

**STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION**

**COMPLIANCE EXAMINATION**

For The Two Years Ended June 30, 2005

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2005

**AGENCY OFFICIALS**

**Board of Higher Education**

|   |                       |
|---|-----------------------|
| Executive Director (effective 11/12/05)           | Judy Erwin            |
| Acting Executive Director (8/16/04 to 11/11/05)   | Thomas R. Lamont      |
| Executive Director (until 8/6/2004)               | Dr. Daniel J. LaVista |
| Deputy Directors:                                 |                       |
| Academic Affairs (effective 11/1/2004)            | Gary Alexander        |
| Academic Affairs (until 10/15/2003)               | Diane Gilleland       |
| Planning and Budgeting (effective 5/2/2005)       | Michael Baumgartner   |
| Planning and Budgeting (until 4/30/2005)          | Dan Layzell           |
| Senior Associate Director – Grants Administration | Terry Nunn            |
| Fiscal Officer                                    | Peggy Podlasek        |

**Board Members**

As of June 30, 2005, the Board was comprised of:

|                               |                     |
|-------------------------------|---------------------|
| James L. Kaplan (Chairman)    | Cordelia Meyer      |
| Lucy A. Sloan (Vice Chairman) | Proshanta K. Nandi  |
| Guy Alongi                    | Robert J. Ruiz      |
| J. Robert Barr                | Gilbert L. Rutman   |
| Frances G. Carroll            | Steven M. Taslitz   |
| Samuel K. Gove                | Elmer L. Washington |
| Alice B. Hayes                | Mark D. Weber       |

Agency office is located at:

Board of Higher Education  
431 East Adams Street, Second Floor  
Springfield, IL 62701-1404



## ILLINOIS BOARD OF HIGHER EDUCATION

431 EAST ADAMS STREET, 2ND FLOOR  
SPRINGFIELD, ILLINOIS 62701-1404

November 17, 2005

**Chairman**  
James L. Kaplan  
Lincolnshire

**Executive Director**  
Judy Erwin

**Vice Chair**  
Lucy A. Sloan  
Carbondale

Honorable William G. Holland  
Auditor General  
Iles Park Plaza  
740 E. Ash  
Springfield, IL 62703-3154

Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grants that could have a material effect on the operations of the Illinois Board of Higher Education (Board). 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 Board's compliance with the following assertions during the two-year period ended June 30, 2005. Based on this evaluation, we assert that during the years ended June 30, 2004 and June 30, 2005, the Board has materially complied with the assertions below.

- A. The Board 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 Board 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 Board 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 Board 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.

**Members**  
Guy Alongi  
DuQuoin

Frances G. Carroll  
Chicago

Alice B. Hayes  
Chicago

Donald J. McNeil  
Chicago

Cordelia Meyer  
Chicago

John P. Minogue  
Chicago

Proshanta K. Nandi  
Springfield

Robert J. Ruiz  
Oak Lawn

Gilbert L. Rutman  
Edwardsville

Steven M. Taslitz  
Glencoe

Elmer L. Washington  
Park Forest


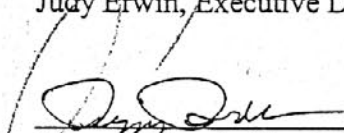
Addison E. Woodward, Jr.  
Palos Park

**Student Member**  
Matt DeRosa  
Rantoul

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

Yours very truly,

Illinois Board of Higher Education

  
\_\_\_\_\_  
Judy Erwin, Executive Director  
\_\_\_\_\_  
Peggy Podlasek, Fiscal Officer

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2005

**COMPLIANCE REPORT**

**SUMMARY**

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

**AUDITORS' REPORT**

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

**SUMMARY OF FINDINGS**

| <u>Number of</u>                                     | <u>This Report</u> | <u>Prior Report</u> |
|--|--------------------|---------------------|
| Findings   | 2                  | 2                   |
| Repeated findings                                    | 1                  | 1                   |
| Prior recommendations implemented<br>or not repeated | 1                  | 0                   |

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

**SCHEDULE OF FINDINGS**

| <u>Item No.</u>                                | <u>Page</u> | <u>Description</u>   |
|--|-------------|--|
| FINDINGS (STATE COMPLIANCE)                    |             |  |
| 05-1   | 8           | 1998 Management Audit of Tuition and Fee Waivers recommendation not implemented    |
| 05-2   | 10          | Failure to enforce compliance with Rules and Regulations over State grants awarded |
| PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE) |             |  |
| 05-3   | 13          | Excess inventory not transferred   |

**EXIT CONFERENCE**

The Illinois Board of Higher Education waived an exit conference in a letter dated January 23, 2006. Responses to the recommendations were provided by Ms. Peggy Podlasek, Fiscal Officer, in a letter dated January 31, 2006.

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FAX: 312/814-4006

OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

INDEPENDENT ACCOUNTANTS' 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**

We have examined the State of Illinois, Board of Higher Education's 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 two years ended June 30, 2005. The management of the State of Illinois, Board of Higher Education is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Board of Higher Education's compliance based on our examination.

- A. The State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education on behalf of the State or held in trust by the State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education'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 State of Illinois, Board of Higher Education's compliance with specified requirements.

In our opinion, the State of Illinois, Board of Higher Education complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2005. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of State findings as findings 05-1 and 05-2.

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

### **Internal Control**

The management of the State of Illinois, Board of Higher Education 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 State of Illinois, Board of Higher Education'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 as findings 05-1 and 05-2.

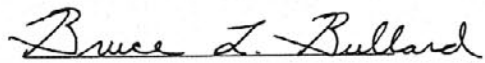
As required by the Audit Guide, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter.

**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 2005 and the 2004 Supplementary Information for State Compliance Purposes, except for information on the Service Efforts and Accomplishments and Grants by Institution 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, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.



BRUCE L. BULLARD, CPA  
Director of Financial and Compliance Audits

November 17, 2005



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2005

05-1 **FINDING** (1998 Management Audit of Tuition and Fee Waivers recommendation not implemented.)

The Board of Higher Education (Board) did not fully implement one recommendation of the 1998 Management Audit of Tuition and Fee Waivers.

The 1998 Management Audit of Tuition and Fee Waivers recommended that the Board should update its regulations to reflect its current three percent waiver limit. The Board had not established the three percent limit on undergraduate institutional tuition waivers in regulations, as required by State law; rather, the Board regulations contained an outdated (1988) policy which limits tuition waivers to two percent of fall full time enrollment.

- In response to the 1998 management audit, the Board stated that it would review its waiver policies and regulations and ensure the two are consistent.
- During the FY01 engagement, the Board said it planned to take a comprehensive set of changes to its rules and regulations to the Joint Committee on Administrative Rules, which would address the limit on undergraduate institutional tuition waivers.
- During the FY03 engagement, the Board stated its work plan had been adjusted to ensure that the necessary resources would be available to address the revisions to the regulations.
- The current engagement's follow-up found that the Board still had not updated its regulations to ensure consistency between the regulations and the Tuition and Fee waiver program policies.

Board personnel stated that the recommendation has not been implemented due to Executive Director turnover and the complexity of this project.

Failure to update the regulations result in inconsistent guidance between the regulations and the Tuition and Fee Waiver program policy. In the prior period, the Board had not evaluated its graduate tuition waiver limits or its waiver programs. In the current period, the Tuition Waiver Study Group was assigned to and completed an evaluation of graduate tuition waiver limits and programs. (Finding Code No. 05-1, 03-2, 01-1, 1998 Management Audit of Tuition and Fee Waivers)

**RECOMMENDATION**

We recommend that the Board should update its regulations to reflect its current three percent waiver limit, as recommended seven years ago in the Management Audit of Tuition and Fee Waivers.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2005

**BOARD RESPONSE**

The Board acknowledges that the recommendations of the 1998 Management Audit of Tuition and Fee Waivers have yet to be fully implemented. At its December 2005 meeting, the Board approved a regulatory agenda for 2006 that includes review of 23 Ill. Adm. Code 1070, the administrative rule that contains the tuition waiver limit that is the subject of the finding. The recommendation that the Board update its regulations to reflect its current three percent waiver limit will be addressed during that review.

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
 For the Two Years Ended June 30, 2005

05-2. **FINDING** (Failure to enforce compliance with Rules and Regulations over State grants awarded)

The Board of Higher Education (Board) did not enforce compliance with its Rules and Regulations over State grants awarded regarding timely submission of required reports and schedules. As a result, the Board's ability to monitor State grants was negatively impacted. During our testing, we noted the following:

- For five of 50 (10%) grants tested, the grantees did not submit an audit report within the required time after the end of the grant period. The audit reports were received between 27 and 198 days late.

| Number of Grants | Type of Grant                                 | Time Requirement | Days Late |
|------------------|---|------------------|-----------|
| 3                | Higher Education Cooperation Act Grant (HECA) | 90 days          | 114 - 198 |
| 1                | General Grant                                 | 120 days         | 182       |
| 1                | Illinois Cooperative Work Study Grant         | 90 days          | 27        |

The Administrative Code regarding Higher Education Cooperation Act Grants and Illinois Cooperative Work Study Grants (23 Ill. Adm. Code 1010.30 and 23 Ill. Adm. Code 1015.60) requires grantees to submit audit reports within 90 days after the end of the grant period. In addition, the Administrative Code regarding General Grants (23 Ill. Adm. Code 1001.50) requires grantees to submit audit reports within 120 days after the end of the grant period.

- For two of 50 (4%) grants tested, the audit reports submitted were not grant specific audits nor did they include a schedule of actual grant expenditures, as required, so that the Board could determine if expenditures were valid or if a refund was due.

One grantee contended that a Single Audit conducted by the Office of the Auditor General (OAG) was sufficient. However, these grants are State funded, not federally funded, and the grant agreement required a grant specific audit of the State grant. In addition, another grantee, with approval from the Board, agreed to submit its OAG compliance report in lieu of an audit of grant expenditures. However, the OAG compliance engagement would not adequately cover the requirements of a grant audit of expenditures as required in the Administrative Code.

| Number of Grants | Type of Grant | Time Requirement (schedule) | Days Late for submission of required schedule | Time Requirement (refund) | Days Late for submission of refund |
|------------------|---------------|-----------------------------|---|---------------------------|------------------------------------|
| 1                | HECA Grant    | 90 days                     | 243   | 45 days                   | 272                                |
| 1                | General Grant | 120 days                    | 227   | n/a                       | n/a                                |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
 For the Two Years Ended June 30, 2005

The Board requested a schedule of actual grant expenditures from these two grantees; however, these requests were not made within the timeframes required by the Administrative Code. As a result of the request, the Board received two refunds from Higher Education Cooperation Act (HECA) Grants totaling \$7,301. One refund was for a grant in question and the other refund was related to a grant not tested by the auditors. Both refunds were received 317 days after the end of the grant period, which is 272 days late according to the Illinois Grant Funds Recovery Act.

The Illinois Grant Funds Recovery Act (Act) (30 ILCS 705/5-6) requires State grant funds to be refunded to the grantor agency within 45 days of the end of the grant period. It also requires the grantor agency to take affirmative and timely action to recover all improperly held grant funds.

The Administrative Code regarding HECA Grants (23 Ill. Adm. Code 1010.30) requires grantees to submit an audit of (grant) expenditures prepared by an external auditor who is registered as a public accountant by the Illinois Department of Professional Regulation.

The Administrative Code regarding General Grants (23 Ill. Adm. Code 1001.50) requires grantees to submit a schedule of budgeted and actual grant expenditures audited by an external auditor who is licensed as a public accountant by the Illinois Department of Professional Regulation.

- For two of 50 (4%) grants tested, the grantees did not submit an evaluation report within 90 days after the end of the grant period.

| Number of Grants | Type of Grant                          | Time Requirement | Days Late |
|------------------|--|------------------|-----------|
| 1                | Higher Education Cooperation Act Grant | 90 days          | 214       |
| 1                | Illinois Cooperative Work Study Grant  | 90 days          | 26        |

The Administrative Code regarding Higher Education Cooperation Act Grants and Illinois Cooperative Work Study Grants (23 Ill. Adm. Code 1010.30 and 23 Ill. Adm. Code 1015.60) requires grantees to submit evaluation reports within 90 days after the end of the grant period.

Board personnel stated that when required items are not submitted timely, they contact the grantee by phone, e-mail, and letter to remind them that the item is due and stay in contact with the grantee until the required items are submitted. Board personnel also indicated that, in most cases, audit reports are submitted to the Board as soon as they are released.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2005

Failure to enforce compliance with Rules and Regulations over State grants awarded could impact the Boards ability to monitor State grants, which could result in improper expenditures and refunds not received. Failure to recover State grant funds is noncompliance with the Illinois Grant Funds Recovery Act. (Finding Code No. 05-2)

**RECOMMENDATION**

We recommend the Board review the adequacy of their policies and procedures regarding the submission of audit reports and other reports required for State grants. We further recommend the Board timely require a schedule of grant expenditures from each grantee in order to adequately monitor grants awarded and to ensure refunds are received as required by the Act. In addition, we recommend the Board continue to work with grantees to ensure required reports are submitted timely.

**BOARD RESPONSE**

The Board concurs with the audit recommendation and will examine its policies and procedures regarding required reporting for grantees. The Board of Higher Education maintains an extensive grant tracking system that provides details for each grant approved by the Board for each fiscal year. As part of its administrative procedures, the Board monitors and records the receipt of all required reports and documents for grant projects. In addition, the Board sends project closeout reminders and notices to each grantee. Many of the Board's grantees are State of Illinois public higher education institutions (state agencies). In view of this, some of these entities find it difficult to have their required audit reports completed and submitted within the required reporting period. Thus, they are sometimes forced to delay submitting required audit reports until these reports are completed by external audit firms. The Board will examine its administrative procedures and determine if changes to the administrative rules are needed to clarify the reporting deadlines.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2005

05-3. **FINDING** (Excess inventory not transferred)

During the prior period, the Illinois Century Network (ICN) did not identify excess equipment and make it available for transfer.

During the current period, ICN significantly reduced the amount of excess equipment. In addition, ICN and its related equipment was transferred to the Department of Central Management Services for FY05. (Finding Code No. 03-1)

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2005

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

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

- Fiscal Schedules and Analysis:

- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Efficiency Initiative Payments
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts
- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending
- Analysis of Accounts Receivable

- Analysis of Operations:

- Board Functions and Planning Program
- Average Number of Employees
- Service Efforts and Accomplishments (not examined)
- Grants by Institution (not examined)

The auditors' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2004 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Service Efforts and Accomplishments and Grants by Institution on which they did not perform any procedures. However, the auditors do not express an opinion on the supplementary information.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Years Ended June 30,  
(in thousands)

**Fiscal Year 2005**

| <u>Federal Grantor/Program Title</u>        | <u>Federal<br/>CFDA No.</u> | <u>Federal<br/>Expenditures</u> | <u>Amounts<br/>Provided to<br/>Subrecipients</u> |
|---|-----------------------------|---------------------------------|--|
| U.S. Department of Education                |                             |                                 |  |
| Teacher Quality Enhancement Grants          | 84.336                      | \$ 448                          | \$ 407   |
| Improving Teacher Quality State Grants      | 84.367                      | 2,988                           | 2,582  |
| <b>Total Expenditures of Federal Awards</b> |                             | <b><u>\$ 3,436</u></b>          | <b><u>\$ 2,989</u></b>                           |

**Fiscal Year 2004**

| <u>Federal Grantor/Program Title</u>        | <u>Federal<br/>CFDA No.</u> | <u>Federal<br/>Expenditures</u> | <u>Amounts<br/>Provided to<br/>Subrecipients</u> |
|---|-----------------------------|---------------------------------|--|
| U.S. Department of Education                |                             |                                 |  |
| Teacher Quality Enhancement Grants          | 84.336                      | \$ 1,621                        | \$ 1,507   |
| Improving Teacher Quality State Grants      | 84.367                      | 2,178                           | 1,662  |
| <b>Total Expenditures of Federal Awards</b> |                             | <b><u>\$ 3,799</u></b>          | <b><u>\$ 3,169</u></b>                           |

Note: The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Two Years Ended June 30, 2005  
(in thousands)

**1. Significant Accounting Policies**

(a) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents all the federal award programs of the State of Illinois, Board of Higher Education (Board) for the years ended June 30, 2004 and June 30, 2005.

(b) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting.

**2. Description of Grant Programs**

The following is a brief description of the grant programs included in the Schedule of Expenditures of Federal Awards:

**U.S. Department of Education**

**Teacher Quality Enhancement Grants – Project Grants - CFDA No. 84.336**

The Teacher Quality Enhancement (TQE) Grant entitled *A Common Vision: Teacher Quality Enhancement in the Middle Grades in Illinois* is funded by the U.S. Department of Education under the Title II Teacher Quality Enhancement State Grant Program. The Illinois TQE grant is a collaboration of the three principle educational agencies in Illinois: the Board of Higher Education, the Illinois State Board of Education, and the Illinois Community College Board. The Board served as the lead agency for this P-16 Partnership that was awarded a \$4.3 million grant over three years. This grant ended December 31, 2004.

**Improving Teacher Quality State Grants – Formula Grant - CFDA No. 84.367**

This federally funded program, also known as “No Child Left Behind Act of 2001,” places emphasis on assisting schools and school districts in increasing the academic achievement of all students by improving teacher and principal quality and ensuring that teachers are highly qualified. Title II, Part A – Teacher and Principal Training and Recruiting Fund replaces and expands activities previously authorized under the Dwight D. Eisenhower Professional Development Program.

Under the new Improving Teacher Quality State Grant Program, the Board makes competitive grants to partnerships comprised of institutions of higher education and high-need Illinois public schools. The grants focus on professional development opportunities across all core academic subject areas.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Two Years Ended June 30, 2005  
(in thousands)

**3. Pass Through and Subrecipient Awards**

The Board provided amounts to subrecipients as listed on the accompanying Schedule of Expenditures of Federal Awards. The Board did not receive any pass-through funds.

**4. Non cash Awards**

The Board did not receive any noncash awards.

**5. Cash Returned to Grantor**

The Board returned \$38 and \$3 of unused funds to the U.S. Department of Education during fiscal years 2004 and 2005, respectively.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2005

| P.A. 93-842<br>Fiscal Year 2005                   | Appropriations        |                                 | Lapse Period                           | Total  |                                 |
|---|-----------------------|---------------------------------|--|--|---------------------------------|
|   | (Net of<br>Transfers) | Expenditures<br>Through June 30 | Expenditures<br>July 1 to<br>August 31 | Expenditures<br>14 Months Ended<br>August 31 | Balances<br>Lapsed<br>August 31 |
| <b>General Revenue Fund-001</b>                   |                       |                                 |  |  |                                 |
| Personal Services                                 | \$ 2,201,000          | \$ 2,033,191                    | \$ 0                                   | \$ 2,033,191                                 | \$ 167,809                      |
| State Contributions to Social Security            | 29,500                | 26,272                          | 0                                      | 26,272                                       | 3,228                           |
| Contractual Services                              | 478,900               | 433,952                         | 38,192                                 | 472,144                                      | 6,756                           |
| Travel  | 55,000                | 49,029                          | 2,839                                  | 51,868                                       | 3,132                           |
| Commodities                                       | 12,000                | 6,075                           | 55                                     | 6,130  | 5,870                           |
| Printing  | 11,000                | 3,150                           | 1,219                                  | 4,369  | 6,631                           |
| Equipment   | 17,000                | 5,765                           | 3,872                                  | 9,637  | 7,363                           |
| Telecommunications                                | 43,000                | 30,134                          | 1,876                                  | 32,010                                       | 10,990                          |
| Operation of Automotive Equipment                 | 3,200                 | 844                             | 64                                     | 908  | 2,292                           |
| Awards and Grants:                                |                       |                                 |  |  |                                 |
| Higher Education Cooperation Act                  |                       |                                 |  |  |                                 |
| Quad Cities Graduate Study Center                 | 220,000               | 220,000                         | 0                                      | 220,000                                      | 0                               |
| Access and Diversity                              | 5,487,300             | 5,487,300                       | 0                                      | 5,487,300                                    | 0                               |
| University Center of Lake County                  | 1,000,000             | 1,000,000                       | 0                                      | 1,000,000                                    | 0                               |
| Incentive Grants to Illinois Higher Education     | 9,500,000             | 4,747,321                       | 4,750,000                              | 9,497,321                                    | 2,679                           |
| Health Services Education Grants                  | 17,000,000            | 16,999,191                      | 0                                      | 16,999,191                                   | 809                             |
| Diversifying Higher Education Faculty in Illinois | 2,000,000             | 1,945,833                       | (13,887)                               | 1,931,946                                    | 68,054                          |
| Cooperative Work Study Programs                   | 2,100,000             | 1,924,100                       | 175,900                                | 2,100,000                                    | 0                               |
| Chicago State University                          | 232,000               | 232,000                         | 0                                      | 232,000                                      | 0                               |
| Northeastern Illinois University                  | 279,000               | 279,000                         | 0                                      | 279,000                                      | 0                               |
| Total General Revenue Fund                        | <u>\$ 40,668,900</u>  | <u>\$ 35,423,157</u>            | <u>\$ 4,960,130</u>                    | <u>\$ 40,383,287</u>                         | <u>\$ 285,613</u>               |
| <b>BHE Federal Grants Fund-983</b>                |                       |                                 |  |  |                                 |
| Awards and Grants:                                |                       |                                 |  |  |                                 |
| Federal Contracts and Grants                      | \$ 5,500,000          | \$ 1,014,465                    | \$ 821,351                             | \$ 1,835,816                                 | \$ 3,664,184                    |
| Total BHE Federal Grants Fund                     | <u>\$ 5,500,000</u>   | <u>\$ 1,014,465</u>             | <u>\$ 821,351</u>                      | <u>\$ 1,835,816</u>                          | <u>\$ 3,664,184</u>             |
| <b>GRAND TOTAL – ALL FUNDS</b>                    | <u>\$ 46,168,900</u>  | <u>\$ 36,437,622</u>            | <u>\$ 5,781,481</u>                    | <u>\$ 42,219,103</u>                         | <u>\$ 3,949,797</u>             |

Note: Appropriations, expenditures and lapsed balances were obtained from State Comptroller records and have been reconciled to Board records.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2004

| P.A. 93-90, 93-14, 93-587<br>Fiscal Year 2004   | Appropriations<br>(Net of<br>Transfers) | Expenditures<br>Through June 30 | Lapse Period<br>Expenditures<br>July 1 to<br>August 31 | Total<br>Expenditures<br>14 Months Ended<br>August 31 | Balances<br>Lapsed<br>August 31 |
|---|---|---------------------------------|--|---|---------------------------------|
| <b>General Revenue Fund-001</b>                 |   |                                 |  |   |                                 |
| Personal Services                               | \$ 2,201,000                            | \$ 2,190,039                    | \$ 0   | \$ 2,190,039  | \$ 10,961                       |
| Group Health Insurance                          | 14,753,800                              | 14,753,800                      | 0  | 14,753,800  | 0                               |
| State Contributions to Social Security          | 25,600                                  | 25,314                          | 0  | 25,314  | 286                             |
| Contractual Services                            | 482,800                                 | 357,264                         | 48,498   | 405,762   | 77,038                          |
| Travel  | 53,000                                  | 48,065                          | 3,568  | 51,633  | 1,367                           |
| Commodities                                     | 12,000                                  | 7,562                           | 724  | 8,286   | 3,714                           |
| Printing  | 11,000                                  | 4,696                           | 2,306  | 7,002   | 3,998                           |
| Equipment                                       | 19,000                                  | 350                             | 4,930  | 5,280   | 13,720                          |
| Telecommunications                              | 43,000                                  | 33,756                          | 4,650  | 38,406  | 4,594                           |
| Operation of Automotive Equipment               | 3,200                                   | 2,658                           | 174  | 2,832   | 368                             |
| Awards and Grants:                              |   |                                 |  |   |                                 |
| Higher Education Cooperation Act                |   |                                 |  |   |                                 |
| Access and Diversity                            | 5,787,300                               | 5,787,300                       | 0  | 5,787,300   | 0                               |
| Quad Cities Graduate Study Center               | 220,000                                 | 214,643                         | 0  | 214,643   | 5,357                           |
| Advanced Photon Source Project                  | 2,100,000                               | 2,048,865                       | 0  | 2,048,865   | 51,135                          |
| University Center of Lake County                | 1,000,000                               | 975,650                         | 0  | 975,650   | 24,350                          |
| Incentive Grants to Illinois Higher Education   | 9,500,000                               | 9,268,675                       | 0  | 9,268,675   | 231,325                         |
| Health Services Education Grants                | 17,000,000                              | 16,576,384                      | 0  | 16,576,384  | 423,616                         |
| Engineering Grant Program                       | 1,831,000                               | 1,786,415                       | 0  | 1,786,415   | 44,585                          |
| Illinois Consortium for Educational Opportunity | 2,000,000                               | 1,966,259                       | 14,063   | 1,980,322   | 19,678                          |
| Cooperative Work Study Programs                 | 2,100,000                               | 1,655,665                       | 388,600  | 2,044,265   | 55,735                          |
| Graduation Incentive Grants                     | 100,000                                 | 100,000                         | 0  | 100,000   | 0                               |
| Career Academies Grants                         | 1,427,000                               | 1,392,253                       | 0  | 1,392,253   | 34,747                          |
| State Geological Survey Grant                   | 1,100,000                               | 1,073,215                       | 0  | 1,073,215   | 26,785                          |
| Total General Revenue Fund                      | <u>\$ 61,769,700</u>                    | <u>\$ 60,268,828</u>            | <u>\$ 467,513</u>                                      | <u>\$ 60,736,341</u>                                  | <u>\$ 1,033,359</u>             |

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2004

| P.A. 93-90, 93-14, 93-587<br>Fiscal Year 2004   | Appropriations<br>(Net of<br>Transfers) | Expenditures<br>Through June 30 | Lapse Period<br>Expenditures<br>July 1 to<br>August 31 | Total<br>Expenditures<br>14 Months Ended<br>August 31 | Balances<br>Lapsed<br>August 31 |
|---|---|---------------------------------|--|---|---------------------------------|
| <b>Tobacco Settlement Recovery Fund-733</b>     |   |                                 |  |   |                                 |
| Awards and Grants:                              |   |                                 |  |   |                                 |
| University of Ill. Veterinary medicine research | \$ 2,000,000                            | \$ 1,960,000                    | \$ 0   | \$ 1,960,000  | \$ 40,000                       |
| Fermi National Accelerator Lab research         | 2,500,000                               | 2,450,000                       | 0  | 2,450,000   | 50,000                          |
| Total Tobacco Settlement Recovery Fund          | <u>\$ 4,500,000</u>                     | <u>\$ 4,410,000</u>             | <u>\$ 0</u>  | <u>\$ 4,410,000</u>                                   | <u>\$ 90,000</u>                |
| <b>BHE Federal Grants Fund-983</b>              |   |                                 |  |   |                                 |
| Awards and Grants:                              |   |                                 |  |   |                                 |
| Eisenhower Professional Development Program     | \$ 4,700,000                            | \$ 0                            | \$ 0   | \$ 0  | \$ 4,700,000                    |
| Federal Contracts and Grants                    | 10,110,000                              | 3,837,565                       | 2,558,095  | 6,395,660   | 3,714,340                       |
| Total BHE Federal Grants Fund                   | <u>\$ 14,810,000</u>                    | <u>\$ 3,837,565</u>             | <u>\$ 2,558,095</u>                                    | <u>\$ 6,395,660</u>                                   | <u>\$ 8,414,340</u>             |
| <b>Build Illinois Bond Fund-971</b>             |   |                                 |  |   |                                 |
| Awards and Grants:                              |   |                                 |  |   |                                 |
| Western Illinois University                     | \$ 200,000                              | \$ 200,000                      | \$ 0   | \$ 200,000  | \$ 0                            |
| Total Build Illinois Bond Fund                  | <u>\$ 200,000</u>                       | <u>\$ 200,000</u>               | <u>\$ 0</u>  | <u>\$ 200,000</u>                                     | <u>\$ 0</u>                     |
| <b>TOTAL APPROPRIATED FUNDS</b>                 | <u><u>\$ 81,279,700</u></u>             | <u><u>\$ 68,716,393</u></u>     | <u><u>\$ 3,025,608</u></u>                             | <u><u>\$ 71,742,001</u></u>                           | <u><u>\$ 9,537,699</u></u>      |

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2004

| P.A. 93-90, 93-14, 93-587<br>Fiscal Year 2004 | Appropriations<br>(Net of<br>Transfers) | Expenditures<br>Through June 30 | Lapse Period<br>Expenditures<br>July 1 to<br>August 31 | Total<br>Expenditures<br>14 Months Ended<br>August 31 | Balances<br>Lapsed<br>August 31 |
|---|---|---------------------------------|--|---|---------------------------------|
| <b><u>NON-APPROPRIATED FUND</u></b>           |   |                                 |  |   |                                 |
| <b>BHE State Projects Fund-736</b>            |   |                                 |  |   |                                 |
| Awards and Grants:                            |   |                                 |  |   |                                 |
| SAELP Program                                 | \$ 125,000                              |                                 | \$ 0   | \$ 125,000  |                                 |
| Illinois Century Network                      | 22,968,553                              |                                 | 2,312,503  | 25,281,056  |                                 |
| Total BHE State Projects Fund                 | <u>\$ 23,093,553</u>                    |                                 | <u>\$ 2,312,503</u>                                    | <u>\$ 25,406,056</u>                                  |                                 |
| <b>TOTAL NON-APPROPRIATED FUNDS</b>           | <u>\$ 23,093,553</u>                    |                                 | <u>\$ 2,312,503</u>                                    | <u>\$ 25,406,056</u>                                  |                                 |
| <b>GRAND TOTAL – ALL FUNDS</b>                | <u>\$ 91,809,946</u>                    |                                 | <u>\$ 5,338,111</u>                                    | <u>\$ 97,148,057</u>                                  |                                 |

Note: Appropriations, expenditures and lapsed balances were obtained from State Comptroller records and have been reconciled to Board records.

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
 For the Fiscal Years Ended June 30,

|   | Fiscal Year          |                          |                      |
|---|----------------------|--------------------------|----------------------|
|   | 2005                 | 2004                     | 2003                 |
|   |                      | P.A. 93-90<br>P.A. 93-14 |                      |
|   | P.A. 93-842          | P.A. 93-587              | P.A. 92-538          |
| <b>General Revenue Fund-001</b>                   |                      |                          |                      |
| Appropriations (Net of Transfers)                 | \$ 40,668,900        | \$ 61,769,700            | \$ 82,493,400        |
| <u>Expenditures</u>                               |                      |                          |                      |
| Personal Services                                 | \$ 2,033,191         | \$ 2,190,039             | \$ 1,827,059         |
| Group Health Insurance                            | 0                    | 14,753,800               | 14,753,800           |
| State Contributions to Social Security            | 26,272               | 25,314                   | 17,637               |
| Contractual Services                              | 472,144              | 405,762                  | 531,301              |
| Travel  | 51,868               | 51,633                   | 58,914               |
| Commodities                                       | 6,130                | 8,286                    | 12,227               |
| Printing  | 4,369                | 7,002                    | 8,788                |
| Equipment   | 9,637                | 5,280                    | 34,886               |
| Telecommunications                                | 32,010               | 38,406                   | 47,368               |
| Operation of Automotive Equipment                 | 908                  | 2,832                    | 2,396                |
| Awards and Grants                                 |                      |                          |                      |
| Higher Education Cooperation Act                  |                      |                          |                      |
| Access and Diversity                              | 5,487,300            | 5,787,300                | 2,881,200            |
| Quad Cities Graduate Study Center                 | 220,000              | 214,643                  | 220,000              |
| Advanced Photon Source Project                    | 0                    | 2,048,865                | 1,850,000            |
| University Center of Lake County                  | 1,000,000            | 975,650                  | 949,000              |
| Incentive Grants to Illinois Higher Education     | 9,497,321            | 9,268,675                | 8,749,277            |
| Health Services Education Grants                  | 16,999,191           | 16,576,384               | 12,908,843           |
| Engineering Grant Program                         | 0                    | 1,786,415                | 2,450,000            |
| Illinois Consortium for Educational Opportunity/  |                      |                          |                      |
| Diversifying Higher Education Faculty in Illinois | 1,931,946            | 1,980,322                | 1,979,374            |
| Cooperative Work Study Programs                   | 2,100,000            | 2,044,265                | 1,950,000            |
| Graduation Incentive Grants                       | 0                    | 100,000                  | 100,000              |
| Chicago State University                          | 232,000              | 0                        | 0                    |
| Northeastern Illinois University                  | 279,000              | 0                        | 0                    |
| Career Academies Grants                           | 0                    | 1,392,253                | 1,352,000            |
| State Geological Survey Grant                     | 0                    | 1,073,215                | 1,515,000            |
| Illinois Century Network                          | 0                    | 0                        | 25,336,046           |
| Total Expenditures                                | <u>\$ 40,383,287</u> | <u>\$ 60,736,341</u>     | <u>\$ 79,535,116</u> |
| Lapsed Balances                                   | <u>\$ 285,613</u>    | <u>\$ 1,033,359</u>      | <u>\$ 2,958,284</u>  |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
 For the Fiscal Years Ended June 30,

|   | Fiscal Year  |                          |               |
|---|--------------|--------------------------|---------------|
|   | 2005         | 2004                     | 2003          |
|   |              | P.A. 93-90<br>P.A. 93-14 |               |
|   | P.A. 93-842  | P.A. 93-587              | P.A. 92-538   |
| <b>Tobacco Settlement Recovery Fund-733</b>     |              |                          |               |
| Appropriations (Net of Transfers)               | \$ 0         | \$ 4,500,000             | \$ 4,500,000  |
| <u>Expenditures</u>                             |              |                          |               |
| Awards and Grants                               |              |                          |               |
| University of Ill. Veterinary Medicine research | \$ 0         | \$ 1,960,000             | \$ 2,000,000  |
| Fermi National Accelerator Lab research         | 0            | 2,450,000                | 2,500,000     |
| Total Expenditures                              | \$ 0         | \$ 4,410,000             | \$ 4,500,000  |
| Lapsed Balances                                 | \$ 0         | \$ 90,000                | \$ 0          |
| <b>BHE Federal Grants Fund-983</b>              |              |                          |               |
| Appropriations (Net of Transfers)               | \$ 5,500,000 | \$ 14,810,000            | \$ 14,810,000 |
| <u>Expenditures</u>                             |              |                          |               |
| Awards and Grants                               |              |                          |               |
| Federal Contracts and Grants                    | \$ 1,835,816 | \$ 6,395,660             | \$ 2,056,737  |
| Lapsed Balances                                 | \$ 3,664,184 | \$ 8,414,340             | \$ 12,753,263 |
| <b>Build Illinois Bond Fund-971</b>             |              |                          |               |
| Appropriations (Net of Transfers)               | \$ 0         | \$ 200,000               | \$ 0          |
| <u>Expenditures</u>                             |              |                          |               |
| Awards and Grants                               |              |                          |               |
| Western Illinois University                     | \$ 0         | \$ 200,000               | \$ 0          |
| Lapsed Balances                                 | \$ 0         | \$ 0                     | \$ 0          |



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

|   | Fiscal Year          |                      |                       |
|---|----------------------|----------------------|-----------------------|
|   | 2005                 | 2004                 | 2003                  |
|   | P.A. 93-842          | P.A. 93-587          | P.A. 92-538           |
| <b>Illinois Century Network (ICN)<br/>Special Purposes Fund-729</b> |                      |                      |                       |
| Appropriations (Net of Transfers)                                   | \$ 0                 | \$ 0                 | \$ 25,000,000         |
| <u>Expenditures</u>   |                      |                      |                       |
| Awards and Grants   |                      |                      |                       |
| Illinois Century Network  | \$ 0                 | \$ 0                 | \$ 4,008,716          |
| Lapsed Balances   | <u>\$ 0</u>          | <u>\$ 0</u>          | <u>\$ 20,991,284</u>  |
| <b>Education Assistance Fund-007</b>                                |                      |                      |                       |
| Appropriations (Net of Transfers)                                   | \$ 0                 | \$ 0                 | \$ 26,478,700         |
| <u>Expenditures</u>   |                      |                      |                       |
| Personal Services   | \$ 0                 | \$ 0                 | \$ 391,363            |
| Social Security   | 0                    | 0                    | 5,512                 |
| Awards and Grants   |                      |                      |                       |
| Illinois Occupational Information                                   |                      |                      |                       |
| Coordinating Committee  | 0                    | 0                    | 25,000                |
| Higher Education Cooperation Act                                    |                      |                      |                       |
| Minority Educational Achievement                                    | 0                    | 0                    | 2,406,100             |
| Health Services Education Grants                                    | 0                    | 0                    | 3,031,759             |
| Illinois Financial Assistance Act for Nonpublic                     |                      |                      |                       |
| Institutions of Higher Learning                                     | 0                    | 0                    | 19,564,861            |
| Total Expenditures  | <u>\$ 0</u>          | <u>\$ 0</u>          | <u>\$ 25,424,595</u>  |
| Lapsed Balances   | <u>\$ 0</u>          | <u>\$ 0</u>          | <u>\$ 1,054,105</u>   |
| <b><u>GRAND TOTAL - ALL APPROPRIATED FUNDS</u></b>                  |                      |                      |                       |
| Appropriations (Net after Transfers)                                | <u>\$ 46,168,900</u> | <u>\$ 81,279,700</u> | <u>\$ 153,282,100</u> |
| Total Appropriated Expenditures                                     | <u>\$ 42,219,103</u> | <u>\$ 71,742,001</u> | <u>\$ 115,525,164</u> |
| Total Appropriated Lapsed Balances                                  | <u>\$ 3,949,797</u>  | <u>\$ 9,537,699</u>  | <u>\$ 37,756,936</u>  |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
 For the Fiscal Years Ended June 30,

|             | Fiscal Year |             |
|-------------|-------------|-------------|
| 2005        | 2004        | 2003        |
|             | P.A. 93-90  |             |
|             | P.A. 93-14  |             |
| P.A. 93-842 | P.A. 93-587 | P.A. 92-538 |

**NON-APPROPRIATED FUND**

**BHE State Projects Fund – 736**

Expenditures

Awards and Grants:

|                          |      |               |            |
|--------------------------|------|---------------|------------|
| SAELP Program            | \$ 0 | \$ 125,000    | \$ 130,000 |
| Rewrite School Code      | 0    | 0             | 54,887     |
| Illinois Century Network | 0    | 25,281,056    | 0          |
| Total Expenditures       | \$ 0 | \$ 25,406,056 | \$ 184,887 |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**SCHEDULE OF EFFICIENCY INITIATIVE PAYMENTS**  
 For the Fiscal Year Ended June 30, 2005

| <u>Procurement Efficiency Initiative</u> | <u>Amount</u>          |
|--|------------------------|
| <br>                                     |                        |
| <b>General Revenue Fund-001</b>          |                        |
| Contractual Services                     | \$ 1,259               |
| Printing                                 | 1,140                  |
| Commodities                              | 28                     |
| <b>Grand Total</b>                       | <u><u>\$ 2,427</u></u> |

Note: This schedule includes only those payments made pursuant to 30 ILCS 105/6p-5. Amounts were obtained from the Board and reconciled to information from the Office of the Comptroller. The Board did not make any efficiency initiative payments during FY04.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
For the Two Years Ended June 30, 2005

|                          | Total                | Buildings and<br>Building<br>Improvements | Equipment            |
|--------------------------|----------------------|---|----------------------|
| Balance at July 1, 2003  | \$ 39,285,022        | \$ 706,351                                | \$ 38,578,671        |
| Additions                | 4,307,012            | 568,574                                   | 3,738,438            |
| Deletions                | (1,494,960)          | 0   | (1,494,960)          |
| Net Transfers            | <u>(2,218,311)</u>   | <u>0</u>                                  | <u>(2,218,311)</u>   |
| Balance at June 30, 2004 | <u>\$ 39,878,763</u> | <u>\$ 1,274,925</u>                       | <u>\$ 38,603,838</u> |
| Balance at July 1, 2004  | \$ 39,878,763        | \$ 1,274,925                              | \$ 38,603,838        |
| Additions                | 10,604               | 0   | 10,604               |
| Deletions                | (988)                | 0   | (988)                |
| Net Transfers*           | <u>(39,304,447)</u>  | <u>(1,273,847)</u>                        | <u>(38,030,600)</u>  |
| Balance at June 30, 2005 | <u>\$ 583,932</u>    | <u>\$ 1,078</u>                           | <u>\$ 582,854</u>    |

\*Property belonging to the Illinois Century Network was transferred to the Department of Central Management Services in FY05.

Note: The above schedule has been derived from Agency records which have been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS**  
For the Fiscal Years Ended June 30,

| <b>General Revenue Fund - 001</b>                                     | 2005                | 2004                 | 2003                |
|---|---------------------|----------------------|---------------------|
| Miscellaneous   | \$ 12               | \$ 50                | \$ 52               |
| Prior year refunds  | 404,339             | 395,895              | 491,496             |
| Total - Fund 001  | <u>\$ 404,351</u>   | <u>\$ 395,945</u>    | <u>\$ 491,548</u>   |
| <br>  |                     |                      |                     |
| <b>Education Assistance Fund - 007</b>                                |                     |                      |                     |
| Prior year refunds  | \$ 5,102            | \$ 130,868           | \$ 45,827           |
| Total - Fund 007  | <u>\$ 5,102</u>     | <u>\$ 130,868</u>    | <u>\$ 45,827</u>    |
| <br>  |                     |                      |                     |
| <b>Illinois Century Network (ICN)<br/>Special Purposes Fund - 729</b> |                     |                      |                     |
| Receipts for services   | \$ 0                | \$ 271,410           | \$ 1,920,376        |
| Federal E-rate Program  | 0                   | 70,952               | 663,581             |
| Total - Fund 729  | <u>\$ 0</u>         | <u>\$ 342,362</u>    | <u>\$ 2,583,957</u> |
| <br>  |                     |                      |                     |
| <b>Tobacco Settlement<br/>Recovery Fund - 733</b>                     |                     |                      |                     |
| Prior year refunds  | \$ 68               | \$ 32,424            | \$ 60,611           |
| Total - Fund 733  | <u>\$ 68</u>        | <u>\$ 32,424</u>     | <u>\$ 60,611</u>    |
| <br>  |                     |                      |                     |
| <b>BHE State Projects Fund - 736</b>                                  |                     |                      |                     |
| Receipts from State Government  | \$ 0                | \$ 26,420,456        | \$ 125,000          |
| Receipts for services (ICN)   | 383,100             | 2,097,176            | 0                   |
| Federal E-rate Program (ICN)  | 1,437,482           | 4,292,712            | 0                   |
| Total - Fund 736  | <u>\$ 1,820,582</u> | <u>\$ 32,810,344</u> | <u>\$ 125,000</u>   |
| <br>  |                     |                      |                     |
| <b>BHE Federal Grants Fund - 983</b>                                  |                     |                      |                     |
| Receipts from Federal Government                                      | \$ 4,200,772        | \$ 4,429,376         | \$ 1,495,035        |
| Prior year refunds  | 2,840               | 52,305               | 16,160              |
| Total - Fund 983  | <u>\$ 4,203,612</u> | <u>\$ 4,481,681</u>  | <u>\$ 1,511,195</u> |
| <br>  |                     |                      |                     |
| <b>TOTAL RECEIPTS - ALL FUNDS</b>                                     | <u>\$ 6,433,715</u> | <u>\$ 38,193,624</u> | <u>\$ 4,818,138</u> |

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**RECONCILIATION SCHEDULE OF CASH RECEIPTS**  
**TO DEPOSITS REMITTED TO THE STATE COMPTROLLER**  
For the Fiscal Year Ended June 30,

| <b><u>General Revenue Fund - 001</u></b>      | 2005                | 2004                 |
|---|---------------------|----------------------|
| Receipts per Department records               | \$ 404,351          | \$ 395,945           |
| Add: deposits in transit, beginning of year   | 0                   | 0                    |
| Less: deposits in transit, end of year        | 0                   | 0                    |
| Deposits recorded by Comptroller              | <u>\$ 404,351</u>   | <u>\$ 395,945</u>    |
| <br>  |                     |                      |
| <b><u>Education Assistance Fund - 007</u></b> |                     |                      |
| Receipts per Department records               | \$ 5,102            | \$ 130,868           |
| Add: deposits in transit, beginning of year   | 0                   | 0                    |
| Less: deposits in transit, end of year        | 0                   | 0                    |
| Deposits recorded by Comptroller              | <u>\$ 5,102</u>     | <u>\$ 130,868</u>    |
| <br>  |                     |                      |
| <b>Illinois Century Network (ICN)</b>         |                     |                      |
| <b><u>Special Purposes Fund - 729</u></b>     |                     |                      |
| Receipts per Department records               | \$ 0                | \$ 342,362           |
| Add: deposits in transit, beginning of year   | 0                   | 25,444               |
| Less: deposits in transit, end of year        | 0                   | 0                    |
| Deposits recorded by Comptroller              | <u>\$ 0</u>         | <u>\$ 367,806</u>    |
| <br>  |                     |                      |
| <b>Tobacco Settlement</b>                     |                     |                      |
| <b><u>Recovery Fund - 733</u></b>             |                     |                      |
| Receipts per Department records               | \$ 68               | \$ 32,424            |
| Add: deposits in transit, beginning of year   | 0                   | 0                    |
| Less: deposits in transit, end of year        | 0                   | 0                    |
| Deposits recorded by Comptroller              | <u>\$ 68</u>        | <u>\$ 32,424</u>     |
| <br>  |                     |                      |
| <b><u>BHE State Projects Fund - 736</u></b>   |                     |                      |
| Receipts per Department records               | \$ 1,820,582        | \$ 32,810,344        |
| Add: deposits in transit, beginning of year   | 0                   | 0                    |
| Less: deposits in transit, end of year        | 0                   | (43,999)             |
| Deposits recorded by Comptroller              | <u>\$ 1,820,582</u> | <u>\$ 32,766,345</u> |
| <br>  |                     |                      |
| <b><u>BHE Federal Grants Fund - 983</u></b>   |                     |                      |
| Receipts per Department records               | \$ 4,203,612        | \$ 4,481,681         |
| Add: deposits in transit, beginning of year   | 728                 | 0                    |
| Less: deposits in transit, end of year        | 0                   | (728)                |
| Deposits recorded by Comptroller              | <u>\$ 4,204,340</u> | <u>\$ 4,480,953</u>  |

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2005 AND 2004**

**General Revenue Fund - 001**

Group Health Insurance

There were no Group Health Insurance expenditures during FY05 due to the Department of Central Management Services (DCMS) paying group insurance costs.

Advanced Photon Source Project

There were no Advanced Photon Source Project expenditures during FY05 due to the Board not receiving an FY05 appropriation for this project.

Engineering Grant Program

There were no Engineering Grant Program expenditures during FY05 due to the Board not receiving an FY05 appropriation for this program.

Graduation Incentive Grants

There were no Graduation Incentive Grant expenditures during FY05 due to the Board not receiving an FY05 appropriation for these grants.

Chicago State University

The increase in expenditures during FY05 was due to the Board receiving a specific appropriation funding a pilot project, conducted by Chicago State University, to improve retention and graduation rates.

Northeastern Illinois University

The increase in expenditures during FY05 was due to the Board receiving a specific appropriation funding a pilot project, conducted by Northeastern Illinois University, to improve retention and graduation rates.

Career Academies Grants

There were no Career Academies Grant expenditures during FY05 due to the Board not receiving an FY05 appropriation for these grants.

State Geological Survey Grant

There were no State Geological Survey Grant expenditures during FY05 due to the Board not receiving an FY05 appropriation for this grant.

**Tobacco Settlement Recovery Fund - 733**

Awards and Grants

There were no awards and grants expenditures during FY05 due to the Board not receiving an appropriation for this fund in FY05.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2005 AND 2004 (continued)**

**BHE Federal Grants Fund - 983**

Awards and Grants

The decrease in awards and grants expenditures during FY05 was due to the Teacher Quality Enhancement Grant Program ending December 31, 2004.

**Build Illinois Bond Fund - 971**

Awards and Grants

There were no awards and grants expenditures during FY05 due to the Board not receiving an appropriation for this fund in FY05.

**BHE State Projects Fund - 736**

State Action for Education Leadership Project (SAELP) Program

The decrease in SAELP Program expenditures during FY05 was due to the grant funding for this project ending on March 31, 2004.

Illinois Century Network (ICN)

The decrease in ICN expenditures during FY05 was due to the end of the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent over ICN in FY04. The Board was no longer the fiscal agent for ICN during FY05.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL  
YEARS 2004 AND 2003**

**General Revenue Fund - 001**

State Contributions to Social Security

The increase in State contributions to social security expenditures during FY04 was due to the retirement of several employees who began employment prior to April 1, 1986 for whom the Board was not required to make Medicare contributions. Those retirees were replaced with new employees for whom the Board is required to make Medicare contributions.

Contractual Services

The decrease in contractual services expenditures during FY04 was due to reduced payments to consultants as a result of budget constraints and reduced expenses for copiers and postage as a result of distributing information electronically.

Equipment

The decrease in equipment expenditures during FY04 was due to the Board upgrading computers and purchasing a new server during FY03. These expenditures were not repeated in FY04.

Access and Diversity

The increase in Access and Diversity expenditures during FY04 was due to the Board receiving an increase in the General Revenue Fund appropriation for these grants, thus the FY04 expenditures increased.

Health Services Education Grants

The increase in Health Services Education Grant expenditures during FY04 was due to the Board receiving an increase in the General Revenue Fund appropriation for these grants since the grants were no longer receiving an appropriation through the Education Assistance Fund.

Engineering Grant Program

The decrease in the Engineering Grant Program expenditures during FY04 was due to the decreased FY04 appropriation for this program.

State Geological Survey Grant

The decrease in the State Geological Survey Grant expenditures during FY04 was due to the decreased FY04 appropriation for this grant.

Illinois Century Network

The decrease in Illinois Century Network expenditures during FY04 was due to the change in funding for ICN to the BHE Special Projects Fund pursuant to an Interagency Agreement.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2004 AND 2003 (continued)**

**BHE Federal Grants Fund - 983**

Awards and Grants

The increase in awards and grants expenditures during FY04 was due to beginning the Improving Teacher Quality Program in FY03 but not awarding a majority of the grants to higher education institutions until FY04.

**Build Illinois Bond Fund - 971**

Awards and Grants

The increase in awards and grants expenditures during FY04 was due to a one-time appropriation to the Board for a grant to Western Illinois University for costs associated with design, architectural and engineering studies for renovation of donated land and buildings.

**Illinois Century Network (ICN) Special Purposes Fund - 729**

Awards and Grants

There were no awards and grants expenditures during FY04 due to the Board not receiving an appropriation for this fund in FY04.

**Education Assistance Fund - 007**

There were no expenditures during FY04 due to the Board not receiving appropriations for this fund in FY04.

**BHE State Projects Fund - 736**

Rewrite School Code

There were no expenditures in FY04 due to this being a one-time award in FY03.

Illinois Century Network (ICN)

The increase in expenditures for ICN in FY04 was due to the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent over ICN in FY04. As a result, ICN expenditures were paid from the BHE State Projects Fund instead of the ICN Special Purposes Fund.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2005 AND 2004**

**Education Assistance Fund – 007**

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

**Illinois Century Network (ICN) Special Purposes Fund - 729**

The ICN Special Purposes Fund was created for the operation of the Illinois Century Network (ICN). In FY04, the only receipts deposited into the fund were receivables as of June 30, 2003. During FY04, due to a change in funding and an interagency agreement assigning the Board as fiscal agent for ICN, these receipts were deposited into the BHE State Projects Fund. The Board was no longer the fiscal agent for ICN during FY05.

**Tobacco Settlement Recovery Fund – 733**

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

**BHE State Projects Fund – 736**

Receipts from State government

The decrease in receipts from State government in FY05 was due to the end of the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent over ICN in FY04. The DCMS reimbursed the Board for ICN expenditures in FY04 pursuant to the agreement. The Board was no longer the fiscal agent for ICN during FY05.

Receipts for services (ICN) and Federal e-rate program (ICN)

The decrease in receipts for services (ICN) and federal e-rate program (ICN) in FY05 was due to the end of the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent over ICN in FY04. Since the Board was no longer the fiscal agent for ICN during FY05, the only receipts received were receivables at June 30, 2004.

**BHE Federal Grants Fund – 983**

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL  
YEARS 2004 AND 2003**

**Education Assistance Fund – 007**

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

**Illinois Century Network (ICN) Special Purposes Fund - 729**

The ICN Special Purposes Fund was created for the operation of the Illinois Century Network (ICN). In FY04, the only receipts deposited into the fund were cost recovery fees that were receivables as of June 30, 2003. During FY04, due to a change in funding and an interagency agreement assigning the Board as fiscal agent for ICN, these receipts were deposited into the BHE State Projects Fund.

**Tobacco Settlement Recovery Fund – 733**

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

**BHE State Projects Fund – 736**

Receipts from State government

The increase in receipts from State government in FY04 was due to the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent for ICN in FY04. The DCMS reimbursed the Board for ICN expenditures in FY04 pursuant to the agreement.

Receipts for services (ICN) and Federal e-rate program (ICN)

The increase in receipts for services (ICN) and federal e-rate program (ICN) in FY04 was due to the interagency agreement with the Department of Central Management Services (DCMS) assigning the Board as fiscal agent over ICN in FY04. As a result, ICN receipts were deposited in the BHE State Projects Fund instead of the ICN Special Purposes Fund.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2005

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL  
YEARS 2004 AND 2003 (continued)**

**BHE Federal Grants Fund – 983**

Receipts from federal government

The increase in receipts from federal government in FY04 was due to the timing of receiving federal funds for grant programs.

Prior year refunds

The amount of prior year grant refunds received by the Board will vary each year depending upon the grantees' expending of the grant funds awarded.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2005

**FISCAL YEAR 2005**

**General Revenue Fund – 001**

Incentive Grants to Illinois Higher Education

Incentive Grants to Illinois Higher Education expenditures incurred prior to June 30 totaling \$4,750,000 were paid during the lapse period due to payments to grantees for grants that were obligated prior to June 30 but not paid until the lapse period.

**BHE Federal Grants Fund - 983**

Awards and Grants

Awards and Grants expenditures incurred prior to June 30 totaling \$821,351 were paid during the lapse period due to payments to grantees for grants that were obligated prior to June 30 but not paid until the lapse period.

**FISCAL YEAR 2004**

**BHE Federal Grants Fund - 983**

Awards and Grants

Awards and Grants expenditures incurred prior to June 30 totaling \$2,558,095 were paid during the lapse period due to payments to grantees for grants that were obligated prior to June 30 but not paid until the lapse period.

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
 For the Year Ended June 30, 2004  
 (in thousands)

Aging of Accounts Receivable, per Illinois Century Network records, were as follows:

| <u>Fund 736 - BHE State Projects Fund</u> | <u>2004</u>          |
|---|----------------------|
| Current                                   | \$ 377               |
| 1-30 days                                 | 12                   |
| 31-90 days                                | 7                    |
| 91-180 days                               | 5                    |
| 181+ days                                 | <u>1</u>             |
| Accounts Receivable Net Balance           | <u><u>\$ 402</u></u> |

Note: These amounts represent charges for services of the Illinois Century Network (ICN). The ICN uses the Comptroller's Offset system, if necessary, to collect old receivable balances. The Department of Central Management Services took over fiscal responsibility for ICN in FY05.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2005

## **BOARD FUNCTIONS AND PLANNING PROGRAM**

### **Functions**

The Board of Higher Education (Board) was established in 1961 to plan and coordinate Illinois' system of colleges and universities. The goal was to create an agency with the expertise, credibility and statewide perspective to map an efficient and orderly course for the growth of higher education.

The Board of Higher Education consists of fifteen members:

- Ten appointed by the Governor, with the advice and consent of the Illinois Senate;
- One appointed by the Governor to represent public universities;
- One appointed by the Governor to represent private colleges;
- The chair of the Illinois Student Assistance Commission;
- The chair of the Illinois Community College Board; and
- A student member selected by the Board's Student Advisory Committee.

The Board of Higher Education's statutory responsibilities include:

- Analyzing the aims, needs, and requirements of Illinois higher education and, as a result, modifying the master plan that guides development of the State's system of public and private colleges and universities.
- Recommending to the Governor and General Assembly budgets for operations and grants and for capital improvements for higher education institutions and agencies.
- Approving or rejecting proposals by public university governing boards and the Illinois Community College Board for new units of instruction, research, or public service; also, reviewing existing instruction, research, and public service programs to determine their continued educational and economic justification.
- Granting authority to operate and authority to grant degrees for independent and out-of-state institutions.
- Administering state and federal higher education grant programs, including:
  - Higher Education Cooperation Act
  - The Illinois Consortium for Educational Opportunity Program/The Diversifying Higher Education Faculty in Illinois Act
  - Health Services Education Grants Act
  - Illinois Cooperative Work Study Act
  - The federal Teacher Quality Enhancement Grant Program
  - The federal No Child Left Behind Act - Improving Teacher Quality Grant Program
  - State Matching Grant Program
  - Graduation Incentive Grant Program (FY04 only)
  - Engineering Equipment Grant Program (FY04 only)
- Maintaining a state university and college information system of timely, comprehensive, and meaningful data about Illinois higher education.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2005

**Planning**

The Board is responsible for analyzing the goals, needs and requirements of Illinois higher education and, accordingly, for updating and revising its Master Plan Policies. These planning and policy activities occur through a variety of mechanisms, including the appointment of ad hoc committees, special task forces and board staff analyses.

During the period, the planning and policy development activities of the Board were focused on implementation of *The Illinois Commitment*. This statewide strategic plan for Illinois higher education was developed in consultation with representatives of Illinois colleges and universities, higher education agencies and state government. *The Illinois Commitment* contains six goals for Illinois higher education:

- Higher education will help Illinois business and industry sustain strong economic growth through its teaching, service, and research activities.
- Higher education will join elementary and secondary education to improve teaching and learning at all levels.
- No Illinois resident will be denied an opportunity for a college education because of financial need.
- Illinois will increase the number and diversity of citizens completing training and education programs.
- Illinois colleges and universities will be accountable for providing high quality academic programs and the systemic assessment of student learning outcomes while holding students to ever-higher expectations for learning and growth.
- Illinois colleges and universities will continually improve productivity, cost-effectiveness, and accountability.

The Board's office is located at 431 East Adams Street, Second Floor, Springfield, IL 62701. Mr. Thomas Lamont was Executive Director during the engagement period.

**Illinois Century Network**

The Illinois Century Network (ICN) was formed pursuant to Illinois statute (20 ILCS 3921/1 et seq.) effective July 1, 1999, to operate and maintain a high-speed telecommunications network between schools, institutions of higher education, libraries, museums, research institutions, State agencies, and units of local government.

Effective June 2003, Public Act 93-25 transferred certain information technology functions to the Department of Central Management Services (DCMS) including ICN. An interagency agreement between ICN, CMS and the Board was established on June 26, 2003 to authorize the Board to continue to act as fiscal agent for ICN through FY04. The Board of Higher Education was the fiscal agent for ICN from FY02 to the end of FY04. DCMS took over the fiscal responsibility for ICN during fiscal year 2005.

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**ANALYSIS OF OPERATIONS**  
 For the Two Years Ended June 30, 2005

**Auditors' Assessment**

Based on the nature of the work performed by the Board, the current planning program appears adequate to monitor progress towards implementing the goals and objectives established by the Board.

**AVERAGE NUMBER OF EMPLOYEES**

The following table, prepared from Agency records, presents the average number of employees, by function, for the Fiscal Years ended June 30,

| <u>Division</u>                           | <u>2005</u> | <u>2004</u> | <u>2003</u> |
|---|-------------|-------------|-------------|
| Executive                                 | 5           | 4           | 3           |
| Academic Affairs                          | 9           | 9           | 10          |
| Governmental Relations and Administration | 0           | 5           | 10          |
| Office Administration                     | 4           | 2           | 0           |
| Grant Administration                      | 4           | 2           | 0           |
| Planning and Budgeting                    | 11          | 11          | 12          |
| Policy Studies                            | 0           | 1           | 1           |
| Illinois Century Network (ICN)            | <u>0</u>    | <u>58</u>   | <u>68</u>   |
| Total average full-time employees         | <u>33</u>   | <u>92</u>   | <u>104</u>  |

The Department of Central Management Services assumed fiscal responsibility for ICN as of FY05. In addition, the Governmental Relations and Administration division was separated into two divisions, Office Administration and Grant Administration, during FY04.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**SERVICE EFFORTS AND ACCOMPLISHMENTS**

The Board has responsibility for program review and approval for public colleges and universities. During the examination period, the Board approved 7 off-campus and 115 on-campus degree programs for public universities and community colleges.

Reviews of requests from independent and out-of-state institutions for operating and degree granting authority and the development of recommendations for Board action were also carried out during the two-year time period of the engagement. During the period, 12 institutions were granted operating authority by the Board and 200 degree programs of private institutions were granted approval to operate.

**GRANTS AWARDED**

State grant programs administered by the Board play an important role in the implementation of Board policies. Grants made by the Board in FY04 and FY05 were for the programs and purposes as follows:

**Higher Education Cooperation Act**

The Board administers grants under the Higher Education Cooperation Act (HECA) (110 ILCS 220/1 et seq.). Grants for inter-institutional cooperation are allocated in the following categories:

- Access and Diversity;
- Quad Cities Graduate Study Center;
- Advanced Photon Source (FY04 only); and
- Illinois Consortium for Accelerator Research (FY04 only)

This Act provides, for both public and nonpublic institutions of higher education, financial assistance in the establishment and operation of programs of inter-institutional cooperation with other public and/or nonpublic institutions. The program encourages cooperation in order to achieve an efficient use of educational resources, an equitable distribution of education services, the development of innovative concepts and applications, and for other public purposes. The Act provides that the Board of Higher Education shall distribute appropriated funds to public or nonpublic institutions participating in such programs.

Any not-for-profit corporation organized to administer an inter-institutional program of higher education may be recognized if it has been in existence for three years or longer, is structured for continuing operations, substantial in scope, oriented to and supported by the community and is consistent with the Illinois master plan for higher education.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**GRANTS AWARDED (continued)**

**Higher Education Cooperation Act (continued)**

In awarding grants, the Board shall consider whether it serves the public purposes expressed in the Act, whether the local community is substantially involved, whether its function could be performed better by a single existing institution, whether the program is consistent with the Illinois master plan for higher education and such other criteria as it determines to be appropriate.

These grants were paid out of the General Revenue Fund (001) in both fiscal years and the Tobacco Settlement Recovery Fund (733) in FY04 only.

**Health Services Education Grants Act**

The Board administers grants under the Health Services Education Grants Act (110 ILCS 215/1 et seq.). This Act authorizes the Board of Higher Education to distribute funds equitably to non-profit health service educational institutions in this State. No grants shall be made to institutions that discriminate in the admission of students or the use of its facilities on the basis of race, color, creed, sex or national origin. No facilities constructed with the aid of these grants may be used for sectarian instruction or as a place for religious worship. The grants may be made to medical, dental, pharmacy, optometry and nursing schools, to physician assistant programs, and to hospitals and clinical facilities used in health service training programs.

The qualifications for the grants are based on the number of Illinois resident enrollees, an increase in the number of Illinois resident enrollees, or both. The Board of Higher Education determines the amount or proportion of increases required to qualify. However, in no case shall an institution qualify for grants unless the increase in its number of Illinois resident enrollees is at least equal to the increase in total enrollment made possible through such grants. At the discretion of the Board, grants may be made as follows:

1. Single non-recurring grants for planning and capital expense based on the increase in the number of Illinois resident enrollees;
2. Annual grants based on the number of degrees granted to Illinois resident enrollees, or Illinois resident enrollees from minority racial and ethnic groups, or both;
3. Annual stabilization grants based on the number of Illinois residents already enrolled, or Illinois residents already enrolled from minority racial and ethnic groups, or both.

These grants were paid out of the General Revenue Fund (001).

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**GRANTS AWARDED (continued)**

**Engineering Equipment Grant Program**

The Board administers grants for engineering equipment authorized by the Board of Higher Education Act (Act) (110 ILCS 205/9.13). As outlined in the Act, this program provides matching grants to eligible institutions in Illinois for purchasing engineering laboratory equipment and software, excluding laboratory or classroom furniture. Eligible institutions are those engineering colleges recognized by the Department of Financial and Professional Regulation, which grant baccalaureate degrees in engineering.

The amount granted to any engineering college in any fiscal year may not exceed the lesser of matching funds raised by the institution or \$1,200 per baccalaureate degree in engineering conferred by the college the previous year. In the event that the appropriation to the Board for funding grants under this program is insufficient to fund all grants approved in a given fiscal year, all such grants will be reduced pro rata as necessary.

These grants were paid out of the General Revenue Fund (001) in FY04 only. The program was not funded in FY05.

**Illinois Cooperative Work Study Program**

The Board administers grants under the Illinois Cooperative Work Study Program Act (110 ILCS 225/1 et seq.). This Act provides financial assistance to support student cooperative work study programs in higher education to benefit students academically and financially, reduce reliance on loans, enhance public-private sector partnerships and encourage students to seek permanent employment in Illinois.

The Board administers the program of financial assistance and distributes the funds appropriated by the General Assembly for this purpose in the form of grants to public or nonpublic institutions of higher education to expand opportunities for students to pursue internships, clinical placement, cooperative programs with business and industry, and other work opportunities linked to a student's academic program. In awarding grants under this Act, the Board considers whether programs strengthen cooperation between higher education, business, industry and government; promote school/college partnerships; encourage social and community service activities; maximize the use of matching contributions from business and industry, governmental and social agencies, and participating college and universities to support student wages; create new opportunities for partnership between the public and private sectors; integrate other components of student financial aid to reduce reliance on student loans; and meet other criteria that the Board determines are appropriate.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**GRANTS AWARDED (continued)**

**Illinois Cooperative Work Study Program (continued)**

The Board assures that a representative number of the grants support cooperative work study programs that support work experiences for students in academic programs of engineering, science, math and education.

These grants were paid out of the General Revenue Fund (001).

**State Matching Grant Program**

The Board administers grants under the State Matching Grant Program (110 ILCS 205/9.26). This program offers incentives for Illinois colleges and universities in the competition for federal research grants and contracts. Federal agencies increasingly require institutions to match funds for projects to demonstrate state and institutional commitment. To be eligible to receive state matching funds, institutions must engage in research projects through an open and competitive process of merit review and must be committed to provide the specified matching contribution for basic or applied research activities. Grants are made to support new research projects. Allocations are determined by successful performance in prior year research and development.

These grants were paid out of the General Revenue Fund (001).

**Graduation Incentive Grant Program**

The Board administers grants under the Graduation Incentive Grant Program (110 ILCS 205/9.28). The program provides grants to public universities that offer their undergraduate students contracts under which the university commits itself to provide the courses, programs, and support services necessary to enable students to graduate within four years. The amount granted to an institution is based upon the annual appropriation and the total number of eligible students at participating universities.

These grants were paid out of the General Revenue Fund (001) in FY04 only. This program was not funded in FY05.

**General Grant Programs**

On an annual basis, the Board receives various appropriations or other funds for which there is no specific authorizing statute and only a general purpose or designated recipient is included in the appropriation language. These grants are paid to the specified institutions after a contract agreement has been executed between the Board and grantee institution.

These grants were paid out of the General Revenue Fund (001), Build Illinois Bond Fund (971) in FY04 only, and the Tobacco Settlement Recovery Fund (733) in FY04 only.

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**GRANTS AWARDED (continued)**

**Illinois Consortium for Educational Opportunity Program / Diversifying Higher Education  
Faculty in Illinois (DFI)**

This program was authorized by the Consortium for Educational Opportunity Act (110 ILCS 930/1 et seq.). The Illinois Consortium for Educational Opportunity was created by P.A. 84-785, effective September 21, 1985. The Consortium Board was composed of representatives selected by public and private Illinois colleges and universities that participate in the grant program created by the Act. The Consortium Board was responsible for establishing policy for administration of the grant program and for reviewing and approving allocations for participation in the grant program.

Administrative offices for the Consortium were located at Southern Illinois University at Carbondale.

Appropriations for grants under the program were made to the Board of Higher Education. The Board of Higher Education then made allocations of the grant funds to individual institutions for student grants. These allocations are made based on the decisions of the Consortium Board. Assistance was provided to the Consortium Board by the Board of Higher Education staff in the development of rules for administration of the program and financial support for administration of the program via a Higher Education Cooperation Act grant.

Effective August 4, 2004, the Governor signed into law Public Act 93-862, which amended the Illinois Consortium for Educational Opportunity Act by combining the current State fellowship programs, the ICEOP Program and its companion program, the Illinois Minority Graduate Internship Program (IMGIP) under the direction of a single Program Board. The amendment also changed the name of the act to the Diversifying Higher Education Faculty in Illinois Act (DFI).

Under DFI, the Board of Higher Education is responsible for appointing a 21-member Program Board to provide leadership and policy direction to the DFI Program. The DFI Program Board is responsible for developing strategies to address recommendations made by the Board's faculty diversity study to improve diversity of faculty across Illinois institutions of higher education.

All future awards will be made under the authority of the DFI Program Board. Administrative offices for the program continue to be located at Southern Illinois University at Carbondale.

These grants were paid out of the General Revenue Fund (001).

STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2005  
(not examined)

**GRANTS AWARDED (continued)**

**Federal Grant Programs**

See the Schedule of Expenditures of Federal Awards and the accompanying Notes to the Schedule of Expenditures of Federal Awards for a description of federal grant programs.

The tables on the following pages identify which institutions received the various grants during the period.



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
For the Year Ended June 30, 2005  
(not examined)  
(in thousands)

| Institution                                  | Location       | Health Services | NCLB           | HECA           | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | General Grants | Total Grants    |
|--|----------------|-----------------|----------------|----------------|-------------|--------------------------|----------------|------------------------|-----------------------|----------------|-----------------|
| <b>Public Universities</b>                   |                |                 |                |                |             |                          |                |                        |                       |                |                 |
| Chicago State University                     | Chicago        | \$ -            | \$ 308.0       | \$ 220.0       | \$ -        | \$ -                     | \$ -           | \$ 35.0                | \$ 79.2               | \$ 232.0       | \$ 874.2        |
| Eastern Illinois University                  | Charleston     |                 | 190.0          | 55.0           |             |                          |                | 111.0                  |                       |                | 356.0           |
| Governors State University                   | Park Forest    |                 |                | 135.0          |             |                          |                | 12.5                   | 38.4                  |                | 185.9           |
| Illinois State University                    | Normal         |                 | 548.8          | 211.0          |             |                          |                | 50.0                   | 81.9                  |                | 891.7           |
| Northeastern Illinois University             | Chicago        |                 | 560.5          | 92.0           |             |                          |                | 72.4                   |                       | 279.0          | 1,003.9         |
| Northern Illinois University                 | DeKalb         |                 |                | 430.0          |             |                          |                | 119.0                  | 142.8                 |                | 691.8           |
| Western Illinois University                  | Macomb         |                 | 326.0          | 40.0           |             |                          |                |                        | 83.0                  |                | 449.0           |
| Southern Illinois University at Carbondale   | Carbondale     |                 |                | 976.0          |             |                          |                | 43.0                   | 249.1                 |                | 1,268.1         |
| Southern Illinois University at Edwardsville | Edwardsville   |                 | 140.0          | 35.0           |             |                          |                |                        | 203.5                 |                | 378.5           |
| University of Illinois (Administration)      | Urbana         |                 |                |                |             |                          |                |                        |                       |                |                 |
| University of Illinois at Chicago            | Chicago        |                 | 446.0          | 105.0          |             |                          |                | 90.0                   | 1,850.4               |                | 2,491.4         |
| University of Illinois at Springfield        | Springfield    |                 |                | 65.0           |             |                          |                | 93.0                   | 5.4                   |                | 163.4           |
| University of Illinois at Urbana/Champaign   | Urbana         |                 | 199.8          | 203.6          |             |                          |                | 43.3                   | 2,528.8               |                | 2,975.5         |
| <b>Total, Public Universities</b>            |                | <b>-</b>        | <b>2,719.1</b> | <b>2,567.6</b> | <b>-</b>    | <b>-</b>                 | <b>-</b>       | <b>669.2</b>           | <b>5,262.5</b>        | <b>511.0</b>   | <b>11,729.4</b> |
| <b>Community Colleges</b>                    |                |                 |                |                |             |                          |                |                        |                       |                |                 |
| Belleville Area College (Southwestern)       | Belleville     |                 |                |                |             |                          |                |                        |                       |                |                 |
| Black Hawk College                           | Moline         |                 |                | 39.0           |             |                          |                |                        |                       |                | 39.0            |
| Carl Sandburg College                        | Galesburg      |                 |                |                |             |                          |                | 8.0                    |                       |                | 8.0             |
| City Colleges of Chicago                     | Chicago        |                 |                | 510.0          |             |                          |                | 84.9                   |                       |                | 594.9           |
| Danville Area Community College              | Danville       |                 |                |                |             |                          |                | 33.3                   |                       |                | 33.3            |
| College of DuPage                            | Glen Ellyn     |                 |                | 32.0           |             |                          |                |                        |                       |                | 32.0            |
| Elgin Community College                      | Elgin          |                 |                | 40.0           |             |                          |                | 14.7                   |                       |                | 54.7            |
| William Rainey Harper College                | Palatine       |                 |                | 45.5           |             |                          |                |                        |                       |                | 45.5            |
| Heartland Community College                  | Normal         |                 |                |                |             |                          |                | 23.4                   |                       |                | 23.4            |
| Highland Community College                   | Freeport       |                 |                |                |             |                          |                | 20.0                   |                       |                | 20.0            |
| Illinois Central College                     | East Peoria    |                 |                | 42.2           |             |                          |                |                        |                       |                | 42.2            |
| Illinois Eastern Colleges                    | Lincoln Trail  |                 |                |                |             |                          |                | 23.2                   |                       |                | 23.2            |
| Illinois Valley Community College            | Oglesby        |                 |                |                |             |                          |                |                        |                       |                |                 |
| Joliet Junior College                        | Joliet         |                 |                | 42.2           |             |                          |                |                        |                       |                | 42.2            |
| Kankakee Community College                   | Kankakee       |                 |                | 30.0           |             |                          |                |                        |                       |                | 30.0            |
| Kaskaskia College                            | Centralia      |                 |                |                |             |                          |                | 24.1                   |                       |                | 24.1            |
| Kishwaukee College                           | Malta          |                 |                | 38.3           |             |                          |                |                        |                       |                | 38.3            |
| College of Lake County                       | Grayslake      |                 |                | 35.0           |             |                          |                | 24.0                   |                       |                | 59.0            |
| Lake Land College                            | Mattoon        |                 |                |                |             |                          |                | 38.0                   |                       |                | 38.0            |
| Lewis & Clark Community College              | Godfrey        |                 |                | 45.0           |             |                          |                | 25.0                   |                       |                | 70.0            |
| Lincoln Land Community College               | Springfield    |                 |                | 20.0           |             |                          |                |                        |                       |                | 20.0            |
| John A. Logan College                        | Carterville    |                 |                | 72.0           |             |                          |                | 33.0                   |                       |                | 105.0           |
| McHenry County College                       | Crystal Lake   |                 |                | 35.0           |             |                          |                |                        |                       |                | 35.0            |
| Metropolitan Community College               | East St. Louis |                 |                |                |             |                          |                |                        |                       |                |                 |
| Moraine Valley Community College             | Palos Hills    |                 |                | 86.1           |             |                          |                |                        |                       |                | 86.1            |
| Morton College                               | Cicero         |                 |                | 45.0           |             |                          |                |                        |                       |                | 45.0            |
| Oakton Community College                     | Des Plaines    |                 |                |                |             |                          |                | 30.4                   |                       |                | 30.4            |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
 For the Year Ended June 30, 2005  
 (not examined)  
 (in thousands)

| Institution                                   | Location        | Health Services | NCLB  | HECA    | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | General Grants | Total Grants |
|---|-----------------|-----------------|-------|---------|-------------|--------------------------|----------------|------------------------|-----------------------|----------------|--------------|
| Parkland College                              | Champaign       |                 |       | 70.9    |             |                          |                |                        |                       |                | 70.9         |
| Prairie State College                         | Chicago Heights |                 |       | 45.0    |             |                          |                |                        |                       |                | 45.0         |
| Rend Lake College                             | Ina             |                 |       |         |             |                          |                | 92.0                   |                       |                | 92.0         |
| Richland Community College                    | Decatur         |                 |       | 65.2    |             |                          |                | 22.6                   |                       |                | 87.8         |
| Rock Valley College                           | Rockford        |                 |       | 26.0    |             |                          |                |                        |                       |                | 26.0         |
| Sauk Valley Community College                 | Dixon           |                 |       |         |             |                          |                |                        |                       |                |              |
| Shawnee Community College                     | Ullin           |                 |       | 29.2    |             |                          |                | 34.8                   |                       |                | 64.0         |
| South Suburban College of Cook County         | South Holland   |                 |       | 42.9    |             |                          |                |                        |                       |                | 42.9         |
| Southeastern Illinois College                 | Harrisburg      |                 |       |         |             |                          |                |                        |                       |                |              |
| Southwestern Illinois College                 |                 |                 |       | 37.7    |             |                          |                | 18.8                   |                       |                | 56.5         |
| Spoon River College                           | Canton          |                 |       |         |             |                          |                |                        |                       |                |              |
| Triton College                                | River Grove     |                 |       | 41.9    |             |                          |                |                        |                       |                | 41.9         |
| Waubonsee Community College                   | Sugar Grove     |                 |       | 37.7    |             |                          |                |                        |                       |                | 37.7         |
| John Wood Community College                   | Quincy          |                 |       |         |             |                          |                | 13.9                   |                       |                | 13.9         |
| <b>Total, Community Colleges</b>              |                 | -               | -     | 1,553.8 | -           | -                        | -              | 564.1                  | -                     | -              | 2,117.9      |
| <b><u>Independent Institutions</u></b>        |                 |                 |       |         |             |                          |                |                        |                       |                |              |
| Augustana College                             | Rock Island     |                 |       |         |             |                          |                |                        |                       |                |              |
| Aurora University                             | Aurora          | 69.4            |       |         |             |                          |                |                        |                       |                | 69.4         |
| Barat College                                 | Lake Forest     |                 |       |         |             |                          |                |                        |                       |                |              |
| Benedictine University                        | Lisle           | 4.7             |       |         |             |                          |                |                        | 4.4                   |                | 9.1          |
| Blackburn College                             | Carlinville     |                 |       |         |             |                          |                | 23.5                   |                       |                | 23.5         |
| Blessing-Reiman College of Nursing            | Quincy          | 44.1            |       |         |             |                          |                |                        |                       |                | 44.1         |
| Blessing Hospital                             | Quincy          | 60.5            |       |         |             |                          |                |                        |                       |                | 60.5         |
| Bradley University                            | Peoria          | 136.0           |       | 100.0   |             |                          |                | 120.0                  |                       |                | 356.0        |
| BroMenn Regional Medical Center               | Normal          | 4.7             |       |         |             |                          |                |                        |                       |                | 4.7          |
| Carle Foundation Hospital                     | Urbana          | 131.4           |       |         |             |                          |                |                        |                       |                | 131.4        |
| Christ Medical Center (Advocate)              | Oak Lawn        | 375.4           |       |         |             |                          |                |                        |                       |                | 375.4        |
| College of St. Francis                        | Joliet          |                 |       |         |             |                          |                |                        |                       |                |              |
| Columbia College of Chicago                   | Chicago         |                 | 328.5 |         |             |                          |                | 23.2                   |                       |                | 351.7        |
| Concordia University                          | River Forest    |                 |       |         |             |                          |                | 45.0                   |                       |                | 45.0         |
| Decatur Memorial Hospital                     | Decatur         | 95.7            |       |         |             |                          |                |                        |                       |                | 95.7         |
| DePaul University                             | Chicago         | 212.1           |       | 25.0    |             |                          |                |                        | 44.3                  |                | 281.4        |
| Dominican University                          | River Forest    |                 |       |         |             |                          |                | 102.0                  |                       |                | 102.0        |
| East-West University                          | Chicago         |                 |       |         |             |                          |                |                        |                       |                |              |
| Elmhurst College                              | Elmhurst        | 103.2           |       |         |             |                          |                | 49.2                   |                       |                | 152.4        |
| Eureka College                                | Eureka          |                 |       |         |             |                          |                |                        |                       |                |              |
| Rosalind Franklin Univ of Med/Science (Finch) | North Chicago   | 1,131.8         |       |         |             |                          |                |                        |                       |                | 1,131.8      |
| Foster G. McGaw Hosp. (Loyola U Med Ctr)      | Maywood         |                 |       |         |             |                          |                |                        |                       |                |              |
| Graham Hospital School of Nursing             | Canton          | 14.5            |       |         |             |                          |                |                        |                       |                | 14.5         |
| Greenville College                            | Greenville      |                 | 85.0  |         |             |                          |                | 40.0                   |                       |                | 125.0        |
| Illinois College                              | Jacksonville    |                 |       |         |             |                          |                | 19.0                   |                       |                | 19.0         |
| Illinois College of Optometry                 | Chicago         | 383.9           |       |         |             |                          |                |                        |                       |                | 383.9        |
| Illinois Institute of Technology              | Chicago         |                 |       | 895.0   |             |                          |                |                        | 131.4                 |                | 1,026.4      |
| Illinois Masonic Medical Center (Advocate)    | Chicago         | 432.1           |       |         |             |                          |                |                        |                       |                | 432.1        |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
 For the Year Ended June 30, 2005  
 (not examined)  
 (in thousands)

| Institution                             | Location       | Health Services | NCLB  | HECA | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | General Grants | Total Grants |
|---|----------------|-----------------|-------|------|-------------|--------------------------|----------------|------------------------|-----------------------|----------------|--------------|
| Illinois Wesleyan University            | Bloomington    | 36.6            |       |      |             |                          |                | 13.9                   | 2.0                   |                | 52.5         |
| Judson College                          | Elgin          |                 |       |      |             |                          |                |                        |                       |                |              |
| Kendall College                         | Evanston       |                 |       |      |             |                          |                |                        |                       |                |              |
| Knox College                            | Galesburg      |                 |       |      |             |                          |                |                        |                       |                | 30.0         |
| Lake Forest College                     | Lake Forest    |                 |       |      |             |                          |                |                        |                       |                |              |
| Lakeview College of Nursing             | Danville       | 76.9            |       |      |             |                          |                |                        |                       |                | 76.9         |
| Lewis University                        | Romeoville     | 392.1           |       |      |             |                          |                | 35.0                   |                       |                | 427.1        |
| Lexington College                       | Chicago        |                 |       |      |             |                          |                | 18.0                   |                       |                | 18.0         |
| Lexington Institute of Hospitality      | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| Lincoln College                         | Lincoln        |                 |       |      |             |                          |                |                        |                       |                |              |
| Loyola University of Chicago            | Chicago        | 1,440.4         | 229.5 |      |             |                          |                |                        |                       |                | 1,669.9      |
| Lutheran General Hospital (Advocate)    | Park Ridge     | 265.1           |       |      |             |                          |                |                        |                       |                | 265.1        |
| MacCormac Junior College                | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| MacMurray College                       | Jacksonville   | 39.4            |       |      |             |                          |                | 20.0                   |                       |                | 59.4         |
| McGaw Hospital at Loyola Univ. Med Ctr. | Maywood        | 185.3           |       |      |             |                          |                |                        |                       |                | 185.3        |
| McGaw Medical Center at Northwestern U  | Chicago        | 168.9           |       |      |             |                          |                |                        |                       |                | 168.9        |
| McDonough Hospital                      | Macomb         |                 |       |      |             |                          |                |                        |                       |                |              |
| McKendree College                       | Lebanon        | 63.8            |       |      |             |                          |                |                        |                       |                | 63.8         |
| Memorial Hospital                       | Carbondale     | 168.9           |       |      |             |                          |                |                        |                       |                | 168.9        |
| Memorial Medical Center                 | Springfield    | 96.2            |       |      |             |                          |                |                        |                       |                | 96.2         |
| Mennonite College of Nursing            | Bloomington    |                 |       |      |             |                          |                |                        |                       |                |              |
| Mercy Hospital & Med Ctr                | Chicago        | 28.2            |       |      |             |                          |                |                        |                       |                | 28.2         |
| Methodist Medical Center                | Peoria         | 375.4           |       |      |             |                          |                |                        |                       |                | 375.4        |
| Midwestern University                   | Downers Grove  | 2,975.2         |       |      |             |                          |                |                        |                       |                | 2,975.2      |
| Millikin University                     | Decatur        | 72.2            |       |      |             |                          |                | 19.4                   |                       |                | 91.6         |
| Monmouth College                        | Monmouth       |                 |       |      |             |                          |                |                        |                       |                |              |
| Morrison Institute of Technology        | Morrison       |                 |       |      |             |                          |                |                        |                       |                |              |
| Mount Sinai Hospital Medical Center     | Chicago        | 126.7           |       |      |             |                          |                |                        |                       |                | 126.7        |
| NAES College                            | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| National-Lewis University               | Evanston       |                 |       |      |             |                          |                |                        |                       |                |              |
| National Univ. of Health Sciences       | Lombard        | 717.9           |       |      |             |                          |                |                        |                       |                | 717.9        |
| North Central College                   | Naperville     |                 |       |      |             |                          |                |                        |                       |                |              |
| North Park University                   | Chicago        | 198.3           |       |      |             |                          |                |                        |                       |                |              |
| Northwestern Memorial Hospital          | Evanston       |                 |       |      |             |                          |                | 25.0                   |                       |                | 223.3        |
| Northwestern University                 | Evanston       | 997.6           |       |      |             |                          |                |                        | 1,868.0               |                | 2,865.6      |
| Olivet Nazarene University              | Kankakee       | 91.0            |       |      |             |                          |                |                        |                       |                | 91.0         |
| Olympia Fields Osteopathic Hospital     | Olympia Fields |                 |       |      |             |                          |                |                        |                       |                |              |
| Parks College of St. Louis University   | Cahokia        |                 |       |      |             |                          |                |                        |                       |                |              |
| Provident Hospital of Cook County       | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| Quincy University                       | Quincy         |                 |       |      |             |                          |                | 51.1                   |                       |                | 51.1         |
| Ravenswood Hospital                     | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| Ravenswood Hospital Medical Center      | Chicago        |                 |       |      |             |                          |                |                        |                       |                |              |
| Robert Morris College                   | Chicago        | 445.6           |       |      |             |                          |                | 47.0                   |                       |                | 492.6        |
| Rockford Business College               | Rockford       |                 |       |      |             |                          |                |                        |                       |                |              |
| Rockford College                        | Rockford       | 40.3            |       |      |             |                          |                | 14.1                   |                       |                | 54.4         |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
 For the Year Ended June 30, 2005  
 (not examined)  
 (in thousands)

| Institution                                   | Location      | Health Services | NCLB         | HECA           | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | General Grants | Total Grants    |
|---|---------------|-----------------|--------------|----------------|-------------|--------------------------|----------------|------------------------|-----------------------|----------------|-----------------|
| Rockford Memorial Hospital                    | Rockford      | 5.6             |              |                |             |                          |                |                        |                       |                | 5.6             |
| Roosevelt University                          | Chicago       |                 |              |                |             |                          |                | 34.3                   |                       |                | 34.3            |
| Rush-Copley Medical Center                    | Aurora        | 56.3            |              |                |             |                          |                |                        |                       |                | 56.3            |
| Rush Presbyterian St. Luke's Medical Center   | Chicago       |                 |              |                |             |                          |                |                        |                       |                |                 |
| Rush University                               | Chicago       | 2,344.5         |              |                |             |                          |                |                        | 423.3                 |                | 2,767.8         |
| Scholl College of Podiatric Medicine          | Chicago       |                 |              |                |             |                          |                |                        |                       |                |                 |
| School of the Art Institute of Chicago        | Chicago       |                 |              |                |             |                          |                | 46.8                   |                       |                | 46.8            |
| Shimer College                                | Waukegan      |                 |              |                |             |                          |                | 13.0                   |                       |                | 13.0            |
| Springfield College in Illinois               | Springfield   |                 |              |                |             |                          |                |                        |                       |                |                 |
| St. Anthony College of Nursing                | Rockford      | 94.7            |              |                |             |                          |                | 4.6                    |                       |                | 99.3            |
| St. Anthony Medical Center                    | Rockford      | 3.8             |              |                |             |                          |                |                        |                       |                | 3.8             |
| St. Augustine College                         | Chicago       | 6.9             |              | 37.7           |             |                          |                | 18.6                   |                       |                | 63.2            |
| St. Elizabeth Hospital                        | Belleville    | 2.8             |              |                |             |                          |                |                        |                       |                | 2.8             |
| St. Francis Hospital                          | Evanston      | 16.4            |              |                |             |                          |                |                        |                       |                | 16.4            |
| St. Francis Hospital School of Nursing        | Evanston      |                 |              |                |             |                          |                |                        |                       |                |                 |
| St. Francis Medical Center                    | Peoria        | 249.1           |              |                |             |                          |                |                        |                       |                | 249.1           |
| St. Francis Medical Center College of Nursing | Peoria        |                 |              |                |             |                          |                |                        |                       |                |                 |
| St. John's College                            | Springfield   | 79.7            |              |                |             |                          |                |                        |                       |                | 79.7            |
| St. John's Hospital                           | Springfield   | 117.3           |              |                |             |                          |                |                        |                       |                | 117.3           |
| St. Joseph College of Nursing                 | Joliet        |                 |              |                |             |                          |                |                        |                       |                |                 |
| St. Mary's Hospital                           | Decatur       |                 |              |                |             |                          |                |                        |                       |                |                 |
| St. Xavier University                         | Chicago       | 533.8           |              |                |             |                          |                | 30.0                   |                       |                | 563.8           |
| Swedish American Hospital                     | Rockford      | 98.1            |              |                |             |                          |                |                        |                       |                | 98.1            |
| Swedish Covenant Hospital                     | Chicago       | 18.8            |              |                |             |                          |                |                        |                       |                | 18.8            |
| Trinity Christian College                     | Palos Heights | 21.6            |              | 48.2           |             |                          |                |                        |                       |                | 69.8            |
| Trinity College of Nursing                    | Rock Island   | 26.3            |              |                |             |                          |                |                        |                       |                | 26.3            |
| Trinity Hospital (Advocate)                   | Chicago       | 14.1            |              |                |             |                          |                |                        |                       |                | 14.1            |
| Trinity Medical Center                        | Moline        |                 |              |                |             |                          |                |                        |                       |                |                 |
| United Samaritan's Medical Center             | Danville      |                 |              |                |             |                          |                |                        |                       |                |                 |
| University of Chicago                         | Chicago       | 768.5           | 238.0        |                |             |                          |                |                        | 1,764.2               |                | 2,770.7         |
| University of St. Francis                     | Joliet        | 196.1           |              |                |             |                          |                |                        |                       |                | 196.1           |
| VanderCook College of Music                   | Chicago       |                 |              |                |             |                          |                |                        |                       |                |                 |
| West Suburban College of Nursing              | Oak Park      | 143.5           |              |                |             |                          |                |                        |                       |                | 143.5           |
| <b>Total, Independent Institutions</b>        |               | <b>16,999.4</b> | <b>881.0</b> | <b>1,135.9</b> | <b>-</b>    | <b>-</b>                 | <b>-</b>       | <b>812.7</b>           | <b>4,237.6</b>        | <b>-</b>       | <b>24,066.6</b> |
| <b>Proprietary Institutions</b>               |               |                 |              |                |             |                          |                |                        |                       |                |                 |
| DeVry University - Chicago                    | Chicago       |                 |              |                |             |                          |                | 54.0                   |                       |                |                 |
| DeVry University - DuPage                     | Addison       |                 |              |                |             |                          |                |                        |                       |                | -               |
| <b>Total, Proprietary Institutions</b>        |               | <b>-</b>        | <b>-</b>     | <b>-</b>       | <b>-</b>    | <b>-</b>                 | <b>-</b>       | <b>54.0</b>            | <b>-</b>              | <b>-</b>       | <b>54.0</b>     |
| <b>Other Institutions</b>                     |               |                 |              |                |             |                          |                |                        |                       |                |                 |
| Associated Colleges of Illinois               |               |                 |              | 75.0           |             |                          |                |                        |                       |                | 75.0            |
| Chicago Alliance for Minority Participation   | Chicago       |                 |              |                |             |                          |                |                        |                       |                |                 |
| Chicago Consortium of Colleges and Univ.      | Chicago       |                 |              |                |             |                          |                |                        |                       |                |                 |

STATE OF ILLINOIS  
 BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
 For the Year Ended June 30, 2005  
 (not examined)  
 (in thousands)

| Institution  | Location    | Health<br>Services | NCLB              | HECA              | Quad<br>Cities  | Univ. Ctr.<br>of Lake Cnty. | Advance<br>Photon | Cooperative<br>Work Study | State<br>Matching<br>Grants | General<br>Grants | Total<br>Grants    |
|--|-------------|--------------------|-------------------|-------------------|-----------------|-----------------------------|-------------------|---------------------------|-----------------------------|-------------------|--------------------|
| CONVOCOM   |             |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| El Valor Corporation                               | Chicago     |                    |                   | 65.0              |                 |                             |                   |                           |                             |                   | 65.0               |
| Future Teachers of Chicago                         | Chicago     |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Illinois Mathematics & Science Academy             | Aurora      |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Illinois State Geological Survey                   |             |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Quad-Cities Graduate Study Center                  | Rock Island |                    |                   |                   | 220.0           |                             |                   |                           |                             |                   | 220.0              |
| National Conference for Comm. & Justice            | Chicago     |                    |                   | 45.0              |                 |                             |                   |                           |                             |                   | 45.0               |
| Southern Illinois Collegiate Common Market         | Herrin      |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Southwestern Illinois Higher Education Consortium  | Carbondale  |                    |                   | 45.0              |                 |                             |                   |                           |                             |                   | 45.0               |
| Teachers Academy for Mathematics and Science       | Chicago     |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Univ. Center of Lake County                        | Grayslake   |                    |                   |                   |                 | 1,000.0                     |                   |                           |                             |                   | 1,000.0            |
| West Central Illinois Ed. Telecommunications Corp. | Springfield |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| West Suburban Postsecondary Consortium             | Oak Brook   |                    |                   |                   |                 |                             |                   |                           |                             |                   |                    |
| Total, Other Institutions                          |             | -                  | -                 | 230.0             | 220.0           | 1,000.0                     | -                 | -                         | -                           | -                 | 1,450.0            |
| Grand Total  |             | <u>\$ 16,999.4</u> | <u>\$ 3,600.1</u> | <u>\$ 5,487.3</u> | <u>\$ 220.0</u> | <u>\$ 1,000.0</u>           | <u>\$ -</u>       | <u>\$ 2,100.0</u>         | <u>\$ 9,500.1</u>           | <u>\$ 511.0</u>   | <u>\$ 39,417.9</u> |

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For the Year Ended June 30, 2004  
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| Institution                                  | Location        | Health Services | Engineering    | NCLB           | HECA           | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | Graduation Incentive Grants | General Grants | Total Grants    |
|--|-----------------|-----------------|----------------|----------------|----------------|-------------|--------------------------|----------------|------------------------|-----------------------|-----------------------------|----------------|-----------------|
| <b>Public Universities</b>                   |                 |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| Chicago State University                     | Chicago         | \$ -            | \$ -           | \$ 200.0       | \$ 245.0       | \$ -        | \$ -                     | \$ -           | \$ -                   | \$ 83.8               | \$ -                        | \$ -           | \$ 528.8        |
| Eastern Illinois University                  | Charleston      |                 |                | 286.0          | 53.4           |             |                          |                | 110.0                  |                       | 16.9                        |                | 466.3           |
| Governors State University                   | Park Forest     |                 |                |                | 105.0          |             |                          |                | 12.5                   | 10.4                  |                             |                | 127.9           |
| Illinois State University                    | Normal          |                 |                | 745.0          | 168.0          |             |                          |                | 50.0                   | 89.9                  |                             |                | 1,052.9         |
| Northeastern Illinois University             | Chicago         |                 |                | 565.0          | 85.0           |             |                          |                | 72.4                   |                       |                             |                | 722.4           |
| Northern Illinois University                 | DeKalb          |                 | 99.3           |                | 477.0          |             |                          |                | 118.0                  | 121.9                 |                             | 420.7          | 1,236.9         |
| Western Illinois University                  | Macomb          |                 |                | 385.0          | -              |             |                          |                |                        | 98.8                  | 83.1                        |                | 566.9           |
| Southern Illinois University at Carbondale   | Carbondale      |                 | 121.3          | 320.0          | 1,031.0        |             |                          |                | 43.0                   | 257.1                 |                             |                | 1,772.4         |
| Southern Illinois University at Edwardsville | Edwardsville    |                 | 75.7           | 130.0          | 80.0           |             |                          |                |                        | 200.8                 |                             |                | 486.5           |
| University of Illinois (Administration)      | Urbana          |                 |                |                | -              |             |                          |                |                        |                       |                             |                |                 |
| University of Illinois at Chicago            | Chicago         |                 | 258.0          | 770.0          | -              |             |                          |                | 89.4                   | 1,840.1               |                             |                | 2,957.5         |
| University of Illinois at Springfield        | Springfield     |                 |                |                | -              |             |                          |                | 91.0                   | 4.4                   |                             | 420.7          | 516.1           |
| University of Illinois at Urbana/Champaign   | Urbana          |                 | 723.6          | 435.0          | 115.0          |             |                          |                | 43.3                   | 2,356.1               |                             | 2,420.7        | 6,093.7         |
| <b>Total, Public Universities</b>            |                 | <b>-</b>        | <b>1,277.9</b> | <b>3,836.0</b> | <b>2,359.4</b> | <b>-</b>    | <b>-</b>                 | <b>-</b>       | <b>629.6</b>           | <b>5,063.3</b>        | <b>100.0</b>                | <b>3,262.1</b> | <b>16,528.3</b> |
| <b>Community Colleges</b>                    |                 |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| Belleville Area College (Southwestern)       | Belleville      |                 |                |                | -              |             |                          |                |                        |                       |                             |                |                 |
| Black Hawk College                           | Moline          |                 |                |                | 39.0           |             |                          |                |                        |                       |                             |                | 39.0            |
| Carl Sandburg College                        | Galesburg       |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| City Colleges of Chicago                     | Chicago         |                 |                |                | 520.0          |             |                          |                | 105.5                  |                       |                             |                | 625.5           |
| Danville Area Community College              | Danville        |                 |                |                |                |             |                          |                | 33.3                   |                       |                             |                | 33.3            |
| College of DuPage                            | Glen Ellyn      |                 |                |                | 37.7           |             |                          |                |                        |                       |                             |                | 37.7            |
| Elgin Community College                      | Elgin           |                 |                |                | 41.6           |             |                          |                | 14.7                   |                       |                             |                | 56.3            |
| William Rainey Harper College                | Palatine        |                 |                |                | 45.5           |             |                          |                |                        |                       |                             |                | 45.5            |
| Heartland Community College                  | Normal          |                 |                |                |                |             |                          |                | 19.9                   |                       |                             |                | 19.9            |
| Highland Community College                   | Freeport        |                 |                |                |                |             |                          |                | 24.4                   |                       |                             |                | 24.4            |
| Illinois Central College                     | East Peoria     |                 |                |                | 42.2           |             |                          |                |                        |                       |                             |                | 42.2            |
| Illinois Eastern Colleges                    | Lincoln Trail   |                 |                |                |                |             |                          |                | 23.2                   |                       |                             |                | 23.2            |
| Illinois Valley Community College            | Oglesby         |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| Joliet Junior College                        | Joliet          |                 |                |                | 42.2           |             |                          |                |                        |                       |                             |                | 42.2            |
| Kankakee Community College                   | Kankakee        |                 |                |                | 72.9           |             |                          |                |                        |                       |                             |                | 72.9            |
| Kaskaskia College                            | Centralia       |                 |                |                |                |             |                          |                | 24.1                   |                       |                             |                | 24.1            |
| Kishwaukee College                           | Malta           |                 |                |                | 38.3           |             |                          |                |                        |                       |                             |                | 38.3            |
| College of Lake County                       | Grayslake       |                 |                |                | 35.0           |             |                          |                | 24.0                   |                       |                             |                | 59.0            |
| Lake Land College                            | Mattoon         |                 |                |                |                |             |                          |                | 36.0                   |                       |                             |                | 36.0            |
| Lewis & Clark Community College              | Godfrey         |                 |                |                |                |             |                          |                | 25.0                   |                       |                             |                | 25.0            |
| Lincoln Land Community College               | Springfield     |                 |                |                | 15.2           |             |                          |                | 10.8                   |                       |                             |                | 26.0            |
| John A. Logan College                        | Carterville     |                 |                |                | 111.5          |             |                          |                | 31.4                   |                       |                             |                | 142.9           |
| McHenry County College                       | Crystal Lake    |                 |                |                | 40.0           |             |                          |                |                        |                       |                             |                | 40.0            |
| Metropolitan Community College               | East St. Louis  |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| Moraine Valley Community College             | Palos Hills     |                 |                |                | 91.1           |             |                          |                | 11.5                   |                       |                             |                | 102.6           |
| Morton College                               | Cicero          |                 |                |                | 45.0           |             |                          |                |                        |                       |                             |                | 45.0            |
| Oakton Community College                     | Des Plaines     |                 |                |                | 37.7           |             |                          |                | 30.4                   |                       |                             |                | 68.1            |
| Parkland College                             | Champaign       |                 |                |                | 80.9           |             |                          |                |                        |                       |                             |                | 80.9            |
| Prairie State College                        | Chicago Heights |                 |                |                | 46.8           |             |                          |                |                        |                       |                             |                | 46.8            |
| Rend Lake College                            | Ina             |                 |                |                |                |             |                          |                | 92.0                   |                       |                             |                | 92.0            |
| Richland Community College                   | Decatur         |                 |                |                | 44.8           |             |                          |                | 22.6                   |                       |                             |                | 67.4            |
| Rock Valley College                          | Rockford        |                 |                |                | 26.0           |             |                          |                |                        |                       |                             |                | 26.0            |
| Sauk Valley Community College                | Dixon           |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |
| Shawnee Community College                    | Ullin           |                 |                |                | 29.2           |             |                          |                | 34.8                   |                       |                             |                | 64.0            |
| South Suburban College of Cook County        | South Holland   |                 |                |                | 42.9           |             |                          |                |                        |                       |                             |                | 42.9            |
| Southeastern Illinois College                | Harrisburg      |                 |                |                |                |             |                          |                |                        |                       |                             |                |                 |

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| Institution                                   | Location      | Health Services | Engineering | NCLB  | HECA    | Quad Cities | Univ. Ctr. of Lake Cnty. | Advance Photon | Cooperative Work Study | State Matching Grants | Graduation Incentive Grants | General Grants | Total Grants |
|---|---------------|-----------------|-------------|-------|---------|-------------|--------------------------|----------------|------------------------|-----------------------|-----------------------------|----------------|--------------|
| Southwestern Illinois College                 |               |                 |             |       | 37.7    |             |                          |                | 18.8                   |                       |                             |                | 56.5         |
| Spoon River College                           | Canton        |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Triton College                                | River Grove   |                 |             |       | 41.9    |             |                          |                |                        |                       |                             |                | 41.9         |
| Waubensee Community College                   | Sugar Grove   |                 |             |       | 37.7    |             |                          |                |                        |                       |                             |                | 37.7         |
| John Wood Community College                   | Quincy        |                 |             |       |         |             |                          |                | 13.9                   |                       |                             |                | 13.9         |
| <b>Total, Community Colleges</b>              |               | -               | -           | -     | 1,642.8 | -           | -                        | -              | 596.3                  | -                     | -                           | -              | 2,239.1      |
| <b>Independent Institutions</b>               |               |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Advocate North Side Kutsch Coll Nursing       | Chicago       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Augustana College                             | Rock Island   |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Aurora University                             | Aurora        | 73.1            |             |       |         |             |                          |                |                        |                       |                             |                | 73.1         |
| Barat College                                 | Lake Forest   |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Benedictine University                        | Lisle         | 10.4            |             |       |         |             |                          |                |                        |                       |                             |                | 10.4         |
| Blackburn College                             | Carlinville   |                 |             |       |         |             |                          |                | 23.5                   |                       |                             |                | 23.5         |
| Blessing-Reiman College of Nursing            | Quincy        | 47.4            |             |       |         |             |                          |                |                        |                       |                             |                | 47.4         |
| Blessing Hospital                             | Quincy        | 61.1            |             |       |         |             |                          |                |                        |                       |                             |                | 61.1         |
| Bradley University                            | Peoria        | 144.0           | 89.5        |       | 225.0   |             |                          |                | 120.0                  |                       |                             |                | 578.5        |
| BroMenn Regional Medical Center               | Normal        | 5.2             |             |       |         |             |                          |                |                        |                       |                             |                | 5.2          |
| Carle Foundation Hospital                     | Urbana        | 151.7           |             |       |         |             |                          |                |                        |                       |                             |                | 151.7        |
| Christ Medical Center - Advocate              | Oak Lawn      | 353.1           |             |       |         |             |                          |                |                        |                       |                             |                | 353.1        |
| College of St. Francis                        | Joliet        |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Columbia College of Chicago                   | Chicago       |                 |             | 395.0 |         |             |                          |                | 23.2                   |                       |                             |                | 418.2        |
| Concordia University                          | River Forest  |                 |             |       |         |             |                          |                | 45.0                   |                       |                             |                | 45.0         |
| Decatur Memorial Hospital                     | Decatur       | 81.5            |             |       |         |             |                          |                |                        |                       |                             |                | 81.5         |
| DePaul University                             | Chicago       | 206.7           |             | 185.0 | 358.0   |             |                          |                |                        | 63.5                  |                             |                | 813.2        |
| Dominican University                          | River Forest  |                 |             |       |         |             |                          |                | 99.0                   |                       |                             |                | 99.0         |
| East-West University                          | Chicago       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Elmhurst College                              | Elmhurst      | 61.6            |             |       |         |             |                          |                | 49.2                   |                       |                             |                | 110.8        |
| Eureka College                                | Eureka        |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Rosalind Franklin Univ of Med/Science (Finch) | North Chicago | 1,102.2         |             |       |         |             |                          |                |                        |                       |                             |                | 1,102.2      |
| Foster G. McGaw Hosp. (Loyola U Med Ctr)      | Maywood       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Graham Hospital School of Nursing             | Canton        | 13.3            |             |       |         |             |                          |                |                        |                       |                             |                | 13.3         |
| Greenville College                            | Greenville    |                 |             | 80.0  |         |             |                          |                | 46.0                   |                       |                             |                | 126.0        |
| Illinois College                              | Jacksonville  |                 |             |       |         |             |                          |                | 14.0                   |                       |                             |                | 14.0         |
| Illinois College of Optometry                 | Chicago       | 390.1           |             |       |         |             |                          |                |                        |                       |                             |                | 390.1        |
| Illinois Institute of Technology              | Chicago       |                 | 162.5       |       | 850.0   |             |                          |                |                        | 123.8                 |                             | 2,500.0        | 3,636.3      |
| Illinois Masonic Medical Center - Advocate    | Chicago       | 371.6           |             |       |         |             |                          |                |                        |                       |                             |                | 371.6        |
| Illinois Wesleyan University                  | Bloomington   | 39.8            |             |       |         |             |                          |                | 13.9                   |                       |                             |                | 53.7         |
| Judson College                                | Elgin         |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Kendall College                               | Evanston      |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Knox College                                  | Galesburg     |                 |             |       | 34.4    |             |                          |                |                        |                       |                             |                | 34.4         |
| Lake Forest College                           | Lake Forest   |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Lakeview College of Nursing                   | Danville      | 49.3            |             |       |         |             |                          |                |                        |                       |                             |                | 49.3         |
| Lewis University                              | Romeoville    | 372.6           |             |       |         |             |                          |                | 32.0                   |                       |                             |                | 404.6        |
| Lexington College                             | Chicago       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Lexington Institute of Hospitality            | Chicago       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Lincoln College                               | Lincoln       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| Loyola University of Chicagc                  | Chicago       | 1,478.4         |             | 270.0 |         |             |                          |                |                        |                       |                             |                | 1,748.4      |
| Lutheran General Hospital - Advocate          | Park Ridge    | 229.9           |             |       |         |             |                          |                |                        |                       |                             |                | 229.9        |
| MacCormac Junior College                      | Chicago       |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| MacMurray College                             | Jacksonville  | 25.6            |             |       |         |             |                          |                | 20.0                   |                       |                             |                | 45.6         |
| McDonough Hospital                            | Macomb        |                 |             |       |         |             |                          |                |                        |                       |                             |                |              |
| McGaw Hospital at Loyola Univ. Med Ctr.       | Maywood       | 66.4            |             |       |         |             |                          |                |                        |                       |                             |                | 66.4         |
| McGaw Med Ctr - Northwestern Univ             | Chicago       | 182.5           |             |       |         |             |                          |                |                        |                       |                             |                | 182.5        |
| McKendree College                             | Lebanon       | 49.3            |             |       |         |             |                          |                |                        |                       |                             |                | 49.3         |
| Memorial Hospital                             | Carbondale    | 246.5           |             |       |         |             |                          |                |                        |                       |                             |                | 246.5        |

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|---|----------------|-----------------|-------------|-------|------|-------------|--------------------------|----------------|------------------------|-----------------------|-----------------------------|----------------|--------------|
| Memorial Medical Center                       | Springfield    | 146.9           |             |       |      |             |                          |                |                        |                       |                             |                | 146.9        |
| Mennonite College of Nursing                  | Bloomington    |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Mercy Hospital & Med Ctr                      | Chicago        | 28.4            |             |       |      |             |                          |                |                        |                       |                             |                | 28.4         |
| Methodist Medical Center                      | Peoria         | 296.3           |             |       |      |             |                          |                |                        |                       |                             |                | 296.3        |
| Midwestern University                         | Downers Grove  | 3,283.3         |             |       |      |             |                          |                |                        |                       |                             |                | 3,283.3      |
| Millikin University                           | Decatur        | 55.0            |             |       |      |             |                          |                | 19.4                   |                       |                             |                | 74.4         |
| Monmouth College                              | Monmouth       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Morrison Institute of Technology              | Morrison       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Mount Sinai Hospital Medical Center           | Chicago        | 173.0           |             |       |      |             |                          |                |                        |                       |                             |                | 173.0        |
| NAES College                                  | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| National-Lewis University                     | Evanston       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| National Univ. of Health Sciences             | Lombard        | 782.2           |             |       |      |             |                          |                |                        |                       |                             |                | 782.2        |
| North Central College                         | Naperville     |                 |             | 250.0 |      |             |                          |                |                        |                       |                             |                | 250.0        |
| North Park University                         | Chicago        | 185.9           |             |       |      |             |                          |                |                        |                       |                             |                | 185.9        |
| Northwestern Memorial Hospital                | Evanston       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Northwestern University                       | Evanston       | 965.1           | 250.7       |       |      |             |                          | 2,100.0        |                        | 1,948.8               |                             |                | 5,264.6      |
| Olivet Nazarene University                    | Bourbonnais    | 60.7            | 5.7         |       |      |             |                          |                |                        |                       |                             |                | 66.4         |
| Olympia Fields Osteopathic Hospital           | Olympia Fields |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Parks College of St. Louis University         | Cahokia        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Provident Hospital of Cook County             | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Quincy University                             | Quincy         |                 |             |       |      |             |                          |                | 51.1                   |                       |                             |                | 51.1         |
| Ravenswood Hospital                           | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Ravenswood Hospital Medical Center            | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Robert Morris College                         | Chicago        | 340.3           |             |       |      |             |                          |                | 45.0                   |                       |                             |                | 385.3        |
| Rockford Business College                     | Rockford       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Rockford College                              | Rockford       | 38.9            |             |       |      |             |                          |                | 14.1                   |                       |                             |                | 53.0         |
| Rockford Memorial Hospital                    | Rockford       | 4.3             |             |       |      |             |                          |                |                        |                       |                             |                | 4.3          |
| Roosevelt University                          | Chicago        |                 |             |       |      |             |                          |                | 34.3                   |                       |                             |                | 34.3         |
| Rush-Copley Medical Center                    | Aurora         | 37.9            |             |       |      |             |                          |                |                        |                       |                             |                | 37.9         |
| Rush Presbyterian St. Luke's Medical Center   | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| Rush University                               | Chicago        | 2,232.1         |             |       |      |             |                          |                |                        | 436.5                 |                             |                | 2,668.6      |
| Scholl College of Podiatric Medicine          | Chicago        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| School of the Art Institute of Chicago        | Chicago        |                 |             |       |      |             |                          |                | 46.8                   |                       |                             |                | 46.8         |
| Shimer College                                | Waukegan       |                 |             |       |      |             |                          |                | 13.0                   |                       |                             |                | 13.0         |
| Springfield College in Illinois               | Springfield    |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| St. Anthony College of Nursing                | Rockford       | 78.7            |             |       |      |             |                          |                | 4.6                    |                       |                             |                | 83.3         |
| St. Anthony Medical Center                    | Rockford       | 3.8             |             |       |      |             |                          |                |                        |                       |                             |                | 3.8          |
| St. Augustine College                         | Chicago        | 32.2            |             |       | 37.7 |             |                          |                | 18.6                   |                       |                             |                | 88.5         |
| St. Elizabeth Hospital                        | Belleville     | 2.8             |             |       |      |             |                          |                |                        |                       |                             |                | 2.8          |
| St. Francis Hospital                          | Evanston       | 23.7            |             |       |      |             |                          |                |                        |                       |                             |                | 23.7         |
| St. Francis Hospital School of Nursing        | Evanston       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| St. Francis Medical Center                    | Peoria         | 199.3           |             |       |      |             |                          |                |                        |                       |                             |                | 199.3        |
| St. Francis Medical Center College of Nursing | Peoria         |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| St. John's College, Dept of Nursing           | Springfield    | 62.6            |             |       |      |             |                          |                |                        |                       |                             |                | 62.6         |
| St. John's Hospital                           | Springfield    | 81.5            |             |       |      |             |                          |                |                        |                       |                             |                | 81.5         |
| St. Joseph College of Nursing                 | Joliet         |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| St. Mary's Hospital                           | Decatur        |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| St. Xavier University                         | Chicago        | 474.0           |             |       |      |             |                          |                | 30.0                   |                       |                             |                | 504.0        |
| Swedish American Hospital                     | Rockford       | 120.4           |             |       |      |             |                          |                |                        |                       |                             |                | 120.4        |
| Swedish Covenant Hospital                     | Chicago        | 37.9            |             |       |      |             |                          |                |                        |                       |                             |                | 37.9         |
| Trinity Christian College                     | Palos Heights  | 9.5             |             |       |      |             |                          |                | 7.0                    |                       |                             |                | 16.5         |
| Trinity College of Nursing                    | Rock Island    | 15.7            |             |       |      |             |                          |                |                        |                       |                             |                | 15.7         |
| Trinity Hospital - Advocate                   | Chicago        | 0.8             |             |       |      |             |                          |                |                        |                       |                             |                | 0.8          |
| Trinity Medical Center                        | Moline         |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |
| United Samaritan's Medical Center             | Danville       |                 |             |       |      |             |                          |                |                        |                       |                             |                |              |



STATE OF ILLINOIS  
BOARD OF HIGHER EDUCATION  
**GRANTS BY INSTITUTION**  
For the Year Ended June 30, 2004  
(not examined)  
(in thousands)

| Institution  | Location    | Health Services    | Engineering       | NCLB              | HECA              | Quad Cities     | Univ. Ctr. of Lake Cnty. | Advance Photon    | Cooperative Work Study | State Matching Grants | Graduation Incentive Grants | General Grants    | Total Grants       |
|--|-------------|--------------------|-------------------|-------------------|-------------------|-----------------|--------------------------|-------------------|------------------------|-----------------------|-----------------------------|-------------------|--------------------|
| University of Chicago                              | Chicago     | 776.7              |                   | 280.0             |                   |                 |                          |                   |                        | 1,864.2               |                             |                   | 2,920.9            |
| University of St. Francis                          | Joliet      | 119.4              |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   | 119.4              |
| VanderCook College of Music                        | Chicago     |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| West Suburban College of Nursing                   | Oak Park    | 93.9               |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   | 93.9               |
| <b>Total, Independent Institutions</b>             |             | <b>16,576.5</b>    | <b>508.4</b>      | <b>1,460.0</b>    | <b>1,505.1</b>    | <b>-</b>        | <b>-</b>                 | <b>2,100.0</b>    | <b>769.7</b>           | <b>4,436.8</b>        | <b>-</b>                    | <b>2,500.0</b>    | <b>29,856.5</b>    |
| <b>Proprietary Institutions</b>                    |             |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| DeVry University - Chicago                         | Chicago     |                    |                   |                   |                   |                 |                          |                   | 53.3                   |                       |                             |                   | 53.3               |
| DeVry University - DuPage                          | Addison     |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| <b>Total, Proprietary Institutions</b>             |             | <b>-</b>           | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>        | <b>-</b>                 | <b>-</b>          | <b>53.3</b>            | <b>-</b>              | <b>-</b>                    | <b>-</b>          | <b>53.3</b>        |
| <b>Other Institutions</b>                          |             |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| Associated Colleges of Illinois                    |             |                    |                   |                   | 90.0              |                 |                          |                   |                        |                       |                             |                   | 90.0               |
| Chicago Alliance for Minority Participation        | Chicago     |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| Chicago Consortium of Colleges and Univ. CONVOCOM  | Chicago     |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| El Valor Corporation                               | Chicago     |                    |                   |                   | 70.0              |                 |                          |                   |                        |                       |                             |                   | 70.0               |
| Future Teachers of Chicago                         | Chicago     |                    |                   |                   | 45.0              |                 |                          |                   |                        |                       |                             |                   | 45.0               |
| Illinois Mathematics & Science Academy             | Aurora      |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             | 165.1             | 165.1              |
| Illinois State Geological Survey                   |             |                    |                   |                   |                   |                 |                          |                   |                        |                       | 1,100.0                     |                   | 1,100.0            |
| Quad-Cities Graduate Study Center                  | Rock Island |                    |                   |                   |                   | 220.0           |                          |                   |                        |                       |                             |                   | 220.0              |
| National Conference for Comm. & Justice            | Chicago     |                    |                   |                   | 75.0              |                 |                          |                   |                        |                       |                             |                   | 75.0               |
| Southern Illinois Collegiate Common Market         | Herrin      |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| Southwestern Illinois Higher Education Consortium  | Carbondale  |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| Teachers Academy for Mathematics and Science       | Chicago     |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| Univ. Center of Lake County, Gov Bd                | Grayslake   |                    |                   |                   |                   |                 | 1,000.0                  |                   |                        |                       |                             |                   | 1,000.0            |
| West Central Illinois Ed. Telecommunications Corp. | Springfield |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| West Suburban Postsecondary Consortium             | Oak Brook   |                    |                   |                   |                   |                 |                          |                   |                        |                       |                             |                   |                    |
| <b>Total, Other Institutions</b>                   |             | <b>-</b>           | <b>-</b>          | <b>-</b>          | <b>280.0</b>      | <b>220.0</b>    | <b>1,000.0</b>           | <b>-</b>          | <b>-</b>               | <b>-</b>              | <b>-</b>                    | <b>1,265.1</b>    | <b>2,765.1</b>     |
| <b>Grand Total</b>                                 |             | <b>\$ 16,576.5</b> | <b>\$ 1,786.3</b> | <b>\$ 5,296.0</b> | <b>\$ 5,787.3</b> | <b>\$ 220.0</b> | <b>\$ 1,000.0</b>        | <b>\$ 2,100.0</b> | <b>\$ 2,048.9</b>      | <b>\$ 9,500.1</b>     | <b>\$ 100.0</b>             | <b>\$ 7,027.2</b> | <b>\$ 51,442.3</b> |