leaders of tomorrow.
2002-2003 Governing Board

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Letter from the Chair

I am deeply honored to report a year of outstanding achievements by the Hispanic Association of Colleges and Universities. HACU in 2002 set new records in membership growth, new partnerships and international outreach that will substantially benefit the nation’s Hispanic higher education community in the years ahead. HACU’s membership now represents 340 member and partner colleges and universities located in 25 states, Puerto Rico, eight Latin American countries and in Spain.

On the public policy front, HACU in 2002 laid a strong foundation to address critical issues before Congress in 2003 that will determine future federal spending policies for every U.S. higher education institution for the next five years. An unprecedented series of proactive HACU forums, surveys and research initiatives provided the framework to present a compelling case for enhanced Hispanic higher education support when Congress in 2003 begins addressing the five-year reauthorization of both the Higher Education Act and the Workforce Investment Act.

HACU member and partner institutions already will benefit in 2003 from record new increases in federal spending won by HACU and its allies in areas ranging from new general infrastructure support for Hispanic-Serving Institutions (HSIs) under Title V of the Higher Education Act to individual increases in federal agency appropriations earmarked for Hispanic higher education.

HACU also won record increases in corporate and philanthropic support, allowing HACU to accelerate efforts to offer our membership new scholarship programs, advanced technology infrastructure support, information-sharing networks, new faculty development and research opportunities, and greatly expanded pre-collegiate and workforce development outreach.

HACU, as a partner in the Alliance for Equity in Higher Education, a united voice for all Minority-Serving Institutions, welcomed a new $6 million grant from the W.K. Kellogg Foundation to fund an Alliance initiative that will increase the diversity of the country’s higher education senior administrators.

HACU and Freddie Mac, the quasi-government homeownership agency, in 2002 jointly announced a new initiative to promote financial literacy to the nation’s youngest and largest ethnic population. The U.S. Coast Guard for the first time in its history assigned a Coast Guard officer to a non-profit association in appointing Coast Guard Captain Adolfo D. Ramirez as Liaison Officer to HACU.

HACU’s achievements in 2002 represent a new milestone in the history of an organization that began as the nation’s only voice for those colleges and universities serving the largest concentrations of Hispanic higher education students. Today, HACU leads in advocacy and support of the pre-collegiate, college and career development needs of every Hispanic American.

To our partners, supporters and staff, the HACU Governing Board owes its continuing gratitude. The dedication of so many outstanding individuals and organizations to HACU’s mission is an inspiration for all champions of Hispanic higher education access, equity and success.

I am confident that together we will work to shape a future filled with promise and genuine opportunity for all students who enroll in HACU colleges and universities.

Sincerely,

Salme Harju Steinberg
Chair, HACU Governing Board
President, Northeastern Illinois University
HACU is deeply grateful to its members, partners, and supporters for a stellar 2002 year in advancing Hispanic higher education excellence and success. We have many new members and partnerships to celebrate, which surely will contribute to record new achievements in 2003 for the only nationally and internationally organized voice for Hispanic higher education.

HACU in 2002 welcomed 41 new member and partner higher education institutions that share our commitment to diversity and the higher education success of the nation’s youngest and largest ethnic population. HACU now represents more than 340 member and partner colleges and universities serving the largest concentrations of Hispanic higher education students in the United States. Three of every four of the 1.6 million Hispanics in college attend a HACU-member institution. HACU-member campuses enroll more than 4.6 million students from all walks of life across the nation.

Since HACU established its Government Relations Office in Washington, D.C., just a decade ago, federal recognition and funding for Hispanic-Serving Institutions (HSIs) has increased from zero in 1992 to hundreds of millions of dollars in general and targeted federal support each year for HSIs. In 2002, HACU celebrated yet another year of record new appropriations and federal program support for our member and partner institutions.

HACU was at the forefront of every national and international platform to promote crucial new investments in Hispanic higher education, diversity, technology, workforce development, pre-collegiate and lifelong learning initiatives, and a new era of multicultural cooperation, collaboration and understanding in this global economy.

The HACU National Internship Program for the second year in a row topped the 600-mark in student participation. Since its inception in 1992, the nation’s largest Hispanic college internship program has provided paid internships to more than 4,000 students.

HACU in 2002 celebrated new and long-term partnerships with some of the nation’s most highly regarded corporations, government affairs, philanthropic foundations, and allied national associations. HACU also administered an exemplary series of sponsored student scholarship programs.

HACU attracted record attendance and unprecedented public attention to its 16th Annual Conference in Denver, Colorado, the HACU National Internship Program’s 10th Anniversary Gala in the nation’s capital, and the 2002 National Capitol Forum on Hispanic Higher Education also in Washington, D.C.

HACU welcomed a wealth of new expertise and leadership into its family. Nationally renowned higher education leader John Moder became HACU’s new Vice President and Chief Operating Officer and veteran public policy advocate Luis Maldonado became HACU’s new Executive Director of Legislative Affairs, among other distinguished new staff.

HACU’s extraordinary achievements would not have been possible without the inspiring dedication and invaluable contributions of our Governing Board, Corporate and Philanthropic Council, staff, members, partners, sponsors and supporters. To all, I offer my profound gratitude, respect, and continuing admiration.

Cordially,

Antonio R. Flores
President and CEO
Year 2002 marked another record year for HACU membership growth. HACU welcomed 41 new member institutions that share HACU’s mission to champion Hispanic success in higher education – a 7 percent increase over the previous year. By year’s end, HACU had 340 Member and Partner colleges and universities located in 25 states, Puerto Rico, eight Latin American countries and in Spain.

A new category of affiliation with HACU was created, the Faculty and Staff Caucus, to increase HACU’s outreach to its member institutions. Faculty and staff at member institutions who were interested in Hispanic issues in higher education, professional development and research proposal development were encouraged to join. The inaugural year of the Caucus ended with 59 faculty and staff members.

The Office of Membership Services also awarded 111 scholarships to students attending 58 HACU Member and Partner institutions. These scholarships were made possible due to generous contributions from the Bureau of Land Management, Coors Brewing Company, Fannie Mae, General Motors, NASCAR, Wal-Mart, the Universidad Autónoma de Guadalajara and HACU.

Hispanic-Serving Institution (HSI) Members

An HSI Member of HACU is a dues-paid, non-profit, accredited college, university or system, where Hispanic students constitute a minimum of 25 percent of the total enrollment, including full-time and part-time students, whether at the undergraduate or graduate level, or both. In 2002, there were 189 HACU member HSIs located in 11 states and Puerto Rico.

Associate Members

An Associate Member of HACU is a dues-paid, non-profit, accredited college, university or system, where Hispanic students constitute at least ten percent of the total enrollment or where a minimum of 1,000 Hispanic students are enrolled, including full-time and part-time students, whether at the undergraduate or graduate level, or both. In 2002, there were 97 HACU Associate Members located in 17 states.

International Members

An International Member of HACU is a dues-paid institution of higher education abroad that documents that it is a legally constituted entity authorized to operate in its country according to the rules and regulations required by its government. In 2002, there were 33 HACU International Members in eight countries in Latin America and in Spain.

Partner Institutions

A Partner Institution of HACU is a non-profit, accredited, degree-granting institution that is committed to increasing Hispanic success in higher education, but does not meet HACU’s membership eligibility requirements. In 2002, there were 21 HACU Partner Institutions located in 15 states.
HACU’s conferences and special events each year provide a vital platform for advocacy, information, collaboration and recognition. Conferences and special events hosted by HACU in 2002 attracted record attendance and unprecedented national attention to HACU’s mission to champion Hispanic higher education access, equity and success. HACU’s 2002 National Capitol Forum on Higher Education proved a powerful platform to promote HACU’s Legislative Agenda and related initiatives to Congress and the country. Distinguished speakers included leaders from the House, Senate, key federal agencies and the White House. Capitol Forum sponsors included AT&T, the Educational Testing Service (ETS), Miller Brewing Company, Ford Motor Company, Phillip Morris and Coca-Cola.

More than 1,000 education, community, corporate, philanthropic and student leaders and policy makers gathered in Denver, Colorado, in October 2002 to address the latest trends and issues in education, public policy, technology, economics and demographics at HACU’s 16th Annual Conference, “Hispanic Empowerment: America’s Key To Prosperity.” A stellar roster of speakers from academic, public and private sector ranks were featured. More than 30 corporate and federal sponsors provided support for HACU’s 16th Annual Conference. HACU member colleges and universities, and federal and corporate partners of the HACU National Internship Program, also sponsored a record new number of Student Ambassadors in 2002 attending the annual conference.

Recognition is an integral component of HACU conferences and events. Recipients of special recognition and awards in 2002 included: Eastman Kodak, Ford Motor Company, the U.S. Department of Health and Human Services, Congressman Robert Menendez of New Jersey, the University of Texas Health Science Center at San Antonio, the Congressional Hispanic Caucus and the Senate Hispanic-Serving Institutions Coalition. The P. Gus Cardenas Award for Exemplary Leadership in 2002 honored Raul Yzaguirre, president of the National Council of La Raza.

The Office of Conferences and Special Events ended 2002 with preparations already under way for an outstanding series of 2003 events: HACU’s 2003 National Capitol Forum in Washington, D.C., HACU’s 5th International Conference in Guadalajara, Jalisco, Mexico, and HACU’s 17th Annual Conference in Anaheim, California.
DHHS/HACU Professions Capacity Building Project
The ongoing DHHS/HACU Professions Capacity Building Project is a cooperative endeavor between HACU and the U.S. Department of Health and Human Services (DHHS) directed at increasing the capacity of HSIs and selected faculty to participate in public and private sector research activities.

SBC Foundation
The SBC Foundation granted HACU $10,000 to enhance its efforts to utilize technology to develop databases of HSI faculty, staff, degree information, and student organizations to more effectively serve HACU members and partner colleges and universities.

Shell Oil Company
Shell Oil Company granted HACU $25,000 for development of the Proyecto Science pre-collegiate model program for science, technology, engineering, and mathematics education.

EPA Faculty Development Projects
HACU is a partner with the Environmental Protection Agency (EPA) in projects that will recruit faculty from HSIs for summer research opportunities at laboratories of the EPA Office of Research Development.

Ford Motor Company and USAA
The Ford Motor Company awarded $25,000 to HACU to continue development of an Early Awareness program to increase awareness in the Hispanic community of the importance of earning a college degree, and to provide information on financial aid opportunities and early preparation for college. The USAA Insurance Company granted HACU $10,000 for the Early Awareness program.

DHHS Center for Medicare and Medicaid Services
The Center for Medicare and Medicaid Services of the U.S. Department of Health and Human Services (DHHS) granted HACU $65,000 to develop an outreach and training program with the University of Texas Health Science Center at San Antonio as part of the national Outreach to Underserved and Rural Communities (OTURC) program.

DHHS Network of Minority Investigators
As a member of the Ad Hoc Task Force of the Network of Minority Investigators of the National Institute of Diabetes, Digestive and Kidney Diseases (NIDDK) of the National Institutes of Health, HACU is assisting to identify minority research investigators and to promote career development opportunities in NIDDK fields.

Hispanic Serving Institutions

NEW YORK (12)
Borough of Manhattan Community College, City University of New York
Bronx Community College, City University of New York
Brooklyn College, City University of New York
City College, City University of New York
City College at Aeronautics
College of Mount Saint Vincent
Eugenia Maria de Hostos Community College, City University of New York
Herbert H. Lehman College, City University of New York
John Jay College of Criminal Justice, City University of New York
La Guardia Community College
Mercy College
New York City Technical College, City University of New York
Puerto Rico (28)
American University of Puerto Rico
Bayamón Central University
Conservatory of Music of Puerto Rico
Escuela de Artes Plásticas de Puerto Rico
Inter American University of Puerto Rico
Arecibo Campus
Inter American University of Puerto Rico, Central Office
Inter American University of Puerto Rico, Guayama Campus
Inter American University of Puerto Rico, Ponce Campus
Inter American University of Puerto Rico, San German Campus
Pontifical Catholic University of Puerto Rico, Ponce Campus
Sistema Universitario Ana G. Méndez, Central Administration
Technological College of San Juan
Universidad Adventista de las Antillas
Universidad Central del Caribe
Universidad del Este
Universidad del Turabo
Universidad Metropolitana
Universidad Politécnica de Puerto Rico
Hato Rey
University of Puerto Rico, Aguadilla Campus
University of Puerto Rico, Arecibo
University of Puerto Rico, Arecibo
University of Puerto Rico, Arecibo
University of Puerto Rico, Bayamón
University of Puerto Rico, Cayey
University of Puerto Rico, Central Administration
University of Puerto Rico, Humacao University College
University of Puerto Rico, Mayagüez Campus
University of Puerto Rico, Rio Piedras Campus
University of Puerto Rico at Utuado
University of the Sacred Heart
TEXAS (34)
Alamo Community College District
Coastal Bend College
Del Mar College
El Paso Community College
Houston Community College System
Howard College
Laredo Community College
Midland College
Mountain View College
Our Lady of the Lake University
Palo Alto College
The Office of Information Technology Initiatives (OITI) provides technological assistance to Hispanic-Serving Institutions (HSIs) to enhance their capacity in information technology. OITI promotes, educates, assists and facilitates the use of information technology for teaching, learning, research and administration at member higher education institutions through a series of cutting-edge partnerships and initiatives.

Advanced Networking with Minority-Serving Institutions (AN-MSI)

With funding from the National Science Foundation (NSF), HACU is a partner with EDUCAUSE to assist HSIs and other Minority-Serving Institutions (MSIs) develop effective IT campus infrastructures and become full participants in the “Information Age.” The AN-MSI project offered its services to all HSIs in 2002.

The Verizon Hispanic Virtual Learning Marketspace (HVLM)

With a $250,000 grant from the Verizon Foundation, HACU is establishing new collaborations to expand its championship of Hispanic success in higher education to the Net, and broaden the reach of online education and student support technologies to Hispanic higher education communities through the HACU Virtual Learning Marketspace.

The HACU/IBM Partnership

The HACU/IBM partnership is addressing efforts to close the “digital divide” between minority and non-minority populations in the United States. IBM Corporation is providing computers at special prices to HACU’s membership, and donated computer equipment to HACU to enhance HACU’s internal infrastructure. HACU and IBM also are working with the Hispanic Educational Telecommunications System (HETS) to evaluate an e-Mentoring program for Hispanic college students nationwide.

National Information Center for Hispanic Education (NICHE)

With a planning grant from the W.K. Kellogg Foundation, HACU developed a prototype for an Internet-based National Information Center for Hispanic Education (NICHE). The goal is to create a central web portal for comprehensive information regarding Hispanics and education.

HACU/PricewaterhouseCoopers eArmyU Initiative

HACU is working with PricewaterhouseCoopers (PwC) Consulting on a major technology initiative to provide on-line college degrees to thousands of U.S. soldiers stationed at worldwide locations.

HACU and Microsoft

Global software giant Microsoft continues to support HACU’s efforts to assist HSIs to enhance their technology and capability.

The HACU/ETS Collaboration

As part of the HACU/ETS (Educational Testing Service) partnership, HACU is partnering with the newly formed Educational Policy Leadership Institute.

The HACU/Academic Systems Collaboration

HACU and Academic Systems (AS), the leading provider of developmental software in mathematics and English for under-prepared college students, signed a Memorandum of Understanding to promote efforts to assist students in their striving to achieve academic success.

Office of Information Technology Initiatives

San Antonio College
San Jacinto College Central
San Jacinto College, North Campus
South Texas Community College
Southwest Texas Junior College
St. Edward’s University
St. Mary’s University
St. Philip’s College
 Sul Ross State University
Texas A&M International University
Texas A&M University, Corpus Christi
Texas A&M University, Kingsville
Texas State Technical College, Harlingen
University of Houston, Downtown
University of the Incarnate Word
University of St. Thomas
The University of Texas at Brownsville and Texas Southmost College
University of Texas at El Paso
University of Texas Health Science Center at San Antonio
University of Texas, Pan American
University of Texas of the Permian Basin
University of Texas at San Antonio
Victoria College

WASHINGTON (2)
Columbia Basin College (N)
Heritage College

(N) HACU HSI member on notice
The HACU National Internship Program

Each year, the HACU National Internship Program (HNIP) provides paid internships to top college students during spring, summer and fall sessions at federal agencies and private corporations in Washington, D.C., and throughout the country. These 10-week and 15-week internships allow college students to experience the diversity of federal and corporate careers, enabling students to make more informed career choices.

In 2002, HNIP celebrated several major milestones. It commemorated its 10th anniversary, and topped the 4,000-mark in student participation since 1992. Congress also recognized this accomplishment with a formal statement and inserted it into the permanent Congressional Record. A report on the first, formal assessment of HNIP was released in 2002, showing a 94.1 percent success rate in helping students make more informed career decisions. The independently researched report, which was widely publicized nationwide, labeled HNIP an “enviable” recruitment tool.

HNIP in 2002 also launched a new web page (www.hnip.net) featuring a new on-line application system that allows HNIP to directly match on-line each student’s skills, background and career goals with the specific needs of participating federal agencies and corporations. Internships have led to permanent employment opportunities for many students.

HNIP welcomed 611 student participants in 2002 who served as interns at offices of 21 federal agencies and four private corporations at locations nationwide. The average grade point average (GPA) of interns in 2002 was 3.3. HNIP also continued its outreach in over 200 visits to HACU member colleges and universities throughout the country in 2002 to expand the pool of top student applicants.

HNIP federal agency partners in 2002 were: the Central Intelligence Agency, Environmental Protection Agency, Office of Personnel Management, Pension Benefit Guaranty Corporation, Federal Deposit Insurance Corporation, Federal Reserve Board, National Science Foundation, Library of Congress, International Broadcasting Bureau, and Departments of Agriculture, Commerce, Defense, Energy, Justice, Health and Human Services, Interior, Labor, State, Transportation, Treasury and Veterans Affairs. Corporate HNIP Program partners were the Burlington Northern Santa Fe Railroad, Freddie Mac, Farm Credit Administration and Marriott.

These outstanding developments in 2002 laid the groundwork for a program that in coming years will continue to be on the cutting edge of “Abriendo Puertas de Oportunidad” for the next generation of Latino professionals and leaders.

Associate Members

ARIZONA (6)
Arizona State University
Gateway Community College
Glendale Community College
Maricopa County Community College District
Northern Arizona University
University of Arizona System

CALIFORNIA (27)
California Polytechnic State University,
San Luis Obispo
California State Polytechnic University,
Pomona
California State University System Office
California State University, Chico
California State University, Hayward
California State University, Sacramento
California State University, San Marcos
Charles R. Drew University of Medicine and Science
City College of San Francisco, Phelan Campus
Crafton Hills College
Fresno Pacific University
Grossmont College
Los Angeles Community College District,
West Los Angeles College
 Loyola Marymount University
National University
San Diego State University
San Francisco State University
San Jose State University
Southwestern University School of Law
University of California, Irvine
University of California, Los Angeles
University of California, Riverside
University of California, San Diego
University of California, Santa Barbara
University of California, Santa Cruz
University of San Diego
Whittier College

COLORADO (3)
Aims Community College
Colorado State University
Metropolitan State College of Denver

CONNECTICUT (1)
Gateway Community College, Long Wharf

FLORIDA (8)
Broward Community College, District Administrative Offices
Florida Atlantic University
Hillsborough Community College
Nova Southeastern University
University of Central Florida
University of Florida
University of South Florida
Valencia Community College District

ILLINOIS (6)
College of DuPage
Columbia College Chicago, Urban Harold Washington College,
City Colleges of Chicago
Robert Morris College
Saint Xavier University
University of Illinois, Urbana-Champaign

MARYLAND (1)
Montgomery College,
Central Administration

MASSACHUSETTS (1)
Northern Essex Community College
The Office of Government Relations in 2002, with support from HACU’s membership and allies, won record new federal funding and program support for HACU member and partner colleges and universities for federal Fiscal Year (FY) 2003. New public and private sector partnerships formed in 2002 will translate into additional funding opportunities and support for Hispanic higher education in the year ahead. During 2002, the HACU Government Relations Office was in daily contact with key members of Congress, the White House and the leadership of allied education and minority rights associations. HACU also laid the groundwork for presenting an agenda in 2003 to Congress that will represent the best interests of Hispanic-Serving Institutions (HSIs) on three critical fronts: the federal Fiscal Year (FY) 2004 budget, reauthorization of the Workforce Investment Act and reauthorization of the Higher Education Act (HEA).

HEA reauthorization will determine federal spending policies for all higher education institutions for the next five-years. To best meet the needs of HACU’s membership, the Office of Government Relations headed an unprecedented series of HEA information-gathering forums throughout 2002. The Office of Government Relations also hosted the 2002 Capitol Forum, which attracted record attendance and national attention to the HEA and Hispanic higher education needs.

HACU and its allies in 2002 won passage of the Border Commuter Student Act. HACU received high marks for completion in 2002 of the highly successful three-year HACU/Army Faculty/Student Fellowship Program administered by the Office of Government Relations.

The Office of Government Relations welcomed the appointment in 2002 of veteran government affairs advocate Luis Maldonado as Executive Director of Legislative Affairs. Increased outreach in 2002 regularly apprised HACU’s membership of pending legislation, and grant and research opportunities via HACU Action Alerts, bulletins, letters and an enhanced on-line Capitol Connections page at www.hacu.net.

HACU maintains more than 30 Memorandums of Understanding (MOUs) and Partnership Agreements with federal agencies, corporations and allied organizations. New MOUs signed in 2002 led to the first assignment of a U.S. Coast Guard officer as liaison to a nonprofit association, and to the appointment of a new HACU program manager for the HACU/Freddie Mac financial literacy initiative CreditSmart Español. HACU in 2002 also became partners with the Alliance for Equity in Higher Education in a four-year, $6 million project funded by the W.K. Kellogg Foundation that will mentor the next generation of leaders at HSIs and other Minority-Serving Institutions.

Since HACU opened its Office of Government Relations in Washington, D.C., a decade ago, targeted federal support for Hispanic higher education has increased from a non-funded category in 1992 to hundreds of millions of dollars in general and targeted support for HSIs. HACU ended 2002 with proactive strategies in place to win continuing federal spending increases and support for Hispanic higher education in the next decade ahead.
The Office of Development attracted record new support from the nation’s leading corporate, government and philanthropic sectors in 2002 in support of HACU and Hispanic higher education success. Contributions increased 14 percent overall from the previous year.

Major supporters included: American Express, AT&T, Coors Brewing Company, Freddie Mac, the Verizon Foundation, Ford Motor Company, Walmart, DaimlerChrysler, the Educational Testing Service (ETS), Northrop Grumman, Shell Oil Company and the University of Colorado System.

New partners for 2002 included: AOL Time Warner, Merrill Lynch, the Kauffman Center Entrepreneurial Foundation/Ewing Marion Kauffman Foundation, MBNA and TIAA-CREF.

Major HACU program support was provided by: the AT&T Foundation, with a $25,000 on-line development seed grant for the HACU National Internship Program; SBC Communications, with a $10,000 grant for technology enhancement; the Verizon Foundation, with a $250,000 grant for the HACU Virtual Learning Marketspace initiative; Ford Motor Company, with a $25,000 grant for a HACU Early Awareness Program, USAA Charitable Trust Foundation, with a $10,000 grant for the Early Awareness Program, and Shell Oil Company, with a $25,000 grant for HACU’s Proyecto Science Program.

In 2002, a new HACU business alliance with Gateway Inc. provided HACU-affiliated colleges and universities, students, faculty and staff with special pricing on Gateway computers. HACU joined with global education information provider Hobsons to publish the 2002 “Hobsons Guide for College-Bound Hispanic Students,” a free publication highlighting HACU member and partner institutions and their programs.

In support of HACU-administered scholarship programs, Coors Brewing Company, the official sponsor of the 2002 Mana Revolución de Amor concert tour, raised more than $120,000 in proceeds from ticket sales for the HACU/CLASE (Coors Light Academic Success in Education) Scholarship Fund. The Bureau of Land Management, Fannie Mae, General Motors, NASCAR, Wal-Mart and Universidad Autónoma de Guadalajara in Mexico also provided scholarship program support to HACU.

HACU’s public affairs component attracted record national and international media coverage of HACU’s mission and events in 2002. HACU also published print and online editions of its monthly national newsletter, The Voice of Hispanic Higher Education, to an annually expanding readership.

The HACU Corporate and Philanthropic Council, composed of Fortune 500 corporate executives, in 2002 provided expertise and strategic guidance on innovative business development, marketing, networking and fundraising opportunities for HACU.
2002 HACU 16th Annual Conference

Hispanic Empowerment: America’s Key to Prosperity

Sponsors

Platinum
AT&T
Coors Brewing Company
United States Army

Gold
Gateway Computers
Central Intelligence Agency
United States Coast Guard
University of Colorado System

Silver
Capital One
Hispanic Magazine
Latina Style Magazine
Philip Morris Companies
United States Department of Agriculture

Bronze
Eastman Kodak
Educational Testing Services (ETS)
Hispanic Network Magazine
Marriott International, Inc.
Miller Brewing Company
State Farm Insurance Companies

Brass
Farm Credit Administration (FCA)
Kauffman Center for Entrepreneurial Leadership
MBNA
McDonald’s Corporation
Office of Surface Mining
TIAA-CREF
Towers Perrin
Verizon Communications

Hispanic Magazine
Latina Style Magazine
Philip Morris Companies
United States Department of Agriculture

2002 Participating Federal Agencies

Central Intelligence Agency

Department of Health and Human Services
Assistant Secretary for Planning and Evaluation
Centers for Disease Control
Centers for Medicare and Medicaid Services
Food and Drug Administration
Health Resources and Services Admin.
National Center on Minority Health and Health Disparities
National Institutes of Health
Office of the Assistant Secretary for Planning & Education
Office of Civil Rights
Office of Minority Health
Office of the Secretary
Program Support Center
Substance Abuse & Mental Health Services Administration

Defense Nuclear Facilities Safety Board

Department of Commerce
Bureau of Export Administration
Bureau of Census
Economics and Statistics Administration
International Trade Administration
National Institute of Standards and Technology
National Oceanic and Atmospheric Admin.
National Telecommunications and Information Administration
Office of Administrative Operations
Office of Civil Rights
Office of Executive Budgeting
Office of Small & Disadvantaged Business Utilization
Patent and Trade Office

Department of Defense
Department of AirForce
Department of Army
Department of Navy
Defense Advanced Research Projects Agency
Defense Command Agency
Defense Contract Audit Agency
Defense Intelligence Agency
Defense Energy Support Center
Defense Education Agency
Defense Logistics Agency
Fleet and Industrial Supply Center
Industrial Operations Command
National Guard
Naval Inventory Control Point
Naval Sea Command
Office of the Secretary of Defense
Washington Headquarters Services

Department of Energy

Department of Education

Department of the Interior
Bureau of Land Management
Department of Reclamation
Fish and Wildlife Service
Minerals Management Services
National Park Service
Office of Educational Partnerships
Office of the Secretary
Office of Surface Mining
United States Geological Survey
Water Resources Division

Department of Labor
Bureau of Labor Statistics
Employment Standards Administration
Employment & Training Administration
Bureau of International Labor Affairs
Office of Accounting and Payment Services

Department of State

Department of Transportation
Bureau of Transportation Statistics
Federal Aviation Administration
Federal Railroad Administration
Federal Transit Association
Maritime Administration
National Transportation Safety Board
Office of the Inspector General
Office of Maritime Safety
Office of Small and Disadvantaged Business Utilization
Office of the Secretary
Research & Special Programs Administration
Transportation Administrative Service Center
U.S. Coast Guard

Department of the Treasury
Alcohol, Tobacco and Firearms
Bureau of Engraving and Printing
Financial Management Service
Internal Revenue Service
Office of the Comptroller of the Currency
Office of Thrift Supervision
Secret Service

Environmental Protection Agency
Office of Cooperative Environmental Mgmt.
Office of Inspector General
Office of Water

Educational Testing Service

Federal Deposit Insurance Corporation

Federal reserve Board

Library of Congress
Congressional Research Service
Human Resources

National Labor Relations Board

National Science Foundation

Office of Personnel Management

Pension Benefit Guaranty Corporation

Department of Agriculture
Agricultural Marketing Service
Animal and Plant Health Inspection Service
Agriculture Research Service
Cooperative State Research Education and Economic Services
Economic Research Service
Foreign Agriculture Service
Food, Land & People
Food and Nutrition Service
Forest Service
Farm Service Agency
Food Safety Inspection Service
Grain Inspections, Packers and Stockyards Admin.
Natural Resources Conservation Service
Office of Civil Rights
Office of the General Counsel
Office of the Inspector General
Office of the Solicitor
Office of Thrift Supervision

Veterans Administration

Veterans Health Administration

Veterans Affairs

Veterans Benefit Administration
Veterans Health Administration
National Cemetery Administration

American Express Foundation
AOL Time Warner
AT&T
Borders, Inc.
Capital One
Central Intelligence Agency
Coors Brewing Company
Daimler Chrysler
Dow Jones
Educational Testing Service (ETS)
Farm Credit Administration (FCA)
FedEx
Ford Motor Company
Freddie Mac
Gateway Computers
General Motors
Goodyear Tire & Rubber Company
Hispanic Magazine
Hispanic Network Magazine
Holobon’s
IBM
J.C. Penney Company Fund
Johnson & Johnson
Kauffman Center Entrepreneurial Foundation
KPMG Foundation

Latina Style Magazine
Lockheed Martin Foundation
Manulife
Marriott International
MBNA
McDonald’s Corporation
Merrill Lynch
Metropolitan Life Foundation
Miller Brewing Company
Northrop Grumman
Philip Morris Companies
Pinney Bowes
Proctor & Gamble
SBC Communications
Shell Oil Company
State Farm Insurance Companies
The Coca-Cola Company
TIAA-CREF
Towers Perrin
University of Colorado System
USAA Foundation
Verizon
W.K. Kellogg Foundation
Wal-Mart

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To the Board of Directors  
Hispanic Association of Colleges and Universities  

We have audited the accompanying statement of financial position of the Hispanic Association of Colleges and Universities (the Association) as of December 31, 2002, and the related statements of activities, functional expenses, and cash flows for the year then ended. The financial statements for the year ended December 31, 2001 were audited by other auditors, who issued an unqualified opinion dated March 14, 2002 regarding the referred-to financial statements. These financial statements are the responsibility of the management of the Association. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with United States generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of December 31, 2002, and the changes in its net assets and its cash flows for the years then ended in conformity with United States generally accepted accounting principles.

In accordance with Government Auditing Standards we also have issued our report for the year ended December 31, 2002, dated February 18, 2003, on our consideration of the Association’s internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

February 18, 2003
### HACU Schedule of Support & Expenditures

#### Year ended December 31, 2002
(with Comparative Totals for 2001)

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues</td>
<td>$5,744,975</td>
<td>$6,310,405</td>
</tr>
<tr>
<td>Federal Contract Revenue</td>
<td>$335,078</td>
<td>$254,978</td>
</tr>
<tr>
<td>Corporate/Foundations</td>
<td>$2,496,704</td>
<td>$2,761,800</td>
</tr>
<tr>
<td>Conference Fees</td>
<td>$463,984</td>
<td>$483,984</td>
</tr>
<tr>
<td>Investment Revenue</td>
<td>$435,293</td>
<td>$465,293</td>
</tr>
<tr>
<td>Individuals</td>
<td>$57,861</td>
<td>$57,861</td>
</tr>
<tr>
<td>Other</td>
<td>$48,232</td>
<td>$50,632</td>
</tr>
</tbody>
</table>

**Total revenues:** $10,898,486

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff/Intern Compensation</td>
<td>$405,354</td>
<td>$514,310</td>
</tr>
<tr>
<td>Conference Expense/Travel</td>
<td>$320,142</td>
<td>$1,147,561</td>
</tr>
<tr>
<td>Consultants/Professional Services</td>
<td>$422,716</td>
<td>$556,908</td>
</tr>
<tr>
<td>Insurance</td>
<td>$96,042</td>
<td>$179,143</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$37,877</td>
<td>$66,322</td>
</tr>
<tr>
<td>Advertising/Publications</td>
<td>$101,442</td>
<td>$248,867</td>
</tr>
<tr>
<td>Leases and Rentals</td>
<td>$219,442</td>
<td>$498,216</td>
</tr>
<tr>
<td>Scholarships/Stipends</td>
<td>$1,003,420</td>
<td>$424,562</td>
</tr>
<tr>
<td>Tele., Sup., Equip. and Rep.</td>
<td>$139,539</td>
<td>$301,075</td>
</tr>
<tr>
<td>Other Line Items</td>
<td>$33,922</td>
<td>$30,678</td>
</tr>
<tr>
<td>Transfers to Grantees</td>
<td>$3,064,130</td>
<td>$428,704</td>
</tr>
</tbody>
</table>

**Total Direct Expenditures:** $1,093,705

<table>
<thead>
<tr>
<th>Indirect Cost Recovery</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures</td>
<td>$1,276,880</td>
<td>$1,148,026</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess Revenue Over (Under) Expenditures</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,628,445</td>
<td>$1,905,513</td>
<td></td>
</tr>
</tbody>
</table>

#### Statement of Financial Position

<table>
<thead>
<tr>
<th>Assets</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,682,006</td>
<td>$3,143,220</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,854,168</td>
<td>$2,004,882</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>$846,925</td>
<td>$936,419</td>
<td></td>
</tr>
</tbody>
</table>

#### Revenue Growth ($s in MM)

<table>
<thead>
<tr>
<th>Year</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth</td>
<td>$5.7</td>
<td>$6.3</td>
<td>$10.0</td>
<td>$10.7</td>
<td>$12.3</td>
<td>$10.7</td>
<td>$9.4*</td>
</tr>
</tbody>
</table>

*Budget