



Housing Financial Statements
June 30, 2001

FLORIDA ATLANTIC UNIVERSITY
HOUSING
BALANCE SHEET
AS OF JUNE 30, 2001
(UNAUDITED)

ASSETS

CASH	\$	992,948.66
INVESTMENTS		1,623,306.17
ACCOUNTS RECEIVABLE (NET)		197,204.01
ACCRUED INTEREST		<u>7,600.73</u>

TOTAL ASSETS \$ 2,821,059.57

LIABILITIES AND FUND BALANCE

LIABILITIES

ACCRUED SALARIES	\$	28,994.80
ACCOUNTS PAYABLE		400.28
DEFERRED REVENUE		231,921.10
DUE TO OTHER FUNDS		<u>53,896.42</u>

TOTAL LIABILITIES \$ 315,212.60

FUND BALANCE

UNALLOCATED FUND BALANCE	\$	1,862,857.51
RESERVE FOR ENCUMBRANCES		<u>642,989.46</u>

TOTAL FUND BALANCE 2,505,846.97

TOTAL LIABILITIES AND FUND BALANCE \$ 2,821,059.57

FLORIDA ATLANTIC UNIVERSITY
HOUSING
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2001
(UNAUDITED)

REVENUES - OPERATING

HOUSING FEES	\$	5,462,742.41	
RENTAL INCOME		44,888.10	
REPAIRS AND MAINTENANCE		24,824.14	
LATE FEES		29,013.11	
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TOTAL REVENUES - OPERATING			\$ 5,561,467.76

EXPENDITURES - OPERATING

SALARIES AND BENEFITS	\$	1,225,205.73	
OTHER PERSONAL SERVICES		130,502.49	
BAD DEBT EXPENSE		81,655.85	
CONTRACTUAL SERVICES		29,373.52	
EQUIPMENT < \$1,000		4,863.73	
FREIGHT AND POSTAGE		7,443.71	
INSURANCE		8,246.85	
MATERIALS AND SUPPLIES		319,327.11	
OTHER EXPENSES		25,425.89	
PRINTING		21,953.65	
REPAIRS AND MAINTENANCE		686,362.87	
TELECOMMUNICATION		205,207.09	
TRAVEL		19,019.13	
UTILITIES		462,962.29	
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TOTAL EXPENDITURES - OPERATING			\$ 3,227,549.91

NONOPERATING REVENUES / (EXPENDITURES)

INVESTMENT INTEREST	\$	103,620.90	
SINKING FUND REVENUES		5,229.05	
DEBT SERVICE-APARTMENTS		(1,195,647.18)	
OPERATING CAPITAL OUTLAY		(71,738.40)	
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NET NONOPERATING REVENUES / (EXPENDITURES)			(1,158,535.63)

TRANSFERS

TRANSFERS (IN) / OUT	\$	73,129.50	
ADMINISTRATIVE OVERHEAD		183,801.40	
DEBT SERVICE - DRC 64,66A,66B		141,955.00	
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TOTAL TRANSFERS			398,885.90

NET INCREASE / (DECREASE) IN FUND BALANCE 776,496.32

BEGINNING FUND BALANCE	\$	1,729,350.65
NET INCREASE / (DECREASE) IN FUND BALANCE		<u>776,496.32</u>
ENDING FUND BALANCE	\$	<u><u>2,505,846.97</u></u>

FLORIDA ATLANTIC UNIVERSITY
HOUSING
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2001
(UNAUDITED)

To enhance the usefulness of the financial statements, the significant accounting policies followed by Florida Atlantic University are described below.

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, but 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 (See note F, subsequent events).

Although one of the primary obligations of reporting is to account for resources received and used, there are several instances where 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.

B. Basis of Accounting

The University's fiscal and accounting operations are essentially structured around the recommendations of the National Association of College and University Business Officers, constituting generally accepted accounting principles, as published under the title of COLLEGE AND UNIVERSITY BUSINESS ADMINISTRATION. Financial Statements are prepared in accordance with instructions provided by the Board of Regents.

Financial statements are prepared on the accrual basis of accounting; however, depreciation of fixed assets is not recognized. The Reserve for Encumbrances portion of the Fund Balance is a representation of purchase commitments for which the merchandise or services have not been received.

The Statement of Operations is a statement of financial activities

of Housing related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a Statement of Income or a Statement of Revenues and Expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as: (1) operating capital outlay expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and, (3) as transfers of a non-mandatory nature for all other cases.

C. Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the University, the financial records and accounts are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified, for accounting and reporting purposes, into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund. Accordingly, all financial transactions for Housing have been recorded and reported as Current Unrestricted Fund transactions.

1. **Current Funds** - This fund includes those economic resources of the University which are expendable for operational purposes in performing the primary objectives of the university. Resources restricted by donors or other outside agencies for specific current operating purposes are reported as Restricted Current Funds. Housing transactions are current fund transactions.

D. OTHER SIGNIFICANT ACCOUNTING POLICIES

Other significant accounting policies are set forth in the financial statements and notes thereto.

E. NOTES TO THE FINANCIAL STATEMENTS

1. ALLOWANCE FOR DOUBTFUL RECEIVABLES

Accounts Receivable over one year old are considered as doubtful accounts. The amount as of June 30, 2001 was \$203,101.21.

2. LONG-TERM DEBT

The University's long-term indebtedness is reported in the Investment in Plant Fund. Housing's long-term debt obligations as of June 30, 2001 are as follows:

**Student Housing
Bond Series**

Series	Amount of Original Issue	Total Retired	Amount Outstanding		Maturity Date	Interest Rate
			At June 30, 2001			
			Principal	Interest		
1964	992,000.00	889,000.00	103,000.00	6,405.00	2004	3.500%
1966A	1,130,000.00	895,000.00	235,000.00	21,600.00	2006	3.000%
1966B	1,070,000.00	850,000.00	220,000.00	20,100.00	2006	3.000%
1993	17,180,000.00	2,310,000.00	14,870,000.00	9,281,895.00	2021	5.200%
2000	<u>24,400,000.00</u>	<u>0.00</u>	<u>24,400,000.00</u>	<u>23,620,787.50</u>	2030	5.400%
	<u>44,772,000.00</u>	<u>4,944,000.00</u>	<u>39,828,000.00</u>	<u>32,950,787.50</u>		

During the 2000-2001 Fiscal Year payments of Principal and interest were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
DRC OF 1964	\$ 40,000.00	\$ 5,005.00	\$ 45,005.00
DRC OF 1966-A	40,000.00	8,250.00	48,250.00
DRC OF 1966-B	40,000.00	7,800.00	47,800.00
DRC OF 1993	425,000.00	769,627.50	1,194,627.50
DRC OF 2000	<u>0.00</u>	<u>.00</u>	<u>.00</u>
TOTAL	\$ 545,000.00	\$ 790,682.50	\$ 1,335,682.50
Less:			
Cash and Investments held by SBA	<u>(3,027.60)</u>	<u>(3,027.60)</u>	
	\$ 541,972.40	\$ 787,654.90	\$ 1,332,654.90

**DORMITORY REVENUE CERTIFICATES AND OUTSTANDING BONDS
Schedule Next Five Years
June 30, 2001**

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
DRC OF 2002	40,000.00	3,605.00	43,605.00
1964 2003	46,000.00	2,205.00	48,205.00
2004	17,000.00	595.00	17,595.00
LATER YEARS	<u>00</u>	<u>00</u>	<u>00</u>
TOTAL 1964	<u>\$ 103,000.00</u>	<u>\$ 6,405.00</u>	<u>\$ 109,405.00</u>

DRC OF	2002	45,000.00	7,050.00	52,050.00
1966-A	2003	45,000.00	5,700.00	50,700.00
	2004	45,000.00	4,350.00	49,350.00
	2005	50,000.00	3,000.00	53,000.00
	2006	50,000.00	1,500.00	51,500.00
	LATER YEARS	<u>00</u>	<u>00</u>	<u>00</u>
	TOTAL 1966-A	<u>\$ 235,000.00</u>	<u>\$ 21,600.00</u>	<u>\$ 256,600.00</u>
DRC OF	2002	40,000.00	6,600.00	46,600.00
1966-B	2003	45,000.00	5,400.00	50,400.00
	2004	45,000.00	4,050.00	49,050.00
	2005	45,000.00	2,700.00	47,700.00
	2006	45,000.00	1,350.00	46,350.00
	LATER YEARS	<u>00</u>	<u>00</u>	<u>00</u>
	TOTAL 1966-B	<u>\$ 220,000.00</u>	<u>\$ 20,100.00</u>	<u>\$ 240,100.00</u>
1993 BONDS OUTSTANDING				
	2002	445,000.00	750,502.50	1,195,502.50
	2003	465,000.00	730,477.50	1,195,477.50
	2004	490,000.00	709,552.50	1,199,552.50
	2005	510,000.00	687,012.50	1,197,012.50
	2006	535,000.00	663,042.50	1,198,042.50
	LATER YEARS	<u>12,425,000.00</u>	<u>5,741,307.50</u>	<u>18,166,307.50</u>
	TOTAL 1993	<u>\$14,870,000.00</u>	<u>\$ 9,281,895.00</u>	<u>\$ 24,151,895.00</u>
2000 BONDS OUTSTANDING				
	2002	400,000.00	1,254,705.00	1,854,705.00
	2003	420,000.00	1,236,705.00	1,656,705.00
	2004	440,000.00	1,217,805.00	1,657,805.00
	2005	460,000.00	1,198,005.00	1,658,005.00
	2006	480,000.00	1,177,305.00	1,657,305.00
	LATER YEARS	<u>22,200,000.00</u>	<u>17,536,262.50</u>	<u>39,536,262.50</u>
	TOTAL 2000	<u>\$24,400,000.00</u>	<u>\$ 23,620,787.50</u>	<u>\$ 48,020,787.50</u>
GRAND TOTAL ALL				
Housing Bond issues		<u>\$ 39,828,000.00</u>	<u>\$ 32,950,787.50</u>	<u>\$ 72,778,787.50</u>

F. SUBSEQUENT EVENTS

As of July 1, 2001, the governance and organizational structure of what was formerly the State University System has changed. The agency regulating and coordinating the activities of the University is The

Florida Board of Education (formerly known as the State Board of Education), and the direct governing body of the university is the Florida Atlantic University Board of Trustees (formerly known as the Board of Regents). The Board constitutes a body corporate, and is composed of twelve (12) members appointed by the Governor and one student member. The Board of Trustees is under the general direction and control of the Commissioner of Education, the Chancellor of State Universities, and is governed by law, and rules the Florida Board of Education.

By statute, the Florida Board of Education appoints the University President. The University Board of Trustees adopts university rules and procedures and plans for the future needs of the university. The University President is responsible for the management of the university, and has the ultimate responsibility for administering policies prescribed by the Board of Trustees.