UNIVERSITY SYSTEM OF MARYLAND

Financial Statements and Supplemental Data
Together with Report of Independent Public Accountants

For the Years Ended June 30, 2013 and 2012

	Page
REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	3
FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2013 AND 2012:	
Balance Sheet, University System of Maryland	11
Combining Balance Sheet, Component Units	12
Statement of Revenues, Expenses and Changes in Net Position, University System of Maryland	14
Combining Statement of Activities, Component Units	15
Statement of Cash Flows, University System of Maryland	17
Notes to Financial Statements	18
SUPPLEMENTAL DATA:	
Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows for:	
University of Maryland, Baltimore	44
University of Maryland, College Park	47
Bowie State University	50
Towson University	53
University of Maryland Eastern Shore	56
Frostburg State University	59
Coppin State University	62
University of Baltimore	65
Salisbury University	68
University of Maryland University College	71
University of Maryland, Baltimore County	74
University of Maryland Center for Environmental Science	77
University System of Maryland Office	80
Combining Balance Sheets, Non-major Component Units	83
Combining Statements of Activities, Non-major Component Units	85
Notes to Supplemental Data	87

SB & COMPANY, LLC
EXPERIENCE • QUALITY • CLIENT SERVICE

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Regents
University System of Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the University System of Maryland (the System), and its discretely presented component units, as of and for the years ended June 30, 2013 and 2012, which collectively comprise the System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The System's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We audited the component unit financial statements of UMBC Research Park Corporation, Inc. and the Bowie State University Foundation, Inc. We did not audit the financial statements of the other component units, which represent 99 percent, 99 percent, and 98 percent, respectively, of the total assets, net assets and unrestricted revenue of the total component units. Those financial statements were audited by other auditors whose reports thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for those component units, is based on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we and other auditors have obtained is sufficient and appropriate to provide a basis for our audit opinion.

200 International Circle • Suite 5500 • Hunt Valley • Maryland 21030 • P 410-584-0060 • F 410-584-0061

SB & COMPANY, LLC
EXPERIENCE • QUALITY • CLIENT SERVICE

Opinion

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the System and its discretely presented component units as of June 30, 2013 and 2012, and the respective changes in financial position and, as applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hunt Valley, Maryland
November 15, 2013

SB & Company, LLC

UNIVERSITY SYSTEM OF MARYLAND

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2013 AND 2012

The management of the University System of Maryland (the System), provides the readers of the System's financial statements with this narrative overview and analysis of the financial activities of the System for the years ended June 30, 2013 and 2012.

Financial Highlights

- Unrestricted net position increased by $122,678,729, for the year ended June 30, 2013 compared to an increase of $185,192,546 for the year ended June 30, 2012.

- State appropriations for the System increased by .7% for the year ended June 30, 2013 to $1,070,834,339. For the year ended June 30, 2012, State appropriations increased by 1.8% from the amount received in the year ended June 30, 2011.

- Tuition and fees, after deducting Scholarship Allowances, increased by $21,102,066 or 1.8% for the year ended June 30, 2013. During the year ended June 30, 2012, net Tuition and fees, increased by $80,672,778, or 7.4%.

- Investment income on Endowment assets amounted to $13,403,564, an investment return of 7.0%, for the year ended June 30, 2013. For the year ended June 30, 2012, investment income on Endowment assets was $1,267,272, representing investment returns of .6%.

Overview of the Financial Statements

The System's financial statements consist of three basic financial statements and the notes that provide information on the accounting alternatives used, financial statements for discretely presented component units, and explanatory information and detail on certain financial statement elements. The three basic financial statements are the Balance Sheet, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

The *Balance Sheet* presents information on the System's assets, liabilities, deferred inflows of resources, and net position, all as of the end of the reporting period. Net position represent the difference between assets and liabilities plus deferred inflow of resources, and is detailed into classifications that help readers understand the constraints that the System must consider in making decisions on expending assets. Over time, changes in net position can help in understanding whether the financial condition of the System is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information on the changes in net position during the year. All changes in net postion are reported as soon as the underlying event takes place, regardless of the timing of the related cash flows. Thus, revenue and expenses are recorded for some items that will result in cash flows in future fiscal years (for example tuition and fees owed by students, or vacation earned by employees but not used as of the date of the financial statements).

The *Statement of Cash Flows* presents information on sources and uses of cash during the year. This statement details the changes in cash and cash equivalents from the amounts reported at the end of the preceding year, to the amounts reported in the Balance Sheet as of the end of the current year. Sources and uses are organized into operating activities, noncapital financing activities, capital and related financing activities, and investing activities.

The System's financial statements include all accounts and balances of the System (considered the primary government, in accounting terms), as well as 19 legally-separate and distinct entities for which the System is financially accountable, which are considered component units. Of the 19 component units, three are considered major component units due to their significance in terms of size, while the rest are considered non-major component units.

The focus of this Management's Discussion and Analysis is on the System itself. Reference should be made to the separately audited financial statements of the component units for additional information.

Financial Analysis

As of June 30, 2013, the System's financial health remains strong, with assets exceeding liabilities by $5,423,238,018, shown on the Balance Sheet as total net position. This compares with total net position of $5,058,483,979, as of June 30, 2012. As suggested earlier, when viewed over time, net position may be useful as an indicator of financial health.

For the year ended June 30, 2013, total net position increased by $364,754,039. Net investment in capital assets increased by $248,090,907, while unrestricted net position increased by $122,678,729, and restricted net position categories decreased by $6,015,597.

Unrestricted net position represent the portion of assets, after taking into account liabilities, which can be used to meet ongoing obligations and fund new initiatives. The $122,678,729 increase in unrestricted net position for the year ended June 30, 2013, is attributable to continuing institutional efforts to limit expenditures, as well as efforts to accumulate resources to provide for future facilities needs and renewal and renovation requirements.

As of June 30, 2012, the System's assets exceeded liabilities by $5,058,483,979. This compares with total net position of $4,671,599,419 as of June 30, 2011.

For the year ended June 30, 2012, total net position increased by $386,884,560. Net investment in capital assets increased by $200,205,243, while unrestricted net position increased $185,192,546, and restricted net position categories increased by $1,486,771.

The $185,192,546 increase in unrestricted net position for the year ended June 30, 2012, is attributable to enrollment increases beyond that budgeted, continuing institutional efforts to limit expenditures, as well as efforts to accumulate resources to provide for future facilities needs and renewal and renovation requirements.

The table below presents summary-level information of the System's assets, liabilities, and net position as of June 30, 2013, 2012 and 2011.

Condensed Balance Sheet
June 30, 2013, 2012 and 2011

	2013	2012	2011
Current and other assets	$2,425,856,576	$2,316,223,582	$2,108,263,552
Capital assets, net	5,273,348,180	5,013,671,829	4,329,368,105
Total assets	$7,699,204,756	$7,329,895,411	$6,437,631,657
Debt and obligations under capital lease agreements	$1,195,778,354	$1,170,358,857	$1,129,222,003
Other liabilities	699,476,706	668,651,521	636,810,235
Total liabilities	1,895,255,060	1,839,010,378	1,766,032,238
Deferred service concession arrangement receipts	380,711,678	432,401,054	
Net position:			
Net investment in capital assets	3,733,261,041	3,485,170,134	3,284,964,891
Restricted	247,865,966	253,881,563	252,394,792
Unrestricted	1,442,111,011	1,319,432,282	1,134,239,736
Total net position	5,423,238,018	5,058,483,979	4,671,599,419
Total liabilities, deferred inflow of resources and net position	$7,699,204,756	$7,329,895,411	$6,437,631,657

The table below presents summary-level information on revenues, expenses, and other changes in the System's net assets for the years ended June 30, 2013, 2012 and 2011.

Condensed Statement of Revenues, Expenses and Changes in Net Position
Years ended June 30, 2013, 2012 and 2011

	2013	2012	2011
Operating revenues	$3,185,101,706	$3,140,131,091	$3,020,337,759
Operating expenses	4,293,338,895	4,161,427,083	3,998,175,888
Operating loss	(1,108,237,189)	(1,021,295,992)	(977,838,129)
State appropriations	1,070,834,339	1,063,371,086	1,044,674,552
Other nonoperating	212,230,547	163,051,998	201,250,448
Total nonoperating	1,283,064,886	1,226,423,084	1,245,925,000
Income before other revenues	174,827,697	205,127,092	268,086,871
Other revenues	189,926,342	181,757,468	198,180,842
Increase in net position	364,754,039	386,884,560	466,267,713
Net position, beginning of year	5,058,483,979	4,671,599,419	4,205,331,706
Net position, end of year	$5,423,238,018	$5,058,483,979	$4,671,599,419

The System's operating revenues arise from activities associated with its core mission: education, research, and public service.

For the years ended June 30, 2013, 2012 and 2011, operating revenues, which under the definitions used by the Governmental Accounting Standards Board (GASB) excludes state appropriations, are detailed below:

	2013		2012		2011	
	$	%	$	%	$	%
Tuition and fees	$1,187,769,356	37.3%	$1,166,667,290	37.2%	$1,085,994,512	36.0%
Contracts and grants	1,097,258,431	34.5	1,109,702,556	35.3	1,142,425,581	37.8
Sales and services of educational departments	287,007,719	9.0	257,697,032	8.2	243,851,740	8.1
Auxiliary enterprises	551,408,145	17.3	548,111,213	17.5	490,116,309	16.2
Other operating	61,658,055	1.9	57,953,000	1.8	57,949,617	1.9
Total	$3,185,101,706	100.0%	$3,140,131,091	100.0%	$3,020,337,759	100.0%

Tuition and fees reflect increases in resident undergraduate and graduate student rates, and non-resident rates and other student charges enacted the for years ended 2013, 2012 and 2011. Enrollment declined slightly between 2013 and 2012 compared to a modest increase in enrollment in 2012 and 2011, most notably at the University of Maryland University College. Fee increases for residence halls and dining facilities account for the increase in revenue from auxiliary enterprise activities.

For the years ended June 30, 2013, 2012 and 2011, operating expenses are detailed below:

	2013		2012		2011	
	$	%	$	%	$	%
Instruction	$1,139,913,339	26.5%	$1,101,099,773	26.5%	$1,034,072,780	25.9%
Research	931,958,951	21.7	922,874,070	22.2	945,626,792	23.7
Public service	152,996,481	3.6	157,554,254	3.8	148,391,096	3.7
Academic support	411,613,583	9.6	380,187,264	9.1	349,062,701	8.7
Student services	198,424,948	4.6	192,285,983	4.6	178,781,303	4.5
Institutional support	386,575,951	9.0	364,278,425	8.8	354,617,377	8.9
Operation & maintenance of plant	298,788,447	7.0	316,887,436	7.6	309,762,858	7.7
Scholarships and fellowships	100,959,500	2.4	90,510,504	2.2	91,965,556	2.3
Auxiliary enterprises	498,923,433	11.6	480,543,544	11.5	444,579,270	11.1
Hospital	173,184,262	4.0	155,205,830	3.7	141,316,155	3.5
Total	$4,293,338,895	100.0%	$4,161,427,083	100.0%	$3,998,175,888	100.0%

Operating expenses are detailed by (1) employee costs, (2) payments to suppliers, contractors and other, and (3) depreciation expense in the notes to the financial statements, in order to provide an alternative presentation of operating expenses.

For the year ended June 30, 2013, increases in employee payments of $95,355,996, represent the largest component of the overall increase in operating expenses over the year ended June 30, 2012, with the largest increase associated with employee payments for instruction activities.

For the year ended June 30, 2012, increases in employee payments of $133,323,249, represent the largest component of the overall increase in operating expenses over the year ended June 30, 2011, with the largest increase associated with employee payments for instruction activities.

For the year ended June 30, 2011, increases in employee payments account for the largest component of the overall increase in operating expenses of $133,450,196, over the year ended June 30, 2010, with the largest increase associated with employee payments for instruction activities.

Capital Asset and Debt Administration

The System continually makes investments in facilities necessary to achieve long-term objectives resulting from:

- State-wide public policy goals,
- System-wide strategic planning,
- institutional facilities master planning,
- projected enrollment growth,
- projected research space needs, and
- maintainance and renewal needs for existing facilities.

Funding sources for additions to capital facilities and equipment for the last three fiscal years ended June 30, were funded through:

Funding source	2013	2012	2011
State of Maryland debt proceeds or cash balances	$149,231,513	$172,854,822	$176,161,090
System debt proceeds	159,223,347	133,013,284	180,139,550
System cash balances or donations	218,842,585	186,301,220	211,893,224
Total	$527,297,445	$492,169,326	$568,193,864

Over the past three fiscal years ended June 30, major projects completed or placed in service are as follows:

Project	Institution	Cost
Year ended June 30, 2013		
John and Frances Angelos Law Center	University of Baltimore	$107,279,000
Towson Center Arena	Towson University	73,000,000
Year ended June 30, 2012		
Performing Arts and Humanties Facility	University of Maryland Baltimore County	81,703,000
College of Liberal Arts	Towson University	78,325,000
Performing Arts Center	Bowie State University	67,453,000
Year ended June 30, 2011		
Pharmacy Hall Addition and Renovation	University of Maryland Baltimore	85,789,000
Oakland Hall Residence	University of Maryland College Park	81,000,000
Perdue School of Business	Salisbury University	50,553,000
Seagull Square	Salisbury University	41,000,000

In August 2003, the System issued Revolving Loan Program Bonds to provide a pool of funds to finance the acquisition of personal property on a revolving basis. The Revolving Loan Program Bonds, currently outstanding in the amount of $35,000,000, mature on July 1, 2023. In May 2009, the securities were remarketed at an annual interest rate of 0.55% for the period June 1, 2009 through May 31, 2010. On June 1, 2010, the securities were successfully remarketed on a multi-annual interest rate basis at an interest rate of 1.50%. On June 1, 2013, the System redeemed $15,000,000 of the Revolving Loan Program Bonds. The remaining principal balance of $35,000,000 was remarketed for five years at a multi-annual interest rate of 1.25%.

The System has issued revenue bonds to fund the construction, acquisition, and renewal and replacement of facilities, or refinance previously issued revenue bonds to realize lower current interest rates, during the years ended June 30, 2012 and 2013, and since, as follows:

Revenue Bond Issuance	Date	Purpose	Total Par Value Issued	Present Value of Future Debt Service Savings
2011 Series A and B	10/20/2011	Refinancing, construction and facilities renewal	$153,075,000	$1,357,495
2012 Series A and B	2/9/2012	Refinancing	70,825,000	9,054,411
2012 Series C and D	10/6/2012	Refinancing, construction and facilities renewal	169,005,000	5,281,851

The System continually pursues opportunities to reduce its overall effective cost of capital financing, and as conditions in the financial markets allow, refinances previously issued debt with new debt at lower interest costs.

Economic Factors and Next Year's Budget and Rates

Enrollment demand, availability of funding for contracts and grants, and the State of Maryland support through both operating and capital appropriations are the three most significant drivers of the System's revenue base.

Across all student categories, enrollment is expected to continue to increase over the next ten years, with more than 16% more full-time equivalent students anticipated by the fall 2022. Preliminary fall 2013 enrollment indicates a slight decline in headcount enrollment, reflecting demographic changes in high school graduation numbers, the impact of lack of state financial support for enrollment growth, and a strengthening employment situation.

The University of Maryland, College Park, the University of Maryland, Baltimore, and the University of Maryland, Baltimore County each have considerable numbers of faculty that pursue research grants and other sponsored funding arrangements. Indirect cost recoveries associated with contract and grants are an important funding source for institution's administrative costs. The Federal Budget Control Act places limits on Federal government spending commonly referred to as sequestration. These limits have constrained Federal spending on research activities, will reduce indirect cost recoveries generally, and will continue, unless Congress and the President agree upon and enact legislation that relieves the constraints on governmental spending currently in place.

In February of 2009, as part of the American Recovery and Reinvestment Act, the Federal government established a program where tax-exempt issuers of debt would issue bonds, referred to as Build America Bonds, which would produce interest income that is taxable to those who buy and hold the bonds. Under the terms of the program, which ended December 31, 2010, the Federal government is to reimburse the issuer for 35% of the interest payments made on Build America Bonds. The University System of Maryland has issued and outstanding $206,465,000 of Build America Bonds. The Federal Budget Control Act (or sequestration), also impacts the Federal government subsidy of Build America Bond interest payments, and until the effects of sequestration are relieved or changed, the System expects interest subsidies reduced to be by approximately 8.7%. This reduction in interest subsidies at an 8.7% reduction, will amount to approximately $325,000 per year. The first reduction in Federal interest subsidy happened in September 2013.

As a region with a significant Federal government employee population, the potential for significant reductions in Federal spending in all likelihood will have serious implications for state tax revenues, both from income as well as sales taxes. The State government closely monitors revenue receipts and revises projections on a quarterly basis. As an economic engine for the entire state and region, System officials point out the impact that proposed reductions of State funding provided to higher education would have on state-wide economic activity and work-force development.

Personnel costs account for more than two-thirds of the System's noncapital spending. Healthcare costs and the adoption of a state-wide funding strategy for providing for retiree's healthcare costs are expected to be significant considerations for the System's future spending levels.

Requests for Information

This financial report is intended to provide a general overview of the System's finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the Office of the Vice Chancellor for Administration and Finance and Chief Operating Officer, 3300 Metzerott Road, Adelphi, MD 20783.

UNIVERSITY SYSTEM OF MARYLAND
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30, 2013	June 30, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	$1,820,390,529	$1,653,689,625
Accounts receivable, net	268,855,816	282,367,444
Notes receivable, current portion, net	7,728,081	7,731,196
Inventories	10,271,714	11,889,509
Prepaid expenses and deferred charges	9,038,098	7,092,331
Total current assets	2,116,284,238	1,962,770,105
Noncurrent assets:		
Restricted cash and cash equivalents	51,390,989	75,673,619
Endowment investments	192,920,622	190,279,721
Restricted investments		21,875,318
Other investments	6,693,185	5,128,471
Notes receivable, net	58,567,542	60,496,348
Capital assets, net	5,273,348,180	5,013,671,829
Total noncurrent assets	5,582,920,518	5,367,125,306
Total assets	$7,699,204,756	$7,329,895,411
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	$310,619,251	$272,522,879
Accrued workers' compensation, current portion	4,375,805	4,438,425
Accrued vacation costs, current portion	89,344,370	83,198,226
Revenue bonds and notes payable, current portion	79,050,151	80,770,694
Obligations under capital lease agreements, current portion	1,104,394	296,434
Deferred revenue	177,345,393	191,690,521
Total current liabilities	661,839,364	632,917,179
Noncurrent liabilities:		
Accrued workers' compensation	23,855,195	24,196,575
Accrued vacation costs	93,936,692	92,604,895
Revenue bonds and notes payable	1,104,318,155	1,075,822,504
Obligations under capital lease agreements	11,305,654	13,469,225
Total noncurrent liabilities	1,233,415,696	1,206,093,199
Total liabilities	1,895,255,060	1,839,010,378
DEFERRED INFLOWS OF RESOURCES		
Deferred service concession arrangement receipts	380,711,678	432,401,054
NET POSITION		
Unrestricted	1,442,111,011	1,319,432,282
Net investment in capital assets	3,733,261,041	3,485,170,134
Restricted:		
Nonexpendable:		
Scholarships and fellowships	15,729,733	13,147,768
Research	4,055,554	4,033,185
Other	16,518,773	16,517,485
Expendable:		
Scholarships and fellowships	37,653,479	36,791,120
Research	69,959,016	69,334,753
Loans	71,207,868	72,533,907
Capital projects	5,651,220	15,055,226
Other	27,090,323	26,468,119
Total net position	5,423,238,018	5,058,483,979
Total liabilities, deferred inflows of resources and net position	$7,699,204,756	$7,329,895,411

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING BALANCE SHEET, COMPONENT UNITS
JUNE 30, 2013

	Major Component Units				
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.	Total Nonmajor Component Units	Total
ASSETS					
Current assets					
Cash	$134,000	$17,426,872	$157,014	$24,903,989	$42,621,875
Accounts receivable, net	74,598,000	28,292,348	14,510,723	4,937,729	122,338,800
Other assets	282,000	184,488		534,402	1,000,890
Total current assets	**75,014,000**	**45,903,708**	**14,667,737**	**30,376,120**	**165,961,565**
Investments					
Endowment investments	225,682,000	244,725,820	128,291,957	180,117,272	778,817,049
Other investments	284,021,000	53,369,262	53,533,012	25,493,472	416,416,746
Total investments	**509,703,000**	**298,095,082**	**181,824,969**	**205,610,744**	**1,195,233,795**
Other assets					
Accounts receivable, net	5,119,000	25,864,477	15,377,755	12,708,083	59,069,315
Capital assets, net	10,382,000	100,000		5,833,980	16,315,980
Other assets	407,000	777,840	5,179,829	4,014,258	10,378,927
Total other assets	**15,908,000**	**26,742,317**	**20,557,584**	**22,556,321**	**85,764,222**
Total assets	**$600,625,000**	**$370,741,107**	**$217,050,290**	**$258,543,185**	**$1,446,959,582**
LIABILITIES					
Current liabilities					
Accounts payable & accrued expenses	$71,064,000	$4,880,957	$1,600,761	$5,745,564	$83,291,282
Long-term debt, current				1,948,018	1,948,018
Deferred income	2,315,000	2,158,683		7,272,025	11,745,708
Total current liabilities	**73,379,000**	**7,039,640**	**1,600,761**	**14,965,607**	**96,985,008**
Other liabilities					
Other payables	46,728,768	3,146,534	1,234,403	3,829,739	54,939,444
Due to primary government	192,797,232				192,797,232
Long-term debt, noncurrent				318,014	318,014
Total other liabilities	**239,526,000**	**3,146,534**	**1,234,403**	**4,147,753**	**248,054,690**
Total liabilities	**312,905,000**	**10,186,174**	**2,835,164**	**19,113,360**	**345,039,698**
NET ASSETS					
Unrestricted	62,731,000	10,265,864	20,128,368	33,164,013	126,289,245
Temporarily restricted:					
Scholarships & fellowships	19,289,000	37,446,000	7,226,401	21,881,400	85,842,801
Research	11,625,000	9,957,000	8,511,724	627,004	30,720,728
Other	34,422,000	91,724,328	55,277,255	56,540,201	237,963,784
Permanently restricted:					
Scholarships & fellowships	88,415,000	76,829,000	27,534,841	68,770,894	261,549,735
Research	2,340,000	1,081,000	1,010,474	356,478	4,787,952
Other	68,898,000	133,251,741	94,526,063	58,089,835	354,765,639
Total net assets	**287,720,000**	**360,554,933**	**214,215,126**	**239,429,825**	**1,101,919,884**
Total liabilities and net assets	**$600,625,000**	**$370,741,107**	**$217,050,290**	**$258,543,185**	**$1,446,959,582**

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING BALANCE SHEET, COMPONENT UNITS
JUNE 30, 2012

	Major Component Units				
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.	Total Nonmajor Component Units	Total
ASSETS					
Current assets					
Cash	$714,000	$22,403,012		$31,320,867	$54,437,879
Accounts receivable, net	5,916,000	36,360,828	$13,548,212	9,776,299	65,601,339
Other assets	241,000	102,278		760,458	1,103,736
Total current assets	**6,871,000**	**58,866,118**	**13,548,212**	**41,857,624**	**121,142,954**
Investments					
Endowment investments	214,762,000	222,672,248	113,710,602	164,177,009	715,321,859
Other investments	280,545,000	46,215,332	53,193,380	17,672,634	397,626,346
Total investments	**495,307,000**	**268,887,580**	**166,903,982**	**181,849,643**	**1,112,948,205**
Other assets					
Accounts receivable, net	2,910,000	32,069,335	12,115,645	7,306,245	54,401,225
Capital assets, net	10,009,000	100,000		5,788,292	15,897,292
Other assets	432,000	1,008,450	5,020,298	8,367,419	14,828,167
Total other assets	**13,351,000**	**33,177,785**	**17,135,943**	**21,461,956**	**85,126,684**
Total assets	**$515,529,000**	**$360,931,483**	**$197,588,137**	**$245,169,223**	**$1,319,217,843**
LIABILITIES					
Current liabilities					
Accounts payable & accrued expenses	$2,824,000	$1,834,267	$3,108,741	$2,832,810	$10,599,818
Long-term debt, current				1,056,350	1,056,350
Deferred income	1,470,000	755,546		6,552,116	8,777,662
Total current liabilities	**4,294,000**	**2,589,813**	**3,108,741**	**10,441,276**	**20,433,830**
Other liabilities					
Other payables	43,993,109	3,314,392	1,002,708	3,716,781	52,026,990
Due to primary government	190,171,891				190,171,891
Long-term debt, noncurrent				2,272,485	2,272,485
Total other liabilities	**234,165,000**	**3,314,392**	**1,002,708**	**5,989,266**	**244,471,366**
Total liabilities	**238,459,000**	**5,904,205**	**4,111,449**	**16,430,542**	**264,905,196**
NET ASSETS					
Unrestricted	65,951,000	12,854,849	19,113,761	31,391,289	129,310,899
Temporarily restricted:					
Scholarships & fellowships	19,388,000	34,658,000	6,474,949	12,309,934	72,830,883
Research	12,558,000	8,394,000	7,493,869	558,717	29,004,586
Other	31,314,000	95,479,256	47,174,676	64,349,615	238,317,547
Permanently restricted:					
Scholarships & fellowships	82,177,000	65,623,000	26,071,731	70,416,205	244,287,936
Research	2,291,000	1,055,000	1,003,631	251,323	4,600,954
Other	63,391,000	136,963,173	86,144,071	49,461,598	335,959,842
Total net assets	**277,070,000**	**355,027,278**	**193,476,688**	**228,738,681**	**1,054,312,647**
Total liabilities and net assets	**$515,529,000**	**$360,931,483**	**$197,588,137**	**$245,169,223**	**$1,319,217,843**

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Year ended June 30, 2013		Year ended June 30, 2012	
OPERATING REVENUES:				
Tuition and fees	$1,433,382,221		$1,403,570,031	
Less: scholarship allowances	(245,612,865)	$1,187,769,356	(236,902,741)	$1,166,667,290
Federal grants and contracts		691,994,706		723,008,546
State and local grants and contracts		188,065,280		175,216,123
Nongovernmental grants and contracts		217,198,445		211,477,887
Sales and services of educational departments		287,007,719		257,697,032
Auxiliary enterprises:				
Residential facilities	163,147,129		161,811,133	
Less: scholarship allowances	(13,346,944)	149,800,185	(11,592,037)	150,219,096
Dining facilities	115,694,298		114,536,929	
Less: scholarship allowances	(8,165,031)	107,529,267	(6,863,867)	107,673,062
Intercollegiate athletics	95,851,126		97,424,482	
Less: scholarship allowances	(4,603,108)	91,248,018	(4,233,267)	93,191,215
Bookstore	27,778,782		28,816,802	
Less: scholarship allowances	(1,599,367)	26,179,415	(1,530,243)	27,286,559
Parking facilities		38,875,667		41,176,924
Other auxiliary enterprises revenues	137,815,456		128,602,143	
Less: scholarship allowances	(39,863)	137,775,593	(37,786)	128,564,357
Other operating revenues		61,658,055		57,953,000
Total operating revenues		3,185,101,706		3,140,131,091
OPERATING EXPENSES:				
Instruction		1,139,913,339		1,101,099,773
Research		931,958,951		922,874,070
Public service		152,996,481		157,554,254
Academic support		411,613,583		380,187,264
Student services		198,424,948		192,285,983
Institutional support		386,575,951		364,278,425
Operation and maintenance of plant		298,788,447		316,887,436
Scholarships and fellowships		100,959,500		90,510,504
Auxiliary enterprises:				
Residential facilities		136,208,180		119,746,524
Dining facilities		105,843,280		104,886,987
Intercollegiate athletics		89,937,185		94,824,576
Bookstore		27,352,051		26,841,606
Parking facilities		25,342,513		25,942,018
Other auxiliary enterprises expenses		114,240,224		108,301,833
Hospital		173,184,262		155,205,830
Total operating expenses		4,293,338,895		4,161,427,083
Operating loss		(1,108,237,189)		(1,021,295,992)
NONOPERATING REVENUES (EXPENSES):				
State appropriations		1,070,834,339		1,063,371,086
Pell grants		134,134,086		131,092,951
Gifts		44,631,760		42,770,704
Investment income	33,695,044		22,873,739	
Less: Investment expense	(703,636)	32,991,408	(734,646)	22,139,093
Interest on indebtedness		(45,504,869)		(43,587,538)
Other revenues, (expenses), gains and (losses)		45,978,162		10,636,788
Total net nonoperating revenues		1,283,064,886		1,226,423,084
Income before other revenues		174,827,697		205,127,092
OTHER REVENUES:				
Capital appropriations		149,213,513		172,854,822
Capital gifts and grants		38,107,205		6,689,307
Additions to permanent endowments		2,605,624		2,213,339
Total other revenues		189,926,342		181,757,468
Increase in net position		364,754,039		386,884,560
Net position - beginning of year		5,058,483,979		4,671,599,419
Net position - end of year		$5,423,238,018		$5,058,483,979

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF NET ACTIVITIES, COMPONENT UNITS
YEAR ENDED JUNE 30, 2013

	Major Component Units				
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.	Total Nonmajor Component Units	Total
CHANGES IN UNRESTRICTED NET ASSETS					
Revenues					
Contributions & grants	$2,263,000		$8,109,072	$3,997,393	$14,369,465
Investment income	3,892,000	$4,769,084	556,284	3,441,533	12,658,901
Other income	4,578,000	1,134,081	412,521	7,868,394	13,992,996
Assets released from restrictions	17,162,000	39,146,149	14,648,958	30,703,689	101,660,796
Total revenues	**27,895,000**	**45,049,314**	**23,726,835**	**46,011,009**	**142,682,158**
Expenses					
Program	21,252,681	46,345,339	20,184,448	36,907,747	124,690,215
General & administrative	5,052,000	1,107,025	1,595,456	3,492,784	11,247,265
Fundraising	4,792,000	185,935	950,643	1,106,068	7,034,646
Other expense				2,560,534	2,560,534
Total expenses	**31,096,681**	**47,638,299**	**22,730,547**	**44,067,133**	**145,532,660**
Transfer per Board resolution	(18,319)		18,319		
Change in unrestricted net assets	**(3,220,000)**	**(2,588,985)**	**1,014,607**	**1,943,876**	**(2,850,502)**
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS					
Contributions & grants	10,595,000	27,344,817	15,092,229	15,800,348	68,832,394
Investment income (loss)	8,663,000	12,562,037	9,408,615	15,982,887	46,616,539
Other income (loss)		(364,965)		1,488,871	1,123,906
Assets released from restrictions	(17,162,000)	(38,945,817)	(14,648,958)	(31,439,473)	(102,196,248)
Transfer per Board resolution	(20,000)		20,000		
Change in temporarily restricted net assets	**2,076,000**	**596,072**	**9,871,886**	**1,832,633**	**14,376,591**
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS					
Contributions & grants	7,762,000	7,629,855	9,851,945	4,737,749	29,981,549
Investment income (loss)	4,032,000			1,425,659	5,457,659
Other income (loss)		91,045		15,443	106,488
Assets released from restrictions		(200,332)		735,784	535,452
Change in permanently restricted net assets	**11,794,000**	**7,520,568**	**9,851,945**	**6,914,635**	**36,081,148**
Total change in net assets	**10,650,000**	**5,527,655**	**20,738,438**	**10,691,144**	**47,607,237**
Net assets - beginning of year	**277,070,000**	**355,027,278**	**193,476,688**	**228,738,681**	**1,054,312,647**
Net assets - end of year	**$287,720,000**	**$360,554,933**	**$214,215,126**	**$239,429,825**	**$1,101,919,884**

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF NET ACTIVITIES, COMPONENT UNITS
YEAR ENDED JUNE 30, 2012

	Major Component Units				
	University System of Maryland Foundation, Inc.	University of Maryland College Park Foundation, Inc.	University of Maryland Baltimore Foundation, Inc.	Total Nonmajor Component Units	Total
CHANGES IN UNRESTRICTED NET ASSETS					
Revenues					
Contributions & grants	$3,945,000	$39,100	$7,044,715	$5,783,247	$16,812,062
Investment income	3,210,000	4,829,499	1,836,688	346,300	10,222,487
Other income	5,845,000	2,875,995	579,053	8,097,212	17,397,260
Assets released from restrictions	20,507,000	47,564,240	14,395,731	15,222,535	97,689,506
Total revenues	**33,507,000**	**55,308,834**	**23,856,187**	**29,449,294**	**142,121,315**
Expenses					
Program	21,358,499	49,246,012	19,179,192	23,484,690	113,268,393
General & administrative	4,795,000	1,046,455	1,472,371	4,359,261	11,673,087
Fundraising	3,428,000	244,760	579,756	1,163,823	5,416,339
Other expense		5,433,931		1,560,083	6,994,014
Total expenses	**29,581,499**	**55,971,158**	**21,231,319**	**30,567,857**	**137,351,833**
Transfer per Board resolution	(13,501)		13,501		
Change in unrestricted net assets	**3,912,000**	**(662,324)**	**2,638,369**	**(1,118,563)**	**4,769,482**
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS					
Contributions & grants	9,153,000	33,051,104	16,679,090	16,539,624	75,422,818
Investment income (loss)	9,608,068	(1,690,988)	243,130	(286,673)	7,873,537
Other income (loss)		(332,074)		1,155,070	822,996
Assets released from restrictions	(20,507,000)	(48,055,862)	(14,395,731)	(15,627,815)	(98,586,408)
Transfer per Board resolution	(520,068)	471,208	48,860		
Change in temporarily restricted net assets	**(2,266,000)**	**(16,556,612)**	**2,575,349**	**1,780,206**	**(14,467,057)**
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS					
Contributions & grants	2,077,000	9,786,721	10,178,016	3,646,171	25,687,908
Investment income (loss)	(9,941,000)			94,284	(9,846,716)
Other income (loss)	3,000	(152,340)		13,800	(135,540)
Assets released from restrictions		491,622		405,280	896,902
Change in permanently restricted net assets	**(7,861,000)**	**10,126,003**	**10,178,016**	**4,159,535**	**16,602,554**
Total change in net assets	**(6,215,000)**	**(7,092,933)**	**15,391,734**	**4,821,178**	**6,904,979**
Net assets - beginning of year	**283,285,000**	**362,120,211**	**178,084,954**	**223,917,503**	**1,047,407,668**
Net assets - end of year	**$277,070,000**	**$355,027,278**	**$193,476,688**	**$228,738,681**	**$1,054,312,647**

See accompanying notes.

UNIVERSITY SYSTEM OF MARYLAND
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$1,187,346,510	$1,162,560,692
Research contracts and grants	1,125,325,398	1,118,949,727
Payments to employees	(2,809,241,146)	(2,714,062,702)
Payments to suppliers and contractors	(1,175,107,072)	(1,161,756,018)
Loans issued to students	(9,332,750)	(12,811,230)
Collections of loans to students	10,017,321	10,818,076
Auxiliary enterprises:		
Residential facilities	130,380,620	124,951,037
Dining facilities	107,507,187	107,417,002
Intercollegiate athletics	72,164,684	92,146,351
Bookstore	25,998,462	33,473,871
Parking facilities	38,882,727	40,264,930
Other	137,423,886	128,940,543
Other receipts	407,644,252	383,627,098
Net cash used by operating activities	(750,989,921)	(685,480,623)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	1,070,834,339	1,063,371,086
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	2,605,624	948,423
Pell grants	134,134,086	131,092,951
Net cash provided by noncapital financing activities	1,207,574,049	1,195,412,460
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds of capital debt	186,517,107	241,423,290
Capital appropriations	149,213,513	172,231,887
Capital grants and gifts received	23,027,912	5,746,968
Proceeds from sales of capital assets	1,870,459	2,950,976
Purchases of capital assets	(516,053,770)	(485,775,230)
Principal paid on debt and capital leases	(156,040,603)	(193,727,596)
Interest paid on debt and capital leases	(53,017,193)	(51,011,102)
Net cash used by capital and related financing activities	(364,482,575)	(308,160,807)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	33,218,570	47,602,393
Interest on investments	18,610,882	20,909,372
Investment expense	(927,297)	(734,646)
Purchases of investments	(585,434)	(23,275,053)
Net cash provided by investing activities	50,316,721	44,502,066
Net increase in cash and cash equivalents	142,418,274	246,273,096
Cash and cash equivalents - beginning of the year	1,729,363,244	1,483,090,148
Cash and cash equivalents - end of the year	$1,871,781,518	$1,729,363,244
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Gifts and transfer of capital assets	$12,712,643	$685,885
Changes in unrealized appreciation on investments	13,383,800	533,226
Capital assets related to service concession arrangements		457,423,762
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss	($1,108,237,189)	($1,021,295,992)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	264,593,814	260,357,159
Amortization of deferred service concession arrangement receipts	(51,689,376)	(25,022,708)
Gifts and other revenues, (expenses), gains, and (losses)	90,609,922	53,407,492
Changes in assets and liabilities:		
Accounts receivables, net	13,511,628	16,203,449
Inventories	1,617,795	(185,850)
Prepaid expenses and deferred charges	(1,945,767)	1,114,745
Notes receivable	1,931,921	(882,903)
Accounts payable, net and accrued liabilities	45,888,518	26,970,585
Deferred revenue	(14,345,128)	2,097,381
Accrued vacation	7,477,941	664,254
Accrued workers' compensation	(404,000)	1,091,765
Net cash used by operating activities	($750,989,921)	($685,480,623)

See accompanying notes.

1. ORGANIZATION AND PURPOSE

The University System of Maryland (the System) is a component unit of the State of Maryland (the State) and is governed by its Board of Regents (the Board).

The System comprises eleven degree-granting institutions, one research entity and an administrative unit. Its degree-granting institutions provide a full range of undergraduate, graduate, professional and continuing education opportunities for students. Its research and public service entities conduct basic and applied research, and transfer new technology to constituencies. The administrative unit includes the System Chancellor and staff who serve as support to the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the System are summarized below.

Reporting Entity - The financial statements of the System include all funds and organizations included in the legal entity encompassed by the System, and other legally separate entities for which the System is financially accountable or which otherwise meet the criteria established by the *Governmental Accounting Standards Board (GASB)*. Amounts held in System accounts on behalf of separately organized entities are included as assets, with a corresponding liability reflected.

The System has recognized, as affiliated foundations, nineteen organizations created and operated in support of the interests of the System or any of the institutions that comprise the System. Each of these affiliated foundations are considered to (1) receive or hold economic resources that are to be used for the benefit of the System or its institutions, (2) receive or hold economic resources which the System or its institutions are entitled to or otherwise have the ability to access, and (3) are significant to the financial statements of the System or the institutions with which the foundation is affiliated. As a result, each of the eighteen affiliated foundations meet the criteria for inclusion in the financial reporting entity, and thus each of the affiliated foundations are shown in a discrete presentation.

The University System of Maryland Foundation, Inc., the University of Maryland College Park Foundation, Inc., and the University of Maryland Baltimore Foundation, Inc. are considered major component units due to the significance of the financial statement amounts to the System and its financial statements.

The following affiliated foundations are considered nonmajor component units:

Medical Alumni Association of the University of Maryland, Inc.
M Club Foundation, University of Maryland, Inc.
The Robert H. Smith School of Business Foundation, Inc.
Harry R. Hughes Center for Agro-Ecology, Inc.
Bowie State University Foundation, Inc.
Towson University Foundation, Inc.
Frostburg State University Foundation, Inc.
Coppin State University Development Foundation, Inc.
University of Baltimore Foundation, Inc. and University Properties, Inc.
Salisbury University Foundation, Inc.
The Ward Foundation, Inc.
The Maryland 4-H Foundation, Inc.
University Research Corporation International, Inc.
The Maryland Center @ Bowie State University, Inc.
University of Maryland, Baltimore County Research Park Corporation, Inc.
Maryland Hawk Corporation

During the years ended June 30, 2013 and 2012, the foundations distributed approximately $106,696,000 and $96,454,000 respectively, to the System including its institutions for both restricted and unrestricted purposes.

All of the System's component units are nongovernmental entities that prepare financial statements using the principals and accounting standards promulgated by the Financial Accounting Standards Board (FASB).

Complete financial statements of the affiliated foundations may be requested from the System's Office of the Comptroller at 3300 Metzerott Road, Adelphi, MD 20783.

The University of Maryland, Baltimore provides services to hospital and critical care facilities under contractual arrangements with the State. The expenditures relating to these activities are reported within the hospital functional category. The revenue derived from these activities are reported primarily as contract and grant revenue.

Measurement Focus and Basis of Accounting - For financial reporting purposes, the System is considered a special-purpose government engaged only in business-type activities. Accordingly, the System's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned, and expenses are recorded when an obligation has been incurred.

Application of Accounting Standards - The System has the option to apply all FASB pronouncements issued after November 30, 1989, except for instances in which a pronouncement of the FASB conflicts with pronouncements of the GASB. The System has elected to not apply FASB pronouncements issued after November 30, 1989.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the System's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

Operating and Nonoperating Revenue and Expenses - Operating revenue and expenses are generally associated with those activities that relate directly to the core activities of instruction, research and public service that form the essence of the System's mission. Nonoperating revenue, expenses, gains and losses represent amounts that recur regularly but are not included in operating revenue and expenses. Generally accepted accounting principles defines State appropriations as nonoperating revenue.

Cash and Cash Equivalents - Cash and cash equivalents include demand deposits with financial institutions, as well as highly liquid investments that are both readily convertible to known amounts of cash and are so near to their maturity that they present an insignificant risk of changes in value because of changes in interest rates. Only investments with an original maturity of three months or less satisfy the criteria for cash equivalents.

Investments – Investments are valued at fair market value.

Inventories - Inventories are valued at cost, determined under the first-in, first-out method, which is not in excess of net realizable value.

Capital Assets - Property, plant, equipment, and books and materials which are part of a catalogued library, are stated principally at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Personal property with an original cost of more than $5,000 and outlays for real property in excess of $250,000 are considered capital assets.

Generally, the cost of all capital assets other than land, certain inexhaustible improvements to land, and collections of works of art are assigned to expense over a set of useful lives specific to the type of asset, using a straight-line method of depreciation. The range of useful lives used for the major categories of capital assets is:

Infrastructure and land improvements	20 - 25 years
Buildings and improvements	20 - 40 years
Contents	3 - 15 years

Depreciation expense is assigned to program expense based on the nature and use of the capital asset.

Deferred Outflows/Inflows of Resources – In adition to assets, the statement of financial position wil sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resource, represents a consumption of net position that applies to a futher period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Reclassifications – Certain amounts for the year ended June 30, 2012, have been reclassified to conform with the presentation for the year ended June 30, 2013.

Pending change in accounting principles - In March 2012, the GASB issued *GASB Statement #65, Items Previously Reported as Assets and Liabilities*. GASB Statement #65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial periods beginning after December 15, 2012.

In March 2012, the GASB also issued *GASB Statement #66, Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, which resolves conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

The provisions of GASB Statement #66 are effective for financial periods beginning after December 15, 2012.

In June 2012, GASB Statement #67, *Financial Reporting for Pension Plan—an amendment of GASB Statement No. 25* was issued. This Statement establishes accounting and financial reporting requirements related to pensions. The provisions related to this Statement are effective for financial periods beginning after June 15, 2013.

In June 2012, GASB Statement #68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* was issued, providing new financial accounting recognition and presentation guidance relating to pension obligations in employer financial statements. The provisions of GASB Statement #68 are effective for financial periods beginning after June 15, 2014 and are expected to have a significant impact on the System's financial statements.

In January 2013, GASB Statement #69, *Government Combinations and Disposals of Government Operations* was issued. This Statement requires disclosures to be made about government combinantions and disposals of operations. The provisions of this Statement are effective for financial periods beginning after December 15, 2013.

In April 2013, GASB Statement #70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* was issued. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This provisions of this Statement are effective for financial statements for reporting beginning after June 15, 2013.

The System is in the process of assessing the impact of these new accounting standards and will present its financial statements for the year ended June 30, 2014, taking into account the requirements of *GASB* Statement #65, #66, #67 and #70 and will present its financial statements for the year ending June 30, 2015, taking into account the requirements of *GASB Statement* #68 and #69 .

3. CASH AND INVESTMENTS

Cash and cash equivalents

As of June 30, unrestricted cash and cash equivalents consisted of the following:

	2013	2012
Cash and short-term investments on deposit with the State Treasurer	$1,776,421,823	$1,607,903,103
Demand and time deposits	43,968,706	45,786,522
Total	$1,820,390,529	$1,653,689,625

The System does not have a formal policy addressing custodial credit risk.

As of June 30, 2013 and 2012, the carrying amount of the System's demand and time deposits was $43,968,706 and $45,786,522, as compared to bank balances of $48,125,276 and $47,408,129, respectively. The difference is primarily caused by items in-transit. Of the bank balances, $41,580,724 and $41,508,593 was covered by Federal, private or foreign national government depository insurance, or was collateralized by a pledge of United States Treasury obligations held by the System's agents in the name of the System, and $6,544,552 and $5,899,536 was uninsured and uncollateralized as of June 30, 2013 and 2012, respectively.

The Annotated Code of Maryland requires the System to maintain its cash balances on deposit with the State Treasurer, except for demand and time deposit accounts established to satisfy urgent cash requirements, assets associated with endowment funds or proceeds of System financing arrangements. The State Treasurer maintains State funds on a pooled basis in accordance with the Annotated Code of Maryland.

Money market accounts used for unrestricted cash and cash equivalents are not rated by rating agencies.

The System has entered into agreements with trustees for the benefit and security of registered holders of certain debt obligations issued by the System. These agreements permit the System to invest amounts maintained in trust funds in:

- United States Treasury and agency obligations.
- Deposits, having a maturity of no more than 365 days, in any bank, savings institution or trust company to the extent such deposits are fully insured or collateralized.
- Commercial paper rated at least A-1 by Standard & Poor's Corporation (Standard & Poor's) and P-1 by Moody's Investors Service, Inc. (Moody's) having a maturity of no more than 270 days.
- Repurchase agreements.
- Obligations of any state or political subdivision rated by Standard & Poor's and Moody's in one of its two highest rating categories.
- Corporate obligations rated AAA by Standard & Poor's and Aaa by Moody's.

As of June 30, restricted cash and cash equivalents included:

	2013	2012
Money market accounts – endowment fund uninvested cash	$48,147	$52,280
Money market accounts – unspent proceeds of debt	51,342,842	75,621,339
Total	$51,390,989	$75,673,619

Unspent proceeds and other restricted debt-related trust account balances and endowment fund uninvested cash balances are maintained in money market accounts rated AAA or equivalent by rating agencies.

Investments

In July 2005, the System transferred title to its endowment investments, approximately $197 million in fair market value at the time of the transfer, to the University System of Maryland Foundation, Inc., (USMF) in exchange for an equivalent proportionate interest in the long-term investment portfolio managed by the University System of Maryland Foundation, Inc.

In June 2011, the System entered into a new agreement with the USMF. Beginning with fiscal year 2012, the per annum fee to be paid to the USMF for investment management services is to be 0.37% of the beginning of the year market value of managed funds. The agreement is for a term of five years, with renewable two-year extensions at the option of the System, unless notice of intent to terminate the arrangement is provided within 180 days prior to the expiration of the term. In the event of termination of the arrangement, funds invested with individual investment managers that have commitments from the University System of Maryland Foundation, Inc., to maintain investments for certain minimum time periods may not be returned to the System until those constraints have been satisfied.

Investments in the University System of Maryland Foundation, Inc. are accounted for as an open-ended mutual fund. Asset values, investment gains and losses, and other portfolio-wide transactions are allocated based on the number of units or shares that each fund has relative to the total number of shares or units. Assets associated with the System's investments are reported as Endowment Investments on the Balance Sheet of the University System of Maryland, and Investments on the Balance Sheet of the University System of Maryland Foundation, Inc., with a corresponding liability reflecting the fair value of the System's interest in the investment portfolio.

The System discloses investment risks, below.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The System has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the System would not be able to recover the value of its investments or collateral securities that are

in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the System, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the System's name.

Endowment investments managed by the University System of Maryland Foundation, Inc. are uninsured and are not registered in the name of the System, as they are a part of a commingled portfolio comprising proportionate interests of several different entities.

None of the System's restricted investments are exposed to custodial credit risk.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The System is exposed to credit risk on its Endowment investments managed by the University System of Maryland Foundation, Inc.

As of June 30, 2012, commercial paper included in restricted investments held by the System is rated P-1 by Moody's and A-1 or better by Standard & Poor's. As of June 30, 2013, the System does not have restricted investments.

Foreign currency risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment.

The System is not exposed to any material amount of foreign currency risk.

As of June 30, 2013, the System did not have any restricted investments. As of June 30, 2012, the System had the following investments, which individually represent 5% or more of total investments:

	2012	
	Fair value	**Portion of total**
Federal Home Loan Bank	$12,310,738	6%

Endowment investments

As of June 30, endowment investments consisted of the following, stated at fair value:

	2013	2012
Corporate debt	$17,625	$17,625
Corporate equities	83,229	68,310
Certificate of deposits	22,536	21,895
Assets invested with University System of Maryland Foundation, Inc.	192,797,232	190,171,891
Total	$192,920,622	$190,279,721

As of June 30, the balances of the fund groups making up the Endowment were as follows:

	2013	2012
Pure endowments	$128,566,255	$124,854,909
Funds functioning as endowments	63,511,672	62,405,123
Term endowments	3,502,470	3,019,689
Total	$195,580,397	$190,279,721

Endowment fund balances includes $2,659,775 held with the State Treasurer as of June 30, 2013.

Assets associated with endowment funds are invested in accordance with the terms of donor agreements in those instances where such agreements place constraints on allowable investments.

A spending rule has been adopted by the Board to ensure that endowment funds retain a consistent level of purchasing power over time. The spending rule provides for a target rate of spending of 4.75% of a rolling twelve-quarter average market value of the endowment fund. The spending rule is reviewed periodically by the Finance Committee of the Board. Net appreciation on investments of the pure endowment funds totaled $92,262,195 and $91,156,471 as of June 30, 2013 and 2012, respectively. Reinvestments of net appreciation are considered to be subject to donor spending restrictions, and accordingly, are reflected as a component of restricted, expendable net assets.

The Maryland Uniform Prudent Management of Institutional Funds Act governs the use of net appreciation, both realized and unrealized, of endowment investments. This law allows a governing board to appropriate for expenditure only those amounts in excess of the historic gift amount that are prudent, taking into consideration long and short term needs of the institution in carrying out its educational, religious, charitable, or other eleemosynary purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions.

Other investments

Other investments include a partnership interest in a real estate partnership formed to facilitate the long-term development of a parcel of land owned by the University of Maryland College Park. The carrying value of other investments is assessed on an annual basis by reference to the reported value of the University's partnership interest.

Restricted investments

Restricted investments represent unspent proceeds and other debt-related trust account balances invested in U.S. government and agency obligations. As of June 30, 2013, the System held no restricted investments.

As of June 30, 2012, restricted investments consisted of:

	Fair value	Investment maturities - less than 1 year	Investment maturities - 1 year and greater
U.S. government and agency obligations	$15,875,438		$15,875,438
Commercial Paper	5,999,880	$5,999,880	
Total	$21,875,318	$5,999,880	$15,875,438

Allocation of investment income

Investment income is assigned to the accounting funds, including endowments, in proportions associated with investments held by the various accounting funds. For the years ended June 30, 2013 and 2012, investment income attributed to unrestricted funds and restricted funds was:

	2013	2012
Unrestricted funds	$23,634,631	$21,850,807
Restricted funds	10,060,413	1,022,932
Total investment income	$33,695,044	$22,873,739

Major component units

The University System of Maryland Foundation, Inc. invests funds on behalf of the System and several other System component units. The majority of the amounts reported as investments by the University of Maryland College Park Foundation, Inc., and the University of Maryland Baltimore Foundation, Inc. are included in the investments reported by the University System of Maryland Foundation, Inc.

As of June 30, 2013 and 2012, major component unit investments, recorded at fair value, were:

University System of Maryland Foundation, Inc.

	2013	2012
Money market funds and short-term investments	$137,069,000	$74,849,000
Corporate and municipal bonds	21,468,000	40,024,000
Equities and mutual funds	113,637,000	90,791,000
U.S. treasury notes and bonds	3,579,000	7,085,000
U.S. agencies	1,313,000	6,689,000
Collateral mortgage obligations and asset and mortgage-backed securities	8,511,000	22,483,000
Absolute return	227,626,000	212,552,000
Long and short equity hedge funds	237,119,000	208,686,000
Private capital	99,257,000	107,827,000
Real estate and energy and natural resources	145,087,000	170,824,000
Total	994,666,000	941,810,000
Due to other foundations	(484,963,000)	(446,503,000)
Total Investments	509,703,000	495,307,000
Due to primary government	(192,797,232)	(190,171,891)
Total University System of Maryland Foundation Investments	$316,905,768	$305,135,109

University of Maryland College Park Foundation, Inc.

	2013	2012
Short-term investments	$16,075,094	$15,793,686
Cash equivalents and short term securities	436,143	493,378
Mutual funds	4,940,282	4,719,253
Bonds	5,801,000	901,000
Maryland Proton Treatment Center, LLC	1,000,000	
Investments in special strategies - USMF	271,928,394	249,360,613
Total	300,180,913	271,267,930
Due to other foundations	(2,085,831)	(2,380,350)
Total Investments	$298,095,082	$268,887,580

University of Maryland Baltimore Foundation, Inc.

	2013	2012
Cash equivalents and short term securities	$6,249,377	$6,783,824
Commonfund	1,901,920	1,588,795
Lanx stock	1,630,682	1,490,781
Investments in special strategies - USMF	172,042,990	157,040,582
Total Investments	$181,824,969	$166,903,982

4. ACCOUNTS RECEIVABLE, NOTES RECEIVABLE, AND ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts receivable as of June 30, 2013 and 2012, were comprised of:

	2013	2012
Tuition and fees	$82,420,092	$75,506,944
Contracts and grants	174,552,565	207,842,789
Other	30,489,588	26,299,286
Subtotal	287,462,245	309,649,019
Allowance for doubtful accounts	(18,606,429)	(27,281,575)
Accounts receivable, net	$268,855,816	$282,367,444

Notes receivable as of June 30, 2013 and 2012, were comprised of:

	2013	2012
Student loans	$72,454,072	$74,167,691
Business development loans	7,282,988	6,948,847
Subtotal	79,737,060	81,116,538
Allowance for doubtful notes	(13,441,437)	(12,888,994)
Notes receivable, net	$66,295,623	$68,227,544

Accounts payable and accrued liabilities as of June 30, 2013 and 2012, were comprised of:

	2013	2012
Payroll and benefits	$139,109,528	$122,652,668
Suppliers and contractors	131,825,184	115,265,145
Accrued interest payable	10,822,665	10,847,516
Other	28,861,874	23,757,550
Accounts payable and accrued liabilities	$310,619,251	$272,522,879

Major component units

Accounts receivable include unconditional promises of contributions pledged to the affiliated foundations. Promised contributions are recorded at a discounted value that reflects the time value of money.

As of June 30, 2013 and 2012, contributions receivable are due as follows:

University System of Maryland Foundation, Inc.

Due	Discount rates	2013	2012
Within one year	Not applicable	$3,972,000	$5,091,000
One to five years	3.25%	4,485,000	1,898,000
More than five years	3.25%	4,000	200,000
Subtotal		8,461,000	7,189,000
Pledge discount		(502,000)	(331,000)
Net contributions receivable		$7,959,000	$6,858,000

University of Maryland, College Park Foundation, Inc.

Due	Discount rates	2013	2012
Within one year	Not applicable	$31,069,381	$41,180,868
Two to five years	2.19%	26,982,877	32,149,724
More than five years	3.25%	4,415,424	7,371,164
Subtotal		62,467,682	80,701,756
Allowance for doubtful accounts		(7,082,876)	(8,902,869)
Pledge discount		(2,231,826)	(3,372,575)
Net contributions receivable		$53,152,980	$68,426,312

University of Maryland, Baltimore Foundation, Inc.

Due	Discount rates	2013	2012
Within one year	Not applicable	$15,336,117	$12,694,169
Two to five years	1.94%	17,209,797	13,483,280
More than five years	2.59%	64,200	289,054
Subtotal		32,610,114	26,466,503
Allowance for doubtful accounts		(1,332,686)	(1,106,397)
Pledge discount		(1,410,902)	(1,361,728)
Net contributions receivable		$29,866,526	$23,998,378

5. CHANGES IN NET CAPITAL ASSETS

Changes in net capital assets for the years ended June 30, 2013 and 2012:

	June 30, 2011 Balance	Additions	Decreases	June 30, 2012 Balance	Additions	Decreases	June 30, 2013 Balance
Capital assets being depreciated:							
Infrastructure & Land Improvements	$318,881,776	$12,056,846		$330,938,622	$20,785,712		$351,724,334
Buildings & Improvements	4,937,142,980	895,795,711	$11,397,720	5,821,540,971	201,656,419	$1,920,602	6,021,276,788
Contents	1,136,244,493	104,196,112	25,811,450	1,214,629,155	78,091,858	27,689,956	1,265,031,057
Buildings recorded under capital lease agreements	14,629,140			14,629,140			14,629,140
Total capital assets being depreciated	6,406,898,389	1,012,048,669	37,209,170	7,381,737,888	300,533,989	29,610,558	7,652,661,319
Less accumulated depreciation for:							
Infrastructure & Land Improvements	151,423,099	13,421,017		164,844,116	13,841,735		178,685,851
Buildings & Improvements	1,816,810,126	164,967,960	8,580,473	1,973,197,613	167,806,191	707,089	2,140,296,715
Contents	792,015,505	81,830,307	23,942,308	849,903,504	81,758,709	25,901,791	905,760,422
Buildings recorded under capital lease agreements	2,895,375	137,875		3,033,250	1,187,179		4,220,429
Total accumulated depreciation	2,763,144,105	260,357,159	32,522,781	2,990,978,483	264,593,814	26,608,880	3,228,963,417
Total capital assets being depreciated, net	3,643,754,284	751,691,510	4,686,389	4,390,759,405	35,940,175	3,001,678	4,423,697,902
Capital assets not being depreciated:							
Land	136,295,375	6,704,227		142,999,602	10,142,726		153,142,328
Contents	22,504,959	184,337		22,689,296	2,734,181	25,602	25,397,875
Construction in progress	526,813,487	354,038,439	423,628,400	457,223,526	415,553,707	201,667,158	671,110,075
Total capital assets not being depreciated	685,613,821	360,927,003	423,628,400	622,912,424	428,430,614	201,692,760	849,650,278
Capital assets, net	$4,329,368,105	$1,112,618,513	$428,314,789	$5,013,671,829	$464,370,789	$204,694,438	$5,273,348,180

Interest expense of $966,298 and $239,973 associated with projects not yet completed was capitalized and recorded as construction in progress during the years ended June 30, 2013, and 2012 respectively.

6. SERVICE CONCESSION ARRANGEMENTS FOR STUDENT HOUSING

The System implemented GASB Statement #60 '*Accounting and Financial Reporting for Service Concession Arrangements*' as of July 1, 2011 and has restated balances for June 30, 2012 as appropriate.

The University System of Maryland has entered into long-term leases of university-owned land, and other agreements with a quasi-governmental issuer of debt, developer to build, and an operator to manage, student housing projects at seven of the System's institutions. These agreements satisfy the criteria established to be considered service concession arrangements (SCAs).

Under the terms of the ground leases, the System transfers rights to university-owned property for a term of 40 years to the quasi-governmental issuer of debt (the 'project owner'). The project owner contracts with a developer to build student housing on the property, as well as an operator that manages the facility on behalf of the owner. Each student housing project is financed using tax-exempt debt that limits the use of the project to uses that support the institution. The owner of the project charges and collects rent from the students, and pays the operating costs and debt service associated with the project. The residual cash flow from the project, after paying all operating costs and management fees, is paid to the university as the ground lease payment. The institution has the ability to approve what services the operator is required to provide and the rates that can be charged.

Upon final payment of the outstanding debt associated with the project, or upon termination of the ground lease, whichever is sooner, the ownership of the project transfers to the university and the owner's rights to use the land reverts to the university.

As of June 30, the following balances associated with service concession agreements are reflected on the Balance Sheet:

	2013	2012
Capital assets, net	$389,641,837	$441,994,338
Deferred service concession arrangement receipts	380,711,678	432,401,054

7. REVENUE BONDS AND NOTES PAYABLE

The System finances the construction, renovation and acquisition of certain facilities and equipment through the issuance of debt obligations. State law limits the aggregate principal amount of debt outstanding and the present value of future minimum lease payments on capital lease obligations for real property to no more than $1,400,000,000.

Revenue bonds and notes payable consisted of the following as of June 30, 2013 and 2012:

	2013	2012
Revenue Bonds, net	$1,108,158,762	$1,061,819,442
Revolving Loan Program Bonds	35,000,000	50,000,000
Certificates of Participation		2,800,000
Other	40,209,544	41,973,756
Revenue bonds and notes payable, net	$1,183,368,306	$1,156,593,198

Auxiliary Facility and Tuition Revenue Bonds

As of June 30, 2013, Auxiliary Facility and Tuition Revenue Bonds (Revenue Bonds) consisted of the following:

	Interest Rates	Maturity Dates	Principal Outstanding
2003 Series A & B	4.0% - 5.0%	2014-2016	$11,785,000
2004 Series A & B	4.5% - 5.7%	2014-2016	3,165,000
2005 Series A	4.0% - 5.0%	2014-2021	89,535,000
2006 Series A	5.0%	2013-2017	17,780,000
2007 Refunding Series A	4.0% - 5.0%	2013-2023	75,345,000
2008 Series A	4.0% - 5.0%	2014-2028	74,855,000
2008 Refunding Series B	3.5% - 4.0%	2013-2017	11,190,000
2009 Series A & B	4.0% - 6.0%	2014-2029	85,480,000
2009 Refunding Series C	2.5% - 4.0%	2013-2019	18,380,000
2009 Refunding Series D	3.0% - 4.0%	2013-2022	51,510,000
2010 Series A & B	2.5% - 5.4%	2014-2030	106,750,000
2010 Series C	2.0% - 4.0%	2014-2023	44,775,000
2010 Series D & E	3.0% - 5.8%	2014-2030	106,110,000
2011 Series A	3.0% - 5.0%	2014-2031	107,225,000
2011 Refunding Series B	3.0% - 5.0%	2015-2024	38,075,000
2012 Refunding Series A & B	2.0% - 4.0%	2014-2024	59,500,000
2012 Series C & D	2.0% - 5.0%	2014-2032	167,270,000
			1,068,730,000
Unamortized discounts, premiums and refunding adjustments			39,428,762
Revenue bonds, net			$1,108,158,762

Revenue Bonds have been issued pursuant to an Indenture of Trust, an agreement entered into with a trustee for the benefit of holders of Revenue Bonds. Pursuant to the Indenture of Trust, the System has agreed to charge and collect tuition revenues and net auxiliary facility fees in an amount that is not less than 200% of the maximum annual debt service on Revenue Bonds.

Revenue Bonds issued during the years ended June 30, 2013 and 2012, including the results of any advance refunding of previously-issued debt, are as follows:

Debt issuance	Date of issue	Par value of debt issued	Premium on issuance	Par value of debt refunded	Reduction in future debt service	Deferred amount on refunding	Economic gain or (loss)
2011 Series A	10/6/2011	$115,000,000	$11,216,462				
2011 Refunding Series B	10/6/2011	38,075,000	3,641,915	$38,750,000	$1,631,266	$1,043,816	$1,357,494
2012 Refunding Series A & B	2/9/2012	70,825,000	4,419,184	69,735,000	9,560,388	5,116,958	9,054,411
2012 Series C	10/6/2012	115,000,000	6,582,587				
2012 Refunding Series D	10/6/2012	54,005,000	10,820,564	55,420,000	6,335,509	7,471,867	5,281,851

The System has issued series of revenue bonds that qualify for participation in the Build America Bonds program, a provision of the American Recovery and Reinvestment Act of 2009. The provisions of the Build America Bonds provide that the Federal government will reimburse issuers of Build America Bonds an amount equal to 35% of the interest payments made to bondholders. The 2009 Series B, the 2010 Series B, and 2010 Series E bonds have been issued to comply with the requirements of the Build America Bonds program, the System has been receiving the interest payment reimbursements from the Federal government, and the System expects that these bonds will continue to qualify under the program in the future. The interest amounts reflected in the future principal and interest payments schedule on the following page reflect the System's obligations to bondholders, and have not been reduced for any expectation of interest reimbursement from the Federal government under the Build America Bonds program.

As of June 30, 2013, previously issued debt removed from the System's financial statements through advance refunding transactions still outstanding was $113,880,000.

As of June 30, 2013 and 2012, cash and cash equivalents and investments restricted by the terms of the Indenture of Trust totaled $34,925,663 and $65,202,153, respectively.

Revolving Loan Program Bonds

Revolving Loan Program Bonds include debt issued pursuant to an Indenture of Trust, an agreement entered into with a trustee for the benefit of holders of the debt, dated April 1, 1995.

On August 8, 2003, the System issued $65,000,000 of University System of Maryland Revolving Loan Program Bonds, 2003 Series A. The 2003 Series A Bonds were initially issued as auction rate reset securities, meaning interest is calculated on outstanding Revolving Loan Program Bonds using a rate of interest determined through a weekly auction process. In April, 2008, the System purchased $15,000,000 of the auction rate reset securities in response to failed auctions that were occurring for most issuers of auction rate reset securities as a result of the collapse of the credit insurance market. On June 26, 2008, the 2003 Series A Bonds in a principal amount of $50,000,000 were converted from an auction rate mode to a Multiannual Rate. On June 1, 2009, the 2003 Series A Bonds were remarketed for another one year period on a multi-annual interest rate basis at an interest rate of .55%. On June 1, 2010, the securities were successfully remarketed on a multi-annual interest rate basis at an interest rate of 1.50%. On June 1, 2013 the System redeemed $15,000,000 of the 2003 Series A Bonds. The remaining principal balance of $35,000,000 of the 2003 Series A Bonds was remarketed for five years at a multi-annual interest rate of 1.25%.

As of June 30, 2013 and 2012, cash and cash equivalents in the amount of $16,415,499 and $30,145,543, respectively, was held by the trustee as unspent proceeds of the Revolving Loan Program Bonds.

Other

Other debt and notes payable includes amounts borrowed to finance facilities, equipment acquisitions, a marine research vessel and other improvements designed to enhance energy efficiency savings.

The System is subject to Federal arbitrage laws governing the use of proceeds of tax-exempt debt.

Future principal and interest payments as of June 30, 2013, were as follows:

	Auxiliary Facility and Tuition Revenue Bonds		Notes Payable and Other Long-term Debt		Total
Years ending June 30,	Principal	Interest	Principal	Interest	Payments
2014	$72,335,000	$46,607,135	$6,715,151	$1,209,989	$126,867,275
2015	75,880,000	43,638,934	5,565,721	1,109,141	126,193,796
2016	79,595,000	40,273,028	5,061,782	999,926	125,929,736
2017	78,565,000	36,662,184	3,943,791	896,015	120,066,990
2018	77,465,000	33,247,646	2,907,025	1,211,253	114,830,924
2019 – 2023	351,255,000	117,234,330	37,956,517	5,950,110	512,395,957
2024 – 2028	240,640,000	51,999,024	13,059,557	73,445	305,772,026
2029 – 2033	92,995,000	7,511,315			100,506,315
Total	$1,068,730,000	$377,173,596	$75,209,544	$11,449,879	$1,532,563,019

8. LEASES

Obligations under capital lease agreements

The System leases two facilities for the use of the University of Maryland College Park and Towson University under agreements recorded as capital lease obligations. The obligations are recorded at the present value of future minimum lease payments using a discount rate of 6.8% and 3.2%, for the University of Maryland College Park and the Towson University leases, respectively,

Future minimum payments on obligations under capital lease agreements as of June 30, 2013, were as follows:

Years ending June 30,	Total
2014	$1,602,938
2015	1,635,667
2016	1,669,377
2017	1,704,099
2018	1,739,862
2019 – 2023	6,571,051
Total future lease payments	14,922,994
Less: Interest component	(2,512,946)
Obligations under capital lease agreements	$12,410,048

Operating leases

The System and its constituent units lease facilities and equipment under agreements reported as operating leases. Many of the leases provide for an optional extension of the terms of the agreements and increases in payment amounts based on changes in indices such as the Consumer Price Index.

Future minimum payments on operating leases as of June 30, 2013, were as follows:

Year ending June 30,	Minimum Annual Lease Payments
2014	$15,993,779
2015	14,296,123
2016	12,802,735
2017	11,524,076
2018	9,847,538
2019 – 2023	25,935,708
2024 – 2028	7,521,791
Total	$97,921,750

Operating lease expenditures for the years ended June 30, 2013 and 2012, were $21,312,289 and $20,548,836, respectively.

9. CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for the years ended June 30, 2013 and 2012, were as follows:

	June 30, 2011 Balance	Additions	Reductions	June 30, 2012 Balance	Additions	Reductions	June 30, 2013 Balance	Due Within One Year
Accrued vacation costs	$175,138,867	$88,799,014	$88,134,760	$175,803,121	$96,306,968	$88,829,027	$183,281,062	$89,344,370
Accrued workers' compensation	27,543,235	6,548,800	5,457,035	28,635,000	4,717,821	5,121,821	28,231,000	4,375,805
Revenue bonds and notes payable, net	1,115,178,914	241,422,693	200,008,409	1,156,593,198	193,870,546	167,095,438	1,183,368,306	79,050,151
Obligations under capital lease agreements	14,043,089		277,430	13,765,659		1,355,611	12,410,048	1,104,394
Total long-term liabilities	$1,331,904,105	$336,770,507	$293,877,634	$1,374,796,978	$294,895,335	$262,401,897	$1,407,290,416	$173,874,720

10. OPERATING EXPENSES BY OBJECT

The System reports operating expenses in the Statement of Revenues, Expenses and Changes in Net Assets by program category.
Operating expenses for the years ended June 30, 2013 and 2012, by grouping of object classification were as follows:

	2013				2012			
	Employee Costs	Payments to Suppliers, Contractors and Others	Depreciation	Total	Employee Costs	Payments to Suppliers, Contractors and Others	Depreciation	Total
Instruction	$981,476,896	$117,432,872	$41,003,571	$1,139,913,339	$949,147,627	$110,976,841	$40,975,305	$1,101,099,773
Research	571,677,511	335,315,557	24,965,883	931,958,951	563,727,321	335,594,368	23,552,381	922,874,070
Public service	90,866,256	58,539,149	3,591,076	152,996,481	90,877,000	63,533,565	3,143,689	157,554,254
Academic support	264,425,951	107,041,343	40,146,289	411,613,583	244,320,030	100,362,037	35,505,197	380,187,264
Student services	124,003,082	69,945,387	4,476,479	198,424,948	120,770,559	67,046,782	4,468,642	192,285,983
Institutional support	307,987,872	64,064,896	14,523,183	386,575,951	299,210,371	47,332,550	17,735,504	364,278,425
Operation and maintenance of plant	121,042,648	127,310,105	50,435,694	298,788,447	118,013,481	144,626,701	54,247,254	316,887,436
Scholarships and fellowships	6,258,529	94,700,971		100,959,500	7,114,171	83,396,333		90,510,504
Auxiliary enterprises:								
Residential facilities	42,962,533	51,832,827	41,412,820	136,208,180	40,972,342	42,435,195	36,338,987	119,746,524
Dining facilities	33,208,173	67,815,519	4,819,588	105,843,280	32,481,671	66,962,570	5,442,746	104,886,987
Intercollegiate athletics	49,074,429	34,045,693	6,817,063	89,937,185	50,352,141	35,635,872	8,836,563	94,824,576
Bookstores	4,646,576	22,620,424	85,051	27,352,051	4,411,332	22,140,895	289,379	26,841,606
Parking facilities	11,145,074	9,010,235	5,187,204	25,342,513	10,736,068	10,277,434	4,928,516	25,942,018
Other auxiliary enterprises	51,069,469	36,058,879	27,111,876	114,240,224	49,990,541	33,434,488	24,876,804	108,301,833
Hospital	171,466,606	1,699,619	18,037	173,184,262	153,830,954	1,358,684	16,192	155,205,830
Total	$2,831,311,605	$1,197,433,476	$264,593,814	$4,293,338,895	$2,735,955,609	$1,165,114,315	$260,357,159	$4,161,427,083

10. RETIREMENT AND PENSION PLANS

Most System employees participate in the State Retirement and Pension System of Maryland (the State System), which is an agent, multiple-employer public employee retirement system. While the State System is an agent, multiple-employer public employee retirement system, the System accounts for the plan as a cost-sharing multiple-employer public employee retirement system, as a separate valuation is not performed for the System, and the only obligation to the plan is its required annual contributions.

The State System includes four pension and retirement plans that System employees participate in:

Teachers Retirement Systems
Teachers Pension Systems
Employees Retirement Systems
Employees Pension Systems

The State System prepares a Comprehensive Annual Financial Report, which can be obtained from the State Retirement and Pension System at 120 East Baltimore Street, Suite 1600, Baltimore, MD 21202.

System employees may alternatively elect to participate in an optional retirement program.

State Systems

Plan Description

The State System are defined benefit plans with unfunded accrued actuarial liabilities. The State System, which is administered in accordance with the State Personnel and Pensions Article of the Annotated Code of Maryland, is managed by a Board of Trustees, and included in the State of Maryland financial reporting entity.

All plan benefits are specified by the State Personnel and Pensions Article of the Annotated Code of Maryland. Retirement allowances are computed using both the highest three years' average final salary (AFS) and the actual number of years of accumulated creditable service. Pension allowances are computed using both the highest three consecutive years' AFS and the actual number of years of accumulated creditable service. Various retirement options are available under each system which ultimately determines how a retiree's benefit allowance will be computed. Some of these options require actuarial reductions based on the retiree's and/or designated beneficiary's attained age and similar actuarial factors.

Funding Policy

The System's required contributions are based upon actuarial valuations. Effective July 1, 1980, in accordance with the law governing the State System, all benefits of the State System are funded in advance. The aggregate entry age normal cost method is the actuarial cost method used.

Both the System and covered employees are required by State statute to contribute to the State System. The contribution from the employees is 5% for participants in the State System retirement plans (with a 5% limit on the annual cost of living allowance and 7% for those who elect a limit on the cost of living allowance commensurate with the Consumer Price Index); and 2% for participants in the State System pension plans. Contributions are deducted from participant's salary and wage payments and are remitted to the State System on a regular, periodic basis.

The System made its required contributions during the years ended June 30, 2013, 2012, and 2011 of $84,938,801, $73,660,374, and $74,127,461, respectively.

Optional Retirement Program

Some employees participate in the optional retirement programs, which are defined contribution money purchase plans funded currently each year and invested in specific funds offered by one of three vendors. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings. Qualified employees are eligible to participate from the date of employment.

State legislation provides that the System contribute 7.25% of covered employees' annual salaries each month. The System's contribution along with that of the employee is immediately and fully vested.

The contributions for the year ended June 30, 2013 were $133,171,956, which consisted of $66,763,426 from the System and $66,408,530 from employees. The contributions for the year ended June 30, 2012 were $131,559,709, which consisted of $64,287,486 from the System and $67,272,223 from employees.

Major component units

The University System of Maryland Foundation, Inc. maintains a defined contribution plan for certain personnel provided by TIAA-CREF. The University System of Maryland Foundation, Inc. contributes 7.25% of the employee's compensation to the plan. In addition, eligible employees are entitled to make voluntary contributions to the plan. Total pension expense for the years ended June 30, 2013 and 2012 was approximately $212,000 and $141,000, respectively.

11. OTHER POSTEMPLOYMENT BENEFITS

Members of the State Retirement and Pension System of Maryland (the State System) and their dependents are provided postemployment health care benefits through the State Employee and Retiree Health and Welfare Benefits Program (the Plan). The Plan is a cost sharing defined benefit healthcare plan established by the State Personnel and Pensions Article, Section 2-501 through 2-516 of the Annotated Code of Maryland. The Plan is self-insured to provide medical, hospitalization, prescription drug and dental insurance benefits to eligible state employees, retirees, and their dependents. The State does not distinguish employees by employer/State agency. Instead, the State allocates the postemployment health care costs to all participating employers.

Financial information for the Plan is included in the State of Maryland Comprehensive Annual Financial Report, which can be obtained from the Comptroller of Maryland, Louis L. Goldstein Treasury Building, Annapolis, MD 21404.

A separate actuarial valuation is not performed by the System. The System's only obligation to the Plan is its required annual contribution, which it has fully funded during the years ended June 30, 2013 and 2012. The amounts contributed for the years ended June 30, 2013 and 2012, were $75,416,841 and $63,367,379, respectively.

12. CONSTRUCTION COMMITMENTS

The estimated costs to complete construction in progress as of June 30, 2013 is $359,034,094, of which $80,800,885 is to be funded from Revenue Bond proceeds, $208,723,571 is to be derived from State appropriations and grants, and $69,509,638 to be provided from System funds.

13. CONTINGENT LIABILITIES

The System has entered into future purchase commitments for natural gas and electricity, as a means of hedging its risk against fluctuations in price of an important fuel commodity and electricity supplies. As of June 30, 2013, the System had entered into open contracts for the purchase of $2,201,024, of natural gas to be delivered monthly through June 2015. Future purchase commitments for electricity to be supplied through December 2014 totaled $1,539,480 as of June 30, 2013. The System and its institutions generally take delivery of the natural gas and electricity purchased through future purchase contracts.

The System is involved in a number of legal actions that arise in the normal course of its operations. In the opinion of management, based on the advice of the State Attorney General, such actions, as well as any exposure to unasserted claims, will not have a material adverse effect on the System's financial position.

The Atlantic Coast Conference (the ACC), an intercollegiate sports association, has filed a request for a declaratory judgement asserting that the University of Maryland College Park will owe the ACC a withdrawal fee of more than $52 million associated with the University's announced intention to begin participation in the Big Ten Conference beginning July 1, 2014. The University disputes the claim, and at this point, cannot reasonably conclude that the ACC will prevail in its claim, or estimate any potential liability that might result were the ACC to prevail.

15. RISK MANAGEMENT

The System participates in State-wide self-insurance programs for many forms of risk of loss, including general liability, property and casualty, workers' compensation, environmental and anti-trust liabilities, as well as certain employee health benefit programs.

The System remits premiums to the State, to cover costs of claims servicing and claims payments. The premiums are based on a percentage of annual payroll or are based on average loss experience, taking into account recent trends in actual claims experience, and providing for catastrophic losses.

The System records a liability when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. Liabilities recorded include a provision for claims incurred but not reported. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal doctrines, and damage awards, actual claims could differ from estimates. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Liabilities for incurred workers' compensation losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a 4% discount rate. The provision for workers' compensation is based upon a separately determined actuarial valuation for the fiscal years ended June 30, 2013 and 2012. Settlement amounts have not exceeded insurance coverage levels for the years ended June 30, 2013, 2012, or 2011.

As of June 30, 2013 and 2012, the System has recorded $28,231,000 and $28,635,000 in liabilities associated with workers' compensation, respectively.

UNIVERSITY OF MARYLAND, BALTIMORE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$263,358,414	$1,308,755	$226,038,387	$593,253
Accounts receivable, net	85,106,353	19,443,033	104,402,396	13,611,253
Notes receivable, current portion	2,166,928		2,157,281	
Prepaid expenses, deferred charges and other assets	298,213	135,976	324,529	124,310
Inter-institutional balances	3,053,953		563,981	
Total current assets	353,983,861	20,887,764	333,486,574	14,328,816
Noncurrent assets:				
Restricted cash and cash equivalents	1,195,504		1,363,510	
Accounts receivable, net		15,650,167		12,367,784
Endowment investments	75,428,768	150,878,417	74,353,596	131,401,821
Other investments		130,872,920		129,316,080
Notes receivable, net	24,916,590		25,568,333	
Other assets		5,179,829		5,020,298
Capital assets, net	709,395,738		714,436,798	
Total noncurrent assets	810,936,600	302,581,333	815,722,237	278,105,983
Total assets	$1,164,920,461	$323,469,097	$1,149,208,811	$292,434,799
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$54,156,891	$6,477,788	$51,022,422	$3,409,681
Accrued workers' compensation, current portion	824,755		952,475	
Accrued vacation costs, current portion	36,413,857		34,048,710	
Revenue bonds and notes payable, current portion	8,025,820		9,875,151	
Deferred revenue	37,609,690	2,500	43,700,123	14,565
Total current liabilities	137,031,013	6,480,288	139,598,881	3,424,246
Noncurrent liabilities:				
Accrued workers' compensation	4,496,245		5,192,525	
Accrued vacation costs	33,584,552		32,361,194	
Endowments invested on behalf of primary government		75,428,768		74,353,596
Other payables		1,234,403		1,002,708
Revenue bonds and notes payable	118,700,998		124,336,757	
Total noncurrent liabilities	156,781,795	76,663,171	161,890,476	75,356,304
Total liabilities	293,812,808	83,143,459	301,489,357	78,780,550
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	35,477,317		37,229,284	
NET POSITION				
Unrestricted	194,919,694	25,103,909	176,406,595	22,248,696
Net investment in capital assets	547,191,603		542,995,606	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	8,972,927	33,178,009	6,548,051	30,937,415
Research	522,543	1,159,827	522,543	1,139,281
Other	10,295,892	99,173,541	10,294,734	89,897,440
Expendable:				
Scholarships and fellowships	24,998,869	8,457,556	24,869,669	7,375,240
Research	5,386,618	9,253,710	5,533,176	8,077,005
Loans	26,348,729		26,950,536	
Capital projects	1,195,504		1,363,510	
Other	15,797,957	63,999,086	15,005,750	53,979,172
Total net position	835,630,336	240,325,638	810,490,170	213,654,249
Total liabilities, deferred inflows of resources, and net position	$1,164,920,461	$323,469,097	$1,149,208,811	$292,434,799

UNIVERSITY OF MARYLAND, BALTIMORE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$118,983,364			$114,748,076		
Less: scholarship allowances	(18,762,714)	$100,220,650		(17,924,712)	$96,823,364	
Federal grants and contracts		247,023,280			264,931,381	
State and local grants and contracts		65,729,506			59,038,329	
Nongovernmental grants and contracts		109,320,435			108,427,190	
Sales and services of educational departments		245,085,479			216,211,856	
Auxiliary enterprises:						
Residential facilities		2,565,186			2,536,870	
Parking facilities		12,764,907			11,993,486	
Other auxiliary enterprises revenues		14,509,846			14,441,241	
Total operating revenues		797,219,289			774,403,717	
OPERATING EXPENSES:						
Instruction		188,776,832			180,234,676	
Research		393,649,603			391,828,457	
Public service		3,429,947			3,480,545	
Academic support		50,016,557			50,433,089	
Student services		5,098,226			5,496,943	
Institutional support		65,973,200			64,573,542	
Operation and maintenance of plant		79,975,572			80,670,432	
Scholarships and fellowships		3,632,705			2,517,190	
Auxiliary enterprises:						
Residential facilities		1,875,074			1,944,960	
Parking facilities		8,410,847			8,117,629	
Other auxiliary enterprises expenses		12,695,207			13,270,568	
Hospital		173,184,262			155,205,830	
Total operating expenses		986,718,032			957,773,861	
Operating income (loss)		(189,498,743)			(183,370,144)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		185,491,671			185,039,951	
Pell grants		629,858			610,299	
Gifts		14,273,075	$34,366,418		13,181,490	$35,360,836
Investment income	8,510,888		16,267,743	3,856,008		2,362,940
Less: Investment expense	(275,108)	8,235,780		(286,179)	3,569,829	
Interest on indebtedness		(4,710,660)			(5,030,036)	
Other revenues (expenses), gains and (losses)		892,023			635,728	
Other affiliated foundation revenues			840,278			865,497
Other affiliated foundation expenses			(24,803,050)			(22,897,696)
Transfers (to) from other University System of Maryland institutions		(556,095)			(1,089,255)	
Total nonoperating revenues (expenses)		204,255,652	26,671,389		196,918,006	15,691,577
Income before other revenues		14,756,909	26,671,389		13,547,862	15,691,577
OTHER REVENUES:						
Capital appropriations		7,717,094			2,734,011	
Capital gifts and grants		240,128			115,278	
Additions to permanent endowments		2,426,035			858,594	
Total other revenues		10,383,257			3,707,883	
Increase in net position		25,140,166	26,671,389		17,255,745	15,691,577
Net position - beginning of year		810,490,170	213,654,249		793,234,425	197,962,672
Net position - end of year		$835,630,336	$240,325,638		$810,490,170	$213,654,249

UNIVERSITY OF MARYLAND, BALTIMORE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$102,864,553	$96,776,022
Research contracts and grants	438,859,869	435,043,178
Payments to employees	(686,505,676)	(658,480,487)
Payments to suppliers and contractors	(239,675,697)	(240,812,136)
Loans issued to students	(3,865,770)	(3,399,595)
Collections of loans to students	3,859,453	3,855,312
Auxiliary enterprises:		
Residential facilities	813,220	784,907
Parking facilities	12,764,907	11,993,486
Other	14,439,855	14,529,685
Other receipts	254,821,055	240,854,679
Net cash provided (used) by operating activities	(101,624,231)	(98,854,949)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	185,491,671	185,039,951
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	2,426,035	858,594
Pell grants	629,858	610,299
Net cash provided by noncapital financing activities	188,547,564	186,508,844
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	22,097,502	19,688,059
Capital appropriations	7,717,094	2,734,011
Proceeds from sales of capital assets	208,826	822,961
Purchases of capital assets	(49,491,255)	(39,837,583)
Principal paid on debt and capital leases	(28,454,152)	(27,432,922)
Interest paid on debt and capital leases	(5,941,773)	(6,088,944)
Transfers (to) from other University System of Maryland institutions	(3,068,162)	(2,371,034)
Net cash provided (used) by capital and related financing activities	(56,931,920)	(52,485,452)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	4,185,990	4,080,474
Interest on investments	3,265,786	3,626,198
Investment expense	(275,108)	(286,179)
Purchases of investments	(16,060)	(858,594)
Net cash provided by investing activities	7,160,608	6,561,899
Net increase in cash and cash equivalents	37,152,021	41,730,342
Cash and cash equivalents - beginning of the year	227,401,897	185,671,555
Cash and cash equivalents - end of the year	$264,553,918	$227,401,897

UNIVERSITY OF MARYLAND, COLLEGE PARK
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$608,264,732	$19,846,858	$564,146,527	$24,292,947
Accounts receivable, net	96,997,004	58,879,512	86,477,706	37,482,543
Notes receivable, current portion	1,544,779		1,514,602	
Inventories	3,247,070		3,358,732	
Prepaid expenses, deferred charges and other assets	1,254,590	231,211	1,150,128	379,434
Inter-institutional balances	(6,665,026)		44,106	
Total current assets	704,643,149	78,957,581	656,691,801	62,154,924
Noncurrent assets:				
Restricted cash and cash equivalents	10,484,001		11,861,551	
Accounts receivable, net		26,783,971		33,143,115
Endowment investments	96,408,857	344,089,095	95,433,606	316,359,209
Other investments	6,693,185	176,501,450	5,128,471	177,282,911
Notes receivable, net	8,969,150		9,398,557	
Other assets		865,912		1,049,850
Capital assets, net	1,767,056,212	3,688,398	1,709,440,177	3,596,669
Total noncurrent assets	1,889,611,405	551,928,826	1,831,262,362	531,431,754
Total assets	$2,594,254,554	$630,886,407	$2,487,954,163	$593,586,678
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$105,818,169	$36,347,746	$96,851,040	$4,032,510
Accrued workers' compensation, current portion	2,032,670		1,992,990	
Accrued vacation costs, current portion	20,873,442		20,359,751	
Revenue bonds and notes payable, current portion	29,301,765		31,908,955	
Deferred revenue	60,318,737	3,901,324	65,682,515	1,836,287
Current portion of obligations under capital lease obligations	316,740		296,434	
Total current liabilities	218,661,523	40,249,070	217,091,685	5,868,797
Noncurrent liabilities:				
Accrued workers' compensation	11,081,330		10,865,010	
Accrued vacation costs	34,272,883		33,890,869	
Endowments invested on behalf of primary government		96,408,857		95,394,083
Other payables		3,146,534		3,867,811
Revenue bonds and notes payable	321,449,163		301,170,343	
Obligations under capital lease agreements	2,659,449		2,976,189	
Total noncurrent liabilities	369,462,825	99,555,391	348,902,411	99,261,894
Total liabilities	588,124,348	139,804,461	565,994,096	105,130,691
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	168,175,327		175,885,442	
NET POSITION				
Unrestricted	487,263,967	45,712,250	441,925,863	63,092,499
Net investment in capital assets	1,245,153,768		1,197,202,814	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	5,542,797	113,193,840	5,385,708	97,173,526
Research	3,533,011	2,043,435	3,510,642	1,934,592
Other	4,761,426	163,535,187	4,761,296	163,259,048
Expendable:				
Scholarships and fellowships	9,460,286	45,379,535	9,593,675	42,017,243
Research	63,731,676	14,738,344	63,355,729	13,160,731
Loans	10,992,200		10,793,359	
Capital projects	711,675		2,868,191	
Other	6,804,073	106,479,354	6,677,348	107,818,348
Total net position	1,837,954,879	491,081,946	1,746,074,625	488,455,987
Total liabilities, deferred inflows of resources, and net position	$2,594,254,554	$630,886,407	$2,487,954,163	$593,586,678

UNIVERSITY OF MARYLAND, COLLEGE PARK
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$480,479,355			$463,244,720		
Less: scholarship allowances	(71,737,566)	$408,741,789		(67,106,577)	$396,138,143	
Federal grants and contracts		352,788,348			357,567,671	
State and local grants and contracts		51,004,393			55,926,178	
Nongovernmental grants and contracts		75,927,111			71,741,890	
Sales and services of educational departments		25,373,836			26,278,906	
Auxiliary enterprises:						
Residential facilities	61,410,202			60,011,887		
Less: scholarship allowances	(5,502,727)	55,907,475		(5,212,732)	54,799,155	
Dining facilities	48,461,428			47,376,695		
Less: scholarship allowances	(2,913,936)	45,547,492		(2,627,656)	44,749,039	
Intercollegiate athletics		50,888,502			53,172,661	
Parking facilities		13,284,168			13,513,875	
Other auxiliary enterprises revenues		47,754,509			45,729,625	
Other operating revenues		35,459,100			32,714,562	
Total operating revenues		1,162,676,723			1,152,331,705	
OPERATING EXPENSES:						
Instruction		435,061,165			418,877,865	
Research		411,720,651			404,022,792	
Public service		86,806,904			93,494,029	
Academic support		150,127,748			137,381,882	
Student services		48,717,876			46,193,075	
Institutional support		105,088,945			94,843,441	
Operation and maintenance of plant		98,327,403			94,835,102	
Scholarships and fellowships		30,344,561			30,740,057	
Auxiliary enterprises:						
Residential facilities		70,260,985			60,345,994	
Dining facilities		49,008,841			47,995,558	
Intercollegiate athletics		48,407,052			53,164,768	
Parking facilities		10,143,713			9,666,574	
Other auxiliary enterprises expenses		50,210,415			47,558,196	
Total operating expenses		1,594,226,259			1,539,119,333	
Operating income (loss)		(431,549,536)			(386,787,628)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		414,567,046			414,752,096	
Pell grants		21,860,817			21,748,072	
Gifts		28,781,338	$40,521,166		27,208,895	$51,118,714
Investment income	14,333,301		25,194,920	8,989,403		3,783,336
Less: Investment expense	(352,958)	13,980,343		(371,776)	8,617,627	
Interest on indebtedness		(11,953,354)			(11,307,992)	
Other revenues (expenses), gains and (losses)		(57,616)			(1,332,365)	
Other affiliated foundation revenues			4,390,864			6,380,252
Other affiliated foundation expenses			(67,480,991)			(72,232,175)
Transfers (to) from other University System of Maryland institutions		273,767			(5,823,314)	
Total nonoperating revenues (expenses)		467,452,341	2,625,959		453,863,019	(10,949,873)
Income (loss) before other revenues		35,902,805	2,625,959		67,075,391	(10,949,873)
OTHER REVENUES:						
Capital appropriations		37,302,971			35,524,624	
Capital gifts and grants		18,494,889			6,062,632	
Additions to permanent endowments		179,589			1,327,758	
Total other revenues		55,977,449			42,915,014	
Increase (decrease) in net position		91,880,254	2,625,959		109,990,405	(10,949,873)
Net position - beginning of year		1,746,074,625	488,455,987		1,636,084,220	499,405,860
Net position - end of year		$1,837,954,879	$491,081,946		$1,746,074,625	$488,455,987

UNIVERSITY OF MARYLAND, COLLEGE PARK
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$406,724,898	$396,087,820
Research contracts and grants	487,763,587	474,520,584
Payments to employees	(1,065,932,707)	(1,031,565,259)
Payments to suppliers and contractors	(427,927,883)	(403,153,488)
Loans issued to students	(1,281,248)	(1,873,545)
Collections of loans to students	1,680,478	2,094,447
Auxiliary enterprises:		
Residential facilities	48,197,360	47,045,714
Dining facilities	45,547,492	44,726,599
Intercollegiate athletics	31,592,718	58,743,255
Parking facilities	13,284,168	13,513,875
Other	47,717,689	46,077,062
Other receipts	87,823,760	88,767,735
Net cash provided (used) by operating activities	(324,809,688)	(265,015,201)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	414,567,046	414,752,096
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes	179,589	57,380
Pell grants	21,860,817	21,748,072
Net cash provided by noncapital financing activities	436,607,452	436,557,548
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	34,130,717	67,229,258
Capital appropriations	37,302,971	35,524,624
Capital grants and gifts received	8,776,129	5,675,137
Proceeds from sales of capital assets	432,776	1,319,403
Purchases of capital assets	(139,332,596)	(138,692,839)
Principal paid on debt and capital leases	(40,301,971)	(82,662,287)
Interest paid on debt and capital leases	(12,931,628)	(14,411,243)
Transfers (to) from other University System of Maryland institutions	31,426,115	11,073,800
Net cash provided (used) by capital and related financing activities	(80,497,487)	(114,944,147)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	6,019,321	5,469,979
Interest on investments	6,031,389	7,021,388
Investment expense	(352,958)	(371,776)
Purchases of investments	(257,374)	(141,101)
Net cash provided by investing activities	11,440,378	11,978,490
Net increase in cash and cash equivalents	42,740,655	68,576,690
Cash and cash equivalents - beginning of the year	576,008,078	507,431,388
Cash and cash equivalents - end of the year	$618,748,733	$576,008,078

BOWIE STATE UNIVERSITY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$57,375,949	$444,181	$48,598,832	$868,842
Accounts receivable, net	2,921,652	387,362	2,420,282	621,443
Notes receivable, current portion	66,689		67,240	
Prepaid expenses, deferred charges and other assets	7,199	2,969	5,423	6,307
Inter-institutional balances	166,147		185,649	
Total current assets	60,537,636	834,512	51,277,426	1,496,592
Noncurrent assets:				
Restricted cash and cash equivalents	32,820		16,082	
Endowment investments		6,193,061		5,526,357
Notes receivable, net	775,726		783,998	
Capital assets, net	208,891,662	4,714	184,990,341	6,336
Total noncurrent assets	209,700,208	6,197,775	185,790,421	5,532,693
Total assets	$270,237,844	$7,032,287	$237,067,847	$7,029,285
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$8,924,380	$35,175	$5,639,348	$72,556
Accrued workers' compensation, current portion	117,490		146,165	
Accrued vacation costs, current portion	1,053,342		948,518	
Revenue bonds and notes payable, current portion	2,083,332	23,000	897,632	8,500
Deferred revenue	5,386,966	55,034	4,129,333	85,060
Total current liabilities	17,565,510	113,209	11,760,996	166,116
Noncurrent liabilities:				
Accrued workers' compensation	640,510		796,835	
Accrued vacation costs	1,434,324		1,428,021	
Other payables		5,543		5,818
Revenue bonds and notes payable	42,271,507		19,757,142	
Total noncurrent liabilities	44,346,341	5,543	21,981,998	5,818
Total liabilities	61,911,851	118,752	33,742,994	171,934
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	30,332,797		31,929,260	
NET POSITION				
Unrestricted	42,695,535	610,788	37,916,658	356,985
Net investment in capital assets	134,204,026		132,406,307	
Restricted:				
Nonexpendable:				
Other		4,477,057		4,464,165
Expendable:				
Loans	1,060,815		1,056,546	
Capital projects	32,820		16,082	
Other		1,825,690		2,036,201
Total net position	177,993,196	6,913,535	171,395,593	6,857,351
Total liabilities, deferred inflows of resources, and net position	$270,237,844	$7,032,287	$237,067,847	$7,029,285

BOWIE STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$32,383,721			$32,845,995		
Less: scholarship allowances	(11,570,215)	$20,813,506		(11,873,636)	$20,972,359	
Federal grants and contracts		7,252,227			6,351,685	
State and local grants and contracts		1,125,173			1,607,584	
Nongovernmental grants and contracts		536,038			565,437	
Sales and services of educational departments		228,634			352,961	
Auxiliary enterprises:						
Residential facilities	5,775,161			5,877,608		
Less: scholarship allowances	(320,357)	5,454,804		(274,858)	5,602,750	
Dining facilities	3,941,056			3,768,660		
Less: scholarship allowances	(724,207)	3,216,849		(652,854)	3,115,806	
Intercollegiate athletics	3,126,036			3,096,042		
Less: scholarship allowances	(371,855)	2,754,181		(441,443)	2,654,599	
Parking facilities		279,487			383,097	
Other auxiliary enterprises revenues		4,398,269			4,116,362	
Total operating revenues		46,059,168			45,722,640	
OPERATING EXPENSES:						
Instruction		29,967,350			28,519,319	
Research		536,756			901,722	
Public service		918,099			723,427	
Academic support		14,622,355			11,667,303	
Student services		6,080,981			6,014,129	
Institutional support		13,414,125			12,804,141	
Operation and maintenance of plant		6,688,296			6,561,090	
Scholarships and fellowships		1,326,168			1,508,149	
Auxiliary enterprises:						
Residential facilities		5,168,638			4,555,123	
Dining facilities		3,671,300			3,684,027	
Intercollegiate athletics		3,099,443			3,163,295	
Other auxiliary enterprises expenses		2,705,690			2,003,342	
Total operating expenses		88,199,201			82,105,067	
Operating income (loss)		(42,140,033)			(36,382,427)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		35,980,840			35,828,720	
Pell grants		9,200,495			10,073,556	
Gifts			$836,536			$872,446
Investment income		534,941	354,838		548,669	12,696
Interest on indebtedness		(1,205,627)			(595,385)	
Other affiliated foundation revenues			202,917			202,245
Other affiliated foundation expenses			(1,338,107)			(1,418,242)
Transfers (to) from other University System of Maryland institutions		(990,796)			(1,059,945)	
Total nonoperating revenues (expenses)		43,519,853	56,184		44,795,615	(330,855)
Income (loss) before other revenue		1,379,820	56,184		8,413,188	(330,855)
OTHER REVENUE:						
Capital appropriations		5,217,783			11,349,665	
Total other revenue		5,217,783			11,349,665	
Increase (decrease) in net position		6,597,603	56,184		19,762,853	(330,855)
Net position - beginning of year		171,395,593	6,857,351		151,632,740	7,188,206
Net position - end of year		$177,993,196	$6,913,535		$171,395,593	$6,857,351

BOWIE STATE UNIVERSITY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$21,055,654	$20,808,139
Research contracts and grants	9,527,593	10,094,155
Payments to employees	(53,954,237)	(51,290,138)
Payments to suppliers and contractors	(23,945,021)	(25,678,136)
Loans issued to students	(71,500)	(65,600)
Collections of loans to students	77,473	76,988
Auxiliary enterprises:		
Residential facilities	3,858,344	4,006,287
Dining facilities	3,216,849	3,115,806
Intercollegiate athletics	2,754,181	2,654,599
Parking facilities	279,487	383,097
Other	4,398,269	4,116,362
Other receipts (payments)	996,752	(507,247)
Net cash provided (used) by operating activities	(31,806,156)	(32,285,688)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	35,980,840	35,828,720
Pell grants	9,200,495	10,073,556
Net cash provided by noncapital financing activities	45,181,335	45,902,276
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	19,098,905	5,555,463
Capital appropriations	5,217,783	11,349,665
Purchases of capital assets	(32,009,725)	(22,376,393)
Principal paid on debt and capital leases	(1,763,458)	(1,483,129)
Interest paid on debt and capital leases	(1,207,088)	(661,546)
Transfers (to) from other University System of Maryland institutions	5,547,317	(727,461)
Net cash provided (used) by capital and related financing activities	(5,116,266)	(8,343,401)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	534,942	548,669
Net cash provided by investing activities	534,942	548,669
Net increase in cash and cash equivalents	8,793,855	5,821,856
Cash and cash equivalents - beginning of the year	48,614,914	42,793,058
Cash and cash equivalents - end of the year	$57,408,769	$48,614,914

TOWSON UNIVERSITY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$190,408,836	$5,287,876	$193,769,409	$3,564,722
Accounts receivable, net	13,777,212	164,930	17,469,934	179,794
Notes receivable, current portion	1,570,730		1,461,521	
Inventories	3,484,241		3,630,392	
Prepaid expenses, deferred charges and other assets	2,683,031	128,722	2,373,492	169,942
Inter-institutional balances	953,338		378,428	
Total current assets	212,877,388	5,581,528	219,083,176	3,914,458
Noncurrent assets:				
Restricted cash and cash equivalents	48,094		52,227	
Accounts receivable, net		954,239		522,006
Endowment investments	4,242,258	54,516,247	4,182,778	48,666,519
Other investments		4,159,029		4,114,927
Notes receivable, net	10,908,047		10,892,833	
Other assets				1,200,000
Capital assets, net	693,664,865	3,502	628,348,338	3,634
Total noncurrent assets	708,863,264	59,633,017	643,476,176	54,507,086
Total assets	$921,740,652	$65,214,545	$862,559,352	$58,421,544
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$35,765,436	$482,591	$29,424,970	$266,187
Accrued workers' compensation, current portion	263,500		283,960	
Accrued vacation costs, current portion	5,446,805		3,768,879	
Revenue bonds and notes payable, current portion	13,772,126		10,073,004	1,000,000
Deferred revenue	8,599,619		10,682,133	
Current portion of obligations under capital lease agreements	787,654			
Total current liabilities	64,635,140	482,591	54,232,946	1,266,187
Noncurrent liabilities:				
Accrued workers' compensation	1,436,500		1,548,040	
Accrued vacation costs	4,259,827		5,550,525	
Endowments invested on behalf of primary government		4,159,029		4,114,927
Revenue bonds and notes payable	233,082,235		213,182,640	
Obligations under capital lease agreements	8,646,205		10,493,036	
Total noncurrent liabilities	247,424,767	4,159,029	230,774,241	4,114,927
Total liabilities	312,059,907	4,641,620	285,007,187	5,381,114
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	53,492,728		56,059,633	
NET POSITION				
Unrestricted	155,311,759	2,915,807	166,192,256	2,749,334
Net investment in capital assets	383,883,917		338,540,025	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	265,025	22,591,446	265,025	21,027,428
Research		10,203		10,003
Other		14,464,990		13,344,540
Expendable:				
Scholarships and fellowships	7,145	7,799,569	3,600	5,448,293
Research		5,050		3,639
Loans	14,274,216		14,067,270	
Other	2,445,955	12,785,860	2,424,356	10,457,193
Total net position	556,188,017	60,572,925	521,492,532	53,040,430
Total liabilities, deferred inflows of resources, and net position	$921,740,652	$65,214,545	$862,559,352	$58,421,544

TOWSON UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013			Years ended June 30, 2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$166,480,350			$162,784,079		
Less: scholarship allowances	(38,754,813)	$127,725,537		(38,140,985)	$124,643,094	
Federal grants and contracts		2,823,696			3,122,304	
State and local grants and contracts		9,697,188			7,316,210	
Nongovernmental grants and contracts		1,671,604			2,093,008	
Sales and services of educational departments		4,414,901			4,036,249	
Auxiliary enterprises:						
Residential facilities	25,039,964			24,577,733		
Less: scholarship allowances	(1,113,950)	23,926,014		(1,038,997)	23,538,736	
Dining facilities	21,183,349			20,650,614		
Less: scholarship allowances	(546,518)	20,636,831		(469,728)	20,180,886	
Intercollegiate athletics	17,403,112			17,401,323		
Less: scholarship allowances	(3,037,107)	14,366,005		(2,746,504)	14,654,819	
Bookstore	9,029,642			9,346,762		
Less: scholarship allowances	(1,588,233)	7,441,409		(1,501,047)	7,845,715	
Parking facilities		7,686,333			8,186,508	
Other auxiliary enterprises revenues		30,266,475			27,867,959	
Total operating revenues		250,655,993			243,485,488	
OPERATING EXPENSES:						
Instruction		108,012,970			108,709,031	
Research		4,897,739			4,379,962	
Public service		18,294,312			18,129,207	
Academic support		41,089,796			38,600,899	
Student services		16,138,605			16,779,877	
Institutional support		34,413,156			35,176,037	
Operation and maintenance of plant		14,440,470			34,219,376	
Scholarships and fellowships		11,850,204			9,823,804	
Auxiliary enterprises:						
Residential facilities		17,709,327			15,489,987	
Dining facilities		17,434,201			16,924,508	
Intercollegiate athletics		15,906,472			15,717,525	
Bookstore		8,604,610			8,344,724	
Parking facilities		4,069,132			4,621,542	
Other auxiliary enterprises expenses		16,940,237			15,538,450	
Hospital						
Total operating expenses		329,801,231			342,454,929	
Operating income (loss)		(79,145,238)			(98,969,441)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		91,329,197			90,924,480	
Pell grants		18,755,390			17,797,551	
Gifts		358,110	$7,009,967		1,070,555	$4,994,656
Investment income	2,640,662		5,871,892	2,774,256		1,051,537
Less: Investment expense	(15,225)	2,625,437		(15,953)	2,758,303	
Interest on indebtedness		(8,880,283)			(7,059,390)	
Other revenues (expenses), gains and (losses)		11,550,685			11,610,508	
Other affiliated foundation revenues			820,404			1,527,732
Other affiliated foundation expenses			(6,169,768)			(6,004,994)
Transfers (to) from other University System of Maryland institutions		(5,733,711)			(6,264,461)	
Total nonoperating revenues (expenses)		110,004,825	7,532,495		110,837,546	1,568,931
Income before other revenues		30,859,587	7,532,495		11,868,105	1,568,931
OTHER REVENUES:						
Capital appropriations		1,611,688			11,210,089	
Capital gifts and grants		2,224,210			44,670	
Additions to permanent endowments					26,987	
Total other revenue		3,835,898			11,281,746	
Increase in net position		34,695,485	7,532,495		23,149,851	1,568,931
Net position - beginning of year		521,492,532	53,040,430		498,342,681	51,471,499
Net position - end of year		$556,188,017	$60,572,925		$521,492,532	$53,040,430

TOWSON UNIVERSITY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$126,796,952	$124,702,331
Research contracts and grants	16,108,812	10,915,163
Payments to employees	(207,958,533)	(201,661,581)
Payments to suppliers and contractors	(84,066,043)	(108,821,603)
Loans issued to students	(1,703,427)	(1,456,076)
Collections of loans to students	1,579,004	2,087,025
Auxiliary enterprises:		
Residential facilities	23,597,069	21,002,928
Dining facilities	20,618,983	20,176,836
Intercollegiate athletics	14,552,426	8,235,682
Bookstore	7,211,397	14,328,838
Parking facilities	7,689,432	7,343,796
Other	30,172,876	27,788,933
Other receipts	17,308,193	14,844,657
Net cash provided (used) by operating activities	(28,092,859)	(60,513,071)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	91,329,197	90,924,480
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes		26,987
Pell grants	18,755,390	17,797,551
Net cash provided by noncapital financing activities	110,084,587	108,749,018
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	36,385,072	42,664,494
Capital appropriations	1,611,688	11,210,089
Purchases of capital assets	(95,046,006)	(103,384,332)
Principal paid on debt and capital leases	(29,381,068)	(17,416,709)
Interest paid on debt and capital leases	(11,878,880)	(7,526,204)
Transfers (to) from other University System of Maryland institutions	10,386,803	30,780,075
Net cash provided (used) by capital and related financing activities	(87,922,391)	(43,672,587)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	251,765	234,277
Interest on investments	2,334,417	2,758,592
Investment expense	(15,225)	(15,953)
Purchases of investments	(5,000)	(26,987)
Net cash provided by investing activities	2,565,957	2,949,929
Net increase (decrease) in cash and cash equivalents	(3,364,706)	7,513,289
Cash and cash equivalents - beginning of the year	193,821,636	186,308,347
Cash and cash equivalents - end of the year	$190,456,930	$193,821,636

UNIVERSITY OF MARYLAND EASTERN SHORE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$17,534,660	$89,520	$17,967,962	
Accounts receivable, net	5,354,982	6,202,023	5,784,338	$621,848
Notes receivable, current portion	1,112,169		1,131,934	
Prepaid expenses, deferred charges and other assets	167,864			1,316
Inter-institutional balances	1,142,608		85,849	
Total current assets	25,312,283	6,291,543	24,970,083	623,164
Noncurrent assets:				
Accounts receivable, net		132,842		140,509
Endowment investments	4,255,452	18,695,232	3,725,938	20,488,266
Other investments		4,938,708		4,144,101
Notes receivable, net	4,396,026		4,394,486	
Other assets		535,728		
Capital assets, net	165,274,913	635,206	165,497,904	
Total noncurrent assets	173,926,391	24,937,716	173,618,328	24,772,876
Total assets	$199,238,674	$31,229,259	$198,588,411	$25,396,040
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$7,679,522	$5,555,536	$6,141,878	$30,922
Accrued workers' compensation, current portion	188,790		153,915	
Accrued vacation costs, current portion	1,312,644		1,140,637	
Revenue bonds and notes payable, current portion	3,450,945		3,649,201	
Deferred revenue	1,242,006	107,960	1,486,757	
Total current liabilities	13,873,907	5,663,496	12,572,388	30,922
Noncurrent liabilities:				
Accrued workers' compensation	1,029,210		839,085	
Accrued vacation costs	3,025,967		2,943,394	
Endowments invested on behalf of primary government		4,255,452		3,725,938
Revenue bonds and notes payable	40,691,546		44,566,776	
Total noncurrent liabilities	44,746,723	4,255,452	48,349,255	3,725,938
Total liabilities	58,620,630	9,918,948	60,921,643	3,756,860
NET POSITION				
Unrestricted	9,511,242	5,754,143	10,347,469	1,990,805
Net investment in capital assets	121,132,422		117,281,927	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	28,009	6,109,200	28,009	9,307,395
Research		161,687		259,479
Other		4,760,636		7,179,686
Expendable:				
Scholarships and fellowships	2,308,037	1,332,818	2,036,896	889,351
Research		803,256		576,051
Loans	6,328,434		6,676,875	
Other	1,309,900	2,388,571	1,295,592	1,436,413
Total net position	140,618,044	21,310,311	137,666,768	21,639,180
Total liabilities and net position	$199,238,674	$31,229,259	$198,588,411	$25,396,040

UNIVERSITY OF MARYLAND EASTERN SHORE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$31,578,523			$29,712,752		
Less: scholarship allowances	(13,220,151)	$18,358,372		(13,441,000)	$16,271,752	
Federal grants and contracts		9,615,628			11,797,936	
State and local grants and contracts		11,429,384			7,967,714	
Nongovernmental grants and contracts		723,619			972,821	
Sales and services of educational departments		124,685			121,400	
Auxiliary enterprises:						
Residential facilities	10,683,119			10,689,675		
Less: scholarship allowances	(892,040)	9,791,079		(813,706)	9,875,969	
Dining facilities	7,120,906			7,296,744		
Less: scholarship allowances	(1,316,696)	5,804,210		(1,058,200)	6,238,544	
Intercollegiate athletics		2,599,818			2,561,557	
Parking facilities		153,745			159,808	
Other auxiliary enterprises revenues		6,088,561			5,798,695	
Other operating revenues		1,506,290			3,562,569	
Total operating revenues		66,195,391			65,328,765	
OPERATING EXPENSES:						
Instruction		34,738,926			31,399,566	
Research		10,342,997			13,049,777	
Public service		1,690,796			1,032,335	
Academic support		11,351,171			10,439,063	
Student services		5,624,346			5,745,508	
Institutional support		10,186,062			10,035,918	
Operation and maintenance of plant		11,365,006			11,024,291	
Scholarships and fellowships		470,315			447,741	
Auxiliary enterprises:						
Residential facilities		7,695,016			8,039,051	
Dining facilities		5,482,603			5,898,818	
Intercollegiate athletics		3,608,159			4,108,890	
Other auxiliary enterprises expenses		6,657,294			6,190,497	
Total operating expenses		109,212,691			107,411,455	
Operating income (loss)		(43,017,300)			(42,082,690)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		32,222,965			32,447,596	
Pell grants		9,272,682			9,790,688	
Gifts		307,000	$779,093		366,000	$441,215
Investment income (loss)	612,168		(916,388)	453,637		171,442
Less: Investment expense	(13,785)	598,383		(12,805)	440,832	
Interest on indebtedness		(1,720,205)			(1,798,212)	
Other revenues (expenses), gains and (losses)		1,071,839			(1,349,676)	
Other affiliated foundation revenues			1,466,684			(3,665)
Other affiliated foundation expenses			(1,658,258)			(1,060,721)
Transfers (to) from other University System of Maryland institutions		62,801			478,523	
Total nonoperating revenues (expenses)		41,815,465	(328,869)		40,375,751	(451,729)
Income (loss) before other revenue		(1,201,835)	(328,869)		(1,706,939)	(451,729)
OTHER REVENUE:						
Capital appropriations		4,153,111			1,824,708	
Total other revenue		4,153,111			1,824,708	
Increase (decrease) in net position		2,951,276	(328,869)		117,769	(451,729)
Net position - beginning of year		137,666,768	21,639,180		137,548,999	22,090,909
Net position - end of year		$140,618,044	$21,310,311		$137,666,768	$21,639,180

UNIVERSITY OF MARYLAND EASTERN SHORE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$18,502,769	$16,107,481
Research contracts and grants	21,951,080	21,050,211
Payments to employees	(69,282,736)	(68,715,893)
Payments to suppliers and contractors	(30,035,098)	(30,314,595)
Loans issued to students	(997,500)	(2,816,780)
Collections of loans to students	1,015,725	989,913
Auxiliary enterprises:		
Residential facilities	9,791,079	9,875,969
Dining facilities	5,804,210	6,238,544
Intercollegiate athletics	2,599,818	2,561,557
Parking facilities	153,745	159,808
Other	5,946,320	5,554,958
Other receipts	3,895,684	4,014,781
Net cash provided (used) by operating activities	(30,654,904)	(35,294,046)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	32,222,965	32,447,596
Pell grants	9,272,682	9,790,688
Net cash provided by noncapital financing activities	41,495,647	42,238,284
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	1,970,381	7,078,707
Capital appropriations	4,153,111	1,824,708
Purchases of capital assets	(8,659,030)	(4,341,597)
Principal paid on debt and capital leases	(5,817,831)	(11,341,227)
Interest paid on debt and capital leases	(2,033,004)	(2,309,833)
Transfers (to) from other University System of Maryland institutions	(956,541)	1,065,409
Net cash provided (used) by capital and related financing activities	(11,342,914)	(8,023,833)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	14,426	114,674
Interest on investments	375,228	439,818
Investment expense	(13,785)	(12,805)
Purchases of investments	(307,000)	(366,000)
Net cash provided by investing activities	68,869	175,687
Net increase (decrease) in cash and equivalents	(433,302)	(903,908)
Cash and cash equivalents - beginning of the year	17,967,962	18,871,870
Cash and cash equivalents - end of the year	$17,534,660	$17,967,962

FROSTBURG STATE UNIVERSITY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30, 2013		June 30, 2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$26,554,267	$583,354	$28,124,607	$536,425
Accounts receivable, net	2,055,028	105,785	2,152,931	850,936
Notes receivable, current portion	117,528		114,386	
Inventories	898,206		882,576	
Prepaid expenses, deferred charges and other assets	357,925	18,161	699,795	182,498
Inter-institutional balances	563,728		195,658	
Total current assets	30,546,682	707,300	32,169,953	1,569,859
Noncurrent assets:				
Restricted cash and cash equivalents	157,338		208,652	
Accounts receivable, net		497,476		
Endowment investments	1,135,319	15,385,773	1,066,915	14,464,881
Other investments		2,011,432		1,849,630
Notes receivable, net	950,909		925,484	
Other assets		257,845		
Capital assets, net	139,926,156	977	115,235,116	1,136
Total noncurrent assets	142,169,722	18,153,503	117,436,167	16,315,647
Total assets	$172,716,404	$18,860,803	$149,606,120	$17,885,506
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$8,208,430	$16,129	$7,612,296	$28,031
Accrued workers' compensation, current portion	121,675		112,995	
Accrued vacation costs, current portion	3,362,255		3,079,908	
Revenue bonds and notes payable, current portion	1,221,064		1,253,838	
Deferred revenue	1,352,666	32,866	1,281,558	190,410
Total current liabilities	14,266,090	48,995	13,340,595	218,441
Noncurrent liabilities:				
Accrued workers' compensation	663,325		616,005	
Endowments invested on behalf of primary government		1,135,319		1,066,915
Revenue bonds and notes payable	21,834,016		22,558,993	
Total noncurrent liabilities	22,497,341	1,135,319	23,174,998	1,066,915
Total liabilities	36,763,431	1,184,314	36,515,593	1,285,356
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	23,450,360		24,622,878	
NET POSITION				
Unrestricted	16,311,501	288,003	18,936,502	140,352
Net investment in capital assets	93,420,716		66,799,407	
Restricted:				
Nonexpendable:				
Scholarships and fellowships		10,820,115		
Research		31,171		
Other	750,000	4,617,153	750,000	
Expendable:				
Scholarships and fellowships	9,748	100,766	1,625	
Research	465,882	42,373	427,543	
Loans	1,132,963		1,109,473	
Capital projects	157,338		208,652	
Other	254,465	1,776,908	234,447	16,459,798
Total net position	112,502,613	17,676,489	88,467,649	16,600,150
Total liabilities, deferred inflows of resources, and net position	$172,716,404	$18,860,803	$149,606,120	$17,885,506

FROSTBURG STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$33,496,207			$32,877,215		
Less: scholarship allowances	(7,404,498)	$26,091,709		(7,425,763)	$25,451,452	
Federal grants and contracts		1,896,872			2,018,614	
State and local grants and contracts		1,732,183			2,006,908	
Nongovernmental grants and contracts		212,269			179,733	
Sales and services of educational departments		947,968			820,486	
Auxiliary enterprises:						
Residential facilities	6,843,982			7,061,823		
Less: scholarship allowances	(64,808)	6,779,174		(75,363)	6,986,460	
Dining facilities	7,193,439			7,422,613		
Less: scholarship allowances	(18,332)	7,175,107		(21,914)	7,400,699	
Intercollegiate athletics	3,116,651			3,153,601		
Less: scholarship allowances	(79,426)	3,037,225		(98,777)	3,054,824	
Bookstore	2,023,627			2,162,034		
Less: scholarship allowances	(4,728)	2,018,899		(5,673)	2,156,361	
Other auxiliary enterprises revenues	4,924,333			4,667,982		
Less: scholarship allowances	(39,478)	4,884,855		(37,606)	4,630,376	
Other operating revenues		517,345			586,984	
Total operating revenue		55,293,606			55,292,897	
OPERATING EXPENSES:						
Instruction		30,751,905			30,488,048	
Research		124,456			294,373	
Public service		3,014,610			3,562,469	
Academic support		9,341,503			8,912,925	
Student services		5,046,795			4,678,257	
Institutional support		12,842,650			12,348,228	
Operation and maintenance of plant		9,814,450			9,221,798	
Scholarships and fellowships		6,098,765			5,952,685	
Auxiliary enterprises:						
Residential facilities		4,203,745			4,963,883	
Dining facilities		4,870,680			5,073,337	
Intercollegiate athletics		3,485,953			3,263,232	
Bookstore		2,291,768			2,301,604	
Other auxiliary enterprises expenses		4,943,741			3,880,747	
Total operating expenses		96,831,021			94,941,586	
Operating income (loss)		(41,537,415)			(39,648,689)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		33,450,191			33,471,091	
Pell grants		6,933,682			7,014,715	
Gifts		901,112	$1,376,455		938,302	$1,450,970
Investment income	409,578		1,231,354	420,862		234,848
Less: Investment expense	(3,948)	405,630		(3,918)	416,944	
Interest on indebtedness		(799,565)			(778,732)	
Other revenues (expenses), gains and (losses)		(24,791)			(343,089)	
Other affiliated foundation revenues			492,456			434,416
Other affiliated foundation expenses			(2,023,926)			(2,297,064)
Transfers (to) from other University System of Maryland institutions		(522,153)			153,328	
Total nonoperating revenues (expenses)		40,344,106	1,076,339		40,872,559	(176,830)
Income (loss) before other revenues		(1,193,309)	1,076,339		1,223,870	(176,830)
OTHER REVENUES:						
Capital appropriations		25,206,918			4,540,485	
Capital gifts and grants		21,355			25,726	
Total other revenues		25,228,273			4,566,211	
Increase (decrease) in net position		24,034,964	1,076,339		5,790,081	(176,830)
Net position - beginning of year		88,467,649	16,600,150		82,677,568	16,776,980
Net position - end of year		$112,502,613	$17,676,489		$88,467,649	$16,600,150

FROSTBURG STATE UNIVERSITY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$26,359,157	$25,266,572
Research contracts and grants	3,849,566	4,234,511
Payments to employees	(61,740,802)	(59,717,836)
Payments to suppliers and contractors	(27,498,310)	(27,641,030)
Loans issued to students	(175,068)	(208,080)
Collections of loans to students	146,501	192,912
Auxiliary enterprises:		
Residential facilities	5,606,655	5,813,943
Dining facilities	7,158,933	7,361,019
Intercollegiate athletics	3,037,225	3,055,324
Bookstore	2,051,215	1,992,941
Other	4,850,870	4,632,915
Other receipts	2,420,812	2,250,048
Net cash provided (used) by operating activities	(33,933,246)	(32,766,761)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	33,450,191	33,471,091
Pell grants	6,933,682	7,014,715
Net cash provided by noncapital financing activities	40,383,873	40,485,806
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	1,070,160	1,459,453
Capital appropriations	25,206,918	4,540,485
Purchases of capital assets	(31,161,212)	(10,200,972)
Principal paid on debt and capital leases	(2,085,620)	(3,110,502)
Interest paid on debt and capital leases	(899,765)	(989,154)
Transfers (to) from other University System of Maryland institutions	(539,988)	296,209
Net cash provided (used) by capital and related financing activities	(8,409,507)	(8,004,481)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	6,210	2,594
Interest on investments	334,964	417,332
Investment expense	(3,948)	(3,918)
Purchases of investments		(7,053)
Net cash provided by investing activities	337,226	408,955
Net increase (decrease) in cash and cash equivalents	(1,621,654)	123,519
Cash and cash equivalents - beginning of the year	28,333,259	28,209,740
Cash and cash equivalents - end of the year	$26,711,605	$28,333,259

COPPIN STATE UNIVERSITY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents		$1,804,975	$78,575	$2,120,759
Accounts receivable, net	$4,473,784	367,280	3,234,801	322,050
Notes receivable, current portion	56,192		56,192	
Inventories			108,085	
Prepaid expenses, deferred charges and other assets	30,080	4,245	200,310	10,483
Inter-institutional balances	(3,215,572)		(5,409,076)	
Total current assets	1,344,484	2,176,500	(1,731,113)	2,453,292
Noncurrent assets:				
Restricted cash and cash equivalents	61,547		169,298	
Endowment investments	779,586	8,084,447	778,550	7,648,921
Other investments		825,202		778,550
Notes receivable, net	1,520,296		1,455,594	
Other assets				222,107
Capital assets, net	280,316,557		278,378,379	
Total noncurrent assets	282,677,986	8,909,649	280,781,821	8,649,578
Total assets	$284,022,470	$11,086,149	$279,050,708	$11,102,870
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$5,991,349	$170,474	$5,420,211	$144,763
Accrued workers' compensation, current portion	164,145		152,210	
Accrued vacation costs, current portion	1,170,164		778,736	
Revenue bonds and notes payable, current portion	1,862,615		1,653,163	
Deferred revenue	2,290,778		1,854,970	
Total current liabilities	11,479,051	170,474	9,859,290	144,763
Noncurrent liabilities:				
Accrued workers' compensation	894,855		829,790	
Accrued vacation costs	1,720,763		2,765,807	
Endowments invested on behalf of primary government		779,586		778,550
Other payables		5,662		75
Revenue bonds and notes payable	27,831,136		28,915,720	
Total noncurrent liabilities	30,446,754	785,248	32,511,317	778,625
Total liabilities	41,925,805	955,722	42,370,607	923,388
NET POSITION				
Unrestricted	(12,692,750)	89,532	(15,088,901)	349,204
Net investment in capital assets	250,890,488		247,809,496	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	413,474		413,474	
Other	240,125	6,712,337	240,125	6,615,026
Expendable:				
Scholarships and fellowships	9,301	676,366	15,572	
Loans	3,174,480		3,121,037	
Capital projects	61,547		169,298	
Other		2,652,192		3,215,252
Total net position	242,096,665	10,130,427	236,680,101	10,179,482
Total liabilities and net position	$284,022,470	$11,086,149	$279,050,708	$11,102,870

COPPIN STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$15,997,942			$13,637,933		
Less: scholarship allowances	(12,091,181)	$3,906,761		(12,526,084)	$1,111,849	
Federal grants and contracts		6,718,493			8,999,913	
State and local grants and contracts		1,960,047			1,928,135	
Nongovernmental grants and contracts		970,055			684,653	
Sales and services of educational departments		844,240			798,166	
Auxiliary enterprises:						
Residential facilities	3,216,805			3,209,071		
Less: scholarship allowances	(46,618)	3,170,187		(128,288)	3,080,783	
Dining facilities		2,465,850			2,455,863	
Intercollegiate athletics	3,091,057			3,026,984		
Less: scholarship allowances	(1,114,720)	1,976,337		(946,543)	2,080,441	
Parking facilities		1,848,018			1,929,445	
Other auxiliary enterprises revenues		1,917,743			2,024,538	
Total operating revenues		25,777,731			25,093,786	
OPERATING EXPENSES:						
Instruction		24,499,434			27,158,153	
Research		56,581			62,667	
Public service		149,236			468,543	
Academic support		7,388,534			8,650,610	
Student services		5,472,146			6,449,064	
Institutional support		18,278,352			19,658,274	
Operation and maintenance of plant		9,053,544			9,886,153	
Scholarships and fellowships		286,269			390,802	
Auxiliary enterprises:						
Residential facilities		2,141,980			1,795,041	
Dining facilities		2,193,382			2,163,935	
Intercollegiate athletics		3,572,802			3,501,020	
Parking facilities		439,877			388,650	
Other auxiliary enterprises expenses		2,173,076			2,376,166	
Total operating expenses		75,705,213			82,949,078	
Operating income (loss)		(49,927,482)			(57,855,292)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		38,067,908			37,943,492	
Pell grants		8,338,756			9,328,728	
Gifts			$517,649			$1,459,181
Investment income (loss)	52,476		592,479	(12,622)		87,666
Less: Investment expense	(2,881)	49,595		(3,019)	(15,641)	
Interest on indebtedness		(1,159,965)			(1,144,783)	
Other revenues (expenses), gains and (losses)		(6,806)			(6,674)	
Other affiliated foundation revenues			259,811			268,280
Other affiliated foundation expenses			(1,418,994)			(2,098,764)
Transfers (to) from other University System of Maryland institutions		542,212			222,084	
Total nonoperating revenues (expenses)		45,831,700	(49,055)		46,327,206	(283,637)
Income (loss) before other revenue		(4,095,782)	(49,055)		(11,528,086)	(283,637)
OTHER REVENUE:						
Capital appropriations		9,512,346			12,093,572	
Total other revenue		9,512,346			12,093,572	
Increase (decrease) in net position		5,416,564	(49,055)		565,486	(283,637)
Net position - beginning of year		236,680,101	10,179,482		236,114,615	10,463,119
Net position - end of year		$242,096,665	$10,130,427		$236,680,101	$10,179,482

COPPIN STATE UNIVERSITY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$2,667,778	$4,858,797
Research contracts and grants	10,084,403	11,165,170
Payments to employees	(49,483,433)	(51,971,880)
Payments to suppliers and contractors	(17,158,295)	(21,911,649)
Loans issued to students	(509,587)	(672,491)
Collections of loans to students	444,885	38,396
Auxiliary enterprises:		
Residential facilities	3,170,187	3,080,783
Dining facilities	2,465,850	2,455,863
Intercollegiate athletics	1,976,337	2,080,441
Parking facilities	1,848,018	1,929,445
Other	1,917,743	2,594,351
Other receipts	927,461	221,679
Net cash provided (used) by operating activities	(41,648,653)	(46,131,095)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	38,067,908	37,943,492
Pell grants	8,338,756	9,328,728
Net cash provided by noncapital financing activities	46,406,664	47,272,220
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	1,133,923	2,274,485
Capital appropriations	9,512,346	12,093,572
Purchases of capital assets	(10,821,067)	(14,261,887)
Principal paid on debt and capital leases	(2,295,311)	(3,839,081)
Interest paid on debt and capital leases	(1,240,853)	(1,224,884)
Transfers (to) from other University System of Maryland institutions	(1,284,148)	3,808,609
Net cash provided (used) by capital and related financing activities	(4,995,110)	(1,149,186)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	53,654	39,284
Interest on investments		(14,617)
Investment expense	(2,881)	(3,019)
Net cash provided by investing activities	50,773	21,648
Net increase (decrease) in cash and cash equivalents	(186,326)	13,587
Cash and cash equivalents - beginning of the year	247,873	234,286
Cash and cash equivalents - end of the year	$61,547	$247,873

UNIVERSITY OF BALTIMORE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$39,179,967	$11,784,329	$33,072,596	$20,727,745
Accounts receivable, net	5,377,722	2,610,300	3,690,744	6,756,379
Notes receivable, current portion	361,296		490,682	
Prepaid expenses, deferred charges and other assets	944,893		304,196	58,570
Inter-institutional balances	(7,707,171)		(8,177,943)	
Total current assets	38,156,707	14,394,629	29,380,275	27,542,694
Noncurrent assets:				
Restricted cash and cash equivalents	122,877		146,516	
Accounts receivable, net		5,292,974		
Endowment investments		38,750,242		39,508,346
Other investments		3,308,431		
Notes receivable, net	2,886,481		3,462,804	
Other assets		1,040,107		
Capital assets, net	189,177,176	865,696	145,822,908	1,371,285
Total noncurrent assets	192,186,534	49,257,450	149,432,228	40,879,631
Total assets	$230,343,241	$63,652,079	$178,812,503	$68,422,325
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$13,411,700	$2,887,445	$6,772,604	$658,011
Accrued workers' compensation, current portion	98,115		102,300	
Accrued vacation costs, current portion	2,725,010		2,666,369	
Revenue bonds and notes payable, current portion	1,863,328		2,445,823	
Deferred revenue	7,098,496	717,097	7,206,068	269,700
Total current liabilities	25,196,649	3,604,542	19,193,164	927,711
Noncurrent liabilities:				
Accrued workers' compensation	534,885		557,700	
Accrued vacation costs	1,198,045		929,754	
Revenue bonds and notes payable	22,967,971		23,998,027	
Total noncurrent liabilities	24,700,901		25,485,481	
Total liabilities	49,897,550	3,604,542	44,678,645	927,711
NET POSITION				
Unrestricted	12,729,160	6,947,467	10,654,798	7,687,438
Net investment in capital assets	164,345,877		119,379,058	
Restricted:				
Nonexpendable:				
Scholarships and fellowships		23,702,328		27,880,961
Other		11,719,402		6,777,389
Expendable:				
Scholarships and fellowships		7,217,490		2,768,755
Loans	3,247,777		3,953,486	
Capital projects	122,877		146,516	
Other		10,460,850		22,380,071
Total net position	180,445,691	60,047,537	134,133,858	67,494,614
Total liabilities and net position	$230,343,241	$63,652,079	$178,812,503	$68,422,325

UNIVERSITY OF BALTIMORE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$64,717,567			$65,335,926		
Less: scholarship allowances	(15,037,957)	$49,679,610		(15,055,526)	$50,280,400	
Federal grants and contracts		976,093			1,507,437	
State and local grants and contracts		6,652,782			6,689,743	
Nongovernmental grants and contracts		2,476,552			2,601,088	
Sales and services of educational departments		1,046,658			252,251	
Auxiliary enterprises:						
Parking facilities		794,829			1,026,402	
Other auxiliary enterprises revenues		7,737,208			7,580,679	
Other operating revenues		139,035			117,489	
Total operating revenues		69,502,767			70,055,489	
OPERATING EXPENSES:						
Instruction		37,119,854			35,895,226	
Research		6,366,802			6,004,608	
Academic support		12,837,020			11,149,650	
Student services		9,370,963			8,400,005	
Institutional support		21,742,736			20,135,327	
Operation and maintenance of plant		5,017,348			5,959,037	
Scholarships and fellowships		2,719,982			1,817,341	
Auxiliary enterprises:						
Parking facilities		756,889			959,683	
Other auxiliary enterprises expenses		2,975,103			4,475,157	
Total operating expenses		98,906,697			94,796,034	
Operating income (loss)		(29,403,930)			(24,740,545)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		30,462,629			30,321,428	
Pell grants		6,055,227			6,436,672	
Gifts			$8,587,078			$4,081,668
Investment income (loss)		200,017	4,060,894		367,959	(785,066)
Interest on indebtedness		(720,658)			(805,806)	
Other affiliated foundation revenues			89,278			789,537
Other affiliated foundation expenses			(20,184,327)			(2,757,177)
Transfers (to) from other University System of Maryland institutions		(3,210,300)			(3,255,931)	
Total nonoperating revenues (expenses)		32,786,915	(7,447,077)		33,064,322	1,328,962
Income (loss) before other revenue		3,382,985	(7,447,077)		8,323,777	1,328,962
OTHER REVENUE:						
Capital appropriations		26,310,415			41,749,262	
Capital gifts and grants		16,618,433				
Total other revenue		42,928,848			41,749,262	
Increase (decrease) in net position		46,311,833	(7,447,077)		50,073,039	1,328,962
Net position - beginning of year		134,133,858	67,494,614		84,060,819	66,165,652
Net position - end of year		$180,445,691	$60,047,537		$134,133,858	$67,494,614

UNIVERSITY OF BALTIMORE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$51,507,800	$50,331,372
Research contracts and grants	8,653,439	10,426,192
Payments to employees	(77,207,789)	(68,669,528)
Payments to suppliers and contractors	(10,946,929)	(20,651,240)
Loans issued to students	(346,430)	(1,958,463)
Collections of loans to students	456,054	552,077
Auxiliary enterprises:		
Parking facilities	794,829	1,026,402
Other	7,737,208	7,580,679
Other receipts	1,708,202	88,339
Net cash provided (used) by operating activities	(17,643,616)	(21,274,170)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	30,462,629	30,321,428
Pell grants	6,055,227	6,436,672
Net cash provided by noncapital financing activities	36,517,856	36,758,100
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	2,356,846	5,389,820
Capital appropriations	26,310,415	41,749,262
Capital grants and gifts received	14,251,783	
Purchases of capital assets	(47,399,153)	(43,241,070)
Principal paid on debt and capital leases	(3,674,518)	(6,898,508)
Interest paid on debt and capital leases	(931,427)	(1,168,064)
Transfers (to) from other University System of Maryland institutions	(3,781,528)	(3,772,576)
Net cash provided (used) by capital and related financing activities	(12,867,582)	(7,941,136)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	77,074	667,307
Net cash provided by investing activities	77,074	667,307
Net increase in cash and cash equivalents	6,083,732	8,210,101
Cash and cash equivalents - beginning of the year	33,219,112	25,009,011
Cash and cash equivalents - end of the year	$39,302,844	$33,219,112

SALISBURY UNIVERSITY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$94,009,655	$446,745	$82,830,584	$412,916
Accounts receivable, net	2,051,724	393,781	1,326,840	1,407,016
Notes receivable, current portion	183,208		159,384	
Inventories			1,184,655	
Prepaid expenses, deferred charges and other assets	1,361,858	197,606		128,642
Inter-institutional balances	4,854,729		257,124	
Total current assets	102,461,174	1,038,132	85,758,587	1,948,574
Noncurrent assets:				
Restricted cash and cash equivalents	37		37	
Accounts receivable, net		5,963,394		6,105,924
Endowment investments		45,733,024		37,792,948
Other investments		6,828,912		2,112,844
Notes receivable, net	672,784		877,615	
Other assets		2,184,238		6,784,112
Capital assets, net	346,187,983	1,372,742	340,707,447	1,399,253
Total noncurrent assets	346,860,804	62,082,310	341,585,099	54,195,081
Total assets	$449,321,978	$63,120,442	$427,343,686	$56,143,655
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$11,421,358	$259,695	$10,538,084	$191,963
Accrued workers' compensation, current portion	202,585		191,890	
Accrued vacation costs, current portion	1,964,141		1,772,314	
Revenue bonds and notes payable, current portion	6,040,031	1,875,757	7,017,455	
Deferred revenue	2,519,062	227,254	2,211,727	208,748
Total current liabilities	22,147,177	2,362,706	21,731,470	400,711
Noncurrent liabilities:				
Accrued workers' compensation	1,104,415		1,046,110	
Accrued vacation costs	1,874,958		1,655,062	
Other payables		3,215,557		2,730,149
Revenue bonds and notes payable	103,480,261		93,360,652	1,893,070
Total noncurrent liabilities	106,459,634	3,215,557	96,061,824	4,623,219
Total liabilities	128,606,811	5,578,263	117,793,294	5,023,930
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	30,245,050		32,005,938	
NET POSITION				
Unrestricted	82,821,207	5,093,776	67,983,642	4,422,404
Net investment in capital assets	206,422,641		208,323,402	
Restricted:				
Nonexpendable:				
Scholarships and fellowships		11,657,005		11,384,139
Research		315,104		210,633
Other		13,903,003		11,989,812
Expendable:				
Scholarships and fellowships		6,087,209		3,962,318
Research	18,305	579,581	18,305	520,128
Loans	1,207,927		1,219,068	
Capital projects	37		37	
Other		19,906,501		18,630,291
Total net position	290,470,117	57,542,179	277,544,454	51,119,725
Total liabilities, deferred inflows of resources, and net position	$449,321,978	$63,120,442	$427,343,686	$56,143,655

SALISBURY UNIVERSITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$62,747,558			$59,538,202		
Less: scholarship allowances	(12,745,422)	$50,002,136		(11,745,439)	$47,792,763	
Federal grants and contracts		1,676,045			1,305,692	
State and local grants and contracts		3,071,798			2,680,081	
Nongovernmental grants and contracts		1,058,898			1,221,087	
Sales and services of educational departments		288,257			255,319	
Auxiliary enterprises:						
Residential facilities	24,153,248			24,448,116		
Less: scholarship allowances	(379,455)	23,773,793		(490,432)	23,957,684	
Dining facilities	12,459,953			13,150,993		
Less: scholarship allowances	(3,820)	12,456,133		(567)	13,150,426	
Intercollegiate athletics		5,806,649			5,767,050	
Bookstore		4,792,501			4,954,524	
Parking facilities		534,085			575,618	
Other auxiliary enterprises revenues	2,663,015			1,843,487		
Less: scholarship allowances	(385)	2,662,630		(180)	1,843,307	
Other operating revenues		165,963			159,049	
Total operating revenues		106,288,888			103,662,600	
OPERATING EXPENSES:						
Instruction		48,779,937			45,750,869	
Research		717,817			746,734	
Public service		6,229,573			5,518,945	
Academic support		9,255,275			8,443,474	
Student services		5,873,805			5,261,066	
Institutional support		14,472,350			13,851,840	
Operation and maintenance of plant		16,727,030			20,467,009	
Scholarships and fellowships		36,257			115,830	
Auxiliary enterprises						
Residential facilities		11,905,239			12,494,933	
Dining facilities		11,961,879			11,781,909	
Intercollegiate athletics		4,049,941			4,187,441	
Bookstores		4,494,948			4,641,996	
Parking facilities		608,881			733,661	
Other auxiliary enterprises expenses		2,451,921			2,330,010	
Hospital						
Total operating expenses		137,564,853			136,325,717	
Operating income (loss)		(31,275,965)			(32,663,117)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		40,142,526			39,596,615	
Pell grants		7,210,514			7,164,420	
Gifts			$3,708,204			$9,915,524
Investment income (loss)		920,949	6,224,665		949,332	(667,750)
Interest on indebtedness		(3,806,647)			(3,716,751)	
Other revenues (expenses), gains and (losses)		1,541,282			(26,116)	
Other affiliated foundation revenues			1,782,379			1,994,263
Other affiliated foundation expenses			(5,292,794)			(7,628,047)
Transfers (to) from other University System of Maryland institutions		(2,074,807)			(2,200,119)	
Total nonoperating revenues (expenses)		43,933,817	6,422,454		41,767,381	3,613,990
Income before other revenues		12,657,852	6,422,454		9,104,264	3,613,990
OTHER REVENUES:						
Capital appropriations		246,751			4,869,765	
Capital gifts and grants		21,060			71,831	
Total other revenues		267,811			4,941,596	
Increase in net position		12,925,663	6,422,454		14,045,860	3,613,990
Net position, beginning of year		277,544,454	51,119,725		263,498,594	47,505,735
Net position, end of year		$290,470,117	$57,542,179		$277,544,454	$51,119,725

SALISBURY UNIVERSITY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$50,292,852	$47,385,614
Research contracts and grants	5,176,370	4,993,248
Payments to employees	(92,145,306)	(86,506,899)
Payments to suppliers and contractors	(31,684,307)	(35,258,829)
Loans issued to students	(68,000)	(83,000)
Collections of loans to students	249,007	227,673
Auxiliary enterprises:		
Residential facilities	22,010,384	22,206,789
Dining facilities	12,441,505	13,182,392
Intercollegiate athletics	5,807,166	5,767,797
Bookstore	4,792,501	4,954,524
Parking facilities	534,085	575,618
Other	2,641,948	1,844,543
Other receipts	1,890,347	787,726
Net cash provided (used) by operating activities	(18,061,448)	(19,922,804)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	40,142,526	39,596,615
Pell grants	7,210,514	7,164,420
Net cash provided by noncapital financing activities	47,353,040	46,761,035
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	13,315,804	5,629,688
Capital appropriations	246,751	4,869,765
Capital grants and gifts received		71,831
Purchases of capital assets	(17,938,255)	(17,798,848)
Principal paid on debt and capital leases	(8,008,992)	(9,615,553)
Interest paid on debt and capital leases	(4,068,295)	(3,807,650)
Transfers (to) from other University System of Maryland institutions	(2,580,483)	10,188,355
Net cash provided (used) by capital and related financing activities	(19,033,470)	(10,462,412)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	920,949	949,332
Net cash provided by investing activities	920,949	949,332
Net increase in cash and cash equivalents	11,179,071	17,325,151
Cash and cash equivalents - beginning of the year	82,830,621	65,505,470
Cash and cash equivalents - end of the year	$94,009,692	$82,830,621

UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$261,309,824		$241,930,759	
Accounts receivable, net	29,180,124	$4,901,719	34,099,295	$816,661
Notes receivable, current portion	119,944		160,278	
Inventories	1,733,097		1,794,266	
Prepaid expenses, deferred charges and other assets	1,615,979		1,654,504	19,000
Inter-institutional balances	685,592		596,620	
Total current assets	294,644,560	4,901,719	280,235,722	835,661
Noncurrent assets:				
Accounts receivable, net		308,419		433,870
Endowment investments	143,638	13,465,740	142,872	10,072,324
Other investments		5,664,160		6,689,063
Notes receivable, net	1,069,698		1,179,480	
Capital assets, net	179,019,481	3,605,262	171,447,896	3,464,862
Total noncurrent assets	180,232,817	23,043,581	172,770,248	20,660,119
Total assets	$474,877,377	$27,945,300	$453,005,970	$21,495,780
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$28,460,704	$4,150,740	$20,027,052	
Accrued workers' compensation, current portion	142,910		141,515	
Accrued vacation costs, current portion	6,870,772		6,167,003	
Deferred revenue	36,598,949		40,384,370	
Total current liabilities	72,073,335	4,150,740	66,719,940	
Noncurrent liabilities:				
Accrued workers' compensation	779,090		771,485	
Accrued vacation costs	4,928,863		4,709,685	
Endowments invested on behalf of primary government		143,638		$142,872
Total noncurrent liabilities	5,707,953	143,638	5,481,170	142,872
Total liabilities	77,781,288	4,294,378	72,201,110	142,872
NET POSITION				
Unrestricted	216,482,273	5,156,775	207,658,094	5,417,233
Net investment in capital assets	179,019,481		171,447,896	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	29,423	7,267,727	29,423	3,449,078
Research		192,348		96,156
Other		5,663,427		2,660,605
Expendable:				
Scholarships and fellowships	55,038	1,585,563	58,050	2,982,012
Research		955,580		1,931,509
Loans	1,509,874		1,611,397	
Other		2,829,502		4,816,315
Total net position	397,096,089	23,650,922	380,804,860	21,352,908
Total liabilities and net position	$474,877,377	$27,945,300	$453,005,970	$21,495,780

UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$314,526,058			$324,646,104		
Less: scholarship allowances	(27,423,523)	$287,102,535		(21,841,765)	$302,804,339	
Federal grants and contracts		1,426,336			1,748,164	
State and local grants and contracts		3,480,568			2,437,784	
Nongovernmental grants and contracts		1,140,931			3,016,079	
Sales and services of educational departments		1,991,642			2,047,019	
Auxiliary enterprises:						
Residential facilities		74,120				
Bookstore		5,482,229			6,134,695	
Parking facilities		5,612			166,616	
Other auxiliary enterprises revenues					720	
Other operating revenues		10,425,768			15,566,387	
Total operating revenues		311,129,741			333,921,803	
OPERATING EXPENSES:						
Instruction		100,344,811			95,128,643	
Research		84,216			340,489	
Public service		12,069,854			14,136,597	
Academic support		75,775,292			65,654,850	
Student services		75,702,709			73,390,080	
Institutional support		44,643,039			40,947,779	
Operation and maintenance of plant		21,455,227			20,489,398	
Scholarships and fellowships		26,285,877			22,308,119	
Auxiliary enterprises:						
Residential facilities		79,783				
Bookstore		5,632,796			5,638,912	
Parking facilities		460,714			1,067,706	
Total operating expenses		362,534,318			339,102,573	
Operating income (loss)		(51,404,577)			(5,180,770)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		33,982,373			32,759,494	
Pell grants		32,870,720			28,139,724	
Gifts			$883,476			$1,145,367
Investment income	2,132,193		3,270,728	2,183,380		102,309
Less: Investment expense	(529)	2,131,664		(561)	2,182,819	
Other revenues (expenses), gains and (losses)		(934,948)			(740,079)	
Other affiliated foundation revenues			785			7,792
Other affiliated foundation expenses			(1,856,975)			(1,138,782)
Transfers (to) from other University System of Maryland institutions		(354,003)			(479,449)	
Total nonoperating revenues (expenses)		67,695,806	2,298,014		61,862,509	116,686
Increase in net position		16,291,229	2,298,014		56,681,739	116,686
Net position - beginning of period		380,804,860	21,352,908		324,123,121	21,236,222
Net position - end of period		$397,096,089	$23,650,922		$380,804,860	$21,352,908

UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$284,601,596	$295,451,727
Research contracts and grants	9,402,451	10,953,546
Payments to employees	(199,454,414)	(195,209,197)
Payments to suppliers and contractors	(139,618,446)	(128,586,851)
Loans issued to students	(74,000)	(96,794)
Collections of loans to students	224,116	193,452
Auxiliary enterprises:		
Residential facilities	74,120	
Bookstore	5,482,229	6,134,695
Parking facilities	5,612	166,616
Other		720
Other receipts	12,169,461	16,726,048
Net cash provided (used) by operating activities	(27,187,275)	5,733,962
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	33,982,373	32,759,494
Pell grants	32,870,720	28,139,724
Net cash provided by noncapital financing activities	66,853,093	60,899,218
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from sales of capital assets	1,228,857	808,612
Purchases of capital assets	(23,203,533)	(27,501,939)
Transfers (to) from other University System of Maryland institutions	(442,975)	(430,082)
Net cash provided (used) by capital and related financing activities	(22,417,651)	(27,123,409)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	9,327	9,057
Interest on investments	2,122,100	2,183,058
Investment expense	(529)	(561)
Net cash provided by investing activities	2,130,898	2,191,554
Net increase in cash and cash equivalents	19,379,065	41,701,325
Cash and cash equivalents - beginning of the year	241,930,759	200,229,434
Cash and cash equivalents - end of the year	$261,309,824	$241,930,759

UNIVERSITY OF MARYLAND, BALTIMORE COUNTY
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$103,149,867	$976,735	$81,285,485	$629,027
Accounts receivable, net	15,798,195	23,713,215	14,517,391	2,878,706
Notes receivable, current portion	428,618		417,696	
Inventories	909,100		930,803	
Prepaid expenses, deferred charges and other assets	316,466	8,926	379,954	52,122
Inter-institutional balances	70,323		123,889	
Total current assets	120,672,569	24,698,876	97,655,218	3,559,855
Noncurrent assets:				
Restricted cash and cash equivalents	1,506,177		1,426,894	
Accounts receivable, net		3,478,830		968,054
Endowment investments	1,634,080	68,379,924	1,583,662	58,071,565
Other investments		22,319,752		18,796,002
Notes receivable, net	1,501,835		1,557,164	
Other assets		40,233		
Capital assets, net	439,498,970	2,857,727	400,398,589	2,905,722
Total noncurrent assets	444,141,062	97,076,466	404,966,309	80,741,343
Total assets	$564,813,631	$121,775,342	$502,621,527	$84,301,198
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$24,764,102	$21,144,821	$21,018,854	$391,707
Accrued workers' compensation, current portion	195,920		186,310	
Accrued vacation costs, current portion	7,011,980		7,331,220	
Revenue bonds and notes payable, current portion	7,567,560	49,261	6,467,945	47,850
Deferred revenue	13,668,360	6,418,421	12,739,894	6,172,558
Total current liabilities	53,207,922	27,612,503	47,744,223	6,612,115
Noncurrent liabilities:				
Accrued workers' compensation	1,068,080		1,015,690	
Accrued vacation costs	4,429,642		3,403,330	
Endowments invested on behalf of primary government		1,634,080		1,583,662
Other payables		602,977		980,739
Revenue bonds and notes payable	100,092,892	318,014	92,321,188	379,415
Total noncurrent liabilities	105,590,614	2,555,071	96,740,208	2,943,816
Total liabilities	158,798,536	30,167,574	144,484,431	9,555,931
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	39,538,099		74,668,619	
NET POSITION				
Unrestricted	70,609,473	24,025,067	52,995,411	15,633,827
Net investment in capital assets	292,300,419		226,940,838	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	130,474	26,558,325	130,474	25,488,803
Research		702,895		710,598
Other		20,695,758		19,661,959
Expendable:				
Scholarships and fellowships		5,794,058		4,060,900
Research		3,491,934		2,630,327
Loans	1,930,453		1,974,860	
Capital projects	1,506,177		1,426,894	
Other		10,339,731		6,558,853
Total net position	366,476,996	91,607,768	283,468,477	74,745,267
Total liabilities, deferred inflows of resources, and net position	$564,813,631	$121,775,342	$502,621,527	$84,301,198

UNIVERSITY OF MARYLAND, BALTIMORE COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,					
	2013			2012		
	Institution		Component Units	Institution		Component Units
OPERATING REVENUES:						
Tuition and fees	$111,991,576			$104,199,029		
Less: scholarship allowances	(16,864,825)	$95,126,751		(19,821,254)	$84,377,775	
Federal grants and contracts		40,197,146			42,430,364	
State and local grants and contracts		27,766,379			22,587,743	
Nongovernmental grants and contracts		20,507,510			17,803,967	
Sales and services of educational departments		3,932,812			3,979,810	
Auxiliary enterprises:						
Residential facilities	23,385,342			23,398,349		
Less: scholarship allowances	(5,026,989)	18,358,353		(3,557,661)	19,840,688	
Dining facilities	12,868,317			12,414,747		
Less: scholarship allowances	(2,641,522)	10,226,795		(2,032,948)	10,381,799	
Intercollegiate athletics		9,819,301			9,245,264	
Bookstore	6,450,783			6,218,787		
Less: scholarship allowances	(6,406)	6,444,377		(23,523)	6,195,264	
Parking facilities		1,524,483			3,242,069	
Other auxiliary enterprises revenues		17,555,497			14,530,855	
Other operating revenues		13,270,254			5,044,755	
Total operating revenues		264,729,658			239,660,353	
OPERATING EXPENSES:						
Instruction		101,860,155			98,938,377	
Research		56,831,603			57,412,999	
Public service		20,393,150			17,008,157	
Academic support		23,474,255			22,823,149	
Student services		15,298,496			13,877,979	
Institutional support		31,515,116			26,485,060	
Operation and maintenance of plant		25,258,991			23,178,520	
Scholarships and fellowships		17,908,397			14,888,786	
Auxiliary enterprises:						
Residential facilities		15,168,393			10,117,551	
Dining facilities		11,220,394			11,364,895	
Intercollegiate athletics		7,807,363			7,718,405	
Bookstore		6,327,929			5,914,370	
Parking facilities		452,460			386,573	
Other auxiliary enterprises expenses		12,487,540			10,678,700	
Total operating expenses		346,004,242			320,793,521	
Operating income (loss)		(81,274,584)			(81,133,168)	
NONOPERATING REVENUES (EXPENSES):						
State appropriations		96,306,355			95,569,552	
Pell grants		13,005,945			12,988,526	
Gifts		11,125	$12,791,132		5,462	$5,309,721
Investment income	1,236,400		10,498,301	759,214		720,440
Less: Investment expense	(5,860)	1,230,540		(5,961)	753,253	
Interest on indebtedness		(3,990,600)			(3,894,134)	
Other revenues (expenses), gains and (losses)		29,690,030			(430,268)	
Other affiliated foundation revenues			2,542,283			2,386,496
Other affiliated foundation expenses			(8,969,215)			(11,606,922)
Transfers (to) from other University System of Maryland institutions		(4,150,018)			(4,843,394)	
Total nonoperating revenues (expenses)		132,103,377	16,862,501		100,148,997	(3,190,265)
Income (loss) before other revenues		50,828,793	16,862,501		19,015,829	(3,190,265)
OTHER REVENUES:						
Capital appropriations		31,692,596			36,076,439	
Capital gifts and grants		487,130			369,170	
Total other revenues		32,179,726			36,445,609	
Increase (decrease) in net position		83,008,519	16,862,501		55,461,438	(3,190,265)
Net position - beginning of year		283,468,477	74,745,267		228,007,039	77,935,532
Net position - end of year		$366,476,996	$91,607,768		$283,468,477	$74,745,267

UNIVERSITY OF MARYLAND, BALTIMORE COUNTY
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees	$95,972,501	$84,784,817
Research contracts and grants	87,075,490	95,307,980
Payments to employees	(205,107,982)	(200,260,192)
Payments to suppliers and contractors	(116,537,165)	(100,847,492)
Loans issued to students	(240,220)	(180,806)
Collections of loans to students	284,625	509,881
Auxiliary enterprises:		
Residential facilities	13,262,202	11,133,717
Dining facilities	10,253,365	10,159,943
Intercollegiate athletics	9,844,813	9,047,696
Bookstore	6,461,120	6,062,873
Parking facilities	1,528,444	3,172,787
Other	17,601,108	14,220,335
Other receipts	17,300,894	8,881,948
Net cash provided (used) by operating activities	(62,300,805)	(58,006,513)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	96,306,355	95,569,552
Gifts and grants received for other than capital purposes:		
Private gifts for endowment purposes		5,462
Pell grants	13,005,945	12,988,526
Net cash provided by noncapital financing activities	109,312,300	108,563,540
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	18,483,051	10,729,334
Capital appropriations	31,692,596	36,076,439
Purchases of capital assets	(58,724,818)	(49,367,685)
Principal paid on debt and capital leases	(14,255,025)	(14,500,708)
Interest paid on debt and capital leases	(4,503,064)	(4,354,656)
Transfers (to) from other University System of Maryland institutions	1,059,307	(2,908,284)
Net cash provided (used) by capital and related financing activities	(26,247,953)	(24,325,560)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	60,958	32,029
Interest on investments	1,125,025	754,497
Investment expense	(5,860)	(5,961)
Net cash provided by investing activities	1,180,123	780,565
Net increase in cash and cash equivalents	21,943,665	27,012,032
Cash and cash equivalents - beginning of the year	82,712,379	55,700,347
Cash and cash equivalents - end of the year	$104,656,044	$82,712,379

UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$10,578,530		$10,895,739	
Accounts receivable, net	5,258,939	$715,554	5,307,335	$733
Prepaid expenses, deferred charges and other assets		295		294
Inter-institutional balances	682		(736)	
Total current assets	15,838,151	715,849	16,202,338	1,027
Noncurrent assets:				
Endowment investments		1,317,754		944,951
Other investments		1,505,482		1,198,097
Notes receivable, net		7,003		
Capital assets, net	71,056,938		72,476,777	
Total noncurrent assets	71,056,938	2,830,239	72,476,777	2,143,048
Total assets	$86,895,089	$3,546,088	$88,679,115	$2,144,075
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$1,878,582	$415,074	$2,010,382	$58,517
Accrued workers' compensation, current portion	10,540		7,595	
Accrued vacation costs, current portion	595,550		553,209	
Revenue bonds and notes payable, current portion	1,212,074		1,119,117	
Deferred revenue	660,064	270,718	331,073	
Total current liabilities	4,356,810	685,792	4,021,376	58,517
Noncurrent liabilities:				
Accrued workers' compensation	57,460		41,405	
Accrued vacation costs	2,174,453		2,019,855	
Revenue bonds and notes payable	9,714,739		10,249,729	
Total noncurrent liabilities	11,946,652		12,310,989	
Total liabilities	16,303,462	685,792	16,332,365	58,517
NET POSITION				
Unrestricted	10,245,739	623,614	11,238,819	324,930
Net investment in capital assets	60,345,888		61,107,931	
Restricted:				
Nonexpendable:				
Scholarships and fellowships		878,948		169,694
Research		23,262		4,731
Other		684,926		130,901
Expendable:				
Scholarships and fellowships		191,764		446,023
Research		115,571		288,898
Other		342,211		720,381
Total net position	70,591,627	2,860,296	72,346,750	2,085,558
Total liabilities and net position	$86,895,089	$3,546,088	$88,679,115	$2,144,075

UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES:				
Federal grants and contracts	$16,158,029		$18,071,855	
State and local grants and contracts	4,267,223		4,939,351	
Nongovernmental grants and contracts	2,323,330		2,063,775	
Sales and services of educational departments	2,728,607		2,542,609	
Total operating revenues	25,477,189		27,617,590	
OPERATING EXPENSES:				
Research	46,629,730		43,829,490	
Operation and maintenance of plant	665,110		375,230	
Total operating expenses	47,294,840		44,204,720	
Operating income (loss)	(21,817,651)		(16,587,130)	
NONOPERATING REVENUE (EXPENSES):				
State appropriations	19,567,752		19,299,245	
Gifts		$627,411		$381,252
Investment income	105,552	455,353	104,690	5,955
Interest on indebtedness	(293,734)		(285,693)	
Other affiliated foundation revenues		1,336		15,311
Other affiliated foundation expenses		(309,362)		(520,180)
Transfers (to) from other University System of Maryland institutions	441,118		538,809	
Total nonoperating revenues (expenses)	19,820,688	774,738	19,657,051	(117,662)
Income (loss) before other revenues	(1,996,963)	774,738	3,069,921	(117,662)
OTHER REVENUE:				
Capital appropriations	241,840		10,259,267	
Total other revenue	241,840		10,259,267	
Increase (decrease) in net position	(1,755,123)	774,738	13,329,188	(117,662)
Net position - beginning of year	72,346,750	2,085,558	59,017,562	2,203,220
Net position - end of year	$70,591,627	$2,860,296	$72,346,750	$2,085,558

UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees		
Research contracts and grants	$23,125,969	$26,785,177
Payments to employees	(26,706,025)	(26,686,543)
Payments to suppliers and contractors	(17,084,579)	(15,435,095)
Other receipts	2,779,697	2,542,609
Net cash provided (used) by operating activities	(17,884,938)	(12,793,852)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	19,567,752	19,299,245
Net cash provided by noncapital financing activities	19,567,752	19,299,245
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	481,669	2,763,347
Capital appropriations	241,840	10,259,267
Purchases of capital assets	(1,834,957)	(14,626,202)
Principal paid on debt and capital leases	(1,310,720)	(2,135,646)
Interest paid on debt and capital leases	(327,980)	(383,403)
Transfers (to) from other University System of Maryland institutions	644,573	694,138
Net cash provided (used) by capital and related financing activities	(2,105,575)	(3,428,499)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	105,552	104,690
Net cash provided by investing activities	105,552	104,690
Net increase (decrease) in cash and cash equivalents	(317,209)	3,181,584
Cash and cash equivalents - beginning of the year	10,895,739	7,714,155
Cash and cash equivalents - end of the year	$10,578,530	$10,895,739

UNIVERSITY SYSTEM OF MARYLAND OFFICE
BALANCE SHEET
JUNE 30, 2013 AND 2012

	June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$148,665,828	$48,547	$124,950,163	$691,243
Accounts receivable, net	503,097	4,454,306	1,483,451	761,802
Prepaid expenses, deferred charges and other assets		272,779		132,018
Inter-institutional balances	6,096,669		11,156,451	
Total current assets	155,265,594	4,775,632	137,590,065	1,585,063
Noncurrent assets:				
Restricted cash and cash equivalents	37,782,594		60,428,852	
Accounts receivable, net				41,653
Endowment investments	8,892,664	13,328,093	9,011,804	24,375,751
Other investments		57,481,268		51,312,631
Restricted investments			21,875,318	
Other assets		275,035		390,600
Capital assets, net	83,881,529	3,281,756	86,491,159	3,148,395
Total noncurrent assets	130,556,787	74,366,152	177,807,133	79,269,030
Total assets	$285,822,381	$79,141,784	$315,397,198	$80,854,093
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	$4,138,628	$5,348,070	$10,043,738	$1,315,071
Accrued workers' compensation, current portion	12,710		14,105	
Accrued vacation costs, current portion	544,408		582,972	
Revenue bonds and notes payable, current portion	2,649,491		4,409,410	
Deferred revenue		12,534		334
Total current liabilities	7,345,237	5,360,604	15,050,225	1,315,405
Noncurrent liabilities:				
Accrued workers' compensation	69,290		76,895	
Accrued vacation costs	1,032,415		947,399	
Endowments invested on behalf of primary government		8,852,501		9,011,252
Other payables		46,728,768		43,439,690
Revenue bonds and notes payable	62,201,691		101,404,537	
Total noncurrent liabilities	63,303,396	55,581,269	102,428,831	52,450,942
Total liabilities	70,648,633	60,941,873	117,479,056	53,766,347
NET POSITION				
Unrestricted	$155,902,211	$3,968,114	$132,265,076	$4,897,192
Net investment in capital assets	54,949,795		54,935,427	
Restricted:				
Nonexpendable:				
Scholarships and fellowships	347,604	5,592,792	347,604	7,345,820
Research		148,019		204,793
Other	471,330	4,358,222	471,330	5,666,535
Expendable:				
Scholarships and fellowships	805,055	1,220,107	212,033	2,750,180
Research	356,535	735,328		1,781,348
Capital projects	1,863,245		8,856,046	
Other	477,973	2,177,330	830,626	4,441,878
Total net position	215,173,748	18,199,911	197,918,142	27,087,746
Total liabilities and net position	$285,822,381	$79,141,784	$315,397,198	$80,854,093

UNIVERSITY SYSTEM OF MARYLAND OFFICE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30,			
	2013		2012	
	Institution	Component Units	Institution	Component Units
OPERATING REVENUES:				
Federal grants and contracts		$3,442,513		$3,155,530
State and local grants and contracts		148,656		90,363
Nongovernmental grants and contracts		330,093		107,159
Other operating revenues		174,300		201,205
Total operating revenues		4,095,562		3,554,257
OPERATING EXPENSES:				
Academic support		6,334,077		6,030,370
Institutional support		14,006,220		13,418,838
Total operating expenses		20,340,297		19,449,208
Operating income (loss)		(16,244,735)		(15,894,951)
NONOPERATING REVENUES (EXPENSES):				
State appropriations		19,262,886		15,417,326
Gifts			$1,178,823			$1,391,238
Investment income (loss)	$2,005,919		(8,373,680)	$1,478,951		1,168,955
Less: Investment expense	(33,342)	1,972,577		(34,474)	1,444,477	
Interest on indebtedness		(6,263,571)			(7,170,624)	
Other revenues (expenses), gains and (losses)		2,256,464			2,618,819	
Other affiliated foundation revenues			2,333,915			3,216,560
Other affiliated foundation expenses			(4,026,893)			(5,691,069)
Transfers (to) from other University System of Maryland institutions		16,271,985			23,623,124	
Total nonoperating revenue (expenses)		33,500,341	(8,887,835)		35,933,122	85,684
Income (loss) before other revenue		17,255,606	(8,887,835)		20,038,171	85,684
OTHER REVENUE:						
Capital appropriations					622,935	
Total other revenue					622,935	
Increase (decrease) in net position		17,255,606	(8,887,835)		20,661,106	85,684
Net position - beginning of year		197,918,142	27,087,746		177,257,036	27,002,062
Net position - end of year		$215,173,748	$18,199,911		$197,918,142	$27,087,746

UNIVERSITY SYSTEM OF MARYLAND OFFICE
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	Years ended June 30, 2013	Years ended June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Research contracts and grants	$3,746,769	$3,460,612
Payments to employees	(13,761,506)	(13,327,269)
Payments to suppliers and contractors	(8,929,299)	(2,643,874)
Other receipts	3,601,934	4,154,096
Net cash provided (used) by operating activities	(15,342,102)	(8,356,435)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	19,262,886	15,417,326
Net cash provided by noncapital financing activities	19,262,886	15,417,326
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds of capital debt	35,993,077	70,961,182
Purchases of capital assets	(432,163)	(143,883)
Principal paid on debt and capital leases	(18,691,937)	(13,291,324)
Interest paid on debt and capital leases	(7,053,436)	(8,085,521)
Transfers (to) from other University System of Maryland institutions	(36,410,290)	(47,697,158)
Net cash provided (used) by capital and related financing activities	(26,594,749)	1,743,296
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	22,616,919	37,620,025
Interest on investments	1,383,456	1,453,108
Investment expense	(257,003)	(34,474)
Purchases of investments		(21,875,318)
Net cash provided by investing activities	23,743,372	17,163,341
Net increase in cash and cash equivalents	1,069,407	25,967,528
Cash and cash equivalents - beginning of the year	185,379,015	159,411,487
Cash and cash equivalents - end of the year	$186,448,422	$185,379,015

UNIVERSITY SYSTEM OF MARYLAND
COMBINING BALANCE SHEET, NONMAJOR COMPONENT UNITS
JUNE 30, 2013

	Medical Alumni Association of the University of Maryland, Inc.	M Club Foundation University of Maryland, Inc.	The Robert H. Smith School of Business Foundation, Inc.	Harry R. Hughes Center for Argo-Ecology, Inc.	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	The Hawk Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc.	Salisbury University Foundation, Inc.	The Ward Foundation, Inc.	Maryland 4-H Foundation, Inc.	University Research Corporation International	The Maryland Center at Bowie State University, Inc.	University of Maryland Baltimore County Research Park	Total Nonmajor Component Units
ASSETS																	
Current assets																	
Cash	$1,151,741	$30,391	$1,613,600	$75,658	$429,480	$5,287,876	$89,520	$583,354	$1,804,975	$11,784,329	$367,727	$79,018	$614,884		$14,701	$976,735	$24,903,989
Accounts receivable, net	6,899	406	456,724	13	305,265	164,930	264,344	105,785	367,280	2,610,300	367,114	26,667	46,718		82,097	133,187	4,937,729
Other assets	135,976	25,000	13,613	1,061	2,969	128,722		18,161	4,245		76,151	121,455	7,049				534,402
Total current assets	**1,294,616**	**55,797**	**2,083,937**	**76,732**	**737,714**	**5,581,528**	**353,864**	**707,300**	**2,176,500**	**14,394,629**	**810,992**	**227,140**	**668,651**		**96,798**	**1,109,922**	**30,376,120**
Investments																	
Endowment investments	6,488,822	2,140,422			6,193,061	54,516,247		15,385,773	8,084,447	38,750,242	45,712,416	20,608	2,825,234				180,117,272
Other investments		265,098	5,787,219					876,110	45,616	3,308,431	6,828,912					8,382,086	25,493,472
Total investments	**6,488,822**	**2,405,520**	**5,787,219**		**6,193,061**	**54,516,247**		**16,261,883**	**8,130,063**	**42,058,673**	**52,541,328**	**20,608**	**2,825,234**			**8,382,086**	**205,610,744**
Other assets																	
Accounts receivable, net						954,239		497,476		5,292,974	5,963,394						12,708,083
Capital assets, net						3,502	635,206	977		865,696	1,263,601	109,141	93,416		4,714	2,857,727	5,833,980
Other assets							532,068	257,845		1,040,107	2,159,854	24,384					4,014,258
Total other assets						**957,741**	**1,167,274**	**756,298**		**7,198,777**	**9,386,849**	**133,525**	**93,416**		**4,714**	**2,857,727**	**22,556,321**
Total assets	**$7,783,438**	**$2,461,317**	**$7,871,156**	**$76,732**	**$6,930,775**	**$61,055,516**	**$1,521,138**	**$17,725,481**	**$10,306,563**	**$63,652,079**	**$62,739,169**	**$381,273**	**$3,587,301**		**$101,512**	**$12,349,735**	**$258,543,185**
LIABILITIES																	
Current liabilities																	
Accounts payable & accrued expenses	$34,497		$1,639,641		$13,567	$482,591	$16,046	$16,126	$170,474	$2,887,445	$209,186	$50,509	$168,298		$21,608	$35,576	$5,745,564
Long-term debt, current											1,875,757				23,000	49,261	1,948,018
Deferred income	2,500						75,310	32,866		717,097	188,141	39,113			55,034	6,161,964	7,272,025
Total current liabilities	**36,997**		**1,639,641**		**13,567**	**482,591**	**91,356**	**48,992**	**170,474**	**3,604,542**	**2,273,084**	**89,622**	**168,298**		**99,642**	**6,246,801**	**14,965,607**
Other liabilities																	
Other payables									5,662		3,215,557				5,543	602,977	3,829,739
Long-term debt, noncurrent																318,014	318,014
Total other liabilities									**5,662**		**3,215,557**				**5,543**	**920,991**	**4,147,753**
Total liabilities	**36,997**		**1,639,641**		**13,567**	**482,591**	**91,356**	**48,992**	**176,136**	**3,604,542**	**5,488,641**	**89,622**	**168,298**		**105,185**	**7,167,792**	**19,113,360**
NET ASSETS																	
Unrestricted	971,656	$2,461,317	6,231,515	$48,773	614,461	2,915,807	1,419,679	288,003	89,532	6,947,467	4,820,683	273,093	903,757		(3,673)	5,181,943	33,164,013
Temporarily restricted:																	
Scholarships & fellowships						7,799,569		100,766	676,366	7,217,490	6,087,209						21,881,400
Research						5,050		42,373			579,581						627,004
Other	6,524,785			27,959	1,825,690	12,785,860	10,103	1,776,908	2,652,192	10,460,850	19,896,585	9,916	569,353				56,540,201
Permanently restricted:																	
Scholarships & fellowships						22,591,446		10,820,115		23,702,328	11,657,005						68,770,894
Research						10,203		31,171			315,104						356,478
Other	250,000				4,477,057	14,464,990		4,617,153	6,712,337	11,719,402	13,894,361	8,642	1,945,893				58,089,835
Total net assets	**7,746,441**	**2,461,317**	**6,231,515**	**76,732**	**6,917,208**	**60,572,925**	**1,429,782**	**17,676,489**	**10,130,427**	**60,047,537**	**57,250,528**	**291,651**	**3,419,003**		**(3,673)**	**5,181,943**	**239,429,825**
Total liabilities and net assets	**$7,783,438**	**$2,461,317**	**$7,871,156**	**$76,732**	**$6,930,775**	**$61,055,516**	**$1,521,138**	**$17,725,481**	**$10,306,563**	**$63,652,079**	**$62,739,169**	**$381,273**	**$3,587,301**		**$101,512**	**$12,349,735**	**$258,543,185**

UNIVERSITY SYSTEM OF MARYLAND
COMBINING BALANCE SHEET, NONMAJOR COMPONENT UNITS
JUNE 30, 2012

	Medical Alumni Association of the University of Maryland, Inc.	M Club Foundation University of Maryland, Inc.	The Robert H. Smith School of Business Foundation, Inc.	Harry R. Hughes Center for Argo-Ecology, Inc.	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc.	Salisbury University Foundation, Inc.	The Ward Foundation, Inc.	Maryland 4-H Foundation, Inc.	University Research Corporation International	The Maryland Center at Bowie State University, Inc.	University of Maryland Baltimore County Research Park	Total Nonmajor Component Units
ASSETS																
Current assets																
Cash	$593,253	$86,940	$595,684	$88,352	$775,313	$3,564,722	$536,425	$2,120,759	$20,727,745	$311,582	$101,334	$654,848	$462,154	$93,529	$608,227	$31,320,867
Accounts receivable, net	8,649	406	167,678	26	572,991	179,794	141,111	322,050	6,756,379	1,373,600	33,416	34,895	30,394	48,452	106,458	9,776,299
Other assets	124,310		237,162	1,061	6,307	169,942	21,298	10,483	58,570	88,123	40,519	2,683				760,458
Total current assets	**726,212**	**87,346**	**1,000,524**	**89,439**	**1,354,611**	**3,914,458**	**698,834**	**2,453,292**	**27,542,694**	**1,773,305**	**175,269**	**692,426**	**492,548**	**141,981**	**714,685**	**41,857,624**
Investments																
Endowment investments	5,664,564	2,432,237			5,526,357	48,666,519	14,464,881	7,648,921	39,508,346	37,792,948		2,472,236				164,177,009
Other investments		239,155	6,037,640				814,225			2,112,844					8,468,770	17,672,634
Total investments	**5,664,564**	**2,671,392**	**6,037,640**		**5,526,357**	**48,666,519**	**15,279,106**	**7,648,921**	**39,508,346**	**39,905,792**		**2,472,236**			**8,468,770**	**181,849,643**
Other assets																
Accounts receivable, net						522,006	678,315			6,105,924						7,306,245
Capital assets, net						3,634	1,136		1,371,285	1,289,748	109,505	100,926		6,336	2,905,722	5,788,292
Other assets						1,200,000	161,200	222,107		6,684,888	99,224					8,367,419
Total other assets						**1,725,640**	**840,651**	**222,107**	**1,371,285**	**14,080,560**	**208,729**	**100,926**		**6,336**	**2,905,722**	**21,461,956**
Total assets	**$6,390,776**	**$2,758,738**	**$7,038,164**	**$89,439**	**$6,880,968**	**$54,306,617**	**$16,818,591**	**$10,324,320**	**$68,422,325**	**$55,759,657**	**$383,998**	**$3,265,588**	**$492,548**	**$148,317**	**$12,089,177**	**$245,169,223**
LIABILITIES																
Current liabilities																
Accounts payable & accrued expenses	$300,940	$1,525	$637,376		$60,149	$266,187	$28,031	$144,763	$658,011	$128,576	$63,387	$123,363	$322,553	$12,407	$85,542	$2,832,810
Long-term debt, current						1,000,000								8,500	47,850	1,056,350
Deferred income	14,565		12,000				190,410		269,700	159,117	49,631			85,060	5,771,633	6,552,116
Total current liabilities	**315,505**	**1,525**	**649,376**		**60,149**	**1,266,187**	**218,441**	**144,763**	**927,711**	**287,693**	**113,018**	**123,363**	**322,553**	**105,967**	**5,905,025**	**10,441,276**
Other liabilities																
Other payables								75		2,730,149				5,818	980,739	3,716,781
Long-term debt, noncurrent										1,893,070					379,415	2,272,485
Total other liabilities								**75**		**4,623,219**				**5,818**	**1,360,154**	**5,989,266**
Total liabilities	**315,505**	**1,525**	**649,376**		**60,149**	**1,266,187**	**218,441**	**144,838**	**927,711**	**4,910,912**	**113,018**	**123,363**	**322,553**	**111,785**	**7,265,179**	**16,430,542**
NET ASSETS																
Unrestricted	724,854	2,757,213	6,388,788	$60,540	320,453	2,749,334	140,352	349,204	7,687,438	4,169,419	252,985	760,184	169,995	36,532	4,823,998	31,391,289
Temporarily restricted:																
Scholarships & fellowships						5,448,293	130,568		2,768,755	3,962,318						12,309,934
Research						3,639	34,950			520,128						558,717
Other	5,350,417			28,899	2,036,201	10,457,193	1,827,179	3,215,252	22,380,071	18,620,938	9,353	424,112				64,349,615
Permanently restricted:																
Scholarships & fellowships						21,027,428	10,123,677		27,880,961	11,384,139						70,416,205
Research						10,003	30,687			210,633						251,323
Other					4,464,165	13,344,540	4,312,737	6,615,026	6,777,389	11,981,170	8,642	1,957,929				49,461,598
Total net assets	**6,075,271**	**2,757,213**	**6,388,788**	**89,439**	**6,820,819**	**53,040,430**	**16,600,150**	**10,179,482**	**67,494,614**	**50,848,745**	**270,980**	**3,142,225**	**169,995**	**36,532**	**4,823,998**	**228,738,681**
Total liabilities and net assets	**$6,390,776**	**$2,758,738**	**$7,038,164**	**$89,439**	**$6,880,968**	**$54,306,617**	**$16,818,591**	**$10,324,320**	**$68,422,325**	**$55,759,657**	**$383,998**	**$3,265,588**	**$492,548**	**$148,317**	**$12,089,177**	**$245,169,223**

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF NET ACTIVITIES, NONMAJOR COMPONENT UNITS
YEAR ENDED JUNE 30, 2013

	Medical Alumni Association of the University of Maryland, Inc.	M Club Foundation, University of Maryland, Inc.	The Robert H. Smith School of Business Foundation, Inc.	Harry R. Hughes Center for Argo-Ecology, Inc.	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	The Hawk Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc.	Salisbury University Foundation, Inc.	The Ward Foundation, Inc.	Maryland 4-H Foundation, Inc.	University Research Corporation International	The Maryland Center at Bowie State University, Inc.	University of Maryland Baltimore County Research Park	Total Nonmajor Component Units
CHANGES IN UNRESTRICTED NET ASSETS																	
Revenues																	
Contributions & grants	$1,057,273	$8,665	$5,000		$238	$481,168	$419,994	$363,033	$70,688	$266,145	$296,182	$520,676	$240,076		$268,255		$3,997,393
Investment income (loss)	53,785	183,355	662,707	$555	1,093	679,492	26,784	66,720	2,099	854,023	345,764	151,155	145,432			$268,569	3,441,533
Other income	427,761	(14,203)	2,009,771		99,546	17,253	1,447,310	231,750	72,064	33,276	1,402,997	291,304	295,644		10,621	1,543,300	7,868,394
Assets released from restrictions	4,000			941	1,212,157	5,158,328	5,777	1,681,225	1,014,471	18,290,912	2,950,149	5,939	379,790				30,703,689
Total revenues	**1,542,819**	**177,817**	**2,677,478**	**1,496**	**1,313,034**	**6,336,241**	**1,899,865**	**2,342,728**	**1,159,322**	**19,444,356**	**4,995,092**	**969,074**	**1,060,942**		**278,876**	**1,811,869**	**46,011,009**
Expenses																	
Program	861,938	416,998	1,294,767	11,550	923,087	5,387,686	310,343	1,522,325	996,287	19,298,111	3,747,727	662,041	723,475		311,092	440,320	36,907,747
General & administrative	231,497	56,715	785,751	1,712	39,019	515,025	94,496	137,386	105,673	593,026	433,769	239,422	156,557		7,989	94,747	3,492,784
Fundraising	202,582				56,920	267,057		20,978	23,834	293,190	162,332	41,838	37,337				1,106,068
Other expense			754,233				75,347	343,237	293,200			5,665		$169,995		918,857	2,560,534
Total expenses	**1,296,017**	**473,713**	**2,834,751**	**13,262**	**1,019,026**	**6,169,768**	**480,186**	**2,023,926**	**1,418,994**	**20,184,327**	**4,343,828**	**948,966**	**917,369**	**169,995**	**319,081**	**1,453,924**	**44,067,133**
Change in unrestricted net assets	**246,802**	**(295,896)**	**(157,273)**	**(11,766)**	**294,008**	**166,473**	**1,419,679**	**318,802**	**(259,672)**	**(739,971)**	**651,264**	**20,108**	**143,573**	**(169,995)**	**(40,205)**	**357,945**	**1,943,876**
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS																	
Contributions & grants	28,000				568,043	3,888,545		634,142	362,889	7,987,249	1,834,385	6,502	490,593				15,800,348
Investment income (loss)	1,150,368				353,745	5,192,400		2,208	590,380	3,206,871	5,452,477		34,438				15,982,887
Other income					92,750	791,150	15,880	257,874	187,747	55,392	88,078						1,488,871
Assets released from restrictions	(4,000)			(941)	(1,225,049)	(5,190,741)	(5,777)	(977,818)	(1,014,471)	(18,719,998)	(3,914,949)	(5,939)	(379,790)				(31,439,473)
Change in temporarily restricted net assets	**1,174,368**			**(941)**	**(210,511)**	**4,681,354**	**10,103**	**(83,594)**	**126,545**	**(7,470,486)**	**3,459,991**	**563**	**145,241**				**1,832,633**
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS																	
Contributions & grants	250,000					2,640,254		379,280	84,072	333,684	1,050,459						4,737,749
Investment income (loss)								1,162,426			275,269		(12,036)				1,425,659
Other income						12,001		2,832		610							15,443
Assets released from restrictions					12,892	32,413		(703,407)		429,086	964,800						735,784
Change in permanently restricted net assets	**250,000**				**12,892**	**2,684,668**		**841,131**	**84,072**	**763,380**	**2,290,528**		**(12,036)**				**6,914,635**
Total change in net assets	**1,671,170**	**(295,896)**	**(157,273)**	**(12,707)**	**96,389**	**7,532,495**	**1,429,782**	**1,076,339**	**(49,055)**	**(7,447,077)**	**6,401,783**	**20,671**	**276,778**	**(169,995)**	**(40,205)**	**357,945**	**10,691,144**
Net assets - beginning of year	**6,075,271**	**2,757,213**	**6,388,788**	**89,439**	**6,820,819**	**53,040,430**		**16,600,150**	**10,179,482**	**67,494,614**	**50,848,745**	**270,980**	**3,142,225**	**169,995**	**36,532**	**4,823,998**	**228,738,681**
Net assets - end of year	**$7,746,441**	**$2,461,317**	**$6,231,515**	**$76,732**	**$6,917,208**	**$60,572,925**	**$1,429,782**	**$17,676,489**	**$10,130,427**	**$60,047,537**	**$57,250,528**	**$291,651**	**$3,419,003**		**($3,673)**	**$5,181,943**	**$239,429,825**

UNIVERSITY SYSTEM OF MARYLAND
COMBINING STATEMENT OF NET ACTIVITIES, NONMAJOR COMPONENT UNITS
YEAR ENDED JUNE 30, 2012

	Medical Alumni Association of the University of Maryland, Inc.	M Club Foundation, University of Maryland, Inc.	The Robert H. Smith School of Business Foundation, Inc.	Harry R. Hughes Center for Argo-Ecology, Inc.	Bowie State University Foundation, Inc.	Towson University Foundation, Inc.	Frostburg State University Foundation, Inc.	Coppin State University Development Foundation, Inc.	University of Baltimore Foundation, Inc.	Salisbury University Foundation, Inc.	The Ward Foundation, Inc.	Maryland 4-H Foundation, Inc.	University Research Corporation International	The Maryland Center at Bowie State University, Inc.	University of Maryland Baltimore County Research Park	Total Nonmajor Component Units
CHANGES IN UNRESTRICTED NET ASSETS																
Revenues																
Contributions & grants	$1,079,206	$1,946	$10,592		$523	$440,590	$315,598	$444,190	$235,782	$301,081	$703,225	$349,861	$1,377,613	$523,040		$5,783,247
Investment income (loss)	15,254	22,613	(249,466)	$805	149,783	219,884	10,817	2,117	(149,408)	(42,238)	153,162	33,568			$179,409	346,300
Other income	286,198	125,023	1,796,476		98,861	892,238	205,321	187,535	710,230	1,606,881	298,870	327,311	473	47,667	1,514,128	8,097,212
Assets released from restrictions	25,000			54,177	537,829	4,877,023	1,727,792	1,488,799	1,491,004	4,814,118	1,150	182,494			23,149	15,222,535
Total revenues	**1,405,658**	**149,582**	**1,557,602**	**54,982**	**786,996**	**6,429,735**	**2,259,528**	**2,122,641**	**2,287,608**	**6,679,842**	**1,156,407**	**893,234**	**1,378,086**	**570,707**	**1,716,686**	**29,449,294**
Expenses																
Program	739,579	61,456	1,084,973	52,932	756,528	5,262,177	1,960,112	1,494,437	2,165,881	5,878,180	709,724	587,484	1,853,303	535,431	342,493	23,484,690
General & administrative	240,900	87,196	733,667	1,687	45,894	492,820	336,952	142,979	339,141	417,147	380,537	162,925	864,310	13,424	99,682	4,359,261
Fundraising	345,499			372	66,965	249,997		32,677	252,155	167,404	7,605	41,149				1,163,823
Other expense								428,671			67,450				1,063,962	1,560,083
Total expenses	**1,325,978**	**148,652**	**1,818,640**	**54,991**	**869,387**	**6,004,994**	**2,297,064**	**2,098,764**	**2,757,177**	**6,462,731**	**1,165,316**	**791,558**	**2,717,613**	**548,855**	**1,506,137**	**30,567,857**
Change in unrestricted net assets	**79,680**	**930**	**(261,038)**	**(9)**	**(82,391)**	**424,741**	**(37,536)**	**23,877**	**(469,569)**	**217,111**	**(8,909)**	**101,676**	**(1,339,527)**	**21,852**	**210,549**	**(1,118,563)**
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS																
Contributions & grants				45,000	348,883	3,765,159	1,135,372	887,656	1,278,937	8,778,071		300,546				16,539,624
Investment income (loss)	199,185				(137,132)	831,653	224,031	85,549	(757,804)	(757,452)		25,297				(286,673)
Other income					55,717	621,694	229,095	80,745	79,307	88,512						1,155,070
Assets released from restrictions	(25,000)			(54,177)	(912,828)	(4,799,263)	(1,727,792)	(1,517,793)	(1,539,438)	(4,844,731)	(1,150)	(182,494)			(23,149)	(15,627,815)
Change in temporarily restricted net assets	**174,185**			**(9,177)**	**(645,360)**	**419,243**	**(139,294)**	**(463,843)**	**(938,998)**	**3,264,400**	**(1,150)**	**143,349**			**(23,149)**	**1,780,206**
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS																
Contributions & grants						788,907		127,335	2,566,949	133,147		29,833				3,646,171
Investment income (loss)					45				122,146	(21,222)		(6,685)				94,284
Other income						13,800										13,800
Assets released from restrictions					374,999	(77,760)		28,994	48,434	30,613						405,280
Change in permanently restricted net assets					**375,044**	**724,947**		**156,329**	**2,737,529**	**142,538**		**23,148**				**4,159,535**
Total change in net assets	**253,865**	**930**	**(261,038)**	**(9,186)**	**(352,707)**	**1,568,931**	**(176,830)**	**(283,637)**	**1,328,962**	**3,624,049**	**(10,059)**	**268,173**	**(1,339,527)**	**21,852**	**187,400**	**4,821,178**
Net assets - beginning of year	**5,821,406**	**2,756,283**	**6,649,826**	**98,625**	**7,173,526**	**51,471,499**	**16,776,980**	**10,463,119**	**66,165,652**	**47,224,696**	**281,039**	**2,874,052**	**1,509,522**	**14,680**	**4,636,598**	**223,917,503**
Net assets - end of year	**$6,075,271**	**$2,757,213**	**$6,388,788**	**$89,439**	**$6,820,819**	**$53,040,430**	**$16,600,150**	**$10,179,482**	**$67,494,614**	**$50,848,745**	**$270,980**	**$3,142,225**	**$169,995**	**$36,532**	**$4,823,998**	**$228,738,681**

ACCOUNTING AND REPORTING PRACTICES

Supplemental data reporting units

University System of Maryland Office (System Office), composed of the offices of the Chancellor and Vice Chancellors and their respective staffs, provides central executive and administrative services and supports and coordinates the efforts of the entire System. The expenses incurred in connection with these activities have not been allocated to the other units of the System and accordingly have been included in the financial records of the System Office.

Facilities maintenance expenses

Certain expenses for facilities management for the System Office and the University of Maryland University College are included in the financial records of University of Maryland, College Park.

System-wide financing arrangements

The System constructs, acquires, and renovates plant facilities using the proceeds of Revenue Bonds and other financing arrangements. The proceeds of System-wide financing arrangements are used in accordance with Board authorizations, which specify the projects for which the funds are to be used. Unexpended proceeds and a proportionate share of the outstanding debt obligation are reported on the financial records of the System Office.

Institutions are obligated to provide a proportionate share of the principal and interest payments attributable to auxiliary enterprises projects financed using the proceeds of System-wide financing arrangements. Currently, each instructional institution, with the exception of the University of Maryland University College, provides a portion of the debt service attributable to academic facilities. To the extent that an instructional institution provides (or receives) resources for debt service for academic facilities (and the proportionate share of the outstanding debt obligation) recorded on another System institution or unit, such amounts are reported as a Transfer To / (From) Other University System of Maryland Institutions on the Statement of Revenues, Expenses, and Changes in Net Position.