

UNIVERSITY OF ILLINOIS

Supplementary Financial Information and
Special Data Requirements

Year Ended June 30, 2016

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



CliftonLarsonAllen

UNIVERSITY OF ILLINOIS
 Supplementary Financial Information and
 Special Data Requirements
 Year Ended June 30, 2016

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UNIVERSITY OF ILLINOIS
Supplementary Financial Information and
Special Data Requirements
Year Ended June 30, 2016

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Related Reports Published under Separate Covers

The University of Illinois Annual Financial Report for the year ended June 30, 2016

The University of Illinois Auxiliary Facilities System Annual Financial Report for the year ended June 30, 2016

The University of Illinois Health Services Facilities System Annual Financial Report for the year ended June 30, 2016

Compliance Examination Report (In accordance with the Single Audit Act and applicable Federal regulations) for the year ended June 30, 2016, 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 Frank J. Mautino
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, 2016 and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated February 1, 2017 which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units. Additionally, our report includes a reference to the adoption of a new accounting pronouncement. Our audit was performed 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 February 1, 2017.

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 year ended June 30, 2015, and we expressed an unmodified opinion on those basic financial statements. The accompanying supplementary information in Schedules 1 through 17 and 23 through 25 related to the University's 2015 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 supplementary information for the years ended June 30, 2009 through 2014 has been derived from financial statements audited by other auditors, whose reports thereon expressed unmodified opinions on such information in relation to the University's basic financial statement for those years ended taken as a whole.

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, 2016, and our unmodified 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.

CliftonLarsonAllen LLP

Peoria, Illinois
February 3, 2017

UNIVERSITY OF ILLINOIS
Schedule of Appropriations, Expenditures, and Lapsed Balances
Fourteen months ended August 31, 2016

	Expenditure Authority	Vouchered expenditures for the year ended June 30, 2016	Vouchered expenditures for the two months ended August 31, 2016	Total expenditures for the fourteen months ended August 31, 2016	Schedule 1 Balances lapsed August 31, 2016
Educational Assistance Fund:					
Transfer to UI Hospital Services	\$ 11,104,600	\$ 11,104,600	\$ -	\$ 11,104,600	\$ -
Personal Services	167,645,200	167,544,445	100,755	167,645,200	-
Labor and Employment Relations Degree Programs	641,600	641,600	-	641,600	-
Labor and Employment Relations Certificate Programs	702,700	592,698	110,002	702,700	-
Total Educational Assistance Fund	\$ 180,094,100	\$ 179,883,343	\$ 210,757	\$ 180,094,100	\$ -
Fire Prevention Fund	\$ 3,816,200	\$ 3,677,033	\$ 139,167	\$ 3,816,200	\$ -
State College and University Trust Fund	250,000	-	191,025	191,025	58,975
Hazardous Waste Research Fund	500,000	-	500,000	500,000	-
Emergency Public Health Fund	200,000	-	200,000	200,000	-
Used Tire Management Fund	200,000	-	200,000	200,000	-
GRAND TOTAL, ALL FUNDS	\$ 185,060,300	\$ 183,560,376	\$ 1,440,949	\$ 185,001,325	\$ 58,975

Note 1: 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 099-0491, PA 099-0502, and PA 099-0524.

Note 2: Expenditure amounts are vouchers approved for payment by the University and submitted to the State Comptroller for reimbursement/payment.

Note 3: During Fiscal Year 2016, the University operated without enacted appropriations until Public Act 99-0491, Public Act 99-0502, and Public Act 99-0524 were signed into law on December 7, 2015, April 25, 2016, and June 30, 2016, respectively. During the impasse, the Circuit Court of St. Clair County in AFSCME Council 31 v. Munger (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages (for all State employees) at their normal rates of pay." As such, the University's court-ordered involuntary withholding payroll payments previously processed through the State Treasury were merged into the enacted appropriation for Education Assistance Fund 007. Further, the University incurred reimbursable payroll and non-payroll obligations within Fund 047, Fund 240, Fund 294, Fund 417, and Fund 840, which the University was unable to process a reimbursement for the expenditures incurred by the University's Income Fund until the passage of Public Act 99-0491, Public Act 99-0502, and Public Act 99-0524.

Note 4: Public Act 99-524 authorizes the University to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations. The Budget Impasse Disclosures section of this report at page 109 includes information from University management about the number of invoices and the total dollar amount of invoices held by the University to be submitted against its Fiscal Year 2017 appropriation.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Comparative Schedule of Appropriations, Expenditures, and Lapsed Balances
 Budget years of fiscal 2016 and 2015

	PA099-0491, PA 099-0502, & PA 099-0524	Schedule 2 PA 099-0001
	<u>2016</u>	<u>2015</u>
General Revenue Fund:		
Appropriations	\$ —	60,435,400
Expenditures:		
State Scientific Survey	—	16,447,900
Transfer to UI Hospital Services	—	43,987,500
Total Expenditures	<u>—</u>	<u>60,435,400</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
Educational Assistance Fund:		
Appropriations	\$ 180,094,100	586,751,000
Expenditures:		
Transfer to UI Hospital Services	11,104,600	—
Hispanic Center Excellence	—	734,000
Dixon Springs	—	301,300
Dentistry	—	321,100
Personal Services	167,645,200	507,084,200
Awards and Grants	—	5,921,200
Contractual Services	—	32,700,000
Health Insurance	—	24,333,100
Medicare	—	9,518,000
Public Policy Institute	—	1,146,800
Labor and Employment Relations Degree Programs	641,600	686,200
Labor and Employment Relations Certificate Programs	702,700	537,600
Total Expenditures	<u>180,094,100</u>	<u>583,283,500</u>
Lapsed Balance	<u>\$ —</u>	<u>3,467,500</u>
Fire Prevention Fund:		
Appropriations	\$ 3,816,200	3,721,300
Expenditures	<u>3,816,200</u>	<u>3,721,300</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
State College and University Trust Fund:		
Appropriations	\$ 250,000	250,000
Expenditures	<u>191,025</u>	<u>186,525</u>
Lapsed Balance	<u>\$ 58,975</u>	<u>63,475</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Comparative Schedule of Appropriations, Expenditures, and Lapsed Balances
 Budget years of fiscal 2016 and 2015

Schedule 2

	PA099-0491, PA 099-0502, & PA 099-0524	PA 099-0001
	<u>2016</u>	<u>2015</u>
Hazardous Waste Research Fund:		
Appropriations	\$ 500,000	500,000
Expenditures	<u>500,000</u>	<u>500,000</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
Emergency Public Health Fund:		
Appropriations	\$ 200,000	200,000
Expenditures	<u>200,000</u>	<u>200,000</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
Used Tire Management Fund:		
Appropriations	\$ 200,000	200,000
Expenditures	<u>200,000</u>	<u>200,000</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
General Professions Dedicated Fund:		
Appropriations	\$ —	500,000
Expenditures	<u>—</u>	<u>500,000</u>
Lapsed Balance	<u>\$ —</u>	<u>—</u>
Grand totals, all funds:		
Appropriations	\$ 185,060,300	652,557,700
Expenditures	185,001,325	649,026,725
Reappropriated balances	<u>—</u>	<u>—</u>
Lapsed Balances	<u>\$ 58,975</u>	<u>3,530,975</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of State Appropriations –
 Significant Lapse Period Expenditures
 Two months ended August 31, 2016

Schedule 3

	Total expenditures for the fourteen months ended August 31, 2016	Vouchered expenditures for the two months ended August 31, 2016	%
Hazardous Waste Research Fund	\$500,000	\$500,000	100%

The expenditures for this appropriation were submitted during the lapse period since Public Act 099-0524, which appropriated these amounts to the University of Illinois, had an effective date of June 30, 2016.

The above represents all appropriations with lapse period expenditures: **(1)** greater than \$250,000 and **(2)** greater than 20% of total expenditures for the fourteen months ended August 31, 2016.

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 2016 and 2015

Schedule 4

	2016	2015
University Income Fund:		
Revenues:		
Net student tuition and other charges	\$ 1,146,608,475	1,087,759,935
Other sources	34,847,348	17,385,867
Total Revenues	1,181,455,823	1,105,145,802
Provision for bad debts	(5,186,528)	(2,618,849)
Net Revenues	1,176,269,295	1,102,526,953
Add (deduct) net change in:		
Cash	(594,995)	(68,319)
Accounts receivable	(4,519,764)	(883,678)
Prepaid charges	744,092	196,141
Accrued investment income	1,044,173	1,921,147
Unearned revenue	(1,870,095)	1,115,933
Accounts payable	(2,017)	4,651
Net Change in Assets & Liabilities	(5,198,606)	2,285,875
Fiscal Year Receipts	1,171,070,689	1,104,812,828
Expenditures:		
Unemployment compensation	476,359	413,645
Permanent improvements	116,835	2,135,256
Personal services	918,818,118	543,938,935
Awards and grants	153,837,484	136,989,102
Travel	5,667,191	7,058,292
Commodities	12,220,642	13,275,586
Contractual services	191,759,845	195,219,945
Equipment	38,867,982	38,882,670
Telecommunications	9,982,013	9,330,818
Operation of automotive equipment	992,351	1,199,666
Workers' compensation	5,070,952	4,249,143
Medicare	18,036,000	8,501,882
Other Fringe Benefits	1,783,680	4,100,637
Transfers for capital projects	18,021,375	83,728,584
Transfers for debt payments	222,531	42,533,036
Total Expenditures	1,375,873,358	1,091,557,197
Increase (Decrease) in Fund Balance	(204,802,669)	13,255,631
Fund balance at beginning of budget fiscal year	204,776,758	191,499,917
Prior year adjustments made after final report was completed	63,114	21,210
Beginning balance as adjusted	204,839,872	191,521,127
Fund balance at end of budget fiscal year	\$ 37,203	204,776,758
Budget	\$ 1,173,668,900	1,097,989,500
Fund balance as percentage of budget	—%	18.65%

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 2016 and 2015

Schedule 4

Net student tuition increased by approximately \$58.8 million from fiscal year 2015 to fiscal year 2016. General tuition rates for continuing resident undergraduates at all three campuses were not increased for fiscal year 2016. 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 2016 for first-time enrollments also were not increased at all three campuses. However, there were increases to existing undergraduate tuition differentials at University of Illinois-Urbana-Champaign (UIUC) and University of Illinois-Chicago (UIC). General graduate tuition increased 2.0% at UIUC and UIC and 3.1% at the University of Illinois-Springfield (UIS). 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 2016.

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. With the exception of audit expense paid centrally, all investment income was distributed back to the campuses for recurring obligations.

Income Fund expenditures increased by approximately \$284.3 million (a 26% increase). This change included increases in various areas such as personnel services, awards & grants, worker's compensation, and Medicare. 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 funding available from this fund source. For fiscal year 2016, direct general state tax appropriations to the University declined by over \$467 million and as a result, income fund balances declined since the University relied on those funds more to support core operations for the fiscal year. However, initial general state tax appropriations enacted for fiscal year 2017, statutorily allows the University to submit vouchers against appropriate fiscal year 2016 expenditures. The University plans to utilize approximately \$264 million of the \$355.8 million fiscal year 2017 appropriation for reimbursement of fiscal year 2016 expenses incurred that were largely paid from the income fund.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Revenues, Expenses, and
 Changes in Net Position – Business-Type Activities
 Years ended June 30, 2016 and 2015
 (In thousands)

Schedule 5

	<u>2016</u>	<u>2015</u>	<u>Increase (decrease)</u>
Operating revenues:			
Student tuition and fees, net	\$ 1,145,945	1,095,905	50,040
Federal appropriations	15,826	14,297	1,529
Federal grants and contracts	653,156	627,236	25,920
State of Illinois grants and contracts	40,376	83,798	(43,422)
Private and other governmental agency grants and contracts	138,119	144,062	(5,943)
Educational activities	302,581	293,743	(b) 8,838
Auxiliary enterprises, net	406,620	407,530	(910)
Hospital and other medical activities, net	703,177	684,000	(b) 19,177
Medical service plan	206,513	198,495	8,018
Independent operations	10,602	12,899	(2,297)
Interest and service charges on student loans	1,289	2,145	(856)
Total operating revenues	<u>3,624,204</u>	<u>3,564,110</u>	<u>60,094</u>
Operating expenses:			
Instruction	1,380,175	1,300,281	79,894
Research	740,788	744,043	(3,255)
Public service	476,457	477,614	(1,157)
Academic support	517,258	507,303	9,955
Student services	198,433	184,572	13,861
Institutional support	297,075	282,877	14,198
Operation and maintenance of plant	299,657	324,010	(24,353)
Scholarships and fellowships	278,994	278,001	993
Auxiliary enterprises	353,159	371,639	(18,480)
Hospital and medical activities	895,572	829,116	66,456
Independent operations	10,047	12,182	(2,135)
Depreciation	254,879	248,889	5,990
Total operating expenses	<u>5,702,494</u>	<u>5,560,527</u>	<u>141,967</u>
Operating loss	<u>(2,078,290)</u>	<u>(1,996,417)</u>	<u>(81,873)</u>
Nonoperating revenues (expenses):			
State appropriations	181,502	653,128	(471,626)
Transfer of state appropriations to the Illinois DHFS Hospital Services Fund	(11,105)	(43,988)	32,883
Private gifts	158,913	177,195	(18,282)
Grants, nonoperating	111,067	134,910	(23,843)
On behalf payments for fringe benefits	1,336,491	1,172,354	164,137
Net investment income	42,863	69,462	(26,599)
Net (decrease) increase in the fair value of investments	(22,439)	(39,044)	16,605
Interest expense	(62,188)	(63,790)	1,602
Loss on disposal/impairment of capital assets	(11,136)	(10,802)	(334)
Other nonoperating revenues, net	66,167	50,297	15,870
Net nonoperating revenue	<u>1,790,135</u>	<u>2,099,722</u>	<u>(309,587)</u>
Income before other revenues	<u>(288,155)</u>	<u>103,305</u>	<u>(391,460)</u>
Capital state appropriations	3,366	8,942	(5,576)
Capital gifts and grants	8,819	2,782	6,037
Private gifts for endowment purposes	4	1	3
Increase in net position	<u>(275,966)</u>	<u>115,030</u>	<u>(390,996)</u>
Net position, beginning of year, adjusted (a)	<u>4,597,847</u> (a)	<u>4,446,931</u>	<u>150,916</u>
Net position, end of year	<u>\$ 4,321,881</u>	<u>4,561,961</u>	<u>(240,080)</u>

(a) Beginning of year net position for fiscal year 2015 was adjusted due to adoption of a new accounting standard, GASB Standard No. 72.

Net position, beginning of year as previously reported	\$ 4,561,961
Cumulative effect of change in accounting principle	<u>35,886</u>
Net position, beginning of year, adjusted	<u>\$ 4,597,847</u>

(b) Certain items were reclassified to correspond to the June 30, 2016 presentation.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of Revenues, Expenses, and Changes in Net Position – Business-Type Activities
Significant Revenue, Expense, and Changes in Net Position Variances
Years ended June 30, 2016 and 2015

Schedule 5

Consistent with prior years, all variances greater than \$30 million and more than 10% variance from fiscal year 2015 are discussed below. Refer to the Analysis of Revenues, Expenses, and Changes in Net Position – Business Type Activities on page 9 for the actual dollar changes.

Explanations of significant variances:

- *State of Illinois, grants, and contracts (operating revenues)* – A decrease in the grants and contracts from the State was expected due to the lower than normal funding because of the State of Illinois budget issues.
- *State appropriations (nonoperating revenues)* – This decrease was due to the University only receiving a portion of the state appropriations for the current year due to the State of Illinois budget issues.
- *Transfer of state appropriations to the Illinois DHFS Hospital Services Fund (nonoperating expenses)* – This decrease was due to the Hospital only receiving a portion of the state appropriations for the current year due to the State of Illinois budget issues.
- *On behalf payments for fringe benefits (nonoperating revenues)* – This increase in the current year was due to an increase in the SURS retirement and the CMS health insurance costs paid on behalf of the University by the State.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Cash and Cash Equivalents, Investments, and Accrued Investment Income
 June 30, 2016 and 2015

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, corporate bonds, 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 endowed real estate and farm properties are determined by a periodic appraisal of the property by a certified real estate appraiser.

At June 30, 2016, all bank deposits of the University were covered by federal depository insurance or by collateral held by an agent in the Entity's name. The carrying value of the cash deposits were \$39,873,000 and \$192,902,000 at June 30, 2016 and 2015, respectively. The carrying value of the University's investment balances, including pooled investments, at June 30, 2016 and 2015 was held as follows (in thousands):

	<u>2016</u>	<u>2015</u>
U.S. Treasury bonds and bills	\$ 260,559	277,064
U.S. government agencies	193,979	278,374
Commercial paper	48,880	67,081
Corporate bonds	606,512	677,155
Bond funds	127,158	124,622
Nongovernment mortgage-backed and asset-backed securities	317,382	364,189
International government bonds and governmental agencies	12,919	19,855
Municipal bonds	28,390	28,647
Money market funds	490,761	432,642
Illinois Public Treasurer's Investment Pool	2,549	33,126
Equities	58,093	64,788
Equity funds	283,256	297,425
Hedge funds	52,684	61,536
Private equity	30,641	26,347
Repurchase agreements	—	108
Certificates of deposits	—	200
Real estate and farm properties	136,803	111,784
Total	<u>\$ 2,650,566</u>	<u>2,864,943</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Cash and Cash Equivalents, Investments, and Accrued Investment Income
 June 30, 2016 and 2015

Schedule 6

Refer to the Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2016, for categorization of investments according to interest rate risk and credit risk assumed by the University at June 30, 2016.

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, 2016 and 2015 was as follows (in thousands):

	2016	2015
Current funds:		
Unrestricted	\$ 3,338	3,577
Restricted	299	265
Loan funds	41	33
Plant funds	1,620	1,995
	\$ 5,298	5,870

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of Significant Account Balances
Accounts and Notes Receivable
June 30, 2016 and 2015

Schedule 7

	2016	2015
Accounts receivable:		
Current unrestricted funds:		
Student tuition and other charges	\$ 46,181,545	44,448,496 (a)
Other unrestricted funds	27,124,782	21,072,717
Entity activities:		
Auxiliary enterprises	17,288,593	17,025,695
Hospital and clinics	503,945,202	520,065,596
Other departmental activities	47,929,888	48,133,045 (a)
Total accounts receivable	642,470,010	650,745,549
Allowance for doubtful accounts:		
Student tuition and other charges	(18,878,714)	(17,199,747) (a)
Other unrestricted funds	(1,421,790)	(168,181)
Auxiliary enterprises	(5,751,316)	(5,798,372)
Hospital and clinics	(319,273,895)	(382,030,132)
Other departmental activities	(6,454,197)	(6,576,729) (a)
Total allowance for doubtful accounts	(351,779,912)	(411,773,161)
Current unrestricted funds accounts receivable, net	290,690,098	238,972,388
Current restricted funds:		
Medical Service Plans	63,332,905	72,107,111
Grants, contracts, and gifts	175,837,961	162,320,147
Federal appropriations	1,739,041	1,987,504
Total accounts receivable	240,909,907	236,414,762
Allowance for doubtful accounts:		
Medical Service Plans	(21,170,969)	(22,873,887)
Grants, contracts, and gifts	(2,886,971)	(1,424,681)
Current restricted funds accounts receivable, net	216,851,967	212,116,194
Plant funds, net	7,796,195	6,358,247
Total accounts receivable, net	515,338,260	457,446,829
Notes receivable:		
Loan funds:		
Urbana campus	30,902,727	30,433,753
Chicago campus	33,527,219	37,128,776
Springfield campus	192,883	212,654
Total notes receivable	64,622,829	67,775,183
Allowance for doubtful notes:		
Urbana campus	(1,831,398)	(2,079,583)
Chicago campus	(1,508,903)	(1,715,864)
Springfield campus	(5,070)	(9,655)
Total allowance for doubtful accounts	(3,345,371)	(3,805,102)
Total notes receivable, net	61,277,458	63,970,081
Total accounts and notes receivable, net	\$ 576,615,718	521,416,910

(a) Certain items were reclassified to correspond to the June 30, 2016 presentation.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 Student Tuition and Other Charges Receivable:
 June 30, 2016 and 2015

Schedule 7

		June 30, 2016			
		Total	Urbana Campus	Chicago Campus	Springfield Campus
Student tuition and other charges receivable:					
Current–30 days	\$	14,193,567	7,671,124	5,701,111	821,332
31–90 days		1,555,969	1,269,585	225,949	60,435
Over 90 days		30,432,009	10,811,906	16,339,287	3,280,816
Total student tuition and other charges receivable		46,181,545	19,752,615	22,266,347	4,162,583
Allowance for doubtful accounts		(18,878,714)	(7,228,227)	(9,874,913)	(1,775,574)
Student tuition and other charges receivable, net		\$ 27,302,831	12,524,388	12,391,434	2,387,009
		June 30, 2015 (a)			
		Total	Urbana Campus	Chicago Campus	Springfield Campus
Student tuition and other charges receivable:					
Current–30 days	\$	15,422,909	8,601,080	5,752,168	1,069,661
31–90 days		1,025,800	640,087	290,994	94,719
Over 90 days		27,999,787	8,842,589	15,458,830	3,698,368
Total student tuition and other charges receivable		44,448,496	18,083,756	21,501,992	4,862,748
Allowance for doubtful accounts		(17,199,747)	(5,601,765)	(9,386,508)	(2,211,474)
Student tuition and other charges receivable, net		\$ 27,248,749	12,481,991	12,115,484	2,651,274

(a) Certain items were reclassified to correspond to the June 30, 2016 presentation.

These receivables relate to unpaid student tuition and other miscellaneous charges.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts and Notes Receivable
 Health Services Facilities System – Accounts Receivables
 June 30, 2016 and 2015
 (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.

	2016	2015
Active accounts:		
Patient receivables	\$ 245,302	186,051
Less bad debt allowance	(75,471)	(58,107)
Net patient receivables	\$ 169,831	127,944
Bad debt allowance – as a percent of patient receivables	30.77%	31.23%
Days revenue in net patient receivables	100	82
Write-offs of uncollectible accounts, net of recoveries	\$ 104,070	4,820
As a percent of gross revenue	5.50%	0.25%
Provision for bad debts	\$ 45,528	38,366
As a percent of gross revenue	1.99%	1.85%
Aging:		
0–30 days (including in-house)	39.87%	49.38%
31–90 days	16.31	16.02
91–180 days	16.11	14.73
Over 180 days	27.71	19.87
	100.00%	100.00%
Inactive accounts:		
Patient receivables	\$ 241,368	321,969
Less bad debt allowance	(241,368)	(321,969)
Net patient receivables	\$ —	—
Health Services Facilities System Receivables:		
Active patient receivables	\$ 245,302	186,051
Inactive patient receivables	241,368	321,969
Other receivables	16,433	11,787
Due from related organizations	842	259
Total Health Services Facilities System receivables	\$ 503,945	520,066
Allowance for doubtful accounts:		
Active patient receivables	\$ (75,471)	(58,107)
Inactive patient receivables	(241,368)	(321,969)
Other receivables	(2,435)	(1,954)
Total Health Services Facilities System allowance for doubtful accounts	\$ (319,274)	(382,030)

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, 2016 and 2015

Schedule 7

		June 30, 2016				
		Total	Urbana Campus	Chicago Campus	Springfield Campus	University Administration
Grants, contracts, and gifts:						
U.S. government grants and contracts	\$	104,757,931	69,515,839	33,914,758	95,870	1,231,464
Private gifts, grants, and contracts		23,859,790	13,995,564	9,695,340	168,886	—
State of Illinois grants and contracts		44,333,269	29,880,662	10,677,468	3,762,154	12,985
Total grants, contracts, and gifts receivable, net		<u>\$ 172,950,990</u>	<u>113,392,065</u>	<u>54,287,566</u>	<u>4,026,910</u>	<u>1,244,449</u>
		June 30, 2015				
		Total	Urbana Campus	Chicago Campus	Springfield Campus	University Administration
Grants, contracts, and gifts:						
U.S. government grants and contracts	\$	94,821,424	62,616,993	31,253,330	65,862	885,239
Private gifts, grants, and contracts		33,558,212	17,340,241	15,765,695	51,845	400,431
State of Illinois grants and contracts		32,515,830	21,204,273	10,289,684	811,658	210,215
Total grants, contracts, and gifts receivable, net		<u>\$ 160,895,466</u>	<u>101,161,507</u>	<u>57,308,709</u>	<u>929,365</u>	<u>1,495,885</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, 2016 and 2015

Schedule 7

	2016	2015
Urbana campus:		
Age:		
Not in repayment status/current billing	\$ 25,746,555	25,508,063
Under 120 days	863,944	862,147
Over 120 days	4,292,228	4,063,543
	30,902,727	30,433,753
Allowance for doubtful notes	(1,831,398)	(2,079,583)
Total – Urbana campus	29,071,329	28,354,170
Chicago campus:		
Age:		
Not in repayment status/current billing	27,161,758	31,219,662
Under 120 days	1,933,947	1,979,664
Over 120 days	4,431,514	3,929,450
	33,527,219	37,128,776
Allowance for doubtful notes	(1,508,903)	(1,715,864)
Total – Chicago campus	32,018,316	35,412,912
Springfield campus:		
Age:		
Not in repayment status/current billing	151,072	159,399
Under 120 days	16,817	22,256
Over 120 days	24,994	30,999
	192,883	212,654
Allowance for doubtful notes	(5,070)	(9,655)
Total – Springfield campus	187,813	202,999
All campuses:		
Age:		
Not in repayment status/current billing	53,059,385	56,887,124
Under 120 days	2,814,708	2,864,067
Over 120 days	8,748,736	8,023,992
	64,622,829	67,775,183
Allowance for doubtful notes	(3,345,371)	(3,805,102)
Total – all campuses	\$ 61,277,458	63,970,081

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, 2016

Schedule 8

	<u>Beginning balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Impairments</u>	<u>Ending balance</u>
Nondepreciable capital assets:						
Land	\$ 135,822,035	—	—	—	—	135,822,035
Construction in progress	303,682,380	240,520,943	—	(143,671,919)	—	400,531,404
Inexhaustible collections	22,982,798	292,206	—	—	—	23,275,004
Total nondepreciable capital assets	<u>462,487,213</u>	<u>240,813,149</u>	<u>—</u>	<u>(143,671,919)</u>	<u>—</u>	<u>559,628,443</u>
Depreciable capital assets:						
Buildings	4,035,443,191	341,241	—	116,672,429	(2,097,064)	4,150,359,797
Improvements and infrastructure	702,297,271	—	—	23,032,370	—	725,329,641
Equipment	1,220,364,311	73,677,897	(48,162,912)	1,961,214	—	1,247,840,510
Exhaustible collections	623,923,123	20,500,810	(8,085,390)	—	—	636,338,543
Software	176,883,883	—	—	2,005,906	—	178,889,789
Subtotal	6,758,911,779	94,519,948	(56,248,302)	143,671,919	(2,097,064)	6,938,758,280
Less accumulated depreciation	<u>3,578,224,225</u>	<u>254,879,227</u>	<u>(45,111,974)</u>	<u>—</u>	<u>(1,164,169)</u>	<u>3,786,827,309</u>
Total net depreciable capital assets	<u>3,180,687,554</u>	<u>(160,359,279)</u>	<u>(11,136,328)</u>	<u>143,671,919</u>	<u>(932,895)</u>	<u>3,151,930,971</u>
Total capital assets	<u>\$ 3,643,174,767</u>	<u>80,453,870</u>	<u>(11,136,328)</u>	<u>—</u>	<u>(932,895)</u>	<u>3,711,559,414</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, 2016

Schedule 8

Major changes to buildings

Transfers to buildings

Urbana-Champaign:

627 S Wright St	\$ 587,700
Aerodynamics Research Laboratory	2,167,843
Center For Veterans In Higher Education	13,420,388
Digital Computer Laboratory	1,487,234
Ikenberry Commons - Wassaja Hall	69,812,500
Illini Union	544,092
Medical Sciences Building	1,388,141
Music Building	1,840,832
Natural History Building	3,300,000
Turner Hall	<u>3,240,437</u>
Urbana-Champaign major transfers to buildings	97,789,167
Other (transfers less than \$500,000)	<u>3,716,313</u>
Total transfers to buildings – Urbana-Champaign	<u>101,505,480</u>

Chicago:

Architecture and Design Studio	1,155,897
Clinical Sciences North	675,454
Library of Health Sciences	4,124,221
RCOM-East Building	951,591
Student Residence Hall	620,884
University of Illinois Hospital	<u>6,202,971</u>
Chicago major transfers to buildings	13,731,018
Other (transfers less than \$500,000)	<u>1,777,172</u>
Total transfers to buildings – Chicago	<u>15,508,190</u>
Total transfers to buildings	<u>\$ 117,013,670</u>

Impairments to buildings

Chicago:

College of Urban Planning & Public Affairs Hall	<u>(2,097,064)</u>
Total impairments to buildings - Chicago	<u>(2,097,064)</u>
Total impairments to buildings	<u>\$ (2,097,064)</u>

Major changes to improvements and infrastructure

Transfers to improvements and infrastructure

Urbana-Champaign:

Abbott Power Plant	\$ 11,531,488
Chilled Water	1,781,515
Memorial Stadium	2,106,978
Willard Airport - Widen Taxiway	<u>4,199,364</u>
Urbana-Champaign major transfers to buildings	<u>19,619,345</u>
Other (transfers less than \$500,000)	<u>439,165</u>
Total transfers to improvements and infrastructure – Urbana-Champaign	<u>20,058,510</u>

Chicago:

South Campus Synthetic Turf	<u>2,973,860</u>
Total transfers from improvements and infrastructure – Chicago	<u>2,973,860</u>
Total transfers to improvements and infrastructure	<u>\$ 23,032,370</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2016

Schedule 8

Major changes to equipment

Equipment additions and transfers by category

Urbana-Champaign:	
Willard Airport	\$ 536,898
Auxiliaries	1,721,351
Other self-supporting	15,580,510
General campus	<u>29,581,246</u>
Total additions and transfers to equipment – Urbana-Champaign	<u>47,420,005</u>
Chicago:	
Hospital	9,416,144
Auxiliaries	31,110
Other self-supporting	5,747,846
General campus	<u>11,012,688</u>
Total additions and transfers to equipment – Chicago	<u>26,207,788</u>
Springfield:	
Auxiliaries	28,490
Other self-supporting	466,821
General campus	<u>522,058</u>
Total additions and transfers to equipment – Springfield	<u>1,017,369</u>
University administration:	
Other self-supporting	59,130
General campus	<u>934,819</u>
Total additions and transfers to equipment– University Administration	<u>993,949</u>
Total additions and transfers to equipment	<u>\$ 75,639,111</u>

Equipment trade-ins, disposals, and adjustments by category

Urbana-Champaign:	
Willard Airport	\$ (175,739)
Auxiliaries	(723,971)
Other self-supporting	(7,810,622)
General campus	<u>(25,910,761)</u>
Total trade-ins, disposals, and adjustments – Urbana-Champaign	<u>(34,621,093)</u>
Chicago:	
Hospital	(1,030,557)
Auxiliaries	(91,214)
Other self-supporting	(733,103)
General campus	<u>(9,368,932)</u>
Total trade-ins, disposals, and adjustments – Chicago	<u>(11,223,806)</u>
Springfield:	
Auxiliaries	(18,168)
Other self-supporting	(144,246)
General campus	<u>(488,902)</u>
Total trade-ins, disposals, and adjustments – Springfield	<u>(651,316)</u>
University administration:	
Other self-supporting	(206,877)
General campus	<u>(1,459,820)</u>
Total trade-ins, disposals, and adjustments – University Administration	<u>(1,666,697)</u>
Total trade-ins, disposals, and adjustments of equipment	<u>\$ (48,162,912)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2016

Schedule 8

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

Trade-ins	
Urbana-Champaign	\$ (4,126,075)
Chicago	(715,502)
Springfield	(130,282)
University administration	<u>(842,697)</u>
Total trade-ins of equipment	<u>(5,814,556)</u>
Disposals	
Urbana-Champaign	(30,495,018)
Chicago	(10,508,304)
Springfield	(521,034)
University administration	<u>(824,000)</u>
Total disposals of equipment	<u>(42,348,356)</u>
Total trade-ins, disposals, and adjustments of equipment	<u><u>\$ (48,162,912)</u></u>

Major changes to software

Additions/transfers to software by category

Chicago:

Hospital	\$ <u>1,091,831</u>
Total additions/transfers to software – Chicago	<u>1,091,831</u>

University Administration:

General Campus	<u>914,075</u>
Total additions/transfers to software – University Administration	<u>914,075</u>
Total additions/transfers to software	<u><u>\$ 2,005,906</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2016

Schedule 8

Major changes to exhaustible collections

Additions/transfers to exhaustible collections by category

Urbana-Champaign:

General Campus	\$ <u>14,289,233</u>
Total additions/transfers to exhaustible collections – Urbana-Champaign	<u>14,289,233</u>

Chicago:

General campus	<u>5,648,970</u>
Total additions/transfers to exhaustible collections – Chicago	<u>5,648,970</u>

Springfield:

General campus	<u>562,607</u>
Total additions/transfers to exhaustible collections – Springfield	<u>562,607</u>
Total additions/transfers to exhaustible collections	\$ <u><u>20,500,810</u></u>

Trade-ins, disposals, and adjustments of exhaustible collections by category

Urbana-Champaign:

General campus	\$ <u>(2,232,425)</u>
Total trade-ins, disposal, and adjustments – Urbana-Champaign	<u>(2,232,425)</u>

Chicago:

General campus	<u>(5,823,025)</u>
Total trade-ins, disposal, and adjustments – Chicago	<u>(5,823,025)</u>

Springfield:

General campus	<u>(29,940)</u>
Total trade-ins, disposal, and adjustments – Springfield	<u>(29,940)</u>
Total trade-ins, disposals, and adjustments of exhaustible collections	\$ <u><u>(8,085,390)</u></u>

Major changes to inexhaustible collections

Additions/transfers to inexhaustible collections by category

Urbana-Champaign:

General campus	\$ <u>292,206</u>
Total additions/transfers to inexhaustible collections – Urbana-Champaign	<u>292,206</u>
Total additions/transfers to inexhaustible collections	\$ <u><u>292,206</u></u>

Trade-ins, disposals, and adjustments of inexhaustible collections by category

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2016

Schedule 8

Major changes to construction in progress

Additions to construction in progress

Urbana-Champaign:

627 S Wright St	\$	587,700
805 W Pennsylvania, Urbana		1,307,857
Abbott Power Plant		6,245,429
Aerodynamics Research Laboratory		1,169,471
Armory Building		1,190,477
Bevier Hall		2,065,770
Center For Veterans In Higher Education		1,107,636
CERL-Main Building 1		1,320,708
Chemistry Annex		14,196,608
Chilled Water		1,593,108
College of Engineering Building		8,525,436
Davenport Hall		636,893
Design Center		901,775
Everitt Elec & Comp Engr Lab		10,759,301
Horticulture Field Laboratory		904,655
Ikenberry Commons - Wassaja Hall		27,905,035
Integrated Bioprocessing Research Laboratory		2,460,426
Irwin Center for Doctoral Study		1,678,177
Materials Science and Engineering Building		595,158
Medical Sciences Building		591,286
Memorial Stadium		747,028
Music Building		1,509,867
Natural History Building		30,656,414
State Farm Center		61,793,309
Transportation Building		948,704
Turner Hall		774,458
Willard Airport - Widen Taxiway		4,594,284
		186,766,970
Urbana-Champaign major additions to construction in progress		186,766,970
Other (additions less than \$500,000)		9,206,233
Total additions to construction in progress – Urbana-Champaign		195,973,203

Chicago:

Clinical Sciences North		675,454
College of Dentistry		4,880,684
College of Urban Planning & Public Affairs		2,644,044
East Side Energy Performance Contract		11,354,589
Library of Health Sciences		2,497,531
Mile Square Health Center		2,814,801
Science & Engineering Laboratory		3,265,808
Student Residence Hall		548,603
University Hall		842,667
University of Illinois Hospital		9,356,235
Utility Metering Automation		613,007
		39,493,423
Chicago major additions to construction in progress		39,493,423
Other (additions less than \$500,000)		2,752,300
Total additions to construction in progress – Chicago		42,245,723

Springfield:

Student Union		2,297,898
		2,297,898
Springfield major additions to construction in progress		2,297,898
Other (additions less than \$500,000)		4,119
Total additions to construction in progress – Springfield		2,302,017
Total additions to construction in progress	\$	240,520,943

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Capital Assets
 Year ended June 30, 2016

Schedule 8

Major changes to construction in progress

Transfers from construction in progress

Urbana-Champaign:

627 S Wright St	\$ (587,700)
Abbott Power Plant	(11,531,488)
Aerodynamics Research Laboratory	(2,167,843)
Center For Veterans In Higher Education	(13,420,388)
Chilled Water	(1,781,515)
Digital Computer Laboratory	(1,487,234)
Ikenberry Commons - Wassaja Hall	(69,812,500)
Illini Union	(544,092)
Medical Sciences Building	(1,388,141)
Memorial Stadium	(2,106,978)
Music Building	(1,840,832)
Natural History Building	(3,300,000)
Turner Hall	(3,240,437)
Willard Airport - Widen Taxiway	<u>(4,199,364)</u>
Urbana-Champaign major transfers from construction in progress	(117,408,512)
Other (transfers less than \$500,000)	<u>(6,913,852)</u>
Total transfers from construction in progress – Urbana-Champaign	<u>(124,322,364)</u>

Chicago:

Architecture and Design Studio	(1,155,897)
Clinical Sciences North	(675,454)
Library of Health Sciences	(4,124,221)
RCOM-East Building	(951,591)
South Campus Synthetic Turf	(2,973,860)
Student Residence Hall	(620,884)
University of Illinois Hospital	<u>(6,202,971)</u>
Chicago major transfers from construction in progress	(16,704,878)
Other (transfers less than \$500,000)	<u>(2,644,677)</u>
Total transfers from construction in progress – Chicago	<u>(19,349,555)</u>
Total transfers from construction in progress	<u>(143,671,919)</u>
Total changes to construction in progress	<u>\$ 96,849,024</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Accounts Payable and Accrued Liabilities
 June 30, 2016 and 2015

Schedule 9

	2016	2015	Increase (decrease)
All funds:			
Accounts payable	\$ 378,608,561	364,164,345	14,444,216
Accrued payroll	149,425,028	169,803,244	(20,378,216)
Accrued interest	16,234,402	17,283,921	(1,049,519)
Accrued compensated absences:			
Vacation	160,447,451	162,245,498	(1,798,047)
Sick leave	35,471,264	40,137,870	(4,666,606)
Total compensated absences	195,918,715	202,383,368	(6,464,653)
Accrued self-insurance	219,234,681	243,959,743	(24,725,062)
Total accounts payable and accrued liabilities	\$ 959,421,387	997,594,621	(38,173,234)

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 2009-2014 were not audited by CliftonLarsonAllen)

Schedule 9

	<u>Accrued vacation pay</u>	<u>Accrued sick pay</u>	<u>Total</u>
2016	\$ 160,447,451	35,471,264	195,918,715
2015	162,245,498	40,137,870	202,383,368
2014	156,940,061	42,233,364	199,173,425
2013	153,552,590	46,706,721	200,259,311
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

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Unearned Revenue and Student Deposits
 June 30, 2016 and 2015

Schedule 10

	2016	2015
Unearned revenue and student deposits:		
Unearned General Revenue Fund appropriations	\$ 231,341	236,461
Unearned tuition	47,387,264	49,257,358
Student deposits	4,926,512	5,259,640
Auxiliary enterprises under indenture	7,332,081	8,712,286
Auxiliary enterprises not under indenture	7,948,682	8,325,806
Departmental activities	11,731,553	11,384,819
Storerooms and other services	31,281	135,340
U.S. grants and contracts	4,981,140	5,991,338
Private grants and contracts	75,636,521	77,655,484
State of Illinois grants and contracts	6,013,798	5,817,437
Unexpended plant	991,058	1,175,230
Other	3,592,418	3,499,035
Total unearned revenue and student deposits	\$ 170,803,649	177,450,234

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Bonds Payable and Accrued Interest
 Year ended June 30, 2016

Schedule 11

	<u>Balance at June 30, 2015</u>	<u>Bonds issued</u>	<u>Principal reductions</u>	<u>Accretion on bonds</u>	<u>Balance at June 30, 2016</u>
University of Illinois Auxiliary Facilities					
System Revenue Bonds:					
Series 1991	\$ 77,807,354	—	16,270,000	5,525,064	67,062,418
Series 1999A	24,185,107	—	1,545,000	1,514,091	24,154,198
Series 2001A	38,985,000	—	4,580,000	—	34,405,000
Series 2001B	7,935,000	—	1,740,000	—	6,195,000
Series 2003A	38,285,000	—	—	—	38,285,000
Series 2005A	42,405,000	—	—	—	42,405,000
Series 2006	138,885,000	—	138,885,000	—	—
Series 2008	18,045,000	—	465,000	—	17,580,000
Series 2009A	3,360,000	—	805,000	—	2,555,000
Series 2010A	53,275,000	—	1,185,000	—	52,090,000
Series 2011A	78,670,000	—	1,270,000	—	77,400,000
Series 2011B	6,615,000	—	1,070,000	—	5,545,000
Series 2011C	68,285,000	—	1,770,000	—	66,515,000
Series 2013A	211,575,000	—	5,000	—	211,570,000
Series 2014A	159,985,000	—	—	—	159,985,000
Series 2014B	17,845,000	—	1,590,000	—	16,255,000
Series 2014C	50,000,000	—	10,000,000	—	40,000,000
Series 2015A	109,340,000	—	5,880,000	—	103,460,000
Series 2016A	—	129,025,000	—	—	129,025,000
Series 2016B	—	20,630,000	—	—	20,630,000
Total Auxiliary Facilities System	<u>1,145,482,461</u>	<u>149,655,000</u>	<u>187,060,000</u>	<u>7,039,155</u>	<u>1,115,116,616</u>
UIC South Campus Development					
Revenue Bonds:					
Series 2003	5,300,000	—	570,000	—	4,730,000
Series 2008	42,170,000	—	4,810,000	—	37,360,000
Total UIC South Campus Development	<u>47,470,000</u>	<u>—</u>	<u>5,380,000</u>	<u>—</u>	<u>42,090,000</u>
University of Illinois Health Services					
Facilities System Revenue Bonds:					
Series 1997B	14,400,000	—	1,000,000	—	13,400,000
Series 2008	33,665,000	—	2,240,000	—	31,425,000
Series 2013	70,785,000	—	—	—	70,785,000
Total Health Services Facilities System	<u>118,850,000</u>	<u>—</u>	<u>3,240,000</u>	<u>—</u>	<u>115,610,000</u>
Total bonds payable	<u>\$ 1,311,802,461</u>	<u>149,655,000</u>	<u>195,680,000</u>	<u>7,039,155</u>	<u>1,272,816,616</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of Significant Account Balances
Bonds Payable and Accrued Interest
June 30, 2016

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 consisted 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 mature on April 1, 1996 and April 1, 2002 through April 1, 2021, at amounts sufficient to produce yields ranging from 5.95% to 7.35%. The University records the annual increase in the principal amount of the bonds as capital appreciation on bonds payable.

Proceeds from the sale of the Series 1991 Bonds were used 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.

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 consisted 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 mature annually 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 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 mature 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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Analysis of Significant Account Balances
Bonds Payable and Accrued Interest
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Schedule 11

Series 2001B

On July 26, 2001, the Series 2001B were issued in the principal amount of \$135,630,000. Series 2001B 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 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 fiscal year 2012 utilizing funds from the sale of the Series 2011A and Series 2011C Bonds.

Proceeds from the sale of the Series 2001B 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 Bonds during construction; and (d) pay costs incidental to the issuance of the Series 2001B Bonds.

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 mature annually April 1, 2004 through 2034. A portion of the Series 2003A Bonds were refunded during fiscal years 2012 and 2013 utilizing funds from the sale of the Series 2011C Bonds and Series 2013A Bonds, respectively.

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.

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 mature annually April 1, 2007 through 2031. A portion of the Series 2005A Bonds were refunded during fiscal years 2013 utilizing funds from the sale of the Series 2013A Bonds and during fiscal year 2015 utilizing funds from the sale of Series 2015A Bonds.

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.

Series 2006

On October 5, 2006, the Series 2006 Bonds were issued in the principal amount of \$318,155,000. Series 2006 Bonds were current interest bonds which bore interest at rates ranging from 4.00% to 5.00% per annum, payable semiannually commencing April 1, 2007, and mature annually April 1, 2008 through 2036. A portion of the Series 2006 Bonds were refunded during fiscal year 2013 and 2016 utilizing funds from the sale of the Series 2013A Bonds and Series 2016A Bonds, respectively.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
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Schedule 11

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.

Series 2008

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

Proceeds from the sale of the Series 2008 Bonds were 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.

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 mature annually April 1, 2010 through 2038. A portion of the Series 2009A Bonds were refunded during fiscal year 2015 utilizing funds from the sale of the Series 2015A Bonds.

Proceeds from the sale of the Series 2009A Bonds were used to fund various improvements to the System; to provide for the refunding of certain outstanding variable rate bonds, Series 2005B; and to pay all costs incidental to the issuance of the bonds.

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 mature annually April 1, 2012 through 2030.

Proceeds from the sale of the Series 2010A Bonds were used to fund various improvements to the System, pay debt service during construction, and to pay costs of issuing the Series 2010A Bonds.

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.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
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Schedule 11

Proceeds from the sale of the Series 2011A and Series 2011B Bonds were 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.

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 were 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.

Series 2013A

On May 15, 2013, the Series 2013A Bonds were issued in the principal amount of \$212,540,000. Series 2013A Bonds are current interest bonds which bear interest at rates ranging from 3.00% to 5.00% per annum, payable semiannually commencing October 1, 2013, and mature annually April 1, 2014 through 2032.

Proceeds from the sale of the Series 2013A Bonds were used to refund certain outstanding obligations of the Board (Series 2003A, 2005A, and 2006) and pay costs of issuing the Series 2013A Bonds.

Series 2014A and Series 2014B

On February 19, 2014, the Series 2014A and Series 2014B Bonds were issued in the principal amount of \$159,985,000 and \$17,845,000, respectively. Series 2014A Bonds are current interest bonds which bear interest at 5.00% per annum, payable semiannually commencing April 1, 2014, and mature annually April 1, 2024 thru 2044. Series 2014B Bonds are current interest bonds which bear interest at rates ranging from 0.862% to 3.926% per annum, payable semiannually commencing April 1, 2014, and mature annually April 1, 2016 thru 2023.

Proceeds of the Series 2014AB Bonds are being used, together with other lawfully available funds including the proceeds of the Taxable Series 2014C Bonds, to (i) pay a part of the costs of various improvements and additions to the System, and (ii) pay costs of issuing the Series 2014AB Bonds.

Series 2014C

On February 19, 2014, the Series 2014C Bonds were issued in the principal amount of \$50,000,000. Series 2014C Bonds are variable rate bonds bearing a weekly rate originally estimated at 3.60% per annum over the life of the bonds. Interest is payable monthly commencing March 2014. Certain bonds matured on August 3, 2015 and May 2, 2016, and the remaining bonds begin maturing annually April 1, 2038 through 2044.

The proceeds of the Series 2014C Bonds, are being used, together with other lawfully available funds including the proceeds of the Series 2014A and Series 2014B Bonds to (i) pay a part of the costs of various improvements and additions to the System and (ii) pay costs of issuing the Series 2014C Bonds.

See accompanying independent auditors' report.

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Series 2015A

On February 11, 2015, the Series 2015A Bonds were issued in the principal amount of \$109,340,000. Series 2015A Bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.00% per annum, payable semiannually commencing October 1, 2015, and mature annually April 1, 2016 thru 2038.

Proceeds from the sale of the Series 2015A Bonds were being used to refund portions of the outstanding System bonds (Series 2005A and 2009A) and pay costs of issuing the Series 2015A Bonds.

Series 2016A

On February 24, 2016, the Series 2016A Bonds were issued in the principal amount of \$129,025,000. Series 2016A Bonds are current interest bonds which bear interest at rates ranging from 4.00% to 5.00% per annum, payable semiannually commencing April 1, 2016, and mature annually April 1, 2017 thru 2036.

Proceeds from the sale of the Series 2016A Bonds are being used to refund portions of the outstanding System bonds (Series 2006) and pay costs of issuing the Series 2016A Bonds.

Series 2016B

On April 20, 2016, the Series 2016B Bonds were issued in the principal amount of \$20,630,000. Series 2016B Bonds are current interest bonds which bear interest at rates ranging from 3.00% to 5.00% per annum, payable semiannually commencing October 1, 2016, and mature annually April 1, 2018 thru 2046.

Proceeds from the sale of the Series 2016A Bonds are being used, together with other lawfully available funds to (i) construct a new student union at the University of Illinois Springfield, and (ii) pay certain interest on the Series 2016B Bonds and (iii) pay costs of issuing the Series 2016B Bonds.

University of Illinois UIC South Campus Development Project

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 mature annually, commencing January 15, 2004 through 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.

See accompanying independent auditors' report.

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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 mature annually January 15, 2011 through 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.

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. Interest is payable monthly commencing June 1, 1997. The bonds mature annually, commencing October 1, 2000 through 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.

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 bonds mature annually October 1, 2011 through 2026. 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.

Series 2013 Bonds

On September 5, 2013, the Series 2013 Bonds were issued in the principal amount of \$70,785,000. The Series 2013 bonds are current interest bonds which bear interest at rates ranging from 5.00% to 6.25% per annum, payable semiannually, commencing April 1, 2014. The bonds mature annually October 1, 2027 through 2042.

Proceeds from the sale of the Series 2013 Bonds are being used to finance the costs of certain construction, renovation and equipment purchases for the Health Services Facilities System and to pay costs incidental to the issuance of the Series 2013 Bonds.

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
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 Bonds Payable and Accrued Interest
 June 30, 2016

Schedule 11

(1) Advance Refunded Bonds

	Outstanding at June 30, 2016
University of Illinois Auxiliary Facilities System, Series 2009A	\$ 76,305,000

(2) Accrued Interest

Accrued interest on outstanding bonds payable at June 30, 2016 is as follows:

	Outstanding at June 30, 2016
University of Illinois Auxiliary Facilities System Revenue Bonds	\$ 11,242,052
University of Illinois Health Services Facilities System Revenue Bonds	1,162,943
University of Illinois UIC South Campus Development Revenue Bonds	239,586
	\$ 12,644,581

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Analysis of Significant Account Balances
 Leaseholds Payable and Other Obligations
 Year ended June 30, 2016

Schedule 12

Lessor	Balance at June 30, 2015	Increase in leaseholds and other obligations	Principal payments	Cancellations and adjustments	Balance at June 30, 2016
Leaseholds payable:					
Certificates of participation:					
Series 2003 Utility Infrastructure	\$ 13,730,000	—	6,700,000	—	7,030,000
Series 2004 Utility Infrastructure	103,040,000	—	8,015,000	—	95,025,000
Series 2007A	30,700,000	—	—	—	30,700,000
Series 2007B	45,645,000	—	8,615,000	—	37,030,000
Series 2009A	13,190,000	—	895,000	—	12,295,000
Series 2014A	25,055,000	—	2,095,000	—	22,960,000
Series 2014B	11,040,000	—	1,140,000	—	9,900,000
Series 2014C	29,160,000	—	—	—	29,160,000
Total COPs	<u>271,560,000</u>	<u>—</u>	<u>27,460,000</u>	<u>—</u>	<u>244,100,000</u>
Other capital leases:					
Banc of America	3,234,515	415,055	1,237,396	—	2,412,174
CBI Leasing	10,245	—	10,245	—	—
Cerner Software	177,495	—	177,495	—	—
Creekridge Capital	30,075	—	13,158	—	16,917
Deere Credit	269,770	—	79,831	—	189,939
Diagnostica Stago Inc	22,081	—	5,704	—	16,377
Illinois Medical District Commission	26,651,600	—	1,095,700	400	25,556,300
Municipal Asset Management	42,046	—	10,878	—	31,168
Ricoh USA	72,139	—	15,651	—	56,488
Stryker Sales Corp	19,523	—	8,350	—	11,173
Suntrust Leasing Corporation	125,187	—	125,187	—	—
Thermo Fisher Financial	40,733	—	24,047	—	16,686
US BankCorp	2,718,966	—	893,751	—	1,825,215
Total other capital leases	<u>33,414,375</u>	<u>415,055</u>	<u>3,697,393</u>	<u>400</u>	<u>30,132,437</u>
Total leaseholds payable	<u>304,974,375</u>	<u>415,055</u>	<u>31,157,393</u>	<u>400</u>	<u>274,232,437</u>
Other obligations:					
Energy services agreement installment payment contract 2010	13,652,371	—	1,110,903	—	12,541,468
Energy services agreement installment payment contract 2013	29,911,726	—	1,854,849	—	28,056,877
Environmental remediation liabilities	224,000	—	125,300	—	98,700
Total other obligations	<u>43,788,097</u>	<u>—</u>	<u>3,091,052</u>	<u>—</u>	<u>40,697,045</u>
Total leaseholds payable and other obligations	<u>\$ 348,762,472</u>	<u>415,055</u>	<u>34,248,445</u>	<u>400</u>	<u>314,929,482</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, 2016

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, 2016, 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 2001A, Series 2001B, Series 2003A, Series 2005A, Series 2006, Series 2008, Series 2009A, Series 2010A, Series 2011A, Series 2011B, Series 2011C, Series 2013A, Series 2014A, Series 2014B, Series 2014C, Series 2015A, Series 2016A, and Series 2016B (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 State Farm Center, 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.
- B. *Unique Instructional Programs* – Unique student and staff programs such as field trips and other activities of a similar nature.

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, 2016

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. *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.
- D. *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 the technical research park, and airport operations.
- E. *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.
- F. *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, 2016

Schedule 13

- G. *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
- 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, 2016

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
Unique Instructional Programs	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
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
Statement of Net Position
Auxiliary Enterprises Under Indenture
June 30, 2016

Schedule 14

	<u>All campuses</u>
Assets:	
Current assets:	
Claim on cash and on pooled investments	\$ 184,650,044
Cash and cash equivalents	12,050,755
Investments	3,002,700
Accrued investment income	601,296
Accounts receivable, net of allowance	7,880,012
Inventories	7,981,658
Prepaid expenses	511,762
Total current assets	<u>216,678,227</u>
Noncurrent assets:	
Cash and cash equivalents	7,049,821
Investments	16,065,994
Investments, restricted	66,210,888
Capital assets, net of accumulated depreciation	1,135,186,813
Total noncurrent assets	<u>1,224,513,516</u>
Deferred outflow of resources	31,430,988
Total assets and deferred outflow of resources	<u>\$ 1,472,622,731</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 43,264,961
Accrued compensated absences, current portion	494,617
Unearned revenue	7,332,081
Notes payable to the University, current portion	1,561,299
Bonds and leaseholds payable, current portion	48,533,834
Total current liabilities	<u>101,186,792</u>
Noncurrent liabilities:	
Accrued compensated absences	5,683,792
Notes payable to the University	8,826,198
Bonds and leaseholds payable	1,134,154,940
Total noncurrent liabilities	<u>1,148,664,930</u>
Total liabilities	<u>1,249,851,722</u>
Net position:	
Net investment in capital assets	41,563,780
Restricted:	
Expendable for debt service	26,731,206
Unrestricted	154,476,023
Total net position	<u>222,771,009</u>
Total liabilities and net position	<u>\$ 1,472,622,731</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Auxiliary Enterprises Under Indenture
Year ended June 30, 2016

Schedule 14

**All
campuses**

Operating revenues:	
Room and board, net of waivers	\$ 142,453,215
Merchandise and retail food sales	34,479,410
Student service fees	97,417,339
Public events and recreation fees	6,191,979
Parking income	27,042,324
Rental and lease income	32,335,993
Printing and vending income	3,752,108
Other operating revenue	<u>9,374,597</u>
Total operating revenues	<u>353,046,965</u>
Operating expenses:	
Salaries and wages	89,806,163
Merchandise and food for resale	33,340,189
Repairs and maintenance	6,199,775
Professional and other contractual services	33,041,420
Utilities	28,820,202
Supplies	11,407,448
Noncapitalized renovations and equipment	12,161,929
Administrative services	16,036,810
Other operating expense	5,261,439
Depreciation	34,437,307
On behalf payments for fringe benefits	<u>53,857,598</u>
Total operating expenses	<u>324,370,280</u>
Operating income	<u>28,676,685</u>
Nonoperating revenues (expenses):	
On behalf payments for fringe benefits	53,857,598
Investment income (net of related expenses)	2,000,394
Interest on capital asset related debt	(43,346,299)
Loss on disposal of capital assets	(797,226)
Other nonoperating expenses, net	<u>(816,717)</u>
Total nonoperating revenues, net	<u>10,897,750</u>
Increase in net position	39,574,435
Net position, beginning of year	<u>183,196,574</u>
Net position, end of year	<u>\$ 222,771,009</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Auxiliary Enterprises Not Under Indenture
Student/Staff Programs and Services
June 30, 2016

Schedule 15

	Urbana	Chicago	Springfield
Assets:			
Current assets:			
Cash and cash equivalents	\$ 20,407,430	13,243,373	1,171,373
Accounts receivable and accrued investment income	1,355,479	2,231,036	158,482
Inventories	56,010	3,302	18,382
Prepaid expenses	1,964,122	364,934	70,643
Total current assets	23,783,041	15,842,645	1,418,880
Noncurrent assets:			
Capital assets, net of accumulated depreciation	3,203,167	236,481	474,787
Total assets	\$ 26,986,208	16,079,126	1,893,667
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,047,127	699,587	193,626
Unearned revenue	4,632,678	3,077,161	238,842
Accrued compensated absences, current portion	76,120	48,707	14,465
Total current liabilities	8,755,925	3,825,455	446,933
Noncurrent liabilities:			
Accrued compensated absences	707,814	452,911	134,500
Total liabilities	9,463,739	4,278,366	581,433
Net position:			
Net investment in capital assets	3,203,167	236,481	474,787
Unrestricted	14,319,302	11,564,279	837,447
Total net position	17,522,469	11,800,760	1,312,234
Total liabilities and net position	\$ 26,986,208	16,079,126	1,893,667

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Auxiliary Enterprises Not Under Indenture
Student/Staff Programs and Services
Year ended June 30, 2016

Schedule 15

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Student program fees	\$ 51,178,397	38,037,818	4,492,748
Merchandise and food sales	821,733	9,177	1,450
Public events and recreation fees	358,414	8,170	6,006
Rental and lease income	297,952	—	—
Room and board	244,756	—	—
Parking income	—	25,790	—
Vending income	—	319	—
Other operating revenue	13,765,755	2,253,693	799,292
Total operating revenues	<u>66,667,007</u>	<u>40,334,967</u>	<u>5,299,496</u>
Operating expenses:			
Salaries and wages	12,432,770	5,209,633	1,926,176
Merchandise and food for resale	856,834	7,899,942	92,437
Repairs and maintenance	66,429	37,045	2,555
Professional and other contractual services	30,586,725	13,497,864	2,183,818
Utilities	90,231	72,067	9,899
Supplies	1,845,146	893,536	319,232
Noncapitalized renovations and equipment	5,903,818	110,925	68,616
Administrative services	771,149	328,311	20,012
Other operating expense	6,327,040	9,502,272	267,081
Depreciation and amortization	296,559	86,387	47,580
Total operating expenses	<u>59,176,701</u>	<u>37,637,982</u>	<u>4,937,406</u>
Operating income	<u>7,490,306</u>	<u>2,696,985</u>	<u>362,090</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	154,852	165,928	3,025
Other nonoperating revenues (expenses), net	(5,492,032)	113,322	2,035
Total nonoperating revenues (expenses), net	<u>(5,337,180)</u>	<u>279,250</u>	<u>5,060</u>
Increase in net position	2,153,126	2,976,235	367,150
Net position, beginning of year	<u>15,369,343</u>	<u>8,824,525</u>	<u>945,084</u>
Net position, end of year	<u>\$ 17,522,469</u>	<u>11,800,760</u>	<u>1,312,234</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Auxiliary Enterprises Not Under Indenture
Unique Instructional Programs
June 30, 2016

Schedule 15

	<u>Urbana</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 201,526
Accounts receivable and accrued investment income	<u>21,525</u>
Total current assets	223,051
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>2,637</u>
Total assets	<u><u>\$ 225,688</u></u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 10,144
Unearned revenue	<u>5,825</u>
Total liabilities	<u>15,969</u>
Net position:	
Net investment in capital assets	2,637
Unrestricted	<u>207,082</u>
Total net position	<u>209,719</u>
Total liabilities and net position	<u><u>\$ 225,688</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Auxiliary Enterprises Not Under Indenture
Unique Instructional Programs
Year ended June 30, 2016

Schedule 15

Urbana

Operating revenues:	
Program services	\$ 311,912
Student program fees	160,361
Total operating revenues	472,273
Operating expenses:	
Salaries and wages	11,418
Repairs and maintenance	122
Professional and other contractual services	71,098
Utilities	80
Supplies	11,681
Noncapitalized renovations and equipment	35,266
Administrative expenses	16
Other operating expense	131,010
Depreciation	1,758
Total operating expenses	262,449
Operating income	209,824
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	730
Other nonoperating expenses, net	(7,324)
Total nonoperating revenues (expenses), net	(6,594)
Increase in net position	203,230
Net position, beginning of year	6,489
Net position, end of year	\$ 209,719

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Storerooms and Service Departments
Communication and Computing Services
June 30, 2016

Schedule 16

All campuses

Assets:	
Current assets:	
Cash and cash equivalents	\$ 15,138,722
Accounts receivable	185,305
Inventories	1,193,837
Prepaid expenses	<u>1,403,118</u>
Total current assets	<u>17,920,982</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>13,577,190</u>
Total noncurrent assets	<u>13,577,190</u>
Total assets	<u><u>\$ 31,498,172</u></u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 2,740,970
Accrued compensated absences, current portion	286,879
Leaseholds payable and other obligations, current portion	<u>131,940</u>
Total current liabilities	<u>3,159,789</u>
Noncurrent liabilities:	
Accrued compensated absences	2,667,594
Leaseholds payable and other obligations	<u>428,802</u>
Total noncurrent liabilities	<u>3,096,396</u>
Total liabilities	<u>6,256,185</u>
Net position:	
Net investment in capital assets	13,016,448
Unrestricted	<u>12,225,539</u>
Total net position	<u>25,241,987</u>
Total liabilities and net position	<u><u>\$ 31,498,172</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Storerooms and Service Departments
Communication and Computing Services
Year ended June 30, 2016

Schedule 16

	<u>All campuses</u>
Operating revenues:	
Campus Information Technologies and Educational Services	\$ 57,529,918
Academic Computing and Communication Center services	9,564,051
Merchandise and food sales	3,352,001
Administrative Information Technology Services training and assistance	1,335,118
Business Information Systems services	622,881
Rental and lease income	167,687
Other sources	2,282
Total operating revenues	<u>72,573,938</u>
Operating expenses:	
Salaries and wages	25,055,088
Merchandise and food for resale	4,277,398
Repairs and maintenance	1,206,419
Professional and other contractual services	24,227,547
Utilities	9,841,543
Supplies	2,035,885
Noncapitalized renovations and equipment	3,707,265
Other operating expense	241,609
Depreciation and amortization	3,689,417
Total operating expenses	<u>74,282,171</u>
Operating income	<u>(1,708,233)</u>
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	1,309,908
Interest on capital asset related debt	131,939
Loss on disposal of capital assets	(220,037)
Other nonoperating expenses, net	(21,860)
Total nonoperating revenues, net	<u>1,199,950</u>
Decrease in net position	(508,283)
Net position, beginning of year	<u>25,750,270</u>
Net position, end of year	<u>\$ 25,241,987</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Storerooms and Service Departments
Plant and Services Operations
June 30, 2016

Schedule 16

All campuses

Assets:	
Current assets:	
Cash and cash equivalents	\$ 66,381,961
Investments	456,247
Accounts receivable and accrued investment income	1,501,859
Inventories	7,569,619
Prepaid expenses	2,020,847
Other assets	2,000,000
Total current assets	<u>79,930,533</u>
Noncurrent assets:	
Leasehold receivable	624,200
Capital assets, net of accumulated depreciation	<u>177,278,273</u>
Total noncurrent assets	<u>177,902,473</u>
Deferred outflow of resources	<u>4,217,657</u>
Total assets	<u>\$ 262,050,663</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 38,024,780
Unearned revenue	31,281
Accrued compensated absences, current portion	1,801,935
Leaseholds payable and other obligations, current portion	<u>24,275,183</u>
Total current liabilities	<u>64,133,179</u>
Noncurrent liabilities:	
Leaseholds payable and other obligations	129,251,936
Accrued compensated absences	<u>16,755,579</u>
Total noncurrent liabilities	<u>146,007,515</u>
Total liabilities	<u>210,140,694</u>
Net position:	
Net investment in capital assets	28,691,711
Restricted	439,968
Unrestricted	<u>22,778,290</u>
Total net position	<u>51,909,969</u>
Total liabilities and net position	<u>\$ 262,050,663</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Storerooms and Service Departments
Plant and Services Operations
Year ended June 30, 2016

Schedule 16

All campuses

Operating revenues:	
Plant operations and related services	\$ 313,710,556
Utility services	202,809,068
Lab and pharmacy services	54,313,666
Merchandise and food sales	12,018,616
Other sources	2,273,692
Total operating revenues	<u>585,125,598</u>
Operating expenses:	
Salaries and wages	217,908,788
Merchandise and food for resale	136,246,995
Repairs and maintenance	45,773,533
Professional and other contractual services	129,876,540
Utilities	966,306
Supplies	17,995,053
Noncapitalized renovations and equipment	12,042,431
Administrative services	72,480
Other operating expense	4,969,194
Depreciation and amortization	19,796,887
Total operating expenses	<u>585,648,207</u>
Operating loss	<u>(522,609)</u>
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	7,053,948
Interest on capital asset related debt	(7,005,826)
Other nonoperating revenues, net	21,094
Total nonoperating revenues, net	<u>69,216</u>
Decrease in net position	<u>(453,393)</u>
Net position, beginning of year	<u>52,363,362</u>
Net position, end of year	<u>\$ 51,909,969</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Instructional Course Activities
June 30, 2016

Schedule 17

	Urbana	Chicago
Assets:		
Current assets:		
Cash and cash equivalents	\$ 105,992	4,911,339
Accounts receivable and accrued investment income	255	31,954
Prepaid expenses	—	5,290
Total current assets	106,247	4,948,583
Noncurrent assets:		
Capital assets, net of accumulated depreciation	2,535,547	139,916
Total assets	\$ 2,641,794	5,088,499
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,248	178,484
Unearned revenue	—	500,190
Accrued compensated absences, current portion	—	10,213
Total current liabilities	3,248	688,887
Noncurrent liabilities:		
Accrued compensated absences	—	133,634
Total liabilities	3,248	822,521
Net position:		
Net investment in capital assets	2,535,547	139,916
Unrestricted	102,999	4,126,062
Total net position	2,638,546	4,265,978
Total liabilities and net position	\$ 2,641,794	5,088,499

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Instructional Course Activities
Year ended June 30, 2016

Schedule 17

	Urbana	Chicago
Operating revenues:		
Student program fees	\$ 120,449	6,489,335
Total operating revenues	120,449	6,489,335
Operating expenses:		
Salaries and wages	100,884	2,598,895
Repairs and maintenance	—	360
Professional and other contractual services	11,790	996,497
Utilities	10	38,905
Supplies	3,712	386,442
Noncapitalized renovations and equipment	—	114,285
Administrative services	8	243,602
Other operating expense	—	274,948
Depreciation and amortization	112,855	27,541
Total operating expenses	229,259	4,681,475
Operating (loss) income	(108,810)	1,807,860
Nonoperating revenues (expenses):		
Investment income (net of related expenses)	490	54,265
Other nonoperating expenses, net	(97,812)	(1,272,198)
Total nonoperating expenses, net	(97,322)	(1,217,933)
(Decrease) increase in net position	(206,132)	589,927
Net position, beginning of year	2,844,678	3,676,051
Net position, end of year	\$ 2,638,546	4,265,978

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Professional Development Activities
June 30, 2016

Schedule 17

	Urbana	Chicago	Springfield
Assets:			
Current assets:			
Cash and cash equivalents	\$ 7,104,701	2,418,693	147,763
Accounts receivable and accrued investment income	972,528	57,336	50,679
Inventories	23,615	27	—
Prepaid expenses	105,822	28,143	266
Total current assets	8,206,666	2,504,199	198,708
Noncurrent assets:			
Capital assets, net of accumulated depreciation	8,024,880	20,104	10,031
Total noncurrent assets	8,024,880	20,104	10,031
Deferred outflow of resources	252,732	—	—
Total assets	\$ 16,484,278	2,524,303	208,739
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 857,314	248,214	35,517
Unearned revenue	1,281,818	298,461	32,820
Accrued compensated absences, current portion	22,544	28,665	1,278
Leaseholds payable and other obligations, current portion	431,568	—	—
Total current liabilities	2,593,244	575,340	69,615
Noncurrent liabilities:			
Accrued compensated absences	209,628	266,541	11,888
Leaseholds payable and other obligations	5,709,467	—	—
Total noncurrent liabilities	5,919,095	266,541	11,888
Total liabilities	8,512,339	841,881	81,503
Net position:			
Net investment in capital assets	2,136,577	20,104	10,031
Unrestricted	5,835,362	1,662,318	117,205
Total net position	7,971,939	1,682,422	127,236
Total liabilities and net position	\$ 16,484,278	2,524,303	208,739

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Professional Development Activities
Year ended June 30, 2016

Schedule 17

	Urbana	Chicago	Springfield
Operating revenues:			
Professional development conferences and workshops	\$ 13,883,650	6,428,588	550,991
Student program fees	—	5,725	2,145
Rental and lease income	14,010	2,010	98,078
Public events and recreation fees	258,702	—	—
Other sources	23,410	1,430	—
	14,179,772	6,437,753	651,214
Operating expenses:			
Salaries and wages	6,942,761	4,741,919	608,594
Merchandise and food for resale	34,786	10,732	3,103
Repairs and maintenance	22,227	47,234	20
Professional and other contractual services	4,670,578	1,439,370	195,810
Utilities	89,222	42,652	1,732
Supplies	856,898	307,280	15,328
Noncapitalized renovations and equipment	342,962	191,887	16,860
Administrative services	261,904	6,865	443
Other operating expense	847,264	275,318	65,275
Depreciation and amortization	540,259	11,537	3,576
	14,608,861	7,074,794	910,741
Operating loss	(429,089)	(637,041)	(259,527)
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	45,632	22,168	656
Interest on capital asset related debt	(224,026)	—	—
Other nonoperating expenses, net	(105,813)	(878,297)	(1,303)
	(284,207)	(856,129)	(647)
Decrease in net position	(713,296)	(1,493,170)	(260,174)
Net position, beginning of year	8,685,235	3,175,592	387,410
Net position, end of year	\$ 7,971,939	1,682,422	127,236

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Agricultural Operations
June 30, 2016

Schedule 17

	<u>Urbana</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 4,562,928
Accounts receivable and accrued investment income	76,448
Inventories	179,046
Prepaid expenses	<u>36,008</u>
Total current assets	4,854,430
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>7,791,170</u>
Total assets	<u><u>\$ 12,645,600</u></u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 673,223
Unearned revenue	540,165
Leaseholds payable, current portion	50,594
Accrued compensated absences, current portion	<u>25,566</u>
Total current liabilities	<u>1,289,548</u>
Noncurrent liabilities:	
Leaseholds payable	73,595
Accrued compensated absences	<u>237,726</u>
Total noncurrent liabilities	<u>311,321</u>
Total liabilities	<u>1,600,869</u>
Net position:	
Net investment in capital assets	7,666,981
Unrestricted	<u>3,377,750</u>
Total net position	<u>11,044,731</u>
Total liabilities and net position	<u><u>\$ 12,645,600</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Agricultural Operations
Year ended June 30, 2016

Schedule 17

	Urbana
Operating revenues:	
Farm sales	\$ 5,209,466
Crop sciences programs	2,814,364
Cooperative Extension services	1,924,356
Animal sciences programs	1,916,936
4H activities	761,718
Rental and lease income	297,572
Food science and human nutrition programs	288,294
Information technology and commercial services	250,531
Agricultural and biological engineering activities	220,542
Merchandise and food sales	165,833
Natural resources and environment sciences	35,971
Other sources	156,055
	14,041,638
Operating expenses:	
Salaries and wages	4,026,800
Merchandise and food for resale	546,657
Repairs and maintenance	289,603
Professional and other contractual services	2,161,378
Utilities	183,810
Supplies	5,044,845
Noncapitalized renovations and equipment	397,044
Administrative services	248,542
Other operating expense	613,816
Depreciation and amortization	922,074
	14,434,569
Operating loss	(392,931)
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	18,800
Interest on capital asset related debt	(6,196)
Other nonoperating expenses, net	(47,664)
	(35,060)
Decrease in net position	(427,991)
Net position, beginning of year	11,472,722
Net position, end of year	\$ 11,044,731

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Commercial Operations Not Under Indenture
June 30, 2016

Schedule 17

	Urbana	Chicago
Assets:		
Current assets:		
Cash and cash equivalents	\$ 1,913,729	3,395,937
Accounts receivable and accrued investment income	566,939	777,551
Total current assets	2,480,668	4,173,488
Noncurrent assets:		
Capital assets, net of accumulated depreciation	32,146,195	4,907,493
Total assets	\$ 34,626,863	9,080,981
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 118,406	43,645
Accrued compensated absences, current portion	6,071	—
Unearned revenue	—	69,362
Internal payable	65,304	—
Total current liabilities	189,781	113,007
Noncurrent liabilities:		
Accrued compensated absences	56,457	—
Total noncurrent liabilities	56,457	—
Total liabilities	246,238	113,007
Net position:		
Net investment in capital assets	32,080,891	4,907,493
Unrestricted	2,299,734	4,060,481
Total net position	34,380,625	8,967,974
Total liabilities and net position	\$ 34,626,863	9,080,981

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Commercial Operations Not Under Indenture
Year ended June 30, 2016

Schedule 17

	Urbana	Chicago
Operating revenues:		
Utilities provided to outside parties	\$ 2,578,943	4,044,708
Rental and lease income	859,974	797,889
Vending income	716,749	—
Parking	548,409	—
Farm sales	275,000	—
Other sources	8,217	1,468,649
Total operating revenues	4,987,292	6,311,246
Operating expenses:		
Salaries and wages	1,214,964	—
Repairs and maintenance	50,598	365,498
Professional and other contractual services	649,770	1,023,456
Utilities	2,761,094	4,285,760
Supplies	359,794	977
Noncapitalized renovations and equipment	173,006	6,659
Administrative services	—	123,861
Other operating expense	46,273	11,950
Depreciation and amortization	1,841,898	306,236
Total operating expenses	7,097,397	6,124,397
Operating (loss) income	(2,110,105)	186,849
Nonoperating revenues (expenses):		
Investment income (net of related expenses)	13,689	26,538
Interest on capital asset related debt	(3,801)	—
Capital grants	4,631,812	—
Total nonoperating revenues, net	4,641,700	26,538
Increase in net position	2,531,595	213,387
Net position, beginning of year	31,849,030	8,754,587
Net position, end of year	\$ 34,380,625	8,967,974

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Hospital and Clinics
June 30, 2016

Schedule 17

Chicago

Assets and deferred outflow of resources:	
Current assets:	
Claim on cash and on pooled investments	\$ 136,880,635
Restricted claim on cash and on pooled investments	1,148,000
Restricted cash and cash equivalents	14,943
Accrued investment income	479,700
Patient receivables, net	169,831,058
Other receivables	14,840,249
Inventories	6,054,841
Prepaid expenses, deposits, and other assets	1,174,588
Total current assets	330,424,014
Noncurrent assets:	
Restricted claim on cash and on pooled investments	13,822,159
Restricted cash and cash equivalents	6,425,043
Restricted investments	29,163,046
Capital assets net of accumulated depreciation	185,005,229
Total noncurrent assets	234,415,477
Deferred outflow of resources	6,534,082
Total assets and deferred outflow of resources	\$ 571,373,573
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 108,841,850
Unearned revenues	134,972
Long-term liabilities, current portion	7,616,704
Total current liabilities	116,593,526
Noncurrent liabilities:	
Long-term debt, net of current portion	114,099,573
Accrued compensated absences, net of current portion	21,072,891
Derivative instrument – swap liability	4,766,649
Total noncurrent liabilities	139,939,113
Total liabilities	256,532,639
Net position:	
Net investment in capital assets	100,362,646
Restricted	14,701,892
Unrestricted	199,776,396
Total net position	314,840,934
Total liabilities and net position	\$ 571,373,573

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Hospital and Clinics
Year ended June 30, 2016

Schedule 17

Chicago

Operating revenues:		
Net patient service revenues	\$	620,406,166
Other revenues		67,331,328
Total operating revenues		687,737,494
Operating expenses:		
Salaries and wages		299,645,868
Fringe benefits		241,807,202
Supplies and general expenses		340,488,468
Administrative services		13,859,481
Depreciation and amortization		20,067,606
Total operating expenses		915,868,625
Operating loss		(228,131,131)
Nonoperating revenue (expenses):		
On behalf payments for fringe benefits		235,059,283
State appropriations		11,104,600
Transfer of State appropriations to the Illinois DHFS Hospital Services Fund		(11,104,600)
Interest on capital asset related debt		(4,797,271)
Investment income		1,732,521
Loss on disposal of capital assets		(35,455)
Other nonoperating revenues, net		487,648
Total nonoperating revenues, net		232,446,726
Increase in net position		4,315,595
Net position, beginning of year		310,525,339
Net position, end of the year	\$	314,840,934

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Net Position
Departmental Activities
Public Service, Academic Support, and Economic Development Activities
June 30, 2016

Schedule 17

	Urbana	Chicago	Springfield
Assets:			
Current assets:			
Cash and cash equivalents	\$ 14,260,810	16,605,385	557,735
Accounts receivable and accrued investment income	3,466,539	30,617,246	32,855
Inventories	1,820,826	7,007,259	2,947
Prepaid expenses	410,645	403,878	25,947
Total current assets	19,958,820	54,633,768	619,484
Noncurrent assets:			
Capital assets, net of accumulated depreciation	10,446,710	23,145,430	181,069
Total assets	\$ 30,405,530	77,779,198	800,553
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,090,910	10,097,270	74,124
Unearned revenue	1,452,592	1,173,065	149,848
Internal payable, current portion	256,160	58,023	—
Leaseholds payable, current portion	28,340	49,121	—
Accrued compensated absences, current portion	108,614	437,287	2,264
Total current liabilities	5,936,616	11,814,766	226,236
Noncurrent liabilities:			
Internal payable	2,200,541	—	—
Leaseholds payable	36,123	100,544	—
Accrued compensated absences	1,009,963	4,066,184	21,057
Total noncurrent liabilities	3,246,627	4,166,728	21,057
Total liabilities	9,183,243	15,981,494	247,293
Net position:			
Net investment in capital assets	10,382,247	22,937,742	181,069
Unrestricted	10,840,040	38,859,962	372,191
Total net position	21,222,287	61,797,704	553,260
Total liabilities and net position	\$ 30,405,530	77,779,198	800,553

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Public Service, Academic Support, and Economic Development Activities
Year ended June 30, 2016

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Health and medical services income	\$ 27,045,088	144,474,733	—
Public services income	11,042,709	1,607,917	205,833
Academic support activities income	5,626,088	129,664	—
Student program fees	1,765,797	194,996	—
Merchandise and food sales	1,017,471	68,549	21,531
Rental and lease income	1,338,677	109,939	457,898
Public events and recreation fees	1,874,273	45,770	1,095,288
Farm sales	56,241	—	—
Economic development services	190,040	—	—
Parking	—	—	17,776
Other sources	2,517,648	984,965	—
Total operating revenues	<u>52,474,032</u>	<u>147,616,533</u>	<u>1,798,326</u>
Operating expenses:			
Salaries and wages	20,614,351	68,422,773	425,126
Merchandise and food for resale	940,744	35,014,172	6,156
Repairs and maintenance	516,654	311,323	4,750
Professional and other contractual services	19,518,175	36,897,496	823,012
Utilities	743,437	1,441,447	21,130
Supplies	6,392,045	5,155,172	59,338
Noncapitalized renovations and equipment	4,163,868	1,134,592	—
Administrative services	15,120	1,097,216	—
Other operating expense	827,862	1,253,012	14,049
Depreciation and amortization	1,473,799	1,090,879	14,526
Total operating expenses	<u>55,206,055</u>	<u>151,818,082</u>	<u>1,368,087</u>
Operating income (loss)	<u>(2,732,023)</u>	<u>(4,201,549)</u>	<u>430,239</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	60,761	209,815	614
Interest on debt	(240,747)	(6,218)	—
Other nonoperating expenses, net	(1,128,143)	(227,753)	—
Total nonoperating revenues (expenses), net	<u>(1,308,129)</u>	<u>(24,156)</u>	<u>614</u>
Increase (decrease) in net position	(4,040,152)	(4,225,705)	430,853
Net position, beginning of year	<u>25,262,439</u>	<u>66,023,409</u>	<u>122,407</u>
Net position, end of year	<u>\$ 21,222,287</u>	<u>61,797,704</u>	<u>553,260</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS

Statement of Net Position

Departmental Activities

Intercollegiate Athletics

June 30, 2016

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 8,922,654	—	57,621
Accounts receivable and accrued investment income	2,825,200	451,256	37,546
Inventories	12,507	—	250
Prepaid expenses	614,871	671	4,142
Total current assets	<u>12,375,232</u>	<u>451,927</u>	<u>99,559</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	4,242,807	1,588,177	15,494
Total assets	<u>\$ 16,618,039</u>	<u>2,040,104</u>	<u>115,053</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,856,521	1,162,916	47,983
Unearned revenue	6,047,589	—	50,673
Accrued compensated absences, current portion	154,266	51,160	1,054
Internal payable, current portion	—	147,770	—
Total current liabilities	<u>11,058,376</u>	<u>1,361,846</u>	<u>99,710</u>
Noncurrent liabilities:			
Internal payable	—	295,530	—
Accrued compensated absences	1,434,471	669,408	13,798
Total noncurrent liabilities	<u>1,434,471</u>	<u>964,938</u>	<u>13,798</u>
Total liabilities	<u>12,492,847</u>	<u>2,326,784</u>	<u>113,508</u>
Net position:			
Net investment in capital assets	4,242,807	1,144,877	15,494
Unrestricted	(117,615)	(1,431,557)	(13,949)
Total net position	<u>4,125,192</u>	<u>(286,680)</u>	<u>1,545</u>
Total liabilities and net position	<u>\$ 16,618,039</u>	<u>2,040,104</u>	<u>115,053</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Statement of Revenues, Expenses, and Changes in Net Position
Departmental Activities
Intercollegiate Athletics
Year ended June 30, 2016

Schedule 17

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Public events and recreation fees	\$ 51,768,414	1,994,482	261,739
Student program fees	—	6,938,457	1,357,703
Merchandise and food sales	7,608	—	17,760
Rental and lease income	105,267	—	1,500
Parking	10,470	—	—
Other sources	4,935,998	405,195	2,080
Total operating revenues	<u>56,827,757</u>	<u>9,338,134</u>	<u>1,640,782</u>
Operating expenses:			
Salaries and wages	29,403,864	5,384,855	312,278
Merchandise and food for resale	111,826	—	9,529
Repairs and maintenance	344,790	5,415	283
Professional and other contractual services	13,005,059	2,099,845	325,874
Utilities	2,684,410	71,719	5,496
Supplies	3,928,782	716,716	126,188
Noncapitalized renovations and equipment	1,515,978	360,813	93,068
Administrative services	698,700	291,661	1,726
Other operating expense	8,173,906	1,157,686	786,296
Depreciation and amortization	430,186	138,730	1,390
Total operating expenses	<u>60,297,501</u>	<u>10,227,440</u>	<u>1,662,128</u>
Operating loss	<u>(3,469,744)</u>	<u>(889,306)</u>	<u>(21,346)</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	41,657	1,597	276
Interest on capital asset related debt	—	(16,624)	—
Other nonoperating revenues, net	269,679	147,770	—
Total nonoperating revenues, net	<u>311,336</u>	<u>132,743</u>	<u>276</u>
Increase in net position	<u>(3,158,408)</u>	<u>(756,563)</u>	<u>(21,070)</u>
Net position, beginning of year	<u>7,283,600</u>	<u>469,883</u>	<u>22,615</u>
Net position, end of year	<u>\$ 4,125,192</u>	<u>(286,680)</u>	<u>1,545</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Current Excess Funds Calculations
 Selected Plant Fund Data
 Auxiliary Enterprises Under Indenture
 June 30, 2016
 (Unaudited)

Schedule 18

	All campuses
Capital assets:	
Facilities – at replacement cost	\$ 2,857,038,517
Parking lots and improvements – at historical cost	57,397,378
Equipment – at historical cost	43,600,787
Bond resolution limitations on repair and replacement reserve:	
5% of replacement cost of facilities	\$ 142,851,926
5% of historical cost of parking lots and improvements	2,869,869
20% of historical cost of equipment	8,720,157
Total reserve limitation	154,441,952
Repair and replacement reserve	123,745,313
Total margin of compliance	\$ 30,696,639

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, 2016
 (Unaudited)

Schedule 18

	Student/staff programs and services		
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities – at replacement cost	\$ 1,001,097	27,854	3,715,479
Improvements – at historical cost	—	—	—
Parking lots – at historical cost	—	698,666	—
Equipment – at historical cost	5,470,643	2,328,540	2,003,773
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 50,055	1,393	185,774
5% of historical cost of improvements	—	—	—
10% of historical cost of parking lots	—	69,867	—
20% of historical cost of equipment	1,094,129	465,708	400,755
Total reserve limitation	1,144,184	536,968	586,529
Repair and replacement reserve	902,577	—	—
Total margin of compliance	\$ <u>241,607</u>	<u>536,968</u>	<u>586,529</u>

	Unique instructional programs	
	<u>Urbana</u>	<u>Chicago</u>
Capital assets:		
Facilities – at replacement cost	\$ —	—
Improvements – at historical cost	—	—
Equipment – at historical cost	68,406	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	13,681	1,787
Total reserve limitation	13,681	1,787
Repair and replacement reserve	—	—
Total margin of compliance	\$ <u>13,681</u>	<u>1,787</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
 Storerooms and Service Departments
 June 30, 2016
 (Unaudited)

Schedule 18

**Communication
and
computing
services**

All campuses

Capital assets:		
Facilities – at replacement cost	\$	20,612,625
Improvements – at historical cost		10,500,000
Equipment – at historical cost		183,858,069
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	1,030,631
5% of historical cost of improvements		525,000
20% of historical cost of equipment		36,771,614
Total reserve limitation		38,327,245
Repair and replacement reserve		5,093,133
Total margin of compliance	\$	33,234,112

**Plant and
service
operations**

All campuses

Capital assets:		
Facilities – at replacement cost	\$	58,859,144
Improvements – at historical cost		301,676,687
Equipment – at historical cost		106,868,991
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	2,942,957
5% of historical cost of improvements		15,083,834
20% of historical cost of equipment		21,373,798
Total reserve limitation		39,400,589
Repair and replacement reserve		24,285,525
Total margin of compliance	\$	15,115,064

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, 2016
 (Unaudited)

Schedule 18

	Instructional course activities	
	Urbana	Chicago
Capital assets:		
Facilities – at replacement cost	\$ 24,515,436	—
Equipment – at historical cost	5,866,937	660,101
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$ 1,225,772	—
20% of historical cost of equipment	1,173,387	132,020
Total reserve limitation	2,399,159	132,020
Repair and replacement reserve	23,749	—
Total margin of compliance	\$ 2,375,410	132,020

	Professional development activities		
	Urbana	Chicago	Springfield
Capital assets:			
Facilities – at replacement cost	\$ 9,703,314	—	—
Improvements – at historical cost	138,115	—	—
Equipment – at historical cost	6,850,771	1,775,586	75,239
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 485,166	—	—
5% of historical cost of improvements	6,906	—	—
20% of historical cost of equipment	1,370,154	355,117	15,048
Total reserve limitation	1,862,226	355,117	15,048
Repair and replacement reserve	736,537	—	—
Total margin of compliance	\$ 1,125,689	355,117	15,048

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, 2016
 (Unaudited)

Schedule 18

	Agricultural operations	
	Urbana	
Capital assets:		
Facilities – at replacement cost	\$	53,750,202
Improvements – at historical cost		473,425
Equipment – at historical cost		12,235,358
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	2,687,510
5% of historical cost of improvements		23,671
20% of historical cost of equipment		2,447,072
Total reserve limitation		5,158,253
Repair and replacement reserve		405,878
Total margin of compliance	\$	4,752,375

	Commercial operations not under indenture	
	Urbana	Chicago
Capital assets:		
Facilities – at replacement cost	\$	18,507,585
Improvements – at historical cost		21,241,650
Equipment – at historical cost		3,729,869
Guidelines limitations on repair and replacement reserves for entities:		
5% of replacement cost of facilities	\$	925,379
5% of historical cost of improvements		1,062,083
20% of historical cost of equipment		745,974
Total reserve limitation		1,987,462
Repair and replacement reserve		173,655
Total margin of compliance	\$	1,987,462

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, 2016
 (Unaudited)

Schedule 18

	Hospital and clinics
	Chicago
Capital assets:	
Facilities – at replacement cost	\$ 443,381,180
Equipment – at historical cost	213,476,025
Guidelines limitations on repair and replacement reserves for entities:	
5% of replacement cost of facilities	\$ 22,169,059
20% of historical cost of equipment	42,695,205
Total reserve limitation	64,864,264
Repair and replacement reserve	14,669,405
Total margin of compliance	\$ 50,194,859

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, 2016
 (Unaudited)

Schedule 18

	Public service, academic support, and economic development activities		
	Urbana	Chicago	Springfield
Capital assets:			
Facilities – at replacement cost	\$ 223,246,666	189,359,909	—
Improvements – at historical cost	760,159	—	—
Equipment – at historical cost	15,198,139	12,964,561	316,568
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 11,162,333	9,467,995	—
5% of historical cost of improvements	38,008	—	—
20% of historical cost of equipment	3,039,628	2,592,912	63,314
Total reserve limitation	14,239,969	12,060,907	63,314
Repair and replacement reserve	2,526,299	—	—
Total margin of compliance	\$ 11,713,670	12,060,907	63,314

	Intercollegiate athletics		
	Urbana	Chicago	Springfield
Capital assets:			
Facilities – at replacement cost	\$ 4,086,769	—	—
Improvements – at historical cost	8,001	2,409,202	—
Equipment – at historical cost	12,161,760	901,754	82,899
Guidelines limitations on repair and replacement reserves for entities:			
5% of replacement cost of facilities	\$ 204,338	—	—
5% of historical cost of improvements	400	120,460	—
20% of historical cost of equipment	2,432,352	180,351	16,580
Total reserve limitation	2,637,090	300,811	16,580
Repair and replacement reserve	489,317	—	—
Total margin of compliance	\$ 2,147,773	300,811	16,580

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, 2016
(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, 2016
 (Unaudited)

Schedule 19

All campuses

1. Current available funds:		
Add:		
Cash (excludes repair and replacement reserve)	\$	47,480,239
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>47,480,239</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		43,052,343
Encumbrances and current liabilities paid in lapse period		8,920,900
Deferred income		2,852,239
Refundable deposits		1,449,112
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		494,617
Working capital allowance	B	<u>56,769,211</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(9,288,972)</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>(30,696,639)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(39,985,611)</u></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, 2016
 (Unaudited)

Schedule 20

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash (excludes repair and replacement reserve)	\$	19,420,778	13,243,372	1,171,373
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>19,420,778</u>	<u>13,243,372</u>	<u>1,171,373</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures		28,199,298	17,518,379	1,711,063
Encumbrances and current liabilities paid in lapse period		4,047,127	699,587	193,627
Deferred income		3,697,165	944,559	15,367
Refundable deposits		399,169	59,750	38,293
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		76,417	42,103	6,337
Working capital allowance	B	<u>36,419,176</u>	<u>19,264,378</u>	<u>1,964,687</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>(16,998,398)</u>	<u>(6,021,006)</u>	<u>(793,314)</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>(241,607)</u>	<u>(536,968)</u>	<u>(586,529)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(17,240,005)</u></u>	<u><u>(6,557,974)</u></u>	<u><u>(1,379,843)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Auxiliary Enterprises Not Under Indenture
 Unique Instructional Programs – Entity 3420
 June 30, 2016
 (Unaudited)

Schedule 20

Urbana

1. Current available funds:		
Add:		
Cash	\$	201,526
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	201,526
2. Working capital allowance:		
Add:		
Highest month's expenditures		—
Encumbrances and current liabilities paid in lapse period		15,969
Deferred income		—
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		(232)
Working capital allowance	B	15,737
3. Current excess funds:		
Deduct B from A and enter here	C	185,789
4. Calculation of income fund remittance:		
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here	D	—
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	185,789

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, 2016
 (Unaudited)

Schedule 21

All campuses

1. Current available funds:		
Add:		
Cash	\$	10,031,832
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>10,031,832</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		22,777,079
Encumbrances and current liabilities paid in lapse period		2,740,970
Deferred income		—
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		345,976
Working capital allowance	B	<u>25,864,025</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(15,832,193)</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>(33,234,112)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (49,066,305)</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, 2016
 (Unaudited)

Schedule 21

All campuses

1. Current available funds:		
Add:		
Cash	\$	34,932,375
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>34,932,375</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		104,312,211
Encumbrances and current liabilities paid in lapse period		35,159,041
Deferred income		19,711
Refundable deposits		11,570
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		<u>1,221,808</u>
Working capital allowance	B	<u>140,724,341</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(105,791,966)</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>(15,115,064)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (120,907,030)</u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Instructional Course Activities – Entity 3400
 June 30, 2016
 (Unaudited)

Schedule 22

	<u>Urbana</u>	<u>Chicago</u>
1. Current available funds:		
Add:		
Cash (excludes repair and replacement reserve)	\$ 82,243	4,911,339
Cash equivalents:		
Bank deposits	—	—
Marketable securities	—	—
Certificates of deposit	—	—
Repurchase agreements	—	—
Other cash equivalent items	—	—
Interfund receivables	—	—
Total current available funds	A <u>82,243</u>	<u>4,911,339</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures	44,987	1,977,335
Encumbrances and current liabilities paid in lapse period	3,248	178,483
Deferred income	—	356,575
Refundable deposits	—	143,615
Allowance for restoring inventory to normal level	—	—
Allowance for sick leave/vacation payouts	—	15,658
Working capital allowance	B <u>48,235</u>	<u>2,671,666</u>
3. Current excess funds:		
Deduct B from A and enter here	C <u>34,008</u>	<u>2,239,673</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>(2,375,410)</u>	<u>(132,020)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ <u><u>(2,341,402)</u></u>	<u><u>2,107,653</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, 2016
 (Unaudited)

Schedule 22

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:			
Add:			
Cash (excludes repair and replacement reserve)	\$ 6,274,159	2,418,693	147,763
Cash equivalents:			
Bank deposits	—	—	—
Marketable securities	—	—	—
Certificates of deposit	—	—	—
Repurchase agreements	—	—	—
Other cash equivalent items	—	—	—
Interfund receivables	—	—	—
Total current available funds	A <u>6,274,159</u>	<u>2,418,693</u>	<u>147,763</u>
2. Working capital allowance			
Add:			
Highest month's expenditures	4,550,177	2,163,395	193,681
Encumbrances and current liabilities paid in lapse period	763,303	248,214	35,518
Deferred income	1,245,338	298,461	32,820
Refundable deposits	36,480	—	—
Allowance for restoring inventory to normal level	—	—	—
Allowance for sick leave/vacation payouts	39,076	32,876	718
Working capital allowance	B <u>6,634,374</u>	<u>2,742,946</u>	<u>262,737</u>
3. Current excess funds:			
Deduct B from A and enter here	C <u>(360,215)</u>	<u>(324,253)</u>	<u>(114,974)</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>(1,125,689)</u>	<u>(355,117)</u>	<u>(15,048)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ <u><u>(1,485,904)</u></u>	<u><u>(679,370)</u></u>	<u><u>(130,022)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Agricultural Operations – Entity 3430
 June 30, 2016
 (Unaudited)

Schedule 22

Urbana

1. Current available funds:		
Add:		
Cash	\$	4,157,050
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>4,157,050</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		2,781,333
Encumbrances and current liabilities paid in lapse period		673,223
Deferred income		540,165
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		23,825
Working capital allowance	B	<u>4,018,546</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>138,504</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>(4,752,375)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(4,613,871)</u></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, 2016
 (Unaudited)

Schedule 22

	Urbana	Chicago
1. Current available funds:		
Add:		
Cash	\$ 1,248,530	3,395,937
Cash equivalents:		
Bank deposits	—	—
Marketable securities	—	—
Certificates of deposit	—	—
Repurchase agreements	—	—
Other cash equivalent items	—	—
Interfund receivables	—	—
Total current available funds	A 1,248,530	3,395,937
2. Working capital allowance:		
Add:		
Highest month's expenditures	1,266,439	932,534
Encumbrances and current liabilities paid in lapse period	118,406	43,646
Deferred income	—	62,673
Refundable deposits	—	6,688
Allowance for restoring inventory to normal level	—	—
Allowance for sick leave/vacation payouts	6,864	—
Working capital allowance	B 1,391,709	1,045,541
3. Current excess funds:		
Deduct B from A and enter here	C (143,179)	2,350,396
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 (5,101,770)	(1,987,462)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$ (5,244,949)	362,934

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
 Calculation Sheet for Current Excess Funds
 Departmental Activities
 Hospital and Clinics – Entity 3500
 June 30, 2016
 (Unaudited)

Schedule 22

Chicago

1. Current available funds:		
Add:		
Cash	\$	133,249,358
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		—
Total current available funds	A	<u>133,249,358</u>
2. Working capital allowance:		
Add:		
Highest month's expenditures		118,035,433
Encumbrances and current liabilities paid in lapse period		103,740,401
Deferred income		—
Refundable deposits		—
Allowance for restoring inventory to normal level		—
Allowance for sick leave/vacation payouts		<u>2,255,405</u>
Working capital allowance	B	<u>224,031,239</u>
3. Current excess funds:		
Deduct B from A and enter here	C	<u>(90,781,881)</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>(50,194,859)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund		<u>\$ (140,976,740)</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, 2016
 (Unaudited)

Schedule 22

		<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
1. Current available funds:				
Add:				
Cash (excludes repair and replacement reserve)	\$	11,433,391	15,895,363	557,735
Cash equivalents:				
Bank deposits		—	—	—
Marketable securities		—	—	—
Certificates of deposit		—	—	—
Repurchase agreements		—	—	—
Other cash equivalent items		—	—	—
Interfund receivables		—	—	—
Total current available funds	A	<u>11,433,391</u>	<u>15,895,363</u>	<u>557,735</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures		10,210,482	25,623,100	473,784
Encumbrances and current liabilities paid in lapse period		3,444,249	10,035,493	74,124
Deferred income		1,206,487	26,080	126,401
Refundable deposits		49,563	—	23,446
Allowance for restoring inventory to normal level		—	—	—
Allowance for sick leave/vacation payouts		76,584	320,518	—
Working capital allowance	B	<u>14,987,365</u>	<u>36,005,191</u>	<u>697,755</u>
3. Current excess funds:				
Deduct B from A and enter here	C	<u>(3,553,974)</u>	<u>(20,109,828)</u>	<u>(140,020)</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>(11,713,670)</u>	<u>(12,060,907)</u>	<u>(63,314)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(15,267,644)</u></u>	<u><u>(32,170,735)</u></u>	<u><u>(203,334)</u></u>

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Calculation Sheet for Current Excess Funds
Departmental Activities
Intercollegiate Athletics – Entity 3450
June 30, 2016
(Unaudited)

Schedule 22

		<u>Urbana</u>	<u>Chicago</u>		<u>Springfield</u>
1. Current available funds:					
Add:					
Cash	\$	8,415,808	(787,373)		57,621
Cash equivalents:					
Bank deposits		—	—		—
Marketable securities		—	—		—
Certificates of deposit		—	—		—
Repurchase agreements		—	—		—
Other cash equivalent items		—	—		—
Interfund receivables		—	—		—
Total current available funds	A	<u>8,415,808</u>	<u>(787,373)</u>		<u>57,621</u>
2. Working capital allowance:					
Add:					
Highest month's expenditures		15,133,109	2,206,311		917,233
Encumbrances and current liabilities paid in lapse period		4,856,521	375,543		47,984
Deferred income		6,047,589	—		376
Refundable deposits		—	—		—
Allowance for restoring inventory to normal level		—	—		—
Allowance for sick leave/vacation payouts		149,268	63,310		1,342
Working capital allowance	B	<u>26,186,487</u>	<u>2,645,164</u>		<u>966,935</u>
3. Current excess funds:					
Deduct B from A and enter here	C	<u>(17,770,679)</u>	<u>(3,432,537)</u>		<u>(909,314)</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>(2,147,773)</u>	<u>(300,811)</u>		<u>(16,580)</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the income fund	\$	<u><u>(19,918,452)</u></u>	<u><u>(3,733,348)</u></u>		<u><u>(925,894)</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, 2016

Schedule 23

Balance, July 1, 2015	\$ <u>250,413,682</u>
Sources:	
Private gifts, grants, and contracts	31,310,804
Federal grants and contracts	159,022,729
State of Illinois grants and contracts	9,741,853
Medical service plan	4,867,652
Auxiliary administrative allowances	16,612,797
Other administrative allowances	29,881,290
Investment income	<u>(16,844)</u>
Total additions	<u>251,420,281</u>
Applications:	
Educational and general:	
Instruction	(115,422)
Research	(74,957,291)
Public service	(6,739,680)
Academic support	(47,584,017)
Student services	(1,902,685)
Institutional support	(22,265,939)
Operation and maintenance of plant	(51,048,331)
Student aid	<u>(34,427,557)</u>
Total deductions	<u>(239,040,922)</u>
Balance at June 30, 2016	\$ <u><u>262,793,041</u></u>

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, 2016

Schedule 24

1. Cash and equivalents balance:		
Add:		
Cash	\$	174,529,935
Cash equivalents:		
Bank deposits		—
Marketable securities		—
Certificates of deposit		—
Repurchase agreements		—
Other cash equivalent items		—
Interfund receivables		525,248
		<u>175,055,183</u>
2. Allocated reimbursements:		
Enter the total indirect cost reimbursements allocated for expenditure for the fiscal year completed:		
\$553,789,971; enter 30% of this amount		166,136,991
		<u>166,136,991</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		11,612,569
Encumbrances		2,353,973
Total		<u>13,966,542</u>
5. Indirect cost carryforward:		
a. Enter the total items 2, 3, and 4		180,103,533
b. Subtract from item 1		(5,048,350)
If a positive number results, enter here and remit for deposit in the income fund	\$	N/A

See accompanying independent auditors' report.

UNIVERSITY OF ILLINOIS
Schedules of Federal Expenditures, Nonfederal Expenses, and New Loans
Year ended June 30, 2016
(Dollars in thousands)

Schedule 25

Schedule A – Federal financial component:	
Total federal expenditures reported on SEFA schedule	\$ <u>1,258,612</u>
Total Schedule A	\$ <u><u>1,258,612</u></u>
Schedule B – Total financial component:	
Total operating expenses (from financial statements)	\$ 5,702,494
Total nonoperating expenses	62,188
Total new loans made	466,662
Amount of federal loan balances at beginning of the year	51,842
Other noncash federal award expenditures	<u>6,976</u>
Total Schedule B	\$ <u><u>6,290,162</u></u>

	Amount	Percentage
Schedule C:		
Total Schedule A	\$ 1,258,612	20.0%
Total nonfederal expenses	<u>5,031,550</u>	<u>80.0%</u>
Total Schedule C	<u><u>\$ 6,290,162</u></u>	<u><u>100.0%</u></u>

These schedules are used to determine the Agency’s single audit costs in accordance with Uniform Guidance.

See accompanying independent auditors’ report.

UNIVERSITY OF ILLINOIS
University Functions and Planning Program
Year ended June 30, 2016
(Unaudited)

The University of Illinois (University) is a comprehensive university primarily serving the citizens of Illinois from three main institutions through instruction (both on-campus and on-line), research, economic development, and outreach activities. The University is headed by its President, Timothy L. Killeen, whose office is located in Urbana-Champaign, 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 institution 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 institution of the University.

The Chicago institution 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 institution is responsible for addressing public affairs within the framework of a liberal arts curriculum through its firsthand access to state government and public service through special courses, projects, and internship opportunities.

Each institution 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 institution's mission.

In addition to the extensive formal planning and budgeting process at the University, each institution 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 2016 and 2015
(Unaudited)

	Fall term fiscal 2016				Fall term fiscal 2015			
	Urbana	Chicago	Springfield	Total	Urbana	Chicago	Springfield	Total
University employment statistics:								
Headcount:								
Faculty	3,417	3,329	349	7,095	3,408	3,307	347	7,062
Academic professionals	4,568	2,704	244	7,516	4,620	2,988	242	7,850
Support staff	4,470	6,783	319	11,572	4,645	6,271	316	11,232
Other	5,954	3,319	222	9,495	5,975	3,314	276	9,565
	<u>18,409</u>	<u>16,135</u>	<u>1,134</u>	<u>35,678</u>	<u>18,648</u>	<u>15,880</u>	<u>1,181</u>	<u>35,709</u>
Full-time equivalency:								
Faculty	3,120	2,647	264	6,031	3,125	2,592	267	5,984
Academic professionals	4,518	2,696	234	7,448	4,560	2,969	227	7,756
Support staff	4,410	6,501	317	11,228	4,584	6,121	313	11,018
Other	2,666	2,011	121	4,798	2,662	2,016	150	4,828
	<u>14,714</u>	<u>13,855</u>	<u>936</u>	<u>29,505</u>	<u>14,931</u>	<u>13,698</u>	<u>957</u>	<u>29,586</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, 2016 and 2015
(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, 2016 and 2015, using the formula prescribed by the Illinois Board of Higher Education. All credit hours and instructional operating costs paid from state appropriated funds are included (except costs related to the College of Medicine and Dentistry at the Health Sciences Center).

	Urbana-Champaign		Chicago		Springfield	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2016:						
Total costs (1)	\$ 369,174,712	273,226,229	151,261,649	139,697,546	28,920,610	19,480,913
Student credit hours	1,039,255	363,486	497,376	210,215	73,278	45,830
Full-time equivalent students (2)	34,642	15,145	16,579	8,759	2,443	1,910
Cost per student credit hour	\$ 355	752	304	665	395	425
Cost per full-time equivalent student	10,657	18,040	9,124	15,949	11,838	10,199

	Urbana-Champaign		Chicago		Springfield	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2015:						
Total costs (1)	\$ 392,291,259	290,334,787	168,449,007	155,570,913	28,913,873	19,476,375
Student credit hours	1,022,523	348,106	486,124	212,879	72,573	44,696
Full-time equivalent students (2)	34,084	14,504	16,204	8,870	2,419	1,862
Cost per student credit hour	\$ 384	834	347	731	398	436
Cost per full-time equivalent student	11,510	20,017	10,395	17,539	11,952	10,458

- (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 2016
 (Unaudited)

The following statistics are from the *State of Illinois Board of Higher Education 2015 Data Book on Illinois Higher Education, Fall Enrollment Survey*.

Enrollment statistics:

The total headcount enrollment for Fall 2015 by class level was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Undergraduate:				
Freshman	8,245	4,614	415	13,274
Sophomore	6,142	2,954	351	9,447
Junior	8,038	4,057	781	12,876
Senior	9,745	5,743	1,310	16,798
Unclassified	1,198	207	80	1,485
Total undergraduate	<u>33,368</u>	<u>17,575</u>	<u>2,937</u>	<u>53,880</u>
Graduate:				
Professional	992	2,933	—	3,925
Graduate	11,028	7,944	2,311	21,283
Unclassified	454	596	154	1,204
Total graduate	<u>12,474</u>	<u>11,473</u>	<u>2,465</u>	<u>26,412</u>
Total	<u><u>45,842</u></u>	<u><u>29,048</u></u>	<u><u>5,402</u></u>	<u><u>80,292</u></u>

The total headcount enrollment for Fall 2015 by gender and by level of instruction were as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Gender:				
Men	25,209	13,694	2,803	41,706
Women	20,633	15,354	2,599	38,586
Total	<u>45,842</u>	<u>29,048</u>	<u>5,402</u>	<u>80,292</u>
Level of instruction:				
Full-time	41,756	24,283	2,953	68,992
Part-time	4,086	4,765	2,449	11,300
Total	<u>45,842</u>	<u>29,048</u>	<u>5,402</u>	<u>80,292</u>

The median age of students enrolled by level of instruction for Fall 2015 was not available for this report.

UNIVERSITY OF ILLINOIS
 Service Efforts and Accomplishments
 Fiscal year 2016
 (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, 2016 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Total</u>
Degrees:				
Certificate	—	—	—	—
Baccalaureate	7,953	3,912	682	12,547
Postbaccalaureate certificates	—	38	40	78
Masters	3,393	2,359	1,032	6,784
Post-Master's certificates	8	33	—	41
Doctorate (Research)	726	346	1	1,073
Doctorate (Professional Practice)	289	705	—	994
Total	<u>12,369</u>	<u>7,393</u>	<u>1,755</u>	<u>21,517</u>

Staff statistics:

The following statistics are from the Survey of Salaries of Full-Time Instructional Faculty, 2015–2016 IPEDS.

The average salary of full-time faculty for the year ended June 30, 2016 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Combined</u>
Average salary of full-time faculty	\$ 107,515	97,820	67,460	101,797

The percent of tenured full-time faculty for the year ended June 30, 2015 was as follows:

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>	<u>Combined</u>
Percent of tenured full-time faculty	57.49%	42.44%	50.00%	51.52%

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 2016
 (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 2015 for the 2015–2016 academic year were as follows (excluding refundable fees and health insurance):

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Undergraduate	\$ 15,054	13,664	11,413
Graduate	15,078	14,560	10,432

The tuition and required fees for a full-time student entering Fall 2015 for the 2015–2016 academic year in the first-professional programs were as follows (excluding refundable fees and health insurance):

	<u>Urbana</u>	<u>Chicago</u>
First-professional programs:		
Medicine	\$ —	38,564
Dentistry	—	34,860
Pharmacy	—	28,000
Physical therapy	—	19,180
Occupational Therapy	—	19,180
Nursing Practice	—	25,330
Law	41,353	—
Veterinary medicine	29,852	—
Doctor of Audiology	15,878	—

UNIVERSITY OF ILLINOIS

Emergency Purchases
Year ended June 30, 2016
(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2016:

Vendor	Description	Amount
EBSCO Industries, Inc.	This emergency purchase was for electronic library content for the members of the Consortium of Academic Research Libraries in Illinois.	\$ 825,000
Ovid Technologies, Inc.	This emergency purchase was for electronic library content for the members of the Consortium of Academic Research Libraries in Illinois.	112,500
Oxford University Press	This emergency purchase was for electronic library content for the members of the Consortium of Academic Research Libraries in Illinois.	125,000
ProQuest LLC	This emergency purchase was for electronic library content for the members of the Consortium of Academic Research Libraries in Illinois.	287,500
ProQuest LLC	This emergency purchase was for electronic library content for the members of the Consortium of Academic Research Libraries in Illinois.	212,500
SleepMed Incorporated	This emergency purchase was required in order to continue services at the UI Health Sleep Science Center until negotiations are completed and an award is made.	123,824
TA Instruments-Waters LLC	This emergency purchase was required in order for the University of Illinois at Chicago, Mechanical & Industrial Engineering Department to purchase a manufactured RSA-G2 Dynamic Mechanical Analyzer, a RSA-G2 Forced Convection Oven and HR-2 Discovery Hybrid Rheometer.	153,869
Garco Enterprises Inc/dba Alpha Building Maintenance	This emergency purchase was required for housekeeping services for the Molecular Biology Research Building located at 900 S. Ashland Avenue Chicago, IL.	57,504
BMS Catastrophe Inc.	This emergency purchase was for mitigation and remediation construction services to apartment building 908 S. Damen Ave Chicago, IL which had a sprinkler break in room 1305 and the sprinkler activation resulted in extensive damage to approximately 15,800 square feet of space.	218,180
Flood Specialist Inc.	This emergency purchase was for flood clean up as a kitchen fire in a 9th floor campus housing unit activated the sprinklers and as a result caused water damage throughout the 9th floor all the way to the basement.	127,716
Integro Insurance Brokers	This emergency purchase was for services of reviewing the applicable student stop-loss insurance quotes and assure that the applicable insurance policy meets the University expectations.	404,000
Transplant Management Group LLC	This emergency purchase was required for the University of Illinois Hospital & Health Sciences System Adult Liver Transplant Program to prevent any disruption in University services.	80,000
Bruker Daltronics Inc.	This emergency purchase was required for the new faculty laboratory within the University's Medicinal Chemistry and Pharmacognosy Department for equipment at a deep discounted price.	299,000
United Health Group/United Healthcare Ins. Co.	This emergency purchase was required to obtain an insurance policy.	18,809,323
Transplant Analytics, Inc.	This emergency purchase was required to obtain a contract with an independent transplant consultant team in order to continue operation of the Hospital's Transplant Program.	136,278

UNIVERSITY OF ILLINOIS

Emergency Purchases
Year ended June 30, 2016
(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2016:

Vendor	Description	Amount
Elite Hearing Network, Inc.	This emergency purchase was necessary to purchase customized hearing aid devices prescribed for hearing impaired patients seen in the Department of Otolaryngology of the University Hospital.	\$ 20,679
Various Vendors	This emergency purchase was required so that uninterrupted services can continue for collection of the Hospital's patient accounts receivable.	436,262
Given Image Inc.	This emergency purchase was required due to failure of an existing esophageal and 3D anorectal manometry system which was not economically repairable and immediate action was needed to prevent any disruption in University services.	118,744
Seahorse Bioscience Inc	This emergency purchase was required due to a situation in which items were were available on the spot market or at discounted prices for two Extracellular Flux Analyzers.	158,500
GE Healthcare Bio-Sciences Corporation	This emergency purchase was required for the quick purchase of GE's refurbished BC X100 Gold Seal instrument that has the L1 sensor chip that is essential for Chemistry's membrane-protein binding assay research.	81,750
Asylum Research an Oxford Instruments Company	This emergency purchase was required for instruments the Associate Professor of Bioengineering utilizes in studying molecular, membrane and cell mechanics, and morphology, which will be related to pathology of neurodegenerative diseases.	179,345
Intuitive Surgical, Inc.	This emergency purchase was required for a daVinci Xi Single Console Firefly Florescence Imaging Enabled Robotic System used to perform a variety of complex surgical procedures.	3,871,000
Transplant Analytics	This emergency purchase was required for Transplant Analytics to continue to work onsite with the University of Illinois Hospital & Health Sciences System on a Transplant Kidney Program.	231,898
Vermeer Sales & Service of Central Illinois Incorporated	This emergency purchase was for a vacuum trailer that cleans and maintains sanitary sewers, storm sewers, and approximately 6,000 manholes for various utility systems which can be utilized in emergency response for environmental remediation.	91,510
IDEXX Laboratories	This emergency purchase was required to prevent any disruption in University services due to an unexpected disease out-break to the mouse colonies that required unique and specialized testing by the long term testing provider.	56,245
Nanofocus	This emergency purchase was required for optical tomography equipment to meet federal grant milestones to ensure grant funding is not terminated.	181,990

UNIVERSITY OF ILLINOIS
 University Bookstore Information
 Fiscal year 2016
 (Unaudited)

<u>University</u>	<u>University of Illinois (U of I)</u>	<u>U of I at Chicago (UIC)</u>	<u>U of I – Springfield (UIS)</u>
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 2014 – 9/1/2008–6/30/2018
Amount of gross sales for bookstore for FY 15	\$ 10,636,750	5,817,384	772,860
Amount to be paid to bookstore for FY 15 (if any) from University	N/A	N/A	N/A
Commissions	N/A	N/A	\$ 61,552
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 \$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	None	Barnes & Noble

UNIVERSITY OF ILLINOIS
Special Data Requirements for University Audits
Year ended June 30, 2016
(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, 2016, where such special data is found.

Compliance Findings

- 13(a) At June 30, 2016, State Compliance Findings were reported on pages 48 through 56 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, 2016, the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2016, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2016.
- 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, 2016 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 18 and 19 of the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2016.

UNIVERSITY OF ILLINOIS
Special Data Requirements for University Audits
Year ended June 30, 2016
(Unaudited)

- 13(j) At June 30, 2016, 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.
- 13(k) At June 30, 2016, 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, 2016 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, 2016, 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, 2016 is disclosed in the Annual Financial Statements of the University of Illinois Foundation on page 23.

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, 2016 on pages 25 through 30.
- 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, 2016
(Unaudited)

- 13(t) Acquisitions of land in excess of \$250,000 by the University and its UROs during the year ended June 30, 2016 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 the year ended June 30, 2016, the University did not issue 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, 2016 and 2015
 (Unaudited)

During fiscal years 2016 and 2015, 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 \$2,300,695 cash and \$7,264,021 budget allocation in 2016 and \$3,667,000 cash and \$8,053,969 budget allocation in 2015, and an additional \$575,000 and \$587,000 of services in 2016 and 2015, 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:

	2016	2015
Unrestricted funds	\$ 74,258	99,133
Restricted only as to campus, college, or department, and generally available for ongoing university operations:		
Provided to a particular campus	233,461	8,307,758
Provided to a particular unit	56,604,358	61,819,223
Subtotal	56,912,077	70,226,114
Restricted by donor:		
Provided for student support	25,349,591	25,925,277
Provided for faculty support	10,268,135	10,157,719
Provided for certain instructional, research, and public service programs	52,022,505	54,285,780
Provided for physical facilities additions or improvements	17,201,660	32,109,547
Provided for other restricted purposes	1,377,835	1,231,021
Total funds provided by the Foundation to the University	\$ 163,131,803	193,935,458

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 2016, the Foundation received the following gifts and made the following purchases of real estate:

Date	Value (\$)	Property and description
6/7/2016	\$840,000	Building & land in Thornton, CO

UNIVERSITY OF ILLINOIS
 Analysis of Operations
 Schedule of Funds Provided by the University to the University of Illinois Alumni Association
 Years ended June 30, 2016 and 2015
 (Unaudited)

In accordance with an annual agreement between the University and the Alumni Association, the University paid \$2,480,800 and \$4,283,700 of which \$1,372,400 and \$1,672,800 represent employee salaries to the Alumni Association for the years ended June 30, 2016 and 2015, 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, 2016 and 2015, the Alumni Association expended the following amounts in the performance of those functions:

	<u>2016</u>	<u>2015</u>
Communications	\$ 488,300	914,600
Information services	558,800	1,041,700
Alumni outreach programs	565,700	806,700
General and operating expenses	<u>868,000</u>	<u>1,520,700</u>
Total expenditures	<u>\$ 2,480,800</u>	<u>4,283,700</u>

UNIVERSITY OF ILLINOIS
Schedule of Undergraduate and Graduate Tuition and Fee Waivers
2015–2016 School Year
(Unaudited)
(In thousands)

	Undergraduate			Graduate		
	<u>Tuition waivers</u>	<u>Fee waivers</u>	<u>Total waivers</u>	<u>Tuition waivers</u>	<u>Fee waivers</u>	<u>Total waivers</u>
Urbana	\$ 35,373	1,788	37,161	178,396	11,788	190,184
Chicago	8,623	287	8,910	69,843	7,702	77,545
Springfield	2,608	173	2,781	2,492	243	2,735
Total	<u>\$ 46,604</u>	<u>2,248</u>	<u>48,852</u>	<u>250,731</u>	<u>19,733</u>	<u>270,464</u>

The amount of fiscal year 2016 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
2015–2016 School Year
(Unaudited)

	University of Illinois at Urbana-Champaign			
	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	97	1,163	97	337
General assembly	1	12	—	—
Reserve Officers' Training Corps (ROTC)	91	996	—	—
Department of Children and Family Services (DCFS)	27	273	27	92
Children of employees	693	4,830	—	—
Honorary scholarships	267	3,630	—	—
Veterans grants and scholarships**	161	1,822	85	225
Adjustments (1)	(1)	—	—	—
Subtotal	<u>1,336</u>	<u>12,726</u>	<u>209</u>	<u>654</u>
Discretionary waivers:				
Faculty/administrators	23	59	—	—
Civil service	41	162	—	—
Academic/other talent	995	5,745	335	215
Athletic	48	475	—	—
Foreign exchange students	621	10,156	621	917
Foreign students	12	92	—	—
Student need – financial aid	1,230	5,927	—	—
Cooperating professionals	2	5	—	—
Interinstitutional/related agencies	3	11	—	—
Retired University employees	4	15	4	2
Adjustments (1)	(34)	—	—	—
Subtotal	<u>2,945</u>	<u>22,647</u>	<u>960</u>	<u>1,134</u>
Adjustments (1)	(30)	—	—	—
Total	<u><u>4,251</u></u>	<u><u>\$ 35,373</u></u>	<u><u>1,169</u></u>	<u><u>\$ 1,788</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 and total is adjusted for student waivers granted in multiple categories.

UNIVERSITY OF ILLINOIS
Schedule of Undergraduate Tuition and Fee Waivers
2015–2016 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	1	11	1	3
Reserve Officers' Training Corps (ROTC)	46	463	—	—
Department of Children and Family Services (DCFS)	12	117	12	27
Children of employees	197	1,074	—	—
Honorary scholarships	24	255	—	—
Veterans grants and scholarships**	156	1,357	91	155
Adjustments (1)	—	—	—	—
Subtotal	<u>436</u>	<u>3,277</u>	<u>104</u>	<u>185</u>
Discretionary waivers:				
Faculty/administrators	5	19	5	7
Civil service	48	223	48	92
Academic/other talent	470	2,900	—	—
Athletic	156	2,061	—	—
Gender equity in intercollegiate athletics	2	6	—	—
Student need – financial aid	8	33	—	—
Student need – special programs	49	97	—	—
Other assistants	1	4	1	1
Retired University employees	1	3	1	2
Interinstitutional/related agencies	—	—	—	—
Adjustments (1)	(7)	—	—	—
Subtotal	<u>733</u>	<u>5,346</u>	<u>55</u>	<u>102</u>
Adjustments (1)	(8)	—	—	—
Total	<u>1,161</u>	<u>\$ 8,623</u>	<u>159</u>	<u>\$ 287</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
2015–2016 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:				
Department of Children and Family Services (DCFS)	7	84	—	—
Children of employees	31	112	—	—
Senior citizens	1	3	—	—
Honorary scholarships	67	576	—	—
Veterans grants and scholarships**	166	867	110	107
Subtotal	272	1,642	110	107
Discretionary waivers:				
Faculty/administrators	5	21	5	4
Civil service	55	214	55	37
Academic/other talent	9	67	—	—
Athletic	35	180	—	—
Gender equity in intercollegiate athletics	22	100	—	—
Foreign exchange students	21	214	21	25
Student need – financial aid	84	107	—	—
Interinstitutional/related agencies	16	63	—	—
Subtotal	247	966	81	66
Adjustments (1)	(2)	—	—	—
Total	517	\$ 2,608	191	\$ 173

* 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 Graduate Tuition and Fee Waivers
2015–2016 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	16	1	5
ROTC	1	32	—	—
Honorary scholarships	34	518	—	—
Veterans grants and scholarships**	128	1,542	99	300
Teacher of the year	1	9	—	—
Subtotal	<u>165</u>	<u>2,117</u>	<u>100</u>	<u>305</u>
Discretionary waivers:				
Faculty/administrators	361	2,637	—	—
Civil service	83	355	—	—
Academic/other talent	198	2,001	405	325
Athletic	3	46	—	—
Foreign exchange students	58	1,281	58	80
Cooperating professionals	167	805	42	10
Research assistants	3,510	75,362	3,355	4,563
Teaching assistants	2,590	48,723	2,582	3,425
Other assistants	1,490	15,054	1,331	1,229
Interinstitutional/related agencies	45	344	2	1
Retired University employees	3	14	1	1
Contract/training grants	102	2,499	102	64
Fellowship/traineeship	1,180	27,158	1,247	1,785
Adjustments (1)	<u>(2,234)</u>	<u>—</u>	<u>(2,201)</u>	<u>—</u>
Subtotal	<u>7,556</u>	<u>176,279</u>	<u>6,924</u>	<u>11,483</u>
Adjustments (1)	—	—	—	—
Total	<u>7,721</u>	<u>\$ 178,396</u>	<u>7,024</u>	<u>\$ 11,788</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 Graduate Tuition and Fee Waivers
2015–2016 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	20	141	20	46
General assembly	1	35	—	—
Senior citizen	1	10	—	—
Honorary scholarships	16	330	—	—
Veterans grants and scholarships**	130	1,705	106	248
Adjustments (1)	1	—	—	—
Subtotal	<u>169</u>	<u>2,221</u>	<u>126</u>	<u>294</u>
Discretionary waivers:				
Faculty/administrators	427	3,377	326	643
Civil service	247	1,915	193	385
Academic/other talent	76	3,010	—	—
Cooperating professionals	40	148	37	14
Research assistants	975	14,651	974	1,736
Teaching assistants	1,372	21,647	1,369	2,479
Other assistants	561	8,644	1,317	1,066
Interinstitutional/related agencies	—	—	1	—
Retired University employees	9	34	8	14
Fellowship/traineeship	856	14,196	839	1,071
Adjustments (1)	(467)	—	(1,206)	—
Subtotal	<u>4,096</u>	<u>67,622</u>	<u>3,858</u>	<u>7,408</u>
Adjustments (1)	—	—	—	—
Total	<u>4,265</u>	<u>\$ 69,843</u>	<u>3,984</u>	<u>\$ 7,702</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 and total is adjusted for student waivers granted in multiple categories.

UNIVERSITY OF ILLINOIS
Schedule of Graduate Tuition and Fee Waivers
2015–2016 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:				
Honorary scholarships	24	125	—	—
Veterans grants and scholarships**	113	475	86	59
Subtotal	<u>137</u>	<u>600</u>	<u>86</u>	<u>59</u>
Discretionary waivers:				
Faculty/administrators	112	426	112	58
Civil service	105	389	106	62
Academic/other talent	3	20	—	—
Cooperating professionals	11	22	11	2
Research assistants	10	100	10	8
Teaching assistants	7	64	7	7
Other assistants	114	797	57	46
Interinstitutional/related agencies	23	68	—	—
Retired University employees	2	6	2	1
Adjustments (1)	(1)	—	(3)	—
Subtotal	<u>386</u>	<u>1,892</u>	<u>302</u>	<u>184</u>
Adjustments (1)	(1)	—	—	—
Total	<u>522</u>	<u>\$ 2,492</u>	<u>388</u>	<u>\$ 243</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
 Budget Impasse Disclosures
 Year ended June 30, 2016
 (Unaudited)

Article 74 of Public Act 99-0524 authorized the University of Illinois to pay Fiscal Year 2016 costs using the University of Illinois' Fiscal Year 2017 appropriations. The following chart shows the University of Illinois' plan to expend its Fiscal Year 2017 appropriations to cover its Fiscal Year 2016 costs:

OUTSTANDING FISCAL YEAR 2016 INVOICES

<u>Fund #</u>	<u>Fund Name</u>	<u>Number</u>	<u>Dollar Value</u>
007	Education Assistance Fund	4	\$ 24,893,200
		<u>4</u>	<u>\$ 24,893,200</u>

In addition, the University of Illinois plans to utilize approximately \$239 million of the \$355.8 million fiscal year 2017 appropriation for reimbursement of fiscal year 2016 expenses incurred that were paid from the income fund.

UNIVERSITY OF ILLINOIS

Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors
Year ended June 30, 2016
(Unaudited)

Transactions Involving the Illinois Finance Authority

The University and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2016.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

None of the University's vendors participated in the Vendor Payment Program (VPP) or the Vendor Support Initiative Program (VSI) during Fiscal Year 2015 and Fiscal Year 2016.

UNIVERSITY OF ILLINOIS
Interest Costs on Fiscal Year 2016 Invoices
Year ended June 30, 2016
(Unaudited)

Prompt Payment Interest Costs

The University did not incur any prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540). The University's vendors were paid within 90 days or paid from funds and accounts that are ineligible for prompt payment interest due to vendors under the Act.