

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY**

**COMPLIANCE REPORT
(In Accordance With the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2005**

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

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT
(In Accordance With the Single Audit Act and OMB Circular A-133)
For the Year Ended June 30, 2005**

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for the Year Ended June 30, 2005

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY**

AGENCY OFFICIALS

President	John G. Peters
Executive Vice President and Provost	J. Ivan Legg
Executive Vice President, Finance Facilities and Chief of Operations	Eddie R. Williams
Vice President, Administration and University Outreach	Anne C. Kaplan
Vice President, Development and University Advancement	Mike Malone
Executive Director of State and Federal Relations	Kathryn Buettner
General Counsel	Kenneth Davidson
Director of Internal Audit	Sharon Downen
<u>Financial Staff</u>	
Associate Vice President, Finance and Facilities	Robert Albanese
Controller	Keith Jackson
Assistant Controller	Linda Timm
Director of Grants, Fiscal Administration	Larry Sallberg
Director of Treasury Operations	Tamara Farley
Bursar	Kinga Mauger

Agency offices are located at:

300 Altgeld Hall
DeKalb, Illinois 60115



October 13, 2005

OFFICE OF FINANCIAL AFFAIRS
DIVISION OF FINANCE AND FACILITIES
DEKALB, ILLINOIS 60115-2854
(815) 753-1134

Clifton Gunderson LLP
900 SW Adams, Suite 900
P.O. Box 1835
Peoria, IL 61656-1835

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 University. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the University's compliance with the following assertions during the one-year period ended June 30, 2005. Based on this evaluation, we assert that during the year ended June 30, 2005, the University has materially complied with the assertions below.

- A. The 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 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.

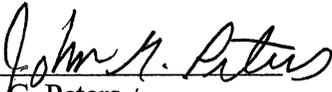
- C. The University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

- D. The State revenues and receipts collected by the 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. The money or negotiable securities or similar assets handled by the 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,

Northern Illinois University



John G. Peters
President



Eddie R. Williams
Executive Vice President, Business and Finance, Chief of Operations, and Treasurer,
Board of Trustees



Kenneth L Davidson
Associate Vice President and General Counsel

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2005**

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

AUDITOR'S 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 nonstandard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	8	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	4

Details of findings are presented in a separately tabbed report section.

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
Current Findings - Government Auditing Standards		
05-1	11	Weakness in Controls Over Theater Department Ticket Sales
Current Findings - Federal Compliance		
05-2	12	Federal Student Financial Aid Loan Limits Exceeded
05-3	13	Noncompliance With Davis-Bacon Act
05-4	15	Noncompliance With Government-wide Nonprocurement Debarment and Suspension Common Rule
05-5	16	Unofficial Withdrawal Policy
Current Findings - State Compliance		
05-6	17	Time Sheets Not Required
05-7	20	Contracts Not Filed/Approved Timely
05-8	21	Failure to Complete Ethics Training Within Six Months of Employment
Prior Findings Not Repeated		
None		

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2005**

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with University personnel at an exit conference on December 12, 2005. Those participating were:

Northern Illinois University:

Robert C. Albanese	Associate Vice President, Finance and Facilities Operations
Keith R. Jackson	Controller
Linda Timm	Assistant Controller

Clifton Gunderson LLP:

Jeffrey R. Bonick, CPA	Partner
Paulette M. Hurd, CPA	Senior Manager

Office of the Auditor General:

Thomas L. Kizziah, CPA	Audit Manager
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The University responses to the recommendations were provided by Keith R. Jackson in correspondence dated December 16, 2005.

**Independent Accountant’s 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

Compliance

As Special Assistant Auditors for the Auditor General, we have examined Northern Illinois University’s (University) 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, 2005. The management of the University is responsible for compliance with these requirements. Our responsibility is to express an opinion on the University’s compliance based on our examination.

- A. The 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 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 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. The State revenues and receipts collected by the 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 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.

Our examination was conducted 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 University’s compliance with those requirements 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 University’s compliance with specified requirements.

In our opinion, Northern Illinois University complied, in all material respects, with the aforementioned requirements during the year ended June 30, 2005. However, the results of our procedures disclosed instances of noncompliance with those 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 State findings and questioned costs as findings 05-6, 05-7, and 05-8. As required by the Audit Guide, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter to your office.

Internal Control

The management of Northern Illinois University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our examination, we considered the University's internal control over compliance with the aforementioned requirements in order to determine 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.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control 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 State findings and questioned costs as findings 05-6, 05-7, and 05-8. As required by the Audit Guide, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter to your office.

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 Northern Illinois University as of and for the year ended June 30, 2005, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 13, 2005. 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 Northern Illinois University. The 2005 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, 2005 taken as a whole. The University's basic financial statements for the years ended June 30, 2004 and 2003 were audited by other auditors whose reports thereon dated October 8, 2004 and November 5, 2003 expressed unqualified opinions. Their report on the 2004 and 2003 Supplementary Information for State Compliance Purposes stated that, in their opinion, except for the information marked "unaudited," such information was fairly stated in all material respects in relation to the basic financial statements for the years ended June 30, 2004 and 2003 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, and University management, and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Henderson LLP

Peoria, Illinois
October 13, 2005

**Independent Auditor's 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

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Northern Illinois University (University) as of and for the year ended June 30, 2005, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 13, 2005. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the University's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the University's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 05-1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness. However, we noted certain deficiencies in the design or operation of internal control over financial reporting which do not meet the criteria for reporting herein and which are reported as State compliance findings in the schedule of findings. We also noted certain immaterial instances of internal control deficiencies, which we have reported to management of Northern Illinois University in a separate letter dated October 13, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northern 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*. However, we noted certain matters which are reported as State compliance findings in the schedule of findings. We also noted certain other matters which we have reported to management of Northern Illinois University in a separate letter dated October 13, 2005.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, 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.

Clifton Henderson LLP

Peoria, Illinois
October 13, 2005

**Independent Auditor's Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control Over
Compliance and Schedule of Expenditures of Federal Awards
in Accordance With OMB Circular A-133**

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of Northern Illinois University (University) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The University's major federal programs are identified in the summary of auditor's 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 University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

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 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 University's compliance with those requirements.

As described in items 05-3 and 05-4 in the accompanying schedule of findings and questioned costs, the University did not comply with requirements regarding the Davis-Bacon Act and the Government-wide Nonprocurement Debarment and Suspension Common Rule that are applicable to its Teacher Quality Enhancement Grants and Health Care and Other Facilities Programs. Compliance with such requirements is necessary, in our opinion, for the University to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 05-2 and 05-5.

Internal Control Over Compliance

The management of Northern 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 University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the University's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 05-2, 05-3, 05-4, and 05-5.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that could be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 05-3 and 05-4 to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Northern Illinois University as of and for the year ended June 30, 2005, and have issued our report thereon dated October 13, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Northern 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.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, 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.

Clifton Henderson LLP

Peoria, Illinois
October 13, 2005

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S RESULTS
For the Year Ended June 30, 2005**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes No
- Reportable condition(s) identified that are not considered to be material weakness(es)? Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes _____ No
- Reportable condition(s) identified that are not considered to be material weakness(es)? Yes _____ None reported

Type of auditor's report issued on compliance for major programs: Qualified

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

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Student Financial Aid Cluster:	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Perkins Loan Program - Federal Capital Contributions	84.038
Federal Pell Grant Program	84.063
Federal Family Education Loans	84.032
Teacher Quality Enhancement Grants	84.336
Healthcare and Other Facilities	93.887

Dollar threshold used to distinguish between Type A and Type B programs: \$1,092,400

Auditee qualified as low-risk auditee? Yes _____ No

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS
For the Year Ended June 30, 2005**

05-1. Finding: Weakness in Controls Over Theater Department Ticket Sales

There is a weakness in the internal control system over ticket sales at the theater department.

During our testing, we noted tickets at the theater's box office are printed from a computerized system and sold by student workers. The money collected and stubs from the tickets sold are turned into the theater's secretary at the end of the day. According to University personnel, a formal reconciliation is not performed between the computerized ticket system and the money collected from ticket sales.

Good business practices require proper controls over University assets. A strong system of internal controls provides checks and balances to ensure all funds are properly accounted for. A reconciliation of cash and other payments collected to the number and type of tickets sold would strengthen controls and promote accountability.

According to University personnel, a complete reconciliation process has not been established. The Theater Box Office mitigated the issue by staffing with a minimum of two employees working together at all times. Additionally, supervisory staff makes unscheduled visits to the box office to ensure that staffing is adequate for the number of patrons present.

The theater department collects approximately \$80,000 annually from ticket sales. A weakness in the internal control system over these sales increases the risk that misappropriation of funds could occur and go undetected. (Finding Code No. 05-1)

Recommendation:

We recommend that the University implement a cash register or ticketing system that would produce receipts and maintain a log of sales made that could be used to balance the cash and other receipts collected back to at the end of each sales person's shift.

University Response:

The University agrees with the finding and is reviewing the current reconciliation procedure to ensure that it encompasses the entire ticket sales process. The University will modify the existing process and will make the changes noted by the auditors.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2005**

05-2. Finding: Federal Student Financial Aid Loan Limits Exceeded

Federal Agency: United States Department of Education
Program Name: Federal Family Education Loans (FFEL)
CFDA#: 84.032
Questioned Costs: \$10,447

Federal Family Education Loans were awarded in excess of federal loan limits.

During our testing of 25 student financial aid recipients, we noted one independent undergraduate student who received FFEL loans in excess of federal limits. The student received subsidized loans in the amount of \$24,247 which exceeds the federal limit by \$1,247. In addition, the student received combined subsidized and unsubsidized loans in the amount of \$56,447 which exceeds the combined federal limit by \$10,447.

Federal regulations (34 CFR 682.204) establish various aggregate limits for FFEL loans. For independent undergraduate students total subsidized loans are limited to \$23,000 and total subsidized and unsubsidized loans are limited to \$46,000.

According to University personnel, established protocols were not followed which resulted in the over-awards.

Awarding loans in excess of federal guidelines results in improper federal expenditures. (Finding Code No. 05-2)

Recommendation:

We recommend the University establish and implement procedures to verify students' outstanding FFEL loan balances and ensure awards are not made that will cause the aggregate amount of the loans to exceed the limits prescribed in the federal guidelines.

University Response:

The University agrees with the finding and has implemented new procedures for monitoring loans.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2005**

05-3. Finding: Noncompliance With Davis-Bacon Act

Federal Agency: United States Department of Health and Human Services

Program Name: Health Care and Other Facilities

CFDA#: 93.887

Questioned Costs: None

The University did not require and had not obtained a weekly certified payroll from a construction contractor who was being paid from federal funds. The agreement with the contractor also indicated that the contract was subject to the State of Illinois Prevailing Wage Act; however, the University did not obtain monthly payroll certifications from this contractor as required by the State of Illinois Prevailing Wage Act.

One of the major programs tested as part of the Single Audit included a construction contract that is subject to the Davis-Bacon Act. The University did not comply with Department of Labor regulations which require the University to obtain, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) from the contractor and subcontractors for projects subject to the Davis-Bacon Act. The agreement with this contractor also indicated that the contract was subject to the State of Illinois Prevailing Wage Act which requires monthly payroll certifications. However, the University did not obtain these monthly certifications.

Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (29 CFR Part 5) requires that a contractor on a federally funded project shall be required by contract to submit weekly for each week in which any contract work is performed a copy of all payrolls to the University. Each of these payrolls shall also be accompanied by a "Statement of Compliance," signed by the contractor and shall certify the items required by 29 CFR 5.5(a)(3)(ii)(B). The State of Illinois Prevailing Wage Act (820 ILCS 130/5(2)) requires that contractors and each subcontractor subject to the Act submit monthly a certified payroll to the University.

According to University personnel, the University did not have protocols in place to require and review these certifications.

The University is not in compliance with federal and state regulations related to a federally funded construction project contract under which \$233,086 of costs have been incurred. (Finding Code No. 05-3)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2005**

05-3. Finding: Noncompliance With Davis-Bacon Act (Continued)

Recommendation:

We recommend the University establish and implement procedures to ensure all required payroll certifications are contractually required by the University in its contracts, and that they are obtained once the project has begun.

University Response:

The University agrees with the finding and has implemented procedures to ensure that all required payroll certifications are contractually required by the University in its contracts, and that they are obtained and reviewed once the project has begun.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2005**

05-4. Finding: Noncompliance With Government-wide Nonprocurement Debarment and Suspension Common Rule

Federal Agency: United States Department of Health and Human Services and United States Department of Education

Program Name: Health Care and Other Facilities and Teacher Quality Enhancement Grants

CFDA#’s: 93.887, 84.336

Questioned Costs: None

When entering into a covered transaction as part of a federally funded project the University failed to properly verify that the party with which they were contracting was not suspended or disqualified.

During our major program testing as part of the Single Audit, we noted three covered transactions that are subject to the Government-wide Debarment and Suspension Common Rule. The University did not comply with this rule’s requirement that they properly verify that a party is not excluded or disqualified. Based on a subsequent review of the excluded parties list system none of the three parties noted above appear to be excluded or disqualified. The parties involved included two subrecipient contracts totaling \$1,771,654 over a five year period of which \$378,355 was expended during fiscal year 2005 as part of the Teacher Quality Enhancement Grants program. The third transaction was with a vendor who received \$26,318 under a contract valued at \$27,650 for the Health Care and Other Facilities program.

The Government-wide Nonprocurement Debarment and Suspension Common Rule §__.300 requires verification that the party being contracted to do business is not excluded or disqualified, when entering into a covered transaction with another party at the next lower tier.

According to University personnel, the University did not have protocols in place to verify potential suspension or disqualification.

Noncompliance with the Government-wide Debarment and Suspension Common Rule exposes the University to the risk of inadvertently entering into agreements with individuals or entities that have been suspended from doing business with the federal government. (Finding Code No. 05-4)

Recommendation:

We recommend that the University establish and implement procedures to ensure all required Debarment verifications are performed prior to entering into covered transactions as part of a federally funded program.

University Response:

The University agrees with the finding and has established and implemented procedures that will ensure verifications are performed prior to entering into covered transactions.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2005**

05-5. Finding: Unofficial Withdrawal Policy

Federal Agency: United States Department of Education

Program Name: Student Financial Assistance Programs - Cluster

CFDA#s: 84.007, 84.032, 84.038, 84.063

Questioned Costs: Unknown

The University does not have adequate procedures for determining whether a Federal Student Aid recipient has unofficially withdrawn from all courses during a semester.

The University's current procedures for determining when a Federal Student Aid recipient has withdrawn from school only considers those recipients who have notified or whose representatives have notified the University of their withdrawals.

Section 34 CFR 668.22(j)(2) requires the University to determine the withdrawal date for a student who withdraws without providing notification of their withdrawal no later than 30 days after the end of the earlier of the payment period or period of enrollment, the Academic year in which the student withdrew, or the Educational program from which the student withdrew.

According to University personnel, the University did not have adequate procedures in place to identify students who unofficially withdrew in accordance with the federal guidelines related to student financial aid refund calculations.

The University's current procedures are not in compliance with federal guidelines. Current procedures would not necessarily identify all students who did not provide official notification of their withdrawal that are required to have student financial aid refund calculations made. (Finding Code No. 05-5)

Recommendation:

We recommend that the University establish and implement procedures to identify students who may not have officially notified the University of their withdrawal. Once identified, these accounts should be reviewed to determine if any student financial aid refund calculations are necessary.

University Response:

The University agrees with the finding. The University has recently received approval for the implementation of a new integrated Student Information System that will include student records as well as student financial aid. As this system is developed and implemented the University will investigate how the system will be able to identify those students who unofficially withdraw from courses in accordance with federal guidelines. In the interim the University will be reviewing and implementing manual work-arounds until the new student system is fully implemented.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-6. Finding: Time Sheets Not Required

The University did not require all employees to submit time sheets as required by the State Officials and Employees Ethics Act.

The State Officials and Employees Ethics Act (5 ILCS 430) requires the University to adopt personnel policies consistent with the Act. The Act (5 ILCS 430/5-5(c)) further 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."

We noted certain categories of the University's employees did not submit time sheets in compliance with the Act. We tested a sample of 25 University employees for compliance with the State Officials and Employee Ethics Act. Our sample included seven hourly employees and 18 salaried employees which included faculty and administrative staff. Except for hourly employees who do use timecards, employees' time is tracked using Northern Illinois University's payroll system, which is a "negative" timekeeping system whereby the employee is assumed to be working unless noted otherwise. No time sheets documenting the time spent each day on official State business to the nearest quarter hour are maintained for these University employees.

According to University personnel, the University's policy was established with consultation with the Office of the Executive Inspector General (OEIG), and the University believes it is in compliance.

By not requiring appropriate time sheets from all of its employees, the University is not in compliance with the Act. (Finding Code No. 05-6)

Recommendation:

We recommend that the University amend its policies to require all employees to submit time sheets in compliance with the Act.

University Response:

The University disagrees with the finding.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-6. Finding: Time Sheets Not Required (Continued)

University Response (Continued):

The University, in consultation with the Office of the Executive Inspector General (OEIG), established its policy for timekeeping under the State Officials and Employees Ethics Act (SOEEA). The University's policy and Salaried Employee Benefit Usage Form and Instructions, take account of the necessity of recording all time accountable for the state service to the nearest quarter hour. This requirement is fulfilled by virtue of the continuing on-duty requirement of all salaried faculty and staff members who are exempt from hourly compensation pursuant to the Fair Labor Standards Act (FLSA). Accordingly, all salaried employees are documented as being on-duty for their required work responsibilities, unless leave time is recorded on the Benefit Usage Form. Supervisors are responsible for verifying that salaried employees are on-duty and that any off-duty time is accurately accounted for on the monthly form. In order to provide a method of assuring the accuracy of off-duty time documentation, employees must specify the date(s) and time periods that their off-duty time declaration(s) specifically relate to. The monthly benefit usage report form positively confirms two documentations; first, that a salaried employee has fulfilled their full on-duty schedule requirements and second, that any off-duty hours are listed as exceptions with appropriate leave applied. Both the employee signature and supervisory authorization are required for processing of these monthly form(s).

With respect to the "no less than 15-minute interval" reporting requirement, the Salaried Employee Benefit Usage Form and Instructions provide for a 10-minute interval reporting format. During a recent representative payroll period the reporting of sick leave and vacation was analyzed. The analysis showed that, of those employees reporting vacation, 41.6% were reporting it to the tenth and 30.3% were reporting it to the nearest hundredth. The same proved true with the analysis of sick time, where 39.7% reported time used to the nearest tenth and 40.9% to the nearest hundredth. This frequency provides ample evidence that employees/supervisors are aware of the policy and provide records of off-duty time taken to at least the nearest quarter hour. If a salaried employee failed to meet their scheduled work requirements, then the University's policy would require this time to be accounted for, to the nearest quarter hour, with supervisory verification.

The FLSA specifies that exempt teachers and administrative employees must be "paid on a salary basis." This means that the employee regularly receives a predetermined amount constituting all or part of the employee's salary, which amount is not subject to reduction because of variations in the quality or quantity of work performed." While the University recognizes the overarching priority expressed in the SOEEA that all time be strictly accounted for, this principle is fulfilled with the diligent tracking of leave time benefits and positive confirmations of schedules fulfilled. Otherwise, the University could risk the loss of FLSA exempt status for a given set of employees and become subject to extensive liabilities for overtime payment requirements.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-6. Finding: Time Sheets Not Required (Continued)

Auditor's Comment:

The State Officials and Employees Ethics Act defines "State agency" to include "public institutions of higher learning. . ." 5 ILCS 430/1-5. Northern Illinois University is defined as a "public institution of higher learning" in Section 2 of the Higher Education Cooperation Act. 110 ILCS 220/2. Further, the State Officials and Ethics Act defines "State employee" to be "any employee of a State agency." 5 ILCS 430/1-5.

As noted in the finding, the State Officials and Employees Ethics Act requires "State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour. . ." 5 ILCS 430/5-5 (c). This timekeeping requirement went into effect March 1, 2004. The negative timekeeping system used for several categories of University employees requires those employees to report only time away from State business, not the time spent each day on State business. Further, it is logical to assume that, by adopting this language, the legislature meant to effect a change in the method used by State employees to record their time - that is, to adopt a positive timekeeping system. Finally, the May 24, 2004, memorandum from the Office of Executive Inspector General upon which the University relied in maintaining its customary negative timekeeping system for several categories of its employees clearly states that it "is not a legal opinion."

The auditors continue to believe that a positive timekeeping system for State employees is required by the State Officials and Employees Ethics Act. If the University disagrees with this conclusion, we further recommend that it seek a formal, written opinion from the Attorney General's Office on the requirements of this statutory provision.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-7. Finding: Contracts Not Filed/Approved Timely

Contracts and leases were not filed timely with the State of Illinois, Office of the Comptroller, and one was not approved timely.

Of five contracts tested, four were not filed with the Office of the Comptroller. Of five leases tested, one was not filed timely with the Office of the Comptroller. The lease was signed by both parties on August 30, 2004, but it was not sent to the Office of the Comptroller until November 16, 2004. In addition, we noted one contract for services was not signed until after the services had begun. The term of the contract is from January 1, 2005 through December 31, 2009. University personnel did not sign the contract until January 12, 2005, and the vendor representative did not sign until March 16, 2005.

The Illinois Procurement Code (30 ILCS 500/20-80(b)) and the Statewide Accounting Management System Manual (Procedure 15.10.40) require State agencies to file contracts for professional and artistic services exceeding \$5,000 and contracts for other goods and services exceeding \$10,000 with the State Comptroller within 15 calendar days after execution. Prudent business practices require contracts to be signed before the services under the contract are provided.

According to University personnel, until July 2005, the University was unaware of the State requirement for contracts related to software, hardware, and maintenance funded from non-appropriated funds to be filed with the State, Office of the Comptroller. In regard to the lease not filed timely, the University prioritizes contract obligation documents when the funding source is State funds. It is the University's understanding that contract obligation documents for nonstate funds are not reviewed by the State. For the contract not signed timely, the contract start date was during the administrative closure period for the University.

Failure to file contracts or file leases timely with the State of Illinois, Office of the Comptroller results in noncompliance with State statutes and regulations. Failure to have contracts signed before services under the contract are rendered may result in misuse or inefficient use of University resources and impedes management oversight control. (Finding Code No. 05-7)

Recommendation:

We recommend the University implement procedures to ensure all contracts and leases over the required amounts are filed timely with the Office of the State Comptroller in accordance with State statutes and guidelines, and to ensure all contracts and leases are signed prior to the start of the contract period.

University Response:

The University agrees with the finding and has implemented procedures to ensure compliance in the future.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-8. Finding: Failure to Complete Ethics Training Within Six Months of Employment

The University did not provide ethics training within six months of initial employment for individuals hired during fiscal year 2005.

We selected twenty five people hired during fiscal year 2005 for testing for proper ethics training. Two employees did not complete ethics training within six months of their initial hire date; however, they are scheduled to complete the annual training in November of 2005. For two additional employees, university staff indicated the employees were provided the training in an alternative format, but they were unable to provide verification that the employees completed the training within the six month time period.

The State Officials and Employee Ethics Act (5 ILCS 430/5-10) states that a person who fills a vacant position must complete initial ethics training within six months of employment.

According to University personnel, the University was awaiting direction from the Office of the Executive Inspector General, as to how to accommodate training for those employees hired between the annual training dates.

Failure to provide ethics training within the required timeframe results in noncompliance with State statutes and regulations. In addition, new employees may be unaware of specific ethical requirements for State employees. (Finding Code No. 05-8)

Recommendation:

We recommend that the University develop and implement procedures to ensure that employees complete ethics training within six months of their initial date of employment.

University Response:

The University disagrees with the finding.

In the fall of 2004, the University was asked by the Office of the Executive Inspector General (OEIG) to generate a registration list of all employees in order to implement the centralized training requirements of the State Officials and Employees Ethics Act (SOEEA). This list was produced and sent to the OEIG on September 20, 2004 and reflected all active employees in the University's Human Resource Information System at that time. In October 2004, direction was sought from the Coordinator of the State Ethics Training, OEIG, as to how to accommodate those employees that were not hired or processed at the time the initial list was produced. The initial direction was that the State would periodically, possibly on a quarterly basis, open up the system for those not on the original list. In November and January the OEIG's office was contacted again regarding the status and time frame in which the system would be opened. In the final conversation regarding this topic, the University was instructed to put all employees through the general online training in the fall. The University did not receive directives (either written or verbal) regarding paper-based training nor was approval received to use this process for new hires.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2005**

05-8. Finding: Failure to Complete Ethics Training Within Six Months of Employment
(Continued)

University Response (Continued):

On July 21, 2005 the University received clarification, new procedures, and training materials from the OEIG regarding ethics training for the 2005 calendar year and how to accommodate all employees. Per the new procedure, a list was generated of all currently active employees. This list was forwarded to the OEIG office and these employees have currently completed the online ethics training. Those employees that were processed after the list was provided to the OEIG have been identified and the University has been given a specific directive and an approved format to provide these individuals with the new off-line printed training materials as of July 21, 2005. In all matters, the University has fully complied with the directions provided by the OEIG regarding ethics training, and will now add the new option of training off-line for employees within six months of their hire or rehire using the new documents provided this summer by the OEIG.

During the 2004 training program (covered by this audit) no alternatives were authorized by the OEIG other than to include new hires in the next regularly scheduled annual training process in 2005. Accordingly, the University fully complied with directives and options established by the OEIG and therefore should not be subject to audit findings regarding a procedure beyond the institution's control to remedy.

Auditor's Comment:

While our Office acknowledges the fact that the Office of the Executive Inspector General (OEIG) did not provide either on-line or off-line training during the timeframe from January 1, 2005 through June 30, 2005, it was still the responsibility of the University to determine another means of providing the necessary Ethics Training in accordance with the Act. The University could have taken a proactive approach to this issue.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
PRIOR FINDINGS NOT REPEATED
For the Year Ended June 30, 2005**

There were no prior examination findings.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
For the Year Ended June 30, 2005**

**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
- Cross-Reference Table of Reporting Requirements
- Schedule of Appropriations, Expenditures, Lapsed Balances,
and Balances Reappropriated
- Comparative Schedule of Net Appropriations, Expenditures,
Lapsed Balances, and Balances Reappropriated
- Comparative Schedule of Income Fund Revenues and Expenses
- Schedule of Changes in Capital Assets
- Comparative Schedule of Cash and Temporary Cash Equivalents,
at Cost
- Comparative Schedule of Investments, at Cost
- Analysis of Receivables and Inventories
- Analysis of Significant Variations in Expenses
- Analysis of Significant Variations in Revenues
- Analysis of Significant Variations in Account Balances
- Analysis of Significant Lapse Period Spending

- Analysis of Operations:

- University Functions and Planning Program
- Comparative Employment Statistics (Unaudited)
- Emergency Purchases
- Illinois First Projects (Unaudited)
- Comparative Schedule of Unrestricted Current Fund General
Expenditures Per Full-Time Equivalent Student as Reported
to the Board of Higher Education (Unaudited)
- Ratio of Federal Expenditures to Total Expenditures
- Comparative Enrollment Statistics (Unaudited)
- Schedule of Tuition and Fee Waivers (Unaudited)
- Classroom Utilization (Unaudited)
- Debt Financed by University-Related Organization
- Acquisition of Real Estate Costing in Excess of \$250,000 and
Not Funded by a Separate Appropriation

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
For the Year Ended June 30, 2005**

**SUPPLEMENTARY INFORMATION FOR
STATE COMPLIANCE PURPOSES
SUMMARY**

- University Guidelines 1982 as Amended 1997 and Other University Matters:

Entity Financial Statements:

Other Entities:

Condensed Financial Information:

Balance Sheet

Statement of Revenues, Expenditures, and Changes in
Fund Balances

Auxiliary Enterprises - Revenue Bond Funds:

Condensed Financial Information:

Balance Sheet

Statement of Revenues, Expenditures, and Changes in
Fund Balances

Schedule of Indentured Capital Reserves

Indirect Cost Support - Sources and Application of Indirect
Cost Recoveries

Calculation Sheet for Indirect Cost Support Carryforward

Calculation Sheet for Current Excess Funds:

Other Entities

Service Departments

Auxiliary Enterprises - Revenue Bond Funds

Description of Accounting Entities

Comments on Certain Matters Regarding Auxiliary Enterprises, Activities,
and Accounting Entities, and Tuition, Charges, and Fees

Comments on Certain Matters Regarding University-Related
Organizations and Other Matter

Summary of Foundation and Alumni Association Payments to the University

Auxiliary Enterprises - Revenue Bond Funds - Statement of Revenues,
Expenses, and Changes in Net Assets

Auxiliary Enterprises - Revenue Bond Funds - Occupancy Report
of Residence Halls

Auxiliary Enterprises - Revenue Bond Funds - Insured Value
Summary

The auditors' 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.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2005**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass-Through Number	FY 2005 Expenditures	To Subrecipients
MAJOR PROGRAM - STUDENT FINANCIAL ASSISTANCE CLUSTER				
<u>DEPARTMENT OF EDUCATION</u>				
Federal Supplemental Educational Opportunity Grants G7B69945	84.007		\$ 863,939	\$ -
Federal Work-Study Program G7B69938	84.033		3,908	-
Federal Work-Study Program G7B69959	84.033		882,788	-
Federal Perkins Loan Program - Federal Capital Contributions 45DC60100	84.038		82,551	-
Federal Pell Grant Program G7B42155/G7B69906/G7B69932/G7B69940	84.063		6,220	-
Federal Pell Grant Program G7B69949	84.063		13,415,043	-
Administrative Cost Allowance G7B69945/G7B69959/45DC60100	84.038		175,570	-
			<hr/>	<hr/>
Total Student Financial Assistance Cluster			15,430,019	-
RESEARCH AND DEVELOPMENT CLUSTER				
<u>NATIONAL SCIENCE FOUNDATION</u>				
Engineering Grants:				
<i>Nonlinear Dynamics of Triggering Controllers G1A62146</i>	47.041		46,580	-
<i>Advanced Computing and Programming in the Mech. Engineering Curriculum. G1A62163</i>	47.041		100,217	30,333
<i>Mathematical Modeling of the Constitutive Response of Carbon Nanotubes G1A62177/62178</i>	47.041		53,147	-
			<hr/>	<hr/>
			199,944	30,333
Mathematical and Physical Sciences:				
<i>Decomposable Forms and Siegel's Lemma G1A62068</i>	47.049		1,632	-
<i>Metallacarboranes of Main Group G1A62127</i>	47.049		149,392	-
<i>Research in High Energy Physics: Theory and Phenomenology G1A62121</i>	47.049		24,101	-
<i>Research in Model Theory: Generic Structures G1A62101</i>	47.049		13,895	-
<i>Searches for New Phenomena with High Energy Particle Colliders G1A62129</i>	47.049		197,042	-
<i>Simultaneous Statistical Modeling of Several Large Covariance Matrices G1A62132</i>	47.049		25,237	-
<i>Consortium of the Acquisition of Equipment to Complete a Proton Detector G1A62138</i>	47.049		30,865	30,865
<i>Combinatorics and Analysis of Special Functions G1A62142</i>	47.049		22,686	-
<i>Bayesian Analysis of Competing Risks G1A62144</i>	47.049		21,698	-
<i>NSF-Europe: Correlated Phenomena G1A62150</i>	47.049		173,489	-
<i>Search for Second Generation Leptoquarks Using Advanced Data Analysis G1A62151</i>	47.049		10,071	-
Passed-Through the Illinois Institute of Technology:				
<i>R&D on Cooling of Intense Muon Beams G5A63687</i>	47.049	SA230-1001	9,038	-
Passed-Through the University of California - San Diego:				
<i>X-Ray Scattering...Polymer Interfaces G5A63715/63752</i>	47.049	PO10215529-002	52,668	-
Passed-Through the University of Illinois - Chicago:				
<i>X-Ray Scattering Interfaces G5A63745</i>	47.049	E0002245	28,351	-
Passed-Through Cornell University:				
<i>High-Brightness Electron Beams G5A63761</i>	47.049	43422-7333	7,247	-
<i>Lc Detector G5A63762</i>	47.049	43422-7332	6,262	-
<i>Digital Hadron Colorimeter G5A63763</i>	47.049	43422-7334	11,000	-
			<hr/>	<hr/>
			784,674	30,865
Geosciences:				
<i>SGER: Sampling and Isotopic Analysis Of Yucatan Groundwater G1A62136</i>	47.050		21,841	-
<i>Collaborative Research: Establishing a High-Resolution Temporal Record G1A62176</i>	47.050		35,027	-
<i>MARGINS: Collaborative Research: Temporal and Spatial Variations G1A62179</i>	47.050		37,997	-
			<hr/>	<hr/>
			94,865	-

STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass-Through Number	FY 2005 Expenditures	To Subrecipients
RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>NATIONAL SCIENCE FOUNDATION (CONTINUED)</u>				
Computer and Information Science and Engineering:				
<i>MPICH-G2: MPI Middleware for a Networked Environment G1A62108</i>	47.070		\$ 41,541	\$ 2,147
<i>Critical Globus-enabled Implementation of the MPI-2 Standard G1A62154</i>	47.070		80,772	-
			<u>122,313</u>	<u>2,147</u>
Biological Sciences:				
<i>Aspects of the Functional Morphology of Sauropoda G1A62082</i>	47.074		45,199	11,065
<i>LTREB: A Long-Term Investigation of the Interplay of Biotic vs. Abiotic Factors G1A62137</i>	47.074		78,703	-
<i>Peronosporonyces (Oomycota or Heterokonta) G1A62112</i>	47.074		74,604	-
<i>Redox Control in the Development and Evolution G1A62063</i>	47.074		70,014	-
<i>RNA Recombination at the Subgenomic Promoter G1A62143</i>	47.074		167,151	-
<i>Symposium: Model Systems for the Basal Metazoans G1A62161</i>	47.074		436	-
			<u>436,107</u>	<u>11,065</u>
Social, Behavioral, and Economic Sciences:				
<i>Collaborative Proposal: Dental Development and Life History G1A62130</i>	47.075		6,030	-
<i>Collaborative Research: Preceramic Chronologies in the Norte Chico Region of Peru G1A62102</i>	47.075		12,991	-
<i>Parental Management of Adolescent Peers in Three Ethnic Contexts G1A62114</i>	47.075		34,778	-
<i>U.S.-Egypt Cooperative Research: On-Line Tonal G1A62080</i>	47.075		13,898	-
<i>Doctoral Dissertation Research: Greek, Phoenician, and Roman Colonization G1A62128</i>	47.075		7,604	-
<i>Philosophy of Careers G1A62145</i>	47.075		28,510	-
<i>Collaborative Research: Complex Controls on the Distribution of Lightning G1A62149</i>	47.075		28,475	-
<i>Changes in the Frequency of Extreme Warm Season Surface Dewpoints G1A62165</i>	47.075		59,772	9,706
<i>A Cultural Model in Tongan Socio-Political and Linguistic Representations G1A62168</i>	47.075		28,974	-
<i>International Travel: The Social Cognition Network Meeting in Lisbon G1A62188</i>	47.075		1,786	-
			<u>222,818</u>	<u>9,706</u>
Education and Human Resources:				
<i>A Strategic Alliance to Advance Technological Education in Rockford, IL G1B66524</i>	47.076		394	-
<i>Design and Development of an Internet Based Physical Laboratory Course G1A62209</i>	47.076		24,098	-
<i>Web-Based Interactive Simulation of Landform Evolution G1B66563</i>	47.076		7,613	-
Passed-Through University of Memphis:				
<i>Promoting Reading Understanding of Science G5A63709/63748</i>	47.076	REC-024144	66,568	-
Passed-Through American Educational Research Association:				
<i>Minority & Gender Gaps in Math & Science Ed G5A63734</i>	47.076	None	11,681	-
			<u>110,354</u>	<u>-</u>
Polar Programs:				
<i>Collaborative Research: Acquisition of a Drilling Rig G1A62117</i>	47.078		20,033	19,000
<i>Development of a Standard Antarctic Nearshore Diatom Biozonation G1A62126</i>	47.078		25,532	-
<i>Collaborative Research: Establishing Marine Varve Thickness G1A62147</i>	47.078		76,129	57,718
<i>Quaternary Diatom Paleoenvironmental Records from Three Lakes G1A62205</i>	47.078		12,717	-
Passed-Through Mount Holyoke College:				
<i>Holocene and Modern Climate Change: A Research Experience for Undergraduates G5A63784</i>	47.078	C755-B	18,637	-
			<u>153,048</u>	<u>76,718</u>
Total National Science Foundation			<u>2,124,123</u>	<u>160,834</u>

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RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Research Related to Deafness and Communication Disorders:				
<i>Evaluating Grammatical Asynchrony in Children with SLI G1A62111</i>	93.173		\$ 6,184	\$ -
<i>Sentence Production and Developmental Error G1A62093</i>	93.173		38,724	-
Passed-Through the University of Illinois:				
<i>Risk Factors in Stuttering G3A63036</i>	93.173	2003-03433.03	60,408	-
Passed-Through the University of Iowa:				
<i>Sub-Types and Associated Risk Factors in Stuttering G5A63737</i>	93.173	4000086950-2	17,061	-
			<u>122,377</u>	<u>-</u>
Policy Research and Evaluation Grants:				
<i>RCR for the Rest of Us G1B66608</i>	93.239		24,684	-
<i>Online Decision Instruction on Data Integrity G1B66610</i>	93.239		17,982	-
<i>Active Learning On-Line on Responsible Mentoring and Collaboration G1A62195</i>	93.239		6,011	-
			<u>48,677</u>	<u>-</u>
Mental Health Research Grants:				
<i>Role of Dorsal Central Striatum in Neglect and Recovery G1A62094</i>	93.242		11,097	11,097
<i>Induced Plasticity and Recovery from Neglect in Rats G1A62166/ G1A62200</i>	93.242		266,399	115,422
<i>Time and Autobiographical Memory G1A62167</i>	93.242		80,282	-
Passed-Through Psytec Corporation:				
<i>High-Risk Parents G5A63756</i>	93.242	R42MH6420	68,392	-
			<u>426,170</u>	<u>126,519</u>
Drug Abuse and Addiction Research Programs:				
<i>Impact of Stress on Cocaine Withdrawal Behaviors G1A62182</i>	93.279		69,428	-
Academic Research Enhancement Award:				
<i>Construction of Alpha-Siloxy and Alpha-Amino Amides G1A62107</i>	93.390		53,665	-
<i>Direct Enantiomer Separation in Immunoaffinity Systems G1A62125</i>	93.390		52,267	-
<i>Immobilized and Fluorous Ru-Based Metathesis Catalysts G1A62077</i>	93.390		17,087	-
<i>Mutational Analysis of Arabidopsis DRG Genes G1A62048</i>	93.390		9,430	-
<i>Sequencing of the Largest Plasmids of B. megaterium. G1A62110</i>	93.390		25,395	-
<i>Studies on Vitamin K Synthesis G1A62092</i>	93.390		45,191	-
			<u>203,035</u>	<u>-</u>
Cancer Cause and Prevention Research:				
<i>Late-Stage Cancer Clusters And Healthcare Access G1A62204</i>	93.393		11,895	-
Cancer Treatment Research:				
<i>Antizyme-Mediated Inhibition of Polyamine Transport G1A62198</i>	93.395		24,961	-
Temporary Assistance for Needy Families:				
Passed-Through the Illinois Department of Human Services: <i>Healthy Families 2005 G3A63041</i>	93.558	None	275,000	-
Child Abuse and Neglect Discretionary Activities:				
<i>Child Physical Abuse Research Fellowships G1A62155/G1A62192</i>	93.670		81,677	-
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations:				
<i>Medicare Prescription Drug Card Study G1A62190</i>	93.779		15,279	-
Heart and Vascular Diseases Research:				
Passed-Through the University of Montana: <i>NO-Mediated Signaling in Endothelial Cells G5A63775/G6A63795/ G6A63803</i>	93.837	PG-4247-03	68,608	-

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RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</u>				
Extramural Research Programs in the Neurosciences and Neurological Disorders:				
<i>Long-Term Outcomes of Childhood-Onset Epilepsy G1A62159G1A62199</i>	93.853		\$ 1,103,150	\$ 945,296
Passed-Through Yale University:				
<i>Multicenter Study of Epilepsy Surgery G5A63750</i>	93.853	A05674	59,181	-
			<u>1,162,331</u>	<u>945,296</u>
Microbiology and Infectious Diseases Research:				
<i>Genetic Link Between RNai/PTGS and Viral RNA Recombination G1A62203</i>	93.856		581	-
Biomedical Research and Research Training:				
<i>Semi-Automated Method for Annotating Repeated Sequences. G1A62164</i>	93.859		48,182	-
<i>Activation of Electrophilic Reagents and Intermediates G1A62186</i>	93.859		86,306	-
<i>Electron Transfer in Dynamic Protein Complexes G1A62191</i>	93.859		63,578	-
<i>Study of Velvet Gene, veA, in Fusarium Verticillioides G1A62202</i>	93.859		4,833	-
			<u>202,899</u>	<u>-</u>
Child Health and Human Development Extramural Research:				
<i>Meeting of the Society for Integrative and Comparative Biology G1A62162</i>	93.865		(436)	-
<i>Parenting & School Readiness Among Low-Income Children G1A62201</i>	93.865		21,467	-
			<u>21,031</u>	<u>-</u>
Vision Research:				
<i>Photochemistry of Human Retinal Lipofuscin G1A62115</i>	93.867		1,922	-
Specially Selected Health Projects:				
<i>Neutron Radiation for Cancer Treatment: Public Awareness and New Development G1A62184</i>	93.888		695,436	142,926
Total Department of Health and Human Services			<u>3,431,307</u>	<u>1,214,741</u>
<u>DEPARTMENT OF EDUCATION</u>				
International Research and Studies:				
<i>A Web-Based Advanced Translation Course for Thai, Indonesian, and Tagalog G1A62141/62180</i>	84.017		77,670	-
Overseas Faculty Research Abroad:				
<i>Mapping Prostitution in the Bohemian Lands at the Fin-de-Siecle G1A62133</i>	84.019		846	-
Fund for the Improvement of Postsecondary Education:				
<i>The Northern Illinois Center for Accelerator and Detector Development G1A62056/62148</i>	84.116		901,723	71,843
<i>Interdisciplinary Laboratory for Nanoscale Science, Engineering and Technology G1A62105/62171</i>	84.116		714,161	4,100
<i>Acquisition of Equipment and Program Support G1A62181</i>	84.116		80,119	-
Passed-Through the Fermi National Accelerator Laboratory:				
<i>Linear Collider Tech Feasibility G5A63772</i>	84.116	PO 555050	28,812	-
<i>Galena-Platteville Dolomite Northern Illinois G5A63773</i>	84.116	PO 555050	20,215	-
			<u>1,745,030</u>	<u>75,943</u>
Fund for the Improvement of Education:				
<i>Paleontology Research G1A62175</i>	84.215		43,231	-
Education Research, Development and Dissemination:				
<i>Constructing and Representing Argument Information G1A62158</i>	84.305		128,605	67,582
<i>Assessing Reading Comprehension with Verbal Protocols G1A62185</i>	84.305		170,895	14,312
			<u>299,500</u>	<u>81,894</u>

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RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF EDUCATION (CONTINUED)</u>				
Research in Special Education:				
<i>Maximizing the Impact of Curricular and Instructional Accommodations</i> G1A62103	84.324		\$ 77,966	\$ -
<i>Project PRIDE: Preventing and Remediating Reading Problems</i> G1A62104	84.324		6,665	-
			<u>84,631</u>	<u>-</u>
Total Department of Education			<u>2,250,908</u>	<u>157,837</u>
<u>DEPARTMENT OF AGRICULTURE</u>				
Grants for Agricultural Research-Competitive Research Grants:				
<i>PhSPB1 A Potential S-R Nase Inhibitor G2A62087</i>	10.206		13,100	-
Cooperative Extension Service:				
Passed-Through the Virginia Polytechnic Institute and State University: <i>Family Advocacy System of Records Data Base G6A63793</i>	10.500	CR-19355-545810	92,595	-
Total Department of Agriculture			<u>105,695</u>	<u>-</u>
<u>NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION</u>				
Sea Grant Support:				
Passed-Through the Ohio State Research Foundation: <i>Lake Erie Watersnake Recovery Plan Implementation G6A63788</i>	11.417	PJ-742671	4,676	-
Special Oceanic and Atmospheric Projects:				
ACCEC G2A62197	11.460		756,243	-
Total National Oceanic & Atmospheric Administration			<u>760,919</u>	<u>-</u>
<u>DEPARTMENT OF THE NAVY</u>				
Basic and Applied Scientific Research:				
Passed-Through the San Diego State University Foundation: <i>Survey of Recruits' Behaviors, Study B: Longitudinal Tracking</i> G5A63777	12.300	53205A P3379 DO5	69,955	-
Total Department of the Navy			<u>69,955</u>	<u>-</u>
<u>DEPARTMENT OF DEFENSE</u>				
Basic, Applied, and Advanced Research in Science and Engineering:				
ROCK - <i>Rapid Optimization of Commercial Knowledge for Army</i> <i>Vehicles G2A62196</i>	12.630		462,051	-
Total Department of Defense			<u>462,051</u>	<u>-</u>
<u>DEPARTMENT OF THE AIR FORCE</u>				
Air Force Defense Research Sciences Program:				
<i>Improved Simulations of Photoinjectors G2A62174</i>	12.800		381,957	-
Total Department of the Air Force			<u>381,957</u>	<u>-</u>
<u>NATIONAL SECURITY AGENCY</u>				
Mathematical Sciences Grants Program:				
<i>Arithmetic Analogs of Equations G2A62124</i>	12.901		7,304	-
Total National Security Agency			<u>7,304</u>	<u>-</u>
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
General Research And Technology Activity:				
<i>Job Access in Cleveland G2A62172</i>	14.506		37,005	-
Total Department of Housing and Urban Development			<u>37,005</u>	<u>-</u>

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RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF INTERIOR</u>				
Fish and Wildlife Management Assistance:				
<i>Foraging Behavior of Adult Lake Erie Water Snakes G2A62043</i>	15.608		\$ 2,353	\$ -
Passed-Through the Ohio Department of Natural Resources:				
<i>Lake Erie Watersnake Recovery Plan Implementation G6A63783</i>	15.608	None	5,796	-
			<u>8,149</u>	<u>-</u>
National Cooperative Geologic Mapping Program:				
<i>Quaternary Geologic Mapping of the Huntley Quadrangle, Northeastern Illinois G2A62131</i>	15.810		2,688	-
<i>Quaternary Geologic Mapping of the DeKalb Quadrangle, Northeastern Illinois G2A62134</i>	15.810		4,330	-
<i>Quaternary Geologic Mapping of the Waterman Quadrangle, NE Illinois G2A62169</i>	15.810		11,296	-
<i>Quaternary Geologic Mapping of the Marengo South Quadrangle NE Illinois G2A62170</i>	15.810		7,049	-
<i>Quaternary Geologic Mapping of the Marengo North Quadrangle NE Illinois G2A62208</i>	15.810		2,877	-
			<u>28,240</u>	<u>-</u>
Total Department of Interior			<u>36,389</u>	<u>-</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
Federal Transit Technical Assistance:				
<i>Fuel Cells in Transportation G2A62194</i>	20.512		306,043	-
Total Department of Transportation			<u>306,043</u>	<u>-</u>
<u>DEPARTMENT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Aerospace Education Services Program:				
Passed-Through George Mason University:				
<i>Earth Science REASoN: Research, Education and Applications Solutions Network G6A63802</i>	43.001	600168	9,370	-
Technology Transfer:				
<i>Analysis of Martian Basins G2A62183</i>	43.002		34,171	-
Total Department of National Aeronautics and Space Administration			<u>43,541</u>	<u>-</u>
<u>INSTITUTE MUSEUM & LIBRARY SERVICE</u>				
Librarians for the 21st Century:				
<i>Mark Twain's Mississippi Project G2A62157</i>	45.313		86,282	-
Total Institute Museum & Library Service			<u>86,282</u>	<u>-</u>
<u>DEPARTMENT OF ENERGY</u>				
Regional Biomass Energy Programs:				
<i>Development of New Hadronic Calorimeter Technology G2A62118</i>	81.079		92,949	-
Office of Science Financial Assistance Program:				
<i>Polarized X-Rays as a Probe of Spin Polarization G2A62156</i>	81.049		83,103	-
<i>Soil and Vegetation in Future Climate G2A62193</i>	81.049		36,752	-
Passed-Through Kansas State University:				
<i>Neutron & X-ray Reflectometry Study of Surface Critical Phenomena G5A63721</i>	81.049	SO3026	41,771	-
			<u>161,626</u>	<u>-</u>
Nuclear Energy Research, Development and Demonstration:				
<i>Nonlinear Dynamics G2A62187</i>	81.121		56,316	-

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<u>DEPARTMENT OF ENERGY (CONTINUED)</u>				
Advanced Fuel Cycle Initiative Fellowship: Passed-Through the University Research Alliance: <i>Adv Fuel Cycle Initiative Fellowship G5A63758</i>	81.502	None	\$ 2,199	\$ -
Total Department of Energy			<u>313,090</u>	<u>-</u>
<u>UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT</u>				
USAID Foreign Assistance for Programs Overseas: Passed-Through the Association Liaison Office for International Cooperation in Development: <i>Improved Simulations of Photoinjectors G6A63787</i>	98.001	None	75,515	-
Total United States Agency for International Development			<u>75,515</u>	<u>-</u>
Total Research and Development Cluster			<u>10,492,084</u>	<u>1,533,412</u>
TRIO CLUSTER				
<u>DEPARTMENT OF EDUCATION</u>				
TRIO - Student Support Services G1B66600/G1B66631	84.042		366,425	-
TRIO - Upward Bound G1B66594/G1B66621/G1B66643	84.047		421,091	-
Total Trio Cluster			<u>787,516</u>	<u>-</u>
PUBLIC WORKS AND ECONOMIC DEVELOPMENT CLUSTER				
<u>DEPARTMENT OF COMMERCE</u>				
Economic Adjustment Assistance: Passed-Through the Illinois Manufacturing Extension Center @ Bradley University: <i>Regional Host Organization for IMEC G5B69384/G5B69490</i>	11.307	None	75,374	-
Total Public Works and Economic Development Cluster			<u>75,374</u>	<u>-</u>
EMPLOYMENT SERVICE CLUSTER				
<u>DEPARTMENT OF LABOR</u>				
Employment Service: Passed-Through the Illinois Department of Employment Security: <i>Subgrant A G3B67237</i>	17.207	PQ050500164	169,000	-
Total Employment Service Cluster			<u>169,000</u>	<u>-</u>
WIA CLUSTER				
<u>DEPARTMENT OF LABOR</u>				
WIA Adult Program: Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
<i>WIASRD-A G3B67203</i>	17.258	04-173	22,916	-
<i>Technical Assistance WIA-A G3B67251</i>	17.258	05-189	23,674	-
<i>Economic And Workforce Development FY04-A G3B67187</i>	17.258	04-201	34,000	-
<i>Economic And Workforce Development FY05-D G3B67187</i>	17.258	04-201	208,118	-
<i>One Stop Portal Design-A G3B67246</i>	17.258	04-67303	43,845	-
			<u>332,553</u>	<u>-</u>

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WIA CLUSTER (CONTINUED)				
<u>DEPARTMENT OF LABOR (CONTINUED)</u>				
WIA Youth Activities:				
Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
<i>WIASRD-B G3B67203</i>	17.259	04-173	\$ 22,917	\$ -
<i>Technical Assistance WIA-A G3B67251</i>	17.259	05-189	23,674	-
<i>Economic And Workforce Development FY04-B G3B67187</i>	17.259	04-201	34,000	-
<i>Economic And Workforce Development FY05-E G3B67187</i>	17.259	04-201	208,118	-
<i>One Stop Portal Design-B G3B67246</i>	17.259	04-67303	43,845	-
			<u>332,554</u>	<u>-</u>
WIA Dislocated Workers:				
Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
<i>WIASRD-C G3B67203</i>	17.260	04-173	22,917	-
<i>Technical Assistance WIA-A G3B67251</i>	17.260	05-189	24,152	-
<i>Economic And Workforce Development FY04-C G3B67187</i>	17.260	04-201	34,000	-
<i>Economic And Workforce Development FY05-F G3B67187</i>	17.260	04-201	208,119	-
<i>One Stop Portal Design-C G3B67246</i>	17.260	04-67303	43,846	-
			<u>333,034</u>	<u>-</u>
Total WIA Cluster			<u>998,141</u>	<u>-</u>
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER				
<u>DEPARTMENT OF TRANSPORTATION</u>				
Highway Planning and Construction:				
Passed-Through the Illinois Department of Transportation:				
<i>Revise and Reprint IDOT District Bicycle Maps G3B67228</i>	20.205	None	57,704	-
<i>Preliminary Engineering - Consulting 02OE38916</i>	20.205	None	142,000	-
			<u>199,704</u>	<u>-</u>
OTHER PROGRAMS				
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Mental Health National Research Service Awards for Research Training:				
<i>Family Violence and Sexual Assault Research Training G1B66620/ G1B66646</i>	93.282		200,205	-
Centers for Disease Control and Prevention - Investigations and Technical Assistance:				
Passed-Through the Illinois Department of Public Health:				
<i>Behavioral Risk Factor Surveillance System Data Collection G3B67236</i>	93.283	None	345,674	-
Advanced Education Nurse Traineeships:				
<i>Advanced Education Nursing Traineeships G1B66591/G1B66630</i>	93.358		45,442	-
Developmental Disabilities Basic Support and Advocacy Grants:				
Passed-Through the Illinois Planning Council on Developmental Disabilities:				
<i>Collaborative Education Preparation G3B67112</i>	93.630	2105	82,751	-
Chafee Foster Care Independence Program:				
Passed-Through the University of Illinois at Urbana-Champaign:				
<i>Enhanced Training Project G3B67211</i>	93.674	201 091 9023	(1)	-

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<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</u>				
Major Program - Healthcare and Other Facilities:				
<i>Family Health, Wellness and Literacy Center G1B66635</i>	93.887		\$ 2,000,000	\$ -
<i>Center for the Study of Family Violence and Sexual Assault Supplemental G1B66640</i>	93.887		<u>329,131</u>	-
			<u>2,329,131</u>	-
Assistance Programs for Chronic Disease Prevention and Control: Passed-Through the Illinois Department of Public Health: <i>Heat Stroke Survey Project G3B67265</i>	93.945	53205034	<u>19,500</u>	-
Total Department of Health and Human Services			<u>3,022,702</u>	-
<u>DEPARTMENT OF EDUCATION</u>				
Adult Education State Grant Program: Passed-Through the Illinois Community College Board: <i>Technical Assistance for the Adult Education & Family Literacy Initiative G3B67239</i>				
	84.002	AEL05009	<u>20,000</u>	-
Title 1 Grants to Local Educational Agencies: Passed-Through the Illinois State Board of Education: <i>Interactive Illinois Report Card G3B67206</i>				
	84.010	000MY04601	<u>220,000</u>	-
National Resource Centers and Fellowships Program for Language and Area or Language and International Studies: <i>National Resource Center at Northern Illinois University G1B66604/ G1B66605/66627/66628</i>				
	84.015		247,811	-
<i>Foreign Language and Area Fellowships G1B66597G1B66618</i>	84.015		<u>216,877</u>	-
			<u>464,688</u>	-
Vocational Education - Basic Grants to States: Passed-Through the Illinois Community College Board: <i>Perkins Web Site Enhancements and Updates G3B67223</i>				
	84.048	None	10,000	-
<i>ICCS Postsecondary Internet Site G3B67241</i>	84.048	CEL05007	<u>30,233</u>	-
			<u>40,233</u>	-
Rehabilitation Long-Term Training: <i>Certificate Program in Deafness Rehabilitation Services G1B66613</i>				
	84.129		90,078	-
<i>Continuing Education Certificate Program in Deaf-Blind Rehabilitation Service G1B66596/66626</i>	84.129		98,009	-
<i>Preparation of Rehabilitation Teachers with a Distance Learning Component G1B66623/66645</i>	84.129		97,597	-
<i>Rehabilitation of Individuals Who are Deaf or Hard of Hearing G1B66599/66629</i>	84.129		<u>103,739</u>	-
			<u>389,423</u>	-
Safe and Drug-Free Schools and Communities National Programs: Passed-Through the Community Schools in Aurora: <i>Mentoring Grant Evaluation for East/West Aurora School Districts G6B69502</i>				
	84.184	None	<u>11,960</u>	-
Bilingual Education - Professional Development: <i>Project HQ G1B66607/G1B66638</i>				
	84.195		<u>314,781</u>	<u>89,889</u>
Rehabilitation Services Demonstration and Training Programs: <i>Preparation of Rehabilitation Teachers and Orientation & Mobility Specialists G1B66606</i>				
	84.235		<u>2,836</u>	-
State Grants for Innovative Programs: Passed-Through the Illinois State Board of Education: <i>High Performance-High Poverty Schools Recognition Project G3B67199</i>				
	84.298	FY04-TITLE V	<u>16,289</u>	-

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OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF EDUCATION (CONTINUED)</u>				
Comprehensive School Reform Demonstration: Passed-Through the Illinois State Board of Education: <i>Comprehensive School Reform Evaluation G3B67250</i>	84.332	FY05-TITLE I	\$ 48,499	\$ -
Child Care Access Means Parents in School: <i>NIU Campus Child Care Tuition Assistance Program G1B66611/ G1B66637</i>	84.335		84,480	-
Major Program - Teacher Quality Enhancement Grants: <i>Rockford Education Alliance: Project REAL G1B66614/G1B66634</i>	84.336		922,749	378,355
Learning Anytime Anywhere Partnerships: <i>Learning Anytime Anywhere Partnerships G1B66589</i>	84.339		420,834	248,532
Preparing Tomorrow's Teachers to Use Technology: <i>Partnership to Infuse Technology into the Teacher Preparation Curriculum G1B66598</i>	84.342		168,866	-
<i>Preservice Teachers Integrating Technology, Assessment, and Action Research G1B66615/66636</i>	84.342		361,297	-
			<u>530,163</u>	<u>-</u>
Mathematics and Science Partnerships: Passed-Through the Illinois State Board of Education: <i>Mathematics/Science Partnership 41-17053/G3B67245/G3B67252/ G3B67256</i>	84.366	None	34,755	-
Thurgood Marshall Legal Educational Opportunity Program: Passed-Through the Council on Legal Education Opportunity: <i>CLEO Summer Institute 2004 G5B69446</i>	84.936	None	56,612	-
Total Department of Education			<u>3,578,302</u>	<u>716,776</u>
<u>DEPARTMENT OF AGRICULTURE</u>				
Child and Adult Care Food Program: Passed-Through the Illinois State Board of Education: <i>School Lunch Program 41-30140</i>	10.558	None	31,000	-
Forest Stewardship Program: Passed-Through the University of Nebraska: <i>National Survey of Participants in the Forest Stewardship Program G6B69479</i>	10.678	25-0526-0005-02	50,940	-
Total Department of Agriculture			<u>81,940</u>	<u>-</u>
<u>DEPARTMENT OF COMMERCE</u>				
Manufacturing Extension Partnership: Passed-Through the Illinois Manufacturing Extension Center @ Bradley University: <i>Regional Host Organization for IMEC G5B69384/G5B69490</i>	11.611	None	259,198	-
Total Department of Commerce			<u>259,198</u>	<u>-</u>
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Community Outreach Partnership Center Program: <i>COPC G2B66588</i>	14.511		73,006	-
Total Department of Housing and Urban Development			<u>73,006</u>	<u>-</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2005**

<u>Federal Grantor/Pass-Through Grantor Program/Grant Title</u>	<u>CFDA Number</u>	<u>Pass-Through Number</u>	<u>FY 2005 Expenditures</u>	<u>To Subrecipients</u>
OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF JUSTICE</u>				
Byrne Formula Grant Program:				
Passed-Through the University of Illinois at Chicago:				
<i>Chicago Community Policing Survey G3B67224</i>	16.579	02-DB-BY-0017	\$ 4,000	\$ -
<i>Community Policing Survey G3B67248</i>	16.579	2004-IJ-CX0021	75,465	-
			<u>79,465</u>	<u>-</u>
Public Safety Partnership and Community Policing Grants:				
<i>Community-Oriented Policing (COPS) Project G2B66517/G2B66612</i>	16.710		162,677	-
Total Department of Justice			<u>242,142</u>	<u>-</u>
<u>DEPARTMENT OF LABOR</u>				
Employment and Training Administration Pilots, Demonstrations, and Research Projects:				
Passed-Through the State of Colorado Department of Labor and Employment:				
<i>Creation of an e-Learning Knowledge Center for the State of Colorado G5B69378</i>	17.261	03KAA0031	284,585	-
Total Department of Labor			<u>284,585</u>	<u>-</u>
<u>DEPARTMENT OF STATE</u>				
Professional Exchanges - Annual Open Grant:				
<i>Women in Grassroots Democracy in Sri Lanka, Program Budget G2B66580</i>	19.415		18,552	-
<i>Women in Grassroots Democracy in Sri Lanka, Administrative Budget G2B66581</i>	19.415		11,300	-
<i>Advocacy Partnerships in Sri Lanka (Program) G2B66632</i>	19.415		61,464	-
<i>Advocacy Partnerships in Sri Lanka (Administration) G2B66633</i>	19.415		7,503	-
			<u>98,819</u>	<u>-</u>
Educational Exchange - Fulbright American Studies Institutes:				
<i>Fulbright 2004 (Program) G2B66616</i>	19.418		68,573	-
<i>Fulbright 2004 (Administration) G2B66617</i>	19.418		66,804	-
<i>Intergovernmental Assignment G2B66603</i>	19.418		100,337	-
			<u>235,714</u>	<u>-</u>
<i>Bridging the Gap - Program G2B66601</i>	None		15,815	-
<i>Bridging the Gap - Administration G2B66602</i>	None		7,266	-
<i>Bridging the Gap 2005 Program G2B66624</i>	None		158,716	99,395
<i>Bridging the Gap 2005 Administration G2B66625</i>	None		14,746	-
			<u>196,543</u>	<u>99,395</u>
Total Department of State			<u>531,076</u>	<u>99,395</u>
<u>NATIONAL ENDOWMENT FOR THE HUMANITIES</u>				
Promotion of the Humanities - Federal/State Partnership:				
Passed-Through the Illinois Humanities Council:				
<i>Linking Ethnic Lao G6B69501</i>	45.129	3435	1,900	-
Promotion of the Humanities - Research:				
<i>The Writings of Henry David Thoreau G2A62106</i>	45.161		1,209	-
Promotion of the Humanities - Professional Development:				
<i>Landmarks of American History G2B66641</i>	45.163		25,922	-
Promotion of the Humanities - Extending the Reach Grants to Presidentially-Designated Minority Institutions:				
<i>The Abraham Lincoln Curriculum Project G2B66619</i>	45.167		32,407	-
Total National Endowment for the Humanities			<u>61,438</u>	<u>-</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2005**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Pass-Through Number	FY 2005 Expenditures	To Subrecipients
OTHER PROGRAMS (CONTINUED)				
<u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
Conservation Assessment Program:				
<i>NIU Art Museum Assessment G2B66622</i>	45.304		\$ 7,730	\$ -
State Library Program:				
Passed-Through Illinois State Library:				
<i>DeKalb County Historical Digitization Project G3B67197</i>	45.310	LSTA-04-0203-3021	(66)	-
<i>LSTA Technology Grant G3B67221</i>	45.310	LSTA	500	-
<i>Illinois Civil War Newspaper Digitization Project G3B67255</i>	45.310	LSTA-05-4006	10,000	-
			<u>10,434</u>	<u>-</u>
Total Institute of Museum and Library Services			<u>18,164</u>	<u>-</u>
<u>NATIONAL SCIENCE FOUNDATION</u>				
Computer and Information Science and Engineering:				
Passed-Through Rock Valley College:				
<i>Training Aviation Technicians G6B69481</i>	47.070	None	69,170	-
Total National Science Foundation			<u>69,170</u>	<u>-</u>
<u>OFFICE OF ENVIRONMENTAL EDUCATION</u>				
Environmental Education Grants:				
<i>Teacher Training on Web EMS G2B66609</i>	66.951		14,917	-
Environmental Education and Training Program:				
Passed-Through the University of Wisconsin - Stevens Point:				
<i>Environmental Education and Training Partnership G5B69234/ G6B69436</i>	66.950	NT82865901-2	107,390	8,000
Total Office of Environmental Education			<u>122,307</u>	<u>8,000</u>
Total Other Programs			<u>8,344,030</u>	<u>824,171</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 36,495,868</u>	<u>\$ 2,357,583</u>

NONCASH FEDERAL FINANCIAL ASSISTANCE

<u>Federal Loans</u>		<u>2005</u>
Federal Perkins Loan Program - Federal Capital Contributions (1)	84.038	\$ 1,376,761
Federal Family Education Loans (FFEL) - Guaranty Agencies (2)	84.032	\$ 76,706,736

- (1) Amount represents loans advanced during the year ended June 30, 2005. Loans outstanding as of June 30, 2005 total \$10,260,000.
- (2) The University acts merely as an agent in administering the Family Federal Education Loan Program by determining student eligibility, conducting entrance and exit counseling procedures, processing and applying loan proceeds to a student's account, and reporting changes in the status of loan recipients. The loans are actually made through lending institutions which are responsible for the ultimate collection of the loans. This amount represents total new loans guaranteed under the program for the year ended June 30, 2005.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2005**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICY

The accompanying Schedule of Expenditures of Federal Awards (Schedule) of Northern Illinois University (University) has been prepared on the accrual basis. The Schedule is a statement of financial activities of funds related to the respective reporting period. It does not purport to present the results of operations or the net income or loss for the respective period as would a statement of income or a statement of revenues and expenses.

NOTE 2 - NATURE OF PROGRAMS

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between the University and agencies and departments of the federal government and all sub-awards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. The awards are classified into major program and other program categories in accordance with the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

NOTE 3 - 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 as federal and state grants and other contracts on the Statement of Revenues, Expenses, and Changes in Net Assets included in the University's financial statements:

	<u>(In Thousands)</u>
Total expenditures as shown on the Schedule of Expenditures of Federal Awards	\$ 36,496
Add the following:	
Direct state grants/contracts	16,764
Subtract the following:	
Indirect costs recovered	<u>3,197</u>
Total federal and state grants and other contracts revenues shown on the Statement of Revenues, Expenses, and Changes in Net Assets	<u>\$ 50,063</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CROSS-REFERENCE TABLE OF REPORTING REQUIREMENTS
June 30, 2005**

Reference Number from T. Loobey's Memorandum Dated July 25, 2000, on <u>University Guidelines</u>	Report and Page Number Where Information is Disclosed Supplementary Information for State Compliance Purposes
13a. Violation of <i>University Guidelines, 1982 as Amended</i>	N/A
13b. Sources and Application of Indirect Cost Recoveries	68
13c. Calculation Sheet for Indirect Cost Support Carryforward	69
13d. Amount of Tuition Diverted to Auxiliary Enterprise Operations	75
13e. List of Accounting Entity and Description of Sources and Purpose of Revenues	73-74
13f. Financial Statements for Each Accounting Entity	65-66, 68
13g. Calculations of Current Excess Funds for Each Accounting Entity	70-72
13h. Support to Auxiliary Enterprise from State Appropriated Funds	75
13i. Statement of Receipts and Disbursements for Bond Indentures	78
13j. Conformity of Bond Fund Accounting to Terms of Bond Issues	67, 75
13k. List of Noninstructional Facilities Reserves	75
13l. List of Organizations Recognized as University Related Organizations (UROs)	76
13m. Amounts Paid by UROs to the University for Services Provided by the University	77
13n. Amounts Paid by the University to UROs for Services Provided by the URO	77
13o. Amount of Unreimbursed Subsidies to UROs	N/A
13p. Debt Financing of UROs	63
13q. Schedule of Cash and Investments Held by the University	45-46
13r. Allocation Method on Interest from Pooled Investments	76
13s. Costs Per Full-Time Equivalent Student	58
13t. Acquisition of Real Estate by University or URO Greater Than \$250,000 and Not Specifically Funded	64
13u. Issuance of Certificates of Participation (COPs) or Participation in Lease or Purchase Arrangements Involving COPs	N/A

Other Financial Related Schedules for Universities

1. Schedule of Appropriations, Expenditures, and Lapsed Balances by Major Line Item	40
2. Schedule of Income Fund Revenues and Expenses	43
3. Schedule of Tuition and Fee Waivers	61
4. Information on Classroom Utilization	62

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
LAPSED BALANCES, AND BALANCES REAPPROPRIATED*
APPROPRIATIONS FOR FISCAL YEAR 2005
Fourteen Months Ended August 31, 2005**

	Appropriations (Net After Transfers)	Expenditures Through June 30, 2005	Lapse Period Expenditures July 1 to August 31, 2005	Total Expenditures	Balances Lapsed	Balances Reappropriated July 1
GENERAL REVENUE FUND (PUBLIC ACT 93-0842)						
Personal services	\$ 87,068,700	\$ 87,068,700	\$ -	\$ 87,068,700	\$ -	\$ -
Contributions to Medicare	408,900	408,900	-	408,900	-	-
Contractual services	6,536,800	6,536,800	-	6,536,800	-	-
Travel	163,500	163,500	-	163,500	-	-
Commodities	1,976,400	1,936,829	39,571	1,976,400	-	-
Awards and grants and matching funds	185,700	185,700	-	185,700	-	-
Equipment and library books	1,316,500	1,316,500	-	1,316,500	-	-
Telecommunication services	798,900	798,900	-	798,900	-	-
Automotive	138,500	138,500	-	138,500	-	-
Capital repairs and improvements	1,343,700	1,326,825	16,875	1,343,700	-	-
CMS health insurance	<u>2,337,300</u>	<u>2,337,300</u>	<u>-</u>	<u>2,337,300</u>	<u>-</u>	<u>-</u>
Total General Revenue Fund	<u>102,274,900</u>	<u>102,218,454</u>	<u>56,446</u>	<u>102,274,900</u>	<u>-</u>	<u>-</u>
STATE COLLEGE AND UNIVERSITY TRUST (PUBLIC ACT 93-0842)						
Scholarship Grant Awards	<u>10,100</u>	<u>10,100</u>	<u>-</u>	<u>10,100</u>	<u>-</u>	<u>-</u>
CAPITAL DEVELOPMENT FUND (PUBLIC ACT 93-0842)						
Technology infrastructure improvements	532,748	532,748	-	532,748	-	-
Purchase engineering building	<u>43,366</u>	<u>-</u>	<u>1,817</u>	<u>1,817</u>	<u>-</u>	<u>41,549</u>
Total Capital Development Fund	<u>576,114</u>	<u>532,748</u>	<u>1,817</u>	<u>534,565</u>	<u>-</u>	<u>41,549</u>
TOTAL APPROPRIATED FUNDS	<u>\$ 102,861,114</u>	<u>\$ 102,761,302</u>	<u>\$ 58,263</u>	<u>\$ 102,819,565</u>	<u>\$ -</u>	<u>\$ 41,549</u>

* The information contained in this schedule was taken from the University records which have been reconciled to those of the State Comptroller.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
LAPSED BALANCES, AND BALANCES REAPPROPRIATED*
For the Years Ended June 30, 2005, 2004, and 2003**

	Fiscal Years		
	<u>2005</u> <u>PA 93-0842</u>	<u>2004</u> <u>PA 93-0090</u>	<u>2003</u> <u>PA 92-0538</u>
GENERAL REVENUE FUND - 001			
Appropriations (net after transfers)	\$ 102,274,900	\$ 101,798,900	\$ 92,652,100
Expenditures:			
Personal services	87,068,700	89,702,400	76,451,470
Contributions to Medicare	408,900	408,900	408,900
Contractual services	6,536,800	2,592,423	3,849,400
Travel	163,500	253,540	459,500
Commodities	1,976,400	1,394,607	1,438,060
Awards and grants and matching funds	185,700	165,191	185,700
Equipment and library books	1,316,500	925,177	1,347,300
Telecommunications services	798,900	796,900	796,900
Automotive	138,500	138,500	138,500
Capital repairs and improvements	1,343,700	1,118,810	994,800
CMS health insurance	<u>2,337,300</u>	<u>2,337,300</u>	<u>3,541,300</u>
Total expenditures	<u>102,274,900</u>	<u>99,833,748</u>	<u>89,611,830</u>
Lapsed balances	<u>\$ -</u>	<u>\$ 1,965,152</u>	<u>\$ 3,040,270</u>
	<u>PA 93-0842</u>	<u>PA 93-0090</u>	<u>PA 92-0538</u>
EDUCATIONAL ASSISTANCE FUND - 007			
Appropriations (net after transfers)	\$ -	\$ -	\$ 18,284,500
Expenditures:			
Personal services	-	-	14,553,600
Contractual services	-	-	1,636,500
Commodities	-	-	170,400
Equipment and library books	-	-	1,475,500
Capital repairs and improvements	<u>-</u>	<u>-</u>	<u>448,500</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>18,284,500</u>
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>PA 93-0842</u>	<u>PA 93-0090</u>	<u>PA 92-0538</u>
STATE COLLEGE AND UNIVERSITY TRUST - 417			
Appropriations (net after transfers)	\$ 10,100	\$ 10,075	\$ 10,075
Expenditures - scholarship grant awards	<u>10,100</u>	<u>10,075</u>	<u>10,075</u>
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
LAPSED BALANCES, AND BALANCES REAPPROPRIATED*
For the Years Ended June 30, 2005, 2004, and 2003**

	Fiscal Years		
	<u>2005</u> <u>PA 93-0842</u>	<u>2004</u> <u>PA 93-0587</u>	<u>2003</u> <u>PA 92-0538</u>
CAPITAL DEVELOPMENT FUND - 141			
Appropriations (net after transfers)	\$ 576,114	\$ 586,217	\$ 681,654
Expenditures:			
Technology infrastructure improvements	532,748	10,103	83,182
Purchase engineering building equipment	<u>1,817</u>	<u>-</u>	<u>12,255</u>
Total expenditures	<u>534,565</u>	<u>10,103</u>	<u>95,437</u>
Reappropriated July 1	<u>\$ 41,549</u>	<u>\$ 576,114</u>	<u>\$ 586,217</u>
	<u>PA</u>	<u>PA</u>	<u>PA 92-0717</u>
CAPITAL DEVELOPMENT FUND - 141			
Appropriations (net after transfers)	\$ -	\$ -	\$ 3,944,000
Expenditures - equipment for College of Business	<u>-</u>	<u>-</u>	<u>3,944,000</u>
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GRAND TOTAL - ALL FUNDS			
Appropriations (net after transfers)	\$ 102,861,114	\$ 102,395,192	\$ 115,572,329
Total expenditures	102,819,565	99,853,926	111,945,842
Lapsed balances	<u>-</u>	<u>1,965,152</u>	<u>3,040,270</u>
Balances reappropriated July 1	<u>\$ 41,549</u>	<u>\$ 576,114</u>	<u>\$ 586,217</u>

* The information contained in this schedule was taken from the University records which have been reconciled to those of the State Comptroller.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF INCOME FUND
REVENUES AND EXPENSES
For the Years Ended June 30, 2005 and 2004**

	<u>2005</u>	<u>2004</u>
INCOME FUND REVENUES		
Tuition, net of waivers	\$ 82,937,826	\$ 75,842,700
Material fees	5,267,623	5,017,351
Extension	5,136,773	4,721,382
Interest income	808,444	338,870
Other	<u>986,354</u>	<u>448,242</u>
 TOTAL INCOME FUND REVENUES	 <u>\$ 95,137,020</u>	 <u>\$ 86,368,545</u>
 INCOME FUND EXPENSES		
Personal services	\$ 52,282,362	\$ 43,812,535
FICA/Medicare	1,726,596	1,571,451
Contractual services	15,115,961	18,224,962
Travel	989,173	644,989
Commodities	1,250,964	1,826,808
Award/grants and matching funds	2,736,431	1,391,785
Equipment and library books	5,093,530	7,969,166
Telecommunications	479,236	408,866
Automotive	133,417	140,456
Capital repairs and permanent improvements	2,445,977	2,114,270
CMS health insurance	1,204,000	1,204,000
Unemployment compensation benefits	<u>38,344</u>	<u>51,796</u>
 TOTAL INCOME FUND EXPENSES	 <u>\$ 83,495,991</u>	 <u>\$ 79,361,084</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF CHANGES IN CAPITAL ASSETS*
For the Years Ended June 30, 2005 and 2004**

	<u>Balance</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2004</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2005</u>
Land	\$ 18,272,709	\$ -	\$ -	\$ -	\$ 18,272,709	\$ 655,156	\$ -	\$ -	\$ 18,927,865
Land improvements	41,763,718	-	461,893	-	42,225,611	-	8,755,643	-	50,981,254
Buildings	348,364,768	11,470,538	5,668,931	1,000	365,503,237	3,695,813	27,433,658	178,102	396,454,606
Equipment	196,142,798	13,078,280	-	5,873,432	203,347,646	11,033,917	-	6,347,910	208,033,653
Intangible assets	-	4,266,267	-	-	4,266,267	-	-	-	4,266,267
Construction in progress	<u>37,672,247</u>	<u>9,524,378</u>	<u>(6,130,824)</u>	<u>1,132,264</u>	<u>39,933,537</u>	<u>4,801,152</u>	<u>(36,189,301)</u>	<u>355,665</u>	<u>8,189,723</u>
TOTALS	<u>\$ 642,216,240</u>	<u>\$ 38,339,463</u>	<u>\$ -</u>	<u>\$ 7,006,696</u>	<u>\$ 673,549,007</u>	<u>\$ 20,186,038</u>	<u>\$ -</u>	<u>\$ 6,881,677</u>	<u>\$ 686,853,368</u>

* Information contained in this schedule was taken from University records which have been reconciled to the quarterly reports of fixed assets submitted to the State Comptroller.

Note: Some reclassifications have been made to the 2004 amounts to conform to the 2005 presentation.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF CASH AND TEMPORARY
CASH EQUIVALENTS, AT COST
(EXCLUDING FOUNDATION AND ALUMNI ASSOCIATION)
For the Years Ended June 30, 2005 and 2004**

	<u>2005</u>	<u>2004</u>
CASH ON HAND	\$ 90,000	\$ 90,000
 CHECKING ACCOUNTS		
Resource Bank, DeKalb, Illinois	715	10,821
Rock River Bank, Oregon, Illinois	3,719	1,659
National Bank and Trust Co. of Sycamore, Sycamore, Illinois	6,110,206	9,723,073
Amalgamated Bank, Chicago, Illinois	-	52,051
LNB National Bank, DeKalb, Illinois	-	49,286
Northern Trust Company, Chicago, Illinois	32,351	25,958
Castle Bank, DeKalb, Illinois	5,066,694	5,048,535
US Bank, Springfield, Illinois	200,474	200,000
 TEMPORARY CASH INVESTMENTS		
Illinois Funds - U.S. Bank	15,267,541	8,680,654
Repurchase agreements:		
Bank One, Chicago, Illinois:		
Hoffman Estates Debt Reserves Fund and Communications Ducts Reserve Fund	650,170	650,496
Bank One, Chicago, Illinois:		
Hoffman Estates Construction Fund and Communications Ducts Construction Fund	<u>136,698</u>	<u>123,456</u>
	<u>\$ 27,558,568</u>	<u>\$ 24,655,989</u>

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 COMPARATIVE SCHEDULE OF INVESTMENTS, AT COST
 (EXCLUDING FOUNDATION AND ALUMNI ASSOCIATION)
 For the Years Ended June 30, 2005 and 2004**

	<u>2005</u>	<u>2004</u>
U.S. Treasury obligations, U.S. agency obligations, treasury notes and strips, 1.98 to 4.55 percent	\$ 45,227,682	\$ 25,427,368
Commercial paper	<u>6,554,072</u>	<u>16,054,543</u>
	<u>\$ 51,781,754</u>	<u>\$ 41,481,911</u>

Note: Interest rates for June 30.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF RECEIVABLES AND INVENTORIES
June 30, 2005 and 2004**

Receivables

Reported receivables as of June 30, 2005 and 2004 are summarized below (\$000s):

	<u>June 30,</u>	
	<u>2005</u>	<u>2004</u>
Accounts receivable	\$ 17,921	\$ 19,641
Less allowance for doubtful accounts	<u>(3,872)</u>	<u>(3,703)</u>
Net accounts receivable	<u>\$ 14,049</u>	<u>\$ 15,938</u>
Student loans receivable	\$ 10,262	\$ 9,686
Less allowance for doubtful accounts	<u>(538)</u>	<u>(544)</u>
Net student loans receivable	<u>\$ 9,724</u>	<u>\$ 9,142</u>

Accounts receivable consists primarily of amounts due from students (\$14.5 million and \$12.5 million in 2005 and 2004, respectively), other agencies (\$3.4 million and \$6.7 million in 2005 and 2004, respectively), and interest.

Student loans receivable consists primarily of student loans issued under the federal government's Perkins Loan Program.

The allowance for doubtful accounts results from nonpayment of student tuition and reversals of students' financial aid waivers. Occasionally, a student will complete a semester and subsequently be declared ineligible for financial aid already credited to that student's account. These students frequently will not remain enrolled due to a lack of funds and, thus, a substantial allowance for doubtful accounts is necessary.

The allowance for doubtful accounts relating to student notes is the result of the difficulty of collecting Perkins Loan receivables.

Inventories

Reported inventories as of June 30, 2005 and 2004 are summarized below (\$000s):

	<u>June 30,</u>	
	<u>2005</u>	<u>2004</u>
Food	\$ 385	\$ 453
Books	1,531	1,598
Inventories for resale	1,155	1,134
Commodities and supplies	250	250
Other miscellaneous items	<u>22</u>	<u>17</u>
Total	<u>\$ 3,343</u>	<u>\$ 3,452</u>

Inventories are valued at cost (first-in and first-out method) or market, whichever is lower.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENSES
For the Year Ended June 30, 2005 (in Thousands)**

Following are explanations for significant variances between expenses accounts exceeding \$871,500 and 10 percent:

	<u>2005</u>	<u>Increase (Decrease)</u>	<u>2004</u>	<u>Percent Change</u>	<u>Comments</u>
Research	\$ 14,402	\$ 1,436	\$ 12,966	11.1%	The increase in research is comprised of the impact of salary changes and the increase in grant funding.
Public service	25,738	3,317	22,421	14.8	The increase in public service is comprised of the salary changes and the increase in grant funding.
Operation and maintenance of plant	23,607	3,093	20,514	15.1	The most significant component in the increase in operation and maintenance of plant relates to an increase in utility expenses.
Institutional support	27,015	4,446	22,569	19.7	The largest component of the increase in institutional support is the impact from service departments.
Staff benefits	53,945	(72,310)	126,255	(57.3)	The reason for the large decrease in staff benefits is the level of funding the State gave for SURS. The University records both a revenue and expense for the SURS activity.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN REVENUES
For the Year Ended June 30, 2005 (in Thousands)**

Following are explanations for significant variances between revenue accounts exceeding \$871,500 and 10 percent:

	<u>2005</u>	<u>Increase (Decrease)</u>	<u>2004</u>	<u>Percent Change</u>	<u>Comments</u>
Private gifts, grants, and contracts	\$ 2,994	\$ 1,533	\$ 1,461	104.9%	The majority of the increase in private gifts, grants, and contracts is support from the Foundation for the activities of employees of the University.
State appropriations - on-behalf payments	51,810	(72,465)	124,275	(58.3)	The reason for the large decrease in on-behalf payments by the State is the level of funding the State gave for SURS. The University records both a revenue and expense for the SURS activity.
State appropriations - capital	3,517	1,843	1,674	110.1	The change in the level of State appropriations for capital items reflects the State's allocation to the University for projects for which the University has requested funding.
Investment income	1,732	1,003	729	137.6	Investment income increased due to rising interest rates during fiscal year 2005 and an increase in the amount of funds available to invest.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN ACCOUNT BALANCES
June 30, 2005 (in Thousands)**

Following are explanations for significant variances between account balances exceeding \$871,500 and 10 percent:

	<u>2005</u>	<u>Increase (Decrease)</u>	<u>2004</u>	<u>Percent Change</u>	<u>Comments</u>
Cash and cash equivalents	\$ 7,100	\$ (5,444)	\$ 12,544	(43.4)%	The overall net increase in cash and investments is impacted by the increase in tuition rates and by the increase in accounts payable.
Investments and marketable securities	66,483	16,424	50,059	32.8	The overall net increase in cash and investments is impacted by the increase in tuition rates and by the increase in accounts payable.
Accounts receivable - net	14,049	(1,889)	15,938	(11.9)	The majority of the decrease in accounts receivable is the impact of the timing of receipt of funds related to grant activity, the majority of which are cost reimbursement.
Appropriations receivable from state	2,264	2,264	-	-	The increase in appropriations receivable from the state is the effect of current year timing combined with the impact of the recession in FY 2004.
Accounts payable and accrued liabilities	29,629	5,806	23,823	24.4	The increase in accounts payable reflects a prudent use of cash, plus increases related to the acquisition of property.
Performance contracts payable	8,003	(1,083)	9,086	11.9	The decrease in performance contracts payable reflects the scheduled payments made against the obligations.
Notes payable	8,301	(1,567)	9,868	15.9	The decrease in notes payable reflects the scheduled payments made against these obligations.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
Year Ended June 30, 2005**

No significant lapse period spending was noted for the General Revenue Fund, the State College and University Trust Fund, or the Capital Development Fund.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM**

Description of Planning System

The current activities and future plans of Northern Illinois University are stated in the “2005 Performance Report” document, which is submitted annually to the Illinois Board of Higher Education. The annual “Performance Report” provides each college, university, and higher education agency an opportunity to identify (1) the contributions it is now making and intends to make in the near future toward achieving the goals set forth in *The Illinois Commitment*, (2) the specific results it has already achieved or expects to achieve in the short term, and (3) the specific performance measures for which it will be held accountable in future years.

The University submitted its “Performance Report” on August 31, 2005. The report’s main components include current contributions to *The Illinois Commitment* based upon the common-institutional indicators and mission-specific indicators for each of the six goals for higher education, effective practices, and status reports on mission specific indicators.

The central mission of the University is the transmission, expansion, and application of knowledge through teaching, research and artistry, and public service. In fulfilling that mission, Northern Illinois University meets the needs of students for liberal, professional, technical, and lifelong education. Mindful of the changing needs of the society it serves, the University reviews its programs at regular intervals, assesses their quality and their capacity to fulfill their objectives, and expressly commits itself to their continuing development or redirection when appropriate.

The data for the common-institutional indicators show that the University’s alumni are successful in securing employment and pursuing graduate study. Enrollments in teacher preparation programs remain high, and alumni have high pass rates on teacher certification examinations for their respective majors. Financial aid is distributed based on need; students in the lowest quintiles of economic need receive funding that covers the cost of tuition and fees. Women and minorities are well represented in the student body at both the undergraduate and graduate levels. Alumni in law and nursing achieve pass rates on their respective licensure examinations at rates higher than the state and national averages. The University’s costs for instruction and operations are within statewide averages. The trend in the six-year graduation rate is positive, with 51 percent of students completing degree requirements within this timeframe. Performance targets for the common-institutional indicators are noted for each of the *Illinois Commitment* goals, and the University is at or making progress toward meeting the targets. The data for the mission-specific indicators show that the trend in alumni employment in Illinois remains high. Alumni are satisfied with time-to-degree and feel well prepared for their present jobs. The University is successful in securing external funding for contracts and grants, with more than 78 percent of applications funded at a current level of \$49 million. The University remains an affordable choice for students and continues to attract transfer students from Illinois community colleges and meets the needs of students by offering degree programs at regional sites.

The University’s additional contributions to the goals of *The Illinois Commitment* are extensive services provided to Illinois citizens through the University’s centers and clinics, the preparation of health professionals and health educators, strategies to promote full-time enrollment for undergraduate students, deferred maintenance projects, and the internal reallocation of resources.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM**

Description of Planning System (Continued)

Effective practices that address goals of *The Illinois Commitment* exemplify several of the significant initiatives in which the University is engaged to advance its mission of engagement in the northern Illinois region and to address its diversity goals. The creation of NIUNet contributes to the region's economic development, and the creation of the professional development school, the Wright Elementary School, addresses the teaching and learning needs of students in District 428 and the University's teacher candidates. Establishment of P-20 Partnerships prepare classroom teachers throughout northern Illinois to meet the needs of the rapidly growing population of students in K-12 schools whose first language is not English. Affordability is addressed by the ongoing implementation of the Rock Valley College/Northern Illinois University partnership to deliver baccalaureate degree-completion programs and just-in-time seating. The implementation of a computerized materials tracking system improved the University's materials management operations, thus improving accountability and productivity.

For each of the goals of *The Illinois Commitment*, the University's plans for fiscal year 2006 include:

Goal 1: Higher education will help Illinois business and industry sustain strong economic growth.

- Continue to engage students in experience-based learning.
- Further contributions to the region by providing services that meet the needs of Illinois citizens and provide appropriate learning experiences for students.
- Continue to meet the needs of businesses in industry for consulting, training, and professional development services.

Goal 2: Higher education will join elementary and secondary education to improve teaching and learning at all levels.

- Monitor enrollments in its teacher preparation programs to assess the ongoing attainment of its overall teacher preparation enrollment goal.
- Maintain strong pass rates in all areas of teacher certification.
- Explore options for attracting more students from underrepresented groups for Science and Math Innovations through Linkage in Engineering (SMILE) program.

Goal 3: No Illinois citizen will be denied an opportunity for a college education because of financial need.

- Monitor the number of full-time students enrolled in 12 or more semester hours each semester.
- Track 9-semester completion rates for students who have guaranteed tuition rates.
- Continue to make opportunities for advanced placement available to students.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM**

Description of Planning System (Continued)

Goal 4: Illinois will increase the number and diversity of citizens completing training and education programs.

- Continue to actively recruit qualified minority students to diversify the student body.
- Continue to offer cohort-based graduate programs to underrepresented students in Chicago.
- Increase services and activities of support units within the constraints of existing resources.
- Sustain enrollment levels of undergraduate students from underrepresented groups.
- Maintain the proportion of women and men at baccalaureate and post-baccalaureate levels.
- Maintain off-campus credit hours at approximately 6 percent of the University's total credit hour production.

Goal 5: Illinois colleges and universities will be accountable for providing high quality academic programs and the systematic assessment of student learning outcomes while holding students to ever higher expectations for learning and growth.

- Continue to seek external validation for the quality of its academic programs through accreditation by professional accrediting agencies approved by the U.S. Department of Education.
- Continue to consistently achieve pass rates at or above national averages for licensure examinations for law and nursing.

Goal 6: Illinois colleges and universities will continually improve productivity, cost-effectiveness, and accountability.

- Continue efforts to assess salary equity and report recommendations.
- Meet the highest priorities within the Division of Academic and Student Affairs with existing resources.
- Pursue efforts to recruit and to hire tenure-track faculty as fiscal resources permit.
- Meet or exceed graduation rates predicted by *U.S. News and World Reports*.
- Maintain undergraduate tuition rates consistent with other Illinois doctoral institutions' average.

Auditor's Assessment of the Planning System

A planning process exists at Northern Illinois University both at the department and the University-wide level. The University has established written long-term and short-term goals in its planning process. Each fiscal year, new goals and objectives are developed and the University is held accountable on its progress in the next fiscal year. Implementation of the University goals and objectives is dependent upon the level of funding received from the State. The University's planning process has been designed and implemented to meet the needs of the University and the requirements of the State.

Location, Address, and Head of the University

John G. Peters, President
Northern Illinois University
DeKalb, Illinois 60115

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE EMPLOYMENT STATISTICS*
Years Ended June 30, 2005 and 2004**

(Unaudited)

	<u>Instructional Activities</u>	<u>Organized Research</u>	<u>Public Service</u>	<u>Academic Support</u>	<u>Student Services</u>	<u>Institutional Support</u>	<u>Operation and Maintenance Physical Plant</u>	<u>Independent Operations</u>	<u>Total All Functions</u>
Year ended June 30, 2005:									
Appropriated funds:									
Facility/administrative	1,265.4	43.3	33.0	122.4	96.7	75.2	5.5	-	1,641.5
Civil service	287.0	2.7	29.4	156.7	50.8	168.8	211.9	-	907.3
Student employees	37.3	0.6	3.4	28.4	19.1	4.0	7.0	-	99.8
Miscellaneous contracts	9.9	-	0.6	3.9	4.4	3.2	14.2	-	36.2
	<u>1,599.6</u>	<u>46.6</u>	<u>66.4</u>	<u>311.4</u>	<u>171.0</u>	<u>251.2</u>	<u>238.6</u>	<u>-</u>	<u>2,684.8</u>
Nonappropriated funds:									
Facility/administrative	65.8	140.2	133.2	28.3	92.9	7.9	1.4	50.2	519.9
Civil service	9.9	12.3	24.7	21.4	68.3	40.8	37.3	332.9	547.6
Student employees	48.7	19.7	25.5	6.8	119.5	1.5	2.1	191.3	415.1
Miscellaneous contracts	4.9	16.9	15.6	6.2	7.2	0.3	1.1	43.7	95.9
	<u>129.3</u>	<u>189.1</u>	<u>199.0</u>	<u>62.7</u>	<u>287.9</u>	<u>50.5</u>	<u>41.9</u>	<u>618.1</u>	<u>1,578.5</u>
TOTAL ALL FUNDS	<u>1,728.9</u>	<u>235.7</u>	<u>265.4</u>	<u>374.1</u>	<u>458.9</u>	<u>301.7</u>	<u>280.5</u>	<u>618.1</u>	<u>4,263.3</u>
Year ended June 30, 2004:									
Appropriated funds:									
Facility/administrative	1,246.1	14.5	25.1	130.6	93.9	106.2	6.4	-	1,622.8
Civil service	284.4	2.1	25.1	157.8	53.6	172.8	216.5	-	912.3
Student employees	36.0	0.5	3.5	29.1	26.2	2.3	3.9	-	101.5
Miscellaneous contracts	14.1	-	0.3	2.7	2.8	1.6	2.8	-	24.3
	<u>1,580.6</u>	<u>17.1</u>	<u>54.0</u>	<u>320.2</u>	<u>176.5</u>	<u>282.9</u>	<u>229.6</u>	<u>-</u>	<u>2,660.9</u>
Nonappropriated funds:									
Facility/administrative	67.7	117.2	137.4	29.1	101.3	5.3	2.7	51.4	512.1
Civil service	11.0	13.2	24.8	20.9	64.7	32.0	32.2	345.0	543.8
Student employees	42.9	19.2	50.8	11.0	104.2	1.8	0.3	209.2	439.4
Miscellaneous contracts	5.5	25.0	16.8	3.4	7.3	0.4	1.6	45.5	105.5
	<u>127.1</u>	<u>174.6</u>	<u>229.8</u>	<u>64.4</u>	<u>277.5</u>	<u>39.5</u>	<u>36.8</u>	<u>651.1</u>	<u>1,600.8</u>
TOTAL ALL FUNDS	<u>1,707.7</u>	<u>191.7</u>	<u>283.8</u>	<u>384.6</u>	<u>454.0</u>	<u>322.4</u>	<u>266.4</u>	<u>651.1</u>	<u>4,261.7</u>

*Provided by the Office of Budget and Planning.

This is the employment information reported to the State of Illinois Board of Higher Education. Staff years are computed by dividing an employee's 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. One example of staff year computation is as follows:

1 full-time employee employed 12 months of fiscal year counts 1 staff year.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
EMERGENCY PURCHASES
June 30, 2005**

Following is a list of emergency purchase affidavits filed by the University with the Office of the Auditor General during the year:

- Air Charter Services, Football Team and Marching Band - Actual Cost: \$350,000
- Lodging and Meals, Football Team - Actual Cost: \$80,200
- Air Charter Services, Alumni - Actual Cost: \$149,552
- Charter Bus Transportation - Actual Cost: \$30,742

NIU's participation in the Silicon Valley Football Classic Bowl game that was held in San Jose, California on December 30, 2004 required these emergency/quick purchases due to the unforeseen participation in the football bowl game. There was not enough time to go through the normal procurement procedures to procure the above items.

- Carpet Tile - Actual Cost: \$70,200

An emergency/quick purchase was required due to a situation in which items were available for a limited time. This product was available to NIU at a greatly discounted price due to a manufacturer's error for another client.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ILLINOIS FIRST PROJECTS
June 30, 2005**

(Unaudited)

Following is a list of Illinois First grants received by the University outstanding as of June 30, 2005:

Grant Award No.:	01-128106
Grant Amount:	\$7,800,000
Grant Period:	January 1, 2002 through December 31, 2005
Grant Purpose:	All costs associated with the Chiller Project.
Grant Description:	Grant funds will be used for the construction of a chilled water plant including chillers, cooling towers, chilled water piping to campus buildings, pumps for water distribution, and controls necessary to run all equipment.
Amount Expended:	\$1,271,872 (as of June 30, 2005)
Grant Award No.:	02-120242
Grant Amount:	\$4,800,000
Grant Period:	November 1, 2001 through October 31, 2005
Grant Purpose:	Costs associated with the renovation, rehabilitation, and reconstruction of Altgeld Hall.
Grant Description:	Grant funds will be used for the renovation of Altgeld Hall which is the original campus building and serves as the major campus landmark. Renovations will include replacement of all mechanical systems, structural reinforcement and replacement, and life safety code compliance.
Amount Expended:	\$3,529,502 (as of June 30, 2005)
Grant Award No.:	01-128119
Grant Amount:	\$500,000
Grant Period:	January 1, 2003 through December 31, 2006
Grant Purpose:	Zeke Giorgi New Scholar Initiatives.
Grant Description:	Grant funds will be used to develop new law scholar related initiatives designed to expand the opportunity for diverse and qualified students committed to public interest, service, and providing quality representation to attend and excel at the College of Law.
Amount Expended:	\$409,097.29 (as of June 30, 2005)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF UNRESTRICTED CURRENT FUND
GENERAL EXPENDITURES PER FULL-TIME EQUIVALENT STUDENT
AS REPORTED TO THE BOARD OF HIGHER EDUCATION*
(Key Service Efforts and Accomplishments)**

(Unaudited)

	For the Year Ended June 30,			
	2004		2003	
	<u>Total</u>	<u>Costs Per</u>	<u>Total</u>	<u>Costs Per</u>
	<u>Costs</u>	<u>Full-Time</u>	<u>Costs</u>	<u>Full-time</u>
		<u>Equivalent</u>		<u>Equivalent</u>
Direct salary	\$ 45,431,087	\$ 1,008	\$ 45,921,089	\$ 1,018
Indirect instruction	4,837,054	107	4,289,232	95
Departmental research	8,019,363	178	8,185,806	181
Departmental overheads	21,777,959	483	21,389,442	474
College or school overheads	<u>12,693,882</u>	<u>282</u>	<u>10,503,489</u>	<u>233</u>
Subtotal of department and college costs	92,759,345	2,058	90,289,058	2,001
Overhead support unique to a function	11,733,449	260	11,285,681	250
All other academic support	13,812,878	307	13,906,984	308
Student services	6,028,352	134	5,679,294	126
Institutional support	<u>27,329,686</u>	<u>607</u>	<u>27,857,702</u>	<u>617</u>
Subtotal of department and college costs with University overheads	151,663,710	3,366	149,018,719	3,302
Operation and maintenance of physical plant	<u>18,296,402</u>	<u>406</u>	<u>18,800,912</u>	<u>417</u>
TOTAL OF ALL COSTS	<u>\$ 169,960,112</u>	<u>\$ 3,772</u>	<u>\$ 167,819,631</u>	<u>\$ 3,719</u>

* Cost information for the year ended June 30, 2005 not yet available.

STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
RATIO OF FEDERAL EXPENDITURES TO TOTAL EXPENDITURES
For the Year Ended June 30, 2005
(Accrual Basis)
(Expressed in Thousands)

	<u>Amount</u>	<u>Percent</u>
Federal funds expended	\$ 36,496	9.0%
Nonfederal funds expended	<u>368,785</u>	<u>91.0</u>
TOTAL EXPENSES (1)	<u>\$ 405,281</u>	<u>100.0%</u>

(1) Amount represents total expenses per the Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2005.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE ENROLLMENT STATISTICS*
June 30, 2005**

(Unaudited)

	Semesters					
	<u>Summer 2004</u>	<u>Fall 2004</u>	<u>Spring 2005</u>	<u>Summer 2003</u>	<u>Fall 2003</u>	<u>Spring 2004</u>
On-Campus:						
Undergraduate	2,746	16,177	14,848	2,789	16,415	15,074
Graduate	2,002	2,361	2,316	2,063	2,326	2,279
Professional	<u>41</u>	<u>400</u>	<u>385</u>	<u>35</u>	<u>416</u>	<u>398</u>
Subtotal	<u>4,789</u>	<u>18,938</u>	<u>17,549</u>	<u>4,887</u>	<u>19,157</u>	<u>17,751</u>
Off-Campus:						
Undergraduate	130	161	203	117	118	152
Graduate	<u>1,769</u>	<u>758</u>	<u>752</u>	<u>1,415</u>	<u>851</u>	<u>821</u>
Subtotal	<u>1,899</u>	<u>919</u>	<u>955</u>	<u>1,532</u>	<u>969</u>	<u>973</u>
TOTAL	<u>6,688</u>	<u>19,857</u>	<u>18,504</u>	<u>6,419</u>	<u>20,126</u>	<u>18,724</u>

Note: All full-time equivalents are computed as follows:

Fall and Spring semesters:

$$\text{Undergraduate full-time equivalent} = \frac{\text{Credit hours}}{15.00}$$

$$\text{Graduate full-time equivalent} = \frac{\text{Credit hours}}{12.00}$$

$$\text{Professional full-time equivalent} = \frac{\text{Credit hours}}{12.00}$$

Summer sessions:

$$\text{Undergraduate full-time equivalent} = \frac{\text{Credit hours}}{7.50}$$

$$\text{Graduate full-time equivalent} = \frac{\text{Credit hours}}{6.00}$$

* Provided by Office of Budget and Planning based on beginning of semester count for Fall and Spring semesters and end of the semester count for Summer.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF TUITION AND FEE WAIVERS
For the Year Ended June 30, 2005
(In Thousands)**

(Unaudited)

	<u>Tuition Waivers</u>			<u>Fee Waivers</u>		
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>
Mandatory waivers:						
Teacher/special education	\$ 294.8	\$ 100.9	\$ 395.7	\$ 114.0	\$ 32.4	\$ 146.4
General Assembly	565.7	82.5	648.2	9.6	0.5	10.1
ROTC	145.5	-	145.5	2.5	-	2.5
DCFS	105.2	-	105.2	35.9	-	35.9
Children of employees	349.0	-	349.0	-	-	-
Senior citizens	-	0.6	0.6	-	-	-
Discretionary waivers:						
Faculty/administrative	11.8	223.9	235.7	4.1	81.9	86.0
Civil service	102.8	93.5	196.3	45.4	31.9	77.3
Children of employees	4.9	-	4.9	-	-	-
Academic/other talent	1,558.5	2,272.8	3,831.3	-	-	-
Athletic	547.8	-	547.8	-	-	-
Gender equity in intercollegiate athletics	531.8	-	531.8	-	-	-
Foreign students	-	66.6	66.6	-	-	-
Cooperating professionals	3.0	871.5	874.5	-	-	-
Graduate assistants	30.1	7,354.6	7,384.7	-	-	-
All other:						
Interinstitutional/related agencies	-	9.3	9.3	-	-	-
Retired University employees	-	12.4	12.4	-	4.0	4.0
Children of deceased employees	14.0	-	14.0	5.3	-	5.3
Student need - financial aid	15.0	-	15.0	-	-	-
Student need - special programs	-	36.7	36.7	-	-	-
Fellowships	-	241.3	241.3	-	-	-
Contract/training grants	-	224.6	224.6	-	-	-
TOTAL	<u>\$ 4,279.9</u>	<u>\$ 11,591.2</u>	<u>\$ 15,871.1</u>	<u>\$ 216.8</u>	<u>\$ 150.7</u>	<u>\$ 367.5</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CLASSROOM UTILIZATION
Year Ended June 30, 2005**

(Unaudited)

Following is the University's response to request for data on classroom and laboratory utilization for the Fall term 2005:

	<u>Utilization Rate</u>
Classroom:	
Monday - Friday - 8 a.m. to 5 p.m.	34.7%
Monday - Friday - 5 p.m. to 10 p.m.	19.4%
Laboratory:	
Monday - Friday - 8 a.m. to 5 p.m.	22.3%
Monday - Friday - 5 p.m. to 10 p.m.	16.4%

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DEBT FINANCED BY UNIVERSITY-RELATED ORGANIZATION
Year Ended June 30, 2005**

The Northern Illinois University Foundation has obtained a construction loan in connection with the construction of the Barsema Alumni & Visitors Center. At June 30, 2005, draws on the construction loan amounted to \$772,694. The note allows for a maximum total borrowing of \$6,150,000 and calls for interest at prime less .75 percent, capped at 5 percent, and is due December 31, 2005. Assignment of existing and future donor pledges secure this note.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ACQUISITION OF REAL ESTATE COSTING IN EXCESS OF
\$250,000 AND NOT FUNDED BY A SEPARATE APPROPRIATION
Year Ended June 30, 2005**

The University purchased approximately 24 acres of land, with buildings, from DeKalb Genetics Corporation for approximately \$4 million for use as the Family Health, Wellness, and Literacy Campus.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
OTHER ENTITIES
CONDENSED FINANCIAL INFORMATION
June 30, 2005**

	Continuing Education Contract Courses	Continuing Education and Public Service	Sales and Services of Educational Activities	Student Programs and Services	Field Trips and Foreign Study Activities
BALANCE SHEET					
ASSETS					
Cash and cash equivalents	\$ 2,366,830	\$ 4,139,921	\$ 3,220,632	\$ 4,485,330	\$ 203,439
Other assets	<u>83,117</u>	<u>864,885</u>	<u>373,245</u>	<u>1,055,333</u>	<u>50,673</u>
TOTAL ASSETS	<u>\$ 2,449,947</u>	<u>\$ 5,004,806</u>	<u>\$ 3,593,877</u>	<u>\$ 5,540,663</u>	<u>\$ 254,112</u>
LIABILITIES					
Accounts payable and accrued expenses	\$ 38,875	\$ 297,505	\$ 776,004	\$ 272,306	\$ -
Deferred income	<u>227,700</u>	<u>502,491</u>	<u>98,549</u>	<u>1,023,617</u>	<u>-</u>
Total liabilities	266,575	799,996	874,553	1,295,923	-
FUND BALANCES	<u>2,183,372</u>	<u>4,204,810</u>	<u>2,719,324</u>	<u>4,244,740</u>	<u>254,112</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,449,947</u>	<u>\$ 5,004,806</u>	<u>\$ 3,593,877</u>	<u>\$ 5,540,663</u>	<u>\$ 254,112</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

BEGINNING FUND BALANCES	\$ 957,486	\$ 4,990,903	\$ 2,473,894	\$ 3,440,346	\$ (50,778)
Revenues	3,497,955	10,034,756	6,752,692	18,961,566	937,253
Expenditures	(1,973,981)	(10,767,795)	(6,867,997)	(18,863,677)	37,637
Transfers	<u>(298,088)</u>	<u>(53,054)</u>	<u>360,735</u>	<u>706,505</u>	<u>(670,000)</u>
ENDING FUND BALANCES	<u>\$ 2,183,372</u>	<u>\$ 4,204,810</u>	<u>\$ 2,719,324</u>	<u>\$ 4,244,740</u>	<u>\$ 254,112</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
CONDENSED FINANCIAL INFORMATION
June 30, 2005**

	<u>Residence Halls</u>	<u>Student Services</u>	<u>Recreational Facilities</u>	<u>Parking</u>
BALANCE SHEET				
ASSETS				
Cash and cash equivalents	\$ (20,160,372)	\$ (955,648)	\$ 323,330	\$ 12,875
Accounts receivable	3,419,899	398,582	1,788	15
Inventories	682,085	1,499,216	-	-
Other assets	<u>196,425,365</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$180,366,977</u>	<u>\$ 942,150</u>	<u>\$ 325,118</u>	<u>\$ 12,890</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 2,990,727	\$ 253,008	\$ 9,313	\$ 1,414
Deferred income	<u>601,658</u>	<u>147,685</u>	<u>186,808</u>	<u>-</u>
Total liabilities	3,592,385	400,693	196,121	1,414
FUND BALANCES	<u>176,774,592</u>	<u>541,457</u>	<u>128,997</u>	<u>11,476</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$180,366,977</u>	<u>\$ 942,150</u>	<u>\$ 325,118</u>	<u>\$ 12,890</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

BEGINNING FUND BALANCES	\$ 175,141,652	\$ 374,828	\$ (10,962)	\$ 11,476
Revenues	41,400,241	14,454,050	5,950,890	2,089,492
Expenditures	<u>(39,767,301)</u>	<u>(14,287,421)</u>	<u>(5,810,931)</u>	<u>(2,089,492)</u>
ENDING FUND BALANCES	<u>\$176,774,592</u>	<u>\$ 541,457</u>	<u>\$ 128,997</u>	<u>\$ 11,476</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
SCHEDULE OF INDENTURED CAPITAL RESERVES
For the Year Ended June 30, 2005**

Replacement cost of buildings	\$461,113,880
Replacement cost of equipment	<u>40,950,344</u>
TOTAL REPLACEMENT COST OF BUILDINGS AND EQUIPMENT	<u>\$ 502,064,224</u>
Allowable indentured capital reserves - 5 percent of total replacement cost of buildings and equipment	\$ 25,103,211
Less actual indentured capital reserve at June 30	<u>6,707,211</u>
MARGIN OF COMPLIANCE	<u>\$ 18,396,000</u>

Note: Replacement costs shown above were calculated based on provisions of the University Guidelines 1982, as amended in 1997, and the bond indenture, using the original cost of the facilities adjusted for the change in the building cost index as reported in the "Engineering News Record."

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 INDIRECT COST SUPPORT
 SOURCES AND APPLICATION OF INDIRECT COST RECOVERIES
 For the Year Ended June 30, 2005**

DEFICIT AT BEGINNING OF YEAR	<u>\$ (205,241)</u>
 SOURCES	
Federal and state grants and contracts	<u>3,521,047</u>
 APPLICATIONS	
Research	370,860
Instruction	43,456
Public service	58,875
Academic support	598,568
Student services	8,077
Operation and maintenance of plant	774,520
Institutional support	<u>222,378</u>
Total applications	<u>2,076,734</u>
 TRANSFERS	
	<u>(112,875)</u>
Net increase	<u>1,331,438</u>
 BALANCE AT END OF YEAR	
	<u>\$ 1,126,197</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CALCULATION SHEET FOR INDIRECT COST
SUPPORT CARRYFORWARD
June 30, 2005**

1. Cash and cash equivalents balance:

Enter the June 30 indirect cost entity balance for
cash and cash equivalents:

Add:

Cash and cash equivalents

\$ 1,168,703

2. Allocated reimbursements:

Enter the total indirect cost reimbursements allocated
for expenditure for the fiscal year completed:

\$2,956,457. Enter 30 percent of this amount.

886,937

3. Unallocated reimbursements:

Enter the lesser of the actual unallocated indirect cost
reimbursements for the year completed OR 10
percent of total indirect cost allocations for the
year completed.

352,105

4. Encumbrances and current liabilities paid in the lapse period:

Enter the amount of:

Current liabilities

43,763

Encumbrances

-

Total

43,763

Indirect cost carryforward:

Enter the total of Items 2, 3, and 4

1,282,805

Subtract from Item 1

(114,102)

If a positive number results, enter here and remit for
deposit in the Income Fund

\$ -

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
OTHER ENTITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2005**

	<u>Continuing Education Contract Courses</u>	<u>Continuing Education and Public Service</u>	<u>Sales and Services of Educational Activities</u>	<u>Student Programs and Services</u>	<u>Field Trips and Foreign Study Activities</u>
1. Current available funds:					
Add:					
Cash	\$ 2,366,830	\$ 4,139,921	\$ 3,220,632	\$ 4,485,330	\$ 203,439
Total current available funds	A. <u>2,366,830</u>	<u>4,139,921</u>	<u>3,220,632</u>	<u>4,485,330</u>	<u>203,439</u>
2. Working capital allowance:					
Add:					
Highest month's expenditures	2,016,137	3,569,102	1,576,437	6,172,113	518,032
Encumbrances and current liabilities paid in lapse period	38,875	297,505	776,004	272,306	-
Deferred income	<u>227,700</u>	<u>502,491</u>	<u>98,549</u>	<u>1,023,617</u>	<u>-</u>
Working capital allowance	B. <u>2,282,712</u>	<u>4,369,098</u>	<u>2,450,990</u>	<u>7,468,036</u>	<u>518,032</u>
3. Current excess funds:					
Deduct B from A and enter here.	C. 84,118	(229,177)	769,642	(2,982,706)	(314,593)
4. Calculation of income fund remittance:					
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here.	D. <u>(832,714)</u>	<u>-</u>	<u>(1,658,309)</u>	<u>-</u>	<u>-</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund.	<u>\$ (748,596)</u>	<u>\$ (229,177)</u>	<u>\$ (888,667)</u>	<u>\$ (2,982,706)</u>	<u>\$ (314,593)</u>
Excess Funds Offset					
Buildings	\$ -		\$ -		
Equipment	<u>\$ 4,163,572</u>		<u>\$ 8,291,543</u>		
Maximum - 5 percent for buildings	\$ -		\$ -		
Maximum - 20 percent for equipment	<u>832,714</u>		<u>1,658,309</u>		
Total excess funds offset	<u>\$ 832,714</u>		<u>\$ 1,658,309</u>		

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SERVICE DEPARTMENTS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2005**

1. Current available funds:

Add:

Cash and cash equivalents \$ 4,262,449

Total current available funds A. 4,262,449

2. Working capital allowance:

Add:

Highest month's expenditures 4,470,823

Encumbrances and current liabilities paid
in lapse period 1,632,103

Working capital allowance B. 6,102,926

3. Current excess funds:

Deduct B from A and enter here C. (1,840,477)

4. Calculation of income fund remittance:

An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here. D. _____ -

Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund. \$ (1,840,477)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2005**

	<u>Residence Halls</u>	<u>Student Services</u>	<u>Recreational Facilities</u>	<u>Parking</u>
1. Current available funds:				
Add:				
Cash	\$ (20,160,372)	\$ (955,648)	\$ 323,330	\$ 12,875
Total current available funds	A. <u>(20,160,372)</u>	<u>(955,648)</u>	<u>323,330</u>	<u>12,875</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures	35,850,663	4,705,833	2,599,853	155,149
Encumbrances and current liabilities paid in lapse period	2,990,727	253,008	9,313	1,414
Deferred income	<u>601,658</u>	<u>147,685</u>	<u>186,808</u>	<u>-</u>
Working capital allowance	B. <u>39,443,048</u>	<u>5,106,526</u>	<u>2,795,974</u>	<u>156,563</u>
3. Current excess funds:				
Deduct B from A and enter here.	C. <u>\$ (59,603,420)</u>	<u>\$ (6,062,174)</u>	<u>\$ (2,472,644)</u>	<u>\$ (143,688)</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES
June 30, 2005**

A listing of the University's auxiliary enterprise accounting entities, their purpose, and their sources of revenue as of June 30, 2005 is provided below:

AUXILIARY ENTERPRISES

Revenue Bond Funds

This entity represents all of the activity of the Auxiliary Enterprises Revenue Bond Funds. This includes the student residence halls, student center, recreational facilities, and campus parking. Construction of each of these facilities was either fully or partially funded through the issuance of revenue bonds. The primary sources of revenue include room and board income, student fees, bookstore sales, food service operations, parking fee and fines, and investment income.

Auxiliary Business Operations

This entity consists of auxiliary services primarily supported by student fees. The sub-entities are:

Lorado Taft - The purpose of this account is to support the operations of the Lorado Taft dormitory and food service. Income is from food sales, dorm rentals, conference fees, and facility use fees.

Student Contract Busing - This is the student campus bus operation. Income is from student fees.

University Health Service - The Health Service provides clinic-type services to University students. It is supported from student fees.

SERVICE DEPARTMENTS

This group of accounts provides service to various University departments on a charge-back basis. Rates are established and reviewed periodically to operate each service department on a break-even basis.

INDIRECT COST SUPPORT

These accounts are supported by indirect cost reimbursements or accounts that receive funding as a by-product of federal grants. The funds pay for administrative costs, physical plant costs, including utilities, and grant proposals.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES
June 30, 2005**

OTHER ENTITIES

Continuing Education Contract Courses

These activities are established to provide credit courses to individuals and groups external to the institution. Revenues are mainly from tuition for the courses.

Continuing Education and Public Service

These activities are established primarily to provide noncredit services to individuals and groups external to the institution. These activities include community service programs and cooperative extension services. Included in this category are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar noninstructional services to particular sectors of the community.

Sales and Services of Educational Activities

Sales and services of educational activities support instruction and help demonstrate classroom or related educational techniques to students. Revenues are from services or materials furnished which are incidental to the department. Receipts are from testing, cartographic services, book sales, sales of instructional materials, and public opinion services.

Student Programs and Services

These programs are supported by student activity fees, gate receipts from athletic events, and income from concerts and performances sponsored by the Student Association.

In addition to the intercollegiate athletics program, the funds sponsor a variety of student functions, including speakers, acquisition of art objects, artist series, legal assistance, orientation, and grant-in-aid.

Field Trips and Foreign Study Activities

These activities are the supporting program costs for primarily credit courses at an off-campus site or at a foreign educational institution. The supporting costs include housing, transportation, printing, advertising, admissions, and other related program costs.

STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMMENTS ON CERTAIN MATTERS REGARDING AUXILIARY
ENTERPRISES, ACTIVITIES, AND ACCOUNTING ENTITIES,
AND TUITION, CHARGES, AND FEES
June 30, 2005

AUXILIARY ENTERPRISES, ACTIVITIES, AND ACCOUNTING ENTITIES

1. All employer contributions, except for certain restricted federal funds, to the University retirement system are made from the General Revenue Fund appropriation to the State Universities Retirement System for this purpose. Accordingly, the portion of the retirement contribution attributable to employees in auxiliary enterprise operations is paid from appropriated funds and amounted to approximately \$1,405,585 and \$9,175,127 for the years ended June 30, 2005 and June 30, 2004, respectively.
2. The University's governing board has established no noninstructional facilities (development) reserves.

TUITION, CHARGES, AND FEES

Northern Illinois University does not have statutory authority to divert and is not diverting tuition to auxiliary enterprise operations.

BOND INDENTURE FUNDING REQUIREMENTS

	Required as of		Amount of Cash, Investments, and Accrued Interest at June 30, 2005
	June 30, 2005		
	<u>Minimum</u>	<u>Maximum</u>	
Repair and replacement reserve	<u>\$ 1,015,703</u>	<u>\$ 25,103,211</u>	<u>\$ 6,707,211</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMMENTS ON CERTAIN MATTERS REGARDING
UNIVERSITY-RELATED ORGANIZATIONS
AND OTHER MATTER
June 30, 2005**

1. Northern Illinois University Foundation and Northern Illinois University Alumni Association are recognized by Northern Illinois University as related organizations.
2. There are no organizations considered by the University to be independent organizations as defined in Section VII of University Guidelines 1982, as amended in 1997.

Comment on Other Topic

1. Income from investments of pooled funds is allocated and credited monthly to the original sources of the funds based on their respective cash balances.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SUMMARY OF FOUNDATION AND ALUMNI ASSOCIATION
PAYMENTS TO THE UNIVERSITY
June 30, 2005**

During fiscal year 2005, the University engaged the Foundation, under contract, to provide fundraising services. As provided in the contract agreement, the University paid \$531,719 for fundraising services. Additionally, the University provided services to the Foundation valued at \$869,350. As required by the contract, the Foundation fully repaid the University for the services provided, using funds considered unrestricted for purpose of the University Guidelines computations.

Presented below is a summary of all funds that the Foundation and Association gave to the University in 2005:

	<u>Foundation</u>	<u>Association</u>	<u>Total</u>
Funds considered unrestricted for purposes of the Guidelines computations:			
Total unrestricted - administrative services	\$ 531,719	\$ -	\$ 531,719
Restricted only as to campus, college, or department and generally available for ongoing University operations:			
Scholarships and fellowships	522,905	-	522,905
Instruction	4,460,170	-	4,460,170
Research	67,356	-	67,356
Public service	608,071	-	608,071
Academic support	111,677	-	111,677
Student services	564,715	-	564,715
Operations and maintenance	1,506,956	-	1,506,956
Institutional support	<u>795,866</u>	<u>640,305</u>	<u>1,436,171</u>
 Total funds considered unrestricted	 <u>9,169,435</u>	 <u>640,305</u>	 <u>9,809,740</u>
 Funds considered restricted for purposes of the Guidelines computations:			
Scholarships and fellowships	208,978	45,000	253,978
Instruction	123,325	-	123,325
Academic support	12,132	-	12,132
Institutional support	<u>4,100</u>	<u>-</u>	<u>4,100</u>
 Total funds considered restricted	 <u>348,535</u>	 <u>45,000</u>	 <u>393,535</u>
 Total funds provided to the University by the Foundation and Association	 <u>\$ 9,517,970</u>	 <u>\$ 685,305</u>	 <u>\$ 10,203,275</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS -
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
For the Year Ended June 30, 2005**

REVENUES

Food and other merchandise sales	\$ 22,312,593
Room and other rentals	22,784,582
Parking revenue	2,202,069
Student fees	12,948,863
Interest in investments	1,180,797
Other revenues	<u>3,031,986</u>
Total revenues	<u>64,460,890</u>

EXPENSES

Cost of food and other merchandise sales	9,109,201
Personal services	17,108,820
Student services	2,914,819
Counseling room and board	1,169,302
Employee meals furnished	152,941
Insurance	261,088
Laundry	78,557
General and administrative	9,959,624
Repairs and other services	9,662,321
Telephone service - student rooms	853,509
Utilities	5,234,613
Depreciation	<u>4,921,188</u>
Total expenses	<u>61,425,983</u>

INCREASE IN NET ASSETS

\$ 3,034,907

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS -
OCCUPANCY REPORT OF RESIDENCE HALLS
For the Year Ended June 30, 2005**

(Unaudited)

	<u>Design Capacity</u>	<u>Fall Semester Occupancy</u>	<u>Spring Semester Occupancy</u>	<u>Average Occupancy</u>	<u>Room and Board Rate</u>
Neptune Complex	1,117	1,026	989	1,008	\$ 5,750
Lincoln Hall	966	928	864	896	\$ 5,690
Douglas Hall	1,000	935	867	901	\$ 5,690
Grant Towers	1,789	1,715	1,645	1,680	\$ 5,740
Stevenson Towers	<u>1,280</u>	<u>1,212</u>	<u>1,100</u>	<u>1,156</u>	\$ 6,650
TOTAL RESIDENCE HALLS	<u>6,152</u>	<u>5,816</u>	<u>5,465</u>	<u>5,641</u>	

Based on 9 month occupancy.

Double rooms were converted into suites and single rooms in Lincoln Hall and Grant Towers South by authorization of the Board of Regents effective September 1967, authorized December 1966. An average of 602 students chose the single room option during the 2004-2005 academic year. The single occupancy rate is \$1,910 more per year.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS -
INSURED VALUE SUMMARY
For the Year Ended June 30, 2005**

(Unaudited)

	Insured Value		
	<u>Building</u>	<u>Contents</u>	<u>Business Interruption</u>
University Apartments	\$ 4,256,000	\$ 103,000	\$ -
Gilbert Hall	12,157,000	-	-
Convocation Center	30,300,000	5,050,000	-
Neptune Complex	37,275,000	2,330,000	-
Lincoln Hall	28,996,000	1,585,000	-
Douglas Hall	28,996,000	1,585,000	-
Grant Complex	68,592,000	2,141,000	-
Stevenson Complex	73,393,000	6,767,000	-
Holmes Student Center	47,432,000	4,632,000	-
Evans Field House	10,266,000	900,000	-
Huskie Stadium:			
Stadium	24,315,000	1,000,000	-
Field Turf	875,000	-	-
Recreation Building	11,860,000	721,000	-
Central Stores	-	1,656,000	-
West Heating Plant and Cooling Towers	5,007,000	41,000	-
Parking Services:			
Office	147,000	169,000	-
Parking Structure	8,968,000	-	-
University Resources for Women	336,000	-	-
Black Studies	544,000	-	-
Campus Child Care Center	2,574,000	206,000	-
Latino Center, 515 Garden Road	698,000	178,000	-
Lincoln Highway Conference Center	1,236,000	-	-
Campus Life Building	7,626,000	1,274,000	-
Business Interruption	-	-	<u>20,595,000</u>
TOTAL	<u>\$405,849,000</u>	<u>\$ 30,338,000</u>	<u>\$ 20,595,000</u>

The University obtains its property insurance, including boiler and machinery coverage, through the Midwestern Higher Education Compact's Master Property Program. The University purchases limits of \$1 billion in layers: the first layer provides \$100 million in individual limits and the next two layers provide a total of \$900 million on a shared, but per occurrence, basis. The Holmes Student Center has coverage for silverware and silverplate, and State and University self-insurance programs and commercial insurance are in force to provide liability coverage for University operations, including Revenue Bond.