STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES FOR THE YEAR ENDED JUNE 30, 2000

with Comparative Totals for 1999

A. REPORTING ENTITY

Although the University is considered a separate entity for financial reporting purposes, it is a part of the State University System and accordingly is governed, regulated and coordinated by the Department of Education, Board of Regents, subject to the general supervision of the State Board of Education. The President is responsible for the management of the University and is under the general direction and control of the Chancellor of the State University System who has ultimate responsibility for administering the policies prescribed by the Board of Regents.

Although one of the primary obligations of reporting is to account for resources received and used, there are instances in which University resources are accounted for and reported by other entities. For example, Plant Fund activity within the SUS General Revenue Fund is accounted for and reported by the Board of Regents. When the construction projects within this fund become substantially complete, they are included in the University’s Investment in Plant Fund.

The financial operations and financial positions of the University’s "direct support organizations," as provided for in Section 240.299, Florida Statutes and Board of Regents Rule 6C-9.011, are considered component units of the University and are included by direct presentation in the financial statements of the University in a format prescribed by the Board of Regents. These are separate, not-for-profit organizations organized and operated exclusively to assist the University to achieve excellence through educational, research and other services provided to or for the University’s students.

B. BASIS OF ACCOUNTING

The financial statements were prepared in accordance with generally accepted accounting principles and instructions provided by the Board of Regents pursuant to recommendations made by the National Association of College and University Business Officers, as published under the title of "College and University Business Administration."

The accrual basis of accounting was used to prepare the financial statements; however, depreciation of fixed assets is not recognized. The Reserve for Encumbrances represents the retirement or partial retirement of encumbrances which merchandise or services had not been received as of the date of acquisition. Notes and accounts receivable are reported at face value, less an allowance for uncollectible accounts.

Physical plant and equipment are recorded at cost at the date of acquisition or at appraised value at the date received. Depreciation, improvements to existing property and apartments are recorded at cost at the time of completion.

The accompanying summary of significant accounting policies and notes are an integral part of the Financial Statements.