



**INTRODUCTION
FROM THE
SENIOR VICE
PRESIDENT FOR
FINANCE
AND CHIEF
OPERATING
OFFICER**

Dear Friends of Florida Atlantic University:

I am pleased to present to you the 2000-2001 Annual Financial Report for Florida Atlantic University. Included in this report are a message from President Anthony James Catanese, an overview of the University, financial highlights, general purpose financial statements with accompanying notes and supplemental information.

Florida Atlantic University is a public university committed through its distributed campus structure to providing access to significant educational opportunities for students in Southeast Florida and beyond. Located in a rapidly expanding urban environment, the University is responsible for providing academic programs to the counties of Palm Beach, Broward, Indian River, Martin, St. Lucie and Okeechobee. The University's mission is to prepare students to make meaningful contributions in an increasingly complex global society and by supporting research and service that enhance economic, human and cultural development. The Division of Financial Affairs assists the University in its mission by providing the highest possible level of service to students, faculty and staff and by implementing innovative, efficient and cost-effective programs.

The 2000-2001 year was exceptionally exciting for Florida Atlantic University. The University started the process of operating under a new educational governance system, beginning with the appointment of the Florida Atlantic University Board of Trustees. The number of degree-seeking students eclipsed the 21,000 mark, enabling the University to keep its position as one of the fastest growing universities in the country. To meet the educational and support needs of our students, FAU initiated several new degree programs and completed construction on new classroom and research buildings and two residence halls. In recognition of our commitment to excellence, the College of Business was named one of the top 50 business schools for entrepreneurs by *SUCCESS* magazine and the University was named one of the top 100 schools in the nation for Hispanics by *Hispanic Outlook in Education* magazine.

Florida Atlantic University continues to improve and expand its infrastructure and campus facilities on all of its seven campuses. During the 2000-2001 year, the University completed the construction of the Tom Oxley athletic facility, a health services facility, a bookstore and business services facility, a classroom building addition and recreational facility at our Jupiter Campus and several renovation and remodeling projects. Additionally, the University started construction on a joint-use classroom building at the Treasure Coast Campus, a student activities center and the Charles E. Schmidt Biomedical Science Center. FAU had approximately \$200 million of ongoing renovation and construction projects as of June 30, 2001.

The financial statements presented in this report present a summary of the University's flow of financial resources during the period July 1, 2000 to June 30, 2001, and have been prepared in accordance with generally accepted accounting principles as recommended by the National Association of College and University Business Officers (NACUBO) as published under the title of "College and University Business Administration." These financial statements present the University's financial position, changes in fund balances and current funds revenues, expenditures and other changes. The information contained in these statements provides an overview of the financial health of the institution and an assessment of the University's ability to meet the financial requirements associated with its mission.

Financial highlights for fiscal year 2000-2001 include a \$21.0 million increase in current funds revenues to \$273.2 million, an increase of 8.3 percent over the previous year. Significant components of the total increase in current funds revenues were an increase of \$4.46 million in federal grants (17.5 percent increase), an increase of \$4.76 million in private grants and gifts (12.0 percent increase), an increase of \$2.96 million in auxiliary enterprises (13.4 percent increase), an increase of \$5.94 million in student tuition and fees (14.8 percent increase) and an increase in state appropriation of \$5.56 million (5.0 percent increase). During 2000-2001, total expenditures and mandatory transfers increased \$16.66 million, an increase of 6.6 percent over the previous year. These increases in revenues and expenditures reflect Florida Atlantic University's continuing commitment to the instructional, research and support needs of our students, faculty and staff.

I hope you will enjoy reading Florida Atlantic University's 2000-2001 Annual Financial Report and learning about the many new initiatives taking place at one of the most innovative and exciting universities in the country. Your continued support of Florida Atlantic University is greatly appreciated.

Sincerely,

Kenneth A. Jessell, Ph.D.
Senior Vice President for Finance
and Chief Operating Officer



message from the president

The first year of the new decade set new benchmarks for Florida Atlantic University's growth and provided opportunities for us to take a leadership role in the development of programs to serve the needs of our region.

The University's academic offerings expanded with the addition of programs in chemistry, nonprofit management, social work and international business. Two new Eminent Scholars joined FAU's distinguished faculty, the driving force of our teaching and research excellence. Generous support from the John D. and Catherine T. MacArthur Foundation enabled us to continue important community development work through The Abacoa Project in Jupiter, and public and private partners came together with FAU under the umbrella of the Teaching and Learning Center on the Davie Campus to address the state's critical need for educators.

As FAU's student body continued its rapid growth, we responded by opening a spacious new residence hall on the Boca Raton Campus. Additionally, we dedicated the Tom Oxley Athletic Center as a resource for our student-athletes and the entire University community. Construction began on the state-of-the-art Charles E. Schmidt Biomedical Science Center, made possible by the record-setting \$15 million gift from the Schmidt Family Foundation, paving the way for FAU's innovative medical education partnership with the University of Miami.

FAU continued to promote regional economic development as the Florida Atlantic Research and Development Park filled to capacity and plans were announced to expand to a second location in Deerfield Beach. Completion of University Commons on Glades Road in Boca Raton offered new shopping and dining opportunities while providing a stream of revenue to the FAU Foundation.

The academic year 2000-01 was a year of progress and achievement in the face of many challenges. We thank all who worked so hard to make these gains possible, and we look forward to even greater success in the year ahead.

Sincerely,

Anthony James Catanese, Ph.D., FAICP
President and Professor

