

Financial Summary

2003 / 2004



THE UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY

Year in Review

The University continues to maintain a strong financial position at June 30, 2004, with net assets of \$849.4 million. Net assets represent the University's assets less liabilities and indicate the resources available to continue the operations of the University.

As part of its mission, the University is committed to the expansion and renewal of its capital assets through a \$535.0 million capital plan, which addresses certain major projects through 2006 and will enable the University to enhance the quality of its academic and research programs and significantly expand its cancer and ambulatory healthcare facilities.

During 2004, major capital activities were the new Child Health Institute of New Jersey and the expansion of the Cancer Institute of New Jersey in New Brunswick, the new Cancer Center and Ambulatory Care Center on the Newark campus, and additional research space in Piscataway and Stratford.

Management believes that the University has the structure in place to maintain its strong financial position, which will ensure the resources necessary to provide New Jersey's citizens with a world-class education, leading-edge research and the highest quality healthcare.

Financial Summary 2004

Sources and Uses of Revenues

(In thousands)

Sources:	Years ended June 30,	
	2004	2003
Tuition and fees	\$ 50,007	\$ 45,007
Student tuition and fees.		
State appropriations	346,069	350,233
Legislative appropriations from the State of New Jersey for:		
Operations - \$226,962		
Fringe benefits paid by the State - \$104,077		
Capital - \$15,030		
Grants, contracts and gifts	287,616	254,435
Governmental - \$209,725		
Research and educational grants and contracts from federal, state and local governments.		
Private - \$77,891		
Educational training grants and other contracts and gifts from private sources.		
Net patient service revenues	609,085	543,306
Patient and other medical service revenues, net of contractual adjustments and charity care.		
Managed care premiums	–	58,763
Revenues from health maintenance organizations.		
Professional services	136,683	118,274
Fees charged by healthcare providers at faculty practice plans.		
Indirect cost recoveries	42,738	36,893
Recovery of facilities and administrative costs associated with research activities.		
Investment income	13,109	27,771
Income from investments in federal government securities and corporate bonds.		
Other	57,532	60,111
Includes revenues from dental clinics, affiliates, partners and auxiliary services.		
Total sources	\$ 1,542,839	\$ 1,494,793

Financial Summary 2004

Sources and Uses of Revenues (continued)

(In thousands)

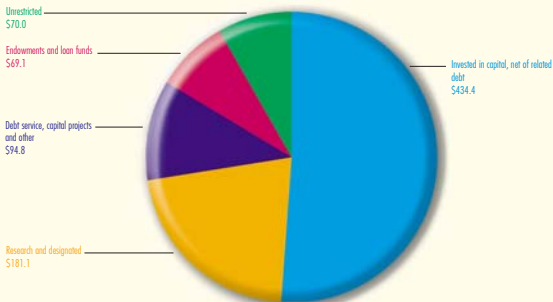
Uses:	Years ended June 30,	
	2004	2003
Instruction	\$ 177,116	\$ 167,240
Academic instruction for credit and non-credit courses.		
Research	173,456	152,504
Activities specifically organized to produce research outcomes, whether commissioned by external agencies or separately budgeted by units within the University.		
Institutional and administrative services support	121,513	110,461
Libraries, academic administration, student services and aid, executive management and institutional support.		
Public service	53,522	52,312
Non-instructional services beneficial to individuals and groups external to the University.		
Patient care services	729,538	637,363
Salaries, benefits, maintenance, supplies, and other expenses for hospital and behavioral healthcare activities.		
Managed care services	–	59,281
Expenses for hospital and medical services for health maintenance organizations.		
Professional services	112,989	100,540
Expenses incurred by healthcare providers at faculty practice plans.		
Operation and maintenance of plant	43,278	38,019
Maintenance and utilities of University facilities.		
Depreciation	68,820	58,397
Expense relating to capital assets.		
Other	78,418	64,736
Includes insurance, interest, auxiliary enterprises and other expenses.		
Total uses	1,556,650	1,440,853
(Decrease) increase in net assets	(13,811)	53,940
Net assets - beginning of year	863,263	809,323
Net assets - end of year	\$ 849,452	\$ 863,263

Financial Summary 2004

Net Assets

(In millions)

Total Net Assets = \$849.4



Net Assets

(In thousands)

As of
June 30, 2004

Invested in capital, net of related debt	\$	434,475
Restricted expendable:		
Research and designated		181,058
Debt service		31,577
Self-insurance reserve		731
Capital projects		62,497
Restricted nonexpendable:		
Endowments		39,837
Loan funds		1,233
Refundable government student loans		28,082
Unrestricted:		
Educational and central support		22,324
Healthcare		18,590
Faculty practice plans		24,135
Other		4,913
Total net assets	\$	849,452

UMDNJ's Educational and Clinical Affiliates

Affiliations with universities, hospitals, medical centers, and healthcare facilities extend the UMDNJ reach significantly. Through arrangements which have been formalized by UMDNJ, our faculty, our physicians, our researchers, our nurses, interns, residents, and our therapists teach, train and offer support in more than 700 organizations as far away as Zhong Shan Hospital in Shanghai, China, and outside our state's borders in New York, New England, Pennsylvania, Kentucky and even Utah. Here, by county, are some of our important affiliates in New Jersey:

Atlantic County

Atlantic City Medical Center
Atlantic Cape Community College
Atlantic County Department
of Human Services
Atlantic Mental Health Center Inc.
Atlantic Rehabilitation Services Inc.
Atlantic Shore Sports Rehabilitation
Bacharach Institute for Rehabilitation
Children's Seashore House
John Cronin Medical Dental Center
Margate Physical Therapy
Mays Landing Special School District
Meadowview Nursing Home
Richard Stockton College of New Jersey
Seabrook House
Shore Area Health Education Center
Shore Memorial Hospital
Ventnor Physical Therapy

Bergen County

Bergen County Community Health Center
Bergen Regional Medical Center
Childbirth Center, P.A.
Community Physical Therapists
Englewood Hospital and Medical Center
Englewood Hospital and Medical
Center School of Nursing
Fairleigh Dickinson University
Felician College
Firmess and Back Institute
Hackensack University Medical Center
Holy Name Hospital
Meadowlands Professional Sports Center
MetPath
New Jersey Veterans Memorial Home
at Paramus
North Jersey Physical Therapy Institute
Pascack Valley Hospital
Ramapo College of New Jersey
Richard Rehabilitation Services
Special Services School District
Multiple Handicap Program
Sports Physical Therapy of Bergen
The Valley Hospital
Wellington Hall Care Facility
West Bergen Mental Health Center

Burlington County

Burlington County College
Deborah Heart and Lung Center
Medford Care Center
New Lisbon Development Center
Physical Therapy Center

Rancocas Hospital
South Jersey Health Systems
Virtua Memorial Hospital
Burlington County
Virtua West Jersey Hospital

Camden County

Camden Area Health Education Center
CamCare Health Care Corp.
Camden Board of Education
Camden County College
Camden County Health Department
Camden County Health Services Center
Cerebral Palsy School of Camden County
Cherry Hill Physical Therapy Association
Cooper Hospital/University
Medical Center
Kennedy Memorial Hospitals-
University Medical Center
Mediplex Rehabilitation Hospital
Our Lady of Lourdes Medical Center
Rutgers University-Camden
South Jersey Physical Therapy Association
Sports Physical Therapists, Southern
Jersey Sports Medicine Center
Voorhees Pediatric Facility
Virtua West Jersey Hospital

Cape May County

Burdette Tomlin Memorial Hospital
Physical Therapy Services
of the Jersey Cape
Shore Area Health Education Center

Cumberland County

Cumberland County Health Department
Garden Area Health Education Center
Newcomb Medical Center
Novacare Sports Therapists
Palm Project
South Jersey Hospital/Bridgton
Sports Physical Therapy Inc.
Vineland Developmental Center/Hospital

Essex County

Aspira
Atlantic Health System/Mountainside
Hospital
Atlantic Health System/Mountainside
Hospital School of Nursing
Bloomfield College
Caldwell College
Catholic Community Services

Cerebral Palsy Treatment School and
Treatment Center of Essex and
West Hudson Counties
Clara Maass Medical Center
Columbus Hospital
East Orange General Hospital
East Orange Nursing Home
Essex County College
Essex County Division of Community
Health
Essex County Geriatric Center
Essex County Planned Parenthood
Focus Hispanic Center for Community
Development Inc.
Irvington General Hospital
Kessler Institute for Rehabilitation
Lung Diagnosis
Manor Care REACH Rehabilitation
Center
Montclair State University
Newark Beth Israel Medical Center
Newark Community Health Centers
Newark Health Department
Newark Health and Extended Care Facility
New Community Extended Care Center
New Jersey Institute of Technology
New Jersey Medical Examiner
New Jersey Vascular Lab Inc.
Planned Parenthood of Metropolitan
New Jersey
Project Live Inc.
Rutgers University College of Arts and
Sciences
Rutgers University College of Nursing
St. Barnabas Medical Center
St. James Church
St. James Hospital
St. Michael's Medical Center
Seton Hall University
Sports Training Physical Therapy
of New Jersey
Summit Ridge
Theresa Grotta Center for Restorative
Services
Turning Point Inc.
United Cerebral Palsy of North Jersey
United Community Corporation
VA New Jersey Healthcare System, East
Orange
Visiting Nurse Association of Essex Valley
West Caldwell Care Center
West Orange Municipal Dental Center

Gloucester County

Camden Area Health Education Center
Cerebral Palsy Treatment Center
Gloucester County College
Gloucester County Educational Services Commission
Gloucester County Institute of Technology
Professional Pulmonary Service
Rowan University
Underwood Memorial Hospital

Hudson County

A. Harry Moore Laboratory School
Bayonne Hospital
Christ Hospital
Health Services of Hudson County
Hudson County Community College
Hudson Physical Therapy
Industrial Strength Fitness
Jersey City Family Health Center
Jersey City Medical Center
Jersey City Public School System
Jewish Home and Hospital for the Aged
New Jersey City University
Saint Peter's College
St. Francis Hospital
St. Mary Hospital
Stevens Institute of Technology
West Hudson Hospital

Hunterdon County

Hunterdon Developmental Center
Hunterdon Medical Center
Hunterdon Physical and Sports Therapy

Mercer County

Capital Health System-Fuld Campus
Capital Health System-Mercer Campus
Delaware Valley Physical Therapy Associates
Greater Trenton Community Mental Health Center
Henry J. Austin Health Center
Morris Hall Health and Rehabilitation Center
North Princeton Developmental Center
Planned Parenthood of Mercer Area
Robert Wood Johnson University Hospital at Hamilton
St. Francis Medical Center
SERV Centers of New Jersey Inc.
The College of New Jersey
Thomas Edison State College
Trenton Psychiatric Hospital
University Medical Center at Princeton

Middlesex County

Cerebral Palsy Treatment Center
Edison Medical Group
Frances E. Parker Memorial Home
Intercare Health Systems Inc.
John F. Kennedy Medical Center
Middlesex County College
Middlesex County Department of Health

Middlesex County Office on Aging
Physical Therapy Sports Rehab at Woodbridge
Raritan Bay Medical Center
Raritan Valley Physical Therapy Associates
Robert Wood Johnson University Hospital
Roosevelt Hospital
Rutgers University
St. John of God Clinic
St. Peter's University Hospital
Willetes Health Center
Woodbridge Developmental Center

Monmouth County

Atlantic Rehabilitation Services
Bayshore Community Hospital
Brookdale Community College
CentraState Medical Center
CPC Human Services Inc.
Institute of Human Exercise and Athletic Rehabilitation
Jersey Shore University Medical Center
Marlboro Physical Therapy
Monmouth Medical Center
Monmouth University
Riverview Medical Center
Riverview Rehabilitation Center
SOAR Physical Therapy
United Cerebral Palsy of Ocean and Monmouth Counties
Visiting Nurse Association of Central Jersey

Morris County

Atlantic Health System/Morristown Memorial Hospital
Chilton Memorial Hospital
College of St. Elizabeth
Drew University
Early Childhood Enrichment Program
Greystone Park Psychiatric Hospital
Morris County Society for Crippled Children and Adults
Morristown Sports Medicine Center
Northern Hills Physical Therapy
Saint Clare's Hospital/Dover/Denville
Optimum Physical Therapy
Welkind Rehabilitation Hospital

Ocean County

Center State Renal Dialysis Center
Garden State Rehabilitation Hospital
Georgian Court College
Kimball Medical Center
Medical Center of Ocean County at Brick
Preferred Behavioral Health of New Jersey
Shore Area Health Education Center
SOAR Physical Therapy
Southern Ocean County Hospital

Passaic County

Atlantic Health System/General Hospital Center at Passaic
Barnert Hospital
County Manor

Daughters of Miriam Center for the Aged
Health Services of Passaic County
Northern Counties Institute for Physical Therapy
North Jersey Developmental Center
Passaic County Elks Physical Therapy Center
Passaic County Planned Parenthood
St. Joseph's Regional Medical Center
St. Mary's Hospital
Suburban Physical Therapy
Visiting Health Services for Passaic County
Wayne Physical Therapy
William Paterson University

Salem County

Cerebral Palsy Treatment Center
Garden Area Health Education Center

Somerset County

Carrier Foundation
Matheny School and Hospital
Pediatric Workshop
Raritan Valley Community College
Somerset County Office on Aging
Somerset Medical Center
Spine and Orthopedic Physical Therapy Center
VA New Jersey Healthcare System, Lyons Campus

Sussex County

Newton Memorial Hospital
St. Clare's Hospital - Sussex

Union County

Atlantic Health System/Overlook Hospital
Bridgeway House
Cerebral Palsy Center of Union County
Children's Specialized Hospital
Elizabeth General Medical Center
Kean University
MedBridge
Muhlenberg Regional Medical Center
Plainfield Neighborhood Health Services Corp.
Pleasantview Manor
Rahway Hospital
Runnells Specialized Hospital
Trinitas Hospital
Twin Boro Physical Therapy Associates
Union County College
Union Hospital
Union Physical Therapy Center

Warren County

Children's Center for Therapy and Learning
Hackettstown Community Hospital
Warren Hospital