

UNIVERSITY OF VIRGINIA
STATEMENT OF NET ASSETS
As of June 30, 2002 (in thousands)

2002

ASSETS

Current assets

Cash and cash equivalents (Note 2)	\$	205,509
Short-term investments (Note 2)		205,096
Accounts receivable, net (Note 3a)		155,939
Prepaid expenses		6,940
Inventories		13,246
Notes receivable, net		4,712
Other		3

Total current assets **591,445**

Non-current assets

Restricted cash and cash equivalents (Note 2)	30,171
Endowment investments (Notes 1, 2)	1,801,066
Other long-term investments (Note 2)	220,502
Deposit with bond trustee	8,881
Appropriations available for plant	31,927
Notes receivable, net	22,263
Pledges receivable, net	30,529
Capital assets, net (Note 3e)	1,198,072
Goodwill (Note 3f)	1,983
Other	429

Total non-current assets **3,345,823**

Total assets **\$ 3,937,268**

LIABILITIES

Current liabilities

Accounts payable and accrued liabilities	\$	122,007
Deferred revenue		57,690
Obligations under securities lending (Note 2)		3,853
Deposits held in custody for others		133,744
Long-term liabilities, current portion (Note 4)		53,151
Advance from Treasurer of Virginia		321

Total current liabilities **370,766**

Non-current liabilities (Note 4)

Long-term debt	318,967
Other non-current liabilities	20,639

Total non-current liabilities **339,606**

Total liabilities **\$ 710,372**

NET ASSETS

Invested in capital assets, net of related debt \$ 868,783

Restricted:

Non-expendable	282,440
Expendable	1,201,241

Unrestricted 874,432

Total net assets **\$ 3,226,896**

UNIVERSITY OF VIRGINIA
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 For the year ended June 30, 2002 (in thousands)

2002

REVENUES

Operating revenues

Student tuition and fees (net of scholarship allowances of \$34,115,874)	\$ 177,913
Patient services (net of charity care of \$250,689,581)	568,372
Federal grants and contracts	210,624
State and local grants and contracts	7,632
Non-governmental grants and contracts	43,558
Sales and services of educational departments	21,464
Auxiliary enterprises revenue (net of scholarship allowances of \$5,398,179)	77,070
Other operating revenues	10,374
Total operating revenues	1,117,007

EXPENSES

Operating expenses (Note 8)

Compensation and benefits	796,959
Supplies and other services	426,501
Student aid	34,156
Utilities	56,227
Depreciation	98,628
Other	22,522
Total operating expenses	1,434,993
Operating income (loss)	(317,986)

NON-OPERATING REVENUES (EXPENSES)

State appropriations (Note 7)	176,177
Payments from Commonwealth for indigent care	21,195
Gifts	65,016
Investment income	26,975
Interest on capital asset-related debt	(12,038)
Losses on affiliated company sold	(12,113)
Other non-operating revenues (expenses)	(935)
Net non-operating revenues	264,277
Income before other revenues, expenses, gains, or losses	(53,709)
Capital appropriations	16,595
Capital grants and gifts	11,509
Additions to permanent endowments	63,701
Total other revenues	91,805
Increase in net assets	38,096

NET ASSETS

Net assets—beginning of year	3,188,800
Net assets—end of year	\$ 3,226,896

UNIVERSITY OF VIRGINIA
STATEMENT OF CASH FLOWS
For the year ended June 30, 2002 (in thousands)

2002

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	\$ 176,115
Grants and contracts	265,354
Receipts from patients and third parties	535,901
Sales and services of educational activities	21,339
Sales and services of auxiliary enterprises	76,545
Payments to employees and fringe benefits	(783,610)
Payments to vendors and suppliers	(469,399)
Payments for student aid	(34,165)
Loans issued to students	(6,794)
Collection of loans to students	6,531
Other receipts (payments)	20,502
Net cash used by operating activities	(191,681)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State appropriations	172,958
Payments from Commonwealth for indigent care	21,195
Additions to true endowments	63,701
Direct lending receipts, including PLUS	52,441
Direct lending payments, including PLUS	(52,441)
Receipts on behalf of agencies	71,244
Payments on behalf of agencies	(65,210)
Non-capital gifts and grants and endowments received	48,219
Other	2,104
Net cash provided by non-capital financing activities	314,211
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital appropriations	10,086
Capital gifts and grants received	14,756
Proceeds from capital debt	4,923
Proceeds from sale of capital assets	3,267
Acquisition and construction of capital assets	(188,184)
Principal paid on capital debt and leases	(19,685)
Interest paid on capital debt and leases	(12,038)
Reduction in deposit with trustee	26,803
Net cash used by capital and related financing activities	(160,072)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	2,307,116
Interest on investments	57,816
Purchase of investments and related fees	(2,309,543)
Other investment activities	1,566
Net cash provided by investing activities	56,955
Net increase in cash and cash equivalents	19,413
Cash and cash equivalents, July 1	216,267
Cash and cash equivalents, June 30	\$ 235,680
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (317,986)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	98,628
Provision for uncollectible loans and writeoffs	239
Miscellaneous non-operating income	(315)
Changes in assets and liabilities:	
Receivables, net	(4,660)
Inventories	(778)
Prepaid expenses	(1,028)
Notes receivable, net	(1,218)
Accounts payable and accrued liabilities	17,915
Non-cash adjustment to supplies and services	8,876
Deferred revenue	4,801
Accrued vacation leave—long term	3,876
Accrued vacation leave—current	(31)
Total adjustments	126,305
Net cash used by operating activities	\$ (191,681)
Non-cash investing, capital, and financing activities:	
Assets acquired through assumption of a liability	8,799
Assets acquired through a gift	18,317
Change in fair value of investments	(81,095)
Increase in receivables related to non-operating income	68