

## Ten Year SUMMARY OF RATIOS

### Ratio of Total Current Revenues to Total Current Expenditures

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Total Current Revenues	\$1,456,672	\$1,299,438	\$1,220,681	\$1,127,248	\$1,062,282
Total Current Expenditures and Mandatory Transfers	1,395,275	1,269,677	1,188,541	1,123,865	1,036,301
<b>Ratio</b>	104.40%	102.34%	102.70%	100.30%	102.51%

This ratio indicates the percentage of current funds revenues that remain after all current funds expenditures and mandatory transfers are applied. A percentage greater than 100% indicates a surplus for the year. The larger the surplus, the stronger the institution's financial position as a result of the year's operations. Large deficits are usually a bad sign, particularly if they occur in successive years. A pattern of large deficits can reduce an institution's financial strength. Such a pattern is a warning signal that corrective action should be taken.

### Ratio of Available Funds to Educational and General Expenditures and Mandatory Transfers

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Current Fund Balance - General	\$115,263	\$86,061	\$60,828	\$54,643	\$60,437
Current Fund Balance - Proprietary	170,668	162,193	165,090	157,697	154,264
Quasi Endowment Fund Balance - Unrestricted	106,682	121,441	98,556	85,787	48,704
<b>Total Availability</b>	392,613	369,695	324,474	298,127	263,405
Total Availability	392,613	369,695	324,474	298,127	263,405
Educational and General Expenditures and Mandatory Transfers	1,091,866	985,712	934,336	869,948	812,682
<b>Ratio</b>	35.96%	37.51%	34.73%	34.27%	32.41%

This ratio measures the size of the institution's financial reserves. Increasing ratios indicate better preparation for financial disruptions. The University receives its state appropriations on a quarterly allotment basis and state appropriations are not accrued at year end to finance accrued expenses.

**Ten Year** SUMMARY OF RATIOS (cont'd)

**Ratio of Expendable Fund Balance to  
Total Expenditures and Mandatory Transfers**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Current Fund Balance - General	\$115,263	\$86,061	\$60,828	\$54,643	\$60,437
Current Fund Balance - Proprietary	170,668	162,193	165,090	157,697	154,264
Current Fund Balance - Restricted	207,040	147,942	137,437	112,855	94,072
Quasi Endowment Fund Balance	489,126	493,209	161,984	143,043	92,180
Unexpended Plant Fund Balance	63,159	55,581	86,670	72,332	61,063
Debt Service Fund Balance	24,761	28,485	28,628	32,329	26,454
<b>Total Expendable Fund Balance</b>	<b>1,070,017</b>	<b>973,471</b>	<b>640,637</b>	<b>572,899</b>	<b>488,470</b>
Total Expendable Fund Balance	1,070,017	973,471	640,637	572,899	488,470
Total Current Expenditures and Mandatory Transfers	1,395,275	1,269,677	1,188,541	1,123,865	1,036,301
<b>Ratio</b>	<b>76.69%</b>	<b>76.67%</b>	<b>53.90%</b>	<b>50.98%</b>	<b>47.14%</b>

This ratio is an important measure of financial strength relative to institutional operating size. Expendable fund balances should increase at least proportionally as the rate of growth of operating size. If this is not the case, the same dollar amount of expendable fund balances will provide less margin of protection against adversity as the institution grows in dollar level of expenditure.

**Ratio of Instruction and Academic Support to Total Educational and General Expenditures  
Less Restricted Scholarships**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Instruction	\$490,447	\$435,839	\$411,292	\$383,759	\$352,711
Other Academic Support	75,226	63,528	60,384	56,528	53,663
<b>Total Instruction and Academic Support</b>	<b>565,673</b>	<b>499,367</b>	<b>471,676</b>	<b>440,287</b>	<b>406,374</b>
Educational and General Expenditures and Mandatory Transfers	1,065,655	958,594	914,294	847,139	784,364
Less: Restricted Scholarships	25,853	24,953	19,945	21,489	20,705
<b>Total Educational and General Expenditures less Restricted Scholarships</b>	<b>1,039,802</b>	<b>933,641</b>	<b>894,349</b>	<b>825,650</b>	<b>763,659</b>
Total Instruction and Academic Support	565,673	499,367	471,676	440,287	406,374
Total Educational and General Expenditures less Restricted Scholarship	1,039,802	933,641	894,349	825,650	763,659
<b>Ratio</b>	<b>54.40%</b>	<b>53.49%</b>	<b>52.74%</b>	<b>53.33%</b>	<b>53.21%</b>

This ratio indicates whether the institution has been maintaining the allocation of resources to the academic program. If financial resources are decreasing, the instruction and academic support proportion may also decrease due to greater demands for administrative expenditures, such as admissions or fund raising. A decrease in instruction and academic support expenditures as a proportion of the operating budget may not indicate an absolute decline, specifically when there is an alternative increase in quality; however, such a change in quality is difficult to measure.

**Ten Year** SUMMARY OF RATIOS (cont'd)

**Educational Expenditures per Student**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Total Current Fund Expenditures	\$1,367,794	\$1,242,057	\$1,168,462	\$1,101,013	\$1,007,293
Plus: Current Fund Mandatory Transfers	27,481	27,620	20,079	22,852	29,007
Less: Student Financial Aid	54,670	49,844	44,305	41,674	38,625
Less: Auxiliary Enterprises Expenditures	127,425	121,969	115,280	106,837	96,674
Less: Professional Clinical Services	167,703	156,522	133,057	135,099	116,393
<b>Total Educational Expenditures</b>	<b>1,045,477</b>	<b>941,342</b>	<b>895,899</b>	<b>840,255</b>	<b>784,608</b>
Total Educational Expenditures	1,045,477	941,342	895,899	840,255	784,608
Undergraduate, Graduate and Professional FTE	23,000	22,761	21,940	21,794	21,709
<b>Educational Expenditures per Student (in thousands)</b>	<b>\$ 45.5</b>	<b>\$ 41.4</b>	<b>\$ 40.8</b>	<b>\$ 38.6</b>	<b>\$ 36.1</b>

This ratio measures average educational expenditures incurred per student FTE.

**Ratio of Net Gain in Endowment Assets**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Year - End Endowment Assets (Market Value)	\$768,816	\$750,321	\$593,373	\$554,029	\$465,152
Year - Begin Endowment Assets (Market Value)	750,321	593,373	554,029	465,152	390,146
<b>Yearly Change</b>	<b>18,495</b>	<b>156,948</b>	<b>39,344</b>	<b>88,877</b>	<b>75,006</b>
Yearly Change	18,495	156,948	39,344	88,877	75,006
Year - Begin Endowment Assets (Market Value)	750,321	593,373	554,029	465,152	390,146
<b>Ratio</b>	<b>2.46%</b>	<b>26.45%</b>	<b>7.10%</b>	<b>19.11%</b>	<b>19.23%</b>

This ratio measures the growth of endowment assets resulting directly from investment policies and/or gifts. If the ratios are increasing, the endowment assets are growing through efficient investment of the endowment funds and/or additional gifts and transfers to the endowment funds.

**Ten Year** SUMMARY OF RATIOS (cont'd)

**Ratio of Unrestricted Operating Resources to Debt**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Current Fund Balance - General	\$115,263	\$86,061	\$60,828	\$54,643	\$60,437
Current Fund Balance - Proprietary	170,668	162,193	165,090	157,697	154,264
Unrestricted Quasi Endowment Fund Balance	106,682	121,441	98,556	85,787	48,704
Unrestricted Unexpended Plant Fund Balance	1,433	1,828	1,837	6,291	3,112
Unrestricted Debt Service Fund Balance	5,892	6,725	5,211	11,305	7,453
<b>Total Expendable Fund Balance</b>	<b>399,938</b>	<b>378,248</b>	<b>331,522</b>	<b>315,723</b>	<b>273,970</b>
Total Expendable Fund Balance	399,938	378,248	331,522	315,723	273,970
Total Debt Outstanding	396,805	306,603	286,366	279,096	272,965
<b>Ratio</b>	<b>100.79%</b>	<b>123.37%</b>	<b>115.77%</b>	<b>113.12%</b>	<b>100.37%</b>

This ratio is a conservative measure of resources available to investors from unrestricted expendable reserves that excludes amounts designated for long-term investment.

**Ratio of Total Resources to Debt**

(in thousands)

	For the Year Ended June 30,				
	2001	2000	1999	1998	1997
Current Fund Balance - General	\$115,263	\$86,061	\$60,828	\$54,643	\$60,437
Current Fund Balance - Proprietary	170,668	162,193	165,090	157,697	154,264
Current Fund Balance - Restricted	207,040	147,942	137,437	112,855	94,072
Endowment Fund Balance	731,170	727,798	587,946	547,750	376,052
Unexpended Plant Fund Balance	63,159	55,581	86,670	72,332	61,063
Debt Service Fund Balance	24,761	28,485	28,628	32,329	26,454
<b>Total Expendable Fund Balance</b>	<b>1,312,061</b>	<b>1,208,060</b>	<b>1,066,599</b>	<b>977,606</b>	<b>772,342</b>
Total Expendable Fund Balance	1,312,061	1,208,060	1,066,599	977,606	772,342
Total Debt Outstanding	396,805	306,604	286,366	279,096	272,965
<b>Ratio</b>	<b>330.66%</b>	<b>394.01%</b>	<b>372.46%</b>	<b>350.28%</b>	<b>282.95%</b>

This ratio is a broad measure of resources to debt that includes the corpus of endowed contributions.

The University of North Carolina at Chapel Hill

Last Ten Fiscal Years

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Total Current Revenues	\$984,669	\$943,469	\$877,389	\$804,242	\$741,208
Total Current Expenditures and Mandatory Transfers	965,559	915,654	858,117	783,792	710,029
<b>Ratio</b>	101.98%	103.04%	102.25%	102.61%	104.39%

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Current Fund Balance - General	\$53,902	\$49,726	\$44,104	\$37,536	\$29,681
Current Fund Balance - Proprietary	149,134	140,429	127,098	116,643	111,371
Quasi Endowment Fund Balance - Unrestricted	35,640	34,988	36,656	36,066	33,761
<b>Total Availability</b>	238,676	225,143	207,858	190,245	174,813
Total Availability	238,676	225,143	207,858	190,245	174,813
Educational and General Expenditures and Mandatory Transfers	766,304	725,591	676,140	611,634	561,716
<b>Ratio</b>	31.15%	31.03%	30.74%	31.10%	31.12%

The University of North Carolina at Chapel Hill

Last Ten Fiscal Years

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Current Fund Balance - General	\$53,902	\$49,726	\$44,104	\$37,536	\$29,681
Current Fund Balance - Proprietary	149,134	140,429	127,098	116,643	111,371
Current Fund Balance - Restricted	92,510	91,586	77,839	66,205	53,318
Quasi Endowment Fund Balance	71,023	64,935	66,525	63,364	56,024
Unexpended Plant Fund Balance	55,763	48,658	34,830	20,573	9,657
Debt Service Fund Balance	10,833	17,073	16,421	16,244	18,300
<b>Total Expendable Fund Balance</b>	<b>433,165</b>	<b>412,407</b>	<b>366,817</b>	<b>320,565</b>	<b>278,351</b>
Total Expendable Fund Balance	433,165	412,407	366,817	320,565	278,351
Total Current Expenditures and Mandatory Transfers	965,559	915,654	858,117	783,792	710,029
<b>Ratio</b>	<b>44.86%</b>	<b>45.04%</b>	<b>42.75%</b>	<b>40.90%</b>	<b>39.20%</b>

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Instruction	\$326,546	\$301,323	\$278,587	\$253,662	\$241,956
Other Academic Support	47,771	43,423	40,507	35,845	32,740
<b>Total Instruction and Academic Support</b>	<b>374,317</b>	<b>344,746</b>	<b>319,094</b>	<b>289,507</b>	<b>274,696</b>
Educational and General Expenditures and Mandatory Transfers	742,277	705,323	656,305	595,696	555,404
Less: Restricted Scholarships	19,021	17,713	17,439	17,116	14,940
<b>Total Educational and General Expenditures less Restricted Scholarships</b>	<b>723,256</b>	<b>687,610</b>	<b>638,866</b>	<b>578,580</b>	<b>540,464</b>
Total Instruction and Academic Support	374,317	344,746	319,094	289,507	274,696
Total Educational and General Expenditures less Restricted Scholarships	723,256	687,610	638,866	578,580	540,464
<b>Ratio</b>	<b>51.75%</b>	<b>50.14%</b>	<b>49.95%</b>	<b>50.04%</b>	<b>50.83%</b>

The University of North Carolina at Chapel Hill

Last Ten Fiscal Years

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Total Current Fund Expenditures	\$941,475	\$894,896	\$836,959	\$765,652	\$700,963
Plus: Current Fund Mandatory Transfers	24,084	20,758	21,158	18,140	9,066
Less: Student Financial Aid	31,479	29,595	28,030	26,997	23,715
Less: Auxiliary Enterprises Expenditures	88,032	83,823	76,560	81,907	56,996
Less: Professional Clinical Services	108,282	99,140	97,265	85,187	74,769
<b>Total Educational Expenditures</b>	<b>737,766</b>	<b>703,096</b>	<b>656,262</b>	<b>589,701</b>	<b>554,549</b>
Total Educational Expenditures	737,766	703,096	656,262	589,701	554,549
Total Current Expenditures and Mandatory Transfers	21,961	21,918	21,758	21,398	21,391
<b>Ratio</b>	<b>\$ 33.6</b>	<b>\$ 32.1</b>	<b>\$ 30.2</b>	<b>\$ 27.6</b>	<b>\$ 25.9</b>

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Year - End Endowment Assets (Market Value)	\$390,146	\$335,076	\$293,214	\$223,948	\$209,547
Year - Begin Endowment Assets (Market Value)	335,076	293,214	223,948	209,547	181,413
<b>Yearly Change</b>	<b>55,070</b>	<b>41,862</b>	<b>69,266</b>	<b>14,401</b>	<b>28,134</b>
Yearly Change	55,070	41,862	69,266	14,401	28,134
Year - Begin Endowment Assets (Market Value)	335,076	293,214	223,948	209,547	181,413
<b>Ratio</b>	<b>16.44%</b>	<b>14.28%</b>	<b>30.93%</b>	<b>6.87%</b>	<b>15.51%</b>

The University of North Carolina at Chapel Hill

Last Ten Fiscal Years

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Current Fund Balance - General	\$53,902	\$49,726	\$44,104	\$37,536	\$29,681
Current Fund Balance - Proprietary	149,134	140,429	127,098	116,643	111,371
Unrestricted Quasi Endowment Fund Balance	35,640	34,988	36,656	36,066	33,761
Unrestricted Unexpended Plant Fund Balance	3,645	4,658	4,366	5,178	1,872
Unrestricted Debt Service Fund Balance	(6,238)	2,298	3,798	7,901	9,327
<b>Total Expendable Fund Balance</b>	<b>236,083</b>	<b>232,099</b>	<b>216,022</b>	<b>203,324</b>	<b>186,012</b>
Total Expendable Fund Balance	236,083	232,099	216,022	203,324	186,012
Total Debt Outstanding	232,028	238,176	225,834	230,825	222,548
<b>Ratio</b>	<b>101.75%</b>	<b>97.45%</b>	<b>95.66%</b>	<b>88.09%</b>	<b>83.58%</b>

(in thousands)

	For the Year Ended June 30,				
	1996	1995	1994	1993	1992
Current Fund Balance - General	\$53,902	\$49,726	\$44,104	\$37,536	\$29,681
Current Fund Balance - Proprietary	149,134	140,429	127,098	116,643	111,371
Current Fund Balance - Restricted	92,510	91,586	77,839	66,205	53,318
Endowment Fund Balance	303,674	273,448	270,211	212,158	191,497
Unexpended Plant Fund Balance	55,763	48,658	34,830	20,573	9,657
Debt Service Fund Balance	10,833	17,073	16,421	16,244	18,300
<b>Total Expendable Fund Balance</b>	<b>665,816</b>	<b>620,920</b>	<b>570,503</b>	<b>469,359</b>	<b>413,824</b>
Total Expendable Fund Balance	665,816	620,920	570,503	469,359	413,824
Total Debt Outstanding	232,028	238,176	225,834	230,825	222,548
<b>Ratio</b>	<b>286.96%</b>	<b>260.70%</b>	<b>252.62%</b>	<b>203.34%</b>	<b>185.95%</b>