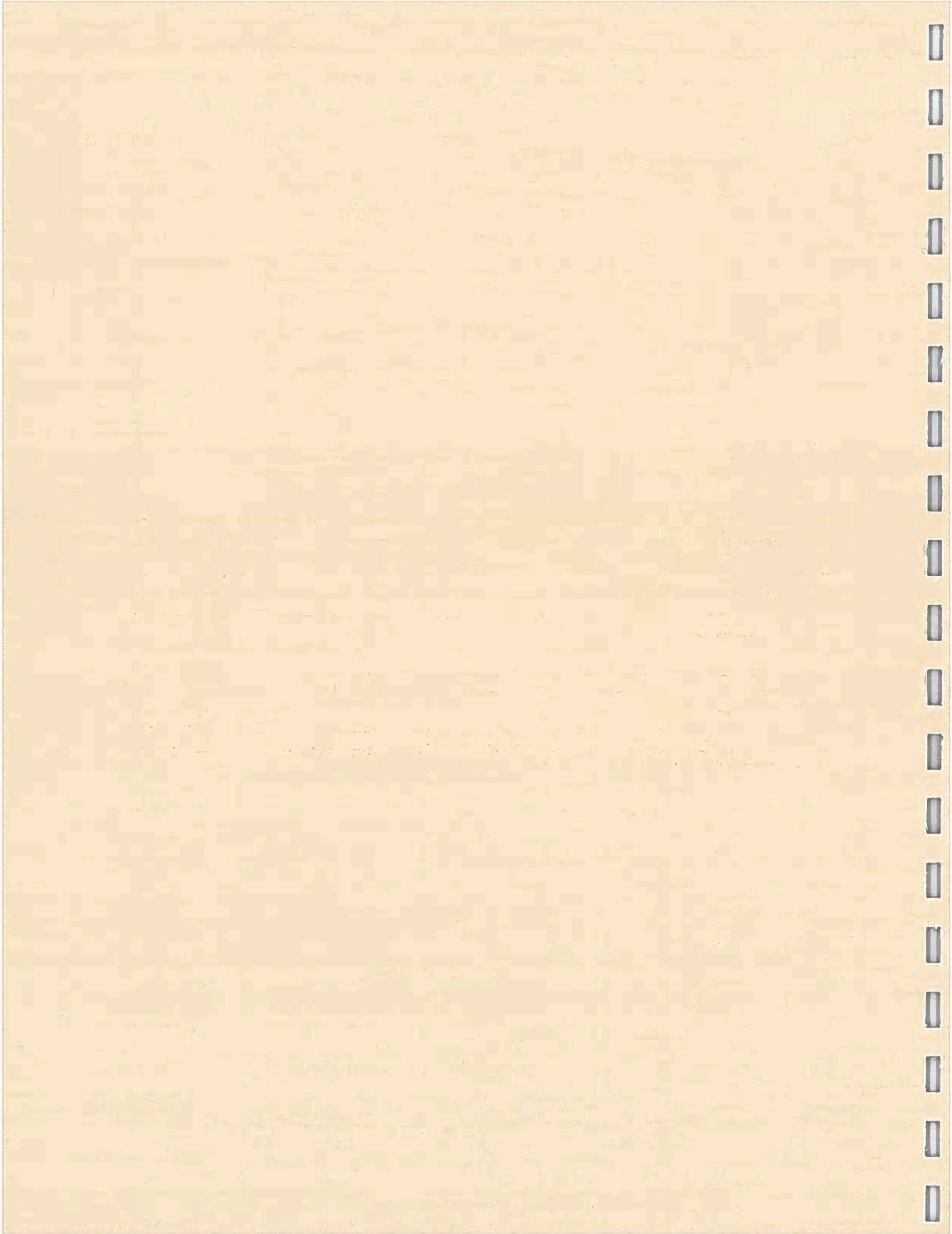


STATE OF COLORADO
METROPOLITAN STATE COLLEGE

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1988
TOGETHER WITH AUDITORS' REPORT

DATED
OCTOBER 18, 1988



ASHBY JACKSON ARMSTRONG, INC.
CERTIFIED PUBLIC ACCOUNTANTS

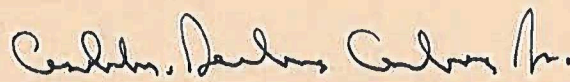
1900 GRANT STREET, SUITE 1050
DENVER, COLORADO 80203
(303) 832-6700

October 18, 1988

Members of the Legislative Audit Committee,
State of Colorado

We have examined the balance sheet of Metropolitan State College as of June 30, 1988, and the related statements of changes in fund balances and current funds revenues, expenditures and other changes for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Metropolitan State College as of June 30, 1988, and the changes in fund balances and the current funds revenues, expenditures and other changes for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



ASHBY JACKSON ARMSTRONG, INC.

STATE OF COLORADO
METROPOLITAN STATE COLLEGE

BALANCE SHEET, ALL FUNDS

JUNE 30, 1988

WITH COMPARATIVE TOTALS AS OF JUNE 30, 1987

ASSETS	1988	1987
<hr/>		
CURRENT FUNDS		
Unrestricted		
Cash and Certificates of Deposit (Note 9)	\$325,345	\$370,916
Cash on Deposit with State Treasurer (Note 9)	4,722,819	2,773,726
Accounts Receivable (less allowance for for doubtful accounts of \$1,058,076 and \$1,036,780, respectively)	658,733	458,212
Due from Restricted Fund	70,005	-
Due from State Treasurer	-	6,858
Deferred Charges	117,630	104,192
Prepaid Expenses	191,651	190,065
Other Assets	3,191	1,538
Total Unrestricted Fund	<hr/> 6,089,374 <hr/>	<hr/> 3,905,507 <hr/>
Restricted		
Cash on Deposit with State Treasurer	162,777	-
Accounts Receivable	453,623	214,869
Deferred Charges	-	2,035
Total Restricted Fund	<hr/> 616,400 <hr/>	<hr/> 216,904 <hr/>
TOTAL CURRENT FUNDS	<hr/> \$6,705,774 <hr/>	<hr/> \$4,122,411 <hr/>

LIABILITIES AND FUND BALANCES	1988	1987
CURRENT FUNDS		
Unrestricted		
Accounts Payable	\$742,310	\$391,563
Payable to Banks	-	486,617
Accrued Expenses	74,582	53,411
Due to Other State Agencies and Funds	-	4,857
Due to Consortium of State Colleges	-	756
Due to State Treasurer	7,675	-
Deferred Revenue	2,427,724	2,213,123
Compensated Absence Liability	718,832	662,785
Fund Balances (Deficits)		
Allocated for Compensated		
Absence Liability	(718,832)	(662,785)
Unallocated	2,837,083	755,180
Total Unrestricted Fund	6,089,374	3,905,507
Restricted		
Accounts Payable	13,251	51,761
Accrued Expenses	60,802	16,294
Due to General Fund	70,005	-
Due to State Treasurer	398,013	21,537
Due to Other Agencies	79	-
Contingent Liabilities (Note 5)	-	-
Fund Balance	74,250	127,312
Total Restricted Fund	616,400	216,904
TOTAL CURRENT FUNDS	\$6,705,774	\$4,122,411

The accompanying notes are an integral part of these financial statements.

STATE OF COLORADO
METROPOLITAN STATE COLLEGE

BALANCE SHEET, ALL FUNDS (CONTINUED)

JUNE 30, 1988

WITH COMPARATIVE TOTALS AS OF JUNE 30, 1987

ASSETS, CONTINUED	1988	1987
<hr/>		
LOAN FUNDS		
Cash on Deposit with State Treasurer	\$222,219	\$61,817
Loans Receivable (less allowance for doubtful loans of \$785,183 and \$695,411, respectively)	3,495,924	3,368,715
TOTAL LOAN FUNDS	<u>\$3,718,143</u>	<u>\$3,430,532</u>
 PLANT FUNDS		
Investment in Plant:		
Equipment	\$6,256,646	\$5,702,187
Land and Buildings	-	59,900
Total Investment in Plant	<u>6,256,646</u>	<u>5,762,087</u>
TOTAL PLANT FUNDS	<u>\$6,256,646</u>	<u>\$5,762,087</u>
 AGENCY FUNDS		
Cash on Deposit with State Treasurer	\$161,919	\$105,360
Accounts Receivable - Other	232	-
Prepaid Expense	518	-
Advances	2,417	-
TOTAL AGENCY FUNDS	<u>\$165,086</u>	<u>\$105,360</u>

LIABILITIES AND FUND BALANCES, CONTINUED	1988	1987
LOAN FUNDS		
Accounts Payable Due to Students Fund Balances:	\$715 5,339	\$ - -
U.S. Government Grants Refundable Other Loan Funds	3,141,487 570,602	2,899,535 530,997
TOTAL LOAN FUNDS	<u>\$3,718,143</u>	<u>\$3,430,532</u>
PLANT FUNDS		
Investment in Plant:		
Capital Lease Payable (Note 6) Investment in Plant	\$162,346 6,094,300	\$312,272 5,449,815
Total Investment in Plant	<u>6,256,646</u>	<u>5,762,087</u>
TOTAL PLANT FUNDS	<u>\$6,256,646</u>	<u>\$5,762,087</u>
AGENCY FUNDS		
Accounts Payable Deposits Held in Custody for Others	\$203 164,883	\$2,049 103,311
TOTAL AGENCY FUNDS	<u>\$165,086</u>	<u>\$105,360</u>

The accompanying notes are an integral part of these financial statements.

STATE OF COLORADO
METROPOLITAN STATE COLLEGE
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 1988
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1987

	Current Funds			
	1988			
	State Appropriated Funding	Auxiliary and Self-Funded	Total Unrestricted	Restricted
Revenues and Other Additions:				
Unrestricted Current Fund Revenues	\$36,381,646	\$2,882,124	\$39,263,770	\$ -
Federal Grants and Contracts	58,751	105,701	164,452	4,242,309
State Grants and Contracts	-	-	-	1,949,913
Private Gifts, Grants and Contracts	-	-	-	71,863
U.S. Government Advances	-	-	-	-
Investment Income	-	-	-	-
Interest Income	-	-	-	-
Donated Property	-	-	-	-
Expended for Plant Facilities	-	-	-	-
Total Revenues and Other Additions	36,440,397	2,987,825	39,428,222	6,264,085
Expenditures and Other Deductions:				
Education and General	35,180,247	2,695,209	37,875,456	6,177,137
Indirect Costs Recovered	-	-	-	58,751
Cancellation of				
Loan Principal and Interest	-	-	-	-
Administrative Costs Reimbursed	-	-	-	57,653
Collection Costs	-	-	-	-
Disposal of Equipment	-	-	-	-
Refunded to Grantors	-	-	-	-
Provision for Doubtful Student Loans	-	-	-	-
Other	-	-	-	-
Total Expenditures and Other Deductions	35,180,247	2,695,209	37,875,456	6,293,541
Transfers Among Funds and Other Additions (Deductions):				
Mandatory Transfers:				
Loan Fund Matching Grant	-	-	-	(45,857)
Transfer to Consortium of State Colleges	-	-	-	-
Restricted Fund Matching	(16,072)	-	(16,072)	16,072
Total Mandatory Transfers	(16,072)	-	(16,072)	(29,785)
Other Transfers:				
Transfers from Current Unrestricted Fund	(6,179)	-	(6,179)	6,179
Transfer from Consortium of State Colleges	494,585	-	494,585	-
Total Other Transfers	488,406	-	488,406	6,179
Net Increase (Decrease) for Year	1,732,484	292,616	2,025,100	(53,062)
Fund Balances (Deficit) at Beginning of Year	(662,029)	755,180	93,151	127,312
Fund Balances (Deficits) at End of Year	\$1,070,455	\$1,047,796	\$2,118,251	\$74,250

Current Funds					
1988	1987	Loan Funds		Plant Funds	
Total	Total	1988	1987	1988 Investment in Plant	1987 Investment in Plant
\$39,263,770	\$34,303,924	\$ -	\$ -	\$ -	\$ -
4,406,761	3,987,600	-	-	-	-
1,949,913	1,992,476	-	-	-	-
71,863	1,009,908	120	163	-	-
-	-	424,944	9,627	-	-
-	-	5,498	918	-	-
-	-	111,270	120,540	-	-
-	-	-	-	24,995	13,106
-	-	-	-	855,397	506,697
45,692,307	41,293,908	541,832	131,248	880,392	519,803
44,052,593	41,153,403	-	-	-	-
58,751	60,101	-	-	-	-
-	-	168,728	308,672	-	-
57,653	38,631	14,610	22,934	-	-
-	-	35,570	42,139	-	-
-	-	-	-	235,907	140,269
-	-	4,928	10,252	-	-
-	-	82,321	66,652	-	-
-	-	(25)	-	-	-
44,168,997	41,252,135	306,132	450,649	235,907	140,269
(45,857)	-	45,857	-	-	-
-	(544,978)	-	-	-	-
(45,857)	(544,978)	45,857	-	-	-
-	-	-	-	-	-
494,585	764,835	-	-	-	-
494,585	764,835	-	-	-	-
1,972,038	261,630	281,557	(319,401)	644,485	379,534
220,463	(41,923)	3,430,532	3,749,933	5,449,815	5,070,281
\$2,192,501	\$219,707	\$3,712,089	\$3,430,532	\$6,094,300	\$5,449,815

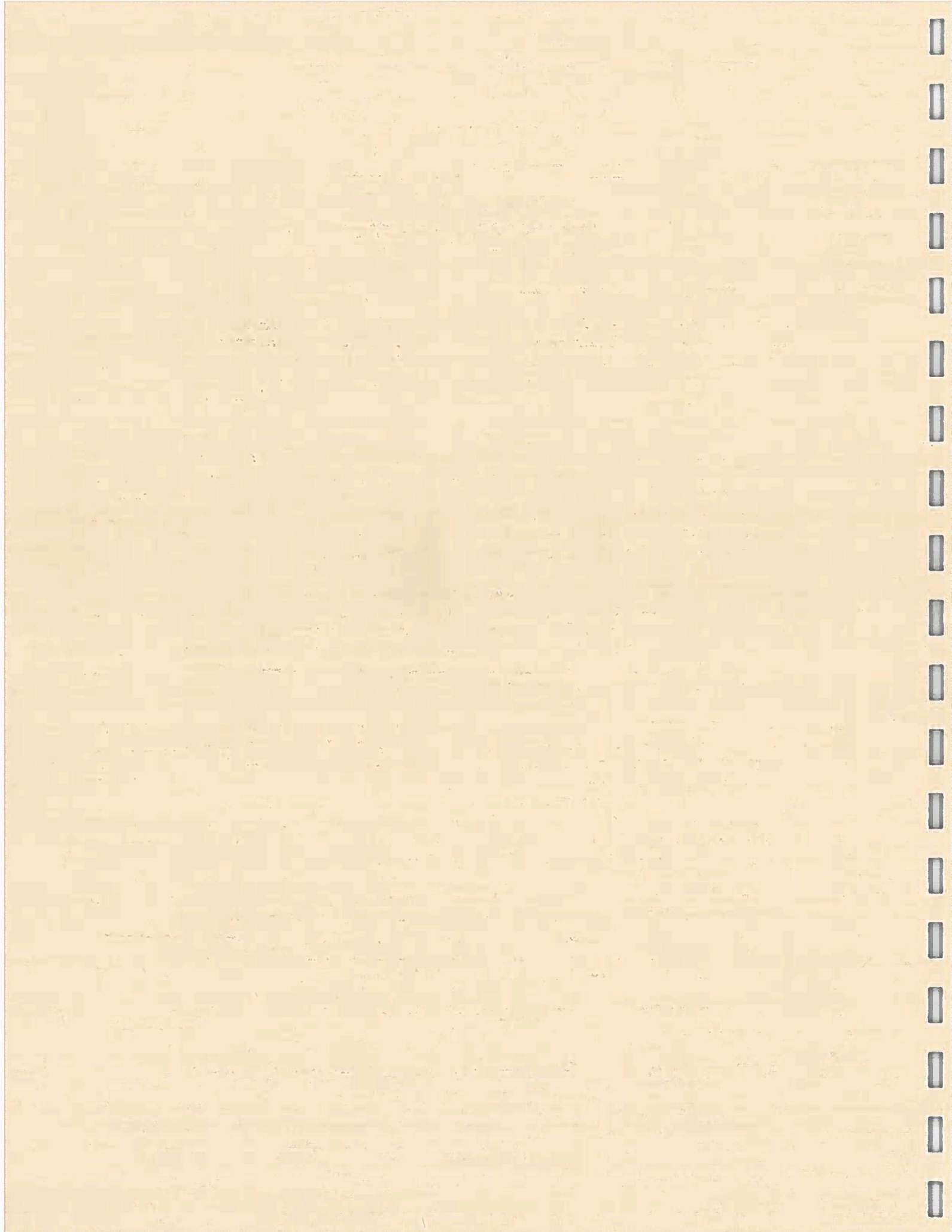
The accompanying notes are an integral part of these financial statements.

STATE OF COLORADO
METROPOLITAN STATE COLLEGE
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED JUNE 30, 1988
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1987

	Unrestricted	
	1988	
	State Appropriated Funding	Auxiliary and Self-Funded
REVENUES		
Tuition and Fees	\$14,418,366	\$1,885,497
State Appropriations	21,948,558	-
Federal Grants and Contracts	58,751	105,701
State Grants and Contracts	-	-
Private Gifts, Grants and Contracts	-	27,845
Sales and Services	-	773,320
Other Sources	14,722	195,462
Total Revenues	36,440,397	2,987,825
EXPENDITURES AND MANDATORY TRANSFERS		
Expenditures:		
Instruction	20,005,440	672,078
Research	-	-
Public Service	3,663	40,456
Academic Support	3,183,864	50,380
Student Services	2,379,085	1,843,465
Institutional Support	5,513,030	88,830
Operation and Maintenance of Plant	4,095,165	-
Scholarships and Grants	-	-
Total Expenditures	35,180,247	2,695,209
Mandatory Transfers:		
Loan Fund Matching Grant	-	-
Transfer to Consortium of State Colleges	-	-
Restricted Fund Matching	16,072	-
Total Mandatory Transfers	16,072	-
Total Expenditures and Mandatory Transfers	35,196,319	2,695,209
OTHER ADDITIONS (DEDUCTIONS)		
Transfer from Consortium of State Colleges	494,585	-
Transfer from Current Unrestricted Fund	(6,179)	-
Excess (Deficiency) of Restricted Receipts Over Transfer to Revenues	-	-
Total Other Additions (Deductions)	488,406	-
NET INCREASE (DECREASE) IN FUND BALANCES	\$1,732,484	\$292,616

Unrestricted					
1988	1987	Restricted		Total	
Total	Total	1988	1987	1988	1987
\$16,303,863	\$14,116,861	\$ -	\$ -	\$16,303,863	\$14,116,861
21,948,558	19,991,681	-	-	21,948,558	19,991,681
164,452	152,382	4,229,514	3,851,819	4,393,966	4,004,201
-	-	2,014,429	1,928,019	2,014,429	1,928,019
27,845	22,367	73,204	46,267	101,049	68,634
773,320	872,048	-	-	773,320	872,048
210,184	263,911	-	-	210,184	263,911
39,428,222	35,419,250	6,317,147	5,826,105	45,745,369	41,245,355
20,677,518	19,934,144	996,735	465,445	21,674,253	20,399,589
-	-	14,577	-	14,577	-
44,119	61,963	101,754	52,884	145,873	114,847
3,234,244	2,402,183	49,623	104,442	3,283,867	2,506,625
4,222,550	3,735,817	618,533	391,745	4,841,083	4,127,562
5,601,860	5,515,712	86,320	111,025	5,688,180	5,626,737
4,095,165	3,776,211	-	-	4,095,165	3,776,211
-	-	4,425,999	4,700,564	4,425,999	4,700,564
37,875,456	35,426,030	6,293,541	5,826,105	44,168,997	41,252,135
-	-	45,857	-	45,857	-
-	544,978	-	-	-	544,978
16,072	-	(16,072)	-	-	-
16,072	544,978	29,785	-	45,857	544,978
37,891,528	35,971,008	6,323,326	5,826,105	44,214,854	41,797,113
494,585	764,835	-	-	494,585	764,835
(6,179)	-	6,179	-	-	-
-	-	(53,062)	48,553	(53,062)	48,553
488,406	764,835	(46,883)	48,553	441,523	813,388
\$2,025,100	\$213,077	(\$53,062)	\$48,553	\$1,972,038	\$261,630

The accompanying notes are an integral part of these financial statements.



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

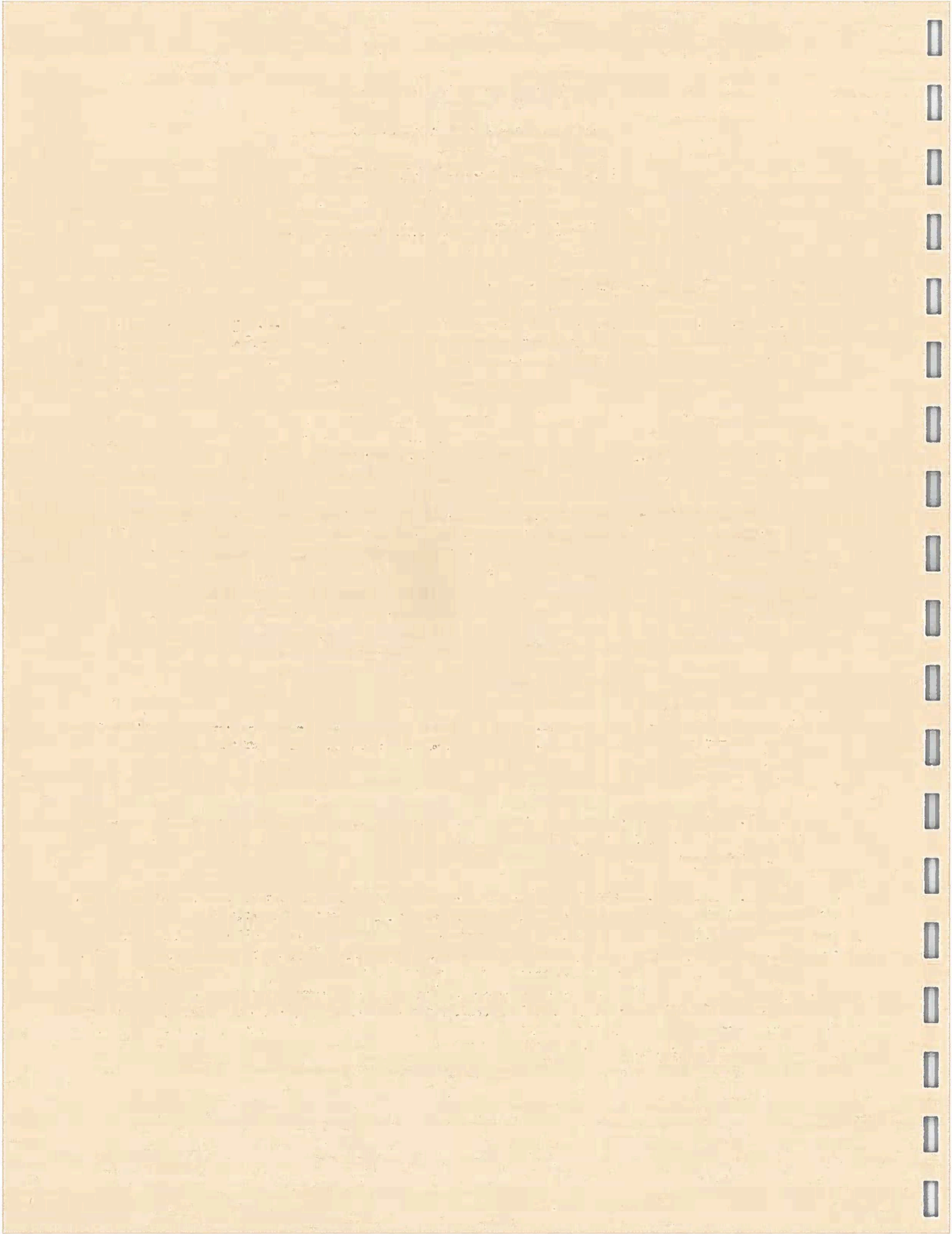
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF JUNE 30, 1987

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. The financial statements of the College are presented in accordance with fund accounting guidelines set forth in the American Institute of Certified Public Accountants' (AICPA) industry audit guide, Audits of Colleges and Universities, and the National Association of Colleges and University Business Officers' publication, College and University Business Administration.
- b. The financial statements of the College have been prepared on the accrual basis. The statement of current fund revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period, as would a statement of income or a statement of revenues and expenses.
- c. Accounting and reporting activities for resources are performed within funds established based upon the activities and purposes for which the resources are to be used. A separate group of self-balancing accounts is used for each fund; however, in the accompanying financial statements, funds having similar characteristics and purposes have been combined and reported upon as groups of funds.
- d. Within each group of funds, fund balances restricted by outside sources have been identified. Externally restricted funds may only be utilized in accordance with the restrictions placed upon the resources by the external source. Within the restricted group of funds, revenue is recognized only to the extent that expenditures are made. Resources received in excess or deficiency of expenditures made are recorded as "Excess (Deficiency) of Restricted Receipts Over Transfer to Revenue" in the Statement of Current Fund Revenues, Expenditures and Other Charges.
- e. Plant Fund assets are recorded at acquisition cost or fair value at date of acquisition. Depreciation on these assets is not recorded. When Current Funds are used to finance additions and normal replacement of movable equipment in Plant Fund assets, the acquisition costs are accounted for as expenditures in Current Funds.
- f. Summer session tuition and expenditures are deferred to the subsequent year's operations.
- g. Interest on loans to students is recognized as income when received.



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF JUNE 30, 1987

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- h. The College is an agency of the State of Colorado. A significant portion of the College's operations and activities are funded through state appropriations. Earned revenue in excess of augmenting revenue allocations are transferred to the Consortium of State Colleges.
- i. Recording the liability for compensated absences results in fund balance deficits which will be funded by state appropriations, Federal funds or other funding sources available in future years when the liability is to be paid.

College employees may accrue annual and sick leave based on length of service, but subject to certain limitations on the amount which will be paid upon termination. The estimated cost of compensated absences for which employees are vested is as follows:

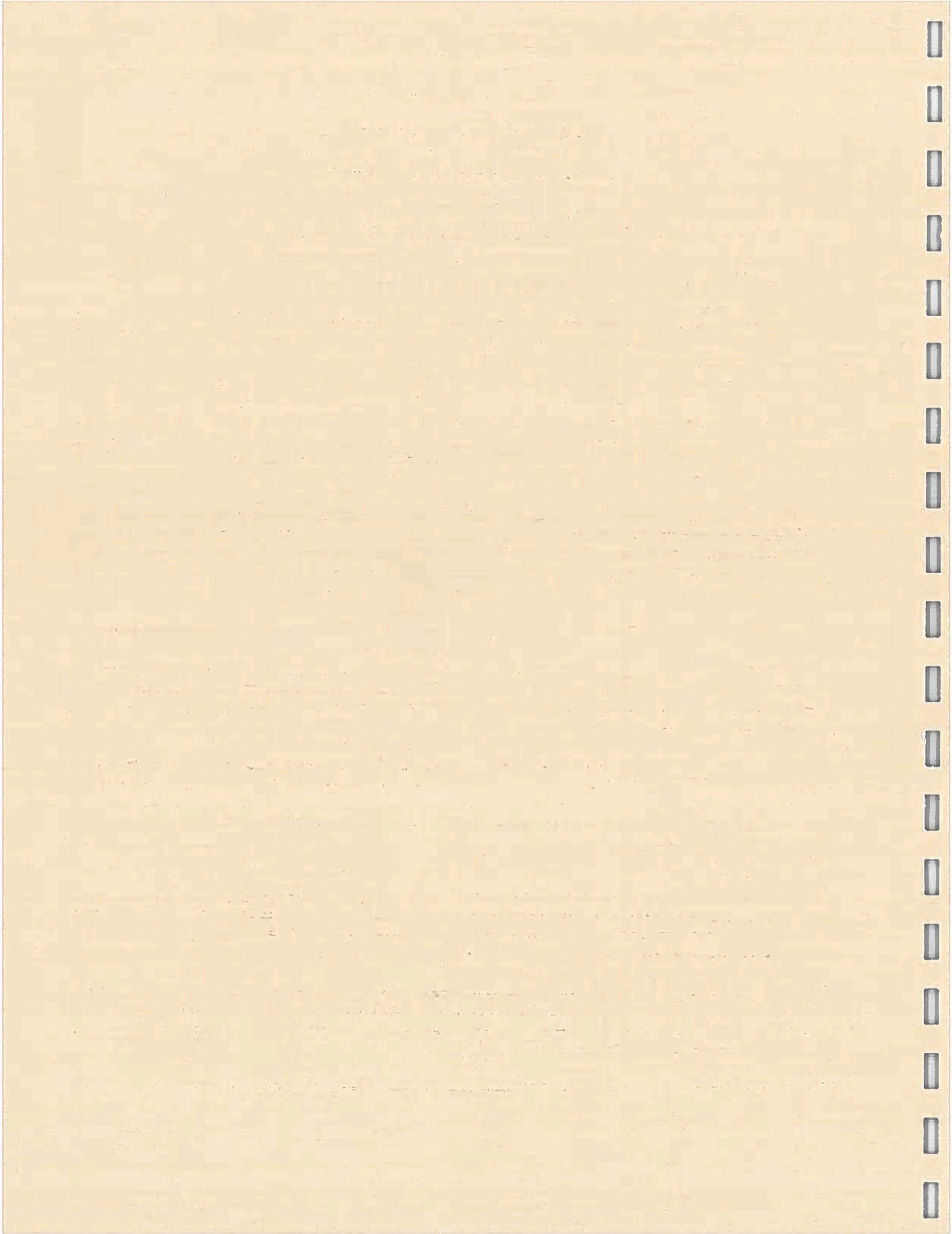
	<u>Annual Leave</u>	<u>Sick Leave</u>	<u>Combined</u>
June 30, 1988	\$681,911	\$36,921	\$718,832
June 30, 1987	\$643,627	\$19,158	\$662,785

- j. Certain June 30, 1987 revenue and expenditures have been reclassified for consistent presentation with June 30, 1988 account balances.

2. PENSION PLAN

The College's principal employee pension plan is the Public Employees' Retirement Association of Colorado (PERA). PERA is a cost-sharing multiple-employer public employee retirement system.

Substantially all full-time employees of the College are covered by PERA. The College's total payroll for the fiscal year ended June 30, 1988, was \$24,480,263; the total payroll of employees covered by PERA was \$20,704,657. Employer and employee obligations to contribute to PERA are established under Colorado State Law; specifically, Title 24, Article 51 of Colorado Revised Statutes (C.R.S.). For the current fiscal year, the employer's contribution to PERA was \$2,110,822, which is 10.2 percent of covered payrolls and \$2,480,570 for June 30, 1987. Contributions by employees were \$1,658,006, which is 8 percent of covered payrolls.



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF JUNE 30, 1987

2. PENSION PLAN (continued)

The College's contribution to PERA for the calendar year ended December 31, 1987, was approximately 0.74 percent of all employer contributions to PERA for the year ended December 31, 1987.

An employee is eligible for full retirement benefits at age 55 with at least 30 years service with the College and other entities covered by PERA, at age 60 with at least 20 years service or at age 65 with at least 5 years service, or by earning 35 or more years of credited service. Reduced retirement benefits are available at age 55 with at least 20 years service or at age 60 with at least 5 years service.

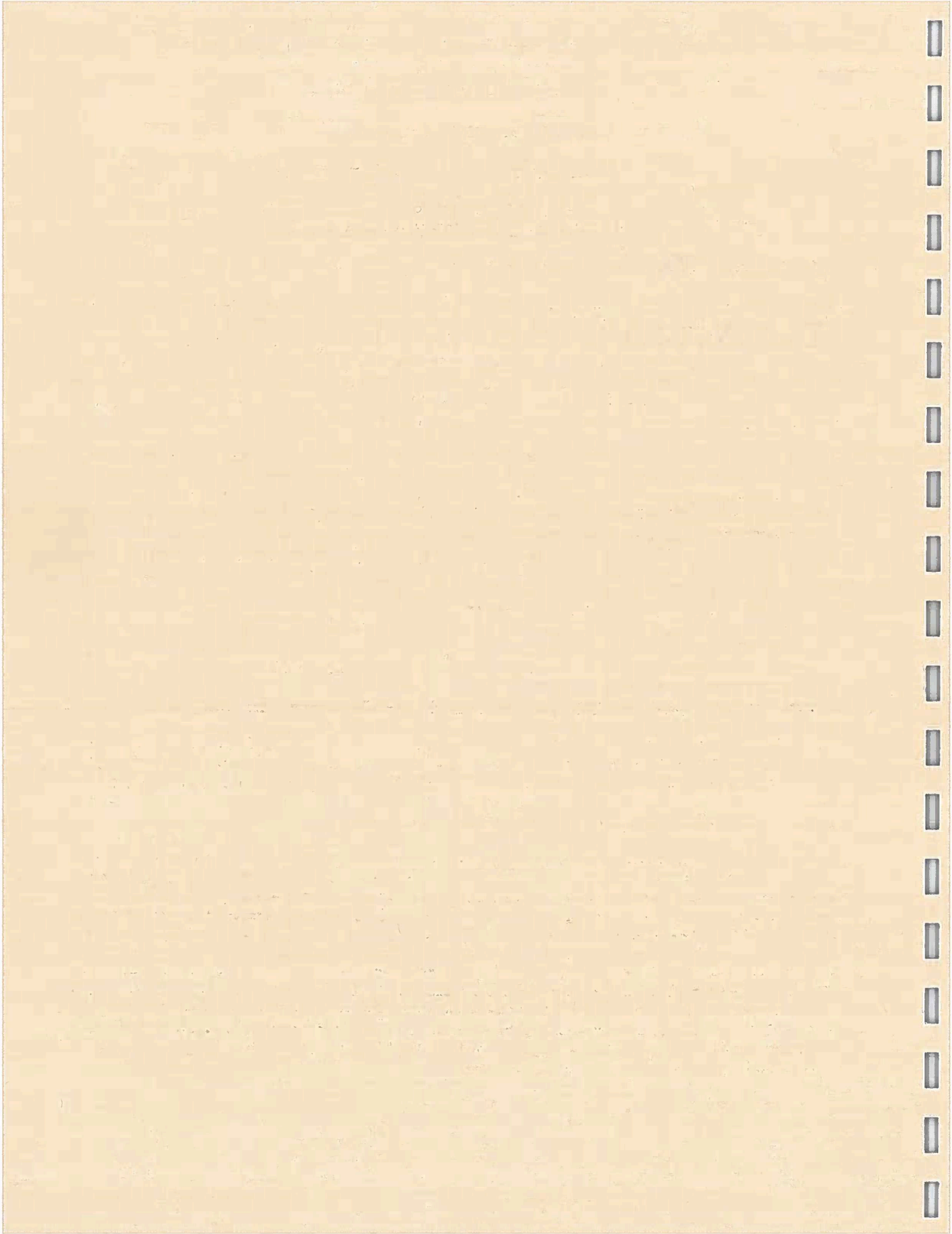
Disability and survivors benefits are also available. There was no change in PERA benefits during the year except that certain employees were given an opportunity to retire early with full benefits. PERA benefits vest after five years service with covered employers. Benefit provisions are established under Colorado state law; specifically, Title 24, Article 51, C.R.S.

During the current fiscal year, there were no changes in benefit provisions (except for the early retirement provision previously mentioned) or in the actuarial funding method. The amortization period for unfunded actuarial accrued liabilities was increased from 16 years to 30 years. The effect of these changes was to reduce the College's contribution to PERA by two percentage points.

The pension benefit obligation, which is the actuarial measure of the present value of credited projected benefits, is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users of the College's financial statements assess PERA's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERA and other pension programs and among employees. As of December 31, 1987, the total pension benefit obligation of the State Division with PERA was \$3,006,776,000. Net assets of the Division were \$2,764,035,000.

The annual report of PERA for the calendar year 1987 provides historical trend information under the heading "Schedule of Funding Progress". This historical trend information shows the progress being made in accumulating sufficient assets to pay benefits when due.

PERA's assets do not include any loans or securities of the College.



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF JUNE 30, 1987

3. CAMPUS SHARED COSTS

The College's portion of Campus Shared Costs for the Auraria Campus where the College is located where as follows:

	<u>Year Ended June 30,</u>	
	<u>1988</u>	<u>1987</u>
Administration of Auraria Higher Education		
Center and Operation and Maintenance of Plant	\$3,968,677	\$3,670,903
Library and Media Center	<u>2,208,819</u>	<u>1,992,906</u>
	<u>\$6,177,496</u>	<u>\$5,663,809</u>

These Campus Shared Costs have been included in the functional expenditure categories of the statements of current funds revenues, expenditures and other changes as follows:

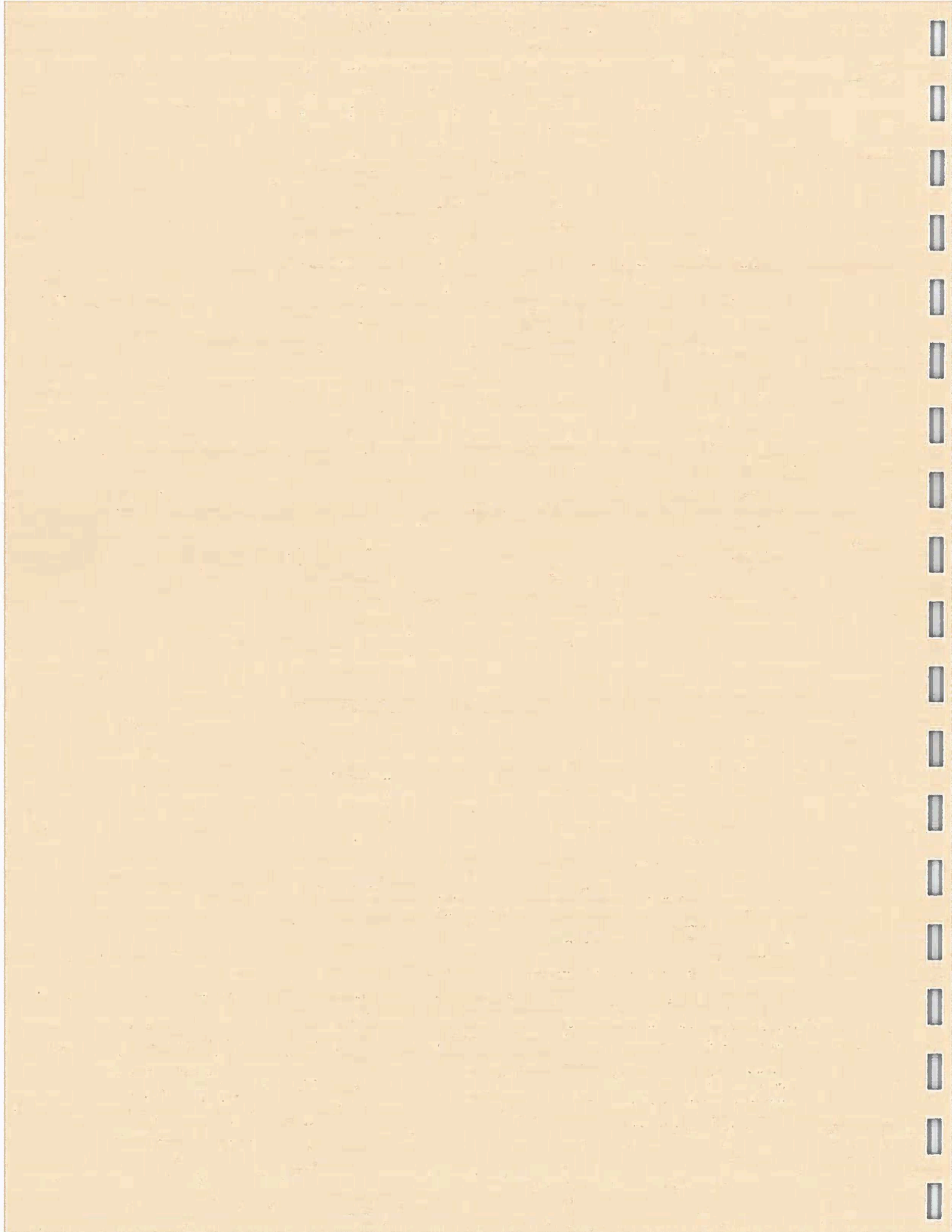
	<u>Year Ended June 30,</u>	
	<u>1988</u>	<u>1987</u>
Operation and Maintenance of Plant	\$3,968,677	\$3,670,903
Academic Support	<u>2,208,819</u>	<u>\$1,992,906</u>
	<u>\$6,177,496</u>	<u>\$5,663,809</u>

4. METROPOLITAN STATE COLLEGE FOUNDATION, INCORPORATED - A RELATED PARTY

Metropolitan State College Foundation, Incorporated (the Foundation) is a not-for-profit corporation formed to promote the welfare, development, growth and well-being of Metropolitan State College. The Foundation engages in activities that may be beyond the scope of the Trustees of the Consortium of State Colleges in Colorado.

During 1987 the Foundation was under the direct control of Metropolitan State College. On July 1, 1987, responsibility for managing Foundation affairs was assumed by a separate Board of Governors. Hence, effective July 1, 1987, the Foundation's financial records have been maintained separately from the College's Financial accounting system.

The audited financial statements of the Foundation for the year ended June 30, 1988 with comparative totals for the year ended June 30, 1987 are summarized on the following page. These financial statements are not combined with the financial statements of the College. These financial statements were examined by other auditors whose reported dated September 3, 1988, expressed an unqualified opinion on those statements.



METROPOLITAN STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF ENDED JUNE 30, 1987

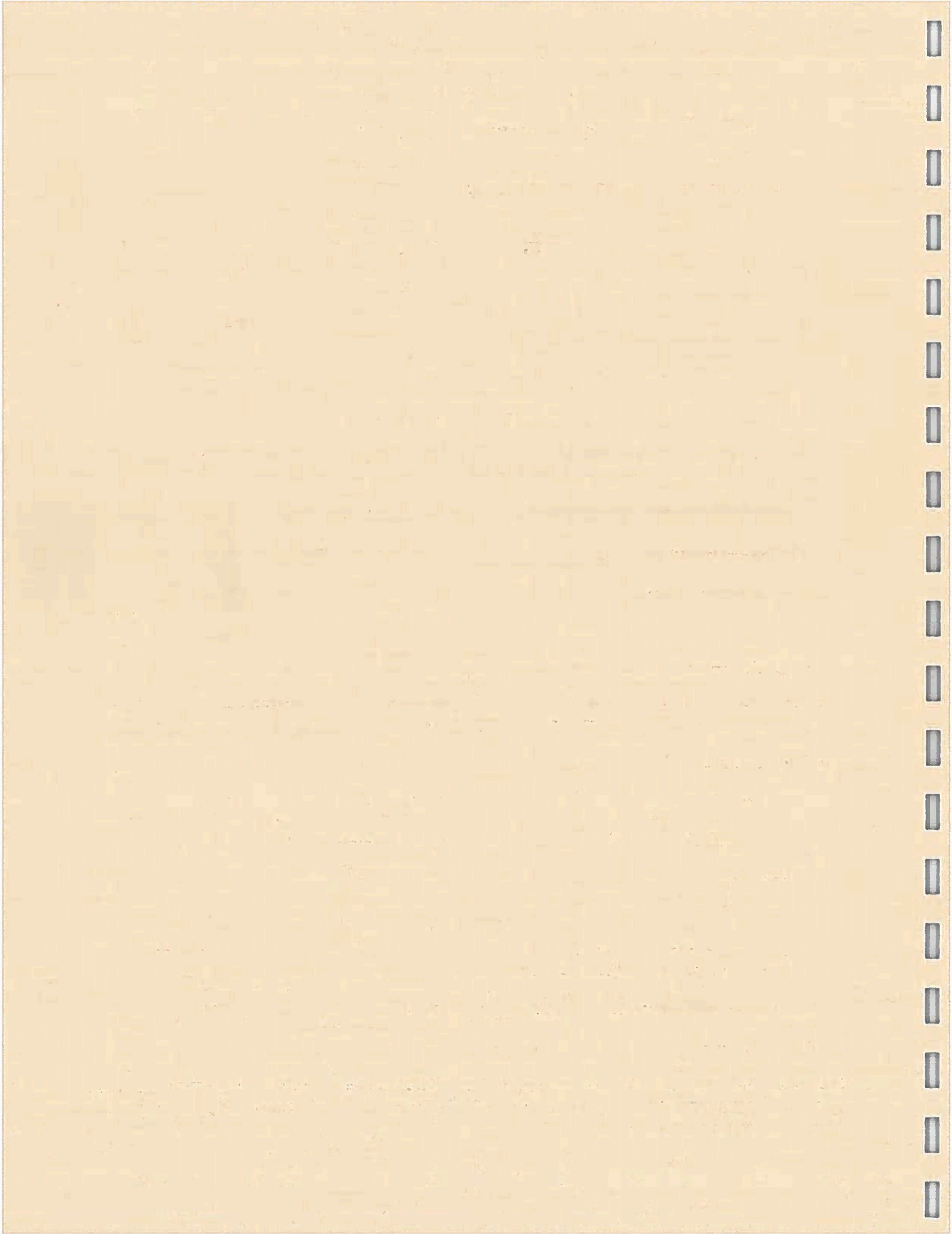
4. METROPOLITAN STATE COLLEGE FOUNDATION, INCORPORATED - A RELATED PARTY
(continued)

BALANCE SHEETS

	1988				1987	
	Unrestricted Fund	Restricted Funds	Endowment Fund	Plant Fund	Combined	Combined
ASSETS						
Cash and temporary cash investments	\$31,953	\$233,431	\$174,770	\$-	\$440,154	\$245,082
Accounts receivable	2,007	-	-	-	2,007	1,571
Interest receivable	3,414	-	-	-	3,414	5,166
Student loans receivable	-	10,083	-	-	10,083	-
Deposits	-	500	-	-	500	500
Equipment, less accum. deprec. - \$3,135	-	-	-	2,736	2,736	4,574
Accumulated depreciation of land, etchings and artifacts	-	-	-	40,312	40,312	24,563
Total Assets	\$37,374	\$244,014	\$174,770	\$43,048	\$499,206	\$281,456
LIABILITIES AND FUND BALANCE						
Accounts payable	\$165	\$3,689	-	-	\$3,854	\$5,242
Due to College and University Presidents	-	1,341	-	-	1,341	-
Deferred revenue	-	238,984	-	-	238,984	274,075
Fund balance						
Endowment	-	-	174,770	-	174,770	-
Land, equipment, etchings and artifacts	-	-	-	43,048	43,048	-
Unrestricted	37,209	-	-	-	37,209	2,139
Total Liabilities and Fund Balance	\$37,374	\$244,014	\$174,770	\$43,048	\$499,206	\$281,456

STATEMENTS OF SUPPORT, REVENUE, FEES, EXPENSES AND FUND BALANCE

	1988				1987	
	Unrestricted Fund	Restricted Funds	Endowment Fund	Plant Fund	Combined	Combined
Support, Revenue, Fees						
Support						
Contributions	\$44,184	\$45,171	-	-	\$89,355	\$-
Donor - Grantor	-	-	-	-	-	126,569
Revenue						
Interest	-	-	-	-	-	15,930
Fees for services	10,272	93,977	-	-	104,249	-
Investment income	9,239	8,477	-	-	17,716	-
Total Support, Revenue and Fees	63,695	147,625	-	-	211,320	142,499
Expenses						
Payment to or for the benefit of Metropolitan State College	9,157	137,894	-	4,574	151,625	-
Management and general	3,233	-	-	686	3,919	-
Fund raising	21,419	-	-	-	21,419	-
General and administrative	-	-	-	-	-	2,187
Administrative overhead allocation	-	-	-	-	-	4,324
Scholarships	-	-	-	-	-	29,653
Other designated fund purpose	-	-	-	-	-	60,131
Total Expenses	33,809	137,894	-	5,260	176,963	96,295
Excess of Support and Revenue Over Expenses Before Capital Additions	29,886	9,731	-	(5,260)	34,357	46,204
Capital Additions						
Contributions	-	-	27,361	-	27,361	-
Contributed land and etchings	-	-	-	15,750	15,750	-
Total Capital Additions	-	-	27,361	15,750	43,111	-



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF ENDED JUNE 30, 1987

4. METROPOLITAN STATE COLLEGE FOUNDATION, INCORPORATED - A RELATED PARTY
(continued)

	1988				1987	
	Unrestricted Fund	Restricted Funds	Endowment Fund	Plant Fund	Combined	Combined
Excess of Support and Revenue Over Expenses After Capital Additions	29,886	9,731	27,361	10,490	77,468	46,204
Transfers						
Equipment acquisition	(3,421)	-	-	3,421	-	-
Operating transfer	8,605	(9,731)	1,126	-	-	-
Total Transfers	5,184	(9,731)	1,126	3,421	-	-
Fund Balance, Beginning of Year	2,139	-	146,283	29,137	177,559	230,010
Fund Balance, End of Year	\$37,209	-	\$174,770	\$43,048	\$255,027	\$276,214

5. CONTINGENT LIABILITIES

Amounts expended under the terms of certain grants and contracts are subject to audit and possible adjustment by governmental agencies.

6. CAPITAL LEASE PAYABLE

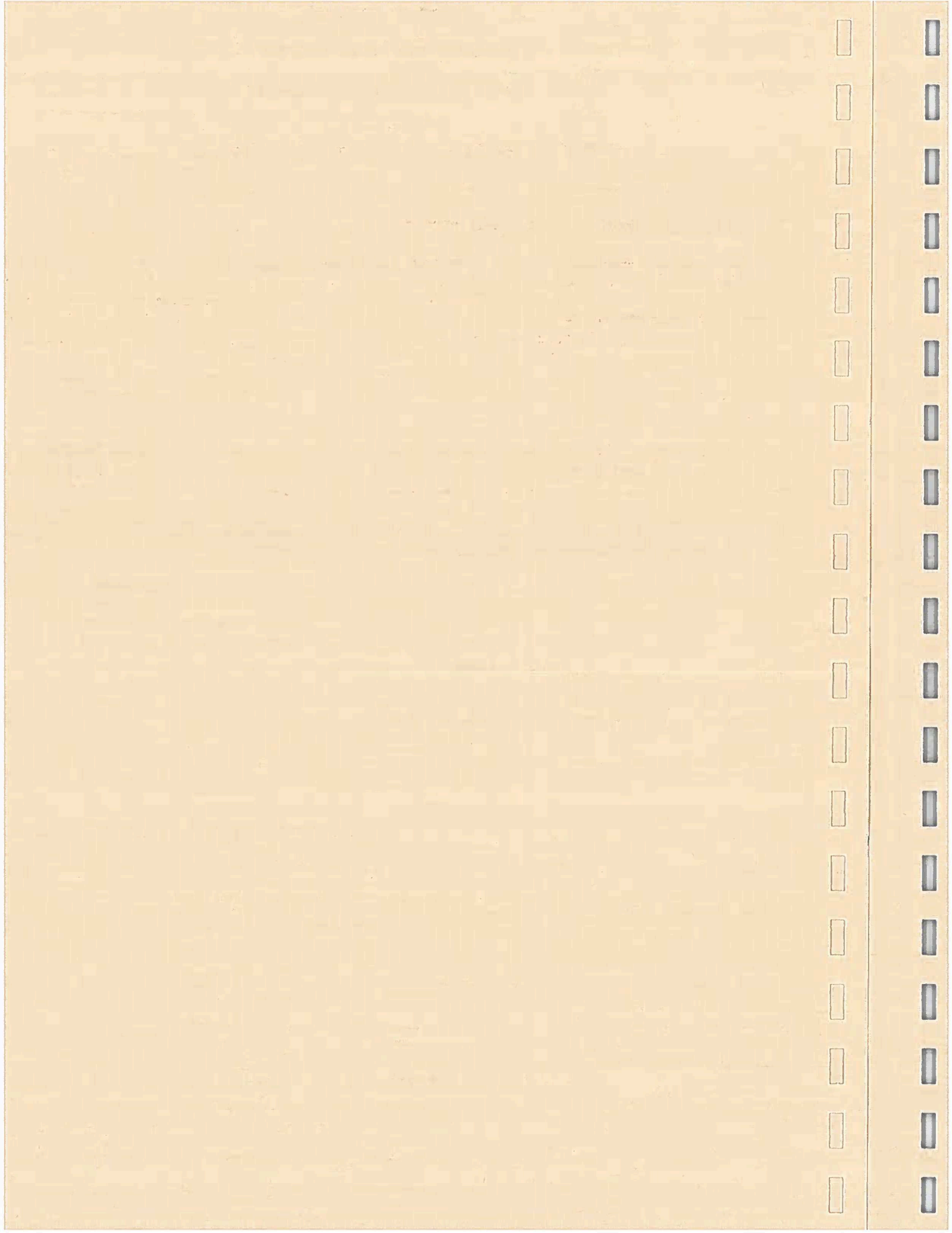
The following is a schedule by year of future minimum lease payments for equipment being acquired under a capital lease, together with the present value of the net minimum lease payments as of June 30, 1988:

Year Ending June 30,

1989	<u>\$175,903</u>
Total minimum lease payments	175,903
Less amount representing interest	<u>13,557</u>
Present value of net minimum lease payments	<u>\$162,346</u>

7. OPERATING LEASES

The College leases equipment under operating lease agreements. Total rental expense for the year ended June 30, 1988, under these agreements was approximately \$194,966.



STATE OF COLORADO

METROPOLITAN STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1988

WITH COMPARATIVE NUMBERS AS OF JUNE 30, 1987

9. DEPOSITS WITH FINANCIAL INSTITUTIONS

At year ended June 30, 1988, the College had \$5,269,734 on deposit with the State Treasurer. Detailed information on the State Treasurer's pooled cash and investments is available from that office. At year end, the carrying amount of the College's deposits were \$325,345 and the bank balance was \$1,831,408. Of this bank balance, \$844,573 was covered by federal depository insurance or by collateral held by the institution's agent in the institution's name, and \$986,835 was covered by collateral held in the pledging institution's trust department in the name of the public deposit pool, as required by the Public Deposit Protection Act.

10. DEFICIT FUND BALANCES

There were no deficit fund balances as of June 30, 1988.

