

STATE OF ILLINOIS
EASTERN ILLINOIS UNIVERSITY
COMPLIANCE EXAMINATION
(In Accordance with the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2005

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

EASTERN ILLINOIS UNIVERSITY

COMPLIANCE EXAMINATION
(In Accordance with the Single Audit Act
and OMB Circular A-133)

For the year ended June 30, 2005

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EASTERN ILLINOIS UNIVERSITY

COMPLIANCE EXAMINATION
(In Accordance with the Single Audit Act
and OMB Circular A-133)

For the year ended June 30, 2005

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Other related reports issued

The Eastern Illinois University Financial Audit for the years ended June 30, 2005 and 2004

The Eastern Illinois University Foundation Financial Audit for the years ended June 30, 2005 and 2004 and Compliance Examination for the two years ended June 30, 2005

The Eastern Illinois University Alumni Association, Inc. Financial Audit for the years ended June 30, 2005 and 2004 and Compliance Examination for the two years ended June 30, 2005

EASTERN ILLINOIS UNIVERSITY

CROSS-REFERENCE TABLE OF SPECIAL REPORTING REQUIRED
BY 1982 UNIVERSITY GUIDELINES, AS AMENDED,
AND THE OFFICE OF THE AUDITOR GENERAL

Year ended June 30, 2005

<u>Source of Requirement</u>	<u>Page Number of Compliance Report Where Information Is Contained</u>
Memo from the Compliance Audit Director of the Office of the Auditor General, Dated July 25, 2000	
Item 13, Report Contents:	
a. Compliance Findings pertaining to the 1982 University Guidelines, as amended	83
b. Statement of Sources and Applications of Indirect Cost Recoveries	83
c. Calculation for Indirect Cost Carry-forward	83
d. Tuition Diverted to Auxiliary Enterprise Operations	83
e. Identification of Each Specific Accounting Entity and Description of the Sources of Revenue and Purpose of Each	83
f. Financial Statements by Entity	83
g. Calculations of current excess funds for each entity and disclosure of any excess funds deposited into the Income Fund	83
h. Disclosure of Support which Auxiliary Enterprises and Activities Have Received During the Year from State Appropriated Funds	84
i. Statement of Revenue and Expenditures for Various Bond Indenture Required Accounts	84
j. Statement of Whether Revenue Bond Accounting Conforms to the Terms of the Bond Indenture	84
k. List and Description of Non-Instructional Facilities Reserves	84
l. List of All UROs List of Independent Organizations	84
m. Disclosure of Payments by UROs to University for Services Provided	85
n. Disclosure of Payment by University to UROs for Services Provided	85
o. Disclosure of Cumulative Amount of Unreimbursed Subsidies	85
p. Description of Any Debt Financing by a URO	86

EASTERN ILLINOIS UNIVERSITY

CROSS-REFERENCE TABLE OF SPECIAL REPORTING REQUIRED
BY 1982 UNIVERSITY GUIDELINES, AS AMENDED,
AND THE OFFICE OF THE AUDITOR GENERAL
(CONTINUED)

Year ended June 30, 2005

	<u>Page Number of Compliance Report Where Information Is Contained</u>
q. Schedule of Cash and Investments	86
r. Statement Regarding Income from Investments of Pooled Funds	86
s. Costs per Full-Time Equivalent Student	86
t. Disclosure of Acquisition of Real Estate by University or URO not funded by Separate Specific Appropriation	86
u. Disclosure of the issuance of certificates of participation (COPS) or the participation in lease or purchase arrangements involving COPS describing each transaction	86
 <u>Other Special Reporting Required by the Office of the Auditor General</u>	
Unaudited Data on Classroom Utilization	119
Unaudited Schedule of Accrued Liability for Employee Compensated Absences	120

EASTERN ILLINOIS UNIVERSITY

UNIVERSITY OFFICIALS

June 30, 2005

President	Mr. Louis V. Hencken
Provost and Vice President for Academic Affairs	Dr. Blair Lord
Vice President for Business Affairs	Mr. Jeffrey L. Cooley, CPA
Acting Vice President for Student Affairs - until December 31, 2004	Ms. Shirley Stewart
Vice President for Student Affairs - January 1, 2005 to January 31, 2005	Vacant
Interim Vice President for Student Affairs - as of February 1, 2005 until July 31, 2005	Ms. Lynette Drake
Vice President for Student Affairs - as of August 1, 2005	Dr. Daniel Nadler
Vice President for External Relations	Dr. Jill F. Nilsen
Director of Accounting & Finance and Assistant Director of Business Services	Mr. Larry G. Cannon
General Counsel	Mr. Joseph T. Barron
Director of Internal Auditing	Ms. Kathleen Moreno, CGFM

University offices are located at:

600 Lincoln Avenue
Charleston, Illinois 61920



November 4, 2005

Vice President for Business Affairs
and Treasurer, Board of Trustees
600 Lincoln Avenue
Charleston, IL 61920-3099
(217) 581-2921 Telephone
(217) 581-3290 Fax

Doehring, Winders & Co. LLP
Certified Public Accountants
1601 Lafayette Avenue
Mattoon, Illinois 61938

Gentlemen:

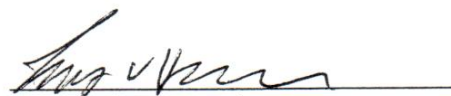
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts and grant agreements that could have a material effect on the operations of the University. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the University's compliance with the following assertions during the year ended June 30, 2005. Based on this evaluation, we assert that during the year ended June 30, 2005, the University has materially complied with the assertions below.

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

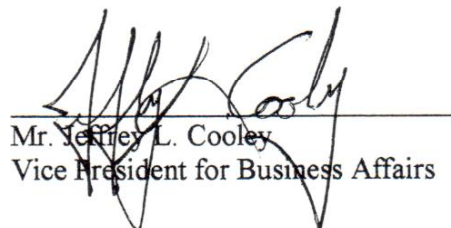
- E. The money or negotiable securities or similar assets handled by the University on behalf of the State or held in trust by the University have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Sincerely,

Eastern Illinois University



Mr. Louis V. Hencken
President



Mr. Jeffrey L. Cooley
Vice President for Business Affairs

EASTERN ILLINOIS UNIVERSITY

COMPLIANCE REPORT SUMMARY

June 30, 2005

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

AUDITOR'S REPORTS

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

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Findings	8	2
Repeated findings	1	1
Prior recommendations implemented or not repeated	1	5

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

SUMMARY OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
FINDINGS (GOVERNMENT AUDITING STANDARDS)		
05-01	28	Bank Reconciliation Process (University Wide)
05-02	29	Improper Recording of Accounts Payable/Accounts Receivable
05-03	31	Improper Control over Renovations and Alterations Materials
FINDINGS AND QUESTIONED COSTS (FEDERAL COMPLIANCE)		
NONE		
FINDINGS (STATE COMPLIANCE)		
05-04	33	Time Sheets Not Required
05-05	35	Sexual Assault Community Task Force
05-06	36	Required Information Not Included on Printed Materials
05-07	37	Purchasing/Disbursement System Internal Control Deficiencies
05-08	40	Ethics Training Not Being Administered in Compliance with the State Officials and Employees Ethics Act

EASTERN ILLINOIS UNIVERSITY

COMPLIANCE REPORT SUMMARY - CONTINUED

June 30, 2005

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
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PRIOR FINDINGS NOT REPEATED (GOVERNMENT AUDITING STANDARDS)

05-09	41	Various Improper Applications of Generally Accepted Accounting Principles
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PRIOR FINDINGS NOT REPEATED (FEDERAL COMPLIANCE AND QUESTIONED COST)

NONE

PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)

NONE

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with University personnel at an exit conference on December 16, 2005. Attending were:

Eastern Illinois University

Jeffrey L. Cooley, CPA, Vice President of Business Affairs
Monty Bennett, Director of Purchasing
Larry Cannon, Director of Accounting and Finance
Carol Morgan, Assistant Comptroller
Rick Edwards, Assistant Comptroller
Mihir K. Chatterji, Assistant Vice President for Information Technology Systems
Kathleen Moreno, Director of Internal Auditing
Keith Kohanzo, Director of Judicial Affairs
Kelly Miller, Assistant Director of Housing
Patti Stratton, Foundation Executive Officer

Auditor General

Thomas L. Kizziah, CPA, Audit Manager
Joseph A. Gudgel, Information Systems Audit Manager

Doehring, Winders & Co. LLP

Robert E. Arnholt, CPA, Partner
Jeffery M. Spracklen, CPA, Manager
Sarah E. Gracey, CPA, Manager

Responses to the recommendations were provided by Jeff Cooley in a letter dated December 22, 2005.

DOEHRING, WINDERS & CO. LLP
Certified Public Accountants
& Business Advisers
1601 LAFAYETTE AVENUE
MATTOON, ILLINOIS 61938

Independent Accountant's Report on State Compliance,
on Internal Control over Compliance, and on
Supplementary Information for State Compliance Purposes

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have examined Eastern Illinois University's, a component unit of the State of Illinois, (the University) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the year ended June 30, 2005. The management of the University is responsible for compliance with these requirements. Our responsibility is to express an opinion on the University's compliance based on our examination.

- A. The University has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The University has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The University has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the University are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the University on behalf of the State or held in trust by the University have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

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

In our opinion, the University complied, in all material respects, with the aforementioned requirements during the year ended June 30, 2005. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the Audit

with those requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of State findings and questioned costs as findings 05-04, 05-05, 05-06 and 05-08.

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

Internal Control

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our examination, we considered the University's internal control over compliance with the aforementioned requirements in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of State findings and questioned costs as finding 05-07.

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

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2004 and the 2005 Supplementary Information for State Compliance Purposes, except for information on the Illinois First Projects and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2003 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Board of Trustees and management of the University, and is not intended to be and should not be used by anyone other than these specified parties.

Doehring, Winders & Co. LLP

November 4, 2005

DOEHRING, WINDERS & CO. LLP
Certified Public Accountants
& Business Advisers
1601 LAFAYETTE AVENUE
MATTOON, ILLINOIS 61938

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

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of Eastern Illinois University, a component unit of the State of Illinois, (the University) as of and for the years ended June 30, 2005 and 2004, (issued separately) which collectively comprise the University's basic financial statements and have issued our report thereon dated November 4, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the University's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the University's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as findings 05-01, 05-02, and 05-03.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness. However, we noted certain deficiencies in the design or operation of internal control over financial reporting which do not meet the criteria for reporting herein and which are reported as State compliance findings in the schedule of findings. We also noted certain immaterial instances of internal control deficiencies, which we have reported to management of the University in a separate letter dated November 4, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements,

contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain matters which are reported as State compliance findings in the schedule of findings. We also noted certain other matters which we have reported to management of the University in a separate letter dated November 4, 2005.

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

Doehring, Winders & Co. LLP

November 4, 2005

DOEHRING, WINDERS & CO. LLP
Certified Public Accountants
& Business Advisers
1601 LAFAYETTE AVENUE
MATTOON, ILLINOIS 61938

Report on Compliance with Requirements Applicable
to Each Major Program and on Internal Control over
Compliance in Accordance with OMB Circular A-133

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have audited the compliance of Eastern Illinois University, a component unit of the State of Illinois, (the University) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of Eastern Illinois University, a component unit of the State of Illinois, (the University) as of and for the years ended June 30, 2005 and 2004, and have issued our report thereon dated November 4, 2005. Our audits were performed for the purpose of forming an opinion on the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

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

Doehring, Winders & Co. LLP

November 4, 2005

EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2005

	CFDA Number	Grantor's/ Contract Number	Program or Award Amount	Disbursements/ Expenditures
<u>Federal Grantor/Pass Through Grantor/Program Title</u>				
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Grants and Contracts				
National Institutes of Health				
Cancer Treatment Research				
Platinated Estrogens for Treatment of Breast Tumors	93.395	1R15CA87488-01	\$ 110,929	\$ 10,385
Research Related to Deafness and Communication Disorders				
Effects of apoE on Olfactory Neuron Plasticity in Mice	93.173	2R15DC03889-02A1	185,835	28,451
National Institute of Allergy and Infectious Diseases				
Breeding Habitat of Malaria Vectors	93.856	1R15A147796-01A1	118,970	32,611
Mental Health Research Grants				
Validity and Reliability of ASCA For Native Americans	93.242	1R15MH066829-01	119,787	28,847
Subtotal Direct Grants and Contracts			535,521	100,294
Flow Through Grants and Contracts				
Illinois Department of Human Services				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	10C5002526		453,117
Child Care Development Block Grant	93.575	10C5002526		552,169
Temporary Assistance Needy Families	93.558			780,716
Social Services Block Grant	93.667			5,334
Substance Abuse and Mental Health Services Administration				
Block Grants for Preventions and Treatment of Substance Abuse				
Illinois Higher Education Prevention	93.959	10C5002526	265,100	262,321
Illinois Department of Public Health				
Division of Chronic Disease				
ILDPH Family and Consumer Sciences	93.283		10,000	126
University of Illinois				
Research Related to Deafness and Communication Disorders				
Subtypes and Associated Risk Factors in Stuttering	93.173	03-144	72,043	32,490
East Central Illinois Area Agency on Aging				
Special Programs for the Aging, Title III, Part C, Nutrition Services				
Peace Meal Senior Nutrition Program FY05	93.045		664,293	499,746
Peace Meal Senior Nutrition Program FY04	93.045		717,110	182,746
Subtotal CFDA #93.045			1,381,403	682,492
Subtotal Flow Through Grants and Contracts			1,728,546	2,768,765
Total Department of Health and Human Services			2,264,067	2,869,059
A) Total expenditures for CFDA #93.173		\$	60,941	

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
U. S. DEPARTMENT OF JUSTICE				
Flow Through Grants and Contracts				
Illinois Department of Human Services				
Enforcing Underage Drinking Laws Program				
Illinois Higher Education Prevention	16.727	10C4002526785	\$ 126,653	\$ 10,945
Illinois Higher Education Prevention	16.727	10C5002526	132,000	127,940
Total U.S. Department of Justice			<u>258,653</u>	<u>138,885</u>
U. S. DEPARTMENT OF TRANSPORTATION				
Flow Through Grants and Contracts				
Illinois Department of Transportation				
State and Community Highway Safety				
Local Law Enforcement Liaison Program	20.600	OP5-1010-013	760,781	321,143
Law Enforcement Liaison	20.600	OP4-1010-079	896,403	76,997
IDOT 408 X	20.600	CP5-1010-096	190,000	114,209
IDOT 408 X	20.600	AL4-0015-063	291,994	62,557
Subtotal CFDA #20.600			<u>2,139,178</u>	<u>574,906</u>
Occupant Protection				
Child Passenger Safety	20.602	OP5-1010-012	226,577	133,843
Child Passenger Safety	20.602	OP4-0015-062	210,384	43,328
Subtotal CFDA #20.602			<u>436,961</u>	<u>177,171</u>
Total U.S. Department of Transportation			<u>2,576,139</u>	<u>752,077</u>
NATIONAL SCIENCE FOUNDATION				
Direct Grants and Contracts				
Mathematical and Physical Sciences				
Phosphine Exchange in Metal Carbonyls	(2) 47.049	CHE-0136423	159,000	47,075
MRI/RUI: Acquisition of 400 MHz NMR Spectrometer for Solutions and Solids	(2) 47.049	CHE-0321321	407,353	341,735
Subtotal CFDA #47.049			<u>566,353</u>	<u>388,810</u>

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
NATIONAL SCIENCE FOUNDATION (CONTINUED)				
Direct Grants and Contracts (Continued)				
Earth Sciences in Research				
Collaborative Research: The Effect of Atmospheric Humidity on the Susceptibility of Dry Soils to Wind Erosion	47.050	EAR-0408869	\$ 73,581	\$ 22,720
Information Technology Workforce				
Collaborative Research: ITWF: Building Communities: Recruit	47.070	CNS-0420321	69,997	295
Biological Sciences				
SGER NSF	47.074	IBN-0221297	12,334	6,868
LTREB: Controls & Consequences of Exotic Plant Invasions in Abandoned Agricultural Land	47.074	DEB-0424605	229,521	32,981
Subtotal CFDA #47.074	B)		241,855	39,849
Social, Behavioral and Economic Sciences				
RUI: Haptic Spatial Perception in the Sighted and Blind	47.075	BCS-0317293	195,318	60,907
Subtotal Direct Grants and Contracts			1,147,104	512,581
Flow Through Grants and Contracts				
University of the Pacific				
Biological Sciences				
CRUI: Molecular Mechanisms for the Mechanical Diversity	47.074	UOP Index 0112165	271,392	36,769
University of Illinois				
Biological Sciences				
Biodiversity Survey	47.074	02-187	83,837	16,153
Illinois State University				
Biological Sciences				
Functional Analysis of The Tomato CaATPase Mechanism	47.074		14,000	2,492
Miami University				
Biological Sciences				
Novel Roles of Urea in Amphibian Hibernation	47.074	NSF-Costanzo 4/07 GO	74,656	19,264
Subtotal Flow Through Grants and Contracts	B)		443,885	74,678
Total National Science Foundation			1,590,989	587,259
B) Total expenditures for CFDA #47.074			\$ 114,527	

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>	
U.S. DEPARTMENT OF AGRICULTURE					
Direct Grants and Contracts					
Grants for Agricultural Research Competitive Research Grants					
Costs of Mate Guarding and Reproductive Decisions in the Japanese Beetle Female Sperm Storage and Paternity Outcomes in Relation to Male Copulatory Courtship in the Tephritid Fly	10.206	2001-35311-11134	\$ 74,986	\$ 29,028	
	10.206	2004-35302-14673	<u>99,287</u>	<u>12,171</u>	
Subtotal Direct Grants and Contracts	C)		<u>174,273</u>	<u>41,199</u>	
Flow Through Grants and Contracts					
University of Virginia					
Grants for Agricultural Research Competitive Research Grants Stochastic Wind	C)	10.206	GG10403/115396	47,502	9,466
East Central Illinois Area Agency on Aging					
Nutrition Services Incentive					
Peace Meal Senior Nutrition Program FY05	10.570		209,481	144,549	
Peace Meal Senior Nutrition Program FY04	10.570		<u>216,095</u>	<u>52,082</u>	
Subtotal CFDA # 10.570			<u>425,576</u>	<u>196,631</u>	
Subtotal Flow Through Grants and Contracts			<u>473,078</u>	<u>206,097</u>	
Total U.S. Department of Agriculture			<u>647,351</u>	<u>247,296</u>	
U.S. DEPARTMENT OF THE INTERIOR					
Flow Through Grants and Contracts					
Southern Illinois University					
Wildlife Restoration					
Beaver Study	15.611	SIUC 05-04	31,103	31,103	
Beaver Study	15.611	SIUC 04-03	<u>29,362</u>	<u>2,300</u>	
Total U.S. Department of Interior			<u>60,465</u>	<u>33,403</u>	
C) Total expenditures for CFDA #10.206			\$ 50,665		

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
U.S. DEPARTMENT OF EDUCATION				
Direct Grants and Contracts				
Trio - Student Support Services Education Grant	84.042A	PO42A011052	\$ 934,616	\$ 236,125
Student Financial Aid Cluster				
Federal Perkins Loan Program-Federal Capital Contributions Perkins Loan	(1) 84.038	P038A041143	107,396	18,308
Federal Work-Study Program Odd	(1) 84.033	P063041143	450,000	390,278
Federal Pell Grant Program Odd	(1) 84.063	P063P040106	5,649,869	5,608,307
Even	(1) 84.063		<u>5,575,757</u>	<u>58,076</u>
Subtotal CFDA #84.063			11,225,626	5,666,383
Federal Supplemental Educational Opportunity Grants Odd	(1) 84.007	P007A041143	343,336	360,234
Even	(1) 84.007		<u>459,205</u>	<u>12,485</u>
Subtotal CFDA #84.007			<u>802,541</u>	<u>372,719</u>
Subtotal Student Financial Aid Cluster			<u>12,585,563</u>	<u>6,447,688</u>
Flow Through Grants and Contracts				
Illinois State Board of Education Special Education Increasing Special Education	(3) 84.027A	2004-4630-00-64-108-6790-51	363,440	183,857
Fund for the Improvement of Education ISBE Illinois Virtual High School Initiative Mathematics and Science Partnerships Project TEAMS	84.215K		200,000	5,177
Project STAR	84.366B	2005-4936-00-64-108-6790-51	150,000	54,495
	84.366B	2005-4936-01-64-108-6790-51	<u>146,310</u>	<u>46,170</u>
Subtotal CFDA #84.366B			296,310	100,665

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
U.S. DEPARTMENT OF EDUCATION (CONTINUED)				
Flow Through Grants and Contracts (Continued)				
Title II Teacher Quality Leadership Grant				
Teacher Grad Survey	84.367A	2005-4935-02-64-108-6790-51	\$ 10,000	\$ 10,000
Illinois Board of Higher Education				
Regional Beginning Teacher Induction Program	(4) 84.367B		81,000	67,305
Project TEAMS	(4) 84.367B		95,000	39,943
Leadership for the Improvement of Teaching Performance	(4) 84.367B		110,000	88,147
Teacher Grad Survey	(4) 84.367B		20,000	20,000
Project TEAMS	(4) 84.367B		102,000	15
Subtotal CFDA #84.367B			408,000	215,410
Corporation for Public Broadcasting				
Ready to Learn Television				
Ready - to - Learn	84.295A		30,000	26,131
Ready - to - Learn	84.295A		30,000	1,568
Subtotal CFDA #84.295A			60,000	27,699
Subtotal Flow Through Grants and Contracts			1,337,750	542,808
Total U.S. Department of Education			14,857,929	7,226,621
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES				
Flow Through Grants and Contracts				
Secretary of State				
Promotion of the Humanities Federal State Partnership				
Graphic Novels as Literature	45.310		3,000	346
Enhancing the Education Collections	45.310		4,000	3,954
Total National Foundation on the Arts and Humanities			7,000	4,300

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2005

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor's/ Contract Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION				
Flow Through Grants and Contracts				
WIA Adult Program Business and Technology Institution	17.258		\$ 16,667	\$ 12,813
WIA Youth Program Business and Technology Institution	17.259		16,667	12,813
WIA Adult Program Business and Technology Institution	17.260		<u>16,666</u>	<u>12,813</u>
Total Department of Labor, Employment and Training Administration			<u>50,000</u>	<u>38,439</u>
LIBRARY OF CONGRESS				
Direct Grants and Contracts				
Adventures of the American Mind	None		<u>395,312</u>	<u>207,740</u>
DEPARTMENT OF DEFENSE				
Flow Through Grants and Contracts				
Defense Advanced Research Project TRACE RIMS Phase I			<u>300,000</u>	<u>190,267</u>
U.S. DEPARTMENT OF COMMERCE				
Direct Grants and Contracts				
National Oceanic and Atmospheric Administration Benthic Algal Community Structure and Bioaccumulation of Mercury in Coastal Watershed	11.420		<u>20,000</u>	<u>18,582</u>
Total Federal Awards			<u>\$ 23,027,905</u>	<u>\$ 12,313,928</u>

The accompanying notes are an integral part of this schedule.

EASTERN ILLINOIS UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2005

1 GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Eastern Illinois University for the year ended June 30, 2005. All federal awards received directly from federal agencies as well as federal awards passed through other government and nonprofit agencies are included on the schedule.

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

ASCA	Adjustment Scales for Children and Adolescents
CRUI	Collaborative Research in Undergraduate Institutions
IDOT	Illinois Department of Transportation
ILDPH	Illinois Department of Public Health
ISBE	Illinois State Board of Education
ITWF	Information Technology Workforce
LTREB	Long-term Research in Environmental Biology
MRI	Major Research Instrumentation
NMR	Nuclear Magnetic Resonance
NSF	National Science Foundation
RIMS	Radioisotope Micro-power Sources
RUI	Research in Undergraduate Institutions
SGER	Small Grants for Exploratory Research
STAR	Science/Mathematics, Technology Applications and Research
TEAMS	Technological Enhancements and Applications in Math and Science
WIA	Workforce Investment Act

2 BASIS OF ACCOUNTING

With the exception of Peace Meal grants presented on pages 16 and 19, the accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The Peace Meal grants are presented using the cash basis of accounting since this method is allowed under the grant agreement.

3 FEDERAL FAMILY EDUCATION LOAN PROGRAM (FFELP)

During fiscal year 2005, the University participated in FFELP (CFDA #84.032) sponsored by the U.S. Department of Education. Neither the loans nor the related activity have been reflected in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2005.

The lender is the federal government (via the school). The U.S. Department of Education guarantees the repayment of the principal and related interest to the financial institution. The University is responsible for completing portions of the loan applications, verifying student eligibility, filing student status confirmation reports (SSCR), refunding money to lenders when appropriate and requesting funds from the U.S. Department of Education when disbursing loan checks.

EASTERN ILLINOIS UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended June 30, 2005

3 FEDERAL FAMILY EDUCATION LOAN PROGRAM (FFELP) - CONTINUED

During the year ended June 30, 2005, the University's students or their parents were eligible to receive the following loans:

Stafford Loans – Subsidized	\$ 17,418,801
Stafford Loans – Unsubsidized	10,889,578
Parents Loans for Undergraduate Students (PLUS)	<u>4,155,897</u>
Totals	<u><u>\$ 32,464,276</u></u>

4 STUDENT LOAN PROGRAMS ADMINISTERED BY THE UNIVERSITY

The University administered the following federal loan program during the year ended June 30, 2005:

Perkins Loan Program CFDA #84.038

Outstanding balance, July 1, 2004	\$ 6,131,802
Additions:	
Interest income	87,923
Other income	13,939
Contributions:	
U.S. Government	107,396
University - State appropriations	35,799
Teacher cancellation repayments	<u>126,234</u>
Total contributions	<u>269,429</u>
Total	<u>371,291</u>
Deductions:	
Loans canceled or written-off	137,419
Collection agency fees – net	<u>822</u>
Total	<u>138,241</u>
Outstanding balance, June 30, 2005	<u><u>\$ 6,364,852</u></u>

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

5 MAJOR PROGRAMS

The following federal program expenditures comprise major program expenditures under OMB Circular A-133 for the year ended June 30, 2005 (Major programs are indicated in the Schedule of Expenditures of Federal Awards by (1), (2), (3), or (4)):

EASTERN ILLINOIS UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended June 30, 2005

5 MAJOR PROGRAMS - CONTINUED

(1) Student Financial Aid Cluster	\$ 6,447,688
(2) Mathematical and Physical Sciences	388,810
(3) Special Education - Grants to States	183,857
(4) Improving Teacher Quality State Grants	<u>215,410</u>
Total major program expenditures	7,235,765
Nonmajor program expenditures	<u>5,078,163</u>
Total federal expenditures	<u>\$ 12,313,928</u>

As part of the Student Financial Aid Program, Eastern Illinois University administers loan proceeds under the Perkins Loan Program (as described in Note 4) and the Federal Family Education Loan Program (as described in Note 3). However, the Schedule of Expenditures of Federal Awards only includes administrative costs of the loan programs.

6 NONCASH TRANSACTION INFORMATION

Certain noncash expenditures are included in the expenditures total on the Schedule of Expenditures of Federal Awards. The child care program of the University is a processor of child care claims for the Illinois Department of Human Services (DHS). The University determines eligibility and reimbursable hours for the participants. This information is sent to DHS who then pays the claims. The noncash amounts are recorded in the following programs: Child Care Development Block Grant \$192,715, (Federal CFDA #93.575), Child Care Mandatory and Matching Funds of the Child Care and Development Fund \$434,207 (Federal CFDA #93.596), Temporary Assistance Needy Families \$780,716 (Federal CFDA #93.558) and Social Services Block Grant \$5,334 (Federal CFDA #93.667). These noncash transactions have not been recorded on the University's financial statements.

There was no federal insurance in effect for the year ended June 30, 2005.

7 SUBRECIPIENTS

The University provided no federal awards to subrecipients for the year ended June 30, 2005.

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

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

EASTERN ILLINOIS UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended June 30, 2005

8 RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CONTINUED

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

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

Total Expenditures as shown on the Schedule of Expenditures of Federal Awards	\$ 12,313,928
Add the following:	
Direct state grants/contracts	1,220,467
Subtract the following:	
Noncash expenditures included in the Schedule of Expenditures of Federal Awards not included in the financial statements	<u>(1,412,972)</u>
Total federal and state grants and contracts revenues shown on the Statement of Revenues, Expenses and Changes in Net Assets	<u>\$ 12,121,423</u>

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2005

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____	yes	_____ X _____	no
Reportable condition(s) identified not considered to be material weaknesses?	_____ X _____	yes	_____	none reported
Noncompliance material to financial statements noted?	_____	yes	_____ X _____	no

Federal Awards

Internal control over major programs:

Material weakness(es) identified	_____	yes	_____ X _____	no
Reportable condition(s) identified not considered to be material weaknesses?	_____	yes	_____ X _____	none reported

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____	yes	_____ X _____	no
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Identification of major programs:

_____ CFDA Numbers _____	_____ Name of Federal Program _____
84.007, 84.033, 84.038, 84.063 47.049 84.027A 84.367B	Student Financial Aid Cluster Mathematical and Physical Sciences Special Education - Grants to States Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and B programs: \$369,418				
Auditee qualified as low-risk auditee?	_____ X _____	yes	_____	no

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS

Year ended June 30, 2005

05-01 BANK RECONCILIATION PROCESS (UNIVERSITY WIDE)

The University did not complete bank reconciliations in a timely manner.

Each month, the University is responsible for reconciling four separate bank accounts: the General Fund account, the Foundation account, the Athletics Disbursements account and the Payroll Disbursements account; therefore, a total of 48 reconciliations are to be performed each year. During our testing, we noted 9 of 48 (19%) bank reconciliations were performed from 31 to 62 days after the month's end.

Effective internal control policies require all transactions be recorded in the accounting system in a timely manner and bank account reconciliations be performed and reviewed in a timely manner. Bank account reconciliations should be prepared within 30 days after month's end.

According to University personnel, bank reconciliations were not prepared in a timely manner due to other tasks being placed at a higher priority status than the reconciliations at that time.

Failure to perform and review bank reconciliations in a timely manner may result in inaccurate financial statement information. Additionally, inaccurate information may mislead management in analyzing cash flow and cash availability of the University. Improprieties involving cash accounts could also go unnoticed until the reconciliation is completed. (Finding Code No. 05-01)

RECOMMENDATION

We recommend the University establish procedures to perform and review bank account reconciliations in a timely manner.

UNIVERSITY RESPONSE

We agree that bank reconciliations should be completed in a timely manner. Circumstances, during a transition of personnel, caused a delay and a change of priority. The University will work diligently to ensure that bank reconciliations are completed in a timely manner.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS - CONTINUED

Year ended June 30, 2005

05-02 IMPROPER RECORDING OF ACCOUNTS PAYABLE/ACCOUNTS RECEIVABLE

The University did not properly follow generally accepted accounting principles (GAAP) for the recording of accounts payable and accounts receivable.

During our fiscal year 2005 testing, we noted the following instances of improper application of GAAP resulting in a combined understatement of accounts payable of \$196,985 and an understatement of accounts receivable of \$73,874.

- All purchases made from one vendor after June 2, 2005, were automatically posted to fiscal year 2006 instead of fiscal year 2005. These transactions totaled \$17,938.
- All purchases made on Purchasing cards after June 17, 2005, were automatically posted to fiscal year 2006 instead of fiscal year 2005. The 467 transactions occurring in this time period totaled \$161,923.
- Nine invoices were noted that were not properly recorded to the correct fiscal year. The discrepancies on these invoices totaled \$17,124.
- The amount received in September 2005 as an incentive payment for the use of the Purchasing card for the period of June 1, 2004 through May 31, 2005, was posted to fiscal year 2006 instead of fiscal year 2005. No receivable for this amount was posted for fiscal year 2005. The amount of the incentive was \$73,874.

During our fiscal year 2004 testing, we noted the following instances of improper application of GAAP resulting in a combined understatement of accounts payable of \$330,939 and an understatement of accounts receivable of \$21,481.

- All purchases made from one vendor after June 6, 2004, were automatically posted to fiscal year 2005 instead of fiscal year 2004. These transactions totaled \$26,593.
- All purchases made on Purchasing cards after June 18, 2004, were automatically posted to fiscal year 2005 instead of fiscal year 2004. The 274 transactions occurring in this time period totaled \$68,217.
- Thirty-one invoices were noted that were not properly recorded to the correct fiscal year. The discrepancies on these invoices totaled \$236,129.
- The amount received in July 2004 as an incentive payment for the use of the Purchasing card for the period June 1, 2003 through May 31, 2004, was posted to fiscal year 2005 instead of fiscal year 2004. No receivable for this amount was posted for fiscal year 2004. The amount of the incentive payment was \$21,481.

Generally accepted accounting principles require that all expenses be recorded in the fiscal year in which they are incurred and that all revenue be recorded in the fiscal year in which they are earned. The University's fiscal year 2005 covered the period from July 1, 2004 through June 30, 2005. The University's fiscal year 2004 covered the period from July 1, 2003 through June 30, 2004.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS - CONTINUED

Year ended June 30, 2005

05-02 IMPROPER RECORDING OF ACCOUNTS PAYABLE/ACCOUNTS RECEIVABLE (Continued)

According to University personnel the University has always had a cut-off for purchases prior to the end of the fiscal year. The cut-off date allows the Business Office time to prepare entries and allows management time to review the overall status of funds remaining after posting. The nine invoices totaling \$17,124 for 2005 and the thirty-one invoices totaling \$236,129 for 2004 were discovered after the deadline for the normal close and deemed immaterial to the financial statements taken as a whole.

Improper application of GAAP may cause useful information to be excluded from the University's financial statements or may cause the University's financial statements to be materially misstated. (Finding Code No. 05-02)

RECOMMENDATION

We recommend the University properly include all purchases, including those on Purchasing cards, through June 30 of each year in the appropriate fiscal year. We further recommend that the University properly record as receivable amounts that are earned before June 30 of each year to the appropriate fiscal year.

UNIVERSITY RESPONSE

The University's external auditors state in their independent auditor's report that the University's financial statements present fairly, in all material respects, the respective financial position of the University and its aggregate discretely presented component units...in conformity with accounting principles generally accepted in the United States of America. The University has been consistent over many years in its recording of payables and receivables. The University's cut-off schedule considers the needs of management for data, along with the desire to complete University financial statements in a timely manner. The University will continue to monitor year-end spending to ensure that all material transactions are properly recorded in accordance with GAAP.

AUDITOR'S COMMENTS

The management of Eastern Illinois University has made a decision not to record potential adjustments to the financial statements for transactions that occurred during the year based on the concept of materiality. Materiality judgments are critical in determining whether the financial statements are fairly presented in accordance with generally accepted accounting principles. Inherent in the rendering of an audit opinion is the recognition that the financial statements cannot precisely present financial position or results of operations. Such precision is not attainable because of limitations in the accounting measurement process, such as an accounting estimate.

Considering the facts and circumstances listed in the finding, the specific accounts and amounts were not subject to an accounting estimate. In fact, these amounts were actual adjustments that could and should have been made to the financial statements, regardless of materiality.

The auditors continue to believe that these types of adjustments should be recorded in the financial statements, especially since they are not subject to an estimate in the amount. The University must be able to substantiate that the summation of all potential adjustments not recorded are below the auditors' threshold of materiality.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS - CONTINUED

Year ended June 30, 2005

05-03 IMPROPER CONTROL OVER RENOVATIONS AND ALTERATIONS MATERIALS

The University does not maintain proper control over or records of materials purchased for campus renovations and alterations.

We noted the following issues during our inventory test counts of the Facilities Planning and Management area:

- We noted several locations where an abundance of materials purchased for various campus renovations and alterations as well as other repair-type items were being stored. Some of these items were located in areas that were not properly secured.
- Upon inquiry of University personnel it was noted that these items are not periodically counted nor is there proper documentation of what items are on hand or where they are to be used.
- We noted that the cost of unused renovations and alterations materials were either not returned to inventory or were not included in another project at the appropriate cost. There were instances where unused renovation and alteration materials were returned to the vendor.

Good internal controls require the University to maintain effective documentation and accounting control over assets and to ensure assets are properly reported and safeguarded.

According to University personnel, due to the salvage nature of much of the materials, individuals believed that standardized documentation was not necessary. Further, it was believed that the appropriate foreman and workers in each area had adequate knowledge of what items were there and for what projects they were to be used.

The effects of the above noted weaknesses are as follows:

- Allowing inventory-type items to be left unsecured opens the University up for misappropriation of assets due to theft.
- Failing to keep track of renovations and alteration materials by way of periodic counts as is done with all other inventory makes theft of these items nearly undetectable.
- Failing to record renovations and alteration materials as inventory that may be left over from jobs they were purchased for could result in an unnecessary duplicate purchase.
- Failing to properly account for unused materials to the proper project results in an inaccurate recording of capital projects. (Finding Code No. 05-03)

RECOMMENDATION

We recommend that the University ascertain that all inventory-type materials are properly secured and that it begin keeping proper records of the items that are left over from various campus renovation projects that are intended to be used on other projects in the near future. We further recommend that unused renovation and alteration materials be properly capitalized or returned to inventory.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS - CONTINUED

Year ended June 30, 2005

05-03 IMPROPER CONTROL OVER RENOVATIONS AND ALTERATIONS MATERIALS (Continued)

UNIVERSITY RESPONSE

The University concurs with the auditors' recommendation. The University has taken steps to improve the physical security of these materials. In addition, Facilities, Planning and Management will establish procedures to return, inventory or capitalize all material remaining after the construction season has ended.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE

Year ended June 30, 2005

05-04 TIME SHEETS NOT REQUIRED

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

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

We noted that the University's salaried employees did not maintain timesheets in compliance with the Act. Employees' time is tracked using time rosters, which are filled out by each department's Fiscal Agent. The time rosters used are effectively a "negative" timekeeping system whereby the employee is assumed to be working unless noted otherwise. No time sheets documenting the time spent each day on official State business to the nearest quarter hour are maintained for the majority of the University's employees. The employees documenting time to the nearest quarter hour were only Civil Service biweekly-paid and student employees, who record time on time sheets to the nearest quarter hour.

According to University personnel they relied upon an opinion received from the Office of the Executive Inspector General and General Counsel for the Office of the Executive Inspector General that a system of "absence reporting" would be an appropriate method of time keeping under the Act.

By not requiring appropriate time sheets from its employees, the University is not in compliance with the Act. (Finding Code No. 05-04)

RECOMMENDATION

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

UNIVERSITY RESPONSE

The University assumed its procedures were in compliance with the time reporting requirements of the State Officials and Employees Ethics Act (the "Ethics Act") based on guidance received from the Executive Inspector General. The University received a memo from the Office of the Inspector General that states: "it appears that a system of 'absence reporting' would be an appropriate method of time keeping under the Ethics Act. Under this system, an employee would only report time during their normal work schedule that was not spent at work and provide the category of leave taken for that time away."

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE

Year ended June 30, 2005

05-04 TIME SHEETS NOT REQUIRED (Continued)

AUDITOR'S COMMENTS

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

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

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

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-05 SEXUAL ASSAULT COMMUNITY TASK FORCE

The University does not have a community task force in place to help prevent sexual assault and to ensure a coordinated response in the aftermath.

According to 110 ILCS 12/10, the University should have a task force in place "for the purpose of coordinating with community leaders and service providers to prevent sexual assaults and to ensure a coordinated response both in terms of law enforcement and victim services."

In the past the University had a community task force in place which was working toward specific goals. In recent years, however, the task force had diminished and was no longer in place.

According to University personnel there was an inadvertent oversight in the transition of personnel.

Failure to have an established community task force to deal with sexual assault issues could cause an increase in the amount of these types of incidents on campus. It could also increase the response time to the incident as it would not be coordinated between the University, community leaders, law enforcement and victim services. (Finding Code No. 05-05)

RECOMMENDATION

We recommend that the University reestablish a community task force to deal with the issues relating to sexual assault.

UNIVERSITY RESPONSE

The University utilizes the services of its Problem Assessment Team (PAT) to discuss, assess and intervene in student behavioral situations which are best addressed through a coordinated response. The PAT meets weekly and addresses issues such as sexual assault, psychological disorders, medical emergencies, excessive alcohol consumption and related matters. To ensure full compliance with the Campus Security Act, the University has reactivated its Sexual Assault Task Force to engage community leaders and service providers in addressing matters involving sexual assault.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-06 REQUIRED INFORMATION NOT INCLUDED ON PRINTED MATERIALS

The University did not include information required by the Illinois Procurement Code on publications printed for the University.

None of the books, pamphlets, documents or reports published by or for the University contain the information required by the Illinois Procurement Code.

The Illinois Procurement Code (30 ILCS 500/20-105) requires all books pamphlets, documents, and reports published by the University to have printed thereon "Printed by authority of the State of Illinois," the date of each publication, the number of copies printed, and the printing order number.

According to University personnel the University relied upon a decision made by Illinois Public Higher Education Consortium (IPHEC) Directors of Purchasing that the General Assembly did not intend to apply the above cited section of the Illinois Procurement Code on state agency printing to academic materials published by the State universities.

Failure to include the information listed above is not in compliance with the Illinois Procurement Code. (Finding Code No. 05-06)

RECOMMENDATION

We recommend the University begin printing the information required by the Illinois Procurement Code on all publications or pursue a statutory change.

UNIVERSITY RESPONSE

As stated in the finding, the University believes the General Assembly did not intend to apply the section of the Procurement Code on state agency printing (Section 20-105) to academic materials published by the state universities. Universities were not covered by the predecessor act on state printing and Section 20-105 (which incorporated former Section 39 of the State Printing Contract Act without any changes) makes no mention of its applicability to the state universities. In other parts of the Code, where the General Assembly was extending an existing law to apply to the universities, it was explicit in doing so. For this reason, the universities did not promulgate any rules for Higher Education relating to the printing of academic materials.

AUDITOR'S COMMENTS

Universities are specifically enumerated as "state agencies" for purposes of the Procurement Code (30 ILCS 500/1-15.100). Section 20-105 requires all "state agencies" to print certain information on each publication. This section does not have an exception for universities; therefore it does apply.

Whether or not the predecessor Printing Contracts Act applied to universities is not relevant as there is no ambiguity in the current law.

The auditors continue to believe that the Illinois Procurement Code, Section 20-105, applies to the University. If the University disagrees with this conclusion, we recommend that it seek a formal, written opinion from the Attorney General's Office on the requirements of this statutory provision.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-07 PURCHASING/DISBURSEMENT SYSTEM INTERNAL CONTROL DEFICIENCIES

The University is not maintaining adequate internal controls over its purchasing/disbursement system.

During our testing, we noted the following internal control deficiencies over the purchasing and cash disbursements systems:

- Purchasing personnel have the right to process invoices for payment.
- All purchasing personnel have been given access to override the budgetary controls on the purchasing system if a purchase order amount would cause the account to go over budget.
- Two employees formerly associated with the accounts payable department retained access to both the purchasing system and the accounts payable system.
- Fiscal agent approval and adequacy of charges for individual purchases initiated and processed for payment by Purchasing personnel which are paid on the Purchasing card (P Card) are not reviewed by Accounts Payable personnel who do not process invoices or have access to the vendor database.
- Of 25 fiscal agents tested, only four formally document their monthly review of the accounts they are responsible for. Another twelve indicated that they did review their accounts on at least a monthly basis, but did not document this review in any way. One fiscal agent maintained documentation of his review of the accounts, although this review was only performed every two or three months. The remaining eight fiscal agents indicated that they only look at their accounts when they plan on having activity in it, or only review it once or twice a year, with no documentation of this review.

A quality internal control system segregates the duties of employees with access to accounting records (purchasing) from employees with access to assets (accounts payable and cash disbursements). At the University, this would necessitate developing internal control policies and procedures that provide an adequate segregation of duties between purchasing and accounts payable employees. Purchasing employees should not have the right to process invoices for payment, only those individuals whose jobs require access should have access to the purchasing and accounts payable systems and an independent review of fiscal agent approval and adequacy of charges should be performed for individual P Card purchases initiated and processed for payment by Purchasing personnel. Good internal control policies and procedures also require that information system budgetary control features be utilized to prevent purchases from exceeding budgetary limits without the proper authorization. A quality internal control system would require that those individuals responsible for certain accounts review the activity in those accounts on a regular basis and document that review.

According to University personnel there are adequate compensating controls in place to provide reasonable assurance that there are no improper or unauthorized uses of University assets. The University asserts that it has restricted employee access to the database to the minimum number necessary to process payments in a timely manner; that adequate compensating controls are in place in regards to the ability of Purchasing personnel to invoice; and that there is accountability in place in regards to the access to override budgetary controls. The University maintains Purchasing personnel must acquire fiscal agent approval on all invoices before forwarding them to Accounts Payable (AP); AP will not complete the payment process and write the check without the fiscal agent's approval; and all checks are reviewed and dispersed by AP personnel who do not process invoices or have access to the vendor database.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-07 PURCHASING/DISBURSEMENT SYSTEM INTERNAL CONTROL DEFICIENCIES (Continued)

The University also maintains that Purchasing employees acquire approval from Accounting Office personnel before proceeding with any overrides and fiscal agents are responsible for monitoring activity in their accounts. However, during our current audit testing, due to computer system constraints, the University could not provide us with a report listing all budget overrides that had occurred during the fiscal year in order for us to verify that no overrides had occurred without prior approval. In addition, fiscal agent monitoring provides control only after the transaction has occurred.

In addition, the University established the P Card system in such a way as to maximize its utilization by University personnel, including employees of the Purchasing Department. Reliance is placed on fiscal agents to review all transactions processed on their accounts. The failure of fiscal agents to document review of their monthly financial statements is generally due to other priorities taking precedence and a lack of awareness of the importance of this task.

Finally, according to University personnel the inappropriate computer access for the two employees who were outside of both the Purchasing and AP departments was an inadvertent oversight which was corrected when discovered by the auditors.

Although no improper purchases were noted in our current audit testing, failure to establish proper internal controls over the purchasing/disbursement systems creates an opportunity for fraudulent purchases and could, at a minimum, lead to the improper and unauthorized use of the University assets. University expenses excluding salary, benefits and depreciation exceeded \$43 million in the fiscal year ended June 30, 2005. (Finding Code No. 05-07, 04-02, 03-1)

RECOMMENDATION

We recommend the following actions to strengthen the internal controls over the purchasing/disbursement systems:

- Eliminate the right of purchasing personnel to process invoices for payment.
- Limit the access to override the purchasing system budgetary controls to only two or three employees to maintain accountability.
- Eliminate access to the purchasing and accounts payable systems for those employees whose job does not necessitate that access.
- Require that documentation on all purchases made on the P Card by Purchasing personnel be reviewed by personnel who do not process invoices or have access to the vendor database.
- Require that all fiscal agents review the accounts that they are responsible for on a monthly basis and that they document that review.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-07 PURCHASING/DISBURSEMENT SYSTEM INTERNAL CONTROL DEFICIENCIES (Continued)

UNIVERSITY RESPONSE

As noted by the auditors, no improper purchases were discovered during their audit testing. The University believes adequate compensating controls are in place to provide reasonable assurance that there are no improper or unauthorized uses of University assets. With implementation of the new Banner Finance System, the University will review procedures for budget overrides and the processing and paying of invoices to ensure that adequate controls are in place.

EASTERN ILLINOIS UNIVERSITY

CURRENT FINDINGS - STATE - CONTINUED

Year ended June 30, 2005

05-08 ETHICS TRAINING NOT BEING ADMINISTERED IN COMPLIANCE WITH THE STATE OFFICIALS AND EMPLOYEES ETHICS ACT

The University is not ensuring that all new employees are receiving ethics training within six months of being hired in compliance with the State Officials and Employee Ethics Act (the Act).

Of 25 new hires tested, we noted that six (24%) employees did not receive ethics training within six months of being hired by the University. The time frame for ethics training for these six employees ranged from six and a half months to twelve months. There were a total of 235 new hires during fiscal year 2005.

The Act (5 ILCS 430/5-10) states "...A person who fills a vacancy in an elective or appointed position that requires training and a person employed in a position that requires training must complete his or her initial ethics training within 6 months after commencement of his or her office or employment."

According to University personnel these instances generally occurred because the University was waiting on training materials from the Office of the Executive Inspector General, which were not received until August 2005.

By not administering ethics training to employees within six months of their hire date, the University is not in compliance with the Act. (Finding Code No. 05-08)

RECOMMENDATION

We recommend that the University implement a policy that ensures that all new hires receive ethics training within six months of being hired in order to comply with the Act.

UNIVERSITY RESPONSE

Instances of noncompliance occurred because the University was awaiting training materials from the Office of the Executive Inspector General. Those materials were not received until August 2005. As a result, some newly-hired staff did not receive ethics training within six months of their hire date. The University will make every effort to ensure employees receive training as required by the Act.

AUDITOR'S COMMENTS

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

EASTERN ILLINOIS UNIVERSITY

PRIOR FINDINGS NOT REPEATED

Year ended June 30, 2005

PRIOR FINDINGS NOT REPEATED - GOVERNMENT AUDITING STANDARDS

05-09

In the prior year, the University improperly recorded the insurance reimbursement and expenses related to the Blair Hall fire. The University also failed to eliminate internal accounts payable and accounts receivable and to capitalize interest expense on construction in progress costs. During the current year, no instances of improper recordings due to the fire were noted. Also, the University properly capitalized interest expense and effectively eliminated internal payables and receivables; therefore, this finding is not repeated. (Finding Code No. 04-01)

PRIOR FINDINGS NOT REPEATED - FEDERAL AND QUESTIONED COST

NONE

PRIOR FINDINGS NOT REPEATED - STATE

NONE

EASTERN ILLINOIS UNIVERSITY

FINANCIAL STATEMENT REPORT

SUMMARY

Years ended June 30, 2005 and 2004

The financial statements as of and for the years ended June 30, 2005 and 2004, for Eastern Illinois University have been issued separately. The audits were conducted by Doehring, Winders & Co. LLP.

Based on their audits, the auditors expressed an unqualified opinion on the University's basic financial statements.

EASTERN ILLINOIS UNIVERSITY

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

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

Fiscal Schedules and Analysis

Schedule of Appropriations, Expenditures and Lapsed Balances

Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances

Comparative Schedule of Income Fund Revenues and Expenditures

Schedule of Changes in State Property

Auxiliary Enterprises and Activities, Financial Statements by Functional Entity

Designated Funds - Auxiliary Activities:

Balance Sheet by Entity

Current Funds Statement of Changes in Fund Balance (Deficit) by Entity

Statement of Changes in Plant Fund Balance (Deficit) by Entity

Auxiliary Enterprise Funds - Revenue Bond:

Current Funds, Unrestricted, Balance Sheet by Entity

Statement of Current Funds, Unrestricted, Revenues and Expenditures by Entity

Statement of Current Funds, Unrestricted, Statement of Changes in Fund Balance by Entity

Plant Funds, Balance Sheet by Entity

Plant Funds, Statement of Changes in Fund Balance by Entity

Auxiliary Enterprise Funds - Other:

Balance Sheet by Entity

Current Funds Statement of Revenues and Expenditures by Entity

Current Funds Statement of Changes in Fund Balance by Entity

Plant Funds Statement of Changes in Fund Balance by Entity

Explanation of Significant Variations in Revenues, Expenses and Other Changes in Net Assets

Analysis of Significant Lapse Period Spending

Explanation of Significant Variations in Net Asset Accounts

Analysis of Accounts Receivable

Schedule of Cash and Investments

Summary of Indirect Cost Reimbursement:

Statement of Sources and Applications

Calculation Sheet for Indirect Cost Carry-forward

Analysis of Operations

University Functions and Planning Program

Average Number of Employees (unaudited)

EASTERN ILLINOIS UNIVERSITY

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY - CONTINUED

Analysis of Operations, continued

Service Efforts and Accomplishments (unaudited)

Schedule of Federal and Nonfederal Expenditures

Undergraduate Tuition and Fee Waivers (unaudited)

Graduate Tuition and Fee Waivers (unaudited)

Calculation of Three Percent Undergraduate Tuition Waiver Allowance (unaudited)

Other Information Requested by Office of the Auditor General

Comments on Certain Matters Pertaining to the University Guidelines

Summary of Eastern Illinois University Foundation and Alumni Association Payments to the University

Listing of the University's Accounting Entities, Sources of Revenue and Purpose of Each Entity

Calculation Sheets for Current Excess Funds

Unaudited Data on Classroom Utilization

Unaudited Schedule of Accrued Liability for Employee Compensated Absences

Emergency Purchases and Illinois First Projects

The auditor's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states that the auditor has applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Service Efforts and Accomplishments on which they did not perform any procedures. However, the auditor does not express an opinion on the supplementary information.

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Appropriations for Fiscal Year 2005

Fourteen Months Ended August 31, 2005

	Balance Reappropriated July 1, 2004	Appropriation	Expenditures Through June 30, 2005	Lapse Period Expenditures July 1 - August 31	Total Expenditures	Balance Lapsed
<u>Public Act 93-0842</u>						
GENERAL REVENUE FUND - 001						
Personal services	\$ -	\$ 45,079,100	\$ 45,079,095	\$ -	\$ 45,079,095	\$ 5
Contractual services	-	1,389,100	1,389,001	-	1,389,001	99
Commodities	-	341,300	341,212	-	341,212	88
Equipment	-	500,000	500,000	-	500,000	-
Telecommunication services	-	300,000	300,000	-	300,000	-
Total General Revenue Fund - 001	-	47,609,500	47,609,308	-	47,609,308	192
CAPITAL DEVELOPMENT FUND - 141						
Fine Arts renovation	5,430,384	-	-	-	-	5,430,384
Digitalized infrastructure	285,946	-	285,946	-	285,946	-
Booth Library renovation	408,104	-	50,488	-	50,488	357,616
Total Capital Development Fund - 141	6,124,434	-	336,434	-	336,434	5,788,000
STATE COLLEGE & UNIVERSITY TRUST FUND - 0417						
Scholarship Grant Awards	-	2,000	2,000	-	2,000	-
Totals - All appropriated funds	\$ 6,124,434	\$ 47,611,500	\$ 47,947,742	\$ -	\$ 47,947,742	\$ 5,788,192

Note: The data for this report was taken from the University's records and reconciled to the data of the State Comptroller.

EASTERN ILLINOIS UNIVERSITY

COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES

	Fiscal Year		
	2005 PA 93-0842	2004 PA 93-0090	2003 PA 92-0538
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 47,609,500	\$ 47,609,500	\$ 44,728,800
General Revenue Fund expenditures			
Personal services	45,079,095	46,691,598	43,306,918
Contractual services	1,389,001	-	-
Commodities	341,212	-	-
Equipment	500,000	-	-
Telecommunication services	300,000	-	-
	<u>47,609,308</u>	<u>46,691,598</u>	<u>43,306,918</u>
Lapsed balances	\$ <u>192</u>	\$ <u>917,902</u>	\$ <u>1,421,882</u>
EDUCATIONAL ASSISTANCE FUND - 007			
Appropriations (net of transfers)	\$ -	\$ -	\$ 7,154,200
Educational Assistance Fund expenditures			
Personal services	-	-	7,154,195
Lapsed balances	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5</u>
CAPITAL DEVELOPMENT FUND - 141			
Appropriations (net of transfers)	\$ 6,124,434	\$ 6,788,250	\$ 8,534,236
Capital Development Fund expenditures			
Fine Arts renovation	-	-	569,616
Digitalized infrastructure	285,946	507,692	907,630
Booth Library renovation	50,488	156,124	268,740
	<u>336,434</u>	<u>663,816</u>	<u>1,745,986</u>
Lapsed balances	\$ <u>5,788,000</u>	\$ <u>6,124,434</u>	\$ <u>6,788,250</u>
STATE COLLEGE & UNIVERSITY TRUST - 0417			
Appropriations (net of transfers)	\$ 2,000	\$ 2,000	\$ 15,000
State College & University Trust expenditures			
Scholarships	2,000	-	-
Lapsed balances	\$ <u>-</u>	\$ <u>2,000</u>	\$ <u>15,000</u>
Grand total, all funds			
Appropriations (net of transfers)	\$ 53,735,934	\$ 54,399,750	\$ 60,432,236
Expenditures	<u>47,947,742</u>	<u>47,355,414</u>	<u>52,207,099</u>
Grand total, all funds lapsed balances	\$ <u>5,788,192</u>	\$ <u>7,044,336</u>	\$ <u>8,225,137</u>

EASTERN ILLINOIS UNIVERSITY

COMPARATIVE SCHEDULE OF INCOME FUND REVENUES AND EXPENDITURES

For the years ended June 30, 2005 and 2004

	<u>2005</u>	<u>2004</u>
INCOME FUND		
Revenues		
Tuition	\$ 42,943,821	\$ 39,039,095
Services fees	358,982	378,111
Fines and penalties	66,951	72,910
Interest income	274,565	120,152
Other	<u>226,501</u>	<u>162,553</u>
	<u>43,870,820</u>	<u>39,772,821</u>
Expenditures		
Personal services	20,518,388	15,811,990
FICA - Medicare	993,263	923,951
Group insurance	1,264,473	1,267,210
Compensated absences	(288,003)	(626,212)
Contractual services	6,760,486	7,039,137
Travel	909,226	736,986
Commodities	1,466,604	1,579,537
Awards, grants, and matching funds	739,703	655,530
Permanent improvements	1,391,142	1,188,388
Equipment and library books	2,483,493	2,136,435
Telecommunications	294,033	584,890
Operation of automotive equipment	160,246	120,797
Student awards/Tuition waived	<u>4,930,956</u>	<u>4,303,653</u>
	<u>41,624,010</u>	<u>35,722,292</u>
Excess of revenues over expenditures	<u>\$ 2,246,810</u>	<u>\$ 4,050,529</u>

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF CHANGES IN STATE PROPERTY

For the year ended June 30, 2005

(Presented In Thousands)

	<u>6/30/2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>6/30/2005</u>
Capital assets not being depreciated					
Land and land improvements	\$ 2,127	\$ 45	\$ -	\$ -	\$ 2,172
Capitalized collections	190	9	-	-	199
Construction in progress	10,530	16,071	-	(5,540)	21,061
Total capital assets not being depreciated	<u>12,847</u>	<u>16,125</u>	<u>-</u>	<u>(5,540)</u>	<u>23,432</u>
Other capital assets being depreciated					
Site improvements	13,683	9	-	159	13,851
Building and building improvements	190,041	319	2,474	5,381	193,267
Equipment	46,952	4,850	2,251	380	49,931
Capital leases - equipment	351	409	-	(380)	380
Total capital assets being depreciated	<u>251,027</u>	<u>5,587</u>	<u>4,725</u>	<u>5,540</u>	<u>257,429</u>
Less accumulated depreciation for:					
Site improvements	6,498	637	-	-	7,135
Buildings and building improvements	77,792	4,727	1,373	-	81,146
Equipment	36,292	5,097	2,228	-	39,161
Capital leases - equipment	175	90	-	-	265
Total accumulated depreciation	<u>120,757</u>	<u>10,551</u>	<u>3,601</u>	<u>-</u>	<u>127,707</u>
Total capital assets, being depreciated, net	<u>130,270</u>	<u>(4,964)</u>	<u>1,124</u>	<u>5,540</u>	<u>129,722</u>
Capital assets, net	<u>\$ 143,117</u>	<u>\$ 11,161</u>	<u>\$ 1,124</u>	<u>\$ -</u>	<u>\$ 153,154</u>

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

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES -
BALANCE SHEET BY ENTITY

June 30, 2005

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
ASSETS										
CURRENT FUNDS										
Cash and temporary investments	\$ 785,933	\$ 12,681	\$ 1,663,966	\$ 42,763	\$ 43,636	\$ 55,988	\$ 151,514	\$ 194,522	\$ 98,827	\$ 3,049,830
Investments	197,160	4,976	92,593	15,376	16,312	22,337	75,560	52,297	38,630	515,241
Accrued interest	1,302	33	24,091	102	108	148	499	345	255	26,883
Accounts receivable	971,336	9,397	7,406	32,731	8,620	90,333	10,138	-	92,797	1,222,758
Inventories	33,980	-	723,149	1,373	-	-	120	-	-	758,622
Prepaid expense	44,485	-	-	-	-	-	-	735	-	45,220
Total current funds	<u>2,034,196</u>	<u>27,087</u>	<u>2,511,205</u>	<u>92,345</u>	<u>68,676</u>	<u>168,806</u>	<u>237,831</u>	<u>247,899</u>	<u>230,509</u>	<u>5,618,554</u>
PLANT FUNDS										
Temporary cash investments	7,085,356	-	357,314	45,897	14,204	-	458	-	21,702	7,524,931
Investments	2,816,477	-	141,473	18,172	5,624	-	181	-	8,593	2,990,520
Accrued interest receivable	18,598	-	934	120	37	-	1	-	57	19,747
Accounts receivable	477,274	-	-	-	-	-	-	-	-	477,274
Bond discount	216,749	-	-	-	-	-	-	-	-	216,749
Buildings and improvements	202,669	-	373,852	35,430	-	-	-	42,344	-	654,295
Equipment	7,050,547	33,756	2,276,573	29,997	27,612	-	8,000	12,102	8,323	9,446,910
Construction in progress	6,337,588	-	-	-	-	-	-	-	-	6,337,588
Accumulated depreciation	(5,295,762)	(25,151)	(2,075,044)	(24,286)	(22,693)	-	(6,286)	(18,295)	(1,284)	(7,468,801)
Other assets	184,754	-	-	-	-	-	-	-	-	184,754
Total plant funds	<u>19,094,250</u>	<u>8,605</u>	<u>1,075,102</u>	<u>105,330</u>	<u>24,784</u>	<u>-</u>	<u>2,354</u>	<u>36,151</u>	<u>37,391</u>	<u>20,383,967</u>
Total assets	<u>\$ 21,128,446</u>	<u>\$ 35,692</u>	<u>\$ 3,586,307</u>	<u>\$ 197,675</u>	<u>\$ 93,460</u>	<u>\$ 168,806</u>	<u>\$ 240,185</u>	<u>\$ 284,050</u>	<u>\$ 267,900</u>	<u>\$ 26,002,521</u>
LIABILITIES AND FUND BALANCES										
CURRENT FUNDS										
Accounts payable and accrued expenses	\$ 690,024	\$ 2,994	\$ 1,001,119	\$ 1,563	\$ 3,658	\$ 57,621	\$ 9,094	\$ 21,359	\$ 8,977	\$ 1,796,409
Accrued payroll	59,534	-	220,110	8,624	-	-	10,804	8,425	3,735	311,232
Accrued compensated absences	-	-	138,906	-	-	-	-	-	-	138,906
Deferred income	207,091	284	257	5,312	6,702	111,268	151,707	-	-	482,621
Total liabilities - current funds	956,649	3,278	1,360,392	15,499	10,360	168,889	171,605	29,784	12,712	2,729,168
Fund balance (deficit)										
Current unrestricted	1,077,547	23,809	1,150,813	76,846	58,316	(83)	66,226	218,115	217,797	2,889,386
Total current funds	<u>2,034,196</u>	<u>27,087</u>	<u>2,511,205</u>	<u>92,345</u>	<u>68,676</u>	<u>168,806</u>	<u>237,831</u>	<u>247,899</u>	<u>230,509</u>	<u>5,618,554</u>
PLANT FUNDS										
Accounts payable	125,408	-	99,329	-	-	-	-	-	-	224,737
Leases payable	123,091	-	-	-	-	-	-	-	-	123,091
Certificates of participation payable	15,339,400	-	-	-	-	-	-	-	-	15,339,400
Bond premium	104,870	-	-	-	-	-	-	-	-	104,870
Non-indentured reserve	28,706	-	499,721	64,190	19,865	-	640	-	30,352	643,474
Net investment in plant	(6,585,104)	8,605	476,052	41,140	4,919	-	1,714	36,151	7,039	(6,009,484)
Bond issuance costs	453,764	-	-	-	-	-	-	-	-	453,764
Construction reserve	9,504,115	-	-	-	-	-	-	-	-	9,504,115
Total plant funds	<u>19,094,250</u>	<u>8,605</u>	<u>1,075,102</u>	<u>105,330</u>	<u>24,784</u>	<u>-</u>	<u>2,354</u>	<u>36,151</u>	<u>37,391</u>	<u>20,383,967</u>
Total liabilities and fund balances	<u>\$ 21,128,446</u>	<u>\$ 35,692</u>	<u>\$ 3,586,307</u>	<u>\$ 197,675</u>	<u>\$ 93,460</u>	<u>\$ 168,806</u>	<u>\$ 240,185</u>	<u>\$ 284,050</u>	<u>\$ 267,900</u>	<u>\$ 26,002,521</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES - CURRENT FUNDS
STATEMENT OF CHANGES IN FUND BALANCE (DEFICIT) BY ENTITY

Year ended June 30, 2005

	Student Fee Programs	Material Fees	Service Departments	Student Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
REVENUES										
Tuition and fees	\$ 10,998,241	\$ 242,715	\$ -	\$ 159,065	\$ -	\$ -	\$ -	\$ -	\$ 744,359	\$ 12,144,380
Federal grants and contracts	-	-	-	-	-	-	-	226,434	-	226,434
State and local grants and contracts	-	-	-	-	-	-	-	223,865	-	223,865
Private gifts, grants, and contracts	325,259	-	-	15,758	-	-	6,200	6,757	-	353,974
Investment income	35,213	726	-	3,056	8,388	666	3,677	15,495	3,691	70,912
Educational activities	2,003,279	1,078	-	261,871	362,641	-	1,062,368	-	-	3,691,237
Other additions	939,895	858	-	47,650	2,497	530,914	18,654	5,400	-	1,545,868
Total revenues and other additions	14,301,887	245,377	-	487,400	373,526	531,580	1,090,899	477,951	748,050	18,256,670
EXPENDITURES										
Educational and general										
Instruction	-	215,377	-	171,691	1,428	532,287	8,719	-	770,967	1,700,469
Public service	-	-	-	57,210	352,808	-	1,039,919	-	-	1,449,937
Student services	10,941,013	-	-	242,614	-	-	-	94,497	-	11,278,124
Academic support	-	19,752	-	25,881	-	-	-	124,113	-	169,746
Institutional support	-	-	(197,024)	17,196	-	-	-	190,504	-	10,676
Operation and maintenance of plant	-	-	-	-	14,920	-	-	35,955	-	50,875
Scholarships and fellowships	714,935	-	-	-	-	-	-	-	-	714,935
Total educational and general expenditures	11,655,948	235,129	(197,024)	514,592	369,156	532,287	1,048,638	445,069	770,967	15,374,762
TRANSFERS AND OTHER										
ADDITIONS (DEDUCTIONS)										
Mandatory transfers										
Principal	(589,349)	-	(98,251)	-	-	-	-	-	-	(687,600)
Interest	(210,441)	-	(8,413)	-	-	-	-	-	-	(218,854)
Student aid matching grants	173,073	-	-	-	-	-	-	-	-	173,073
Total mandatory transfers	(626,717)	-	(106,664)	-	-	-	-	-	-	(733,381)
Non-mandatory transfers										
Renewal and replacement	(1,675,934)	-	(61,739)	-	-	-	-	-	-	(1,737,673)
Construction	(300,000)	-	-	-	-	-	-	-	-	(300,000)
Excess local funds	-	-	-	(88,416)	-	(120)	-	-	-	(88,536)
Transfers, other	-	(15)	-	(2,648)	(1,514)	3,429	-	(1,000)	(1,061)	(2,809)
Total non-mandatory transfers	(1,975,934)	(15)	(61,739)	(91,064)	(1,514)	3,309	-	(1,000)	(1,061)	(2,129,018)
NET INCREASE (DECREASE) FOR THE YEAR	43,288	10,233	28,621	(118,256)	2,856	2,602	42,261	31,882	(23,978)	19,509
FUND BALANCE (DEFICIT) AT JULY 1, 2004	1,034,259	13,576	1,122,192	195,102	55,460	(2,685)	23,965	186,233	241,775	2,869,877
FUND BALANCE (DEFICIT) AT JUNE 30, 2005	\$ 1,077,547	\$ 23,809	\$ 1,150,813	\$ 76,846	\$ 58,316	\$ (83)	\$ 66,226	\$ 218,115	\$ 217,797	\$ 2,889,386

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
STATEMENT OF CHANGES IN PLANT FUND BALANCE (DEFICIT) BY ENTITY

Year ended June 30, 2005

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
NON-INDENTURED RESERVES										
Balance July 1, 2004	\$ 337,581	\$ -	\$ 496,560	\$ 64,171	\$ 19,855	\$ -	\$ 5,079	\$ -	\$ 30,528	\$ 953,774
Reserve additions										
Changes in fair value of investments	499	-	217	19	10	-	7	-	(18)	734
From current fund	1,675,934	-	61,739	-	-	-	-	-	-	1,737,673
Total	1,676,433	-	61,956	19	10	-	7	-	(18)	1,738,407
Reserve deduction										
Non-capitalized equipment purchases	32,960	-	-	-	-	-	4,446	-	158	37,564
Transfer to plant fund	1,952,348	-	58,795	-	-	-	-	-	-	2,011,143
Total	1,985,308	-	58,795	-	-	-	4,446	-	158	2,048,707
Balance June 30, 2005	\$ 28,706	\$ -	\$ 499,721	\$ 64,190	\$ 19,865	\$ -	\$ 640	\$ -	\$ 30,352	\$ 643,474
NET INVESTMENT IN PLANT										
Balance (deficit) July 1, 2004	\$ (1,079,428)	\$ 12,341	\$ 549,243	\$ 46,414	\$ 8,087	\$ -	\$ 4,103	\$ 39,997	\$ 8,228	\$ (411,015)
Plant additions										
Current funds	843,772	-	151,669	-	-	-	-	-	-	995,441
Omitted inventory	44,208	-	-	-	-	-	-	-	-	44,208
Transfer from non-indentured reserves	1,952,348	-	58,795	-	-	-	-	-	-	2,011,143
Transfer from construction funds	2,990,931	-	-	-	-	-	-	-	-	2,990,931
Proceeds from bond sale	87,543	-	-	-	-	-	-	-	-	87,543
Amortization of bond premium	35,611	-	-	-	-	-	-	-	-	35,611
Total additions	5,954,413	-	210,464	-	-	-	-	-	-	6,164,877
Plant deductions										
Depreciation	1,853,077	3,736	283,655	5,274	3,168	-	2,389	3,846	1,189	2,156,334
Disposed property	6,218	-	-	-	-	-	-	-	-	6,218
Bond issued	9,599,116	-	-	-	-	-	-	-	-	9,599,116
Bond premium/discount	1,678	-	-	-	-	-	-	-	-	1,678
Total deductions	11,460,089	3,736	283,655	5,274	3,168	-	2,389	3,846	1,189	11,763,346
Balance (deficit) June 30, 2005	\$ (6,585,104)	\$ 8,605	\$ 476,052	\$ 41,140	\$ 4,919	\$ -	\$ 1,714	\$ 36,151	\$ 7,039	\$ (6,009,484)

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
STATEMENT OF CHANGES IN PLANT FUND BALANCE (DEFICIT) BY ENTITY - CONTINUED

Year ended June 30, 2005

	Student Fee Programs	Material Fees	Service Departments	Student/ Staff Programs	Educational Services	Unique Charges Credit Courses	Public Service Activities	Indirect Costs	Continuing Education Contract Credit	Total
BOND ISSUANCE COSTS										
Balance July 1, 2004	\$ 52,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,840
Additions										
Investment income	276	-	-	-	-	-	-	-	-	276
Proceeds from bond sale	415,167	-	-	-	-	-	-	-	-	415,167
Total additions	415,443	-	-	-	-	-	-	-	-	415,443
Deductions										
Amortization of closing costs	14,519	-	-	-	-	-	-	-	-	14,519
Total deductions	14,519	-	-	-	-	-	-	-	-	14,519
Balance June 30, 2005	\$ 453,764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,764
CONSTRUCTION RESERVE										
Balance July 1, 2004	\$ 3,112,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,112,325
Additions										
Investment income	29,472	-	-	-	-	-	-	-	-	29,472
Current funds	300,000	-	-	-	-	-	-	-	-	300,000
Proceeds from bond sale	9,096,405	-	-	-	-	-	-	-	-	9,096,405
Total additions	9,425,877	-	-	-	-	-	-	-	-	9,425,877
Deductions										
Transfer to plant fund	2,990,931	-	-	-	-	-	-	-	-	2,990,931
Non-capitalized construction expenses	11,785	-	-	-	-	-	-	-	-	11,785
Transfers to other construction funds	31,371	-	-	-	-	-	-	-	-	31,371
Total deductions	3,034,087	-	-	-	-	-	-	-	-	3,034,087
Balance June 30, 2005	\$ 9,504,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,504,115

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
CURRENT FUNDS, UNRESTRICTED
BALANCE SHEET BY ENTITY

June 30, 2005

	<u>Student Living</u>	<u>Student Facilities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 2,996,385	\$ 58,160	\$ 3,054,545
Investments	1,199,557	126,415	1,325,972
Accounts receivable	1,315,055	694,052	2,009,107
Accrued interest receivable	9,559	1,263	10,822
Inventories	119,528	752,121	871,649
Prepaid expenses	<u>22,470</u>	<u>2,903</u>	<u>25,373</u>
Total assets	<u>\$ 5,662,554</u>	<u>\$ 1,634,914</u>	<u>\$ 7,297,468</u>
LIABILITIES AND FUND BALANCE			
Accounts payable	\$ 1,678,732	\$ 722,994	\$ 2,401,726
Accrued payroll	380,343	64,684	445,027
Security deposits	240,382	-	240,382
Accrued compensated absences	1,047,514	172,772	1,220,286
Deferred income, room and board	63,929	-	63,929
Deferred income, other	<u>172,655</u>	<u>105,910</u>	<u>278,565</u>
Total liabilities	3,583,555	1,066,360	4,649,915
Fund balance	<u>2,078,999</u>	<u>568,554</u>	<u>2,647,553</u>
Total liabilities and fund balance	<u>\$ 5,662,554</u>	<u>\$ 1,634,914</u>	<u>\$ 7,297,468</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
 STATEMENT OF CURRENT FUNDS, UNRESTRICTED, REVENUES
 AND EXPENDITURES BY ENTITY

Year ended June 30, 2005

	Student Living	Student Facilities	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Room and board	\$ 24,796,565	\$ -	\$ 24,796,565
Duplicating	6,381	301,510	307,891
Bowling and recreation	-	90,483	90,483
Merchandise sales	79,853	2,043,375	2,123,228
Other	235,165	116,154	351,319
Student fees	643,662	2,772,144	3,415,806
Investment income	117,442	38,391	155,833
Operating fee	-	1,953,647	1,953,647
Desk sales revenue	953,310	40,446	993,756
Games revenue	4,464	-	4,464
Subsidy reduction fee	16,353	65,391	81,744
Canned drink sales	-	28,814	28,814
Vending	256,374	9,611	265,985
Service and rental fees	234,717	85,648	320,365
	<u>27,344,286</u>	<u>7,545,614</u>	<u>34,889,900</u>
Total revenues			

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
STATEMENT OF CURRENT FUNDS, UNRESTRICTED, REVENUES
AND EXPENDITURES BY ENTITY - CONTINUED

Year ended June 30, 2005

	Student Living	Student Facilities	Total
Expenditures			
Merchandise	\$ 15	\$ 1,507,927	\$ 1,507,942
Food	3,267,827	38,436	3,306,263
Salaries			
Faculty	1,159,420	118,876	1,278,296
Civil service	7,557,325	1,641,628	9,198,953
Student	1,369,020	188,691	1,557,711
Resident assistants	719,922	-	719,922
Compensated absences	(45,968)	(9,282)	(55,250)
Commodities			
Office and administrative supplies	598,250	270,923	869,173
Household - cleaning supplies	343,501	-	343,501
Other commodities	153,376	42,197	195,573
Operation of automotive equipment	11,106	1,338	12,444
Travel	31,447	4,424	35,871
Contractual services			
Repairs	182,866	51,659	234,525
Rentals	260,002	-	260,002
Services	730,438	152,764	883,202
Insurance	210,014	59,166	269,180
Operating taxes and fees	121,129	100,159	221,288
Utilities	1,192,287	328,022	1,520,309
Office and administrative	50,621	4,584	55,205
Other contractual services	1,920,338	470,126	2,390,464
Equipment	105,851	80,955	186,806
Telecommunications charges	528,905	14,450	543,355
Waivers & scholarships	37,410	44,070	81,480
Building improvements	65,911	2,203	68,114
	<u>20,571,013</u>	<u>5,113,316</u>	<u>25,684,329</u>
Total expenditures			
Excess of revenues over expenditures	<u>\$ 6,773,273</u>	<u>\$ 2,432,298</u>	<u>\$ 9,205,571</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
 STATEMENT OF CURRENT FUNDS, UNRESTRICTED
 STATEMENT OF CHANGES IN FUND BALANCE BY ENTITY

Year ended June 30, 2005

	Student Living	Student Facilities	Total
Fund balance - July 1, 2004	\$ 1,265,560	\$ 135,473	\$ 1,401,033
Revenue and other additions			
Operating revenue	27,344,286	7,545,614	34,889,900
Expenditures and other deductions			
Operating expenditures	20,445,219	5,039,440	25,484,659
Change in compensated absences	(45,968)	(9,282)	(55,250)
Equipment	105,851	80,955	186,806
Building improvements	65,911	2,203	68,114
Total expenditures and other deductions	20,571,013	5,113,316	25,684,329
Transfers among funds			
Additions			
Mandatory transfers			
Project construction	11,872	-	11,872
Deductions			
Mandatory transfers			
Debt retirement	2,813,388	1,658,535	4,471,923
Non-mandatory transfers			
Renewal and replacement reserve	1,109,318	290,682	1,400,000
Project director reserve	2,049,000	50,000	2,099,000
Total transfers	(5,959,834)	(1,999,217)	(7,959,051)
Net increase for the year	813,439	433,081	1,246,520
Fund balance - June 30, 2005	\$ 2,078,999	\$ 568,554	\$ 2,647,553

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
PLANT FUNDS
BALANCE SHEET BY ENTITY

June 30, 2005

	Student Living	Student Facilities	Total
ASSETS			
RENEWAL AND REPLACEMENT			
Cash and temporary cash investments	\$ 497,005	\$ 1,074,463	\$ 1,571,468
Investments	196,255	425,345	621,600
Interest receivable	1,296	2,809	4,105
Total renewal and replacement	<u>694,556</u>	<u>1,502,617</u>	<u>2,197,173</u>
PROJECT CONSTRUCTION			
Cash and temporary investments	710,435	303,987	1,014,422
Investments	172,045	96,731	268,776
Interest receivable	1,155	643	1,798
Total project construction	<u>883,635</u>	<u>401,361</u>	<u>1,284,996</u>
RETIREMENT OF INDEBTEDNESS			
Bond and interest sinking fund			
Accounts receivable	709,740	473,449	1,183,189
Debt service reserve			
Cash and temporary investments	306,617	624,937	931,554
Bond issuance costs			
Cash	372	-	372
Investments	171	-	171
Interest receivable	1	-	1
Other assets	181,093	107,333	288,426
Total retirement of indebtedness	<u>1,197,994</u>	<u>1,205,719</u>	<u>2,403,713</u>
INVESTMENT IN PLANT			
Accounts receivable	552,411	143,680	696,091
Bond discount	107,147	58,861	166,008
Land	118,981	-	118,981
Building and site improvements	68,894,332	35,713,142	104,607,474
Equipment	1,158,356	1,126,303	2,284,659
Accumulated depreciation	(32,383,458)	(12,917,626)	(45,301,084)
Construction in progress	1,771,448	184,061	1,955,509
Total investment in plant	<u>40,219,217</u>	<u>24,308,421</u>	<u>64,527,638</u>
DEVELOPMENT RESERVE			
Cash and temporary investments	-	19,945	19,945
Investments	-	7,831	7,831
Interest receivable	-	52	52
Total development reserve	<u>-</u>	<u>27,828</u>	<u>27,828</u>
Total assets	<u>\$ 42,995,402</u>	<u>\$ 27,445,946</u>	<u>\$ 70,441,348</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
PLANT FUNDS
BALANCE SHEET BY ENTITY - CONTINUED

June 30, 2005

	Student Living	Student Facilities	Total
LIABILITIES AND FUND BALANCES			
RENEWAL AND REPLACEMENT			
Accounts payable	\$ -	\$ 42,188	\$ 42,188
Renewal and replacement reserve	694,556	1,460,429	2,154,985
Total renewal and replacement	<u>694,556</u>	<u>1,502,617</u>	<u>2,197,173</u>
PROJECT CONSTRUCTION			
Accounts payable	846,327	51,974	898,301
Construction reserve	37,308	349,387	386,695
Total project construction	<u>883,635</u>	<u>401,361</u>	<u>1,284,996</u>
RETIREMENT OF INDEBTEDNESS			
Accounts payable	345,136	219,303	564,439
Bond and interest sinking fund reserve	364,604	254,147	618,751
Debt service reserve	306,553	624,937	931,490
Bond issuance costs	181,701	107,332	289,033
Total retirement of indebtedness	<u>1,197,994</u>	<u>1,205,719</u>	<u>2,403,713</u>
INVESTMENT IN PLANT			
Accounts payable	-	3,052	3,052
Revenue bonds outstanding	27,583,761	17,361,239	44,945,000
Notes payable	-	166,510	166,510
Lease obligations	5,923,874	1,736,609	7,660,483
Bond premium	34,699	20,450	55,149
Net investment in plant	6,676,883	5,020,561	11,697,444
Total investment in plant	<u>40,219,217</u>	<u>24,308,421</u>	<u>64,527,638</u>
DEVELOPMENT RESERVE			
Development reserve	-	27,828	27,828
Total liabilities and fund balances	<u>\$ 42,995,402</u>	<u>\$ 27,445,946</u>	<u>\$ 70,441,348</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
PLANT FUNDS
STATEMENT OF CHANGES IN FUND BALANCE BY ENTITY

Year ended June 30, 2005

	Student Living	Student Facilities	Total
RENEWAL AND REPLACEMENT			
Balance - July 1, 2004	\$ 1,276,844	\$ 973,595	\$ 2,250,439
Investment income	9,000	31	9,031
Other revenue	-	560,513	560,513
Non-mandatory transfers from current fund	1,304,777	95,223	1,400,000
Non-mandatory transfers from project director reserve	2,049,000	50,000	2,099,000
Repair expenditures	<u>(3,945,065)</u>	<u>(218,933)</u>	<u>(4,163,998)</u>
Balance - June 30, 2005	<u>\$ 694,556</u>	<u>\$ 1,460,429</u>	<u>\$ 2,154,985</u>
PROJECT CONSTRUCTION			
Balance - July 1, 2004	\$ 1,402,251	\$ 584,642	\$ 1,986,893
Investment income	18,687	9,323	28,010
Non-mandatory transfers - COPS Series 03	63,975	1,149	65,124
Expenditures-other	(242,116)	(51,074)	(293,190)
Mandatory transfers to current funds	(11,872)	-	(11,872)
Construction expenditures	<u>(1,193,617)</u>	<u>(194,653)</u>	<u>(1,388,270)</u>
Balance - June 30, 2005	<u>\$ 37,308</u>	<u>\$ 349,387</u>	<u>\$ 386,695</u>
RETIREMENT OF INDEBTEDNESS			
BOND AND INTEREST SINKING FUND			
Balance - July 1, 2004	\$ 349,912	\$ 243,838	\$ 593,750
Mandatory transfer from current fund	2,813,388	1,658,535	4,471,923
Mandatory transfer from debt service reserve	171,333	292,323	463,656
Debt retirement principal	(1,531,424)	(1,053,576)	(2,585,000)
Debt retirement interest	<u>(1,438,605)</u>	<u>(886,973)</u>	<u>(2,325,578)</u>
Balance - June 30, 2005	<u>364,604</u>	<u>254,147</u>	<u>618,751</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - REVENUE BOND
PLANT FUNDS
STATEMENT OF CHANGES IN FUND BALANCE BY ENTITY - CONTINUED

Year ended June 30, 2005

	Student Living	Student Facilities	Total
RETIREMENT OF INDEBTEDNESS (continued)			
BOND ISSUANCE COSTS			
Balance - July 1, 2004	\$ 216,706	\$ 128,388	\$ 345,094
Investment income	9	-	9
Bond closing costs	(35,014)	(21,056)	(56,070)
Balance - June 30, 2005	<u>181,701</u>	<u>107,332</u>	<u>289,033</u>
DEBT SERVICE RESERVE			
Balance - July 1, 2004	476,856	915,159	1,392,015
Investment income	1,030	2,101	3,131
Mandatory transfer to bond and interest sinking fund	(171,333)	(292,323)	(463,656)
Balance - June 30, 2005	<u>306,553</u>	<u>624,937</u>	<u>931,490</u>
Total retirement of indebtedness - June 30, 2005	<u>\$ 852,858</u>	<u>\$ 986,416</u>	<u>\$ 1,839,274</u>
INVESTMENT IN PLANT			
Balance - July 1, 2004	\$ 2,560,454	\$ 4,800,902	\$ 7,361,356
Equipment purchased (net of deletions)	18,907	39,480	58,387
Buildings/sites (net of deletions)	3,534,274	274,314	3,808,588
Depreciation	(1,971,871)	(1,323,275)	(3,295,146)
Debt retirement - principal payment	2,538,966	1,232,418	3,771,384
Bond discount expense	(3,847)	(3,278)	(7,125)
Balance - June 30, 2005	<u>\$ 6,676,883</u>	<u>\$ 5,020,561</u>	<u>\$ 11,697,444</u>
DEVELOPMENT RESERVE			
Balance - July 1, 2004	\$ -	\$ 61,319	\$ 61,319
Investment income	-	642	642
Expenditures - permanent improvements	-	(34,133)	(34,133)
Balance - June 30, 2005	<u>\$ -</u>	<u>\$ 27,828</u>	<u>\$ 27,828</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - OTHER
BALANCE SHEET BY ENTITY

June 30, 2005

	Student/Staff Programs	Regional Services	Total
ASSETS			
CURRENT FUNDS			
Cash and temporary cash investments	\$ 131,101	\$ 703	\$ 131,804
Accounts receivable	95,678	-	95,678
Investments	85,838	278	86,116
Interest receivable	567	2	569
Total current funds	<u>313,184</u>	<u>983</u>	<u>314,167</u>
PLANT FUNDS			
Cash and temporary cash investments	674,041	-	674,041
Investments	229,936	-	229,936
Interest receivables	1,518	-	1,518
Building and site improvements	2,933,047	-	2,933,047
Land	453,362	-	453,362
Equipment	93,580	8,455	102,035
Accumulated depreciation	(1,513,721)	(6,643)	(1,520,364)
Construction in progress	211,537	-	211,537
Total plant funds	<u>3,083,300</u>	<u>1,812</u>	<u>3,085,112</u>
Total assets	<u>\$ 3,396,484</u>	<u>\$ 2,795</u>	<u>\$ 3,399,279</u>
LIABILITIES AND FUND BALANCES			
CURRENT FUNDS			
Accounts payable	\$ 4,675	\$ -	\$ 4,675
Accrued payroll	15,125	-	15,125
Deferred revenue	104,356	-	104,356
Fund balance	189,028	983	190,011
Total current funds	<u>313,184</u>	<u>983</u>	<u>314,167</u>
PLANT FUNDS			
Accounts payable	20,157	-	20,157
Non-indentured reserve	885,339	-	885,339
Net investment in plant	2,177,804	1,812	2,179,616
Total plant funds	<u>3,083,300</u>	<u>1,812</u>	<u>3,085,112</u>
Total liabilities and fund balances	<u>\$ 3,396,484</u>	<u>\$ 2,795</u>	<u>\$ 3,399,279</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - OTHER
CURRENT FUNDS STATEMENT OF REVENUES
AND EXPENDITURES BY ENTITY

Year ended June 30, 2005

	<u>Student/Staff Programs</u>	<u>Regional Services</u>	<u>Total</u>
REVENUES			
Sales, services - enterprises	\$ 539,412	\$ 1,200	\$ 540,612
Fines and penalties	310,011	-	310,011
Investment income	19,196	-	19,196
Other income	50,063	-	50,063
	<u>918,682</u>	<u>1,200</u>	<u>919,882</u>
EXPENDITURES			
Salaries	314,371	-	314,371
Other expenses	17,566	-	17,566
Contractual services	70,744	-	70,744
Commodities	22,032	217	22,249
	<u>424,713</u>	<u>217</u>	<u>424,930</u>
Total expenditures	<u>424,713</u>	<u>217</u>	<u>424,930</u>
Revenues over expenditures	<u>\$ 493,969</u>	<u>\$ 983</u>	<u>\$ 494,952</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - OTHER
CURRENT FUNDS STATEMENT OF CHANGES
IN FUND BALANCE BY ENTITY

Year ended June 30, 2005

	<u>Student/Staff Programs</u>	<u>Regional Services</u>	<u>Total</u>
Balance - July 1, 2004	<u>\$ 188,211</u>	<u>\$ -</u>	<u>\$ 188,211</u>
Revenues and other additions			
Operating revenues	918,682	1,200	919,882
Change in investment market value	<u>148</u>	<u>-</u>	<u>148</u>
Total revenues and other additions	<u>918,830</u>	<u>1,200</u>	<u>920,030</u>
Expenditures and other deductions			
Operating expenditures	424,713	217	424,930
Non-mandatory transfers	<u>493,300</u>	<u>-</u>	<u>493,300</u>
Total expenditures and other deductions	<u>918,013</u>	<u>217</u>	<u>918,230</u>
Net increase in fund balance	<u>817</u>	<u>983</u>	<u>1,800</u>
Balance - June 30, 2005	<u><u>\$ 189,028</u></u>	<u><u>\$ 983</u></u>	<u><u>\$ 190,011</u></u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISE FUNDS - OTHER
PLANT FUNDS STATEMENT OF CHANGES IN
FUND BALANCE BY ENTITY

Year ended June 30, 2005

	Student/Staff Programs	Regional Services	Total
NON-INDENTURED RESERVES			
Balance - July 1, 2004	\$ 776,676	\$ -	\$ 776,676
Plant additions			
Current funds	493,300	-	493,300
Investment income	320	-	320
Total additions	<u>493,620</u>	<u>-</u>	<u>493,620</u>
Reserve deductions			
Repair and maintenance	90,828	-	90,828
Permanent improvements	294,129	-	294,129
Total reductions	<u>384,957</u>	<u>-</u>	<u>384,957</u>
Balance - June 30, 2005	<u>\$ 885,339</u>	<u>\$ -</u>	<u>\$ 885,339</u>
INVESTMENT IN PLANT			
Balance - July 1, 2004	\$ 2,072,947	\$ 3,020	\$ 2,075,967
Plant additions			
Current funds	2,699	-	2,699
Reserve funds	277,713	-	277,713
Total additions	<u>280,412</u>	<u>-</u>	<u>280,412</u>
Plant reductions			
Disposed property	8,632	-	8,632
Depreciation	166,923	1,208	168,131
Total reductions	<u>175,555</u>	<u>1,208</u>	<u>176,763</u>
Balance - June 30, 2005	<u>\$ 2,177,804</u>	<u>\$ 1,812</u>	<u>\$ 2,179,616</u>

EASTERN ILLINOIS UNIVERSITY

EXPLANATION OF SIGNIFICANT VARIATIONS
IN REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS

Years ended June 30, 2005 and 2004

	2005	2004	Increase (Decrease)
Operating Revenues:			
Student tuition and fees	\$ 49,726,069	\$ 45,670,270	\$ 4,055,799
Federal grants and contracts	8,340,373	8,638,916	(298,543)
State grants and contracts	3,781,050	3,614,257	166,793
Local grants and contracts	130,090	123,926	6,164
Private grants and contracts	1,927,681	1,235,443	(1) 692,238
Sales and services of educational departments	3,691,383	3,722,294	(30,911)
Auxiliary enterprises	33,777,288	31,999,799	1,777,489
Other operating revenues	2,361,455	2,212,998	148,457
Operating Expenses:			
Educational and general			
Instruction	67,892,563	87,079,406	(2) (19,186,843)
Research	1,152,343	1,011,479	140,864
Public service	7,724,273	7,583,254	141,019
Academic support	11,993,150	15,293,528	(2) (3,300,378)
Student services	16,287,373	17,398,558	(1,111,185)
Institutional support	16,648,005	19,358,917	(2,710,912)
Operations of maintenance of plant	10,845,988	11,497,238	(651,250)
Student aid	4,384,504	4,353,409	31,095
Auxiliary enterprises	26,356,774	24,446,039	1,910,735
Depreciation expense	10,550,627	10,058,204	492,423
Nonoperating Revenue (Expense):			
State appropriations	47,609,309	46,691,598	917,711
Payments of behalf of the University	25,551,432	59,683,866	(2) (34,132,434)
Gifts	2,437,745	2,399,891	37,854
Investment income (net)	917,046	530,330	(3) 386,716
Net increase (decrease) in fair value of investments	57,522	(35,609)	93,131
Interest on capital asset-related debt	(2,756,638)	(3,189,748)	433,110
Nonoperating grants and contracts	85,440	6,106	79,334
Amortization of bond costs	(38,764)	(29,539)	(9,225)
Payments to the Foundation	(11,594)	(14,876)	3,282
(Loss) on disposal of capital assets	(1,245,197)	(82,199)	(4) (1,162,998)
Blair Hall fire nonoperating gain	2,500,000	19,739	(5) 2,480,261
Blair Hall fire nonoperating expenses	-	(661,451)	(5) 661,451
Other nonoperating activity	(18,376)	-	(18,376)
Other Changes in Net Assets:			
Capital appropriations	335,934	709,178	(6) (373,244)
Capital grants and gifts	1,304,598	2,307,083	(7) (1,002,485)
Assets donated by other state agencies	3,391,529	423,851	(8) 2,967,678

EASTERN ILLINOIS UNIVERSITY

EXPLANATION OF SIGNIFICANT VARIATIONS
IN REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS

Years ended June 30, 2005 and 2004

All variations greater than \$145,700 and 20% were determined to be significant.

- (1) The University received a new grant amounting to approximately \$190,000 and a combined increase of \$375,000 in two existing grants.
- (2) State-paid retirement, which gets allocated to the functional categories within the operating expenses, decreased approximately \$36 million in fiscal year 2005. This decrease is because SURS received additional funds during fiscal year 2004 that were applied against the unfunded liability that year. The cost of group insurance also increased \$3 million in fiscal year 2005.
- (3) Interest rates increased, and the University has a more diversified investment portfolio in fiscal year 2005.
- (4) This increase is primarily due to the demolition of the Fine Arts Building during fiscal year 2005.
- (5) Blair Hall sustained a fire late in fiscal year 2004, causing noncapitalized expenses to occur. The great majority of the insurance proceeds from this fire were not received until fiscal year 2005.
- (6) The decrease is primarily in WEIU infrastructure and Booth Library capital appropriations, which are both nearing completion.
- (7) Approximately \$2.1 million in gifts were given for the Tarble Arts Center addition during fiscal year 2004. This decrease accompanied by an additional \$1 million in new capital grants during fiscal year 2005 to purchase a spectrometer as well as various digital upgrades account for the majority of the difference between fiscal years 2004 and 2005.
- (8) The Capital Development Board funded more projects in fiscal year 2005 than fiscal year 2004, with the largest being the Fine Arts Building.

EASTERN ILLINOIS UNIVERSITY

ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING

Year ended June 30, 2005

In our analysis of expenditures, amounts expended in the lapse period which were both greater than 20% of the total and greater than \$145,700 were considered significant. For fiscal year 2005, no significant lapse period expenditures were noted.

EASTERN ILLINOIS UNIVERSITY

EXPLANATION OF SIGNIFICANT VARIATIONS IN NET ASSET ACCOUNTS

June 30, 2005 and 2004

	<u>2005</u>	<u>2004</u>	<u>Increase (Decrease)</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 10,000,609	\$ 10,388,949	\$ (388,340)
Restricted cash and cash equivalents	16,578,224	15,498,873	1,079,351
Short-term investments	1,096,724	-	(1) 1,096,724
Restricted short-term investments	1,839,047	10,783	(1) 1,828,264
Accounts receivable, net of allowance	7,762,408	6,577,662	1,184,746
State appropriation receivable	471,736	-	(2) 471,736
Interest receivable	89,483	46,196	43,287
Inventories	1,630,272	1,720,206	(89,934)
Notes receivable, current portion, net	861,786	834,575	27,211
Other assets	868,774	400,102	(3) 468,672
Noncurrent assets:			
Restricted cash and cash equivalents	-	931,490	(4) (931,490)
Notes receivable, less current portion	4,980,349	4,909,172	71,177
Endowment investments	457,144	412,832	44,312
Restricted investments	4,223,859	3,253,264	(5) 970,595
Other long-term investments	2,520,935	3,482,943	(6) (962,008)
Other long-term assets	411,123	736,533	(3) (325,410)
Capital assets, net of accumulated depreciation	153,154,084	143,117,350	10,036,734
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	12,125,908	10,545,655	1,580,253
Deferred revenue	2,499,402	3,890,158	(7) (1,390,756)
Long-term liabilities, current portion	8,089,263	7,759,071	330,192
Noncurrent liabilities:			
Long term liabilities, less current portion	80,188,844	76,180,257	4,008,587
Federal loan program contributions refundable	5,362,429	5,284,853	77,576

EASTERN ILLINOIS UNIVERSITY

EXPLANATION OF SIGNIFICANT VARIATIONS IN NET ASSET ACCOUNTS

June 30, 2005 and 2004

All variations greater than \$145,700 and 20% were determined to be significant.

- (1) In fiscal year 2004, the University's investments were limited to Treasury bills and the Illinois Funds. In fiscal year 2005, the University began investing cash into the Illinois Funds prime and commercial paper. The University also increased the amount of money invested in Treasury bills and U.S. Government agency bonds.
- (2) The state owed the University for an unpaid appropriation voucher at the end of fiscal year 2005 that was not owed in fiscal year 2004.
- (3) At the end of fiscal year 2005, debt service reserves were transferred to current due to the timing of the final payment of the Energy Masters agreement.
- (4) The University had a debt service reserve for Series 1997 revenue bonds, which were refunded when the new bonds were issued on July 1, 2005. This amount was then available and reclassified as current restricted cash at the end of fiscal year 2005.
- (5) There was an increase in COPS 2003 Network investments in money market accounts as well as additional investments in federal securities during fiscal year 2005.
- (6) There were decreases in appropriated and bond (living) investments due to the need for funds to pay for various project expenses during fiscal year 2005.
- (7) A combination of factors led to this decrease. Namely, the summer school periods changed, leading to less sessions falling under the new fiscal year. Also, many grants have spent down their cash substantially, leading to less deferred revenue.

EASTERN ILLINOIS UNIVERSITY
ANALYSIS OF ACCOUNTS RECEIVABLE

June 30

Accounts receivable are as follows for fiscal year ended June 30:

Aging Analysis	2005	2004
Current	\$ 3,035,302	\$ 2,302,854
1 - 180 days past due	1,044,753	1,537,116
181 days - 1 year past due	692,504	137,488
over 1 year past due	2,885,046	2,610,246
	7,657,605	6,587,704
Grants receivables not aged	1,104,072	1,004,454
Scholarship receivables not aged	1,271,116	922,120
Total accounts receivable	10,032,793	8,514,278
Less allowance for doubtful accounts	(1,798,649)	(1,617,328)
	\$ 8,234,144	\$ 6,896,950

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

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

Current receivables increased in fiscal year 2005 primarily due to the existence of a receivable from the State of Illinois for approximately \$.5 million.

Collection Policies for Accounts Receivable

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

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

EASTERN ILLINOIS UNIVERSITY
SCHEDULE OF CASH AND INVESTMENTS

June 30

	2005	2004
CASH AND CASH EQUIVALENTS		
Cash on hand and other	\$ 39,715	\$ 37,995
The Illinois Funds		
Money Market Account	21,639,425	25,360,374
Prime Fund Account	3,586,304	-
Checking accounts		
First Mid-Illinois Bank & Trust, Charleston, Illinois	31,915	22,273
LaSalle National Bank, Chicago, Illinois	1,058	-
Money market		
LaSalle National Bank, Chicago, Illinois, 3.15%	1,280,416	1,398,670
Total cash and cash equivalents	26,578,833	26,819,312
INVESTMENTS		
U.S. Treasury and Agency securities interest range (2.00% - 3.25%)	9,679,093	6,736,207
Gift stock	1,019	-
Mutual funds	457,597	423,615
Total investments	10,137,709	7,159,822
Total cash and investments	\$ 36,716,542	\$ 33,979,134

Note: Interest rates are for June 30, 2005 only.

EASTERN ILLINOIS UNIVERSITY

SUMMARY OF INDIRECT COST REIMBURSEMENT
STATEMENT OF SOURCES AND APPLICATIONS

Year ended June 30

	<u>2005</u>	<u>2004</u>
Sources		
Federal	\$ 226,434	\$ 171,945
State	223,865	216,245
Other	<u>27,652</u>	<u>7,717</u>
	<u>477,951</u>	<u>395,907</u>
Applications		
Academic support	94,497	79,583
Institutional support	191,505	229,447
Operations and maintenance	35,955	30,957
Student services	124,113	114,811
Excess funds remitted to Income Fund	<u>-</u>	<u>8,214</u>
	<u>446,070</u>	<u>463,012</u>
Sources over (under) applications	31,881	(67,105)
Fund balance, beginning of year	<u>186,234</u>	<u>253,339</u>
Fund balance, end of year	<u>\$ 218,115</u>	<u>\$ 186,234</u>

EASTERN ILLINOIS UNIVERSITY

SUMMARY OF INDIRECT COST REIMBURSEMENT
CALCULATION SHEET FOR INDIRECT COST CARRY-FORWARD

For the year ended June 30, 2005

1. Cash and Equivalents Balance

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

Add

Cash	\$ 194,522
Cash equivalents	52,297
	<u>246,819</u>

2. Allocated Reimbursements

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

\$ 740,342; enter 30% of this amount 222,103

3. Unallocated Reimbursements

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

4. Encumbrances and Current Liabilities Paid in the Lapse Period

Enter the amount of

Current liabilities	29,784
Encumbrances	<u>20,534</u>
Total	50,318

5. Indirect Cost Carry-forward

a. Enter the total of items 2, 3 and 4 272,421

Subtract line 5a. from item 1 \$ (25,602)

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

EASTERN ILLINOIS UNIVERSITY

UNIVERSITY FUNCTIONS AND PLANNING PROGRAM

Year ended June 30, 2005

At year end, June 30, 2005, the President of the University was Mr. Louis Hencken. The president's office is in the Livingston Lord Administration Building, Old Main, located on the Eastern Illinois University campus in Charleston, Illinois.

The University's "Mission Statement" states the University's orientation and broad direction. Planning Statements requested by the Illinois Board of Higher Education (IBHE) include: a "Focus Statement," prepared by IBHE in consultation with the University and a detailed annual "Priorities Statement." The IBHE's Resource Allocation Management Program (RAMP) submissions also include academic program reviews (on an eight-year cycle), broader reviews requested by IBHE, an annual "Productivity Report", and new program and program priorities requests.

Operating Resource Requirements. This budget request plan includes comparison to the preceding two fiscal years. Among other data included are a summary of operations cost by function and source of funds, summary of staff requirements and earnings, projected enrollments, tuition and fees.

Capital Resource Requirements. This is a multi-year planning program and includes a summary of capital requirements by budget category. These requirements are detailed as to buildings or components of buildings as well as other capital projects planned for the University.

Eastern Illinois University's internal planning program - its "Strategic Plan" - is coordinated by the Office of Planning and Institutional Studies.

Included as part of this plan are six goals listed below which are to be the foundation of the "Strategic Plan."

- Improve quality of education in both undergraduate and graduate programs
- Recruit and retain diverse, highly qualified faculty and staff
- Improve university service and outreach
- Recruit and retain a diverse and highly qualified student body
- Increase financial support for the University
- Preserve and improve the historical character and physical environment of the campus

The University's Board of Trustees is informed of planning documents submitted to the IBHE as well as overall development of the University's "Strategic Plan."

Our review of the University functions and planning programs at Eastern Illinois University for the year ended June 30, 2005, indicates the University does have a planning system through which it establishes formal written goals consistent with the statutory mandate and authority of the University. The system provides for the goals and objectives of the University to be periodically reevaluated with alternative approaches being considered. The planning system provides for the University's planning to be coordinated with the Illinois Board of Higher Education.

The planning program described above appears reasonable for Eastern Illinois University for the year ended June 30, 2005.

EASTERN ILLINOIS UNIVERSITY

AVERAGE NUMBER OF EMPLOYEES
(UNAUDITED)

Years ended June 30, 2005, 2004 and 2003

	Instructional Activities	Organized Research	Public Services	Academic Support	Student Services	Institutional Support	Operations and Maintenance Physical Plant	Independent Operations	Total All Functions
Year ended June 30, 2005									
Appropriated funds									
Faculty/administrative	627.00	23.20	8.60	49.80	42.90	27.80	2.00	-	781.30
Civil service	120.20	0.40	1.90	67.80	43.30	84.40	103.10	-	421.10
Student employees	21.20	0.60	1.70	15.60	4.60	6.20	5.20	-	55.10
Total	768.40	24.20	12.20	133.20	90.80	118.40	110.30	-	1,257.50
Non-appropriated funds									
Faculty/administrative	23.30	9.80	26.30	3.90	39.70	2.70	42.90	40.50	189.10
Civil service	10.40	1.10	83.80	0.50	33.20	20.00	135.80	120.70	405.50
Student employees	27.70	2.30	6.00	1.90	42.10	3.30	8.50	158.50	250.30
Total	61.40	13.20	116.10	6.30	115.00	26.00	187.20	319.70	844.90
Total all funds	829.80	37.40	128.30	139.50	205.80	144.40	297.50	319.70	2,102.40
Year ended June 30, 2004									
Appropriated funds									
Faculty/administrative	627.60	6.60	7.20	48.30	41.00	27.90	2.00	-	760.60
Civil service	119.90	-	2.10	67.40	44.40	78.30	100.20	-	412.30
Student employees	17.30	0.50	0.70	14.10	4.00	7.50	4.00	-	48.10
Total	764.80	7.10	10.00	129.80	89.40	113.70	106.20	-	1,221.00
Non-appropriated funds									
Faculty/administrative	11.90	6.20	23.60	9.50	37.50	2.00	-	78.80	169.50
Civil service	7.70	1.10	85.80	0.10	32.20	1.70	8.00	270.50	407.10
Student employees	36.30	6.30	7.10	7.10	23.20	3.90	0.50	142.10	226.50
Total	55.90	13.60	116.50	16.70	92.90	7.60	8.50	491.40	803.10
Total all funds	820.70	20.70	126.50	146.50	182.30	121.30	114.70	491.40	2,024.10

EASTERN ILLINOIS UNIVERSITY

AVERAGE NUMBER OF EMPLOYEES - CONTINUED
(UNAUDITED)

Years ended June 30, 2005, 2004 and 2003

	Instructional Activities	Organized Research	Public Services	Academic Support	Student Services	Institutional Support	Operations and Maintenance Physical Plant	Independent Operations	Total All Functions
Year ended June 30, 2003									
Appropriated funds									
Faculty/administrative	616.10	6.20	7.60	50.10	42.30	28.70	2.00	-	753.00
Civil service	116.30	-	3.20	73.60	49.00	80.90	109.80	-	432.80
Student employees	17.90	0.30	0.80	12.80	3.90	10.40	3.90	-	50.00
Total	750.30	6.50	11.60	136.50	95.20	120.00	115.70	-	1,235.80
Non-appropriated funds									
Faculty/administrative	19.10	3.70	17.80	6.00	36.40	1.50	-	39.90	124.40
Civil service	6.10	0.30	83.10	-	33.50	1.10	7.50	267.60	399.20
Student employees	27.90	5.30	15.40	5.80	40.70	3.90	0.10	180.00	279.10
Total	53.10	9.30	116.30	11.80	110.60	6.50	7.60	487.50	802.70
Total all funds	803.40	15.80	127.90	148.30	205.80	126.50	123.30	487.50	2,038.50

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

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

- 1 full-time employee employed 12 months of the fiscal year counts - 1 staff year
- 1 full-time employee employed 6 months of the fiscal year counts - .5 staff year
- 1 one-third time employee employed 12 months of the fiscal year counts - .33 staff year
- 1 one-half time employee employed 6 months of the fiscal year counts - .25 staff year

EASTERN ILLINOIS UNIVERSITY

SERVICE EFFORTS AND ACCOMPLISHMENTS (UNAUDITED)

Years ended June 30, 2005 and 2004

Performance Indicators

	Previous FY 2004	Current FY 2005
Input Indicators		
Appropriation (General and Income Funds)	\$ 82,146,223	\$ 86,046,991
Number of staff years	1,173	1,207
Staff year faculty assignment		
Direct instruction	467.0	491.4
Indirect instruction	78.9	75.2
Department research	10.3	3.5
Department administration	53.1	58.8
Output Indicators		
Fall/student enrollments (FTE)	10,335	10,409
Credit hour production	307,944	307,175
Outcome Indicators		
Degrees conferred	2,709	2,625
Retention rate (fall to fall)	78.3%	78.3%
Graduation rate (6 year)	60.0%	62.0%
Efficiency/Cost Effectiveness Indicators		
Cost per credit hour General and Income Funds/ FTE student	\$ 266.76	\$ 280.12
	\$ 7,948	\$ 8,267

The "Number of staff years" is a measure of staff effort over a twelve-month period, excluding benefits. This number includes all employees on campus. For faculty members, one "staff year" is the equivalent of a full-time teaching load for twelve months. For faculty who have assignments in addition to a full-time load, an additional fraction of a staff year is calculated. For a non-faculty member, one "staff year" is equivalent of a full-time work load for twelve months.

"Staff year faculty assignment" shows how the number of staff years for faculty members is broken down into the four different categories.

EASTERN ILLINOIS UNIVERSITY

SERVICE EFFORTS AND ACCOMPLISHMENTS - CONTINUED
(UNAUDITED)

Years ended June 30, 2005 and 2004

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

	<u>2005</u>	<u>2004</u>
ENROLLMENT STATISTICS		
Summer term		
Undergraduate students	1,750	1,957
Graduate students	910	851
Extension class	<u>1,267</u>	<u>1,135</u>
Total enrollment	<u><u>3,927</u></u>	<u><u>3,943</u></u>
Fall term		
Undergraduate students	9,429	9,311
Graduate students	1,228	1,207
Extension class	<u>994</u>	<u>1,004</u>
Total enrollment	<u><u>11,651</u></u>	<u><u>11,522</u></u>
Full-time equivalent students	<u><u>10,409</u></u>	<u><u>10,335</u></u>
Spring term		
Undergraduate students	8,599	8,471
Graduate students	1,198	1,214
Extension class	<u>1,042</u>	<u>1,048</u>
Total enrollment	<u><u>10,839</u></u>	<u><u>10,733</u></u>
Full-time equivalent students	<u><u>9,578</u></u>	<u><u>9,487</u></u>
Annual full-time equivalent students (based on average per term exclusive of summer term)	<u><u>9,994</u></u>	<u><u>9,911</u></u>

COST PER FULL-TIME EQUIVALENT STUDENT

Current funds unrestricted, state appropriated plus income fund locally held		
General expenditure and transfers	<u>\$ 118,453,754</u>	<u>\$ 129,146,354</u>
Cost per full-time equivalent student	<u>\$ 11,852</u>	<u>\$ 13,031</u>

EASTERN ILLINOIS UNIVERSITY

SCHEDULE OF FEDERAL AND NONFEDERAL EXPENDITURES

Year ended June 30, 2005

	<u>Amount</u>	<u>Percent</u>
Federal funds expended	\$ 12,313,928	6.9%
Nonfederal funds expended	<u>165,592,241</u>	<u>93.1%</u>
Total expenditures (1)	<u>\$ 177,906,169</u>	<u>100.0%</u>

(1) Amount represents operating expenses, interest on capital related debt, amortization of bond costs, loss on disposal of assets, payments to the Foundation and other nonoperating expenses per the Statement of Revenues, Expenses and Changes in Net Assets for the year ended June 30, 2005.

EASTERN ILLINOIS UNIVERSITY

UNDERGRADUATE TUITION AND FEE WAIVERS (UNAUDITED)

For the year ended June 30, 2005

	(Dollar amounts expressed in thousands of dollars)				
	Number of Recipients *	Tuition Waived		Fees Waived	
		Number of Recipients	Value of Waivers	Number of Recipients	Value of Waivers
MANDATORY WAIVERS					
Teacher Special Education	73	76	\$ 298.0	-	\$ -
General Assembly	77	78	279.1	-	-
Reserve Officer's Training Corps	70	70	227.4	-	-
Department of Children and Family Services	7	7	17.8	-	-
Children of Employees	183	187	312.2	-	-
Senior Citizens	-	-	-	-	-
Honorary Scholarships	-	-	-	-	-
SUBTOTAL	410	418	1,134.5	-	-
DISCRETIONARY WAIVERS					
Faculty/Administrators (Non-Civil Service)	1	1	0.2	1	0.1
Civil Service	69	69	56.0	68	15.5
Interinstitutional/Related Agencies	81	84	97.3	83	6.7
Retired University Employees	-	-	-	-	-
Children of Deceased Employees	2	2	8.3	2	3.4
Children of Employees	-	-	-	-	-
Academic/Other Talent	119	134	202.2	-	-
Athletic	128	128	524.0	-	-
Gender Equity in Intercollegiate Athletics	73	76	275.0	-	-
Foreign Exchange Students	5	5	16.5	-	-
Out-of-State Students	-	-	-	-	-
Foreign Students	12	12	93.1	-	-
Student Need - Financial Aid	-	-	-	-	-
Student Need - Special Programs	9	10	21.7	-	-
Cooperating Professionals	-	-	-	-	-
Research Assistants	-	-	-	-	-
Teaching Assistants	-	-	-	-	-
Other Assistants	-	-	-	-	-
Contract/Training Grants	-	-	-	-	-
Other (please specify)**	-	-	-	-	-
ISAC-Shortfall	95	96	74.2	-	-
Charleston City Road	16	16	54.7	-	-
SUBTOTAL	610	633	1,423.2	154	25.7
TOTAL	1,020	1,051	\$ 2,557.7	154	\$ 25.7

* Unduplicated

** Other waiver categories must be approved by the Board of Higher Education prior to reporting

EASTERN ILLINOIS UNIVERSITY

GRADUATE TUITION AND FEE WAIVERS (UNAUDITED)

For the year ended June 30, 2005

(Dollar amounts expressed in thousands of dollars)

	Number of Recipients *	Tuition Waived		Fees Waived	
		Number of Recipients	Value of Waivers	Number of Recipients	Value of Waivers
MANDATORY WAIVERS					
Teacher Special Education	14	14	\$ 37.2	-	\$ -
General Assembly	1	1	0.4	-	-
Reserve Officer's Training Corps	1	1	2.1	-	-
Department of Children and Family Services	-	-	-	-	-
Children of Employees	-	-	-	-	-
Senior Citizens	-	-	-	-	-
Honorary Scholarships	-	-	-	-	-
SUBTOTAL	16	16	39.7	-	-
DISCRETIONARY WAIVERS					
Faculty/Administrators (Non-Civil Service)	48	53	42.7	53	16.6
Civil Service	43	43	33.1	41	13.1
Interinstitutional/Related Agencies	9	12	12.6	12	2.6
Retired University Employees	-	-	-	-	-
Children of Deceased Employees	-	-	-	-	-
Children of Employees	-	-	-	-	-
Academic/Other Talent	2	2	5.8	-	-
Athletic	-	-	-	-	-
Gender Equity in Intercollegiate Athletics	-	-	-	-	-
Foreign Exchange Students	-	-	-	-	-
Out-of-State Students	-	-	-	-	-
Foreign Students	48	49	207.1	-	-
Student Need - Financial Aid	-	-	-	-	-
Student Need - Special Programs	5	5	7.6	-	-
Cooperating Professionals	347	374	217.7	328	76.1
Research Assistants	70	131	225.4	-	-
Teaching Assistants	240	265	753.4	-	-
Other Assistants	150	199	702.5	-	-
Contract/Training Grants	70	71	125.6	-	-
SUBTOTAL	1,032	1,204	2,333.5	434	108.4
TOTAL	1,048	1,220	\$ 2,373.2	434	\$ 108.4

* Unduplicated

EASTERN ILLINOIS UNIVERSITY

CALCULATION OF THREE PERCENT UNDERGRADUATE
TUITION WAIVER ALLOWANCE (UNAUDITED)

For the year ended June 30, 2005

	<u>2005*</u>
Total Undergraduate Tuition Revenue	\$ 34,830.8
Total Undergraduate Waivers	A. <u>2,557.7</u>
Total Tuition Charged and Waived	B. 37,388.5
Undergraduate Waivers Excluded from 3% Limit:	
Mandatory	\$ 1,134.5
Civil Service	56.0
Interinstitutional/Related Agencies	97.3
Gender Equity	275.0
Foreign Exchange	<u>16.5</u>
Total Waivers Excluded from 3% Limit	C. <u>1,579.3</u>
Total Waivers Subject to 3% Limit	
Deduct C from A	978.4
3% Allowance	
Enter 3% of B	<u>1,121.7</u>
Excess Waived	<u><u>\$ -</u></u>

* (Dollar amounts expressed in thousands)

EASTERN ILLINOIS UNIVERSITY

COMMENTS ON CERTAIN MATTERS PERTAINING TO
THE UNIVERSITY GUIDELINES

Year ended June 30, 2005

The following comments on certain matters are a requirement of the Office of the Auditor General based on a memo dated July 25, 2000, by the Compliance Audit Director. The letters preceding each comment below correspond to the letter under item 13 of the above mentioned memo requiring the comments. Refer to pages 83-86 of this report for location of all items required by this memo.

Compliance Findings

- a. Compliance Findings pertaining to the 1982 University Guidelines

None

Indirect Cost Reimbursements

- b. Statement of Sources and Applications of Indirect Cost Recoveries

Please refer to page 72 of this report for the sources and applications.

- c. Calculation for Indirect Cost Carry-forward

Please refer to page 73 of this report for such calculation sheet.

Tuition, Charges and Fees

- d. Tuition Diverted to Auxiliary Enterprise Operations

Eastern Illinois University does have statutory authority to, but did not, divert tuition to auxiliary enterprise operations.

Auxiliary Enterprises, Activities and Accounting Entities

- e. Identification of Each Specific Accounting Entity and Description of the Sources of Revenue and Purpose of Each

Please refer to pages 88-89 of this report.

- f. Financial Statements by Entity

Please refer to pages 49-64 of this report.

- g. Calculations of current excess funds for each entity and disclosure of any excess funds deposited into the Income Fund.

Please refer to the calculation sheets beginning with page 90 of this report. Per our testing, the University correctly deposited the excess funds into the Income Fund within the time limit.

EASTERN ILLINOIS UNIVERSITY

COMMENTS ON CERTAIN MATTERS PERTAINING TO
THE UNIVERSITY GUIDELINES - CONTINUED

Year ended June 30, 2005

Auxiliary Enterprises, Activities and Accounting Entities - Continued

- h. Disclosure of Support which Auxiliary Enterprises and Activities Have Received During the Year from State Appropriated Funds

The University's auxiliary enterprises and activities received support from State appropriated funds for the years ended June 30, 2005 and 2004. The amount of this support was estimated by University management and is as follows:

	<u>2005</u>	<u>2004</u>
Group insurance	\$ 6,231,317	\$ 5,258,175
Pension	2,212,953	14,210,534

- i. Statement of Revenue and Expenditures for Various Bond Indenture Required Accounts

Revenue and expenditures for the various bond indenture required accounts are included on pages 54 through 56 and pages 59 through 60 of the June 30, 2005, compliance report. Description of the accounts and requirements is included in Note 10 of the June 30, 2005 financial statements.

- j. Statement of Whether Revenue Bond Accounting Conforms to the Terms of the Bond Indenture

Audit tests of the revenue bond fund accounting revealed no instances of noncompliance with the terms of the bond indenture during the year ended June 30, 2005.

- k. List and Description of Non-Instructional Facilities Reserves

There were no development reserve accounts established under revenue bond covenants as of June 30, 2005. During Fiscal Year 2000, the University sold the President's house and the Board of Trustees of the University designated that the proceeds from the sale of this property be used to upgrade the meeting facilities of the University. The proceeds of this sale were recorded in the revenue bond activity in a development reserve account in anticipation that the funds would be used to upgrade revenue bond property. There were \$34,133 of expenditures during FY05 which were renovations made to a ballroom located in the University Union. The account also earned interest of \$642 leaving a balance in the reserve of \$27,828 at June 30, 2005.

University Related Organizations

- l. List of All UROs
List of Independent Organizations

The Eastern Illinois University Foundation and Eastern Illinois University Alumni Association, Inc. are recognized by Eastern Illinois University as University Related Organizations. There are no organizations considered by the University to be independent organizations, as defined in Section VII of the University Guidelines of 1982, as amended, issued by the Legislative Audit Commission.

EASTERN ILLINOIS UNIVERSITY

COMMENTS ON CERTAIN MATTERS PERTAINING TO
THE UNIVERSITY GUIDELINES - CONTINUED

Year ended June 30, 2005

University Related Organizations - Continued

m. Disclosure of Payments by UROs to University for Services Provided

A summary of Foundation and Alumni Association payments to the University is included on page 87.

n. Disclosure of Payment by University to UROs for Services Provided

The University provided cash, services and resources of \$183,683 to the Eastern Illinois University Foundation for the year ended June 30, 2005, and \$25,625 to the Eastern Illinois University Alumni Association, Inc. for the year ended June 30, 2005, for services provided to the University Related Organizations.

o. Disclosure of Cumulative Amount of Unreimbursed Subsidies

Since July 1, 1985, there has been no unreimbursed subsidy to the Foundation from the University. Prior to July 1, 1985, no determination was made as to the amount of subsidies, if any, provided by the University to the Foundation.

Details of resources provided to and benefits received from the Alumni Association are reported below:

Fiscal year ended June 30,	Resources Eastern Illinois University provided to Alumni Association	Benefits Eastern Illinois University received from Alumni Association	Net
1985	\$ 6,592	\$ 6,592	\$ -
1986	9,940	11,942	(2,002)
1987	11,696	12,220	(524)
1988	11,800	13,187	(1,387)
1989	11,936	11,936	-
1990	1,829	12,000	(10,171)
1991	5,267	12,000	(6,733)
1992	31,213	11,664	19,549
1993	14,751	12,563	2,188
1994	25,137	19,285	5,852
1995	16,805	22,568	(5,763)
1996	15,121	19,187	(4,066)
1997	9,571	18,187	(8,616)
1998	12,884	18,187	(5,303)
1999	18,363	18,187	176
2000	20,905	44,580	(23,675)
2001	25,293	60,613	(35,320)
2002	27,234	56,921	(29,687)
2003	24,536	57,487	(32,951)
2004	25,240	57,873	(32,633)
2005	25,625	138,093	(112,468)
Net (deficiency) of resources provided			<u>\$ (283,534)</u>

EASTERN ILLINOIS UNIVERSITY

COMMENTS ON CERTAIN MATTERS PERTAINING TO
THE UNIVERSITY GUIDELINES - CONTINUED

Year ended June 30, 2005

University Related Organizations - Continued

p. Description of Any Debt Financing by a URO

During fiscal year 2002, the Eastern Illinois University Foundation assumed a demand mortgage note payable for the purchase of land and construction of a new foundation center, known as the Neal Welcome Center. The outstanding balance of this demand mortgage note payable was \$1,512,238 at June 30, 2005.

Other Topics

q. Schedule of Cash and Investments

A schedule of cash and investments is presented on page 71 of this report.

r. Statement Regarding Income from Investments of Pooled Funds

Investment income of unrestricted pooled funds has been allocated and credited to the original sources of the funds to the extent practical. There was no unallocated investment income that was required to be paid into the Income Fund.

s. Costs per Full-Time Equivalent Student

A schedule of costs per full-time equivalent student is presented on page 78 of this report.

t. Disclosure of Acquisition of Real Estate by University or URO not Funded by Separate Specific Appropriation

The University incurred expenses in the amount of \$45,160 for the purchase of a property in Coles County that will be used for a tower for WEIU. This property was acquired using grant funds.

u. Disclosure of the issuance of certificates of participation (COPS) or the participation in lease or purchase arrangements involving COPS describing each transaction.

The University issued certificates of participation in the amount of \$9.7 million during June 2005. These will be used to help finance various capital improvements on campus including the Doudna Fine Arts Center and an addition to Blair Hall.

EASTERN ILLINOIS UNIVERSITY

SUMMARY OF EASTERN ILLINOIS UNIVERSITY FOUNDATION
AND ALUMNI ASSOCIATION PAYMENTS TO THE UNIVERSITY

Years ended June 30, 2005 and 2004

Foundation

During the years ended June 30, 2005 and 2004, the Foundation was under contract with the University to provide the University with fund-raising services. As provided in the contract, the University provided cash, services and other resources to the Foundation in the amount of \$183,683 and \$177,130, respectively. Although not required by contract, the Foundation fully repaid the University for these advances using cash, services and resources considered unrestricted for purposes of the University Guidelines computations. In addition, the Foundation gave the University funds which are considered restricted for purposes of the Guidelines computations. Presented below is a summary of all funds that the Foundation gave to the University during the years ended June 30:

	<u>2005</u>	<u>2004</u>
Funds considered unrestricted for purposes of the Guidelines computations:		
Unrestricted	\$ -	\$ -
Restricted only as to campus, college or department and generally available for on-going University operations	1,022,676	3,396,304
Office and warehouse space and utilities provided at no charge	<u>59,733</u>	<u>55,533</u>
Total funds considered unrestricted	<u>1,082,409</u>	<u>3,451,837</u>
Funds considered restricted for purposes of the Guidelines computations:		
Given for scholarships, grants and awards	<u>523,678</u>	<u>534,567</u>
Total funds considered restricted	<u>523,678</u>	<u>534,567</u>
Total funds provided to the University by the Foundation	<u>\$ 1,606,087</u>	<u>\$ 3,986,404</u>

Alumni Association

The Alumni Association provided office space to the University with an annual fair market value of \$47,536 and \$47,373 for the years ended June 30, 2005 and 2004, respectively.

Additionally, during the years ended June 30, 2005 and 2004, the Alumni Association provided unrestricted grants to the University in the amounts of \$90,557 and \$10,500, respectively.

No funds were given by the Alumni Association to the University for restricted purposes.

EASTERN ILLINOIS UNIVERSITY

LISTING OF THE UNIVERSITY'S ACCOUNTING ENTITIES, SOURCES OF REVENUE AND PURPOSE OF EACH ENTITY

Year ended June 30, 2005

Auxiliary Enterprises (Revenue Bond)

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

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

Auxiliary Enterprises (Other)

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

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

Designated Funds - Auxiliary Activities

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

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

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

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

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

EASTERN ILLINOIS UNIVERSITY

LISTING OF THE UNIVERSITY'S ACCOUNTING ENTITIES,
SOURCES OF REVENUE AND PURPOSE OF EACH ENTITY - CONTINUED

Year ended June 30, 2005

Designated Funds - Auxiliary Activities - Continued

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

Belgium Study Abroad	Ireland Study Abroad
Biological Sciences Field Trips	Ireland Study Abroad #2
Canada Study Abroad	Italy Study Abroad #1
Convention/Trade Show Trip	Italy Study Abroad #2
Europe Study Abroad	Monterey Bay Field Studies
Geography & Geology Field Trips	Netherlands Study #1
Geology-Geography Field Trip	South Africa Study Abroad
Geology Field Studies	South American Field Studies
Harlexton Study Abroad	Tour of Black Universities & Colleges

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

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

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

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISES - REVENUE BOND
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 STUDENT LIVING

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash	\$	2,996,385
Cash equivalents		<u>1,199,557</u>
Total current available funds	A.	<u>4,195,942</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Highest month's expenditures		3,688,059
Encumbrances and current liabilities paid in lapse period		803,611
Deferred income		236,584
Refundable deposits		240,382
Allowance for sick leave/vacation payouts		<u>1,047,514</u>
Working Capital Allowance	B.	<u>6,016,150</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,820,208)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (1,820,208)</u>

EASTERN ILLINOIS UNIVERSITY

AUXILIARY ENTERPRISES - REVENUE BOND
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 STUDENT FACILITIES

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		\$ 58,160
Cash equivalent		<u>126,415</u>
Total current available funds	A.	<u>184,575</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Highest month's expenditures		1,133,383
Encumbrances and current liabilities paid in lapse period		185,423
Deferred income		105,910
Allowance for sick leave/vacation payouts		<u>172,772</u>
Working Capital Allowance	B.	<u>1,597,488</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,412,913)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (1,412,913)</u></u>

EASTERN ILLINOIS UNIVERSITY
 AUXILIARY ENTERPRISES - OTHER
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 STUDENT/STAFF PROGRAMS

June 30, 2005

1.	CURRENT AVAILABLE FUNDS		
	Cash	\$	131,101
	Cash equivalent		<u>85,838</u>
	Total current available funds	A.	<u>216,939</u>
2.	WORKING CAPITAL ALLOWANCE		
	Add		
	Highest month's expenditures		93,088
	Encumbrances and current liabilities paid in lapse period		19,800
	Deferred income		<u>104,356</u>
	Working Capital Allowance	B.	<u>217,244</u>
3.	CURRENT EXCESS FUNDS		
	Deduct B from A	C.	(305)
4.	CALCULATION OF INCOME FUND REMITTANCE		
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (305)</u>

EASTERN ILLINOIS UNIVERSITY
 AUXILIARY ENTERPRISES - OTHER
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 REGIONAL SERVICES

June 30, 2005

1. CURRENT AVAILABLE FUNDS			
	Cash	\$	703
	Cash equivalent		<u>278</u>
	Total current available funds	A.	<u>981</u>
2. WORKING CAPITAL ALLOWANCE			
	Add		
	Highest month's expenditures		<u>217</u>
	Working Capital Allowance	B.	<u>217</u>
3. CURRENT EXCESS FUNDS			
	Deduct B from A	C.	764
4. CALCULATION OF INCOME FUND REMITTANCE			
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ 764</u></u>

EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STUDENT FEE PROGRAMS

June 30, 2005

1.	CURRENT AVAILABLE FUNDS		
	Cash	\$	785,933
	Cash equivalent		<u>197,160</u>
	Total current available funds	A.	<u>983,093</u>
2.	WORKING CAPITAL ALLOWANCE		
	Add		
	Highest month's expenditures		1,940,225
	Encumbrances and current liabilities paid in lapse period		353,127
	Deferred income		<u>207,091</u>
	Working Capital Allowance	B.	<u>2,500,443</u>
3.	CURRENT EXCESS FUNDS		
	Deduct B from A	C.	(1,517,350)
4.	CALCULATION OF INCOME FUND REMITTANCE		
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (1,517,350)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 MATERIAL FEES

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		\$ 12,681
Cash equivalent		<u>4,976</u>
Total current available funds	A.	<u>17,657</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Highest month's expenditures		34,731
Encumbrances and current liabilities paid in lapse period		12,994
Deferred income		<u>284</u>
Working Capital Allowance	B.	<u>48,009</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(30,352)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (30,352)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 SERVICE DEPARTMENTS

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		\$ 1,663,966
Cash equivalent		<u>92,593</u>
Total current available funds	A.	<u>1,756,559</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Highest month's expenditures		2,690,472
Encumbrances and current liabilities paid in lapse period		3,743,983
Deferred income		257
Allowance for sick leave/vacation payouts		<u>138,906</u>
Working Capital Allowance	B.	<u>6,573,618</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(4,817,059)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (4,817,059)</u>

EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STUDENT/STAFF PROGRAMS

June 30, 2005

1.	CURRENT AVAILABLE FUNDS		
	Cash	\$	42,763
	Cash equivalent		<u>15,376</u>
	Total current available funds	A.	<u>58,139</u>
2.	WORKING CAPITAL ALLOWANCE		
	Add		
	Highest month's expenditures		88,905
	Encumbrances and current liabilities paid in lapse period		10,187
	Deferred income		<u>5,312</u>
	Working Capital Allowance	B.	<u>104,404</u>
3.	CURRENT EXCESS FUNDS		
	Deduct B from A	C.	(46,265)
4.	CALCULATION OF INCOME FUND REMITTANCE		
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (46,265)</u>

EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
EDUCATIONAL SERVICES

June 30, 2005

1.	CURRENT AVAILABLE FUNDS		
	Cash	\$	43,636
	Cash equivalent		<u>16,312</u>
	Total current available funds	A.	<u>59,948</u>
2.	WORKING CAPITAL ALLOWANCE		
	Add		
	Highest month's expenditures		77,855
	Encumbrances and current liabilities paid in lapse period		8,063
	Deferred income		<u>6,702</u>
	Working Capital Allowance	B.	<u>92,620</u>
3.	CURRENT EXCESS FUNDS		
	Deduct B from A	C.	(32,672)
4.	CALCULATION OF INCOME FUND REMITTANCE		
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (32,672)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - BELGIUM STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 10,630</u>
Total current available funds	A.	<u>10,630</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Deferred income		<u>12,178</u>
Working Capital Allowance	B.	<u>12,178</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,548)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (1,548)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - BIOLOGICAL SCIENCES FIELD TRIPS

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (46)</u>
Total current available funds	A.	<u> (46)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u> -</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(46)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u> -</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u> \$ (46)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - CANADA STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (1,282)</u>
Total current available funds	A.	<u>(1,282)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u>-</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,282)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (1,282)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - CONVENTION/TRADE SHOW TRIP

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (1,227)</u>
Total current available funds	A.	<u>(1,227)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u>-</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,227)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (1,227)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 UNIQUE CHARGES CREDIT COURSES - EUROPE STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 22,050</u>
Total current available funds	A.	<u>22,050</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u>24,048</u>
Working Capital Allowance	B.	<u>24,048</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(1,998)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (1,998)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - GEOGRAPHY AND GEOLOGY FIELD TRIPS

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 39,150</u>
Total current available funds	A.	<u>39,150</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Deferred income		<u>39,668</u>
Working Capital Allowance	B.	<u>39,668</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(518)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (518)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - GEOLOGY-GEOGRAPHY FIELD TRIP

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (25)</u>
Total current available funds	A.	<u>(25)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u>-</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(25)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (25)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - GEOLOGY FIELD STUDIES

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 304</u>
Total current available funds	A.	<u> 304</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u> 304</u>
Working Capital Allowance	B.	<u> 304</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	<u> -</u>
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u> -</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u> -</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - HARLEXTON STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 41,286</u>
Total current available funds	A.	<u>41,286</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Deferred income		<u>54,995</u>
Working Capital Allowance	B.	<u>54,995</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(13,709)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (13,709)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 UNIQUE CHARGES CREDIT COURSES - IRELAND STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (7,970)</u>
Total current available funds	A.	<u>(7,970)</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u>194</u>
Working Capital Allowance	B.	<u>194</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(8,164)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (8,164)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 UNIQUE CHARGES CREDIT COURSES - IRELAND STUDY ABROAD #2

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (14,420)</u>
Total current available funds	A.	<u>(14,420)</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		576
Deferred income		<u>4,427</u>
Working Capital Allowance	B.	<u>5,003</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(19,423)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (19,423)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - ITALY STUDY ABROAD #1

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (13,242)</u>
Total current available funds	A.	<u>(13,242)</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u>530</u>
Working Capital Allowance	B.	<u>530</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(13,772)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (13,772)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - ITALY STUDY ABROAD #2

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (5,148)</u>
Total current available funds	A.	<u>(5,148)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u>-</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(5,148)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (5,148)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - MONTEREY BAY FIELD STUDY

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (650)</u>
Total current available funds	A.	<u> (650)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u> -</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(650)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u> -</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u> \$ (650)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - NETHERLANDS STUDY #1

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ 17,692</u>
Total current available funds	A.	<u>17,692</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u>23,160</u>
Working Capital Allowance	B.	<u>23,160</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(5,468)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (5,468)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - SOUTH AFRICA STUDY ABROAD

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (7,942)</u>
Total current available funds	A.	<u>(7,942)</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Encumbrances and current liabilities paid in lapse period		<u>8,808</u>
Working Capital Allowance	B.	<u>8,808</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(16,750)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (16,750)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - SOUTH AMERICAN FIELD STUDIES

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		<u>\$ (5)</u>
Total current available funds	A.	<u> (5)</u>
2. WORKING CAPITAL ALLOWANCE		
Working Capital Allowance	B.	<u> -</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	<u> (5)</u>
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u> -</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u><u>\$ (5)</u></u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
UNIQUE CHARGES CREDIT COURSES - TOUR OF BLACK UNIVERSITIES AND COLLEGES

June 30, 2005

1. CURRENT AVAILABLE FUNDS	
Cash	<u>\$ (600)</u>
Total current available funds	A. <u>(600)</u>
2. WORKING CAPITAL ALLOWANCE	
Working Capital Allowance	B. <u>-</u>
3. CURRENT EXCESS FUNDS	
Deduct B from A	C. (600)
4. CALCULATION OF INCOME FUND REMITTANCE	
An entity may offset excess capital or current funds within the entity.	
Enter the amount to be offset, if any, here	D. <u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund	<u><u>\$ (600)</u></u>

EASTERN ILLINOIS UNIVERSITY
DESIGNATED FUNDS - AUXILIARY ACTIVITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
PUBLIC SERVICE ACTIVITIES

June 30, 2005

1.	CURRENT AVAILABLE FUNDS		
	Cash	\$	151,514
	Cash equivalent		<u>75,560</u>
	Total current available funds	A.	<u>227,074</u>
2.	WORKING CAPITAL ALLOWANCE		
	Add		
	Highest month's expenditures		170,296
	Encumbrances and current liabilities paid in lapse period		25,371
	Deferred income		<u>151,707</u>
	Working Capital Allowance	B.	<u>347,374</u>
3.	CURRENT EXCESS FUNDS		
	Deduct B from A	C.	(120,300)
4.	CALCULATION OF INCOME FUND REMITTANCE		
	An entity may offset excess capital or current funds within the entity.		
	Enter the amount to be offset, if any, here	D.	<u>-</u>
	Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (120,300)</u>

EASTERN ILLINOIS UNIVERSITY

DESIGNATED FUNDS - AUXILIARY ACTIVITIES
 CALCULATION SHEET FOR CURRENT EXCESS FUNDS
 CONTINUING EDUCATION CONTRACT CREDIT

June 30, 2005

1. CURRENT AVAILABLE FUNDS		
Cash		\$ 98,827
Cash equivalent		<u>38,630</u>
Total current available funds	A.	<u>137,457</u>
2. WORKING CAPITAL ALLOWANCE		
Add		
Highest month's expenditures		163,473
Encumbrances and current liabilities paid in lapse period		<u>17,790</u>
Working Capital Allowance	B.	<u>181,263</u>
3. CURRENT EXCESS FUNDS		
Deduct B from A	C.	(43,806)
4. CALCULATION OF INCOME FUND REMITTANCE		
An entity may offset excess capital or current funds within the entity.		
Enter the amount to be offset, if any, here	D.	<u>-</u>
Enter the algebraic sum of C and D and deposit the amount due, if any, into the Income Fund		<u>\$ (43,806)</u>

EASTERN ILLINOIS UNIVERSITY

UNAUDITED DATA ON CLASSROOM UTILIZATION

Years ended June 30, 2005 and 2004

The University does not have data readily available for the fall term of 2004. The Illinois Board of Higher Education only requires the data to be submitted for the fall semester of every other year. The June 2004 compliance report presented fall term 2003 data, which satisfied the every other year requirement. The University will present fall term 2005 data with the June 30, 2006 report.

EASTERN ILLINOIS UNIVERSITY

UNAUDITED SCHEDULE OF ACCRUED LIABILITY FOR EMPLOYEE COMPENSATED ABSENCES

Ten years ended June 30, 2005

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

	<u>Accrued Vacation Pay</u>	<u>Accrued Sick Pay</u>	<u>Compensatory Time Off *</u>	<u>Total</u>
2005	4,729,901	9,919,682	67,193	14,716,776
2004	4,472,856	10,544,418	61,176	15,078,450
2003	4,335,068	11,199,915	58,706	15,593,689
2002	4,238,942	11,902,280	64,325	16,205,547
2001	3,959,344	11,766,238	53,867	15,779,449
2000	3,748,089	12,136,339	55,217	15,939,645
1999	3,465,511	12,598,964	50,867	16,115,342
1998	3,256,722	12,953,725	35,726	16,246,173
1997	3,140,405	12,890,094	57,492	16,087,991
1996	2,883,815	11,719,294	56,556	14,659,665

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

* In accordance with the Board of Governors Regulations (Section II, Subsection C.8.a.) for 1996 and 1997 and Eastern Illinois University's Internal Governing Policy #38 for 1998 to 2005, the University will compensate its civil service employees for overtime "at time and one-half in cash or by allowing compensatory time off, for all time in a work week in excess of the number of hours of work comprising an established full-time daily or weekly work schedule." Civil service employees may carry over the unused compensatory time off for one year. At that time, the compensatory time off must either be used or the employee is paid in cash.

EASTERN ILLINOIS UNIVERSITY
EMERGENCY PURCHASES AND ILLINOIS FIRST PROJECTS
Year ended June 30, 2005

For fiscal year 2005, no emergency purchases or Illinois First Projects were noted.