

2. The institution provides financial statements and related documents, including multiple measures for determining financial health as requested by the Commission, which accurately and appropriately represent the total operation of the institution.

- Compliance
- Partial Compliance
- Non-compliance

Narrative:

The [Budget Performance Report](#) for fiscal year 2001-02 shows the University ended the year with revenue of \$642.2 million or 103.% of budgeted annual revenue. Expenditures, including transfers, were \$618.4 million or 102.0% of budgeted annual expenditures and transfers.

[Table A](#) presents a summary of revenues by source and budget pool. State general fund revenues received were \$177.9 million and reflect the budget reduction of \$4.5 million in Educational and General Fund support. Non-general fund revenues were \$446.3 million, representing 104% of budgeted annual revenue.

Foundation support and investment income, and sales and services remained significant contributors to the increase of non-general fund revenue support. Increased support was realized from the affiliated foundations. Siegel Center special events increased sales and services revenue. Additionally, grant and contracts revenue was slightly above budget due to an increased cost recovery rate.

Gifts and medical practice plan transfers continued to lag behind budget through fiscal year-end. The current economy and market trends factored into the amount of gift support received, while the timing of transfers from MCV Physicians affected the recognition of medical practice plan revenue.

[Figure 1](#) presents a graphic representation of budgeted annual revenue compared with actual revenue received by source.

[Table B](#) presents a summary of total expenditures and transfers. University expenditures were \$618.4 million or 102% of budgeted annual expenditures. Institutional support expenditures remained above budget throughout the fiscal year due to an upgrade of computer servers and replacement of the University's mainframe system. Lower steam plant expenditures and capital outlay spending for the Student Commons Phase III addition contributed to a decline in auxiliary enterprise expenditures. Hospital services expenditures remained higher than budget due to an increase in the level of services provided to unrelated hospitals.

[Figure 2](#) presents a graphic representation of total expenditures among the budget categories and further details the distribution of educational and General Programs expenditures by functional category.

[Table C](#) compares projected annual revenues and expenditures by major budget category, as well as the effect of current operations on University budget balances for fiscal year ended June 30, 2002. The ending budget balance for all fund groups totaled \$84.0 million. All fund groups with the exception of Educational and General Programs, Student Financial Assistance, and Hospital Services ended the fiscal year with surpluses.

[Figures 3 and 4](#) present a graphic representation of budgeted revenues and expenditures versus actual amounts by budget category.

Similar financial data is provided for fiscal year ending June 30, 2001, and June 30, 2000.

The previous Comprehensive Standard provided information on the Auditor of Public Accounts audits for fiscal year ended June 30, 2002, 2001, 2000, 1999, and 1998.