

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

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A copy of each of the above schedules must be maintained at the institution.

Final sign-off by institutions - October 5

Delivery of component unit financial statements – October 1

**Delivery of elimination entry for component unit transactions
with institution – October 1**

Final sign-off / send final statements and notes to State – October 10

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|---|--------------------|
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Significant changes for the year ended June 30, 2008:

1. Provide May 2008 cash balances per RSTARS (Schedule A). This is to facilitate recalculation of Investment Income earned on cash balances maintained with the State Treasurer. In subsequent years, the schedule will require institutions to provide institution-wide totals of cash held by the state treasurer for each interim month-end, from July through May.
2. Accounts receivable template (Schedule G1) detailing the aging of each general accounts receivable category in terms of either days outstanding, or term or academic session for which the charges are associated.
3. Each institution should provide to the System Office the adjustment related to changing calculation of accounts receivable for amounts transferred to State Central Collection Unit to net realizable value per CCU (G1 & P)
4. FY08 State appropriation will not be adjusted to include FY07 and FY08 health insurance adjustments. Per GAD, FY08 Health care repayments adjustments should be reflected as an expense.
5. USM will provide payroll calendar to ensure proper accrual of benefits.
6. Provide DUNS numbers associated with Federal contracts & grants on Schedule N. This information is required as part of the annual State-wide submission of the Federal Single Audit process. It is also provided to the Federal Clearinghouse.
7. Accounting for System-wide debt – transitional year for recording System-wide debt transactions. System Office will prepare summary journal entry for FY 08, while migrating to methodology in document ‘System-wide debt financing arrangements accounting guide’.
8. The requirements for the financial statements now include providing the report used from the accounting system(s) as the starting point for the preparation process, and the trial balance used to post adjustments (if applicable) supporting the final, submitted financial statements.
9. Report on Transfers of Accounts Receivable to State Central Collection Unit is now a routine facet of annual financial reporting and interim financial reporting at 12/31. This is now Schedule P (page 43-44)

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
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Basic Financial Statements

Purpose: To allow preparation of the University System of Maryland's annual general-purpose external financial statements to be audited by Abrams, Foster, Noles and Williams.

Format: A complete set of working financial statements in GAAP presentation format. **The System Office will provide journal entries to record activity associated with System-wide financing arrangements, as well as endowment fund activity, by August 15. Ending balances, categorized as they should appear on the balance sheet, will also be provided, and need to be verified by the institution after posting the journal entries.**

Transfers of debt service to USM Office should be reconciled by each institution to the amounts found, by institution, on page 43.

The report(s) generated from the accounting system(s) as the starting point for the financial statement preparation process, plus the trial balance reflecting those balances and showing the adjustments applied to arrive at the submitted financial statements, need to be submitted to the System Office. The adjustments made to the accounting system balances to arrive at the submitted financial statements are also to be submitted.

An illustrative set of financial statements follows. The financial statements submitted must conform to the display format of the illustrative set of financial statements. Note that only the Balance Sheet and the Statement of Activities is due at the System Office on August 29. The Statement of Cash Flows is due on September 12, along with a revised (with any adjustments identified after August 29 and before September 12) Balance Sheet and Statement of Activities.

Comments: A variety of relationships **must** be verified prior to transmitting the working financial statements to System Office. These relationships and conditions must be established prior to sending of the financial statements to USM Office. These relationships and conditions are detailed on the accompanying listing labeled "Financial Reporting Information Review Checklist".

After sending the basic financial statements to System Office on August 29, all additional adjustments will be treated as audit adjustments and must be relayed to System Office. This enables both the Independent Auditors, and the System Office to remain informed about all changes to the financial statements once they have been submitted and eliminates the need for wholesale re-input of basic financial statement data.

**INSTITUTION X
BALANCE SHEET
JUNE 30, 2008**

ASSETS

| | |
|---|------------------------|
| Current assets | |
| Cash and cash equivalents | \$457,392,392 |
| Investments | 2,510,684 |
| Accounts receivable (net of allowance for doubtful accounts of \$7,811,208) | 158,369,245 |
| Notes receivable (net of allowance for doubtful notes of \$21,121,565) | 6,807,085 |
| Inventories | 9,354,974 |
| Prepaid expenses | 6,676,135 |
| Deferred charges | 200,000 |
| Inter-institutional balances | (1,500,000) |
| | <hr/> |
| Total current assets | 639,810,515 |
| Non-current assets | |
| Restricted cash and cash equivalents | 119,284,474 |
| Endowment investments | 224,235,057 |
| Other investments | 7,518,778 |
| Notes receivable (net of allowance for doubtful notes of \$21,121,565) | 60,000,000 |
| Capital assets, net | 1,797,185,266 |
| | <hr/> |
| Total non-current assets | 2,208,223,575 |
| | <hr/> |
| Total assets | \$2,848,034,090 |

LIABILITIES AND NET ASSETS

| | |
|---|------------------------|
| Current liabilities: | |
| Accounts payable and accrued liabilities | \$190,923,700 |
| Accrued workers' compensation, current portion | 1,038,000 |
| Accrued vacation costs, current portion | 3,000,000 |
| Revenue bonds, current portion | 40,630,858 |
| Notes payable and other long-term debt, current portion | 996,270 |
| Obligations under capital lease agreements, current portion | 229,310 |
| Deferred revenue | 37,434,974 |
| | <hr/> |
| Total current liabilities | 274,253,112 |
| Non-current liabilities: | |
| Accrued workers' compensation | 18,735,000 |
| Accrued vacation costs | 95,514,158 |
| Revenue bonds | 681,676,185 |
| Notes payable and other long-term debt | 73,869,012 |
| Obligations under capital lease agreements | 5,282,877 |
| | <hr/> |
| Total non-current liabilities | 875,077,232 |
| | <hr/> |
| Total liabilities | 1,149,330,344 |
| Net assets: | |
| Unrestricted net assets | 282,884,843 |
| Invested in capital assets, net | 994,500,754 |
| Restricted: | |
| Nonexpendable: | |
| Scholarships and fellowships | 57,397,179 |
| Research | 57,397,179 |
| Other | 57,397,179 |
| Expendable: | |
| Scholarships and fellowships | 42,692,920 |
| Research | 30,985,485 |
| Loans | 55,164,492 |
| Capital projects | 117,283,715 |
| Other | 3,000,000 |
| | <hr/> |
| Total net assets | 1,698,703,746 |
| | <hr/> |
| Total liabilities and net assets | \$2,848,034,090 |

INSTITUTION X
STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2008

Operating revenues:

| | | |
|---|---------------|---------------|
| Tuition and fees | \$600,118,301 | |
| Less: Scholarship allowances | (80,000,000) | \$520,118,301 |
| Federal grants and contracts | | 389,564,670 |
| State and local grants and contracts | | 137,016,980 |
| Nongovernmental grants and contracts | | 131,917,437 |
| Sales and services of educational departments | | 106,212,383 |
| Residential facilities | 75,000,000 | |
| Less: Scholarship allowances | (25,000,000) | 50,000,000 |
| Dining Facilities | 30,000,000 | |
| Less: Scholarship allowances | (4,000,000) | 26,000,000 |
| Intercollegiate athletics | 25,000,000 | |
| Less: Scholarship allowances | (4,500,000) | 20,500,000 |
| Bookstore | 25,000,000 | |
| Less: Scholarship allowances | (11,000,000) | 14,000,000 |
| Parking facilities | 35,000,000 | |
| Less: Scholarship allowances | (500,000) | 34,500,000 |
| Other auxiliary enterprises revenues | 115,518,632 | |
| Less: Scholarship allowances | (5,000,000) | 110,518,632 |
| Other operating revenues | | 33,585,952 |

Total operating revenues 1,573,934,355

Operating expenses:

| | | |
|--------------------------------------|------------|-------------|
| Instruction | | 775,773,428 |
| Research | | 504,915,977 |
| Public service | | 135,606,106 |
| Academic support | | 199,871,680 |
| Student services | | 94,850,572 |
| Institutional support | | 254,780,714 |
| Operation and maintenance of plant | | 185,413,047 |
| Scholarships and fellowships | | 9,020,261 |
| Auxiliary enterprises: | | |
| Residential Facilities | 64,717,362 | |
| Dining Facilities | 21,554,454 | |
| Intercollegiate athletics | 40,000,000 | |
| Bookstore | 31,567,954 | |
| Parking Facilities | 63,135,908 | |
| Other auxiliary enterprises revenues | 21,567,954 | 242,543,632 |
| Hospital | | 38,168,113 |

Total operating expenditures 2,440,943,530

Operating income (867,009,175)

Nonoperating revenues (expenses):

| | | |
|--|------------|--------------|
| State appropriations | | 798,692,408 |
| Gifts | | 15,000,000 |
| Investment income | 70,999,268 | |
| Less: Investment expense | (825,127) | 70,174,141 |
| Interest on indebtedness | | (40,580,478) |
| Other nonoperating revenues (expenses) | | 6,458,248 |
| Transfers to / from other USM institutions | | (1,325,000) |

Total nonoperating revenues (expenses) 848,419,319

Income before other revenues, expenses, gains and losses (18,589,856)

Other revenues, expenses, gains and losses:

| | | |
|-----------------------------------|--|-------------|
| Capital appropriations | | 100,298,757 |
| Capital gifts and grants | | 15,673,280 |
| Additions to permanent endowments | | 671,337 |
| Other gains and losses | | (1,313,148) |

Total other revenues, expenses, gains and losses: 115,330,226

Increase in net assets 96,740,370

NET ASSETS, June 30, 2007 1,601,963,376

NET ASSETS, June 30, 2008 \$1,698,703,746

**INSTITUTION X
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|----------------------|
| Tuition and fees | \$531,118,301 |
| Research contracts and grants | 696,151,282 |
| Payments to employees | (1,847,835,611) |
| Payments to suppliers and contractors | (457,107,919) |
| Loans issued to students | (18,094,368) |
| Collections of loans to students | 16,147,334 |
| Auxiliary enterprises charges: | |
| Residence halls | 75,000,000 |
| Dining facilities | 25,000,000 |
| Intercollegiate athletics | 50,000,000 |
| Bookstores | 14,000,000 |
| Parking | 34,500,000 |
| Other | 36,018,632 |
| Other receipts (payments) | <u>158,393,763</u> |
| Net cash provided (used) by operations | <u>(686,708,586)</u> |

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

| | |
|--|--------------------|
| State appropriations | 798,692,408 |
| Gifts and grants received for other than capital purposes: | |
| Private gifts for endowment purposes | 671,337 |
| Other nonoperating gains and losses | <u>13,861,852</u> |
| Net cash provided by noncapital financing activities | <u>813,225,597</u> |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|---|---------------------|
| Proceeds from capital debt | 183,295,880 |
| Capital appropriations | 100,298,757 |
| Capital grants and gifts received | 6,923,280 |
| Proceeds from sales of capital assets | |
| Purchases of capital assets | (302,589,486) |
| Principal paid on debt and capital leases | (36,743,454) |
| Interest paid on debt and capital leases | (18,122,230) |
| Transfers (to) from other USM Institutions | <u>(1,250,000)</u> |
| Net cash provided by capital and related financing activities | <u>(68,187,253)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|-----------------------------|
| Proceeds from sales and maturities of investments | 160,000,000 |
| Interest on investments | 65,893,932 |
| Investment expense | (825,127) |
| Purchases of investments | <u>(187,518,778)</u> |
| Net cash provided by investing activities | <u>37,550,027</u> |
| Net increase in cash | 95,879,785 |
| Cash and cash equivalents - beginning of year | <u>480,797,081</u> |
| Cash and cash equivalents - end of year | <u><u>\$576,676,866</u></u> |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
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Analysis of cash and cash equivalents - Schedules A & A1

Purpose: To identify the components of the balances reflected in the financial statements for Cash and Cash Equivalents so that required disclosures associated with Cash and Investments presented in the notes to the financial statements may be prepared.

Format: This information requirement consists of 2 separate analyses; a composition of Cash and Cash Equivalents as presented on the financial statements, and a reconciliation of cash recorded in the institutions financial accounting system as being held by the State Treasurer to the RSTARS cash balance.

Schedule A is to include the Cash held at USM Office / trustee associated with the System-wide financing arrangements. Please display these separately so that it is possible to compile these amounts System-wide. The classification of these amounts, as restricted cash and cash equivalents, or merely cash and cash equivalents, will be done at the System Office as an audit adjustment. The Cash held at USM Office/trustee should be classified as Cash and cash equivalents in what is sent to the USM Office.

Institutions and units processing transactions through USM System Control at UMCP are not required to prepare the reconciliation of FRS cash to the RSTARS cash balance (Schedule A1).

Schedule A - Composition of Cash and Cash Equivalents details the components of the Balance Sheet items Cash and Cash Equivalents. An illustrative schedule is included for your use in formatting the schedule for your institution or component center. It is important that the totals agree with the amounts reported on the Balance Sheet.

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Analysis of cash and cash equivalents- Schedules A & A1 (cont.)

Additionally, a reconciliation is needed which details the differences between cash as recorded in FRS and cash as shown on RSTARS report DAFRG100. An illustrative schedule, labeled "Schedule A1 - Reconciliation of Cash recorded in FRS with the amount reflected in RSTARS", which presents the required information in the format desired, follows, for your use in formatting the schedule for your institution or component center. Institutions utilizing System Control at UMCP for processing of cash transactions will have the requirements for schedule A1 satisfied by central accounting at UMCP.

Lastly, the May institution-wide cash balance for funds held by the State Treasurer is to be reported on Schedule A.

Comments: Any adjustments to Cash and Cash Equivalents arising subsequent to transmittal of the above information to USM Office must be communicated to USM Office as soon as they are agreed to by the independent auditors.

The objectives of the schedules in this section are to (1) be able to adequately describe the components of Cash and Cash Equivalents as shown on the Balance Sheet (Schedule A), and (2) reconcile the amounts reported for Cash on hand with the state treasurer as reported in the institution's Balance Sheet, to the balances reported by the State (Schedule A1).

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
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INSTITUTION _____ Name of institution/component center
 PREPARER _____ Preparer's name
 PHONE NUMBER _____ (301) 123-4567

SCHEDULE A - COMPOSITION OF CASH AND CASH EQUIVALENTS

| <u>DESCRIPTION</u> | <u>Current Cash</u> | <u>Non-Current Cash</u> |
|--|---------------------|-------------------------|
| Cash on hand with the state treas. | 456,927,392 | |
| Maryland Nat'l Bank (working fund account # 123-45-678) | - | |
| Maryland Nat'l Bank (ICA working fund account # 234-56-789) | 50,000 | |
| Maryland Nat'l Bank (grad. apartments account # 345-67-890) | - | |
| Maryland Nat'l Bank (SGA working fund account # 456-78-901) | 150,000 | |
| London Bank (study abroad office account # 987-65-432) | - | |
| Wachovia Nat'l Bank (loan collection account # 567-89-0123) | 50,000 | |
| System-wide Financing Arrangements - Trustee/ USM | - | |
| Endowment Cash - Trustee/USM | 15,000 | 117,283,715 |
| | | 2,000,759 |
| | | |
| FINANCIAL STATEMENT TOTALS - CASH AND CASH EQUIVALENTS | <u>457,392,392</u> | <u>119,284,474</u> |

University System of Maryland Total Cash Held With The State Treasurer - May 2008

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
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INSTITUTION _____ Name of institution/component center

PREPARER _____ Preparer's name

PHONE NUMBER _____ (301) 123-4567

SCHEDULE A1 - RECONCILIATION OF CASH ON HAND WITH THE STATE TREASURER
TO AMOUNT REFLECTED IN RSTARS

| <u>DESCRIPTION</u> | <u>Current</u> |
|---|-------------------------------|
| Cash on hand per financial accounting records | 371,267,392 |
| Adjustments to accounting not reflected in RSTARS : | |
| Payroll #26 | 52,280,000 |
| Payroll #27 | 6,380,000 |
| Vouchers payable | 27,000,000 |
| ICA Investments | |
| Other | |
| Total cash on hand with state treas. per RSTARS Report DAFRG100 | <u><u>456,927,392</u></u> |

**UNIVERSITY SYSTEM OF MARYLAND
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Information on cash balances - Schedule B

Purpose: To allow accumulation of information concerning cash balances as required by GASB Statement #3.

Format: Each item detailed in the composition of the Cash and Cash Equivalents should be listed, **other than**: 1) cash and short-term investments on hand with the state treasurer, 2) cash reflected in the Endowment Funds, and 3) cash held in trust funds associated with revenue bonds. For each item listed, the following information is required:

- a) The amount recorded for the item in the financial statements.
- b) The bank balances or cash balance as of 6/30/08.
- c) The extent (amount) to which the bank/cash balance is insured, if any, and the party providing the insurance (FDIC, for e.g.).
- d) The extent to which the bank/cash balance is collateralized, if any, and a description of the collateral.

An illustrative schedule, labeled "Schedule B - Information on Cash Balances", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

Comments: This information is essential to preparation of the notes to the financial statements, which describe the risk characteristics of the System's cash and investments.

All accounts set up through the State treasurer's procedures are fully insured and collateralized.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
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INSTITUTION Name of institution/component center

PREPARER Preparer's name

PHONE NUMBER (301) 123-4567

**SCHEDULE B - INFORMATION ON CASH BALANCES (cash accounts other than "Cash on hand with the State Treasurer",
Endowment Fund cash accounts, and cash accounts associated with Revenue Bonds)**

| <u>DESCRIPTION</u> | <u>AMOUNTS INCLUDED ON FINANCIAL STATEMENTS AS OF 6/30/08 (SCHEDULE A)</u> | <u>AMOUNTS REPORTED BY BANK/CUSTODIAN AS OF 6/30/08</u> | <u>EXTENT TO WHICH 6/30/08 AMOUNTS REPORTED BY BANK/CUSTODIAN ARE INSURED AND/OR COLLATERALIZED</u> | <u>TYPE OF INSURANCE OR COLLATERALIZATION</u> |
|---|--|---|---|---|
| Maryland Nat'l Bank (working fund account # 123-45-678) | 50,000 | 98,125 | 98,125 | FDIC |
| Maryland Nat'l Bank (ICA working fund account # 234-56-789) | 150,000 | 115,125 | 115,125 | FDIC (100,000), U.S. Treasury securities held by bank in the name of the institution for the amount of the balance in excess of 100,000 |
| Maryland Nat'l Bank (grad. apart. account # 345-67-890) | 150,000 | 189,001 | 100,000 | FDIC |
| Maryland Nat'l Bank (SGA working fund account # 456-78-901) | 50,000 | 15,462 | 15,462 | FDIC |
| London Bank (study abroad office account # 987-65-432) | 50,000 | 65,453 | 65,453 | Collateral arrangement with London Bank under which the bank maintains British govt notes as collateral in an amount equal to the account balance. Securities are held in the bank's name for the benefit of the institution. |
| Wachovia Nat'l Bank (loan collection account # 567-89-0123) | 15,000 | 50,557 | 50,557 | FDIC |
| TOTALS | 465,000 | 533,723 | | |

**UNIVERSITY SYSTEM OF MARYLAND
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Summary of Changes in Capital Assets - Schedule C

- Purpose:** To summarize the additions and deletions of capital assets by major category for the preparation of the financial statements, and to provide the breakdown of ending balance in capital assets for the notes to the financial statements.
- Format:** An illustrative schedule, labeled "Schedule C - Summary of Changes in Capital Assets", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.
- Comments:** The balances reflected on Schedule C as of July 1, 2007 and June 30, 2008, must agree with the amounts reported on the audited financial statements as of June 30, 2007, and the working financial statements submitted to USM Office for June 30, 2008, respectively.

A detail of "Transfers (to) / from other USM institutions" must accompany Schedule C to facilitate the matching of cross-institutional transactions. Information needed includes 1) the institution with which the transfer took place, 2) a description of the asset(s) transferred, 3) the date of the transfer, and 4) the amount reflected on Schedule C for the transfer.

Adjustments for additions to construction in progress and other components arising from activity in the trust funds associated with the System-wide financing arrangements will be determined by each individual institution. The combined journal entry summarizing System-wide financing activity will merely reflect the total of project cost disbursements. **Institutions are responsible for determining (1) the portion of project cost disbursements that must be capitalized, or expensed, and (2) the amount of capitalized interest, if appropriate, that is to be added to the capitalized asset.**

Supporting detailed schedules for each of the components of 'Capital Assets and related Accumulated Depreciation' must be maintained for use by the independent auditors for their use during audit fieldwork.

INSTITUTION Name of institution/component center
 PREPARER Preparer's name
 PHONE NUMBER (301) 123-4567

SCHEDULE C - SUMMARY OF CHANGES IN CAPITAL ASSETS

| | LAND | INFRASTRUCTURE & IMPROVEMENTS | BUILDINGS & IMPROVEMENTS | EQUIPMENT | CONSTRUCTION IN PROGRESS | LIBRARY BOOKS | WORKS OF ART | TOTAL |
|--|------------|-------------------------------|--------------------------|--------------|--------------------------|---------------|--------------|---------------|
| Capital Assets | | | | | | | | |
| Balances, July 1, 2007 | 50,198,418 | 148,752,584 | 1,133,150,837 | 282,161,818 | 166,294,489 | | | 1,780,558,146 |
| Additions | 715,001 | 7,328,416 | 24,150,147 | 59,620,368 | 210,775,554 | | | 302,589,486 |
| Donations | | | | 10,000,000 | | | | 10,000,000 |
| Transfers from construction in progress | | 10,782,479 | 132,484,981 | | (143,267,460) | | | |
| Transfers (to)/from other USM institutions | | | | | | | | |
| Transfer from other category | | | | (61,500,000) | | 60,000,000 | 1,500,000 | |
| Disposals | (4) | | (22,809,161) | (33,179,244) | (726,747) | | | (56,715,156) |
| Balances, June 30, 2008 | 50,913,415 | 166,863,479 | 1,266,976,804 | 257,102,942 | 233,075,836 | 60,000,000 | 1,500,000 | 2,036,432,476 |
| Capital Assets not being depreciated (included balance above) | 50,913,415 | | | | 233,075,836 | 6,000,000 | 1,000,000 | 290,989,251 |
| Accumulated Depreciation | | | | | | | | |
| Balances, July 1, 2007 (opening balance adjustment) | | 4,800,000 | 5,000,000 | 103,930,974 | | 8,000,000 | 50,000 | 121,780,974 |
| Depreciation Expense | | 7,364,000 | 111,314,300 | 15,301,700 | | 2,000,000 | 20,000 | 136,000,000 |
| Transfers (to)/from other USM institutions | | | | | | | | |
| Disposals | | | (10,000,000) | (8,533,764) | | | | (18,533,764) |
| Balances, June 30, 2008 | 12,164,000 | 106,314,300 | 110,698,910 | | | 10,000,000 | 70,000 | 239,247,210 |
| Capital Assets, net | | | | | | | | 1,797,185,266 |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Expense Crosswalk - Schedule D

Purpose: To classify program expenses into object expense categories for financial statement disclosure, and to assist in the preparation of the Statement of Cash Flows.

Format: Complete the Expense Crosswalk by detailing program expenses into the following categories:

1. Payments to employees and employee benefits
2. Payments to vendors, contractors, and other
3. Depreciation

An illustrative schedule, labeled "Schedule D – Expense Crosswalk", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

Comments: Total expense column per the Expense Crosswalk should agree to Total Operating Expenses per the Statement of Activities.

The total program expense line items per the Expense Crosswalk should agree to individual program expenses per the Statement of Activities.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION _____ Name of institution/component center

PREPARER _____ Preparer's name

PHONE _____ (301) 123-4567

SCHEDULE D - EXPENSE CROSSWALK

| | Payments to Employees | Payments to Suppliers and Contractors | Depreciation | Total |
|--------------------------------------|----------------------------------|--|---------------------|----------------------|
| Instruction | 587,911,000 | 139,627,390 | 48,235,038 | 775,773,428 |
| Research | 380,867,000 | 95,216,977 | 28,832,000 | 504,915,977 |
| Public service | 102,283,000 | 25,571,106 | 7,752,000 | 135,606,106 |
| Academic support | 150,758,000 | 37,689,680 | 11,424,000 | 199,871,680 |
| Student services | 71,637,000 | 17,909,572 | 5,304,000 | 94,850,572 |
| Institutional support | 192,183,000 | 48,045,714 | 14,552,000 | 254,780,714 |
| Operation and maintenance of plant | 141,802,000 | 35,451,047 | 8,160,000 | 185,413,047 |
| Scholarships and fellowships | 500,000 | 8,520,261 | | 9,020,261 |
| Auxiliary enterprises | | | | |
| Residential facilities | 54,251,000 | 9,258,362 | 1,208,000 | 64,717,362 |
| Dining facilities | 11,000,000 | 8,554,454 | 2,000,000 | 21,554,454 |
| Intercollegiate athletics | 30,000,000 | 6,000,000 | 4,000,000 | 40,000,000 |
| Bookstore | 26,462,653 | 4,516,061 | 589,240 | 31,567,954 |
| Parking facilities | 52,925,305 | 9,032,122 | 1,178,481 | 63,135,908 |
| Other auxiliary enterprises revenues | 16,462,653 | 4,516,061 | 589,240 | 21,567,954 |
| Hospital | 28,793,000 | 7,199,113 | 2,176,000 | 38,168,113 |
| Total | 1,847,835,611 | 457,107,919 | 136,000,000 | 2,440,943,530 |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of Notes Payable & Other Long-term Debt - Schedule E

Purpose: To provide information necessary to properly classify and distinguish long-term debt and provide the necessary disclosure information.

Format: The information required for each obligation in the composition of Notes Payable & Other Long-term Debt is as follows:

- a) description of property or equipment securing the debt obligation AND it's recorded value, if the property or equipment secures the obligation
- b) maturity date of obligation
- c) payment terms (amount, and frequency)
- d) interest rate(s)
- e) the total of debt service payments made during the fiscal year ended June 30, 2008
- f) the interest portion of debt service payments made during the year ended June 30, 2008 (**note: the total debt service payments made less the interest portion plus the principal amount of debt issued during the year should yield the change in principal during the year**)
- g) principal balance outstanding at June 30, 2008
- h) debt service payment obligations for each of the next five fiscal years for both principal and interest
- i) any significant terms of the debt agreements which could possibly have disclosure relevance (if you are not sure about a particular term, please present it)

Provide totals for (e), (f), (g), and (h).

An illustrative schedule, labeled "Schedule E - Information on Notes Payable & Other Long-term Debt", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

Comments: All current System-wide financing arrangements should be EXCLUDED from Schedule E. This includes all issues of Revenue Bonds, Equipment Loan Program Obligations, and Revolving Equipment Loan Program Obligations.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2007

INSTITUTION _____ Name of institution/component center
PREPARER _____ Preparer's name
PHONE NUMBER (301) 123-4567

SCHEDULE F - INFORMATION ON NOTES PAYABLE INCLUDING THE EQUIPMENT LOAN PROGRAM & OTHER DEBT

| MATURE DATE OF DEBT | PROPERTY PURCHASED | COST OF PROPERTY (ONLY IF SECURED) | PREO OF PAYMENT (M/MON) | ANNUAL TOTAL OF PAYMENTS | INTEREST PORTION OF PAYMENTS MADE IN FY08 | PRINCIPAL BALANCE REMAINING | TOTAL FUTURE MINIMUM PRINCIPAL AND INTEREST PAYMENTS | | | | | | | | | | | |
|--|---------------------|------------------------------------|-------------------------|--------------------------|---|-----------------------------|--|---------|---------|---------|---------|---------------|-----------|-----------|-----------|-----------|-----------|----------|
| | | | | | | | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014-FY2018 | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST |
| Jun-2010 | Chilens | 5,040,000 | 6.06% S | 970,283 | 757,727 | 112,556 | 1,405,968 | 583,455 | 73,617 | 32,367 | 240,363 | 301,921 | 244,787 | 1,907,702 | 915,293 | 1,646,050 | 181,750 | |
| Jun-2010 | Lighting & fixtures | 4,383,566 | 6.63% S | 149,686 | 131,888 | 25,000 | 3,533,530 | 250,790 | 249,928 | 253,728 | 262,539 | 301,921 | 244,787 | 1,907,702 | 915,293 | 1,646,050 | 181,750 | |
| Apr-2012 | Lighting & fixtures | 4,383,566 | 6.63% S | 156,689 | 131,888 | 25,000 | 3,533,530 | 250,790 | 249,928 | 253,728 | 262,539 | 301,921 | 244,787 | 1,907,702 | 915,293 | 1,646,050 | 181,750 | |
| TOTAL - MEA OBLIGATIONS | | | | | | | 6,363,490 | 896,270 | 307,095 | 315,864 | 354,946 | 259,787 | 2,013,802 | 826,283 | 1,646,050 | 181,750 | | |
| REVOLVING LOAN PROGRAM OBLIGATIONS | | | | | | | 59,451,732 | | | | | | | | | | | |
| TOTAL NOTES PAYABLE AND OTHER LONG-TERM DEBT | | | | | | | 74,695,282 | | | | | | | | | | | |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Analysis of deferred charges and deferred revenue - Schedule F

Purpose: To provide a summary composition of the Balance Sheet items Deferred Charges, an asset, and Deferred Revenue, a liability. This information enables the System to compile an aggregated composition of these Balance Sheet items for use by external constituencies, independent auditors, as well as System Office staff.

Format: A schedule which presents the detail of the components that make up the asset Deferred Charges, and the liability Deferred Revenue.

At a practical or theoretical level, Deferred Charges should include (1) expenses incurred or paid prior to the Balance Sheet date that relate to a revenue-producing activity, such as summer instructional sessions, or (2) assets that are being amortized over a period of time to expense. These should be distinguished from other types of operational expenses which are merely paid in advance of the Balance Sheet date, which should be classified as Prepaid Expenses. It should be clear that the distinction between Prepaid Expense, and Deferred Charge, is one in which judgment is an integral part of the classification process.

Deferred Revenue includes amounts collected for instructional sessions that span more than one fiscal year, contract and grant amounts treated as exchange transactions that have been received in advance and are not fully expended, and amounts received associated with other types of multi-year activities, such as amounts received under naming rights, or exclusive-provider arrangements.

It is expected that supporting schedules and documentation for all amounts included in these Balance Sheet items be ready and available for use by the independent auditors. The amount reported for Deferred Revenue for instructional sessions that span more than one fiscal year agree with the analysis in Schedule M showing the computation of summer school revenue recognized and deferred.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION _____ Name of institution/component center

PREPARER _____ Preparer's name

PHONE NUMBER _____ (301) 123-4567

SCHEDULE F - ANALYSIS OF DEFERRED CHARGES AND REVENUE

| <u>DEFERRED CHARGES</u> | |
|--------------------------------|----------------|
| Summer School | 200,000 |
| Other (Provide description) | _____ |
| Total Deferred Charges | <u>200,000</u> |

| <u>DEFERRED REVENUE</u> | |
|--|-------------------|
| Contracts & Grants (supporting schedule available) | 15,000,000 |
| Summer School | 22,434,974 |
| Other - (provide description) | _____ |
| Total Deferred Revenue | <u>37,434,974</u> |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Detail of Accounts Receivable and Accounts Payable - Schedule G

Purpose: This schedule provides the necessary detail of accounts receivable and accounts payable necessary for financial statement disclosure.

Format: A schedule is required to detail accounts and notes receivable and accounts payable by:

Accounts Receivable

Tuition and fees
Auxiliary enterprises
Contracts and grants
Due from Affiliated Foundation
Other
Less allowance for doubtful accounts

Accounts Payable

Personnel costs (including payroll & related benefits)
Vendors
Accrued interest payable
Due to Affiliated Foundation
Other

Notes Receivable

Student loans/Perkins Loans
Health Professions
Nursing
Private
Institutionally funded loan programs
Business development notes
Other, please describe _____

Less allowance for doubtful accounts

An illustrative schedule, labeled "Schedule G – Detail of Accounts Receivable and Accounts Payable", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

Accounts Payable associated with Restricted Fund activities should be recorded, with corresponding amounts recorded for Accounts Receivable (if cost-reimbursable) and Revenue.

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
YEAR ENDED JUNE 30, 2008**

**SCHEDULE G - DETAIL OF ACCOUNTS RECEIVABLE, NOTES RECEIVABLE
& ACCOUNTS PAYABLE**

INSTITUTION _____

PREPARER _____

PHONE NUMBER _____

| <u>ACCOUNTS RECEIVABLE</u> | Accounts Receivable, Gross | Allowance | Accounts Receivable, Net |
|-----------------------------------|---------------------------------------|--------------------|-------------------------------------|
| Tuition and fees | 101,185,026 | (6,811,208) | 94,373,818 |
| Auxiliary enterprises | 25,570,000 | | 25,570,000 |
| Contracts and grants | 25,125,000 | (1,000,000) | 24,125,000 |
| Due from affiliated foundation | 700,000 | | 700,000 |
| Other | 13,600,427 | | 13,600,427 |
| Total accounts receivable | 166,180,453 | (7,811,208) | 158,369,245 |

| <u>NOTES RECEIVABLE</u> | Notes Receivable, Gross | Allowance | Notes Receivable, Net |
|--------------------------------------|------------------------------------|---------------------|----------------------------------|
| Student loans/Perkins Loans | 59,732,944 | (20,121,565) | 39,611,379 |
| Health Professions | 11,030,104 | | 11,030,104 |
| Nursing | 1,728,277 | | 1,728,277 |
| Private | 1,683,183 | | 1,683,183 |
| Institutionally funded loan programs | 455,629 | | 455,629 |
| Business development notes | 13,298,513 | (1,000,000) | 12,298,513 |
| Other, please describe _____ | | | |
| Total notes receivable | 87,928,650 | (21,121,565) | 66,807,085 |

| <u>ACCOUNTS PAYABLE AND ACCRUED EXPENSES</u> | | |
|--|--------------------|--|
| Personnel costs (including related accrued benefits) | 116,823,787 | |
| Vendors | 58,989,777 | |
| Accrued interest payable | 8,500,000 | |
| Due to affiliated foundation | 110,000 | |
| Other | 6,500,136 | |
| Total accounts payable | 190,923,700 | |

(Note: please describe descriptions of 'other balances' > \$1,000,000)

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
YEAR ENDED JUNE 30, 2008**

SCHEDULE G1 - DETAIL OF ACCOUNTS RECEIVABLE AGING

INSTITUTION _____

PREPARER _____

PHONE NUMBER _____

Student accounts receivable

| Aging category | Gross dollar amount | % of total | Allowance for doubtful accounts |
|--|---------------------|------------|---------------------------------|
| Most recent educational session (Summer or winter mini-mester) | | #DIV/0! | |
| Next most recent educational session | | #DIV/0! | |
| Older sessions not yet transferred to SCCU | | #DIV/0! | |
| Accounts transferred to State CCU | | #DIV/0! | |
| Total | - | 100.00% | |

Contract and grant accounts receivable

| Aging category | Gross dollar amount | % of total | Allowance for doubtful accounts |
|-----------------------------------|---------------------|------------|---------------------------------|
| Unbilled | | | |
| Billed 0 – 90 days ago | | 100.00% | |
| Billed 91 – 180 days ago | | | |
| Billed 181 – 365 days ago | | | |
| Billed more than 1 year ago | | | |
| Accounts transferred to State CCU | | | |
| Total | - | 100.00% | |

Other accounts receivable

| Aging category | Gross dollar amount | % of total | Allowance for doubtful accounts |
|-----------------------------------|---------------------|------------|---------------------------------|
| Accrued interest | | | |
| Billed 0 – 90 days ago | | | |
| Billed 91 – 180 days ago | | | |
| Billed 181 – 365 days ago | | #DIV/0! | |
| Billed more than 1 year ago | | | |
| Accounts transferred to State CCU | | | |
| Total | - | 100.00% | |

Accounts receivable, net

Accounts receivable, net per financial statements

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Analysis of inter-institutional balances & transactions - Schedule H

Purpose: To allow transactions which cross-institutional lines to be displayed consistently System-wide.

Format: The report will have two components: one listing the composition of items recorded as Transfers (to) / from other University System of Maryland institutions and the other providing the composition of items recorded as Inter-institutional Balances. A brief description of each transaction should be included with a sufficiently detailed explanation to facilitate matching the transaction against the other institutions' financial statements and supporting schedule (e.g. the institution must be identified, the approximate date of the transfer, the nature of the transfer - cash or asset type).

An illustrative schedule, labeled "Schedule H - Analysis of inter-institutional balances and transactions", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center. Please include transfers of overhead to the USM Office as per the "Schedule of Transfers of Special Funds to USM Office by Institution" on page 43.

Comments: Transfers to/from Other University System of Maryland Institutions should ONLY include significant (greater than \$25,000) individual transactions.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION _____ Name of institution/component center
PREPARER _____ Preparer's name
PHONE NUMBER _____ (301) 123-4567

SCHEDULE H - ANALYSIS OF INTER-INSTITUTIONAL BALANCES & TRANSACTIONS

INTER- INSTITUTIONAL BALANCES

| Description | Balance | Institution |
|---|---------------------------|-------------|
| CMF-USM | (543,000) | USM Office |
| USM loans | (1,600,000) | USM Office |
| Category 2 CMF-UMCP | (197,000) | UMCP |
| Peoplesoft loans to institutions | 840,000 | USM Office |
| Other (provide description) | | |
| Total - Inter-institutional balances | <u>(1,500,000)</u> | |

TRANSFERS (TO) / FROM OTHER UNIVERSITY SYSTEM OF MARYLAND INSTITUTIONS

| Description | Balance | Institution |
|---|---------------------------|-------------|
| Transfer of Special Funds to USM Office | (25,000) | |
| Purchase of copier for UMBI | (25,000) | UMBI |
| Purchase of equipment for UMCES | (52,566) | UMCES |
| Transfer of truck to UMES | (38,000) | UMES |
| Transfer to USM for Debt Service | <u>(1,184,434)</u> | USM OFFICE |
| Total - Transfers (to)/from other University System of Maryland institutions | <u>(1,325,000)</u> | |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of operating leases - Schedule I

Purpose: To provide information necessary to disclose material commitments under operating leases.

Format: This listing should include leasing arrangements not included on the schedule of capital leases, for which the initial term of the agreement exceeded one year. The following information is needed:

- a) Lessor
- b) Date of agreement
- c) Duration of agreement and final payment date
- d) Payment terms
- e) Total payments during the fiscal year
- f) Description of property leased
- g) Any special provisions, including renewal provisions, escalation clauses, lessor build-out or other lessor provided inducements, or any other provisions, which could possibly be subject to disclosure requirements
- h) Total minimum lease payments required for each of the next five fiscal years
- i) Total expenditures on operating leases during FY 08

An illustrative schedule, labeled "Schedule I - Information on Operating Leases", which presents the required information in the format desired, follows, for your use in formatting the schedule for your institution or component center.

NOTE: Only options which have been exercised should be reflected in the "Future Minimum Lease Payments" section of the schedule.

UNIVERSITY SYSTEM OF MARYLAND
 FINANCIAL REPORTING INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION Name of institution/component center
 PREPARER Preparer's name
 PHONE NUMBER (301) 123-4567

SCHEDULE J - INFORMATION ON OPERATING LEASES

| DATE OF REEMERSE | LESSOR | PROPERTY LEASED | SPECIAL CONDITIONS/CLAUSES | DATE OF EXPIRATION OF LEASE | FREQUENCY OF LEASE PAYMENT (M) MONTH. (Q) QUART. (A) ANNUAL | TOTAL OF ANNUAL PAYMENTS | FUTURE MINIMUM LEASE PAYMENTS | | | | | | |
|---------------------|---------------|----------------------|------------------------------------|-----------------------------------|--|--------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | | | | | | | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | 2018 |
| 7/18/1996 | ABC Realty | Utility Building | None | 7/18/2011 | M | 120,000 | 120,000 | 120,000 | 120,000 | 10,000 | | | |
| 1/1/1993 | BCD Realty | Warehouse | Rent escalation tied to CPI | 1/1/2009 | M | 120,000 | 120,000 | | | | | | |
| 5/31/2002 | Local Chevy | 1991 Chevrolet Sedan | Purch. option at end of term | 5/1/2009 | M | 4,200 | 3,850 | | | | | | |
| 1/1/2002 | Xerox Corp. | Xerox Copier | None | 1/1/2010 | Q | 12,000 | 12,000 | 6,000 | | | | | |
| 1/1/2003 | Digital Corp. | Computer equipment | None | 1/1/2010 | Q | 25,000 | 25,000 | 12,500 | | | | | |
| 3/30/2001 | CDE Realty | Office Space | \$100,000 build-out paid by lessor | 3/31/2016 | M | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 540,000 |
| Totals | | | | | | | 400,850 | 318,500 | 300,000 | 190,000 | 180,000 | 180,000 | 540,000 |

TOTAL OPERATING LEASE EXPENDITURES FOR YEAR ENDED JUNE 30, 2007

\$ 461,200

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of construction contracts commitments - Schedule J

Purpose: To provide information required for disclosures on contractual commitments as of June 30, 2008.

Format: A listing of contractual commitments remaining as of June 30, 2008 on agreements in effect as of June 30, 2008. Contracts that relate to projects being funded through the use of the following should be included:

- *Institutionally funded construction projects
- *System funded construction program projects
- *Bond funded construction projects

Only commitments in excess of \$250,000 should be included. The information required is as follows:

- a) Organization or firm contracted
- b) Total contract amount
- c) Project or services being contracted
- d) Amount remaining unrecognized as expended and not shown as a liability as of June 30, 2008
- e) Contract duration or project completion
- f) Funding source(s) and amounts

An illustrative schedule, labeled "Schedule J - Schedule of Construction Contracts Commitments", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

UNIVERSITY SYSTEM OF MARYLAND
 FINANCIAL REPORTING INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION _____ Name of institution/component center
 PREPARER _____ Preparer's name
 PHONE NUMBER (301) 123-4567

SCHEDULE J - SCHEDULE OF CONSTRUCTION CONTRACTS COMMITMENTS

| <u>CONTRACTOR</u> | <u>DESCRIPTION OF PROJECT</u> | <u>DATE OF CONTRACT</u> | <u>TOTAL CONTRACT</u> | <u>TOTAL PAID ON CONTRACT AS OF 6/30/08</u> | <u>BALANCE OF CONTRACT TO BE FUNDED FROM</u> | | |
|-------------------------|-------------------------------|-------------------------|-----------------------|---|--|----------------------|-------------------------|
| | | | | | <u>INSTITUTIONAL</u> | <u>REVENUE BONDS</u> | <u>OTHER (IDENTIFY)</u> |
| Glen Construction | A. V. Williams | 15-Nov-06 | 10,800,000 | 8,000,000 | | 2,800,000 | |
| Sheladia | A. V. Williams | 15-Sep-06 | 520,000 | 350,000 | 170,000 | | |
| Centennial Construction | Bus. Mgmt. | 15-Jan-07 | 12,000,000 | 9,000,000 | | 2,000,000 | 1,000,000 |
| Sidhu Associates | Bus. Mgmt. | 15-Dec-07 | 250,000 | 175,000 | 75,000 | | |
| Atlantic Builders | Fraternities | 15-Jun-07 | 4,800,000 | 100,000 | | 4,700,000 | |
| Totals | | | | | 245,000 | 9,500,000 | 1,000,000 |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Payroll, fringe benefit, and Pell Grant information - Schedule K

Purpose: To provide information for required pension and other postemployment benefits disclosures, along with Pell grant expenditure information.

Format: The following information is required:

- a) Employee and institution/component center contributions to each of the above retirement systems (those institutions / component centers which utilize the System's central payroll office at UMCP need not submit the information on employee contributions)
- b) Institution or component center contributions to the Maryland State Accident Fund by fund type and expenditure category (combine contributions made in Restricted Funds with Education & General)
- c) Institution or component center contributions to health care insurance plans for retired employees
- d) Pell grant expenditures for the fiscal year

A set of illustrative schedules, labeled "Schedule K - Payroll and Fringe Benefit Information", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

Comments: The source of each of the above items should be indicated.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008

INSTITUTION _____
Name of institution/component center

PREPARER _____
Preparer's name

PHONE NUMBER _____
(301) 123-4567

SCHEDULE K - PAYROLL, FRINGE BENEFIT AND PELL GRANT INFORMATION

ITEM A) EMPLOYEE AND INSTITUTION/COMPONENT CENTER CONTRIBUTIONS TO EACH RETIREMENT SYSTEM

| | <u>EMPLOYEE CONTRIBUTIONS</u> | <u>INSTITUTION CONTRIBUTIONS</u> |
|---|-----------------------------------|--------------------------------------|
| Maryland State Retirement and Pension Systems | 3,349,292 | 15,466,651 |
| TIAA-CREF | 2,077,869 | 6,404,493 |
| Federal Civil Service | 21,109 | 21,109 |
| Total | 5,448,270 | 21,892,253 |

ITEM B) INSTITUTION OR COMPONENT CENTER CONTRIBUTIONS TO THE MARYLAND STATE ACCIDENT
FUND BY EXPENDITURE CATEGORY

| | <u>TOTAL</u> |
|-------------------------------------|--------------|
| INSTRUCTION | 540,320 |
| RESEARCH | 250,760 |
| PUBLIC SERVICE | 13,133 |
| ACADEMIC SUPPORT | 107,692 |
| STUDENT SERVICES | 56,540 |
| INSTITUTIONAL SUPPORT | 114,746 |
| OPERATIONS AND MAINTENANCE OF PLANT | 109,977 |
| AUXILIARY ENTERPRISES | 126,726 |
| SCHOLARSHIPS & FELLOWSHIPS | 18,003 |
| Totals | 1,337,897 |

ITEM C) INSTITUTION OR COMPONENT CENTER CONTRIBUTIONS TO HEALTH CARE
INSURANCE PLANS FOR RETIRED EMPLOYEES

2,892,717

ITEM D) TOTAL AMOUNT OF EXPENDITURES FOR PELL GRANTS AWARDED DURING FY 2008

750,000

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Analysis of Changes in Accrued Vacation - Schedule L

Purpose: To provide information required for financial statement disclosure.

Format: A schedule is required which provides the following information for annual leave and workers compensation:

- Liability balance, beginning of the year
- Increases in the liability during the year (new charges)
- Payments of the liability (use of annual leave or payments of workers compensation premiums)
- Liability Balance, end of year

An illustrative schedule, labeled "Schedule L – Analysis of Changes in Accrued Vacation", which presents the required information in the format desired, follows for your use in formatting the schedule for your institution or component center.

UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION
YEAR ENDED JUNE 30, 20078

SCHEDULE L - ANALYSIS OF CHANGES IN ACCRUED VACATION

INSTITUTION _____

PREPARER _____

PHONE NUMBER _____

| | <u>ANNUAL LEAVE</u> |
|--|--------------------------------|
| Liability balance, current and non-current, beginning of year | 88,515,257 |
| Increases in the liability during the year (new charges) | 66,987,236 |
| Payments of the liability (use of annual leave, or payments of workers compensation premiums) | <u>(56,988,335)</u> |
| Liability balance, current and non-current, end of year | <u><u>98,514,158</u></u> |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Analysis of financial statements information for FY 08 - Schedule M

Purpose: To provide institution level information explaining changes in financial statement elements from year to year, for use in arriving at System-wide explanations of year to year fluctuations, as well as provide other information useful in assessing the accuracy, as well as explain amounts reported in the financial statements.

Format: A schedule which presents the balance sheet and statement of activities elements for FY 08, FY 07, the increase (decrease) from FY 07 to FY 08. The important information on this schedule is the detailed comments which explain each increase (decrease) in excess of the greater of 7.5% of the FY 07 amount, or \$250,000 (\$1,000,000 for UMB, UMCP, UMUC, UMBC and TU).

A schedule of individual financial analysis is required, that relates changes in certain financial statement elements to other factors. Explanations are required for each item that does not change in the same manner as the factor.

Changes in amounts from year to year must be explained in a verifiable and quantifiable manner. In other words, if the increase in a functional expenditure category is a result of the combination of several factors such as salary increments, additional positions, and/or an adjustment, these need to be itemized. Explanations should be supplemented by analytical calculations such as rate increases multiplied by numbers served, where appropriate.

An illustrative schedule (using the \$1,000,000 threshold appropriate for UMB, UMCP, UMUC, UMBC and TU) showing the items which need explanations in this example and labeled "Schedule M - Analysis of financial statement information for FY 07", presents the format desired.

Note: The above criteria are minimums for "required" comments. To the extent possible, comments on other changes which do not meet the "required" criteria are encouraged.

**UNIVERSITY SYSTEM OF MARYLAND - FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

NAME OF INSTITUTION _____

SCHEDULE M - ANALYSIS OF VARIATIONS IN FINANCIAL STATEMENTS

| | 6/30/08 PRELIMINARY BALANCE | 6/30/07 FINAL BALANCE | INCREASE(Decrease) OVER FY 07 BALANCE OR TOTAL | | EXPLANATION OR COMMENTS |
|---|-----------------------------------|-----------------------------|---|---------------|---|
| | | | AMOUNT | % | |
| CURRENT ASSETS: | | | | | |
| CASH AND CASH EQUIVALENTS | \$457,392,392 | \$400,462,041 | \$56,930,351 | 14.22% | Primarily due to decrease in nonmandatory transfers required for acquisition of 3 parking structures in P/Y. |
| INVESTMENTS | \$2,510,684 | \$2,189,105 | \$321,579 | 14.69% | |
| ACCOUNTS RECEIVABLE (NET OF ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$ 7,811,208) | \$158,369,245 | \$149,521,138 | \$8,848,107 | 5.92% | Increase primarily due to increased enrollment resulting in increased student A/R. |
| NOTES RECEIVABLE (NET OF ALLOWANCE FOR DOUBTFUL NOTES OF \$ 7,503,460) | \$6,807,085 | \$6,100,000 | \$707,085 | 11.59% | |
| INVENTORIES | \$9,354,974 | \$9,316,702 | \$38,272 | 0.41% | |
| PREPAID EXPENSES | \$6,876,135 | \$5,242,569 | \$1,633,566 | 31.16% | Change in summer school treatment resulting from GASB 34 |
| DEFERRED CHARGES | | | | | |
| INTER-INSTITUTIONAL BALANCES | (\$1,500,000) | (\$1,500,000) | | | |
| TOTAL CURRENT ASSETS | \$639,810,515 | \$571,331,555 | \$68,478,960 | 11.99% | |
| NON-CURRENT ASSETS: | | | | | |
| RESTRICTED CASH AND CASH EQUIVALENTS | \$119,284,474 | \$62,335,040 | \$56,949,434 | 91.36% | Balance relates to unspent Revenue Bonds for 2002 A & 2002 B - \$105 mil |
| ENDOWMENT INVESTMENTS | \$224,235,057 | \$199,596,977 | \$24,638,080 | 12.34% | Increase due to market gains |
| OTHER INVESTMENTS | \$7,518,778 | \$7,400,000 | \$118,778 | 1.61% | |
| NOTES RECEIVABLE (NET OF ALLOWANCE FOR DOUBTFUL NOTES OF \$7,503,460) | \$60,000,000 | \$60,860,051 | (\$860,051) | -1.41% | |
| CAPITAL ASSETS, NET | \$1,797,185,266 | \$1,780,558,146 | \$16,627,120 | 0.93% | |
| TOTAL NON-CURRENT ASSETS | \$2,208,223,575 | \$2,110,750,214 | \$97,473,361 | 4.62% | |
| TOTAL ASSETS | \$2,848,034,090 | \$2,682,081,769 | \$165,952,321 | | |
| LIABILITIES & NET ASSETS | | | | | |
| CURRENT LIABILITIES: | | | | | |
| ACCOUNTS PAYABLE AND ACCRUED LIAB. | \$190,923,700 | \$168,479,300 | \$22,444,400 | 13.32% | Increase in number of days in pay period accrued from 4 to 8 |
| ACCRUED WORKERS COMPENSATION, CURRENT | \$1,038,000 | \$1,200,000 | (\$162,000) | -13.50% | |
| ACCRUED VACATION COSTS, CURRENT | \$3,000,000 | \$4,000,000 | (\$1,000,000) | -25.00% | Decline in use of leave from prior years, combined with increased incidence of employees leaving jobs |
| REVENUE BONDS | \$40,630,858 | \$36,545,925 | \$4,084,933 | 11.18% | Issuance of debt to fund new Chemistry Building (\$25M) |
| NOTES PAYABLE & LONG TERM DEBT, CURRENT | \$2,496,110 | \$2,300,000 | \$196,110 | 8.48% | |
| OBLIGATIONS - CAPITAL LEASE AGREEM., CURRENT | \$229,310 | \$302,355 | (\$73,045) | -24.16% | |
| DEFERRED REVENUE | \$37,434,974 | \$38,000,000 | (\$65,026) | -1.49% | |
| TOTAL CURRENT LIABILITIES | \$275,751,952 | \$250,827,580 | \$24,924,372 | 9.94% | |
| NON-CURRENT LIABILITIES: | | | | | |
| ACCRUED WORKERS' COMPENSATION | \$18,735,000 | \$16,908,664 | \$1,826,336 | 10.80% | Due to 12% increase in premiums. |
| ACCRUED VACATION COSTS | \$95,514,158 | \$84,515,257 | \$10,998,901 | 13.01% | Due to increased number of employees retaining the maximum number of carryforward vacation hours and an anticipated increase in the administrative workforce. |
| REVENUE BONDS | \$681,676,185 | \$613,876,445 | \$67,799,740 | 11.04% | Issuance of debt to fund new Chemistry Building (\$25M) |
| NOTES PAYABLE AND OTHER LONG-TERM DEBT | \$72,370,172 | \$56,494,008 | \$15,876,164 | 28.10% | FY02 includes \$17.8 mil COP for business park addition |
| OBLIGATIONS UNDER CAPITAL LEASE AGREE. | \$5,282,877 | \$5,407,361 | (\$124,484) | -2.30% | |
| TOTAL NON-CURRENT LIABILITIES | \$873,578,392 | \$777,201,735 | \$96,376,657 | 12.40% | |
| TOTAL LIABILITIES | \$1,149,330,344 | \$1,028,029,315 | \$121,301,029 | 11.80% | |
| NET ASSETS: | | | | | |
| UNRESTRICTED NET ASSETS | \$341,447,030 | \$325,833,991 | \$15,613,039 | 4.79% | |
| INVESTED IN CAPITAL ASSETS, NET | \$1,043,222,282 | \$1,029,000,000 | \$14,222,282 | 1.38% | |
| RESTRICTED: | | | | | |
| NONEXPENDABLE: | | | | | |
| SCHOLARSHIPS AND FELLOWSHIPS | \$57,397,179 | \$55,000,000 | \$2,397,179 | 4.36% | |
| RESEARCH | \$57,397,179 | \$55,000,000 | \$2,397,179 | 4.36% | |
| OTHER | \$57,397,179 | \$55,000,000 | \$2,397,179 | 4.36% | |
| EXPENDABLE: | | | | | |
| SCHOLARSHIPS AND FELLOWSHIPS | | | | | |
| RESEARCH | \$42,692,920 | \$40,000,000 | \$2,692,920 | 6.73% | |
| LOANS | \$65,164,492 | \$63,000,000 | \$2,164,492 | 3.44% | |
| CAPITAL PROJECTS | \$33,985,485 | \$32,000,000 | \$1,985,485 | 6.20% | |
| DEBT SERVICE | | | | | |
| OTHER | | | | | |
| TOTAL NET ASSETS | \$1,698,703,746 | \$1,654,833,991 | \$43,869,755 | 2.65% | |
| TOTAL LIABILITIES AND NET ASSETS | \$2,848,034,090 | \$2,682,063,306 | \$165,970,784 | 6.16% | |

**UNIVERSITY SYSTEM OF MARYLAND - FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

NAME OF INSTITUTION _____

SCHEDULE M - ANALYSIS OF VARIATIONS IN FINANCIAL STATEMENTS

| | 6/30/08 PRELIMINARY BALANCE | 6/30/07 FINAL BALANCE | INCREASE(DECREASE) OVER FY 07 BALANCE OR TOTAL | | EXPLANATION OR COMMENTS |
|---|-----------------------------------|-----------------------------|---|---------------|---|
| | | | AMOUNT | % | |
| OPERATING REVENUES: | | | | | |
| TUITION AND FEES | \$600,118,301 | \$566,292,265 | \$33,826,036 | 5.97% | |
| LESS SCHOLARSHIP ALLOWANCE | (\$80,000,000) | (\$78,184,558) | (\$1,815,442) | 2.32% | |
| FEDERAL GRANTS AND CONTRACTS | \$389,564,670 | \$387,765,445 | \$1,799,225 | 0.46% | |
| STATE AND LOCAL GRANTS AND CONTRACTS | \$137,016,980 | \$135,701,102 | \$1,315,878 | 0.97% | |
| NONGOVERNMENTAL GRANTS AND CONTRACTS | \$131,917,437 | \$128,000,000 | \$3,917,437 | 3.06% | |
| SALES AND SERVICES OF EDUCATIONAL DEPART. | \$106,212,383 | \$103,391,097 | \$2,821,286 | 2.73% | |
| RESIDENTIAL FACILITIES | \$75,000,000 | \$102,500,000 | (\$27,500,000) | -26.83% | Renovation of 1 of 4 residence halls, combined with new public-private partnership dorm |
| LESS SCHOLARSHIP ALLOWANCE | (\$25,000,000) | (\$24,000,000) | (\$1,000,000) | 4.17% | |
| DINING FACILITIES | \$30,000,000 | \$25,000,000 | \$5,000,000 | 20.00% | Increase in meal plan rates combined with larger number of students purchasing plans |
| LESS SCHOLARSHIP ALLOWANCE | (\$4,000,000) | (\$3,600,000) | (\$400,000) | 11.11% | |
| PARKING FACILITIES | \$35,000,000 | \$35,000,000 | | | |
| LESS SCHOLARSHIP ALLOWANCE | (\$500,000) | (\$700,000) | \$200,000 | -28.57% | |
| INTERCOLLEGIATE ATHLETICS | \$25,000,000 | \$25,000,000 | | | |
| LESS SCHOLARSHIP ALLOWANCE | (\$4,500,000) | (\$4,650,000) | \$150,000 | -3.23% | |
| BOOKSTORE | \$25,000,000 | \$25,000,000 | | | |
| LESS SCHOLARSHIP ALLOWANCE | (\$11,000,000) | (\$11,000,000) | | | |
| OTHER AUXILIARY ENTERPRISES REVENUES | \$115,518,632 | \$115,000,000 | \$518,632 | 0.45% | |
| LESS SCHOLARSHIP ALLOWANCE | (\$5,000,000) | (\$4,050,000) | (\$950,000) | 23.46% | |
| OTHER OPERATING REVENUES | \$33,585,952 | \$32,000,000 | \$1,585,952 | 4.96% | |
| TOTAL OPERATING REVENUES | \$1,573,934,355 | \$1,554,465,351 | \$19,469,004 | 1.25% | |
| OPERATING EXPENSES: | | | | | |
| INSTRUCTION | \$775,773,428 | \$700,000,000 | \$75,773,428 | 10.82% | Larger enrollment, combined with institutional initiative to increase faculty pay levels compared with peers |
| RESEARCH | \$504,915,977 | \$474,014,125 | \$30,901,852 | 6.52% | |
| PUBLIC SERVICE | \$135,606,106 | \$128,944,126 | \$6,661,980 | 5.17% | |
| ACADEMIC SUPPORT | \$199,871,680 | \$180,899,565 | \$18,972,115 | 10.49% | Creation of new special unit of 12 people. Salary increase of 6% fully implemented |
| STUDENT SERVICES | \$94,850,572 | \$90,905,448 | \$3,945,124 | 4.34% | |
| INSTITUTIONAL SUPPORT | \$254,780,714 | \$240,000,000 | \$14,780,714 | 6.16% | |
| OPERATION AND MAINTENANCE OF PLANT | \$185,413,047 | \$178,999,061 | \$6,413,986 | 3.58% | |
| SCHOLARSHIPS AND FELLOWSHIPS | \$9,020,261 | \$8,000,000 | \$1,020,261 | 12.75% | Increase in number of students receiving non-tuition or housing aid from 426 to 578 |
| AUXILIARY ENTERPRISES | | | | | Due to higher expenses for bookstore, food service & housing related to incr enrollment |
| RESIDENTIAL FACILITIES | \$64,717,362 | \$60,000,000 | \$4,717,362 | 7.86% | Increase in utilities costs offsetting reduction in costs associated with taking 1 dorm offline |
| DINING FACILITIES | \$21,554,454 | \$15,000,000 | \$6,554,454 | 43.70% | Larger number of students purchasing meal plans combined with higher food and other costs |
| PARKING FACILITIES | \$63,135,908 | \$60,000,000 | \$3,135,908 | 5.23% | |
| INTERCOLLEGIATE ATHLETICS | \$40,000,000 | \$33,000,000 | \$7,000,000 | 21.21% | Higher salaries for coaches resulting from recent team successes; institutional initiatives to fully comply with Title IX |
| BOOKSTORE | \$31,567,954 | \$25,000,000 | \$6,567,954 | 26.27% | Higher costs associated with recent move into new space |
| OTHER AUXILIARY ENTERPRISES REVENUES | \$21,567,954 | \$21,438,465 | \$129,489 | 0.60% | |
| HOSPITAL | \$38,168,113 | \$38,416,854 | (\$248,741) | -0.65% | |
| TOTAL OPERATING EXPENSES | \$2,440,943,530 | \$2,254,617,644 | \$186,325,886 | 8.26% | |
| OPERATING INCOME | (\$867,009,175) | (\$700,152,293) | (\$166,856,882) | | |
| NONOPERATING REVENUES/EXPENSES: | | | | | |
| STATE APPROPRIATIONS | \$798,692,408 | \$719,968,583 | \$78,723,825 | 10.93% | Increase in state general funds resulting from funding guidelines |
| GIFTS | \$15,000,000 | \$16,000,000 | (\$1,000,000) | -6.25% | |
| INVESTMENT INCOME | \$70,999,268 | \$50,000,000 | \$20,999,268 | 42.00% | Endowment Fund investment income increase (\$18.5M) increase in cash balances |
| LESS INVESTMENT EXPENSE | (\$825,127) | (\$810,957) | (\$14,170) | 1.75% | |
| INTEREST ON INDEBTEDNESS | (\$34,122,230) | (\$29,693,769) | (\$4,428,461) | 14.91% | Increased debt service costs associated with new student center |
| TRANSFERS TO/FROM OTHER USM INSTITUTIONS | (\$1,325,000) | (\$1,300,000) | (\$25,000) | 1.92% | |
| TOTAL NONOPERATING EXPENSES | \$848,419,319 | \$754,163,857 | \$94,255,462 | 12.50% | |
| INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS AND LOSSES | (\$18,589,856) | \$54,011,564 | (\$72,601,420) | | |
| OTHER REVENUES, EXPENSES, GAINS AND LOSSES: | | | | | |
| CAPITAL APPROPRIATIONS | \$100,298,757 | \$65,048,573 | \$35,250,184 | 54.19% | Increased volume of state-funded construction for new Science building, School of Education, and renovation of library compared with prior year |
| CAPITAL GIFTS AND GRANTS | \$15,673,280 | \$10,011,009 | \$5,662,271 | 56.56% | Receipt of one-time gift of \$9,000,000 to fund new School of Business |
| ADDITIONS TO PERMANENT ENDOWMENTS | \$671,337 | \$351,680 | \$319,657 | 90.89% | |
| OTHER GAINS AND LOSSES | (\$1,313,148) | (\$508,043) | (\$805,105) | 158.47% | |
| TOTAL OTHER REVENUES, EXPENSES, GAINS AND LOSSES: | \$115,330,226 | \$74,903,219 | \$40,427,007 | | |
| INCREASE IN NET ASSETS | \$96,740,370 | \$128,914,783 | (\$32,174,413) | | |
| NET ASSETS, JUNE 30, 2007 | \$1,601,963,376 | \$1,473,048,593 | \$128,914,783 | | |
| NET ASSETS, JUNE 30, 2008 | \$1,698,703,746 | \$1,601,963,376 | \$96,740,370 | | |

**/ SYSTEM OF MARYLAND - FINANCIAL REPORTING INFORMATION
FOR THE YEAR ENDED JUNE 30, 2008**

NAME OF INSTITUTION

SCHEDULE M - ANALYSIS OF VARIATIONS IN FINANCIAL STATEMENTS

| | 6/30/07 | 6/30/06 | Change from FY 2006 to 2007 | Explanation |
|--|--------------------|--------------------|-----------------------------|---|
| | \$ amount | \$ amount | \$ amount | |
| | % | % | % | |
| Tuition and fees analysis | | | | |
| Tuition and fees per Budget Form 1B | 596,967,186 | 563,034,140 | 33,933,046 | 6.03% |
| Reconciling items and adjustments | | | | |
| Summer school recognition for GAAP | 3,151,115 | 3,258,125 | (107,010) | |
| Other (describe): | | | | |
| Tuition and fees per financial statements | <u>600,118,301</u> | <u>566,292,265</u> | <u>33,826,036</u> | |
| Deferred Revenue Analysis | | | | |
| Deferred revenue for Tuition and fees at year-end | 37,434,974 | 38,000,000 | (565,026) | -1.49% Enrollment slightly down from FY 04 summer session |
| # of days in summer session total | 58 | 57 | 1 | |
| # of days of summer session before June 30 | 24 | 32 | (8) | -25.00% |
| Allowance for doubtful accounts receivable analysis | | | | |
| Accounts receivable - gross | 166,180,453 | 186,000,000 | (19,819,547) | -10.66% |
| Allowance for doubtful accounts | #REF! | 5,620,000 | #REF! | #REF! |
| % allowance as a function of gross accounts receivable | #REF! | 3.02% | #REF! | #REF! |
| Allowance for doubtful notes receivable analysis | | | | |
| Notes receivable - gross | 74,310,545 | 67,000,000 | 7,310,545 | 10.91% |
| Allowance for doubtful notes receivable | 7,503,460 | 10,000,000 | (2,496,540) | -24.97% |
| % allowance as a function of gross notes receivable | 10.10% | 14.93% | -4.83% | -32.35% |
| Scholarship allowance analysis | | | | |
| Gross tuition and fees | 600,118,301 | 575,323,454 | 24,794,847 | 4.31% |
| Scholarship allowances - tuition and fees | 130,000,000 | 120,000,000 | 10,000,000 | 8.33% |
| % of scholarship allowances of tuition and fees | 21.66% | 20.86% | 0.80% | 3.86% |
| Student Accounts Receivable analysis | | | | |
| Student accounts receivable - gross | 101,185,026 | 96,125,125 | 3,059,901 | 3.12% |
| Tuition and fees - gross | 600,118,301 | 575,323,454 | 24,794,847 | 4.31% |
| % Student A/R to annual Tuition and Fees | 16.86% | 17.06% | -0.19% | -1.14% |

Dept. of Budget & Fiscal Planning
 Budget Form No. DBFP-DA-2
 Submit Original and 2 Duplicates
Revenue Detail Analysis

BUDGET ESTIMATES
 FISCAL YEAR 2010
EXAMPLE

State Agency: UNIVERSITY SYSTEM OF MARYLAND
 Institution:
 Program No. & Title: R32B22 Total Campus

DBFP FORM 1B

| | 2007 Actual | | 2008 Budget | | 2009 Gov. Allowance | |
|--|-------------|----------------|-------------|----------------|---------------------|------------------|
| | Annual Rate | Number For Yr. | Annual Rate | Number For Yr. | Annual Rate | Number For Yr. |
| UNRESTRICTED REVENUE | | | | | | |
| TUITION AND FEES | | | | | | |
| Full Time Undergraduate Resident | 6200 | 16889.59242 | 6566 | 17057.9435 | | 112002457 |
| Full Time Undergraduate Non-Res | 17500 | 5458.0436 | 18890 | 5372.802435 | | 101492238 |
| Part Time Resident | 6192 | 897.6807171 | 6552 | 1527.869505 | | 10010601 |
| Part Time Non-Resident | 17496 | 133.9172954 | 18888 | 139.4781343 | | 2634463 |
| Graduate Resident | 6678 | 4172.228062 | 7074 | 4118.849166 | | 29136739 |
| Graduate Non-Resident | 12618 | 1115.517832 | 14760 | 1168.983198 | | 17254192 |
| Summer/Winter, Continuing Ed Sessions | | | | | | 18296580 |
| Off-Campus Masters Programs (SG, Balto, DC) | | | | | | 13006052 |
| Departmental Programs | | | | | | 3186983 |
| Masters/Collaborative Program Fees | | | | | | 10245295 |
| Special Programs (Math, MEL, Abroad, Life Sci) | | | | | | 849523 |
| Application/Matriculation/Registration Fees | | | | | | 2422000 |
| Tuition Differential in Masters in Business | | | | | | 845301 |
| Student Activities Fees | 58 | varies | 60 | varies | | 1508290 |
| Executive MBA | 84 | varies | 84 | | | 4026626 |
| Technology Fee | | | | | | 2381400 |
| Miscellaneous Program/Lab Fees | | | | | | 3430516 |
| Total Tuition and Fees | | | | | | 332729256 |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of Federal Awards - Schedule N

Purpose: This information will be used in preparing the Statewide Schedule of Expenditures of Federal Awards to be included in the Single Audit Report.

Format: The Schedule of Federal Awards is to detail total expenditures of Federal funds during the year, **by CFDA Number** for each Federal grantor agency, displayed using the following categories; Research and Development Cluster, Student Financial Assistance Cluster, Other Clusters, and Other Programs. Each category should represent a column on the schedule, with a total for the agency also presented. **Funds received from other than a Federal agency, which include or consist of Federal funds, should be shown separately as pass-through funds.**

For R&D, total federal awards expensed should be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services. We are not required to report CFDA numbers for R&D; however we do need agency grouping; i.e. Department of Health and Human Services CFDA grouping number is 93.

Funding should be reporting in three categories: Direct Funding; Pass-throughs (other than from the State); and State pass-throughs (including funding received from other USM institutions). Include subtotals for each category.

A reconciliation is required which identifies the major differences between total expenditures as shown on the Schedule of Federal Awards, and total Federal contracts and grants revenues as shown on the Statement of Revenues, Expenses and Other Changes in Net Assets.

The level of detail must be consistent with the list of Federal departments, agencies, major subdivisions and programs as shown in the Catalog of Federal Domestic Assistance which can be found on the internet at the following websites: www.cfda.gov (Sorted by CFDA Number)
<http://aspe.hhs.gov/cfda/index.htm> (Different Sorts)

An illustrative schedule, labeled "Schedule N - Schedule of Federal Awards", which presents the required information in the format desired, is attached for your use in formatting the schedule for your institution or component center. The illustrative schedule also includes the desired format of the reconciliation.

New for FY2008 – Report DUNS numbers associated with Federal Grants & contracts on Schedule N.

UNIVERSITY SYSTEM OF MARYLAND

SCHEDULE N - SCHEDULE OF FEDERAL AWARDS

NAME OF INSTITUTION
FOR THE YEAR ENDED JUNE 30, 2008

| Agency | CFDA/Contract Number | Research & Development Cluster | Student Financial Assistance Cluster | Other Clusters | Other Programs | Total Expenditures |
|--|----------------------|--------------------------------|--------------------------------------|----------------|----------------|--------------------|
| Corporation for National and Community Service: | | | | | | |
| Learn and Serve America - Higher Education | 94.005 | | | | \$113,623 | \$113,623 |
| AmeriCorps | 94.006 | | | | 307,416 | 307,416 |
| Planning and Program Development Grants | 94.007 | | | | 90,139 | 90,139 |
| Department of Agriculture: | | | | | | |
| Agricultural Research Service | 10.001 | | | | 3,142 | 3,142 |
| Cooperative State Research, Education and Extension Service | 10. RD | \$40,567 | | | | 40,567 |
| Department of Commerce: | | | | | | |
| National Institute for Standards and Technology - | 11. RD | 61,018 | | | | 61,018 |
| Measurement and Engineering Research and Standards | 11.609 | | | | 5,635 | 5,635 |
| National Oceanic and Atmospheric Administration | 11. RD | 88 | | | | 88 |
| Department of Defense: | | | | | | |
| Department of the Army, Office of the Chief of Engineers | 12. RD | 1,051,919 | | | | 1,051,919 |
| Department of the Navy, Office of the Chief of Naval Research - | 12. RD | 219,122 | | | | 219,122 |
| Department of the Air Force, Materiel Command | 12. RD | 832,326 | | | | 832,326 |
| National Security Agency - | 12. RD | 2,424,181 | | | | 2,424,181 |
| Mathematical Sciences Grants Program | 12.901 | | | | 579,281 | 579,281 |
| Department of Education - | | | | | | |
| Postsecondary Education: | | | | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | | \$298,739,598 | | | 298,739,598 |
| Federal Work-Study Program | 84.033 | | 1,025,331 | | | 1,025,331 |
| Federal Pell Grant Program | 84.063 | | 9,582,267 | | | 9,582,267 |
| TRIO - Student Support Services | 84.042 | | | \$291,997 | | 291,997 |
| TRIO - Upward Bound | 84.047 | | | 733,619 | | 733,619 |
| McNair Post-Baccalaureate Achievement | 84.217 | | | 206,364 | | 206,364 |
| Department of Energy | - | 355,864 | | | | 355,864 |
| Department of Health and Human Services: | | | | | | |
| Food and Drug Administration | 93. RD | 9,891 | | | | 9,891 |
| National Institutes of Health: | 93. RD | 14,713,625 | | | | 14,713,625 |
| Microbiology and Infectious Diseases Research | 93.856 | | | | 11,714 | 11,714 |
| Aging Research | 93.866 | | | | 28,945 | 28,945 |
| Health Care Financing Administration | - | 36,561 | | | | 36,561 |
| Department of Housing and Urban Development - | | | | | | |
| Community Planning and Development | 14.900 | | | | 1,377,410 | 1,377,410 |
| Department of Justice - | | | | | | |
| Bureau of Justice Assistance - | 16. RD | 52,556 | | | | 52,556 |
| Public Safety Partnership and Community Policing Grants | 16.710 | | | | 137,041 | 137,041 |
| Department of Veterans Affairs - | | | | | | |
| Veterans Benefits Administration | 64. RD | 104,823 | | | | 104,823 |
| Environmental Protection Agency - | | | | | | |
| Office of Research and Development | 66. RD | 143,623 | | | | 143,623 |
| National Aeronautics and Space Administration: | | | | | | |
| Aerospace Education Services Program | 43. RD | 25,903,982 | | | | 25,903,982 |
| 43.001 | | | | | 201,616 | 201,616 |
| National Foundation on the Arts and the Humanities - | | | | | | |
| National Endowment for the Humanities - | | | | | | |
| Promotion of the Humanities - Education, Development and Demonstration | 45.162 | | | | 14,865 | 14,865 |
| National Science Foundation: | | | | | | |
| 47. RD | 20,090,707 | | | | | 20,090,707 |
| Computer and Information Science and Engineering | 47.070 | | | | 297,423 | 297,423 |
| Education and Human Resources | 47.076 | | | | 1,417,296 | 1,417,296 |
| Social Security Administration | | | | | | |
| 96. RD | 19,110 | | | | | 19,110 |
| Subtotal - Direct Funding | | 66,059,963 | 309,347,196 | 1,231,980 | 4,585,546 | 381,224,685 |

FEDERAL FUNDS EXPENDED BY THE INSTITUTION
PASSED THROUGH FROM OTHER ENTITIES:

STATE OF MARYLAND:

| | | | | | | |
|---|--------|-----------|--|--|---------|-----------|
| Maryland Department of Education - | | | | | | |
| Department of Education (Vocational and Adult Ed) | 84.002 | | | | 24,605 | 24,605 |
| Maryland Department of Health and Mental Hygiene - | | | | | | |
| Department of Health and Human Services (CDC) | 93.283 | | | | 99,739 | 99,739 |
| Department of Health and Human Services (NIH) | - | 517,145 | | | | 517,145 |
| Department of Health and Human Services (HRSA) | 93.110 | | | | 11,122 | 11,122 |
| Maryland Higher Education Commission - | | | | | | |
| Department of Education (Elementary & Secondary Ed) | 84.281 | | | | 29,282 | 29,282 |
| Maryland Office of the Governor - | | | | | | |
| Department of Education (Vocational and Adult Ed) | 84.186 | | | | 29,830 | 29,830 |
| Department of Justice (BJA) | - | 810,876 | | | | 810,876 |
| Subtotal - Passed through State of Maryland | | 1,328,021 | | | 194,578 | 1,522,599 |

UNIVERSITY SYSTEM OF MARYLAND

SCHEDULE N : SCHEDULE OF FEDERAL AWARDS

NAME OF INSTITUTION
FOR THE YEAR ENDED JUNE 30, 2008

| Agency | CFDA/Contract Number | Research & Development Cluster | Student Financial Assistance Cluster | Other Clusters | Other Programs | Total Expenditures |
|--|----------------------|--------------------------------|--------------------------------------|--------------------|--------------------|----------------------|
| OTHER PASS-THROUGH ENTITIES: | | | | | | |
| American Cancer Society - | | | | | | 0 |
| <i>Department of Justice (BJA)</i> | 16RD | 112,453 | | | | 112,453 |
| Bechtel Nevada Corporation - | | | | | | 0 |
| <i>Department of Energy</i> | 81 RD | 1,054,501 | | | | 1,054,501 |
| Carnegie Mellon University - | | | | | | 0 |
| <i>National Science Foundation</i> | 47 RD | 550,077 | | | | 550,077 |
| Institute for the Management of Social Work Research - | | | | | | 0 |
| <i>Department of Health and Human Services (NIH)</i> | 93 RD | 519,436 | | | | 519,436 |
| International Business Machines - | | | | | | 0 |
| <i>Department of Commerce (NIST)</i> | 11RD | 1,503,507 | | | | 1,503,507 |
| Johns Hopkins University - | | | | | | 0 |
| <i>Department of Health and Human Services (NIH)</i> | 93 RD | 715,084 | | | | 715,084 |
| Johns Hopkins University Applied Physics Laboratory: | | | | | | 0 |
| <i>Department of Energy</i> | 81 RD | 639,292 | | | | 639,292 |
| Kennedy Krieger Institute - | | | | | | 0 |
| <i>Department of Health and Human Services (NIH)</i> | 93RD | 851,656 | | | | 851,656 |
| Montgomery County, Maryland - | | | | | | 0 |
| <i>Department of Education (Elementary & Secondary Ed)</i> | 84.213 | | | | 11,117 | 11,117 |
| National Committee for Quality Assurance - | | | | | | 0 |
| <i>Department of Health and Human Services (HCFA)</i> | 93.779 | | | | 13,546 | 13,546 |
| Tekordia Technologies: | | | | | | 0 |
| <i>Department of Defense (Air Force)</i> | 12 RD | 251,201 | | | | 251,201 |
| University of North Carolina at Chapel Hill - | | | | | | 0 |
| <i>Department of Commerce (NIST)</i> | 11 RD | 710,207 | | | | 710,207 |
| <i>Department of Health and Human Services (NIH)</i> | 93 RD | 821,643 | | | | 821,643 |
| University of Texas, Austin - | | | | | | 0 |
| <i>Department of Health and Human Services (NIH)</i> | 93 RD | 623,543 | | | | 623,543 |
| University Space Research Associates - | | | | | | 0 |
| <i>National Aeronautics and Space Administration</i> | 43 RD | 2,650,873 | | | | 2,650,873 |
| Subtotal - Passed through Other Entities | | 11,003,473 | 0 | 0 | 24,663 | 11,028,136 |
| NAME OF INSTITUTION - Total | | \$78,391,457 | \$309,347,196 | \$1,231,980 | \$4,804,787 | \$393,775,420 |

Amount of loan expenditures during FY 2007

| | |
|--|--------------------|
| Department of Education: | |
| Perkins Loan Program | \$ 750,000 |
| Subsidized William D. Ford Federal Direct Student Loan Program | 500,000 |
| Unsubsidized William D. Ford Federal Direct Student Loan Program | 200,000 |
| William D. Ford Federal Direct Parent Loan Program | 100,000 |
| Subsidized Stafford Loan Program | 250,000 |
| Unsubsidized Stafford Loan Program | 100,000 |
| Parent Loan for Undergraduates | 150,000 |
| Supplemental Loans for Students | 100,000 |
| Department of Health and Human Services: | |
| Federal Nursing Loan | 350,000 |
| Health Professions Loan - Dental | 200,000 |
| Health Professions Loan - Medicine | 275,000 |
| Health Professions Loan - Pharmacy | 250,000 |
| Primary Care Loan | 300,000 |
| Total Amount of loan expenditures during FY 2008 | \$3,525,000 |

Total value of Federal loans outstanding at June 30, 2007

\$2,234,366

RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE OF FEDERAL AWARDS

| | |
|--|----------------------|
| Total federal contracts and grants revenues per financial statements | \$389,564,670 |
| Pass-through funds recognized as state or private revenues on financial statements | 1,653,016 |
| Land-grant funds reported as state revenues on financial statements | 2,557,734 |
| Total expenditures of federal funds for schedule of federal awards | \$393,775,420 |

DUNS Number(s)

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of Net Assets - Schedule O

Purpose: To provide information showing the assets and liabilities that result in the various Net Asset categories on the Balance Sheet. Many of the components of each Net Asset category derive from either System-wide information such as the accounting for the Endowment Fund, or System-wide debt activity, that must be combined to produce an expected System-wide total. Other components represent institutionally based specific activities, such as the Perkins and other externally-funded loan programs.

Format: The schedule is to reflect the net asset amounts provided by the System Office associated with the Endowment Fund, and the assets and liabilities of the various forms of restricted net assets and Invested in Capital Assets, net.

Invested in Capital Assets, net should merely be the carrying value of fixed assets, net of accumulated depreciation, less the amount of debt and capital leases recorded on the Balance Sheet for the institution.

INSTITUTION _____

PREPARER _____ Preparer's name

PHONE NUMBER _____ (301) 123-4567

SCHEDULE O - SCHEDULE OF NET ASSETS

| | Invested in | | Restricted Nonexpendable | |
|--|--------------------|---------------------|--------------------------|-------------------|
| | Unrestricted | Capital Assets, net | Scholarships | Research |
| Endowment Schedules | 60,000,000 | | 57,397,179 | 57,397,179 |
| Institution Held Endowments (TU) | | | | |
| Capital Assets, net | | 1,797,185,266 | | |
| Less: related debt | | (797,172,325) | | |
| Revenue bonds & notes payable | | (5,512,187) | | |
| Obligations under capital lease | | | | |
| Institution Financials | 222,884,843 | | | |
| Fund balance adjustment related to CCU restatement | | | | |
| Other (describe) | | | | |
| Total - agreed to financial statements | 282,884,843 | 994,500,754 | 57,397,179 | 57,397,179 |

| | Restricted Expendable | | Capital Projects | Other |
|---|-----------------------|-------------------|--------------------|------------------|
| | Scholarships | Research | | |
| Endowment Schedules | 32,000,000 | 10,000,000 | | 2,000,000 |
| Institution Held Endowments (TU) | | | | |
| Cash held by Trustee - System-wide Financing (Schedule A) | | | 117,283,715 | |
| Restricted gifts (support available) | 10,692,920 | 29,985,485 | | 1,000,000 |
| Perkins loans receivable, net - Schedule G | | | | |
| Cash (Working Fund) - Schedule A | | | 39,611,379 | |
| Cash with State Treasurer | | | 15,000 | |
| Accounts Payable | | | 25,538,113 | |
| Other (describe) | | | | |
| Total - agreed to financial statements | 42,692,920 | 39,985,485 | 117,283,715 | 3,000,000 |

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

**Schedule of Transfers of Accounts Receivable to the State Central Collection Unit -
Schedule P**

Purpose: To provide information showing the volume of additions to accounts receivable, and amounts of accounts balances transferred to the State Central Collection Unit for the period January 1 through June 30. This data is provided to the Board of Regents Audit Committee for the purpose of evaluating compliance with Board policy, assessing changes in experience of institutions in collecting the different categories of Accounts Receivable, and to create trend data over time.

Format: The schedule is to reflect the total of increases in accounts receivable associated with new billings for the six month period ended June 30, the total of amounts transferred to the State Central Collection Unit, and the total of amounts recovered from the State Central Collection Unit for the same six month period, all detailed into 3 general categories:

1. Student Tuition and Fees and Other Charges to Students
2. Contracts and Grants
3. Other

University System of Maryland
Semi-annual Reporting of Transfers to State Central Collection Unit

Institution: _____

Six month period ended: 30 June 2008

| | Student Tuition & Fees & Other Charges to Students | Contracts & Grants | All Others |
|---|--|-----------------------|-------------|
| Total charges or additions to accounts / notes receivable | \$43,181,698 | \$198,867,670 | \$9,975,953 |
| Dollar value of accounts / notes transferred to the State Central Collection Unit | 100,187 | 62,168 | 49,667 |
| Dollar value of recoveries from accounts / notes transferred to State Central Collection Unit | 59,768 | | 28,333 |

If both Spring and Fall tuition billings fall within the same six-month period (for instance, fall semester billing occurs early July, while Spring semester tuition billing occurs in December), either indicate, by a notation on the schedule that the Total charges or additions includes both semesters, or adjust the Total charges to exclude the later set of billings and report them in the report for the next six-month period. Whichever methodology is used, it should be applied consistently from report to report.

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

State Appropriations and Capital Appropriations, by institution:

For your convenience, below is a table showing what State General Fund Appropriations and disbursements under the State General Obligation Bond / Pay-go construction program were, according to our records, by institution. Note: State Appropriations is final. Per GAD FY08 Health Care repayments amounts should be reflected as an expense rather than an adjustment to State Appropriations.

| Institution | State Appropriations | Capital Appropriations |
|--------------------|---------------------------------|-----------------------------------|
| UMB | \$170,642,031 | \$3,486,002 |
| UMCP | 396,173,691 | 18,427,659 |
| BSU | 33,232,339 | 2,495,346 |
| TU | 82,207,599 | 23,156,141 |
| UMES | 30,876,507 | 274,999 |
| FSU | 31,099,747 | 411,047 |
| CSU | 31,813,469 | 61,432,627 |
| UB | 27,843,694 | 3,535,322 |
| SU | 34,666,608 | 30,439,809 |
| UMUC | 24,645,684 | |
| UMBC | 84,488,263 | 1,924,725 |
| UMCES | 17,286,306 | 233,130 |
| UMBI | 19,759,027 | 1,536,028 |
| USM Office | 19,332,765 | 6,642,469 |
| Totals | <u>\$1,004,067,730</u> | <u>\$153,995,304</u> |

If institutional records differ, in total, from the above amounts, please contact Monica West (301 445-1937) for the State Appropriations amount, or Weems McFadden for the Capital Appropriations amounts to identify the differences.

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of Transfers to USM Office for Debt Service by Institution

| | Academic Projects Revenue Bonds | Auxiliary Enterprise Revenue Bonds | COP's | Revolving Equipment Loan Program | Credits Returned To Institutions | Total |
|--------------|--|---|--------------------|---|---|----------------------|
| UMB | \$5,622,505 | \$4,254,291 | | \$2,199,818 | \$(151,983) | \$11,924,631 |
| UMCP | 21,866,201 | 22,281,850 | \$2,170,000 | 1,730,565 | (292,637) | 47,755,979 |
| BSU | 1,539,173 | 746,862 | | 2,020,843 | (668,511) | 3,638,367 |
| TU | 6,151,421 | 12,648,011 | | 48,317 | (337,226) | 18,510,523 |
| UMES | 1,621,565 | 4,625,051 | | 454,775 | (39,787) | 6,661,604 |
| FSU | 2,468,672 | 134,723 | | 2,229,566 | (459,650) | 4,373,311 |
| CSU | 848,857 | 2,223,925 | | 700,504 | (181,275) | 3,592,011 |
| UB | 2,701,837 | 2,544,394 | | 1,719,297 | (1,714) | 6,963,814 |
| SU | 2,422,085 | 2,615,554 | | 757,883 | (108,867) | 5,686,655 |
| UMUC | | 1,622,212 | | 208,132 | | 1,830,344 |
| UMBC | 5,040,588 | 6,497,426 | | 4,067,119 | (430,471) | 15,174,662 |
| UMCES | | 4,505 | | | (5,804) | (1,299) |
| UMBI | | | | 168,083 | (2,500) | 165,583 |
| USM Office | | | | 1,209,575 | | 1,209,575 |
| Total | \$50,282,904 | \$60,198,804 | \$2,170,000 | \$17,514,477 | \$(2,680,425) | \$127,485,760 |

The amounts reported above for Revolving Equipment Loan Program debt service transfers have been reduced for amounts collected for the PeopleSoft license extension arrangements.

The difference between amounts shown above as 'Academic Projects Revenue Bonds' debt service, and debt service allocated to your institution for Academic facility projects must be reported on the line 'Transfers to USM Office for Debt Service'. These differences, along with June 30, 2008 balances for 'Cash held by USM Office/Trustee, Revenue Bonds, and Equipment Loan Program Obligations will be provided by August 15 along with the journal entries to record FY 2008 activity.

If you have problems arriving at the above amounts, please contact Kris Rao at USM Office (301) 445-2744.

**UNIVERSITY SYSTEM OF MARYLAND
FINANCIAL REPORTING INFORMATION REQUIREMENTS
FISCAL YEAR ENDED JUNE 30, 2008**

Schedule of Transfers of Special Funds to USM Office by Institution

| <u>Institution</u> | <u>Amount</u> |
|--------------------|---------------------------|
| UMB | \$620,762 |
| UMCP | 441,699 |
| BSU | 35,378 |
| TU | 219,277 |
| UMES | 55,234 |
| FSU | 66,022 |
| CSC | 20,989 |
| UB | 26,146 |
| SU | 100,479 |
| UMUC | 255,772 |
| UMBC | 304,062 |
| UMCES | 51,152 |
| UMBI | 49,119 |
| TOTAL | <u>\$2,246,091</u> |

The amount shown above should be reported as a Transfer to / from other USM institutions

Schedule of transfers from the Common Trust Fund

| | <u>Spendable Income</u> | <u>Administrative Cost Reimbursement</u> |
|--------------|-----------------------------|--|
| UMB | \$3,995,567 | \$744,480 |
| UMCP | 5,099,220 | 959,196 |
| TU | 193,415 | 34,427 |
| UMES | 24,188 | 4,666 |
| FSU | 42,400 | |
| CSU | 20,544 | 2,317 |
| UMUC | 8,238 | 1,590 |
| UMBC | 42,434 | 8,666 |
| USM Office | 499,471 | 413,967 |
| Total | <u>\$9,925,477</u> | <u>\$2,169,309</u> |

The above amounts will be adjusted to reflect the portion which represents dividends and interest, gains during the current period on investments, and spendable income derived from prior period investment income, through the journal entries to record FY 2008 Endowment Fund activity, which will be available by August 15.

INSTITUTION

Basic Financial Statements - Balance Sheet:

1. Assets equal liabilities plus net assets (to the dollar).
2. Notes receivable in the Current assets section is recorded in an amount equal to the principal amount of Notes receivable scheduled to be collected within the next 12 months. The principal portion not scheduled to be collected within the next 12 months is shown in the Noncurrent assets section.
3. Parenthetical amounts for the allowance of doubtful accounts receivable and the allowance for doubtful notes receivable are shown.
4. Amounts for "Revenue Bonds", "Notes Payable & Long-term Debt", and "Obligations Under Capital Lease Agreements" are separately presented on the Balance Sheet, where appropriate. **Equipment Loan Program obligations are to be included in Notes Payable and other Long-term Debt.**
5. The principal amount of Revenue Bonds, Notes Payable and Other Long-term Debt, and Obligations Under Capital Lease Agreements due within the next 12 months is reported as a current liability. The balance of the principal outstanding for each of these types of liabilities is to be reported as a Noncurrent Liability. **The entire amount of the Equipment Loan Program Obligations are to be reported as a Noncurrent Liability.**
6. Deferred revenue represents the portion of summer sessions allocated to the number of days not falling within the reporting fiscal year end, plus any unearned revenue associated with advance-funded exchange contracts or grants, plus the unearned portion of funds received associated with multi-year agreements such as exclusive provider arrangements or naming rights.
7. Balances shown for "Revenue Bonds", "Equipment Loan Program Obligations", and "Cash held by USM Office / Trustee" each agree to the balances reported along with the journal entries provided to the institution to record FY 2008 activity.
8. Amounts for Cash and cash equivalents, Restricted cash and cash equivalents, Investments, and Endowment investments all include the appropriate amounts associated with the institutions balances associated with the Common Trust Fund, the investment portfolio used to manage the System's Endowment Funds. These amounts must be verified against the balances for each category that will be provided with the journal entries to record FY 2008 Endowment Fund activity.

9. **Net assets - Invested in capital assets, net** - includes the recorded value of fixed assets, less the total of debt outstanding associated with fixed assets (including construction in progress).
10. **Net assets - Nonexpendable** – includes only the balances of 'pure' endowments associated with each of the three general categories.
11. **Net assets - Expendable** – includes the net balances of restricted activities associated with contracts and grants, gifts, loan funds, and any other previously 'restricted' fund activity, segregated into the groupings provided for on the example financial statements. Balances that do not fit into any of the specified categories should be grouped in 'Other'.
12. **Net assets - Expendable – Capital Projects** – generally balance should agree to 'restricted cash & cash equivalents' related to cash held by bond trustee (USM Office will have a reconciliation to support its balance)

Statement of Revenues, Expenses, and Other Changes in Net Assets

13. Scholarships and Fellowships expenditures have been analyzed, and reclassified in appropriate amounts to be reported as Scholarship Allowances, an offset to the revenue categories.
14. Current period depreciation expense has been included in the appropriate program expense categories. Depreciation expense, as appropriate, has also been recorded for assets disposed of during the current fiscal year.
15. Both revenues and expenses are reflected for each Auxiliary Enterprise activity reported by the institution.
16. Capital appropriations reported on the Statement of Activities agrees with the total amount of spending out of the State General Obligation loan program (and summarized on page 45)
17. Transfers to / from other USM institutions agrees to the total on Schedule H.
18. The "Net assets" as of **6/30/07** equals the total of fund balances presented in the audited version of the financial statements for **FY 07**.
19. The "Net assets" as of 6/30/08 agrees with the total of Net assets reported on the Balance Sheet.

Statement of Cash Flows

20. The amount 'Cash and cash equivalents - beginning of year' - agrees with the total of cash and cash equivalents reported in the FY 2007 financial statements.
21. State appropriations recorded on the Statement of Activities agrees with the amount shown on the Statement of Cash Flows.
22. Capital appropriations recorded on the Statement of Activities agrees with the amount shown on the Statement of Cash Flows.
23. Transfers to and from other USM Institutions agrees to 'Schedule of Inter-Institutional Transactions' provided by the System Office.
24. The amount 'Cash and cash equivalents - end of year' - agrees with the total of cash and cash equivalents and restricted cash and cash equivalents reported on the Balance Sheet.

Analysis of cash and short-term investments:

(due August 29)

25. Total Cash and Cash Equivalents as detailed on Schedule A - Composition of Cash and Cash Equivalents equals Cash and Cash Equivalents as reported on the Balance Sheet.
26. Total Cash on hand with the state treasurer as shown on Schedule A - Composition of Cash and Cash Equivalents agrees with Cash on hand with the state treasurer as shown on Schedule A1 - Reconciliation of Cash On Hand With The State Treasurer to Amount Reflected in RSTARS (in total).
27. The amount 'Cash and cash equivalents - end of year' - agrees with the total of cash and cash equivalents, both Current and Noncurrent or Restricted reported on the Balance Sheet.

Information on cash balances: (due September 12)

28. Composition of Cash and Cash Equivalents other than Cash on hand with the State Treasurer, cash and investment amounts associated with Endowment Funds, and cash and investment amounts associated with System revenue bonds or Equipment Loan Program Obligations appears on Schedule B - Information on Cash Balances.
29. Information on deposit insurance and collateralization arrangements is complete, and the requirements of state Finance and Procurement Article Title 6, Subtitle 2, Section 6-209 have been appropriately considered (requires that deposit insurance or collateralization of cash balances be equal to at least 100% of amounts on deposit at all times).
30. **NOTE: The State facilitates deposit insurance and collateral arrangements on all working fund accounts in Maryland for which they have been provided notification through the working fund form.**

Summary of Changes in Fixed Assets:

(due August 29)

31. Balances of each category of fixed assets as of July 1, 2007, agree with balances reported for FY 07. Adjustments to 7/1/07 amounts are separately detailed in the current year activity section of the FY 08 Schedule C - Summary of Changes in Fixed Assets.
32. The Total of Balances, June 30, 2008 on Schedule C – Summary of Changes in Fixed Assets exactly equals Capital Assets, net as reported on the Balance Sheet.

Expense Crosswalk

(due September 12)

33. Totals of each program expense category agrees with the total for each program expense category on the Statement of Revenues, Expenses, and Other Changes in Net Assets.
34. Depreciation expense allocated to the various program expense categories agrees with the total of depreciation expense reported on Schedule C.
35. Transfers (to) / from other USM institutions reported on Schedule C – Summary of Changes in Fixed Assets is supported by information on the composition which facilitates the matching of inter-institutional transactions.

Schedule of Notes Payable & other Long-term Debt:
(due August 29)

36. The Total for Principal Balance Remaining - 6/30/08 as shown on Schedule E – Information on Notes Payable & Other Debt equals the amount reported as Notes Payable & Long-term Debt on the Balance Sheet.
37. The sum of each of the Totals for future minimum Principal payments for each of the next 5 fiscal years, and five year increments through the payoff period, equals the Total for Principal Balance Remaining 6/30/08.
38. The Total for Principal Balance Remaining 6/30/08 plus the Total Payments FY 08, less Interest Portion of Payments Made In FY 08, less the initial obligation amount of any new obligations as shown on Schedule E - Information on Notes Payable & Other Debt, equals the amount reported as Notes Payable as of June 30, 2007.

Analysis of accounts receivable and payables
(due August 29)

39. The total of the detail of accounts receivable agrees with the amount reported on the Balance Sheet as accounts receivable.
40. The total of the detail of accounts payable agrees with the amount reported on the Balance Sheet as accounts payable.

Analysis of inter-institutional transactions:
(due August 29)

41. The totals for each fund for Transfers To / (From) Other University System of Maryland Institutions equal the amounts reported on the Statement of Activities.

Schedule of operating leases: (due September 12)

42. The schedule presents Total Operating Lease Expenditures for the year ended June 30, 2008.

43. Payments for each lease agreement spread in the Future Minimum Lease Payments section do not extend beyond the expiration of the agreement (which includes options EXERCISED as of the date of preparation of the schedule).

Analysis of changes in accrued vacation and accrued workers compensation (due September 12)

44. The balance reported for both Accrued Vacation, and Accrued Workers Compensation, as of July 1 agrees with the prior year audited financial statements.
45. The balance reported for both Accrued Vacation, and Accrued Workers Compensation, as of June 30 agrees with the amount reported on the Balance Sheet.
46. The provision for Annual Leave includes the amount due for FICA / Medicare.

Other:

47. Special Fund transfers (see page 43) for the institution are reported as a Transfer to / from Other USM institution.

University System of Maryland
Contact List

| NAME | INSTITUTION | PHONE NUMBER | FAX NUMBER | EMAIL ADDRESS |
|--------------------|--------------|--------------|--------------|--|
| Monique Booker | SB & Company | 410-584-1403 | 301-584-0061 | mbooker@sbandcompany.com |
| Allan Muniu | SB & Company | 410-584-4135 | 301-584-0061 | amuniu@sbandcompany.com |
| Marc Wasserman | UMB | 410-706-7776 | 410-706-7429 | mwasse@admin.umaryland.edu |
| Larry Miller | UMB | 410-706-2509 | 410-706-7429 | lmille@admin.umaryland.edu |
| Brian Mack | UMB | 410-706-2910 | 410-706-7429 | bmack@af.umaryland.edu |
| Lynn Rehn | UMCP | 301-405-0238 | 301-405-2736 | lrehn@umd.edu |
| Cindy Barnes | UMCP | 301-405-2602 | 301-405-2736 | clbarnes@umd.edu |
| Trina Tanner | UMCP | 301-405-2633 | 301-405-2736 | tannert@umd.edu |
| Jeff Cohen | UMCP | 301-405-8142 | 301-405-2736 | jecohen@umd.edu |
| Helena Moynahan | UMCP | 301-405-2615 | 301-405-2736 | hmoynaha@umd.edu |
| John Mason | UMCP | 301-405-2608 | 301-405-2736 | jmason3@umd.edu |
| Christina Davies | BSU | 301-860-3476 | 301-860-3487 | chris@bowiestate.edu |
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| Brian Fritsche | TU | 410-704-4048 | 410-704-4976 | fritsche@towson.edu |
| Kim Tremper | TU | 410-704-2218 | 410-704-4976 | ktremper@towson.edu |
| Erna Kesler | TU | 410-704-5012 | 410-704-4976 | ekesler@towson.edu |
| Laura Jackson | TU | 410-704-2217 | 410-704-4976 | ljackson@towson.edu |
| Bonita Byrd | UMES | 410-651-6088 | 410-651-6105 | bebyrd@mail.umes.edu |
| Rhonda Livingston | UMES | 410-651-6089 | 410-651-6105 | rmlivingston@umes.edu |
| Yasir Yousif | UMES | 410-651-7569 | 410-651-8187 | yeyousif@umes.edu |
| Michael Sheetz | FSU | 301-687-4490 | 301-687-4494 | msheetz@frostburg.edu |
| Ann Parish | FSU | 301-687-4336 | 301-687-4494 | aparrish@frostburg.edu |
| Sara Wilhelm | FSU | 301-687-3186 | 301-687-4494 | slwilhelm@frostburg.edu |
| Vincent Blackburn | CSU | 410-951-3699 | 410-951-3678 | vblackburn@coppin.edu |
| R. Daniel Wentland | CSU | 410-951-3579 | 410-951-3678 | rwentland@coppin.edu |
| Sharon Anderson | CSU | 410-951-3695 | 410-951-3678 | sanderson@coppin.edu |
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