

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY**

**COMPLIANCE EXAMINATION
(In Accordance With the Single Audit Act
and OMB Circular A-133)
For the Year Ended June 30, 2007**

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

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 COMPLIANCE EXAMINATION
 (In Accordance With the Single Audit Act and OMB Circular A-133)
 For the Year Ended June 30, 2007**

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FINANCIAL STATEMENT REPORT

The University’s financial statement report for the year ended June 30, 2007, which includes the report of independent auditors, management discussion and analysis, basic financial statements, and the independent auditor’s report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards* has been issued separately.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE EXAMINATION
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OTHER REPORTS ISSUED UNDER SEPARATE COVER

- Northern Illinois University Financial Statements - June 30, 2007
- Northern Illinois University - Report Required Under *Government Auditing Standards* for the Year Ended June 30, 2007
- Northern Illinois University Foundation - Financial Audit for the Year Ended June 30, 2007
- Northern Illinois University Foundation - Report Required Under *Government Auditing Standards* for the Year Ended June 30, 2007
- Northern Illinois University Alumni Association - Financial Audit for the Year Ended June 30, 2007
- Northern Illinois University Alumni Association - Report Required Under *Government Auditing Standards* for the Year Ended June 30, 2007

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY**

AGENCY OFFICIALS

President	John G. Peters
Executive Vice President and Provost	Raymond W. Alden III
Executive Vice President, Finance Facilities and Chief of Operations	Eddie R. Williams
Vice President, Administration	Anne C. Kaplan
Vice President, Development and University Advancement	Mike Malone
Vice President, External Affairs	Kathryn Buettner
Vice President and General Counsel	Kenneth Davidson
Director of Internal Audit	Sharon Downen

Financial Staff

Associate Vice President, Finance and Facilities	Robert Albanese
Controller	Keith Jackson
Assistant Controller	Linda Timm
Director of Grants, Fiscal Administration	Julie Weber
Director of Treasury Operations	Tamara Farley
Bursar	Kinga Mauger

Agency offices are located at:

300 Altgeld Hall
DeKalb, Illinois 60115



**NORTHERN ILLINOIS
UNIVERSITY**

May 6, 2008

Clifton Gunderson LLP
301 SW Adams, Suite 900
P.O. Box 1835
Peoria, IL 61656-1835

DIVISION OF FINANCE AND FACILITIES
DEKALB, ILLINOIS 60115-2854
(815) 753-1508


Ladies and Gentlemen:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the University. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the University's compliance with the following assertions during the one-year period ended June 30, 2007. Based on this evaluation, we assert that during the year ended June 30, 2007, the University has materially complied with the assertions below.


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

Yours very truly,

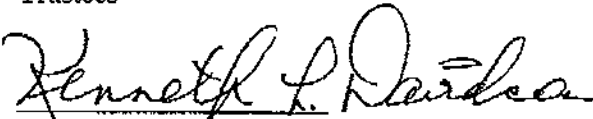
Northern Illinois University



John G. Peters
President



Eddie R. Williams
Executive Vice President, Business and Finance, Chief of Operations, and Treasurer, Board of
Trustees



Kenneth L. Davidson
Associate Vice President and General Counsel

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2007**

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

ACCOUNTANT’S REPORTS

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 nonstandard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Compliance Report</u>	<u>Financial Report</u>	<u>Prior Compliance Report</u>
Findings	4	2*	2
Repeated findings	1	1	2
Prior recommendations implemented or not repeated	1	1*	5

Details of Federal and State compliance findings are presented in a separately tabbed report section of this report. Details of *Government Auditing Standards* findings are issues related to significant deficiencies and material weaknesses in internal control over financial reporting. Findings related to *Government Auditing Standards* have been issued in a separate report.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
Current Findings - <i>Government Auditing Standards</i>		
07-1	*	Financial Statement Preparation
07-2	*	Fraud Prevention and Detection Program
Prior Findings Not Repeated - <i>Government Auditing Standards</i>		
07-3	*	Capital Asset Reporting
* See separately issued Report Required Under <i>Government Auditing Standards</i> .		
Current Findings - Federal Compliance		
07-4	18	Effort Certifications for Federally Funded Personnel Costs

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPLIANCE REPORT SUMMARY
For the Year Ended June 30, 2007**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
Current Findings - State Compliance		
07-5	20	Locally Held Funds Reporting
07-6	21	Compliance With the University Faculty Research and Consulting Act
07-7	23	Time Sheets Not Required
Prior Findings Not Repeated - Federal Compliance		
07-8	25	Unofficial Withdrawal Policy

EXIT CONFERENCE

The University waived a formal exit conference to discuss the findings and recommendations in correspondence dated March 28, 2008. The University responses to the recommendations were provided by Keith R. Jackson in correspondence dated April 4, 2008.

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

Honorable William G. Holland
Auditor General
State of Illinois

and

Marc J. Strauss, Honorable Chair of the
Legislative, Audit, and External Affairs
Committee of the Board of Trustees

Compliance

As Special Assistant Auditors for the Auditor General, we have examined Northern Illinois University's (University) compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the year ended June 30, 2007. The management of the University is responsible for compliance with these requirements. Our responsibility is to express an opinion on the University's compliance based on our examination.

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

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

As described in finding 07-5 in the accompanying schedule of findings and questioned costs, Northern Illinois University did not comply with requirements regarding applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations. Compliance with such requirements is necessary, in our opinion, for Northern Illinois University to comply with the requirements listed in the first paragraph of this report.

In our opinion, except for the noncompliance described in the preceding paragraph, Northern Illinois University complied, in all material respects, with the requirements listed in the first paragraph of this report during the year ended June 30, 2007. However, the results of our procedures disclosed other instances of noncompliance, 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 findings and questioned costs as findings 07-6 and 07-7.

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

Internal Control

The management of Northern Illinois University is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the University's internal control over compliance with the aforementioned requirements in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as findings 07-5, 07-6, and 07-7 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider finding 07-5 to be a material weakness.

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

The University's responses to the findings identified in our examination are described in the accompanying schedule of findings and questioned costs. We did not examine the University's responses and, accordingly, we express no opinion on them.

Supplementary Information for State Compliance Purposes

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of Northern Illinois University and its aggregate discretely presented component units as of and for the year ended June 30, 2007, which collectively comprise the University's basic financial statements, and have issued our report thereon dated March 7, 2008. 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 and is not a required part of the basic financial statements of Northern Illinois University. The 2007 Supplementary Information for State Compliance Purposes, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2007 taken as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, Northern Illinois University's basic financial statements for the years ended June 30, 2006 and June 30, 2005. In our reports dated November 1, 2006 and October 13, 2005, we expressed unqualified opinions on the respective financial statements of Northern Illinois University and its aggregate discretely presented component units. In our opinion, the 2006 and 2005 Supplementary Information for State Compliance Purposes, except for the portion marked "unaudited," is fairly stated in all material respects in relation to the basic financial statements for the years ended June 30, 2006 and June 30, 2005 taken as a whole.

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

Clifton Henderson LLP

Peoria, Illinois
May 6, 2008

**Independent Auditor's Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control Over
Compliance and Schedule of Expenditures of Federal Awards
in Accordance With OMB Circular A-133**

Honorable William G. Holland
Auditor General
State of Illinois

and

Marc J. Strauss, Honorable Chair of the
Legislative, Audit, and External Affairs
Committee of the Board of Trustees

Compliance

We have audited the compliance of Northern Illinois University (University) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

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

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as finding 07-4.

Internal Control Over Compliance

The management of Northern Illinois University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as finding 07-4 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The University's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the University's response and, accordingly, we express no opinion on it.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of Northern Illinois University and its aggregate discretely presented component units as of and for the year ended June 30, 2007, and have issued our report thereon dated March 7, 2008. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Northern Illinois University's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Clifton Henderson LLP

Peoria, Illinois
May 6, 2008, except for the Schedule of
Expenditures of Federal Awards, as to
which the date is March 7, 2008

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S RESULTS
For the Year Ended June 30, 2007**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Perkins Loan Program - Federal Capital Contributions	84.038
Federal Pell Grant Program	84.063
Federal Family Education Loans	84.032
Academic Competitiveness Grants	84.375
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376
Research and Development Cluster	(See Schedule of Expenditures of Federal Awards for detail list of all CFDA numbers included in this cluster.)

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,151,038

Auditee qualified as low-risk auditee? Yes No

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2007**

Note: Findings 07-1 and 07-2 appear in the Financial Statement Audit Report. The 07-3 reference pertains to an FY06 finding that is not repeated in FY07.

07-4. Finding: Effort Certifications for Federally Funded Personnel Costs

Federal Agency: Department of Defense, Department of Energy, Department of Education, and Department of Health and Human Services

Program Name: Research and Development

CFDA#: 12.630, 81.079, 84.116, 93.853

Questioned Costs: None known.

The University did not have a system in place to document the distribution of payroll costs to grant programs as required by OMB Circular A-21 for the research and development program.

We tested a total of 100 expenditures with a value of \$1,616,185 charged to four different research and development grants. Of those items tested, 37 (\$333,224 - 21% of the total dollars tested) were for payroll related items. The University did not have after-the-fact confirmation of these payroll costs.

Office of Management and Budget (OMB) Circular A-21 provides guidelines for allowable costs to be charged to federal grants and the necessary documentation to support those expenditures. The circular outlines several different acceptable methods for distributing and documenting payroll costs, but all methods must recognize the principle of after-the-fact confirmation of costs by a responsible person with suitable means of verification that the work was performed.

University officials stated that for years, the University has relied upon the existing Faculty Activity Report (FAR) for compliance with OMB Circular A-21. This report details the activity of each faculty member over the course of a semester and summarizes their activity into the following categories:

Administration	Committees
Departmental Service	Departmental Research
Library	Counseling
Athletics	Organized Research (externally funded grants)
Public Service (internally funded grants)	

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - FEDERAL COMPLIANCE
For the Year Ended June 30, 2007**

07-4. Finding: Effort Certifications for Federally Funded Personnel Costs (Continued)

The summation of the individual's effort over the time period must equal 100% in the FAR. The report is signed by the faculty member and by the department head. Historically this report has contained enough information for after-the-fact time and effort confirmation. As the University expanded its research emphasis, it was noted internally that the existing FAR did not allow it to report effectively for those researchers that worked on multiple grants in any given reporting period (the FAR was limited to three grants). A project was initiated to change the basis of data collection for time and effort reporting. As the FAR report was designed for IBHE reporting requirements, it was decided to separate time and effort reporting from the FAR data collection. A separate form was created and intensively tested. The new form was approved for use in the time period starting July 1, 2007. The first set of reports will be produced during January 2008. Reporting will occur every six months.

If payroll related costs charged to federal programs are not properly documented in accordance with federal guidelines, the cost could be questioned and could potentially have to be repaid to the granting agency. Lack of policies and procedures to properly document payroll costs charged to federal grants could impact future grant funding. (Finding Code No. 07-4)

Recommendation:

We recommend the University develop and implement a process for documenting payroll costs charged to grants that will meet the requirements of OMB Circular A-21.

University Response:

The University agrees with the recommendation and has implemented corrective action.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2007**

07-5. Finding: Locally Held Funds Reporting

The University understated its cash and investment balances reported to the Illinois Office of the Comptroller on its locally held funds report for June 30, 2007 by \$31 million.

During our compliance examination we noted the cash and investment balance reported to the Comptroller's office on its quarterly "Report of Receipts and Disbursements of Locally Held Funds" (Form C17) for the quarter ended June 30, 2007 was \$31 million less than the cash and investment amounts reported in its June 30, 2007 financial statements.

According to SAMS Procedure 33.13.20 universities are required to report quarterly receipts, disbursements and ending cash and investment balances to the Illinois Office of the Comptroller. University personnel stated that the understatement of the cash and investment balances was the result of timing differences and the basis of accounting used to prepare the different reports.

Failure to prepare an accurate report of locally held funds receipts and disbursements inhibits the Comptroller from performing its responsibilities of monitoring and reporting fiscal information on a statewide basis. (Finding Code No. 07-5)

Recommendation:

We recommend the University improve its procedures for preparing the locally held funds report so that year-end cash and investment balances agree to those reported in its financial statements.

University Response:

The University disagrees with the finding. The University prepares and files the required form by the mandated due date of July 31. Bank statements and investment activity are not received and reconciled by the reporting deadline. All cash and investment activity for the fiscal year is properly disclosed by the GAAP package deadline of September 30. A reconciliation, although not required, is provided to the Office of the Comptroller for the variances between the two reports.

Auditors' Comment:

The University disagreed with the finding but they have not disputed the facts as stated in the finding that cash and investments reported to the Illinois Office of the Comptroller were understated by \$31 million for the quarter ended June 30, 2007. Filing an inaccurate report on time is of little or no value to the Comptroller's Office and defeats the purpose of the reporting requirement. We would continue to urge the University to comply with SAMS Procedures and file an accurate locally held fund report by the reporting deadline.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2007**

07-6. Finding: Compliance With the University Faculty Research and Consulting Act

University faculty did not obtain timely approval for outside research or consulting activities.

During our testing of 25 faculty requests for approval of outside consulting or research, we noted that 9 of the requests (36%) were not approved until after the estimated start dates for the outside consulting or research. The approvals ranged from 2 to 163 days late.

The University Faculty Research and Consulting Act (110 ILCS 100/) requires “prior written approval of the President of that institution, or a designee of such President, to perform the outside research or consulting services...” University procedures require such requests be submitted to the Office of the Provost for approval prior to the start of any work.

The University believes it is in compliance with the Act.

If approval for outside research and consulting is not obtained prior to the start of the work, the University’s oversight controls to assess potential conflicts are diminished. (Finding Code No. 07-6)

Recommendation:

We recommend the University comply with the Act and communicate its procedures and the requirements of the University Faculty Research and Consulting Act to the faculty.

University Response:

The University agrees with the recommendation, but not the facts as presented. The University has a policy and procedure in place, with extensive communication done electronically and by memorandum. All faculty are required to request permission in advance of external research / consulting. In all instances, faculty have completed the form, and submitted their form prior to any external work, and have received departmental approval . On rare occasions, the routing of the form from the department chair or supervisor to the college or director to the final review in the Provost’s Office has been completed after the requested work instance, creating cases of technical noncompliance. In no case was the request denied. When faculty do not follow the procedure, additional correspondence occurs.

The form requires the faculty to give an estimated date for when their services will be used outside of the University. The date is clearly labeled as an estimated date. Faculty understand that approval is required before any outside work is started. The external auditors have interpreted the estimated date to be the date that work is actually performed. The auditors have used the estimated date in their testing criteria as opposed to the date that the faculty signed the form. Using the date that the faculty signed off on their request changes the results of the test from 9 (36%) to 2 (8%) and the approval delay to a maximum of 14 days.

The University will do a thorough review of the form to eliminate potentially confusing data elements while maintaining compliance with the Act.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2007**

07-6. Finding: Compliance With the University Faculty Research and Consulting Act
(Continued)

Auditors' Comment:

The University's request for approval forms for outside consulting and research included only the estimated start date for outside consulting and research. The University is asking auditors to correlate the faculty's signature date with the start date of the outside consulting and research absent any documentary evidence that any such correlation exist. If the estimated date used by the auditors is not valid as the University is stating in its response, then no valid start date exists on the form. In either scenario, the University's documentation does not support compliance with the University Faculty Research and Consulting Act. We would continue to recommend the University comply with the Act.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2007**

07-7. Finding: Time Sheets Not Required

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

The State Officials and Employees Ethics Act (5 ILCS 430) requires the University to adopt personnel policies consistent with the Act. The Act (5 ILCS 430/5-5(c)) further states, "The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour."

We noted certain categories of the University's employees did not submit time sheets in compliance with the Act. We tested a sample of 25 University employees for compliance with the State Officials and Employee Ethics Act. Our sample included 7 hourly employees and 18 salaried employees which included faculty and administrative staff. Except for hourly employees who do use timecards, employees' time is tracked using Northern Illinois University's payroll system, which is a "negative" timekeeping system whereby the employee is assumed to be working unless noted otherwise. No time sheets documenting the time spent each day on official State business to the nearest quarter hour were maintained for these University employees.

University officials stated that the University's State Officials and Employee Ethics Act compliance policy and Salaried Benefit Usage Form and instructions, take account of the necessity of recording all time accountable for state service to at least the nearest quarter hour. This requirement is fulfilled by virtue of the continuing on-duty status requirement of all salaried faculty and staff members who are exempt from hourly compensation pursuant to the Fair Labor Standards Act. Accordingly, all salaried employees are documented as being on-duty for their required work responsibilities unless leave time is recorded on the Benefit Usage Form. Supervisors are responsible for verifying that salaried employees are on-duty and that off-duty time is accurately accounted for on the monthly form. In order to provide a method of assuring the accuracy of off-duty time documentation, employees must specify the date(s) and time periods of their off-duty time declaration. University officials stated that they are continuing to explore with other universities the use of supplemental timesheets to comply with the Act.

By not requiring appropriate time sheets from all of its employees, the University has no documentation of the time spent by faculty and staff on official state business as contemplated by the Act. (Finding Code Nos. 07-7, 06-4, 05-6)

Recommendation:

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

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT FINDINGS - STATE COMPLIANCE
For the Year Ended June 30, 2007**

07-7. Finding: Time Sheets Not Required (Continued)

University Response:

As stated in previous audit responses, NIU promptly developed a compliance procedure upon implementation of the State Officials and Employees Ethics Act (SOEEA). This procedure utilized the Salaried Employee Benefit Usage Form as the verification and documentation format for salaried employee work time reporting. The hourly time sheet record is utilized for hourly employee work time reporting confirmations. Consistent with the auditor's recommendations that a "positive" procedure for work time reporting be implemented, NIU has initiated preparations for a phased work time reporting procedure in addition to the already existing benefit usage reporting process. This new proposed process will utilize the monthly benefit usage reporting cycle to implement a supplemental work time reporting procedure. Under this format, the Salaried Employee Benefit Usage Form will incorporate a supplemental entry space for the total number of hours worked during the reporting period, pursuant to the SOEEA. Because the SOEEA requires State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour (5 ILCS 430/5-5), the work time reported in this entry space will be expected to include all time utilized for University business on a twenty-four hour, seven-day-per-week, basis including weekends. This entry will be considered separate and distinct from compensation-related benefit usage entries on the same form. Accordingly, this number will not be expected to reconcile with the vacation and sick leave benefit time reported, as the reporting requirements differ. Under this procedure, employees will be required to keep their own work time logs, using such tools as the GroupWise calendar, of time spent on university business indicating the number of hours dedicated to state service to the nearest 15-minute interval. The number of hours will then be indicated on the Salaried Employee Benefit Usage Form and signed by the supervisor or department head. During spring 2008, the reporting format will be tested with select areas of the university including Human Resource Services. As of FY09, the final reporting procedure will be implemented for all salaried staff members in the non-academic administrative areas.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
PRIOR FINDINGS NOT REPEATED
For the Year Ended June 30, 2007**

Federal Compliance

07-8. Finding: Unofficial Withdrawal Policy

During our prior examination, we noted the University did not have adequate procedures for determining whether a Federal Student Aid recipient had unofficially withdrawn from all courses during a semester. (Finding Code No. 06-3)

Disposition:

In the current year, the University implemented procedures to identify Federal Student Aid recipients that had unofficially withdrawn from all courses. We did not note any exceptions during our sample testing of this area in the current year.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
For the Year Ended June 30, 2007**

**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
- Cross-Reference Table of Reporting Requirements
- Schedule of Appropriations, Expenditures, Lapsed Balances,
and Balances Reappropriated
- Comparative Schedule of Net Appropriations, Expenditures,
Lapsed Balances, and Balances Reappropriated
- Comparative Schedule of Income Fund Revenues and Expenses
- Schedule of Changes in Capital Assets
- Comparative Schedule of Cash and Temporary Cash Equivalents,
at Cost
- Comparative Schedule of Investments, at Cost
- Analysis of Receivables and Inventories
- Analysis of Significant Variations in Expenses
- Analysis of Significant Variations in Revenues
- Analysis of Significant Variations in Account Balances
- Analysis of Significant Lapse Period Spending

- Analysis of Operations:

- University Functions and Planning Program
- Comparative Employment Statistics (Unaudited)
- Emergency Purchases
- Illinois First Projects (Unaudited)
- Comparative Schedule of Unrestricted Current Fund General
Expenditures Per Full-Time Equivalent Student as Reported
to the Board of Higher Education (Unaudited)
- Ratio of Federal Expenditures to Total Expenditures
- Comparative Enrollment Statistics (Unaudited)
- Schedule of Tuition and Fee Waivers (Unaudited)
- Debt Financed by University-Related Organization
- Acquisition of Real Estate Costing in Excess of \$250,000 and
Not Funded by a Separate Appropriation
- Bookstore Operations (Unaudited)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
For the Year Ended June 30, 2007**

**SUPPLEMENTARY INFORMATION FOR
STATE COMPLIANCE PURPOSES
SUMMARY**

- University Guidelines 1982 as Amended 1997 and Other University Matters:

Entity Financial Statements:

Other Entities:

Condensed Financial Information:

Balance Sheet

Statement of Revenues, Expenditures, and Changes in Fund Balances

Auxiliary Business Operations, Service Departments, and

Indirect Cost Support:

Condensed Financial Information:

Balance Sheet

Statement of Revenues, Expenditures, and Changes in Fund Balances

Auxiliary Enterprises - Revenue Bond Funds:

Condensed Financial Information:

Balance Sheet

Statement of Revenues, Expenditures, and Changes in Fund Balances

Schedule of Indentured Capital Reserves

Indirect Cost Support - Sources and Application of Indirect
Cost Recoveries

Calculation Sheet for Indirect Cost Support Carryforward

Calculation Sheet for Current Excess Funds:

Other Entities

Auxiliary Business Operations

Service Departments

Auxiliary Enterprises - Revenue Bond Funds

Description of Accounting Entities

Comments on Certain Matters Regarding Auxiliary Enterprises, Activities,
and Accounting Entities, and Tuition, Charges, and Fees

Comments on Certain Matters Regarding University-Related
Organizations and Other Matters

Summary of Foundation Payments to/from the University

Summary of Alumni Association Payments to/from the University

Auxiliary Enterprises - Revenue Bond Funds - Statement of Revenues,
Expenses, and Changes in Net Assets

Auxiliary Enterprises - Revenue Bond Funds - Occupancy Report
of Residence Halls

Auxiliary Enterprises - Revenue Bond Funds - Insured Value
Summary

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states that it has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in the accountant's opinion, except for that portion marked "unaudited," on which they express no opinion, it is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007

Federal Grantor/Pass-Through Grantor <u>Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY 2007 Expenditures</u>	<u>To Subrecipients</u>
MAJOR PROGRAM - STUDENT FINANCIAL ASSISTANCE CLUSTER				
<u>DEPARTMENT OF EDUCATION</u>				
Federal Supplemental Educational Opportunity Grants G7B69954/ G7B69961	84.007	P007A061243	\$ 852,521	\$ -
Federal Work-Study Program G7B69977	84.033	P033A061243	766,447	-
Federal Perkins Loan Program - Federal Capital Contributions 45DC60100	84.038		-	-
Federal Pell Grant Program G7B69940/G7B69949/G7B69958	84.063		(905)	-
Federal Pell Grant Program G7B69965	84.063		12,962,403	-
Administrative Cost Allowance 45DC60100	84.038		126,002	-
Academic Competitiveness Grant G7B69967	84.375	P375A061370	623,750	-
National Science and Mathematics Access to Retain Talent (SMART) G7B69968	84.376	P376S061370	285,372	-
Total Student Financial Assistance Cluster			15,615,590	-
MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER				
<u>NATIONAL SCIENCE FOUNDATION</u>				
Engineering Grants:				
Nonlinear Dynamics of Triggering Controllers G1A62146	47.041	CMS-0342887	11,810	-
Advanced Computing and Programming in the Mech. Engineering Curriculum. G1A62163	47.041	EEC-0354557	30,419	-
Mathematical Modeling of the Constitutive Response of Carbon Nanotubes G1A62177	47.041	CMS-0402900	5,025	-
			47,254	-
Mathematical and Physical Sciences:				
Searches for New Phenomena with High Energy Particle Colliders G1A62129	47.049	PHY-0243692	100,442	-
Consortium of the Acquisition of Equipment to Complete a Proton Detector G1A62138	47.049	PHY-0320554	2,216	2,216
Combinatorics and Analysis of Special Functions G1A62142	47.049	DMS-0300126	9,476	-
Bayesian Analysis of Competing Risks G1A62144	47.049	DMS-0306416	2,152	-
NSF-Europe: Correlated Phenomena G1A62150	47.049	DMR-0302617	17,012	-
Search for Second Generation Leptoquarks Using Advanced Data Analysis G1A62151	47.049	PHY-0301383	10,935	-
Research in High Energy Physics: Supersymmetry G1A62207	47.049	PHY-0456635	39,969	-
Model-Based Classification of Longitudinal and Functional Data G1A62215	47.049	DMS-0505696	20,315	-
Collaborative Proposal: Quadratic Inverse Eigenvalue Problems for Model Updating in Science and Engineering: Theory and Computation G1A62217	47.049	DMS-0505784	86,230	-
Metallacarboranes: Syntheses, Structures & Reactivities G1A62232	47.049	CHE-0601023	118,545	-
Searches for New Phenomena with High Energy Particle Colliders G1A62234	47.049	PHY-0555286	169,568	-
Magnetic Vortices in Shaped Superconducting Mesocrystals G1A62244	47.049	DMR-0605748	74,899	-
Passed-Through the University of California - San Diego: X-Ray Scattering...Polymer Interfaces G5A63752	47.049	PO 10215529-002	5,133	-
Passed-Through the University of Illinois - Chicago: X-Ray Scattering Interfaces G5A63745	47.049	E0002245	(395)	-
X-Ray Scattering Studies of Interfaces Between Two Immiscible Electrolyte Solutions G6A63866	47.049	CHE-0615929	42,051	-
Passed-Through University of Oregon: Univ Based Detector Research and Development for the International Linear Collider G6A63887	47.049	43422-7332	1,312	-
			699,860	2,216
Geosciences:				
Collaborative Research: Establishing a High-Resolution Temporal Record G1A62176	47.050	OCE-0351089	2,797	-
MARGINS: Collaborative Research: Temporal and Spatial Variations G1A62179	47.050	OCE-0405666	8,390	-
Collaborative Research: The Development and Implementation of a Field Based, Inquiry Focused Geoscience Course for Pre-service Teachers G1A62222	47.050	GEO-0507341	21,813	-
			33,000	-

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Federal Project or Pass-Through Number	FY 2007 Expenditures	To Subrecipients
MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
NATIONAL SCIENCE FOUNDATION (CONTINUED)				
Computer and Information Science and Engineering:				
Critical Globus-enabled Implementation of the MPI-2 Standard G1A62154	47.070	ANI-0330664	\$ 105,380	\$ -
CI-TEAM Implementation Project: Training Simulation Scientists in Advanced Cyberinfrastructure Tools and Concepts G1A62247	47.070	OCI-0636412	9,417	-
			<u>114,797</u>	<u>-</u>
Biological Sciences:				
Abiotic Factors G1A62137	47.074	DEB-0319966	57,931	-
Peronosporomycetes (Oomycota or Heterokonta) G1A62112	47.074	DEB-0213076	9,440	-
Redox Control in the Development and Evolution G1A62063	47.074	IBN-0090580	(195)	-
RNA Recombination at the Subgenomic Promoter G1A62143	47.074	MCB-0317039	10,361	-
Collaborative Research: Assembling the Tree of Life--An Integrative Approach to Investigating Cnidarian Phylogeny G1A62223	47.074	EF-0531654	9,969	-
Passed-Through The Institute for Genomic Research:				
Microbial Genome Sequencing of Bacillus Megaterium QM B1551 G6A63844	47.074	TIGR-05-012	19,341	-
			<u>106,847</u>	<u>-</u>
Social, Behavioral, and Economic Sciences:				
Parental Management of Adolescent Peers in Three Ethnic Contexts G1A62114	47.075	BCS-0131664	(2,450)	-
Collaborative Research: Complex Controls on the Distribution of Lightning G1A62149	47.075	BCS-0241286	6,251	-
Changes in the Frequency of Extreme Warm Season Surface Dewpoints G1A62165	47.075	BCS-0351302	235	-
Social Complexity Late Archaic Fortaleza Valley, Peru G1A62230	47.075	BCS-0542088	13,350	-
AOC: A regional Approach to Spatial Analysis of Tai Toponyms in Southern China and Southeast Asia Using GIS G1A62246	47.075	BCS-0623108	19,475	-
Collaborative Research: Climatological and Event-Based Radar Delineation of UHI Convection for multi-Scaled urban Corridors within the Southeastern US G1A62252	47.075	BCS-0649343	19,914	-
Radiality: A Tongan Foundational Cultural Model G1A62254	47.075	BCS-0650458	3,704	-
			<u>60,479</u>	<u>-</u>
Education and Human Resources:				
Design and Development of an Internet Based Physical Laboratory Course G1A62209	47.076	DUE-0442374	26,271	-
Teaching Dynamic Systems and Control with a Video Game to Mechanical Engineering Undergraduates G1A62250	47.076	633162.000	22,380	-
Dev & Field Test of Internet-based Multimedia Simulation and Remote Laboratory of Laser Cladding for In-Service Technicians G1A62255	47.076	None	4,045	-
Passed-Through Cambridge Studios, Inc.:				
Education Technology Assistance G6A63845	47.076	DUE-0501915	31	-
Passed Through American Educational Research Association:				
Participation in Service Activities and Its Impact on Academic, Behavioral, and Civic Outcomes of High Risk Students G6A63878	47.076	None	9,837	-
Passed-Through Boston College:				
Urban Ecology Course Materials Created with a universal Design for Learning Framework G6A63888	47.076	0-930-1	11,504	-
			<u>74,068</u>	<u>-</u>
Polar Programs:				
Collaborative Research: Establishing Marine Varve Thickness G1A62147	47.078	OPP-0327107	10,836	-
Quaternary Diatom Paleoenvironmental Records from Three Lakes G1A62205	47.078	ANT-0440886	3,022	-
Passed-Through Mount Holyoke College:				
Holocene and Modern Climate Change: A Research Experience for Undergraduates G5A63784	47.078	C755-B	14,175	-

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

<u>Federal Grantor/Pass-Through Grantor Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY 2007 Expenditures</u>	<u>To Subrecipients</u>
MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>NATIONAL SCIENCE FOUNDATION (CONTINUED)</u>				
Polar Programs (continued):				
Passed-Through University Of Nebraska at Lincoln:				
ANDRILL- Investigating Antarctica's Role in Cenozoic Global Environmental Change G6A63809/G6A63867/G6A63868/ G6A63869/G6A63864	47.078	25-0550-0001-005	\$ 648,621 <u>676,654</u>	\$ 370,462 <u>370,462</u>
Total National Science Foundation			<u>1,812,959</u>	<u>372,678</u>
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Injury Prevention and Control Research State and Community Based Programs:				
The Role of Hostility-Related Schema in Physical Abuse Risk G1A62218	93.136	1 R49 CE000654-01	<u>12,810</u>	<u>-</u>
Research Related to Deafness and Communication Disorders:				
Passed-Through the University of Illinois:				
Risk Factors in Stuttering G3A63036	93.173	02-351	<u>58,897</u>	<u>-</u>
Policy Research and Evaluation Grants:				
Active Learning On-Line on Responsible Mentoring and Collaboration G1A62195	93.239	HHSP233200400817P	<u>5</u>	<u>-</u>
Mental Health Research Grants:				
Time and Autobiographical Memory G1A62167	93.242	R15 MH063724-01A1	6,326	-
Induced Plasticity and Recovery from Neglect in Rats G1A62233	93.242	R01 MH060399-06	<u>289,003</u>	<u>150,582</u>
			<u>295,329</u>	<u>150,582</u>
Cancer Cause and Prevention Research:				
Late-Stage Cancer Clusters And Healthcare Access G1A62237	93.393	5 R21 CA114501	<u>97,124</u>	<u>78,426</u>
Cancer Treatment Research:				
Antizyme-Mediated Inhibition of Polyamine Transport G1A62198	93.395	1 R15 CA113744	<u>74,782</u>	<u>-</u>
Child Abuse and Neglect Discretionary Activities:				
Child Physical Abuse Research Fellowships G1A62192	93.670	90CA1720/02	<u>375</u>	<u>-</u>
Heart and Vascular Diseases Research:				
Passed-Through the University of Montana:				
NO-Mediated Signaling in Endothelial Cells G6A63803/G6A63861	93.837	PG-4247-03	<u>44,994</u>	<u>-</u>
Extramural Research Programs in the Neurosciences and Neurological Disorders:				
Long-Term Outcomes of Childhood-Onset Epilepsy G1A62199/ G1A62228	93.853	5 R01 NS031146	536,401	331,536
Role of the Cholinergic System in Spatial Orientation G1A62229	93.853	1 R15 NS051218	68,375	-
Passed-Through Yale University:				
Multicenter Study of Epilepsy Surgery G5A63750	93.853	A05674	<u>22,243</u>	<u>-</u>
			<u>627,019</u>	<u>331,536</u>
Microbiology and Infectious Diseases Research:				
Genetic Link Between RNAi/PTGS and Viral RNA Recombination G1A62203	93.856	1 R15 AIO64167	<u>130,747</u>	<u>-</u>
Biomedical Research and Research Training:				
Semi-Automated Method for Annotating Repeated Sequences.				
G1A62164	93.859	1 R15 GM069408	56,659	-
Activation of Electrophilic Reagents and Intermediates G1A62186	93.859	1 R15 GM071368	37,815	-
Electron Transfer in Dynamic Protein Complexes G1A62191	93.859	2 R15 GM59740	28,844	-

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Federal Project or Pass-Through Number	FY 2007 Expenditures	To Subrecipients
MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</u>				
Biomedical Research and Research Training (continued):				
Study of Velvet Gene, veA, in Fusarium Verticillioides G1A62202	93.859	1 R15 GM074267	\$ 71,313	\$ -
Investigating the Structural Basis of Antibody Stereoselectivity G1A62231	93.859	1 R15GM076000	79,668	-
			<u>274,299</u>	<u>-</u>
Child Health and Human Development Extramural Research:				
Parenting & School Readiness Among Low-Income Children G1A62201	93.865	1 R03 HD048527	29,537	-
Sexual Revictimization: Affect Regulation as a Mediator G1A62235	93.865	1 R15 HD049907	64,023	-
Infants' and Mothers' responses to being Imitated G1A62236	93.865	5 R03 HD051607	61,427	-
			<u>154,987</u>	<u>-</u>
Vision Research:				
Passed-Through OcuMetrics, Inc.: Time Resolved Ocular Fluorometer G6A63842	93.867	None	89,499	-
Grants to States for Operation of Offices of Rural Health:				
Passed-Through Illinois Department of Public Health: Update to the Illinois Rural Health Plan G3A63048	93.913	72580480.000	18,690	-
Total Department of Health and Human Services			<u>1,879,557</u>	<u>560,544</u>
<u>DEPARTMENT OF EDUCATION</u>				
International Research and Studies:				
International Research and Studies G1A62210	84.017	P017A030103	51,595	-
Overseas-Faculty Research Abroad:				
Municipal Financial and Socio-Economic Development in Nineteenth-Century Sao G1A62240	84.019	P019A060018	66,366	-
Fund for the Improvement of Postsecondary Education:				
The Northern Illinois Center for Accelerator and Detector Development G1A62148	84.116	P116Z030051	217,864	-
Interdisciplinary Laboratory for Nanoscale Science, Engineering and Technology G1A62171	84.116	P116Z040178	(3,981)	-
Vibration and Acoustics Center at NIU-CEET G1A62213	84.116	P116Z050318	4,241	-
Development of Acceleration and Detector Technologies G1A62214	84.116	P116Z050086	827,038	-
Interdisciplinary Nanoscience, Engineering and Technology G1A62216	84.116	P116Z050075	208,481	-
			<u>1,253,643</u>	<u>-</u>
Fund for the Improvement of Education:				
Paleontology Research G1A62175	84.215	U215K040214	11,203	-
Education Research, Development and Dissemination:				
Constructing and Representing Argument Information G1A62158	84.305	R305H020039-03	19,659	15,450
Assessing Reading Comprehension with Verbal Protocols G1A62185	84.305	R305G040055	401,866	105,000
Creating a Usable Environment for Teaching Argument Comprehension and Production Skills G1A62211	84.305	R305H50133	157,514	77,286
			<u>579,039</u>	<u>197,736</u>
Research in Special Education:				
Passed-Through East Tennessee State University: Project ASSESS: Asperger's Syndrome and Special Education Services G6A63846	84.324	5-37123-1	35,054	-
Total Department of Education			<u>1,996,900</u>	<u>197,736</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

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MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF AGRICULTURE</u>				
Agricultural Research-Basic and Applied Research:				
Assessing the Manufacturing Potential for Ethanol Processing Residue Streams G2A62219	10.001	58-5447-5-319	\$ 24,796	\$ -
Cooperative Extension Service:				
Passed-Through the Virginia Polytechnic Institute and State University: Family Advocacy System of Records Data Base G6A63806/ G6A63847	10.500	CR-19355-545836	128,844	-
Total Department of Agriculture			153,640	-
<u>NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION</u>				
Climate and Atmospheric Research:				
Development of an Analytical Center for Climate & Environmental Change G2A62226	11.431	NA05OAR4311117	449,925	-
Special Oceanic and Atmospheric Projects:				
ACCEC G2A62197	11.460	NA04OAR4600167	543,947	-
Total National Oceanic & Atmospheric Administration			993,872	-
<u>DEPARTMENT OF DEFENSE</u>				
Basic and Applied Scientific Research:				
Mitigating the Influence of Space Charge in High-Average-Power-Free Electron Lasers: Phase I G2A62238	12.300	N00014-06-1-0587	187,894	-
Passed-Through Science Applications International Corporation: Survey of Recruits G5A63835	12.300	4400127568.000	516,091	-
			703,985	-
Military Medical Research and Development:				
NIU Institute for Neutron Therapy G2A62227	12.420	W81XWH-06-1-0206	1,609,203	109,800
Basic, Applied, and Advanced Research in Science and Engineering:				
ROCK - Rapid Optimization of Commercial Knowledge for Army Vehicles G2A62196	12.630	W56HZV-04-C-0783	1,901,074	258,660
Passed-Through Rockford Engineering Associates:				
Micro-Factory for Miniaturization, Portability & Remote Production G6A63848	None	N06-T030-001	19,855	-
Total Department of Defense			4,234,117	368,460
<u>DEPARTMENT OF THE AIR FORCE</u>				
Air Force Defense Research Sciences Program:				
Improved Simulations of Photoinjectors G2A62174	12.800	FA9451-04-C-0199	(199)	-
Total Department of the Air Force			(199)	-
<u>DEPARTMENT OF INTERIOR</u>				
Fish and Wildlife Management Assistance:				
Lake Erie Watersnake Recovery Plan Implementation: Demographic Responses to Invasive Round Gobies G2A62225	15.608	301815G123	26,513	-
Passed-Through the Ohio Department of Natural Resources:				
Lake Erie Watersnake Recovery Plan Implementation G6A63805/63810	15.608	NGSCW-05-44	14,440	-
Continued Education and Outreach Toward the Recovery of the Lake Erie Water Snake G6A63807	15.608	NGSCW-05-40	16,040	-
Lake Erie Water Snake Monitoring: Use of Artificial Hibernacula G6A63843	15.608	NGSCW-06-40	4,719	-
			61,712	-

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MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF INTERIOR (CONTINUED)</u>				
National Cooperative Geologic Mapping Program:				
Quaternary Geologic Mapping of the Blackhawk Quadrangle, Northwestern Illinois G2A62241	15.810	06HQAG0065	\$ 2,910	\$ -
Quaternary Geologic Mapping of the Marengo North Quadrangle NE Illinois G2A62208	15.810	05HQAG0012	3,864	-
Quaternary Geologic Mapping of the Hinckley Quadrangle, Northern Illinois G2A62206	15.810	05HQAG0041	(610)	-
			<u>6,164</u>	<u>-</u>
Total Department of Interior			<u>67,876</u>	<u>-</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
Federal Transit Technical Assistance:				
Fuel Cells in Transportation G2A62194	20.512	IL-26-7006	<u>531,344</u>	<u>231,560</u>
Total Department of Transportation			<u>531,344</u>	<u>231,560</u>
<u>DEPARTMENT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Aerospace Education Services Program:				
Passed-Through George Mason University:				
Earth Science REASoN: Research, Education and Applications Solutions Network G6A63802	43.001	NNG04GE61A	<u>11,572</u>	<u>-</u>
Technology Transfer:				
Analysis of Martian Basins G2A62183	43.002	NNG04GJ71G	58,098	-
Genesis Sample Analysis via Synchrotron X-Ray Techniques:				
Discrimination & Quantification of Implanted Solar Wind Versus Terrestrial Contamination G2A62251	43.002	NNX07AG02G	2,338	-
Passed-Through Photon Systems, Inc.:				
Microscope UV Raman and Fluorescence Explorer G6A63801	43.002	NNA04CF86C	45,470	-
			<u>105,906</u>	<u>-</u>
Genesis Sample Analysis Via Synchrotron X-ray Techniques G2A62249	None	NNX07AC60G	<u>12,003</u>	<u>-</u>
Total Department of National Aeronautics and Space Administration			<u>129,481</u>	<u>-</u>
<u>FEDERAL RAILROAD ADMINISTRATION</u>				
Railroad Development:				
Passed-Through University of Illinois at Chicago:				
A Study on Multiple Wheel/Rail Contacts for Railroad Applications G3A63046	20.314	DTFR53-06-G-00002	<u>38,759</u>	<u>-</u>
Total Federal Railroad Administration			<u>38,759</u>	<u>-</u>
<u>INSTITUTE MUSEUM & LIBRARY SERVICE</u>				
Laura Bush 21st Century Librarian Program:				
Mark Twain's Mississippi Project G2A62157	45.313	LG-03-03-0094-03	<u>23,252</u>	<u>-</u>
Total Institute Museum & Library Service			<u>23,252</u>	<u>-</u>
<u>DEPARTMENT OF ENERGY</u>				
Office of Science Financial Assistance Program:				
Polarized X-Rays as a Probe of Spin Polarization G2A62156	81.049	DE-FG02-03ER46097	70,957	-
Soil and Vegetation in Future Climate G2A62193	81.049	DE-FG02-04ER63869	64,459	-
12th Advanced Accelerator Concepts Workshop G2A62242	81.049	DE-FG02-06ER41421	59,629	-
One-Dimensional Mesosstructures of NbSe2 and NbN Superconductors G2A62243	81.049	DE-FG02-06ER46334	41,483	-

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MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER (CONTINUED)				
<u>DEPARTMENT OF ENERGY (CONTINUED)</u>				
Office of Science Financial Assistance Program (continued):				
Longitudinal Phase Space Monitors for the ILC Injectors and Bunch Compressors G2A62248	81.049	DE-FG02-06ER41435	\$ 19,279	\$ -
Passed-Through Kansas State University:				
Neutron & X-ray Reflectometry Study of Surface Critical Phenomena G5A63721	81.049	SO3026	3,450	-
Passed-Through University of Oregon:				
Design & Prototyping of a Scintillator-Based Semi-Digital Hadron Calorimeter G6A63840	81.049	234151K (Project 6.1)	22,427	-
Development of Particle-Flow Algorithms & Simulation Software for ILC Detector(s) G6A63841	81.049	234151K	54,935	-
Design & Prototyping of a Scintillator-based Tail-catcher/Muon Tracker G6A63849	81.049	234151K (Project 6.22)	29,895	-
Scintillator Based Muon System R&D G6A63881	81.049	234151K (Project 7.2)	3,189	-
			<u>369,703</u>	<u>-</u>
Regional Biomass Energy Programs:				
Development of Extruded Scintillator and Single-Bit Readout Tracking Colorimetry G2A62118	81.079	DE-FG02-02ER41223	89,242	-
Nuclear Energy Research, Development and Demonstration:				
Nonlinear Dynamics G2A62187	81.121	DE-FG02-04ER41323	117,126	-
			<u>576,071</u>	<u>-</u>
<u>UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT</u>				
USAID Foreign Assistance for Programs Overseas:				
Passed-Through the Association Liaison Office for International Cooperation in Development: Improved Simulations of Photoinjectors G6A63787	98.001	None	3,100	-
			<u>3,100</u>	<u>-</u>
<u>ARGONNE NATIONAL LABORATORY</u>				
Argonne Dot Grant G1A62253	None	7F-00941	33,112	-
Nanoscale Studies of Structure and Function Materials G2A62261	None	7F-00781	6,073	-
Novel Design and Model of an Amplifier Circuit for the Detection of X-Rays G2A62267	None	4J-00121-14A	1,928	-
Optimization of a Laser Wakefield Accelerator to reliably Operate in the Bubble Regime G6A63890	None	4J-00121-0015A	16,340	-
Atonomic Force Microscopy Studies of Nanoscale Materials G5A63751	None	3F-01921	5,613	-
Student Support G5A63813	None	4J-00121-0005A	14,181	-
Student Support G5A63814	None	4J-00121-0004A	14,118	-
Joint Appointment G5A63825	None	None	60,727	-
CMOS Cameras Development G5A63830	None	4J-00121	10,206	-
Jt Appointment G5A63831	None	W-31-109-ENG-38	62,475	-
Joint Appointment G5A63832	None	W-31-109-ENG-38	67,881	-
In-Situ Spectroelectrochemical Study of Np Redox G5A63837	None	4J-00121-0009A	15,268	-
Spin Dynamics of Holes in GaAs G5A63838	None	4J-00121-0010A	89,686	-
Nanoscale Studies of Structure and Function Materials G5A63870	None	4J-00121-0011A	34,687	-
Relaxation at the Nanoscale in Oxide Epitaxial Films G5A63871	None	4J-00121	17,010	-
Solar Thermoelectric Energy Conservation in Porous nanocomposites G5A63886	None	4J-00121 - 0013A	33,030	-
			<u>482,335</u>	<u>-</u>

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MAJOR PROGRAM - RESEARCH AND DEVELOPMENT CLUSTER				
(CONTINUED)				
<u>FERMI NATIONAL ACCELERATOR LABORATORY</u>				
MINERvA Experiment G5A63833	None	PO 564630	\$ 80,363	\$ -
Appointment G5A63852	None	PO 568011	24,414	-
Hydrogeologic Investigations for the ILC Project G5A63859	None	PO 569517	12,499	-
Fermilab Guest Appointment G5A63863	None	PO 569999	36,592	-
Superconducting Radio Frequency Research & Dev G5A63872	None	PO 571369	<u>36,832</u>	<u>-</u>
Total Fermi National Accelerator Laboratory			<u>190,700</u>	<u>-</u>
Total Research and Development Cluster			<u>13,113,764</u>	<u>1,730,978</u>
TRIO CLUSTER				
<u>DEPARTMENT OF EDUCATION</u>				
TRIO - Student Support Services G1B66644/G1B66670	84.042	P042A051074-06	295,542	-
TRIO - Upward Bound G1B66621/G1B66643/G1B66666/G1B66684	84.047	P047A070966	<u>476,302</u>	<u>-</u>
Total Trio Cluster			<u>771,844</u>	<u>-</u>
EMPLOYMENT SERVICE CLUSTER				
<u>DEPARTMENT OF LABOR</u>				
Employment Service Wagner-Peyser Funded Activities: Passed-Through the Illinois Department of Employment Security:				
Survey of Job Seekers with the Labor Exchange System G3B67274	17.207	06-IGA-14A	<u>63,073</u>	<u>-</u>
Total Employment Service Cluster			<u>63,073</u>	<u>-</u>
WIA CLUSTER				
<u>DEPARTMENT OF LABOR</u>				
WIA Adult Program:				
Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
Economic And Workforce Development G3B67187	17.258	04-201	125	-
WIA Performance Reporting G3B67332	17.258	NIU CO 07-226	17,344	-
IMEC G5B69570/G6B69660	17.258	None	1,141	-
			<u>18,610</u>	<u>-</u>
WIA Youth Activities:				
Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
Economic And Workforce Development G3B67187	17.259	04-201	125	-
WIA Performance Reporting G3B67332	17.259	NIU CO 07-226	19,271	-
IMEC G5B69570/G5B69660	17.259	None	1,267	-
			<u>20,663</u>	<u>-</u>
WIA Dislocated Workers:				
Passed-Through the Illinois Department of Commerce and Economic Opportunity:				
Economic And Workforce Development G3B67187	17.260	04-201	125	-
WIA Performance Reporting G3B67332	17.260	NIU CO 07-226	27,621	-
IMEC G5B69570/G5B69660	17.260	None	1,816	-
			<u>29,562</u>	<u>-</u>

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WIA CLUSTER (CONTINUED)				
<u>DEPARTMENT OF LABOR (CONTINUED)</u>				
WIA Pilots, Demonstrations, and Research Projects:				
Passed-Through the State of Colorado Department of Labor and Employment:				
Creation of an e-Learning Knowledge Center for the State of Colorado G6B69505/G6B69589	17.261	06 KAA 00012	\$ 138,123	\$ -
Passed-Through the University of Baltimore: Welfare to Work Dynamics Study G6A63578	17.261	None	10,000	-
Passed-Through Coffey Communications LLC: Pennsylvania Pilot Demo Reporting System G6B69584	17.261	AF-12985-000-03-30	69,651	40,000
			<u>217,774</u>	<u>40,000</u>
Total WIA Cluster			<u>286,609</u>	<u>40,000</u>
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER				
<u>DEPARTMENT OF TRANSPORTATION</u>				
Highway Planning and Construction:				
Passed-Through the Illinois Department of Transportation:				
Revise and Reprint IDOT District Bicycle Maps G3B67228	20.205	DOT05-DOH-07	83,451	-
West Access Road G3B67292	20.205	FHWA	101,999	-
Total Highway Planning and Construction Cluster			<u>185,450</u>	<u>-</u>
OTHER PROGRAMS				
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Policy Research and Evaluation Grants:				
Passed-Through Federal Resource Network:				
Promoting Responsible Peer Review and Publishing Through Interactive e-learning Experience G6B69541	93.239	NIU-0001	18,683	-
Mental Health National Research Service Awards for Research Training: Family Violence and Sexual Assault Research Training G1B66646	93.282	5 T32MH019952	(510)	-
Centers for Disease Control and Prevention - Investigations and Technical Assistance:				
Passed-Through the Illinois Department of Public Health:				
Behavioral Risk Factor Surveillance System Data Collection (Part A)-FY07 G3B67302	93.283	72400010	25,000	-
Advanced Education Nurse Traineeships:				
Advanced Education Nursing Traineeships G1B66674	93.358	2A10HP00175-07	39,410	-
Developmental Disabilities Basic Support and Advocacy Grants:				
Passed-Through the Illinois Planning Council on Developmental Disabilities:				
Collaborative Education Preparation G3B67112	93.630	2105	24,178	-
Hear MY VOICE: Youth Self-Advocacy G3B67341	93.630	1041	12,014	-
			<u>36,192</u>	<u>-</u>
Healthcare and Other Facilities:				
Family Health, Wellness and Literacy Center G1B66635/G1B66662				
Center for the Study of Family Violence and Sexual Assault Supplemental G1B66640	93.887	C76HF02718-02	1,917,335	-
	93.887	1 C76HF02874	53,934	-
			<u>1,971,269</u>	<u>-</u>

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OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (CONTINUED)</u>				
Assistance Programs for Chronic Disease Prevention and Control:				
Passed-Through the Illinois Department of Public Health:				
Behavioral Risk Factor (Part A) G3B67242/G3B67302	93.945	62400005	\$ 212,851	\$ -
Behavioral Risk Factor Surveillance System Data Collection G3B67315	93.945	72400013	235,468	-
Behavioral Risk Factor Surveillance System Data Collection G3B67266	93.945	62400006	82,163	-
			<u>530,482</u>	<u>-</u>
Preventive Health Services-Sexually Transmitted Diseases Control Grants:				
Passed Through the Illinois Department of Public Health:				
Behavioral Risk Factor Surveillance System Data Collection G3B67266	93.977	62400006	4,700	-
Preventive Health and Health Services Block Grant:				
Passed Through the Illinois Department of Public Health:				
Behavioral Risk Factor Surveillance System Data Collection G3B67266	93.991	52400016/6240006	14,346	-
Total Department of Health and Human Services			<u>2,639,572</u>	<u>-</u>
<u>DEPARTMENT OF EDUCATION</u>				
Adult Education-State Grant Program:				
Passed-Through the Illinois Community College Board:				
Adult Education and Family Literacy G3B67294/G3B67339	84.002	AEL07010	20,000	-
Title I Grants to Local Educational Agencies:				
Passed-Through the Illinois State Board of Education:				
Interactive Illinois Report Card G3B67206/G3B67307	84.010	000MY04601	261,805	-
National Resource Centers and Fellowships Program for Language and Area or Language and International Studies:				
National Resource Center at Northern Illinois University G1B66642/ G1B66650/G1B66651	84.015	PO15B030164	96,828	-
National Resource Center at Northern Illinois University G1B66669/ G1B66672/G1B66676	84.015	P015B060158	315,690	-
			<u>412,518</u>	<u>-</u>
Special Education-Grants to States:				
Passed-Through School Assoc for Special Ed in DuPage County:				
Project CHOICES G5B69552	84.027	None	8,460	-
Passed-Through Illinois State Board of Education:				
Interactive Illinois Report Card G3B67307	84.027	MY04601	105,845	-
			<u>114,305</u>	<u>-</u>
Special Education Cluster:				
Vocational Education - Basic Grants to States:				
Passed-Through the Illinois Community College Board:				
Career and Technical Education G3B67295/G3B67340	84.048	CTEL07007	34,972	-
Fund for the Improvement of Postsecondary Education:				
Recruitment and Retention of Minority Role Models in Science and Engineering Through Improving Critical Thinking Skills G1B66647				
	84.116	P116Z050112	74,420	10,084
Rehabilitation Long-Term Training:				
Preparation of Rehabilitation Teachers with a Distance Learning Component G1B66645/G1B66671				
	84.129	H129P030001-05	104,040	-
Rehabilitation Long-Term Rehabilitation of the Deaf G1B66648/ G1B66673				
	84.129	H129Q030002-05	79,295	-
Rehabilitation of Individuals who are Deaf or Hard of Hearing G1B66629/G1B66661/G1B66675/G1B66688				
	84.129	H129Q050005-07	113,510	-
			<u>296,845</u>	<u>-</u>

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OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF EDUCATION (CONTINUED)</u>				
Magnet Schools Assistance:				
Passed-Through Rockford Public School District #205: Summer College Experience for High School Students G6B69590	84.165	None	\$ 114	\$ -
Special Education-Preschool Grants:				
Passed-Through School Assoc. for Special Education in DuPage County: Project CHOICES G6B69634/G6B69694	84.173	FY-07	258,576	-
Safe and Drug-Free Schools and Communities National Programs:				
Passed-Through the Community Schools in Aurora: Mentoring Grant Evaluation for East/West Aurora School Districts G6B69502	84.184	None	20,989	-
Bilingual Education - Professional Development: Project HQ G1B66638/G1B666656/G1B66678	84.195	T195N020139-06	273,434	79,108
Twenty-First Century Community Learning Centers:				
Passed-Through Aurora School District 131: 21st Century Learning Center G5B69385	84.287	Gates & Rollins	21,449	-
Passed-Through Illinois State Board of Education: Comprehensive Statewide Evaluation of 21st Century Community Learning Centers Program G3B67291	84.287	MY06621	157,692	-
Passed-Through Communities in Schools of Aurora, Inc.: 21st Century - Waldo & Simmons Middle School Partnership G5B69388	84.287	None	19,520	-
21st Century After School Grant Evaluation at Hermes, Oak Park and Beaupre Elementary Schools G6B69586	84.287	None	29,902	-
21 Century Community Learning Center Grant: Cowherd and Brady Schools G6B69500	84.287	None	21,117	-
Passed-Through Aurora School District #129: 21st Century - Nicholson School G5B69395	84.287	None	15,951	-
			<u>265,631</u>	<u>-</u>
Special Education Personnel Development to Improve Services and Results for Children With Disabilities:				
Orientation & Mobility Training G1B66663/G1B66668	84.325	H325K052002-06	193,969	-
Passed-Through Pennsylvania College of Optometry: National Center for Leadership in Visual Impairment G6B69542	84.325	H325U040001	24,882	-
Passed-Through University of Illinois: Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities G3B67296	84.325	2003-03043-01	32,128	-
			<u>250,979</u>	<u>-</u>
Comprehensive School Reform Demonstration:				
Passed-Through the Illinois State Board of Education: Comprehensive School Reform Evaluation G3B67273/G3B67311	84.332	ISBE 07-4332	86,934	-
Child Care Access Means Parents in School:				
NIU Campus Child Care Tuition Assistance Program G1B66681	84.335	P335A060040-01	59,902	-
Teacher Quality Enhancement Grants:				
Rockford Education Alliance: Project REAL G1B66657/G1B66677	84.336	P336B030021-06	1,099,634	481,868
International Education-Technological Innovation for Foreign Information Access:				
The Southeast Asia Digital Library G1B66658	84.337	P337A050006	149,647	28,153

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OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF EDUCATION (CONTINUED)</u>				
Preparing Tomorrow's Teachers to Use Technology: Partnership to Infuse Technology into the Teacher Preparation Curriculum G1B66598	84.342	P342010033-02	\$ (43)	\$ -
Preservice Teachers Integrating Technology, Assessment, and Action Research G1B66615/G1B66636	84.342	P342A030092	610,436	-
			<u>610,393</u>	<u>-</u>
Mathematics and Science Partnerships: Passed-Through the Illinois State Board of Education: Mathematics/Science Partnership G3B67245/G3B67252/ G3B67253/G3B67256	84.366	None	83,705	-
Thurgood Marshall Legal Educational Opportunity Program: Passed-Through the Council on Legal Education Opportunity: CLEO Summer Institute G5B69620/G5B69692	84.936	None	60,062	-
Total Department of Education			<u>4,434,865</u>	<u>599,213</u>
<u>DEPARTMENT OF AGRICULTURE</u>				
Child and Adult Care Food Program: Passed-Through the Illinois State Board of Education: School Lunch Program 41-30140	10.558	None	37,000	-
Total Department of Agriculture			<u>37,000</u>	<u>-</u>
<u>DEPARTMENT OF COMMERCE</u>				
Manufacturing Extension Partnership: Passed-Through the Illinois Manufacturing Extension Center @ Bradley University: Regional Host Organization for IMEC G5B69570/G6B69660	11.611	None	392,752	-
Total Department of Commerce			<u>392,752</u>	<u>-</u>
<u>DEPARTMENT OF DEFENSE</u>				
Manufacturing and Engineering Advisory Services G2B66665	None	W52H09-06-P-5100	26,299	-
Total Department of Defense			<u>26,299</u>	<u>-</u>
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Community Development Block Grants/Small Cities Program: Passed-Through the City of DeKalb: FY07 Community Development Block Grant G6B69652	14.219	None	2,000	-
Community Outreach Partnership Center Program: COPC G2B66588	14.511	COPC-IL-02-053	108,288	15,788
Total Department of Housing and Urban Development			<u>110,288</u>	<u>15,788</u>
<u>DEPARTMENT OF INTERIOR</u>				
Fish and Wildlife Management Assistance: Protecting Lake Erie Coastal Amphibians and Reptiles through Public Stewardship G2B66664	15.608	301815J168	8,000	-
Total Department of Interior			<u>8,000</u>	<u>-</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

Federal Grantor/Pass-Through Grantor Program/Grant Title	CFDA Number	Federal Project or Pass-Through Number	FY 2007 Expenditures	To Subrecipients
OTHER PROGRAMS (CONTINUED)				
<u>DEPARTMENT OF STATE</u>				
Professional Exchanges - Annual Open Grant:				
Advocacy Partnerships in Sri Lanka (Program) G2B66632	19.415	S-ECAPE-04-GR	\$ 21,251	\$ -
Advocacy Partnerships in Sri Lanka (Administration) G2B66633	19.415	S-ECAPE-04-GF	21,079	-
Autonomous Region of Muslim Mindanao and Majority-Minority Relations in the Philippines G2B66659	19.415	S-ECAPE-05-GR	29,937	-
Autonomous Region of Muslim Mindanao and Majority-Minority Relations in the Philippines (Administration) G2B66660	19.415	S-ECAPE-05-GR	34,228	-
			<u>106,495</u>	<u>-</u>
Bridging the Gap 2005 Program G2B66624	None	ECAPY-04-GF-173	(23)	-
Bridging the Gap 2005 Administration G2B66625	None	DCAPY-04-GF-173	(32)	-
Bridging the Gap 2006 Program G2B66652	None	ECAPY-05-GR-074	20,820	-
Bridging the Gap 2006 Administration G2B66653	None	DCAPY-05-GR-074	9,033	-
Bridging the Gap 2007 Program G2B66679	None	ECAPY-06-GR-132	135,419	84,307
Bridging the Gap 2007 Administration G2B66680	None	ECAPY-06-GR-132	19,769	10,900
			<u>184,986</u>	<u>95,207</u>
Total Department of State			<u>291,481</u>	<u>95,207</u>
<u>DEPARTMENT OF NATIONAL AERONAUTICS AND SPACE</u>				
<u>ADMINISTRATION</u>				
MARS Valley Network Project: Martian Valley Networks Analysis--Run-off or Sapping? G2B66654	43.002	None	1,299	-
Total Department of National Aeronautics and Space Administration			<u>1,299</u>	<u>-</u>
<u>NATIONAL ENDOWMENT FOR THE HUMANITIES</u>				
Promotion of the Humanities - Federal/State Partnership: Passed-Through the Illinois Humanities Council:				
The Mine Wars of 1898-1900 Documentary G6B69540	45.129	IHC 3505	8,644	-
Islam in Southeast Asia G6B69581	45.129	3680	2,130	-
			<u>10,774</u>	<u>-</u>
Promotion of the Humanities-Teaching and Learning Resources and Curriculum Development:				
The Mississippi Valley in the Nineteenth Century: A Materials Development Project G2B66683	45.162	EE-50479-07	1,447	-
Promotion of the Humanities - Extending the Reach Grants to Presidentially-Designated Minority Institutions:				
The Abraham Lincoln Curriculum Project G2B66619	45.167	EE-50091-04	1,914	-
Total National Endowment for the Humanities			<u>14,135</u>	<u>-</u>
<u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
Grant to States:				
Passed-Through Illinois State Library:				
LSTA Government Documents Grant G3B67305/G3B67306	45.310	None	1,000	-
Historical Materials from the Northern Illinois Region G3B67313	45.310	LSTA 07-6022	20,250	-
Total Institute of Museum and Library Services			<u>21,250</u>	<u>-</u>
<u>NATIONAL SCIENCE FOUNDATION</u>				
Geosciences:				
Enhancing Diversity Track 1: Intensive Field Experience for Teachers Serving Large Hispanic Populations G1B66649	47.050	GEO-0503386	24,171	-

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2007**

<u>Federal Grantor/Pass-Through Grantor Program/Grant Title</u>	<u>CFDA Number</u>	<u>Federal Project or Pass-Through Number</u>	<u>FY 2007 Expenditures</u>	<u>To Subrecipients</u>
OTHER PROGRAMS (CONTINUED)				
<u>NATIONAL SCIENCE FOUNDATION (CONTINUED)</u>				
Computer and Information Science and Engineering: Passed-Through Rock Valley College: Training Aviation Technicians G6B69481	47.070	None	\$ 35,403	\$ -
Passed-Through University of Chicago: Providing System Management and Integration for the Teragrid G6B69582	47.070	30085-N	101,643	-
			<u>137,046</u>	<u>-</u>
Total National Science Foundation			<u>161,217</u>	<u>-</u>
<u>SMALL BUSINESS ADMINISTRATION</u>				
Small Business Development Center: Passed-Through City of Belvidere: New Uses Info & Entrepreneur Development Ctr Program G5B69406	59.037	SBAHQ-03-1-0036	74,383	-
Total Small Business Administration			<u>74,383</u>	<u>-</u>
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Environmental Education and Training Program: Passed-Through the University of Wisconsin - Stevens Point: The Third Environmental Education and Training Partnership G6B69583	66.950	NIU 2005-6 #1	109,153	-
Kiln Building Technical Transfer Workshops in Mauritania and Uganda G2B66667	66.999	EP06H001803	9,915	-
Total Environmental Protection Agency			<u>119,068</u>	<u>-</u>
Total Other Programs			<u>8,331,609</u>	<u>710,208</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 38,367,939</u>	<u>\$ 2,481,186</u>

NONCASH FEDERAL FINANCIAL ASSISTANCE

<u>Federal Loans</u>	<u>2007</u>
Federal Perkins Loan Program - Federal Capital Contributions (1)	\$ 2,026,332
Federal Family Education Loans (FFEL) (2)	\$ 89,401,750

- (1) Amount represents loans advanced during the year ended June 30, 2007. Loans outstanding as of June 30, 2007 total \$10,065,582.
- (2) The University acts merely as an agent in administering the Family Federal Education Loan Program by determining student eligibility, conducting entrance and exit counseling procedures, processing and applying loan proceeds to a student's account, and reporting changes in the status of loan recipients. The loans are actually made through lending institutions which are responsible for the ultimate collection of the loans. This amount represents total new loans guaranteed under the program for the year ended June 30, 2007.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2007**

NOTE 1 - SIGNIFICANT ACCOUNTING POLICY

The accompanying Schedule of Expenditures of Federal Awards (Schedule) of Northern Illinois University (University) has been prepared on the accrual basis. The Schedule is a statement of financial activities of funds related to the respective reporting period. It does not purport to present the results of operations or the net income or loss for the respective period as would a statement of income or a statement of revenues and expenses.

NOTE 2 - NATURE OF PROGRAMS

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between the University and agencies and departments of the federal government and all sub-awards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. The awards are classified into major program and other program categories in accordance with the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

NOTE 3 - RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

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

	<u>(In Thousands)</u>
Total expenditures as shown on the Schedule of Expenditures of Federal Awards	\$ 38,368
Add the following:	
Direct state grants/contracts	<u>10,468</u>
Total federal and state grants and other contracts revenues shown on the Statement of Revenues, Expenses, and Changes in Net Assets	<u>\$ 48,836</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CROSS-REFERENCE TABLE OF REPORTING REQUIREMENTS
June 30, 2007**

Reference Number from T. Loobey's Memorandum Dated July 25, 2000, on <u>University Guidelines</u>	Report and Page Number Where Information is Disclosed Supplementary Information for State Compliance Purposes
13a. Violation of <i>University Guidelines, 1982 as Amended</i>	N/A
13b. Sources and Application of Indirect Cost Recoveries	73
13c. Calculation Sheet for Indirect Cost Support Carryforward	74
13d. Amount of Tuition Diverted to Auxiliary Enterprise Operations	81
13e. List of Accounting Entity and Description of Sources and Purpose of Revenues	79-80
13f. Financial Statements for Each Accounting Entity	69-71
13g. Calculations of Current Excess Funds for Each Accounting Entity	75-78
13h. Support to Auxiliary Enterprise from State Appropriated Funds	81
13i. Statement of Receipts and Disbursements for Bond Indentures	85
13j. Conformity of Bond Fund Accounting to Terms of Bond Issues	72, 81
13k. List of Noninstructional Facilities Reserves	81
13l. List of Organizations Recognized as University Related Organizations (UROs)	82
13m. Amounts Paid by UROs to the University for Services Provided by the University	83-84
13n. Amounts Paid by the University to UROs for Services Provided by the URO	83-84
13o. Amount of Unreimbursed Subsidies to UROs	N/A
13p. Debt Financing of UROs	66
13q. Schedule of Cash and Investments Held by the University	49-50
13r. Allocation Method on Interest from Pooled Investments	82
13s. Costs Per Full-Time Equivalent Student	62
13t. Acquisition of Real Estate by University or URO Greater Than \$250,000 and Not Specifically Funded	67
13u. Issuance of Certificates of Participation (COPs) or Participation in Lease or Purchase Arrangements Involving COPs	N/A

Other Financial Related Schedules for Universities

1. Schedule of Appropriations, Expenditures, and Lapsed Balances by Major Line Item	44
2. Schedule of Income Fund Revenues and Expenses	47
3. Schedule of Tuition and Fee Waivers	65

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, LAPSED BALANCES,
AND BALANCES REAPPROPRIATED*
APPROPRIATIONS FOR FISCAL YEAR 2007
Fourteen Months Ended August 31, 2007**

<u>PUBLIC ACT 94-0798</u>	Appropriations (Net After Transfers)	Expenditures Through June 30, 2007	Lapse Period Expenditures July 1 to August 31, 2007	Total Expenditures	Balances Lapsed	Balances Reappropriated July 1
GENERAL REVENUE FUND						
Personal services	\$ 88,228,000	\$ 88,228,000	\$ -	\$ 88,228,000	\$ -	\$ -
Contributions to Social Security and Medicare	883,500	883,500	-	883,500	-	-
Contractual services	6,523,000	6,523,000	-	6,523,000	-	-
Travel	159,500	159,500	-	159,500	-	-
Commodities	1,484,800	1,484,800	-	1,484,800	-	-
Awards and grants and matching funds	185,700	185,700	-	185,700	-	-
Equipment and library books	1,145,800	1,145,800	-	1,145,800	-	-
Telecommunication services	797,300	797,300	-	797,300	-	-
Automotive	138,500	138,500	-	138,500	-	-
Capital repairs and improvements	1,343,700	1,343,700	-	1,343,700	-	-
CMS health insurance	2,337,300	2,337,300	-	2,337,300	-	-
C.H.A.N.C.E.	<u>700,000</u>	<u>657,779</u>	<u>42,221</u>	<u>700,000</u>	<u>-</u>	<u>-</u>
Total General Revenue Fund	<u>103,927,100</u>	<u>103,884,879</u>	<u>42,221</u>	<u>103,927,100</u>	<u>-</u>	<u>-</u>
STATE COLLEGE AND UNIVERSITY TRUST FUND						
Scholarship Grant Awards	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
TOTAL APPROPRIATED FUNDS	<u>\$ 103,937,100</u>	<u>\$ 103,894,879</u>	<u>\$ 42,221</u>	<u>\$ 103,937,100</u>	<u>\$ -</u>	<u>\$ -</u>

* The information contained in this schedule was taken from the University records which have been reconciled to those of the State Comptroller.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
LAPSED BALANCES, AND BALANCES REAPPROPRIATED*
For the Years Ended June 30, 2007, 2006, and 2005**

	Fiscal Years		
	<u>2007</u> <u>PA94-0798</u>	<u>2006</u> <u>PA94-0015</u>	<u>2005</u> <u>PA 93-0842</u>
GENERAL REVENUE FUND - 001			
Appropriations (net after transfers)	\$ 103,927,100	\$ 102,974,900	\$ 102,274,900
Expenditures:			
Personal services	88,228,000	87,085,200	87,068,700
Contributions to Social Security and Medicare	883,500	883,500	408,900
Contractual services	6,523,000	6,536,800	6,536,800
Travel	159,500	163,500	163,500
Commodities	1,484,800	1,485,300	1,976,400
Awards and grants and matching funds	185,700	185,700	185,700
Equipment and library books	1,145,800	1,316,500	1,316,500
Telecommunications services	797,300	798,900	798,900
Automotive	138,500	138,500	138,500
Capital repairs and improvements	1,343,700	1,343,700	1,343,700
CMS health insurance	2,337,300	2,337,300	2,337,300
C.H.A.N.C.E.	700,000	700,000	-
Total expenditures	<u>103,927,100</u>	<u>102,974,900</u>	<u>102,274,900</u>
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>PA94-0798</u>	<u>PA94-0015</u>	<u>PA 93-0842</u>
STATE COLLEGE AND UNIVERSITY TRUST FUND - 417			
Appropriations (net after transfers)	\$ 10,000	\$ 10,000	\$ 10,100
Expenditures - scholarship grant awards	<u>10,000</u>	<u>10,000</u>	<u>10,100</u>
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>PA94-0798</u>	<u>PA94-0015</u>	<u>PA 93-0842</u>
CAPITAL DEVELOPMENT FUND - 141			
Appropriations (net after transfers)	\$ -	\$ 41,550	\$ 576,114
Expenditures:			
Technology infrastructure improvements	-	-	532,748
Purchase engineering building equipment	<u>-</u>	<u>41,550</u>	<u>1,817</u>
Total expenditures	<u>-</u>	<u>41,550</u>	<u>534,565</u>
Reappropriated July 1	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,549</u>

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES,
 LAPSED BALANCES, AND BALANCES REAPPROPRIATED*
 For the Years Ended June 30, 2007, 2006, and 2005**

	Fiscal Years		
	<u>2007</u> <u>PA94-0798</u>	<u>2006</u> <u>PA94-0015</u>	<u>2005</u> <u>PA 93-0842</u>
GRAND TOTAL - ALL FUNDS			
Appropriations (net after transfers)	\$ 103,937,100	\$ 103,026,450	\$ 102,861,114
Total expenditures	103,937,100	103,026,450	102,819,565
Lapsed balances	-	-	-
Balances reappropriated July 1	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,549</u>

* The information contained in this schedule was taken from the University records which have been reconciled to those of the State Comptroller.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF INCOME FUND
REVENUES AND EXPENSES
For the Years Ended June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
INCOME FUND REVENUES		
Tuition, net of waivers	\$ 97,087,230	\$ 90,350,856
Material fees	5,496,245	5,290,947
Extension	5,346,207	5,025,919
Interest income	2,298,091	1,718,248
Other	<u>1,028,749</u>	<u>1,053,854</u>
 TOTAL INCOME FUND REVENUES	 <u>\$ 111,256,522</u>	 <u>\$ 103,439,824</u>
 INCOME FUND EXPENSES		
Personal services	\$ 65,003,835	\$ 58,246,785
FICA/Medicare	1,666,255	1,452,603
Contractual services	22,622,266	20,548,519
Travel	1,102,634	1,084,272
Commodities	1,801,989	1,971,448
Award/grants and matching funds	1,463,457	2,533,050
Equipment and library books	126,643	2,013,070
Telecommunications	1,303,225	1,269,631
Automotive	177,651	185,173
Capital repairs and permanent improvements	4,867,241	13,088,449
CMS health insurance	1,204,000	1,204,000
Unemployment compensation benefits	<u>39,449</u>	<u>28,839</u>
 TOTAL INCOME FUND EXPENSES	 <u>\$ 101,378,645</u>	 <u>\$ 103,625,839</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF CHANGES IN CAPITAL ASSETS*
For the Years Ended June 30, 2007 and 2006**

	<u>Balance</u> <u>June 30, 2005</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2006</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2007</u>
Land	\$ 18,927,865	\$ -	\$ -	\$ -	\$ 18,927,865	\$ 352,754	\$ -	\$ -	\$ 19,280,619
Land improvements	50,981,254	-	2,740,123	-	53,721,377	-	1,642,880	-	55,364,257
Buildings	396,454,606	8,094,024	4,818,316	-	409,366,946	-	9,436,418	-	418,803,364
Equipment	208,033,653	11,764,101	-	6,007,557	213,790,197	12,883,536	-	6,254,983	220,418,750
Intangible assets	4,266,267	-	-	445,720	3,820,547	-	-	-	3,820,547
Construction in progress	<u>8,189,723</u>	<u>9,889,699</u>	<u>(7,558,439)</u>	<u>340,854</u>	<u>10,180,129</u>	<u>31,178,203</u>	<u>(11,079,298)</u>	<u>294,465</u>	<u>29,984,569</u>
TOTALS	<u>\$ 686,853,368</u>	<u>\$ 29,747,824</u>	<u>\$ -</u>	<u>\$ 6,794,131</u>	<u>\$ 709,807,061</u>	<u>\$ 44,414,493</u>	<u>\$ -</u>	<u>\$ 6,549,448</u>	<u>\$ 747,672,106</u>

* Information in this schedule was taken from University records which have been reconciled to the quarterly reports of fixed assets submitted to the State Comptroller. Amounts differ from financial statements as this schedule includes noncapitalized assets which are below the threshold used for financial statement reporting.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF CASH AND TEMPORARY
CASH EQUIVALENTS, AT COST
(EXCLUDING FOUNDATION AND ALUMNI ASSOCIATION)
For the Years Ended June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
CASH ON HAND	\$ 70,000	\$ 70,000
CHECKING ACCOUNTS (1)		
Resource Bank, DeKalb, Illinois	982	2,427
Rock River Bank, Oregon, Illinois	4,578	1,000
National Bank and Trust Co. of Sycamore, Sycamore, Illinois	10,954,657	9,349,721
Amalgamated Bank, Chicago, Illinois	-	-
American National Bank, DeKalb, Illinois	3,038,130	-
Northern Trust Company, Chicago, Illinois	179,200	72,753
US Bank, Minneapolis, Minnesota	238	-
Castle Bank, DeKalb, Illinois	5,061,288	5,053,478
Compass Bank, Austin, Texas	255	389
US Bank, Springfield, Illinois	200,824	200,795
TEMPORARY CASH INVESTMENTS (1)		
Illinois Funds - U.S. Bank	13,217,960	15,072,230
Repurchase agreements:		
Bank One, Chicago, Illinois:		
Hoffman Estates Debt Reserves Fund and Communications Ducts Reserve Fund	650,170	650,170
Bank One, Chicago, Illinois:		
Hoffman Estates Construction Fund and Communications Ducts Construction Fund	<u>58,884</u>	<u>22,000</u>
	<u>\$ 33,437,166</u>	<u>\$ 30,494,963</u>

(1) These amounts represent bank balances.

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 COMPARATIVE SCHEDULE OF INVESTMENTS, AT COST
 (EXCLUDING FOUNDATION AND ALUMNI ASSOCIATION)
 For the Years Ended June 30, 2007 and 2006**

	<u>2007</u>	<u>2006</u>
U.S. Treasury obligations, U.S. agency obligations, treasury notes and strips, 3.375 to 6.0 percent	\$ 66,657,583	\$ 53,360,992
Commercial paper	<u>6,614,988</u>	<u>6,607,596</u>
	<u>\$ 73,272,571</u>	<u>\$ 59,968,588</u>

Note: Interest rates for June 30, 2007.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF RECEIVABLES AND INVENTORIES
June 30, 2007 and 2006**

Receivables

Reported receivables as of June 30, 2007 and 2006 are summarized below (\$000s):

	June 30,	
	2007	2006
Accounts receivable	\$ 18,485	\$ 19,846
Less allowance for doubtful accounts	<u>(3,889)</u>	<u>(4,223)</u>
Net accounts receivable	<u>\$ 14,596</u>	<u>\$ 15,623</u>
Student loans receivable	\$ 10,067	\$ 10,157
Less allowance for doubtful accounts	<u>(374)</u>	<u>(484)</u>
Net student loans receivable	<u>\$ 9,693</u>	<u>\$ 9,673</u>

Accounts receivable consists primarily of amounts due from students (\$11.0 million in both 2007 and 2006) and other agencies (\$7.5 million and \$8.8 million in 2007 and 2006, respectively).

Student loans receivable consists primarily of student loans issued under the federal government's Perkins Loan Program.

The allowance for doubtful accounts results from nonpayment of student tuition and reversals of students' financial aid waivers. Occasionally, a student will complete a semester and subsequently be declared ineligible for financial aid already credited to that student's account. These students frequently will not remain enrolled due to a lack of funds and, thus, a substantial allowance for doubtful accounts is necessary.

The allowance for doubtful accounts relating to student notes is the result of the difficulty of collecting Perkins Loan receivables.

The University utilizes the State offset system as well as private collection services to supplement University collection procedures.

Inventories

Reported inventories as of June 30, 2007 and 2006 are summarized below (\$000s):

	June 30,	
	2007	2006
Food	\$ 360	\$ 381
Books	1,683	1,707
Inventories for resale	909	1,243
Commodities and supplies	232	271
Other miscellaneous items	<u>35</u>	<u>27</u>
Total	<u>\$ 3,219</u>	<u>\$ 3,629</u>

Inventories are valued at cost (first-in and first-out method) or market, whichever is lower.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENSES
For the Years Ended June 30, 2007 and 2006 (In Thousands)**

Following are explanations for significant variances between expense accounts reported in the Statement of Revenues, Expenses, and Changes in Net Assets in the Financial Audit Report exceeding \$855,000 and 10%:

	<u>2007</u>	<u>Increase (Decrease)</u>	<u>2006</u>	<u>Percent Change</u>	<u>Comments</u>
Depreciation	\$ 23,224	\$ (3,910)	\$ 27,134	-14.4%	Decrease from impact of library book additions.
Student aid	13,601	2,780	10,821	25.7%	An increase in federal financial aid and increase in internal aid.
Auxiliary enterprises	74,961	6,859	68,102	10.1%	Rate increases in utility costs.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN REVENUES
For the Years Ended June 30, 2007 and 2006 (In Thousands)**

Following are explanations for significant variances between revenue accounts reported in the Statement of Revenues, Expenses, and Changes in Net Assets in the Financial Audit Report exceeding \$855,000 and 10%:

	<u>2007</u>	<u>Increase (Decrease)</u>	<u>2006</u>	<u>Percent Change</u>	<u>Comments</u>
Sales and service of educational activities	\$ 19,048	\$ (3,296)	\$ 22,344	-14.8%	Business Industry Services unit left, equal impact on expenses.
Other sources	3,210	1,005	2,205	45.6%	Various increases in conference income, continuing educations, lab fees, fines, etc.
Investment income	4,373	1,359	3,014	45.1%	Market rate increases and quicker reimbursement of cash by State.
Capital appropriations	2,119	(2,127)	4,246	-50.1%	State funding decrease.
Capital gifts	-	(5,549)	5,549	-100.0%	No major gifts transferred from Foundation.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT VARIATIONS IN ACCOUNT BALANCES
For the Years Ended June 30, 2007 and 2006 (In Thousands)**

Following are explanations for significant variances between account balances reported in the Statement of Net Assets in the Financial Audit Report exceeding \$855,000 and 10%:

	<u>2007</u>	<u>Increase (Decrease)</u>	<u>2006</u>	<u>Percent Change</u>	<u>Comments</u>
Cash and cash equivalents	\$ 16,197	\$ 4,124	\$ 12,073	34.2%	Slower accounts payable payments.
Investments and marketable securities	86,145	12,135	74,010	16.4%	Increase in tuition and fees.
Accounts payable and accrued liabilities	31,242	3,664	27,578	13.3%	Timing of payments, with corresponding cash impact.
Performance contracts payable	11,872	2,480	9,392	26.4%	New performance contracts.
Leases payable	35,782	18,513	17,269	107.2%	Northern View capital lease (married student housing).

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
Year Ended June 30, 2007**

No significant lapse period spending was noted for the General Revenue Fund or the State College and University Trust Fund.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM**

Description of Planning System

In the past the activities and future plans of Northern Illinois University (University or NIU) were stated in the “Performance Report” document, which was submitted annually to the Illinois Board of Higher Education (IBHE). During fiscal year 2007, the IBHE initiated a strategic planning process and did not require submission of a full Performance Report. The University has engaged in the development of a strategic plan and formed a Strategic Planning Task Force.

The task force has identified key values that will provide a framework of themes for the strategic plan. The University values:

- Engaged learning that builds upon and thereby celebrates the synergy of teaching and scholarship;
- Scholarly conversations about ideas, artistic expression, and the pursuit of new knowledge;
- The active pursuit of scholarship and artistic expression that prizes both individual achievement and collective endeavor;
- A commitment to engagement and public purpose that simultaneously embraces local needs and global opportunities; and
- A diverse community of people, ideas, and scholarly and artistic specializations.

From these key values and much discussion and deliberation among faculty and administrators the task force has developed four central planning imperatives. These imperatives will serve as broad guidelines for the more detailed plans, goals and initiatives to be developed at the college, department, center and program levels. The four planning imperatives are as follows:

- Preserve, Strengthen, and Extend NIU’s Teaching and Learning Environment;
- Develop a Strategy for Investing in Multi-Disciplinary Scholarship and Artistic Clusters - to complement NIU’s focus on individual scholarly and artistic achievement;
- Strengthen and Extend NIU’s Regional and Global Impact; and
- Make NIU an institution of “First Choice” for Faculty, Students and Staff.

The University has developed a timeline and reporting template for the further development of the details of the strategic plan at the college, department, center and program levels. Various task forces will be created to address specific aspects of the strategic planning process, and individuals will be identified to champion the process. The University also recognizes the resources that will be required to allow the plan to grow and flourish and has identified priority areas for increased budget allocations. The plan’s development also coincides with the launch of a major capital campaign for the University.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM**

Location, Address, and Head of the University

John G. Peters, President
Northern Illinois University
DeKalb, Illinois 60115

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE EMPLOYMENT STATISTICS*
Years Ended June 30, 2007 and 2006**

(Unaudited)

	<u>Instructional Activities</u>	<u>Organized Research</u>	<u>Public Service</u>	<u>Academic Support</u>	<u>Student Services</u>	<u>Institutional Support</u>	<u>Operation and Maintenance Physical Plant</u>	<u>Independent Operations</u>	<u>Total All Functions</u>
Year ended June 30, 2007:									
Appropriated funds:									
Facility/administrative	1,292.7	37.7	29.2	140.5	97.6	78.7	7.5	0.4	1,684.3
Civil service	305.8	3.0	22.4	149.6	54.3	172.2	217.8	-	925.1
Student employees	46.6	0.4	6.4	26.3	16.7	6.8	7.6	-	110.8
Miscellaneous contracts	13.4	0.1	0.6	2.9	5.3	3.1	9.7	-	35.1
	<u>1,658.5</u>	<u>41.2</u>	<u>58.6</u>	<u>319.3</u>	<u>173.9</u>	<u>260.8</u>	<u>242.6</u>	<u>0.4</u>	<u>2,755.3</u>
Nonappropriated funds:									
Facility/administrative	57.6	122.4	148.4	28.7	106.7	8.3	0.9	52.7	525.7
Civil service	12.2	13.7	26.3	18.6	69.9	39.8	26.8	329.9	537.2
Student employees	33.6	12.7	22.7	14.5	115.7	3.9	1.1	206.4	410.6
Miscellaneous contracts	5.1	17.2	19.6	5.1	8.3	2.4	1.6	52.4	111.7
	<u>108.5</u>	<u>166.0</u>	<u>217.0</u>	<u>66.9</u>	<u>300.6</u>	<u>54.4</u>	<u>30.4</u>	<u>641.4</u>	<u>1,585.2</u>
TOTAL ALL FUNDS	<u>1,767.0</u>	<u>207.2</u>	<u>275.6</u>	<u>386.2</u>	<u>474.5</u>	<u>315.2</u>	<u>273.0</u>	<u>641.8</u>	<u>4,340.5</u>
Year ended June 30, 2006:									
Appropriated funds:									
Facility/administrative	1,270.2	43.4	28.0	136.0	87.8	74.6	6.2	-	1,646.2
Civil service	287.9	2.7	24.9	146.8	52.8	173.6	214.6	-	903.3
Student employees	43.6	0.5	0.3	31.2	17.6	5.0	8.7	-	106.9
Miscellaneous contracts	13.1	-	0.7	6.3	5.1	5.7	10.1	-	41.0
	<u>1,614.8</u>	<u>46.6</u>	<u>53.9</u>	<u>320.3</u>	<u>163.3</u>	<u>258.9</u>	<u>239.6</u>	<u>-</u>	<u>2,697.4</u>
Nonappropriated funds:									
Facility/administrative	58.9	127.4	168.6	28.4	100.1	7.0	0.9	49.9	541.2
Civil service	10.4	13.9	27.1	19.4	71.3	44.7	25.3	338.0	550.1
Student employees	38.9	21.5	18.3	14.6	137.4	0.9	1.7	193.0	426.3
Miscellaneous contracts	5.2	15.9	19.7	5.6	7.0	1.3	1.1	50.6	106.4
	<u>113.4</u>	<u>178.7</u>	<u>233.7</u>	<u>68.0</u>	<u>315.8</u>	<u>53.9</u>	<u>29.0</u>	<u>631.5</u>	<u>1,624.0</u>
TOTAL ALL FUNDS	<u>1,728.2</u>	<u>225.3</u>	<u>287.6</u>	<u>388.3</u>	<u>479.1</u>	<u>312.8</u>	<u>268.6</u>	<u>631.5</u>	<u>4,321.4</u>

*Provided by the Office of Budget and Planning.

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

1 full-time employee employed 12 months of fiscal year counts 1 staff year.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
EMERGENCY PURCHASES
June 30, 2007**

Following is a list of emergency purchase affidavits filed by the University with the Office of the Auditor General during the year:

Air Planning LLC - Actual Cost: \$142,951

The services of Air Planning LLC were engaged for charter service to transport members of the University to the Poinsettia Bowl in San Diego, California on December 17. There was insufficient time to bid this purchase from the time the team was invited to participate in the bowl game.

Air Planning LLC - Actual Cost: \$302,173

The services of Air Planning LLC were engaged for charter service to transport the University football team and band to the Poinsettia Bowl in San Diego, California on December 15 and 17. There was insufficient time to bid this purchase from the time the University was invited to participate in the bowl game.

Sheraton San Diego - Actual Cost: \$107,643

The services of the Sheraton San Diego were engaged for lodging and meals for the University football team at the Poinsettia Bowl in San Diego, California from December 15-19. There was insufficient time to bid this purchase from the time the team was invited to participate in the bowl game.

Anthony Travel - Actual Cost: \$44,000

The services of Anthony Travel were engaged to charter service to transport University students to the Poinsettia Bowl in San Diego, California on December 19. There was insufficient time to bid this purchase from the time the team was invited to participate in the bowl game.

Sterling Commercial Roofing - Actual Cost: \$336,000

The services of Sterling Commercial Roofing were engaged to make repairs to the roof at Neptune West Residence Hall. Leakage forced the closure of several rooms and the deterioration was so extensive that repairs could not be deferred any longer. Approximately 23,100 square feet of roofing was replaced.

Bahia Resort Hotel - Actual Cost: \$12,584

The services of the Bahia Resort Hotel were engaged for lodging for the University band and cheerleaders at the Poinsettia Bowl in San Diego, California from December 17-18. There was insufficient time to bid this purchase from the time the team was invited to participate in the bowl game.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
EMERGENCY PURCHASES
June 30, 2007**

Curran Contracting Company - Actual Cost: \$149,975

The services of Curran Contracting Company were engaged to make repairs to the road surfaces of Lincoln Drive North, Grant Drive East, and Douglas Drive North, which had deteriorated to an extent that they were impassable. The roadways had to be repaired to assure the accessibility of emergency fire and ambulance vehicles to the Lincoln and Grant Residence Halls and to prevent further deterioration of the underlying utilities in the area.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ILLINOIS FIRST PROJECTS
June 30, 2007**

(Unaudited)

Following is a list of Illinois FIRST grants received by the University outstanding as of June 30, 2007:

Grant Award No.:	01-128106
Grant Amount:	\$7,800,000
Grant Period:	January 1, 2002 through December 31, 2007
Grant Purpose:	All costs associated with the Chiller Project.
Grant Description:	Grant funds will be used for the construction of a chilled water plant including chillers, cooling towers, chilled water piping to campus buildings, pumps for water distribution, and controls necessary to run all equipment.
Amount Expended:	\$1,271,872 (as of June 30, 2007)
Grant Award No.:	02-120242
Grant Amount:	\$4,800,000
Grant Period:	November 1, 2001 through October 31, 2007
Grant Purpose:	Costs associated with the renovation, rehabilitation, and reconstruction of Altgeld Hall.
Grant Description:	Grant funds will be used for the renovation of Altgeld Hall which is the original campus building and serves as the major campus landmark. Renovations will include replacement of all mechanical systems, structural reinforcement and replacement, and life safety code compliance.
Amount Expended:	\$3,986,148 (as of June 30, 2007)
Grant Award No.:	03-121453
Grant Amount:	\$1,000,000
Grant Period:	January 1, 2003 through June 30, 2008, check from IDCEO received October 7, 2005
Grant Purpose:	Illinois Research Park Authority
Grant Description:	Funding will be used to create, expand, and improve a state-wide network of research parks, mostly located in collaboration with Illinois universities and federal research facilities. This will advance necessary research and commercializing of the technologies, while creating new businesses to market these new products. The result will be the creation of new jobs and the creation of capital investment in the state.
Amount Expended:	\$-0- (as of June 30, 2007)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE SCHEDULE OF UNRESTRICTED CURRENT FUND
GENERAL EXPENDITURES PER FULL-TIME EQUIVALENT STUDENT
AS REPORTED TO THE BOARD OF HIGHER EDUCATION*
(Key Service Efforts and Accomplishments)**

(Unaudited)

	For the Year Ended June 30,			
	2006		2005	
	<u>Total</u>	<u>Costs Per</u>	<u>Total</u>	<u>Costs Per</u>
	<u>Costs</u>	<u>Full-Time</u>	<u>Costs</u>	<u>Full-time</u>
		<u>Equivalent</u>		<u>Equivalent</u>
Direct salary	\$ 43,964,880	\$ 973	\$ 47,114,313	\$ 1,043
Indirect instruction	4,328,820	96	4,761,871	105
Departmental research	8,458,265	187	7,494,483	166
Departmental overheads	25,503,769	565	23,916,134	529
College or school overheads	<u>14,434,611</u>	<u>320</u>	<u>12,797,163</u>	<u>283</u>
Subtotal of department and college costs	96,690,345	2,141	96,083,964	2,126
Overhead support unique to a function	8,539,914	189	12,394,915	274
All other academic support	15,140,387	335	15,023,668	333
Student services	7,558,478	167	5,813,332	129
Institutional support	<u>36,326,274</u>	<u>804</u>	<u>28,441,919</u>	<u>630</u>
Subtotal of department and college costs with University overheads	164,255,398	3,636	157,757,798	3,492
Operation and maintenance of physical plant	<u>22,269,589</u>	<u>493</u>	<u>19,440,111</u>	<u>430</u>
TOTAL OF ALL COSTS	<u>\$ 186,524,987</u>	<u>\$ 4,129</u>	<u>\$ 177,197,909</u>	<u>\$ 3,922</u>

* Cost information for the year ended June 30, 2007 not yet available.

STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
RATIO OF FEDERAL EXPENDITURES TO TOTAL EXPENDITURES
For the Year Ended June 30, 2007
(Accrual Basis)
(Expressed in Thousands)

	<u>Amount</u>	<u>Percent</u>
Federal funds expended	\$ 38,368	8.9%
Nonfederal funds expended	<u>394,648</u>	<u>91.1</u>
TOTAL EXPENSES (1)	<u>\$ 433,016</u>	<u>100.0%</u>

(1) Amount represents total expenses per the Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2007.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMPARATIVE ENROLLMENT STATISTICS*
June 30, 2007**

(Unaudited)

	<u>Semesters</u>					
	<u>Summer 2006</u>	<u>Fall 2006</u>	<u>Spring 2007</u>	<u>Summer 2005</u>	<u>Fall 2005</u>	<u>Spring 2006</u>
On-Campus:						
Undergraduate	2,586	16,933	15,657	2,516	16,606	15,278
Graduate	1,932	2,350	2,267	1,946	2,319	2,304
Professional	<u>47</u>	<u>385</u>	<u>378</u>	<u>26</u>	<u>415</u>	<u>396</u>
Subtotal	<u>4,565</u>	<u>19,668</u>	<u>18,302</u>	<u>4,488</u>	<u>19,340</u>	<u>17,978</u>
Off-Campus:						
Undergraduate	160	174	179	219	162	179
Graduate	<u>1,334</u>	<u>693</u>	<u>662</u>	<u>1,351</u>	<u>758</u>	<u>698</u>
Subtotal	<u>1,494</u>	<u>867</u>	<u>841</u>	<u>1,570</u>	<u>920</u>	<u>877</u>
TOTAL	<u>6,059</u>	<u>20,535</u>	<u>19,143</u>	<u>6,058</u>	<u>20,260</u>	<u>18,855</u>

Note: All full-time equivalents are computed as follows:

Fall and Spring semesters:

$$\text{Undergraduate full-time equivalent} = \frac{\text{Credit hours}}{15.00}$$

$$\text{Graduate full-time equivalent} = \frac{\text{Credit hours}}{12.00}$$

$$\text{Professional full-time equivalent} = \frac{\text{Credit hours}}{12.00}$$

Summer sessions:

$$\text{Undergraduate full-time equivalent} = \frac{\text{Credit hours}}{7.50}$$

$$\text{Graduate full-time equivalent} = \frac{\text{Credit hours}}{6.00}$$

* Provided by Office of Budget and Planning based on beginning of semester count for Fall and Spring semesters and end of the semester count for Summer.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SCHEDULE OF TUITION AND FEE WAIVERS
For the Year Ended June 30, 2007
(In Thousands)**

(Unaudited)

	<u>Tuition Waivers</u>			<u>Fee Waivers</u>		
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total</u>
Mandatory waivers:						
Teacher/special education	\$ 343.1	\$ 91.2	\$ 434.3	\$ 104.8	\$ 52.3	\$ 157.1
General Assembly	530.4	36.4	566.8	8.2	.8	9.0
ROTC	172.6	-	172.6	2.8	-	2.8
DCFS	72.1	-	72.1	24.9	-	24.9
Children of employees	436.4	-	436.4	-	-	-
Senior citizens	.6	.6	1.2	-	-	-
Veterans grants and scholarships	956.4	156.8	1,113.2	250.9	66.4	317.3
Discretionary waivers:						
Faculty/administrative	12.9	249.8	262.7	5.2	82.1	87.3
Civil service	105.3	111.4	216.7	43.9	35.6	79.5
Children of employees	-	-	-	-	-	-
Academic/other talent	1,595.4	2,387.1	3,982.5	-	.3	.3
Athletic	662.0	-	662.0	-	-	-
Gender equity in intercollegiate athletics	867.3	-	867.3	-	-	-
Foreign students	-	-	-	-	-	-
Cooperating professionals	6.9	1,037.0	1,043.9	-	-	-
Graduate assistants	28.0	8,850.1	8,878.1	-	-	-
Interinstitutional/related agencies	2.4	12.0	14.4	-	4.9	4.9
Retired University employees	-	7.1	7.1	-	-	-
Children of deceased employees	9.4	-	9.4	3.3	-	3.3
Student need - financial aid	144.3	-	144.3	-	-	-
Student need - special programs	-	61.3	61.3	-	-	-
Fellowships	-	280.7	280.7	-	-	-
Contract/training grants	-	234.5	234.5	-	-	-
TOTAL	<u>\$ 5,945.5</u>	<u>\$ 13,516.0</u>	<u>\$ 19,461.5</u>	<u>\$ 444.0</u>	<u>\$ 242.4</u>	<u>\$ 686.4</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DEBT FINANCED BY UNIVERSITY-RELATED ORGANIZATION
Year Ended June 30, 2007**

The Northern Illinois University Foundation has obtained a loan in connection with the construction of the Barsema Alumni & Visitors Center. At June 30, 2007, the outstanding balance on the loan was \$1,060,115. The note calls for interest at prime less .75 percent and is due in January 2012. Assignment of existing and future donor pledges secure this note.

The Northern Illinois University Foundation has also issued bonds in connection with the construction of the Jeffrey and Kimberly Yordon Center. At June 30, 2007, the amount of outstanding bonds was \$9,206,100. The bonds were issued at an effective interest rate of 4.66 percent and are due in August 2016. A ten-year operating lease with the University secures these bonds.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
ACQUISITION OF REAL ESTATE COSTING IN EXCESS OF
\$250,000 AND NOT FUNDED BY A SEPARATE APPROPRIATION
Year Ended June 30, 2007**

The University purchased a parcel of land, approximately 1.54 acres, for \$353,000. The parcel was completely surrounded by University property.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
BOOKSTORE OPERATIONS
Year Ended June 30, 2007**

(Unaudited)

Contracted/rents to students/University operated	University operated
Contractor	N/A
Contract term	N/A
Amount of gross sales for Bookstore in FY 07	\$6,266,000
Amount (if any) to be paid to Bookstore for FY 07 by University	N/A
Commissions	N/A
Commission terms	N/A
Given exclusive rights	No
Competition/"other" nearby/on-campus bookstores	Yes

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
OTHER ENTITIES
CONDENSED FINANCIAL INFORMATION
June 30, 2007**

	<u>Continuing Education Contract Courses</u>	<u>Continuing Education and Public Service</u>	<u>Sales and Services of Educational Activities</u>	<u>Student Programs and Services</u>	<u>Field Trips and Foreign Study Activities</u>
BALANCE SHEET					
ASSETS					
Cash and cash equivalents	\$ 3,031,649	\$ 1,725,968	\$ 4,589,564	\$ 6,105,024	\$ 9,488
Other assets	<u>127,444</u>	<u>377,961</u>	<u>576,960</u>	<u>881,045</u>	<u>27,891</u>
TOTAL ASSETS	<u>\$ 3,159,093</u>	<u>\$ 2,103,929</u>	<u>\$ 5,166,524</u>	<u>\$ 6,986,069</u>	<u>\$ 37,379</u>
LIABILITIES					
Accounts payable and accrued expenses	\$ 95,767	\$ 298,787	\$ 690,876	\$ 178,707	\$ -
Deferred income	<u>196,435</u>	<u>373,131</u>	<u>493,407</u>	<u>1,123,141</u>	<u>-</u>
Total liabilities	292,202	671,918	1,184,283	1,301,848	-
FUND BALANCES	<u>2,866,891</u>	<u>1,432,011</u>	<u>3,982,241</u>	<u>5,684,221</u>	<u>37,379</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,159,093</u>	<u>\$ 2,103,929</u>	<u>\$ 5,166,524</u>	<u>\$ 6,986,069</u>	<u>\$ 37,379</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

BEGINNING FUND BALANCES	\$ 2,432,882	\$ 4,228,910	\$ 3,032,023	\$ 5,242,671	\$ 58,714
Revenues	3,035,321	9,986,287	7,389,362	22,946,762	1,700
Expenditures	(2,551,254)	(11,546,525)	(7,346,307)	(22,503,420)	(132)
Transfers	<u>(50,058)</u>	<u>(1,236,661)</u>	<u>907,163</u>	<u>(1,792)</u>	<u>(22,903)</u>
ENDING FUND BALANCES	<u>\$ 2,866,891</u>	<u>\$ 1,432,011</u>	<u>\$ 3,982,241</u>	<u>\$ 5,684,221</u>	<u>\$ 37,379</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY BUSINESS OPERATIONS, SERVICE DEPARTMENTS,
AND INDIRECT COST SUPPORT
CONDENSED FINANCIAL INFORMATION
June 30, 2007**

	<u>Auxiliary Business Operations</u>	<u>Service Departments</u>	<u>Indirect Cost Support</u>
BALANCE SHEET			
ASSETS			
Cash and cash equivalents	\$ 2,843,749	\$ 5,965,233	\$ 1,978,492
Accounts receivable	390,248	375,766	21,808
Inventories	<u>4,104</u>	<u>757,116</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 3,238,101</u>	<u>\$ 7,098,115</u>	<u>\$ 2,000,300</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 79,481	\$ 2,097,939	\$ 590,436
Deferred income	<u>229,449</u>	<u>16,068</u>	<u>(343)</u>
Total liabilities	308,930	2,114,007	590,093
FUND BALANCES	<u>2,929,171</u>	<u>4,984,108</u>	<u>1,410,207</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,238,101</u>	<u>\$ 7,098,115</u>	<u>\$ 2,000,300</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

BEGINNING FUND BALANCES	\$ 2,457,317	\$ 4,380,809	\$ 1,728,946
Revenues	8,593,754	30,400,988	3,802,456
Expenditures	<u>(8,121,900)</u>	<u>(29,797,689)</u>	<u>(4,121,195)</u>
ENDING FUND BALANCES	<u>\$ 2,929,171</u>	<u>\$ 4,984,108</u>	<u>\$ 1,410,207</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
CONDENSED FINANCIAL INFORMATION
June 30, 2007**

	<u>Residence Halls</u>	<u>Student Services</u>	<u>Recreation Facilities</u>	<u>Parking</u>
BALANCE SHEET				
ASSETS				
Cash and cash equivalents	\$ (11,239,316)	\$ (1,036,971)	\$ 474,952	\$ 13,377
Accounts receivable	3,673,331	376,787	7,103	-
Inventories	621,624	1,684,363	-	-
Other assets	<u>215,041,454</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$208,097,093</u>	<u>\$ 1,024,179</u>	<u>\$ 482,055</u>	<u>\$ 13,377</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 3,462,002	\$ 248,002	\$ 8,614	\$ 2,402
Deferred income	<u>560,571</u>	<u>220,562</u>	<u>225,690</u>	<u>-</u>
Total liabilities	4,022,573	468,564	234,304	2,402
FUND BALANCES	<u>204,074,520</u>	<u>555,615</u>	<u>247,751</u>	<u>10,975</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$208,097,093</u>	<u>\$ 1,024,179</u>	<u>\$ 482,055</u>	<u>\$ 13,377</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

BEGINNING FUND BALANCES	\$ 186,063,323	\$ 541,457	\$ 146,372	\$ 11,476
Revenues	68,995,531	15,885,107	6,310,812	2,334,548
Expenditures	<u>(50,984,334)</u>	<u>(15,870,949)</u>	<u>(6,209,433)</u>	<u>(2,335,049)</u>
ENDING FUND BALANCES	<u>\$204,074,520</u>	<u>\$ 555,615</u>	<u>\$ 247,751</u>	<u>\$ 10,975</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
SCHEDULE OF INDENTURED CAPITAL RESERVES
For the Year Ended June 30, 2007**

Replacement cost of buildings	\$ 502,041,540
Replacement cost of equipment	<u>44,165,966</u>
TOTAL REPLACEMENT COST OF BUILDINGS AND EQUIPMENT	<u><u>\$ 546,207,506</u></u>
Allowable indentured capital reserves - 5 percent of total replacement cost of buildings and equipment	\$ 27,310,375
Less actual indentured capital reserve at June 30	<u>6,688,123</u>
MARGIN OF COMPLIANCE	<u><u>\$ 20,622,252</u></u>

Note: Replacement costs shown above were calculated based on provisions of the University Guidelines 1982, as amended in 1997, and the bond indenture, using the original cost of the facilities adjusted for the change in the building cost index as reported in the "Engineering News Record."

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
INDIRECT COST SUPPORT
SOURCES AND APPLICATION OF INDIRECT COST RECOVERIES
For the Year Ended June 30, 2007**

BALANCE AT BEGINNING OF YEAR	<u>\$ 1,728,946</u>
 SOURCES	
Federal and state grants and contracts	<u>3,802,456</u>
 APPLICATIONS	
Research	2,467,620
Instruction	37,531
Public service	10,783
Academic support	738,882
Student services	13,915
Operation and maintenance of plant	133,444
Institutional support	<u>423,054</u>
Total applications	<u>3,825,229</u>
 TRANSFERS	
Net decrease	<u>(318,739)</u>
 BALANCE AT END OF YEAR	 <u>\$ 1,410,207</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CALCULATION SHEET FOR INDIRECT COST
SUPPORT CARRYFORWARD
June 30, 2007**

1. Cash and cash equivalents balance:

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

Add:

Cash and cash equivalents

\$ 1,978,492

2. Allocated reimbursements:

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

\$6,376,697. Enter 30 percent of this amount.

1,913,009

3. Unallocated reimbursements:

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

380,246

4. Encumbrances and current liabilities paid in the lapse period:

Enter the amount of:

Current liabilities

590,436

Encumbrances

-

Total

590,436

Indirect cost carryforward:

Enter the total of Items 2, 3, and 4

2,883,691

Subtract from Item 1

(905,199)

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

\$ -

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
OTHER ENTITIES
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2007**

	<u>Continuing Education Contract Courses</u>	<u>Continuing Education and Public Service</u>	<u>Sales and Services of Educational Activities</u>	<u>Student Programs and Services</u>	<u>Field Trips and Foreign Study Activities</u>
1. Current available funds:					
Add:					
Cash	\$ 3,031,649	\$ 1,725,968	\$ 4,589,564	\$ 6,105,024	\$ 9,488
Total current available funds	A. <u>3,031,649</u>	<u>1,725,968</u>	<u>4,589,564</u>	<u>6,105,024</u>	<u>9,488</u>
2. Working capital allowance:					
Add:					
Highest month's expenditures	2,444,276	6,092,672	1,969,083	6,695,084	12,168
Encumbrances and current liabilities paid in lapse period	95,767	298,787	690,876	178,707	-
Deferred income	<u>196,435</u>	<u>373,131</u>	<u>493,407</u>	<u>1,123,141</u>	<u>-</u>
Working capital allowance	B. <u>2,736,478</u>	<u>6,764,590</u>	<u>3,153,366</u>	<u>7,996,932</u>	<u>12,168</u>
3. Current excess funds:					
Deduct B from A and enter here.	C. 295,171	(5,038,622)	1,436,198	(1,891,908)	(2,680)
4. Calculation of income fund remittance:					
An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here.	D. <u>(898,175)</u>	<u>-</u>	<u>(1,733,556)</u>	<u>-</u>	<u>-</u>
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund.	<u>\$ (603,004)</u>	<u>\$ (5,038,622)</u>	<u>\$ (297,358)</u>	<u>\$ (1,891,908)</u>	<u>\$ (2,680)</u>
Excess Funds Offset					
Buildings	\$ <u>-</u>		\$ <u>-</u>		
Equipment	\$ <u>4,490,877</u>		\$ <u>8,667,781</u>		
Maximum - 5 percent for buildings	\$ -		\$ -		
Maximum - 20 percent for equipment	<u>898,175</u>		<u>1,733,556</u>		
Total excess funds offset	<u>\$ 898,175</u>		<u>\$ 1,733,556</u>		

Note: Assets subject to the excess fund calculation are recorded in the University Plant Fund. Separate ledgers are maintained detailing the composition and source of these assets for the excess fund calculation.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY BUSINESS OPERATIONS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2007**

1. Current available funds:

Add:

Cash and cash equivalents \$ 2,843,749

Total current available funds A. 2,843,749

2. Working capital allowance:

Add:

Highest month's expenditures 3,346,530

Encumbrances and current liabilities paid
in lapse period 79,481

Deferred income 229,449

Working capital allowance B. 3,655,460

3. Current excess funds:

Deduct B from A and enter here C. (811,711)

4. Calculation of income fund remittance:

An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here. D. _____ -

Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund. \$ (811,711)

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SERVICE DEPARTMENTS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2007**

1. Current available funds:

Add:		
Cash and cash equivalents		\$ <u>5,965,233</u>
Total current available funds	A.	<u>5,965,233</u>

2. Working capital allowance:

Add:		
Highest month's expenditures		6,399,727
Encumbrances and current liabilities paid in lapse period		2,097,939
Deferred income		<u>16,068</u>
Working capital allowance	B.	<u>8,513,734</u>

3. Current excess funds:

Deduct B from A and enter here	C.	<u>(2,548,501)</u>
--------------------------------	----	--------------------

4. Calculation of income fund remittance:

An entity may offset excess capital or current funds within the entity. Enter the amount to be offset, if any, here.	D.	<u>(4,456,617)</u>
--	----	--------------------

Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund.		<u>\$ (7,005,118)</u>
--	--	-----------------------

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
June 30, 2007**

	<u>Residence Halls</u>	<u>Student Services</u>	<u>Recreation Facilities</u>	<u>Parking</u>
1. Current available funds:				
Add:				
Cash	\$ (11,239,316)	\$ (1,036,971)	\$ 474,952	\$ 13,377
Total current available funds	A. <u>(11,239,316)</u>	<u>(1,036,971)</u>	<u>474,952</u>	<u>13,377</u>
2. Working capital allowance:				
Add:				
Highest month's expenditures	28,694,398	12,642,214	3,493,092	757,051
Encumbrances and current liabilities paid in lapse period	3,462,002	248,002	8,614	2,402
Deferred income	<u>560,571</u>	<u>220,562</u>	<u>225,690</u>	<u>-</u>
Working capital allowance	B. <u>32,716,971</u>	<u>13,110,778</u>	<u>3,727,396</u>	<u>759,453</u>
3. Current excess funds:				
Deduct B from A and enter here.	C. <u>\$ (43,956,287)</u>	<u>\$ (14,147,749)</u>	<u>\$ (3,252,444)</u>	<u>\$ (746,076)</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES
June 30, 2007**

A listing of the University's auxiliary enterprise accounting entities, their purpose, and their sources of revenue as of June 30, 2007 is provided below:

AUXILIARY ENTERPRISES

Revenue Bond Funds

This entity represents all of the activity of the Auxiliary Enterprises Revenue Bond Funds. This includes the student residence halls, student center, recreational facilities, and campus parking. Construction of each of these facilities was either fully or partially funded through the issuance of revenue bonds. The primary sources of revenue include room and board income, student fees, bookstore sales, food service operations, parking fee and fines, and investment income.

Auxiliary Business Operations

This entity consists of auxiliary services primarily supported by student fees. The sub-entities are:

Lorado Taft - The purpose of this account is to support the operations of the Lorado Taft dormitory and food service. Income is from food sales, dorm rentals, conference fees, and facility use fees.

Student Contract Busing - This is the student campus bus operation. Income is from student fees.

University Health Service - The Health Service provides clinic-type services to University students. It is supported from student fees.

SERVICE DEPARTMENTS

This group of accounts provides service to various University departments on a charge-back basis. Rates are established and reviewed periodically to operate each service department on a break-even basis.

INDIRECT COST SUPPORT

These accounts are supported by indirect cost reimbursements or accounts that receive funding as a by-product of federal grants. The funds pay for administrative costs, physical plant costs, including utilities, and grant proposals.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
DESCRIPTION OF ACCOUNTING ENTITIES
June 30, 2007**

OTHER ENTITIES

Continuing Education Contract Courses

These activities are established to provide credit courses to individuals and groups external to the institution. Revenues are mainly from tuition for the courses.

Continuing Education and Public Service

These activities are established primarily to provide noncredit services to individuals and groups external to the institution. These activities include community service programs and cooperative extension services. Included in this category are conferences, institutes, general advisory services, reference bureaus, radio and television, consulting, and similar noninstructional services to particular sectors of the community.

Sales and Services of Educational Activities

Sales and services of educational activities support instruction and help demonstrate classroom or related educational techniques to students. Revenues are from services or materials furnished which are incidental to the department. Receipts are from testing, cartographic services, book sales, sales of instructional materials, and public opinion services.

Student Programs and Services

These programs are supported by student activity fees, gate receipts from athletic events, and income from concerts and performances sponsored by the Student Association.

In addition to the intercollegiate athletics program, the funds sponsor a variety of student functions, including speakers, acquisition of art objects, artist series, legal assistance, orientation, and grant-in-aid.

Field Trips and Foreign Study Activities

These activities are the supporting program costs for primarily credit courses at an off-campus site or at a foreign educational institution. The supporting costs include housing, transportation, printing, advertising, admissions, and other related program costs.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMMENTS ON CERTAIN MATTERS REGARDING AUXILIARY
ENTERPRISES, ACTIVITIES, AND ACCOUNTING ENTITIES,
AND TUITION, CHARGES, AND FEES
June 30, 2007**

AUXILIARY ENTERPRISES, ACTIVITIES, AND ACCOUNTING ENTITIES

1. All employer contributions, except for certain restricted federal funds, to the University retirement system are made from the General Revenue Fund appropriation to the State Universities Retirement System for this purpose. Accordingly, the portion of the retirement contribution attributable to employees in auxiliary enterprise operations is paid from appropriated funds and amounted to approximately \$1,311,696 and \$875,670 for the years ended June 30, 2007 and June 30, 2006, respectively.
2. The University's governing board has established no noninstructional facilities (development) reserves.

TUITION, CHARGES, AND FEES

Northern Illinois University does not have statutory authority to divert and is not diverting tuition to auxiliary enterprise operations.

BOND INDENTURE FUNDING REQUIREMENTS

	Required as of June 30, 2007		Amount of Cash, Investments, and Accrued Interest at June 30, 2007
	<u>Minimum</u>	<u>Maximum</u>	
Repair and replacement reserve	<u>\$ 1,015,703</u>	<u>\$ 27,310,375</u>	<u>\$ 6,688,123</u>

BOND COVENANTS

There were no violations of revenue bond covenants noted during the audit of Northern Illinois University for the year ended June 30, 2007.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
COMMENTS ON CERTAIN MATTERS REGARDING
UNIVERSITY-RELATED ORGANIZATIONS
AND OTHER MATTERS
June 30, 2007**

1. Northern Illinois University Foundation and Northern Illinois University Alumni Association are recognized by Northern Illinois University as related organizations.
2. There are no organizations considered by the University to be independent organizations as defined in Section VII of University Guidelines 1982, as amended in 1997.

Comment on Other Topic

1. Income from investments of pooled funds is allocated and credited monthly to the original sources of the funds based on their respective cash balances.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SUMMARY OF FOUNDATION PAYMENTS
TO/FROM THE UNIVERSITY
For the Year Ended June 30, 2007**

During fiscal year 2007, the University engaged the Foundation, under contract, to provide fundraising services. As provided in the contract agreement, the University paid \$538,690 for fundraising services. Additionally, the University provided services to the Foundation valued at \$1,340,032. As required by the contract, the Foundation fully repaid the University for the services provided, using funds considered unrestricted for purpose of the University Guidelines computations.

Presented below is a summary of all funds that the Foundation gave to the University in 2007:

Funds considered unrestricted for purposes of the Guidelines computations:	
Totally unrestricted - administrative services	\$ 1,340,032
Restricted only as to campus, college, or department and generally available for ongoing University operations:	
Support for University programs and departments	1,716,456
Administrative and office expense	1,802,419
Provided for library books, equipment, and property and improvements	<u>2,306,475</u>
Total funds considered unrestricted	<u>7,165,382</u>
Funds considered restricted for purposes of the Guidelines computations:	
Provided for scholarships and awards	1,115,160
Provided for library books, equipment, and property and improvements	189,142
Other restricted funds provided to the University:	
Restricted Fund	755,605
Endowment Fund	<u>385,380</u>
Total funds considered restricted	<u>2,445,287</u>
Total funds provided to the University by the Foundation	<u>\$ 9,610,669</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
SUMMARY OF ALUMNI ASSOCIATION PAYMENTS
TO/FROM THE UNIVERSITY
For the Year Ended June 30, 2007**

In accordance with a memorandum of understanding between the University and the Alumni Association with regard to funding staffing costs in the alumni relations area, the Alumni Association contributed \$57,106 during 2007. There were no amounts paid by the University to the Alumni Association.

Presented below is a summary of all funds that the Association gave to the University during 2007:

Funds considered unrestricted for purposes of the Guidelines computations:	
Restricted only as to campus, college, or department and generally available for ongoing University operations:	
Support of University programs and departments	<u>\$ 193,542</u>
Total funds considered unrestricted	<u>193,542</u>
Funds considered restricted for purposes of the Guidelines computations:	
Endowment Fund	<u>53,000</u>
Total funds considered restricted	<u>53,000</u>
Total funds provided to the University by the Association	<u>\$ 246,542</u>

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
AUXILIARY ENTERPRISES - REVENUE BOND FUNDS -
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
For the Year Ended June 30, 2007**

REVENUES

Food and other merchandise sales	\$ 26,241,650
Room and other rentals	30,270,300
Parking revenue	2,425,506
Student fees	14,089,055
Interest in investments	2,171,542
Other revenues	<u>1,543,467</u>
Total revenues	<u>76,741,520</u>

EXPENSES

Cost of food and other merchandise sales	12,404,880
Personal services	19,041,962
Student services	3,342,313
Counseling room and board	1,276,445
Employee meals furnished	192,640
Insurance	279,298
Laundry	92,049
General and administrative	9,894,801
Repairs and other services	10,749,749
Telephone service - student rooms	847,663
Utilities	6,680,316
Depreciation	<u>4,948,531</u>
Total expenses	<u>69,750,647</u>

INCREASE IN NET ASSETS

\$ 6,990,873

**STATE OF ILLINOIS
 NORTHERN ILLINOIS UNIVERSITY
 CURRENT UNRESTRICTED FUNDS - AUXILIARY ENTERPRISES -
 REVENUE BOND FUNDS - OCCUPANCY REPORT
 OF RESIDENCE HALLS
 For the Fiscal Year 2007**

(Unaudited)

	<u>Design Capacity</u>	<u>Fall Semester Occupancy</u>	<u>Spring Semester Occupancy</u>	<u>Average Occupancy</u>	<u>Room and Board Rate</u>
Neptune Complex	1,117	1,046	995	1,021	\$ 6,860
Lincoln Hall	966	909	862	886	\$ 6,782
Douglas Hall	1,000	952	897	925	\$ 6,782
Grant Towers	1,789	1,712	1,628	1,670	\$ 6,848
Stevenson Towers	<u>1,280</u>	<u>1,163</u>	<u>1,088</u>	<u>1,126</u>	\$ 7,540
TOTAL RESIDENCE HALLS	<u>6,152</u>	<u>5,782</u>	<u>5,470</u>	<u>5,628</u>	

Based on 9 month occupancy.

**STATE OF ILLINOIS
NORTHERN ILLINOIS UNIVERSITY
CURRENT UNRESTRICTED FUNDS - AUXILIARY ENTERPRISES -
REVENUE BOND FUNDS - INSURED VALUE SUMMARY
For the Year Ended June 30, 2007**

(Unaudited)

	<u>Insured Value</u>		
	<u>Building</u>	<u>Contents</u>	<u>Business Interruption</u>
Barsema Alumni & Visitors Center	\$ 7,008,000	\$ 408,000	\$ -
Black Studies	574,000	-	-
Campus Life Building	8,051,000	1,359,000	-
Central Stores	-	1,765,000	-
Child Care Center	2,717,000	219,000	-
Convocation Center	31,988,000	5,383,000	-
Douglas Hall	30,611,000	1,690,000	-
Evans Field House	10,837,000	959,000	-
Gilbert Hall	11,189,000	-	-
Grant Complex	72,413,000	2,282,000	-
Holmes Student Center	51,109,000	4,938,000	-
Huskie Stadium:			
Stadium	25,669,000	1,066,000	-
Field Turf	924,000	-	-
Latino Center	737,000	185,000	-
Lincoln Hall	30,611,000	1,690,000	-
Lincoln Highway Conference Center	1,305,000	-	-
Lincoln Highway Multi-purpose Property	1,093,000	-	-
Neptune Complex	39,687,000	2,483,000	-
Parking Services:			
Office	155,000	180,000	-
Parking Structure	9,467,000	-	-
Stevenson Complex	77,481,000	7,213,000	-
Student Recreation Center	12,520,000	768,000	-
University Apartments	4,493,000	110,000	-
University Resources for Women	355,000	-	-
West Heating Plant and Cooling Towers	5,286,000	44,000	-
Business Interruption	-	-	<u>22,835,000</u>
TOTAL	<u>\$436,280,000</u>	<u>\$ 32,742,000</u>	<u>\$ 22,835,000</u>

The University obtains its property insurance, including boiler and machinery coverage, through the Midwestern Higher Education Compact's Master Property Program. The University purchases limits of \$1 billion in layers: the first layer provides \$100 million in individual limits and the next two layers provide a total of \$900 million on a shared, but per occurrence, basis. The Holmes Student Center has coverage for silverware and silverplate, and State and University self-insurance programs and commercial insurance are in force to provide liability coverage for University operations, including Revenue Bond.