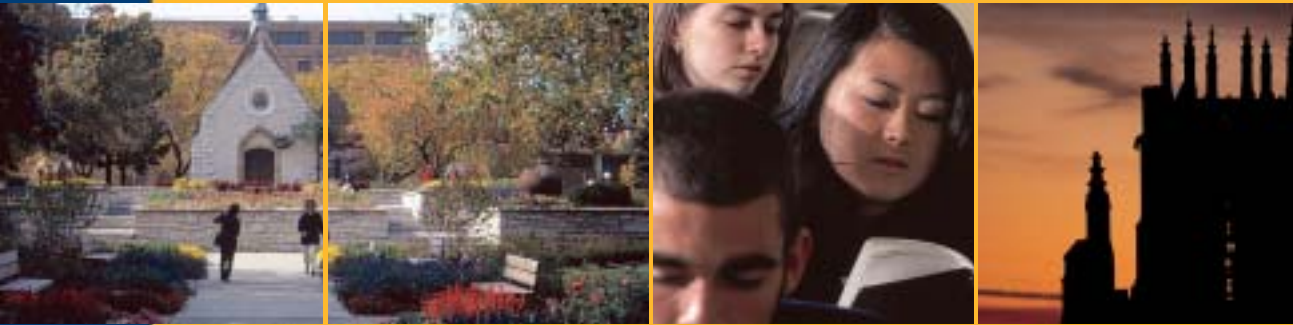


Annual Report 2002

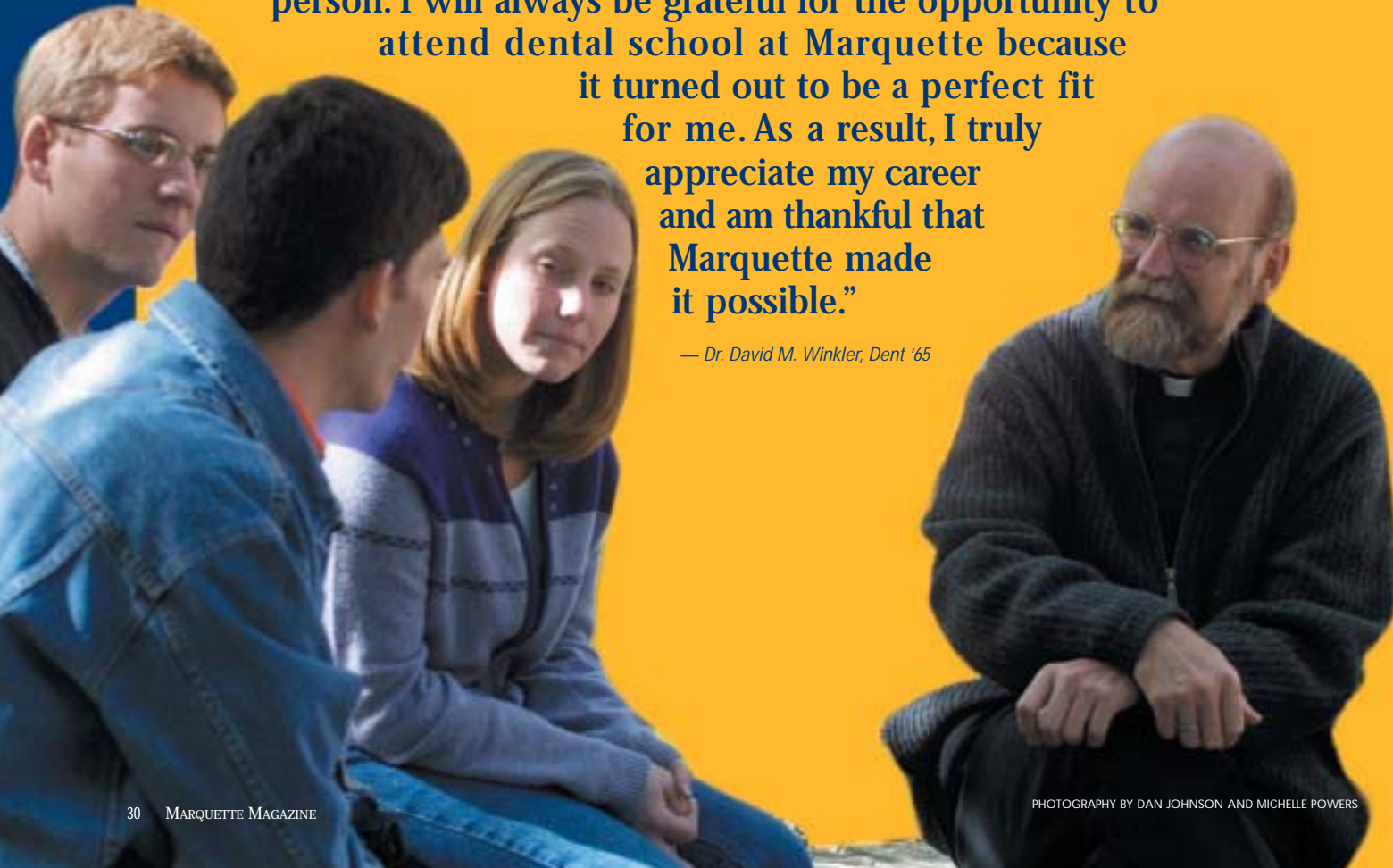
A Marquette education transforms, defines and illuminates the lives of the men and women who come here. They come for an education. ... They leave with the credentials, the values, and the desire to be the difference in the world. This transformational experience is fueled by the generosity of alumni, parents and friends whose gifts help bridge the gap between tuition revenue and university costs.



“My experiences at Marquette were life-changing and instrumental in helping me become a mature, responsible person. I will always be grateful for the opportunity to attend dental school at Marquette because it turned out to be a perfect fit for me. As a result, I truly

appreciate my career and am thankful that Marquette made it possible.”

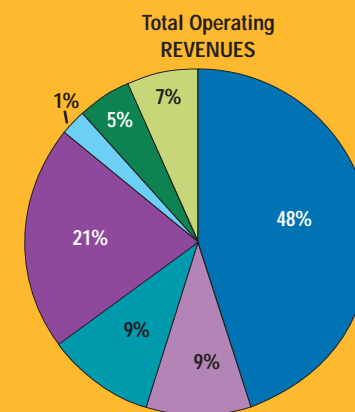
— Dr. David M. Winkler, Dent '65



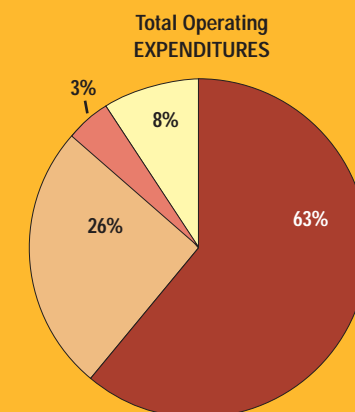
PHOTOGRAPHY BY DAN JOHNSON AND MICHELLE POWERS

Consolidated Statement of Financial Position As of June 30, 2002 (in thousands)

| | |
|---|-------------------------|
| Assets: | |
| Cash and Cash Equivalents | \$ 51,374 |
| Investments, at Market Value | 248,505 |
| Contributions Receivable, Less Allowance for Uncollectible Accounts of \$1,781 | 39,929 |
| Accounts Receivable, Less Allowance for Uncollectible Accounts of \$3,492 | 13,100 |
| Student Loans and Other Notes Receivable, Less Allowance for Uncollectible Accounts of \$410 | 39,432 |
| Net Property, Buildings and Equipment | 244,851 |
| All Other Assets | 4,913 |
| Total Assets | <u>\$642,104</u> |
| Liabilities: | |
| Accounts Payable and Accrued Liabilities | \$ 22,626 |
| Refundable Federal Loan Grants | 34,056 |
| Notes and Bonds Payable | 105,547 |
| All Other Liabilities | 33,312 |
| Total Liabilities | <u>\$195,541</u> |
| Net Assets: | |
| Unrestricted | 196,605 |
| Temporarily Restricted | 134,753 |
| Permanently Restricted | 115,205 |
| Total Net Assets | <u>446,563</u> |
| Total Liabilities and Net Assets | <u>\$642,104</u> |



| | |
|----------------------|-----------------------|
| Net Tuition and Fees | \$ 119,217 |
| Room and Board | 21,919 |
| Grants | 22,504 |
| Contributions | 54,081 |
| Investment Income | 3,770 |
| Endowment Income | 13,968 |
| Other Income | 18,814 |
| Total \$ | <u>254,273</u> |



| | |
|-----------------|-------------------------|
| Compensation | \$130,625 |
| Other Operating | |
| Expenditures | 53,519 |
| Interest | 5,331 |
| Depreciation | 17,343 |
| Total | <u>\$206,818</u> |

Nearly 90 percent of the gifts Marquette received this fiscal year were for under \$1,000. These gifts represented more than \$1.75 million, illustrating the collective power of those who believe in the value of a Marquette education. Seventy percent of these gifts were directed to the Marquette Fund in support of the university's highest priorities and most pressing needs.

Tuition and fees account for only 48 percent of Marquette's operating revenues. As an independent institution, the university has always depended on the generosity of our alumni and friends to help bridge that gap. **Every** gift is used wisely to help students build a strong foundation for the future. **Every** dollar sustains Marquette's commitment to educating the whole person within the distinctive Jesuit tradition. **Every** donor makes a significant difference to the transformational mission of Marquette University.



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Marquette University

† deceased **Δ** retired

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2002 (in thousands)

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|--|--------------|------------------------|------------------------|-----------|
| Operating Revenues: | | | | |
| Net Tuition and Fees | \$119,217 | \$ - | \$ - | \$119,217 |
| Federal, State and Private Grants | 22,504 | - | - | 22,504 |
| Contributions | 4,668 | 43,970 | 5,443 | 54,081 |
| Investment Income | 2,744 | 778 | 248 | 3,770 |
| Endowment Income Used in Operations | 4,839 | 9,107 | 22 | 13,968 |
| Auxiliary and All Other | 40,733 | - | - | 40,733 |
| Total Operating Revenues | 194,705 | 53,855 | 5,713 | 254,273 |
| Net Assets Released from Restrictions | 14,277 | (14,277) | - | - |
| Total Operating Revenues and Net Assets Released from Restrictions | 208,982 | 39,578 | 5,713 | 254,273 |
| Operating Expenses: | | | | |
| Instruction | 61,965 | - | - | 61,965 |
| Academic Support | 29,732 | - | - | 29,732 |
| Research and Grants | 15,700 | - | - | 15,700 |
| Libraries | 10,206 | - | - | 10,206 |
| Student Services | 15,021 | - | - | 15,021 |
| Auxiliary Enterprises | 32,638 | - | - | 32,638 |
| Institutional Support | 39,946 | - | - | 39,946 |
| Property Management | 655 | - | - | 655 |
| Public Service | 955 | - | - | 955 |
| Total Operating Expenses | 206,818 | - | - | 206,818 |
| Operating Income | 2,164 | 39,578 | 5,713 | 47,455 |
| Nonoperating Income (Loss): | | | | |
| Endowment Income (Less than) in Excess of Amount Designated for Current Operations | (28,932) | 71 | (214) | (29,075) |
| Change in Net Assets | (26,768) | 39,649 | 5,499 | 18,380 |
| Net Assets, Beginning of Year | 223,373 | 95,104 | 109,706 | 428,183 |
| Net Assets, End of Year | \$196,605 | \$134,753 | \$115,205 | \$446,563 |

“We are grateful that our Marquette education has enabled us to enjoy productive careers. Five of our children earned Marquette degrees, two grandchildren are currently students and 10 other grandchildren hope to enroll. Marquette University provides a foundation for a lifetime of living — the value of excellence endures spiritually, intellectually and socially.”

— Ann, Nurs '43, and Oscar, Eng '40, Druml