

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH  
FOUNDATION AND  
RELATED SUBSIDIARY  
COMPLIANCE EXAMINATION**

**For the Year Ended June 30, 2008**

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



**Clifton  
Gunderson LLP**

Certified Public Accountants & Consultants

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>AGENCY OFFICIALS</b> .....	1
<b>MANAGEMENT ASSERTION LETTER</b> .....	2
 <b>COMPLIANCE REPORT</b>	
Summary .....	3
Accountant's Reports:	
Independent Accountant's Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes .....	5
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	8
Schedule of Findings:	
Current Findings - <i>Government Auditing Standards</i> .....	10
 <b>FINANCIAL STATEMENT REPORT</b>	
<p style="text-align: center;">The Foundation's financial statement report for the year ended June 30, 2008, which includes the report of independent auditors, management discussion and analysis, basic financial statements, and notes, has been issued separately.</p>	
 <b>SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES</b>	
Summary .....	12
Fiscal Schedules and Analysis:	
Schedule of Changes in Capital Assets .....	13
Analysis of Operations:	
Agency Functions and Planning Program .....	14
University Guidelines 1982, as Amended:	
Special Data for Audits of Universities .....	15

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
COMPLIANCE EXAMINATION  
For the Year Ended June 30, 2008**

**AGENCY OFFICIALS**

Gerald Zielinski	President
Raymond W. Alden III	Board Member
Eddie R. Williams	Board Member
John Lewis	Board Member
Barbara Giorgi Vella	Board Member
Myron Siegel	Board Member
James Erman	Board Member

*Agency Office is located at:*

2700 International Drive, Suite 100  
West Chicago, Illinois 60185

Northern Illinois Research Foundation  
2700 International Drive  
Suite 100  
West Chicago, IL 60185

# NORTHERN ILLINOIS RESEARCH FOUNDATION

TEL (630) 587-0539  
FAX (630) 587-0543

March 30, 2009

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

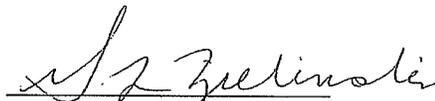
Ladies and Gentlemen:

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 Northern Illinois Research Foundation and subsidiary (Foundation). 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 Foundation's compliance with the following assertions during the year ended June 30, 2008. Based on this evaluation, we assert that during the year ended June 30, 2008, the Foundation has materially complied with the assertions below.

- A. The Foundation has obligated, expended, received and used funds in accordance with the purpose for which such funds have been authorized by law.
- B. The Foundation has obligated, expended, received and used funds in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Foundation has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

Yours very truly,

Northern Illinois Research Foundation

  
Gerald Zielinski, President

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
COMPLIANCE REPORT SUMMARY  
For the Year Ended June 30, 2008**

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

**ACCOUNTANT’S REPORTS**

The Independent Accountant’s Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant nonstandard language.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	1	0
Repeated Findings	0	0
Prior Recommendations Implemented or Not Repeated	0	0

Details of the findings are presented in the separately tabbed report section of this report.

**SCHEDULE OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
<i>CURRENT FINDINGS - GOVERNMENT AUDITING STANDARDS</i>			
08-1	10	Financial Reporting Process	Material Weakness

**STATE OF ILLINOIS  
 NORTHERN ILLINOIS RESEARCH FOUNDATION  
 AND RELATED SUBSIDIARY  
 COMPLIANCE REPORT SUMMARY  
 For the Year Ended June 30, 2008**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
FINDINGS (STATE COMPLIANCE)			
The following finding which is reported as a current finding relating to <i>Government Auditing Standards</i> also meets the reporting requirements for State Compliance.			
08-1	10	Financial Reporting Process	Material Weakness Material Noncompliance

PRIOR FINDINGS NOT REPEATED

None

**EXIT CONFERENCE**

Foundation management waived having an exit conference in correspondence dated January 13, 2009.

The response to the recommendation was provided by Keith R. Jackson, Northern Illinois University Controller, on behalf of Foundation management in correspondence dated February 3, 2009.

**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

Honorable President and  
Members of the Board of Directors  
Northern Illinois Research Foundation  
and Related Subsidiary

**Compliance**

As Special Assistant Auditors for the Auditor General, we have examined Northern Illinois Research Foundation's and Related Subsidiary's (Foundation) 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, 2008. The management of the Foundation is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Foundation's compliance based on our examination.

- A. The Foundation has obligated, expended, received, and used funds in accordance with the purpose for which such funds have been authorized by law.
- B. The Foundation has obligated, expended, received, and used funds in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Foundation has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

We conducted our examination 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 Foundation'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 Foundation's compliance with specified requirements.

As described in finding 08-1 in the accompanying schedule of findings, the Foundation did not comply with compliance requirement C in the first paragraph of this report 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 the Foundation 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, the Foundation complied, in all material respects, with the requirements listed in the first paragraph of this report during the year ended June 30, 2008.

### **Internal Control**

The management of the Foundation 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 Foundation's internal control over compliance with the requirements listed in the first paragraph of this report 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 Foundation's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation'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 a certain deficiency in internal control over compliance that we consider to be a significant deficiency and a material weakness.

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 deficiency in internal control over compliance as described in the accompanying schedule of findings as finding 08-1 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 requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. The significant deficiency in internal control over compliance described in the accompanying schedule of findings as finding 08-1 is also considered to be a material weakness.

There were no immaterial findings that have been excluded from this report.

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

## **Supplementary Information for State Compliance Purposes**

As Special Assistant Auditors for the Auditor General, we have audited the consolidated financial statements of the Foundation as of and for the year ended June 30, 2008, and have issued our report thereon dated March 30, 2009. 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 consolidated financial statements of the Foundation. The 2008 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 audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements for the year ended June 30, 2008 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, and Foundation Board and management, and is not intended to be and should not be used by anyone other than these specified parties.

*Clifton Gundersen LLP*

Peoria, Illinois  
March 30, 2009

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance With *Government Auditing Standards***

Honorable William G. Holland  
Auditor General  
State of Illinois

and

Honorable President and  
Members of the Board of Directors  
Northern Illinois Research Foundation  
and Related Subsidiary

As Special Assistant Auditors for the Auditor General, we have audited the consolidated financial statements of Northern Illinois Research Foundation and Related Subsidiary (Foundation) as of and for the year ended June 30, 2008, and have issued our report thereon dated March 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described as finding 08-1 of the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency described above, finding 08-1, to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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

*Clifton Gunderson LLP*

Peoria, Illinois  
March 30, 2009

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
CURRENT FINDINGS - *GOVERNMENT AUDITING STANDARDS*  
For the Year Ended June 30, 2008**

**08-1 Finding: Financial Reporting Process**

The Northern Illinois Research Foundation and Related Subsidiary (Foundation) did not have adequate controls in place to provide auditors with complete and accurate financial statements presented in accordance with generally accepted accounting principles.

Adjustments were made to the financial statements for the following items as a result of questions raised in the audit process.

- Record an additional \$81,000 of accounts payable at June 30, 2008.
- Adjustments in the amount of \$260,000 to properly expense various legal fees and costs that were improperly capitalized by the Foundation.
- Modifications were also made to the Notes to the Financial Statements due to the above adjustments and to disclose information related to the Foundation's subsidiary to make disclosures conform to generally accepted accounting principles.

Currently one individual processes all of the financial transactions for the Foundation. In some cases there is an additional review of the transactions, such as additional check signors, but not all transactions or entries are reviewed by a second individual. The Foundation is also in the process of developing formal policies and procedures to cover various areas of its operations.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/) requires the Foundation to establish and maintain an effective system of internal control. In addition, the Board and management share the ultimate responsibility for the Foundation's internal control system and the accuracy and completeness of the Foundation's financial statements to ensure that those financial statements are presented in accordance with generally accepted accounting principles. Proper segregation of duties related to processing financial transactions is an important component of a strong system of internal controls. In addition, formally documented policies and procedures provide a foundation for good internal controls.

Foundation management stated that invoices received from subcontractors were both late and were not accurate and led to multiple adjustments of the financial statements. In addition, this was the initial year of operations for the Foundation and there was limited activity. The size of the current operations do not allow for enough staff to completely segregate all aspects of financial processing and reporting. Development of policies and procedures has been undertaken, but has not been completed.

Lack of a strong internal control process for preparation of financial statements could result in misstatements or omissions in the financial statements. (Finding Code No. 08-1)

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
CURRENT FINDINGS - *GOVERNMENT AUDITING STANDARDS*  
For the Year Ended June 30, 2008**

**08-1 Finding: Financial Reporting Process (Continued)**

**Recommendation:**

We recommend that the Foundation review its current method for processing financial transactions and preparing the annual financial statements. The Foundation should allocate resources to ensure a thorough review of the financial statements by personnel possessing the appropriate skills and knowledge. Management's close supervision of personnel and review of accounting information is a means of preventing and detecting errors and irregularities when full segregation of duties is not possible. As the entity grows, proper segregation of duties should be considered as personnel are added. We also encourage the Foundation to continue developing formal policies and procedures. Policies and procedures should also be reviewed and updated as the organization grows and operations change.

**Foundation Response:**

The Foundation agrees with the finding. As noted above, this was the initial year of activity for the Foundation, and its subsidiary. Activity during the year was for start-up costs (legal) and construction costs (capitalized). Staffing is expected to be at a minimum level until construction is completed.

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
SUPPLEMENTARY INFORMATION FOR STATE  
COMPLIANCE PURPOSES  
For the Year Ended June 30, 2008**

**SUMMARY**

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

- Fiscal Schedules and Analysis:
  - Schedule of Changes in Capital Assets
- Analysis of Operations:
  - Agency Functions and Planning Program
- University Guidelines 1982, as Amended:
  - Special Data for Audits of Universities

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 consolidated financial statements and, in the auditor's opinion, except for that portion marked "unaudited," on which no opinion is expressed, it is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

**STATE OF ILLINOIS**  
**NORTHERN ILLINOIS RESEARCH FOUNDATION**  
**AND RELATED SUBSIDIARY**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS**  
**For the Year Ended June 30, 2008**  
**(in Thousands)**

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Construction in progress	<u>\$ -</u>	<u>\$ 756</u>	<u>\$ -</u>	<u>\$ 756</u>

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
AGENCY FUNCTIONS AND PLANNING PROGRAM  
For the Year Ended June 30, 2008**

Northern Illinois Research Foundation (NIRF) is located at 2700 International Drive, Suite 100, West Chicago, Illinois. It is governed by a Board of Directors appointed by the Northern Illinois University President. The President of NIRF is Jerry Zielinski.

NIRF was established in 2001 as a 501(c)(3) not-for-profit corporation. Its purpose is to aid Northern Illinois University (University) in its economic development, public service, and research educational missions. NIRF will participate in partnerships in equity agreements and commercial ventures that the University otherwise could not enter into. NIRF will partner with researchers both from Northern Illinois University and various other affiliates and partner them with various entrepreneurs on the outside to create spin-off corporations, particularly in areas such as health care, engineering, and physical sciences that have great potential for commercialization. NIRF will coordinate with the University and will take technology transfer opportunities when they become available for commercialization and help researchers to secure copyright and patent rights for those commercialization opportunities.

NIRF's first project, which started in fiscal year 2008, is the Northern Illinois Proton Treatment and Research Center (NIPTRC). NIPTRC is an Illinois limited liability corporation which has been granted 501(c)(3) not-for-profit status by the Internal Revenue System. Its sole corporate member is the Northern Illinois Research Foundation. NIPTRC will provide proton beam therapy in a 115,000 square foot facility currently being constructed in West Chicago, Illinois. The facility will begin treating patients in the spring of 2010 and at capacity (within three years from opening) will treat between 1,200 and 1,500 patients annually. Construction of the facility has begun and equipment initialization is scheduled to begin in the fall of 2010. The cost of the facility, including equipment, is estimated at \$159,500,000. The Illinois Health Facility Planning Board has approved a Certificate of Exemption for the facility.

Proton beam therapy is a highly advanced form of radiation treatment for cancer. The process targets cancerous tumors with a highly concentrated proton beam and is considered an effective treatment for many adult and most pediatric cancers. The first proton center in the United States concentrating on patient treatment opened in 1990. There are currently five proton beam therapy centers in the United States and three more under construction. Current centers are located in Boston, MA; Jacksonville, FL; Houston, TX; Loma Linda, CA; and Bloomington, IN. Those under construction are in Philadelphia, PA, Hampton, VA; and Oklahoma City, OK.

Both entities (NIRF and NIPTRC) are relatively new, and the majority of the planning functions are handled at the Board level. An outside consultant was contracted to prepare a marketing and outreach plan related to NIPTRC. Other professionals and consultants are engaged as needed to assist with planning for construction, financing, and other matters.

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
SPECIAL DATA FOR AUDITS OF UNIVERSITIES  
For the Year Ended June 30, 2008**

The Auditor General requires that certain special data for audits of universities, specified in a memorandum dated July 25, 2000, be presented. The following information, lettered (a) through (u), although not required to be included in University Related Organization (URO) reports, is provided for information.

(a) Violation of University Guidelines 1982, as Amended

We noted no instances of noncompliance with University Guidelines during our audit of the Northern Illinois Research Foundation and Related Subsidiary (Foundation) for the year ended June 30, 2008.

(b) Sources and Applications of Indirect Cost Recoveries

Does not apply to the Foundation.

(c) Calculation Sheet for Indirect Cost Support Carryforward

Does not apply to the Foundation.

(d) Amount of Tuition Diverted to Auxiliary Enterprise Operations

Does not apply to the Foundation.

(e) List of Accounting Entities and Description of Sources and Purpose of Revenues

Does not apply to the Foundation.

(f) Financial Statements for Each Accounting Entity

Does not apply to the Foundation.

(g) Calculations of Current Excess Funds for Each Accounting Entity

Does not apply to the Foundation.

(h) Support to Auxiliary Enterprise from State Appropriated Funds

Does not apply to the Foundation.

(i) Statement of Receipts and Disbursements for Bond Indentures

Does not apply to the Foundation.

(j) Conformity of Bond Fund Accounting to Terms of Bond Issues

Does not apply to the Foundation.

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
SPECIAL DATA FOR AUDITS OF UNIVERSITIES  
For the Year Ended June 30, 2008**

- (k) List of Noninstructional Facilities Reserves

Does not apply to the Foundation.

- (l) List of Organizations Recognized as University Related Organizations (UROs)

The Foundation is recognized as a University Related Organization by Northern Illinois University (University).

- (m) Amounts Paid by UROs to the University for Services Provided by the University

There were no amounts paid by the Foundation to the University for services provided by the University.

- (n) Amounts Paid by the University to UROs for Services Provided by the URO

There were no amounts paid by the University to the Foundation for services provided by the Foundation.

- (o) Amount of Unreimbursed Subsidies to UROs

For the year ended June 30, 2008, there were no unreimbursed subsidies to the Foundation from the University.

- (p) Debt Financing of UROs

Does not apply to the Foundation.

- (q) Schedule of Cash and Investments

Does not apply to the Research Foundation for fiscal year 2008.

- (r) Allocation Method on Interest from Pooled Investments

Does not apply to the Research Foundation for fiscal year 2008.

- (s) Cost Per Full-Time Equivalent Student

Does not apply to the Foundation.

**STATE OF ILLINOIS  
NORTHERN ILLINOIS RESEARCH FOUNDATION  
AND RELATED SUBSIDIARY  
SPECIAL DATA FOR AUDITS OF UNIVERSITIES  
For the Year Ended June 30, 2008**

- (t) Acquisition of Real Estate by University or URO Greater Than \$250,000 and Not Specifically Funded

None.

- (u) Issuance of Certificates of Participation (COPs) or Participation in Lease or Purchase Arrangements Involving COPs

None.