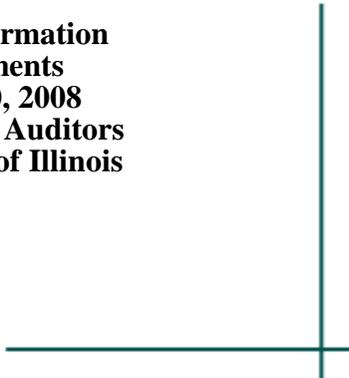


UNIVERSITY OF ILLINOIS

**Supplementary Financial Information
and Special Data Requirements
For the Year Ended June 30, 2008
Performed as Special Assistant Auditors
for the Auditor General, State of Illinois**



UNIVERSITY OF ILLINOIS
SUPPLEMENTARY FINANCIAL INFORMATION AND SPECIAL DATA REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2008
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RELATED REPORTS PUBLISHED UNDER SEPARATE COVERS

University of Illinois Reports

- The University of Illinois Annual Financial Report for the year ended June 30, 2008.
- The Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2008.
- The Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2008.
- The Annual Financial Report of the Willard Airport Facility for the year ended June 30, 2008.
- Compliance Examination Report (In accordance with the Single Audit Act and OMB Circular A-133) for the year ended June 30, 2008, including findings, recommendations, and University responses.
- 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.

University of Illinois Foundation Report

- The Annual Financial Statements of the University of Illinois Foundation for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.

University of Illinois Alumni Association Report

- The Annual Financial Statements of the University of Illinois Alumni Association for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.

Wolcott, Wood and Taylor, Inc. Report

- The Annual Financial Statements of Wolcott, Wood and Taylor, Inc. for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.

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RELATED REPORTS PUBLISHED UNDER SEPARATE COVERS (con't)

PrairieLand Energy, Inc. Reports

- The Annual Financial Statements of PrairieLand Energy, Inc. for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.

Illinois Ventures, LLC. and its Subsidiary Reports

- The Annual Financial Statements of Illinois Ventures, LLC and its subsidiary for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.

University of Illinois Research Park, LLC Reports

- The Annual Financial Statements of University of Illinois Research Park, LLC for the year ended June 30, 2008.
- 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.
- Compliance Examination for the two years ended June 30, 2008.



**Independent Auditor's Report on Supplementary
Information for State Compliance Purposes**

The Honorable William G. Holland
Auditor General
State of Illinois
and
The Board of Trustees
University of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the basic financial statements of the University of Illinois (University) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 30, 2008. These financial statements and the supplementary information referred to below are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Our audit was made for the purpose of forming an opinion on the basic financial statements of the University taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements of the University of Illinois. Such information for the year ended June 30, 2008, 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, 2008 taken as a whole.

The supplementary information for the years ended June 30, 2007, 2006, 2005, 2004 and 2003 has been derived from financial statements audited previously and, in our reports dated February 8, 2008, October 4, 2006, September 28, 2005, October 15, 2004, and September 16, 2003 respectively, we expressed unqualified opinions on such information in relation to the University's basic financial statements taken as a whole. The supplementary information for the years ended June 30, 1999 through 2002 has been derived from financial statements audited by other auditors, whose reports thereon expressed unqualified opinions on such information in relation to the University's basic financial statements for those years ended 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 Gunderson LLP

Peoria, Illinois
February 10, 2009

UNIVERSITY OF ILLINOIS
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOURTEEN MONTHS ENDED AUGUST 31, 2008

	Appropriations (net after transfers)	Vouchered expenditures for the year ended June 30, 2008	Vouchered expenditures for the two months ended August 31, 2008	Total expenditures for the fourteen months ended August 31, 2008	Balances lapsed August 31, 2008	Balances reappropriated August 31, 2008
General Revenue Fund:						
Appropriation						
Expenditures						
Hispanic Center Excellence	400,000	396,978	3,022	400,000	-	-
Dixon Springs	350,000	347,989	2,011	350,000	-	-
Permanent improvements	750,000	750,000	-	750,000	-	-
Personal services	621,441,000	621,206,123	234,877	621,441,000	-	-
Awards and grants	6,057,500	6,057,500	-	6,057,500	-	-
Travel	249,700	249,700	-	249,700	-	-
Commodities	2,518,600	2,518,600	-	2,518,600	-	-
Contractual services	39,794,600	39,794,600	-	39,794,600	-	-
Equipment	511,000	511,000	-	511,000	-	-
Telecommunications	5,016,800	5,016,800	-	5,016,800	-	-
Operation of automotive equipment	967,000	967,000	-	967,000	-	-
Worker's compensation	3,270,000	3,270,000	-	3,270,000	-	-
Hospital and Medical Services and Appliances	5,300,000	4,454,786	845,213	5,299,999	-	-
Health Insurance	24,893,200	24,893,200	-	24,893,200	-	-
Medicare	9,737,100	9,737,100	-	9,737,100	-	-
CHANCE Program	1,000,000	864,545	135,455	1,000,000	-	-
Total General Revenue Fund	\$ 722,256,500	\$ 721,035,921	\$ 1,220,578	\$ 722,256,499	\$ -	\$ -
Rice Prevention Fund	\$ 3,508,000	\$ 3,453,034	\$ 54,966	\$ 3,508,000	\$ -	\$ -
State College and University Trust Fund	\$ 250,000	\$ 170,600	\$ -	\$ 170,600	\$ 79,400	\$ -

	Appropriations (net after transfers)	Vouchered expenditures for the year ended June 30, 2008	Vouchered expenditures for the two months ended August 31, 2008	Total expenditures for the fourteen months ended August 31, 2008	Balances lapsed August 31, 2008	Balances reappropriated August 31, 2008
Capital Development Bond Fund:						
WILL-TV Digitalization Infrastructure	\$ 280,202	\$ 145,285	\$ -	\$ 145,285	\$ -	\$ 134,917
Classroom and Office Construction at UHS	33,428	33,427	-	33,427	-	1
Space Needs for DNR	4,546,562	160,528	-	160,528	-	4,386,034
Total Capital Development Bond Fund	\$ 4,860,192	\$ 339,240	\$ -	\$ 339,240	\$ -	\$ 4,520,952
Grand Totals, All Funds	\$ 730,874,692	\$ 724,998,795	\$ 1,275,544	\$ 726,274,339	\$ 79,401	\$ 4,520,952

Note: The data contained in the schedule was taken from the University's records which have been reconciled to the records of the State Comptroller. All appropriations were authorized by Public Act 095-0348.

UNIVERSITY OF ILLINOIS
COMPARATIVE SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
BUDGET YEARS OF FISCAL 2008 AND 2007

	<u>PA 95-0348</u>	<u>PA 94-0798</u>
	<u>2008</u>	<u>2007</u>
General Revenue Fund:		
Appropriations	\$ 722,256,500	\$ 710,630,500
Expenditures		
Washington Center Initiative	\$ -	\$ 75,000.00
Library Digitalization	-	500,000.00
Chicago Transit Study	-	30,000.00
Hispanic Center Excellence	400,000	400,000.00
Pathways Health Prof	-	350,000.00
Dixon Springs	350,000	350,000.00
Community Outreach	-	300,000.00
Permanent improvements	750,000	750,000.00
Personal services	621,441,000	608,160,000.00
Awards and grants	6,057,500	6,057,500.00
Travel	249,700	249,700.00
Commodities	2,518,600	2,518,600.00
Contractual services	39,794,600	39,794,600.00
Equipment	511,000	511,000.00
Telecommunications	5,016,800	5,016,800.00
Operation of automotive equipment	967,000	967,000.00
Worker's compensation	3,270,000	3,270,000.00
Hospital and Medical Services and Appliances	5,299,999	5,300,000.00
Health Insurance	24,893,200	24,893,200.00
Medicare	9,737,100	9,737,100.00
CHANCE Program	1,000,000	1,000,000.00
Total expenditures	<u>\$ 722,256,499</u>	<u>\$ 710,230,500</u>
Lapsed Balance	<u>\$ 1</u>	<u>\$ -</u>
Reappropriated Balances	<u>\$ -</u>	<u>\$ 400,000</u>
Fire Prevention Fund:		
Appropriations	\$ 3,508,000	\$ 2,076,600
Expenditures	\$ 3,508,000	\$ 2,076,600
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>
State College and University Trust Fund		
Appropriations	\$ 250,000	\$ 250,000
Expenditures	\$ 170,600	\$ 170,400
Lapsed Balance	<u>\$ 79,400</u>	<u>\$ 79,600</u>

UNIVERSITY OF ILLINOIS
COMPARATIVE SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
BUDGET YEARS OF FISCAL 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Capital Development Bond Fund:		
Appropriations	\$ 4,860,192	\$ 5,519,265
Expenditures		
WILL-TV digitalization infrastructure	\$ 145,285	\$ 143,664
Classroom and Office Construction at UIS	33,427	143,196
Space needs for DNR	160,528	372,216
Total Expenditures	<u>\$ 339,240</u>	<u>\$ 659,076</u>
Reappropriated Balances	<u>\$ 4,520,952</u>	<u>\$ 4,860,189</u>
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>
 Grand Totals, All Funds:		
Appropriations	\$ 730,874,692	\$ 718,476,365
Expenditures	\$ 726,274,339	\$ 713,136,576
Reappropriated Balances	<u>\$ 4,520,952</u>	<u>\$ 5,260,189</u>
Lapsed Balances	<u>\$ 79,401</u>	<u>\$ 79,600</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF STATE APPROPRIATIONS
SIGNIFICANT LAPSE PERIOD EXPENDITURES
TWO MONTHS ENDED AUGUST 31, 2008

Total expenditures for the fourteen months ended August 31, 2008	Vouchered expenditures for the two months ended August 31, 2008	%
---	--	---

-- None --

The above represents all appropriations with lapse period expenditures: (1) greater than \$250,000 and (2) greater than 20% of total expenditures for the fourteen months ended August 31, 2008.

UNIVERSITY OF ILLINOIS
ANALYSIS OF UNIVERSITY INCOME FUND
COMPARATIVE SCHEDULE OF UNIVERSITY INCOME FUND REVENUES AND EXPENDITURES
BUDGET YEARS OF FISCAL 2008 AND 2007

<u>University Income Fund</u>	<u>2008</u>	<u>2007</u>
Revenues		
Net student tuition and fees	\$ 566,410,431	\$ 521,816,985
Other sources	7,164,104	13,262,783
	<u>573,574,535</u>	<u>535,079,768</u>
Provision for bad debts	(2,510,629)	(1,820,953)
Net revenues	<u>\$ 571,063,906</u>	<u>\$ 533,258,815</u>
Add (deduct) net change in:		
Cash	\$ (94,998)	\$ (127,818)
Accounts receivable	(678,837)	(424,038)
Deferred charges	(1,969,864)	255,942
Accrued investment income	5,523,052	(2,472,131)
Deferred income	7,138,634	(284,549)
Accounts payable	2,368	5,145
	<u>9,920,355</u>	<u>(3,047,449)</u>
Fiscal year deposits	<u>\$ 580,984,261</u>	<u>\$ 530,211,366</u>
Expenditures		
Audit expense	\$ 309,668	\$ 258,057
Unemployment compensation	321,984	239,358
Permanent improvements	9,193,232	6,777,749
Personal services	348,291,023	329,740,307
Awards and grants	40,502,532	35,394,262
Travel	4,576,960	4,566,816
Commodities	39,759,232	33,549,298
Contractual services	112,199,069	91,030,271
Equipment	26,794,104	19,864,459
Telecommunications	1,940,193	2,698,396
Operation of automotive equipment	175,982	107,068
Worker's compensation	982,830	1,935,475
Medicare	3,721,611	3,016,630
Total expenditures	<u>\$ 588,768,420</u>	<u>\$ 529,178,146</u>
Increase (decrease) in fund balance	<u>\$ (7,784,159)</u>	<u>\$ 1,033,220</u>
Fund balance at beginning of budget fiscal year	<u>\$ 7,162,087</u>	<u>\$ 6,131,490</u>
FY07 Adjustments Made After FY07 Report Was Completed	<u>\$ -</u>	<u>\$ (2,623)</u>
Beginning balance as adjusted	<u>\$ 7,162,087</u>	<u>\$ 6,128,867</u>
Fund balance at end of budget fiscal year	<u>\$ (622,072)</u>	<u>\$ 7,162,087</u>
Budget	<u>\$ 599,152,200</u>	<u>\$ 539,794,200</u>
Fund balance as percentage of budget	<u>-0.10%</u>	<u>1.33%</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF UNIVERSITY INCOME FUND
COMPARATIVE SCHEDULE OF UNIVERSITY INCOME FUND REVENUES AND EXPENDITURES
BUDGET YEARS OF FISCAL 2008 AND 2007

Net student tuition and fees increased by approximately \$44.6 million from fiscal year 2007 to fiscal year 2008. General tuition programs for continuing undergraduates increased approximately 9.5% at all three campuses. Fiscal year 2005 was the beginning of the University of Illinois Guaranteed Tuition plan, which sets an entering undergraduate student's tuition for four years (undergraduate rates would remain unchanged for four years). The four-year rate set for fiscal year 2008 for first-time enrollments increased approximately 9.5% at all three campuses. Graduate and professional tuition increased approximately 7.0% at UIUC and 9.5% at UIC and UIS. In addition to the general increases, in FY 2006 UIS implemented a programmatic differential to be phased in over a 4 year period that impacts undergraduate students entering in FY 2008, all graduate students and those continuing undergraduate students not in an existing guaranteed tuition co-hort. Undergraduate tuition differentials were also increased and new differentials at UIUC and UIC were implemented with a multi-year phase in. There were increases to existing differentials in several graduate and professional programs at UIC and UIUC and additional programmatic differentials were implemented at UIC. The campuses also experienced variations in enrollments, the student payer mix, carryover and technical adjustments in fiscal year 2008.

The Income Fund cash balance earns investment income as a participant in the University's consolidated group of investments. These earnings are allocated and distributed to the participating funds at the end of each quarter based on the fund's average cash balance. The University expended \$6.7 million and \$5.5 million in fiscal years 2008 and 2007 respectively for institutional system development and institutional utility costs. A substantial portion of the investment funds are committed for recurring obligations.

Income Fund expenditures increased by approximately \$59.6 million (an 11% increase). Tuition and fees increased which made more spending available from this funding source. Also, there was a \$7.2 million balance at the end of 2007 which was fully expended in 2008.

UNIVERSITY OF ILLINOIS
ANALYSIS OF
REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2008 AND 2007

(in thousands)

	2008	2007	Increase (decrease)
OPERATING REVENUES:			
Student tuition and fees, net	\$ 662,464	\$ 617,812 ^(a)	\$ 44,652
Fee for services - state appropriation	45,523	46,207	(684)
Federal appropriations	20,276	18,183	2,093
Federal grants and contracts	587,189	585,981	1,208
State of Illinois grants and contracts	94,651	82,382	12,269
Private gifts, grants, and contracts	126,386	115,210	11,176
Educational activities	234,549	206,316 ^(a)	28,233
Auxiliary enterprises, net	330,309	304,094	26,215
Hospital and other medical activities, net	463,209	424,211	38,998
Medical service plan	185,499	144,303	41,196
Independent operations	10,924	10,620	304
Interest and service charges on student loans	1,494	1,100	394
On behalf - hospital and other medical activities	83,843	71,610	12,233
Total operating revenues	2,846,316	2,628,029	218,287
OPERATING EXPENSES:			
Instruction	758,676	703,540	55,136
Research	568,946	561,876	7,070
Public service	342,840	326,348	16,492
Academic support	249,000	236,561	12,439
Student services	99,314	88,374	10,940
Institutional support	178,572	167,172	11,400
Operation and maintenance of plant	259,068	218,028	41,040
Scholarships and fellowships	199,197	198,016	1,181
Auxiliary enterprises	261,408	234,751	26,657
Hospital and medical activities	470,345	431,762	38,583
Independent operations	9,963	10,023	(60)
Depreciation	199,609	191,679	7,930
On behalf payments for fringe benefits	441,480	376,657	64,823
Total operating expenses	4,038,418	3,744,787	293,631
Operating (Loss)	(1,192,102)	(1,116,758)	(75,344)
NONOPERATING REVENUES (EXPENSES):			
State appropriations	680,503	665,752	14,751
Private gifts	129,948	127,907	2,041
On behalf payments for fringe benefits	357,637	305,047	52,590
Net investment income	66,682	63,733	2,949
Net increase (decrease) in the fair value of investments	(60,508)	36,429	(96,937)
Interest on capital asset related debt	(68,091)	(71,768)	3,677
Loss on disposals of capital assets	(3,552)	(1,834)	(1,718)
Other nonoperating revenues	20,329	15,590	4,739
Net nonoperating revenues	1,122,948	1,140,856	(17,908)
Income (loss) before other revenues, expenses, gains, and losses	(69,154)	24,098	(93,252)
Capital state appropriations	5,981	12,287	(6,306)
Capital gifts and grants	2,412	8,541	(6,129)
Private gifts for endowment purposes	254	945	(691)
INCREASE (DECREASE) IN NET ASSETS	(60,507)	45,871	(106,378)
NET ASSETS, BEGINNING OF YEAR	2,415,856	2,369,985	45,871
NET ASSETS, END OF YEAR	\$ 2,355,349	\$ 2,415,856	\$ (60,507)

(a) Items have been reclassified to correspond with the 2008 presentation.

UNIVERSITY OF ILLINOIS
ANALYSIS OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS
SIGNIFICANT REVENUE, EXPENSE, AND OTHER CHANGES IN NET ASSETS VARIANCES
YEARS ENDED JUNE 30, 2008 AND 2007

Consistent with prior years, all variances greater than \$30 million, and more than 10 percent variance from fiscal year 2007 are discussed below. Refer to the Analysis of Revenues, Expenses and Other Changes in Net Assets on page 9 for the actual dollar changes.

Explanations of significant variances:

Medical Service Plan – This increase is primarily due to an increase in surgical volumes combined with an expansion of diagnostic services.

Operation and Maintenance of Plant – This increase was due to increases in utilities costs, various repairs and maintenance projects, restoration costs, and increases in expenses funded from private gifts.

On behalf payments for fringe benefits (Operating Expenses) – This increase in on behalf payments is due to adjustments per Central Management Services and State Universities Retirement System calculations.

On behalf payments for fringe benefits (Nonoperating Revenues) – See explanation above.

Net decrease in the fair value of investments – This decrease was due to decreases in the market value of investments caused by undesirable market conditions.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CASH AND CASH EQUIVALENTS,
INVESTMENTS, AND ACCRUED INVESTMENT INCOME
JUNE 30, 2008 AND 2007

Various University funds have cash and certain investments which are pooled for the purpose of securing a greater return on investment and providing an equitable distribution of investment return. Pooled investments, which consist principally of U.S. Government and government agency securities, time deposits, corporate commercial paper and short-to-intermediate term mutual fund investments, are carried at their fair value as determined by quoted market price. Income is distributed to individual University funds quarterly based upon average monthly balances invested in the pool.

Non-pooled investments are carried at their fair value, as determined by quoted market price, except for Agency Fund investments which are carried at cost. Investment income, including gains and losses resulting from the sale or other disposition of investments, is recognized in the fund which owns the investments, except for income derived from investments of the Endowment and Similar Funds which is recognized in the funds to which such income is restricted.

At June 30, 2008, the University did not have deposits that exceeded the federally insured amount and the value of the underlying collateral at Busey Bank.

The University's investment balances, including pooled investments, but excluding real estate and farm properties, at June 30, 2008 and 2007 were held as follows:

	2008 Carrying Amount	2007 Carrying Amount
Certificates of Deposits	\$ 400,000	\$ 400,000
U.S. Treasury Put	4,345,000	4,345,000
U.S. Treasury Bonds and Bills	122,965,053	100,391,142
U.S. Government Agencies	207,900,347	66,103,443
Commercial Paper	72,576,514	36,910,067
Corporate Bonds	104,096,463	115,086,129
Bond Mutual Funds	61,776,390	67,036,281
Non Government Mortgage Backed Securities	65,004,848	73,841,696
Non U.S. Government Bonds	3,510,407	3,354,864
Repurchase Agreements	140,398,357	291,942,523
Money Market Funds	413,820,404	320,588,944
Illinois Fund	2,628,115	3,947,100
U.S. Equities	20,046,166	27,249,097
International Equities	37,186,340	45,966,541
U.S. Equity Mutual Funds	110,576,887	128,454,627
Limited Partnerships	9,801,161	7,055,858
Preferred Stock	880,120	-
Real Estate	689	600
	<hr/>	<hr/>
TOTAL	\$ 1,377,913,261	\$ 1,292,673,912

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CASH AND CASH EQUIVALENTS,
INVESTMENTS, AND ACCRUED INVESTMENT INCOME
JUNE 30, 2008 AND 2007

Refer to Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2008, for categorization of investments according to interest rate risk and credit risk assumed by the University at June 30, 2008.

Investments of the endowment and similar funds also include real estate and farm properties which are carried at cost or, if donated, at the appraised value as of the date received. Investments in real estate and farm properties amounted to \$13,765,830 and \$14,059,680 at June 30, 2008 and 2007, respectively.

The University accounts for investment income on the accrual basis. Investment income for non-pooled investments, including gains and losses resulting from the sale or other disposition of investments, is recognized in the fund which owns the investments, except for income derived from investments of the Endowment and Similar Funds, which is recognized in the funds to which such income is restricted. Income from pooled investments is distributed to individual University funds quarterly based upon average monthly balances invested in the pool. Accrued investment income, by fund, at June 30, 2008 and 2007 was as follows:

	<u>2008</u>	<u>2007</u>
Current Funds		
Unrestricted	\$ 2,123,209	\$ 2,783,107
Restricted	128,935	166,205
Loan Funds	33,838	56,823
Plant Funds	<u>2,753,116</u>	<u>2,084,391</u>
	<u>\$ 5,039,098</u>	<u>\$ 5,090,526</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
JUNE 30, 2008 AND 2007

	2008	2007
Accounts receivable		
Current Unrestricted Funds:		
Student tuition	\$ 25,648,989	\$ 25,360,238
Other unrestricted	9,881,904	11,010,359
Entity activities:		
Auxiliary enterprises	13,542,051	13,530,158
Hospital and clinics	305,789,685	292,361,541
Other departmental activities	47,918,571	40,403,253 (a)
Total accounts receivable	402,781,200	382,665,549
Allowance for doubtful accounts:		
Hospital and clinics	(230,454,904)	(208,099,749)
Other departmental activities	(5,040,694)	(4,593,722)
Student tuition	(6,966,059)	(7,356,145)
Other unrestricted funds	(4,957,460)	(6,349,914)
Auxiliary enterprises	(3,178,443)	(2,796,136)
Total allowance for doubtful accounts	(250,597,560)	(229,195,666)
Current Unrestricted Funds accounts receivable, net	152,183,640	153,469,883
Current Restricted Funds:		
Medical Service Plan	68,230,026	63,667,992
Grants, contracts and gifts	172,789,317	168,177,738
Federal appropriations	2,141,721	2,059,873
Endowment farms	-	35,928
Total accounts receivable	243,161,064	233,941,531
Allowance for doubtful accounts:		
Medical Service Plan	(27,385,807)	(30,711,399)
Current Restricted Funds accounts receivable, net	215,775,257	203,230,132
Plant Funds	499,644	258,655
Total accounts receivable, net	368,458,541	356,958,670
Notes receivable:		
Loan Funds:		
Urbana campus	28,273,098	28,127,126
Chicago campus	37,188,140	35,960,680
Springfield campus	210,279	263,638
Total notes receivable	65,671,517	64,351,444
Allowance for doubtful notes:		
Urbana campus	(1,596,149)	(1,748,277)
Chicago campus	(1,274,627)	(1,246,935)
Springfield campus	(6,186)	(9,653)
Total allowance for doubtful accounts	(2,876,962)	(3,004,865)
Total notes receivable, net	62,794,555	61,346,579
Total accounts and notes receivable, net	\$ 431,253,096	\$ 418,305,249

(a) Certain items were reclassified to accounts receivable for fiscal year 2007 to be consistent with fiscal year 2008 presentation.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
STUDENT TUITION RECEIVABLE
JUNE 30, 2008 AND 2007

	June 30, 2008				
	Total	Urbana Campus	Chicago Campus	Springfield Campus	Global Campus
Student tuition receivable					
Current - 30 days	\$ 9,706,086	\$ 4,682,765	\$ 4,376,753	\$ 639,579	\$ 6,989
31 - 90 days	675,062	415,576	222,308	37,128	50
Over 90 days	15,267,841	6,301,135	7,440,330	1,526,376	-
Total student tuition receivable	25,648,989	11,399,476	12,039,391	2,203,083	7,039
Allowance for doubtful accounts	(6,966,059)	(2,134,685)	(4,247,023)	(584,326)	(25)
Student tuition receivable, net	\$ 18,682,930	\$ 9,264,791	\$ 7,792,368	\$ 1,618,757	\$ 7,014

	June 30, 2007			
	Total	Urbana Campus	Chicago Campus	Springfield Campus
Student tuition receivable				
Current - 30 days	\$ 8,755,301	\$ 4,015,984	\$ 3,931,692	\$ 807,625
31 - 90 days	664,978	446,227	179,429	39,322
Over 90 days	15,939,959	6,414,578	7,961,641	1,563,740
Total student tuition receivable	25,360,238	10,876,789	12,072,762	2,410,687
Allowance for doubtful accounts	(7,356,145)	(2,010,875)	(4,742,893)	(602,377)
Student tuition receivable, net	\$ 18,004,093	\$ 8,865,914	\$ 7,329,869	\$ 1,808,310

These receivables relate to unpaid student tuition.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
HEALTH SERVICES FACILITIES SYSTEM - PATIENT RECEIVABLES
JUNE 30, 2008 AND 2007
(in thousands)

The University of Illinois Health Services Facilities System is comprised of the University of Illinois Hospital and associated clinical facilities providing patient care at, but not limited to, the University of Illinois at Chicago Medical Center.

	<u>2008</u>	<u>2007</u>
Active Accounts		
Patient receivables	\$ 102,817	\$ 103,400
Less bad debt allowance	(37,264)	(30,362)
Net patient receivables	<u>\$ 65,553</u>	<u>\$ 73,038</u>
Bad debt allowance -		
As a percent of patient receivables	<u>36.24%</u>	<u>29.36%</u>
Days revenue in net patient receivables	<u>54</u>	<u>66</u>
Write-offs of uncollectible accounts, net of recoveries	\$ 2,750	\$ 30,618
As a percent of gross revenue	<u>0.20%</u>	<u>2.52%</u>
Provision for bad debts	\$ 25,062	\$ 20,393
As a percent of gross revenue	<u>1.93%</u>	<u>1.68%</u>
Aging:		
0-30 days (including in-house)	65.06%	65.71%
31-90 days	12.86%	15.23%
91-180 days	8.73%	7.65%
Over 180 days	13.35%	11.41%
	<u>100.00%</u>	<u>100.00%</u>
Inactive Accounts		
Patient receivables	\$ 193,191	\$ 177,738
Less bad debt allowance	(193,191)	(177,738)
Net patient receivables	<u>\$ -</u>	<u>\$ -</u>
Health Services Facilities System Receivables		
	<u>2008</u>	<u>2007</u>
Active patient receivables	\$ 102,817	\$ 103,400
Inactive patient receivables	193,191	177,738
Other receivables	8,767	11,223
Due from related organizations	1,015	
Total Health Services Facilities System receivables	<u>\$ 305,790</u>	<u>\$ 292,361</u>

UNIVERSITY OF ILLINOIS
 ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
 ACCOUNTS AND NOTES RECEIVABLE
 GRANTS, CONTRACTS AND GIFTS
 JUNE 30, 2008 AND 2007

	June 30, 2008				
	Urbana Campus	Chicago Campus	Springfield Campus	Global Campus	University Administration
Grants, contracts and gifts					
United States government grants and contracts	\$ 58,880,990	\$ 40,227,620	\$ 53,608	\$ 6,659	\$ 304,838
Private gifts, grants and contracts	22,265,984	15,471,290	43,539		38,952
State of Illinois grants and contracts	16,201,395	17,530,804	1,038,825	22,826	681,987
Total grants, contracts and gifts	<u>\$ 97,348,369</u>	<u>\$ 73,249,714</u>	<u>\$ 1,135,972</u>	<u>\$ 29,485</u>	<u>\$ 1,025,777</u>

	June 30, 2007				
	Urbana Campus	Chicago Campus	Springfield Campus	University Administration	University Administration
Grants, contracts and gifts					
United States government grants and contracts	\$ 61,261,935	\$ 48,179,445	\$ 58,937	\$ 354,364	
Private gifts, grants and contracts	12,455,161	14,572,521	149,873		
State of Illinois grants and contracts	15,926,826	13,648,176	1,225,113	345,387	
Total grants, contracts and gifts	<u>\$ 89,643,922</u>	<u>\$ 76,400,142</u>	<u>\$ 1,433,923</u>	<u>\$ 699,751</u>	

These accounts primarily consist of receivables for work performed under grant and contract activity.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
NOTES RECEIVABLE - LOAN FUNDS
JUNE 30, 2008 AND 2007

	June 30,	
	2008	2007
<u>Urbana campus</u>		
<u>Age</u>		
Not in repayment status/current billing	\$ 23,776,736	\$ 24,699,467
Under 120 days	1,043,098	1,047,352
Over 120 days	3,453,264	2,380,307
	<u>28,273,098</u>	<u>28,127,126</u>
Allowance for doubtful notes	(1,596,149)	(1,748,277)
Total - Urbana campus	<u>26,676,949</u>	<u>26,378,849</u>
<u>Chicago campus</u>		
<u>Age</u>		
Not in repayment status/current billing	31,533,333	31,228,800
Under 120 days	1,519,288	1,191,003
Over 120 days	4,135,519	3,540,877
	<u>37,188,140</u>	<u>35,960,680</u>
Allowance for doubtful notes	(1,274,627)	(1,246,935)
Total - Chicago campus	<u>35,913,513</u>	<u>34,713,745</u>
<u>Springfield campus</u>		
<u>Age</u>		
Not in repayment status/current billing	157,871	207,043
Under 120 days	23,014	28,594
Over 120 days	29,394	28,001
	<u>210,279</u>	<u>263,638</u>
Allowance for doubtful notes	(6,186)	(9,653)
Total - Springfield campus	<u>204,093</u>	<u>253,985</u>
<u>All campuses</u>		
<u>Age</u>		
Not in repayment status/current billing	55,467,940	56,135,310
Under 120 days	2,585,400	2,266,949
Over 120 days	7,618,177	5,949,185
	<u>65,671,517</u>	<u>64,351,444</u>
Allowance for doubtful notes	(2,876,962)	(3,004,865)
Total - All campuses	<u>\$ 62,794,555</u>	<u>\$ 61,346,579</u>

These amounts primarily represent loans to students under the Perkins and HPSL programs.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Nondepreciable Capital Assets:					
Land	\$ 126,301,060	\$ -	(691)	\$ -	126,300,369
Construction in progress	289,517,353	244,400,555	-	(200,206,824)	333,711,084
Inexhaustible collections	14,813,416	660,502	-	-	15,473,918
Total nondepreciable capital assets	430,631,829	245,061,057	(691)	(200,206,824)	475,485,371
Depreciable Capital Assets:					
Buildings	2,783,376,637	-	(470,297)	193,964,297	2,976,870,637
Improvements and infrastructure	620,665,530	-	(49,000)	6,242,527	626,859,057
Equipment	951,227,861	62,463,816	(45,566,605)	-	968,125,072
Software	152,325,923	2,803,943	-	-	155,129,866
Exhaustible collections	427,366,426	23,640,906	-	-	451,007,332
Subtotal	4,934,962,377	88,908,665	(46,085,902)	200,206,824	5,177,991,964
Less accumulated depreciation	2,256,198,131	199,609,017	(42,485,003)	-	2,413,322,145
Total net depreciable capital assets	2,678,764,246	(110,700,352)	(3,600,899)	200,206,824	2,764,669,819
Total Capital Assets	\$ 3,109,396,075	\$ 134,360,705	\$ (3,601,590)	\$ -	\$ 3,240,155,190

* Amounts reconcile to the records submitted to the Illinois Office of the Comptroller.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO LAND FY2008

Additions to/Deductions from Land in 2008:

CHICAGO:

OTHER (changes less than \$500,000): (691)

Total changes to Land - Chicago \$ (691)

Total Additions to/Deductions from Land **\$ (691)**

TOTAL CHANGES TO LAND FY2008 **\$ (691)**

MAJOR BUILDING CHANGES, INCLUDING TRANSFERS FROM CONSTRUCTION IN PROGRESS FY2008

Deductions from Buildings in 2008:

URBANA-CHAMPAIGN:

Post Office and Snack Bar \$ (470,297)

CHICAGO:

SPRINGFIELD:

Total Deductions from Buildings **\$ (470,297)**

Transfers to/from Buildings in 2008:

URBANA-CHAMPAIGN:

Agricultural Engineering Science Building \$ 558,981

Armory 520,782

Digital Computer Laboratory 517,468

Everitt Electrical and Computer Engineering Laboratory 1,103,956

Foreign Languages Building 661,138

Freer Hall 586,138

Gregory Hall 559,381

Indoor Golf Facility 4,740,661

Institute for Genomic Biology Building 574,676

Library 594,534

Noyes Laboratory 1,975,427

Poultry Breeder House #5 539,856

Poultry Cage House 692,816

Poultry Grower House #4 539,856

Roger Adams Laboratory 918,340

Urbana-Champaign major Transfers to/from Buildings 15,084,010

OTHER (transfers less than \$500,000): 10,048,509

Total Transfers to/from Buildings - Urbana-Champaign **\$ 25,132,519**

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR BUILDING CHANGES, INCLUDING TRANSFERS FROM CONSTRUCTION IN PROGRESS FY2008 (CONT'D)

CHICAGO:

Adaptive Reuse Building #672	\$ 856,508
Adaptive Reuse Building #674	1,927,570
Adaptive Reuse Building #675	1,012,419
Applied Health Sciences Building	1,279,642
College of Dentistry	643,804
College of Medicine Research Building	883,085
College of Pharmacy	1,260,347
James J. Stukel Towers	96,201,102
Lecture Center Building D	986,243
Maxwell Street Parking Structure	(694,649)
Tech 2000	819,504
Thomas Beckham Hall	555,265
UIC Forum	33,941,413
UIC Student Center East	2,701,871
University of Illinois at Chicago Hospital	<u>2,812,697</u>

Chicago major Transfers to/from Buildings 145,186,821

OTHER (transfers less than \$500,000): 924,588

Total Transfers to/from Buildings - Chicago \$ 146,111,409

SPRINGFIELD:

Trillium Court Townhouses	\$ 5,442,000
Student Recreation Center	<u>16,719,152</u>

Springfield major Transfers to/from Buildings 22,161,152

OTHER (transfers less than \$500,000): 559,217

Total Transfers to/from Buildings - Springfield \$ 22,720,369

Total Transfers to/from Buildings \$ 193,964,297

TOTAL CHANGES TO BUILDINGS FY2008 \$ 193,494,000

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO IMPROVEMENTS OTHER THAN BUILDINGS FY2008

Additions to/Deductions from improvements other than buildings in 2008:

Urbana:

Willard Airport Fencing	\$ (49,000)
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Total Additions to/Deductions from improvements other than buildings in 2008:	\$ (49,000)
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Transfers to/from improvements other than buildings in 2008:

URBANA-CHAMPAIGN:

Campus Water Chiller	\$ (396,402)
Parking Facilities	457,855
Willard Airport Runways	<u>3,240,058</u>

Total transfers to/from improvements other than buildings - Urbana-Champaign	<u>\$ 3,301,511</u>
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CHICAGO:

Chilled Water	\$ 10,189
South Campus Infrastructure	<u>2,930,827</u>

Total transfers to/from improvements other than buildings - Chicago	<u>\$ 2,941,016</u>
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Total Transfers to/from Improvements other than Buildings	\$ 6,242,527
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TOTAL CHANGES TO LAND IMPROVEMENTS OTHER THAN BUILDINGS FY2008	\$ 6,193,527
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UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO EQUIPMENT FY2008

Additions/Internal Transfers in 2008 by category

CHICAGO:

Hospital	\$ 9,217,421
Auxiliaries	403,360
Other Self Supporting	1,353,670
General Campus	<u>8,980,964</u>

Total Additions/Transfers - Chicago \$ 19,955,415

URBANA-CHAMPAIGN:

Willard Airport	\$ 474,802
Auxiliaries	1,623,004
Other Self Supporting	7,977,781
General Campus	<u>31,732,997</u>

Total Additions/Transfers - Urbana-Champaign \$ 41,808,584

SPRINGFIELD:

Auxiliaries	\$ 161,178
Other Self Supporting	287,976
General Campus	<u>437,872</u>

Total Additions/Transfers - Springfield \$ 887,026

GLOBAL CAMPUS

Other Self Supporting	56,829
General Campus	<u>140,361</u>

Total Additions/Transfers - Global Campus \$ 197,190

UNIVERSITY ADMINISTRATION:

Other Self Supporting	(215,543)
General Campus	<u>(168,856)</u>

Total Additions/Transfers - University Administration \$ (384,399)

Total Additions/Transfers to Equipment **\$ 62,463,816**

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO EQUIPMENT FY2008 (CONTD)

Equipment trade-ins, disposals and adjustments by category FY2008

CHICAGO:	
Hospital	\$ (441,938)
Auxiliaries	(61,412)
Other Self Supporting	(1,325,128)
General Campus	<u>(5,291,273)</u>
Total trade-ins, disposals and adjustments - Chicago	<u>\$ (7,119,751)</u>
URBANA-CHAMPAIGN:	
Willard Airport	\$ (38,599)
Auxiliaries	(223,474)
Other Self Supporting	(3,059,777)
General Campus	<u>(32,208,794)</u>
Total trade-ins, disposals and adjustments - Urbana-Champaign	<u>\$ (35,530,644)</u>
SPRINGFIELD:	
Auxiliaries	\$ -
Other Self Supporting	-
General Campus	<u>(280,779)</u>
Total trade-ins, disposals and adjustments - Springfield	<u>\$ (280,779)</u>
GLOBAL CAMPUS:	
Other Self Supporting	\$ -
General Campus	<u>-</u>
Total trade-ins, disposals and adjustments - University Administration	<u>\$ -</u>
UNIVERSITY ADMINISTRATION:	
Other Self Supporting	\$ (1,180,283)
General Campus	<u>(1,455,148)</u>
Total trade-ins, disposals and adjustments - University Administration	<u>\$ (2,635,431)</u>
Total trade-ins, disposals and adjustments to Equipment	<u><u>\$ (45,566,605)</u></u>
TOTAL CHANGES TO EQUIPMENT	<u><u>\$ 16,897,211</u></u>

SUMMARY OF EQUIPMENT TRADE-INS, DISPOSALS AND ADJUSTMENTS BY CAMPUS FY2008

Trade-ins:	
Chicago	\$ (747,930)
Urbana-Champaign	(4,869,428)
Springfield	(114,860)
	<u>(5,732,218)</u>
Disposals:	
Chicago	\$ (6,371,821)
Urbana-Champaign	(33,296,647)
Springfield	(165,919)
	<u>(39,834,387)</u>
TOTAL EQUIPMENT TRADE-INS, DISPOSALS AND ADJUSTMENT FY2008	<u><u>\$ (45,566,605)</u></u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO SOFTWARE FY2008

Additions/Internal Transfers in 2008 by category	
CHICAGO:	
Hospital	\$ 2,635,460
Total Additions/Transfers to Software - Chicago	\$ 2,635,460
URBANA-CHAMPAIGN:	
Other Self Supporting	\$ 168,482
Total Additions/Transfers to Software - Urbana-Champaign	\$ 168,482
Total Additions/Transfers to Software	\$ 2,803,942
TOTAL CHANGES TO SOFTWARE FY2008	\$ 2,803,942

MAJOR CHANGES TO EXHAUSTIBLE COLLECTIONS FY2008

Additions/Internal Transfers in 2008 by category	
CHICAGO:	
Hospital	8,788,317
Total Additions/Transfers to Exhaustible Collections - Chicago	\$ 8,788,317
URBANA-CHAMPAIGN:	
General Campus	\$ 13,816,083
Total Additions/Transfers to Software - Urbana-Champaign	\$ 13,816,083
SPRINGFIELD:	
General Campus	1,036,506
Total Additions/Transfers to Exhaustible Collections - Springfield	\$ 1,036,506
Total Additions/Transfers to Exhaustible Collections	\$ 23,640,906
TOTAL CHANGES TO EXHAUSTIBLE COLLECTIONS FY2008	\$ 23,640,906

MAJOR CHANGES TO INEXHAUSTIBLE COLLECTIONS FY2008

Additions/Internal Transfers in 2008 by category	
URBANA-CHAMPAIGN:	
General Campus	\$ 660,502
Total Additions/Transfers to Software - Urbana-Champaign	\$ 660,502
Total Additions/Transfers to Inexhaustible Collections	\$ 660,502
TOTAL CHANGES TO INEXHAUSTIBLE COLLECTIONS FY2008	\$ 660,502

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2008

Additions in 2008:

URBANA-CHAMPAIGN:

Atkins Tennis Center	\$ 4,105,951
Bielfield Athletic Administration Building	1,021,332
Blaisdell Hall	1,088,319
Burrill Hall	820,332
Business Instructional Facility	24,801,898
Campus Chilled Water	3,396,447
Carr Hall	7,458,321
CITES Network Upgrade	3,635,210
Conference Center	7,209,861
Digital Computer Laboratory	1,248,495
Field Turf Installation	1,618,376
Fire Service Institute	606,909
Freer Hall, Louise	609,695
Gregory Hall	573,983
Institute For Genomic Biology	574,676
Intramural Physical Education Building	17,066,908
Law Building	661,297
Library Sixth Stack	2,347,965
Lincoln Avenue Residence Hall	624,410
Lincoln Hall	2,596,629
Memorial Stadium	67,950,703
NCSA Petascale	1,870,310
Oak Street Library Facility	1,815,580
Parking Facilities	1,168,125
Peabody/Gregory Residence Hall	14,455,681
PGI Chilled Water	3,785,762
Physical Plant Service Building	569,413
Psychology Laboratory	2,318,364
Roger Adams Laboratory	3,305,962
Transportation Building	774,664
Willard Airport Runway	596,316

Urbana-Champaign major Additions to Construction In Progress 180,677,894

OTHER (additions less than \$500,000): 5,684,922

Total Additions to Construction In Progress - Urbana-Champaign \$ 186,362,816

CHICAGO:

Adaptive Reuse Building #673	\$ (652,824)
College of Pharmacy	993,608
East Campus Chilled Water	2,847,395
Grant Hall	1,706,122
Hospital Software	(1,129,515)
James J. Stukel Towers	17,099,377
Lincoln Hall	957,387
Maxwell Street Parking Structure	619,138
Mile Square Health Center	600,000
School of Public Health and Psychiatric Institute	5,141,748
South Campus Infrastructure	1,096,009
Thomas Beckham Hall	833,586
UIC Athletic Lighting	522,732
UIC Forum	5,778,691
University of Illinois at Chicago Hospital	1,445,828
West Side HVAC	703,063

Chicago major Additions to Construction In Progress 38,562,345

OTHER (additions less than \$500,000): 1,083,018

Total Additions to Construction In Progress - Chicago \$ 39,645,363

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2008 (CONT'D)

Additions to Construction In Progress in 2008 (cont'd):	
SPRINGFIELD:	
Student Recreation Center	\$ 2,572,226
Student Residence Hall	13,165,859
Trillium Court Townhouses	2,119,804
	<hr/>
Springfield major Additions to Construction In Progress	17,857,889
	<hr/>
OTHER (additions less than \$500,000):	534,487
	<hr/>
Total Additions to Construction In Progress - Springfield	\$ 18,392,376
	<hr/>
Total Additions to Construction In Progress	\$ 244,400,555
	<hr/>
Transfers to/from Construction In Progress in 2008:	
URBANA-CHAMPAIGN:	
Agricultural Engineering Science Building	\$ (558,981)
Armory	(520,782)
Digital Computer Laboratory	(517,468)
Everitt Electrical and Computer Engineering Laboratory	(1,103,956)
Foreign Languages Building	(661,138)
Freer Hall	(586,138)
Gregory Hall	(559,381)
Indoor Golf Facility	(4,740,661)
Institute for Genomic Biology Building	(574,676)
Library	(594,534)
Noyes Laboratory	(1,975,427)
Poultry Breeder House #5	(539,856)
Poultry Cage House	(692,816)
Poultry Grower House #4	(539,856)
Roger Adams Laboratory	(918,340)
Willard Airport Runways	(3,240,058)
	<hr/>
Urbana-Champaign major Transfers to/from Construction In Progress	(18,324,068)
	<hr/>
OTHER (transfers less than \$500,000):	(10,109,963)
	<hr/>
Total Transfers to/from Construction In Progress - Urbana-Champaign	\$ (28,434,031)
	<hr/>
CHICAGO:	
Adaptive Reuse Building #672	\$ (856,508)
Adaptive Reuse Building #674	(1,927,570)
Adaptive Reuse Building #675	(1,012,419)
Applied Health Sciences Building	(1,279,642)
College of Dentistry	(643,804)
College of Medicine Research Building	(883,085)
College of Pharmacy	(1,260,347)
James J. Stukel Towers	(96,201,102)
Lecture Center Building D	(986,243)
Maxwell Street Parking Structure	694,649
Tech 2000	(819,504)
Thomas Beckham Hall	(555,265)
UIC Forum	(33,941,413)
UIC Student Center East	(2,701,871)
University of Illinois at Chicago Hospital	(2,812,697)
South Campus Infrastructure	(2,930,827)
	<hr/>
Chicago major Transfers to/from Construction In Progress	(148,117,648)
	<hr/>
OTHER (transfers less than \$500,000):	(934,777)
	<hr/>
Total Transfers to/from Construction In Progress - Chicago	\$ (149,052,425)
	<hr/>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2008

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2008 (CONTD)

Transfers to/from Construction In Progress in 2008 (cont'd):	
SPRINGFIELD:	
Trillium Court Townhouses	\$ (5,442,000)
Student Recreation Center	<u>(16,719,151)</u>
Springfield major Transfers to/from Construction In Progress	<u>(22,161,151)</u>
OTHER (transfers less than \$500,000):	<u>(559,217)</u>
Total Transfers to/from Construction In Progress - Springfield	<u>\$ (22,720,368)</u>
Total Transfers to/from Construction In Progress	<u>\$ (200,206,824)</u>
TOTAL CHANGES TO CONSTRUCTION IN PROGRESS FY2008	<u>\$ 44,193,731</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>	<u>Increase (decrease)</u>
ALL FUNDS			
Accounts payable	\$ 271,804,442	\$ 216,776,366 (b)	\$ 55,028,076
Accrued payroll	132,452,744	119,266,931	13,185,813
Accrued interest	17,248,237	17,191,506	56,731
Accrued compensated absences:			
Vacation	135,304,812	127,407,585	7,897,227
Sick-leave	78,003,438	81,773,448	(3,770,010)
Total compensated absences	<u>213,308,250</u>	<u>209,181,033</u>	<u>4,127,217</u>
Accrued self-insurance	<u>177,168,674</u>	<u>156,178,221</u>	<u>20,990,453</u>
Total accounts payable and accrued liabilities	<u>\$ 811,982,347</u>	<u>\$ 718,594,057</u>	<u>\$ 93,388,290</u>

(b) Certain liabilities were reclassified to accounts payable for fiscal year 2007 to be consistent with fiscal year 2008 presentation.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
ACCRUED COMPENSATED ABSENCES AT
JUNE 30 FOR THE LAST TEN YEARS

	<u>Accrued Vacation Pay</u>	<u>Accrued Sick Pay</u>	<u>Total</u>
2008	\$ 135,304,812	\$ 78,003,438	\$ 213,308,250
2007	127,407,585	81,773,448	209,181,033
2006	122,653,572	84,653,590 ¹	207,307,162
2005	115,467,685	90,607,349 ¹	206,075,034
2004	90,443,817	92,926,513	183,370,330
2003	92,291,996	100,232,056	192,524,052
2002	91,782,138	107,381,345	199,163,483
2001	84,650,349	110,096,329	194,746,678
2000	79,278,265	116,817,407	196,095,672
1999	71,511,180	122,571,606	194,082,786

¹ The amounts previously reported of 78,969,349 and 81,089,513 as of June 30, 2005 and 2004, respectively were revised. University management reviewed and revised its calculation to more accurately estimate expected payouts to employees upon termination.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
DEFERRED REVENUE AND STUDENT DEPOSITS
JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Deferred revenue and student deposits		
Deferred General Revenue Fund appropriations	\$ 749,614	\$ 873,044
Deferred tuition	30,962,265	23,823,632
Student deposits	962,156	933,712
Auxiliary enterprises under indenture	6,406,600	5,488,399
Auxiliary enterprises not under indenture	4,946,233	4,829,386
Departmental activities	15,519,635	12,176,258
Storerooms and other services	2,050,242	2,269,131
US grants & contracts	13,413,380	20,264,217
Private grants & contracts	58,810,965	52,927,348
State of Ill grants & contracts	20,544,140	22,444,654
Unexpended Plant	1,723,611	2,005,000
Other	432,531	241,880
	<hr/>	<hr/>
Total deferred revenue and student deposits	\$ 156,521,372	\$ 148,276,661

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
YEAR ENDED JUNE 30, 2008

	Balance at July 1, 2007	Bonds Issued	Principal Reductions	Accretion on Bonds	Balance at June 30, 2008
University of Illinois Auxiliary Facilities					
System Revenue Bonds:					
Series 1979 UIS HUD Bonds	\$ 780,000		\$ 60,000		\$ 720,000
Series 1991	118,233,717		3,855,000	8,724,266	123,102,983
Series 1993	21,149,118		11,150,000	876,911	10,876,029
Series 1996	835,000		195,000		640,000
Series 1999A	20,885,694		1,565,000	995,516	20,316,210
Series 1999B	5,400,000		430,000		4,970,000
Series 2000	450,000		120,000		330,000
Series 2001A	103,860,000		2,035,000		101,825,000
Series 2001B	39,725,000		630,000		39,095,000
Series 2001C	14,925,000		1,215,000		13,710,000
Series 2003A	62,945,000		1,155,000		61,790,000
Series 2005A	161,645,000		3,265,000		158,380,000
Series 2005B	67,305,000		290,000		67,015,000
Series 2006	318,155,000		1,160,000		316,995,000
Series 2008		20,800,000			20,800,000
Total Auxiliary Facilities System	936,293,529	20,800,000	27,125,000	10,596,693	940,565,222
UIC South Campus Development					
Revenue Bonds:					
Series 2000	14,435,000		1,825,000		12,610,000
Series 2003	9,165,000		430,000		8,735,000
Series 2006A	53,700,000				53,700,000
Total UIC South Campus Development	77,300,000	-	2,255,000	-	75,045,000
Willard Airport Revenue Bonds:					
Series 1997	510,000		250,000		260,000
University of Illinois Health Services					
Facilities System Revenue Bonds:					
Series 1997A	40,675,000		40,675,000		-
Series 1997B	20,800,000		700,000		20,100,000
Series 2007		40,875,000			40,875,000
Series 2008		41,215,000			41,215,000
Total Health Services Facilities System	61,475,000	82,090,000	41,375,000	-	102,190,000
Total bonds payable	\$1,075,578,529	\$ 102,890,000	\$ 71,005,000	\$ 10,596,693	\$ 1,118,060,222

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

University of Illinois Auxiliary Facilities System

Series 1991 Bonds --

On June 13, 1991, the Series 1991 Bonds were issued in the principal amount of \$77,387,579. The Series 1991 Bonds consist of current interest bonds (\$29,640,000) and capital appreciation bonds (\$47,747,579). The current interest bonds were retired during FY2002 utilizing funds from the sale of the Series 2001B and 2001C Bonds. The capital appreciation bonds do not require current interest payments. They mature on April 1, 1996 and April 1, 2002 through April 1, 2021, at amounts sufficient to produce yields ranging from 5.95% to 7.35%. The University records the annual increase in the principal amount of the bonds as capital appreciation on bonds payable.

Proceeds from the sale of the Series 1991 Bonds were used (a) to finance certain additions to the System; (b) to finance remodeling, repair and improvement of certain existing facilities of the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the Maximum Annual Net Debt Service and the balance in such account at the time of delivery of the Series 1991 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1991 Bonds. These issuance costs, in the amount of \$3,660,983, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 1993 Bonds --

On June 29, 1993, the Series 1993 Bonds were issued in the principal amount of \$45,926,969. The Series 1993 Bonds consist of current interest bonds (\$31,305,000) and capital appreciation bonds (\$14,621,969). The current interest bonds bear interest at rates ranging from 3.5% to 5.875% per annum, payable semi-annually, commencing October 1, 1993 and mature annually October 1, 1995 through 2005. A portion of the current interest bonds were refunded during FY2002 utilizing funds from the sale of the Series 2001A Bonds. The capital appreciation bonds do not require current interest payments. They mature semi-annually, commencing October 1, 2006 through April 1, 2009, at amounts sufficient to produce yields ranging from 5.7% to 5.95%. The University records the annual increase in the principal amount of the bonds as interest expense and accretion on bonds payable.

Proceeds from the sale of the Series 1993 Bonds were used (a) to advance refund a portion of the Series 1986 Bonds due April 1, 2006 through April 1, 2009; (b) to finance various additions, improvements and renovations to the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the Maximum Annual Net Debt Reserve and the balance in such account at the time of delivery of the Series 1993 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1993 Bonds and the advance refunding. These issuance costs, in the amount of \$737,335, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 1996 Bonds --

On February 14, 1996, the Series 1996 Bonds were issued in the principal amount of \$62,285,000. The Series 1996 Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.60% per annum, payable semi-annually commencing October 1, 1996 and mature annually October 1, 1996 through 2022. A portion of the Series 1996 Bonds were refunded during FY2005 utilizing funds from the sale of the Series 2005A Bonds and also in FY2007 utilizing funds from the sale of the Series 2006 Bonds.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

University of Illinois Auxiliary Facilities System (cont'd)

Proceeds from the sale of the Series 1996 Bonds are being used (a) to advance refund the Series 1992 Sangamon State Housing bonds; (b) to finance various additions, improvements and renovations to the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the maximum Annual Net Debt Reserve and the balance in such account at the time of delivery of the Series 1996 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1996 Bonds and the advance refunding. These issuance costs including bond premium, in the amount of \$95,037, have been recorded as prepaid expense and will be amortized over the life of the bond issue.

Series 1999A Bonds –

On January 12, 2000, the Series 1999A Bonds were issued in the principal amount of \$110,639,381. The Series 1999A Bonds consist of current interest bonds (\$100,730,000) and capital appreciation bonds (\$9,909,381). The current interest bonds bear interest at rates ranging from 4.5% to 6.0% per annum, payable semi-annually commencing April 1, 2000 and mature annually April 1, 2002 through 2030. A portion of the current interest bonds were refunded during FY2005 utilizing funds from the sale of the Series 2005A Bonds. The capital appreciation bonds do not require current interest payments. They mature annually commencing April 1, 2015 through 2030 at amounts sufficient to produce yields ranging from 4.5% to 6.0%. The University records the annual increase in the principal amount of the bonds as interest expense and accretion on bonds payable.

Series 1999B Bonds –

On January 12, 2000, the Series 1999B Bonds were issued in the principal amount of \$6,000,000. The Series 1999B Bonds are current interest bonds which bear interest at rates ranging from 7.41% to 7.56% per annum, payable semi-annually commencing April 1, 2000 and mature annually April 1, 2005 through 2015.

Proceeds from the sale of the Series 1999A and 1999B Bonds are being used (a) to finance various additions, improvements and renovations to the System; (b) to pay a portion of the interest on the Series 1999A and 1999B Bonds during construction; and (c) to pay all costs incidental to the issuance of the Series 1999A and 1999B Bonds. These issuance costs, in the amount of \$1,933,819, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2000 Bonds-

On July 12, 2000, the Series 2000 Bonds were issued in the principal amount of \$11,500,000. The Series 2000 Bonds are current interest bonds which bear interest at rates ranging from 5.5% to 5.8% per annum, payable semi-annually commencing October 1, 2000 and mature annually April 1, 2003 through 2031. A portion of the Series 2000 Bonds were refunded during FY2005 utilizing funds from the sale of the Series 2005A Bonds.

Proceeds from the sale of the Series 2000 Bonds are being used to (a) pay (or reimburse the University) for constructing a new student housing facility and food service improvements at the University's Springfield campus; (b) pay the interest on the Series 2000 Bonds through April 1, 2002; and (c) pay costs incidental to the issuance of the Series 2000 bonds. The issuance costs, in the amount of \$125,000, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

University of Illinois Auxiliary Facilities System (cont'd)

Series 2001A

On August 30, 2001, the Series 2001A Bonds were issued in the principal amount of \$106,030,000. Series 2001A Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.50% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2006 through 2030.

Proceeds from the sale of the Series 2001A Bonds are being used to advance refund portions of various outstanding Auxiliary Facilities System bond issues. The refunding resulted in a reduction in debt service of approximately \$7,900,000 and an economic gain of approximately \$8,169,000. The difference between the reacquisition price and the net carrying amount of the old debt, loss on refunding, is deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Series 2001B and Series 2001C

On July 26, 2001, the Series 2001B and Series 2001C Bonds were issued in the principal amount of \$135,630,000 and \$18,925,000, respectively. Series 2001B Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.55% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2003 through 2032. A portion of the Series 2001B Bonds were refunded during FY2005 utilizing funds from the sale of the Series 2005A Bonds and also in FY2007 utilizing funds from the sale of the Series 2006 Bonds. Series 2001C are current interest bonds which bear interest at rates ranging from 5.08% to 7.00% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2004 through 2021.

Proceeds from the sale of the Series 2001B and Series 2001C Bonds are being used to (a) fund the current refunding of various outstanding issues, (b) fund various additions and improvements to the System, (c) pay the interest on the Series 2001B and Series 2001C Bonds during construction; and (d) pay costs incidental to the issuance of the Series 2001B and Series 2001C bonds. The issuance costs for Series 2001B and Series 2001C, in the amount of \$913,000, and 120,000, respectively, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 2003A

On June 5, 2003, the Series 2003A Bonds were issued in the principal amount of \$65,870,000. Series 2003A Bonds are current interest bonds which bear interest at rates ranging from 2.0% to 5.50% per annum, payable semi-annually commencing October 1, 2003 and mature annually April 1, 2004 through 2034.

Proceeds from the sale of the Series 2003A Bonds are being used to fund various additions and improvements to the System, pay debt service during construction, and pay all costs incidental to the issuance of the bonds. These issuance costs, in the amount of \$594,592, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

University of Illinois Auxiliary Facilities System (cont'd)

Series 2005A

On March 31, 2005, the Series 2005A Bonds were issued in the principal amount of \$163,905,000. Series 2005A Bonds are current interest bonds which bear interest at rates ranging from 4.625% to 5.50% per annum, payable semi-annually commencing October 1, 2005 and mature annually April 1, 2007 through 2031.

Proceeds from the sale of the Series 2005A Bonds are being used to fund various additions and improvements to the System, to provide for the advance refunding of portions of the outstanding Auxiliary Facilities System Revenue Bonds, Series 1996, Series 1999A, Series 2000, and Series 2001B, to pay debt service during construction and to pay all costs incidental to the issuance of the bonds. These issuance costs, in the amount of \$1,113,378, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2005B

On August 10, 2005, the Series 2005B Bonds were issued in the principal amount of \$67,305,000. Series 2005B Bonds are variable rate bonds bearing at a weekly rate estimated to average 3.60% per annum over the life of the bonds. Interest is payable monthly commencing September 2005. The bonds mature annually April 1, 2008 through April 1, 2035.

Proceeds from the sale of the Series 2005B Bonds are being used to fund various additions and improvements to the System, to pay debt service during construction and to pay all costs incidental to the issuance of the bonds. These issuance costs, in the amount of \$694,204, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2006

On October 5, 2006, the Series 2006 Bonds were issued in the principal amount of \$318,155,000. Series 2006 Bonds are current interest bonds which bear interest at rates ranging from 4.00% to 5.00% per annum, payable semi-annually commencing April 1, 2007 and mature annually April 1, 2008 thru 2036.

Proceeds from the sale of the Series 2006 Bonds are being used to fund various improvements to the System, provide for the refunding of portions of the outstanding System bonds, Series 1996 and Series 2001B, to pay debt service during construction and to pay all costs incidental to the issuance of the bonds. These issuance costs, in the amount of \$2,666,750, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2008

On June 18, 2008, the Series 2008 Bonds were issued in the principal amount of \$20,800,000. Series 2008 Bonds are variable rate bonds bearing a weekly rate originally estimated at 4%, per annum over the life of the bonds. Interest is payable monthly commencing July 2008. The bonds mature annually April 1, 2009, through April 1, 2038.

Proceeds from the sale of the Series 2008 Bonds are used to pay for various improvements and additions to the System, to pay debt service during construction, and to pay all costs incidental to the issuance of the Series 2008 Bonds. These issuance costs, in the amount of \$266,845 have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

Willard Airport

Series 1997 Bonds –

On July 16, 1997, the Series 1997 Bonds were issued in the principal amount of \$4,155,000. The Series 1997 Bonds bear interest at rates ranging from 3.95% to 5.00% per annum, payable semi-annually, commencing October 1, 1997. They mature annually, commencing April 1, 1998 through April 1, 2009.

Proceeds from the sale of the Series 1997 Bonds were used (a) to fund the full retirement of the Series 1987 Bonds, and (b) to pay certain expenses relating to the issuance of the Series 1997 Bonds. These issuance costs, in the amount of \$54,262, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

University of Illinois Health Services Facilities System

Series 1997B Bonds –

On May 8, 1997, the Series 1997B Bonds were issued in the principal amount of \$25,000,000. The Series 1997B Bonds are variable rate bonds bearing interest at a weekly rate estimated to average 4% per annum over the life of the bonds. Interest is payable monthly commencing June 1, 1997. The bonds mature annually, commencing October 1, 2000 through October 1, 2026.

Proceeds from the sale of the Series 1997A and 1997B Bonds are being used (a) to pay or reimburse the Board for the cost of acquiring, construction and equipping a new ambulatory care facility on the campus of the University of Illinois at Chicago and a medical office building in Rockford, Illinois, as a part of the Health Services Facilities System of the University; (b) to pay a portion of the interest on the Series 1997A and Series 1997B Bonds; and (c) to pay costs incidental to the issuance of the Series 1997A and 1997B Bonds. These issuance costs, in the amount of \$964,525, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2007 Bonds –

On July 19, 2007 the Series 2007 Bonds were issued in the principal amount of \$40,875,000. The Series 2007 Bonds are variable rate bonds bearing interest at a weekly rate. Interest is payable monthly commencing August 2007. As a means to lower its borrowing costs, when compared against fixed-rate bonds at the time of issuance, the University entered into an interest rate swap. The intention of the swap was to effectively change the University's variable interest rate on the Bonds to a synthetic fixed rate of 3.534%. The bonds mature annually, commencing October 1, 2011 through October 1, 2026. The Series 2007 Bonds were redeemed by proceeds from the Series 2008 Bonds on July 28, 2008

Proceeds from the issuance of these Bonds will defease the outstanding Health Services Facilities System Revenue Bonds Series 1997A Bonds, and pay all costs incidental to the issuance of the Series 2007 Bonds.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

Series 2008 Bonds --

On June 26, 2008 the Series 2008 Bonds were issued in the principal amount of \$41,215,000. The Series 2008 Bonds are variable rate bonds bearing interest at a weekly rate. Interest is payable monthly commencing July 2008. The Series 2007 interest rate swap agreement will transfer to the Series 2008 bonds on July 28, 2008, in the notational amount of \$40,875,000.

Proceeds from the issuance of these Bonds will be used to fund the redemption of the \$40,875,000 outstanding principal amount of the Series 2007 Bonds, and to pay all costs incidental to the issuance of the Series 2008 Bonds. These issuance costs, in the amount of \$340,000, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

University of Illinois UIC South Campus Development Project

Series 2000 Bonds --

On February 17, 2000, the Series 2000 Bonds were issued in the principal amount of \$27,150,000. The Series 2000 Bonds are current interest bonds which bear interest at rates ranging from 6.77% to 7.96%, per annum, payable semi-annually, commencing July 15, 2000. The bonds mature annually, commencing January 15, 2001 through 2002 and annually January 15, 2004 through 2013.

Proceeds from the sale of the Series 1999 and 2000 Bonds are being used (a) to provide a portion of the funding for the University of Illinois South Campus Development Project, an integrated academic, residential, recreational, and commercial development; and (b) to pay costs incidental to the issuance of the Series 1999 and 2000 Bonds. These issuance costs, in the amount of \$936,434, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2003 Bonds --

On August 1, 2003, the Series 2003 Bonds were issued in the principal amount of \$10,000,000. The Series 2003 bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.25%, per annum, payable semi-annually, commencing January 15, 2004. The bonds mature annually, commencing January 15, 2003 through January 15, 2023.

Proceeds from the sale of the Series 2003 Bonds are being used (a) to provide a portion of the funding for the University of Illinois South Campus Development Project; and (b) to pay costs incidental to the issuance of the Series 2003 Bonds. These issuance costs, in the amount of \$105,519, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 2006A Bonds --

On February 2, 2006, the Series 2006A Bonds were issued in the principal amount of \$53,700,000. Series 2006A Bonds are variable rate bonds bearing interest at a weekly rate estimated to average 3.51% per annum over the life of the bonds. Interest is payable monthly commencing March 2006. The Series 2006A Bonds were redeemed by Series 2008 Bonds on July 16, 2008.

Proceeds from the sale of the Series 2006A Bonds are being used 1) to refund in advance of maturity and defease all of the outstanding principal amount of the Series 1999 bonds and 2) to pay costs incidental to the issuance of the Series 2006A Bonds. These issuance costs, in the amount of \$635,359, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2008 AND 2007

Advance Refunded Bonds

The University has defeased bonds through advance refunding in prior years and, accordingly, they are not reflected in the financial statements. The bonds which have been defeased as of June 30, 2008 are seen in this table (rounded to the nearest thousand):

<u>Series</u>	<u>Outstanding at June 30, 2008</u>
1978-M	\$ 6,245
1999	49,365
1999A	85,300
2000	10,785
2001B	<u>55,315</u>
Total	\$ <u>207,010</u>

Accrued Interest

Accrued interest on outstanding bonds payable at June 30, 2008 and June 30, 2007 is as follows:

	<u>2008</u>	<u>2007</u>
University of Illinois Auxiliary		
Facilities System Revenue Bonds	\$ 9,041,929	\$ 9,273,736
Willard Airport Revenue Bonds	3,250	6,375
University of Illinois Health Services		
Facilities System Revenue Bonds	272,683	655,192
University of Illinois UIC South		
Campus Development Revenue Bonds	<u>938,355</u>	<u>743,824</u>
Total accrued interest	<u>\$ 10,256,217</u>	<u>\$ 10,679,127</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
LEASEHOLDS PAYABLE AND OTHER OBLIGATIONS
JUNE 30, 2008

Lessor	Balance at July 1, 2007	Increase in Leaseholds and Other Obligations	Principal Payments	Cancellations and Adjustments	Balance at June 30, 2008
Leaseholds payable:					
Certificates of Participation -					
Series 1997 Utility Infrastructure	\$ 15,335,000		\$ 15,335,000		-
Series 2001 UI Integrate	74,665,000		58,040,000		\$ 16,625,000
Series 2003 South Farm Projects	22,285,000		1,015,000		21,270,000
Series 2003 UI Integrate	31,700,000				31,700,000
Series 2003 Utility Infrastructure	57,200,000		4,575,000		52,625,000
Series 2004 Utility Infrastructure	141,795,000		995,000		140,800,000
Series 2005 College of Medicine	19,220,000		710,000		18,510,000
Series 2006 Academic Facilities	78,570,000		2,620,000		75,950,000
Series 2007A		72,725,000			72,725,000
Series 2007B		45,645,000			45,645,000
Series 2007C		31,340,000			31,340,000
Series 2007D		81,500,000			81,500,000
AMO USA, Inc.	95,408		95,408		
Carlyle	3,546,006		691,330		2,854,676
Corner	911,080		437,508		473,572
CNH Capital	49,206		14,837		34,369
Eltekon Capital	5,168,815	4,925,226	845,162		9,248,879
GE Healthcare	78,857		19,437		59,420
Key Government Finance		2,429,316	1,011,548		1,417,768
Key Municipal Finance	6,080,844		1,884,953		4,195,891
Koch Financial Corp.	26,630		26,630		
Siemens Medical	68,028		13,090		54,938
Sumtrust Leasing Corporation	4,799,006	788,000	1,315,048		4,271,958
Illinois Medical District Commission	34,208,200		845,700		33,362,500
Xerox Corporation	31,213		31,213		
Other	17,623	21,987	11,482		28,128
Total leaseholds payable	495,850,916	239,374,529	90,533,346	0	644,692,099
Other obligations:					
Environmental Remediation Liabilities	4,840,000	608,000	7,000		5,441,000
Total other obligations	4,840,000	608,000	7,000	-	5,441,000
Total leaseholds payable and other obligations	\$ 500,690,916	\$ 239,982,529	\$ 90,540,346	\$ -	\$ 650,133,099

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2008

The revenues, expenditures and other changes for the current unrestricted funds, excluding state appropriations and student tuition, unrestricted gifts and indirect cost reimbursements for the year ended June 30, 2008 are compared and analyzed by accounting entity, as defined by the University.

The entities, as defined by the University, are classified in four general categories: auxiliary enterprises under indenture, auxiliary enterprises not under indenture, storerooms and service departments, and departmental activities. The University's entity definitions combine operations by campus and function. However, entity financial statements have been prepared by campus and function, as required by *University Guidelines*, and shown in this report as referenced in the Table of Contents as Entity financial statements and related information. The information in the entity financial statements is presented in accordance with the requirements of *University Guidelines*. Therefore, some amounts presented in the entity financial statements may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The individual entities are described as follows:

I. **Auxiliary Enterprises Under Indenture**

Auxiliary enterprises under indenture consist of the operations of the University of Illinois Auxiliary Facilities System. The operations of the Auxiliary Facilities System are subject to the provisions, terms, covenants and conditions of the Resolutions of the Board of Trustees of the University, which provided for the issuance of the University of Illinois Auxiliary Facilities System Revenue Bonds, Series 1991, Series 1993, Series 1996, Series 1999A, Series 1999B, Series 2000, Series 2001A, Series 2001B, Series 2001C, Series 2003A, Series 2005A, Series 2005B, Series 2006, Series 2007A, Series 2007B, and Series 2008 (Bond Resolutions).

The Auxiliary Facilities System is comprised of University owned housing units, student unions and similar auxiliary service units, including parking, at the three campuses; recreation and athletic facilities, including the Assembly Hall, the Activities and Recreation Center, Ice Rink Arena, and Memorial Stadium at the Urbana-Champaign campus; the Pavilion and Ice Rink at the Chicago campus; and the Gymnasium and the Recreation and Athletic Center at the Springfield campus.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2008

- II. Auxiliary Enterprises Not Under Indenture
 - A. Student/Staff Programs and Services - Administration and operation of programs and services for students, faculty and staff, including counseling, testing, student government activities and the Beckwith Living Center.

- III. Storerooms and Service Departments
 - A. Communication and Computing Services - Activities that provide University-wide services, primarily to University departments, for data processing, telecommunications and computing services.
 - B. Plant and Service Operations - Activities for distribution of costs associated with services rendered to internal operations on a University-wide basis including storeroom operations, physical plant, mail service, advance insurance billings to units, printing, duplication and activities used for collection and redistribution of costs.

- IV. Departmental Activities
 - A. Instructional Course Activities - Credit bearing instructional activities provided primarily as a public service for private businesses, community organizations and governmental units.
 - B. Professional Development Activities - Non-credit bearing instructional activities including conferences, workshops, seminars and continuing education courses provided primarily as a public service.
 - C. Unique Instructional Programs - Unique student and staff programs such as flight training, field trips, summer and abroad programs and other activities of a similar nature.
 - D. Agricultural Operations - Agricultural activities in direct support of the instructional, research and public service functions of the University administered by the College of Agricultural, Consumer and Environmental Sciences.
 - E. Commercial Operations Not Under Indenture - Facilities and costs of services with a significant emphasis on users outside the University community, including services of the steam plant operations and the technical research park.
 - F. Commercial Operations Under Indenture - Operation of the University of Illinois Willard Airport Facility at Urbana with a significant emphasis on users outside the University community.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2008

IV. Departmental Activities (continued)

- G. Hospital and Clinics - Administration and operation of patient care facilities, primarily the University of Illinois Hospital and Clinics, which are in direct support of the instructional, research and public service functions of the University.
- H. Public Service, Economic Development, and Academic Support Activities - Activities in direct support of the primary academic, service and economic development missions of the University including laboratory and testing centers and services, publication and design services, technology incubation and economic development services, and facilities which are in direct support of the instructional, research, public service, and economic development functions of the University.
- I. Intercollegiate Athletics - Administration and operation of intercollegiate athletic activities and programs administered by the Department of Intercollegiate Athletics, including summer camps, golf course, tennis center and the various athletic programs.

Auxiliary enterprises receive revenues from the following sources:

- Room and board
- Merchandise and food sales
- Public events and recreation fees
- Parking
- Health, life and disability insurance premiums
- Investment income
- Student service fees
- Rental and lease income
- Vending income
- Other sources

Storerooms and service departments receive revenues from services performed and goods provided to University departments.

Departmental activities receive revenues from operations.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS,
AUXILIARY FACILITIES SYSTEM BONDS, AND
SPECIAL BONDS
YEAR ENDED JUNE 30, 2008

<i>Entity Descriptions</i>	<i>Urbana</i>	<i>Chicago</i>	<i>Springfield</i>	<i>Global Campus</i>
Auxiliary Enterprises Under Indenture (reported University-wide)	X	X	X	
Student/Staff Programs and Services	X	X	X	
Communication and Computing Services (reported University-wide)	X	X	X	X
Plant and Service Operations (reported University-wide)	X	X	X	
Instructional Course Activities	X	X		
Professional Development Activities	X	X	X	X
Unique Instructional Programs	X	X	X	
Agricultural Operations	X			
Commercial Operations Not Under Indenture	X	X		
Commercial Operations Under Indenture	X			
Hospital and Clinics		X		
Public Service, Academic Support, and Economic Development Activities	X	X	X	
Intercollegiate Activities	X	X	X	

<i>Special Bonds</i> <i>(Separate Reports for I and II)</i>	<i>Urbana</i>	<i>Chicago</i>	<i>Springfield</i>	<i>Global Campus</i>
I. Willard Airport Facility	X			
II. Health Services Facilities System		X		

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
AUXILIARY ENTERPRISES UNDER INDENTURE
JUNE 30, 2008

Assets

Current assets:

Cash and cash equivalents	\$ 141,141,205
Cash and cash equivalents, restricted	63,817,791
Investments	23,360,495
Accrued investment income	1,144,006
Receivables, net of allowance	6,842,988
Inventories	7,305,804
Prepaid expenses and deferred charges	<u>1,074,632</u>
Total current assets	<u>244,686,921</u>

Noncurrent assets:

Investments, restricted	16,846,167
Capital assets, net of accumulated depreciation	883,985,275
Prepaid expenses and deferred charges	<u>6,244,189</u>
Total noncurrent assets	<u>907,075,631</u>

Total assets **\$ 1,151,762,552**

Liabilities:

Current liabilities:

Accounts payable and accrued liabilities	\$ 60,215,340
Deferred revenue	6,406,600
Notes payable to the University, current portion	1,920,698
Bonds and leaseholds payable, current portion	<u>29,004,447</u>
Total current liabilities	<u>97,547,085</u>

Noncurrent liabilities:

Accrued compensated absences	5,597,360
Notes payable to the University	8,742,767
Bonds Payable	<u>931,990,465</u>
Total noncurrent liabilities	<u>946,330,592</u>

Total liabilities **1,043,877,677**

Net assets:

Invested in capital assets, net of related debt	9,579,919
Restricted -	
Expendable for debt service	21,744,008
Unrestricted	<u>76,560,948</u>
Total Net Assets	<u>107,884,875</u>

Total liabilities and net assets **\$ 1,151,762,552**

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
AUXILIARY ENTERPRISES UNDER INDENTURE
YEAR ENDED JUNE 30, 2008

Operating revenues:	
Room and board	\$ 106,275,425
Merchandise and food sales	29,945,184
Student service fees	77,228,815
Public events and recreation fees	6,638,567
Parking	21,340,660
Rental and lease income	12,525,003
Vending income	1,561,831
Other sources	10,700,266
	<hr/>
Total operating revenues	266,215,751
Operating expenses:	
Salaries and wages	\$ 73,269,995
Merchandise and food for resale	30,782,260
Repairs and maintenance	3,100,882
Professional and other contractual services	39,142,432
Utilities	24,319,605
Supplies	13,138,583
Equipment rental	2,800,503
Administrative services	13,888,621
Other operating expense	10,307,623
Depreciation and amortization	20,055,790
Payments on behalf of the Facility	18,287,684
	<hr/>
Total operating expenses	249,093,978
Operating income	<hr/> 17,121,773
Nonoperating revenues (expenses):	
Payments on behalf of the Facility	\$ 18,287,684
Investment income (net of related expenses)	12,229,399
Interest on capital asset related debt	(41,446,495)
Amortization of issuance costs	(269,698)
Loss on disposal of capital assets	(82,461)
Other nonoperating revenues	
Other nonoperating expenses	(1,221,336)
	<hr/>
Net nonoperating revenues (expenses)	(12,502,907)
Increase in net assets	4,618,866
Net assets, beginning of year	<hr/> 103,266,009
Net assets, end of year	<hr/> \$ 107,884,875

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENT/STAFF PROGRAMS AND SERVICES
JUNE 30, 2008

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 7,660,022	\$ 3,660,797	\$ 298,534
Accounts receivable and accrued investment income	770,571	2,644,889	146,060
Inventories	126,582	440,379	840
Prepaid expenses and deferred charges	1,419,099	139,984	
Total current assets	9,976,274	6,886,049	445,434
Noncurrent assets:			
Capital assets net of accumulated depreciation	1,218,729	356,965	654,223
Total assets	\$ 11,195,003	\$ 7,243,014	\$ 1,099,657
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 883,611	\$ 512,719	\$ 57,132
Deferred revenue	2,181,643	2,647,815	116,775
Accrued compensated absences, current portion	40,255	47,728	6,931
Leaseholds payable, current portion		88,380	
Total current liabilities	3,105,509	3,296,642	180,838
Noncurrent liabilities:			
Accrued compensated absences	462,934	548,874	79,711
Leaseholds payable		197,369	
Total non-current liabilities	462,934	746,243	79,711
Total liabilities	3,568,443	4,042,885	260,549
Net assets			
Invested in capital assets, net of related debt	1,218,729	71,216	654,223
Restricted	233,922		
Unrestricted	6,173,909	3,128,913	184,885
Total net assets	7,626,560	3,200,129	839,108
Total liabilities and net assets	\$ 11,195,003	\$ 7,243,014	\$ 1,099,657

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENT/STAFF PROGRAMS AND SERVICES
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago	Springfield
Operating revenues:			
Room and board	\$ 448,173	\$	\$
Merchandise and food sales	439,445	145	5,821
Student service fees	23,772,876	28,709,356	1,688,289
Public events and recreation fees	401,474		8,515
Parking	4,241	117,896	
Rental and lease income	304,002	1,935	
Vending income		1,948	
Other sources	5,215,418	5,440,110	513,392
	<u>30,585,629</u>	<u>34,271,390</u>	<u>2,216,017</u>
Operating expenses:			
Salaries and wages	6,603,630	5,644,446	1,008,433
Merchandise and food for resale	517,954	6,333,915	152
Repairs and maintenance	17,324	129,479	4,242
Professional and other contractual services	14,957,205	11,462,734	733,565
Utilities	91,751	143,586	5,009
Supplies	1,091,934	2,095,082	294,808
Equipment rental	3,522,971	204,874	19,628
Administrative services	188,119	473,925	17,971
Other operating expense	1,841,639	7,686,004	124,844
Depreciation and amortization	100,157	31,286	39,321
	<u>28,932,684</u>	<u>34,205,331</u>	<u>2,247,973</u>
Operating income (loss)	<u>1,652,945</u>	<u>66,059</u>	<u>(31,956)</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	(45,880)	(24,033)	(1,981)
Interest on capital asset related debt		(10,471)	
	<u>(45,880)</u>	<u>(34,504)</u>	<u>(1,981)</u>
Increase (decrease) in net assets	<u>1,607,065</u>	<u>31,555</u>	<u>(33,937)</u>
Net assets, beginning of year	<u>6,019,495</u>	<u>3,168,574</u>	<u>873,045</u>
Net assets, end of year	<u>\$ 7,626,560</u>	<u>\$ 3,200,129</u>	<u>\$ 839,108</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES
JUNE 30, 2008

	All Campuses
Assets	
Current assets:	
Cash and cash equivalents	\$ 1,432,145
Accounts receivable and accrued investment income	183,412
Inventories	2,119,765
Prepaid expenses and deferred charges	19,705
Total current assets	3,755,027
Noncurrent assets:	
Prepaid expenses	728,908
Capital assets net of accumulated depreciation	88,827,338
Total noncurrent assets	89,556,246
Total assets	\$ 93,311,273
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 4,001,918
Deferred revenue	1,000
Long term liabilities, current portion	13,561,424
Total current liabilities	17,564,342
Noncurrent liabilities:	
Accrued compensated absences	3,482,946
Certificates of Participation	84,869,871
Total noncurrent liabilities	88,352,817
Total liabilities	105,917,159
 Net deficits	
Invested in capital assets, net of related debt	(9,301,092)
Unrestricted	(3,304,794)
Total net deficits	(12,605,886)
Total liabilities and net deficits	\$ 93,311,273

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES
YEAR ENDED JUNE 30, 2008

	All Campuses
Operating revenues:	
Merchandise and food sales	\$ 2,017,965
Rental and lease income	185,567
Global Campus	4,623,248
CITES computing and telecommunication services	37,874,372
Academic Computing and Communication Center services	11,350,117
UI Integrate services	14,289,000
Business Information Systems services	1,197,463
Administrative Information Technology Services (AITS) training and assistance	938,895
Other communication and computing services	133,993
	72,610,620
Operating expenses:	
Salaries and wages	26,866,023
Merchandise and food for resale	2,694,592
Repairs and maintenance	1,958,368
Professional and other contractual services	9,789,882
Utilities	12,246,627
Supplies	3,062,626
Equipment rental	264,755
Other operating expense	760,926
Depreciation and amortization	16,870,272
	74,514,071
Operating loss	(1,903,451)
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	3,125,288
Interest on capital asset related indebtedness	(4,913,260)
Loss on disposal of capital assets	(242,815)
Other nonoperating revenue	430,027
	(1,600,760)
Decrease in net deficits	(3,504,211)
Net deficits, beginning of year	(9,101,675)
Net deficits, end of year	\$ (12,605,886)

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICES OPERATIONS
JUNE 30, 2008

Assets	<u>All Campuses</u>
Current assets:	
Cash and cash equivalents	\$ 34,101,881
Investments	2,965,786
Accounts receivable and accrued investment income	23,434,361
Inventories	8,454,629
Prepaid expenses and deferred charges	1,408,499
Other assets	<u>2,000,000</u>
Total current assets	72,365,156
Noncurrent assets:	
Capital assets net of accumulated depreciation	<u>229,686,838</u>
Total assets	<u>\$ 302,051,994</u>
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	63,022,316
Deferred Revenue	2,141,631
Accrued compensated absences, current portion	1,345,945
Leaseholds payable and other obligations, current portion	<u>5,452,650</u>
Total current liabilities	<u>71,962,542</u>
Noncurrent liabilities:	
Leaseholds payable and other obligations	190,257,689
Accrued compensated absences	<u>15,478,366</u>
Total noncurrent liabilities	<u>205,736,055</u>
Total liabilities	<u>277,698,597</u>
 Net assets	
Invested in capital assets, net of related debt	33,052,772
Restricted	5,772
Unrestricted	<u>(8,705,147)</u>
Total net assets	<u>24,353,397</u>
Total liabilities and net assets	<u>\$ 302,051,994</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICES OPERATIONS
YEAR ENDED JUNE 30, 2008

	<u>All Campuses</u>
Operating revenues:	
Merchandise and food sales	\$ 31,603,269
Student service fees	204,200
Rental and lease income	673,299
Vending income	155,301
Farm product sales	1,408,856
Utility services	139,767,296
Fuel sales	59,432,414
Plant operations and related services	373,180,351
Lab and pharmacy services	41,903,719
Other sources	3,735,676
	<u>652,064,381</u>
Total operating revenues	
Operating expenses:	
Salaries and wages	178,063,529
Merchandise and food for resale	121,451,006
Repairs and maintenance	45,658,959
Professional and other contractual services	104,571,256
Utilities	153,313,644
Supplies	25,259,078
Equipment rental	3,738,088
Administrative services	435,512
Other operating expense	2,906,495
Depreciation and amortization	15,425,949
	<u>650,823,516</u>
Total operating expenses	
Operating income	<u>1,240,865</u>
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	5,552,726
Interest on capital asset related indebtedness	(4,310,476)
Other nonoperating revenues	501,342
Other nonoperating expenses	(2,358,836)
	<u>(615,244)</u>
Net nonoperating expenses	
Increase in net assets	625,621
Net assets, beginning of year	<u>23,727,776</u>
Net assets, end of year	<u>\$ 24,353,397</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
INSTRUCTIONAL COURSE ACTIVITIES
JUNE 30, 2008

	Urbana	Chicago
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,210,725	\$ 888,870
Accounts receivable and accrued investment income	85,337	24,700
Inventories	3,952	
Deferred Charges	32,770	
Total current assets	2,332,784	913,570
Noncurrent assets:		
Capital assets net of accumulated depreciation	2,403,444	22,271
Total assets	\$ 4,736,228	\$ 935,841
 Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 131,712	\$ 83,280
Deferred revenue	433,078	391,270
Accrued compensated absences, current portion	5,108	8,616
Total current liabilities	569,898	483,166
Noncurrent liabilities:		
Accrued compensated absences	58,738	99,086
Total liabilities	628,636	582,252
 Net assets		
Invested in capital assets, net of related debt	2,403,444	22,271
Unrestricted	1,704,148	331,318
Total net assets	4,107,592	353,589
Total liabilities and net assets	\$ 4,736,228	\$ 935,841

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
INSTRUCTIONAL COURSE ACTIVITIES
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago
Operating revenues:		
Tuition and Fee income	\$ 204,090	\$
Student service fees	232,936	
Other sources	2,212,420	3,952,202
Total operating revenues	2,649,446	3,952,202
Operating expenses:		
Salaries and wages	1,336,986	1,393,812
Repairs and maintenance	92,850	13,394
Professional and other contractual services	428,052	2,001,911
Utilities	4,139	12,000
Supplies	125,025	387,505
Equipment rental	38,833	20,262
Administrative services	308,828	695
Other operating expense	668,040	58,323
Depreciation and amortization	110,628	5,648
Total operating expenses	3,113,381	3,893,550
Operating income (loss)	(463,935)	58,652
Nonoperating revenues:		
Investment income (net of related expenses)	(14,222)	(19,903)
Total nonoperating (expenses)	(14,222)	(19,903)
Increase (decrease) in net assets	(478,157)	38,749
Net assets, beginning of year	4,585,749	314,840
Net assets, end of year	\$ 4,107,592	\$ 353,589

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES

JUNE 30, 2008

	Urbana	Chicago	Springfield	Global
Assets				
Current assets:				
Cash and cash equivalents	\$ 4,051,397	\$ 2,969,566	\$ 34,399	98,382
Accounts receivable and accrued investment income	632,563	302,987	40,748	1,536
Inventories	5,994	16,946		
Prepaid expenses and deferred charges	19,950	4,248		154
Total current assets	4,709,904	3,293,747	75,147	100,072
Noncurrent assets:				
Capital assets net of accumulated depreciation	440,645	162,157	7,135	5,698
Total assets	\$ 5,150,549	\$ 3,455,904	\$ 82,282	\$ 105,770
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 916,483	\$ 469,100	\$ 16,047	\$ 14,170
Deferred revenue	883,310	1,433,856	4,700	
Accrued compensated absences, current portion	16,414	26,556	775	18,822
Total current liabilities	1,816,207	1,929,512	21,522	32,992
Noncurrent liabilities:				
Accrued compensated absences	188,762	305,395	8,915	
Total liabilities	2,004,969	2,234,907	30,437	32,992
Net assets				
Invested in capital assets, net of related debt	440,645	162,157	7,135	5,698
Unrestricted	2,704,935	1,058,840	44,710	67,080
Total net assets	3,145,580	1,220,997	51,845	72,778
Total liabilities and net assets	\$ 5,150,549	\$ 3,455,904	\$ 82,282	\$ 105,770

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago	Springfield	Global
Operating revenues:				
Professional development conferences and workshops	\$ 9,386,612	\$ 9,348,689	\$ 122,742	201,549
Tuition and fee income	35,983	185,904		
Merchandise and food sales	520	1,575		
Public events and recreation fees	28,504		50	
Rental and lease income	18,557	49,051	164,182	57,337
Other sources	5,050			
Total operating revenues	9,475,226	9,585,219	286,974	258,886
Operating expenses:				
Salaries and wages	3,754,935	5,508,460	67,944	217,596
Merchandise and food for resale	3,026			
Repairs and maintenance	9,288	8,768		216
Professional and other contractual services	2,228,234	2,231,134	202,129	104,670
Utilities	97,050	126,188	10	18,120
Supplies	449,684	782,878	10,128	24,065
Equipment rental	796,423	568,061	4,115	
Administrative services	620,368	75		
Other operating expense	569,113	682,517	4,213	17,380
Depreciation and amortization	52,977	79,023	576	5,698
Total operating expenses	8,581,098	9,987,104	289,115	387,745
Operating income (loss)	894,128	(401,885)	(2,141)	(128,859)
Nonoperating revenues (expenses):				
Investment income (net of related expenses)	(30,469)	(77,690)		
Other nonoperating revenues (expenses)	(1,092,636)			201,637
Total nonoperating expenses	(1,123,105)	(77,690)	-	201,637
Increase (Decrease) in net assets	(228,977)	(479,575)	(2,141)	72,778
Net assets, beginning of year	3,374,557	1,700,572	53,986	-
Net assets, end of year	\$ 3,145,580	\$ 1,220,997	\$ 51,845	\$ 72,778

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
UNIQUE INSTRUCTIONAL PROGRAMS
JUNE 30, 2008

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,235,047	\$ 178,485	\$ 616
Accounts receivable and accrued investment income	882,513	6,414	
Deferred charges	10,275	5,658	
Total current assets	<u>3,127,835</u>	<u>190,557</u>	<u>616</u>
Noncurrent assets:			
Capital assets net of accumulated depreciation	1,813		
Total assets	<u>\$ 3,129,648</u>	<u>\$ 190,557</u>	<u>\$ 616</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 456,072	\$ 53,590	\$ -
Deferred revenue	1,442,527	179,529	
Accrued compensated absences, current portion	9,923		
Total current liabilities	<u>1,908,522</u>	<u>233,119</u>	<u>-</u>
Noncurrent liabilities:			
Accrued compensated absences	114,115		
Total liabilities	<u>2,022,637</u>	<u>233,119</u>	<u>-</u>
Net assets			
Invested in capital assets, net of related debt	1,813		
Unrestricted	1,105,198	(42,562)	616
Total net assets	<u>1,107,011</u>	<u>(42,562)</u>	<u>616</u>
Total liabilities and net assets	<u>\$ 3,129,648</u>	<u>\$ 190,557</u>	<u>\$ 616</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
UNIQUE INSTRUCTIONAL PROGRAMS
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago	Springfield
Operating revenues:			
Tuition and fee income	\$ 2,251,223	\$ 77,374	\$
Student service fees	103,765	232,388	1,200
Rental and lease income	9,335		
Program services	11,622,659	605,731	
Other revenue	531	125	141
Total operating revenues	13,987,513	915,618	1,341
Operating expenses:			
Salaries and wages	1,889,612	380,181	
Repairs and maintenance	1,477		
Professional and other contractual services	9,157,847	246,381	147
Utilities	15,931	2,521	
Supplies	1,123,567	166,482	16
Equipment rental	122,693	56,865	
Administrative expenses	5,583		
Other operating expense	1,392,264	95,609	231
Depreciation	12,690		
Total operating expenses	13,721,664	948,039	394
Operating income (loss)	265,849	(32,421)	947
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	(5,518)	(3,075)	
Total nonoperating (expenses)	(5,518)	(3,075)	-
Increase (decrease) in net assets	260,331	(35,496)	947
Net assets (deficit), beginning of year	846,680	(7,066)	(331)
Net assets (deficit), end of year	\$ 1,107,011	\$ (42,562)	\$ 616

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS
JUNE 30, 2008

	Urbana
Assets	
Current assets:	
Cash and cash equivalents	\$ 6,592,577
Accounts receivable and accrued investment income	511,604
Inventories	210,250
Prepaid expenses and deferred charges	3,822
Total current assets	7,318,253
Noncurrent assets:	
Capital assets net of accumulated depreciation	6,548,074
Total assets	\$ 13,866,327
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 624,949
Leaseholds payable, current portion	17,202
Deferred revenue	337,579
Accrued compensated absences, current portion	29,095
Total current liabilities	1,008,825
Noncurrent liabilities:	
Leaseholds payable	34,336
Accrued compensated absences	334,587
Total liabilities	1,377,748
Net assets	
Invested in capital assets, net of related debt	6,496,536
Unrestricted	5,992,043
Total net assets	12,488,579
Total liabilities and net assets	\$ 13,866,327

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS
YEAR ENDED JUNE 30, 2008

	Urbana
Operating revenues:	
Merchandise and food sales	\$ 265,615
Ag Law Tax School workshops	1,832,009
4H activities	330,725
Information technology and commercial services	516,507
Animal sciences programs	560,034
Agricultural and biological engineering activities	295,458
Crop sciences programs	1,728,058
Natural resources and environment sciences	602,686
Food science and human nutrition programs	266,277
Cooperative Extension services	5,035,316
Rental and lease income	503,647
Farm sales	5,031,265
Other sources	485,080
Total operating revenues	17,452,677
Operating expenses:	
Salaries and wages	6,285,473
Merchandise and food for resale	272,637
Repairs and maintenance	259,919
Professional and other contractual services	2,871,824
Utilities	136,628
Supplies	5,073,509
Equipment rental	472,328
Administrative services	71,284
Other operating expense	813,876
Depreciation and amortization	332,911
Total operating expenses	16,590,389
Operating income	862,288
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	(35,945)
Interest on capital asset related debt	(6,602)
Net nonoperating expenses	(42,547)
Increase in net assets	819,741
Net assets, beginning of year	11,668,838
Net assets, end of year	\$ 12,488,579

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS NOT UNDER INDENTURE
JUNE 30, 2008

	Urbana	Chicago
Assets		
Current assets:		
Cash and cash equivalents	\$	\$ 1,078,139
Accounts receivable and accrued investment income	102	768,511
Total current assets	102	1,846,650
Noncurrent assets:		
Capital assets net of accumulated depreciation		7,830,060
Total assets	\$ 102	\$ 9,676,710
 Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 9,239	\$ 9,663
Accrued compensated absences, current portion		643
Total current liabilities	9,239	10,306
Noncurrent liabilities:		
Internal payable		683,365
Accrued compensated absences		7,399
Total liabilities	9,239	701,070
 Net assets (deficits)		
Invested in capital assets, net of related debt		7,830,060
Unrestricted	(9,137)	1,145,580
Total net assets (deficits)	(9,137)	8,975,640
Total liabilities and net assets (deficits)	\$ 102	\$ 9,676,710

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS NOT UNDER INDENTURE
YEAR ENDED JUNE 30, 2008

	<u>Urbana</u>	<u>Chicago</u>
Operating revenues:		
Rental and lease income		\$ 1,780,687
Utilities provided to outside parties	116,691	6,346,667
Other sources		17,847
	<u>116,691</u>	<u>8,145,201</u>
Operating expenses:		
Salaries and wages		30,976
Repairs and maintenance		358,687
Professional and other contractual services		363,843
Utilities	108,320	6,404,099
Supplies		3,982
Administrative services		194,437
Other operating expense	8,371	20,411
Depreciation and amortization		399,485
	<u>116,691</u>	<u>7,775,920</u>
Operating income		<u>369,281</u>
Nonoperating revenues (expenses):		
Investment income (net of related expenses)	15,597	(2,238)
Interest on capital asset-related debt		(58,947)
	<u>15,597</u>	<u>(61,185)</u>
Increase in net assets (deficits)	15,597	308,096
Net assets (deficits), beginning of year	<u>(24,734)</u>	<u>8,667,544</u>
Net assets (deficits), end of year	<u>\$ (9,137)</u>	<u>\$ 8,975,640</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE
JUNE 30, 2008

	Urbana
Assets:	
Current assets	
Cash and cash equivalents	\$ 259,602
Cash and cash equivalents, restricted	1,268,402
Accrued investment income	487
Accounts receivable	110,363
Prepaid expenses	4,522
	1,643,376
Total current assets	
Noncurrent assets	
Capital assets, net of accumulated depreciation	32,665,842
	32,665,842
Total noncurrent assets	
Total assets	\$ 34,309,218
Liabilities:	
Current liabilities	
Accounts payable	\$ 14,760
Accrued liabilities	118,559
Accrued interest	3,250
Long term liabilities - current portion	284,413
	420,982
Total current liabilities	
Noncurrent liabilities	
Deferred revenue	740,524
Bonds payable	133,618
	874,142
Total noncurrent liabilities	
Total liabilities	1,295,124
Net assets:	
Invested in capital assets, net of related debt	32,247,811
Restricted -	
Expendable for capital projects	257,878
Expendable for debt service	270,000
Unrestricted	238,405
	33,014,094
Total net assets	
Total liabilities and net assets	\$ 34,309,218

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE
YEAR ENDED JUNE 30, 2008

	Urbana
Operating revenues:	
Rental and lease income	\$ 1,911,452
Parking operations	589,157
Farm sales	120,000
Other operating revenue	47,382
	2,667,991
Operating expenses:	
Salaries and wages	1,218,288
Fringe benefits	313,585
Professional and other contractual services	243,389
Utilities	355,121
Supplies	482,426
Other operating expense	127,770
Depreciation	1,955,512
Payments on behalf of the Facility	138,140
	4,834,231
Operating loss	(2,166,240)
Nonoperating revenues (expenses):	
State appropriations	431,933
Payments on behalf of the Facility	138,140
Investment income (net of related expenses)	48,098
Interest on capital asset-related debt	(28,329)
Other nonoperating expenses	(5,109)
	584,733
Net nonoperating revenues	584,733
Capital federal grants	547,316
(Decrease) in net assets	(1,034,191)
Net assets, beginning of year	34,048,285
Net assets, end of year	\$ 33,014,094

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS
JUNE 30, 2008

	Chicago
Assets	
Current assets:	
Cash and cash equivalents	\$ 129,916,949
Accounts receivable and accrued investment income	75,646,625
Inventories	4,769,643
Prepaid expenses and deferred charges	7,424,016
Total current assets	217,757,233
Noncurrent assets:	
Cash and investments	2,285,542
Prepaid expenses	398,324
Capital assets net of accumulated depreciation	161,506,660
Total noncurrent assets	164,190,526
Total assets	\$ 381,947,759
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 76,518,241
Long term liabilities, current portion	48,172,320
Total current liabilities	124,690,561
Noncurrent liabilities:	
Long term debt, net of current portion	71,528,626
Accrued compensated absences	21,948,602
Total noncurrent liabilities	93,477,228
Total liabilities	218,167,789
 Net assets	
Invested in capital assets, net of related debt	90,433,055
Restricted	2,285,542
Unrestricted	71,061,373
Total net assets	163,779,970
Total liabilities and net assets	\$ 381,947,759

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS
YEAR ENDED JUNE 30, 2008

	Chicago
Operating revenues:	
Net patient service revenues	\$ 418,522,755
Payments on behalf of the System - hospital and other medical activities	95,749,615
Fee for services - state appropriation	45,522,641
Other revenues	18,679,536
	578,474,547
Operating expenses:	
Salaries and wages	260,712,706
Fringe benefits	88,278,114
Supplies and general expenses	191,194,614
Administrative services	10,825,000
Depreciation and amortization	21,257,827
	572,268,261
Operating income	6,206,286
Nonoperating revenue (expenses)	
Interest on capital asset related debt	(2,659,474)
Investment income (loss)	(2,574,889)
Loss on disposal of plant assets	(6,328)
Other nonoperating revenue (expense)	79,520
	(5,161,171)
Increase in net assets	1,045,115
Net assets, beginning of the year	162,734,855
Net assets, end of the year	\$ 163,779,970

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE, ACADEMIC SUPPORT, AND ECONOMIC DEVELOPMENT ACTIVITIES
JUNE 30, 2008

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 4,920,776	\$ 5,717,452	\$
Accounts receivable and accrued investment income	2,723,278	11,339,832	31,808
Inventories	2,465,030	2,770,938	19,941
Prepaid expenses and deferred charges	228,062	14,888	27,053
Total current assets	10,337,146	19,843,110	78,802
Noncurrent assets:			
Capital assets net of accumulated depreciation	15,229,600	24,477,606	6,150
Total assets	\$ 25,566,746	\$ 44,320,716	\$ 84,952
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,090,001	\$ 10,162,139	\$ 766,276
Deferred revenue	1,377,327	916,297	91,992
Leaseholds payable, current portion	339,459	39,843	
Accrued compensated absences, current portion	50,245	208,116	388
Total current liabilities	3,857,032	11,326,395	858,656
Noncurrent liabilities:			
Internal payable	984,280	791,593	30,000
Leaseholds payable		41,306	
Accrued compensated absences	577,815	2,393,334	4,457
Total noncurrent liabilities	1,562,095	3,226,233	34,457
Total liabilities	5,419,127	14,552,628	893,113
Net assets (deficits)			
Invested in capital assets, net of related debt	13,905,861	23,604,864	6,150
Restricted			(30,000)
Unrestricted	6,241,758	6,163,224	(784,311)
Total net assets (deficits)	20,147,619	29,768,088	(808,161)
Total liabilities and net assets	\$ 25,566,746	\$ 44,320,716	\$ 84,952

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE, ACADEMIC SUPPORT, AND ECONOMIC DEVELOPMENT ACTIVITIES
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago	Springfield
Operating revenues:			
Tuition and fee income	\$ 11,063	\$ 22,710	\$
Room and board	667,480		
Merchandise and food sales	1,320,132	130,530	82,309
Student service fees	522,792	382,101	2,000
Academic support activities income	7,252,381	167,275	
Economic development services	132,327		
Hospital and medical services income	12,104,563	58,612,321	
Farm Sales	85,667		
Public events and recreation fees	233,153	27,139	624,624
Public services income	14,816,539	19,144,044	857,851
Parking	1,118	1,850	
Rental and lease income	887,540	2,890	194,675
Vending Income	31,510	631	
Other sources	1,317,075	1,214,714	
Total operating revenues	39,383,340	79,706,205	1,761,459
Operating expenses:			
Salaries and wages	16,403,159	30,145,867	325,917
Merchandise and food for resale		20,156,712	
Repairs and maintenance	426,671	307,113	2,676
Professional and other contractual services	12,963,096	19,709,227	1,393,414
Utilities	453,714	810,736	16,528
Supplies	6,854,179	4,050,064	111,295
Equipment rental	552,337	790,068	24,192
Administrative services	56,971	131,894	
Other operating expense	269,859	2,221,777	37,988
Depreciation and amortization	1,667,254	630,261	4,415
Total operating expenses	39,647,240	78,953,719	1,916,425
Operating income (loss)	(263,900)	752,486	(154,966)
Nonoperating revenues (expenses):			
Interest on capital related debt	(70,432)	(4,380)	
Other nonoperating revenues			5,000
Other nonoperating expenses	(813,505)	(438,950)	(59)
Investment income (net of related expenses)	7,303	(193,875)	
Net nonoperating revenues (expenses)	(876,634)	(637,205)	4,941
Increase (decrease) in net assets	(1,140,534)	115,281	(150,025)
Net assets (deficits), beginning of year	21,288,153	29,652,807	(658,136)
Net assets (deficits), end of year	\$ 20,147,619	\$ 29,768,088	\$ (808,161)

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
INTERCOLLEGIATE ATHLETICS
JUNE 30, 2008

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 6,999,617	\$ 292,514	\$ 12,430
Accounts receivable and accrued investment income	1,720,567	117,700	37,116
Inventories	77,044		7,051
Prepaid expenses and deferred charges	125,657	43	
Total current assets	<u>8,922,885</u>	<u>410,257</u>	<u>56,597</u>
Noncurrent assets:			
Capital assets net of accumulated depreciation	<u>5,191,895</u>	<u>2,499,174</u>	<u>6,151</u>
Total assets	<u>\$ 14,114,780</u>	<u>\$ 2,909,431</u>	<u>\$ 62,748</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,125,101	\$ 281,293	\$ 17,990
Deferred revenue	7,994,704		33,466
Accrued compensated absences, current portion	139,696	53,714	4,501
Leaseholds payable, current portion		171,655	
Total current liabilities	<u>10,259,501</u>	<u>506,662</u>	<u>55,957</u>
Noncurrent liabilities:			
Leaseholds Payable		2,605,855	
Accrued compensated absences	<u>1,606,507</u>	<u>617,710</u>	<u>51,767</u>
Total noncurrent liabilities	<u>1,606,507</u>	<u>3,223,565</u>	<u>51,767</u>
Total liabilities	<u>11,866,008</u>	<u>3,730,227</u>	<u>107,724</u>
Net assets (deficits)			
Invested in capital assets, net of related debt	5,191,895	(278,336)	6,151
Unrestricted	<u>(2,943,123)</u>	<u>(542,460)</u>	<u>(51,127)</u>
Total net assets (deficits)	<u>2,248,772</u>	<u>(820,796)</u>	<u>(44,976)</u>
Total liabilities and net assets	<u>\$ 14,114,780</u>	<u>\$ 2,909,431</u>	<u>\$ 62,748</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
INTERCOLLEGIATE ATHLETICS
YEAR ENDED JUNE 30, 2008

	Urbana	Chicago	Springfield
Operating revenues:			
Merchandise and food sales	\$ 981,588		\$ 8,085
Student service fees		5,295,687	769,600
Public events and recreation fees	40,630,717	1,926,819	61,612
Parking	14,141		
Rental and lease income	10,539		
Vending income		400,000	
Other sources	4,893,174	128,650	11,950
Total operating revenues	46,530,159	7,751,156	851,247
Operating expenses:			
Salaries and wages	18,466,474	3,704,715	362,496
Merchandise and food for resale	375,957		5,160
Repairs and maintenance	181,840	809	514
Professional and other contractual services	9,439,004	1,709,791	111,329
Utilities	659,041	74,960	4,155
Supplies	3,316,015	370,819	56,653
Equipment rental	2,947,628	351,911	21,026
Administrative services	445,900	201,060	1,181
Other operating expense	6,919,891	1,464,074	300,661
Depreciation and amortization	444,385	10,396	1,203
Total operating expenses	43,196,135	7,888,535	864,378
Operating income (loss)	3,334,024	(137,379)	(13,131)
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	(167,971)	15,295	55
Interest on capital asset related debt	(83)	(110,351)	
Net nonoperating revenues (expenses)	(168,054)	(95,056)	55
Increase (decrease) in net assets	3,165,970	(232,435)	(13,076)
Net assets (deficits), beginning of year	(917,198)	(588,361)	(31,900)
Net assets (deficits), end of year	\$ 2,248,772	\$ (820,796)	\$ (44,976)

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATION
SELECTED PLANT FUND DATA
AUXILIARY ENTERPRISES UNDER INDENTURE
JUNE 30, 2008

	All campuses
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 1,929,467,998
Parking lots and improvements - at historical cost	\$ 42,206,909
Equipment - at historical cost	\$ 22,118,876
Bond resolution limitations on	
repair and replacement reserve	
5% of replacement cost of facilities	\$ 96,473,400
5% of historical cost of parking lots and improvements	2,110,345
20% of historical cost of equipment	4,423,775
Total reserve limitation	103,007,520
Repair and replacement reserve	48,759,442
Total margin of compliance	\$ 54,248,078

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
JUNE 30, 2008

	<u>Student/Staff Programs and Services</u>		
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities - at replacement cost (unaudited)	\$ 3,028,343		\$ 3,058,609
Improvements - at historical cost			
Parking Lots - at historical cost		\$ 698,666	
Equipment - at historical cost	\$ 2,210,746	\$ 1,363,396	\$ 844,853
Guidelines limitations on repair and replacement reserves for entities			
5% of replacement cost of facilities	\$ 151,417	\$ -	\$ 152,930
5% of historical cost of improvements	-	-	-
10% of historical cost of parking lots	-	69,867	-
20% of historical cost of equipment	442,149	272,679	168,971
Total reserve limitation	593,566	342,546	321,901
Repair and replacement reserve	233,922	-	-
Total margin of compliance	\$ 359,644	\$ 342,546	\$ 321,901

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
STOREROOMS AND SERVICE DEPARTMENTS
JUNE 30, 2008

	<u>Communication and Computing Services</u> <u>All Campuses</u>
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 16,551,252
Improvements - at historical cost	\$ 10,500,000
Equipment - at historical cost	\$ 173,719,250
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 827,563
5% of historical cost of improvements	525,000
20% of historical cost of equipment	34,743,850
Total reserve limitation	36,096,413
Repair and replacement reserve	-
Total margin of compliance	<u>\$ 36,096,413</u>

	<u>Plant and Service Operations</u> <u>All Campuses</u>
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 44,619,918
Improvements - at historical cost	\$ 281,088,275
Equipment - at historical cost	\$ 58,729,737
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 2,230,996
5% of historical cost of improvements	14,054,414
20% of historical cost of equipment	11,745,947
Total reserve limitation	28,031,357
Repair and replacement reserve	2,645,111
Total margin of compliance	<u>\$ 25,386,246</u>

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2008

	<u>Instructional Course Activities</u>	
	<u>Urbana</u>	<u>Chicago</u>
Capital assets:		
Facilities - at replacement cost (unaudited)	\$ 20,063,851	
Equipment - at historical cost	<u>\$ 6,577,078</u>	<u>\$ 188,837</u>
Guidelines limitations on repair and replacement reserves for entities		
5% of replacement cost of facilities	\$ 1,003,193	\$ -
20% of historical cost of equipment	<u>1,315,416</u>	<u>37,767</u>
Total reserve limitation	2,318,609	37,767
Repair and replacement reserve	<u>773,914</u>	<u>-</u>
Total margin of compliance:	<u>\$ 1,544,695</u>	<u>\$ 37,767</u>

	<u>Professional Development Activities</u>			
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Global</u>
Capital assets:				
Facilities - at replacement cost (unaudited)	\$ 227,188			
Equipment - at historical cost	<u>\$ 2,554,143</u>	<u>\$ 1,798,616</u>	<u>\$ 63,240</u>	<u>\$ 67,486</u>
Guidelines limitations on repair and replacement reserves for entities				
5% of replacement cost of facilities	\$ 11,359	\$ -	\$ -	\$ -
20% of historical cost of equipment	<u>510,829</u>	<u>359,723</u>	<u>12,648</u>	<u>13,497</u>
Total reserve limitation	522,188	359,723	12,648	13,497
Repair and replacement reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total margin of compliance	<u>\$ 522,188</u>	<u>\$ 359,723</u>	<u>\$ 12,648</u>	<u>\$ 13,497</u>

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2008

Agricultural Operations

Urbana

Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 43,571,649
Improvements - at historical cost	\$ 473,425
Equipment - at historical cost	\$ 6,075,686
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 2,178,582
5% of historical cost of improvements	23,671
20% of historical cost of equipment	1,215,137
Total reserve limitation	3,417,390
Repair and replacement reserve	-
Total margin of compliance	\$ 3,417,390

Commercial Operations

Not Under Indenture
Chicago

Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 15,235,579
Improvements - at historical cost	\$ 21,241,650
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 761,779
5% of historical cost of improvements	1,062,083
Total reserve limitation	1,823,862
Repair and replacement reserve	-
Total margin of compliance	\$ 1,823,862

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2008

<u>Commercial Operations</u>	
<u>Under Indenture</u>	
<u>Urbana</u>	
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 27,738,201
Improvements - at historical cost	\$ 43,498,320
Equipment - at historical cost	\$ 3,002,128
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 1,386,910
5% of historical cost of improvements	2,174,916
20% of historical cost of equipment	600,426
Total reserve limitation	4,162,252
Repair and replacement reserve	<u>241,231</u>
Total margin of compliance	<u>\$ 3,921,021</u>

<u>Hospital and Clinics</u>	
<u>Chicago</u>	
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 311,021,997
Equipment - at historical cost	\$ 176,522,710
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 15,551,100
20% of historical cost of equipment	35,304,542
Total reserve limitation	50,855,642
Repair and replacement reserve	<u>2,409,713</u>
Total margin of compliance	<u>\$ 48,445,929</u>

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
 CURRENT EXCESS FUNDS CALCULATIONS
 SELECTED PLANT FUND DATA
 DEPARTMENTAL ACTIVITIES
 JUNE 30, 2008

Public Service, Academic Support
 and Economic Development Activities

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities - at replacement cost (unaudited)	\$ 183,778,295	\$ 152,617,115	
Improvements - at historical cost	\$ 633,636		
Equipment - at historical cost	\$ 9,007,117	\$ 6,003,531	\$ 82,527
Guidelines limitations on repair and replacement reserves for entities			
5% of replacement cost of facilities	\$ 9,188,915	\$ 7,630,856	\$ -
5% of historical cost of improvements	31,682	-	-
20% of historical cost of equipment	1,801,423	1,200,706	16,505
Total reserve limitation	11,022,020	8,831,562	16,505
Repair and replacement reserve	1,274,698	-	-
Total margin of compliance	\$ 9,747,322	\$ 8,831,562	\$ 16,505

Intercollegiate Athletics

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities - at replacement cost (unaudited)	\$ 452,139		
Improvements - at historical cost	\$ 8,001		
Equipment - at historical cost	\$ 6,753,172	\$ 468,982	\$ 51,938
Guidelines limitations on repair and replacement reserves for entities			
5% of replacement cost of facilities	\$ 22,607	\$ -	\$ -
5% of historical cost of improvements	400	-	-
20% of historical cost of equipment	1,350,634	93,796	10,388
Total reserve limitation	1,373,641	93,796	10,388
Repair and replacement reserve	-	-	-
Total margin of compliance	\$ 1,373,641	\$ 93,796	\$ 10,388

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
NOTES TO SELECTED PLANT FUND DATA
JUNE 30, 2008

1. The *University Guidelines* allow for the establishment of capital reserves for **indentured entities** as required by the bond indenture.

2. The *University Guidelines* allow for the establishment of capital reserves for **nonindentured entities** as follows:
 - 5% of replacement cost of buildings and related improvements.
 - 10% of the historical cost of parking lots or estimated cost of resurfacing any one existing parking lot, whichever is greater.
 - 20% of the historical cost of moveable equipment or the replacement cost of any individual piece of equipment, whichever is greater.

In the Selected Plant Fund Data presented, the University has used 5% of replacement cost (calculated using the *Engineering News Record* - Building Cost Index) of buildings and related improvements in calculating allowable reserves.

3. Historical or replacement cost of investments in plant assets have been provided for purposes of computing the margins of compliance. In compliance with GASB 35, all reserve activity associated with an entity has been included in the financial statement for that entity.

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
AUXILIARY ENTERPRISES UNDER INDENTURE
AUXILIARY FACILITIES SYSTEM
June 30, 2008

1. Current Available Funds	All campuses
Add:	
Cash (excludes repair and replacement reserve)	\$ 18,006,547
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ 18,006,547

2. Working Capital Allowance	
Add:	
Highest month's expenditures	\$ 27,266,486
Encumbrances and current liabilities paid in lapse period	6,529,879
Deferred income	3,587,665
Refundable deposits	1,779,530
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	(72,279)
Working Capital Allowance	B \$ 39,091,281

3. Current Excess Funds	
Deduct B from A and enter here	C \$ (21,084,734)

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 \$ (54,248,078)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (75,332,812)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENTS/STAFF PROGRAMS AND SERVICES - ENTITY 3200
JUNE 30, 2008

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash (excludes repair and replacement reserve)	\$ 7,426,100	\$ 3,660,797	\$ 298,534
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds A	\$ 7,426,100	\$ 3,660,797	\$ 298,534

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 7,879,273	\$ 5,758,330	\$ 453,607
Encumbrances and current liabilities paid in lapse period	883,611	512,719	57,132
Deferred income	1,867,935	1,888,698	35,186
Refundable deposits	70,409	137,273	43,007
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	(40,453)	82,841	4,228
Working Capital Allowance B	\$ 10,660,775	\$ 8,379,861	\$ 593,160

3. Current Excess Funds

Deduct B from A and enter here	C \$ (3,234,675)	\$ (4,719,064)	\$ (294,626)
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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 \$ (359,644)	\$ (342,546)	\$ (321,901)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (3,594,319)	\$ (5,061,610)	\$ (616,527)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES - ENTITY 3100
JUNE 30, 2008

1. Current Available Funds

		All campuses
Add:		
Cash	\$	6,791,753
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A	\$ 6,791,753

2. Working Capital Allowance

Add:		
Highest month's expenditures	\$	7,658,759
Encumbrances and current liabilities paid in lapse period		3,364,471
Deferred income		1,000
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		629,797
Working Capital Allowance	B	\$ 11,654,027

3. Current Excess Funds

Deduct B from A and enter here	C	\$ (4,862,274)
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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	\$ (36,096,413)
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Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund

\$	(40,958,687)
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UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICE OPERATIONS - ENTITY 3110
JUNE 30, 2008

1. Current Available Funds

	All campuses
Add:	
Cash	\$ 31,445,952
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ 31,445,952

2. Working Capital Allowance

Add:	
Highest month's expenditures	\$ 67,644,933
Encumbrances and current liabilities paid in lapse period	59,158,225
Deferred income	2,117,981
Refundable deposits	
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	602,658
Working Capital Allowance	B \$ 129,523,797

3. Current Excess Funds

Deduct B from A and enter here	C \$ (98,077,845)
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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 \$ (25,386,246)
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Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (123,464,091)
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UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES - ENTITY 3410
JUNE 30, 2008

1. Current Available Funds

	Urbana	Chicago	Springfield	Global Campus
Add:				
Cash (excludes repair and replacement reserve)	\$ 2,593,697	\$ 2,969,566	\$ 34,399	\$ 98,382
Cash Equivalents				
Bank Deposits				
Marketable Securities				
Certificates of Deposit				
Repurchase Agreements				
Other cash equivalent items				
Interfund receivables				
Total Current Available Funds A	\$ 2,593,697	\$ 2,969,566	\$ 34,399	\$ 98,382

2. Working Capital Allowance

Add:				
Highest month's expenditures	\$ 1,112,263	\$ 923,970	\$ 42,509	\$ 109,191
Encumbrances and current liabilities paid in lapse period	916,483	469,100	16,047	32,992
Deferred income	881,710	1,380,391	4,700	
Refundable deposits	1,600	53,465		
Allowance for restoring inventory to normal level				
Allowance for sick leave/vacation payouts	16,044	(11,424)	2,825	
Working Capital Allowance B	\$ 2,933,100	\$ 2,815,502	\$ 66,081	\$ 142,183

3. Current Excess Funds

Deduct B from A and enter here	C \$ (339,403)	\$ 154,064	\$ (31,682)	\$ (43,801)
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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 \$ (522,188)	\$ (359,723)	\$ (12,648)	\$ (13,497)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (861,591)	\$ (205,659)	\$ (44,330)	\$ (57,298)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
UNIQUE INSTRUCTIONAL PROGRAMS - ENTITY 3420
JUNE 30, 2008

1. Current Available Funds

Add:	Urbana	Chicago	Springfield
Cash	\$ 2,235,047	\$ 178,485	\$ 616
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds A	\$ 2,235,047	\$ 178,485	\$ 616

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$	\$	\$
Encumbrances and current liabilities paid in lapse period	458,457	53,590	
Deferred income	1,442,527	179,529	
Refundable deposits			
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	(7,679)		
Working Capital Allowance B	\$ 1,893,305	\$ 233,119	\$ -

3. Current Excess Funds

Deduct B from A and enter here	C	\$ 341,742	\$ (54,634)	\$ 616
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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		\$ 341,742	\$ (54,634)	\$ 616

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS - ENTITY 3430
JUNE 30, 2008

1. Current Available Funds

	Urbana
Add:	
Cash	\$ 6,181,990
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ 6,181,990

2. Working Capital Allowance

Add:	
Highest month's expenditures	\$ 1,908,522
Encumbrances and current liabilities paid in lapse period	600,433
Deferred income	337,579
Refundable deposits	
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	20,186
Working Capital Allowance	B \$ 2,866,720

3. Current Excess Funds

Deduct B from A and enter here	C \$ 3,315,270
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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 \$ (3,417,390)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (102,120)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE - ENTITY 3610
JUNE 30, 2008

1. Current Available Funds

Add:	Urbana
Cash	\$ (116,029)
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ (116,029)

2. Working Capital Allowance

Add:	
Highest month's expenditures	\$ 669,606
Encumbrances and current liabilities paid in lapse period	41,950
Deferred income	
Refundable deposits	
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	(14,421)
Working Capital Allowance	B \$ 697,135

3. Current Excess Funds

Deduct B from A and enter here	C \$ (813,164)
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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 \$ (3,921,021)
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Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (4,734,185)
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UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS - ENTITY 3500
JUNE 30, 2008

1. Current Available Funds

	Chicago
Add:	
Cash	\$ 86,531,231
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ 86,531,231

2. Working Capital Allowance

Add:	
Highest month's expenditures	\$ 49,360,406
Encumbrances and current liabilities paid in lapse period	75,561,564
Deferred income	
Refundable deposits	
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	1,351,304
Working Capital Allowance	B \$ 126,273,274

3. Current Excess Funds

Deduct B from A and enter here	C \$ (39,742,043)
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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 \$ (48,445,929)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (88,187,972)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE, ECONOMIC DEVELOPMENT AND ACADEMIC SUPPORT ACTIVITIES - ENTITY 3440
JUNE 30, 2008

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash (excludes repair and replacement reserve)	\$ 3,596,465	\$ 5,717,452	\$ (522,997)
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds	A \$ 3,596,465	\$ 5,717,452	\$ (522,997)

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 4,405,841	\$ 7,718,492	\$ 467,138
Encumbrances and current liabilities paid in lapse period	2,042,597	10,162,139	243,279
Deferred income	1,281,307	894,297	47,190
Refundable deposits	4,675	22,000	41,886
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	(621,034)	327,633	2,553
Working Capital Allowance	B \$ 7,113,386	\$ 19,124,561	\$ 802,046

3. Current Excess Funds

Deduct B from A and enter here	C \$ (3,516,921)	\$ (13,407,109)	\$ (1,325,043)
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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 \$ (9,747,322)	\$ (8,831,562)	\$ (16,505)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (13,264,243)	\$ (22,238,671)	\$ (1,341,548)

UNIVERSITY OF ILLINOIS
ANALYSIS OF INDIRECT COST REIMBURSEMENTS
STATEMENT OF SOURCES AND APPLICATIONS OF
INDIRECT COST REIMBURSEMENTS
YEAR ENDED JUNE 30, 2008

Balance, July 1, 2007		\$ 28,447,707
Sources		
Private Gifts, Grants and Contracts	21,911,687	
United States Government Grants and Contracts	137,165,048	
State of Illinois Grants and Contracts	6,806,827	
Medical Service Plan	1,757,865	
Auxiliary Administrative Allowances	14,320,837	
Other Administrative Allowances	22,223,531	
Investment income	5,344,970	
	209,530,765	
Total Additions		
		209,530,765
Applications		
Educational and General		
Instruction		
Research	67,353,068	
Public Service	6,833,066	
Academic Support	41,330,979	
Student Services	2,097,989	
Institutional Support	49,001,905	
Operation and Maintenance of Plant	38,896,200	
Student Aid	5,030,258	
	210,543,465	
Total Deductions		
		210,543,465
Balance at June 30, 2008		\$ 27,435,007

Note: Above information is prepared on an accrual basis.

Indirect cost reimbursements are expended, pursuant to allocations of funds within the University's budget as adopted by the Board of Trustees, to pay for the costs of grants and contracts operations and to pay for overhead expenses of the University. Indirect cost reimbursements are expended in a manner consistent with the formula under which such reimbursements are determined.

Based on the requirements of the *University Guidelines*, patents and royalties do not meet the definition of indirect cost reimbursements and are excluded from this calculation as well as the indirect cost carry-forward.

UNIVERSITY OF ILLINOIS
ANALYSIS OF INDIRECT COST REIMBURSEMENTS
CALCULATION SHEET FOR INDIRECT COST CARRY-FORWARD
JUNE 30, 2008

1. Cash and Equivalents Balance

Add:

Cash	\$ (8,757,962)
Cash Equivalents	
Bank Deposits	
Marketable Securities	9,593,853
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	

\$ 835,891

2. Allocated Reimbursements

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

\$ 222,961,000 ; enter 30% of this amount	\$ 66,888,300
---	---------------

3. Unallocated Reimbursements

Enter the lesser of the actual unallocated indirect cost expenditure for the year completed OR 10% of total indirect cost allocations for the year completed

0

4. Encumbrances and Current Liabilities

Paid in the Lapse Period

Enter the amount of:

Current Liabilities	8,849,128
Encumbrances	19,368,272
Total	\$ 28,217,400

5. Indirect Cost Carry-forward

a. Enter the total items 2, 3 and 4

95,105,700

b. Subtract from item 1

(94,269,809)

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

\$ N/A

UNIVERSITY OF ILLINOIS
SCHEDULES OF FEDERAL EXPENDITURES, NONFEDERAL EXPENSES, AND NEW LOANS
YEAR ENDED JUNE 30, 2008
(expressed in thousands)

<u>Schedule A - Federal Financial Component</u>	
Total Federal Expenditures Reported on SEFA Schedule	\$ 616,320
Total New Loans Made not included on SEFA Schedule	331,307
Amount of Federal Loan Balances at Beginning of the Year (not included on the SEFA schedule and continued compliance is required)	50,317
Other noncash Federal Award Expenditures	9,852
	<u>\$ 1,007,796</u>

<u>Schedule B - Total Financial Component</u>	
Total Operating Expenses (From Financial Statements)	4,038,418
Total Nonoperating Expenses (From Financial Statements)	68,091
Total New Loans Made	331,307
Amount of Federal Loan Balances at Beginning of the Year	50,317
Other noncash Federal Award Expenditures	9,852
Total Schedule B	<u>\$ 4,497,985</u>

<u>Schedule C</u>	Amount	Percent
Total Schedule A	\$ 1,007,796	22.4%
Total Nonfederal Expenses	\$ 3,490,189	77.6%
Total Schedule B	<u>\$ 4,497,985</u>	<u>100.0%</u>

These schedules are used to determine the Agency's single audit costs in accordance with OMB Circular A-133.

UNIVERSITY OF ILLINOIS
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM
YEAR ENDED JUNE 30, 2008

The University of Illinois ("University") is a comprehensive university primarily serving the citizens of Illinois from three main campuses through instruction (both on-campus and on-line), research, economic development and outreach activities. The University is headed by its President, B. Joseph White, whose office is located at the Urbana-Champaign campus, Office of the President, 346 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801. The University's mission is articulated in its "Scope and Mission of the University of Illinois" statement. This document is updated as deemed necessary by management of the University.

The Urbana-Champaign campus is responsible for pursuing instruction, including strong emphasis at the graduate level; research, through its eminent faculty; and public service as the original land grant campus of the University.

The Chicago campus is responsible for pursuing teaching, research and service activities related to basic and health sciences and providing a broad range of educational services at both the graduate and undergraduate levels. Vast educational offerings include professional degree programs in medicine, dentistry, pharmacy, nursing, associated health professions and public health as well as major research programs in a variety of curriculums.

The Springfield campus is responsible for addressing public affairs within the framework of a liberal arts curriculum through its first-hand access to state government and public service through special courses, projects and internship opportunities.

Each campus has developed planning procedures for maintenance and expansion of existing programs as well as development of new programs. All proposals for academic programs originate in the campus Faculty Senate, are reviewed by Central Administration and are approved by the Board of Trustees before being submitted, when necessary, to the Illinois Board of Higher Education. A university-wide, five-year "rolling" budget, the Resource Allocation Management Plan (RAMP), is prepared annually and is approved by the Illinois Board of Higher Education. The University's planning and budgeting procedures appear to be comprehensive and responsive in accomplishing each campus' mission.

In addition to the extensive formal planning and budgeting process at the University, each campus has established its own academic review program. These programs involve the participation of those faculty members responsible for considering matters of educational policy (e.g., granting tenure). On occasion, outside reviewers are utilized and accreditation review teams provide additional input for virtually all professional programs and academic offerings. The reviews concentrate on qualitative concerns as well as document quantitative issues. It appears that the academic reviews should be effective measures in accomplishing the University's mission.

We conclude, based on our observation of the University's functions and planning program, that the University's mission is formally documented on a current basis and that formal planning and monitoring procedures have been designed and implemented to meet the needs of the University and the requirements of the State.

UNIVERSITY OF ILLINOIS
EMPLOYMENT AND COST STATISTICS
FALL TERMS FISCAL 2008 AND 2007
(Unaudited)

University employment statistics

<u>Headcount</u>	Fall Term Fiscal 2008			Fall Term Fiscal 2007				
	Urbana	Chicago	Springfield	Total	Urbana	Chicago	Springfield	Total
Faculty	3,391	3,037	331	6,759	3,330	3,061	323	6,714
Academic Professionals	4,793	4,120	258	9,171	4,231	4,005	237	8,473
Support Staff	5,073	5,531	317	10,921	4,983	5,499	297	10,779
Other	6,295	3,557	251	10,103	6,180	3,737	253	10,170
	<u>19,552</u>	<u>16,245</u>	<u>1,157</u>	<u>36,954</u>	<u>18,724</u>	<u>16,302</u>	<u>1,110</u>	<u>36,136</u>
<u>Full-time equivalency</u>								
Faculty	3,080	2,399	249	5,728	3,027	2,424	249	5,700
Academic Professionals	4,689	4,090	252	9,031	4,179	3,909	230	8,318
Support Staff	4,973	5,362	312	10,647	4,885	5,316	294	10,495
Other	2,747	2,117	135	4,999	2,697	2,199	141	5,037
	<u>15,489</u>	<u>13,968</u>	<u>948</u>	<u>30,405</u>	<u>14,788</u>	<u>13,848</u>	<u>914</u>	<u>29,550</u>

"Other" represents house staff (medical residents and interns), and research and teaching assistants.

The above information was provided by the University Office of Planning and Budgeting from the Staff Monitoring System and is prepared using Illinois Board of Higher Education requirements as follows:

- (1) Employees with full-time contracts are counted as one full-time equivalent.
- (2) Part-time employees are multiplied by the number of months worked and then divided by twelve to arrive at their full-time equivalency.

UNIVERSITY OF ILLINOIS
EMPLOYMENT AND COST STATISTICS
YEARS ENDED JUNE 30, 2008 AND 2007

(Unaudited)

Cost per student credit hour and full-time equivalent student

The following are calculations of cost per student credit hour and cost per full-time equivalent student for the years ended June 30, 2008 and June 30, 2007, using the formula prescribed by the Illinois Board of Higher Education. All credit hours and instructional operating costs paid from state appropriated funds are included (except costs related to the College of Medicine and Dentistry at the Health Sciences Center).

	Urbana-Champaign		Chicago		Springfield	
	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate
For the year ended June 30, 2008:						
Total costs (1)	\$ 292,287,714	\$ 216,798,059	\$125,268,747	\$116,244,355	\$ 25,824,072	\$ 14,088,439
Student credit hours	938,977	298,835	451,399	172,775	67,921	30,855
Full-time equivalent students (2)	31,299	12,451	15,047	7,199	2,264	1,286
Cost per student credit hour	\$ 311	\$ 725	\$ 278	\$ 673	\$ 380	\$ 457
Cost per full-time equivalent student	\$ 9,339	\$ 17,412	\$ 8,325	\$ 16,147	\$ 11,406	\$ 10,955
For the year ended June 30, 2007:						
Total costs (1)	\$ 267,843,476	\$ 208,086,178	\$110,889,432	\$112,063,756	\$ 23,749,794	\$ 12,698,373
Student credit hours	943,047	298,224	429,168	164,957	66,605	32,957
Full-time equivalent students (2)	31,435	12,426	14,306	6,873	2,220	1,373
Cost per student credit hour	\$ 284	\$ 698	\$ 258	\$ 679	\$ 357	\$ 385
Cost per full-time equivalent student	\$ 8,521	\$ 16,746	\$ 7,751	\$ 16,305	\$ 10,697	\$ 9,247

(1) Total costs are calculated using Illinois Board of Higher Education requirements as follows: total state appropriated costs less organized research, public service, student financial aid, appropriations for the State Universities Retirement System, appropriations for workmen's compensation, auxiliary enterprises, hospital and independent operations.

(2) Undergraduate full-time equivalent student is computed as the total number of semester credit hours divided by 30. Graduate and professional full-time equivalent student is computed as the total number of semester credit hours divided by 24.

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FISCAL YEAR 2008
(Unaudited)

The following statistics are from the *State of Illinois Board of Higher Education 2007 Data Book on Illinois Higher Education*, Fall Enrollment Survey.

Enrollment Statistics

The total headcount enrollment for Fall 2007 by class level was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Undergraduate				
Freshman	7,914	4,488	371	12,773
Sophomore	6,330	2,837	284	9,451
Junior	7,428	3,256	762	11,446
Senior	8,723	4,984	1,279	14,986
Unclassified	500	107	167	774
Total Undergraduate	<u>30,895</u>	<u>15,672</u>	<u>2,863</u>	<u>49,430</u>
Graduate				
Professional	1,010	2,357		3,367
Graduate	9,839	6,872	1,741	18,452
Unclassified	582	846	251	1,679
Total Graduate	<u>11,431</u>	<u>10,075</u>	<u>1,992</u>	<u>23,498</u>
Total	<u>42,326</u>	<u>25,747</u>	<u>4,855</u>	<u>72,928</u>

The total headcount enrollment for Fall 2007 by gender and by level of instruction were as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Gender				
Men	22,304	11,562	2,128	35,994
Women	20,022	14,185	2,727	36,934
Total	<u>42,326</u>	<u>25,747</u>	<u>4,855</u>	<u>72,928</u>
Level of instruction				
Full-time	39,017	21,360	2,200	62,577
Part-time	3,309	4,387	2,655	10,351
Total	<u>42,326</u>	<u>25,747</u>	<u>4,855</u>	<u>72,928</u>

The median age of students enrolled by level of instruction for Fall 2007 were as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Median age			
Undergraduate	20.3	21.2	24.2
Graduate	27.5	28.4	29.6
Combined	21.1	23.4	26.8

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FISCAL YEAR 2008
(Unaudited)

Degrees Conferred

The following statistics are from the Integrated Postsecondary Education Data System (IPEDS) Completion Survey.

The number of degrees conferred for the year ended June 30, 2008 was as follows:

Degrees	Urbana	Chicago	Springfield	Total
Baccalaureate	7,314	3,334	699	11,347
Masters	2,673	1,744	840	5,257
First Professional	308	587	-	895
Doctorate	759	315		1,074
Total	11,054	5,980	1,539	18,573

UIC Baccalaureate counts include 11 Postbaccalaureate Certificates.

UIC Masters counts include 2 Post-Master's Certificates.

UIC Doctorate counts include the Doctor of Physical Therapy degrees which the campus considers first-professional degrees.

UIC Professional counts include 29 First-Professional Certificates.

UIS Baccalaureate counts include 15 Postbaccalaureate Certificates.

UIUC Masters counts include 18 Post-Master's Certificates. UIUC also had 13 Aviation Certificates.

Staff Statistics

The following statistics are from the Survey of Salaries of Full-Time Instructional Faculty, 2007-2008 IPEDS.

The average salary of full-time faculty for the year ended June 30, 2008 was as follows:

Average salary of	Urbana*	Chicago	Springfield	Combined
full-time faculty	\$ 91,500	\$ 82,584	\$ 60,651	\$ 86,777

* Excludes University Administration

The percent of tenured full-time faculty for the year ended June 30, 2007 was as follows:

Percent of tenured	Urbana	Chicago	Springfield	Combined
full-time faculty	59.6%	55.3%	44.1%	57.3%

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS

FISCAL YEAR 2008

(Unaudited)

Tuition and Required Fees Rates

The following tuition and required fee rates are from the Institutional Characteristics Survey (IC), Integrated Postsecondary Education Data System (IPEDS).

The general 4-year guaranteed base rate tuition and required fees for full-time, in-state undergraduates and general full-time base rate tuition and required fees for in-state graduate students entering after fall 2007 for the 2007-08 academic year were as follows (excluding refundable fees):

	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>
Undergraduate	\$ 10,546	\$ 11,130	\$ 8,108
Graduate	\$ 10,912	\$ 11,216	\$ 7,120

The tuition and required fees for a full-time student entering fall 2007 for the 2007-2008 academic year in the first-professional programs were as follows (excluding refundable fees):

	<u>Chicago</u>	<u>Urbana</u>
First-professional programs		
Medicine*	\$ 28,572	
Dentistry	\$ 26,596	
Pharmacy	\$ 18,202	
Other (Physical Therapy)**	\$ 15,286	
Law*		\$ 25,972
Veterinary Medicine*		\$ 20,282

*Excludes a disability insurance fee of \$58.20.

**IPEDS does not consider this a First-professional program.

UNIVERSITY OF ILLINOIS
ILLINOIS FIRST PROJECTS
FISCAL YEAR 2008
(Unaudited)

Appropriation Code/ Project Number	Award Amount	Expenditures
Appropriated to the Capital Development Board for the benefit of the Board of Higher Education:		
No amount appropriated for FY08	_____	_____
Total Illinois First Projects	\$ -	\$ -

UNIVERSITY OF ILLINOIS
EMERGENCY PURCHASES
YEAR ENDED JUNE 30, 2008
(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2008.

Vendor	Description	Amount
BMS Catastrophe, Inc.	The University of Illinois Library experienced a steam leak in one of its buildings causing critical books and recording media to get wet and requiring immediate dehumidification and freeze drying recovery services to preserve materials and property to prevent permanent damage.	38,042.00
Agilent Technologies	The department requires special tools for research and instruction. Agilent has made a limited time offer of a 60% educational discount that gives the department an opportunity to save considerable funds.	54,994.80
Prairie International Trucks	The used truck is available for a limited time and by definition is a spot market purchase. Delay in issuing the purchase order for this transaction could seriously put the University at a disadvantage either price wise or prevent the University from acquiring the much needed truck. The department has indicated that the purchase of the equipment at this time is a good business decision.	43,000.00
Pasadena Tournament of Roses Association	The football team has been invited to participate in the Rose Bowl Tournament. The Tournament committee has given them an allowance for miscellaneous expenses to cover such items as charter buses, highway patrol, Enterprise Car Rental, additional expenses at the practice facility for laundry or meals or equipment, medical supplies, extra event tickets, and parade tickets.	43,228.20
Hyatt Regency Century Plaza	This emergency expenditure is for hotel accommodations and catering services for the University of Illinois football team when they participated in the Rose Bowl in Pasadena, CA.	539,924.81
Marriott Warner Ctr. Woodland	This emergency expenditure is for hotel accommodations and catering services for the University of Illinois Band and Cheerleaders when they participated in the Rose Bowl in Pasadena, CA.	76,566.56
BMS Catastrophe, Inc.	The University of Illinois at Chicago experienced fires at two separate locations causing damage to property and contents and requiring immediate action to preserve materials and property.	6,030,000.00

UNIVERSITY OF ILLINOIS
EMERGENCY PURCHASES
YEAR ENDED JUNE 30, 2008

(Unaudited)

(continued from previous page)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2008.

Vendor	Description	Amount
Kroeschell, Inc.	This is for emergency service that is required due to the failure of the heating system of the Molecular Biology Research Building. This service provided around the clock labor and miscellaneous supplies to make the necessary emergency repairs to the heating system to minimize the downtime of the ongoing research and to provide uninterrupted emergency repairs.	144,997.00
Steiner Electric Company	This is for emergency purchase that is required due to the failure of the main electrical transformer coil at the College of Medicine Research Building. This equipment will be used to replace a burned out transformer coil. The building is currently operating on a secondary transformer coil which is providing power to the building on a limited capacity. This is the only vendor that can supply the equipment in four weeks.	135,294.00
Merchants Auto	The University of Illinois Department of Natural Resources and Environmental Services requires the use of seven rental trucks to conduct time sensitive research. The trucks are required March 1, 2008 through July 31, 2008. Notification of funding approval for this research was just recently received.	41,682.55
MARSH USA, Inc.	Procurement of claims management services for the College of Pharmacy loss due to fire and the Molecular Biology Research Building loss due to water damage. This service will provide claim management services including claim preparation, preliminary claim report, claim consultation, and claim project management.	299,000.00
Euro RSCG Chicago	The opportunity to purchase advertising for the Rose Bowl was available for only a short period of time and ad slicks had to be submitted in a short time frame. Euro RSCG had recently completed a branding platform for the campus and therefore had information that enabled it to successfully complete the project and meet the deadline imposed on the University by the media	86,195.91
Landmark Ford	The University of Illinois purchases 3 2008 pickup trucks with snowplows for the University airport.	79,097.00
Shaff Machinery Co.	The Department of Animal Science required a used tractor. The tractor is being purchased on the spot market. The Animal Science Department lost the use of a tractor and required an immediate replacement.	45,400.00
Datech Electric Ind.	This emergency repair of a 480-volt electrical feeder system located in UIC's Medical Center Steam Tunnel. The cabling, conduit, and grounding system were compromised due to age, deterioration, and corrosion. The current system is ungrounded and thus creates a life safety issue for personnel within the tunnel.	155,000.00
F & B Stability Specialist	This service is for emergency repairs to seven environmental rooms in the Molecular Biology Research Building. The repairs are necessary due to damage the rooms sustained when the heating system failed on January 19, 2008 and caused flooding in various rooms throughout the building.	47,653.00
Thermo Electron Corp.	This repair service will provide installation, preventative maintenance, on-site repair and re-certification of seven Thermo Electron analytical instruments that were damaged during the fire at the Pharmacy Research Building.	105,802.33
Midwest Access Services	The emergency repair service will provide labor and material to erect a heavy duty canopy necessary to protect the public from unsafe conditions resulting from falling concrete off the facade of the University Hall building.	91,645.00

UNIVERSITY OF ILLINOIS
EMERGENCY PURCHASES
YEAR ENDED JUNE 30, 2008

(Unaudited)

(continued from previous page)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2008.

Thermo Electron Corp.	This repair service and recovery series of a GS 1280 Hewlett-Packard computing system used to deliver patient care and conduct business operations in the University of Illinois Medical Center, Department of Information Services.	54,806.00
Agilent Technologies	This equipment will be used to replace equipment that was damaged during the College of Medicine Building fire on January 19, 2008 and is necessary to restore certain specialized functions of the Mass Spectrometry Laboratory.	285,634.50
J-MAC Associates, Ltd.	The emergency service provided labor and material to replace and/or repair ceiling tiles, ceiling grids, drywall, windows, walls, and construct barriers as requested due to the College of Pharmacy fire.	262,850.00
McWilliams Electric Company	This service was required to replace and/or repair electrical wiring, fixtures, lights, conduit, and other electrical hardware as needed due to the fire at the College of Pharmacy Building.	86,084.00
Nelson Insulation Company	This service is required to repair fire damaged insulation on various piping, plumbing, and ductwork in designated areas on the 1st through 5th floors and installation of curtain wall fiberglass boards in designated areas on the 4th and 5th floor of the College of Pharmacy Building.	154,370.00
Kone, Inc.	The services include remove existing steps from each of the 10 escalators for inspection on the inside of the units, then reinstall and shim the steps at the College of Pharmacy Building.	40,145.00
C.L. Doucette, Inc.	This service is required to supply labor and material to repair the sprinkler system over the escalators that were damaged during the fire on January 19, 2008 at the College of Pharmacy Building.	50,400.00
John A. Eby & Sons, Inc.	This service will provide labor and material to repair water damaged walls and ceiling tiles and other related work as required due to the fire at the College of Pharmacy Building.	165,258.00
EHC Industries Inc.	This service is required to abate, remove, and dispose of asbestos containing materials utilized in the ceiling and floor tiles at the College of Pharmacy.	173,019.00
William J. Perkinson Co., Inc.	This service is for labor and material to fabricate and install metal columns and convection enclosures in the College of Pharmacy Building.	148,000.00
Southland Custom Decorating	This service will provide labor and material to repair doors, door frames, and walls that were damaged during the fire at the College of Pharmacy Building.	64,904.00
Commercial Carpet Consultants	This service will provide labor and materials to replace carpeting that was damaged during the fire at the College of Pharmacy Building.	68,700.00
J-MAC Associates, Ltd.	This service provided repairs and reconstructive work to ceilings, walls, doors, and windows necessary to restore the east and south wings of the building that were damaged during the fire at the College of Pharmacy Building.	114,840.50
Applied Biosystems	This service will provide labor and material to repair water damaged walls and ceiling tiles and other related work as required due to the fire at the College of Pharmacy Building.	38,861.00
Charles E. Shomo & Associates	This laboratory cabinetry will be used to replace the lab items that were damaged during the fire at the College of Pharmacy Building and are necessary to restore certain specialized functions.	94,808.00
McWilliams Electric Company	This emergency service will restore the lighting in the affected areas and supply necessary material and labor to remove ballasts and lamps in existing fixtures due to the fire at the College of Pharmacy Building.	74,239.00
Beckman Coulter	This emergency service will provide a Multisizer that has high resolution particle/cell sizing and counting using a patented technology due to the fire at the College of Pharmacy Building.	33,000.00

UNIVERSITY OF ILLINOIS
EMERGENCY PURCHASES
YEAR ENDED JUNE 30, 2008

(Unaudited)

(continued from previous page)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2008.

Heat Transfer Specialists	The Illinois State Water Survey has developed and patented technology for the on-site production of activated carbon to remove mercury from coal. Heat Transfer Specialists have the necessary assets for the required testing of the technology at Ameren's Meredosia Power Plant September 2008.	158,075.00
Particle Sizing Systems	This instrument is a replacement for an identical instrument damaged in the fire at the College of Pharmacy Building.	43,650.00
Prairie International Trucks	A vehicle operated by F&S Stores and Receiving has suffered a breakdown that is not financially prudent to repair.	42,900.00
GE Healthcare Biosciences Corp	This emergency purchase is required due to damage from broken water pipes that resulted when the heating system failed at the Molecular Biology Research Building. The original instrument was found to be un-repairable.	39,895.25

UNIVERSITY OF ILLINOIS
UNIVERSITY BOOKSTORE INFORMATION
FISCAL YEAR 2008
(Unaudited)

	University of Illinois	U of I at Chicago	U of I -Springfield
University	(U of I)	(UIC)	(UIS)
Contracted/Rents to students/University operated	University operated	University Operated	Contracted
Contractor	N/A	N/A	Follett Higher Education Group, Inc
Contract Term	N/A	N/A	4/1/05 - 3/31/10 * renewable for 5 add'l 12 month periods
Amount of Gross Sales for bookstore for FY 07	\$10,452,068	\$10,067,046	\$1,515,573
Amount to be Paid to bookstore for FY 07 (if any) from University	N/A	N/A	N/A
Commissions	N/A	N/A	\$130,949
Commission terms	N/A	N/A	-Follett to pay UIS - an annual amount equal to the sum of: 1) 8.50% of all Gross Revenue up to \$1,000,000, plus 2) 9.50% of any part of Gross Revenue over \$1,000,000 *paid monthly 20 days after the end of the month
Given exclusive rights	No	No	Yes
Competition/ "Other" nearby/on campus Bookstores	T.I.S College Bookstore Follett Bookstore	Chicago Textbooks, Inc	Barnes & Noble

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2008

In accordance with an Office of the Auditor General, July 25, 2000, memorandum entitled "*Matters Regarding University Audits*" ("Memorandum"), certain supplemental data is required to be reported for University audits. The table below cross-references the memorandum requirements (indicated by number and letter paragraph references) to the University financial statements and audit reports for the year ended June 30, 2008 where such special data is found.

Compliance Findings

- 13(a) At June 30, 2008 no findings of noncompliance with *University Guidelines* were noted. The University's calculation sheets for current excess funds are presented in this report on page numbers 78 through 90.

Indirect Cost Reimbursements

- 13(b) A statement of the sources and applications of indirect cost reimbursements is included in this report on page number 91.
- 13(c) The University's calculation sheet for indirect cost carry-forward is included in this report on page number 92.

Tuition Charges and Fees

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

Auxiliary Enterprises, Activities and Accounting Entities

- 13(e) Identification of each specific accounting entity and descriptions of the sources of revenue and purpose of each are presented in this report on pages 40 through 43.
- 13(f) Entity financial statements are presented on pages 44 through 69 of this report. The entity financial statements should be read in conjunction with the University of Illinois Annual Financial Report for the year ended June 30, 2008, the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2008, the Annual Financial Report of the Willard Airport Facility for the year ended June 30, 2008, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2008.
- 13(g) The University's calculation sheets for current excess funds are presented in this report on pages 78 through 90.
- 13(h) Support received by auxiliary enterprises from State appropriated funds for retirement and group insurance benefits is disclosed in the Annual Financial Report of the University of Illinois Auxiliary Facilities System on page 10.

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2008

Auxiliary Enterprises, Activities and Accounting Entities (cont'd)

- 13(i) Statements of receipts and disbursements, and related definitions, for funds required by bond indentures are presented on pages 7 through 9 and page 15 and 16 of the Annual Financial Report of the University of Illinois Auxiliary Facilities System.
- 13(j) Statements with respect to compliance with the fund accounting covenants of the Resolutions of the Board of Trustees of the University of Illinois, which provided for the issuance of revenue bonds, are included in the respective Independent Auditor's Report included in the Annual Financial Report of the University of Illinois Auxiliary Facilities System, the Annual Financial Report of the Willard Airport Facility, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2008.
- 13(k) At June 30, 2008 no non-instructional facilities reserves (development reserves) have been established by the University.

University-Related Organizations

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

Organizations recognized by the University as University Related Organizations (UROs) are as follows:

University of Illinois Foundation	Prairieland Energy, Inc.
University of Illinois Alumni Association	Illinois Ventures, LLC and its Subsidiary
University of Illinois Research Park, LLC	Wolcott, Wood and Taylor, Inc.

Payments by the UROs to the University for services provided by the University and payments by the University to UROs for services provided by the UROs are disclosed in this report on pages 108 and 109 and on indicated pages of the following reports for the year ended June 30, 2008.

University of Illinois Annual Financial Report	Page 28
Annual Financial Statements of the University of Illinois Foundation	Page 25 - 27
Annual Financial Statements of the University of Illinois Alumni Association	Pages 15 and 16
Annual Financial Statements of Wolcott, Wood and Taylor, Inc.	Page 21

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2008

University-Related Organizations (cont'd)

Annual Financial Statements of Prairieland Energy, Inc.	Pages 17
Annual Financial Statements of Illinois Ventures, LLC and its Subsidiary	Page 19
Annual Financial Statements of University Of Illinois Research Park, LLC	Pages 15 - 17

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

- 13(o) At June 30, 2008 there are no unreimbursed subsidies to the UROs from University or appropriated funds.
- 13(p) Debt financing by UROs at June 30, 2008 is disclosed in the Annual Financial Statements of the University of Illinois Foundation on page 31.

Other Topics

- 13(q) Schedules of cash and investments held by the University are presented in the Analysis of Significant Account Balances section of this report on pages 11 and 12 and in the Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2008 on pages 33 through 37.
- 13(r) A statement describing the methodology used to allocate income from investments of pooled funds is included in this report on page 11.
- 13(s) Costs per full time equivalent student are presented in this report on page 96.
- 13(t) Acquisitions of land in excess of \$250,000 by the University and its UROs during the year ended June 30, 2008 that were not funded by a separate appropriation specifically identifying the particular acquisitions are presented in this report, if applicable, on pages 19 and 108 as Analysis of Significant Account Balances – Capital Assets and Schedule of Funds Provided by the University of Illinois Foundation.
- 13(u) During fiscal year 2008, the University issued Certificates of Participation Series 2007A, 2007B, 2007C, and 2007D. The 2007A Certificates were issued to acquire, construct, equip, and install certain facilities of the University of Illinois, as well as to refund the Series 1997 Certificates. The 2007B Certificates were issued to partially refund outstanding Certificates of Participation, Series 2001. The 2007C Certificates were issued to finance a portion of the cost of the College of Medicine Rockford National Center for Rural Health Professionals Facility. The taxable 2007D Certificates were issued to finance a portion of the cost of a Petascale Computing Facility, and related infrastructure costs. A portion of the proceeds from each of the Series 2007 Certificates was used to pay costs incidental to issuing the certificates..

UNIVERSITY OF ILLINOIS
ANALYSIS OF OPERATIONS
SCHEDULE OF FUNDS PROVIDED BY THE UNIVERSITY OF ILLINOIS FOUNDATION
YEARS ENDED JUNE 30, 2008 and 2007

During fiscal years 2008 and 2007, the University engaged the Foundation, under contract, to provide fund-raising and other services. In accordance with the contract agreement, the University provided \$1,432,417 cash and \$7,449,325 Budget allocation in 2008 and \$2,095,182 cash and \$6,863,705 budget allocation in 2007, and an additional \$297,000 and \$374,000 of services in 2008 and 2007, respectively, to the Foundation. As required by contract, the Foundation provided the University certain funds considered unrestricted for purposes of the computations outlined in *University Guidelines*. In addition, the Foundation provided the University with nonqualifying restricted funds. Presented below is a summary of all funds that the Foundation provided to the University during each fiscal year:

	<u>2008</u>	<u>2007</u>
Unrestricted funds	\$ 459,279	\$ 447,470
Restricted only as to campus, college or department and generally available for ongoing university operations:		
Provided to a particular campus	1,185,608	2,462,771
Provided to a particular college	13,916,829	16,084,540
Provided to a particular department	22,898,647	17,929,911
Provided for the Intercollegiate Athletics	9,593,934	7,561,396
Subtotal	<u>48,054,297</u>	<u>44,486,088</u>
Restricted by donor:		
Provided for student support	17,840,693	18,001,267
Provided for certain instructional, research and public service programs	27,303,428	27,229,064
Provided for physical facilities additions or improvements	10,430,702	11,544,534
Provided for other restricted purposes	33,236,961	27,470,059
Total funds provided by the Foundation to the University	<u>\$ 136,866,081</u>	<u>\$ 128,731,012</u>

University Guidelines require that the University report annually the purchase or acceptance of gifts of real estate by a University Related Organization (URC) in excess of \$250,000. During fiscal year 2008, the University of Illinois Foundation received the following gifts and made the following purchases of real estate:

<u>Date</u>	<u>Value</u>	<u>Property and Description</u>
11/29/2007	\$ 1,005,000	Property located at 1514 W Jackson Blvd, Chicago, IL (Gift)
11/30/2007	\$ 3,663,350	Farmland located in Douglas County, IL (Gift)
3/12/2008	\$ 561,000	Farmland located in Vermillion County, IL (Gift)
5/29/2008	\$ 1,283,127	Farmland located in Champaign County, IL (Purchase)

UNIVERSITY OF ILLINOIS
ANALYSIS OF OPERATIONS
SCHEDULE OF FUNDS PROVIDED BY THE UNIVERSITY TO THE UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION
YEARS ENDED JUNE 30, 2008 and 2007

In accordance with an annual agreement between the University and the Alumni Association, the University paid \$4,981,900 and \$4,905,300 of which \$2,697,700 and \$2,608,100 represent employee salaries to the Alumni Association for the years ended June 30, 2008 and 2007, respectively. In return, the Alumni Association agreed to: (1) provide management and supervisory services for the maintenance of alumni records, (2) publish Alumni periodicals and (3) provide support to Alumni field activities and meetings. During the years ended June 30, 2008 and 2007, the Alumni Association expended the following amounts in the performance of those functions:

	<u>2008</u>	<u>2007</u>
Communications	\$ 703,800	\$ 566,500
Information services	897,500	947,800
Membership promotion	301,500	285,600
Alumni outreach programs	1,415,000	1,376,600
General and operating expenses	<u>1,664,100</u>	<u>1,728,800</u>
Total expenditures	<u>\$ 4,981,900</u>	<u>\$ 4,905,300</u>

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE AND GRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
 (Unaudited)
 (in thousands)

	Undergraduate			Graduate		
	Tuition Waivers	Fee Waivers	Total Waivers	Tuition Waivers	Fee Waivers	Total Waivers
Urbana	\$ 23,967.2	\$ 706.2	\$ 24,673.4	\$ 135,742.6	\$ 7,078.4	\$ 142,821.0
Chicago	\$ 6,474.1	\$ 438.2	\$ 6,912.3	\$ 65,206.1	\$ 5,567.7	\$ 70,773.8
Springfield	\$ 1,134.8	\$ 26.5	\$ 1,161.3	\$ 1,713.8	\$ 113.8	\$ 1,827.6
Total	\$ 31,576.1	\$ 1,170.9	\$ 32,747.0	\$ 202,662.5	\$ 12,759.9	\$ 215,422.4

The amount of fiscal 2008 tuition waivers reported above are based on data provided from the Office of Planning and Budgeting.

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Urbana-Champaign
(in thousands)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
MANDATORY WAIVERS				
(SUBTOTAL)	1,979	\$ 12,376.8	240	\$ 286.2
Teacher Special Education	66	480.1	66	111.1
General Assembly	565	5,192.0		
ROTC	93	565.6		
DCFS	27	166.4	15	19.7
Children of Employees	753	3,100.4		
Honorary Scholarships	229	1,917.2		
Veterans Grants & Scholarships**	249	955.1	159	155.4
Adjustments (1)	(3)			
DISCRETIONARY WAIVERS				
(SUBTOTAL)	2,604	11,590.4	650	420.0
Faculty/Administrators	34	67.4	35	26.1
Civil Service	41	65.4	42	24.2
Academic/Other Talent	597	2,171.7	126	29.9
Athletic	136	992.4		
Foreign Exchange Students	331	4,662.2	330	283.3
Out-of-State Students	7	64.6		
Foreign Students	28	124.1		
Student Need-Financial Aid	1,280	2,380.0		
Student Need-Special Programs	49	26.2		
Cooperating Professionals	5	14.3	5	3.3
Research Assistants				
Teaching Assistants	62	525.5	56	22.4
Other Assistants	51	472.1	47	19.9
Interinstitutional/Related Agencies	10	21.0	10	9.6
Retired University Employees	2	3.5	2	1.3
Adjustments (1)	(29)		(3)	
TOTAL	4,583	\$ 23,967.2	890	\$ 706.2

* Unduplicated

** Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans Affairs). Include only the waived (unfunded) portion of these grants.

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Chicago
(in thousands)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
MANDATORY WAIVERS				
(SUBTOTAL)	695	\$ 3,124.5	338	\$ 344.0
Teacher Special Education	3	21.7	3	5.9
General Assembly	114	750.0		
ROTC	52	338.5		
DCFS	13	86.7	13	24.1
Children of Employees	176	560.8		
Honorary Scholarships	15	110.6		
Veterans Grants & Scholarships**	322	1,256.2	322	314.0
DISCRETIONARY WAIVERS				
(SUBTOTAL)	733	3,349.6	69	94.2
Faculty/Administrators	22	65.9	22	28.5
Civil Service	47	151.7	47	65.7
Academic/Other Talent	379	1,387.7		
Athletic	170	1,312.0		
Student Need-Financial Aid	86	367.4		
Student Need-Special Programs	29	64.9		
Cooperating Professionals				
Adjustments (1)				
TOTAL	1,428	\$ 6,474.1	407	\$ 438.2

* Unduplicated

** Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans Affairs). Include only the waived (unfunded) portion of these grants.

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Springfield
 (in thousands)

	<u>Tuition Waived</u>		<u>Fees Waived</u>	
	<u>Number of Recipients *</u>	<u>Value of Waivers</u>	<u>Number of Recipients *</u>	<u>Value of Waivers</u>
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>300</u>	<u>\$ 702.1</u>	<u>-</u>	<u>\$ --</u>
General Assembly	<u>19</u>	<u>100.1</u>		
DCFS				
Children of Employees	<u>34</u>	<u>76.2</u>		
Senior Citizens	<u>1</u>	<u>4.0</u>		
Honorary Scholarships	<u>31</u>	<u>135.4</u>		
Veterans Grants & Scholarships**	<u>215</u>	<u>386.4</u>		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>226</u>	<u>432.7</u>	<u>47</u>	<u>26.5</u>
Faculty/Administrators	<u>7</u>	<u>21.1</u>	<u>8</u>	<u>1.6</u>
Civil Service	<u>39</u>	<u>100.6</u>	<u>39</u>	<u>24.1</u>
Academic/Other Talent	<u>27</u>	<u>94.2</u>		
Athletic	<u>32</u>	<u>100.0</u>		
Gender Equity in	<u>9</u>	<u>25.0</u>		
Intercollegiate Athletics	<u>5</u>	<u>2.3</u>		
Student Need-Financial Aid	<u>92</u>	<u>66.3</u>		
Student Need-Special Programs	<u>7</u>	<u>1.5</u>		
Interinstitutional/Related Agencies	<u>12</u>	<u>19.2</u>		
Retired University Employees	<u>1</u>	<u>2.5</u>	<u>1</u>	<u>0.8</u>
Adjustments (1)	<u>(5)</u>		<u>(1)</u>	
<u>TOTAL</u>	<u>526</u>	<u>\$ 1,134.8</u>	<u>47</u>	<u>\$ 26.5</u>

* Unduplicated

** Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans Affairs). Include only the waived (unfunded) portion of these grants.

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF GRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Urbana-Champaign
(in thousands)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
MANDATORY WAIVERS				
(SUBTOTAL)	201	\$ 1,810.5	101	\$ 62.5
Teacher Special Education	3	14.5	1	2.6
General Assembly	17	256.1		
DCFS	1	2.3	1	0.9
Honorary Scholarships	31	272.2		
Veterans Grants & Scholarships**	149	1,265.4	99	59.0
DISCRETIONARY WAIVERS				
(SUBTOTAL)	7,883	133,932.1	7,831	7,015.9
Faculty/Administrators	452	2,429.2	475	573.1
Civil Service	79	232.1	83	57.5
Academic/Other Talent	195	1,981.4	186	110.1
Athletic	5	28.9		
Foreign Exchange Students	18	290.7	18	16.5
Out-of-State Students	18	200.3		
Cooperating Professionals	249	824.7	252	211.7
Research Assistants	2,501	47,836.1	2,485	1,972.8
Teaching Assistants	1,802	24,772.3	1,789	1,322.3
Other Assistants	2,463	33,288.0	2,391	1,622.6
Interinstitutional/Related Agencies	37	168.3	38	37.0
Retired University Employees	3	4.4	3	0.7
Contract/Training Grants	129	2,041.4	128	99.7
Fellowship/Traineeship	1,150	19,834.3	1,146	991.9
Adjustments (1)	(1,218)		(1,163)	
TOTAL	8,084	\$ 135,742.6	7,932	\$ 7,078.4

* Unduplicated

** Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans Affairs). Include only the waived (unfunded) portion of these grants.

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF GRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Chicago
(in thousands)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
MANDATORY WAIVERS				
(SUBTOTAL)	237	\$ 3,188.1	129	\$ 158.7
Teacher Special Education	6	25.3	6	10.9
General Assembly	97	2,369.9		
Honorary Scholarships	11	201.8		
Veterans Grants & Scholarships	123	591.1	123	147.8
DISCRETIONARY WAIVERS				
(SUBTOTAL)	4,434	62,018.0	4,288	5,409.0
Faculty/Administrators	668	4,717.7	639	975.4
Civil Service	70	398.5	65	95.7
Academic/Other Talent	104	3,385.9		
Cooperating Professionals	54	156.3	54	56.9
Research Assistants	1,080	14,103.1	1,078	1,305.8
Teaching Assistants	1,077	15,211.6	1,067	1,262.1
Other Assistants	985	14,833.7	983	1,016.0
Retired University Employees	8	11.0	7	4.4
Fellowship/Traineeship	709	9,200.2	670	692.7
Adjustments (1)	(321)		(275)	
TOTAL	4,671	\$ 65,206.1	4,417	\$ 5,567.7

* Unduplicated

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF GRADUATE TUITION AND FEE WAIVERS
2007 - 2008 SCHOOL YEAR
(Unaudited)

University of Illinois at Springfield
(in thousands)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
MANDATORY WAIVERS				
(SUBTOTAL)	102	\$ 163.9	-	\$ -
Teacher Special Education				
General Assembly	2	2.7		
Senior Citizens	1	4.5		
Honorary Scholarships	6	18.6		
Veterans Grants & Scholarships**	93	138.1		
DISCRETIONARY WAIVERS				
(SUBTOTAL)	399	1,549.9	251	113.8
Faculty/Administrators	87	210.9	89	47.0
Civil Service	24	52.0	24	13.8
Academic/Other Talent	11	62.5		
Gender Equity in Intercollegiate Athletics				
Out-of-State Students	4	27.4		
Student Need-Financial Aid	50	61.2		
Cooperating Professionals	20	24.3	20	8.2
Research Assistants	9	50.5	9	3.9
Teaching Assistants	22	117.1	22	8.2
Other Assistants	168	929.7	89	32.4
Interinstitutional/Related Agencies	7	13.3		
Retired University Employees	1	1.0	1	0.3
Adjustments (1)	(4)		(3)	
TOTAL	501	\$ 1,713.8	251	\$ 113.8

* Unduplicated

** Illinois Veterans Grants (ISAC), Illinois National Guard Grants (ISAC), and POW/MIA Scholarships (Department of Veterans Affairs). Include only the waived (unfunded) portion of these grants.

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005