

**The University of North Carolina at Chapel Hill  
Financial Statements Analysis  
Year Ended June 30, 2002**



**Prepared by:**

**UNC-Chapel Hill  
Controller's Office**

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**The University of North Carolina System**  
**Comparative Schedule of the Statement of Revenues, Expenses, and Changes in Net Assets**  
for the Year Ended June 30, 2002  
(in thousands)

	UNC- Chapel Hill		N.C. State		East Carolina		UNC- Greensboro		UNC- Charlotte		Appalachian State		N.C. A&T		Western Carolina	
		%		%		%		%		%		%		%		%
<b>REVENUES</b>																
<b>Operating Revenues</b>																
Student Tuition and Fees, net	124,661	12.4%	84,436	22.5%	50,037	20.2%	36,787	38.3%	59,063	53.2%	29,854	29.9%	22,270	29.8%	17,305	40.1%
Federal Grants and Contracts	365,172	36.4%	108,067	28.8%	21,044	8.5%	23,848	24.8%	19,022	17.1%	5,194	5.2%	30,030	40.2%	6,457	15.0%
State and Local Grants and Contracts	38,512	3.8%	24,925	6.6%	12,400	5.0%	3,248	3.4%	814	0.7%	4,987	5.0%	553	0.7%	3,211	7.4%
Nongovernmental Grants and Contracts	75,536	7.5%	31,130	8.3%	17,553	7.1%	1,161	1.2%	2,760	2.5%	213	0.2%	963	1.3%	849	2.0%
Patient Services, net	137,035	13.7%	0	0.0%	74,960	30.3%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Sales and Services, net	239,682	23.9%	118,113	31.4%	64,424	26.0%	30,815	32.1%	28,306	25.5%	59,022	59.1%	19,440	26.0%	14,865	34.5%
Interest Earnings on Loans	121	0.0%	232	0.1%	72	0.0%	136	0.1%	168	0.2%	47	0.0%	3	0.0%	19	0.0%
Other Operating Revenues	22,851	2.3%	8,871	2.4%	6,889	2.8%	131	0.1%	932	0.8%	603	0.6%	1,483	2.0%	420	1.0%
<b>Total Operating Revenues</b>	<b>1,003,570</b>	<b>100%</b>	<b>375,774</b>	<b>100%</b>	<b>247,379</b>	<b>100%</b>	<b>96,126</b>	<b>100%</b>	<b>111,065</b>	<b>100%</b>	<b>99,920</b>	<b>100%</b>	<b>74,742</b>	<b>100%</b>	<b>43,126</b>	<b>100%</b>
<b>EXPENSES</b>																
<b>Operating Expenses</b>																
Salaries and Benefits	829,473	56.2%	492,421	63.6%	273,691	67.2%	127,250	63.7%	129,576	66.4%	120,284	62.2%	86,164	59.8%	62,626	64.6%
Supplies and Materials	148,324	10.0%	76,951	9.9%	45,100	11.1%	17,651	8.8%	17,104	8.8%	23,078	11.9%	16,745	11.6%	10,872	11.2%
Services	364,832	24.7%	143,439	18.5%	58,425	14.3%	35,729	17.9%	29,196	15.0%	24,962	12.9%	23,341	16.2%	14,313	14.8%
Scholarships and Fellowships	40,415	2.7%	11,751	1.5%	8,724	2.1%	8,644	4.3%	5,014	2.6%	6,941	3.6%	8,625	6.0%	3,058	3.2%
Utilities	45,452	3.1%	20,030	2.6%	9,871	2.4%	4,204	2.1%	5,929	3.0%	8,440	4.4%	3,572	2.5%	2,985	3.1%
Depreciation	48,517	3.3%	29,688	3.8%	11,661	2.9%	6,333	3.2%	8,351	4.3%	9,536	4.9%	5,627	3.9%	3,097	3.2%
<b>Total Operating Expenses</b>	<b>1,477,013</b>	<b>100%</b>	<b>774,280</b>	<b>100%</b>	<b>407,472</b>	<b>100%</b>	<b>199,811</b>	<b>100%</b>	<b>195,170</b>	<b>100%</b>	<b>193,241</b>	<b>100%</b>	<b>144,074</b>	<b>100%</b>	<b>96,951</b>	<b>100%</b>
<b>OPERATING GAIN (LOSS)</b>	<b>(473,443)</b>		<b>(398,506)</b>		<b>(160,093)</b>		<b>(103,685)</b>		<b>(84,105)</b>		<b>(93,321)</b>		<b>(69,332)</b>		<b>(53,825)</b>	
<b>NONOPERATING REVENUES (EXPENSES)</b>																
State Appropriations	368,504	79.9%	328,187	88.9%	153,699	96.2%	86,170	96.5%	86,320	102.7%	81,878	90.9%	53,431	86.1%	47,668	94.5%
Noncapital Grants	0	0.0%	1,669	0.5%	3,823	2.4%	9,208	10.3%	37	0.0%	5,107	5.7%	9,331	15.0%	291	0.6%
Noncapital Gifts, net	62,404	13.5%	44,203	12.0%	0	0.0%	2,551	2.9%	6,288	7.5%	4,903	5.4%	0	0.0%	1,422	2.8%
Investment Income, net	52,957	11.5%	2,256	0.6%	6,164	3.9%	(4,479)	-5.0%	(3,528)	-4.2%	3,021	3.4%	378	0.6%	1,454	2.9%
Interest and Fees on Capital Asset-Related Debt	(15,031)	-3.3%	(6,088)	-1.6%	(3,923)	-2.5%	(3,981)	-4.5%	(3,861)	-4.6%	(5,061)	-5.6%	(906)	-1.5%	(618)	-1.2%
Other Nonoperating Revenues (Expenses)	(7,662)	-1.7%	(1,057)	-0.3%	63	0.0%	(193)	-0.2%	(1,176)	-1.4%	185	0.2%	(171)	-0.3%	203	0.4%
Net Nonoperating Revenues	461,172	100%	369,170	100%	159,826	100%	89,276	100%	84,080	100%	90,033	100%	62,063	100%	50,420	100%
<b>Income (Loss) Before Other Revenues, Expenses, Gains, or Losses</b>	<b>(\$12,271)</b>		<b>(\$29,336)</b>		<b>(\$267)</b>		<b>(\$14,409)</b>		<b>(\$25)</b>		<b>(\$3,288)</b>		<b>(\$7,269)</b>		<b>(\$3,405)</b>	
Capital Grants	\$27,479		\$24,763		\$24,420		\$16,831		\$13,700		\$2,369		\$24,906		\$7,825	
Capital Gifts, net	\$8,238		\$9,911		\$3,104		\$963		\$698		\$4,087		\$105		\$30	
Additions to Permanent Endowments	\$21,947		\$2,586		\$0		\$4,085		\$292		\$0		\$396		\$401	
<b>Increase in Net Assets</b>	<b>\$45,393</b>		<b>\$7,924</b>		<b>\$27,257</b>		<b>\$7,470</b>		<b>\$14,665</b>		<b>\$3,168</b>		<b>\$18,138</b>		<b>\$4,851</b>	
<b>NET ASSETS</b>																
Net Assets July 1, 2001, as Restated	\$1,919,025		\$659,502		\$439,102		\$327,671		\$262,240		\$193,120		\$163,045		\$157,415	
Net Assets June 30, 2002	\$1,964,418		\$667,426		\$466,359		\$335,141		\$276,905		\$196,288		\$181,183		\$162,266	

**The University of North Carolina System**  
**Comparative Schedule of the Statement of Revenues, Expenses, and Changes in Net Assets**  
for the Year Ended June 30, 2002  
(in thousands)

	UNC- Wilmington	%	N.C. Central	%	Winston- Salem State	%	UNC- Asheville	%	N.C. School of the Arts	%	Elizabeth City State	%	UNC- Pembroke	%	Fayetteville State	%
<b>REVENUES</b>																
<b>Operating Revenues</b>																
Student Tuition and Fees, net	28,617	35.8%	11,181	24.6%	3,838	24.5%	6,290	32.7%	5,691	53.1%	2,512	23.1%	4,032	22.2%	7,231	37.1%
Federal Grants and Contracts	16,074	20.1%	16,949	37.3%	5,059	32.3%	2,485	12.9%	432	4.0%	4,025	37.1%	6,666	36.6%	6,982	35.8%
State and Local Grants and Contracts	1,680	2.1%	1,690	3.7%	0	0.0%	705	3.7%	0	0.0%	0	0.0%	264	1.5%	0	0.0%
Nongovernmental Grants and Contracts	936	1.2%	0	0.0%	0	0.0%	265	1.4%	0	0.0%	0	0.0%	60	0.3%	0	0.0%
Patient Services, net	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Sales and Services, net	31,196	39.0%	15,272	33.6%	6,328	40.3%	9,170	47.7%	4,224	39.4%	3,691	34.0%	7,039	38.7%	4,126	21.2%
Interest Earnings on Loans	8	0.0%	12	0.0%	6	0.0%	0	0.0%	2	0.0%	5	0.0%	0	0.0%	153	0.8%
Other Operating Revenues	1,403	1.8%	357	0.8%	453	2.9%	328	1.7%	378	3.5%	618	5.7%	137	0.8%	1,008	5.2%
<b>Total Operating Revenues</b>	<b>79,914</b>	<b>100%</b>	<b>45,461</b>	<b>100%</b>	<b>15,684</b>	<b>100%</b>	<b>19,243</b>	<b>100%</b>	<b>10,727</b>	<b>100%</b>	<b>10,851</b>	<b>100%</b>	<b>18,198</b>	<b>100%</b>	<b>19,500</b>	<b>100%</b>
<b>EXPENSES</b>																
<b>Operating Expenses</b>																
Salaries and Benefits	83,759	60.6%	54,745	56.8%	33,224	61.0%	30,811	63.1%	21,836	67.5%	24,431	60.5%	27,724	58.4%	34,334	60.4%
Supplies and Materials	7,875	5.7%	16,531	17.2%	4,525	8.3%	4,819	9.9%	2,867	8.9%	4,201	10.4%	6,153	13.0%	5,523	9.7%
Services	32,181	23.3%	14,335	14.9%	10,600	19.5%	6,067	12.4%	4,070	12.6%	6,557	16.2%	8,292	17.5%	9,603	16.9%
Scholarships and Fellowships	5,042	3.7%	4,195	4.4%	2,866	5.3%	1,602	3.3%	400	1.2%	2,158	5.3%	1,776	3.7%	3,790	6.7%
Utilities	4,323	3.1%	2,512	2.6%	1,480	2.7%	1,461	3.0%	1,104	3.4%	1,485	3.7%	1,690	3.6%	1,769	3.1%
Depreciation	4,950	3.6%	4,025	4.2%	1,740	3.2%	4,086	8.4%	2,083	6.4%	1,579	3.9%	1,847	3.9%	1,861	3.3%
<b>Total Operating Expenses</b>	<b>138,130</b>	<b>100%</b>	<b>96,343</b>	<b>100%</b>	<b>54,435</b>	<b>100%</b>	<b>48,846</b>	<b>100%</b>	<b>32,360</b>	<b>100%</b>	<b>40,411</b>	<b>100%</b>	<b>47,482</b>	<b>100%</b>	<b>56,880</b>	<b>100%</b>
<b>OPERATING GAIN (LOSS)</b>	<b>(58,216)</b>		<b>(50,882)</b>		<b>(38,751)</b>		<b>(29,603)</b>		<b>(21,633)</b>		<b>(29,560)</b>		<b>(29,284)</b>		<b>(37,380)</b>	
<b>NONOPERATING REVENUES (EXPENSES)</b>																
State Appropriations	53,810	97.0%	41,721	97.6%	29,120	84.3%	24,213	100.4%	16,122	85.1%	21,002	78.4%	25,921	95.7%	28,140	78.2%
Noncapital Grants	516	0.9%	1,677	3.9%	6,868	19.9%	175	0.7%	131	0.7%	5,487	20.5%	1,468	5.4%	7,514	20.9%
Noncapital Gifts, net	2,579	4.7%	679	1.6%	304	0.9%	1,197	5.0%	2,949	15.6%	606	2.3%	53	0.2%	690	1.9%
Investment Income, net	242	0.4%	(799)	-1.9%	(1,160)	-3.4%	284	1.2%	(32)	-0.2%	(11)	0.0%	(123)	-0.5%	69	0.2%
Interest and Fees on Capital Asset-Related Det	(1,486)	-2.7%	(625)	-1.5%	(604)	-1.7%	(998)	-4.1%	(235)	-1.2%	(286)	-1.1%	(230)	-0.8%	(414)	-1.2%
Other Nonoperating Revenues (Expenses)	(211)	-0.4%	92	0.2%	0	0.0%	(751)	-3.1%	1	0.0%	4	0.0%	1	0.0%	0	0.0%
Net Nonoperating Revenues	55,450	100%	42,745	100%	34,528	100%	24,120	100%	18,936	100%	26,802	100%	27,090	100%	35,999	100%
<b>Income (Loss) Before Other Revenues, Expenses, Gains, or Losses</b>	<b>(\$2,766)</b>		<b>(\$8,137)</b>		<b>(\$4,223)</b>		<b>(\$5,483)</b>		<b>(\$2,697)</b>		<b>(\$2,758)</b>		<b>(\$2,194)</b>		<b>(\$1,381)</b>	
Capital Grants	\$3,437		\$5,121		\$11,165		\$2,592		\$4,616		\$2,582		\$1,676		\$0	
Capital Gifts, net	\$627		\$0		\$0		\$783		\$3,042		\$0		\$0		\$0	
Additions to Permanent Endowments	\$906		\$881		\$476		\$0		\$767		\$79		\$64		\$198	
<b>Increase in Net Assets</b>	<b>\$2,204</b>		<b>(\$2,135)</b>		<b>\$7,418</b>		<b>(\$2,108)</b>		<b>\$5,728</b>		<b>(\$97)</b>		<b>(\$454)</b>		<b>(\$1,183)</b>	
<b>NET ASSETS</b>																
Net Assets July 1, 2001, as Restated	\$152,534		\$110,667		\$62,630		\$70,892		\$60,228		\$61,480		\$49,070		\$43,256	
Net Assets June 30, 2002	\$154,738		\$108,532		\$70,048		\$68,784		\$65,956		\$61,383		\$48,616		\$42,073	