

***Rutgers, The State University
of New Jersey***

**Independent Auditors' Report and Reports on
Internal Controls and Compliance as Required
Under Federal Office of Management and Budget
Circular A-133**

**Financial Statements and
*Supplemental Schedule of
Expenditures of Federal Awards*
Year Ended June 30, 2000**

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

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**PART I - FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

PART I - FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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INDEPENDENT AUDITORS' REPORT

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey

We have audited the accompanying financial statements of Rutgers, The State University of New Jersey (the "University") as of June 30, 2000 and for the year then ended, listed in the foregoing table of contents. These financial statements are the responsibility of the management of the University. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the University's 1999 financial statements; and in our report dated August 30, 1999, we expressed an unqualified opinion in those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the University at June 30, 2000 and the current funds revenues, expenditures and other changes and the changes in fund balances for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the University taken as a whole. The accompanying schedule of expenditures of federal awards, is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. This schedule is the responsibility of the management of the University. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 30, 2000 on our consideration of the University's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

August 30, 2000

Rutgers, The State University of New Jersey

Balance Sheet

JUNE 30, 2000

(WITH COMPARATIVE AMOUNTS FOR 1999)

(dollars in thousands)

	Current Funds	Loan Funds	Endowment Funds	Plant Funds	Total 2000	Total 1999
ASSETS:						
Cash and Cash Equivalents	\$112,759	\$2,061	\$36,165	\$119,421	\$270,406	\$241,000
Investments	65,252		348,141	112,186	525,579	502,395
Accounts Receivable (net)	62,198		227		62,425	45,136
Students' Notes Receivable (net)		35,710			35,710	35,678
Inventories	5,116				5,116	4,403
Prepaid Expenses and Deferred Charges	5,591			5,509	11,100	10,173
Construction Costs Reimbursable				4,750	4,750	3,616
Land				35,682	35,682	34,609
Land Improvement (net)				34,304	34,304	27,035
Buildings (net)				914,412	914,412	871,317
Equipment (net)				155,941	155,941	149,177
Construction in Progress				50,889	50,889	45,587
Total Assets	\$250,916	\$37,771	\$384,533	\$1,433,094	\$2,106,314	\$1,970,126
LIABILITIES:						
Accounts Payable and Accrued Expenses	\$68,535		\$207		\$68,742	\$58,677
Deferred Revenues	26,681				26,681	22,118
Payroll Withholdings	6,667				6,667	3,281
Annuities Payable			5,821		5,821	5,200
Notes Payable				\$1,723	1,723	1,873
Bonds Payable				419,145	419,145	433,300
Capitalized Lease Obligations				62,980	62,980	66,503
Other Payables	1,243			16,447	17,690	10,384
Total Liabilities	103,126		6,028	500,295	609,449	601,336
FUND BALANCES (Note 1):						
Unrestricted-Designated	70,168	\$618			70,786	58,480
Restricted	77,622	7,416			85,038	73,475
U.S. Government Grants Refundable		29,737			29,737	29,539
Endowment			189,066		189,066	158,826
Term Endowment			28,446		28,446	27,262
Quasi-endowment						
Designated			84,864		84,864	80,929
Restricted			71,046		71,046	63,787
Annuity and Life Income			5,083		5,083	5,831
Unexpended Plant Funds:						
Designated				128,394	128,394	122,687
Restricted				3,383	3,383	7,735
Debt Retirement				8,805	8,805	8,933
Net Investment in Plant				792,217	792,217	731,306
Total Fund Balances	147,790	37,771	378,505	932,799	1,496,865	1,368,790
Total Liabilities and Fund Balances	\$250,916	\$37,771	\$384,533	\$1,433,094	\$2,106,314	\$1,970,126

See accompanying notes to the financial statements

Rutgers, The State University of New Jersey

Statement of Current Funds Revenues, Expenditures and Other Changes

FOR THE YEAR ENDED JUNE 30, 2000
(WITH COMPARATIVE AMOUNTS FOR 1999)
(dollars in thousands)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total 2000</u>	<u>Total 1999</u>
REVENUES:				
Educational and General:				
Student Tuition and Fees	\$297,715		\$297,715	\$273,609
State Appropriations	326,554		326,554	307,569
Fringe Benefits Paid Directly by the State of New Jersey	94,983		94,983	89,503
Federal Appropriations	7,584		7,584	7,938
Federal Grants and Contracts		\$218,097	218,097	205,527
State and Municipal Grants and Contracts		66,733	66,733	60,753
Gifts, Private Grants and Contracts	776	54,714	55,490	47,535
Endowment and Investment Income	15,742	13,956	29,698	27,932
Indirect Costs Recovered	27,820		27,820	25,646
Other Sources	14,577	707	15,284	15,949
Total Educational and General Revenues	<u>785,751</u>	<u>354,207</u>	<u>1,139,958</u>	<u>1,061,961</u>
Auxiliary Enterprises	158,547		158,547	146,216
Total Revenues	<u>944,298</u>	<u>354,207</u>	<u>1,298,505</u>	<u>1,208,177</u>
EXPENDITURES AND MANDATORY TRANSFERS:				
Educational and General:				
Instruction and Departmental Research	370,994	12,604	383,598	358,944
Sponsored Research		99,566	99,566	90,490
Other Separately Budgeted Research	59,998		59,998	60,227
Other Sponsored Programs		48,796	48,796	38,222
Extension and Public Service	21,422	2,221	23,643	22,753
Libraries	29,267	1,342	30,609	29,396
Student Services	42,252	2,748	45,000	43,003
Operation and Maintenance of Plant	93,820	459	94,279	88,966
General Administration and Institutional	73,283	2,549	75,832	69,236
Student Aid	21,430	183,922	205,352	198,037
Educational and General Expenditures	<u>712,466</u>	<u>354,207</u>	<u>1,066,673</u>	<u>999,274</u>
Mandatory Transfers:				
Principal and Interest	21,373		21,373	21,797
Loan Funds Matching Grants	39		39	52
Total Educational and General	<u>733,878</u>	<u>354,207</u>	<u>1,088,085</u>	<u>1,021,123</u>
Auxiliary Enterprises:				
Expenditures	133,096		133,096	122,269
Mandatory Transfers for Principal and Interest	18,198		18,198	16,609
Total Auxiliary Enterprises	<u>151,294</u>		<u>151,294</u>	<u>138,878</u>
Total Expenditures and Mandatory Transfers	<u>885,172</u>	<u>354,207</u>	<u>1,239,379</u>	<u>1,160,001</u>
OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS):				
Restricted Additions Over Expenditures		8,084	8,084	9,910
Transfers to Plant Funds for Deferred Maintenance and Capital Improvements	(49,442)		(49,442)	(45,539)
Other Transfers	2,619	3,279	5,898	1,440
Net Increase (Decrease) in Fund Balances (Note 1)	<u>\$12,303</u>	<u>\$11,363</u>	<u>\$23,666</u>	<u>\$13,987</u>

See accompanying notes to the financial statements.

Rutgers, The State University of New Jersey

Statement of Changes in Fund Balances

FOR THE YEAR ENDED JUNE 30, 2000 (Note 1)

(dollars in thousands)

	Current Funds		Loan Funds	Endowment Funds	Plant Funds		
	Unrestricted	Restricted			Unexpended	Debt Retirement	Net Investment
REVENUES AND OTHER ADDITIONS:							
Educational and General Revenues	\$785,751						
Auxiliary Enterprises Revenues	158,547						
Federal Grants and Contracts		\$237,940					
State and Municipal Grants and Contracts		66,504					
Gifts, Private Grants and Contracts		69,763	\$1	\$17,396	\$6,325		\$2,194
State Capital Appropriations					15,351		
Federal Advances			116				
Investment Income		8,218	963	1,092	9,937	\$10	
Expended for Plant Facilities (including \$36,446 charged to current funds)							106,859
Debt Retirement							16,506
Student Tuition and Fees						4,285	
Net Increase (Decrease) in Fair Value of Investments				31,600	(851)		
Matured Annuity and Life Income Funds		1,359					
Other Sources		6,806	157	407	949		
Total Revenues and Other Additions	944,298	390,590	1,237	50,495	31,711	4,295	125,559
EXPENDITURES AND OTHER DEDUCTIONS:							
Educational and General Expenditures	712,466	354,207					
Auxiliary Enterprises Expenditures	133,096						
Refunds to Grantors		479					
Administrative and Collection Costs			702				
Matured Annuity and Life Income Funds				1,359			
Expended for Plant Facilities (including non-capitalized expenditures of \$11,414)					81,827		
Disposal of Plant Facilities							1,087
Depreciation Expense							63,561
Debt Retirement						16,506	
Interest on Debt						26,855	
Indirect Costs Recovered		27,820					
Other Deductions			145				
Total Expenditures and Other Deductions	845,562	382,506	847	1,359	81,827	43,361	64,648
TRANSFERS AMONG FUNDS:							
ADDITIONS (DEDUCTIONS)							
Mandatory:							
Principal and Interest	(39,571)					39,571	
Loan funds Matching Grants	(39)		39				
Transfers to Plant Funds for Deferred Maintenance and Capital Improvements	(49,442)				49,442		
Other Transfers	2,619	3,279	(28)	(7,266)	2,029	(633)	
Total Transfers	(86,433)	3,279	11	(7,266)	51,471	38,938	
Net Increase for the Year	12,303	11,363	401	41,870	1,355	(128)	60,911
Fund Balances at Beginning of Year	57,865	66,259	37,370	336,635	130,422	8,933	731,306
Fund Balances at End of Years	\$70,168	\$77,622	\$37,771	\$378,505	\$131,777	\$8,805	\$792,217

See accompanying notes to the financial statements.

Rutgers, The State University of New Jersey

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Basis of Accounting

The financial statements of Rutgers, The State University of New Jersey (the "University") have been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB") and the American Institute of Certified Public Accountants' Audit Guide for Colleges and Universities.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds, according to the activities or objectives specified. Separate accounts are maintained for each fund, however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund groups.

The Current Funds group accounts for those economic resources which are expendable for performing the primary missions of the University (instruction, research and public service) during the current fiscal year. The current funds group has two basic subgroups: unrestricted-designated and restricted.

Current Unrestricted-Designated Funds are resources received by the University that have no limitations or stipulations placed on them by external agencies or donors. However, these funds have been designated by the governing boards or management to support a wide variety of programs including student activities, research projects, continuing education and summer programs, agricultural experiment station activities, junior year abroad programs, auxiliary enterprises and other self-supporting organized activities relating to educational departments.

Current Restricted Funds are those available for financing operations, but which are restricted by donors and other external agencies as to specific purposes, programs, departments or schools. Current restricted revenue is recognized when funds are expended.

The Loan Funds group accounts for resources, primarily from the Federal government, which provide loans to students on a revolving basis (repayments of principal and interest become available for loans to other students). Interest is recorded when received.

The Endowment Funds group accounts for those resources that have been set aside and invested, either as required by the provider of the resources or as determined by the University's governing board or management. Endowments are gifts and bequests which are to be invested in perpetuity with the earnings on those investments to be used as specified by the donor in the gift instrument. Term endowment funds are similar to endowment funds, except that upon the passage of a stated period of time or the occurrence of a particular event, all or part of the principal may be expended. Quasi-endowment funds have been established by the governing boards for the same purposes as endowment funds, but any portion of these funds may be expended subject to donor imposed restrictions.

The Endowment Funds group also includes annuity and life income funds. Annuity funds consist of resources donated to the University on the condition that the University pay a stipulated amount to the donors or their designees for a specified time or until death of the annuitant. Life Income funds consist of resources contributed to the University subject to the requirement that the institution periodically pay the income earned on the assets to designated beneficiaries.

The Plant Funds group accounts for resources to be used for construction, renovation and acquisition of long-lived assets for University purposes, funds set aside for renewal and replacement of University properties, funds related to debt retirement and funds already expended in plant assets. The debt retirement fund balance consists primarily of funds held with a trustee for repair and replacement reserve requirements associated with the University's debt.

Reporting Entity

The University's financial statements and notes thereto include the financial statements of the Rutgers University Foundation (the "Foundation"). The Foundation was formed to aid the University in obtaining private funds and other resources to meet the needs and achieve the goals of the University. Although the Foundation is a legally separate, non-profit corporation, it exists for the benefit of the University and is considered a component unit of the University. Its balances and transactions were blended with those of the University for reporting purposes, in accordance with GASB Statement No. 14, "The Financial Reporting Entity."

Under the law, the University is an instrumentality of the State of New Jersey with a high degree of autonomy. However, under GASB Statement No. 14, the University is considered a component unit of the State of New Jersey for financial reporting purposes. Accordingly, the University's financial statements are included in the State of New Jersey's Comprehensive Annual Financial Report.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash on deposit with commercial banks, money market funds, commercial paper, treasury bills and repurchase agreements.

Investments

Investments are recorded at fair value in the balance sheet. The year-to-year change in the fair value of investments held in each fund group is reported in the Statement of Changes in Fund Balances and the Statement of Current Funds Revenues, Expenditures and Other Changes.

The fair value of investments is based on the last sale price on the last business day of the fiscal year as quoted by an industry standard pricing service. Securities for which no sale was reported as of the close of the last business day of the fiscal year are valued by this pricing service based on market evaluations using standard trade publications and other quote devices.

Net realized and unrealized gains (losses) are included in Net Increase (Decrease) in Fair Value of Investments in the Statement of Changes in Fund Balances and in Endowment and Investment Income in the Statement of Current Funds Revenues, Expenditures and Other Changes.

Funds Held in Trust

Funds held in trust by others and not in the possession of, nor under the control of, the University are not included in the University's cash and investments. The market value of such funds aggregated approximately \$61.9 million at June 30, 2000 (\$58.9 million in 1999). Income derived from such irrevocable trust funds held by others, aggregating approximately \$1.5 million in 2000 and 1999, is reported in the accompanying financial statements as current restricted funds revenues.

Inventories

Inventories are stated at lower of cost or market. Cost is determined principally on a first-in, first-out basis.

Property, Buildings and Equipment

Property, buildings and equipment are recorded at cost at the date of acquisition, or fair market value on the date of gift if donated, and are shown net of accumulated depreciation. Depreciation is recognized as a reduction in the Net Investment in Plant Fund balance using the straight line method over the assets' estimated useful lives, ranging from 5 to 50 years. Library books totaling approximately 4.7 million volumes have not been capitalized.

Deferred Revenues and Deferred Charges

Deferred revenues and deferred charges include summer session activity which will be recognized as revenue and expense in current funds in the following fiscal year. Deferred charges also include the discount on certain University bond issues which will be amortized in plant funds over the terms of the respective bond issues.

Statement of Current Funds Revenues and Expenditures

The Statement of Current Funds Revenues, Expenditures and Other Changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

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

Current fund expenditures include \$122.0 million in 2000 (\$112.9 million in 1999) of employee fringe benefit costs (pensions, F.I.C.A., health and others) paid directly by the State of New Jersey. Of this amount, \$27.0 million (\$23.4 million in 1999) was reimbursed to the State from amounts recovered from self-supporting operations and sponsored programs.

Student Aid

The University distributes loans to students under the Federal Direct Student Loan Program. Under this program, the U.S. Department of Education makes interest subsidized and unsubsidized loans, through schools, directly to students. During the year ended June 30, 2000, the University disbursed \$108.6 million (\$107.6 million in 1999) under the Federal Direct Loan Program. The activity of this program is reflected in the accompanying financial statements as current restricted funds revenues and expenditures. Direct student loans receivable are not included in the University's balance sheet since they are repayable directly to the U.S. Department of Education.

The University also distributes funds on behalf of the Federal and State governments to students under the Federal Pell Grant Program and the State of New Jersey Tuition Aid Grant Program, the Educational Opportunity Fund and the Garden State Scholarship Program. The activity of these programs is reflected in the accompanying financial statements as current restricted funds revenues and expenditures.

Income Taxes

The University is exempt from income taxes on related income pursuant to Federal and State tax laws as an instrumentality of the State of New Jersey.

NOTE 2 – CASH AND INVESTMENTS

Cash and Cash Equivalents

The cash and cash equivalents balance at June 30, 2000 includes a negative cash book balance of \$5.0 million resulting from the use of controlled disbursement bank accounts. The actual amount of cash on deposit in the University's bank accounts at June 30, 2000 was \$15.6 million. Of this amount, \$.9 million was insured by the Federal Deposit Insurance Corporation, \$11.6 million was secured by the State of New Jersey Governmental Unit Deposit Protection Act and \$3.1 million was uninsured and uncollateralized. Cash equivalent investments are categorized by credit risk in the table below.

Investments

The Board of Governors and the Board of Trustees, through a Joint Investment Committee, have authority over the investment of University funds. Professional investment managers are engaged by the University to manage the investment of funds in accordance with the investment policies and objectives established by the Joint Investment Committee. Under current policies, investment managers may invest only in investment grade marketable securities. In addition, under the terms of the University's bond indentures, bond proceeds and debt service funds may be invested and reinvested only in obligations which will by their terms mature on or before the date funds are needed for expenditure or withdrawal.

The University's investments at June 30, 2000 are categorized by credit risk in the table below. Credit risk pertains to custodial risk, which is the risk that the University will not be able to recover the value of investment or collateral securities that are in the possession of an outside party if the counterparty to the investment transaction fails. Credit risk should not be confused with market risk, which is the risk that the market value of a security may decline. There are three categories of credit risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements." Category 1 includes investments that are insured or registered or for which the securities are held by the University or its agent in the University's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the University's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the University's name.

	<u>Category 1</u>	<u>Category 2</u>	<u>Total</u>
Cash Equivalents:			
Commercial Paper	\$1,947	\$162,264	\$164,211
Government Agency Discount Notes		34,711	34,711
Money Market Funds	21,875	33,182	55,057
Repurchase Agreements		21,408	21,408
Total Cash Equivalents	<u>\$23,822</u>	<u>\$251,565</u>	<u>\$275,387</u>
Investments:			
Federal and State Government Securities	\$49,733	\$178,528	228,261
Corporate Equity Securities	213,607	19,119	232,726
Corporate Debt Securities	34,656	6,725	41,381
Asset-backed Securities	11,202	12,009	23,211
Total Investments	<u>\$309,198</u>	<u>\$216,381</u>	<u>\$525,579</u>

Investments - Endowment Funds

The majority of endowment funds assets are combined into two separate investment pools. Each individual fund subscribes to or disposes of units in the pools on the basis of the per-unit market value at the beginning of the three-month period within which the transaction takes place. At June 30, 2000, the pooled assets had a total market value of \$324.6 million (\$277.4 million in 1999). In addition, the aggregate market value of endowment funds assets separately invested was \$59.7 million at June 30, 2000 (\$64.6 million in 1999).

The University employs a spending policy which provides for annual spending at a stated rate determined by the Joint Investment Committee of the Board of Governors and the Board of Trustees. Income earned above the stated rate is reinvested and added to the endowment principal, while any shortfall is covered by capital appreciation.

NOTE 3 - RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable are shown net of the allowance for doubtful accounts and were comprised of the following at June 30, 2000 (dollars in thousands):

	<u>Accounts Receivable</u>	<u>Allowance</u>	<u>Net 2000</u>	<u>Net 1999</u>
Government Grants Receivable and Other Sponsored Programs	\$44,741	\$567	\$44,174	\$33,837
Student Accounts Receivable	2,990	1,203	1,787	1,904
Other	<u>17,148</u>	<u>684</u>	<u>16,464</u>	<u>9,395</u>
Total	<u>\$64,879</u>	<u>\$2,454</u>	<u>\$62,425</u>	<u>\$45,136</u>

Students' notes receivable in the balance sheet are also shown net of the allowance for doubtful notes which amounted to \$4.0 million at June 30, 2000 (\$4.1 million in 1999).

The allowances for doubtful accounts and notes are based upon management's best estimate of uncollectible accounts and notes at the balance sheet date, considering type, age, collection history and other appropriate factors.

The University does not accrue an amount for outstanding pledges as of the balance sheet date, as they are not considered to be significant.

NOTE 4 - NOTES PAYABLE

Notes payable at June 30, 2000 and 1999 consist of an installment loan payable to a bank at a variable rate of interest, final installment was paid August 13, 1999, and an unsecured note payable to the U.S. Department of Education with interest at 5.50%, final installment due January 1, 2021.

The University has an unsecured \$20 million line of credit with a bank to be used for interim financing requirements. The amount available under the line of credit is reduced by a \$.1 million letter of credit which is used as collateral for certain insurance policies. No portion of the line of credit is in use, and no funds have been drawn on the letter of credit as of June 30, 2000 or 1999.

NOTE 5 - PROPERTY, BUILDINGS AND EQUIPMENT

Property, buildings and equipment consisted of the following at June 30, 2000 (dollars in thousands):

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net 2000</u>	<u>Net 1999</u>
Land	\$35,682		\$35,682	\$34,609
Land Improvements	66,478	\$32,174	34,304	27,035
Buildings	1,274,450	360,038	914,412	871,317
Equipment	<u>453,354</u>	<u>297,413</u>	<u>155,941</u>	<u>149,177</u>
Total	<u>\$1,829,964</u>	<u>\$689,625</u>	<u>\$1,140,339</u>	<u>\$1,082,138</u>

NOTE 6 - BONDS PAYABLE

A summary of bonds issued and outstanding at June 30, 2000 and 1999 is as follows (dollars in thousands):

	Date Of Series	Original Amount	Outstanding June 30,	
			2000	1999
Revenue Refunding Bonds:				
Series A, 3.13%, due serially to May 1, 2001	May 1, 1967	\$5,025	\$75	\$190
Series R, 6.51% effective, due serially to May 1, 2009 and term bonds due May 1, 2018	Feb. 1, 1992	90,655	74,035	76,255
Series S, 5.11% effective, due serially to May 1, 2014	Apr. 15, 1993	35,170	23,365	25,275
Series T, 5.34% effective, due serially to May 1, 2016	Apr. 15, 1993	36,270	29,215	30,365
Series U, 4.89% effective, due serially to May 1, 2021	Dec. 1, 1997	40,015	36,410	37,725
Total Revenue Refunding Bonds		<u>207,135</u>	<u>163,100</u>	<u>169,810</u>
Revenue Bonds:				
Series E, 3.75%, due serially to May 1, 2016	May 1, 1967	1,200	645	675
Series F, 3.00%, due serially to May 1, 2016	Nov. 1, 1967	2,350	1,180	1,240
Series H, 5.90% effective, due serially to May 1, 2007	Nov. 1, 1970	8,300	3,430	3,800
Total Revenue Bonds		<u>11,850</u>	<u>5,255</u>	<u>5,715</u>
General Obligation Refunding Bonds:				
1992 Series A, 6.51% effective, due serially to May 1, 2007 and term bonds due May 1, 2018	Feb. 1, 1992	94,370	78,860	81,170
1993 Series 1, 5.32% effective, due serially to May 1, 2015	Apr. 15, 1993	10,275	8,080	8,435
1993 Series A, 5.12% effective, due serially to May 1, 2014 and term bonds due May 1, 2019	Oct. 1, 1993	81,600	66,840	68,975
Total General Obligation Refunding Bonds		<u>186,245</u>	<u>153,780</u>	<u>158,580</u>
General Obligation Bonds:				
1993 Series B, 5.37% effective, due serially to May 1, 2016	Apr. 15, 1993	28,020	23,660	24,595
1997 Series A, 5.34% effective, due serially to May 1, 2022 and term bonds due May 1, 2027	June 1, 1997	25,385	24,185	24,600
1998 Series A, 4.89% effective, due serially to May 1, 2018 and term bonds due May 1, 2020, 2023 and 2029	Nov. 1, 1998	50,000	49,165	50,000
Total General Obligation Bonds		<u>103,405</u>	<u>97,010</u>	<u>99,195</u>
Total Bonds		<u>\$508,635</u>	<u>\$419,145</u>	<u>\$433,300</u>

The Revenue Refunding Bonds, Series A and R-U, and the Revenue Bonds, Series E, F and H, were issued under an open-ended indenture of trust dated May 1, 1967 to finance the construction of auxiliary enterprise facilities and to consolidate previously outstanding bond indebtedness. Under the terms of the indenture, all bonds issued are direct and general obligations of the University and are in no way an obligation of the State of New Jersey. All revenues from auxiliary enterprise facilities constructed from the proceeds of the bonds, together with revenues from certain other such facilities, are pledged to secure the indebtedness and must be applied to (1) annual interest and amortization payments, (2) debt service reserve deficiencies, if any, (3) operating and maintenance expenses and (4) the funding of repair and replacement reserves. The excess of funds, after satisfying these requirements, is available to the University. The University has covenanted that so long as the bonds are outstanding it will not incur any other indebtedness secured by a pledge of the facility revenues, nor sell, mortgage or otherwise dispose of such facilities.

The General Obligation Refunding Bonds, 1992 and 1993 Series A, and General Obligation Bonds, 1993 Series B, 1997 and 1998 Series A, were issued under an open-ended indenture of trust, dated May 1, 1987, as supplemented; the General Obligation Refunding Bonds, 1993 Series 1, were issued under an indenture of trust, dated May 1, 1986. These bonds were issued to finance a portion of the cost of the renovation, construction and equipping of certain academic, research support and other facilities, as well as infrastructure development and land acquisitions of the University. Under the terms of the indentures, all bonds issued are direct and general obligations of the University and are in no way an obligation of the State of New Jersey.

Debt service payments over the next five years for the following bonds outstanding at June 30, 2000, are as follows (dollars in thousands):

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Series A, E, F, H, R-U					
Principal	\$7,500	\$7,805	\$8,210	\$8,655	\$9,140
Interest	9,195	8,824	8,426	7,999	7,541
1993 Series 1					
Principal	370	390	410	430	450
Interest	417	400	381	361	339
1992, 1993, 1997 and 1998 Series A					
Principal	5,980	6,280	6,600	6,945	7,305
Interest	11,841	11,544	11,231	10,892	10,530
1993 Series B					
Principal	980	1,035	1,085	1,145	1,205
Interest	1,248	1,199	1,148	1,093	1,036
Total	<u>\$37,531</u>	<u>\$37,477</u>	<u>\$37,491</u>	<u>\$37,520</u>	<u>\$37,546</u>

NOTE 7 - EXTINGUISHMENT OF DEBT

As of June 30, 2000, the University had extinguished the following outstanding obligations with advance refunding bond issues, and neither the refunded debt nor the associated special escrow trust funds are included in the accompanying financial statements (dollars in thousands):

	<u>Outstanding June 30, 2000</u>
Revenue Bonds: Series P, dated March 15, 1991	\$24,810
Revenue Refunding Bonds: Series Q, dated March 15, 1991	<u>4,190</u>
Total	<u>\$29,000</u>

NOTE 8 - CAPITALIZED LEASE OBLIGATIONS

Facilities Authority

Dormitories — Pursuant to the terms of a lease and agreement dated September 1, 1971 between the University and the New Jersey Educational Facilities Authority (the "Facilities Authority"), the University transferred to the Facilities Authority title to certain land, upon which dormitories have been constructed. In 1974, the Facilities Authority issued bonds in the aggregate amount of \$6.7 million at an effective interest cost of 5.95% per annum, for the purpose of providing long-term financing for the aforementioned facilities. Such bonds mature serially through 2008. In accordance with the agreement, the University is required to pay an annual rental to the Facilities Authority over the life of the agreement in amounts necessary to retire the bonds, including interest, provide sinking fund and reserve account requirements and reimburse the Facilities Authority for its administrative costs. As security for its obligation under the agreement, the University has pledged the revenues arising from the financed facilities. Upon retirement of the bonds, title to the land and facilities will revert to the University. Accordingly, the land and facilities have been capitalized with a corresponding liability classified as a capitalized lease obligation. At June 30, 2000, this liability was \$2.9 million (\$3.1 million in 1999).

Equipment Leasing Fund (ELF) — In accordance with the Higher Education Equipment Leasing Fund Act of 1993, the University entered into a capital lease agreement with the Facilities Authority, dated August 1, 1994, for equipment purchases required for the University's laboratory and instructional facilities. The capital lease agreement was financed through the issuance of Facilities Authority bonds, the University's portion of which amounted to \$19.6 million. The bonds were issued on August 17, 1994 and bear interest at a rate of 5.00% per annum and mature on September 1, 2000. In accordance with the agreement, the University is required to make annual lease payments to retire 25% of the bonds, representing the University's portion, including interest. The State of New Jersey is obligated to pay the remaining 75% of the annual debt service. Title to all equipment purchased under this lease agreement will be transferred to the University at the conclusion of the lease. At June 30, 2000, the University had a capital lease obligation of \$.9 million (\$1.8 million in 1999) for equipment purchased under the terms of this agreement.

Housing Authority

In connection with a redevelopment project undertaken by the Housing and Urban Development Authority of the City of New Brunswick (the "Housing Authority"), a series of agreements were entered into by the University, the Housing Authority and Robert Wood Johnson University Hospital, Inc., the outcome of which was the construction of a student apartment complex, parking deck, health club facility and multi-unit retail center. Pursuant to the terms of the capital lease and agreement dated July 1, 1992 between the University and the Housing Authority, the Housing Authority issued bonds in the aggregate amount of \$55.3 million on July 23, 1992, at an effective interest rate of 6.23% per annum, for the purpose of providing long-term financing for the project. On December 1, 1998, these bonds were refinanced in the aggregate amount of \$54.5 million, at an effective interest rate of 4.83% per annum. Such bonds mature serially through 2024. In accordance with the agreement, the University is required to pay an annual rental to the Housing Authority over the life of the agreement in amounts necessary to retire the University's portion of the bonds, including interest, to provide for sinking fund and reserve account requirements and to reimburse the Housing Authority for its administrative costs. Upon retirement of the bonds, title to the student apartment complex, parking deck, health club facility and the related common space will be transferred to the University. Accordingly, the land and facilities have been capitalized with a corresponding liability classified as a capital lease obligation. At June 30, 2000, this liability was \$48.8 million (\$50.0 million in 1999). As discussed more fully below, a portion of this capital lease obligation is being funded under a sublease agreement.

Hospital Sublease

In conjunction with the Housing Authority capital lease and agreement, the University simultaneously entered into a sublease and agreement with the Robert Wood Johnson University Hospital, Inc. (the "Hospital"), dated July 1, 1992, whereby the Hospital agreed to lease a portion of the parking facility from the University. The sublease provides for an initial term of two years which commenced July 1992, renewable in six consecutive five year terms. In accordance with the sublease, the Hospital is required to pay an annual rental to the University over the life of the agreement, subject to termination payments to the University should the options to renew not be exercised. The payments received under this sublease are being used by the University to cover a proportional amount of the lease payments due to the Housing Authority. Upon retirement of the bonds, title to the Hospital's portion of the parking deck will be transferred to the Hospital. At June 30, 2000, the estimated present value of the Hospital sublease over the full lease term, including renewal periods, amounted to \$8.7 million (\$8.8 million in 1999). Payments required under the lease and agreement between the University and the Housing Authority are in no way conditional upon the receipt of payments from the Hospital under the sublease and agreement.

Development Authority

Pursuant to the terms of a lease and agreement dated September 1, 1993 between the University and the New Jersey Economic Development Authority (the "Development Authority"), the University transferred to the Development Authority title to certain land, upon which a facility was constructed to house the Visual Arts Department of the Mason Gross School of the Arts, the Edward J. Bloustein School of Planning and Public Policy and the Center for Urban Policy Research. On May 1, 1994, the Development Authority issued bonds in the aggregate amount of \$17.6 million, maturing serially through July 1, 2024, at an effective interest rate of 6.138% per annum. The bonds were issued for the purpose of providing long-term financing for the construction of the aforementioned facility. Additional financing of approximately \$20.0 million was also provided by grants from The Port Authority of New York and New Jersey and the State of New Jersey. In accordance with the lease and agreement, the University is required to pay an annual rental to the Development Authority over the life of the agreement in amounts necessary to retire the bonds, including interest, and reimburse the Development Authority for its administrative costs. Upon retirement of the bonds, title to the land and facility will revert to the University. Accordingly, the University has recorded a capitalized lease obligation for the debt financed portion of the project. At June 30, 2000, the outstanding balance of this obligation was \$16.0 million (\$16.3 million in 1999).

Future lease payments (receipts) applicable to the aforementioned capital leases, due over the next five years, are as follows (dollars in thousands):

Year	Facilities Authority		Housing Authority	Hospital Sublease	Development Authority	Total
	Dormitories	ELF				
2001	\$462	\$945	\$3,666	(\$653)	\$1,294	\$5,714
2002	459		3,664	(652)	1,289	4,760
2003	461		3,663	(652)	1,289	4,761
2004	462		3,664	(653)	1,283	4,756
2005	461		3,664	(652)	1,286	4,759
Thereafter	1,386		73,398	(13,027)	24,499	86,256
Total Lease Payments	3,691	945	91,719	(16,289)	30,940	111,006
Less Amount Representing Interest	826	23	42,918	(7,631)	14,915	51,051
Present Value of lease Payments	<u>\$2,865</u>	<u>\$922</u>	<u>\$48,801</u>	<u>\$ (8,658)</u>	<u>\$ 16,025</u>	<u>\$59,955</u>

Miscellaneous Equipment Leases

The University has entered into certain lease-purchase agreements for equipment which are principally for a duration of one to five years depending on the application and financial advantage to the University. Such agreements are essential to the normal operation of the University, and it is expected that these arrangements, where applicable, would be renegotiated when financially advantageous. The payments of these agreements include a charge for interest at various rates depending on each agreement. At June 30, 2000, the aggregate capitalized lease obligation associated with these agreements, which excludes future interest payments, is approximately \$3.0 million (\$4.1 million in 1999). The annual rentals for these capitalized lease obligations are provided for in the University's operating budget and in the aggregate are not considered material.

NOTE 9 - COMMITMENTS

At June 30, 2000, the estimated cost of capital projects under construction, in the design stage with approved sources of funding, and in the design stage pending determination of sources of funding, aggregated approximately \$246.6 million. Anticipated sources of funding for these projects are summarized as follows (dollars in thousands):

	<u>Total Project Funding</u>		<u>Estimated Total Cost</u>
	<u>Received at June 30, 2000</u>	<u>Additional Funding Required at June 30, 2000</u>	
Borrowing	\$50,000		\$50,000
State Bond Issues and Capital Appropriations	9,911	\$65,063	74,974
Gifts and Other Sources	87,233	34,418	121,651
Total	<u>\$147,144</u>	<u>\$99,481</u>	<u>\$246,625</u>

Under the provisions of the State of New Jersey Higher Education Capital Improvement Fund Act (the "HECIP Act") of 1999 (P.L. 1999, c. 217), the University has been allocated \$169.0 million to help finance certain of its deferred maintenance and other capital needs. The funds will be provided through bonds issued by the New Jersey Educational Facilities Authority (NJEFA). The University will be obligated to pay one-third of the debt service on the bonds when issued. The University is currently planning for the expenditure of these funds, and it expects that the NJEFA will begin to issue bonds under the HECIP Act in fiscal 2001.

NOTE 10 - EMPLOYEE BENEFITS

Retirement Plans

The University has primarily two retirement plans available to its employees, the State of New Jersey Public Employees Retirement System, a defined benefit plan, and the Alternate Benefit Program, a defined contribution plan. The State of New Jersey, in accordance with State statutes, makes employer contributions on behalf of the University for these plans. Pension expense paid directly by the State of New Jersey for 2000 aggregated \$27.1 million (\$25.0 and \$24.2 million in 1999 and 1998, respectively) of which \$3.4 million (\$3.1 and \$2.4 million in 1999 and 1998, respectively) has been reimbursed to the State from amounts recovered from self-supporting operations and sponsored programs. Reimbursement is based upon a composite fringe benefit rate provided by the State for all State plans. The University has no direct pension obligation associated with the State plans, and no liability for such costs has been reflected in the accompanying financial statements. Summary information regarding these plans, is provided below.

Public Employees Retirement System ("PERS")

Plan Description — PERS is a multiple-employer, public cost-sharing retirement system which is administered by the State of New Jersey. The payroll for employees covered by PERS for the year ended June 30, 2000 was \$139.4 million (\$136.3 million in 1999).

University employees of a certain classification are required as a condition of employment to be members of PERS. The formula for benefits is an annual allowance in the amount equal to years of service, divided by 60, times the final average salary. Final average salary means the average of the salaries received by the member for the last three years of membership service or the three highest fiscal years, whichever provides the largest benefit. Pension benefits fully vest on reaching ten years of credited service. Members are eligible for retirement at age 60 with no minimum years of service required. Members who have 25 years or more of credited service may also select early retirement without penalty at or after age 55 and receive full retirement benefits. PERS also provides death and disability benefits. Benefits are established by State statute.

Contributions — Covered University employees were required by PERS to contribute percentages ranging from 3.00% to 4.50% of their annual compensation during fiscal year 2000. The State contributes the remaining amounts necessary to pay benefits when due. The State contribution is based upon annual actuarially determined percentages of total compensation of all active members. The State's annual contribution approximates the actuarially determined pension cost for the year.

Employees can also make voluntary contributions to two optional State of New Jersey tax-deferred investment plans, the Supplemental Annuity Collective Trust ("SACT") and the Additional Contributions Tax Sheltered ("ACTS") programs. Both plans are subject to limits within the Internal Revenue Code.

Financial statements for the PERS are included in the State of New Jersey's Comprehensive Annual Financial Report, which may be obtained by writing to the State of New Jersey, Department of the Treasury, Office of Management and Budget, CN 221, Trenton, NJ 08625-0221.

Alternate Benefit Program ("ABP")

Plan Description — ABP is a multiple-employer, State retirement plan established as an alternative to PERS. The payroll for employees covered by ABP for the year ended June 30, 2000 was \$302.5 million (\$294.6 million in 1999).

Faculty, professional and administrative staff, and certain other salaried employees are eligible to participate in ABP. Employer (State) contributions vest on reaching one year of credited service. The program also provides long-term disability and life insurance benefits. Benefits are payable upon termination at the member's option unless the participant is re-employed in another institution which participates in ABP.

Contributions — The employee, mandatory contribution rate for ABP is 5.00% of base salary and is matched by the State at 8.00% of base salary. Contributions can be invested with up to six investment carriers available under the plan. Additional voluntary contributions may be made on a tax-deferred basis, subject to limits within the Internal Revenue Code.

Other Retirement Plans

The University has a small number of employees enrolled in the State of New Jersey Police and Firemen's Retirement System ("PFRS") and two Federal retirement plans, the Civil Service Retirement System ("CSRS") and the Federal Employees Retirement System ("FERS"). All three of the plans are defined benefit plans and cover the University's police (PFRS) and selected positions related to the University's Cook College/New Jersey Agricultural Experiment Station (CSRS or FERS). The University also has a small number of Foundation employees enrolled in a contributory retirement plan under arrangements with Teacher's Insurance and Annuity Association and College Retirement Equities Fund ("TIAA-CREF"), which provides for the purchase of annuities for the covered employees. Participation in all of these plans is limited, and the associated amounts are not significant.

Post-Retirement Health Care Benefits

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for the University's retired employees, in accordance with State statutes. Full health coverage is provided to eligible employees retiring with 25 years of service credited on or before June 30, 1997 in one of the State of New Jersey mandatory pension plans. Employees retiring with 25 years of service credited after June 30, 1997 are required to contribute to the cost of the health care provided under the State Plan. The rules governing the contribution rate are the same as that for active employees. Since the costs of these programs are the responsibility of the State and the retired employees, no expenditures or liabilities for these benefits are reflected in the University's financial statements.

Additional detailed information about these programs is provided in the State of New Jersey's Comprehensive Annual Financial Report.

Deferred Compensation Plan

University employees enrolled in PERS, ABP or PFRS are eligible to participate in the State of New Jersey's Employees Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to tax defer and invest a portion of their base salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan is administered by the State of New Jersey. The plan does not include any matching employer (State) contributions. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are held in trust by the State for the exclusive benefit of the participating employees and their beneficiaries.

NOTE 11 - COMPENSATED ABSENCES

The University records a liability for compensated absences in accordance with GASB Statement No. 16, "Accounting for Compensated Absences." This liability amounted to \$22.8 million as of June 30, 2000 (\$21.5 million in 1999) and is included in accounts payable and accrued expenses in the accompanying financial statements. The liability is calculated based upon employees' accrued vacation time as of the balance sheet date, as well as accrued sick time payable to retired employees.

Unused sick time which has been accumulated by eligible employees has not been accrued as it is payable only upon retirement and is not subject to reasonable estimation. The pay out to retirees for unused accumulated sick time is calculated at the lesser of 1/2 the value of earned time or \$15,000.

NOTE 12 - RISK MANAGEMENT

The University manages property and liability risks through a combination of commercial insurance policies, participation in a risk sharing pool and the use of deductibles and self-insured retentions, the most significant of which provides for the payment of workers' compensation benefits.

The University has accrued liabilities for self-insured retentions in the current funds. The accrued liabilities are based on estimates by management and third party claims administrators and generally represent the present value of unpaid claims, including estimates of claims incurred but not reported.

The risk sharing pool was formed by several universities to provide and arrange general liability, automobile liability and property insurance for its shareholders on a group basis. The University's annual payments to the pool for insurance coverage are based on actuarial studies and are charged to current fund expenditures in the accompanying financial statements.

NOTE 13 - CONTINGENCIES

The University is a party to various legal actions arising in the ordinary course of its operations. While it is not feasible to predict the ultimate outcome of these actions, it is the opinion of management that the resolution of these matters will not have a material adverse effect on the University's financial statements.

The University receives funds from Federal, State and private agencies under grants and contracts for research, training and other activities. The costs, both direct and indirect, charged to these grants and contracts are subject to audit and possible disallowance by the sponsoring agency. It is the University's belief that any disallowances or adjustments would not have a significant effect on the University's financial statements.

NOTE 14 - SUBSEQUENT EVENT

On July 5, 2000, the State of New Jersey enacted the Dormitory Safety Trust Fund Act (the "DSTF Act") (P.L. 2000, c.56), which requires all public and private institutions of higher education located in the State to install fire suppression systems in all buildings used as student dormitories. Under the provisions of the DSTF Act, institutions are required to complete their installation programs over a four-year period in increments of no less than 25% per year. During this period, the University will be required to install fire suppression systems in various student housing facilities at an estimated cost of \$33.7 million.

The DSTF Act also provides that institutions may obtain interest free loans from the New Jersey Educational Facilities Authority to finance the cost of their installation programs. Institutions will be obligated to repay the loan over a period not to exceed 15 years. The University expects to borrow the maximum amount available under the loan program, and to repay the loan over the 15 year period from student housing fee revenue.

NOTE 15 - GASB STATEMENT NO. 35

In November of 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 35 "Basic Financial Statements— and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34". This Statement establishes new accounting and financial reporting standards for public colleges and universities within the financial reporting guidelines of GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. The Statement permits public colleges and universities to use the guidance established for special-purpose governments engaged only in business-type activities, and requires management to include a discussion and analysis of the financial activities of the institution in addition to the basic financial statements and other required supplementary information. The new Statement will be effective for the fiscal year beginning on July 1, 2001.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
Department of Agriculture		
Agricultural Research-Basic and Applied Research	10.001	4,100
Grants for Agricultural Research, Special Research Grants	10.200	923,150
Agricultural Research-Competitive Research Grants	10.206	471,850
Higher Education Challenge Grants	10.217	842
Biotechnology Risk Assessment Research	10.219	32,960
International Agricultural Research Program	10.961	16,131
Various	10.RD	3,176,617
Subtotal		4,625,651
Department of Commerce		
Economic Development-Technical Assistance	11.303	24,649
Coastal Zone Management Estuarine Research Reserves	11.420	883,444
Undersea Research	11.430	9,616
Climate and Atmospheric Research	11.431	169,097
Cooperative Science and Education Program	11.455	65,860
Various	11.609	75,687
Various	11.RD	2,408,438
Subtotal		3,636,790
Department of Defense		
Basic and Applied Scientific Research	12.300	4,431,191
Various	12.420	48,020
Basic, Applied, & Advanced Research in Science & Engineering	12.630	145,304
Air Force Defense Research Sciences Program	12.800	566,483
Mathematical Sciences Grants Program	12.901	1,571
Various	12.RD	6,164,171
Biological Sciences	47.074	18,661

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
Department of Defense		
Subtotal		11,375,402
Department of Education		
Various	84.RD	445,103
Subtotal		445,103
Department of Energy		
Basic Energy Sciences-University and Science Education	81.049	580,136
Various	81.RD	4,758,151
Subtotal		5,338,287
Department of Health and Human Services		
Nursing Research	93.361	71,167
Head Start	93.600	70,390
Various	93.RD	56,165
Subtotal		197,723
Department of Health and Human Services-Public Health Service		
Biological Response to Environmental Health Hazards	93.113	180,284
Oral Diseases and Disorders Research	93.121	52,140
Injury Prevention and Control-Research and State Grants	93.136	-288
Various	93.172	31,915
Research Related to Deafness and Communication Disorders	93.173	606,709
Health Services Research and Development Grants	93.226	33,869
Various	93.230	32,597
Mental Health Research Grants	93.242	1,019,062

See accompanying note to Schedule of Expenditures of Federal Awards.

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
Department of Health and Human Services-Public Health Service		
Alcohol Research Career Development Awards	93.271	100,207
Alcohol Research Programs	93.273	875,153
Drug Abuse Scientist Development Award for Clinicians	93.277	109,850
Drug Abuse Research Programs	93.279	1,254,081
Scientist Development Awards and Research Scientist Awards	93.281	351,773
Biomedical Research Support	93.337	4,000
Nursing Research	93.361	12,729
Biomedical Research Technology	93.371	84,311
Minority Biomedical Research Support	93.375	148,356
Academic Research Enhancement Award	93.390	-217
Cancer Cause and Prevention Research	93.393	1,023,786
Cancer Treatment Research	93.395	269,367
Cancer Biology Research	93.396	490,991
Biophysics and Physiological Sciences	93.821	2,764,221
Heart and Vascular Diseases Research	93.837	228,233
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	260,435
Diabetes, Endocrinology and Metabolism Research	93.847	587,725
Digestive Diseases and Nutrition Research	93.848	414,091
Kidney Diseases, Urology and Hematology Research	93.849	132,676
Clinical Research Related to Neurological Disorders	93.853	-1,646
Biological Basis Research in the Neurosciences	93.854	2,157,588
Allergy, Immunology and Transplantation Research	93.855	125,462
Microbiology and Infectious Diseases Research	93.856	856,972
Pharmacological Sciences	93.859	162,905
Genetics and Developmental Biology Research	93.862	1,330,042
Population Research	93.864	80,898
Research for Mothers and Children	93.865	665,749
Aging Research	93.866	710,550
Vision Research	93.867	405,780

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
Department of Health and Human Services-Public Health Service		
Fogarty International Research Collaboration Award	93.934	27,176
HIV Demonstration, Research, Public & Professional Ed Projects	93.941	-1,061
Senior International Fellowships	93.989	-2,412
Various	93.RD	8,385,988
Subtotal		<u>25,972,045</u>
Department of Housing and Urban Development		
Various	14.RD	1,256
Subtotal		<u>1,256</u>
Department of Justice		
Various	16.RD	218,207
Subtotal		<u>218,207</u>
Department of Labor		
Various	17.RD	251,659
Subtotal		<u>251,659</u>
Department of the Interior		
Various	15.805	12,118
Various	15.RD	97,863
Subtotal		<u>109,981</u>
Department of Transportation		
Aviation Research Grants	20.108	107,855
Various	20.RD	342,935

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
Department of Transportation		
Subtotal		450,791
Department of Treasury		
Various	21.RD	866
Subtotal		866
Environmental Protection Agency		
Air Pollution Control Research	66.501	-158,496
Water Pollution Control-Research, Dev., and Demonstration	66.505	76,937
Various	66.RD	317,312
Subtotal		235,753
Information Agency		
Various	82.RD	1,957
Subtotal		1,957
National Aeronautics and Space Administration		
Various	43.RD	3,640,869
Subtotal		3,640,869
National Endowment for the Arts		
Various	05.RD	32,132
Subtotal		32,132

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Direct:		
National Endowment for the Humanities		
Promotion of the Humanities-Reference Materials	45.145	455
Promotion of the Humanities-Research	45.161	295,939
Subtotal		296,395
National Historical Publications and Records Commission		
National Historical Publications and Records Grants	89.003	52,374
Various	89.RD	74,340
Subtotal		126,713
National Library of Medicine		
Various	93.RD	7,893
Subtotal		7,893
National Science Foundation		
Engineering Grants	47.041	1,325,621
Mathematical and Physical Sciences	47.049	5,084,220
Geosciences	47.050	1,135,317
Computer and Information Science and Engineering	47.070	1,153,554
Biological Sciences	47.074	1,480,255
Social, Behavioral, and Economic Sciences	47.075	717,859
Education and Human Resources	47.076	807,929
Various	47.RD	10,399,144
Subtotal		22,103,899
Subtotal Direct Research and Development		\$79,069,371

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
Abt Associates, Inc.		
Various	94.RD	11,850
Advanced Fuel Research, Inc.		
Various	43.RD	8,982
Various	81.RD	80,645
Albert Einstein College of Medicine		
Microbiology and Infectious Diseases Research	93.856	62,970
Various	93.RD	-17,282
Allied-Signal Corporation		
Various	12.RD	117,311
American Distance Education Consortium		
Various	10.RD	50,093
Association of American Colleges		
Various	93.RD	323
Barry A. Vittor & Associates, Inc.		
Various	12.RD	47,576
Battelle		
Various	12.RD	15,144
BOTEC Analysis Corporation		
Various	16.RD	-202
Brookhaven National Labs		
Various	81.RD	25,830
Various	93.RD	64,562
California Institute of Technology		
Various	43.RD	40,127

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
California Institute of Technology		
Various	47.RD	27,243
Various	81.RD	90,225
California State University		
Various	16.RD	44,230
Camden Empowerment Zone Corporation		
Various	14.RD	2,500
Caribbean Marine Research Center		
Various	11.RD	10,728
Ceramare Corporation		
Various	47.RD	30,087
City of San Diego		
Various	16.RD	9,962
Colorado State University		
Various	93.RD	24,377
Columbia University		
Various	93.RD	68,975
Cornell University		
Grants for Agricultural Research, Special Research Grants	10.200	5,797
Various	10.RD	185,819
Crystals & Ceramic Technology, Inc.		
Various	12.RD	7,134
CUNY-Research Foundation		
Various	20.RD	45,931
CUNY-Transportation Research Center		
Various	20.RD	17,907

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See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
Department of Commerce-NOAA		
Various	11.RD	9,493
Diamond Materials Incorporated		
Various	81.RD	835
Electric Power Research Institute, Inc.		
Various	81.RD	-1,118
Electricore Consortium		
Various	12.RD	159,850
Various	20.RD	169,234
Electro Energy, Inc.		
Various	43.RD	7,127
Energy Research Corporation		
Various	81.RD	39,803
Foster-Miller, Inc.		
Various	12.RD	128,247
Fox Chase Cancer Center		
Various	93.RD	24,229
Genencor		
Various	11.RD	55,700
Harvard University		
Various	66.RD	83,677
Various	84.RD	92,105
Hazardous Substance Management Research Center		
Various	66.RD	-422
Health Effects Institute		
Various	66.RD	467,668

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
Honeywell, Inc.		
Various	12.RD	29,659
Hospital for Special Surgery		
Various	52.RD	31,227
Various	93.RD	11,745
Hudson River Foundation		
Various	66.RD	60,597
Illinois Institute of Technology		
Various	66.RD	-400
Institute for Advanced Studies		
Various	47.RD	288,990
Intelligent Fiber Optics Systems		
Various	12.RD	14,684
International Society for Plant Molecular Biology		
Various	47.RD	18,367
Jersey City		
Various	20.RD	10,000
Johns Hopkins University		
Various	47.RD	29,131
Layered Manufacturing, Inc.		
Various	12.RD	3,635
Lehigh University		
Various	47.RD	1,339
Libra Technologies, Inc.		
Various	10.RD	16,512

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
Materials Systems, Inc.		
Various	12.RD	6,356
Michigan State University		
NIEHS Superfund Hazardous Substances-Research & Ed	93.143	111,861
Various	93.RD	-485
Mid-Atlantic Fishery Management Council		
Various	15.RD	19,000
Mt. Sinai School of Medicine		
Various	93.RD	105,386
Nanoprobes, Inc.		
Various	93.RD	5,002
National Academy of Public Administrators		
Various	66.RD	16,580
National Academy of Sciences		
Various	20.RD	109,150
National Renewable Energy Laboratory		
Various	81.RD	149
National Science Foundation		
Various	66.RD	114
National Trust for Historic Preservation		
Various	14.RD	34,961
New Jersey Institute of Technology		
Various	20.RD	78,129
Various	60.RD	2,516
Various	66.RD	133,267

See accompanying note to Schedule of Expenditures of Federal Awards

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
New Jersey Marine Sciences Consortium		
Sea Grant Support	11.417	5,714
Various	11.RD	478,680
New Jersey Space Grant Consortium		
Various	43.RD	18,848
New York University		
Various	93.RD	214,676
Nian-Crae, Inc.		
Various	93.RD	12,865
NJ Council for the Humanities		
Promotion of the Humanities-State Programs	45.129	-1,083
North Carolina State University		
Various	47.RD	123,350
Northeast Science & Technology, Inc.		
Various	12.RD	26,436
Northeastern Regional Aquaculture Center		
Various	10.RD	9,420
Northeastern University		
Various	47.RD	77,141
NZ Applied Technologies Corporation		
Various	12.RD	1,357
Various	81.RD	41,086
Ohio State University		
Various	93.RD	85,682
OLI Systems, Inc.		
Various	12.RD	52,498

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
Penn State University		
Cooperative Extension Service	10.500	16,560
Various	10.RD	28,519
PRC, Inc.		
Various	12.RD	1,190
Princeton University		
Various	47.RD	113,382
Various	93.RD	7,137
Research and Development Laboratories		
Air Force Defense Research Sciences Program	12.800	6,810
Research Foundation for Mental Hygiene, Inc.		
Various	47.RD	5,270
Roy F. Weston, Inc.		
Various	66.RD	66,688
Rural Coalition		
Various	93.RD	30,306
SAIC		
Various	93.RD	131,179
Science Applications International Corporation		
Various	12.RD	23,992
Smithsonian Institution		
Various	43.RD	51,469
Various	47.RD	30,714
SNJ-Commission on Cancer Research		
Various	46.RD	85,847

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
SNJ-Department of Education		
Agreements for Education to Prevent the Spread of AIDS	93.938	33,057
SNJ-Department of Environmental Protection		
Grants for Mining & Mineral Resources & Research Inst.	15.308	-769
Various	15.RD	40,608
Various	66.RD	310,231
SNJ-Department of Health		
Various	93.RD	13,550
SNJ-Department of Health and Senior Services		
Various	84.RD	37,948
Various	93.RD	865,617
SNJ-Department of Law and Public Safety		
Various	13.RD	70,191
SNJ-Department of Transportation		
Highway Planning and Construction	20.205	14,385
Various	20.RD	551,782
SNJ-Pinelands Commission		
Various	15.RD	2,693
Various	66.RD	36,258
Southeastern Universities Research Association, Inc.		
Various	81.RD	-5,680
Space Telescope Science Institute		
Various	43.RD	8,322
Stanford University		
Various	12.RD	35,550

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See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
State of Connecticut		
Various	20.RD	40,497
Stroud Water Research Center		
Various	47.RD	2,675
Structured Materials Industries Inc.		
Various	12.RD	6,889
Sundstrand Corporation		
Various	12.RD	4,017
SUNY-The Research Foundation		
Alcohol Research Programs	93.273	315,091
Various	93.RD	611,037
Temple University		
Various	47.RD	71,392
The Academy of Natural Sciences		
Various	11.RD	10,234
The Urban Institute		
Various	93.RD	14,391
Township of Lakewood, NJ		
Various	16.RD	-1,970
Township of North Brunswick		
Various	20.RD	3,158
UMDNJ		
Various	81.RD	672,375
Biological Basis Research in the Neurosciences	93.854	2,268
Various	93.RD	169,692

See accompanying note to Schedule of Expenditures of Federal Awards

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
UMDNJ-Robert Wood Johnson Medical School		
Various	12.RD	-1,153
Various	66.RD	6,676
Technology Development for Environmental Management	81.104	-25,186
Various	81.RD	432,685
Biological Response to Environmental Health Hazards	93.113	148,190
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	44,650
Research for Mothers and Children	93.865	171,612
Various	93.RD	863,530
Union County		
Various	20.RD	25,382
Universities Research Association, Inc.		
Various	81.RD	-3,907
Universities Space Research Association		
Various	43.RD	28,486
University of Arkansas		
Various	12.RD	16,469
University of California-Berkeley		
Various	81.RD	75,431
University of California-Lawrence Livermore National Lab		
Various	81.RD	8,295
University of California-Los Alamos National Laboratory		
Various	81.RD	35,112
University of California-San Diego		
Various	11.RD	2,028
Various	47.RD	99,135

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
University of Chicago		
Various	47.RD	24,263
University of Cincinnati		
Biological Response to Environmental Health Hazards	93.113	160,184
Various	93.RD	5,610
University of Illinois		
Various	47.RD	141,291
University of Maryland		
Various	43.RD	37,007
Various	47.RD	45,884
University of Massachusetts		
Various	10.RD	18,976
Various	47.RD	3,424
University of Minnesota		
Various	93.RD	39,256
University of Missouri		
Various	12.RD	160,374
University of Montana		
Various	47.RD	2,155
University of Nebraska		
Various	81.RD	125,146
University of New Hampshire		
Various	11.RD	37,369
Various	20.RD	8,360
University of Pittsburgh		
Biological Basis Research in the Neurosciences	93.854	144,818

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER:		
Pass-Through:		
University of Pittsburgh		
Various	93.RD	-5,550
University of Rhode Island		
Basic and Applied Scientific Research	12.300	8,598
University of Southern California		
Various	84.RD	8,000
University of Vermont		
Grants for Agricultural Research, Special Research Grants	10.200	68,556
Various	10.RD	91,152
University of Washington		
Various	43.RD	113,283
Various	93.RD	18,950
University of West Virginia		
Various	66.RD	4,757
US Infrastructure, Inc.		
Various	66.RD	31,045
Washington University - St. Louis		
Various	47.RD	46,458
Various	93.RD	1,193,369
Western Massachusetts Training Consortium, Inc.		
Various	58.RD	11,618
Various	93.RD	1,138
Subtotal Pass-Through Research and Development		\$13,606,887
Subtotal Research and Development		\$92,676,258

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program Title	Various Federal CFDA Numbers	Amount
OUTSTANDING LOANS:		
Student Loans:		
Perkins Loans	84.038	\$37,520,423
Income-Contingent Loans	84.226	<u>496,338</u>
Subtotal Student Loans		38,016,761
Department of Education-Building Loan		<u>1,723,774</u>
Subtotal Outstanding Loans		\$39,740,535

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Numbers	Agency or Pass-Through Number	Federal Expenditures
STUDENT FINANCIAL AID CLUSTER:			
Direct:			
Department of Education			
Federal Supplemental Educational Opportunity Grant Program	84.007	E-PO07A72602	2,607,414
Federal Direct Loan Program	84.032		108,567,620
Federal Work Study Program	84.033	E-PO33A72602	4,264,404
Federal Pell Grant Program	84.063	E-PO63P74152	19,812,058
Subtotal Student Financial Aid			<u>\$135,251,496</u>

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Agency for International Development		
Various	02.LAG-A-00-98-00051-00	16,961
Subtotal		16,961
Commission on National and Community Service		
Various	94.94LHB00035	-768
Subtotal		-768
Department of Agriculture		
Agricultural Experimental Station - Hatch Act	10.203	3,036,268
Agricultural Research-Competitive Research Grants	10.206	24,017
Higher Education Challenge Grants	10.217	69,301
Buildings and Facilities Program	10.218	5,077,601
Higher Education Multicultural Scholars Program	10.220	18,000
Cooperative Extension Service	10.500	4,094,933
Food Stamps	10.551	-761
Various	10.58-6435-6-028	21,168
Cooperative Forestry Assistance	10.664	1,862
Subtotal		12,342,388
Department of Commerce		
Various	11.01-06-02764-94	485
Various	11.01-06-02764-95	157
Coastal Zone Management Estuarine Research Reserves	11.420	48,813
Various	11.99-06-07442	-155
Various	11.NA56AB0558	212,876
Various	11.NA97OR0150	7,956
Subtotal		270,132
Department of Defense		
Basic and Applied Scientific Research	12.300	72,100

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See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Department of Defense		
Mathematical Sciences Grants Program	12.901	3,935
Various	12.DAAD19-99-1-0363	7,000
Various	12.MDA904-97-C-0566	206,989
Various	12.N00014-94-1-0753	-7,511
Subtotal		282,513
Department of Education		
Patricia Roberts Harris Fellowships	84.094	-775
Law School Clinical Experience Program	84.097	597
Ronald E. McNair Post-Baccalaureate Achievement	84.217	51,824
Various	84.P022A990028	18,345
Various	84.P042A970372-99	352,050
Various	84.P047A50786-98	12,268
Various	84.P047A990203	396,206
Various	84.P047A990660	136,318
Various	84.P116B980382	51,583
Various	84.P170B980013	25,812
Various	84.P200A970205-99	108,271
Various	84.P200A970602	95,563
Various	84.P200A980711-99	199,643
Various	84.P217A990154	130,936
Various	84.P334A990513	93,263
Various	84.P342A990200	53,151
Various	84.P344A990010	83,527
Various	84.P344A990014	108,334
Various	84.R036B40031	-305
Various	84.R303K000048	3,084
Various	84.R303K990004	2,513,889
Subtotal		4,433,585

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See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Department of Energy		
Various	81.DE-FG02-96ER14649	4,357
Subtotal		4,357
Department of Health and Human Services		
Various	93.223-98-6051	56,141
Various	93.90CT0009/03	79,015
Various	93.90CT000901	102,322
Subtotal		237,477
Department of Health and Human Services-Public Health Service		
Various	93.	13,870
Various	93.1 F31 AR 08457-03	29,240
Various	93.1 F32 NS 10948-01	28,386
Various	93.1 T32 MH19975-02	87,673
Biological Response to Environmental Health Hazards	93.113	3,000
Various	93.2 T32 ES 07148-12	68,914
Various	93.2 T32 GM 08319-11	127,003
Various	93.2 T32 GM 08339-11	215,750
Mental Health Research Grants	93.242	125,071
Alcohol National Research Service Awards	93.272	11,449
Drug Abuse National Research Service Awards	93.278	39,883
Mental Health National Research Service Awards	93.282	414,283
Nurse Practitioner & Nurse-Midwifery Ed Programs	93.298	272,223
Professional Nurse Traineeships	93.358	24,109
Nurse Training Improvement-Special Projects	93.359	597,824
Cancer Research Manpower	93.398	19,813
Various	93.5 F32 HG00204-02	29,447
Various	93.5 T32 AA 07569-05	85,456
Various	93.5 T32 AA 07569-06	67,600
Various	93.5 T32 ES07148-13	197,228

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RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Department of Health and Human Services-Public Health Service		
Various	93.5 T32 GM 08319-10	3,635
Biophysics and Physiological Sciences	93.821	47,929
Minority Access to Research Careers	93.880	400
Resource and Manpower Development	93.894	15,377
Rural Health Medical Ed Demo Projects	93.906	163,326
Various	93.98IPA8233	65,513
Subtotal		2,754,400
Department of Housing and Urban Development		
Various	14.	109,456
Various	14.CDWS-NJ-95-035	-16,844
Various	14.CDWS-NJ-96-015	18,192
Various	14.CDWS-NJ-99-026	70,206
Subtotal		181,010
Department of Justice		
Various	16.1999-IJ-CX-0056	7,250
Various	16.1999CMWX2469	16,687
Public Safety and Community Policing Grants	16.710	194,289
Subtotal		218,226
Department of Labor		
Various	17.46B9HT06	47,552
Various	17.E-9-K-9-0002	88,202
Various	17.K-6826-8-00-80-30	567,382
Subtotal		703,136
Department of the Interior		
Various	15.1443PX2605-99-173	12,584

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See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Department of the Interior		
Subtotal		12,584
Department of Transportation		
Various	20.	114,789
Various	20.98-G-017	135,407
Various	20.NJ-26-2901	3,926,885
Subtotal		4,177,081
Department of Treasury		
Various	21.	91,945
Subtotal		91,945
Environmental Protection Agency		
Various	66.	108,301
Training and Fellowships for the EPA	66.607	559,158
Pollution Prevention Grants Program	66.708	132,408
Solid Waste Management Assistance	66.808	7,140
Various	66.CT 901782-03	783
Various	66.DW12941562-01-8	58,107
Various	66.NP992675-01-0	37,498
Various	66.T 826479-01-2	37,090
Various	66.T902851-01-1	3,556
Various	66.U-914949-01	4,740
Various	66.U915430-01-0	1,507
Various	66.X982102-00-0	25,288
Various	66.X982133-01-0	21,958
Subtotal		997,533
Information Agency		
Various	82.	33,213

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
Information Agency		
Various	82.IA-ASJL-G8190210	32,002
Various	82.IA-ASLJ-G7190037	41,010
Various	82.IA-PEJL-G8190206	15,949
Various	82.IA-PNJL-G9190180	68,135
Subtotal		190,308
National Aeronautics and Space Administration		
Various	43.NAG5-9746	1,758
Various	43.NAGW-5226	2,178
Various	43.NGT-30351	1,046
Various	43.NGT5-50229	20,533
Subtotal		25,514
National Endowment for the Arts		
Various	05.98-4100-5040	-238
Various	05.99-4200-5003	11,505
Various	45.	8,000
Subtotal		19,267
National Endowment for the Humanities		
Promo of the Humanities-Ed Development & Demo	45.163	108,436
Promotion of the Humanities-Public Programs	45.164	-43,843
Subtotal		64,593
National Science Foundation		
Various	47.	300
Engineering Grants	47.041	6,716
Mathematical and Physical Sciences	47.049	15,400
Computer and Information Science and Engineering	47.070	2,529
Education and Human Resources	47.076	2,766,024

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Direct:		
National Science Foundation		
Various	47.ANI 9710574	314,955
Various	47.CCR 9906105	55,357
Various	47.DBI 9974200	6,332
Various	47.DEB 9530292	18,708
Various	47.DGE 9616173	146,248
Various	47.DGE 9903663	6,964
Various	47.ESR 9350023	7,755
Subtotal		3,347,288
Peace Corps		
Various	08.141-98-3120	-231
Subtotal		-231
Small Business Administration		
Small Business Development Center	59.037	1,996,018
Subtotal		1,996,018
Subtotal Direct Other Programs		\$32,365,315

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Pass-Through:		
Abt Associates, Inc.		
Various	02.263-C-00-99-00011-0	684,347
Academy of Applied Science		
Various	12.DAAG55-98-1-0468	22,461
Various	12.DAAH55-98-1-0468	2,812
American Mosquito Control Association		
Various	66.	2,408
Association of Small Business Development Ctr Foundation		
Small Business Development Center	59.037	20,980
Camden Empowerment Zone Corporation		
Various	93.	621
City of Camden		
Various	14.	15,000
City of Elizabeth		
Various	14.	5,668
Consortium for Oceanographic Research and Education		
Basic and Applied Scientific Research	12.300	9,932
County of Passaic		
Various	93.90TA0014/01	15,596
CUNY-Transportation Research Center		
Various	20.	15,536
Development Alternatives, Inc.		
Various	02.DHR-0019-C-00-5026	9,878
Various	02.DHR-0019-C-5026	77,945

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Pass-Through:		
Florida State University		
Various	93.GM20861	36,023
Foundation in Support of Local Democracy in Poland		
Various	02.181-00-A-98-00308	38,256
George Washington University		
Various	93.282-98-0020	12,295
Institute for International Education		
Hubert H. Humphery Fellowship Program	82.	146,457
LEAP Academy Charter School		
Various	84.	72,851
Lockheed Martin Corporation		
Various	81.DE-AC05-96OR22464	6,708
Middlesex County		
Various	93.6H89HA00049-05	103,886
National Foundation for IPM Education		
Various	66.	38,112
New Jersey Marine Sciences Consortium		
Various	11.R/UG-9903	2,494
New York University		
Various	84.	130,372
Desegregation Asst, Civil Rights Training, & Advisory Services	84.004	-1,013
NJ Council for the Humanities		
Various	45.	4,048
North Carolina Agricultural and Technical State University		
Various	12.N00014-92-J-1252	14,356

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Pass-Through:		
Ocean Spray Cranberries, Inc.		
Various	10.	18,228
SNJ-DE-State Library		
Various	03.	229,992
Various	45.	9,744
SNJ-DEP-New Jersey Historic Trust		
Community Development Block Grants/Entitlement Grants	14.218	174,538
SNJ-Department of Commerce & Economic Development		
Small Business Development Center	59.037	496,256
SNJ-Department of Community Affairs		
Various	93.	88,643
SNJ-Department of Education		
Various	84.	185,891
Eisenhower Mathematics and Science Education-State Grants	84.164	-141
SNJ-Department of Environmental Protection		
Highway Planning and Construction	20.205	48,838
Various	21.	23,875
Various	66.	131,299
National Estuary Program	66.456	39,482
Nonpoint Source Implementation Grants	66.460	62,003
Various	66.48016000057 7PPGNPS	42,662
SNJ-Department of Health		
Various	93.	-281
SNJ-Department of Health and Senior Services		
Various	93.	487,583
Maternal and Child Health Services Block Grant	93.994	13,298

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Pass-Through:		
SNJ-Department of Higher Education		
Eisenhower Mathematics and Science Education-State Grants	84.164	-1,088
SNJ-Department of Human Services		
Various	10.	624,564
Various	10.RNE00C	1,005,206
SNJ-Department of Labor		
Various	17.34-TAT-001-96 SUB#18	169,519
SNJ-Department of Law and Public Safety		
Various	20.	151,941
SNJ-Department of Transportation		
Various	20.	130,012
Various	20.TASK ORDER 50	460
SNJ-DLPS-Division of Criminal Justice		
Various	16.	36,766
SNJ-DS-NJ State Council on the Arts		
Promotion of the Arts-Partnership Agreements	45.025	176
Texas A&M University		
Various	47.EIA 9810937	16,268
UMDNJ		
Various	93.	25,930
University of Nebraska		
Various	10.	4,063
University of New Hampshire		
Highway Planning and Construction	20.205	206,875
University of Vermont		
Various	10.	12,956

(Continued)

See accompanying note to Schedule of Expenditures of Federal Awards

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Various Federal CFDA Numbers	Federal Expenditures
OTHER PROGRAMS:		
Pass-Through:		
University of Vermont		
Various	10.ENE96-17	-5,959
US-Ukraine Foundation		
Various	02.	253,537
Subtotal Pass-Through Other Programs		\$6,171,162
Subtotal Other Programs		\$38,536,477
Total Expenditures of Federal Awards		\$306,204,766

See accompanying note to Schedule of Expenditures of Federal Awards

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

NOTE TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2000

1. BASIS OF PRESENTATION

The purpose of the Supplemental Schedule of Expenditures of Federal Awards (the "Schedule") is to present a summary of those activities of the University for the year ended June 30, 2000, which have been financed by the U.S. Government ("Federal Awards"). For purposes of the Schedule, Federal Awards include all Federal assistance and procurement relationships entered into directly between the University and the Federal government and sub-awards from non-Federal organizations made under federally sponsored agreements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in fund balances or the current funds revenues, expenditures, and other changes of the University. For reporting purposes, Federal Expenditures have been classified into three types:

1. Research and development,
2. Student financial aid, and
3. Awards other than student financial aid and sponsored research, principally development and training activities.

The accounting principles followed by the University in each of these areas and used in preparing the accompanying schedules are as follows:

- ***Awards Other Than Student Financial Aid*** - Disbursements (expenditures) for direct costs are recognized as incurred using the accrual method of accounting and the cost accounting principles contained in the U.S. Office of Management and Budget Circular A-21, *Cost Principles for Educational Institutions*. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Moreover, expenditures include a portion of costs associated with general university activities which are allocated to Federal Expenditures under negotiated formulas commonly referred to as facilities and administrative ("F&A") costs rates. F&A costs applicable to these cost recoveries are classified as unrestricted expenditures in the Statement of Current Funds Revenues, Expenditures and Other Changes. Credit disbursement amounts typically result from grant or contract closing adjustments or transfers.
- ***Student Financial Aid*** - Disbursements are recognized on the accrual basis for awards made to students and for allowable administrative expenses of running such programs.

* * * * *

**PART II - REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey

We have audited the financial statements of Rutgers, The State University of New Jersey (the "University") as of and for the year ended June 30, 2000, and have issued our report thereon dated August 30, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

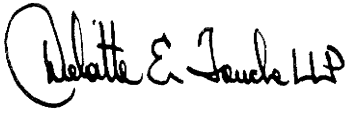
Compliance

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the University's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Governors, Board of Trustees, management, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be used, by anyone other than these specified parties.

A handwritten signature in black ink, reading "Delatte E. Jauch III". The signature is written in a cursive style with a large, circular initial "D".

August 30, 2000

**PART III - REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey

Compliance

We have audited the compliance of Rutgers, The State University of New Jersey (the "University") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The University's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

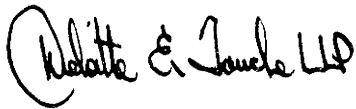
Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the University's internal control over compliance with requirements that could have a direct and material effect on a

major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Governors, Board of Trustees, management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

August 30, 2000

**PART IV - SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2000

Part I - Summary of Auditors' Results

1. The independent auditors' report on the financial statements expressed an unqualified opinion.
2. No reportable conditions in internal control over financial reporting were identified.
3. No instance of noncompliance considered material to the financial statements was disclosed by the audit.
4. No reportable conditions in internal control over compliance with requirements applicable to major Federal awards were identified.
5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.
6. The audit disclosed no findings required to be reported by OMB Circular A-133.
7. The University's major programs were:

Name of Federal Program of Cluster	CFDA Number
Research and Development Cluster	Various
Student Financial Assistance Cluster	Various
Cooperative Extension Service	10.500
Other programs:	
Department of Education-Variou	84.R303K990004
Abt Associates, Inc. - Various	02.263-C-00-99-00011-0

8. A threshold of \$3,000,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The Organization qualified as a low-risk auditee as that term is defined in OMB Circular A-133.

Part II - Financial Statement Findings Section

Reference

Questioned

No matters are reportable.

Part III - Federal Award Findings and Questioned Cost Section

Reference

Questioned

No matters are reportable.