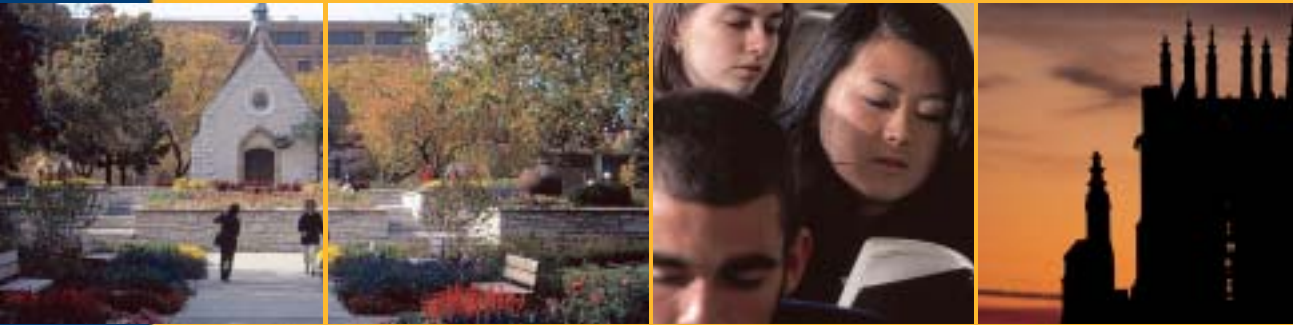


Annual Report 2002

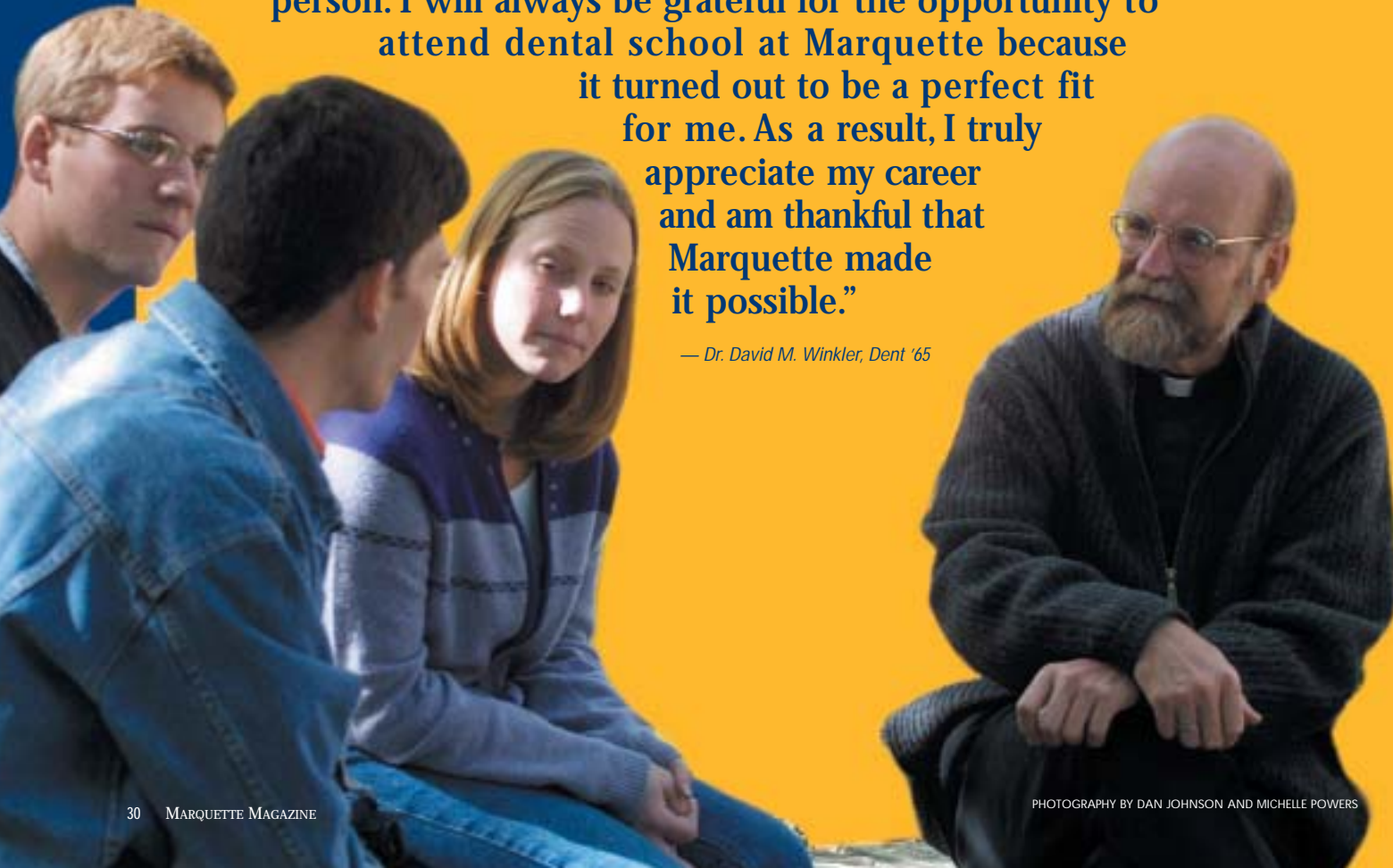
A Marquette education transforms, defines and illuminates the lives of the men and women who come here. They come for an education. ... They leave with the credentials, the values, and the desire to be the difference in the world. This transformational experience is fueled by the generosity of alumni, 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

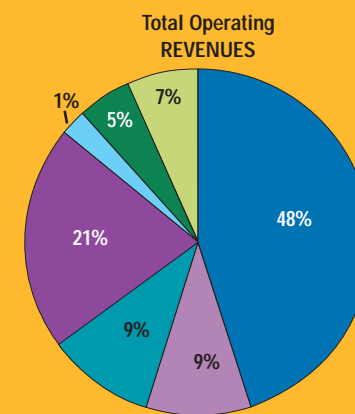
appreciate my career and am thankful that Marquette made it possible.”

— Dr. David M. Winkler, Dent '65

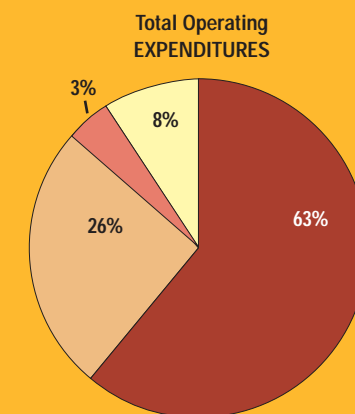


Consolidated Statement of Financial Position As of June 30, 2002 (in thousands)

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>



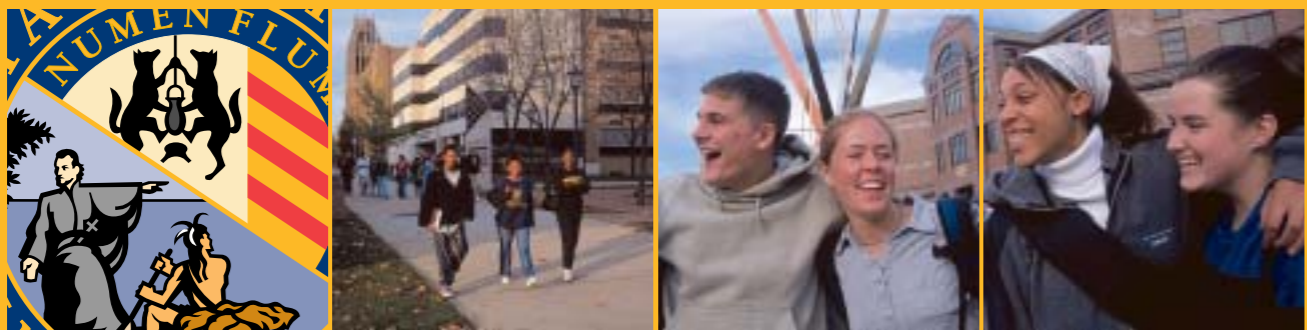
Net Tuition and Fees	\$ 119,217
Room and Board	21,919
Grants	22,504
Contributions	54,081
Investment Income	3,770
Endowment Income	13,968
Other Income	18,814
Total \$	<u>254,273</u>



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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Assistant to the President
Marquette University
- Mr. John C. Lamb**
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Vice President for Finance
Marquette University

† deceased Δ retired

“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

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