	7,059,947	5.5%
Scholarships and fellowships	12,135,052	9.1%	11,287,364	8.7%
Auxiliary Enterprises Expenditures	21,328,604	16.0%	21,748,721	16.8%
Indirect Costs Recovered	419,349	0.3%	395,953	0.3%
Auxiliary Enterprises Mandatory Transfers	5,988,814	4.5%	7,043,815	5.4%
Other Transfers	911,687	0.7%	730,981	0.6%
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$ 133,246,082</b>	<b>100.0%</b>	<b>\$ 129,292,693</b>	<b>100.0%</b>

## CURRENT FUNDS - REVENUES



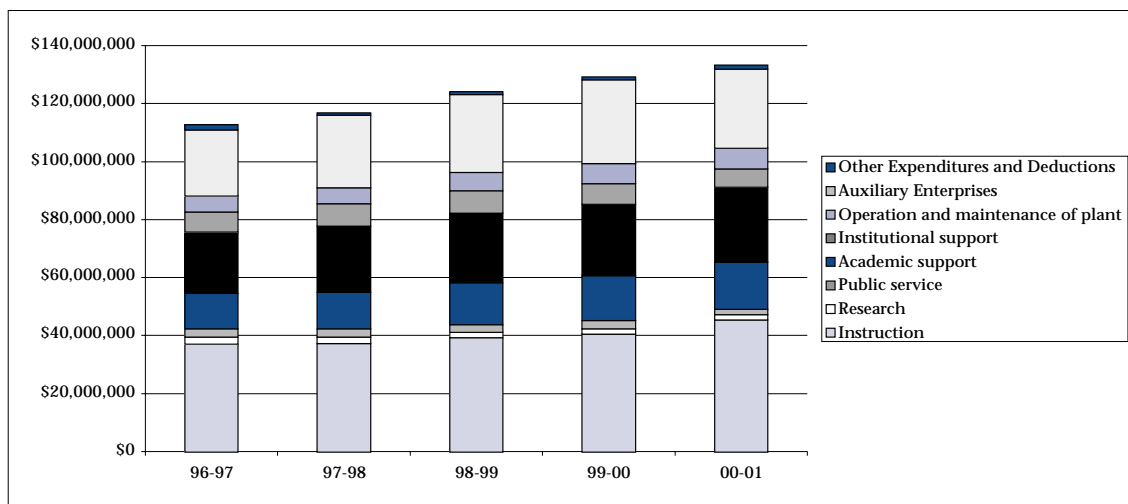


## CONTINUED...

1999	%	1998	%	1997	%	1996	%
\$ 36,832,277	30.0%	\$ 35,484,897	30.1%	\$ 34,788,100	30.3%	\$ 33,927,967	30.4%
41,065,785	33.4%	39,486,161	33.5%	38,414,515	33.4%	36,972,624	33.2%
8,604,495	7.0%	8,407,578	7.1%	8,369,424	7.3%	8,321,169	7.5%
325,726	0.3%	566,036	0.5%	709,804	0.6%	756,786	0.7%
420,540	0.3%	458,554	0.4%	1,374,546	1.2%	427,141	0.4%
1,042,989	0.8%	433,912	0.4%	538,873	0.5%	828,494	0.7%
1,446,978	1.2%	1,700,335	1.4%	388,482	0.3%	639,609	0.6%
260	0.0%	81	0.0%	0	0.0%	(77)	0.0%
446,847	0.4%	551,834	0.5%	626,896	0.5%	580,777	0.5%
2,755,223	2.2%	2,344,915	2.0%	2,304,384	2.0%	2,442,893	2.2%
29,502,859	24.0%	28,104,602	23.8%	26,309,788	22.9%	26,383,936	23.7%
371,160	0.3%	431,659	0.4%	1,104,092	1.0%	187,581	0.2%
<b>\$ 122,815,139</b>	<b>100.0%</b>	<b>\$ 117,970,564</b>	<b>100.0%</b>	<b>\$ 114,928,904</b>	<b>100.0%</b>	<b>\$ 111,468,900</b>	<b>100.0%</b>

\$ 39,256,504	31.6%	\$ 37,293,602	31.9%	\$ 37,029,438	32.8%	\$ 36,697,035	32.1%
1,912,866	1.5%	2,247,157	1.9%	2,498,210	2.2%	2,097,883	1.8%
2,581,874	2.1%	2,690,036	2.3%	2,721,738	2.4%	2,966,517	2.6%
14,505,433	11.7%	12,809,465	11.0%	12,320,008	10.9%	11,997,151	10.5%
12,873,910	10.4%	12,967,302	11.1%	11,900,958	10.6%	11,375,274	9.9%
7,611,620	6.1%	7,568,797	6.5%	6,801,831	6.0%	8,541,221	7.5%
6,401,144	5.2%	5,535,520	4.7%	5,574,727	4.9%	4,970,408	4.3%
11,125,294	9.0%	9,801,403	8.4%	9,319,656	8.3%	9,075,469	7.9%
20,846,579	16.8%	19,822,994	17.0%	19,302,499	17.1%	18,261,877	15.9%
361,307	0.3%	458,967	0.4%	513,131	0.5%	495,549	0.4%
5,966,167	4.8%	5,237,756	4.5%	3,416,181	3.0%	3,013,362	2.6%
598,376	0.5%	297,964	0.3%	1,342,025	1.2%	5,005,448	4.4%
<b>\$ 124,041,074</b>	<b>100.0%</b>	<b>\$ 116,730,963</b>	<b>100.0%</b>	<b>\$ 112,740,402</b>	<b>100.0%</b>	<b>\$ 114,497,194</b>	<b>100.0%</b>

## CURRENT FUNDS - EXPENDITURES



**ACTUAL AND PROJECTED REVENUES AND EXPENDITURES\***  
**AUXILIARY REVENUE, STUDENT RECREATION CENTER, WOMEN'S RESOURCE,**  
**HEALTH CENTER AND COUNSELING CENTER PROJECTS**

	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01
<b>OPERATING REVENUES:</b>			
Housing and Food Contracts	\$ 13,918,049	\$ 15,135,246	\$ 15,715,885
Bookstore Sales (4)	4,795,841	5,028,274	5,183,175
Short Term Room and Board	1,118,407	1,084,187	969,278
Student Fees	2,927,031	3,079,615	3,003,965
Parking Fees	961,809	964,199	915,849
Other Auxiliary Sales and Services	3,776,584	3,752,342	3,494,856
<b>Gross Revenues</b>	<b>\$ 27,497,721</b>	<b>\$ 29,043,863</b>	<b>\$ 29,283,008</b>
<b>EXPENDITURES: (4)</b>			
Cost of Sales	\$ 5,812,006	\$ 6,025,543	\$ 6,099,422
Personal Services	8,127,965	8,309,278	9,146,676
Other Current Expenses	5,599,322	5,419,548	5,781,671
Utilities	1,894,115	1,986,262	2,035,866
Travel and Subsistence	82,451	44,412	59,356
Capital Outlay, Operations	120,673	113,427	120,387
<b>Current Expenses</b>	<b>\$ 21,636,532</b>	<b>\$ 21,898,470</b>	<b>\$ 23,243,378</b>
<b>NET REVENUES:</b>	<b>\$ 5,861,189</b>	<b>\$ 7,145,393</b>	<b>\$ 6,039,630</b>
<b>TRANSFERS:</b>			
(or available for transfer)			
Debt Service	\$ 3,481,121	\$ 3,652,491	\$ 3,653,663
Capital Maintenance	1655,566	2,691,593	1,498,713
Administrative Overhead	724,502	801,309	887,254
<b>Total Transfers</b>	<b>\$ 5,861,189</b>	<b>\$ 7,145,393</b>	<b>\$ 6,039,630</b>
<b>NET REVENUE/DEBT SERVICE</b>	<b>1.68</b>	<b>1.96</b>	<b>1.65</b>

**\*Assumptions**

- (1) Estimated using a 2.5% growth rate
  - (2) Estimated using a 5% growth rate
  - (3) Parking Debt Serv begins 02-03. Parking Rev. incr. \$120K 01-02 and 02-03, and \$160K in 03-04 for debt service coverage. Impact of Auxiliary System series 2001 Revenue Bonds is reflected.
  - (4) The Bookstore became a leased operation instead of a self operation shortly after the beginning of the 2001-02 fiscal year. This impacted revenue, and expense categories.
  - (5) The impact of the Auxiliary System Series 2001 Revenue Bonds is reflected.
- Source: The University's Administrative Staff

Budget FY 2001-02 (4)	Estimated FY 2002-03	Estimated FY 2003-04	Estimated FY 2004-05	Estimated FY 2004-05	
\$ 16,106,197	\$ 16,669,914	\$ 16,669,914	\$ 17,857,229	\$ 18,482,232	(1)
525,000	543,375	543,375	582,077	602,450	(1)
1,093,510	1,131,783	1,131,783	1,212,394	1,254,828	(1)
3,231,953	3,328,645	3,328,645	3,539,659	3,650,251	(1)
1,007,952	1,312,343	1,312,343	1,674,343	1,716,202	(3)
4,341,537	4,269,250	4,269,250	4,475,699	4,608,591	(1)
<b>\$ 26,306,149</b>	<b>\$ 27,255,310</b>	<b>\$ 28,259,033</b>	<b>\$ 29,341,401</b>	<b>\$ 30,314,554</b>	
\$ 2,496,157	\$ 2,558,561	\$ 2,622,525	\$ 2,688,088	\$ 2,755,290	(1)
98,825,064	9,259,158	9,722,116	10,208,221	10,718,632	(2)
6,037,170	6,123,075	6,271,897	6,424,460	6,580,855	(1)
2,408,017	2,466,922	2,528,594	2,591,809	2,656,604	(1)
76,992	99,479	102,575	102,575	102,575	(1)
134,412	201,800	206,800	206,800	206,800	(1)
<b>\$ 19,977,812</b>	<b>\$ 20,708,995</b>	<b>\$ 21,454,507</b>	<b>\$ 22,221,953</b>	<b>\$ 23,020,756</b>	
<b>\$ 6,328,337</b>	<b>\$ 6,546,315</b>	<b>\$ 6,804,526</b>	<b>\$ 7,119,448</b>	<b>\$ 7,293,798</b>	
(5)					
\$ 4,193,980	\$ 4,191,859	\$ 4,190,828	\$ 4,190,954	\$ 4,192,944	(3)
1,271,473	1,440,958	1,654,524	1,921,363	2,043,367	
862,884	913,498	959,174	1,007,131	1,057,487	(2)
<b>\$ 6,328,337</b>	<b>\$ 6,546,315</b>	<b>\$ 6,804,526</b>	<b>\$ 7,119,448</b>	<b>\$ 7,293,798</b>	
<b>1.51</b>	<b>1.56</b>	<b>1.62</b>	<b>1.70</b>	<b>1.74</b>	

STATE APPROPRIATED BUDGET REQUEST SUMMARY  
MANDATED ITEMS, UNIVERSITY PRIORITIES AND BUDGET REDUCTIONS  
FY 2000-2001

<b>Base Budget</b>	<b>\$ 72,783,723</b>
<b>New Revenue</b>	
State General Fund	\$ 2,008,857
Tuition	83,632
Other	20,415
<b>Sub-Total New Revenue</b>	<b>\$ 2,112,904</b>
<b>Other Resources</b>	
1% Cut Academic Affairs	\$ 531,035
2% Cut Finance & Administration	256,190
2% Cut President	55,184
2% Cut University Affairs	22,451
Fringe Benefit Rate Reduction	613,587
Cash Program Overhead Recovery	179,364
Salary Savings	112,000
Lab School Library Savings	73,267
<b>Sub-Total Other Resources</b>	<b>\$ 1,843,058</b>
<b>Reserves</b>	
Contingency @2% GF	\$ 40,177
<b>Sub-Total Other Resources</b>	<b>\$ 40,177</b>
<b>External Mandates</b>	
License Fees	\$ 46,611
Summer Initiatives (State GF)	49,835
Urban Education (State GF)	142,435
Postage	18,000
Telephone Increase	12,000
General Administrative	113,317
College Program Fee OCE	20,415
Registrar Operations	11,832
Replace Student Fee Funding	122,193
Library Learning Materials	73,267
<b>Sub-Total Ext Mandates/University Priorities</b>	<b>\$ 609,905</b>



STATE APPROPRIATED BUDGET REQUEST SUMMARY  
MANDATED ITEMS, UNIVERSITY PRIORITIES AND BUDGET REDUCTIONS  
FY 2000-2001

**Compensation**

Classified Salary Increases	\$ 1,118,839
Faculty	1,676,685
TA/GA	76,116
Faculty Growth	
Exempt Salary Increases	402,990
GA/TA Tuition Increases	31,250
<b>Sub-Total Compensation</b>	<b>\$ 3,305,880</b>

**New Spending Authority Base** **\$ 74,896,627**

**Dedicated Revenue Base** **\$ 3,444,864**  
Requested Changes 593,777

**Requested Dedicated Revenue Base** **\$ 4,038,641**

**Total State Appropriated Fund Budget Proposal** **\$ 78,935,268**

## INSTITUTIONAL INFORMATION

### FACULTY AND OTHER EMPLOYEES

Faculty members are encouraged and expected to take an active part in all aspects of college life and governance. The University faculty interacts with the Board of Trustees in establishing courses of study, requirements for admission, and conditions for graduation. Table 3 provides information about the full-time teaching faculty of the University for the Fall semester, 2001.

The University employs 12 professional librarians, 65 executive, administrative, or managerial staff, 207 full-time clerical and technical staff, 157 custodial, service and maintenance staff, 198 other professional support services staff and 266 teaching, research and graduate assistants.

<u>FULL TIME TEACHING FACULTY</u>			
	<u>Total</u>	<u>Doctorate</u>	<u>Tenured</u>
Full Professors	181	170	178
Associate Professors	94	82	86
Assistant Professors	84	66	1
Instructors/Lecturers	66	1	0
<b>TOTAL</b>	<b>425</b>	<b>319</b>	<b>265</b>

TABLE 3

### MATRICULATION AND RETENTION RATE

The matriculation rate is the ratio of newly enrolled freshmen to newly admitted freshmen. This ratio has been relatively constant since 1994. The fluctuation in the matriculation rate are due to increased competition among Colorado institutions for new freshmen, and increases in non-resident freshmen admissions which typically have lower matriculation rates than resident freshmen. The retention rate is the proportion of new freshmen who return to UNC for a second year, and the retention rate for new freshmen are summarized in Table 4. The increased retention rates for new freshmen, since 1995, are due to greater emphasis in recruiting students with better academic preparation and providing improved student support programs.

<u>FRESHMAN MATRICULATION AND RETENTION RATE</u>		
<u>Year</u>	<u>Matriculation</u>	<u>Retention</u>
2001	40.9%	N/A
2000	41.2%	69.6%
1999	41.2%	69.5%
1998	39.8%	68.0%
1997	41.5%	67.2%
1996	41.0%	66.6%
1995	41.1%	66.5%

TABLE 4

### TUITION AND FEES

A major source of revenue to the University is student tuition and fees. Tuition at the University is divided into two basic categories, depending upon residency in the State. The University's undergraduate tuition for the 2001-02 academic year is \$2,155 for residents, and \$9,825 for non-residents. Graduate tuition for the 2001-02 academic year was \$2,549 for residents and \$10,459 for non-residents. Table 5 provides information as to the annual tuition and fees for undergraduates and graduates at the University since the 1996-1997 academic year.

<u>ANNUAL TUITION AND FEES FOR UNDERGRADUATES AND GRADUATES</u>					
<u>Fiscal Year</u>	<u>Resident Undergrad/Grad</u>		<u>Non-Resident Undergrad/Grad</u>		<u>Fees*</u>
2001-02	\$2,155	\$2,549	\$9,825	\$10,459	\$687
2000-01	\$2,072	\$2,451	\$9,357	\$9,961	\$710
1999-00	\$2,014	\$2,382	\$8,997	\$9,578	\$740
1998-99	\$1,967	\$2,327	\$8,997	\$9,578	\$577
1997-98	\$1,942	\$2,298	\$8,710	\$9,272	\$564
1996-97	\$1,914	\$2,264	\$8,416	\$8,958	\$556

\*Health Insurance optional and not included.

TABLE 5

### STATE APPROPRIATIONS

The appropriation to the University is provided by the Colorado General Assembly from its General Fund pursuant to a budget process and request by the University. Table 6 shows State appropriations in terms of dollars and percentage of total revenues to the University for fiscal years ending 1996 through 2001.

<u>STATE APPROPRIATIONS</u>		
<u>Fiscal Year</u>	<u>State Appropriations</u>	<u>Percent of Revenues</u>
FY ended 6/30/01	\$46,733,469	33.99%
FY ended 6/30/00	\$43,950,093	33.10%
FY ended 6/30/99	\$41,065,785	33.44%
FY ended 6/30/98	\$39,489,161	33.47%
FY ended 6/30/97	\$38,414,515	33.42%
FY ended 6/30/96	\$36,972,624	33.10%

TABLE 6

### UTILIZATION OF STUDENT HOUSING

Recent utilization of student housing is summarized in Table 7 for academic years 1995-96 through 2000-01.

<u>UTILIZATION OF STUDENT HOUSING</u>		
<u>Academic Year</u>	<u>Design Capacity</u>	<u>Occupancy Rate</u>
2000-01	3056	90.56%
1999-00	3023	99.08%
1998-99	2930	102.44%
1997-98	2924	97.50%
1996-97	2891	94.83%
1995-96	2904	97.07%

TABLE 7

FALL 2001 FACT BOOK  
NEW FRESHMAN STUDENT TRENDS  
FALL 1997 - FALL 2001

	Fall 1997	Fall 1998	Fall 1999	Fall 2000	Fall 2001
<b>Applicants</b>	5,908	6,706	6,964	6,901	6,709
<b>Admits</b>	4,779	5,507	5,662	5,479	5,229
<b>% Accepted</b>	80.9%	82.1%	81.3%	79.4%	77.9%
<b>Enrolled</b>	<b>1,930</b>	<b>2,187</b>	<b>2,330</b>	<b>2,133</b>	<b>2,140</b>
<b>% Yield</b>	40.4%	39.7%	41.2%	38.9%	40.9%

**GENDER**

Male	773	867	908	881	816
Female	1,157	1,320	1,422	1,252	1,324

**ETHNICITY**

Native American	6	10	12	14	15
African American	56	33	44	43	36
Asian American	131	131	102	92	72
Hispanic	153	163	212	148	131
<b>Total Minorities</b>	<b>346</b>	<b>337</b>	<b>370</b>	<b>297</b>	<b>254</b>
White	1,564	1,846	1,922	1,767	1,769
International	10	4	1	3	4
Uncoded	10	0	37	66	113
<b>Total Non-Minorities</b>	<b>1,584</b>	<b>1,850</b>	<b>1,960</b>	<b>1,836</b>	<b>1,886</b>

**RESIDENCY**

Residents	1,590	1,886	2,007	1,875	1,845
Non-Residents	340	301	323	258	295

**AGE**

Less than 18	162	147	120	127	103
18	1,541	1,778	1,875	1,705	1,725
19	196	219	295	250	248
20-24	23	38	40	34	40
<b>Total Traditional</b>	<b>1,922</b>	<b>2,182</b>	<b>2,330</b>	<b>2,116</b>	<b>2,116</b>
<b>Total Non-Traditional (25+)</b>	<b>8</b>	<b>5</b>	<b>0</b>	<b>17</b>	<b>24</b>

**COLLEGE**

Arts & Sciences	534	645	709	808	824
Monfort College of Business	167	194	228	190	162
Health & Human Services	178	218	215	194	196
Performing & Visual Arts	245	229	262	256	266
Undeclared	806	901	916	685	692

**AVERAGES**

CCHE Index	99.9	98.9	99.0	99.2	100.3
ACT - Composite	22.0	21.8	21.7	21.8	22.1
SAT - Combined	1030.9	1025.2	1020.8	1023.7	1041
High School GPA	3.22	3.18	3.19	3.20	3.23
High School Rank	65.6	63.2	63.0	62.2	62.8

FALL 2000 FACT BOOK  
NEW TRANSFER STUDENT TRENDS  
FALL 1997 - FALL 2001

	Fall 1997	Fall 1998	Fall 1999	Fall 2000	Fall 2001
<b>Applicants</b>	1,819	1,873	1,952	1,846	1,975
<b>Admits</b>	1,577	1,482	1,478	1,400	1,511
<b>% Accepted</b>	86.7%	79.1%	75.7%	75.8%	76.5%
<b>Enrolled</b>	<b>877</b>	<b>883</b>	<b>836</b>	<b>822</b>	<b>868</b>
<b>% Yield</b>	55.6%	59.6%	56.6%	58.7%	57.4%

**GENDER**

Male	358	411	367	311	317
Female	519	472	469	511	551

**ETHNICITY**

Native American	8	4	5	7	11
African American	21	29	20	28	23
Asian American	34	27	16	22	21
Hispanic	64	69	76	76	52
<b>Total Minorities</b>	<b>127</b>	<b>129</b>	<b>117</b>	<b>133</b>	<b>107</b>
White	723	727	677	650	697
International	9	14	11	6	17
Uncoded	18	13	31	33	47
<b>Total Non-Minorities</b>	<b>750</b>	<b>754</b>	<b>719</b>	<b>689</b>	<b>761</b>

**RESIDENCY**

Residents	739	716	700	702	728
Non-Residents	138	167	136	120	140

**AGE**

Less than 19	17	23	21	12	26
19	193	235	226	187	201
20	239	221	248	216	214
21	109	139	101	115	114
22-24	127	126	102	125	126
<b>Total Traditional</b>	<b>685</b>	<b>744</b>	<b>698</b>	<b>655</b>	<b>681</b>
<b>Total Non-Traditional (25+)</b>	<b>192</b>	<b>139</b>	<b>138</b>	<b>167</b>	<b>187</b>

**COLLEGE**

Arts & Sciences	354	317	317	379	409
Monfort College of Business	69	74	89	89	80
Health & Human Services	147	156	152	144	143
Performing & Visual Arts	66	68	78	46	81
Undeclared	241	268	200	164	155

**AVERAGES**

Transfer GPA	2.89	2.84	2.95	2.88	
Transfer Hours	43.6	43.1	41.9	42.1	

SCHEDULE 1B

FALL 2001 FACT BOOK  
NEW GRADUATE STUDENT TRENDS  
ALL LEVELS

	FY 96/97	FY 97/98	FY 98/99	FY 99/00	FY 00/01
<b>Applicants</b>	1,959	1,844	1,915	1,819	1,808
<b>Admits</b>	1,333	1,301	1,436	1,374	1,364
<b>% Accepted</b>	68.0%	70.6%	75.0%	75.5%	75.4%
<b>Enrolled</b>	<b>894</b>	<b>876</b>	<b>951</b>	<b>900</b>	<b>899</b>
<b>% Yield</b>	67.1%	67.3%	66.2%	65.5%	65.5%

**DEGREE LEVEL**

Licensure	97	86	81	93	79
Master's	670	680	759	676	681
Specialist	29	24	15	38	43
Doctoral	98	86	96	93	96

**GENDER**

Male	280	267	268	245	252
Female	614	609	683	655	647

**ETHNICITY**

Native American	6	5	12	8	5
African American	17	16	13	13	12
Asian American	21	13	19	16	15
Hispanic	45	52	51	49	46
<b>Total Minorities</b>	<b>89</b>	<b>86</b>	<b>95</b>	<b>86</b>	<b>78</b>
White	765	750	805	755	750
International	33	25	34	36	45
Uncoded	7	15	17	23	26
<b>Total Non-Minorities</b>	<b>805</b>	<b>790</b>	<b>856</b>	<b>814</b>	<b>821</b>

**RESIDENCY**

Residents	684	709	738	706	694
Non-Residents	210	167	213	194	205

**COLLEGE**

Arts & Sciences	99	91	114	88	93
Education	502	451	553	546	551
Health & Human Sciences	225	242	214	201	197
Performing & Visual Arts	50	57	50	59	57
Graduate Interdisciplinary	18	35	20	6	1

SCHEDULE 1C



FALL 2001 FACT BOOK  
TOTAL STUDENT ENROLLMENT TRENDS  
FALL 1997 - FALL 2001

<b>Total Enrollment</b>	<b>Fall 1997 10,393</b>	<b>Fall 1998 10,670</b>	<b>Fall 1999 11,058</b>	<b>Fall 2000 11,039</b>	<b>Fall 2001 10,983</b>
<b>CLASSIFICATION</b>					
Freshman	2,884	3,255	3,484	3,384	3,239
Sophomores	1,773	1,823	2,014	2,025	2,036
Juniors	1,834	1,803	1,840	1,917	1,991
Seniors	2,251	2,201	2,179	2,133	2,169
<b>Total Undergraduates</b>	<b>8,742</b>	<b>9,082</b>	<b>9,517</b>	<b>9,459</b>	<b>9,435</b>
Undeclared	200	164	140	189	175
Teacher Licensure	74	72	72	69	82
Master's	978	930	924	915	908
Specialist	20	14	30	37	33
Doctoral	305	301	293	273	270
<b>Total Graduate Students</b>	<b>1,577</b>	<b>1,481</b>	<b>1,459</b>	<b>1,483</b>	<b>1,468</b>
Non-Degree	74	107	82	97	80
<b>GENDER</b>					
Male	4,168	4,226	4,381	4,342	4,278
Female	6,225	6,444	6,677	6,697	6,705
<b>ETHNICITY</b>					
Native American	59	63	65	59	71
African American	255	241	231	230	216
Asian American	443	494	490	466	419
Hispanic	755	790	864	851	788
<b>Total Minorities</b>	<b>1,512</b>	<b>1,588</b>	<b>1,650</b>	<b>1,606</b>	<b>1,494</b>
White	8,640	8,847	9,126	9,069	8,962
International	162	163	137	142	157
Uncoded	79	72	145	222	370
<b>Total Non-Minorities</b>	<b>8,881</b>	<b>9,082</b>	<b>9,408</b>	<b>9,433</b>	<b>9,489</b>
<b>COLLEGE</b>					
Arts & Sciences	4,010	4,173	4,356	4,548	4,766
Monfort College of Business	1,101	1,150	1,324	1,335	1,302
Education	714	653	690	700	717
Health & Human Services	1,734	1,728	1,670	1,635	1,593
Performing & Visual Arts	1,011	1,035	1,082	1,097	1,151
Graduate Interdisciplinary	15	19	12	5	4
Undeclared	1,808	1,912	1,924	1,719	1,450
<b>RESIDENCY</b>					
Residents	9,021	9,228	9,624	9,662	9,637
Non-Residents	1,372	1,442	1,434	1,377	1,346
<b>FTE STUDENTS</b>					
Residents	7,800	8,052	8,377	8,446	8,310
Non-Residents	1,291	1,326	1,304	1,268	1,229
<b>Total FTE Students</b>	<b>9,091</b>	<b>9,377</b>	<b>9,681</b>	<b>9,714</b>	<b>9,539</b>

SCHEDULE 1D