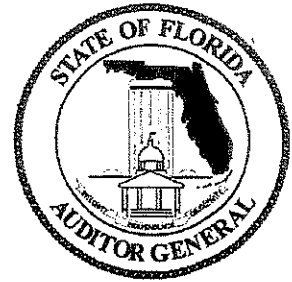


MARCH 2005

REPORT NO. 2005-157



**AUDITOR GENERAL**  
WILLIAM O. MONROE, CPA



**FLORIDA STATE UNIVERSITY**  
Financial Audit

For the Fiscal Year Ended June 30, 2004



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**EXECUTIVE SUMMARY**

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The audit of the financial statements of the Florida State University for the fiscal year ended June 30, 2004, was conducted pursuant to the provisions of Section 11.45, Florida Statutes, and applicable standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

The scope of this audit included an examination of the financial statements of the University, a component unit of the State of Florida, and a determination as to whether management has complied with applicable laws, administrative rules, regulations, contracts, and grant agreements and other matters that are material to the financial statements. An examination of Federal awards administered by the University is included in our Statewide audit of Federal awards administered by the State of Florida.

The following provides a summary of the findings of our audit of the financial statements of the University:

- We found that the University's financial statements presented fairly, in all material respects, the financial positions of the University and its aggregate discretely presented component units as of June 30, 2004; the revenues, expenses, and changes in net assets; and the cash flows for the fiscal year then ended.
- We noted no matters involving the University's internal control over financial reporting and its operation that we considered to be material weaknesses.
- The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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This audit was conducted by Iris Bitner, CPA, and supervised by Richard E. Givens, CPA. Please address inquiries regarding this report to James E. Raulerson, CPA, Audit Manager, via e-mail at [jimraulerson@aud.state.fl.us](mailto:jimraulerson@aud.state.fl.us) or by telephone at (850) 487-4468. This report, as well as other audit reports prepared by the Auditor General, can be obtained on our Web site (<http://www.state.fl.us/audgen>); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

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**FINANCIAL SECTION**


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**FLORIDA STATE UNIVERSITY**  
**A COMPONENT UNIT OF THE STATE OF FLORIDA**  
**STATEMENT OF NET ASSETS**  
**As of June 30, 2004**  
**(In Thousands)**

	University	Component Units
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 77,760	\$ 31,027
Investments	279,691	43,853
Receivables, Net	26,994	32,892
Due from Other State Universities	500	
Due from State	115,523	
Due from Component Units/University	3,168	128,801
Inventories	2,232	273
Loans and Notes Receivable, Net	6,468	
Other Current Assets	2,266	2,329
<b>Total Current Assets</b>	<b>514,602</b>	<b>239,175</b>
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	6,956	1,240
Restricted Investments	92,378	452,257
Loans and Notes Receivable, Net	9,303	414
Other Noncurrent Assets	1,485	77,469
Depreciable Capital Assets, Net	760,152	142,167
Nondepreciable Capital Assets	184,096	22,920
<b>Total Noncurrent Assets</b>	<b>1,054,370</b>	<b>696,467</b>
<b>Total Assets</b>	<b>1,568,972</b>	<b>935,642</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	8,790	43,954
Construction Contracts Payable	9,522	
Salaries and Wages Payable	14,519	957
Deposits Payable	11,861	
Due to Other State Universities	212	
Due to State	601	
Due to Component Units/University	93	129,470
Deferred Revenues	56,359	10,353
Obligations Under Securities Lending and Reverse Repurchase Agreements	90,043	
Other Current Liabilities	278	4,145
Long-Term Liabilities - Current Portion:		
Bonds and Revenue Certificates Payable	5,200	3,185
Loans and Notes Payable		391
Installment Purchase Notes Payable	2,575	
Capital Leases Payable		680
Compensated Absences Liability	3,573	24
<b>Total Current Liabilities</b>	<b>203,626</b>	<b>193,159</b>

FLORIDA STATE UNIVERSITY  
 A COMPONENT UNIT OF THE STATE OF FLORIDA  
 STATEMENT OF NET ASSETS (Continued)  
 As of June 30, 2004  
 (In Thousands)

	University	Component Units
<b>LIABILITIES (Continued)</b>		
Noncurrent Liabilities:		
Bonds and Revenue Certificates Payable	\$ 134,635	\$ 101,849
Loans and Notes Payable		9,776
Installment Purchase Notes Payable	2,492	
Capital Leases Payable		24,298
Compensated Absences Liability	36,247	655
Other Noncurrent Liabilities	20	21,188
	<u>173,394</u>	<u>157,766</u>
<b>Total Noncurrent Liabilities</b>		
	<u>173,394</u>	<u>157,766</u>
<b>Total Liabilities</b>	<u>377,020</u>	<u>350,925</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	831,753	32,250
Restricted for Nonexpendable:		
Endowment		300,112
Restricted for Expendable:		
Debt Service	451	875
Loans	18,617	
Capital Projects	147,635	
Other Restricted Net Assets	51,624	130,947
Unrestricted	141,872	120,533
	<u>141,872</u>	<u>120,533</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 1,191,952</u>	<u>\$ 584,717</u>

The accompanying notes to financial statements are an integral part of this statement.