

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE EXAMINATION**

(In Accordance with the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2011

Performed as Special Assistant Auditors
for the Auditor General, State of Illinois

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE EXAMINATION
(In Accordance with the Single Audit Act and OMB Circular A-133)
For the Year Ended June 30, 2011**

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**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
UNIVERSITY OFFICIALS
June 30, 2011**

President	Dr. William L. Perry
Provost and Vice President for Academic Affairs	Dr. Blair M. Lord
Vice President for Business Affairs	Dr. William V. Weber
Vice President for Student Affairs	Dr. Daniel P. Nadler
Vice President for University Advancement	Mr. Robert K. Martin
Director of Business Services and Treasurer	Mr. Paul A. McCann, CPA
General Counsel	Mr. Robert L. Miller
Director of Internal Auditing	Ms. Sharon K. McRaven, CPA, CIA

BOARD OF TRUSTEES (as of June 30, 2011)

Chairperson	Mr. Leo Welch
Vice Chairperson	Dr. Robert Webb
Secretary	Mr. Roger Krotochvil
Member Pro-tem	Mr. William O'Rourke ^(A)
Member	Ms. Julie Nimmons ^(B)
Member	Vacant
Member	Vacant
Student Member	Ms. Christine Anderson

^(A) term expired, continues to serve until a successor is appointed

^(B) term expired, continues to serve until a successor is appointed

University offices are located at:

600 Lincoln Avenue
Charleston, Illinois 61920

Vice President for Business Affairs
and Treasurer, Board of Trustees

600 Lincoln Avenue
Charleston, Illinois 61920-3099

Office: (217) 581-2921
Fax: (217) 581-3290



MANAGEMENT ASSERTION LETTER

January 31, 2012

E.C. Ortiz & Co., LLP
Certified Public Accountants
333 S. Des Plaines, Suite 2-N
Chicago, Illinois 60661

Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Eastern Illinois University. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements, except as disclosed to the auditors during the engagement. We have performed an evaluation of the State of Illinois, Eastern Illinois University's compliance with the following assertions during the year ended June 30, 2011. Based on this evaluation, we assert that during the year ended June 30, 2011, the State of Illinois, Eastern Illinois University has materially complied with the assertions below.

- A. The State of Illinois, Eastern Illinois University has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Eastern Illinois University has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois, Eastern Illinois University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Eastern Illinois University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

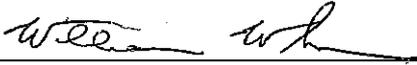
E. Money or negotiable securities or similar assets handled by the State of Illinois, Eastern Illinois University on behalf of the State or held in trust by the University have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

State of Illinois, Eastern Illinois University



Dr. William Perry, President



Dr. William Weber, Vice President for Business Affairs



Mr. Paul McCann, Director of Business Services and Treasurer

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2011**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORTS

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	8	5
Repeated findings	4	1
Prior recommendations implemented or not repeated	1	4

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>FINDINGS (GOVERNMENT AUDITING STANDARDS)</i>			
11-1	17	Inaccurate Accounting for Participation in a Public Entity Risk Pool	Significant deficiency
11-2	20	Inaccurate Capital Asset Accounting and Depreciation Calculations	Significant deficiency
<i>FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)</i>			
11-3	22	Noncompliance with Verification Requirements	Noncompliance and Significant deficiency

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2011**

FINDINGS (STATE COMPLIANCE)

11-4	24	Failure to Provide a Comprehensive Listing of Laws and Regulations	Noncompliance and significant deficiency
11-5	25	Late Deposit of Receipts and Refunds	Noncompliance and significant deficiency
11-6	26	Delinquent Reporting of Bond Activity	Noncompliance and significant deficiency
11-7	28	Timesheets not Required	Noncompliance and significant deficiency
11-8	29	Noncompliance with Ethics Training Requirements	Noncompliance and significant deficiency

In addition, the following findings which are reported as current findings relating to *Government Auditing Standards* also meet the reporting requirement for State Compliance.

11-1	17	Inaccurate Accounting for Participation in a Public Entity Risk Pool	Noncompliance and significant deficiency
11-2	20	Inaccurate Capital Asset Accounting and Depreciation Calculations	Noncompliance and significant deficiency

PRIOR FINDING NOT REPEATED

A	30	Noncompliance with Federal Reporting Requirements	
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**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2011**

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with University personnel at an exit conference on January 23, 2012. Attending were:

Eastern Illinois University

William Weber, Vice President for Business Affairs

Paul McCann, Director of Business Services and Treasurer

Michael Hutchinson, Interim Assistant Comptroller

Tami Babbs, Interim Assistant Comptroller

Sherry McRaven, Director of Internal Audit

Kathy Reed, Assistant Vice President - Information Technology Services

Office of the Auditor General

Daniel J. Nugent, Audit Manager

E. C. Ortiz & Co. LLP

Marites Sy, Partner

Shirley Trinidad, Manager

The responses to the recommendations were provided by Paul McCann, Director of Business Services and Treasurer, in a letter dated January 31, 2012.



E.C. ORTIZ & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Accountants' Report on State Compliance,
on Internal Control over Compliance, and on
Supplementary Information for State Compliance Purposes**

Honorable William G. Holland
Auditor General
State of Illinois

and

The Board of Trustees
State of Illinois - Eastern Illinois University

Compliance

As Special Assistant Auditors for the Auditor General, we have examined the State of Illinois - Eastern Illinois University's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the year ended June 30, 2011. The management of the State of Illinois - Eastern Illinois University is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois - Eastern Illinois University's compliance based on our examination.

- A. The State of Illinois - Eastern Illinois University has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois - Eastern Illinois University has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois - Eastern Illinois University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois - Eastern Illinois University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

- E. Money or negotiable securities or similar assets handled by the State of Illinois - Eastern Illinois University on behalf of the State or held in trust by the State of Illinois - Eastern Illinois University have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois - Eastern Illinois University's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois - Eastern Illinois University's compliance with specified requirements.

In our opinion, the State of Illinois - Eastern Illinois University complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the year ended June 30, 2011. However, the results of our procedures disclosed instances of noncompliance with the requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of findings and questioned costs as items 11-1, 11-2, 11-4, 11-5, 11-6, 11-7, and 11-8.

Internal Control

Management of the State of Illinois - Eastern Illinois University is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois - Eastern Illinois University's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois - Eastern Illinois University's internal control over compliance.

A deficiency in an entity's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material

noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we considered to be significant deficiencies as described in the accompanying schedule of findings and question costs as items 11-1, 11-2, 11-4, 11-5, 11-6, 11-7 and 11-8. A *significant deficiency in an entity's internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

As required by the Audit Guide, immaterial findings excluded from this report have been reported in a separate letter to your office.

The State of Illinois - Eastern Illinois University's responses to the findings identified in our examination are described in the accompanying schedule of findings and questioned costs. We did not examine State of Illinois - Eastern Illinois University's responses and, accordingly, we express no opinion on the responses.

Supplementary Information for State Compliance Purposes

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the business-type activities of the State of Illinois - Eastern Illinois University and its aggregate discretely presented component units as of and for the year ended June 30, 2011, which collectively comprise the State of Illinois - Eastern Illinois University's basic financial statements, and have issued our report thereon dated January 31, 2012. Our report was modified to include reference to other auditors. Other auditors audited the financial statements of the State of Illinois - Eastern Illinois University's discretely presented component units, as described in our report on the State of Illinois - Eastern Illinois University's financial statements. The accompanying supplementary information, as listed in the table of contents as Supplementary Information for State Compliance Purposes, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the State of Illinois - Eastern Illinois University. The 2011 Supplementary Information for State Compliance Purposes, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2011 taken as a whole.

We have also previously audited, in accordance with auditing standards generally accepted in the United States, the State of Illinois - Eastern Illinois University's basic financial statements

for the year ended June 30, 2010. In our report dated April 1, 2011 of prior report on basic financial statements, we expressed unqualified opinions on the respective financial statements of the business-type activities and the aggregate discretely presented component units. Our report was modified to include a reference to other auditors. Other auditors audited the financial statements of the State of Illinois - Eastern Illinois University's discretely presented component units, as described in our report on the State of Illinois - Eastern Illinois University's financial statements. In our opinion, the 2010 Supplementary Information for State Compliance Purposes, except for the portion marked "unaudited," is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2010, taken as a whole.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Board of Trustees, the State of Illinois - Eastern Illinois University's management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

E. C. Ortig & Co., LLP

January 31, 2012



Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable William G. Holland
Auditor General
State of Illinois

and

The Board of Trustees
State of Illinois - Eastern Illinois University

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the business-type activities of the State of Illinois - Eastern Illinois University and its aggregate discretely presented component units, collectively a component unit of the State of Illinois, as of and for the year ended June 30, 2011, which collectively comprise the State of Illinois - Eastern Illinois University's basic financial statements and have issued our report thereon dated January 31, 2012. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Other auditors audited the financial statements of the University's discretely presented component units, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of the State of Illinois - Eastern Illinois University is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the State of Illinois - Eastern Illinois University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the State of Illinois - Eastern Illinois University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois - Eastern Illinois University's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable

possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in findings 11-1 and 11-2 in the accompanying schedule of findings, that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Illinois - Eastern Illinois University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The State of Illinois - Eastern Illinois University's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the State of Illinois - Eastern Illinois University's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Board of Trustees, the State of Illinois - Eastern Illinois University management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

E. C. Ortiz & Co. LLP
January 31, 2012



Independent Auditors' Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program, on Internal Control over Compliance, and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133

Honorable William G. Holland
Auditor General
State of Illinois

and

The Board of Trustees
State of Illinois - Eastern Illinois University

Compliance

We have audited the State of Illinois - Eastern Illinois University's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the State of Illinois - Eastern Illinois University's major federal programs for the year ended June 30, 2011. The State of Illinois - Eastern Illinois University's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the State of Illinois - Eastern Illinois University's management. Our responsibility is to express an opinion on the State of Illinois - Eastern Illinois University's compliance based on our audit.

The Schedule of Expenditures of Federal Awards and our audit described below does not include expenditures of federal awards for those agencies determined to be component units of the State of Illinois - Eastern Illinois University for financial statement purposes.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Illinois - Eastern Illinois University's compliance with those requirements and performing such other

procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the State of Illinois - Eastern Illinois University's compliance with those requirements.

In our opinion, the State of Illinois - Eastern Illinois University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 11-3.

Internal Control Over Compliance

The management of the State of Illinois - Eastern Illinois University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of Illinois - Eastern Illinois University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois - Eastern Illinois University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of control deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs as item 11-3. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities of the State of Illinois - Eastern Illinois University as of and for the year ended June 30, 2011, and have issued our report thereon dated January 31, 2012. Our report was modified to include a reference to other auditors. Other auditors audited the financial statements of the State of Illinois - Eastern Illinois University's discretely presented component units, as described in our report on the State of Illinois - Eastern Illinois University's financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise State of Illinois - Eastern Illinois University's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The State of Illinois - Eastern Illinois University's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit State of Illinois - Eastern Illinois University's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Board of Trustees, the State of Illinois - Eastern Illinois University management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

E.C. Artiz & Co., LLP
January 31, 2012

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2011**

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified not considered to be material weaknesses? X Yes None Reported
- Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified not considered to be material weaknesses? X Yes None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a) X Yes No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.038, 84.268, 84.033, 84.063, 84.007, 84.379, 84.375, 84.376	Student Financial Aid Cluster
47.074, 47.050, 47.049, 47.048, 10.206, 15.634, 93.173, 81.003	Research and Development Cluster
93.596, 93.575, 93.713	Child Care and Development Fund Cluster
93.707, 93.045, 93.053	Aging Cluster
93.558	Temporary Assistance For Needy Families
81.086	Conservation Research and Development

Dollar threshold used to distinguish between Type A and B programs: \$300,000

Auditee qualified as low-risk auditee? Yes X No

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

CURRENT FINDING – *GOVERNMENT AUDITING STANDARDS*

11-1. **Finding** (Inaccurate Accounting for Participation in a Public Entity Risk Pool)

Eastern Illinois University (University) did not properly account for its participation in the State Universities Risk Management Association (SURMA) in accordance with accounting principles generally accepted in the United States of America (GAAP).

The University has been a member of SURMA since its inception on February 1, 1996. SURMA was created as a successor to the Board of Governors' Self-Insurance Liability Program. SURMA was initially funded by the surplus of the Board of Governors' Self-Insurance Liability Program upon its termination (treated as capital contributions of the original participants), as well as additional contributions which were assessed to the members. The SURMA members are Chicago State University, Eastern Illinois University, Governors State University, Northeastern Illinois University, and Western Illinois University. Each university has an employee appointed as a member to the SURMA Board, which meets on a quarterly basis.

While all past payments made by the University to SURMA have been recorded to prepaid insurance and amortized over the term of the current insurance policies, the capital contributions to SURMA have not been recorded as an asset on the books of the University. The University's share of the excess capital contributions to SURMA was \$729,712 and \$764,451 as of June 30, 2011 and June 30, 2010, respectively. SURMA's bylaws state that in the event of termination, if there are surplus funds available, such surplus shall be distributed to the then-existing members in the same proportion that each existing member's contributions over the immediately previous five years were in proportion to the contributions of all members. Similar provisions also apply to members who elect to withdraw (if approved by the remaining participants) prior to the termination of SURMA. An adjusting entry was proposed to the University to correct this error, which the University recorded.

Further, we noted the University did not adequately monitor SURMA to ensure SURMA underwent an annual audit in fiscal year 2010 to provide assurance as to the accuracy of financial information required to be reported by the University.

Governmental Accounting Standards Board (GASB) Interpretation No. 4 - *Accounting and Financial Reporting for Capitalization Contributions to Public Entity Risk Pools* was issued in February 1996 with an effective date of periods beginning after June 15, 1996. It states, "A capitalization contribution to a public entity risk pool with transfer or pooling of risk should be reported as a deposit if it is probable that the contribution will be returned to the entity upon either the dissolution of or approved withdrawal from the pool. An entity's determination that a return of the contribution is probable should be based on the provisions of the pooling agreement and an evaluation of the pool's financial capacity to return the contribution."

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Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system of fiscal and administrative controls to ensure resources are properly recorded and accounted for to permit the preparation of accounts, reliable financial and statistical reports, and to maintain accountability over the State's resources.

University officials stated the SURMA By-Laws were adopted cooperatively by the five universities formerly under the Board of Governors. The member universities have been operating under those By-Laws since 1996, prior to the issuance of GASB Interpretation No. 4. The condition found is the result of the member institutions' interpretation that the return of the funds is not probable and hence the failure to record the related accounting entries, as pointed out in the audit finding.

Failure to adequately monitor SURMA's activities and properly account for the University's participation in SURMA resulted in an understatement of assets on the University's financial statements. (Finding Code No. 11-1)

Recommendation

We recommend the University implement controls to monitor the activities of SURMA and properly account for its participation in SURMA in accordance with GAAP.

University Response

SURMA By-Laws state that with a four/fifths vote of the Board of Directors the entity may be terminated. However, "all members remain fully obligated for the payment of supplementary and other payments attributable to the years during which they were members of the Agency. After the payment of all claims, reserves, administrative costs and expenses, if there are still surplus funds available, such surplus funds shall be distributed to the then-existing members..." Although it is possible that SURMA could be terminated and the funds returned to each member, the likelihood of that happening in our opinion is remote. We look at the pool as being able to mitigate our exposure to losses and therefore we would be unlikely to approve the withdrawal of a member or termination of the pool-particularly if that meant reducing the pool of assets available for the payment of losses.

GASB Interpretation #4 states that "an entity's determination that a return of the contribution is probable should be based on the provisions of the pooling agreement and an evaluation of the pool's financial capacity to return the contribution." We interpret this to mean that the determination is not made simply based upon whether the agreement allows a member to withdraw or terminate but whether the conditions for the withdrawal/termination could reasonably occur. We agree that the return of the contribution is probable based solely upon the financial capacity of the entity.

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However, the provisions of the agreement do not provide a situation that is probable when you consider the necessity for a four/fifths vote and that contributions would be returned thereby reducing the assets available for the other members to pay their losses. We certainly would not vote for a withdrawal/termination when it would affect our ability to pay losses.

SURMA had an audit completed of their 2010 fiscal year financial statements, however, its completion was not timely. The report was dated December 19, 2011.

Auditor's Comment

As of June 30, 2011, SURMA has the financial capability to return excess capital to the participating universities and the SURMA By-Laws provide a mechanism for returning excess funds to the participating universities following a withdrawal or dissolution. As the accounting standard in question limits the University's consideration of the probability of a return of the excess capital contributions to "the provisions of the pooling agreement and an evaluation of the pool's financial capacity to return the contribution," the University – in our opinion – should and did record the excess capital contribution in their financial statements.

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11-2. **Finding** (Inaccurate Capital Asset Accounting and Depreciation Calculations)

Eastern Illinois University (University) did not properly calculate current depreciation and improperly classified completed projects in the financial statements.

During our audit, we noted the following:

- The University classified 56 asset items as building improvements, which were depreciated using the 50-year estimated useful life of a building instead of the 20-year estimated useful life for building improvements. As a result, current year depreciation expense was understated by \$484,489. The auditors proposed an adjusting entry to the University to correct this error, which the University recorded.
- The University accounted for a substantially completed residence hall window retrofitting project, totaling \$923,737, as construction in progress instead of a building improvement. The auditors proposed an adjusting entry to reclassify the project, which University recorded. There was no material effect on the University's depreciation expense as a result of the misclassification.

The University's depreciation policy states depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 20 years for site and building improvements.

Generally Accepted Accounting Principles (GAAP) and the Statewide Accounting Management System (SAMS), Procedure 03.30.10, requires the University transfer construction costs from construction in progress to an appropriate fixed asset account upon the substantial completion of the project, or when the asset is ready for its intended purpose. Further, the University must allocate depreciation expense for capital assets using a systematic and rational method to the periods benefiting from its use.

According to University personnel, the use of 50-year life for building improvements was due to difference in judgment and the misclassification of substantially completed project was due to oversight. Most of these costs were incurred in relation to the University's energy conservation project for the entire University. With the construction of the University energy steam plant, several costs were incurred and these costs were inadvertently depreciated over 50 years, which is the estimated useful life of the steam plant structure.

Failure to adequately monitor and review capital asset activity resulted in misstatements to the University's financial statements. (Finding Code Nos. 11-2, 10-1)

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Recommendation

We recommend the University enhance internal controls over reporting and depreciating capital assets to ensure the proper accounting for asset classifications and depreciation in accordance with both Generally Accepted Accounting Principles and the Statewide Accounting Management System.

University Response

We agree with the auditor's recommendation. We will implement controls to improve reporting and depreciation accounting for capital assets.

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CURRENT FINDINGS - FEDERAL COMPLIANCE

11-3. **Finding** (Noncompliance with Verification Requirements)

Federal Agency:	United States Department of Education (USDOE)
Federal Program:	Student Financial Aid Cluster
CFDA #:	84.063, 84.038, 84.268, 84.033, 84.007, 84.379, 84.375, 84.376
Total Expenditures:	\$88,463,627
Questioned Costs:	None

Eastern Illinois University (University) did not ensure information submitted by students applying for financial aid was properly verified to ensure accurate information is reflected on the Institutional Student Information Report (ISIR).

When a student applying for financial aid is selected for verification, the student is required to provide supporting documentation to the University to verify information provided by the student during the application process for accuracy. If the University identifies a discrepancy between the information provided during the application process and the supporting documentation provided by the student, the University updates the student's information so the ISIR will have correct information to calculate the student's award.

During verification testing, we noted information in the ISIR for two of 68 (3%) students tested did not match with the verification documentation provided by the students. As a result, one noted student's Expected Family Contribution (EFC) should have been reduced and the student's Pell award should have been increased by \$300. This was corrected by the University by increasing the student's Pell award in the subsequent academic year. The error for the other student did not ultimately affect the award amount.

Upon selection for verification by either the USDOE's Central Processing System or the University, the Code of Federal Regulations (34 CFR §668.51 *et seq.*) requires the University verify an applicant's household size, number enrolled in college, federal adjusted gross income (AGI), federal income tax paid, and certain untaxed income and benefits from acceptable supporting documentation. If original applications have an error in a nondollar item, such as household size, the student or school must correct the error.

According to University personnel, discrepancies in the information were due to human error.

Failure to properly verify and submit corrections to student information is noncompliance with Federal regulations and resulted in an inaccurate calculation of a student's financial aid award amount. (Finding Code No. 11-3)

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Recommendation

We recommend the University enhance controls over student aid verification to ensure supporting documentation submitted by students agrees with information on the Institutional Student Information Report to minimize the risk of inaccurate awards of student financial aid.

University Response

We agree with the auditor's recommendation. Although all information was checked, the corrected information did not get entered into the ISIR. We will establish procedures to double-check that the corrected information gets entered into the ISIR.

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CURRENT FINDINGS – STATE COMPLIANCE

11-4. **Finding** (Failure to Provide a Comprehensive Listing of Laws and Regulations)

Eastern Illinois University (University) did not have a comprehensive and complete listing of laws and regulations applicable to the University.

During testing, we requested the University provide us with a listing of all laws and regulations applicable to the University. The University was unable to provide us with the requested listing; however, we noted the University does maintain a listing of new legislation applicable to the University.

Adequate controls over compliance with laws and regulations would require the University to develop a process to identify and monitor all federal, State, and local laws and regulations applicable to the University in order to ensure the University is complying with those laws and regulations.

According to University personnel, maintaining a comprehensive list of laws and regulations does not ensure compliance with applicable laws and regulations.

Failure to monitor laws and regulations applicable to the University increases the risk the University would not comply with those laws and regulations and could potentially result in the University incurring unexpected costs. (Finding Code No. 11-4)

Recommendation

We recommend the University establish procedures to monitor laws and regulations applicable to the University.

University Response

Management regularly monitors laws and regulations that are applicable to the University. We will create a list of laws and regulations that apply to the University.

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11-5. **Finding** (Late Deposit of Receipts and Refunds)

Eastern Illinois University (University) did not deposit receipts and refunds timely.

During our testing of receipts and refunds, we noted 26 of 80 (33%) receipts and refunds, totaling \$217,424, were deposited between two to 13 days after the checks were received by University personnel. We noted untimely deposits from several departments across campus, including the business office, Doudna Fine Arts Center, Panther catering, Panther camps, student catering, clinic services, parking facilities, and athletics.

The University's Internal Governing Policy (IGP) #102 requires the intact deposit of all monies collected either no later than the next University business day when total collections exceed \$50 or once a week. The University Treasurer must pre-approve any exceptions to this requirement. Further, good business practices would require the University make every reasonable effort to quickly deposit collected receipts into the University's treasury.

According to University personnel, late deposits were due to procedural errors and other responsibilities taking priority at different University departments.

Failure to deposit collections on a timely manner reduces the amount of cash available to pay current costs and increases the risk of misappropriation of University funds. (Finding Code Nos. 11-5, 10-5)

Recommendation

We recommend the University investigate the reasons departments are not complying with IGP #102 and determine appropriate enforcement actions to ensure compliance with the University's policy.

University Response

We want deposits to be made in accordance with our policy. We will work with fiscal agents to improve compliance with our policy.

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11-6. **Finding** (Delinquent Reporting of Bond Activity)

Eastern Illinois University (University) did not timely submit transaction reporting for its revenue bond principal and interest payments to the Office of the State Comptroller.

During testing, we noted seven of 14 (50%) *Notice of Payment of Bond Interest and/or Principal* reports (Form C-08) were not timely submitted to Office of the State Comptroller.

We noted the following:

- The University submitted Form C-08 reports for the University's October 1, 2010 interest payments on Revenue Bond Series 2005, 2008, 2008B and Certificate of Participation 2009A on May 6, 2011. As the University's "paying agent" trustee submitted the trustee's monthly statement on November 15, 2010, the report was due to the State Comptroller on November 29, 2010.
- The University submitted Form C-08 reports for the University's February 15, 2011 principal and interest payments on May 6, 2011. As the University's "paying agent" trustee submitted the trustee's monthly statement on March 15, 2011, the report was due to the State Comptroller on March 29, 2011.

The Statewide Accounting Management System (SAMS), Procedure 31.30.20, requires the University prepare and submit a Form C-08 report to the Office of the State Comptroller within 15 days from receipt of the "paying agent" trustee's monthly statement.

According to University personnel, delay in submission of Form C-08 was due to oversight.

Failure to submit timely Form C-08 reports to the Office of the State Comptroller inhibits the State Comptroller's ability to record and monitor State debt transactions. (Finding Code No. 11-6)

Recommendation

We recommend the University implement controls to ensure the timely filing of bond principal and interest payments with the State Comptroller. Further, the University may contractually require the "paying agent" trustee to electronically file the Form C-08 reports, as allowed for and recommended by the Statewide Accounting Management System (Procedure 31.30.20).

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University Response

We agree with the auditor's recommendation. The University will establish procedures to assure that the required reports are completed on a timely basis.

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11-7. **Finding** (Timesheets not Required)

Eastern Illinois University (University) has not implemented time reporting requirements for all employees in accordance with the State Officials and Employees Ethics Act (Act).

During our examination, we noted the University requires all employees – except faculty members – to report and certify time worked to the nearest quarter hour as required by the Act. Faculty employees are required to certify that they have met their work schedule obligations as set forth in their individual Assignment of Duties form; however, they do not report their time to the nearest quarter hour in accordance with the Act.

The Act required the Illinois Board of Higher Education (IBHE), with respect to State employees of public universities, to adopt and implement personnel policies. The Act (5 ILCS 430/5-5(c)) states, “The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour.” The IBHE adopted personnel policies for public universities on February 3, 2004, in accordance with the Act. The University has not incorporated these policies into the University’s policies.

According to the University personnel, faculty members work in accordance with their contract. The contract defines faculty responsibilities in terms of credit units; therefore, faculty members report that they worked in accordance with their contract.

By not requiring time sheets from all of its employees, the University does not have complete documentation of time spent by faculty members on official State business as contemplated by the Act. (Finding Code Nos. 11-8, 10-3, 09-4, 08-5, 07-4, 06-3, 05-4)

Recommendation

We recommend the University implement a reporting system to require all employees to submit time sheets in compliance with the Act.

University Response

We agree with the auditor’s recommendation. The University has implemented a system that allows employees to document time spent on official State business in accordance with the Act. All University employees use this system. However, faculty members, in accordance with their union contract, use the system to document that they have worked in accordance with the contract. We will continue to work with the faculty in an attempt to obtain compliance.

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11-8. **Finding** (Noncompliance with Ethics Training Requirements)

Eastern Illinois University (University) did not have adequate internal controls to ensure new employees timely completed ethics training.

During our examination, we noted 16 of 25 (64%) new hires tested completed ethics training from one to 56 days late.

The State Officials and Employees Ethics Act (5 ILCS 430/5-10(c)) requires all new employees entering a position requiring annual ethics training complete an initial ethics training course within 30 days after commencing employment.

According to University personnel, the delay in the completion of ethics training of some employees was due to oversight. Other employees came in at their busy time and job priorities took precedence resulting in a delay in the completion of ethics training.

Failure to provide ethics training within the required timeframe may result in employees being unaware of specific ethical requirements for State employees. (Finding Code Nos. 11-8, 10-4)

Recommendation

We recommend the University's Ethics Officer implement controls to monitor new employees to ensure ethics training mandated by State law is completed in a timely manner.

University Response

We agree with the auditor's recommendation. The University has established a computer system to track all new employees and remind them of their responsibilities under the State Officials and Employees Ethics Act. The system reminds them of the requirement to take the initial ethics training course within the first 30 days of employment. If the employee has not completed the training as the end of the 30 day period nears, the employee's supervisor will be notified for follow-up.

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PRIOR FINDING NOT REPEATED

A. **Finding** (Noncompliance with federal reporting requirements)

During the prior year engagement, Eastern Illinois University (University) did not timely submit reports such the semi-annual federal financial report, annual progress report, quarterly financial status report, and quarterly reports in accordance with the American Recovery and Reinvestment Act of four federal grants as required by federal granting agencies. (Finding Code No. 10-2)

Status: Partially implemented

During the current year engagement, our sample testing disclosed the University submitted the required reports timely to the federal awarding agency. However, an instance was noted wherein the University did not submit the annual progress report as required by the federal granting agency but this was not considered to be as significant as in the prior year and thus were reported to the University in the Report of Immaterial Findings.

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SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES
SUMMARY**

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis
 - Schedule of Expenditures of Federal Awards
 - Notes to the Schedule of Expenditures of Federal Awards
 - Schedule of Appropriations, Expenditures, Lapsed and Reappropriated Balances
 - Comparative Schedule of Net Appropriations, Expenditures, Lapsed, and Reappropriated Balances
 - Comparative Schedule of Income Fund Revenues and Expenses
 - Schedule of Changes in Capital Assets
 - Auxiliary Enterprises and Activities, Financial Statements by Functional Entity
 - Designated Funds - Auxiliary Activities:
 - Balance Sheet by Entity
 - Current Funds Statement of Changes in Fund Balances by Entity
 - Statement of Changes in Plant Fund Balances by Entity
 - Auxiliary Enterprise Funds - Revenue Bonds:
 - Current Funds, Unrestricted, Balance Sheet by Entity
 - Statement of Current Funds, Unrestricted, Revenues and Expenditures by Entity
 - Statement of Current Funds, Unrestricted, Statement of Changes in Fund Balances by Entity
 - Plant Funds, Balance Sheet by Entity
 - Plant Funds, Statement of Changes in Fund Balances by Entity
 - Auxiliary Enterprise Funds - Other:
 - Balance Sheet by Entity
 - Current Funds Statement of Revenues and Expenditures by Entity
 - Current Funds Statement of Changes in Fund Balances by Entity
 - Plant Funds Statement of Changes in Fund Balances by Entity
 - Analysis of Revenues, Expenses and Changes in Net Assets
 - Analysis of Significant Variations in Account Balances
 - Analysis of Significant Lapse Period Spending
 - Schedule of Accounts Receivable
 - Schedule of Cash and Cash Equivalents and Investments
 - Summary of Indirect Cost Reimbursement:
 - Statement of Sources and Applications
 - Calculation Sheets for Indirect Cost Carry-Forward

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- Analysis of Operations
 - University Functions and Planning Program
 - Average Number of Employees
 - Service Efforts and Accomplishments (unaudited)
 - Schedule of Federal Expenditures, Nonfederal Expenses and New Loans
 - Undergraduate Tuition and Fee Waivers (unaudited)
 - Graduate Tuition and Fee Waivers (unaudited)
 - Bookstore and Textbook Rental Information (unaudited)

- *University Guidelines* 1982, as amended 1997
 - Special Data Requirements for Audits of Universities
 - Summary of Eastern Illinois University Foundation Payments to the University
 - Summary of Eastern Illinois University Alumni Association, Inc. Payments to the University
 - Description of Accounting Entities, Sources of Revenue and Purpose of Each Entity
 - Calculation Sheets for Current Excess Funds

- Schedule of Accrued Liability for Employee Compensated Absences (unaudited)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states that it has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in the auditors' opinion, except for that portion marked "unaudited," on which they express no opinion, it is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
MAJOR PROGRAM - STUDENT FINANCIAL AID CLUSTER			
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Federal Perkins Loans - Federal Capital Contributions</i>	84.038		\$ 6,683,939
<i>Federal Direct Student Loans</i>	84.268	P268K110106	64,901,860
<i>Federal Work-Study Program</i>			
FY10	84.033	P033A091143	(5,231)
FY11	84.033	P033A101143	400,310
			<u>395,079</u>
<i>Federal Pell Grant Program</i>			
FY10	84.063	P063P090106	133,274
FY11	84.063	P063P100106	15,258,610
			<u>15,391,884</u>
<i>Federal Supplemental Educational Opportunity Grants</i>			
FY10	84.007	P007A091143	(17,116)
FY11	84.007	P007A101143	277,308
			<u>260,192</u>
<i>Teacher Education Assistance For College And Higher Education Grants</i>			
FY10	84.379	P379T100106	(5,000)
FY11	84.379	P379T110106	386,874
			<u>381,874</u>
<i>Academic Competitiveness Grants</i>			
FY10	84.375	P375A090106	650
FY11	84.375	P376S090106	185,619
			<u>186,269</u>
<i>National Science and Mathematics Access to Retain Talent Grants</i>			
FY10	84.376	P376S090106	3,500
FY11	84.376	P376S100106	289,070
			<u>292,570</u>
Total Financial Aid Cluster			<u>88,493,667</u>
MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER			
<u>NATIONAL SCIENCE FOUNDATION</u>			
<i>Biological Sciences</i>			
LTREB: Controls and Consequences of Exotic Plant Invasions in Abandoned Agricultural Land	47.074	DEB-0424605	10,158
RUI: Whole Genome Analysis of Hepatic Gene Silencing	47.074	MCB-0841653	32,546
			<u>42,704</u>
<i>Geosciences</i>			
Collaborative Research: Enhancement of Wind Erosion by Fire-Induced Water Repellency	47.050	EAR-0746231	11,017

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
<i>Mathematical and Physical Sciences</i>			
RUI: Structural Characterization of Ionic and Radical Complexes by High Resolution Spectroscopy	47.049	CHE-0809387	37,613
RUI: Photoreactive Crystalline Raceamic and Quasiracemic Materials	47.049	CHE-0957391	70,012
MRI: Acquisition of a Single-Crystal X-Ray Diffractometer	47.049	CHE-0722547	11,220
			118,845
<i>Polar Programs</i>			
The Social Dynamics of Early Beothuk-European Relations in Trinity Bay, Newfoundland	47.078	ARC-1011781	14,070
TOTAL NATIONAL SCIENCE FOUNDATION			186,636
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Grants for Agricultural Research Competitive Research Grants</i>			
Behavioral Mechanisms Underlying Individual and Population Patterns in Japenese Beetle	10.206	2005-35302-16364	894
A Population Genetics Analysis of Mating/Dispersal Flights of the Red Imported Fire Ant	10.206	2009-35302-05069	30,257
TOTAL U.S. DEPARTMENT OF AGRICULTURE			31,151
<u>U.S. DEPARTMENT OF THE INTERIOR</u>			
Passed-Through the Illinois Department of Natural Resources <i>State Wildlife Grants</i>			
Effects of Habitat Fragmentation on Sensitive Aquatic Species	15.634	T-50-D-1	15,363
TOTAL U.S. DEPARTMENT OF THE INTERIOR			15,363
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Research Related to Deafness and Communication Disorders</i>			
Interaction of ApoE with Estrogen in the Olfactory System	93.173	2R15DC03889-02A1	37,752
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			37,752
<u>U.S. DEPARTMENT OF ENERGY</u>			
Passed-through the University of Georgia <i>Granting of Patent Licenses</i>			
Risk Model for Tims Branch/Steed Pond	81.003	RR267-503/4693198	19,649
Passed-Through Savannah River Nuclear Solutions LLC <i>Deer Data Evaluation</i>	None	AC716830	15,900
TOTAL U.S. DEPARTMENT OF ENERGY			35,549
Total Research and Development Cluster			306,451
TRIO CLUSTER			
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Trio - Student Support Services</i>	84.042A	P042A051072-09	30,560
<i>Trio - Student Support Services</i>	84.042A	P042A100932	221,717
Total Trio Cluster			252,277

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
MAJOR PROGRAM - CHILD CARE AND DEVELOPMENT FUND (CCDF) CLUSTER			
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed-Through the Illinois Department of Human Services			
<i>Child Care Mandatory and Matching Funds of the Child Care and Development Fund</i>			
	93.596	10C6002526	428,928
	93.575	10C6002526	528,740
	93.713	10C6002526	69,404
Total CCDF Cluster			1,027,072
MAJOR PROGRAM - AGING CLUSTER			
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed-Through the East Central Illinois Area Agency on Aging			
<i>ARRA - Aging Congregate Nutrition Services for States</i>			
	93.707		38,450
<i>Special Programs for the Aging, Title III, Part C, Nutrition Services</i>			
	93.045		146,517
	93.045		624,660
			771,177
<i>Nutrition Services Incentive Program</i>			
	93.053		43,260
	93.053		89,311
			132,571
Total Aging Cluster			942,198
COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) - ENTITLEMENT GRANTS CLUSTER			
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>			
Passed-through from the City of Bloomington, Illinois			
<i>Community Development Block Grants/ Entitlement Grants</i>			
	14.218		25,000
Total Community Development Block Grants Cluster			25,000
COMMUNITY SERVICE BLOCK GRANTS (CSBG) CLUSTER			
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES</u>			
Passed-through from the East Central Illinois Community Action Agency			
<i>Community Services Block Grants</i>			
	93.569		5,000
Total Community Service Block Grants Cluster			5,000
EMERGENCY FOOD AND SHELTER PROGRAM CLUSTER			
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed-through from the United Way of McLean County, Illinois			
<i>Emergency Food and Shelter National Board Program</i>			
	97.024		1,116
Total Emergency Food and Shelter Program Cluster			1,116

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
FISH AND WILDLIFE CLUSTER			
<u>U.S. DEPARTMENT OF INTERIOR</u>			
Passed-through from the Illinois Department of Natural Resources/Univ. of Illinois			
<i>Sport Fish Restoration Program</i>			
Assessment of Larval Asian Carp in the Illinois River	15.605	P0405774	23,424
Assessment of Larval Asian Carp in the Illinois River	15.605	P0484000	2,781
Investigate the Impact of Commercial and Sport Harvest on the Demographics of Flathead Catfish in the Wabash River	15.605	P0393740	13,437
Total Fish and Wildlife Cluster			39,642
MAJOR PROGRAM - TEMPORARY ASSISTANCE FOR NEEDY FAMILIES CLUSTER			
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed-Through the Illinois Department of Human Services			
<i>Temporary Assistance for Needy Families</i>	93.558	10C6002526	607,458
Total Temporary Assistance for Needy Families Cluster			607,458
OTHER PROGRAMS			
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Higher Education - Institutional Aid</i>			
Strengthening Institutions Program - Student Success Center	84.031A	P031A060147	146,455
<i>Fund for the Improvement of Postsecondary Education</i>			
Emergency Notification System	84.116	P116Z090074	45,124
Passed-Through the Illinois Board of Higher Education			
<i>Improving Teacher Quality State Grants</i>			
Leadership for the Improvement of Teaching Performance	84.367	09NCLB3	95,080
Passed-Through the Corporation for Public Broadcasting			
<i>Ready to Teach</i>			
PBS Teacherline in Central Illinois	84.286A	U286A050005	40
Passed-Through the University of California			
<i>National Writing Project</i>			
Eastern Illinois Writing Project	84.928A	08-IL05	10,319
Eastern Illinois Writing Project	84.928A	08-IL05	41,382
			51,701
TOTAL U.S. DEPARTMENT OF EDUCATION			338,400
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Nurse Education, Practice and Retention Grants</i>			
Nurse Education, Practice and Retention	93.359	1 D11HP09760-01-00	174,943
Passed-Through the University of Illinois at Chicago			
<i>Medical Library Assistance</i>			
	93.879	TECH534	4,900
Passed-Through the Illinois Department of Human Services			
<i>Social Services Block Grant</i>			
	93.667	10C6002526	5,383
<i>Block Grants for Preventions and Treatment of Substance Abuse</i>			
Illinois Higher Education Prevention	93.959	10C6002526	220,245
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			405,471

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Passed-Through the Illinois Department of Human Services			
<i>Enforcing Underage Drinking Laws Program</i>			
Illinois Higher Education Prevention	16.727	10C6002526	(958)
Illinois Higher Education Prevention	16.727	10C6002526	132,000
Enforcing Underage Drinking Laws University Initiative	16.727	10C6002526	104,989
			<u>236,031</u>
 <i>Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program</i>			
Prescription Information Library Project	16.580	49X1014M40	128,709
			<u>128,709</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>364,740</u>
 <u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>			
<i>The International Conference on Applied Modeling and Information Security Systems</i>			
	None	NNX08AQ23G	524
			<u>524</u>
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			<u>524</u>
 <u>U.S. DEPARTMENT OF ENERGY</u>			
Major Program - Conservation Research and Development			
Installation of Electrical Equipment at Eastern Illinois University	81.086	DE-EE0004230	1,000,000
			<u>1,000,000</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>1,000,000</u>
 <u>U.S. DEPARTMENT OF COMMERCE</u>			
<i>Public Telecommunications Facilities Planning and Construction</i>			
PTFP - Eastern Illinois University	11.550	17-02-N09179	19,868
			<u>19,868</u>
TOTAL U.S. DEPARTMENT OF COMMERCE			<u>19,868</u>
 <u>NATIONAL ENDOWMENT FOR THE HUMANITIES</u>			
<i>Promotion of the Humanities - Public Programs</i>			
Farm Life: A Century of Change for Farm Families and Their Neighbors	45.164		179
Benjamin Franklin: In Search of a Better World - A Traveling Exhibit for Libraries	45.164	LS-50021-07	1,000
<i>Promotion of the Humanities - Professional Development</i>			
Chaucer's Canterbury Tales	45.163	FV-50203-09	61,805
			<u>61,805</u>
TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES			<u>62,984</u>
 <u>NATIONAL ENDOWMENT FOR THE ARTS</u>			
Passed-Through Arts Midwest			
<i>Promotion of the Arts - Partnership Agreement</i>			
Hot Club of San Francisco	45.025	FY11-102625	1,500
			<u>1,500</u>
TOTAL NATIONAL ENDOWMENT FOR THE ARTS			<u>1,500</u>
 <u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>			
Passed-Through the State of Illinois Secretary of State			
<i>Grants to States</i>			
Art and Architecture in Illinois Libraries	45.310	LSTA 06-5069	6
			<u>6</u>
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES			<u>6</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

STATE OF ILLINOIS
 EASTERN ILLINOIS UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2011

<u>Federal Grantor/Pass Through Grantor/Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY11 Expenditures</u>
<u>LIBRARY OF CONGRESS</u>			
<i>EIU Teaching with Primary Sources</i>	None	GA070019	<u>167,967</u>
TOTAL LIBRARY OF CONGRESS			<u>167,967</u>
Total Other Programs			<u>2,361,460</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 94,061,341</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Eastern Illinois University for the year ended June 30, 2011. All federal awards received directly from federal agencies as well as federal awards passed through other government and nonprofit agencies are included on the schedule.

Following is a legend of acronyms used in the Schedule of Expenditures of Federal Awards:

LTREB	Long-term Research in Environmental Biology
RUI	Research in Undergraduate Institutions
MRI	Major Research Instrumentation
ARRA	American Recovery and Reinvestment Act
PBS	Public Broadcasting Service
PTFP	Public Telecommunications Facilities Planning and Construction

2. BASIS OF ACCOUNTING

With the exception of Peace Meal grants presented on page 35, the accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The Peace Meal grants are presented using the cash basis of accounting since this method is allowed under the grant agreement.

3. STUDENT LOAN PROGRAMS ADMINISTERED BY THE UNIVERSITY

The University administered the following federal loan program during the year ended June 30, 2011:

Perkins Loan Program CFDA #84.038

Outstanding balance, July 1, 2010	<u>\$ 6,695,615</u>
Additions:	
Interest income	99,064
Other income	20,996
Total	<u>120,060</u>
Deductions:	
Loans canceled or written-off	91,941
Administrative expenses	39,795
Total	<u>131,736</u>
Outstanding balance, June 30, 2011	<u>\$6,683,939</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The above deductions include disbursements and expenditures such as bad debts and administrative expenditures.

4. MAJOR PROGRAMS

The following federal program expenditures comprise major program expenditures under OMB Circular A-133 for the year ended June 30, 2011:

Student Financial Aid Cluster	\$88,493,667
Child Care and Development Fund Cluster	1,027,072
Conservation Research and Development	1,000,000
Aging Cluster	942,198
Temporary Assistance for Needy Families	607,458
Research and Development Cluster	306,451
Total major program expenditures	<u>92,376,846</u>
Non-major program expenditures	<u>1,684,495</u>
Total federal expenditures	<u><u>\$94,061,341</u></u>

As part of the Student Financial Aid Program, Eastern Illinois University administers loan proceeds under the Perkins Loan Program (as described in Note 3) and the William D. Ford Federal Direct Loan Program.

5. NONCASH TRANSACTION INFORMATION

Certain noncash expenditures are included in the total expenditures on the Schedule of Expenditures of Federal Awards. The childcare program of the University is a processor of childcare claims for the Illinois Department of Human Services (DHS). The University determines eligibility and reimbursable hours for the participants. This information is sent to DHS who then pays the claims. The noncash amounts are recorded in the following programs: Child Care Mandatory and Matching Funds of the Child Care and Development Fund - \$232,772 (Federal CFDA #93.596), Child Care Development Block Grant - \$117,624 (Federal CFDA #93.575), Temporary Assistance For Needy Families - \$607,458 (Federal CFDA #93.558) and Social Services Block Grant - \$5,383 (Federal CFDA #93.667). These noncash transactions have not been recorded on the University's financial statements.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

6. SUBRECIPIENTS

The University provided sub-awards of \$123,431 through the Enforcing Underage Drinking Laws (CFDA #16.727) to the following subrecipients: Northern Illinois University, \$14,400; Illinois State University, \$17,000; Western Illinois University; \$16,910; Southern Illinois University at Carbondale, \$14,332; Bradley University, \$17,000; Benedictine University, \$3,991; and the Charleston Police Department, \$39,798.

7. RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

The following is a reconciliation of total expenditures as reported on the accompanying Schedule of Expenditures of Federal Awards to the revenue items reported as federal and state grants and contracts on the Statement of Revenues, Expenses and Changes in Net Assets included in the University's financial statements.

Funds, derived from federal aid, gifts or grants, may be used only to meet expenditures for the purposes specifically identified by sponsoring agencies. The federal aid, gifts or grants are recognized as revenue in the University's financial statements as expended.

Therefore, expenditures on the Schedule of Expenditures of Federal Awards agree with revenues on the Statement of Revenues, Expenses and Changes in Net Assets, except as noted below:

Total expenditures as shown on the Schedule of Expenditures of Federal Awards	\$94,061,341
Add:	
Direct state grants/contracts	1,239,486
Subtract:	
Federal Perkins loan program – federal capital contributions included on the Schedule of Expenditures of Federal Awards not included in the financial statements (less administrative costs)	(6,683,939)
Direct loans included in the Schedule of Expenditures of Federal Awards not included in the financial statements	(64,901,860)
Noncash expenditures included in the Schedule of Expenditures of Federal Awards not included in the financial statements	(963,237)
Total federal and state grants and contracts revenues shown on the Statement of Revenues, Expenses and Changes in Net Assets	<u>\$22,751,791</u>

**STATE OF ILLINOIS
 EASTERN ILLINOIS UNIVERSITY
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, LAPSED AND REAPPROPRIATED BALANCES
 APPROPRIATIONS FOR FISCAL YEAR 2011
 Fourteen Months Ended August 31, 2011**

	<u>Appropriations (Net after Transfers)</u>	<u>Expenditures Through June 30, 2011</u>	<u>Approximate Lapse Period Expenditures 7/1 - 8/31/11</u>	<u>Approximate Total Expenditures</u>	<u>Approximate Balances Lapsed</u>	<u>Balances Reappropriated July 1, 2011</u>
<u>Public Acts 96-0956</u>						
GENERAL REVENUE FUND - 001						
Ordinary and contingent expenses	\$ 47,413,000	\$ 47,413,000	\$ -	\$ 47,413,000	\$ -	\$ -
Total General Revenue Fund - 001	<u>47,413,000</u>	<u>47,413,000</u>	<u>-</u>	<u>47,413,000</u>	<u>-</u>	<u>-</u>
CAPITAL DEVELOPMENT FUND - 141						
Purchase equipment and complete renovation of Doudna Fine Arts Center *	<u>1,929,317</u>	<u>972,086</u>	<u>-</u>	<u>972,086</u>	<u>-</u>	<u>957,231</u>
Total Capital Development Fund - 141	<u>1,929,317</u>	<u>972,086</u>	<u>-</u>	<u>972,086</u>	<u>-</u>	<u>957,231</u>
STATE COLLEGE & UNIVERSITY TRUST FUND - 417						
Scholarship Grant Awards	<u>4,250</u>	<u>4,250</u>	<u>-</u>	<u>4,250</u>	<u>-</u>	<u>-</u>
Total State College & University Trust Fund - 417	<u>4,250</u>	<u>4,250</u>	<u>-</u>	<u>4,250</u>	<u>-</u>	<u>-</u>
Totals - All appropriated funds	<u>\$ 49,346,567</u>	<u>\$ 48,389,336</u>	<u>\$ -</u>	<u>\$ 48,389,336</u>	<u>\$ -</u>	<u>\$ 957,231</u>

Notes:

The data for this report were taken from the University's records and reconciled to the data of the Office of the State Comptroller.
 Expenditure amounts are vouchers approved and paid by the University and submitted to the Office of the State Comptroller for reimbursement of payments made to vendors.

* An expenditure adjustment of \$594,682 was processed as a "due to primary government" at June 30, 2011.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
LAPSED AND REAPPROPRIATED BALANCES**

	Fiscal Year	
	2011 PA 96-0956	2010 PA 96-0114, 96-0035, 96-0046
GENERAL REVENUE FUND - 001		
Appropriations (net of transfers)	\$ 47,413,000	\$ 50,566,500
General Revenue Fund expenditures		
Ordinary and contingent expenses	47,413,000	47,609,500
Personal services - ARRA	-	1,273,663
Personal services - ARRA	-	1,683,300
	<u>47,413,000</u>	<u>50,566,463</u>
Lapsed balances	<u>\$ -</u>	<u>\$ 37</u>
CAPITAL DEVELOPMENT FUND - 141		
Appropriations (net of transfers)	\$ 1,929,317	\$ 1,650,000
Capital Development Fund expenditures		
Fine Arts renovation *	972,086	-
Balances reappropriated	<u>\$ 957,231</u>	<u>\$ 1,650,000</u>
STATE COLLEGE & UNIVERSITY TRUST - 417		
Appropriations (net of transfers)	\$ 4,250	\$ 4,250
State College & University Trust expenditures		
Scholarships	4,250	4,250
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>
Grand total, all funds		
Appropriations (net of transfers)	\$ 49,346,567	\$ 52,220,750
Expenditures	48,389,336	50,570,713
Lapsed balances	<u>\$ -</u>	<u>\$ 37</u>
Balances reappropriated	<u>\$ 957,231</u>	<u>\$ 1,650,000</u>

Notes:

The data for this report were taken from the University's records and reconciled to the data of the Office of the State Comptroller.

Expenditure amounts are vouchers approved and paid by the University and submitted to the Office of the State Comptroller for reimbursement of payments made to vendors.

* An expenditure adjustment of \$594,682 was processed as a "due to primary government" at June 30, 2011.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF INCOME FUND REVENUES AND EXPENSES
For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
INCOME FUND		
Revenues		
Tuition	\$ 73,049,045	\$ 70,413,001
Services fees	337,080	307,475
Fines and penalties	72,757	74,663
Interest income	7,227	-
Other	206,601	123,929
	<u>73,672,710</u>	<u>70,919,068</u>
Expenses		
Personal services	36,534,202	34,165,779
FICA - Medicare	2,584,928	1,075,684
Group insurance	1,249,151	1,250,121
Compensated absences	305,959	231,444
Contractual services	8,231,137	8,553,988
Travel	779,253	916,441
Commodities	1,538,519	1,723,899
Awards, grants, and matching funds	1,546,599	1,440,027
Permanent improvements	633,131	1,086,098
Equipment and library books	2,072,856	1,518,125
Telecommunications	333,532	337,658
Operation of automotive equipment	201,663	183,243
Student awards/tuition waived	9,123,115	8,290,986
	<u>65,134,045</u>	<u>60,773,493</u>
Excess of revenues over expenses	<u>\$ 8,538,665</u>	<u>\$ 10,145,575</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF CHANGES IN CAPITAL ASSETS
For the Year Ended June 30, 2011**

	<u>6/30/2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>6/30/2011</u>
Capital assets not being depreciated					
Land and land improvements	\$ 2,968,015	\$ -	\$ -	\$ -	\$ 2,968,015
Capitalized collections	198,646	-	-	-	198,646
Construction in progress	69,201,059	32,634,254	30,631	(20,036,506)	81,768,176
Total capital assets not being depreciated	<u>72,367,720</u>	<u>32,634,254</u>	<u>30,631</u>	<u>(20,036,506)</u>	<u>84,934,837</u>
Capital assets being depreciated					
Site improvements	17,226,197	-	-	217,376	17,443,573
Building and building improvements	290,790,242	6,140	-	19,819,130	310,615,512
Equipment	67,083,172	5,255,838	5,931,709	-	66,407,301
Capital leases - equipment	50,585	-	-	-	50,585
Total capital assets being depreciated	<u>375,150,196</u>	<u>5,261,978</u>	<u>5,931,709</u>	<u>20,036,506</u>	<u>394,516,971</u>
Less accumulated depreciation					
Site improvements	11,046,394	810,577	-	-	11,856,971
Buildings and building improvements	111,540,700	8,301,608	-	77	119,842,385
Equipment	55,386,707	5,430,341	5,876,409	(77)	54,940,562
Capital leases - equipment	22,883	7,226	-	-	30,109
Total accumulated depreciation	<u>177,996,684</u>	<u>14,549,752</u>	<u>5,876,409</u>	<u>-</u>	<u>186,670,027</u>
Total capital assets, being depreciated, net	<u>197,153,512</u>	<u>(9,287,774)</u>	<u>55,300</u>	<u>20,036,506</u>	<u>207,846,944</u>
Intangible assets being amortized					
Software	380,146	-	-	-	380,146
Less accumulated amortization	298,686	54,307	-	-	352,993
Total intangible assets, being amortized, net	<u>81,460</u>	<u>(54,307)</u>	<u>-</u>	<u>-</u>	<u>27,153</u>
Capital assets, net	<u>\$ 269,602,692</u>	<u>\$ 23,292,173</u>	<u>\$ 85,931</u>	<u>\$ -</u>	<u>\$ 292,808,934</u>

The total property and equipment has been reconciled to the property reports submitted to the Office of the State Comptroller.

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
BALANCE SHEET BY ENTITY
June 30, 2011

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
ASSETS										
CURRENT FUNDS										
Cash and temporary investments	\$ 5,473,501	\$ 30,085	\$ 4,175,092	\$ 50,215	\$ 143,012	\$ (269,548)	\$ 506,164	\$ 213,919	\$ 603,609	\$ 10,926,049
Accrued interest receivable	-	-	991	-	-	-	-	-	-	991
Accounts receivable (net of allowance)	803,799	26,159	12,042	52,690	48,104	343,994	99,208	-	303,586	1,689,582
Inventories	24,117	-	634,328	1,451	-	-	-	-	-	659,896
Prepaid expense and other assets	27,129	-	1,463	-	-	-	-	-	450	29,042
Total current funds	<u>6,328,546</u>	<u>56,244</u>	<u>4,823,916</u>	<u>104,356</u>	<u>191,116</u>	<u>74,446</u>	<u>605,372</u>	<u>213,919</u>	<u>907,645</u>	<u>13,305,560</u>
PLANT FUNDS										
Temporary cash investments	2,930,950	-	7,658,292	86,040	49,580	-	65	-	46,601	10,771,528
Accounts receivable	367,556	-	-	-	-	-	-	-	-	367,556
Bond discount	108,219	-	-	-	-	-	-	-	-	108,219
Buildings and improvements	18,553,035	-	12,154,864	100,668	-	-	-	42,344	-	30,850,911
Equipment	1,722,901	46,564	1,647,445	15,361	106,159	-	9,428	20,686	8,323	3,576,867
Construction in progress	288,040	-	69,208,682	-	2,000	-	50,000	35,000	-	69,583,722
Accumulated depreciation	(3,990,831)	(40,785)	(2,068,131)	(31,643)	(53,956)	-	(8,459)	(39,034)	(8,323)	(6,241,162)
Other assets	62,887	-	1,761,564	-	-	-	-	-	-	1,824,451
Total plant funds	<u>20,042,757</u>	<u>5,779</u>	<u>90,362,716</u>	<u>170,426</u>	<u>103,783</u>	<u>-</u>	<u>51,034</u>	<u>58,996</u>	<u>46,601</u>	<u>110,842,092</u>
Total assets	<u>\$ 26,371,303</u>	<u>\$ 62,023</u>	<u>\$ 95,186,632</u>	<u>\$ 274,782</u>	<u>\$ 294,899</u>	<u>\$ 74,446</u>	<u>\$ 656,406</u>	<u>\$ 272,915</u>	<u>\$ 954,246</u>	<u>\$ 124,147,652</u>
LIABILITIES AND FUND BALANCES										
CURRENT FUNDS										
Accounts payable and accrued expenses	\$ 682,437	\$ -	\$ 921,736	\$ 16,967	\$ 706	2,836	\$ 4,645	\$ -	\$ 5,717	\$ 1,635,044
Accrued payroll	56,106	-	427,530	5,063	4,955	-	25,943	3,023	7,803	530,423
Accrued compensated absences	-	-	167,812	-	-	-	-	-	-	167,812
Deferred income	202,022	3,339	-	-	7,262	47,741	349,418	-	141,962	751,744
Total liabilities - current funds	<u>940,565</u>	<u>3,339</u>	<u>1,517,078</u>	<u>22,030</u>	<u>12,923</u>	<u>50,577</u>	<u>380,006</u>	<u>3,023</u>	<u>155,482</u>	<u>3,085,023</u>
Fund balances										
Current unrestricted	5,387,981	52,905	3,306,838	82,326	178,193	23,869	225,366	210,896	752,163	10,220,537
Total current funds	<u>6,328,546</u>	<u>56,244</u>	<u>4,823,916</u>	<u>104,356</u>	<u>191,116</u>	<u>74,446</u>	<u>605,372</u>	<u>213,919</u>	<u>907,645</u>	<u>13,305,560</u>
PLANT FUNDS										
Accounts payable	-	-	4,699,006	-	-	-	-	-	-	4,699,006
Notes leases payable	955,000	-	-	-	-	-	-	-	-	955,000
Certificates of participation payable	9,784,400	-	84,930,000	-	-	-	-	-	-	94,714,400
Bond premium	6,976	-	-	-	-	-	-	-	-	6,976
Total liabilities - plant funds	<u>10,746,376</u>	<u>-</u>	<u>89,629,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,375,382</u>
Fund balances										
Non-indentured reserve	265,596	-	651,417	86,040	49,580	-	65	-	46,601	1,099,299
Net investment in plant	6,302,545	5,779	(3,987,140)	84,386	54,203	-	50,969	58,996	-	2,569,738
Bond issuance costs	62,886	-	2,345,487	-	-	-	-	-	-	2,408,373
Construction reserve	558,550	-	1,723,946	-	-	-	-	-	-	2,282,496
Other reserves	2,106,804	-	-	-	-	-	-	-	-	2,106,804
Total fund balances	<u>9,296,381</u>	<u>5,779</u>	<u>733,710</u>	<u>170,426</u>	<u>103,783</u>	<u>-</u>	<u>51,034</u>	<u>58,996</u>	<u>46,601</u>	<u>10,466,710</u>
Total plant funds	<u>20,042,757</u>	<u>5,779</u>	<u>90,362,716</u>	<u>170,426</u>	<u>103,783</u>	<u>-</u>	<u>51,034</u>	<u>58,996</u>	<u>46,601</u>	<u>110,842,092</u>
Total liabilities and fund balances	<u>\$ 26,371,303</u>	<u>\$ 62,023</u>	<u>\$ 95,186,632</u>	<u>\$ 274,782</u>	<u>\$ 294,899</u>	<u>\$ 74,446</u>	<u>\$ 656,406</u>	<u>\$ 272,915</u>	<u>\$ 954,246</u>	<u>\$ 124,147,652</u>

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CURRENT FUNDS STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
REVENUES										
Tuition and fees	\$ 14,283,778	\$ 307,362	\$ -	\$ 161,903	\$ -	\$ -	\$ -	\$ -	\$ 1,272,031	\$ 16,025,074
Federal grants and contracts	-	-	-	-	-	-	-	181,582	-	181,582
State grants and contracts	-	-	-	-	-	-	-	123,986	-	123,986
Private gifts, grants, and contracts	66,961	-	-	212,267	-	-	463	13,393	-	293,084
Investment income	-	-	-	-	-	-	-	-	-	-
Educational activities	1,721,742	756	-	427,634	636,868	-	1,365,945	-	-	4,152,945
Other additions	1,361,526	3,437	-	33,900	169,894	648,634	(5,190)	-	7,470	2,219,671
Total revenues and other additions	17,434,007	311,555	-	835,704	806,762	648,634	1,361,218	318,961	1,279,501	22,996,342
EXPENDITURES										
Educational and general										
Instruction	-	294,588	-	200,528	25,344	632,871	(3)	-	993,477	2,146,805
Research	-	-	-	-	-	-	-	-	-	-
Public service	-	-	-	264,568	554,348	-	1,425,368	-	-	2,244,284
Academic support	-	11,536	-	321,197	6,046	-	10,711	129,320	-	478,810
Student services	12,031,012	-	-	65,930	-	-	-	1,335	-	12,098,277
Institutional support	-	-	(1,609,886)	28,523	-	-	-	167,972	-	(1,413,391)
Operation and maintenance of plant	17,059	-	-	-	35,342	-	-	35,054	-	87,455
Scholarships and fellowships	1,679,361	-	-	-	-	-	-	-	-	1,679,361
Total educational and general expenditures	13,727,432	306,124	(1,609,886)	880,746	621,080	632,871	1,436,076	333,681	993,477	17,321,601
TRANSFERS AND OTHER ADDITIONS (DEDUCTIONS)										
Mandatory transfers										
Principal	(940,188)	-	-	-	(11,349)	-	-	-	-	(951,537)
Interest	(438,888)	-	(965,400)	-	(1,551)	-	-	-	-	(1,405,839)
Student aid matching grants	-	-	-	-	-	-	-	-	-	-
Total mandatory transfers	(1,379,076)	-	(965,400)	-	(12,900)	-	-	-	-	(2,357,376)
Non-mandatory transfers										
Renewal and replacement	(200,000)	-	(351,642)	-	(15,000)	-	-	-	(13,639)	(580,281)
Construction	-	-	-	-	-	-	-	-	-	-
Reserve	(582,896)	-	-	-	-	-	-	-	-	(582,896)
Excess local funds	-	-	-	(40,182)	-	(20)	-	-	-	(40,202)
Transfers, other	-	-	-	(2,509)	(10,000)	-	-	-	-	(12,509)
Total non-mandatory transfers	(782,896)	-	(351,642)	(42,691)	(25,000)	(20)	-	-	(13,639)	(1,215,888)
NET INCREASE (DECREASE) FOR THE YEAR	1,544,603	5,431	292,844	(87,733)	147,782	15,743	(74,858)	(14,720)	272,385	2,101,477
FUND BALANCES AT JULY 1, 2010	3,843,378	47,474	3,013,994	170,059	30,411	8,126	300,224	225,616	479,778	8,119,060
FUND BALANCES AT JUNE 30, 2011	\$ 5,387,981	\$ 52,905	\$ 3,306,838	\$ 82,326	\$ 178,193	\$ 23,869	\$ 225,366	\$ 210,896	\$ 752,163	\$ 10,220,537

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
STATEMENT OF CHANGES IN PLANT FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
NON-INDENTURED RESERVES										
Fund balances at July 1, 2010	\$ 84,397	\$ -	\$ 321,975	\$ 86,040	\$ 34,772	\$ -	\$ 720	\$ -	\$ 34,302	\$ 562,206
Reserve additions										
Current funds	200,000	-	351,642	-	15,000	-	-	-	13,639	580,281
Other current funds	-	-	-	-	-	-	-	-	-	-
Total Additions	200,000	-	351,642	-	15,000	-	-	-	13,639	580,281
Reserve deductions										
Non-capitalized equipment purchases	18,801	-	-	-	192	-	-	-	1,340	20,333
Transfer to Plant Fund	-	-	22,200	-	-	-	-	-	-	22,200
Transfer to Other Plant fund	-	-	-	-	-	-	655	-	-	655
Total Deductions	18,801	-	22,200	-	192	-	655	-	1,340	43,188
Fund balances at June 30, 2011	\$ 265,596	\$ -	\$ 651,417	\$ 86,040	\$ 49,580	\$ -	\$ 65	\$ -	\$ 46,601	\$ 1,099,299
NET INVESTMENT IN PLANT										
Fund balances at July 1, 2010	\$ 6,173,104	\$ 7,466	\$ (29,497,183)	\$ 88,356	\$ 66,574	\$ -	\$ 51,173	\$ 62,339	\$ 1,094	\$ (23,047,077)
Plant additions										
Current funds	1,054,007	-	2,536,782	-	475	-	-	-	-	3,591,264
Other Current Funds	88,067	-	108,410	-	-	-	-	-	-	196,477
Non-indentured reserves	-	-	22,200	-	-	-	-	-	-	22,200
Construction reserve	1,762	-	23,496,531	-	-	-	-	-	-	23,498,293
Gifts/Grants	-	-	-	-	-	-	-	-	-	-
Disposed Property	(18,082)	-	2,500	-	-	-	-	-	-	(15,582)
Omitted equipment	-	-	-	-	-	-	-	-	-	-
Amortization of bond premium	-	-	-	-	-	-	-	-	-	-
Total additions	1,125,754	-	26,166,423	-	475	-	-	-	-	27,292,652
Plant deductions										
Depreciation	786,010	1,687	656,380	3,970	12,846	-	204	3,343	1,094	1,465,534
Omitted Equipment	202,996	-	-	-	-	-	-	-	-	202,996
Bond premium/discount	7,307	-	-	-	-	-	-	-	-	7,307
Bonds Issued	-	-	-	-	-	-	-	-	-	-
Total deductions	996,313	1,687	656,380	3,970	12,846	-	204	3,343	1,094	1,675,837
Fund balances (Deficit) at June 30, 2011	\$ 6,302,545	\$ 5,779	\$ (3,987,140)	\$ 84,386	\$ 54,203	\$ -	\$ 50,969	\$ 58,996	\$ -	\$ 2,569,738

STATE OF ILLINOIS
 EASTERN ILLINOIS UNIVERSITY
 DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 STATEMENT OF CHANGES IN PLANT FUND BALANCES BY ENTITY
 For the Year Ended June 30, 2011

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
BOND ISSUANCE COSTS										
Fund balance at July 1, 2010	\$ 73,924	\$ -	\$ 3,980,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,054,374
Additions										
Bonds Proceeds	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	2,390	-	-	-	-	-	-	2,390
Change in fair value of investment	-	-	-	-	-	-	-	-	-	-
Build America bond subsidy	-	-	1,761,392	-	-	-	-	-	-	1,761,392
Other current funds	-	-	-	-	-	-	-	-	-	-
Total additions	-	-	1,763,782	-	-	-	-	-	-	1,763,782
Deductions										
Amortization of closing costs	11,038	-	148,978	-	-	-	-	-	-	160,016
Interest expense	-	-	3,249,767	-	-	-	-	-	-	3,249,767
Transfer to construction funds	-	-	-	-	-	-	-	-	-	-
Total deductions	11,038	-	3,398,745	-	-	-	-	-	-	3,409,783
Fund balance at June 30, 2011	\$ 62,886	\$ -	\$ 2,345,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,408,373
CONSTRUCTION RESERVE										
Fund balance at July 1, 2010	\$ 560,312	\$ -	\$ 26,979,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,539,392
Additions										
Gifts	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	22,258	-	-	-	-	-	-	22,258
Change in fair value of investments	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-	-	-
Total additions	-	-	22,258	-	-	-	-	-	-	22,258
Deductions										
Transfer to net investment in plant fund	1,762	-	23,496,531	-	-	-	-	-	-	23,498,293
Non-capitalized construction expenses	-	-	1,780,861	-	-	-	-	-	-	1,780,861
Total deductions	1,762	-	25,277,392	-	-	-	-	-	-	25,279,154
Fund balance at June 30, 2011	\$ 558,550	\$ -	\$ 1,723,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,282,496

STATE OF ILLINOIS
 EASTERN ILLINOIS UNIVERSITY
 DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 STATEMENT OF CHANGES IN PLANT FUND BALANCES BY ENTITY
 For the Year Ended June 30, 2011

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
OTHER RESERVES										
Fund balance at July 1, 2010	\$ 1,523,908	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,523,908
Reserve Additions										
Current Funds	582,896	-	-	-	-	-	-	-	-	582,896
Change in fair value of investments	-	-	-	-	-	-	-	-	-	-
Total additions	582,896	-	-	-	-	-	-	-	-	582,896
Reserve Deductions										
Transfer to Current funds	-	-	-	-	-	-	-	-	-	-
Total deductions	-	-	-	-	-	-	-	-	-	-
Fund balance at June 30, 2011	\$ 2,106,804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,106,804

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
CURRENT FUNDS, UNRESTRICTED
BALANCE SHEET BY ENTITY
June 30, 2011**

	<u>Student Living</u>	<u>Student Facilities</u>	<u>Textbook Rental</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 3,328,221	\$ 275,014	\$ 752,501	\$ 4,355,736
Investments	33,243	4,101	-	37,344
Accounts receivable	3,433,171	184,459	569,248	4,186,878
Inventories	164,385	1,233,347	-	1,397,732
Prepaid expenses	24,774	3,355	-	28,129
Other noncurrent assets	290,019	82,134	-	372,153
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 7,273,813</u>	<u>\$ 1,782,410</u>	<u>\$ 1,321,749</u>	<u>\$ 10,377,972</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ 1,959,429	\$ 2,158,482	\$ 77,944	\$ 4,195,855
Accrued payroll	578,596	106,255	15,521	700,372
Security deposits	732,992	-	-	732,992
Accrued compensated absences	1,048,085	222,472	30,665	1,301,222
Deferred income, room and board	92,688	-	-	92,688
Deferred income, other	54,453	107,611	72,577	234,641
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>4,466,243</u>	<u>2,594,820</u>	<u>196,707</u>	<u>7,257,770</u>
Fund balances	<u>2,807,570</u>	<u>(812,410)</u>	<u>1,125,042</u>	<u>3,120,202</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 7,273,813</u>	<u>\$ 1,782,410</u>	<u>\$ 1,321,749</u>	<u>\$ 10,377,972</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
STATEMENT OF CURRENT FUNDS, UNRESTRICTED
REVENUES AND EXPENDITURES BY ENTITY
For the Year Ended June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
Revenues				
Room and board	\$ 32,868,819	\$ -	\$ -	\$ 32,868,819
Duplicating	1,604	335,760	-	337,364
Bowling and recreation	-	64,795	-	64,795
Merchandise sales	94,081	2,111,181	398,794	2,604,056
Other	242,688	141,916	167,419	552,023
Student fees	658,959	2,706,639	-	3,365,598
Operating fee	-	2,162,254	3,067,519	5,229,773
Desk sales revenue	1,301,642	91,670	-	1,393,312
Games revenue	1,210	-	-	1,210
Subsidy reduction fee	-	62,983	15,907	78,890
Canned drink sales	-	45,409	-	45,409
Vending	247,777	36,560	-	284,337
Service and rental fees	55,209	94,433	289	149,931
Total revenues	35,471,989	7,853,600	3,649,928	46,975,517
Expenditures				
Merchandise	6,232	1,973,763	-	1,979,995
Food	4,513,876	60,979	-	4,574,855
Salaries				
Faculty	1,548,481	177,329	-	1,725,810
Civil service	8,782,918	2,015,659	302,300	11,100,877
Student	2,014,427	222,980	138,647	2,376,054
Resident assistants	1,073,075	-	-	1,073,075
Compensated absences	(127,852)	20,925	(16,186)	(123,113)
Commodities				
Office and administrative supplies	91,933	70,706	16,042	178,681
Household - cleaning supplies	353,569	-	-	353,569
Other commodities	784,377	165,692	19,639	969,708
Operation of automotive equipment	17,179	2,923	-	20,102
Travel	11,598	184	-	11,782
Contractual services				
Repairs	596,135	134,478	20,168	750,781
Rentals	292,723	1,594	-	294,317
Services	468,035	171,076	294,347	933,458
Insurance	(137,583)	(39,460)	-	(177,043)
Operating taxes and fees	193,706	103,016	14,468	311,190
Utilities	3,238,746	891,560	18,263	4,148,569
Office and administrative	11,774	40	-	11,814
Other contractual services	2,433,643	514,577	31,937	2,980,157
Equipment	83,935	23,881	1,389	109,205
Telecommunications charges	568,409	11,885	4,455	584,749
Waivers & scholarships	27,406	98,286	46,678	172,370
Building improvement	28,531	6,711	5,816	41,058
Total expenditures	26,875,273	6,628,784	897,963	34,402,020
Excess of revenues over expenditures	\$ 8,596,716	\$ 1,224,816	\$ 2,751,965	\$ 12,573,497

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
STATEMENT OF CURRENT FUNDS, UNRESTRICTED
STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
Fund balances at July 1, 2010	\$ 2,368,596	\$ 162,717	\$ 1,069,088	\$ 3,600,401
Revenues and other additions				
Operating revenues	35,471,989	7,853,600	3,649,928	46,975,517
Expenditures and other deductions				
Operating expenditures	26,890,659	6,577,267	906,944	34,374,870
Change in compensated absences	(127,852)	20,925	(16,186)	(123,113)
Equipment	83,935	23,881	1,389	109,205
Building improvements	28,531	6,711	5,816	41,058
Total expenditures and other deductions	26,875,273	6,628,784	897,963	34,402,020
Transfers among funds				
Deductions				
Mandatory transfers				
Debt retirement	(2,978,278)	(1,909,247)	(305,911)	(5,193,436)
Non-mandatory transfers				
Repair and replacement reserve	(1,109,304)	(290,696)	-	(1,400,000)
Project Director reserve	(4,070,160)	-	(2,390,100)	(6,460,260)
Total transfers	(8,157,742)	(2,199,943)	(2,696,011)	(13,053,696)
Net increase (decrease) for the year	438,974	(975,127)	55,954	(480,199)
Fund balances at June 30, 2011	\$ 2,807,570	\$ (812,410)	\$ 1,125,042	\$ 3,120,202

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
PLANT FUNDS
BALANCE SHEET BY ENTITY
June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
ASSETS				
RENEWAL AND REPLACEMENT				
Cash and temporary cash investments	\$ 4,922,747	\$ 2,665,058	\$ 955,406	\$ 8,543,211
Investments	14,356	13,900	4,983	33,239
Total renewal and replacement	<u>4,937,103</u>	<u>2,678,958</u>	<u>960,389</u>	<u>8,576,450</u>
RETIREMENT OF INDEBTEDNESS				
Bond and interest sinking fund				
Cash and temporary investments	(1,309,140)	(800,860)	(25,000)	(2,135,000)
Accounts receivable	1,505,901	929,384	77,562	2,512,847
Bond issuance costs				
Other assets	79,315	51,763	87,531	218,609
Total retirement of indebtedness	<u>276,076</u>	<u>180,287</u>	<u>140,093</u>	<u>596,456</u>
INVESTMENT IN PLANT				
Accounts receivable	97,931	396,415	-	494,346
Bond discount	353,913	242,027	14,311	610,251
Land	118,981	-	-	118,981
Building and site improvements	84,161,444	39,363,911	3,740,771	127,266,126
Equipment	1,315,742	1,326,562	8,417,723	11,060,027
Accumulated depreciation	(46,171,870)	(20,117,864)	(6,480,844)	(72,770,578)
Construction in progress	6,207,378	223,054	-	6,430,432
Total investment in plant	<u>46,083,519</u>	<u>21,434,105</u>	<u>5,691,961</u>	<u>73,209,585</u>
PROJECT CONSTRUCTION				
Cash and temporary investments	-	-	520,565	520,565
Investments	-	-	2,714	2,714
Total development reserve	<u>-</u>	<u>-</u>	<u>523,279</u>	<u>523,279</u>
 Total assets	 <u>\$ 51,296,698</u>	 <u>\$ 24,293,350</u>	 <u>\$ 7,315,722</u>	 <u>\$ 82,905,770</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
PLANT FUNDS
BALANCE SHEET BY ENTITY
June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
LIABILITIES AND FUND BALANCES				
RENEWAL AND REPLACEMENT				
Accounts payable	\$ 122,541	\$ 1,600	\$ -	\$ 124,141
Renewal and replacement reserve	4,814,562	2,677,358	960,389	8,452,309
Total renewal and replacement	<u>4,937,103</u>	<u>2,678,958</u>	<u>960,389</u>	<u>8,576,450</u>
RETIREMENT OF INDEBTEDNESS				
Accounts payable	196,761	128,524	52,562	377,847
Bond and interest sinking fund reserve	-	-	-	-
Bond issuance costs	79,315	51,763	87,531	218,609
Total retirement of indebtedness	<u>276,076</u>	<u>180,287</u>	<u>140,093</u>	<u>596,456</u>
INVESTMENT IN PLANT				
Accounts payable	-	508	-	508
Revenue bonds outstanding	16,742,682	11,002,318	4,040,000	31,785,000
Notes payable	-	27,803	-	27,803
Lease obligations	1,137,467	523,778	-	1,661,245
Bond premium	269,946	169,638	-	439,584
Net investment in plant	27,933,424	9,710,060	1,651,961	39,295,445
Total investment in plant	<u>46,083,519</u>	<u>21,434,105</u>	<u>5,691,961</u>	<u>73,209,585</u>
PROJECT CONSTRUCTION				
Accounts payable	-	-	-	-
Construction reserve	-	-	523,279	523,279
Total project construction	<u>-</u>	<u>-</u>	<u>523,279</u>	<u>523,279</u>
 Total liabilities and fund balances	 <u>\$ 51,296,698</u>	 <u>\$ 24,293,350</u>	 <u>\$ 7,315,722</u>	 <u>\$ 82,905,770</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
PLANT FUNDS
STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
RENEWAL AND REPLACEMENT				
Fund balances at July 1, 2010	\$ 4,635,634	\$ 2,695,608	\$ 927,138	\$ 8,258,380
Other revenues	-	200,000	-	200,000
Non-mandatory transfers - current	1,109,304	290,696	-	1,400,000
Non-mandatory transfers - Project Directors' accounts	4,070,160	-	2,390,100	6,460,260
Repair expenditures	(5,000,536)	(508,946)	(29,550)	(5,539,032)
Textbook expenditures	-	-	(2,327,299)	(2,327,299)
Fund balances at June 30, 2011	<u>\$ 4,814,562</u>	<u>\$ 2,677,358</u>	<u>\$ 960,389</u>	<u>\$ 8,452,309</u>
RETIREMENT OF INDEBTEDNESS				
BOND AND INTEREST SINKING FUND				
Fund balances at July 1, 2010	\$ -	\$ -	\$ -	\$ -
Mandatory transfer from current fund	2,978,278	1,909,247	305,911	5,193,436
Debt retirement principal	(2,154,230)	(1,370,770)	(95,000)	(3,620,000)
Debt retirement interest	(824,048)	(538,477)	(210,911)	(1,573,436)
Fund balances at June 30, 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
BOND ISSUANCE COSTS				
Fund balances at July 1, 2010	\$ 112,468	\$ 72,410	\$ 97,298	\$ 282,176
Bond closing costs amortization	(33,153)	(20,647)	(9,767)	(63,567)
Fund balances at June 30, 2011	<u>79,315</u>	<u>51,763</u>	<u>87,531</u>	<u>218,609</u>
Total retirement of indebtedness - June 30, 2011	<u>\$ 79,315</u>	<u>\$ 51,763</u>	<u>\$ 87,531</u>	<u>\$ 218,609</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - REVENUE BONDS
PLANT FUNDS
STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	Student Living	Student Facilities	Textbook Rental	Total
INVESTMENT IN PLANT				
Fund balances at July 1, 2010	\$ 23,515,347	\$ 9,052,436	\$ 1,205,512	\$ 33,773,295
Equipment purchased (net of deletions)	81,450	147,545	2,356,851	2,585,846
Buildings/sites (net of deletions)	3,821,948	135,871	225,708	4,183,527
Loss on disposal	3,000	1,700	-	4,700
Depreciation	(2,706,485)	(1,311,641)	(2,229,513)	(6,247,639)
Debt retirement - principal payment	3,162,378	1,655,424	95,000	4,912,802
Bond discount expense	(71,921)	(49,417)	(1,597)	(122,935)
Bond premium amortization	127,707	78,142	-	205,849
Fund balances at June 30, 2011	<u>\$ 27,933,424</u>	<u>\$ 9,710,060</u>	<u>\$ 1,651,961</u>	<u>\$ 39,295,445</u>
PROJECT CONSTRUCTION				
Fund balances at July 1, 2010	\$ -	\$ -	\$ 671,614	\$ 671,614
Construction expenditures	-	-	(148,335)	(148,335)
Fund balances at June 30, 2011	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 523,279</u>	<u>\$ 523,279</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - OTHER
BALANCE SHEET BY ENTITY
June 30, 2011**

	Student/Staff Programs	Regional Services	Total
ASSETS			
CURRENT FUNDS			
Cash and temporary cash investments	\$ 161,648	\$ -	\$ 161,648
Accounts receivable	166,252	-	166,252
Investments	3,144	-	3,144
Total current funds	<u>331,044</u>	<u>-</u>	<u>331,044</u>
PLANT FUNDS			
Cash and temporary cash investments	811,259	-	811,259
Investments	1,879	-	1,879
Building and site improvements	3,588,040	-	3,588,040
Land	1,248,811	-	1,248,811
Equipment	72,126	8,455	80,581
Accumulated depreciation	(2,594,040)	(8,455)	(2,602,495)
Construction in progress	482,732	-	482,732
Total plant funds	<u>3,610,807</u>	<u>-</u>	<u>3,610,807</u>
 Total assets	 <u>\$ 3,941,851</u>	 <u>\$ -</u>	 <u>\$ 3,941,851</u>
LIABILITIES AND FUND BALANCES			
CURRENT FUNDS			
Accounts payable	\$ 6,478	\$ -	\$ 6,478
Accrued payroll	19,350	-	19,350
Fund balances	305,216	-	305,216
Total current funds	<u>331,044</u>	<u>-</u>	<u>331,044</u>
PLANT FUNDS			
Accounts payable	19,555	-	19,555
Non-indentured reserves	793,583	-	793,583
Net investment in plant	2,797,669	-	2,797,669
Total plant funds	<u>3,610,807</u>	<u>-</u>	<u>3,610,807</u>
 Total liabilities and fund balances	 <u>\$ 3,941,851</u>	 <u>\$ -</u>	 <u>\$ 3,941,851</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - OTHER
CURRENT FUNDS STATEMENT OF REVENUES AND EXPENDITURES BY ENTITY
For the Year Ended June 30, 2011**

	<u>Student/Staff Programs</u>	<u>Regional Services</u>	<u>Total</u>
REVENUES			
Sales, services - enterprises	\$ 663,057	\$ -	\$ 663,057
Fines and penalties	329,400	-	329,400
Other income	26,500	-	26,500
Total revenues	<u>1,018,957</u>	<u>-</u>	<u>1,018,957</u>
EXPENDITURES			
Salaries	294,199	-	294,199
Other expenses	99,944	-	99,944
Contractual services	123,131	-	123,131
Commodities	19,885	-	19,885
Total expenditures	<u>537,159</u>	<u>-</u>	<u>537,159</u>
Revenues over expenditures	<u>\$ 481,798</u>	<u>\$ -</u>	<u>\$ 481,798</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - OTHER
CURRENT FUNDS STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	<u>Student/Staff Programs</u>	<u>Regional Services</u>	<u>Total</u>
Fund balances at July 1, 2010	\$ 274,418	\$ -	\$ 274,418
Revenues and other additions			
Operating revenues	1,018,957	-	1,018,957
Change in investment market value	-	-	-
Total revenues and other additions	<u>1,018,957</u>	<u>-</u>	<u>1,018,957</u>
Expenditures and other deductions			
Operating expenditures	537,159	-	537,159
Non-mandatory transfers	451,000	-	451,000
Total expenditures and other deductions	<u>988,159</u>	<u>-</u>	<u>988,159</u>
Net increase for the year	<u>30,798</u>	<u>-</u>	<u>30,798</u>
Fund balances at June 30, 2011	<u>\$ 305,216</u>	<u>\$ -</u>	<u>\$ 305,216</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISE FUNDS - OTHER
PLANT FUNDS STATEMENT OF CHANGES IN FUND BALANCES BY ENTITY
For the Year Ended June 30, 2011**

	<u>Student/Staff Programs</u>	<u>Regional Services</u>	<u>Total</u>
NON-INDENTURED RESERVES			
Fund balances at July 1, 2010	\$ 588,290	\$ -	\$ 588,290
Reserve additions			
Current funds	451,000	-	451,000
Total additions	<u>451,000</u>	<u>-</u>	<u>451,000</u>
Reserve deductions			
Permanent improvements	245,707	-	245,707
Total reductions	<u>245,707</u>	<u>-</u>	<u>245,707</u>
Fund balances at June 30, 2011	<u>\$ 793,583</u>	<u>\$ -</u>	<u>\$ 793,583</u>
INVESTMENT IN PLANT			
Fund balances at July 1, 2010	\$ 2,483,435	\$ -	\$ 2,483,435
Plant additions			
Current funds	71,039	-	71,039
Reserve funds	419,362	-	419,362
Total additions	<u>490,401</u>	<u>-</u>	<u>490,401</u>
Plant reduction			
Depreciation	176,167	-	176,167
Total reduction	<u>176,167</u>	<u>-</u>	<u>176,167</u>
Fund balances at June 30, 2011	<u>\$ 2,797,669</u>	<u>\$ -</u>	<u>\$ 2,797,669</u>

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the Years Ended June 30, 2011 and 2010

	2011	2010	Increase (Decrease)	Percentage Change
Operating Revenues:				
Student tuition and fees	\$ 76,341,978	\$ 75,349,113	\$ 992,865	1%
Federal grants and contracts	2,035,912	2,963,553	(927,641)	-31% (A)
State grants and contracts	2,475,164	2,534,502	(59,338)	-2%
Local grants and contracts	420,163	310,956	109,207	35%
Private grants and contracts	2,014,022	2,332,468	(318,446)	-14%
Sales and services of educational departments	4,157,156	4,486,307	(329,151)	-7%
Auxiliary enterprises	44,953,396	46,248,703	(1,295,307)	-3%
Other operating revenues	2,947,282	2,637,801	309,481	12%
Operating Expenses:				
Educational and general				
Instruction	94,171,743	93,706,501	465,242	0%
Research	1,147,875	1,231,187	(83,312)	-7%
Public service	7,896,281	8,044,122	(147,841)	-2%
Academic support	15,736,629	16,095,347	(358,718)	-2%
Student services	20,871,872	19,321,993	1,549,879	8%
Institutional support	20,078,350	18,942,757	1,135,593	6%
Operations of maintenance of plant	14,633,999	14,594,327	39,672	0%
Student aid	10,905,280	9,073,353	1,831,927	20% (B)
Auxiliary enterprises	33,661,480	35,716,891	(2,055,411)	-6%
Depreciation expense	14,604,059	14,868,320	(264,261)	-2%
Nonoperating Revenues (Expenses):				
State appropriations	47,417,250	47,613,750	(196,500)	0%
State appropriations through Federal ARRA funds	-	2,956,963	(2,956,963)	100% (C)
Payments on behalf of the University	48,399,928	44,755,254	3,644,674	8%
Gifts	1,729,803	1,717,722	12,081	1%
Investment income (net)	108,015	155,102	(47,087)	-30%
Net decrease in fair value of investments	86,145	36,791	49,354	134%
Interest on capital asset-related debt	(4,731,328)	(4,503,647)	(227,681)	5%
Nonoperating grants and contracts	16,985,494	14,309,497	2,675,997	19%
Amortization of bond costs, premiums, and discounts	(147,037)	(57,658)	(89,379)	155%
Payments to the Foundation	(8,340)	(6,740)	(1,600)	24%
Loss on disposal of capital assets	(58,895)	(62,856)	3,961	-6%
Other nonoperating revenues	1,761,392	783,164	978,228	125% (D)
Other Changes in Net Assets:				
Capital appropriations	377,404	-	377,404	100% (E)
Capital grants and gifts	1,255,221	450,244	804,977	179% (F)
Transfers from Capital Development Board	240,471	1,212,275	(971,804)	-80% (G)

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN REVENUE, EXPENSES AND
CHANGE IN NET ASSETS
For the year ended June 30, 2011**

All variances greater than \$200,000 and more than 20% from fiscal year 2010 are discussed below. Refer to the Analysis of Revenues, Expenses and Changes in Net Assets on page 60 for the actual dollar changes.

Explanations of significant variances:

- (A) Federal grants and contracts – The significant decrease in this account was primarily due to lower grants this year and concluding other grants related to the Student Success Center, the Power Plant replacement, the Japanese Beetle Research and Development grant, and Expanding Instructional Capacity grant. In addition, there was a decrease in the grants for Peace Meal and Department of Education Campus Safety Equipment.
- (B) Student aid expenses – The increase in this account is associated with increased Pell grants and financial aid provided to students during fiscal year 2011.
- (C) State appropriation through Federal ARRA Funds – The decrease pertains to the funding through the American Recovery and Reinvestment Act, which was only in the fiscal year 2010.
- (D) Other nonoperating revenue – The increase in this account is due to the University receiving a full year of the Build America Bond subsidy from the federal government related to the issuance of the Certificate of Participation Series 2009A. In fiscal year 2010, the University only received a half year of the interest credit.
- (E) Capital appropriations – The increase in this account is due to the University receiving capital appropriations from the State in fiscal year 2011. During fiscal year 2010, the State did not release the University's capital appropriation.
- (F) Capital grants and gifts – The increase in capital grants and gifts is the result of several grants received relating to the construction of the Renewable Energy Center and other campus energy savings projects.
- (G) Transfers from Capital Development Board – The decrease in this account is due to the State's Capital Development Board spending less money on construction projects at the University during fiscal year 2011.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN ACCOUNT BALANCES
JUNE 30, 2011 AND 2010**

	2011	2010	Increase (Decrease)	Percentage Change
Assets:				
Current assets:				
Cash and cash equivalents	\$ 41,601,939	\$ 67,499,797	\$ (25,897,858)	-38% (A)
Restricted cash and cash equivalents	2,364,394	2,938,168	(573,774)	-20% (A)
Short-term investments	245,000	250,000	(5,000)	-2%
Restricted short-term investments	16,397	14,244	2,153	15%
Accounts receivable, net of allowance	13,181,079	12,458,834	722,245	6%
State appropriation receivable	20,815,237	13,266,497	7,548,740	57% (B)
Interest receivable	991	2,194	(1,203)	-55%
Inventories	2,057,629	1,734,194	323,435	19%
Notes receivable, current portion, net	956,821	922,730	34,091	4%
Other assets	900,632	1,364,408	(463,776)	-34%
Noncurrent assets:				
Notes receivable, less current portion	5,413,588	5,332,271	81,317	2%
Endowment investments	550,971	459,477	91,494	20%
Other long-term assets	2,565,387	2,043,539	521,848	26%
Capital assets, net of accumulated depreciation	292,808,934	269,602,692	23,206,242	9%
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	16,649,738	19,736,802	(3,087,064)	-16%
Deferred revenues	3,940,806	3,855,752	85,054	2%
Long-term liabilities, current portion	9,610,987	8,929,792	681,195	8%
Noncurrent liabilities:				
Long term liabilities, less current portion	134,552,909	141,685,132	(7,132,223)	-5%
Federal loan program contributions refundable	5,710,824	5,720,860	(10,036)	0%

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN ACCOUNT BALANCES
For the Year Ended June 30, 2011**

All variances greater than \$200,000 and more than 20% from fiscal year 2010 are discussed below. Refer to the Analysis of Significant Variations in Account Balances on page 62 for the actual dollar changes.

Explanations of significant variances:

- (A) Cash and cash equivalents and restricted cash and cash equivalents – The significant decrease in this account is due to the University receiving a lower State appropriation and slower State payments in fiscal year 2011 and the University spending the Certificate of Participation 2009A proceeds received in fiscal year 2010.
- (B) State appropriation receivable – The increase was due to slower payments of State appropriations, primarily payroll reimbursements, during fiscal year 2011.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Year Ended June 30, 2011**

There were no significant expenditures incurred during the lapse period.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF ACCOUNTS RECEIVABLE
For the Years Ended June 30, 2011 and 2010**

Accounts receivable are as follows at June 30:

Aging Analysis	2011	2010
Current	\$3,780,128	\$4,007,839
1-180 days past due	1,954,283	1,825,830
181 days past due	1,559,160	1,266,909
Over 1 year past due	8,926,917	7,584,322
	16,220,488	14,684,900
Grants receivable not aged	1,090,253	1,591,554
Scholarship receivables not aged	1,740,613	997,063
Total accounts receivable	19,051,354	17,273,517
Less: allowance for doubtful accounts	(5,870,275)	(4,814,683)
	\$13,181,079	\$12,458,834

The majority of the receivables relate to amounts due from student accounts for tuition and fees and room and board. Smaller receivable amounts are for summer camp activities, publication advertising and NCAA donations.

Scholarship receivables and grant receivables are not aged due to their nature. These are usually received from other governmental agencies within the semester in which the billings or expenses are incurred.

Collection Policies for Accounts Receivable

The University pursues a collection process for student receivables as soon as students begin their career at EIU. Monthly statements are sent to the students as long as balances exist on their accounts. Unpaid balances are assessed a 1% per month finance charge. Records of students who do not pay their balances in full by a specified date are placed on hold so that they are prevented from receiving University services or registering for classes for the next semester.

Once students leave the University, monthly statements continue to be sent. After 90 days, if the balance of the account is more than \$1,000, the account is placed in the State Comptroller's Offset System. Large accounts (over \$200) with no payment activity are eventually placed with a collection agency for six months. Accounts between \$200 and \$1,000 are also placed into the State Comptroller's Offset System at the time they are referred to the collection agency.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents and investments are as follows as of June 30:

	<u>2011</u>	<u>2010</u>
CASH AND CASH EQUIVALENTS		
Petty Cash Funds	\$ 35,940	\$ 35,480
The Illinois Funds	43,914,160	70,386,923
Checking accounts		
First Mid-Illinois Bank & Trust, Charleston, Illinois	<u>16,233</u>	<u>15,562</u>
Total cash and cash equivalents	<u>43,966,333</u>	<u>70,437,965</u>
INVESTMENTS		
Certificate of deposit	245,000	250,000
Mutual funds	<u>567,368</u>	<u>473,721</u>
Total investments	<u>812,368</u>	<u>723,721</u>
Total cash and cash equivalents and investments	<u><u>\$ 44,778,701</u></u>	<u><u>\$ 71,161,686</u></u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SUMMARY OF INDIRECT COST REIMBURSEMENT
STATEMENT OF SOURCES AND APPLICATIONS
For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Sources		
Federal	\$ 181,582	\$ 239,446
State	123,986	164,158
Other	13,393	13,286
	<u>318,961</u>	<u>416,890</u>
Applications		
Academic support	129,320	75,525
Institutional support	167,972	100,563
Operations and maintenance of plant	35,054	34,432
Student services	1,335	139,959
	<u>333,681</u>	<u>350,479</u>
Sources over applications	(14,720)	66,411
Fund balance, beginning of year	<u>225,616</u>	<u>159,205</u>
Fund balance, end of year	<u><u>\$ 210,896</u></u>	<u><u>\$ 225,616</u></u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SUMMARY OF INDIRECT COST REIMBURSEMENT
CALCULATION SHEET FOR INDIRECT COST CARRY-FORWARD
For the Year Ended June 30, 2011**

1. Cash and Cash Equivalents Balance	
Enter the June 30 indirect cost entity balance for cash and equivalents	<u>\$ 213,919</u>
2. Allocated Reimbursements	
Enter the total indirect cost reimbursements allocated for expenditure for the fiscal year completed	
\$805,016; enter 30% of this amount	<u>241,505</u>
3. Unallocated Reimbursements	
Enter the lesser of the actual unallocated indirect cost reimbursements for the year completed OR 10% of total indirect cost allocations for the year completed	<u>-</u>
4. Encumbrances and Current Liabilities Paid in the Lapse Period	
Enter the amount of	
Current liabilities	3,023
Encumbrances	<u>-</u>
Total	<u>3,023</u>
5. Indirect Cost Carry-forward	
a. Enter the total of items 2, 3 and 4	<u>244,528</u>
Subtract line 5a. from item 1	<u>\$ (30,609)</u>
If the positive number results, enter here and remit for deposit in the Income Fund	<u>\$ -</u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM
For the Year Ended June 30, 2011**

Description of Planning System

Eastern Illinois University's mission statement states that it offers superior, accessible undergraduate and graduate education. Students learn the methods and results of free and rigorous inquiry in the arts, humanities, sciences, and professions, guided by a faculty known for its excellence in teaching, research, creativity activity, and service. The University community is committed to diversity and inclusion and fosters opportunities for student-faculty scholarship and applied learning experiences within a student-centered campus culture. Throughout their education, students refine their abilities to reason and to communicate clearly so as to become responsible citizens and leaders.

The current University president started in July 2007. Various meetings were conducted with representative groups of students, faculty, staff, and administration, and public forums were held for students, faculty, and staff to get the University community's participation that would assist the President in assessing the strengths, weaknesses, opportunities, and threats related to the University's advancement. As a result of these meetings, the established University-wide strategic objectives focused on:

1. Upholding excellence;
2. Strengthening the EIU personal experience for all members of the EIU community;
3. Enhancing accessibility and affordability of an EIU education; and,
4. Supporting service to each other and to community, region, State, nation, and world.

The President also established five University-wide priorities in support of the academic and personal achievement of the students:

1. Enhancing support for excellence in faculty scholarship and teaching, in particular faculty-mentored undergraduate research, scholarship, and creative activities;
2. Enhancing service and leadership opportunities for students;
3. Enhancing fine arts programming and outreach;
4. Enhancing study abroad opportunities; and,
5. Enhancing honors programs.

The Office of Planning and Institutional Studies is responsible for gathering University information that provides criteria to assess progress toward the achievement of objectives assigned to each Vice Presidents, Deans and Directors. The Department has developed a University Metrics that shows the priorities and the list of measures used to determine the University performance in meeting the goals.

The Council on University Planning and Budget (CUPB) is in-charge of the overall review of the University planning process. Plans and goals are presented to the CUPB for inputs and recommendations before the plans are implemented. The CUPB has sub-

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM
For the Year Ended June 30, 2011**

committees for each Vice President area who provides inputs and recommendations to the respective VPs planning goals. To have a goal in-line with the President's initiatives, the Vice Presidents worked with their divisions to discuss the plans, budgets, innovations, and actions in support of the University's overall objective of being the best in the nation in integrating the academic and personal development of the students.

In January 2011, the University created a collaborative strategic plan to reevaluate the University-wide strategic objectives and priorities to ensure sustainable academic and financial future for the University. The plan was built on the foundations of the University's mission statement and core values of excellence, personal relationships, accessibility, and service. There were five phases in the strategic planning process.

- Phase I *Getting Organized.* In this phase, a Strategic Planning Steering Committee of approximately 30 members was formed. Veteran, mid-career and early career faculty from the colleges and Booth Library comprised more than half of the steering committee. Administrative and professional (A&P) and civil service employees from the various vice presidential areas, along with students and a trustee, rounded out the steering committee's membership.
- Phase II *Data Gathering and Engagement.* This phase was designed to meaningfully engage stakeholders, both on and off campus, in discussions about core values, the current and future challenges the University face, and critical issues the University must proactively manage.
- Phase III *Making Sense of the Issues.* In this phase, the steering committee organized the data gathered in phase II, and streamlined it into six strategic priorities or themes. After the priorities were identified, concept papers were written to inform stakeholders about those issues and their importance.
- Phase IV *Vision Conference.* This phase was organized to give internal and external stakeholders the opportunity to review and discuss the strategic priorities. The vision conference provided an opportunity for stakeholders to share their unique perspectives and to promote understanding of others' priorities and concerns. The outcomes of the vision conference were shared with the campus community. From the vision conference discussions, and in consultation with the campus, a new vision statement was established for the university.
- Phase V *Goals Conference.* In the final phase of the planning process, the steering committee met in a goals conference to draft strategic goals and action plans for each of the identified strategic priorities. The drafts of the strategic goals and action plans were reviewed by the President's Council and the campus

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM
For the Year Ended June 30, 2011**

community, and the steering committee used the resulting feedback to refine and finalize the goals and action plans.

The strategic plan was presented to the Board of Trustees in their January 2012 meeting. Once the Board of Trustees gives its final approval to the strategic plan, the steering committee's responsibilities will be concluded and it will be dissolved.

A five-year timeframe is envisioned for implementation of the strategic plan, and the President's Council has the primary responsibility for the implementation.

For a comprehensive treatment of the strategic planning process and detailed results to date, a web-site has been developed for university community oversight, interaction, and commentary: <http://www.eiu.edu/strategicplanning/index.php>.

Location, Address, and Head of the Agency

Dr. William L. Perry, President
Eastern Illinois University
600 Lincoln Avenue
Charleston, Illinois 61920

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
AVERAGE NUMBER OF EMPLOYEES
For the Years Ended June 30, 2011 and 2010**

	Instructional Activities	Organized Research	Public Services	Academic Support	Student Services	Institutional Support	Operations and Maintenance Physical Plant	Independent Operations	Total All Functions
Year ended June 30, 2011									
Appropriated funds									
Faculty/administrative	625.30	2.00	4.60	51.60	55.40	36.60	2.80	-	778.30
Civil service	115.40	0.60	2.40	61.20	42.70	84.10	110.30	-	416.70
Student employees	15.00	0.20	3.30	9.70	14.00	5.90	2.40	-	50.50
Total	755.70	2.80	10.30	122.50	112.10	126.60	115.50	-	1,245.50
Non-appropriated funds									
Faculty/administrative	14.10	3.80	15.10	6.10	46.30	3.00	39.00	44.30	171.70
Civil service	11.60	0.50	61.10	2.00	30.70	18.60	126.70	105.90	357.10
Student employees	7.00	1.80	7.00	2.10	23.00	0.20	7.50	139.50	188.10
Total	32.70	6.10	83.20	10.20	100.00	21.80	173.20	289.70	716.90
Total all funds	788.40	8.90	93.50	132.70	212.10	148.40	288.70	289.70	1,962.40
Year ended June 30, 2010									
Appropriated funds									
Faculty/administrative	610.00	20.10	11.30	52.70	61.30	35.70	2.60	-	793.70
Civil service	121.60	0.70	2.80	61.10	42.10	84.20	108.70	-	421.20
Student employees	16.40	0.10	2.50	13.20	2.30	6.70	3.60	-	44.80
Total	748.00	20.90	16.60	127.00	105.70	126.60	114.90	-	1,259.70
Non-appropriated funds									
Faculty/administrative	13.40	3.40	15.60	5.20	44.00	3.10	40.50	42.50	167.70
Civil service	11.70	0.50	66.20	1.00	35.20	18.90	133.80	109.00	376.30
Student employees	8.50	0.80	8.40	1.90	26.20	0.10	9.20	148.90	204.00
Total	33.60	4.70	90.20	8.10	105.40	22.10	183.50	300.40	748.00
Total all funds	781.60	25.60	106.80	135.10	211.10	148.70	298.40	300.40	2,007.70

This information has been provided by the University's Office of Planning Services.

This is the employment information reported to the Illinois Board of Higher Education. Staff years are computed by dividing the employees' number of months of employment during the fiscal year by 12 and multiplying that number by a factor of one for full-time and multiplying by the percentage of appointment for part-time. Examples of staff year computations are as follows:

- 1 full-time employee employed 12 months of the fiscal year counts - 1 staff year
- 1 full-time employee employed 6 months of the fiscal year counts - .5 staff year
- 1 one-third time employee employed 12 months of the fiscal year counts - .33 staff year
- 1 one-third time employee employed 6 months of the fiscal year counts - .17 staff year

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SERVICE EFFORTS AND ACCOMPLISHMENTS (UNAUDITED)
For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
PERFORMANCE INDICATORS		
Degrees conferred	2,907	2,990
Retention rate (fall to fall)	79.0%	79.0%
Graduation rate (6 year)	62.0%	58.0%

Enrollment figures, as developed by University personnel for the undergraduate and graduate schools during the year under review, are presented below:

ENROLLMENT STATISTICS

	Summer 2010	Summer 2009
Summer term		
Undergraduate students	1,796	1,827
Graduate students	898	882
Extension class	1,385	1,546
Total enrollment	<u>4,079</u>	<u>4,255</u>

	Fall 2010	Fall 2009
Fall term		
Undergraduate students	9,281	9,540
Graduate students	1,230	1,248
Extension class	1,119	1,178
Total enrollment	<u>11,630</u>	<u>11,966</u>
Full-time equivalent students	<u>10,248</u>	<u>10,557</u>

	Spring 2011	Spring 2010
Spring term		
Undergraduate students	8,397	8,692
Graduate students	1,152	1,195
Extension class	1,101	1,188
Total enrollment	<u>10,650</u>	<u>11,075</u>
Full-time equivalent students	<u>9,352</u>	<u>9,747</u>

Annual full-time equivalent students (based on average per term exclusive of summer term)	<u>9,800</u>	<u>10,152</u>
---	--------------	---------------

COST PER FULL-TIME EQUIVALENT STUDENT (as reported to the Illinois Board of Higher Education)

Current funds unrestricted, State appropriated plus income fund locally held		
General expenditures and transfers	<u>\$ 174,260,499</u>	<u>\$ 161,491,247</u>
Cost per full-time equivalent student	<u>\$ 17,782</u>	<u>\$ 15,907</u>

EASTERN ILLINOIS UNIVERSITY
SCHEDULES OF FEDERAL EXPENDITURES, NON-FEDERAL EXPENSES AND NEW LOANS
For the Year Ended June 30, 2011
(expressed in thousands)

Schedule A -- Federal Financial Component

Total federal expenditures reported on SEFA schedule	\$ 94,061
Total new loans made not included on SEFA Schedule	-
Amount of federal loan balances (not included on the SEFA schedule and continued compliance required)	-
Other noncash federal award expenditures (not included on SEFA schedule)	-
Total Schedule A	<u>\$ 94,061</u>

Schedule B -- Total Financial Component

Total operating expenses (from financial statements)	\$ 233,708
Total nonoperating expenses (from financial statements)	4,946
Total new loans made	64,902
Amount of federal loan balances	6,684
Other noncash federal award expenditures	963
Total Schedule B	<u>\$ 311,203</u>

Schedule C

		<u>Percent</u>
Total Schedule A	\$ 94,061	30.2%
Total non-federal expenses	<u>217,142</u>	<u>69.8%</u>
Total Schedule B	<u>\$ 311,203</u>	<u>100.0%</u>

These schedules are used to determine the University's Single Audit costs in accordance with OMB Circular A-133.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
UNDERGRADUATE TUITION AND FEE WAIVERS (UNAUDITED)
For the Year Ended June 30, 2011**

	Number of Recipients *	Tuition Waived		Fees Waived	
		Number of Recipients	Value of Waivers (In Thousands)	Number of Recipients	Value of Waivers (In Thousands)
<u>MANDATORY WAIVERS</u>					
Teacher Special Education	90	90	\$ 561.2	-	-
General Assembly	59	59	345.1	-	-
Reserve Officers' Training Corps	51	51	295.8	-	-
Department of Children and Family Services	11	11	63.6	-	-
Children of Employees	181	181	555.8	-	-
Veteran Grants and Scholarship	223	223	891.7	203	160.0
SUBTOTAL	615	615	2,713.2	203	160.0
<u>DISCRETIONARY WAIVERS</u>					
Faculty Administrators (Non-Civil Service)					
Civil Service	39	39	63.1	34	9.6
Academic/Other Talent	102	102	258.2	-	-
Athletic	149	149	787.7	-	-
Gender Equity in Intercollegiate Athletics	69	69	391.7	-	-
Foreign Exchange Students	10	10	40.8	8	8.0
Foreign Students	14	14	120.0	-	-
Student Need - Financial Aid	8	8	30.6	-	-
Interinstitutional/ Related Agencies	132	132	234.7	117	9.2
Children of Deceased Employees	4	4	24.5	4	7.9
Others:					
MAP Waivers	2,515	2,515	267.0	-	-
Charleston City Road Scholar	16	16	93.5	-	-
SUBTOTAL	3,058	3,058	2,311.8	163	34.7
TOTAL	3,673	3,673	\$ 5,025.0	366	\$ 194.7

* Unduplicated

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
GRADUATE TUITION AND FEE WAIVERS (UNAUDITED)
For the Year Ended June 30, 2011**

	Number of Recipients *	Tuition Waived		Fees Waived	
		Number of Recipients	Value of Waivers	Number of Recipients	Value of Waivers
			(In thousands)		(In thousands)
<u>MANDATORY WAIVERS</u>					
Teacher Special Education	3	3	\$ 2.2	-	\$ -
SUBTOTAL	3	3	2.2	-	-
<u>DISCRETIONARY WAIVERS</u>					
Faculty/Administrators (Non-Civil Service)	32	32	51.8	32	12.8
Civil Service	55	55	109.9	54	26.8
Foreign Students	51	51	260.3	-	-
Foreign Exchange Students	3	3	22.1	3	2.9
Cooperating Professionals	377	375	525.1	240	111.0
Research Assistants	87	87	424.0	-	-
Teaching Assistants	140	140	897.8	-	-
Other Assistants	273	273	1,711.0	-	-
Interinstitutional/Related Agencies	21	21	40.7	21	6.2
Retired University Employees	1	1	0.5	1	0.2
Contract/Training Grants	20	20	47.9	-	-
SUBTOTAL	1,060	1,058	4,091.1	351	159.9
TOTAL	1,063	1,061	\$ 4,093.3	351	\$ 159.9

* Unduplicated

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
BOOKSTORE AND TEXTBOOK RENTAL INFORMATION (UNAUDITED)
For the Year Ended June 30, 2011**

The University owns and operates its own textbook rental and bookstore operation. The following is the summary of the textbook rental and bookstore operation.

Contractor	Not applicable
Contract term	Not applicable
Bookstore and textbook rental information	<ul style="list-style-type: none"> • The textbook rental facility takes care of procuring the textbooks used by students in their classes. • The academic personnel of EIU 1) determine the textbook needs of the University; 2) decide which books need to be replaced; and, 3) order updated textbooks. • Students pay \$9.95 per credit hour and are fined, if necessary, for damages. • The faculty must use the textbook for two years or three consecutive semesters before switching to a different textbook. • The Bookstore sells supplementary textbook materials, but not the actual textbooks. It also sells office supplies, computers, and other merchandise.
Amount of gross textbook rental income for FY 11	\$3,067,519
Amount of gross sales for the Bookstore for FY 11	\$2,327,299
Amount to be paid to the bookstore for FY 11 (if any) by University	Not applicable
Commissions	Not applicable
Commission terms	Not applicable
Given exclusive rights	Yes
Competition/"Other" nearby/ On campus bookstore and textbook rental	None

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SPECIAL DATA REQUIREMENTS FOR AUDITS OF UNIVERSITIES
For the Year Ended June 30, 2011**

In accordance with an Office of the Auditor General, July 25, 2000, memorandum entitled “Matters Regarding University Audits” (Memorandum), certain supplemental data is required to be reported for University audits. The table below cross references the memorandum requirements (indicated by number and letter paragraph references) to the University financial statements and audit reports for the year ended June 30, 2011, where such special data is found.

Compliance Findings

13(a) As of June 30, 2011, no noncompliance with *University Guidelines* was noted.

Indirect Cost Reimbursements

13(b) A statement of sources and applications of indirect cost reimbursements is included in this report on page 69.

13(c) The University’s calculation sheet for indirect cost carry-forward is included in this report on page 70.

Tuition, Charges and Fees

13(d) No instances of tuition being diverted to auxiliary enterprise operations were noted.

Auxiliary Enterprises, Activities and Accounting Entities

13(e) Identification of each specific accounting entity and description of the sources of revenue and purpose of each entity are presented on pages 85 through 86.

13(f) Entity financial statements are presented on pages 46 through 61 of this report. The entity financial statements should be read in conjunction with Eastern Illinois University’s audited financial statements for the year ended June 30, 2011.

13(g) The University’s calculation sheets for current excess funds are presented in this report on pages 87 through 89.

**STATE OF ILLINOIS
 EASTERN ILLINOIS UNIVERSITY
 SPECIAL DATA REQUIREMENTS FOR AUDITS OF UNIVERSITIES
 For the Year Ended June 30, 2011**

13(h) Support received by auxiliary enterprises from State appropriated funds for retirement and group insurance benefits was estimated by University management and is as follows:

	<u>2011</u>	<u>2010</u>
Group Insurance	\$3,308,580	\$4,613,275
Pension	5,025,617	3,045,341

13(i) Revenue and expenditures for the various bond indenture required accounts are included on pages 52 through 53 and 56 through 57 of this report. Description of the accounts and requirements is included in Note 11 of the June 30, 2011 financial statements.

13(j) Audit tests of the revenue bond fund accounting revealed no instances of noncompliance with the terms of the bond indenture during the year ended June 30, 2011.

13(k) As of June 30, 2011, no non-instructional facilities reserves (development reserves) have been established by the University.

University Related Organizations

13(l), (m) and (n)

Organizations recognized by the University as University Related Organizations (URO's) are as follows:

- Eastern Illinois University Foundation (Foundation)
- Eastern Illinois University Alumni Association, Inc. (Alumni Association)

A summary of Foundation and Alumni Association payments to the University is included on pages 83 and 84.

The University provided cash, services and resources of \$230,330 to the Eastern Illinois University Foundation for the year ended June 30, 2011, and \$14,069 to the Eastern Illinois University Alumni Association, Inc. for the year ended June 30, 2011, for services provided by the University Related Organizations.

The University has designated no organizations as "Independent Organizations" as defined in Section VII of *University Guidelines*.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SPECIAL DATA REQUIREMENTS FOR AUDITS OF UNIVERSITIES
For the Year Ended June 30, 2011**

- 13(o) As of June 30, 2011, there were no unreimbursed subsidies to the URO's from University or appropriated funds.
- 13(p) During fiscal year 2002, the Eastern Illinois University Foundation assumed a demand mortgage note payable for the purchase of land and construction of a new foundation center, known as the Neal Welcome Center. The outstanding balance of this demand mortgage note payable was \$1,387,238 as of June 30, 2011.

Other Topics

- 13(q) Schedules of cash and cash equivalents and investments held by the University are presented in this report on page 68.
- 13(r) Investment income of unrestricted pooled funds has been allocated and credited to the original sources of the funds to the extent practical. There was no unallocated investment income that was required to be paid into the Income Fund.
- 13(s) A schedule of costs per full-time equivalent student is presented on page 75 of this report.
- 13(t) There were no acquisitions of real estate by the University or URO not funded by separate specific appropriation.
- 13(u) During fiscal year 2011, the University did not issue any certificates of participation.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SUMMARY OF EASTERN ILLINOIS UNIVERSITY FOUNDATION
PAYMENTS TO THE UNIVERSITY
For the Years Ended June 30, 2011 and 2010**

During the years ended June 30, 2011 and 2010, the Foundation was under contract with the University to provide the University with fund-raising services. As provided in the contract, the University provided cash, services and other resources to the Foundation in the amount of \$230,330 and \$198,978, respectively. Although not required by contract, the Foundation fully repaid the University for these advances using cash, services and resources considered unrestricted for purposes of the *University Guidelines* computations. In addition, the Foundation gave the University funds, which are considered restricted for purposes of the University Guidelines computations. Presented below is a summary of all funds that the Foundation gave to the University during the years ended June 30:

	<u>2011</u>	<u>2010</u>
Funds considered unrestricted for purposes of the Guidelines computations:		
Restricted only as to campus, college or department and generally available for on-going University operations	\$ 1,389,601	\$ 1,594,470
Office and warehouse space and utilities provided at no charge	<u>76,402</u>	<u>75,545</u>
Total funds considered unrestricted	<u>1,466,003</u>	<u>1,670,015</u>
Funds considered restricted for purposes of the Guidelines computations:		
Given for scholarships, grants and awards	<u>809,851</u>	<u>884,338</u>
Total funds considered restricted	<u>809,851</u>	<u>884,338</u>
Total funds provided to the University by the Foundation	<u><u>\$ 2,275,854</u></u>	<u><u>\$ 2,554,353</u></u>

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
SUMMARY OF EASTERN ILLINOIS UNIVERSITY ALUMNI ASSOCIATION, INC.
PAYMENTS TO THE UNIVERSITY
For the Years Ended June 30, 2011 and 2010**

The Alumni Association provided office space to the University with an annual fair market value of \$47,800 and \$47,416 for fiscal years ended June 30, 2011 and 2010, respectively.

Additionally, during the fiscal years ended June 30, 2011 and 2010, the Alumni Association provided unrestricted grants to the University in the amounts of \$23,574 and \$24,122, respectively.

No funds were given by the Alumni Association to the University for restricted purposes. The University provided cash, services, and other resources to the Alumni Association in the amount of \$14,069 and \$22,130 for fiscal year ended June 30, 2011 and 2010, respectively.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES,
SOURCES OF REVENUE AND PURPOSE OF EACH ENTITY**

Accounting entities as defined by the 1982 (Amended 1997) Legislative Audit Commission Guidelines and their primary revenue sources are as follows:

Auxiliary Enterprises - Revenue Bond

Student Living: Accounts for the University's student residence halls, related dining facilities, and student apartment operations whose construction was financed through the issuance of revenue bonds. The primary sources of revenues are room and board and rental income.

Student Facilities: Accounts for the operations of the University's student union, and the financing of the University's athletic facilities, whose construction was respectively, wholly and partially, funded through the issuance of revenue bonds. The primary sources of revenue in the union area are merchandise sales, student fees, investment income, and income from recreational and other services. In the athletic facility area, the primary source of revenue is from student fees.

Textbook Rental Service: Accounts for the operations of the University's Textbook Rental Service, whose facilities were funded through the issuance of revenue bonds. The primary sources of revenue are student fees and sales of textbooks.

Auxiliary Enterprises - Other

Student/Staff Programs: Accounts for the University's parking operation and the University lounge facilities. The primary sources of revenue are from the sale of parking permits and revenue from vending operations. Interest earned on invested funds is another source of income.

Regional Services: Accounts for the operation of the services not related to instruction made available to local governments and other outside parties. The primary source of revenue is the service income from these operations.

Designated Funds - Auxiliary Activities

Student Fee Programs: Accounts for student oriented programs and services, which are in whole or in part funded by student fees. The primary sources of revenue are student fees and sales of services and merchandise.

Material Fees: Accounts for the purchase of materials used in laboratory, art, physical education, home economics, and industrial arts classrooms. Primary sources of revenue are user fees and material sales.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES,
SOURCES OF REVENUE AND PURPOSE OF EACH ENTITY**

Service Departments: Accounts for the operations of certain cost centers, which provide selected services to the University as a whole. Examples are postage, certain computer services, and an automobile fleet. The primary source of revenue is the fee charged for these services to other University departments.

Student/Staff Programs: Accounts for the operations of the University's testing services, document reproduction and binding services, and various student/staff recreational services. The primary source of revenue is service income for the operations mentioned above.

Educational Services: Accounts for the operations of educational, scientific, and artistic services related to instruction made available to local governments and other outside parties. The primary source of revenue is the service income from these operations.

Unique Charges Credit Courses: Accounts for the fees charged and expenses of administering various credit courses offered by the University. These credit courses include:

Canada Study Abroad	Italy Study Abroad #1
Mexico Study Abroad	Italy Study Abroad #2
New Zealand/Australia Study Abroad	Bahamas #1
Outdoor Education	China Study Abroad
Germany Study Abroad	Honors Study Abroad
South Africa Study Abroad	Greece/Turkey/Egypt Study Abroad
Harlexton Study Abroad	Geology Field Studies Even
Netherlands Study Abroad #1	
Netherlands Study Abroad #2	

Public Service Activities: Accounts for the fees charged and expenses of administering various non-credit camps and clinics held by the University and other public service activities.

Indirect Costs: Accounts for indirect cost reimbursements received for University grants and contracts.

Continuing Education Contract Credit: Accounts for the receipt of tuition and expenses of administering various credit courses requested by funding entities.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
CALCULATION SHEETS FOR CURRENT EXCESS FUNDS
June 30, 2011**

	Auxiliary Enterprises - Revenue Bonds			Auxiliary Enterprises - Other	
	Student Living	Student Facilities	Textbook Rental Services	Staff / Student	Regional Services
1. CURRENT AVAILABLE FUNDS					
Cash	\$ 3,328,221	\$ 275,014	\$ 752,501	\$ 161,648	\$ -
Cash equivalents	33,243	4,101	-	3,144	-
Total current available funds	A. 3,361,464	279,115	752,501	164,792	-
2. WORKING CAPITAL ALLOWANCE					
Add					
Highest month's expenditures	5,037,550	1,492,913	692,828	139,001	-
Encumbrances and current liabilities paid in lapse period	1,212,734	660,497	15,903	25,828	-
Deferred income	147,142	107,511	72,577	-	-
Refundable deposits	732,992	-	-	-	-
Accrued compensated absences	1,048,085	222,472	30,665	-	-
Working Capital Allowance	B. 8,178,503	2,483,393	811,973	164,829	-
3. CURRENT EXCESS FUNDS					
Deduct B from A	C. \$ (4,817,039)	\$ (2,204,278)	\$ (59,472)	\$ (37)	\$ -
4. CALCULATION OF INCOME FUND REMITTANCE					
An entity may offset excess capital on current funds within the entity. Enter the amount to be offset, if any, here					D.
Enter the algebraic sum of C and D and deposit into the Income Fund					

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
CALCULATION SHEETS FOR CURRENT EXCESS FUNDS
June 30, 2011**

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		Designated Funds - Auxiliary Activities						Continuing Education Contract Credit
		Student Fee Programs	Material Fees	Service Departments	Student / Staff Programs	Educational Services	Public Service	
1. CURRENT AVAILABLE FUNDS								
	Cash	\$ 4,346,809	\$ 29,928	\$ 5,262,959	\$ 49,992	\$ 142,205	\$ 503,572	\$ 600,444
	Cash equivalents	26,692	157	12,132	223	807	2,592	3,165
	Total current available funds	A. 4,373,501 *	30,085	5,275,091 *	50,215	143,012	506,164	603,609
2. WORKING CAPITAL ALLOWANCE								
	Add							
	Highest month's expenditures	2,464,225	45,317	4,488,567	196,367	223,500	293,343	185,407
	Encumbrances and current liabilities paid in lapse period	370,987	-	1,349,267	22,030	5,661	30,589	13,520
	Deferred income	202,022	3,339	-	-	7,262	349,418	141,962
	Refundable deposits	-	-	-	-	-	-	-
	Accrued compensated absences	-	-	167,812	-	-	-	-
	Working Capital Allowance	B. 3,037,234	48,656	6,005,646	218,397	236,423	673,350	340,889
3. CURRENT EXCESS FUNDS								
	Deduct B from A	C. 1,336,267	\$ (18,571)	\$ (730,555)	\$ (168,182)	\$ (93,411)	\$ (167,186)	262,720
4. CALCULATION OF INCOME FUND REMITTANCE								
	An entity may offset excess capital on current funds within the entity. Enter the amount to be offset, if any, here	D. -						-
	Enter the algebraic sum of C and D and deposit into the Income Fund	\$ 1,336,267						\$ 262,720

* Cash in the Student Fee and Service Department entities does not match the balance sheets presented on page 44. For entity financial reporting, the allowance for bad debts, which is held in the Service Department entity, is presented in the Student Fee entity on the balance sheet.

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
CALCULATION SHEETS FOR CURRENT EXCESS FUNDS
June 30, 2011**

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Designated Funds - Auxiliary Activities - Unique Charges Credit Courses

	Faculty Led International Study Abroad	Outdoor Education	Geology Field Studies Even	Biological Science Field Trips	Tour of Black Universities and Colleges	Total Unique Charges Credit Courses
1. CURRENT AVAILABLE FUNDS						
Cash	\$ (265,736)	\$ (780)	\$ (2,409)	\$ (23)	\$ (600)	\$ (269,548)
Cash equivalents	-	-	-	-	-	-
Total current available funds	A. (265,736)	(780)	(2,409)	(23)	(600)	(269,548)
2. WORKING CAPITAL ALLOWANCE						
Add						
Highest month's expenditures	-	-	-	-	-	-
Encumbrances and current liabilities paid in lapse period	2,837	-	-	-	-	2,837
Deferred income	47,741	-	-	-	-	47,741
Refundable deposits	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Working Capital Allowance	B. 50,578	-	-	-	-	50,578
3. CURRENT EXCESS FUNDS						
Deduct B from A	C. \$ (316,314)	\$ (780)	\$ (2,409)	\$ (23)	\$ (600)	\$ (320,126)
4. CALCULATION OF INCOME FUND REMITTANCE						
An entity may offset excess capital on current funds within the entity. Enter the amount to be offset, if any, here						
						D.
Enter the algebraic sum of C and D and deposit into the Income Fund						

**STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
FOR THE YEAR ENDED JUNE 30, 2011**

Schedule of Accrued Liability for Employee Compensated Absences (Unaudited)

The total liability for accrued compensated absences at June 30 for the last ten years is presented below:

<u>Year Ended June 30</u>	<u>Accrued Vacation Pay</u>	<u>Accrued Sick Pay</u>	<u>Compensatory Time Off *</u>	<u>Total</u>
2011	6,350,884	6,529,233	78,327	12,958,444
2010	6,338,101	6,970,192	77,526	13,385,819
2009	6,113,046	7,473,875	84,967	13,671,888
2008	5,657,706	8,300,573	86,592	14,044,871
2007	5,788,173	9,081,768	73,429	14,943,370
2006	5,040,499	9,440,922	56,551	14,537,972
2005	4,729,901	9,919,682	67,193	14,716,776
2004	4,472,856	10,544,418	61,176	15,078,450
2003	4,335,068	11,199,915	58,706	15,593,689
2002	4,238,942	11,902,280	64,325	16,205,547

The University has not identified any sources of funds, other than appropriations, to liquidate this liability.

* In accordance with the Board of Governors Regulations (Section II, Subsection C.8.a) for 1996 and 1997 and Eastern Illinois University's Internal Governing Policy #38 for 1998 to 2011, the University will compensate civil service employees for overtime "at time and one half in cash or by allowing compensatory time off, for all time in a work week in excess of the number of hours of work comprising an established full-time daily or weekly work schedule." Civil service employees may carry over the unused compensatory time off for one year. At that time, the compensatory time off must either be used or the employee is paid in cash.