



UNIVERSITY OF ILLINOIS

Supplementary Financial Information and
Special Data Requirements

Year Ended June 30, 2012

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

UNIVERSITY OF ILLINOIS

Supplementary Financial Information and Special Data Requirements

Year Ended June 30, 2012

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Related Reports Published under Separate Covers

The University of Illinois Annual Financial Report for the year ended June 30, 2012

The University of Illinois Auxiliary Facilities System Annual Financial Report for the year ended June 30, 2012

The University of Illinois Health Services Facilities System Annual Financial Report for the year ended June 30, 2012

UNIVERSITY OF ILLINOIS

Supplementary Financial Information and
Special Data Requirements

Year Ended June 30, 2012

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Compliance Examination Report (In accordance with the Single Audit Act and OMB
Circular A-133) for the year ended June 30, 2012, including findings, recommendations, and
University responses

Independent Auditors' Reports 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



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Independent Auditors' Report on Supplementary Information for State Compliance Purposes

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

As Special Assistant Auditors for the Auditor General of the State of Illinois, we have audited the financial statements of the business-type activities and the aggregate discretely presented component units (University Related Organizations) of the University of Illinois (University), a component unit of the State of Illinois, as of and for the year ended June 30, 2012 and have issued our report thereon dated December 17, 2012, which contained unqualified opinions on those financial statements. Our report was modified to include reference to other auditors and to include reference to the adoption of a new accounting pronouncement. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the University's basic financial statements. We have not performed any procedures with respect to the audited basic financial statements subsequent to December 17, 2012.

The accompanying supplementary information in Schedules 1 through 17 and 23 through 25 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information in Schedules 1 through 17 and 23 through 25 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information in Schedules 1 through 17 and 23 through 25, except for that portion marked "unaudited" on Schedule 9, on which we express no opinion, is fairly stated in all material respects in relation to the basic financial statements as a whole.

We have also previously audited the basic financial statements of the University as of and for the years ended June 30, 2011, 2010, and 2009 and we expressed unqualified opinions on those basic financial statements. The accompanying supplementary information in Schedules 1 through 17 and 23 through 25 related to the University's 2011, 2010, and 2009 basic financial statements was subjected to auditing procedures applied in the audit of those basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

The accompanying supplementary information included in Schedule 9 for the years ended June 30, 2002 through 2008, Schedules 18 through 22, and the Analysis of Operations section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such



information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of the Illinois Auditor General, the Illinois General Assembly, the Illinois Legislative Audit Commission, the Illinois Governor, University management, the Board of Trustees of the University, and others within the University who have previously received the basic financial statements of the University as of and for the year ended June 30, 2012, and our unqualified opinions thereon, for use in evaluating those basic financial statements and is not intended to be and should not be used for any other purpose.

KPMG LLP

Chicago, Illinois
March 8, 2013

UNIVERSITY OF ILLINOIS

Schedule of Appropriations, Expenditures, and Lapsed Balances

Fourteen months ended August 31, 2012

Schedule 1

	<u>Appropriations</u>	<u>Vouchered expenditures for the year ended June 30, 2012</u>	<u>Vouchered expenditures for the two months ended August 31, 2012</u>	<u>Total expenditures for the fourteen months ended August 31, 2012</u>	<u>Balances lapsed August 31, 2012</u>	<u>Balances reappropriated August 31, 2012</u>
Educational Assistance Fund:						
Hispanic Center Excellence	\$ 800,000	737,678	62,322	800,000	—	—
Dixon Springs	328,300	319,818	8,482	328,300	—	—
Dentistry	350,000	350,000	—	350,000	—	—
Personal Services	559,357,400	558,881,461	475,939	559,357,400	—	—
Awards and Grants	6,057,500	6,057,500	—	6,057,500	—	—
Contractual Services	40,046,400	40,046,400	—	40,046,400	—	—
Telecommunications	1,800,000	1,800,000	—	1,800,000	—	—
Health Insurance	24,893,200	24,893,200	—	24,893,200	—	—
Medicare	9,179,800	9,179,800	—	9,179,800	—	—
Public Policy Institute	1,250,000	1,071,439	178,561	1,250,000	—	—
Transfer to UI Hospital Services Fund (DHFS owned)	45,000,000	45,000,000	—	45,000,000	—	—
Total Educational Assistance Fund	<u>689,062,600</u>	<u>688,337,296</u>	<u>725,304</u>	<u>689,062,600</u>	<u>—</u>	<u>—</u>
Fire Prevention Fund	3,331,200	3,221,060	110,140	3,331,200	—	—
State College and University Trust Fund	250,000	181,676	2,724	184,400	65,600	—
Hazardous Waste Research Fund	425,000	310,812	114,188	425,000	—	—
Emergency Public Health Fund	200,000	193,276	6,724	200,000	—	—
Used Tire Management Fund	200,000	192,681	7,319	200,000	—	—
General Professions Dedicated Fund	500,000	476,430	23,570	500,000	—	—
GRAND TOTAL, ALL FUNDS	<u>\$ 693,968,800</u>	<u>692,913,231</u>	<u>989,969</u>	<u>693,903,200</u>	<u>65,600</u>	<u>—</u>

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 PA 097-0069. The appropriations reported above exclude the \$15,826,499 of funds received for the State Scientific Surveys.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Comparative Schedule of Appropriations, Expenditures, and Lapsed Balances

Budget years of fiscal 2012 and 2011

Schedule 2

	<u>PA 097-0069</u>	<u>PA 096-0956, PA 096-0959, PA 096-0958, PA 096-0957</u>
	<u>2012</u>	<u>2011</u>
Educational Assistance Fund (2012)		
General Revenue Fund (2011):		
Appropriations	\$ 689,062,600	697,057,200
Expenditures:		
Hispanic Center Excellence	800,000	800,000
Dixon Springs	328,300	328,300
Dentistry	350,000	330,400
Personal Services	559,357,400	571,725,000
Awards and Grants	6,057,500	—
Contractual Services	40,046,400	40,046,400
Telecommunications	1,800,000	3,016,800
Health Insurance	24,893,200	24,893,200
Medicare	9,179,800	9,737,100
Public Policy Institute	1,250,000	1,180,000
Transfer to DHFS' UI Hospital Services Fund	45,000,000	45,000,000
	<u>689,062,600</u>	<u>697,057,200</u>
Total expenditures		
Lapsed balances	\$ —	—
Fire Prevention Fund:		
Appropriations	\$ 3,331,200	2,445,500
Expenditures	<u>3,331,200</u>	<u>2,445,500</u>
Lapsed balances	\$ —	—
State College and University Trust Fund:		
Appropriations	\$ 250,000	199,324
Expenditures	<u>184,400</u>	<u>185,350</u>
Lapsed balance	\$ <u>65,600</u>	<u>13,974</u>
Capital Development Bond Fund:		
Appropriations	\$ —	1,394,242
Expenditures:		
Space needs for DNR	<u>—</u>	<u>1,394,242</u>
Total expenditures	<u>—</u>	<u>1,394,242</u>
Reappropriated balances	\$ —	—
Lapsed balances	\$ —	—

See accompanying independent auditors' report.

(Continued)

UNIVERSITY OF ILLINOIS
 Comparative Schedule of Appropriations, Expenditures, and Lapsed Balances
 Budget years of fiscal 2012 and 2011

Schedule 2

	PA 097-0069	PA 096-0956, PA 096-0959, PA 096-0958, PA 096-0957
	2012	2011
Hazardous Waste Research Fund:		
Appropriations	\$ 425,000	250,000
Expenditures	425,000	241,118
Lapsed balance	\$ —	8,882
 Emergency Public Health Fund:		
Appropriations	\$ 200,000	200,000
Expenditures	200,000	200,000
Lapsed balance	\$ —	—
 Used Tire Management Fund:		
Appropriations	\$ 200,000	200,000
Expenditures	200,000	200,000
Lapsed balance	\$ —	—
 General Professions Dedicated Fund:		
Appropriations	\$ 500,000	500,000
Expenditures	500,000	500,000
Lapsed balance	\$ —	—
 Grand totals, all funds:		
Appropriations	\$ 693,968,800	702,246,266
Expenditures	693,903,200	702,223,410
Reappropriated balances	—	—
Lapsed balances	\$ 65,600	22,856

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of State Appropriations –
Significant Lapse Period Expenditures
Two months ended August 31, 2012

Schedule 3

There were no 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, 2012.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of University Income Fund
 Comparative Schedule of University Income Fund Revenues and Expenditures
 Budget years of fiscal 2012 and 2011

Schedule 4

	2012	2011
University Income Fund:		
Revenues:		
Net student tuition and fees	\$ 919,702,320	827,310,700
Other sources	32,593,206	31,666,695
	952,295,526	858,977,395
Provision for bad debts	(1,874,002)	(1,012,027)
Net revenues	950,421,524	857,965,368
Add (deduct) net change in:		
Cash	261,330	(81,800)
Accounts receivable	(20,930,097)	306,480
Deferred charges	502,948	(55,682)
Accrued investment income	(3,151,747)	(7,032,139)
Deferred revenue	529,839	3,332,822
Accounts payable	2,789	(978)
	(22,784,938)	(3,531,297)
Fiscal year deposits	927,636,586	854,434,071
Expenditures:		
Audit expense	—	479,308
Unemployment compensation	565,500	714,753
Permanent improvements	363,377	449,893
Personal services	385,949,753	350,789,517
Awards and grants	97,333,857	83,749,168
Travel	5,360,842	4,303,801
Commodities	11,843,308	8,913,275
Contractual services	171,901,443	168,815,981
Equipment	44,685,468	38,660,108
Telecommunications	9,867,834	3,589,461
Operation of automotive equipment	1,210,705	1,051,719
Workers' compensation	7,201,987	8,728,654
Medicare	5,652,174	4,668,449
Transfers for capital projects	121,849,169	109,887,222
Transfers for debt payments	34,941,775	51,448,200
Total expenditures	898,727,192	836,249,509
Increase in fund balance	28,909,394	18,184,562
Fund balance at beginning of budget fiscal year	136,675,596	118,467,266
Prior year adjustments made after final report was completed	(61,439)	23,768
Beginning balance as adjusted	136,614,157	118,491,034
Fund balance at end of budget fiscal year	\$ 165,523,551	\$ 136,675,596
Budget	\$ 954,898,900	858,398,399
Fund balance as percentage of budget	17.33%	15.92%

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of University Income Fund

Comparative Schedule of University Income Fund Revenues and Expenditures

Budget years of fiscal 2012 and 2011

Schedule 4

Net student tuition increased by approximately \$92.4 million from fiscal year 2011 to fiscal year 2012. General tuition programs for continuing undergraduates increased approximately 6.9% 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 2012 for first-time enrollments increased approximately 6.9% at all three campuses. There were also increases to existing undergraduate tuition differentials at University of Illinois-Urbana-Champaign (UIUC) and University of Illinois-Chicago (UIC). General graduate tuition increased approximately 6.9% at UIUC and UIC and 3.0% at University of Illinois-Springfield. There were increases to existing differentials in several graduate and professional programs at UIC and UIUC. The campuses also experienced variations in enrollments, the student payer mix, carryover, and technical adjustments in fiscal year 2012. In addition to normal technical adjustments, in fiscal year 2012, the State Appropriations for State Scientific Surveys continued to be transferred to the University via the Income Fund, a \$15.8 million transfer.

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 \$1.0 million and \$2.9 million in fiscal years 2012 and 2011, respectively, for institutional system development and institutional utility costs. All remaining investment income was distributed back to the campuses for recurring obligations.

Income Fund expenditures increased by approximately \$62.5 million (a 7.5% increase). This change included increases of \$35.2 million in personnel services and \$13.6 million in awards and grants. As noted above, in addition to the tuition and fee increases, annual changes in enrollment, the student payer mix, and carryover balances can have an impact on the spending available from this fund source.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Revenues, Expenses, and
 Changes in Net Assets – Business-Type Activities
 Years ended June 30, 2012 and 2011
 (In thousands)

Schedule 5

	2012	2011	Increase (decrease)
Operating revenues:			
Student tuition and fees, net	\$ 987,796	905,693	82,103
Federal appropriations	18,072	13,919	4,153
Federal grants and contracts	718,621	684,392	(b) 34,229
State of Illinois grants and contracts	81,478	83,625	(2,147)
Private and other governmental agency grants and contracts	137,712	147,139	(9,427)
Educational activities	258,298	267,609	(9,311)
Auxiliary enterprises, net	363,319	374,644	(11,325)
Hospital and other medical activities, net	601,360	547,168	54,192
Medical service plan	236,160	223,654	12,506
Independent operations	13,083	15,173	(2,090)
Interest and service charges on student loans	1,945	1,537	408
Total operating revenues	3,417,844	3,264,553	153,291
Operating expenses:			
Instruction	1,114,474	1,006,190	108,284
Research	710,656	680,651	30,005
Public service	413,988	387,461	26,527
Academic support	377,982	349,095	28,887
Student services	141,130	131,827	9,303
Institutional support	232,023	209,752	22,271
Operation and maintenance of plant	270,947	287,825	(16,878)
Scholarships and fellowships	241,008	238,722	2,286
Auxiliary enterprises	307,597	316,442	(8,845)
Hospital and medical activities	709,650	633,795	75,855
Independent operations	12,442	13,866	(1,424)
Depreciation	213,070	209,745	3,325
Total operating expenses	4,744,967	4,465,371	279,596
Operating loss	(1,327,123)	(1,200,818)	(126,305)
Nonoperating revenues (expenses):			
State appropriations	709,683	716,794	(7,111)
Transfer of state appropriations to the Illinois DHFS Hospital Services Fund	(45,000)	(45,000)	—
Private gifts	141,700	133,498	8,202
Federal grants, nonoperating	69,529	67,404	2,125
On behalf payments for fringe benefits	818,084	683,201	134,883
Net investment income	24,656	26,066	(1,410)
Net increase in the fair value of investments	10,979	68,810	(57,831)
Interest expense	(71,489)	(76,672)	5,183
Loss on disposal/impairment of capital assets	(9,653)	(35,675)	26,022
Other nonoperating revenues, net	50,721	34,363	16,358
Net nonoperating revenue	1,699,210	1,572,789	126,421
Income before other revenues	372,087	371,971	116
Capital state appropriations	30,910	21,274	9,636
Capital gifts and grants	56,383	9,745	(b) 46,638
Private gifts for endowment purposes	323	924	(601)
Increase in net assets	459,703	403,914	55,789
Net assets, beginning of year, adjusted (a)	3,191,506	(a) 2,785,546	405,960
Net assets, end of year	\$ 3,651,209	3,189,460	461,749
(a) Beginning of year net assets for fiscal year 2012 were adjusted due to adoption of a new accounting standard, GASB Standard No. 64.			
Net assets, beginning of year as previously reported	\$ 3,189,460		
Cumulative effect of change in accounting principle	2,046		
Net assets, beginning of year, adjusted	\$ 3,191,506		
(b) \$5,000 in 2011 was reclassified from Federal Grants and Contracts to Capital Gifts and Grants to correspond to the June 30, 2012 presentation.			

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Revenues, Expenses, and Changes in Net Assets – Business-Type Activities

Significant Revenue, Expense, and Changes in Net Assets Variances

Years ended June 30, 2012 and 2011

Schedule 5

Consistent with prior years, all variances greater than \$30 million, and more than 10% variance from fiscal year 2011 are discussed below. Refer to the Analysis of Revenues, Expenses, and Changes in Net Assets – Business Type Activities on page 9 for the actual dollar changes.

Explanations of significant variances:

- *Instruction (operating expenses)* – This increase is primarily due to an increase in required contributions to the State Universities Retirement System (SURS) and the Central Management Services State Employees Group Insurance Program (CMS) by the State of Illinois on the University’s behalf that was allocated across the functional expense categories.
- *Hospital and medical activities (operating expenses)* – This increase is due to the increase in required contributions to SURS and CMS mentioned above. Also contributing to the change were increases in various other hospital and medical-related costs caused by increases in volume and demand.
- *On behalf payments for fringe benefits (nonoperating revenues)* – This increase is due to an increase in the actuarial determined required contributions to the SURS and CMS. These contributions are made substantially by the State of Illinois on the University’s behalf to SURS and CMS. The contribution increased from \$683 million in 2011 to \$818 million in 2012.
- *Net increase in the fair value of investments (nonoperating revenues)* – This decrease is primarily due to markets recovering at a slower rate in 2012 compared to the market correction seen in 2011.
- *Capital gifts and grants (other revenues)* – This increase resulted from \$50.9 million of grant monies received in fiscal year 2012 from the National Science Foundation related to the purchase of equipment to be installed in the Petascale building on the Urbana campus.

See accompanying independent auditors’ report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Cash and Cash Equivalents, Investments, and Accrued Investment Income

June 30, 2012 and 2011

Schedule 6

Various University funds have cash and certain investments that 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. Fair value for investment in limited partnerships and certain mutual funds is determined using net asset values as provided by external investment managers. Income is distributed to individual University funds quarterly based upon average monthly balances invested in the pool.

Nonpooled investments are reported at fair value, as determined by quoted market price. Investment income, including gains and losses resulting from the sale or other disposition of investments, is recognized in the fund that 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.

The fair value of permanent and term endowed real estate and farm properties are determined by a periodic appraisal of the property by a certified real estate appraiser. Real estate and farm properties held as investments by quasi-endowments are reported at cost, or when donated, at fair value at the date of donation.

At June 30, 2012 and 2011, all bank deposits of the University were covered by federal depository insurance. The carrying value of the cash deposits were \$217,164,000 and \$87,406,000 at June 30, 2012 and 2011, respectively. The carrying value of the University's investment balances, including pooled investments, at June 30, 2012 and 2011 was held as follows (in thousands):

	2012	2011
U.S. Treasury bonds and bills	\$ 268,785	148,734
U.S. government agencies	266,759	146,057
Commercial paper	13,838	14,094
Corporate bonds	274,782	159,802
Bond mutual funds	71,390	56,867
Nongovernment mortgage-backed and other asset-backed securities	152,542	41,764
Non-U.S. government bonds	35,797	11,046
Money market funds	545,456	754,858
Illinois Public Treasurer's Investment Pool	28,088	4,711
U.S. equities	26,940	26,714
International equities	42,824	42,437
U.S. equity mutual funds	146,998	123,424
Limited partnerships	19,560	17,134
Repurchase agreements	333	488
Certificates of deposits	7,751	5,800
Real estate and farm properties	75,875	66,154
Total	\$ 1,977,718	1,620,084

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Cash and Cash Equivalents, Investments, and Accrued Investment Income

June 30, 2012 and 2011

Schedule 6

Refer to the Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2012, for categorization of investments according to interest rate risk and credit risk assumed by the University at June 30, 2012.

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 that 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, 2012 and 2011 was as follows (in thousands):

	<u>2012</u>	<u>2011</u>
Current funds:		
Unrestricted	\$ 2,758	1,586
Restricted	278	102
Loan funds	35	19
Plant funds	865	590
	<u>\$ 3,936</u>	<u>2,297</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 June 30, 2012 and 2011

Schedule 7

	2012	2011
Accounts receivable:		
Current unrestricted funds:		
Student tuition	\$ 32,152,692	27,268,748
Other unrestricted funds	8,434,543	9,643,221
Entity activities:		
Auxiliary enterprises	13,600,506	14,649,986
Hospital and clinics	374,432,375	341,283,757
Other departmental activities	41,632,469	42,994,260
Total accounts receivable	470,252,585	435,839,972
Allowance for doubtful accounts:		
Student tuition	(8,846,539)	(9,066,193)
Other unrestricted funds	(287,864)	(573,230)
Auxiliary enterprises	(4,823,906)	(4,448,484)
Hospital and clinics	(279,109,784)	(254,712,711)
Other departmental activities	(8,916,164)	(8,594,400)
Total allowance for doubtful accounts	(301,984,257)	(277,395,018)
Current unrestricted funds accounts receivable, net	168,268,328	158,444,954
Current restricted funds:		
Medical Service Plans	78,676,321	88,496,320
Grants, contracts, and gifts	215,231,579	177,181,062
Federal appropriations	2,316,303	1,868,997
Total accounts receivable	296,224,203	267,546,379
Allowance for doubtful accounts:		
Medical Service Plans	(27,080,988)	(21,537,339)
Grants, contracts, and gifts	(2,235,987)	(2,013,448)
Current restricted funds accounts receivable, net	266,907,228	243,995,592
Plant funds	10,839,152	695,732
Total accounts receivable, net	446,014,708	403,136,278
Notes receivable:		
Loan funds:		
Urbana campus	29,665,769	28,969,257
Chicago campus	35,049,813	34,804,579
Springfield campus	187,406	195,721
Total notes receivable	64,902,988	63,969,557
Allowance for doubtful notes:		
Urbana campus	(1,427,475)	(1,271,349)
Chicago campus	(1,287,616)	(1,225,689)
Springfield campus	(7,798)	(5,942)
Total allowance for doubtful accounts	(2,722,889)	(2,502,980)
Total notes receivable, net	62,180,099	61,466,577
Total accounts and notes receivable, net	\$ 508,194,807	464,602,855

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 Student Tuition Receivable
 June 30, 2012 and 2011

Schedule 7

June 30, 2012				
	Total	Urbana Campus	Chicago Campus	Springfield Campus
Student tuition receivable:				
Current–30 days	\$ 10,493,008	4,990,777	4,709,842	792,389
31–90 days	707,646	572,790	125,527	9,329
Over 90 days	20,952,038	7,494,827	10,273,703	3,183,508
Total student tuition receivable	32,152,692	13,058,394	15,109,072	3,985,226
Allowance for doubtful accounts	(8,846,539)	(3,113,655)	(4,746,680)	(986,204)
Student tuition receivable, net	\$ 23,306,153	9,944,739	10,362,392	2,999,022

June 30, 2011				
	Total	Urbana Campus	Chicago Campus	Springfield Campus
Student tuition receivable:				
Current–30 days	\$ 8,864,197	4,588,815	3,754,259	521,123
31–90 days	1,943,540	1,515,227	365,668	62,645
Over 90 days	16,461,011	5,565,293	8,881,695	2,014,023
Total student tuition receivable	27,268,748	11,669,335	13,001,622	2,597,791
Allowance for doubtful accounts	(9,066,193)	(3,521,111)	(4,605,633)	(939,449)
Student tuition receivable, net	\$ 18,202,555	8,148,224	8,395,989	1,658,342

These receivables relate to unpaid student tuition.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Accounts and Notes Receivable

Health Services Facilities System – Patient Receivables

June 30, 2012 and 2011

(Dollars in thousands)

Schedule 7

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>2012</u>	<u>2011</u>
Active accounts:		
Patient receivables	\$ 126,515	114,801
Less bad debt allowance	(40,919)	(38,476)
Net patient receivables	<u>\$ 85,596</u>	<u>76,325</u>
Bad debt allowance – as a percent of patient receivables	32.34%	33.52%
Days revenue in net patient receivables	59	54
Write-offs of uncollectible accounts, net of recoveries	\$ 4,737	6,040
As a percent of gross revenue	0.27%	0.39%
Provision for bad debts	\$ 35,118	25,848
As a percent of gross revenue	2.02%	1.66%
Aging:		
0–30 days (including in-house)	61.14%	61.64%
31–90 days	14.62	13.79
91–180 days	11.47	10.97
Over 180 days	12.77	13.60
	<u>100.00%</u>	<u>100.00%</u>
Inactive accounts:		
Patient receivables	\$ 237,038	215,147
Less bad debt allowance	(237,038)	(215,147)
Net patient receivables	<u>\$ —</u>	<u>—</u>
Health Services Facilities System Receivables:		
Active patient receivables	\$ 126,515	114,801
Inactive patient receivables	237,038	215,147
Other receivables, net of allowance of \$1,153	10,368	10,891
Due from related organizations	511	444
Total Health Services Facilities System receivables, gross	<u>\$ 374,432</u>	<u>341,283</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 Grants, Contracts, and Gifts Receivables, Net
 June 30, 2012 and 2011

Schedule 7

		June 30, 2012				
		Total	Urbana Campus	Chicago Campus	Springfield Campus	University Administration
Grants, contracts, and gifts:						
U.S. government grants and contracts	\$	135,072,992	100,932,598	33,431,680	83,588	625,126
Private gifts, grants, and contracts		37,131,735	28,873,059	7,985,814	45,632	227,230
State of Illinois grants and contracts		40,790,865	24,986,041	13,160,742	1,303,125	1,340,957
Total grants, contracts, and gifts receivable, net		<u>\$ 212,995,592</u>	<u>154,791,698</u>	<u>54,578,236</u>	<u>1,432,345</u>	<u>2,193,313</u>
		June 30, 2011				
		Total	Urbana Campus	Chicago Campus	Springfield Campus	University Administration
Grants, contracts, and gifts:						
U.S. government grants and contracts	\$	98,940,946	60,686,238	37,570,388	37,413	646,907
Private gifts, grants, and contracts		35,559,720	28,364,409	6,745,647	172,931	276,733
State of Illinois grants and contracts		40,666,948	25,309,143	12,746,926	1,904,575	706,304
Total grants, contracts, and gifts receivable, net		<u>\$ 175,167,614</u>	<u>114,359,790</u>	<u>57,062,961</u>	<u>2,114,919</u>	<u>1,629,944</u>

These accounts primarily consist of receivables for work performed under grant and contract activity. They are shown net of related allowances.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 Notes Receivable – Loan Funds
 June 30, 2012 and 2011

Schedule 7

	2012	2011
Urbana campus:		
Age:		
Not in repayment status/current billing	\$ 25,074,799	24,458,885
Under 120 days	1,100,733	1,328,388
Over 120 days	3,490,237	3,181,984
	29,665,769	28,969,257
Allowance for doubtful notes	(1,427,475)	(1,271,349)
Total – Urbana campus	28,238,294	27,697,908
Chicago campus:		
Age:		
Not in repayment status/current billing	29,335,843	29,523,793
Under 120 days	2,282,008	1,748,595
Over 120 days	3,431,962	3,532,191
	35,049,813	34,804,579
Allowance for doubtful notes	(1,287,616)	(1,225,689)
Total – Chicago campus	33,762,197	33,578,890
Springfield campus:		
Age:		
Not in repayment status/current billing	139,046	147,272
Under 120 days	26,350	23,312
Over 120 days	22,010	25,137
	187,406	195,721
Allowance for doubtful notes	(7,798)	(5,942)
Total – Springfield campus	179,608	189,779
All campuses:		
Age:		
Not in repayment status/current billing	54,549,688	54,129,950
Under 120 days	3,409,091	3,100,295
Over 120 days	6,944,209	6,739,312
	64,902,988	63,969,557
Allowance for doubtful notes	(2,722,889)	(2,502,980)
Total – all campuses, net	\$ 62,180,099	61,466,577

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

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

	<u>Beginning balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending balance</u>
Nondepreciable capital assets:					
Land	\$ 133,273,267	2,026,072	(592,288)	—	134,707,051
Construction in progress	122,123,920	203,468,049	—	(157,208,935)	168,383,034
Inexhaustible collections	20,434,074	1,090,733	(204,641)	—	21,320,166
Total nondepreciable capital assets	<u>275,831,261</u>	<u>206,584,854</u>	<u>(796,929)</u>	<u>(157,208,935)</u>	<u>324,410,251</u>
Depreciable capital assets:					
Buildings	3,531,454,249	—	(5,428,751)	148,950,668	3,674,976,166
Improvements and infrastructure	675,609,831	—	—	2,841,074	678,450,905
Equipment	1,014,871,659	78,932,606	(69,695,602)	2,196,892	1,026,305,555
Exhaustible collections	524,182,172	29,414,808	(1,712,832)	—	551,884,148
Software	164,174,761	1,858,499	—	3,220,301	169,253,561
Subtotal	5,910,292,672	110,205,913	(76,837,185)	157,208,935	6,100,870,335
Less accumulated depreciation	<u>2,890,315,395</u>	<u>213,069,975</u>	<u>(67,408,907)</u>	<u>—</u>	<u>3,035,976,463</u>
Total net depreciable capital assets	<u>3,019,977,277</u>	<u>(102,864,062)</u>	<u>(9,428,278)</u>	<u>157,208,935</u>	<u>3,064,893,872</u>
Total capital assets	<u>\$ 3,295,808,538</u>	<u>103,720,792</u>	<u>(10,225,207)</u>	<u>—</u>	<u>3,389,304,123</u>

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

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to land FY2012	
Urbana-Champaign:	
Additions to land in 2012	
TR2018- Helen Douglas Farm	\$ 1,283,137
Other (additions less than \$500,000)	742,935
Total additions to land – Urbana-Champaign	<u>\$ 2,026,072</u>
Deductions from land in 2012	
Near Manteno TR 1046	\$ (520,166)
Other (deductions less than \$500,000)	(72,122)
Total deductions from land – Urbana-Champaign	<u>\$ (592,288)</u>
Major building changes, including transfers from construction in progress FY2012	
Deductions from buildings in 2012	
Urbana-Champaign:	
Garner Hall	\$ (2,282,680)
IL Water Survey Building – Peoria	(2,087,382)
Technology commercialization building	(598,404)
Urbana-Champaign major deductions from buildings	(4,968,466)
Other (transfers less than \$500,000)	(460,285)
Total deductions from buildings	<u>\$ (5,428,751)</u>
Transfer to buildings in 2012	
Chicago:	
2242 W Harrison Street	\$ 1,262,852
Douglas Hall	10,268,364
Outpatient care center	949,429
Richard Daley Library	925,409
UIC Hospital	1,570,776
Chicago major transfers to buildings	14,976,830
Other (transfers less than \$500,000)	1,002,753
Total transfers to buildings – Chicago	<u>15,979,583</u>
Urbana-Champaign:	
David Kinley Hall	6,375,674
Huff Hall	11,214,514
Ikenberry Commons	37,216,800
Krannert Art Museum	2,899,619
Lincoln Avenue Residence Hall	900,264
Lincoln Hall	48,594,533
NCSA Petascale Computing Facility	4,533,027
Newmark Civil Engineering Building	6,076,742
Oak Street Library Facility	5,561,294
Robert A. Evers Laboratory	6,040,416
Scott Hall	537,443
Urbana-Champaign major transfers to buildings	129,950,326
Other (transfers less than \$500,000)	3,020,759
Total transfers to buildings – Urbana-Champaign	<u>132,971,085</u>
Total transfers to buildings	<u>\$ 148,950,668</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to improvements and infrastructure FY2012

Transfers to improvements and infrastructure in 2012

Chicago:

Other (transfers less than \$500,000)	\$ <u>259,000</u>
Total transfers to improvements and infrastructure – Chicago	<u>259,000</u>

Urbana-Champaign:

Willard Airport runway improvement	2,150,607
Other (transfers less than \$500,000):	<u>431,467</u>
Total transfers to improvements and infrastructure – Urbana-Champaign	<u>2,582,074</u>
Total transfers to improvements and infrastructure	\$ <u><u>2,841,074</u></u>

Major changes to equipment FY2012

Additions/internal transfers in 2012 by category

Chicago:

Hospital	\$ 18,193,132
Auxiliaries	212,590
Other self supporting	1,486,591
General campus	<u>18,103,678</u>
Total additions/transfers – Chicago	<u>37,995,991</u>

Urbana-Champaign:

Willard Airport	11,500
Auxiliaries	861,357
Other self supporting	10,835,491
General campus	<u>29,248,891</u>
Total additions/transfers – Urbana-Champaign	<u>40,957,239</u>

Springfield:

Auxiliaries	4,601
Other self supporting	364,002
General campus	<u>708,537</u>
Total additions/transfers – Springfield	<u>1,077,140</u>

University administration:

Other self supporting	46,107
General campus	<u>1,053,021</u>
Total additions/transfers – University Administration	<u>1,099,128</u>
Total additions/transfers to equipment	<u>81,129,498</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to equipment FY2012

Equipment trade-ins, disposals, and adjustments by category FY2012

Chicago:

Hospital	\$ (25,224,556)
Auxiliaries	(102,177)
Other self supporting	(517,713)
General campus	<u>(5,954,439)</u>
Total trade-ins, disposals and adjustments – Chicago	<u>(31,798,885)</u>

Urbana-Champaign:

Willard Airport	—
Auxiliaries	(332,433)
Other self supporting	(5,874,295)
General campus	<u>(30,280,015)</u>
Total trade-ins, disposals, and adjustments – Urbana-Champaign	<u>(36,486,743)</u>

Springfield:

Auxiliaries	—
Other self supporting	(19,857)
General campus	<u>(70,206)</u>
Total trade-ins, disposals, and adjustments – Springfield	<u>(90,063)</u>

University administration:

Other self supporting	(255,279)
General campus	<u>(1,064,632)</u>
Total trade-ins, disposals, and adjustments – University Administration	<u>(1,319,911)</u>
Total trade-ins, disposals, and adjustments	<u>(69,695,602)</u>
Total changes to equipment	<u>\$ 11,433,896</u>

Summary of equipment trade-ins, disposals, and adjustments by campus FY2012

Trade-ins

Chicago	\$ (2,774,431)
Urbana-Champaign	(11,271,957)
Springfield	<u>(90,063)</u>
Total trade-ins to equipment	<u>(14,136,451)</u>

Disposals

Chicago	(29,024,454)
Urbana-Champaign	(26,534,697)
Springfield	<u>—</u>
Total disposals to equipment	<u>(55,559,151)</u>
Total equipment trade-ins, disposals, and adjustment FY2012	<u>\$ (69,695,602)</u>

Major changes to software FY2012

Additions/internal transfers in 2012 by category

Chicago:

Hospital	\$ 4,354,580
Total additions/transfers to software – Chicago	<u>4,354,580</u>

Urbana-Champaign:

Other self supporting	<u>724,220</u>
Total additions/transfers to software – Urbana-Champaign	<u>724,220</u>
Total additions/transfers to software	<u>5,078,800</u>
Total changes to software FY2012	<u>\$ 5,078,800</u>

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to exhaustible collections FY2012	
Additions/internal transfers in 2012 by category	
Chicago:	
General Campus	9,232,889
Total additions/transfers to exhaustible collections – Chicago	<u>9,232,889</u>
Urbana-Champaign:	
General campus	19,133,641
Total additions/transfers to exhaustible collections – Urbana-Champaign	<u>19,133,641</u>
Springfield:	
General campus	1,048,278
Total additions/transfers to exhaustible collections – Springfield	<u>1,048,278</u>
Total additions/transfers to exhaustible collections	<u>29,414,808</u>
Exhaustible collections trade-ins, disposals, and adjustments by category FY2012	
Chicago:	
General campus	<u>(1,274,940)</u>
Total trade-ins, disposal, and adjustments – Chicago	<u>(1,274,940)</u>
Urbana-Champaign:	
General campus	<u>(437,892)</u>
Total trade-ins, disposal, and adjustments – Urbana-Champaign	<u>(437,892)</u>
Total trade-ins, disposals, and adjustments to exhaustible collections	<u>(1,712,832)</u>
Total changes to exhaustible collections FY2012	<u>\$ 27,701,976</u>
Major changes to inexhaustible collections FY2012	
Additions/internal transfers in 2012 by category	
Urbana-Champaign:	
General campus	\$ 991,183
Total additions/transfers to inexhaustible collections – Urbana-Champaign	<u>991,183</u>
Springfield:	
General campus	99,550
Total additions/transfers to inexhaustible collections – Springfield	<u>99,550</u>
Total additions/transfers to inexhaustible collections	<u>\$ 1,090,733</u>
Inexhaustible collections trade-ins, disposals, and adjustments by category FY2012	
Urbana-Champaign:	
General campus	\$ (204,641)
Total trade-ins, disposal, and adjustments – Urbana-Champaign	<u>(204,641)</u>
Total trade-ins, disposals, and adjustments to inexhaustible collections	<u>\$ (204,641)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to construction in progress FY2012

Additions in 2012

Chicago:

2242 W Harrison Street	\$ 1,240,088
Cerner Software – under development	4,491,610
College of Dentistry	969,385
College of Pharmacy	504,783
Complete operating room automation software/surginet – under development	731,641
Douglas Hall	1,624,602
Mile Square Health Center	1,742,258
OCC automation and efficiency software – under development	3,398,762
Outpatient Care Center	918,670
Richard Daley Library	925,409
Student Services Building	1,558,358
UIC Hospital	<u>5,533,629</u>
Chicago major additions to construction in progress	23,639,195
Other (additions less than \$500,000)	<u>3,086,706</u>
Total additions to construction in progress – Chicago	<u>26,725,901</u>

Urbana-Champaign:

Abbott Power Plant	2,152,221
Blue Waters supercomputer	50,900,000
Burrill Hall	1,242,514
Electrical and computer engineering	10,356,045
Hopkins/Weston Hall	986,492
Huff Hall	904,894
Identity and access management (IAM) implementation template software – under development	976,539
Ikenberry Commons	40,120,730
Illini Union	4,113,449
Lincoln Hall	21,368,465
NCSA Petascale Computing Facility	3,876,343
Oak Street Chiller Plant	4,508,280
Oak Street Library Facility	3,381,401
Roger Adams Laboratory	728,821
Snyder Hall	699,026
Urbana-Champaign Big Broadband	1,595,733
Vet Med Basic Sciences Building	12,581,273
Willard Airport runway improvement	<u>1,129,004</u>
Urbana-Champaign major additions to construction in progress	161,621,230
Other (additions less than \$500,000)	<u>9,605,645</u>
Total additions to construction in progress – Urbana-Champaign	<u>171,226,875</u>

Springfield:

Student apartment housing	<u>5,515,273</u>
Springfield major additions to construction in progress	<u>5,515,273</u>
Total additions to construction in progress – Springfield	<u>5,515,273</u>
Total additions to construction in progress	<u>\$ 203,468,049</u>

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2012

Schedule 8

Major changes to construction in progress FY2012

Transfers from construction in progress In 2012

Chicago:

2242 W Harrison Street	\$ (1,262,852)
Cerner Software	(2,313,268)
Douglas Hall	(10,268,364)
Outpatient Care Center	(949,429)
Richard Daley Library	(925,409)
UIC Hospital	<u>(1,570,776)</u>
Chicago major transfers from construction in progress	(17,290,098)
Other (transfers less than \$500,000)	<u>(1,522,970)</u>
Total transfers from construction in progress – Chicago	<u>(18,813,068)</u>

Urbana-Champaign:

David Kinley Hall	(6,375,674)
Huff Hall	(11,214,514)
Ikenberry Commons	(37,216,800)
Krannert Art Museum	(2,899,619)
Lincoln Avenue Residence Hall	(900,264)
Lincoln Hall	(48,594,533)
NCSA Petascale Computing Facility	(4,533,027)
Newmark Civil Engineering Building	(6,076,742)
Oak Street Library Facility	(5,561,294)
Robert A. Evers Laboratory	(6,040,416)
Scott Hall	(537,443)
Travel and expense management system software	(573,520)
Willard airport runway improvement	<u>(2,150,607)</u>
Urbana-Champaign major transfers from construction in progress	(132,674,453)
Other (transfers less than \$500,000)	<u>(5,721,414)</u>
Total transfers from construction in progress – Urbana-Champaign	<u>(138,395,867)</u>
Total transfers from construction in progress	<u>(157,208,935)</u>
Total changes to construction in progress FY2012	<u>\$ 46,259,114</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts Payable and Accrued Liabilities
 June 30, 2012 and 2011

Schedule 9

	2012	2011	Increase (decrease)
All funds:			
Accounts payable	\$ 284,357,309	230,824,833	53,532,476
Accrued payroll	145,172,103	139,127,739	6,044,364
Accrued interest	17,455,232	17,502,757	(47,525)
Accrued compensated absences:			
Vacation	149,643,585	143,255,886	6,387,699
Sick-leave	51,408,709	58,032,422	(6,623,713)
Total compensated absences	201,052,294	201,288,308	(236,014)
Accrued self-insurance	245,709,090	244,493,558	1,215,532
Total accounts payable and accrued liabilities	\$ 893,746,028	833,237,195	60,508,833

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Accounts Payable and Accrued Liabilities

Accrued Compensated Absences

June 30 for the last ten years

(Years 2002–2008 were not audited by KPMG)

Schedule 9

	<u>Accrued vacation pay</u>	<u>Accrued sick pay</u>	<u>Total</u>
2012	\$ 149,643,585	51,408,709	201,052,294
2011	143,255,886	58,032,422	201,288,308
2010	146,485,196	68,502,921	214,988,117
2009	143,532,929	74,001,733	217,534,662
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	207,307,162
2005	115,467,685	90,607,349	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

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Deferred Revenue and Student Deposits
 June 30, 2012 and 2011

Schedule 10

	2012	2011
Deferred revenue and student deposits:		
Deferred General Revenue Fund appropriations	\$ 89,182	31,870
Deferred tuition	40,522,971	39,993,132
Student deposits	4,018,303	1,608,541
Auxiliary enterprises under indenture	7,244,242	6,870,123
Auxiliary enterprises not under indenture	5,176,588	6,012,151
Departmental activities	12,327,843	13,203,845
Storerooms and other services	246,187	262,970
U.S. grants and contracts	7,512,015	15,269,225
Private grants and contracts	58,995,589	53,260,055
State of Illinois grants and contracts	9,217,761	9,116,653
Unexpended plant	1,001,524	1,233,168
Other	304,158	220,721
	\$ 146,656,363	147,082,454
Total deferred revenue and student deposits	\$ 146,656,363	147,082,454

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Bonds Payable and Accrued Interest
 Year ended June 30, 2012

Schedule 11

	<u>Balance at June 30, 2011</u>	<u>Bonds issued</u>	<u>Principal reductions</u>	<u>Accretion on bonds</u>	<u>Balance at June 30, 2012</u>
University of Illinois Auxiliary Facilities					
System Revenue Bonds:					
Series 1991	\$ 113,842,882	—	16,270,000	8,202,097	105,774,979
Series 1999A	20,068,127	—	—	1,273,404	21,341,531
Series 1999B	2,820,000	—	1,050,000	—	1,770,000
Series 2001A	96,920,000	—	47,925,000	—	48,995,000
Series 2001B	36,935,000	—	24,290,000	—	12,645,000
Series 2001C	10,435,000	—	10,435,000	—	—
Series 2003A	57,975,000	—	15,475,000	—	42,500,000
Series 2005A	145,595,000	—	6,125,000	—	139,470,000
Series 2006	311,300,000	—	2,690,000	—	308,610,000
Series 2008	19,740,000	—	395,000	—	19,345,000
Series 2009A	82,715,000	—	740,000	—	81,975,000
Series 2010A	56,675,000	—	115,000	—	56,560,000
Series 2011A	—	81,970,000	895,000	—	81,075,000
Series 2011B	—	10,875,000	1,575,000	—	9,300,000
Series 2011C	—	71,900,000	—	—	71,900,000
Total Auxiliary Facilities System	<u>955,021,009</u>	<u>164,745,000</u>	<u>127,980,000</u>	<u>9,475,501</u>	<u>1,001,261,510</u>
UIC South Campus Development					
Revenue Bonds:					
Series 2000	4,960,000	—	3,175,000	—	1,785,000
Series 2003	7,365,000	—	490,000	—	6,875,000
Series 2008	54,000,000	—	570,000	—	53,430,000
Total UIC South Campus Development	<u>66,325,000</u>	<u>—</u>	<u>4,235,000</u>	<u>—</u>	<u>62,090,000</u>
University of Illinois Health Services					
Facilities System Revenue Bonds:					
Series 1997B	17,800,000	—	800,000	—	17,000,000
Series 2008	41,215,000	—	1,135,000	—	40,080,000
Total Health Services Facilities System	<u>59,015,000</u>	<u>—</u>	<u>1,935,000</u>	<u>—</u>	<u>57,080,000</u>
Total bonds payable	<u>\$ 1,080,361,009</u>	<u>164,745,000</u>	<u>134,150,000</u>	<u>9,475,501</u>	<u>1,120,431,510</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Bonds Payable and Accrued Interest

June 30, 2012

Schedule 11

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 fiscal year 2002 utilizing funds from the sale of the Series 2001B and 2001C Bonds. The capital appreciation bonds do not require current interest payments. They began maturing 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 to (a) finance certain additions to the System; (b) finance remodeling, repair, and improvement of certain existing facilities of the System; (c) 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) 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 are being 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). A portion of the current interest bonds were refunded during fiscal year 2005 and the remaining balance matured annually April 1, 2006 through April 1, 2010. The portion of the current interest bonds was refunded utilizing funds from the sale of the Series 2005A Bonds. The capital appreciation bonds do not require current interest payments. They will begin maturing 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 semiannually commencing April 1, 2000 and began maturing annually April 1, 2005 through 2015.

Proceeds from the sale of the Series 1999A and 1999B Bonds were used to (a) finance various additions, improvements, and renovations to the System; (b) pay a portion of the interest on the Series 1999A and 1999B Bonds during construction; and (c) 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 are being amortized over the life of the bond issues.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Bonds Payable and Accrued Interest

June 30, 2012

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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 4.00% to 5.50% per annum, payable semiannually commencing April 1, 2002, and began maturing annually April 1, 2006 through 2030. A portion of the Series 2001A Bonds were refunded during fiscal year 2012 utilizing funds from the sale of the Series 2011C Bonds.

Proceeds from the sale of the Series 2001A Bonds were 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 4.00% to 5.55% per annum, payable semiannually commencing April 1, 2002, and mature annually April 1, 2003 through 2032. A portion of the Series 2001B Bonds were refunded during fiscal year 2005 utilizing funds from the sale of the Series 2005A Bonds, in fiscal year 2007 utilizing funds from the sale of the Series 2006 Bonds, and in 2012 utilizing funds from the sale of the Series 2011A and Series 2011C Bonds. Series 2001C are current interest bonds which bear interest at rates ranging from 5.08% to 7.00% per annum, payable semiannually commencing April 1, 2002, and began maturing annually April 1, 2004 through 2021. The Series 2001C Bonds were refunded during fiscal year 2012 utilizing funds from the sale of the Series 2011B Bonds.

Proceeds from the sale of the Series 2001B and Series 2001C Bonds were 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 Bonds, in the amount of \$913,000 and \$120,000, respectively, have been recorded as a prepaid expense and are being 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 2.00% to 5.50% per annum, payable semiannually commencing October 1, 2003, and began maturing annually April 1, 2004 through 2034. A portion of the Series 2003A Bonds were refunded during fiscal year 2012 utilizing funds from the sale of the Series 2011C Bonds.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Bonds Payable and Accrued Interest

June 30, 2012

Schedule 11

Proceeds from the sale of the Series 2003A Bonds were 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 are being amortized over the life of the bond issue.

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 semiannually commencing October 1, 2005, and began maturing annually April 1, 2007 through 2031.

Proceeds from the sale of the Series 2005A Bonds were 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 are being 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 semiannually commencing April 1, 2007, and began maturing annually April 1, 2008 through 2036.

Proceeds from the sale of the Series 2006 Bonds were 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 are being 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 began maturing annually April 1, 2009 through April 1, 2038.

Proceeds from the sale of the Series 2008 Bonds are being 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 are being amortized over the life of the bond issues.

Series 2009A

On March 19, 2009, the Series 2009A Bonds were issued in the principal amount of \$84,100,000. Series 2009A Bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.75% per annum, payable semiannually commencing October 1, 2009, and began maturing annually April 1, 2010 through 2038.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

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Schedule 11

Proceeds from the sale of the Series 2009A Bonds are being used to fund various improvements to the System; to provide for the refunding of the outstanding variable rate bonds, Series 2005B; and to pay all costs incidental to the issuance of the bonds. These issuance costs, in the amount of \$769,909, have been recorded as a prepaid expense and are being amortized over the life of the bond issues.

Series 2010A

On July 21, 2010, the Series 2010A Bonds were issued in the principal amount of \$56,675,000. Series 2010A Bonds are current interest bonds which bear interest at rates ranging from 4.00% to 5.25% per annum, payable semiannually commencing October 1, 2010, and began maturing annually April 1, 2012 through 2030.

Proceeds from the sale of the Series 2010A Bonds are being used to fund various improvements to the System, pay debt service during construction, and to pay costs of issuing the Series 2010A Bonds. These issuance costs, in the amount of \$591,276, have been recorded as a prepaid expense and are being amortized over the life of the bond issues.

Series 2011A and Series 2011B

On July 7, 2011, the Series 2011A and Series 2011B Bonds were issued in the principal amount of \$81,970,000 and \$10,875,000, respectively. Series 2011A Bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.50% per annum, payable semiannually commencing October 1, 2011, and mature annually April 1, 2012 thru 2041. Series 2011B Bonds are current interest bonds which bear interest at rates ranging from 1.347% to 4.517% per annum, payable semiannually commencing October 1, 2011, and mature annually April 1, 2012 thru 2021.

Proceeds from the sale of the Series 2011A and Series 2011B Bonds are being used to pay for various improvements and additions to the System, currently refund certain outstanding obligations of the Board (Series 2001B and Series 2001C), pay certain capitalized interest on the Series 2011A and Series 2011B Bonds, and to pay all costs incidental to the issuance of the Series 2011A and Series 2011B Bonds. The issuance costs for Series 2011A and Series 2011B, in the amount of \$694,506 and \$83,221, respectively, have been recorded as a prepaid expense and are being amortized over the life of the bond issues.

Series 2011C

On January 12, 2012, the Series 2011C Bonds were issued in the principal amount of \$71,900,000. Series 2011C Bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.00% per annum, payable semiannually commencing April 1, 2012, and mature annually April 1, 2013 thru 2032.

Proceeds from the sale of the Series 2011C Bonds are being used to refund certain outstanding obligations of the Board (Series 2001A, 2001B, and 2003A) and pay costs incidental to the issuance of the Series 2011C Bonds. These issuance costs, in the amount of \$925,008, have been recorded as a prepaid expense and are being amortized over the life of the bond issues.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Significant Account Balances

Bonds Payable and Accrued Interest

June 30, 2012

Schedule 11

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 semiannually, commencing July 15, 2000. The bonds began maturing annually, commencing January 15, 2001 through 2002 and annually January 15, 2004 through 2013.

Proceeds from the sale of the Series 2000 Bonds were used to (a) 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) pay costs incidental to the issuance of the Series 2000 Bonds. These issuance costs, in the amount of \$259,710, have been recorded as a prepaid expense and are being 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 semiannually, commencing January 15, 2004. The bonds began maturing annually, commencing January 15, 2004 through January 15, 2023.

Proceeds from the sale of the Series 2003 Bonds were used to (a) provide a portion of the funding for the University of Illinois South Campus Development Project; and (b) 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 are being amortized over the life of the bond issue.

Series 2008 Bonds

On July 16, 2008, the Series 2008 Bonds were issued in the principal amount of \$54,245,000. Series 2008 Bonds are variable rate bonds bearing interest at a weekly rate. Interest is payable monthly commencing August 2008. The bonds began maturing annually commencing January 15, 2011 through January 15, 2022.

Proceeds from the sale of the Series 2008 Bonds were used to refund the entire outstanding principal amount of the Series 2006A Bonds and to pay costs incidental to the issuance of the Series 2008 Bonds. These issuance costs, in the amount of \$545,000, have been recorded as a prepaid expense and are being amortized over the life of the bond issue.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of Significant Account Balances
Bonds Payable and Accrued Interest
June 30, 2012

Schedule 11

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 began maturing annually, commencing October 1, 2000 through October 1, 2026.

Proceeds from the sale of the Series 1997B Bonds were used to (a) pay or reimburse the Board for the cost of acquiring, constructing, 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) pay a portion of the interest on the Series 1997B Bonds; and (c) pay costs incidental to the issuance of the Series 1997B Bonds. These issuance costs, in the amount of \$964,525, have been recorded as a prepaid expense and are being amortized over the life of the bond issues.

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 was transferred to the Series 2008 Bonds on July 28, 2008, in the notional amount of \$40,875,000.

Proceeds from the issuance of these bonds were 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 are being amortized over the life of the bond issues.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Bonds Payable and Accrued Interest
 June 30, 2012

Schedule 11

(1) Advance Refunded Bonds

	Outstanding at June 30, 2012
University of Illinois Auxiliary Facilities System, Series 2003A	\$ <u><u>14,095,000</u></u>

(2) Accrued Interest

Accrued interest on outstanding bonds payable at June 30, 2012 is as follows:

	Outstanding at June 30, 2012
University of Illinois Auxiliary Facilities System Revenue Bonds	\$ 10,697,978
University of Illinois Health Services Facilities System Revenue Bonds	100,815
University of Illinois UIC South Campus Development Revenue Bonds	362,819
	\$ 11,161,612

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Leaseholds Payable and Other Obligations
 Year ended June 30, 2012

Schedule 12

Lessor	Balance at June 30, 2011	Increase in leaseholds and other obligations	Principal payments	Cancellations and adjustments	Balance at June 30, 2012
Leaseholds payable:					
Certificates of participation:					
Series 2003 South Farm Projects	\$ 18,045,000	—	1,155,000	—	16,890,000
Series 2003 UI Integrate	31,700,000	—	—	—	31,700,000
Series 2003 Utility Infrastructure	37,530,000	—	5,560,000	—	31,970,000
Series 2004 Utility Infrastructure	132,120,000	—	6,840,000	—	125,280,000
Series 2005 College of Medicine	16,210,000	—	835,000	—	15,375,000
Series 2006A Academic Facilities	67,350,000	—	3,145,000	—	64,205,000
Series 2007A	72,320,000	—	150,000	—	72,170,000
Series 2007B	45,645,000	—	—	—	45,645,000
Series 2009A	38,230,000	—	1,670,000	—	36,560,000
Total COPs	<u>459,150,000</u>	<u>—</u>	<u>19,355,000</u>	<u>—</u>	<u>439,795,000</u>
Other capital leases:					
Banc of America	824,186	23,543	222,394	—	625,335
CBI Leasing	47,000	—	8,591	—	38,409
Cerner Software	—	4,491,610	2,313,268	—	2,178,342
CNH Capital	—	—	6,875	6,875	—
Commerce Bank	123,021	—	54,743	—	68,278
Creekridge Capital	—	23,946	3,303	—	20,643
Deere Credit	136,200	219,565	69,074	—	286,691
Eltekon Capital	4,046,132	—	1,383,644	(41,120)	2,621,368
First National Bank of Ogden	4,597	—	4,597	—	—
First Southwest Leasing (CARLYLE)	1,510,187	—	484,025	—	1,026,162
Illinois Medical District Commission	30,669,400	—	955,300	(400)	29,713,700
Key Government Finance	12,158	—	12,158	—	—
Key Municipal Finance	7,311	—	7,311	—	—
Midwest Construction Rentals	19,018	—	19,018	—	—
Municipal Asset Management	9,027	—	4,412	—	4,615
Shaff Implement	—	41,431	21,212	—	20,219
Shimadzu Financial	52,112	—	13,227	—	38,885
Siemens Medical	9,332	—	9,332	—	—
Stryker Sales Corp	18,989	—	18,989	—	—
Suntrust Leasing Corporation	644,862	—	168,564	—	476,298
Thermo Fisher Financial	—	113,365	7,160	—	106,205
WALZ Leasing	9,459	—	2,208	—	7,251
Total other capital leases	<u>38,142,991</u>	<u>4,913,460</u>	<u>5,789,406</u>	<u>(34,645)</u>	<u>37,232,400</u>
Total leaseholds payable	<u>497,292,991</u>	<u>4,913,460</u>	<u>25,144,406</u>	<u>(34,645)</u>	<u>477,027,400</u>
Other obligations:					
Energy services agreement installment payment contract	17,755,551	—	976,883	—	16,778,668
Environmental remediation liabilities	4,610,000	900,000	3,899,188	—	1,610,812
Total other obligations	<u>22,365,551</u>	<u>900,000</u>	<u>4,876,071</u>	<u>—</u>	<u>18,389,480</u>
Total leaseholds payable and other obligations	<u>\$ 519,658,542</u>	<u>5,813,460</u>	<u>30,020,477</u>	<u>(34,645)</u>	<u>495,416,880</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Entity Financial Statements and Related Information

Entity Descriptions, Auxiliary Facilities System Bonds, and Special Bonds

Year ended June 30, 2012

Schedule 13

The revenues, expenses, 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, 2012 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, due to certain eliminations between various entities.

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 1999A, Series 1999B, Series 2001A, Series 2001B, Series 2003A, Series 2005A, Series 2006, Series 2008, Series 2009A, Series 2010A, Series 2011A, Series 2011B, and Series 2011C (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.

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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Entity Financial Statements and Related Information

Entity Descriptions, Auxiliary Facilities System Bonds, and Special Bonds

Year ended June 30, 2012

Schedule 13

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* – Noncredit-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 that pertain to the practice of agriculture in direct support of the instructional, research, and public service functions of the University administered by the College of Agricultural, Consumer, and Environmental Sciences. Activities that pertain to academic and theoretical research and topics are recorded in other entities as appropriate.
- 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. *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.
- G. *Public Service, Academic Support, and Economic Development Activities* – Activities in direct support of the primary academic, public 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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Entity Financial Statements and Related Information

Entity Descriptions,
Auxiliary Facilities System Bonds, and
Special Bonds

Year ended June 30, 2012

Schedule 13

- H. *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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Entity Financial Statements and Related Information

Entity Descriptions,
Auxiliary Facilities System Bonds, and
Special Bonds

Year ended June 30, 2012

Schedule 13

Entity Descriptions	Urbana	Chicago	Springfield
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
Plant and Service Operations (reported University-wide)	X	X	X
Instructional Course Activities	X	X	
Professional Development Activities	X	X	X
Unique Instructional Programs	X	X	X
Agricultural Operations	X		
Commercial Operations Not Under Indenture	X	X	
Hospital and Clinics		X	
Public Service, Academic Support, and Economic Development Activities	X	X	X
Intercollegiate Activities	X	X	X
<hr/>			
Special Bonds (Separate Reports for I)	Urbana	Chicago	Springfield
I. Health Services Facilities System		X	

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Auxiliary Enterprises Under Indenture
 June 30, 2012

Schedule 14

**All
 campuses**

Assets:	
Current assets:	
Claim on cash and on pooled investments	\$ 140,232,609
Cash and cash equivalents	14,595,396
Investments, restricted	4,532,100
Accrued investment income	630,510
Accounts receivable, net of allowance	6,337,798
Inventories	9,985,963
Prepaid expenses and deferred charges	593,279
Total current assets	<u>176,907,655</u>
Noncurrent assets:	
Cash and cash equivalents, restricted	7,032,323
Investments, restricted	70,067,357
Capital assets, net of accumulated depreciation	972,275,674
Prepaid expenses and deferred charges	6,744,342
Total noncurrent assets	<u>1,056,119,696</u>
Total assets	<u>\$ 1,233,027,351</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 32,052,032
Accrued compensated absences, current portion	687,754
Deferred revenue	7,244,242
Notes payable to the University, current portion	2,033,369
Bonds and leaseholds payable, current portion	34,548,446
Total current liabilities	<u>76,565,843</u>
Noncurrent liabilities:	
Accrued compensated absences	5,122,069
Notes payable to the University	4,778,836
Bonds and leaseholds payable	990,626,166
Total noncurrent liabilities	<u>1,000,527,071</u>
Total liabilities	<u>1,077,092,914</u>
Net assets:	
Invested in capital assets, net of related debt	9,745,014
Restricted:	
Expendable for debt service	24,257,173
Unrestricted	121,932,250
Total net assets	<u>155,934,437</u>
Total liabilities and net assets	<u>\$ 1,233,027,351</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Auxiliary Enterprises Under Indenture

Year ended June 30, 2012

Schedule 14

**All
campuses**

Operating revenues:	
Room and board, net of waivers	\$ 130,414,642
Merchandise and retail food sales	36,415,535
Student service fees	91,195,310
Public events and recreation fees	8,208,109
Parking income	23,583,408
Rental and lease income	17,944,632
Vending income	1,764,494
Other operating revenue	<u>12,175,311</u>
Total operating revenues	<u>321,701,441</u>
Operating expenses:	
Salaries and wages	83,799,604
Merchandise and food for resale	36,680,580
Repairs and maintenance	3,756,261
Professional and other contractual services	38,005,205
Utilities	27,404,026
Supplies	10,710,374
Noncapitalized equipment and equipment rental	1,828,653
Administrative services	14,673,730
Other operating expense	10,657,382
Depreciation	30,673,059
On behalf payments for fringe benefits	<u>33,649,533</u>
Total operating expenses	<u>291,838,407</u>
Operating income	<u>29,863,034</u>
Nonoperating revenues (expenses):	
On behalf payments for fringe benefits	33,649,533
Investment income (net of related expenses)	2,149,696
Interest on capital asset related debt	(45,704,296)
Amortization of issuance costs	(338,393)
Loss on disposal of capital assets	(322,198)
Other nonoperating revenues, net	<u>46,532</u>
Total nonoperating expenses, net	<u>(10,519,126)</u>
Increase in net assets	19,343,908
Net assets, beginning of year	<u>136,590,529</u>
Net assets, end of year	<u><u>\$ 155,934,437</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Auxiliary Enterprises Not Under Indenture
 Student/Staff Programs and Services
 June 30, 2012

Schedule 15

	Urbana	Chicago	Springfield
Assets:			
Current assets:			
Cash and cash equivalents	\$ 9,580,137	9,073,871	538,766
Accounts receivable and accrued investment income	701,979	1,659,566	115,778
Inventories	73,135	499,385	18,254
Prepaid expenses and deferred charges	1,376,928	157,560	21,461
Total current assets	11,732,179	11,390,382	694,259
Noncurrent assets:			
Capital assets, net of accumulated depreciation	1,709,495	230,193	535,490
Total assets	\$ 13,441,674	11,620,575	1,229,749
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 624,147	490,375	147,165
Deferred revenue	2,249,943	2,769,187	157,458
Accrued compensated absences, current portion	54,355	55,635	11,105
Total current liabilities	2,928,445	3,315,197	315,728
Noncurrent liabilities:			
Accrued compensated absences	439,784	450,138	89,853
Total liabilities	3,368,229	3,765,335	405,581
Net assets:			
Invested in capital assets, net of related debt	1,709,495	230,193	535,490
Unrestricted	8,363,950	7,625,047	288,678
Total net assets	10,073,445	7,855,240	824,168
Total liabilities and net assets	\$ 13,441,674	11,620,575	1,229,749

See accompanying independent auditors' report.

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, 2012

Schedule 15

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Student program fees	\$ 27,695,307	32,995,834	2,460,418
Merchandise and food sales	1,148,932	25,122	1,028
Public events and recreation fees	450,387	—	5,640
Rental and lease income	197,847	1,200	190
Room and board	30,360	—	—
Parking income	30	29,006	—
Vending income	—	1,433	75
Other operating revenue	6,828,006	3,028,900	697,282
Total operating revenues	<u>36,350,869</u>	<u>36,081,495</u>	<u>3,164,633</u>
Operating expenses:			
Salaries and wages	8,288,177	4,490,630	1,382,614
Merchandise and food for resale	622,333	7,238,701	29,575
Repairs and maintenance	43,930	34,996	8,285
Professional and other contractual services	18,058,847	10,638,535	1,054,336
Utilities	152,239	124,487	6,401
Supplies	1,421,460	963,162	429,219
Equipment rental	4,881,777	76,826	35,681
Administrative services	253,852	400,321	21,623
Other operating expense	2,477,551	10,956,361	224,675
Depreciation and amortization	215,004	52,136	40,987
Total operating expenses	<u>36,415,170</u>	<u>34,976,155</u>	<u>3,233,396</u>
Operating income (loss)	<u>(64,301)</u>	<u>1,105,340</u>	<u>(68,763)</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	112,824	134,614	(3,714)
Other nonoperating expenses, net	(281,485)	(213,024)	—
Total nonoperating expenses, net	<u>(168,661)</u>	<u>(78,410)</u>	<u>(3,714)</u>
Increase (decrease) in net assets	<u>(232,962)</u>	<u>1,026,930</u>	<u>(72,477)</u>
Net assets, beginning of year	<u>10,306,407</u>	<u>6,828,310</u>	<u>896,645</u>
Net assets, end of year	<u>\$ 10,073,445</u>	<u>7,855,240</u>	<u>824,168</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Storerooms and Service Departments
 Communication and Computing Services
 June 30, 2012

Schedule 16

All campuses

Assets:	
Current assets:	
Cash and cash equivalents	\$ 9,000,445
Investments	792
Accounts receivable	173,530
Inventories	2,003,149
Prepaid expenses and deferred charges	467,213
Total current assets	<u>11,645,129</u>
Noncurrent assets:	
Prepaid expenses	172,521
Capital assets, net of accumulated depreciation	32,483,203
Total noncurrent assets	<u>32,655,724</u>
Total assets	<u><u>\$ 44,300,853</u></u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 4,270,259
Accrued compensated absences, current portion	256,678
Leaseholds payable and other obligations, current portion	6,940,245
Total current liabilities	<u>11,467,182</u>
Noncurrent liabilities:	
Accrued compensated absences	2,310,106
Leaseholds payable and other obligations	33,074,019
Total noncurrent liabilities	<u>35,384,125</u>
Total liabilities	<u>46,851,307</u>
Net assets (deficits):	
Invested in capital assets, net of related debt	(7,541,061)
Restricted	648
Unrestricted	4,989,959
Total net deficits	<u>(2,550,454)</u>
Total liabilities and net deficits	<u><u>\$ 44,300,853</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Storerooms and Service Departments

Communication and Computing Services

Year ended June 30, 2012

Schedule 16

All campuses

Operating revenues:	
Campus Information Technologies and Educational Services	\$ 21,985,313
Academic Computing and Communication Center services	9,801,408
Merchandise and food sales	2,371,623
Administrative Information Technology Services (AITS) training and assistance	906,758
Business Information Systems services	828,215
Rental and lease income	149,085
Other sources	110
	<hr/>
Total operating revenues	36,042,512
	<hr/>
Operating expenses:	
Salaries and wages	14,789,903
Merchandise and food for resale	4,140,186
Repairs and maintenance	1,720,155
Professional and other contractual services	2,888,412
Utilities	9,196,862
Supplies	2,950,877
Equipment rental	301,384
Other operating expense	750,235
Depreciation and amortization	16,629,213
	<hr/>
Total operating expenses	53,367,227
	<hr/>
Operating loss	(17,324,715)
	<hr/>
Nonoperating revenues (expenses):	
State appropriations for debt service	17,740,698
Investment income (net of related expenses)	1,215,604
Interest on capital asset related debt	(1,629,634)
Loss on disposal of capital assets	(1,224,561)
Other nonoperating expenses, net	(53,462)
	<hr/>
Total nonoperating revenues, net	16,048,645
	<hr/>
Decrease in net assets	(1,276,070)
	<hr/>
Net deficits, beginning of year	(1,274,384)
	<hr/>
Net deficits, end of year	\$ (2,550,454)
	<hr/> <hr/>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Storerooms and Service Departments
 Plant and Services Operations
 June 30, 2012

Schedule 16

All campuses

Assets:	
Current assets:	
Cash and cash equivalents	\$ 99,137,733
Investments	5,051
Accounts receivable and accrued investment income	5,520,608
Inventories	7,503,704
Prepaid expenses and deferred charges	909,219
Other assets	<u>2,000,000</u>
Total current assets	<u>115,076,315</u>
Noncurrent assets:	
Prepaid expenses, noncurrent	885,989
Capital assets, net of accumulated depreciation	<u>198,208,984</u>
Total noncurrent assets	<u>199,094,973</u>
Total assets	<u>\$ 314,171,288</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 36,474,094
Deferred revenue	229,073
Accrued compensated absences, current portion	1,795,447
Leaseholds payable and other obligations, current portion	<u>126,017,136</u>
Total current liabilities	<u>164,515,750</u>
Noncurrent liabilities:	
Leaseholds payable and other obligations	88,371,689
Accrued compensated absences	<u>14,526,800</u>
Total noncurrent liabilities	<u>102,898,489</u>
Total liabilities	<u>267,414,239</u>
Net assets (deficits):	
Invested in capital assets, net of related debt	(16,179,841)
Restricted	15,881
Unrestricted	<u>62,921,009</u>
Total net assets	<u>46,757,049</u>
Total liabilities and net assets	<u>\$ 314,171,288</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Assets
Storerooms and Service Departments
Plant and Services Operations
Year ended June 30, 2012

Schedule 16

	<u>All campuses</u>
Operating revenues:	
Plant operations and related services	\$ 289,256,087
Utility services	194,564,543
Lab and pharmacy services	53,647,882
Merchandise and food sales	12,184,886
Other sources	5,178,448
Rental and lease income	3,236,876
Farm product sales	1,152,829
Vending income	9,551
Student program fees	2,000
Total operating revenues	<u>559,233,102</u>
Operating expenses:	
Salaries and wages	184,795,961
Merchandise and food for resale	147,282,031
Repairs and maintenance	35,935,391
Professional and other contractual services	114,127,382
Utilities	740,033
Supplies	19,639,038
Equipment rental	3,284,982
Administrative services	2,549,652
Other operating expense	14,614,767
Depreciation and amortization	17,120,258
Total operating expenses	<u>540,089,495</u>
Operating income	<u>19,143,607</u>
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	6,351,891
Interest on capital asset related debt	(9,903,314)
Other nonoperating expenses, net	(1,336,216)
Total nonoperating expenses, net	<u>(4,887,639)</u>
Increase in net assets	14,255,968
Net assets, beginning of year	<u>32,501,081</u>
Net assets, end of year	<u>\$ 46,757,049</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Instructional Course Activities

June 30, 2012

Schedule 17

	Urbana	Chicago
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,952,923	1,899,876
Accounts receivable and accrued investment income	173,512	18,511
Deferred charges	—	500
Total current assets	3,126,435	1,918,887
Noncurrent assets:		
Capital assets, net of accumulated depreciation	2,858,171	165,595
Total assets	\$ 5,984,606	2,084,482
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 121,126	79,159
Deferred revenue	463,456	976,024
Accrued compensated absences, current portion	3,944	9,601
Total current liabilities	588,526	1,064,784
Noncurrent liabilities:		
Accrued compensated absences	31,914	77,677
Total liabilities	620,440	1,142,461
Net assets:		
Invested in capital assets, net of related debt	2,858,171	165,595
Unrestricted	2,505,995	776,426
Total net assets	5,364,166	942,021
Total liabilities and net assets	\$ 5,984,606	2,084,482

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Instructional Course Activities

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>
Operating revenues:		
Student program fees	\$ 1,653,033	1,452
Food and merchandise sales	25,550	—
Other sources	2,204,038	4,353,676
Total operating revenues	<u>3,882,621</u>	<u>4,355,128</u>
Operating expenses:		
Salaries and wages	1,146,777	1,375,404
Repairs and maintenance	3,656	21,904
Professional and other contractual services	930,124	2,330,692
Utilities	4,065	23,407
Supplies	463,408	355,194
Equipment rental	53,280	26,168
Administrative services	153,994	299
Other operating expense	541,738	71,761
Depreciation and amortization	119,922	23,797
Total operating expenses	<u>3,416,964</u>	<u>4,228,626</u>
Operating income	<u>465,657</u>	<u>126,502</u>
Nonoperating revenues (expenses):		
Investment income (net of related expenses)	8,389	38,713
Total nonoperating revenues, net	<u>8,389</u>	<u>38,713</u>
Increase in net assets	474,046	165,215
Net assets, beginning of year	<u>4,890,120</u>	<u>776,806</u>
Net assets, end of year	\$ <u><u>5,364,166</u></u>	\$ <u><u>942,021</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Departmental Activities
 Professional Development Activities
 June 30, 2012

Schedule 17

	Urbana	Chicago	Springfield
Assets:			
Current assets:			
Cash and cash equivalents	\$ 5,587,381	2,850,697	218,983
Accounts receivable and accrued investment income	1,297,060	119,503	26,206
Inventories	46,615	122	—
Prepaid expenses and deferred charges	103,680	23,262	500
Total current assets	7,034,736	2,993,584	245,689
Noncurrent assets:			
Prepaid expenses, noncurrent	33,747	—	—
Capital assets, net of accumulated depreciation	8,824,543	75,568	4,833
Total noncurrent assets	8,858,290	75,568	4,833
Total assets	\$ 15,893,026	3,069,152	250,522
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,231,037	271,149	23,707
Deferred revenue	1,126,962	741,790	89,118
Accrued compensated absences, current portion	43,236	28,548	161
Leaseholds payable and other obligations, current portion	325,454	—	—
Total current liabilities	2,726,689	1,041,487	112,986
Noncurrent liabilities:			
Accrued compensated absences	349,820	230,979	1,302
Leaseholds payable and other obligations	7,035,216	—	—
Total noncurrent liabilities	7,385,036	230,979	1,302
Total liabilities	10,111,725	1,272,466	114,288
Net assets:			
Invested in capital assets, net of related debt	1,463,873	75,568	4,833
Unrestricted	4,317,428	1,721,118	131,401
Total net assets	5,781,301	1,796,686	136,234
Total liabilities and net assets	\$ 15,893,026	3,069,152	250,522

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Professional Development Activities

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Professional development conferences and workshops	\$ 17,648,683	6,818,904	468,325
Student program fees	88,523	33,235	3,705
Rental and lease income	20,441	2,400	102,566
Public events and recreation fees	6,856	—	—
Other sources	14,045	597	—
Total operating revenues	<u>17,778,548</u>	<u>6,855,136</u>	<u>574,596</u>
Operating expenses:			
Salaries and wages	9,031,374	3,564,269	109,270
Merchandise and food for resale	10,724	—	2,269
Repairs and maintenance	80,998	—	120
Professional and other contractual services	2,984,299	1,822,991	365,344
Utilities	271,602	48,446	24
Supplies	881,777	405,554	42,438
Equipment rental	1,274,805	353,573	4,605
Administrative services	193,006	5,418	—
Other operating expense	1,126,838	292,448	9,847
Depreciation and amortization	408,493	28,212	576
Total operating expenses	<u>16,263,916</u>	<u>6,520,911</u>	<u>534,493</u>
Operating income	<u>1,514,632</u>	<u>334,225</u>	<u>40,103</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	(2,831)	37,397	39
Interest on capital asset related debt	(326,274)	—	—
Other nonoperating revenue (expense), net	755,836	(11,139)	—
Total nonoperating revenue, net	<u>426,731</u>	<u>26,258</u>	<u>39</u>
Increase in net assets	1,941,363	360,483	40,142
Net assets, beginning of year	<u>3,839,938</u>	<u>1,436,203</u>	<u>96,092</u>
Net assets, end of year	\$ <u><u>5,781,301</u></u>	<u><u>1,796,686</u></u>	<u><u>136,234</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Unique Instructional Programs

June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 679,507	23,232	—
Accounts receivable and accrued investment income	534,079	32,088	—
Deferred charges	<u>186,678</u>	<u>430</u>	<u>—</u>
Total current assets	1,400,264	55,750	—
Noncurrent assets:			
Capital assets, net of accumulated depreciation	<u>3,123</u>	<u>—</u>	<u>—</u>
Total assets	<u>\$ 1,403,387</u>	<u>55,750</u>	<u>—</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 458,828	15,079	—
Deferred revenue	303,454	6,000	—
Accrued compensated absences, current portion	<u>17,052</u>	<u>—</u>	<u>—</u>
Total current liabilities	779,334	21,079	—
Noncurrent liabilities:			
Accrued compensated absences	<u>137,969</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>917,303</u>	<u>21,079</u>	<u>—</u>
Net assets:			
Invested in capital assets, net of related debt	3,123	—	—
Unrestricted	<u>482,961</u>	<u>34,671</u>	<u>—</u>
Total net assets	<u>486,084</u>	<u>34,671</u>	<u>—</u>
Total liabilities and net assets	<u>\$ 1,403,387</u>	<u>55,750</u>	<u>—</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Unique Instructional Programs

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Program services	\$ 11,209,804	72,819	—
Student program fees	1,965,479	134,563	—
Total operating revenues	<u>13,175,283</u>	<u>207,382</u>	<u>—</u>
Operating expenses:			
Salaries and wages	2,494,997	12,747	—
Repairs and maintenance	15,716	—	—
Professional and other contractual services	7,542,255	92,390	—
Utilities	201,593	—	—
Supplies	897,203	7,708	—
Equipment rental	120,767	3,260	—
Administrative expenses	151,461	—	16
Other operating expense	1,825,112	59,702	(287)
Depreciation	1,249	—	—
Total operating expenses	<u>13,250,353</u>	<u>175,807</u>	<u>(271)</u>
Operating (loss) income	<u>(75,070)</u>	<u>31,575</u>	<u>271</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	17,372	2,130	—
Other nonoperating expenses, net	(171,296)	(62,677)	—
Total nonoperating expenses, net	<u>(153,924)</u>	<u>(60,547)</u>	<u>—</u>
Increase (decrease) in net assets	<u>(228,994)</u>	<u>(28,972)</u>	<u>271</u>
Net assets, beginning of year	<u>715,078</u>	<u>63,643</u>	<u>(271)</u>
Net assets, end of year	\$ <u><u>486,084</u></u>	<u><u>34,671</u></u>	<u><u>—</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Agricultural Operations

June 30, 2012

Schedule 17

Urbana

Assets:

Current assets:

Cash and cash equivalents	\$	5,910,024
Accounts receivable and accrued investment income		197,362
Inventories		132,069
Prepaid expenses and deferred charges		21,747
Total current assets		<u>6,261,202</u>

Noncurrent assets:

Capital assets, net of accumulated depreciation		<u>8,735,041</u>
Total assets	\$	<u><u>14,996,243</u></u>

Liabilities:

Current liabilities:

Accounts payable and accrued liabilities	\$	634,724
Deferred revenue		799,652
Leaseholds payable, current portion		132,332
Accrued compensated absences, current portion		31,671
Total current liabilities		<u>1,598,379</u>

Noncurrent liabilities:

Leaseholds payable		165,570
Accrued compensated absences		256,244
Total noncurrent liabilities		<u>421,814</u>
Total liabilities		<u>2,020,193</u>

Net assets:

Invested in capital assets, net of related debt		8,735,041
Unrestricted		4,241,009
Total net assets		<u>12,976,050</u>
Total liabilities and net assets	\$	<u><u>14,996,243</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Agricultural Operations

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>
Operating revenues:	
Farm sales	\$ 6,102,644
Crop sciences programs	1,998,496
Cooperative Extension services	1,265,937
Animal sciences programs	992,375
Agricultural and biological engineering activities	758,802
4H activities	713,245
Information technology and commercial services	355,489
Food science and human nutrition programs	265,220
Rental and lease income	228,480
Merchandise and food sales	211,213
Other sources	333,607
	<hr/>
Total operating revenues	13,225,508
	<hr/>
Operating expenses:	
Salaries and wages	3,360,674
Merchandise and food for resale	391,258
Repairs and maintenance	276,155
Professional and other contractual services	2,541,985
Utilities	90,477
Supplies	5,549,116
Equipment rental	196,995
Administrative services	263,396
Other operating expense	524,650
Depreciation and amortization	846,565
	<hr/>
Total operating expenses	14,041,271
	<hr/>
Operating loss	(815,763)
	<hr/>
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	64,791
Interest on capital asset related debt	(7,281)
Other nonoperating expenses, net	(1,093,555)
	<hr/>
Total nonoperating expenses, net	(1,036,045)
	<hr/>
Decrease in net assets	(1,851,808)
	<hr/>
Net assets, beginning of year	14,827,858
	<hr/>
Net assets, end of year	\$ 12,976,050
	<hr/> <hr/>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Balance Sheet
 Departmental Activities
 Commercial Operations Not Under Indenture
 June 30, 2012

Schedule 17

	Urbana	Chicago
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,601,784	1,765,168
Accounts receivable and accrued investment income	573,476	764,009
Prepaid expenses and deferred charges	1,500	—
Total current assets	3,176,760	2,529,177
Noncurrent assets:		
Capital assets, net of accumulated depreciation	29,950,122	6,245,656
Total assets	\$ 33,126,882	8,774,833
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 59,349	—
Accrued compensated absences, current portion	9,109	—
Deferred revenue	—	49,488
Internal payable, current portion	58,766	—
Total current liabilities	127,224	49,488
Noncurrent liabilities:		
Internal payable	261,538	—
Accrued compensated absences	73,696	—
Total noncurrent liabilities	335,234	—
Total liabilities	462,458	49,488
Net assets:		
Invested in capital assets, net of related debt	29,950,122	6,245,656
Unrestricted	2,714,302	2,479,689
Total net assets	32,664,424	8,725,345
Total liabilities and net assets	\$ 33,126,882	8,774,833

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Commercial Operations Not Under Indenture

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>
Operating revenues:		
Utilities provided to outside parties	\$ 2,196,612	7,954,758
Rental and lease income	906,012	1,386,052
Vending income	651,179	—
Parking	469,129	—
Farm sales	275,000	—
Merchandise and food sales	10,099	—
Other sources	9,911	464,160
Total operating revenues	<u>4,517,942</u>	<u>9,804,970</u>
Operating expenses:		
Salaries and wages	862,354	72,584
Repairs and maintenance	72,149	1,099,670
Professional and other contractual services	646,127	132,589
Utilities	2,466,001	8,079,285
Supplies	199,493	407
Equipment rental	5,344	—
Administrative services	—	239,103
Depreciation and amortization	1,720,410	388,352
Total operating expenses	<u>5,971,878</u>	<u>10,011,990</u>
Operating loss	<u>(1,453,936)</u>	<u>(207,020)</u>
Nonoperating revenues (expenses):		
Investment income (net of related expenses)	3,169	(8,038)
Interest on capital asset related debt	(12,856)	—
Other nonoperating revenues, net	247,036	—
Capital grants	1,275,040	—
Total nonoperating revenues (expenses), net	<u>1,512,389</u>	<u>(8,038)</u>
Increase (decrease) in net assets	58,453	(215,058)
Net assets, beginning of year	<u>32,605,971</u>	<u>8,940,403</u>
Net assets, end of year	\$ <u><u>32,664,424</u></u>	\$ <u><u>8,725,345</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Hospital and Clinics

June 30, 2012

Schedule 17

Chicago

Assets and Deferred Outflow of Resources:

Current assets:

Claim on cash and on pooled investments	\$ 153,112,357
Restricted claim on cash and on pooled investments, required for current liabilities	89,190
Restricted cash and cash equivalents	11,625
Accrued investment income	360,584
Patient accounts receivables, net	85,595,933
Other receivables	9,726,658
Inventories	5,707,170
Prepaid expenses, deposits, and other assets	541,958
	<hr/>
Total current assets	255,145,475

Noncurrent assets:

Restricted claim on cash and on pooled investments	7,065,752
Capital assets, net of accumulated depreciation	166,018,810
Prepaid expenses and other assets	305,697
	<hr/>
Total noncurrent assets	173,390,259

Deferred outflow of resources related to swap

	<hr/>
	6,108,592
	<hr/>
Total assets and deferred outflow of resources	\$ 434,644,326

Liabilities:

Current liabilities:

Accounts payable and accrued liabilities	\$ 84,806,671
Long-term liabilities, current portion	7,423,098
	<hr/>
Total current liabilities	92,229,769

Noncurrent liabilities:

Long-term debt, net of current portion	53,987,724
Accrued compensated absences, net of current portion	21,980,817
Derivative instrument – swap liability	7,224,261
	<hr/>
Total noncurrent liabilities	83,192,802

Total liabilities	<hr/>
	175,422,571

Net assets:

Invested in capital assets, net of related debt	106,910,849
Restricted	7,065,752
Unrestricted	145,245,154
	<hr/>
Total net assets	259,221,755
	<hr/>
Total liabilities and net assets	\$ 434,644,326

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Hospital and Clinics

Year ended June 30, 2012

Schedule 17

Chicago

Operating revenues:		
Net patient service revenues	\$	534,410,907
Other revenues		50,756,522
Total operating revenues		585,167,429
Operating expenses:		
Salaries and wages		282,102,944
Fringe benefits		165,913,006
Supplies and general expenses		245,490,731
Administrative services		19,175,978
Depreciation and amortization		18,930,878
Total operating expenses		731,613,537
Operating loss		(146,446,108)
Nonoperating revenue (expenses):		
On behalf payments for fringe benefits		159,135,224
State appropriations		45,000,000
Transfer of State appropriations to the Illinois DHFS Hospital Services Fund		(45,000,000)
Interest on capital asset related debt		(1,870,562)
Investment income		1,389,481
Net increase in fair value of investments		1,254,233
Loss on disposal of capital assets		(1,179,311)
Other nonoperating revenue, net		2,154,703
Total nonoperating revenues, net		160,883,768
Increase in net assets		14,437,660
Net assets, beginning of the year		242,738,097
Cumulative effect of change in accounting principle		2,045,998
Net assets, beginning of year, as adjusted		244,784,095
Net assets, end of the year	\$	259,221,755

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Public Service, Academic Support, and Economic Development Activities

June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 12,627,362	25,085,800	36,941
Accounts receivable and accrued investment income	1,715,210	19,103,087	60,645
Inventories	2,413,930	3,941,680	7,019
Prepaid expenses and deferred charges	39,040	430,861	25,260
Total current assets	<u>16,795,542</u>	<u>48,561,428</u>	<u>129,865</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	12,854,246	25,576,382	23,126
Total assets	<u>\$ 29,649,788</u>	<u>74,137,810</u>	<u>152,991</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,735,716	8,182,994	279,217
Deferred revenue	827,633	640,096	99,519
Internal payable, current portion	—	95,901	—
Leaseholds payable, current portion	13,471	90,449	—
Accrued compensated absences, current portion	71,300	366,503	3,214
Total current liabilities	<u>2,648,120</u>	<u>9,375,943</u>	<u>381,950</u>
Noncurrent liabilities:			
Internal payable	—	370,546	—
Leaseholds payable	16,179	38,701	—
Accrued compensated absences	576,883	2,965,343	26,008
Total noncurrent liabilities	<u>593,062</u>	<u>3,374,590</u>	<u>26,008</u>
Total liabilities	<u>3,241,182</u>	<u>12,750,533</u>	<u>407,958</u>
Net assets (deficits):			
Invested in capital assets, net of related debt	12,824,596	24,980,785	23,126
Unrestricted	13,584,010	36,406,492	(278,093)
Total net assets (deficits)	<u>26,408,606</u>	<u>61,387,277</u>	<u>(254,967)</u>
Total liabilities and net assets	<u>\$ 29,649,788</u>	<u>74,137,810</u>	<u>152,991</u>

See accompanying independent auditors' report.

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, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Health and medical services income	\$ 18,454,936	107,098,300	—
Public services income	8,147,647	2,584,709	880,284
Academic support activities income	5,484,151	109,541	—
Student program fees	1,207,911	511,733	18,277
Merchandise and food sales	927,349	106,742	7,351
Rental and lease income	727,007	21,238	225,223
Public events and recreation fees	574,103	28,661	1,049,919
Room and board	202,831	—	—
Farm sales	176,208	—	—
Economic development services	88,367	—	—
Vending income	5,785	—	—
Parking	1,751	—	—
Other sources	900,723	1,019,792	—
	<u>36,898,769</u>	<u>111,480,716</u>	<u>2,181,054</u>
Total operating revenues			
Operating expenses:			
Salaries and wages	13,676,172	39,084,405	277,094
Merchandise and food for resale	550,444	26,653,967	—
Repairs and maintenance	368,251	384,898	16,724
Professional and other contractual services	10,514,084	30,206,633	1,444,488
Utilities	212,453	1,019,790	19,497
Supplies	5,351,434	4,299,805	100,946
Equipment rental	305,653	771,838	20,164
Administrative services	2,448	348,788	—
Other operating expense	726,149	1,153,343	194,185
Depreciation and amortization	1,419,044	1,173,312	2,588
	<u>33,126,132</u>	<u>105,096,779</u>	<u>2,075,686</u>
Total operating expenses			
Operating income	<u>3,772,637</u>	<u>6,383,937</u>	<u>105,368</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	31,968	134,102	172
Interest on capital related debt	(3,245)	(27,328)	—
Other nonoperating expenses	(490,629)	(125,197)	—
	<u>(461,906)</u>	<u>(18,423)</u>	<u>172</u>
Total nonoperating revenues (expenses), net			
Increase in net assets	3,310,731	6,365,514	105,540
Net assets (deficits), beginning of year	<u>23,097,875</u>	<u>55,021,763</u>	<u>(360,507)</u>
Net assets (deficits), end of year	\$ <u>26,408,606</u>	<u>61,387,277</u>	<u>(254,967)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Balance Sheet

Departmental Activities

Intercollegiate Athletics

June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 11,332,540	(382,076)	(6,276)
Accounts receivable and accrued investment income	1,817,926	700,805	34,581
Inventories	103,173	—	—
Prepaid expenses and deferred charges	517,923	—	250
Total current assets	<u>13,771,562</u>	<u>318,729</u>	<u>28,555</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	4,750,541	2,053,175	1,338
Total assets	<u>\$ 18,522,103</u>	<u>2,371,904</u>	<u>29,893</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,167,807	272,837	34,376
Deferred revenue	5,538,760	—	41,206
Accrued compensated absences, current portion	153,898	60,871	1,382
Leaseholds payable, current portion	4,615	—	—
Internal financing payable, current portion	—	208,404	—
Total current liabilities	<u>7,865,080</u>	<u>542,112</u>	<u>76,964</u>
Noncurrent liabilities:			
Internal financing payable	—	1,735,490	—
Accrued compensated absences	1,245,178	492,501	11,183
Total noncurrent liabilities	<u>1,245,178</u>	<u>2,227,991</u>	<u>11,183</u>
Total liabilities	<u>9,110,258</u>	<u>2,770,103</u>	<u>88,147</u>
Net assets (deficits):			
Invested in capital assets, net of related debt	4,750,541	109,281	1,338
Unrestricted	4,661,304	(507,480)	(59,592)
Total net assets (deficits)	<u>9,411,845</u>	<u>(398,199)</u>	<u>(58,254)</u>
Total liabilities and net assets	<u>\$ 18,522,103</u>	<u>2,371,904</u>	<u>29,893</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Assets

Departmental Activities

Intercollegiate Athletics

Year ended June 30, 2012

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Public events and recreation fees	\$ 46,668,553	2,263,128	150,139
Student program fees	—	6,306,296	1,147,247
Merchandise and food sales	1,253,251	—	13,681
Rental and lease income	126,050	—	—
Parking	13,800	—	—
Other sources	3,271,139	236,541	2,671
	<u>51,332,793</u>	<u>8,805,965</u>	<u>1,313,738</u>
Total operating revenues			
Operating expenses:			
Salaries and wages	23,822,172	4,078,069	188,268
Merchandise and food for resale	456,991	—	6,666
Repairs and maintenance	279,415	3,641	2,483
Professional and other contractual services	13,109,725	1,599,328	258,622
Utilities	2,154,539	68,695	5,013
Supplies	2,538,835	613,580	99,681
Equipment rental	1,509,296	316,414	69,107
Administrative services	548,700	232,032	3,092
Other operating expense	4,644,830	1,617,196	726,088
Depreciation and amortization	621,747	132,910	1,204
	<u>49,686,250</u>	<u>8,661,865</u>	<u>1,360,224</u>
Total operating expenses			
Operating income	<u>1,646,543</u>	<u>144,100</u>	<u>(46,486)</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	45,268	1,772	55
Interest on capital asset related debt	(348)	(74,037)	—
Other nonoperating expenses, net	(24,263)	—	—
	<u>20,657</u>	<u>(72,265)</u>	<u>55</u>
Total nonoperating revenues (expenses), net			
Increase (decrease) in net assets	1,667,200	71,835	(46,431)
Net assets (deficits), beginning of year	<u>7,744,645</u>	<u>(470,034)</u>	<u>(11,823)</u>
Net assets (deficits), end of year	<u>\$ 9,411,845</u>	<u>(398,199)</u>	<u>(58,254)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Auxiliary Enterprises Under Indenture
 June 30, 2012
 (Unaudited)

Schedule 18

	<u>All campuses</u>
Capital assets:	
Facilities – at replacement cost	\$ 2,473,269,108
Parking lots and improvements – at historical cost	53,187,425
Equipment – at historical cost	36,058,968
Bond resolution limitations on repair and replacement reserve:	
5% of replacement cost of facilities	\$ 123,663,455
5% of historical cost of parking lots and improvements	2,659,371
20% of historical cost of equipment	7,211,794
Total reserve limitation	<u>133,534,620</u>
Repair and replacement reserve	<u>85,737,937</u>
Total margin of compliance	<u><u>\$ 47,796,683</u></u>

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Current Excess Funds Calculations
Selected Plant Fund Data
Auxiliary Enterprises Not Under Indenture
June 30, 2012
(Unaudited)

Schedule 18

	Student/staff programs and services		
	Urbana	Chicago	Springfield
Capital assets:			
Facilities – at replacement cost	\$ 3,657,298	25,546	3,407,646
Improvements – at historical cost	—	—	—
Parking lots – at historical cost	—	698,666	—
Equipment – at historical cost	3,099,153	1,983,374	1,376,352
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 182,865	1,277	170,382
5% of historical cost of improvements	—	—	—
10% of historical cost of parking lots	—	69,867	—
20% of historical cost of equipment	619,831	396,675	275,270
Total reserve limitation	802,696	467,819	445,652
Repair and replacement reserve	432,957	—	—
Total margin of compliance	\$ 369,739	467,819	445,652

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Storerooms and Service Departments
 June 30, 2012
 (Unaudited)

Schedule 18

**Communication
and
computing
services**

All campuses

Capital assets:		
Facilities – at replacement cost	\$	18,904,848
Improvements – at historical cost		10,500,000
Equipment – at historical cost		188,436,780
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	945,242
5% of historical cost of improvements		525,000
20% of historical cost of equipment		37,687,356
Total reserve limitation		39,157,598
Repair and replacement reserve		2,726,923
Total margin of compliance	\$	36,430,675

**Plant and
service
operations**

All campuses

Capital assets:		
Facilities – at replacement cost	\$	49,876,971
Improvements – at historical cost		281,088,274
Equipment – at historical cost		79,313,060
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	2,493,849
5% of historical cost of improvements		14,054,414
20% of historical cost of equipment		15,862,612
Total reserve limitation		32,410,875
Repair and replacement reserve		19,666,826
Total margin of compliance	\$	12,744,049

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Departmental Activities
 June 30, 2012
 (Unaudited)

Schedule 18

	Instructional course activities	
	Urbana	Chicago
Capital assets:		
Facilities – at replacement cost	\$ 22,353,467	—
Equipment – at historical cost	6,531,764	548,400
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$ 1,117,673	—
20% of historical cost of equipment	1,306,353	109,680
Total reserve limitation	2,424,026	109,680
Repair and replacement reserve	665,272	—
Total margin of compliance	\$ 1,758,754	109,680

	Professional development activities		
	Urbana	Chicago	Springfield
Capital assets:			
Facilities – at replacement cost	\$ 8,899,383	—	—
Equipment – at historical cost	3,264,491	2,028,836	70,585
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 444,969	—	—
20% of historical cost of equipment	652,898	405,767	14,117
Total reserve limitation	1,097,867	405,767	14,117
Repair and replacement reserve	82,118	—	—
Total margin of compliance	\$ 1,015,749	405,767	14,117

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Departmental Activities
 June 30, 2012
 (Unaudited)

Schedule 18

	Agricultural operations	
	Urbana	
Capital assets:		
Facilities – at replacement cost	\$	49,024,882
Improvements – at historical cost		473,425
Equipment – at historical cost		10,316,071
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	2,451,244
5% of historical cost of improvements		23,671
20% of historical cost of equipment		2,063,214
Total reserve limitation		4,538,129
Repair and replacement reserve		822,455
Total margin of compliance	\$	3,715,674
	Commercial operations not under indenture	
	Urbana	Chicago
Capital assets:		
Facilities – at replacement cost	\$	16,974,209
Improvements – at historical cost		21,241,650
Equipment – at historical cost		3,189,981
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	848,710
5% of historical cost of improvements		1,062,083
20% of historical cost of equipment		637,996
Total reserve limitation		1,910,793
Repair and replacement reserve		179,007
Total margin of compliance	\$	1,910,793

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Departmental Activities
 June 30, 2012
 (Unaudited)

Schedule 18

	Unique Instructional Programs	
	Urbana	Chicago
Capital assets:		
Facilities – at replacement cost	\$ —	—
Improvements – at historical cost	—	—
Equipment – at historical cost	120,299	8,936
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$ —	—
5% of historical cost of improvements	—	—
20% of historical cost of equipment	24,060	1,787
Total reserve limitation	24,060	1,787
Repair and replacement reserve	—	—
Total margin of compliance	\$ 24,060	1,787
Hospital and clinics		
Chicago		
Capital assets:		
Facilities – at replacement cost	\$ 355,526,135	
Equipment – at historical cost	206,677,651	
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$ 17,776,307	
20% of historical cost of equipment	41,335,530	
Total reserve limitation	59,111,837	
Repair and replacement reserve	7,212,046	
Total margin of compliance	\$ 51,899,791	

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Current Excess Funds Calculations
Selected Plant Fund Data
Departmental Activities
June 30, 2012
(Unaudited)

Schedule 18

	Public service, academic support, and economic development activities		
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities – at replacement cost	\$ 204,750,410	173,671,212	—
Improvements – at historical cost	633,636	—	—
Equipment – at historical cost	11,757,374	9,559,097	118,007
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 10,237,521	8,683,561	—
5% of historical cost of improvements	31,682	—	—
20% of historical cost of equipment	2,351,475	1,911,819	23,601
Total reserve limitation	12,620,678	10,595,380	23,601
Repair and replacement reserve	1,303,618	—	(23,382)
Total margin of compliance	<u>\$ 11,317,060</u>	<u>10,595,380</u>	<u>46,983</u>

	Intercollegiate athletics		
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities – at replacement cost	\$ 3,695,466	—	—
Improvements – at historical cost	8,001	2,409,202	—
Equipment – at historical cost	10,944,218	685,748	59,936
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 184,773	—	—
5% of historical cost of improvements	400	120,460	—
20% of historical cost of equipment	2,188,844	137,150	11,987
Total reserve limitation	2,374,017	257,610	11,987
Repair and replacement reserve	—	—	—
Total margin of compliance	<u>\$ 2,374,017</u>	<u>257,610</u>	<u>11,987</u>

See accompanying notes to selected plant fund data.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Current Excess Funds Calculations
Notes to Selected Plant Fund Data
June 30, 2012
(Unaudited)

Schedule 18

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 Statement No. 35, all reserve activity associated with an entity has been included in the financial statement for that entity.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Auxiliary Enterprises Under Indenture
 Auxiliary Facilities System
 June 30, 2012
 (Unaudited)

Schedule 19

All campuses

1. Current available funds:		
Add:		
Cash (excludes repair and replacement reserve)	\$	39,237,186
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>39,237,186</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		43,534,143
Encumbrances and current liabilities paid in lapse period		8,872,819
Deferred income		4,417,322
Refundable deposits		1,597,955
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		687,754
Working capital allowance	B	<u>59,109,993</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(19,872,807)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(47,796,683)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (67,669,490)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Auxiliary Enterprises Not Under Indenture

Student/Staff Programs and Services – Entity 3200

June 30, 2012

(Unaudited)

Schedule 20

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash (excludes repair and replacement reserve)	\$	8,031,887	9,073,871	538,766
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>8,031,887</u>	<u>9,073,871</u>	<u>538,766</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures		12,405,471	16,229,395	1,049,380
Encumbrances and current liabilities paid in lapse period		624,147	490,375	147,165
Deferred income		1,838,258	2,233,037	93,149
Refundable deposits		196,865	—	42,583
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		84,227	53,817	2,866
Working capital allowance	B	<u>15,148,968</u>	<u>19,006,624</u>	<u>1,335,143</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>(7,117,081)</u>	<u>(9,932,753)</u>	<u>(796,377)</u>
4. Calculation of income fund remittance:				
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(369,739)</u>	<u>(467,819)</u>	<u>(445,652)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(7,486,820)</u></u>	<u><u>(10,400,572)</u></u>	<u><u>(1,242,029)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Storerooms and Service Departments

Communication and Computing Services – Entity 3100

June 30, 2012

(Unaudited)

Schedule 21

All campuses

1. Current available funds:		
Add:		
Cash	\$	5,712,028
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>5,712,028</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		10,868,513
Encumbrances and current liabilities paid in lapse period		3,792,377
Deferred income		—
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		234,508
Working capital allowance	B	<u>14,895,398</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(9,183,370)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(36,430,675)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(45,614,045)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Storerooms and Service Departments
 Plant and Service Operations – Entity 3110
 June 30, 2012
 (Unaudited)

Schedule 21

All campuses

1. Current available funds:		
Add:		
Cash	\$	68,742,101
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>68,742,101</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		107,970,676
Encumbrances and current liabilities paid in lapse period		28,489,083
Deferred income		206,018
Refundable deposits		2,491
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		1,560,572
Working capital allowance	B	<u>138,228,840</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(69,486,739)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(12,744,049)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (82,230,788)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Instructional Course Activities – Entity 3400
 June 30, 2012
 (Unaudited)

Schedule 22

	<u>Urbana</u>	<u>Chicago</u>
1. Current available funds:		
Add:		
Cash (excludes repair and replacement reserve)	\$ 2,287,651	1,899,876
Cash equivalents:		
Bank deposits	—	—
Marketable securities	—	—
Certificates of deposit	—	—
Repurchase agreements	—	—
Other cash equivalent items	—	—
Interfund receivables	—	—
Total current available funds	A <u>2,287,651</u>	<u>1,899,876</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures	1,124,285	1,271,303
Encumbrances and current liabilities paid in lapse period	121,126	79,159
Deferred income	341,490	804,951
Refundable deposits	84,000	169,260
Allowance for restoring inventory to normal level	—	—
Allowance for sick leave/vacation payouts	—	1,839
Working capital allowance	B <u>1,670,901</u>	<u>2,326,512</u>
3. Current excess funds:		
Deduct B from A and enter here	C <u>616,750</u>	<u>(426,636)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D <u>(1,758,754)</u>	<u>(109,680)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ <u><u>(1,142,004)</u></u>	<u><u>(536,316)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Departmental Activities

Professional Development Activities – Entity 3410

June 30, 2012

(Unaudited)

Schedule 22

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash (excludes repair and replacement reserve)	\$	5,621,799	2,850,697	218,983
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>5,621,799</u>	<u>2,850,697</u>	<u>218,983</u>
2. Working capital allowance				
Add:				
Highest month's expenditures		3,818,722	1,907,006	192,289
Encumbrances and current liabilities paid in lapse period		1,146,960	271,150	23,707
Deferred income		1,126,962	741,790	83,377
Refundable deposits		—	—	—
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		31,927	31,274	2,764
Working capital allowance	B	<u>6,124,571</u>	<u>2,951,220</u>	<u>302,137</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>(502,772)</u>	<u>(100,523)</u>	<u>(83,154)</u>
4. Calculation of income fund remittance:				
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(1,015,749)</u>	<u>(405,767)</u>	<u>(14,117)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(1,518,521)</u></u>	<u><u>(506,290)</u></u>	<u><u>(97,271)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Departmental Activities

Unique Instructional Programs – Entity 3420

June 30, 2012

(Unaudited)

Schedule 22

	<u>Urbana</u>	<u>Chicago</u>
1. Current available funds:		
Add:		
Cash	\$ 679,507	23,232
Cash equivalents:		
Bank deposits	—	—
Marketable securities	—	—
Certificates of deposit	—	—
Repurchase agreements	—	—
Other cash equivalent items	—	—
Interfund receivables	—	—
Total current available funds	A <u>679,507</u>	<u>23,232</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures	—	—
Encumbrances and current liabilities paid in lapse period	458,828	15,079
Deferred income	209,392	6,000
Refundable deposits	—	—
Allowance for restoring inventory to normal level	—	—
Allowance for sick leave/vacation payouts	12,685	—
Working capital allowance	B <u>680,905</u>	<u>21,079</u>
3. Current excess funds:		
Deduct B from A and enter here	C <u>(1,398)</u>	<u>2,153</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D <u>—</u>	<u>—</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ <u><u>(1,398)</u></u>	<u><u>2,153</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Agricultural Operations – Entity 3430
 June 30, 2012
 (Unaudited)

Schedule 22

Urbana

1. Current available funds:		
Add:		
Cash	\$	5,084,104
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>5,084,104</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		3,203,533
Encumbrances and current liabilities paid in lapse period		631,259
Deferred income		799,652
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		18,364
Working capital allowance	B	<u>4,652,808</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>431,296</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(3,715,674)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (3,284,378)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Departmental Activities

Commercial Operations Not Under Indenture – Entity 3600

June 30, 2012

(Unaudited)

Schedule 22

	<u>Urbana</u>	<u>Chicago</u>
1. Current available funds:		
Add:		
Cash	\$ 1,445,047	1,765,168
Cash equivalents:		
Bank deposits	—	—
Marketable securities	—	—
Certificates of deposit	—	—
Repurchase agreements	—	—
Other cash equivalent items	—	—
Interfund receivables	—	—
Total current available funds	A <u>1,445,047</u>	<u>1,765,168</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures	674,286	2,738,939
Encumbrances and current liabilities paid in lapse period	59,349	—
Deferred income	—	49,488
Refundable deposits	—	—
Allowance for restoring inventory to normal level	—	—
Allowance for sick leave/vacation payouts	12,625	—
Working capital allowance	B <u>746,260</u>	<u>2,788,427</u>
3. Current excess funds:		
Deduct B from A and enter here	C <u>698,787</u>	<u>(1,023,259)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D <u>(4,429,771)</u>	<u>(1,910,793)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ <u><u>(3,730,984)</u></u>	<u><u>(2,934,052)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Hospital and Clinics – Entity 3500
 June 30, 2012
 (Unaudited)

Schedule 22

Chicago

1. Current available funds:		
Add:		
Cash	\$	144,165,735
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>144,165,735</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		66,783,827
Encumbrances and current liabilities paid in lapse period		83,666,582
Deferred income		—
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		2,289,766
Working capital allowance	B	<u>152,740,175</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(8,574,440)</u>
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(51,899,791)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		\$ <u><u>(60,474,231)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Departmental Activities

Public Service, Economic Development, and Academic Support Activities – Entity 3440

June 30, 2012

(Unaudited)

Schedule 22

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash (excludes repair and replacement reserve)	\$	11,318,867	25,085,800	(105,391)
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>11,318,867</u>	<u>25,085,800</u>	<u>(105,391)</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures		6,915,512	15,694,800	504,149
Encumbrances and current liabilities paid in lapse period		1,730,840	8,182,993	113,501
Deferred income		747,105	640,096	89,880
Refundable deposits		—	—	9,639
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		83,807	203,114	3
Working capital allowance	B	<u>9,477,264</u>	<u>24,721,003</u>	<u>717,172</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>1,841,603</u>	<u>364,797</u>	<u>(822,563)</u>
4. Calculation of income fund remittance:				
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(11,317,060)</u>	<u>(10,595,380)</u>	<u>(46,983)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(9,475,457)</u></u>	<u><u>(10,230,583)</u></u>	<u><u>(869,546)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Calculation Sheet for Current Excess Funds

Departmental Activities

Intercollegiate Athletics – Entity 3450

June 30, 2012

(Unaudited)

Schedule 22

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash	\$	11,332,540	(382,076)	(6,276)
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>11,332,540</u>	<u>(382,076)</u>	<u>(6,276)</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures		10,804,933	2,004,178	390,694
Encumbrances and current liabilities paid in lapse period		2,167,808	272,837	34,376
Deferred income		5,538,760	—	32,488
Refundable deposits		—	—	—
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		238,415	125,586	8,141
Working capital allowance	B	<u>18,749,916</u>	<u>2,402,601</u>	<u>465,699</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>(7,417,376)</u>	<u>(2,784,677)</u>	<u>(471,975)</u>
4. Calculation of income fund remittance:				
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	<u>(2,374,017)</u>	<u>(257,610)</u>	<u>(11,987)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(9,791,393)</u></u>	<u><u>(3,042,287)</u></u>	<u><u>(483,962)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Analysis of Indirect Cost Reimbursements

Schedule of Sources and Applications of
Indirect Cost Reimbursements

Year ended June 30, 2012

Schedule 23

Balance, July 1, 2011	\$ 190,224,382
Sources:	
Private gifts, grants and contracts	28,810,157
Federal grants and contracts	169,912,421
State of Illinois grants and contracts	8,758,853
Medical service plan	5,275,021
Auxiliary administrative allowances	15,040,326
Other administrative allowances	33,252,596
	<hr/>
Total additions	261,049,374
	<hr/>
Applications:	
Educational and general:	
Instruction	1,373
Research	(73,271,995)
Public service	(7,243,467)
Academic support	(47,508,564)
Student services	(1,706,606)
Institutional support	(51,463,895)
Operation and maintenance of plant	(51,898,910)
Student aid	(4,288,598)
	<hr/>
Total deductions	(237,380,662)
	<hr/>
Balance at June 30, 2012	\$ 213,893,094
	<hr/> <hr/>

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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Indirect Cost Reimbursements
 Calculation Sheet for Indirect Cost Carryforward
 June 30, 2012

Schedule 24

1. Cash and equivalents balance:		
Add:		
Cash		\$ 151,644,588
Cash equivalents:		
Bank deposits		—
Marketable securities		100,000
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		<u>151,744,588</u>
2. Allocated reimbursements:		
Enter the total indirect cost reimbursements allocated for expenditure for the fiscal year completed:		
\$494,230,932; enter 30% of this amount		<u>148,269,280</u>
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		<u>—</u>
4. Encumbrances and current liabilities paid in the lapse period:		
Enter the amount of:		
Current liabilities		8,909,927
Encumbrances		<u>1,043,161</u>
Total		<u>9,953,088</u>
5. Indirect cost carryforward:		
a. Enter the total items 2, 3, and 4		<u>158,222,368</u>
b. Subtract from item 1		<u>(6,477,780)</u>
If a positive number results, enter here and remit for deposit in the income fund		<u><u>\$ N/A</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Schedules of Federal Expenditures, Nonfederal Expenses, and New Loans

Year ended June 30, 2012

(Dollars in thousands)

Schedule 25

Schedule A – Federal financial component:

Total federal expenditures reported on SEFA schedule	\$ 811,797
Total new loans made not included on SEFA schedule	508,234
Amount of federal loan balances at beginning of the year (not included on the SEFA schedule and continued compliance is required)	47,486
Other noncash federal award expenditures	8,956
Total Schedule A	\$ 1,376,473

Schedule B – Total financial component:

Total operating expenses (from financial statements)	\$ 4,744,967
Total nonoperating expenses	71,489
Total new loans made	508,234
Amount of federal loan balances at beginning of the year	47,486
Other noncash federal award expenditures	8,956
Total Schedule B	\$ 5,381,132

	<u>Amount</u>	<u>Percentage</u>
Schedule C:		
Total Schedule A	\$ 1,376,473	25.6%
Total nonfederal expenses	4,004,659	74.4%
Total Schedule C	\$ 5,381,132	100.0%

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

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

University Functions and Planning Program

(Unaudited)

Year ended June 30, 2012

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, Robert Easter, 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 that 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.

UNIVERSITY OF ILLINOIS

Employment and Cost Statistics

Fall terms fiscal 2012 and 2011

(Unaudited)

	Fall term fiscal 2012				Fall term fiscal 2011			
	Urbana	Chicago	Springfield	Total	Urbana	Chicago	Springfield	Total
University employment statistics:								
Headcount:								
Faculty	3,346	3,138	349	6,833	3,279	3,046	335	6,660
Academic professionals	4,360	3,542	228	8,130	4,308	3,848	244	8,400
Support staff	4,516	5,737	311	10,564	4,513	5,392	314	10,219
Other	5,751	3,468	274	9,493	5,750	3,415	249	9,414
	<u>17,973</u>	<u>15,885</u>	<u>1,162</u>	<u>35,020</u>	<u>17,850</u>	<u>15,701</u>	<u>1,142</u>	<u>34,693</u>
Full-time equivalency:								
Faculty	3,034	2,529	260	5,823	2,983	2,427	252	5,662
Academic professionals	4,299	3,450	218	7,967	4,236	3,750	238	8,224
Support staff	4,441	5,583	307	10,331	4,436	5,230	309	9,975
Other	2,564	2,077	148	4,789	2,549	2,047	136	4,732
	<u>14,338</u>	<u>13,639</u>	<u>933</u>	<u>28,910</u>	<u>14,204</u>	<u>13,454</u>	<u>935</u>	<u>28,593</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 12 to arrive at their full-time equivalency.

UNIVERSITY OF ILLINOIS

Employment and Cost Statistics

Years ended June 30, 2012 and 2011

(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, 2012 and 2011, 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).

	<u>Urbana-Champaign</u>		<u>Chicago</u>		<u>Springfield</u>	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2012:						
Total costs (1)	\$ 342,286,416	256,937,920	149,063,380	145,428,237	28,548,960	14,397,016
Student credit hours	1,008,162	315,987	491,083	197,396	76,785	32,004
Full-time equivalent students (2)	33,605	13,166	16,369	8,225	2,560	1,333
Cost per student credit hour	\$ 340	813	304	737	372	450
Cost per full-time equivalent student	10,185	19,515	9,106	17,682	11,154	10,797
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2011:						
Total costs (1)	\$ 324,134,864	243,312,424	145,854,579	142,297,688	27,086,300	13,659,408
Student credit hours	983,565	317,556	487,138	197,700	78,648	30,935
Full-time equivalent students (2)	32,786	13,232	16,238	8,238	2,622	1,289
Cost per student credit hour	\$ 330	766	299	720	344	442
Cost per full-time equivalent student	9,887	18,389	8,982	17,274	10,332	10,597

- (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 workers' 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 2012
 (Unaudited)

The following statistics are from the *State of Illinois Board of Higher Education 2012 Data Book on Illinois Higher Education*, Fall Enrollment Survey.

Enrollment statistics:

The total headcount enrollment for Fall 2011 by class level was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Undergraduate:				
Freshman	8,140	4,399	373	12,912
Sophomore	6,562	2,931	371	9,864
Junior	7,564	3,918	825	12,307
Senior	9,084	5,541	1,443	16,068
Unclassified	906	136	100	1,142
Total undergraduate	<u>32,256</u>	<u>16,925</u>	<u>3,112</u>	<u>52,293</u>
Graduate:				
Professional	1,141	2,570	—	3,711
Graduate	10,408	7,784	1,844	20,036
Unclassified	602	812	181	1,595
Total graduate	<u>12,151</u>	<u>11,166</u>	<u>2,025</u>	<u>25,342</u>
Total	<u>44,407</u>	<u>28,091</u>	<u>5,137</u>	<u>77,635</u>

The total headcount enrollment for Fall 2011 by gender and by level of instruction were as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Gender:				
Men	23,989	12,575	2,455	39,019
Women	20,418	15,516	2,682	38,616
Total	<u>44,407</u>	<u>28,091</u>	<u>5,137</u>	<u>77,635</u>
Level of instruction:				
Full-time	40,541	23,041	2,588	66,170
Part-time	3,866	5,050	2,549	11,465
Total	<u>44,407</u>	<u>28,091</u>	<u>5,137</u>	<u>77,635</u>

The median age of students enrolled by level of instruction for Fall 2011 was not available for this report.

UNIVERSITY OF ILLINOIS
 Service Efforts and Accomplishments
 Fiscal year 2012
 (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, 2012 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Degrees:				
Certificate	3	—	—	3
Baccalaureate	7,727	3,813	673	12,213
Postbaccalaureate certificates	—	24	26	50
Masters	3,218	2,088	625	5,931
Post-Master's certificates	14	37	1	52
Doctorate (Research)	869	342	1	1,212
Doctorate (Professional Practice)	341	570	—	911
Total	<u>12,172</u>	<u>6,874</u>	<u>1,326</u>	<u>20,372</u>

Staff statistics:

The following statistics are from the Survey of Salaries of Full-Time Instructional Faculty, 2011–2012 IPEDS.

The average salary of full-time faculty for the year ended June 30, 2012 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Combined</u>
Average salary of full-time faculty	\$ 99,367	88,448	63,032	93,456

The percent of tenured full-time faculty for the year ended June 30, 2011 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Combined</u>
Percent of tenured full-time faculty	61.84%	52.21%	48.26%	57.70%

Notes:

- (1) All data are for full-time instructional faculty, which excludes faculty whose responsibilities are primarily research or public service.
- (2) Chicago figures exclude all Colleges of Medicine and the University Hospital. Urbana figures exclude Cooperative Extension staff. University Administration staff are excluded from all campus and combined figures.

UNIVERSITY OF ILLINOIS
 Service Efforts and Accomplishments
 Fiscal year 2012
 (Unaudited)

Tuition and required fees rates:

The following tuition and required fee rates are as approved by the Board of Trustees and reported to the Illinois Board of Higher Education.

The general four-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 2011 for the 2011–2012 academic year were as follows (excluding refundable fees and health insurance):

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Undergraduate	\$ 13,838	12,656	10,408
Graduate	13,642	13,276	8,716

The tuition and required fees for a full-time student entering fall 2011 for the 2011–2012 academic year in the first-professional programs were as follows (excluding refundable fees):

	<u>Urbana</u>	<u>Chicago</u>
First-professional programs:		
Medicine	\$ —	35,950
Dentistry	—	34,650
Pharmacy	—	25,654
Physical therapy	—	17,262
Law	37,819	—
Veterinary medicine	25,674	—

UNIVERSITY OF ILLINOIS

Emergency Purchases

Year ended June 30, 2012

(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2012:

Vendor	Description	Amount
Anderson & Shah Roofing	This emergency purchase is for roof repair on a student residence building and the UIC Student Center West. Extensive damage to the roof of these two buildings was caused by a severe line of thunderstorms on July 11, 2011.	\$ 77,735.00
Rising Farmers Grain Co.	This emergency purchase is to take advantage of low market costs for bushels of corn. The University's Animal Science Department issued a requisition to purchase 10,000 bushels of corn at a cost of \$6.85 per bushel, which was well below the prior market price, and includes all associated fees.	69,101.77
McLean County Fair	This emergency purchase is related to the McLean County 4-H program which is an integral part of the McLean County Extension Program. The purchase was required in order for the program to show its projects at the County Fairgrounds.	80,355.00
Various Entertainment Acts	This emergency purchase was required due to situations in which opportunity to obtain entertainment performance was available for a limited time and could cause a loss in services as the events are advertised and tickets sold well in advance of the event.	202,500.00
Cunningham Dance Foundation	This emergency purchase was required due to situations in which the opportunity to obtain the entertainment performance was available for a limited time and the need to contract and provide a deposit to secure the performance date did not allow for the completion of the sole source process.	80,000.00
Berthold Electric Power Service	This emergency expenditure is to repair two circuit breakers that failed due to the failure of a high pressure steam line. The two circuit breakers that failed were manufactured by Square D and only Square D breakers can fit in the gear frame.	26,421.00
Clayco Incorporated	The emergency purchase for construction services on the National Petascale Computing Facility. This facility will house a high-performance computer system.	3,506,193.00
Kroeschell Engineering	This emergency purchase was for heat to be restored to 1040 W. Harrison Street. The contractor was called on site to make the necessary repairs to restore heat.	59,850.00
Reliable Contracting & Equipment	This emergency expenditure was to repair a pipe leak at UIC. The hot water line from the transportation building and the Police Station ruptured.	38,135.85
Greenville Livestock Auction	This emergency expenditure was to purchase cattle at an auction. The cattle will be used by the Department of Animal Sciences for reseach.	157,849.50
Food for Thought Catering	This emergency expenditure is for the catering at the 12th Annual Walter Payton Center Guild Gala fundraising event held in downtown Chicago at Union Station.	111,367.80
Commonwealth Edison	Emergency electrical services were required at UIC -Rockford Campus.	130,696.29
Commonwealth Edison	Emergency electrical services were required at UIC for the building located at 2242 W. Harrison Street.	34,336.54
AMS Mechanical	This emergency purchase was required due to 40 tubes within the chiller having cracks in them. The tubes were replaced.	152,356.30
Entertainment Acts	This emergency purchase was required due to situations in which opportunity to obtain entertainment performance was available for a limited time and could cause a loss in services as the events are advertised and tickets sold well in advance of the event. Future events will be posted using the sole source process.	263,868.86

UNIVERSITY OF ILLINOIS

Emergency Purchases

Year ended June 30, 2012

(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2012:

Vendor	Description	Amount
Butler Animal Health	This emergency purchased was required due to the delay of the RFP by the SPO. The purchase of critical supplies for animal medical care were needed until the RFP could be re-posted, evaluated and awarded.	47,856.01
Fox Development Corp	The Department of Illinois Sustainable Technology Center needed to build out within its facility to accommodate for an indoor climate research and training center.	80,000.00
American Univ International Pr	This emergency expenditure is for a study abroad program offered in New Zealand where University students earn class credit for their participation. By not taking advantage of this program, students would not be able to earn planned credit hours, which could affect financial aid status as well as progression toward graduation.	84,230.00

UNIVERSITY OF ILLINOIS

University Bookstore Information

Fiscal year 2012

(Unaudited)

University	University of Illinois (U of I)	U of I at Chicago (UIC)	U of I – Springfield (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	fiscal year 2012 – 9/1/2008–8/31/2013 * renewable five year terms
Amount of gross sales for bookstore for FY 11	\$ 13,170,101	7,769,898	1,274,566
Amount to be paid to bookstore for FY 11 (if any) from University	N/A	N/A	N/A
Commissions	N/A	N/A	\$ 108,577
Commission terms	N/A	N/A	Follett to pay UIS – an annual amount equal to the sum of: a) 8.10% of all Gross Revenue up to \$1,000,000 b) 9.60% of any part of Gross Revenue over one \$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, 2012

(Unaudited)

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 by the University. 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, 2012, where such special data is found.

Compliance Findings

- 13(a) At June 30, 2012, State Compliance Findings were reported on pages 64 through 84 within the Compliance Examination report. None of these findings specifically related to the *University Guidelines*. The University's calculation sheets for current excess funds are presented in this report on pages 73 through 84.

Indirect Cost Reimbursements

- 13(b) A schedule of the sources and applications of indirect cost reimbursements is included in this report on page 85.
- 13(c) The University's calculation sheet for indirect cost carryforward is included in this report on page 86.

Tuition Charges and Fees

- 13(d) The University identified no instances of tuition being diverted to auxiliary enterprise operations.

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 37 through 40.
- 13(f) Entity financial statements are presented on pages 41 through 64 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, 2012, the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2012, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2012.
- 13(g) The University's calculation sheets for current excess funds are presented in this report on pages 73 through 84.
- 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 for the year ended June 30, 2012 on page 11.
- 13(i) Statements of receipts and disbursements and related definitions, for funds required by bond indentures are presented on pages 5 through 7 and page 16 and 17 of the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2012.
- 13(j) At June 30, 2012, no Compliance Findings were reported regarding 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.

UNIVERSITY OF ILLINOIS

Special Data Requirements for University Audits

Year ended June 30, 2012

(Unaudited)

- 13(k) At June 30, 2012, no noninstructional 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.
UI Singapore Research, LLC and its Subsidiary	

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 for the year ended June 30, 2012 are disclosed in this report on pages 100 and 101.

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

- 13(o) At June 30, 2012, the University identified that there were no unreimbursed subsidies to the UROs from University or appropriated funds.
- 13(p) Debt financing by UROs at June 30, 2012 is disclosed in the Annual Financial Statements of the University of Illinois Foundation on page 25.

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, 2012 on pages 24 through 29.
- 13(r) A statement describing the methodology used to allocate income from investments of pooled funds is included in this report on page 12.
- 13(s) Costs per full-time equivalent student are presented in this report on page 90.

UNIVERSITY OF ILLINOIS

Special Data Requirements for University Audits

Year ended June 30, 2012

(Unaudited)

- 13(t) Acquisitions of land in excess of \$250,000 by the University and its UROs during the year ended June 30, 2012 that were not funded by a separate appropriation specifically identifying the particular acquisitions are presented in this report, if applicable, on pages 18 and 100 as Analysis of Significant Account Balances – Capital Assets and Schedule of Funds Provided by the University of Illinois Foundation.
- 13(u) During fiscal year 2012, the University did not issue any certificates of participation (COPs) or participate in lease or purchase arrangements involving COPs.

UNIVERSITY OF ILLINOIS

Analysis of Operations

Schedule of Funds Provided by the University of Illinois Foundation

Years ended June 30, 2012 and 2011

(Unaudited)

During fiscal years 2012 and 2011, the University engaged the University of Illinois Foundation (Foundation), under contract, to provide fundraising and other services. In accordance with the contract agreement, the University provided \$738,911 cash and \$7,052,910 budget allocation in 2012 and \$738,911 cash and \$7,295,646 budget allocation in 2011, and an additional \$687,000 and \$782,835 of services in 2012 and 2011, 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>2012</u>	<u>2011</u>
Unrestricted funds	\$ 426,892	401,927
Restricted only as to campus, college, or department, and generally available for ongoing university operations:		
Provided to a particular campus	960,371	913,962
Provided to a particular college	24,492,773	19,719,593
Provided to a particular department	18,133,616	25,544,065
Provided for the Intercollegiate Athletics	<u>12,693,237</u>	<u>8,590,581</u>
Subtotal	56,706,889	55,170,128
Restricted by donor:		
Provided for student support	20,917,348	21,948,741
Provided for certain instructional, research, and public service programs	25,688,952	25,195,877
Provided for physical facilities additions or improvements	9,997,507	11,830,817
Provided for other restricted purposes	<u>35,062,502</u>	<u>33,258,514</u>
Total funds provided by the Foundation to the University	\$ <u>148,373,198</u>	<u>147,404,077</u>

University Guidelines require that the University report annually the purchase or acceptance of gifts of real estate by a URO in excess of \$250,000. During fiscal year 2012, the Foundation received the following gifts and made the following purchases of real estate:

<u>Date</u>	<u>Value (\$)</u>	<u>Property and description</u>
-------------	-------------------	---------------------------------

No purchases or gifts in excess of \$250,000 for fiscal year 2012.

UNIVERSITY OF ILLINOIS

Analysis of Operations

Schedule of Funds Provided by the University to the University of Illinois Alumni Association

Years ended June 30, 2012 and 2011

(Unaudited)

In accordance with an annual agreement between the University and the Alumni Association, the University paid \$4,361,600 and \$4,389,300, of which \$1,987,200 and \$2,284,600 represent employee salaries to the Alumni Association for the years ended June 30, 2012 and 2011, 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, 2012 and 2011, the Alumni Association expended the following amounts in the performance of those functions:

	<u>2012</u>	<u>2011</u>
Communications	\$ 922,800	698,900
Information services	1,081,000	877,400
Membership promotion	61,700	282,900
Alumni outreach programs	897,900	1,162,800
General and operating expenses	<u>1,398,200</u>	<u>1,367,300</u>
Total expenditures	<u>\$ 4,361,600</u>	<u>4,389,300</u>

UNIVERSITY OF ILLINOIS

Schedule of Undergraduate and Graduate Tuition and Fee Waivers

2011–2012 School Year

(Unaudited)

(In thousands)

	Undergraduate			Graduate		
	Tuition waivers	Fee waivers	Total waivers	Tuition waivers	Fee waivers	Total waivers
Urbana	\$ 32,628	1,596	34,224	150,227	11,798	162,025
Chicago	7,263	115	7,378	67,950	7,237	75,187
Springfield	2,099	26	2,125	1,987	148	2,135
Total	\$ 41,990	1,737	43,727	220,164	19,183	239,347

The amount of fiscal 2012 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
2011–2012 School Year
(Unaudited)

	University of Illinois at Urbana-Champaign			
	Tuition waived		Fees waived	
	Number of recipients *	Value of waivers (In thousands)	Number of recipients *	Value of waivers (In thousands)
Mandatory waivers:				
Teacher special education	83	\$ 839	83	\$ 247
General assembly	341	3,983	—	—
Reserve Officers' Training Corps (ROTC)	121	1,175	—	—
Department of Children and Family Services (DCFS)	34	310	34	113
Children of employees	589	3,379	—	—
Honorary scholarships	261	3,145	—	—
Veterans grants and scholarships**	144	986	129	176
Adjustments (1)	(31)	—	—	—
Subtotal	<u>1,542</u>	<u>13,817</u>	<u>246</u>	<u>536</u>
Discretionary waivers:				
Faculty/administrators	25	78	25	25
Civil service	29	94	29	36
Academic/other talent	725	3,722	347	219
Athletic	79	921	—	—
Foreign exchange students	549	8,509	549	754
Foreign students	10	113	—	—
Student need – financial aid	1,492	4,707	—	—
Teaching assistants	1	7	1	1
Interinstitutional/related agencies	8	71	8	15
Retired University employees	6	28	6	10
Yellow ribbon VA tuition	19	132	—	—
Summer general education differential waiver	679	429	—	—
Adjustments (1)	(88)	—	(3)	—
Subtotal	<u>3,534</u>	<u>18,811</u>	<u>962</u>	<u>1,060</u>
Total	<u><u>5,076</u></u>	<u><u>\$ 32,628</u></u>	<u><u>1,208</u></u>	<u><u>\$ 1,596</u></u>

* Unduplicated

** Illinois Veterans Grants from Illinois Student Assistance Commission (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.

UNIVERSITY OF ILLINOIS
Schedule of Undergraduate Tuition and Fee Waivers
2011–2012 School Year
(Unaudited)

	University of Illinois at Chicago			
	Tuition waived		Fees waived	
	Number of recipients *	Value of waivers (In thousands)	Number of recipients *	Value of waivers (In thousands)
Mandatory waivers:				
Teacher special education	1	\$ 12	1	\$ 3
General assembly	77	662	—	—
Reserve Officers' Training Corps (ROTC)	64	481	—	—
Department of Children and Family Services (DCFS)	13	130	13	36
Children of employees	194	869	—	—
Honorary scholarships	34	333	—	—
Veterans grants and scholarships**	194	1,240	—	—
Subtotal	<u>577</u>	<u>3,727</u>	<u>14</u>	<u>39</u>
Discretionary waivers:				
Faculty/administrators	7	19	7	8
Civil service	40	140	40	64
Academic/other talent	471	1,660	—	—
Athletic	148	1,597	—	—
Student need – financial aid	20	33	—	—
Student need – special programs	25	79	—	—
Cooperating professionals	1	2	1	1
Retired University employees	2	6	2	3
Adjustments (1)	(4)	—	—	—
Subtotal	<u>710</u>	<u>3,536</u>	<u>50</u>	<u>76</u>
Total	<u>1,287</u>	<u>\$ 7,263</u>	<u>64</u>	<u>\$ 115</u>

* Unduplicated

** Illinois Veterans Grants from Illinois Student Assistance Commission (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.

UNIVERSITY OF ILLINOIS
Schedule of Undergraduate Tuition and Fee Waivers
2011–2012 School Year
(Unaudited)

	University of Illinois – Springfield			
	Tuition waived		Fees waived	
	Number of recipients *	Value of waivers (In thousands)	Number of recipients *	Value of waivers (In thousands)
Mandatory waivers:				
General assembly	9	\$ 66	—	\$ —
Department of Children and Family Services (DCFS)	5	32	—	—
Children of employees	44	154	—	—
Senior citizens	1	5	—	—
Honorary scholarships	80	593	—	—
Veterans grants and scholarships**	223	608	—	—
Subtotal	<u>362</u>	<u>1,458</u>	<u>—</u>	<u>—</u>
Discretionary waivers:				
Faculty/administrators	3	9	3	2
Civil service	35	105	35	24
Academic/other talent	22	134	—	—
Athletic	43	150	—	—
Gender equity in intercollegiate athletics	9	25	—	—
Student need – financial aid	228	199	—	—
Cooperating professionals	1	1	1	—
Interinstitutional/related agencies	6	18	—	—
Adjustments (1)	(5)	—	—	—
Subtotal	<u>342</u>	<u>641</u>	<u>39</u>	<u>26</u>
Total	<u>704</u>	<u>\$ 2,099</u>	<u>39</u>	<u>\$ 26</u>

* Unduplicated

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

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UNIVERSITY OF ILLINOIS
Schedule of Graduate Tuition and Fee Waivers
2011–2012 School Year
(Unaudited)

	University of Illinois at Urbana-Champaign			
	Tuition waived		Fees waived	
	Number of recipients *	Value of waivers (In thousands)	Number of recipients *	Value of waivers (In thousands)
Mandatory waivers:				
Teacher special education	1	\$ 1	1	\$ 1
General assembly	14	262	—	—
ROTC	1	11	—	—
Honorary scholarships	35	442	—	—
Veterans grants and scholarships**	87	601	84	137
Adjustments (1)	(4)	—	—	—
Subtotal	<u>134</u>	<u>1,317</u>	<u>85</u>	<u>138</u>
Discretionary waivers:				
Faculty/administrators	325	2,201	362	678
Civil service	62	251	67	64
Academic/other talent	271	2,676	462	377
Foreign exchange students	31	441	31	38
Cooperating professionals	189	786	191	218
Research assistants	3,179	65,074	3,023	4,291
Teaching assistants	2,323	37,686	2,325	2,979
Other assistants	1,466	14,055	1,504	1,256
Interinstitutional/related agencies	50	397	54	67
Retired University employees	4	7	5	2
Contract/training grants	142	3,314	142	87
Fellowship/traineeship	1,030	22,022	1,129	1,603
Adjustments (1)	(1,772)	—	(1,989)	—
Subtotal	<u>7,300</u>	<u>148,910</u>	<u>7,306</u>	<u>11,660</u>
Total	<u>7,434</u>	<u>\$ 150,227</u>	<u>7,391</u>	<u>\$ 11,798</u>

* Unduplicated

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UNIVERSITY OF ILLINOIS
Schedule of Graduate Tuition and Fee Waivers
2011–2012 School Year
(Unaudited)

	University of Illinois at Chicago			
	Tuition waived		Fees waived	
	Number of recipients *	Value of waivers	Number of recipients *	Value of waivers
		(In thousands)		(In thousands)
Mandatory waivers:				
Teacher special education	14	\$ 86	14	\$ 30
General assembly	78	2,014	—	—
Senior citizen	2	14	—	—
Honorary scholarships	24	380	—	—
Veterans grants and scholarships**	142	1,250	—	—
Subtotal	<u>260</u>	<u>3,744</u>	<u>14</u>	<u>30</u>
Discretionary waivers:				
Faculty/administrators	560	4,292	468	883
Civil service	146	980	113	202
Academic/other talent	97	3,997	—	—
Athletic	2	45	—	—
Cooperating professionals	57	190	57	72
Research assistants	1,121	15,801	1,119	1,905
Teaching assistants	1,272	18,666	1,267	2,122
Other assistants	574	7,184	1,277	1,040
Interinstitutional/related agencies	3	17	6	6
Retired University employees	5	21	5	8
Fellowship/traineeship	767	13,013	749	969
Adjustments (1)	(435)	—	(1,120)	—
Subtotal	<u>4,169</u>	<u>64,206</u>	<u>3,941</u>	<u>7,207</u>
Total	<u><u>4,429</u></u>	<u><u>\$ 67,950</u></u>	<u><u>3,955</u></u>	<u><u>\$ 7,237</u></u>

* Unduplicated

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UNIVERSITY OF ILLINOIS
Schedule of Graduate Tuition and Fee Waivers
2011–2012 School Year
(Unaudited)

University of Illinois – Springfield				
Tuition waived		Fees waived		
Number of recipients *	Value of waivers	Number of recipients *	Value of waivers	
	(In thousands)		(In thousands)	
Mandatory waivers:				
General assembly	2	\$ 3	—	\$ —
Senior citizens	1	5	—	—
Honorary scholarships	26	115	—	—
Veterans grants and scholarships**	153	321	—	—
Subtotal	<u>182</u>	<u>444</u>	<u>—</u>	<u>—</u>
Discretionary waivers:				
Faculty/administrators	137	399	137	70
Civil service	39	134	36	20
Academic/other talent	9	59	—	—
Student need – financial aid	3	2	—	—
Cooperating professionals	10	14	10	1
Research assistants	12	66	12	6
Teaching assistants	13	87	13	10
Other assistants	120	721	69	40
Interinstitutional/related agencies	20	57	1	—
Retired University employees	2	4	2	1
Adjustments (1)	(1)	—	—	—
Subtotal	<u>364</u>	<u>1,543</u>	<u>280</u>	<u>148</u>
Total	<u>546</u>	<u>\$ 1,987</u>	<u>280</u>	<u>\$ 148</u>

* Unduplicated

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(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.