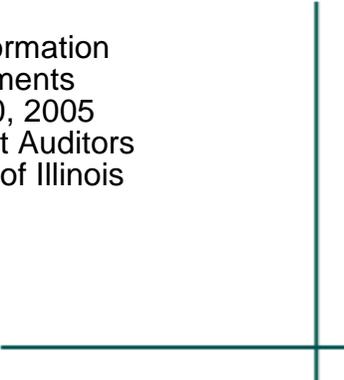


UNIVERSITY OF ILLINOIS

Supplementary Financial Information
and Special Data Requirements
For the Year Ended June 30, 2005
Performed as Special Assistant Auditors
for the Auditor General, State of Illinois



UNIVERSITY OF ILLINOIS
SUPPLEMENTARY FINANCIAL INFORMATION AND SPECIAL DATA REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2005
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UNIVERSITY OF ILLINOIS
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UNIVERSITY OF ILLINOIS
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RELATED REPORTS PUBLISHED UNDER SEPARATE COVERS

University of Illinois Reports

- The University of Illinois Annual Financial Report for the year ended June 30, 2005.
- The Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2005.
- The Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2005.
- The Annual Financial Report of the Willard Airport Facility for the year ended June 30, 2005.
- The State and Federal Compliance Report in accordance with the Single Audit Act and OMB Circular A-133 for the year ended June 30, 2005, including findings, recommendations, and University responses.

University of Illinois Foundation Reports

- The Annual Financial Statements of the University of Illinois Foundation for the year ended June 30, 2005.

University of Illinois Alumni Association Reports

- The Annual Financial Statements of the University of Illinois Alumni Association for the year ended June 30, 2005.

Wolcott, Wood and Taylor, Inc. Reports

- The Financial Audit for the year ended June 30, 2005.

PrairieLand Energy, Inc. Reports

- The Financial Audit for the year ended June 30, 2005.

Illinois Ventures, LLC. and its Subsidiary Reports

- The Financial Audit for the year ended June 30, 2005.

University of Illinois Research Park, LLC. Reports

- The Financial Audit for the year ended June 30, 2005.

**Independent Auditor's Report on Supplementary
Information for State Compliance Purposes**

The Honorable William G. Holland
Auditor General
State of Illinois
and
The Board of Trustees
University of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the basic financial statements of the University of Illinois (University) as of and for the year ended June 30, 2005, and have issued our report thereon dated September 28, 2005. These financial statements and the supplementary information referred to below are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the University taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements of the University of Illinois. Such information for the year ended June 30, 2005, 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, 2005 taken as a whole.

The supplementary information for the years ended June 30, 2004 and 2003 has been derived from financial statements audited previously and, in our reports dated October 15, 2004 and September 16, 2003, respectively, we expressed unqualified opinions on such information in relation to the University's basic financial statements taken as a whole. The supplementary information for the years ended June 30, 1996 through 2002 has been derived from financial statements audited by other auditors, whose reports thereon expressed unqualified opinions on such information in relation to the University's basic financial statements for those years ended 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 University management, and is not intended to be and should not be used by anyone other than these specified parties.

Clifton Gunderson LLP

Peoria, Illinois
September 28, 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOURTEEN MONTHS ENDED AUGUST 31, 2005

	Appropriations (net after transfers)	Vouchered expenditures for the year ended June 30, 2005	Vouchered expenditures for the two months ended August 31, 2005	Total expenditures for the fourteen months ended August 31, 2005	Balances lapsed August 31, 2005	Balances reappropriated August 31, 2005
General Revenue Fund :						
Appropriation						
Expenditures						
Permanent improvements	\$ 750,000	\$ 750,000		\$ 750,000		\$ -
Personal services	611,035,700	610,893,067	142,633	611,035,700		-
Awards and grants	5,782,500	5,782,500		5,782,500		-
Travel	249,700	249,700		249,700		-
Commodities	2,518,600	2,518,600		2,518,600		-
Contractual services	27,151,900	27,151,900		27,151,900		-
Equipment	511,000	511,000		511,000		-
Telecommunications	5,016,800	5,016,800		5,016,800		-
Operation of automotive equipment	967,000	967,000		967,000		-
Worker's compensation	3,270,000	3,270,000		3,270,000		-
Hospital and medical services and appliances	5,817,600	5,471,637	345,963	5,817,600		-
Health Insurance	24,893,200	24,893,200		24,893,200		-
Early Outreach Program	250,000	250,000		250,000		-
Medicare	8,937,100	8,937,100		8,937,100		-
Mental Health Rate Study	300,000	138,652	154,152	292,804	7,196	-
CHANCE Program	1,000,000	712,952	287,048	1,000,000		-
Total General Revenue Fund	\$ 698,451,100	\$ 697,514,108	\$ 929,796	\$ 698,443,904	\$ 7,196	\$ -
Fire Prevention Fund	\$ 1,744,600	\$ 1,621,222	\$ 123,378	\$ 1,744,600	\$	\$
State College and University Trust Fund	\$ 250,000	\$ 71,000	\$ 179,000	\$ 250,000	\$	\$

UNIVERSITY OF ILLINOIS

SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOURTEEN MONTHS ENDED AUGUST 31, 2005

	Appropriations (net after transfers)	Vouchered expenditures for the year ended June 30, 2005	Vouchered expenditures for the two months ended August 31, 2005	Total expenditures for the fourteen months ended August 31, 2005	Balances lapsed August 31, 2005	Balances reappropriated August 31, 2005
Capital Development Bond Fund:						
WILL-TV digitalization infrastructure	\$ 1,502,533	\$ 746,493	\$ -	\$ 746,493	\$ -	\$ 756,040
College of Medicine education and research facility	14,559,870	10,789,786		10,789,786		3,770,084
Computer Science engineering facility	1			-	1	
Classroom and office construction at UIS	8,364,580	7,240,153		7,240,153		1,124,427
Space needs for DNR survey	13,401,419	3,990,968		3,990,968		9,410,451
Total Capital Development Bond Fund	\$ 37,828,403	\$ 22,767,400	\$ -	\$ 22,767,400	\$ 1	\$ 15,061,002
Grand Totals, All Funds	\$ 738,274,103	\$ 721,973,730	\$ 1,232,174	\$ 723,205,904	\$ 7,197	\$ 15,061,002

Note: The data contained in the schedule was taken from the University's records which have been reconciled to the records of the State Comptroller. All appropriations were authorized by Public Act 093-0842.

UNIVERSITY OF ILLINOIS
COMPARATIVE SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
BUDGET YEARS OF FISCAL 2005 AND 2004

	<u>2005</u>	<u>2004</u>
General Revenue Fund:		
Appropriations	\$ 698,451,100	\$ 696,911,116
Expenditures		
Permanent improvements	750,000	
Personal services	611,035,700	622,403,412
Awards and grants	5,782,500	5,806,774
Travel	249,700	40,078
Commodities	2,518,600	304,871
Contractual services	27,151,900	8,600,581
Equipment	511,000	
Telecommunications	5,016,800	4,594,233
Operation of automotive equipment	967,000	
Worker's compensation	3,270,000	3,270,000
Hospital and medical services and appliances	5,817,600	6,026,480
Health Insurance	24,893,200	24,893,200
Coop Ext Urb. Ldrshp		10,016
Early Outreach Program	250,000	
Medicare	8,937,100	8,693,871
Mental Health Rate Study	292,804	
CHANCE Program	1,000,000	
Total expenditures	<u>698,443,904</u>	<u>684,643,516</u>
Lapsed Balance	<u>\$ 7,196</u>	<u>\$ 12,267,600</u>
Tobacco Settlement Recovery Fund		
Appropriations	\$ -	\$ 1,000,000
Expenditures	-	1,000,000
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>
Fire Prevention Fund:		
Appropriations	\$ 1,744,600	\$ 1,408,000
Expenditures	1,744,600	1,408,000
Lapsed balances	<u>\$ -</u>	<u>\$ -</u>
State College and University Trust Fund		
Appropriations	\$ 250,000	\$ 150,000
Expenditures	250,000	79,124
Lapsed balances	<u>\$ -</u>	<u>\$ 70,876</u>

UNIVERSITY OF ILLINOIS
COMPARATIVE SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
BUDGET YEARS OF FISCAL 2005 AND 2004

	2005	2004
Capital Development Bond Fund:		
Appropriations	\$ 37,828,403	\$ 82,628,477
Expenditures		
WILL-TV digitalization infrastructure	746,493	572,525
College of Medicine Education and Research Facility	10,789,786	24,068,825
Computer Science Engineering Facility		783,973
Classroom and Office Construction at UIS	7,240,153	19,014,222
Space needs for DNR survey	3,990,968	360,529
Total expenditures	22,767,400	44,800,074
Reappropriated balances	15,061,002	37,828,403
Lapsed balances	\$ 1	\$ -
 Grand Totals, All Funds:		
Appropriations	\$ 738,274,103	\$ 782,097,593
Expenditures	723,205,904	731,930,714
Reappropriated balances	15,061,002	37,828,400
Lapsed balances	\$ 7,197	\$ 12,338,479

UNIVERSITY OF ILLINOIS
ANALYSIS OF STATE APPROPRIATIONS
SIGNIFICANT LAPSE PERIOD EXPENDITURES
TWO MONTHS ENDED AUGUST 31, 2005

	Total expenditures for the fourteen months ended August 31, 2005	Vouchered expenditures for the two months ended August 31, 2005		%
General Revenue Fund, CHANCE Program	\$ 1,000,000	\$ 287,048		28.7%

Vouchers for internal University expenditures related to this program were deemed inadequate upon first submission. The vouchers were corrected, specifically the description of the expenditure, and re-submitted in July and August of 2005.

The above represents all appropriations with lapse period expenditures greater than \$250,000 and 20% of total expenditures for the fourteen months ended August 31, 2005.

UNIVERSITY OF ILLINOIS
ANALYSIS OF UNIVERSITY INCOME FUND
COMPARATIVE SCHEDULE OF UNIVERSITY INCOME FUND REVENUES AND EXPENDITURES
BUDGET YEARS OF FISCAL 2005 AND 2004

<u>University Income Fund</u>	<u>2005</u>	<u>2004</u>
Revenues		
Net student tuition and fees	\$ 423,747,843	\$ 376,070,724
Other sources	8,033,784	6,897,396
	<u>431,781,627</u>	<u>382,968,120</u>
Provision for bad debts	(1,986,571)	(3,662,168)
Net revenues	<u>429,795,056</u>	<u>379,305,952</u>
Add (deduct) net change in:		
Cash	9,474,605	(1,284,430)
Accounts receivable	(1,518,449)	(5,695,842)
Deferred charges	(544,795)	754,464
Accrued investment income	(736,802)	(621,433)
Deferred income	(295,599)	2,987,736
Accounts payable	(1,488)	(627)
	<u>6,377,472</u>	<u>(3,860,132)</u>
Fiscal year deposits	<u>436,172,528</u>	<u>375,445,820</u>
Expenditures		
Audit expense	309,905	170,484
Unemployment compensation	452,820	634,286
Permanent improvements	3,001,535	360,003
Student loan matching	52,415	
Personal services	239,686,340	197,749,183
Awards and grants	23,634,168	20,563,486
Travel	3,121,819	3,179,004
Commodities	14,669,223	14,141,867
Contractual services	115,476,886	111,461,300
Equipment	25,860,885	23,954,973
Telecommunications	3,759,426	3,415,425
Operation of automotive equipment	427,439	1,791,107
Worker's compensation	565,998	766,736
Medicare	1,728,773	1,579,000
Total expenditures	<u>432,747,632</u>	<u>379,766,854</u>
Increase (decrease) in fund balance	3,424,896	(4,321,034)
Fund balance at beginning of budget fiscal year	<u>(1,590,899)</u>	<u>2,730,135</u>
Fund balance at end of budget fiscal year	<u>\$ 1,833,997</u>	<u>\$ (1,590,899)</u>
Budget	<u>\$ 453,680,000</u>	<u>\$ 380,652,400</u>
Fund balance as percentage of budget	<u>0.40%</u>	<u>-0.42%</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF UNIVERSITY INCOME FUND
COMPARATIVE SCHEDULE OF UNIVERSITY INCOME FUND REVENUES AND EXPENDITURES
BUDGET YEARS OF FISCAL 2005 AND 2004

Net student tuition and fees increased by approximately \$47.7 million from fiscal year 2004 to fiscal year 2005. General tuition programs for continuing students increased approximately 8.0% for all three campuses, UIC, UIS, UIUC for fiscal year 2005. These general tuition increases generated approximately \$27.2 million in fiscal 2005. Fiscal year 2005 was also the beginning of the University of Illinois Guaranteed Tuition plan, which sets an entering undergraduate student's tuition for four years. The one time revenue from implementing this plan generated approximately \$6.0 million in fiscal 2005. Fiscal year 2005 was the fourth and final year of phasing in a \$1,000 fixed programmatic differential assessed to all students entering after May 2001. This tuition differential generated approximately \$11.5 million in fiscal 2005. The campuses experienced stronger than expected enrollments and carryover adjustments which generated \$3.0 million more in revenue in FY2005. The carryover balance at the end of fiscal 2005 of \$1.8 million is due to slight under realization of overall anticipated revenue and an increase in expenditures. Total expenditures increased \$53.0 million from fiscal year 2004 to fiscal year 2005.

The Income Fund cash balance earns investment income as a participant in the University's consolidated group of investments. These earnings are allocated and distributed to the participating accounts at the end of each quarter based on the account's average cash balance. During fiscal year 2005, \$.4 million of investment income earned on the Income Fund cash balance was expended for institutional utility costs. During fiscal year 2004, \$1.3 million of investment income earned on the Income Fund cash balance was expended for institutional system development. Institutionally, these earnings represent discretionary funds controlled and allocated by the University's Academic Affairs Management Team, although a substantial portion of the funds are committed for recurring activities.

UNIVERSITY OF ILLINOIS
ANALYSIS OF
REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>	<u>Increase (decrease)</u>
OPERATING REVENUES:			
Student tuition and fees, net	\$ 507,137,313	\$ 448,476,238	\$ 58,661,075
Fee for services - state appropriation	46,117,046	47,868,867	(1,751,821)
Federal appropriations	16,818,860	16,417,645	401,215
Federal grants and contracts	608,403,123	572,996,013	35,407,110
State of Illinois grants and contracts	62,709,980	74,440,042	(11,730,062)
Private gifts, grants, and contracts	89,614,969	63,736,432	25,878,537
Educational activities	181,117,856	173,297,388	7,820,468
Auxiliary enterprises, net	264,660,102	262,058,004	2,602,098
Hospital and other medical activities, net	379,815,184	336,453,607	43,361,577
Medical service plan	138,623,525	116,945,941	21,677,584
Independent operations	8,744,250	7,857,699	886,551
Interest and service charges on student loans	758,506	310,428	448,078
On behalf - hospital and other medical activities	60,635,572	171,403,200	(110,767,628)
Total operating revenues	<u>2,365,156,286</u>	<u>2,292,261,504</u>	<u>72,894,782</u>
OPERATING EXPENSES:			
Instruction	677,928,339	602,025,183	75,903,156
Research	557,057,733	548,968,139	8,089,594
Public service	277,625,546	250,534,350	27,091,196
Academic support	206,893,928	187,290,206	19,603,722
Student services	79,616,070	75,643,715	3,972,355
Institutional support	163,854,347	129,114,409	34,739,938
Operation and maintenance of plant	199,183,108	176,682,538	22,500,570
Scholarships and fellowships	175,165,572	160,673,373	14,492,199
Auxiliary enterprises	207,824,953	213,739,658	(5,914,705)
Hospital and medical activities	394,121,846	353,861,425	40,260,421
Independent operations	9,214,911	9,095,053	119,858
Depreciation	175,978,495	153,021,796	22,956,699
On behalf payments for fringe benefits	347,232,376	937,353,716	(590,121,340)
Total operating expenses	<u>3,471,697,224</u>	<u>3,798,003,561</u>	<u>(326,306,337)</u>
Operating (Loss)	<u>(1,106,540,938)</u>	<u>(1,505,742,057)</u>	<u>399,201,119</u>
NONOPERATING REVENUES (EXPENSES):			
State appropriations	653,913,147	639,226,703	14,686,444
Private gifts	107,277,832	96,319,501	10,958,331
On behalf payments for fringe benefits	286,596,804	765,950,516	(479,353,712)
Net investment income	35,077,263	28,795,327	6,281,936
Net increase in the fair value of investments	11,592,898	18,691,237	(7,098,339)
Interest on capital asset related debt	(59,068,412)	(56,526,158)	(2,542,254)
Loss on disposals of capital assets	(3,932,919)	(1,747,007)	(2,185,912)
Other nonoperating revenues	10,165,813	19,754,609	(9,588,796)
Net nonoperating revenues (expenses)	<u>1,041,622,426</u>	<u>1,510,464,728</u>	<u>(468,842,302)</u>
Income (loss) before other revenues, expenses, gains, and losses	<u>(64,918,512)</u>	<u>4,722,671</u>	<u>(69,641,183)</u>
Capital state appropriations	65,994,313	68,388,042	(2,393,729)
Capital gifts and grants	40,011,204	59,125,921	(19,114,717)
Private gifts for endowment purposes	1,256,453	2,273,153	(1,016,700)
INCREASE IN NET ASSETS	<u>42,343,458</u>	<u>134,509,787</u>	<u>(92,166,329)</u>
NET ASSETS, BEGINNING OF YEAR	<u>2,278,378,352</u>	<u>2,143,868,565</u>	<u>134,509,787</u>
NET ASSETS, END OF YEAR	<u>\$ 2,320,721,810</u>	<u>\$ 2,278,378,352</u>	<u>\$ 42,343,458</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS
SIGNIFICANT REVENUE, EXPENSE, AND OTHER CHANGES IN NET ASSETS VARIANCES
YEARS ENDED JUNE 30, 2005 AND 2004

All variances greater than \$30 million, and more than a 10 percent variance from fiscal year 2004 are discussed below. Refer to the Analysis of Revenues, Expenses and Other Changes in Net Assets on page 9 for the actual dollar changes.

Explanations of significant variances:

- Student tuition and fees, net - The increase in tuition is due to an 8% tuition increase approved by the Board of Trustees for fiscal year 2005, additional tuition from the last year of a four-year tuition increase program, and additional tuition as the result of special tuition differentials in various graduate and undergraduate programs.
- Hospital and other medical activities, net – The increase in hospital and other medical activities revenue correlates directly to the increase experienced on the expense side, see below. The health care industry faces annual cost increases that results in higher charges to patients.
- On behalf – hospital and other medical activities – The decrease represents the hospital's share of the additional funding provided by the State in fiscal year 2004, in response to its significant underfunded pension liability for State employees. No additional funding was provided in fiscal year 2005.
- Instruction – The instruction function experienced an increase due to increases in payroll (\$23 million), increases in accruals for payroll, vacation and sick leave (\$20 million), and large increases in the Medical Service Plan expense (\$25 million).
- Institutional Support – The institutional support increase was caused by a \$19 million dollar increase in the vacation and sick leave accrual charged to the function. Payroll increases of \$5 million and increases of \$5.5 million for funding the final costs of a new system project (UI Integrate) also impacted the increase.
- Hospital and medical activities – The health industry has faced rising costs for the last several years. FY05 was no different. The higher costs to provide this service were also reflected in an increase in revenue relating to these activities.
- On behalf payments for fringe benefits (Operating Expenses) – During fiscal year 2004, in addition to the expected annual increases in pension expenses funded by the state via the SURS appropriation, the State provided additional funding of over \$597 million for pension expenses to SURS. No additional funding was provided in fiscal year 2005.
- On behalf payments for fringe benefits (Nonoperating Revenues) – See explanation above.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CASH AND CASH EQUIVALENTS,
INVESTMENTS, AND ACCRUED INVESTMENT INCOME
JUNE 30, 2005 AND 2004

Various University funds have cash and certain investments which are pooled for the purpose of securing a greater return on investment and providing an equitable distribution of investment return. Pooled investments, which consist principally of U.S. Government and government agency securities, time deposits, corporate commercial paper and short-to-intermediate term mutual fund investments, are carried at their fair value as determined by quoted market price. Income is distributed to individual University funds quarterly based upon average monthly balances invested in the pool.

Non-pooled investments are carried at their fair value, as determined by quoted market price, except for Agency Fund investments which are carried at cost. Investment income, including gains and losses resulting from the sale or other disposition of investments, is recognized in the fund which owns the investments, except for income derived from investments of the Endowment and Similar Funds which is recognized in the funds to which such income is restricted.

At June 30, 2005, the University did not have deposits that exceeded the federally insured amount and the value of the underlying collateral at Busey Bank.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CASH AND CASH EQUIVALENTS,
INVESTMENTS, AND ACCRUED INVESTMENT INCOME
JUNE 30, 2005 AND 2004

The University's investment balances, including pooled investments, but excluding real estate and farm properties, at June 30, 2005 and 2004 were held as follows:

	<u>2005</u> Carrying Amount	<u>2004</u> Carrying Amount
Certificates of Deposit	\$ 402,000	\$ 402,000
U.S. Treasury Put	4,345,000	4,343,000
U.S. Government Securities	299,625,720	221,135,976
Repurchase Agreements		68,618,214
Commercial Paper	44,817,732	10,231,368
Corporate Bonds	181,804,615	214,623,207
Corporate Stock	61,675,433	35,626,113
Mutual Funds – Bonds	60,227,495	60,530,000
Mutual Funds – Stocks	111,463,645	124,378,042
Mutual Funds - Money Market	168,797,047	198,494,580
Mutual Funds - Real Estate	314,785	391,406
Illinois Fund	48,822,144	1,054,674
Total investments	<u>\$ 982,295,616</u>	<u>\$ 939,828,580</u>

Refer to Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2005, for categorization of investments according to interest rate risk and credit risk assumed by the University at June 30, 2005.

Investments of the endowment and similar funds also include real estate and farm properties which are carried at cost or, if donated, at the appraised value as of the date received. Investments in real estate and farm properties amounted to \$13,490,677 and \$12,516,488 at June 30, 2005 and 2004, respectively.

The University accounts for investment income on the accrual basis. Investment income for non-pooled investments, including gains and losses resulting from the sale or other disposition of investments, is recognized in the fund which owns the investments, except for income derived from investments of the Endowment and Similar Funds, which is recognized in the funds to which such income is restricted. Income from pooled investments is distributed to individual University funds quarterly based upon average monthly balances invested in the pool. Accrued investment income, by fund, at June 30, 2005 and 2004 was as follows:

	<u>2005</u>	<u>2004</u>
Current Funds		
Unrestricted	\$2,658,160	\$2,712,542
Restricted	101,343	89,005
Loan Funds	80,181	59,648
Plant Funds	<u>1,216,003</u>	<u>1,407,949</u>
Total	<u>\$4,055,687</u>	<u>\$4,269,144</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
Accounts receivable		
Current Unrestricted Funds:		
Student and other unrestricted receivables	\$ 44,387,122	\$ 40,305,832
State clearing receivable	-	3,493,309
Entity activities:		
Storerooms and service departments		
Auxiliary enterprises	7,961,580	11,187,163
Hospital and clinics	285,113,296	250,783,712
Other departmental activities	<u>9,566,547</u>	<u>13,289,393</u>
Total accounts receivable	<u>347,028,545</u>	<u>319,059,409</u>
Allowance for doubtful accounts:		
Hospital and clinics	(205,344,072)	(180,767,606)
Other	<u>(15,184,184)</u>	<u>(19,461,721)</u>
Total allowance for doubtful accounts	<u>(220,528,256)</u>	<u>(200,229,327)</u>
Current Unrestricted Funds accounts receivable, net	<u>126,500,289</u>	<u>118,830,082</u>
Current Restricted Funds:		
Medical Service Plan	52,786,096	28,682,426
Grants, contracts and gifts	153,077,449	145,415,010
Federal appropriations	3,993,372	4,301,791
Endowment farms	<u>770,680</u>	<u>592,365</u>
Total accounts receivable	210,627,597	178,991,592
Allowance for doubtful accounts:		
Medical Service Plan	<u>(24,539,548)</u>	<u>(13,122,515)</u>
Current Restricted Funds accounts receivable, net	<u>186,088,049</u>	<u>165,869,077</u>
Plant Funds	<u>48,708</u>	<u>83,729</u>
Total accounts receivable, net	<u>312,637,046</u>	<u>284,782,888</u>
Notes receivable		
Loan Funds:		
Urbana campus	23,693,366	25,490,430
Chicago campus	34,492,675	38,004,520
Springfield campus	<u>255,676</u>	<u>261,264</u>
Total notes receivable	<u>58,441,717</u>	<u>63,756,214</u>
Allowance for doubtful notes:		
Urbana campus	(3,334,298)	(1,110,798)
Chicago campus	(1,061,783)	(1,269,664)
Springfield campus	<u>(46,097)</u>	<u>(17,561)</u>
Total allowance for doubtful accounts	<u>(4,442,178)</u>	<u>(2,398,023)</u>
Total notes receivable, net	<u>53,999,539</u>	<u>61,358,191</u>
Total accounts and notes receivable, net	<u>\$ 366,636,585</u>	<u>\$ 346,141,079</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
STUDENT ACCOUNTS RECEIVABLE
JUNE 30, 2005 AND 2004

	June 30, 2005			
	Total	Urbana Campus	Chicago Campus	Springfield Campus
Student accounts receivable				
Current - 30 days	\$ 19,173,431	\$ 9,989,513	\$ 8,032,307	\$ 1,151,611
31 - 90 days	2,944,882	1,543,448	1,249,874	151,560
Over 90 days	22,268,809	10,426,169	10,534,824	1,307,816
Total student accounts receivable	44,387,122	21,959,130	19,817,005	2,610,987
Allowance for doubtful accounts	(14,253,480)	(6,152,327)	(7,491,861)	(609,292)
Student accounts receivable, net	\$ 30,133,642	\$ 15,806,803	\$ 12,325,144	\$ 2,001,695

	June 30, 2004			
	Total	Urbana Campus	Chicago Campus	Springfield Campus
Student accounts receivable				
Current - 30 days	\$ 25,535,521	\$ 16,577,790	\$ 8,081,128	\$ 876,603
31 - 90 days	2,376,400	1,235,524	1,005,379	135,497
Over 90 days	21,433,098	9,483,950	10,922,814	1,026,334
Total student accounts receivable	49,345,019	27,297,264	20,009,321	2,038,434
Allowance for doubtful accounts	(16,879,008)	(7,734,927)	(8,436,507)	(707,574)
Student accounts receivable, net	\$ 32,466,011	\$ 19,562,337	\$ 11,572,814	\$ 1,330,860

These receivables relate to unpaid student tuition and fees and charges to students for the bookstore, library fines, parking fines and other miscellaneous charges.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
HEALTH SERVICES FACILITIES SYSTEM - PATIENT RECEIVABLES
JUNE 30, 2005 AND 2004

(in thousands)

The University of Illinois Health Services Facilities System is comprised of the University of Illinois Hospital and associated clinical facilities providing patient care at, but not limited to, the University of Illinois at Chicago Medical Center.

	<u>2005</u>	<u>2004</u>
<u>Active Accounts</u>		
Patient receivables	\$ 124,712	\$ 99,859
Less bad debt allowance	(52,485)	(34,458)
Net patient receivables	<u>\$ 72,227</u>	<u>\$ 65,401</u>
Bad debt allowance -		
As a percent of patient receivables	<u>42.08%</u>	<u>34.51%</u>
Days revenue in net patient receivables	<u>72</u>	<u>73</u>
Write-offs of uncollectible accounts, net of recoveries	\$ 8,921	\$ 5,255
As a percent of gross revenue	<u>0.90%</u>	<u>0.63%</u>
Provision for bad debts	\$ 32,875	\$ 25,362
As a percent of gross revenue	<u>3.35%</u>	<u>3.02%</u>
Aging:		
0-30 days (including in-house)	51.60%	56.40%
31-90 days	15.10%	14.90%
91-180 days	12.50%	9.90%
Over 180 days	<u>20.80%</u>	<u>18.80%</u>
	<u>100.00%</u>	<u>100.00%</u>
<u>Inactive Accounts</u>		
Patient receivables	\$ 146,436	\$ 139,656
Less bad debt allowance	(146,436)	(139,656)
Net patient receivables	<u>\$ -</u>	<u>\$ -</u>
<u>Health Services Facilities System Receivables</u>		
	<u>2005</u>	<u>2004</u>
Active patient receivables	\$ 124,712	\$ 99,859
Inactive patient receivables	146,436	139,656
Other receivables	13,681	4,332
Due from related organizations	284	284
Total Health Services Facilities System receivables	<u>\$ 285,113</u>	<u>\$ 244,131</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
GRANTS, CONTRACTS AND GIFTS
JUNE 30, 2005 AND 2004

	June 30, 2005				
	<u>Total</u>	<u>University Administration</u>	<u>Urbana Campus</u>	<u>Chicago Campus</u>	<u>Springfield Campus</u>
Grants, contracts and gifts					
United States government grants and contracts	\$ 97,867,047	\$ 283,984	\$ 55,288,085	\$ 42,059,766	\$ 235,212
Private gifts, grants and contracts	27,650,034	403,775	13,382,289	13,773,973	89,997
State of Illinois grants and contracts	<u>27,560,368</u>	<u>500,921</u>	<u>12,589,759</u>	<u>13,570,009</u>	<u>899,679</u>
Total grants, contracts and gifts	<u>\$ 153,077,449</u>	<u>\$ 1,188,680</u>	<u>\$ 81,260,133</u>	<u>\$ 69,403,748</u>	<u>\$ 1,224,888</u>

These accounts primarily consist of receivables for work performed under grant and contract activity.

	June 30, 2004				
	<u>Total</u>	<u>University Administration</u>	<u>Urbana Campus</u>	<u>Chicago Campus</u>	<u>Springfield Campus</u>
Grants, contracts and gifts					
United States government grants and contracts	\$ 98,919,002	\$ 204,267	\$ 51,312,515	\$ 47,050,587	\$ 351,633
Private gifts, grants and contracts	23,255,991	189,710	11,185,068	11,853,206	28,007
State of Illinois grants and contracts	<u>23,240,017</u>	<u>424,720</u>	<u>12,741,650</u>	<u>8,943,460</u>	<u>1,130,187</u>
Total grants, contracts and gifts	<u>\$ 145,415,010</u>	<u>\$ 818,697</u>	<u>\$ 75,239,233</u>	<u>\$ 67,847,253</u>	<u>\$ 1,509,827</u>

These accounts primarily consist of receivables for work performed under grant and contract activity.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS AND NOTES RECEIVABLE
NOTES RECEIVABLE - LOAN FUNDS
JUNE 30, 2005 AND 2004

	<u>June 30,</u>	
	<u>2005</u>	<u>2004</u>
<u>Urbana campus</u>		
<u>Age</u>		
Not in repayment status/current billing	\$ 22,450,263	\$ 22,886,358
Under 120 days	71,781	1,379,729
Over 120 days	<u>1,171,322</u>	<u>1,224,343</u>
	23,693,366	25,490,430
Allowance for doubtful notes	<u>(3,334,298)</u>	<u>(1,110,798)</u>
Total - Urbana campus	<u>20,359,068</u>	<u>24,379,632</u>
<u>Chicago campus</u>		
<u>Age</u>		
Not in repayment status/current billing	30,898,753	34,348,273
Under 120 days	1,359,177	1,618,007
Over 120 days	<u>2,234,745</u>	<u>2,038,240</u>
	34,492,675	38,004,520
Allowance for doubtful notes	<u>(1,061,783)</u>	<u>(1,269,664)</u>
Total - Chicago campus	<u>33,430,892</u>	<u>36,734,856</u>
<u>Springfield campus</u>		
<u>Age</u>		
Not in repayment status/current billing	214,676	247,264
Under 120 days	1,000	1,000
Over 120 days	<u>22,000</u>	<u>13,000</u>
	237,676	261,264
Allowance for doubtful notes	<u>(28,097)</u>	<u>(17,561)</u>
Total - Springfield campus	<u>209,579</u>	<u>243,703</u>
<u>All campuses</u>		
<u>Age</u>		
Not in repayment status/current billing	53,563,692	57,481,895
Under 120 days	1,431,958	2,998,736
Over 120 days	<u>3,428,067</u>	<u>3,275,583</u>
	58,423,717	63,756,214
Allowance for doubtful notes	<u>(4,424,178)</u>	<u>(2,398,023)</u>
Total - All campuses	<u>\$ 53,999,539</u>	<u>\$ 61,358,191</u>

These amounts primarily represent loans to students under the Perkins and HPSL programs.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Nondepreciable Capital Assets:					
Land	\$ 117,013,520	\$ 4,904,727	\$ (2,286,373)		\$ 119,631,874
Construction in progress	510,826,979	132,511,933		(412,610,086)	230,728,826
Inexhaustible collections	12,883,177	798,051			13,681,228
Total nondepreciable capital assets	640,723,676	138,214,711	(2,286,373)	(412,610,086)	364,041,928
Depreciable Capital Assets:					
Buildings	2,186,870,848	42,399,736	(115,408)	257,358,585	2,486,513,761
Improvements and infrastructure	383,826,301			155,251,501	539,077,802
Equipment and software	984,889,967	100,844,510	(30,853,571)		1,054,880,906
Library materials	361,144,073	21,595,853			382,739,926
Subtotal	3,916,731,189	164,840,099	(30,968,979)	412,610,086	4,463,212,395
Less accumulated depreciation	1,810,931,240	175,978,494	(27,035,982)		1,959,873,752
Total net depreciable capital assets	2,105,799,949	(11,138,395)	(3,932,997)	412,610,086	2,503,338,643
Total Capital Assets	\$ 2,746,523,625	\$ 127,076,316	\$ (6,219,370)	\$ -	\$ 2,867,380,571

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO LAND FY2005

CHICAGO:

15th & Halsted	\$ (661,134)
South Campus	(1,593,981)
East of Halsted South OF 15th	967,008
	967,008

Chicago major changes to land	(1,288,107)
	(1,288,107)

URBANA-CHAMPAIGN:

501 & 505 East Chalmers	2,751,490
Deere Grove Farm	965,700
	965,700

Urbana-Champaign major changes to land	3,717,190
	3,717,190

OTHER (Changes less than \$500,000):	189,271
	189,271

TOTAL CHANGES TO LAND	\$ 2,618,354
	\$ 2,618,354

MAJOR BUILDING CHANGES, INCLUDING TRANSFERS FROM CONSTRUCTION IN PROGRESS FY2005

Additions to Buildings in 2005:

CHICAGO:

Magnetic Resonance Imaging	\$ 1,772,722
College of Medicine Research Facility	20,266,000
Chicago Circle Center	545,385
South Campus Student Residence Phase II	7,196,836
	7,196,836

Chicago additions to buildings	29,780,943
	29,780,943

URBANA-CHAMPAIGN:

Warehouse #1 Hydr Engineering Laboratory	(115,408)
I Building	8,221,419
Noyes Lab of Chemistry	574,220
Siebel Center for Computer Science	2,681,148
	2,681,148

Urbana-Champaign additions to buildings	11,361,379
	11,361,379

OTHER (Changes less than \$250,000):	1,142,006
	1,142,006

TOTAL ADDITIONS TO BUILDINGS	42,284,328
	42,284,328

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR BUILDING CHANGES, INCLUDING TRANSFERS FROM CONSTRUCTION IN PROGRESS FY2005 (CONT'D)

Transfers to/from buildings in 2005:

CHICAGO:

College of Medicine Research Facility	\$ 105,020,321
University of Illinois at Chicago Hospital	588,092
Chicago Illini Union	9,646,616
Incubator Laboratory Facility	1,100,043
School of Public Health West	5,939,184
Science and Engineering Laboratories	978,575
Structural Biology Lab	4,127,627
Adaptive Reuse Phase 1A & 1B	7,643,393
South Campus Parking Structure	<u>23,635,004</u>
Chicago transfers to/from buildings	<u>158,678,855</u>

URBANA-CHAMPAIGN:

Animal Sciences Lab	1,805,550
Intramural Physical Education	10,269,107
Campus Recreation Center - East	21,429,023
McKinley Health Center	3,939,786
Digital Computer Lab	689,383
Library Remote Storage Warehouse	5,216,940
Bee Lab Facility	584,333
North Campus Parking Deck	<u>24,034,140</u>
Urbana-Champaign transfers to/from buildings	<u>67,968,262</u>

SPRINGFIELD:

Classroom and Office Building	<u>28,346,221</u>
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OTHER (Changes less than \$500,000):

	<u>2,365,247</u>
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TOTAL TRANSFERS TO/FROM BUILDINGS	<u>257,358,585</u>
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TOTAL CHANGES TO BUILDINGS	<u><u>\$ 299,642,913</u></u>
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MAJOR CHANGES TO IMPROVEMENTS OTHER THAN BUILDINGS FY2005

Transfers to/from improvements other than buildings in 2005:

CHICAGO:

ADA-East & West Renovations	1,326,798
Chilled H2O Project	1,798,102
COP Chilled Water	10,730,126
COP Steam Plant Expansion	3,136,145
COP Electrical Distribution	<u>2,236,747</u>
Chicago transfers to/from improvements other than buildings	<u>19,227,918</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO IMPROVEMENTS OTHER THAN BUILDINGS FY2005 (cont'd)

Transfers to/from improvements other than buildings in 2005 (cont'd)

URBANA-CHAMPAIGN:

COP Chilled Water	\$ 45,207,539
COP Abbott Expansion	55,950,348
COP Electrical Distribution	15,898,421
Research Ponds	2,761,641
Campus Flood Control	9,834,097
Willard Airport Improvements	5,557,391
	5,557,391

Urbana-Champaign transfers to/from improvements other than buildings	135,209,437
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OTHER (Changes less than \$500,000):	814,146
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TOTAL CHANGES TO IMPROVEMENTS OTHER THAN BUILDINGS	\$ 155,251,501
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MAJOR CHANGES TO EQUIPMENT FY2005

Additions in 2005 by category

CHICAGO:

Hospital	\$ 20,016,193
Auxiliaries -	
Housing and Food Service	45,647
Student Activities Facilities	76,850
Parking	32,700
Other - Chicago Campus	22,696,046
	42,867,436

URBANA-CHAMPAIGN:

Willard Airport	60,687
Auxiliaries -	
Housing and Food Service	171,545
Student Activities Facilities	1,822,626
Parking	25,990
Other - Urbana-Champaign Campus	64,183,753
	66,264,601

UNIVERSITY ADMINISTRATION:	16,416,576
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SPRINGFIELD:

Auxiliaries -	
Housing and Food Service	48,473
Student Activities Facilities	13,200
Parking	23,370
Other - Springfield Campus	1,691,514
	1,776,557

TOTAL ADDITIONS TO EQUIPMENT	127,325,170
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UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO EQUIPMENT FY2005 (cont'd)

Equipment trade-ins, disposals and adjustments by category FY2005

CHICAGO:

Hospital	\$ (4,448,575)
Auxiliaries -	
Housing and Food Service	11,518
Student Activities Facilities	(79,199)
Other - Chicago Campus	(3,478,261)
	<u>(7,994,517)</u>

URBANA-CHAMPAIGN:

Willard Airport	(57,765)
Auxiliaries -	
Housing and Food Service	537,147
Student Activities Facilities	163,915
Parking	(11,170)
Other - Urbana-Champaign Campus	(20,356,339)
	<u>(19,724,212)</u>

UNIVERSITY ADMINISTRATION:

(7,043,792)

SPRINGFIELD:

Auxiliaries -	
Housing and Food Service	17,728
Student Activities Facilities	9,197
Parking	-
Other - Springfield Campus	(204,731)
	<u>(177,806)</u>

TOTAL EQUIPMENT TRADE-INS, DISPOSALS AND ADJUSTMENTS

(34,940,327)

TOTAL CHANGES TO EQUIPMENT

\$ 92,384,843

SUMMARY OF EQUIPMENT TRADE-INS, DISPOSALS AND ADJUSTMENTS BY CAMPUS FY2005

Trade-ins:

Chicago	(723,922)
Urbana-Champaign	(10,720,499)
Springfield	(125,746)
	<u>(11,570,167)</u>

Adjustments:

Chicago	(4,561,759)
Urbana-Champaign	478,910
Springfield	(3,906)
	<u>(4,086,755)</u>

Disposals:

Chicago	(2,708,835)
Urbana-Champaign	(16,526,415)
Springfield	(48,154)
	<u>(19,283,404)</u>

Total equipment trade-ins, disposals and adjustments

\$ (34,940,326)

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2005

Additions in 2005:

CHICAGO:

College of Medicine Research Facility	\$ 3,560,272
Upgrade HVAC Remodeling ALU	868,304
Clinical Research	(971,006)
South Campus	10,271,191
Chemical Sciences Building	1,247,565
NPI Remodeling	588,677
Space Lab	546,287
Adaptive Reuse Phases	(10,933,560)
South Campus Parking Structure	10,394,064
Rec Center East	16,855,525
Rec Center West	6,887,427
AHS Plant Construction	510,396
Compact Shelving	756,047
Remodeling Projects	2,525,053
AFS LSC Housing	1,228,870
Remodel Finance & Patient Accounts	592,676
COP Chilled Water	652,825
COP Electrical Distribution	(820,919)
COP Steam Plant Expansion	1,097,701
PPHL Utilities	(829,411)
West Campus CHW Project	1,432,507
East Campus CHW Project	599,651
Chicago Land Acquisition	6,787,612
Chicago Software	(2,072,130)
Chicago Fabricated Equipment	<u>(3,915,651)</u>
Chicago additions to construction in progress	<u>47,859,973</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2005 (CONT'D)

Additions (cont'd)

URBANA-CHAMPAIGN:

National Center for Supercomputing Applications	\$ 14,693,717
Post-Genomics Institute	23,936,813
ASL Basement Remodeling	1,259,963
Christopher Hall	2,763,817
COP Beef Sheep Facility	754,509
Survey Facilities	1,849,617
Alumni Center	6,978,138
Microelectronics	1,496,991
Electrical Distribution Development	628,508
Business Instructional Facility	1,615,663
Asian House	1,132,301
Bee Lab Facility	570,163
Remodeling Projects	1,956,956
W I L L	555,453
Micro Nano Lab	986,919
CITES	1,056,776
North Campus Parking Deck	1,376,132
IMPE Addition	3,054,247
Campus Recreation Center East Addition	10,135,374
Campus Wide Central Chilled Water System	(8,857,715)
COP Abbott Expansion	(4,713,896)
COP Electrical Distribution	8,833,735
COP South Farms Project	818,214
Campus Chiller 5	2,996,807
East Campus Steam	2,291,688
Airport Improvements	2,445,244
UI Integrate Software	(7,154,184)
Sponsored Project Fabrication	64,235
	<hr/>
Urbana-Champaign additions to construction in progress	73,526,185
	<hr/>

SPRINGFIELD:

Classroom Office Building	3,297,049
Classroom Office Building Quad	1,438,933
	<hr/>
Springfield additions to construction in progress	4,735,982
	<hr/>

OTHER (Changes less than \$500,000):

	6,389,793
	<hr/>
TOTAL ADDITIONS TO CONSTRUCTION IN PROGRESS	132,511,933
	<hr/>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
CAPITAL ASSETS
JUNE 30, 2005

MAJOR CHANGES TO CONSTRUCTION IN PROGRESS FY2005 (CONT'D)

Transfers to/from construction in progress:

CHICAGO:

College of Medicine Research Facility	\$ (105,020,321)
Structural Biology Lab	(4,127,627)
Adaptive Reuse Phase 1A & 1B	(7,643,392)
Science & Engineering Lab East	(576,602)
SPH and Psychiatric Institute	(5,939,184)
Incubator Lab 2211 Campbell Park	(1,100,043)
REC Center West	(9,646,616)
Nursing Center	(588,092)
South Campus Parking Structure	(23,635,004)
COP Electrical Distribution	(2,236,747)
COP Chilled Water	(10,730,126)
COP Steam Plant Expansion	(3,136,145)
Chilled H2O Project	(1,798,102)
ADA East & West	(1,326,798)
Chicago transfers to/from construction in progress	(177,504,799)

URBANA-CHAMPAIGN:

ASL Basement	(1,605,550)
Library Remote Storage Warehouse	(5,216,940)
Digital Computer Lab	(689,383)
Bee Lab Facility	(584,333)
North Campus Parking Deck	(24,034,140)
IMPE Addition	(10,269,107)
McKinley Health Center	(3,939,786)
Campus Recreation Center East Addition	(21,429,023)
COP Abbott Expansion	(55,950,348)
COP Electrical Distribution	(15,898,421)
COP Chilled Water	(45,207,539)
Research Ponds	(2,761,641)
Campus Flood Control	(9,834,097)
Willard Airport	(5,557,390)
Urbana-Champaign transfers to/from construction in progress	(202,977,698)

SPRINGFIELD:

Classroom Office Building	(28,346,221)
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OTHER (Changes less than \$500,000):	(3,781,368)
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TOTAL TRANSFERS TO/FROM CONSTRUCTION IN PROGRESS	(412,610,086)
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TOTAL CHANGES TO CONSTRUCTION IN PROGRESS	\$ (280,098,153)
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UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>	<u>Increase (decrease)</u>
ALL FUNDS			
Accounts payable	\$ 134,997,387	\$ 130,290,820	\$ 4,706,567
Accrued payroll	104,840,048	96,813,759	8,026,289
Accrued interest	15,262,334	14,447,610	814,724
Accrued compensated absences:			
Vacation	115,467,685	90,443,817	25,023,868
Sick-leave	78,969,349	81,089,513	(2,120,164)
Total compensated absences	<u>194,437,034</u>	<u>171,533,330</u>	<u>22,903,704</u>
Accrued self-insurance	<u>130,976,004</u>	<u>98,038,792</u>	<u>32,937,212</u>
Total accounts payable and accrued liabilities	<u><u>\$ 580,512,807</u></u>	<u><u>\$ 511,124,311</u></u>	<u><u>\$ 69,388,496</u></u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES
ACCRUED COMPENSATED ABSENCES AT
JUNE 30 FOR THE LAST TEN YEARS

	<u>Accrued Vacation Pay</u>	<u>Accrued Sick Pay</u>	<u>Total</u>
2005	\$ 115,467,685	\$ 78,969,349	\$ 194,437,034
2004	90,443,817	81,089,513	171,533,330
2003	92,291,996	100,232,056	192,524,052
2002	91,782,138	107,381,345	199,163,483
2001	84,650,349	110,096,329	194,746,678
2000	79,278,265	116,817,407	196,095,672
1999	71,511,180	122,571,606	194,082,786
1998	75,099,842	120,304,964	195,404,806
1997	70,816,730	114,888,021	185,704,751
1996	67,180,368	104,696,890	171,877,258

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
DEFERRED REVENUE AND STUDENT DEPOSITS
JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
Deferred revenue and student deposits		
Deferred General Revenue Fund appropriations	\$ 382,965	\$ 70,876
Deferred tuition	22,311,777	22,607,377
Student deposits	408,990	392,651
Auxiliary enterprises under indenture	5,383,276	5,763,294
Auxiliary enterprises not under indenture	3,813,426	3,369,181
Departmental activities	8,614,008	10,496,582
Storerooms and other services	847,257	(1,324,155)
US grants & contracts	11,066,355	11,673,423
Private grants & contracts	59,221,475	53,756,697
State of Ill grants & contracts	19,412,033	16,739,594
Unexpended Plant	6,440	6,038,801
Other	103,437	198,427
	<u> </u>	<u> </u>
Total deferred revenue and student deposits	<u><u>\$ 131,571,439</u></u>	<u><u>\$ 129,782,748</u></u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
BONDS PAYABLE AND ACCRUED INTEREST
YEAR ENDED JUNE 30, 2005

	Balance at July 1, 2004	Bonds Issued	Principal Reductions	Accretion on Bonds	Balance at June 30, 2005
University of Illinois Auxiliary Facilities					
System Revenue Bonds:					
Series 1979 UIS HUD Bonds	\$ 960,000	\$	\$ 60,000	\$	\$ 900,000
Series 1991	105,691,275		3,905,000	7,764,465	109,550,740
Series 1993	28,682,792		645,000	1,624,815	29,662,607
Series 1996	49,780,000		46,635,000		3,145,000
Series 1999A	35,096,554		14,865,000	827,709	21,059,263
Series 1999B	6,000,000		100,000		5,900,000
Series 2000	11,455,000		10,835,000		620,000
Series 2001A	106,030,000				106,030,000
Series 2001B	118,585,000		15,055,000		103,530,000
Series 2001C	18,080,000		945,000		17,135,000
Series 2003A	65,755,000		605,000		65,150,000
Series 2005A	0	163,905,000			163,905,000
Total Auxiliary Facilities System	<u>546,115,621</u>	<u>163,905,000</u>	<u>93,650,000</u>	<u>10,216,989</u>	<u>626,587,610</u>
UIC South Campus Development					
Revenue Bonds:					
Series 1999	49,365,000				49,365,000
Series 2000	22,535,000		2,570,000		19,965,000
Series 2003	10,000,000				10,000,000
Total UIC South Campus Development	<u>81,900,000</u>	<u>0</u>	<u>2,570,000</u>	<u>0</u>	<u>79,330,000</u>
Willard Airport Revenue Bonds:					
Series 1997	1,185,000		215,000		970,000
University of Illinois Health Services					
Facilities System Revenue Bonds:					
Series 1997A	43,795,000		995,000		42,800,000
Series 1997B	22,700,000		600,000		22,100,000
Total Health Services Facilities System	<u>66,495,000</u>		<u>1,595,000</u>		<u>64,900,000</u>
Total bonds payable	<u>\$ 695,695,621</u>	<u>\$ 163,905,000</u>	<u>\$ 98,030,000</u>	<u>\$ 10,216,989</u>	<u>\$ 771,787,610</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES

BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2005 AND 2004

University of Illinois Auxiliary Facilities System

Series 1991 Bonds –

On June 13, 1991, the Series 1991 Bonds were issued in the principal amount of \$77,387,579. The Series 1991 Bonds consist of current interest bonds (\$29,640,000) and capital appreciation bonds (\$47,747,579). The current interest bonds were retired during FY2002 utilizing funds from the sale of the Series 2001B and 2001C Bonds. The capital appreciation bonds do not require current interest payments. They mature on April 1, 1996 and April 1, 2002 through April 1, 2021, at amounts sufficient to produce yields ranging from 5.95% to 7.35%. The University records the annual increase in the principal amount of the bonds as interest expense and accretion on bonds payable.

Proceeds from the sale of the Series 1991 Bonds were used (a) to finance certain additions to the System; (b) to finance remodeling, repair and improvement of certain existing facilities of the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the Maximum Annual Net Debt Service and the balance in such account at the time of delivery of the Series 1991 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1991 Bonds. These issuance costs, in the amount of \$3,660,983, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 1993 Bonds –

On June 29, 1993, the Series 1993 Bonds were issued in the principal amount of \$45,926,969. The Series 1993 Bonds consist of current interest bonds (\$31,305,000) and capital appreciation bonds (\$14,621,969). The current interest bonds bear interest at rates ranging from 3.5% to 5.875% per annum, payable semi-annually, commencing October 1, 1993 and mature annually October 1, 1995 through 2005, semi-annually April 1, 2006 through April 1, 2009 and annually October 1, 2009 through 2021. The capital appreciation bonds do not require current interest payments. They mature semi-annually, commencing October 1, 2006 through April 1, 2009, at amounts sufficient to produce yields ranging from 5.7% to 5.95%. The University records the annual increase in the principal amount of the bonds as interest expense and accretion on bonds payable.

Proceeds from the sale of the Series 1993 Bonds were used (a) to advance refund a portion of the Series 1986 Bonds due April 1, 2006 through April 1, 2009; (b) to finance various additions, improvements and renovations to the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the Maximum Annual Net Debt Reserve and the balance in such account at the time of delivery of the Series 1993 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1993 Bonds and the advance refunding. These issuance costs, in the amount of \$737,335, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 1996 Bonds –

On February 14, 1996, the Series 1996 Bonds were issued in the principal amount of \$62,285,000. The Series 1996 Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.60% per annum, payable semi-annually commencing October 1, 1996 and mature annually October 1, 1996 through 2022.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES

BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2005 AND 2004

University of Illinois Auxiliary Facilities System (continued)

Proceeds from the sale of the Series 1996 Bonds are being used (a) to advance refund the Series 1992 Sangamon State Housing bonds; (b) to finance various additions, improvements and renovations to the System; (c) to fund the Debt Service Reserve in an amount equal to the difference between the maximum Annual Net Debt Reserve and the balance in such account at the time of delivery of the Series 1996 Bonds; and (d) to pay all costs incidental to the issuance of the Series 1996 Bonds and the advance refunding. These issuance costs including bond premium, in the amount of \$95,037, have been recorded as prepaid expense and will be amortized over the life of the bond issue.

Series 1999A Bonds –

On January 12, 2000, the Series 1999A Bonds were issued in the principal amount of \$110,639,381. The Series 1999A Bonds consist of current interest bonds (\$100,730,000) and capital appreciation bonds (\$9,909,381). The current interest bonds bear interest at rates ranging from 4.5% to 6.0% per annum, payable semi-annually commencing April 1, 2000 and mature annually April 1, 2002 through 2030. The capital appreciation bonds do not require current interest payments. They mature annually commencing April 1, 2015 through 2030 at amounts sufficient to produce yields ranging from 4.5% to 6.0%. The University records the annual increase in the principal amount of the bonds as interest expense and accretion on bonds payable.

Series 1999B Bonds –

On January 12, 2000, the Series 1999B Bonds were issued in the principal amount of \$6,000,000. The Series 1999B Bonds are current interest bonds which bear interest at rates ranging from 7.41% to 7.56% per annum, payable semi-annually commencing April 1, 2000 and mature annually April 1, 2005 through 2015.

Proceeds from the sale of the Series 1999A and 1999B Bonds are being used (a) to finance various additions, improvements and renovations to the System; (b) to pay a portion of the interest on the Series 1999A and 1999B Bonds during construction; and (c) to pay all costs incidental to the issuance of the Series 1999A and 1999B Bonds. These issuance costs, in the amount of \$1,933,819, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

Series 2000 Bonds-

On July 12, 2000, the Series 2000 Bonds were issued in the principal amount of \$11,500,000. The Series 2000 Bonds are current interest bonds which bear interest at rates ranging from 5.5% to 5.8% per annum, payable semi-annually commencing October 1, 2000 and mature annually April 1, 2003 through 2031.

Proceeds from the sale of the Series 2000 Bonds are being used to (a) pay (or reimburse the University) for constructing a new student housing facility and food service improvements at the University's Springfield campus; (b) pay the interest on the Series 2000 Bonds through April 1, 2002; and (c) pay costs incidental to the issuance of the Series 2000 bonds. The issuance costs, in the amount of \$125,000, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 2001B and Series 2001C

On July 26, 2001, the Series 2001B and Series 2001C Bonds were issued in the principal amount of \$135,630,000 and \$18,925,000, respectively. Series 2001B Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.55% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2003 through 2032. Series 2001C are current interest bonds which bear interest at rates ranging from 5.08% to 7.00% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2004 through 2021.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES

BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2005 AND 2004

University of Illinois Auxiliary Facilities System (continued)

Proceeds from the sale of the Series 2001B and Series 2001C Bonds are being used to (a) fund the current refunding of various outstanding issues, (b) fund various additions and improvements to the System, (c) pay the interest on the Series 2001B and Series 2001C Bonds during construction; and (d) pay costs incidental to the issuance of the Series 2001B and Series 2001C bonds. The issuance costs for Series 2001B and Series 2001C, in the amount of \$913,000, and 120,000, respectively, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Series 2001A

On August 30, 2001, the Series 2001A Bonds were issued in the principal amount of \$106,030,000. Series 2001A Bonds are current interest bonds which bear interest at rates ranging from 4.0% to 5.50% per annum, payable semi-annually commencing April 1, 2002 and mature annually April 1, 2006 through 2030.

Proceeds from the sale of the Series 2001A Bonds are being used to advance refund portions of various outstanding Auxiliary Facilities System bond issues. The refunding resulted in a reduction in debt service of approximately \$7,900,000 and an economic gain of approximately \$8,169,000. The difference between the reacquisition price and the net carrying amount of the old debt, loss on refunding, is deferred and amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Series 2003A

On June 5, 2003, the Series 2003A Bonds were issued in the principal amount of \$65,870,000. Series 2003A Bonds are current interest bonds which bear interest at rates ranging from 2.0% to 5.50% per annum, payable semi-annually commencing October 1, 2003 and mature annually April 1, 2004 through 2034.

Proceeds from the sale of the Series 2003A Bonds are being used to fund various additions and improvements to the System, pay debt service during construction, and pay all costs incidental to the issuance of the bonds.

Series 2005A

On March 31, 2005, the Series 2005A Bonds were issued in the principal amount of \$163,905,000. Series 2005A Bonds are current interest bonds which bear interest at rates ranging from 4.625% to 5.50% per annum, payable semi-annually commencing October 1, 2005 and mature annually April 1, 2007 through 2031.

Proceeds from the sale of the Series 2005A Bonds are being used to fund various additions and improvements to the System, to provide for the advance refunding of portions of the outstanding Auxiliary Facilities System Revenue Bonds, Series 1996, Series 1999A, Series 2000, and Series 2001B, to pay debt service during construction and to pay all costs incidental to the issuance of the bonds.

Willard Airport

Series 1997 Bonds –

On July 16, 1997, the Series 1997 Bonds were issued in the principal amount of \$4,155,000. The Series 1997 Bonds bear interest at rates ranging from 3.95% to 5.00% per annum, payable semi-annually, commencing October 1, 1997. They mature annually, commencing April 1, 1998 through April 1, 2009.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES

BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2005 AND 2004

Proceeds from the sale of the Series 1997 Bonds were used (a) to fund the full retirement of the Series 1987 Bonds, and (b) to pay certain expenses relating to the issuance of the Series 1997 Bonds.

University of Illinois Health Services Facilities System

Series 1997A Bonds –

On April 15, 1997, the Series 1997A Bonds were issued in the principal amount of \$47,210,000. The Series 1997A Bonds are current interest bonds, which bear interest at rates ranging from 4.80% to 5.90%, per annum, payable semi-annually, commencing October 1, 1997. They mature annually, commencing October 1, 2000 through October 1, 2006.

Series 1997B Bonds –

On May 8, 1997, the Series 1997B Bonds were issued in the principal amount of \$25,000,000. The Series 1997B Bonds are variable rate bonds bearing interest at a weekly rate estimated to average 4% per annum over the life of the bonds. Interest is payable monthly commencing June 1, 1997. The bonds mature annually, commencing October 1, 2000 through October 1, 2006.

Proceeds from the sale of the Series 1997A and 1997B Bonds are being used (a) to pay or reimburse the Board for the cost of acquiring, construction and equipping a new ambulatory care facility on the campus of the University of Illinois at Chicago and a medical office building in Rockford, Illinois, as a part of the Health Services Facilities System of the University; (b) to pay a portion of the interest on the Series 1997A and Series 1997B Bonds; and (c) to pay costs incidental to the issuance of the Series 1997A and 1997B Bonds.

University of Illinois UIC South Campus Development Project

Series 1999 Bonds –

On January 12, 2000, the Series 1999 Bonds were issued in the principal amount of \$49,365,000. The Series 1999 Bonds are current interest bonds which bear interest at rates ranging from 5.75% to 6.25%, per annum, payable semi-annually, commencing July 15, 2000. The bonds mature annually, commencing January 15, 2013 through January 15, 2022.

Series 2000 Bonds –

On February 17, 2000, the Series 2000 Bonds were issued in the principal amount of \$27,150,000. The Series 2000 Bonds are current interest bonds which bear interest at rates ranging from 6.77% to 7.96%, per annum, payable semi-annually, commencing July 15, 2000. The bonds mature annually, commencing January 15, 2001 through 2002 and annually January 15, 2004 through 2013.

Proceeds from the sale of the Series 1999 and 2000 Bonds are being used (a) to provide a portion of the funding for the University of Illinois South Campus Development Project, an integrated academic, residential, recreational, and commercial development; and (b) to pay costs incidental to the issuance of the Series 1999 and 2000 Bonds. These issuance costs, in the amount of \$936,434, have been recorded as a prepaid expense and will be amortized over the life of the bond issues.

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES

BONDS PAYABLE AND ACCRUED INTEREST
JUNE 30, 2005 AND 2004

Series 2003 Bonds –

On August 1, 2003, the Series 2003 Bonds were issued in the principal amount of \$10,000,000. The Series 2003 bonds are current interest bonds which bear interest at rates ranging from 2.00% to 5.00%, per annum, payable semi-annually, commencing January 15, 2004. The bonds mature annually, commencing January 15, 2003 through January 15, 2023.

Proceeds from the sale of the Series 2003 Bonds are being used (a) to provide a portion of the funding for the University of Illinois South Campus Development Project; and (b) to pay costs incidental to the issuance of the Series 2003 Bonds. These issuance costs, in the amount of \$105,519, have been recorded as a prepaid expense and will be amortized over the life of the bond issue.

Advance Refunded Bonds

The University has defeased bonds through advance refunding in prior years and, accordingly, they are not reflected in the financial statements. The bonds which have been defeased as of June 30, 2005 are seen in this table:

ADVANCE REFUNDED BONDS (in thousands)	
Series	Outstanding at June 30, 2005
1978-M	\$ 43,865
1978-N	2,305
1996	44,830
1999A	86,825
2000	10,785
2001B	3,625
TOTAL	<u>\$ 192,235</u>

Accrued Interest

Accrued interest on outstanding bonds payable at June 30, 2005 and June 30, 2004 is as follows:

	<u>2005</u>	<u>2004</u>
University of Illinois Auxiliary		
Facilities System Revenue Bonds	\$6,215,924	\$5,313,854
Willard Airport Revenue Bonds	12,069	14,703
University of Illinois Health Services		
Facilities System Revenue Bonds	663,774	652,273
University of Illinois UIC South		
Campus Development Revenue Bonds	<u>2,229,511</u>	<u>2,319,268</u>
Total accrued interest	<u>\$9,121,278</u>	<u>\$8,300,098</u>

UNIVERSITY OF ILLINOIS
ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES
LEASEHOLDS PAYABLE AND OTHER OBLIGATIONS
JUNE 30, 2005

Lessor	Balance at July 1, 2004	Increase in Leaseholds and Other Obligations	Principal Payments	Cancellations and Adjustments	Balance at June 30, 2005
Leaseholds payable:					
Certificates of Participation -					
Series 1997 Utility Infrastructure	\$ 28,315,001		\$ (4,095,001)		\$ 24,220,000
Series 2001 UI Integrate	107,850,000		(10,515,000)		97,335,000
Series 2003 South Farm Projects	25,200,000		(950,000)		24,250,000
Series 2003 UI Integrate	31,700,000				31,700,000
Series 2003 Utility Infrastructure	69,050,000		(3,335,000)		65,715,000
Series 2004 Utility Infrastructure	143,665,000				143,665,000
Series 2005 College of Medicine	0	20,590,000			20,590,000
Allied Capital Inc.	1,985				1,985
G E Capital	1,045,459		(479,035)	(63,635)	502,789
Canon	63,842		(21,148)	(38,556)	4,138
Diagnostic Products	31,960		(15,533)		16,427
Ethicon-Johnson & Johnson	13,710		(6,034)	(3,549)	4,127
Illinois Medical District Commission	36,630,300		(790,700)		35,839,600
Key Municipal Finance	10,242,701	1,078,411	(1,776,661)		9,544,451
Koch Financial Corp.	1,426,339		(1,326,700)		99,639
Suntrust Leasing Corporation	1,489,027	6,174,111	(1,679,819)	(4,910)	5,978,409
University of Illinois Foundation	84,860				84,860
Xerox Corporation	390,651		(104,513)	893	287,031
Other	80,091	38,266	(40,791)	(30,022)	47,544
Total leaseholds payable	<u>457,280,926</u>	<u>27,880,788</u>	<u>(25,135,935)</u>	<u>(139,779)</u>	<u>459,886,000</u>
Other obligations:					
Natural Gas Contract	6,320,000		(6,320,000)		-
Environmental Remediation Liabilities	6,400,500	740,627			7,141,127
Total other obligations	<u>12,720,500</u>	<u>740,627</u>	<u>(6,320,000)</u>	<u>0</u>	<u>7,141,127</u>
Total leaseholds payable and other obligations	<u>\$ 470,001,426</u>	<u>\$ 28,621,415</u>	<u>\$ (31,455,935)</u>	<u>\$ (139,779)</u>	<u>\$ 467,027,127</u>

On February 24, 2005, the University issued Certificates of Participation UIC College of Medicine Research Building Project Series 2005 in the amount of \$20,590,000. The Series 2005 Certificates were issued to finance, in combination with state appropriated capital funds and University funds, the construction of a new College of Medicine Research Building at the Chicago campus, as well as the demolition of buildings and structures currently on the site of the new building, and modifications to adjacent buildings to facilitate the construction of, and connection to, the new building.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2005

The revenues, expenditures and other changes for the current unrestricted funds, excluding state appropriations and student tuition, unrestricted gifts and indirect cost reimbursements for the year ended June 30, 2005, are compared and analyzed by accounting entity, as defined by the University.

The entities, as defined by the University, are classified in four general categories: auxiliary enterprises under indenture, auxiliary enterprises not under indenture, storerooms and service departments, and departmental activities. The University's entity definitions combine operations by campus and function. However, entity financial statements have been prepared by campus and function, as required by *University Guidelines*, and shown in this report as referenced in the Table of Contents as Entity financial statements and related information. The information in the entity financial statements is presented in accordance with the requirements of *University Guidelines*. Therefore, some amounts presented in the entity financial statements may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The individual entities are described as follows:

I. Auxiliary Enterprises Under Indenture

Auxiliary enterprises under indenture consist of the operations of the University of Illinois Auxiliary Facilities System. The operations of the Auxiliary Facilities System are subject to the provisions, terms, covenants and conditions of the Resolutions of the Board of Trustees of the University, which provided for the issuance of the University of Illinois Auxiliary Facilities System Revenue Bonds, Series 1991, Series 1993, Series 1996, Series 1999A, Series 1999B, Series 2000, Series 2001A, Series 2001B, Series 2001C, Series 2003A, and Series 2005A (Bond Resolutions).

The Auxiliary Facilities System is comprised of University owned housing units, student unions and similar auxiliary service units, including parking, at the three campuses; recreation and athletic facilities, including the Assembly Hall, the Intramural Physical Education facility, Ice Rink Arena, and Memorial Stadium at the Urbana-Champaign campus; the Pavilion and Ice Rink at the Chicago campus; and the Gymnasium at the Springfield campus.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2005

- II. Auxiliary Enterprises Not Under Indenture
- A. Student/Staff Programs and Services - Administration and operation of programs and services for students, faculty and staff, including counseling, testing, student government activities and the Beckwith Living Center.
- III. Storerooms and Service Departments
- A. Communication and Computing Services - Activities that provide University-wide services, primarily to University departments, for data processing, telecommunications and computing services.
- B. Plant and Service Operations - Activities for distribution of costs associated with services rendered to internal operations on a University-wide basis including storeroom operations, physical plant, mail service, advance insurance billings to units, printing, duplication and activities used for collection and redistribution of costs.
- IV. Departmental Activities
- A. Instructional Course Activities - Credit bearing instructional activities provided primarily as a public service for private businesses, community organizations and governmental units.
- B. Professional Development Activities - Non-credit bearing instructional activities including conferences, workshops, seminars and continuing education courses provided primarily as a public service.
- C. Unique Instructional Programs - Unique student and staff programs such as flight training, field trips, summer and abroad programs and other activities of a similar nature.
- D. Agricultural Operations - Agricultural activities in direct support of the instructional, research and public service functions of the University administered by the College of Agricultural, Consumer and Environmental Sciences.
- E. Commercial Operations Not Under Indenture - Facilities and costs of services with a significant emphasis on users outside the University community, including services of the steam plant operations and the technical research park.
- F. Commercial Operations Under Indenture - Operation of the University of Illinois Willard Airport Facility at Urbana and the South Campus Development Project at Chicago with a significant emphasis on users outside the University community.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS
YEAR ENDED JUNE 30, 2005

IV. Departmental Activities (continued)

- G. Hospital and Clinics - Administration and operation of patient care facilities, primarily the University of Illinois Hospital and Clinics, which are in direct support of the instructional, research and public service functions of the University.
- H. Public Service and Academic Support Activities - Activities in direct support of the primary academic and service mission of the University including laboratory and testing centers and services, publication and design services and facilities which are in direct support of the instructional, research and public service functions of the University.
- I. Intercollegiate Athletics - Administration and operation of intercollegiate athletic activities and programs administered by the Department of Intercollegiate Athletics, including summer camps, golf course, tennis center and the various athletic programs.

Auxiliary enterprises receive revenues from the following sources:

- Room and board
- Merchandise and food sales
- Public events and recreation fees
- Parking
- Health, life and disability insurance premiums
- Investment income
- Student service fees
- Rental and lease income
- Vending income
- Other sources

Storerooms and service departments receive revenues from services performed and goods provided to University departments. Departmental activities receive revenues from operations.

UNIVERSITY OF ILLINOIS
ENTITY FINANCIAL STATEMENTS AND RELATED INFORMATION
ENTITY DESCRIPTIONS,
AUXILIARY FACILITIES SYSTEM BONDS, AND
SPECIAL BONDS
YEAR ENDED JUNE 30, 2005

<u>Names</u> <u>Entity Descriptions</u>	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Communication and Computing Services (Reported University-wide)	X	X	X
Plant and Service Operations (Reported University-wide)	X	X	X
Student/Staff Programs and Services	X	X	X
Instructional Course Activities	X	X	
Professional Development Activities	X	X	X
Unique Instructional Programs	X	X	
Agricultural Operations	X		
Commercial Operations Not Under Indenture		X	
Commercial Operations Under Indenture	X		
Hospital and Clinics		X	
Public Service and Academic Support Activities	X	X	X
Intercollegiate Athletics	X	X	X
Auxiliary Enterprises Under Indenture (Reported System-wide)	X	X	X

<u>No.</u>	<u>Names</u>	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
	Special Bonds (Separate Reports for I and II)			
I.	Willard Airport Facility	X		
II.	Health Services Facilities System		X	

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENT/STAFF PROGRAMS AND SERVICES
JUNE 30, 2005

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 6,837,379	\$ 5,886,545	\$ 352,528
Accounts receivable and accrued investment income	268,546	619,615	84,567
Inventories	249,316	209,820	272
Prepaid expenses and deferred charges	955,929	193,872	918
Total current assets	8,311,170	6,909,852	438,285
Noncurrent assets:			
Capital assets net of accumulated depreciation	1,555,469	132,945	695,137
Total assets	\$ 9,866,639	\$ 7,042,797	\$ 1,133,422
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 768,080	\$ 431,319	\$ 41,742
Deferred revenue	1,202,531	2,480,974	129,921
Long term liabilities, current portion	57,926	58,112	3,282
Total current liabilities	2,028,537	2,970,405	174,945
Noncurrent liabilities:			
Accrued compensated absences	631,668	590,076	35,788
Total liabilities	2,660,205	3,560,481	210,733
Net assets			
Invested in capital assets, net of related debt	1,555,469	132,945	695,137
Restricted	237,415	-	-
Unrestricted	5,413,550	3,349,371	227,552
Total net assets	7,206,434	3,482,316	922,689
Total liabilities and net assets	\$ 9,866,639	\$ 7,042,797	\$ 1,133,422

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENT/STAFF PROGRAMS AND SERVICES
YEAR ENDED JUNE 30, 2005

	Urbana	Chicago	Springfield
Operating revenues:			
Room and board	\$ 403,631	\$ 2,821	\$ 5,008
Merchandise and food sales	80,419	14,346,433	844,479
Student service fees	6,997,386	-	15,762
Public events and recreation fees	497,405	89,581	-
Parking	3,041	600	505
Rental and lease income	687,236	2,588	130
Vending income	-	8,058,599	659,282
Insurance Premiums	11,215,427	4,029,257	469,500
Other sources	5,197,132		
Total operating revenues	25,081,677	26,529,879	1,994,666
Operating expenses:			
Salaries and wages	6,142,096	3,971,019	698,673
Merchandise and food for resale	308,998	5,513,155	-
Repairs and maintenance	13,363	97,309	5,483
Professional and other contractual services	12,085,489	9,940,207	804,506
Utilities	132,588	55,966	3,476
Supplies	1,204,008	1,096,855	140,985
Equipment rental	1,370,089	30,474	32,980
Administrative services	125,271	341,826	7,400
Other operating expense	1,358,481	4,090,407	267,560
Depreciation and amortization	181,245	30,613	39,144
Total operating expenses	22,921,628	25,167,831	2,000,207
Operating income (loss)	2,160,049	1,362,048	(5,541)
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	236,314	200,827	(9,831)
Interest on capital asset related debt	-	(15,742)	-
Nonoperating revenue	-	-	599,502
Nonoperating expense	-	(2,508,416)	
Net nonoperating revenues	236,314	(2,323,331)	589,671
Increase (decrease) in net assets	2,396,363	(961,283)	584,130
Net assets, beginning of year	4,810,071	4,443,599	338,559
Net assets, end of year	\$ 7,206,434	\$ 3,482,316	\$ 922,689

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES
JUNE 30, 2005

	All Campuses
Assets	
Current assets:	
Cash and cash equivalents	\$ 18,076,504
Accounts receivable and accrued investment income	342,957
Inventories	701,778
Prepaid expenses and deferred charges	16,357
Total current assets	19,137,596
Noncurrent assets:	
Prepaid expenses	953,060
Capital assets net of accumulated depreciation	125,013,155
Total noncurrent assets	125,966,215
Total assets	\$ 145,103,811
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 3,753,821
Long term liabilities, current portion	10,533,428
Total current liabilities	14,287,249
Noncurrent liabilities:	
Accrued compensated absences	1,368,373
Certificates of Participation	125,377,601
Total noncurrent liabilities	126,745,974
Total liabilities	141,033,223
 Net assets	
Invested in capital assets, net of related debt	(9,944,814)
Restricted	684,457
Unrestricted	13,330,945
Total net assets	4,070,588
Total liabilities and net assets	\$ 145,103,811

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES
YEAR ENDED JUNE 30, 2005

	All Campuses
Operating revenues:	
Merchandise and food sales	\$ 1,033,456
Rental and lease income	84,564
Vending income	91
Other sources	61,549,824
	62,667,935
Operating expenses:	
Salaries and wages	19,027,035
Merchandise and food for resale	1,930,003
Repairs and maintenance	1,470,005
Professional and other contractual services	14,172,853
Utilities	7,876,423
Supplies	4,506,551
Equipment rental	738,174
Administrative services	30,000
Other operating expense	383,798
Payments on behalf of the entity	-
Depreciation and amortization	17,647,074
	67,781,916
Operating loss	(5,113,981)
Nonoperating revenues (expenses):	
Payments on behalf of the entity	
Investment income (net of related expenses)	1,680,584
Interest on capital asset related indebtedness	(6,687,849)
Loss on disposal of capital assets	(156,425)
Other nonoperating revenues	587,994
	(4,575,696)
Net nonoperating expenses	(4,575,696)
Decrease in net assets	(9,689,677)
Net assets, beginning of year	13,760,265
Net assets, end of year	\$ 4,070,588

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICES OPERATIONS
JUNE 30, 2005

	<u>All Campuses</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 5,998,133
Investments	1,623,669
Accounts receivable and accrued investment income	10,869,149
Inventories	6,787,046
Prepaid expenses and deferred charges	60,346
Total current assets	25,338,343
Noncurrent assets:	
Capital assets net of accumulated depreciation	259,025,038
Total assets	\$ 284,363,381
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	26,567,483
Long term liabilities, current portion	1,749,078
Total current liabilities	28,316,561
Noncurrent liabilities:	
Leaseholds payable and other obligations	224,131,777
Accrued compensated absences	19,073,282
Total noncurrent liabilities	243,205,059
Total liabilities	271,521,620
 Net assets	
Invested in capital assets, net of related debt	35,487,138
Restricted	832,034
Unrestricted	(23,477,411)
Total net assets	12,841,761
Total liabilities and net assets	\$ 284,363,381

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICES OPERATIONS
YEAR ENDED JUNE 30, 2005

	All Campuses
Operating revenues:	
Merchandise and food sales	\$ 4,801,992
Student service fees	4,572,597
Rental and lease income	25,297,773
Other sources	166,810,354
Total operating revenues	201,482,716
Operating expenses:	
Salaries and wages	148,426,327
Merchandise and food for resale	104,151,084
Repairs and maintenance	18,797,945
Professional and other contractual services	51,368,462
Utilities	91,918,174
Supplies	22,058,075
Equipment rental	3,293,645
Administrative services	18,410,000
Other operating expense	8,572,276
Depreciation and amortization	12,154,046
Total operating expenses	479,150,034
Operating loss	(277,667,318)
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	265,834,373
Interest on capital asset related indebtedness	(5,260,871)
Other nonoperating revenues	4,886,516
Other nonoperating expenses	(1,192,561)
Net nonoperating expenses	264,267,457
Decrease in net assets	(13,399,861)
Net assets, beginning of year	26,241,622
Net assets, end of year	\$ 12,841,761

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
INSTRUCTIONAL COURSE ACTIVITIES
JUNE 30, 2005

	Urbana	Chicago
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,412,270	\$ 817,200
Accounts receivable and accrued investment income	225,361	7,250
Total current assets	2,637,631	824,450
Noncurrent assets:		
Capital assets net of accumulated depreciation	3,007,763	26,620
Total assets	\$ 5,645,394	\$ 851,070
 Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 69,850	\$ 54,661
Deferred revenue	460,622	722,638
Long term liabilities, current portion	2,757	3,182
Total current liabilities	533,229	780,481
Noncurrent liabilities:		
Accrued compensated absences	30,069	34,704
Total liabilities	563,298	815,185
 Net assets		
Invested in capital assets, net of related debt	3,007,763	26,620
Unrestricted	2,074,333	9,265
Total net assets	5,082,096	35,885
Total liabilities and net assets	\$ 5,645,394	\$ 851,070

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
INSTRUCTIONAL COURSE ACTIVITIES
YEAR ENDED JUNE 30, 2005

	Urbana	Chicago
Operating revenues:		
Tuition and Fee income	\$ 619,262	
Merchandise and food sales	29,359	
Student service fees	428,169	
Public events and recreation fees	20,056	
Other sources	1,988,045	2,023,257
	<hr/>	<hr/>
Total operating revenues	3,084,891	2,023,257
	<hr/>	<hr/>
Operating expenses:		
Salaries and wages	1,086,699	1,215,682
Merchandise and food for resale		
Repairs and maintenance	27,766	5,613
Professional and other contractual services	953,698	692,967
Utilities	7,043	9,537
Supplies	198,910	318,111
Equipment rental	70,560	21,421
Administrative services	213,268	
Other operating expense	431,008	29,021
Depreciation and amortization	615,443	4,860
	<hr/>	<hr/>
Total operating expenses	3,604,395	2,297,212
	<hr/>	<hr/>
Operating income/(loss)	(519,504)	(273,955)
	<hr/>	<hr/>
Nonoperating revenues:		
Other nonoperating revenue	921,801	
Investment income (net of related expenses)	67,161	21,796
	<hr/>	<hr/>
Total nonoperating revenue	988,962	21,796
	<hr/>	<hr/>
Increase/(decrease) in net assets	469,458	(252,159)
	<hr/>	<hr/>
Net assets, beginning of year	4,612,638	288,044
	<hr/>	<hr/>
Net assets, end of year	\$ 5,082,096	\$ 35,885
	<hr/> <hr/>	<hr/> <hr/>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES
JUNE 30, 2005

	Urbana	Chicago	Springfield
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,625,783	\$ 2,348,488	\$ (1,370)
Accounts receivable and accrued investment income	383,926	177,203	2,413
Inventories	15,064	19,715	
Prepaid expenses and deferred charges	914	8,590	
Total current assets	3,025,687	2,553,996	1,043
Noncurrent assets:			
Capital assets net of accumulated depreciation	136,310	336,384	23,712
Total assets	\$ 3,161,997	\$ 2,890,380	\$ 24,755
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 458,871	\$ 284,611	\$ 2,373
Deferred revenue	975,700	431,985	
Long term liabilities, current portion	33,660	32,153	584
Total current liabilities	1,468,231	748,749	2,957
Noncurrent liabilities:			
Accrued compensated absences	367,054	350,625	1,545
Total liabilities	1,835,285	1,099,374	4,502
Net assets			
Invested in capital assets, net of related debt	136,310	336,384	23,712
Unrestricted	1,190,402	1,454,622	(3,459)
Total net assets	1,326,712	1,791,006	20,253
Total liabilities and net assets	\$ 3,161,997	\$ 2,890,380	\$ 24,755

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES
YEAR ENDED JUNE 30, 2005

	Urbana	Chicago	Springfield
Operating revenues:			
Tuition and fee income	\$ 14,979	\$ 675	
Room and board	(500)		
Merchandise and food sales	33,376	46,689	
Student service fees	2,700		
Public events and recreation fees	46,629	3,569	
Parking	83	100	
Rental and lease income	4,730	27,892	135,444
Insurance premiums		6,413	
Hospital/Medical services income	5,145	1,147,577	
Other sources	8,230,740	10,295,484	87,112
Total operating revenues	8,337,882	11,528,399	222,556
Operating expenses:			
Salaries and wages	4,674,653	5,640,859	40,434
Merchandise and food for resale	7,758		
Repairs and maintenance		14,316	
Professional and other contractual services	1,647,905	2,359,171	192,133
Utilities	170,626	132,125	
Supplies	725,217	2,010,460	4,088
Equipment rental	497,373	413,507	3,479
Administrative services	243,440		
Other operating expense	593,643	500,348	4,737
Depreciation and amortization	32,347	106,608	4,224
Total operating expenses	8,592,962	11,177,394	249,095
Operating income (loss)	(255,080)	351,005	(26,539)
Nonoperating revenues:			
Investment income (net of related expenses)	63,853	119,550	
Increase (decrease) in net assets	(191,227)	470,555	(26,539)
Net assets, beginning of year	1,517,939	1,320,451	46,792
Net assets, end of year	\$ 1,326,712	\$ 1,791,006	\$ 20,253

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
UNIQUE INSTRUCTIONAL PROGRAMS
JUNE 30, 2005

	<u>Urbana</u>	<u>Chicago</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,720,321	\$ 227,209
Accounts receivable and accrued investment income	599,273	42,051
	<u>599,273</u>	<u>42,051</u>
Total assets	\$ 2,319,594	\$ 269,260
	<u><u>599,273</u></u>	<u><u>42,051</u></u>
	<u><u>\$ 2,319,594</u></u>	<u><u>\$ 269,260</u></u>
 Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 386,664	\$ 305,233
Deferred revenue	1,626,411	136,887
Long term liabilities, current portion	9,309	746
	<u>9,309</u>	<u>746</u>
Total current liabilities	2,022,384	442,866
	<u>2,022,384</u>	<u>442,866</u>
Noncurrent liabilities:		
Accrued compensated absences	101,513	8,139
	<u>101,513</u>	<u>8,139</u>
Total liabilities	2,123,897	451,005
	<u>2,123,897</u>	<u>451,005</u>
 Net assets		
Invested in capital assets, net of related debt		
Unrestricted	195,697	(181,745)
	<u>195,697</u>	<u>(181,745)</u>
Total net assets	195,697	(181,745)
	<u>195,697</u>	<u>(181,745)</u>
Total liabilities and net assets	\$ 2,319,594	\$ 269,260
	<u><u>\$ 2,319,594</u></u>	<u><u>\$ 269,260</u></u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
UNIQUE INSTRUCTIONAL PROGRAMS
YEAR ENDED JUNE 30, 2005

	Urbana	Chicago
Operating revenues:		
Tuition and fee income	\$ 2,353,065	\$ (21,669)
Merchandise and food sales	13,075	
Student service fees	20,610	220,754
Rental and lease income	22,246	
Other sources	7,860,199	151,144
Total operating revenues	10,269,195	350,229
Operating expenses:		
Salaries and wages	1,651,238	205,519
Repairs and maintenance	906,513	474
Professional and other contractual services	5,605,885	185,573
Utilities	20,639	1,479
Supplies	1,116,220	31,620
Equipment rental	46,171	1,969
Other operating expense	579,716	107,313
Total operating expenses	9,926,382	533,947
Operating income (loss)	342,813	(183,718)
Nonoperating revenues (expenses):		
Other nonoperating expense	(1,000,000)	
Investment income (net of related expenses)	83,661	1,975
Total nonoperating (expenses)	(916,339)	1,975
Decrease in net assets	(573,526)	(181,743)
Net assets, beginning of year	769,223	(2)
Net assets, end of year	\$ 195,697	\$ (181,745)

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS
JUNE 30, 2005

	Urbana
Assets	
Current assets:	
Cash and cash equivalents	\$ 4,505,433
Accounts receivable and accrued investment income	177,930
Inventories	342,229
Total current assets	5,025,592
Noncurrent assets:	
Capital assets net of accumulated depreciation	6,603,480
Total assets	\$ 11,629,072
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 451,678
Deferred revenue	376,737
Accrued compensated absences, current portion	14,465
Total current liabilities	842,880
Noncurrent liabilities:	
Accrued compensated absences	157,738
Total liabilities	1,000,618
 Net assets	
Invested in capital assets, net of related debt	6,603,480
Restricted	
Unrestricted	4,024,974
Total net assets	10,628,454
Total liabilities and net assets	\$ 11,629,072

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS
YEAR ENDED JUNE 30, 2005

	Urbana
Operating revenues:	
Room and board	\$ 922
Merchandise and food sales	259,961
Student service fees	443
Public events and recreation fees	56,478
Parking	
Rental and lease income	203,847
Farm Sales	4,407,860
Other sources	5,836,282
	10,765,793
Total operating revenues	10,765,793
Operating expenses:	
Salaries and wages	2,438,648
Merchandise and food for resale	366,656
Repairs and maintenance	183,914
Professional and other contractual services	1,751,408
Utilities	159,608
Supplies	3,612,574
Equipment rental	367,538
Administrative services	47,302
Other operating expense	365,858
Depreciation and amortization	456,831
	9,750,337
Total operating expenses	9,750,337
Operating income	1,015,456
Nonoperating revenues:	
Investment income (net of related expenses)	42,043
	42,043
Increase in net assets	1,057,499
Net assets, beginning of year	9,570,955
Net assets, end of year	\$ 10,628,454

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS NOT UNDER INDENTURE
JUNE 30, 2005

	Chicago
Assets	
Current assets:	
Cash and cash equivalents	\$ (300,643)
Accounts receivable and accrued investment income	814,376
Total current assets	513,733
Noncurrent assets:	
Capital assets net of accumulated depreciation	9,028,516
Total assets	\$ 9,542,249
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 12,068
Long term liabilities, current portion	597,548
Total current liabilities	609,616
Noncurrent liabilities:	
Internal payable	1,909,491
Accrued compensated absences	13,180
Total liabilities	2,532,287
 Net assets	
Invested in capital assets, net of related debt	9,028,516
Unrestricted	(2,018,554)
Total net assets	7,009,962
Total liabilities and net assets	\$ 9,542,249

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS NOT UNDER INDENTURE
YEAR ENDED JUNE 30, 2005

	Chicago
Operating revenues:	
Rental and lease income	\$ 194,006
Other sources	6,381,758
Total operating revenues	6,575,764
Operating expenses:	
Salaries and wages	59,874
Repairs and maintenance	173,399
Professional and other contractual services	288,395
Utilities	4,199,215
Administrative services	161,412
Other operating expense	285,134
Depreciation and amortization	377,184
Total operating expenses	5,544,613
Operating income	1,031,151
Nonoperating revenues (expenses):	
Investment income (net of related expenses)	23,261
Interest on capital asset related debt	(141,068)
Net nonoperating expenses	(117,807)
Increase in net assets	913,344
Net assets, beginning of year	6,096,618
Net assets, end of year	\$ 7,009,962

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE
JUNE 30, 2005

	Urbana
Assets:	
Current assets	
Cash and cash equivalents	\$ 833,073
Cash and cash equivalents, restricted	174,435
Investments	743,370
Investments, restricted	60,140
Accrued investment income	3,631
Accounts receivable	33,804
Prepaid expenses	4,522
	1,852,975
Total current assets	
Noncurrent assets	
Investments, restricted	270,000
Capital assets, net of accumulated depreciation	32,056,303
Prepaid expenses	13,566
	32,339,869
Total noncurrent assets	
	\$ 34,192,844
Liabilities:	
Current liabilities	
Accounts payable	\$ 21,016
Accrued liabilities	130,013
Accrued interest	12,069
Deferred revenue	746,963
Long term liabilities - current portion	224,413
	1,134,474
Total current liabilities	
Noncurrent liabilities	
Bonds payable	743,239
	1,877,713
Total liabilities	
Net assets:	
Invested in capital assets, net of related debt	31,106,739
Restricted -	
Expendable for capital projects	234,575
Expendable for debt service	270,644
Unrestricted	703,173
	32,315,131
Total net assets	
	\$ 34,192,844
Total liabilities and net assets	

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE
YEAR ENDED JUNE 30, 2005

	Urbana
Operating revenues:	
Rental and lease income	\$ 1,306,306
Parking operations	612,691
Farm sales	150,000
Other operating revenue	118,811
	2,187,808
Total operating revenues	2,187,808
Operating expenses:	
Salaries and wages	1,495,803
Professional and other contractual services	157,403
Utilities	257,796
Supplies	228,646
Other operating expense	345,514
Depreciation	1,648,495
Payments on behalf of the Facility	135,495
	4,269,152
Total operating expenses	4,269,152
Operating loss	(2,081,344)
Nonoperating revenues (expenses):	
State appropriations	448,255
Payments on behalf of the Facility	135,495
Investment income (net of related expenses)	33,115
Interest on capital asset-related debt	(56,432)
Net increase in the fair value of investments	4,524
Other nonoperating expenses	(8,243)
	556,714
Net nonoperating revenues	556,714
Capital federal grants	2,445,243
	920,613
Increase in net assets	920,613
Net assets, beginning of year	31,394,518
Net assets, end of year	\$ 32,315,131

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS
JUNE 30, 2005

	Chicago
Assets	
Current assets:	
Cash and cash equivalents	\$ 37,626,350
Accounts receivable and accrued investment income	79,790,170
Inventories	5,068,326
Prepaid expenses and deferred charges	7,234,321
Total current assets	129,719,167
Noncurrent assets:	
Cash and investments	2,454,523
Prepaid expenses	665,190
Capital assets net of accumulated depreciation	171,075,391
Total noncurrent assets	174,195,104
Total assets	\$ 303,914,271
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 47,515,218
Long term liabilities, current portion	6,105,856
Total current liabilities	53,621,074
Noncurrent liabilities:	
Long term debt, net of current portion	76,544,950
Accrued compensated absences	17,982,242
Total noncurrent liabilities	94,527,192
Total liabilities	148,148,266
 Net assets	
Invested in capital assets, net of related debt	94,216,757
Restricted	2,454,523
Unrestricted	59,094,725
Total net assets	155,766,005
Total liabilities and net assets	\$ 303,914,271

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS
YEAR ENDED JUNE 30, 2005

	Chicago
Operating revenues:	
Net patient service revenues	\$ 366,123,823
Payments on behalf of the System - hospital and other medical activities	84,580,648
Fee for services - state appropriation	46,117,046
Other revenues	13,816,808
	13,816,808
Total operating revenues	510,638,325
Operating expenses:	
Salaries and wages	204,689,794
Fringe benefits	63,425,690
Supplies and general expenses	167,432,325
Provision for bad debts	32,874,973
Administrative services	10,750,000
Depreciation and amortization	17,828,817
	17,828,817
Total operating expenses	497,001,599
Operating income	13,636,726
Other nonoperating revenue (expenses)	
Interest payments on capital debt	(3,930,738)
Investment income	842,310
Loss on disposal of plant assets	(100,479)
Other nonoperating expense	(360,997)
	(360,997)
Net other nonoperating expenses	(3,549,904)
Increase in net assets	10,086,822
Net assets, beginning of the year	145,679,183
Net assets, end of the year	\$ 155,766,005

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE AND ACADEMIC SUPPORT ACTIVITIES
JUNE 30, 2005

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 10,442,926	\$ (8,600,219)	\$ (68,004)
Accounts receivable and accrued investment income	1,434,643	8,427,230	11,366
Inventories	1,112,567	1,498,864	11,520
Prepaid expenses and deferred charges	28,844		
Total current assets	<u>13,018,980</u>	<u>1,325,875</u>	<u>(45,118)</u>
Noncurrent assets:			
Capital assets net of accumulated depreciation	<u>15,751,402</u>	<u>25,748,790</u>	<u>14,032</u>
Total assets	<u>\$ 28,770,382</u>	<u>\$ 27,074,665</u>	<u>\$ (31,086)</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,207,819	\$ 2,272,498	\$ 63,995
Deferred revenue	629,213	233,322	60,976
Long term liabilities, current portion	<u>79,803</u>	<u>79,680</u>	
Total current liabilities	<u>1,916,835</u>	<u>2,585,500</u>	<u>124,971</u>
Noncurrent liabilities:			
Internal payable		20,863	
Accrued compensated absences	<u>798,993</u>	<u>1,467,023</u>	<u>29,061</u>
Total liabilities	<u>2,715,828</u>	<u>4,073,386</u>	<u>154,032</u>
Net assets			
Invested in capital assets, net of related debt	15,671,599	25,669,110	14,032
Restricted	1,163,847	(99,623)	
Unrestricted	<u>9,219,108</u>	<u>(2,568,208)</u>	<u>(199,150)</u>
Total net assets	<u>26,054,554</u>	<u>23,001,279</u>	<u>(185,118)</u>
Total liabilities and net assets	<u>\$ 28,770,382</u>	<u>\$ 27,074,665</u>	<u>\$ (31,086)</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE AND ACADEMIC SUPPORT ACTIVITIES
YEAR ENDED JUNE 30, 2005

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Tuition and fee income	\$ (70)	\$ 32,765	
Room and board	534,936		
Merchandise and food sales	2,805,801	95,420	71,451
Student service fees	103,262	480,618	
Hospital and medical services income	11,502,350	37,765,891	
Farm Sales	191,521		
Public events and recreation fees	(78,271)	57,618	670,281
Parking		42,388	379
Rental and lease income	1,092,951	4,500	92,263
Other sources	17,508,842	20,161,153	747,168
	<u>33,661,322</u>	<u>58,640,353</u>	<u>1,581,542</u>
Operating expenses:			
Salaries and wages	17,107,125	30,398,427	533,781
Merchandise and food for resale	980,550	15,157,894	
Repairs and maintenance	547,917	96,864	2,753
Professional and other contractual services	9,264,408	8,148,043	1,011,896
Utilities	541,589	699,978	25,434
Supplies	6,607,737	2,758,422	168,480
Equipment rental	1,668,701	283,625	27,837
Administrative services	63,203		1,385
Other operating expense	625,239	3,411,806	10,107
Depreciation and amortization	1,371,820	885,012	2,194
	<u>38,778,289</u>	<u>61,840,071</u>	<u>1,783,867</u>
Operating loss	<u>(5,116,967)</u>	<u>(3,199,718)</u>	<u>(202,325)</u>
Nonoperating revenues:			
Interest on capital related debt	(2,656)	(1,398)	
Other nonoperating revenues	4,214,220	-	-
Other nonoperating expenses	(893)	(2,240,748)	
Investment income (net of related expenses)	385,582	103	343
	<u>4,596,253</u>	<u>(2,242,043)</u>	<u>343</u>
Net nonoperating revenues (expenses)	<u>4,596,253</u>	<u>(2,242,043)</u>	<u>343</u>
Decrease in net assets	(520,714)	(5,441,761)	(201,982)
Net assets, beginning of year	<u>26,575,268</u>	<u>28,443,040</u>	<u>16,864</u>
Net assets, end of year	<u>\$ 26,054,554</u>	<u>\$ 23,001,279</u>	<u>\$ (185,118)</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
DEPARTMENTAL ACTIVITIES
INTERCOLLEGIATE ATHLETICS
JUNE 30, 2005

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ (351,626)	\$ 134,207	\$ (9,937)
Accounts receivable and accrued investment income	141,711	107	15,597
Inventories	77,777		9,856
Prepaid expenses and deferred charges	36		854
Total current assets	<u>(132,102)</u>	<u>134,314</u>	<u>16,370</u>
Noncurrent assets:			
Capital assets net of accumulated depreciation	1,268,677	41,534	11,338
Total assets	<u>\$ 1,136,575</u>	<u>\$ 175,848</u>	<u>\$ 27,708</u>
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,070,944	\$ 149,438	\$ 9,883
Deferred revenue	3,517,886		40,054
Long term liabilities, current portion	351,394		
Total current liabilities	<u>4,940,224</u>	<u>149,438</u>	<u>49,937</u>
Noncurrent liabilities:			
Accrued compensated absences	1,181,425	164,925	22,813
Total liabilities	<u>6,121,649</u>	<u>314,363</u>	<u>72,750</u>
Net assets			
Invested in capital assets, net of related debt	1,231,548	41,534	11,338
Restricted	(314,265)		
Unrestricted	(5,902,357)	(180,049)	(56,380)
Total net assets	<u>(4,985,074)</u>	<u>(138,515)</u>	<u>(45,042)</u>
Total liabilities and net assets	<u>\$ 1,136,575</u>	<u>\$ 175,848</u>	<u>\$ 27,708</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
DEPARTMENTAL ACTIVITIES
INTERCOLLEGIATE ATHLETICS
YEAR ENDED JUNE 30, 2005

	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Operating revenues:			
Merchandise and food sales	\$ 1,026,036		
Student service fees		5,406,013	708,667
Public events and recreation fees	27,733,327	1,347,634	12,600
Parking	9,281		
Rental and lease income	850		
Vending income			
Other sources	2,372,981	706,646	20,232
	<u>31,142,475</u>	<u>7,460,293</u>	<u>741,499</u>
Total operating revenues			
Operating expenses:			
Salaries and wages	14,710,926	2,876,696	206,147
Merchandise and food for resale	311,868	197	
Repairs and maintenance	152,740	8,708	
Professional and other contractual services	7,450,302	1,215,361	84,230
Utilities	1,127,435	85,898	5,656
Supplies	2,378,324	573,330	26,751
Equipment rental	2,768,783	227,010	51,586
Administrative services	456,800	222,384	
Other operating expense	3,441,211	2,063,001	250,345
Depreciation and amortization	87,824	8,612	2,358
	<u>32,886,213</u>	<u>7,281,197</u>	<u>627,073</u>
Total operating expenses			
Operating income (loss)	<u>(1,743,738)</u>	<u>179,096</u>	<u>114,426</u>
Nonoperating revenues (expenses):			
Investment income (net of related expenses)	226,672	1,142	
Interest on capital asset related debt	(14,186)		
	<u>212,486</u>	<u>1,142</u>	<u>-</u>
Net nonoperating revenues			
Increase (decrease) in net assets	<u>(1,531,252)</u>	<u>180,238</u>	<u>114,426</u>
Net assets, beginning of year	<u>(3,453,822)</u>	<u>(318,753)</u>	<u>(159,468)</u>
Net assets, end of year	<u>\$ (4,985,074)</u>	<u>\$ (138,515)</u>	<u>\$ (45,042)</u>

UNIVERSITY OF ILLINOIS
STATEMENT OF NET ASSETS
AUXILIARY ENTERPRISES UNDER INDENTURE
JUNE 30, 2005

Assets

Current assets:

Cash and cash equivalents	\$ 78,303,402
Investments	35,170,886
Investments, restricted	94,057,717
Accrued investment income	1,104,272
Receivables, net of allowance	6,131,313
Inventories	6,797,637
Prepaid expenses and deferred charges	368,626

Total current assets 221,933,853

Noncurrent assets:

Investments, restricted	35,381,731
Capital assets, net of accumulated depreciation	519,552,877
Prepaid expenses and deferred charges	3,859,550

Total noncurrent assets 558,794,158

Total assets \$ 780,728,011

Liabilities:

Current liabilities:

Accounts payable and accrued liabilities	\$ 32,779,573
Deferred revenue	5,383,276
Long term liabilities, current portion	19,808,610

Total current liabilities 57,971,459

Noncurrent liabilities:

Accrued compensated absences	5,405,860
Notes payable to the University	2,895,993
Bonds Payable	617,095,046

Total noncurrent liabilities 625,396,899

Total liabilities 683,368,358

Net assets:

Invested in capital assets, net of related debt	7,699,293
Restricted -	
Expendable for debt service	23,013,251
Unrestricted	66,647,109

Total Net Assets 97,359,653

Total liabilities and net assets \$ 780,728,011

UNIVERSITY OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
AUXILIARY ENTERPRISES UNDER INDENTURE
YEAR ENDED JUNE 30, 2005

Operating revenues:	
Room and board	\$ 83,219,399
Merchandise and food sales	29,780,749
Student service fees	57,480,762
Public events and recreation fees	7,124,581
Parking	17,776,311
Rental and lease income	6,159,203
Vending income	1,323,903
Other sources	8,159,477
	<hr/>
Total operating revenues	211,024,385
	<hr/>
Operating expenses:	
Salaries and wages	61,511,840
Merchandise and food for resale	28,604,136
Repairs and maintenance	3,211,952
Professional and other contractual services	40,278,204
Utilities	17,062,741
Supplies	9,735,149
Equipment rental	2,809,943
Administrative services	10,648,051
Other operating expense	3,342,839
Depreciation and amortization	14,249,756
Payments on behalf of the Facility	15,082,028
	<hr/>
Total operating expenses	206,536,639
	<hr/>
Operating loss	4,487,746
	<hr/>
Nonoperating revenues (expenses):	
Payments on behalf of the Facility	15,082,028
Investment income (net of related expenses)	6,939,902
Interest on capital asset related debt	(33,212,357)
Amortization of issuance costs	(171,811)
Loss on disposal of capital assets	(77,402)
Other nonoperating revenues	5,258,337
Other nonoperating expenses	(956,480)
	<hr/>
Net nonoperating revenues	(7,137,783)
	<hr/>
Increase in net assets	(2,650,037)
	<hr/>
Net assets, beginning of year	100,009,690
	<hr/>
Net assets, end of year	\$ 97,359,653
	<hr/> <hr/>

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
JUNE 30, 2005

	<u>Student/Staff Programs and Services</u>		
	<u>Urbana</u>	<u>Chicago</u>	<u>Springfield</u>
Capital assets:			
Facilities - at replacement cost (unaudited)	\$ 2,737,909	\$ -	\$ 2,765,273
Improvements - at historical cost	\$ -	\$ 698,666	\$ -
Equipment - at historical cost	\$ 1,488,084	\$ 1,517,247	\$ 511,999
Guidelines limitations on repair and replacement reserves for entities			
5% of replacement cost of facilities	\$ 136,895	\$ -	\$ 138,264
5% of historical cost of improvements	0	34,933	0
20% of historical cost of equipment	297,617	303,449	102,400
Total reserve limitation	434,512	338,382	240,664
Repair and replacement reserve	237,415	-	-
Total margin of compliance	\$ 197,097	\$ 338,382	\$ 240,664

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
STOREROOMS AND SERVICE DEPARTMENTS
JUNE 30, 2005

**Communication and
Computing Services**
All Campuses

Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 11,294,344
Improvements - at historical cost	\$ 10,500,000
Equipment - at historical cost	\$ 170,597,830
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 564,717
5% of historical cost of improvements	525,000
20% of historical cost of equipment	34,119,566
Total reserve limitation	35,209,283
Repair and replacement reserve	-
Total margin of compliance	\$ 35,209,283

Plant and Service Operations
All Campuses

Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 40,340,639
Improvements - at historical cost	\$ 279,622,520
Equipment - at historical cost	\$ 49,973,911
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 2,017,032
5% of historical cost of improvements	13,981,126
20% of historical cost of equipment	9,994,782
Total reserve limitation	25,992,940
Repair and replacement reserve	-
Total margin of compliance	\$ 25,992,940

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2005

	Instructional Course Activities	
	Urbana	Chicago
Capital assets:		
Facilities - at replacement cost (unaudited)	\$ 17,201,323	\$ _____
Equipment - at historical cost	\$ 7,291,860	\$ 164,514
Guidelines limitations on repair and replacement reserves for entities		
5% of replacement cost of facilities	\$ 860,066	\$ -
20% of historical cost of equipment	1,458,372	32,903
Total reserve limitation	2,318,438	32,903
Repair and replacement reserve	897,625	-
Total margin of compliance	\$ 1,420,813	\$ 32,903

	Professional Development Activities		
	Urbana	Chicago	Springfield
Capital assets:			
Equipment - at historical cost	\$ 821,932	\$ 1,739,776	\$ 104,652
Guidelines limitations on repair and replacement reserves for entities			
20% of historical cost of equipment	\$ 164,386	\$ 347,955	\$ 20,930
Total reserve limitation	164,386	347,955	20,930
Repair and replacement reserve	-	-	-
Total margin of compliance	\$ 164,386	\$ 347,955	\$ 20,930

	Agricultural Operations
	Urbana
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 42,274,841
Improvements - at historical cost	\$ 473,425
Equipment - at historical cost	\$ 4,809,027
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 2,113,742
5% of historical cost of improvements	23,671
20% of historical cost of equipment	961,805
Total reserve limitation	3,099,218
Repair and replacement reserve	-
Total margin of compliance	\$ 3,099,218

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2005

	<u>Commercial Operations</u> <u>Not Under Indenture</u> <u>Chicago</u>
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 13,774,408
Improvements - at historical cost	<u>\$ 21,241,650</u>
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 688,720
5% of historical cost of improvements	1,062,083
Total reserve limitation	<u>1,750,803</u>
Repair and replacement reserve	<u>-</u>
Total margin of compliance	<u>\$ 1,750,803</u>

	<u>Commercial Operations</u> <u>Under Indenture</u> <u>Urbana</u>
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 21,383,625
Improvements - at historical cost	<u>\$ 36,547,523</u>
Equipment - at historical cost	<u>\$ 2,545,128</u>
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 1,069,181
5% of historical cost of improvements	1,827,376
20% of historical cost of equipment	509,026
Total reserve limitation	<u>3,405,583</u>
Repair and replacement reserve	<u>-</u>
Total margin of compliance	<u>\$ 3,405,583</u>

	<u>Hospital and Clinics</u> <u>Chicago</u>
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 272,963,048
Equipment - at historical cost	<u>\$ 145,364,868</u>
Guidelines limitations on repair and replacement reserves for entities	
5% of replacement cost of facilities	\$ 13,648,152
20% of historical cost of equipment	29,072,974
Total reserve limitation	<u>42,721,126</u>
Repair and replacement reserve	<u>-</u>
Total margin of compliance	<u>\$ 42,721,126</u>

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
SELECTED PLANT FUND DATA
DEPARTMENTAL ACTIVITIES
JUNE 30, 2005

	Public Service and Academic Support Activities	
	Urbana	Chicago
Capital assets:		
Facilities - at replacement cost (unaudited)	\$ 166,153,003	\$ 137,891,625
Improvements - at historical cost	\$ 633,636	\$ -
Equipment - at historical cost	\$ 10,515,732	\$ 5,359,723
Guidelines limitations on repair and replacement reserves for entities		
5% of replacement cost of facilities	\$ 8,307,650	\$ 6,894,581
5% of historical cost of improvements	31,682	0
20% of historical cost of equipment	2,103,146	1,071,945
Total reserve limitation	10,442,478	7,966,526
Repair and replacement reserve	1,181,847	-
Total margin of compliance	\$ 9,260,631	\$ 7,966,526

	Intercollegiate Athletics	
	Urbana	Chicago
Capital assets:		
Facilities - at replacement cost (unaudited)	\$ 408,777	\$ -
Improvements - at historical cost	\$ 8,001	\$ -
Equipment - at historical cost	\$ 1,466,931	\$ 197,514
Guidelines limitations on repair and replacement reserves for entities		
5% of replacement cost of facilities	\$ 20,439	\$ -
5% of historical cost of improvements	400	0
20% of historical cost of equipment	293,386	39,503
Total reserve limitation	314,225	39,503
Repair and replacement reserve	-	-
Total margin of compliance	\$ 314,225	\$ 39,503

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATION
SELECTED PLANT FUND DATA
AUXILIARY ENTERPRISES UNDER INDENTURE
JUNE 30, 2005

	All campuses
Capital assets:	
Facilities - at replacement cost (unaudited)	\$ 1,535,937,536
Parking lots and improvements - at historical cost	\$ 33,033,523
Equipment - at historical cost	\$ 17,218,802
Bond resolution limitations on repair and replacement reserve	
5% of replacement cost of facilities	\$ 76,796,877
10% of historical cost of parking lots	3,303,352
20% of historical cost of equipment	3,443,760
Total reserve limitation	83,543,989
Repair and replacement reserve	39,896,346
Total margin of compliance	\$ 43,647,643

See accompanying notes to selected plant fund data.

UNIVERSITY OF ILLINOIS
CURRENT EXCESS FUNDS CALCULATIONS
NOTES TO SELECTED PLANT FUND DATA
JUNE 30, 2005

1. The *University Guidelines* allow for the establishment of capital reserves for **indentured entities** as required by the bond indenture.

2. The *University Guidelines* allow for the establishment of capital reserves for **nonindentured entities** as follows:
 - 5% of replacement cost of buildings and related improvements.
 - 10% of the historical cost of parking lots or estimated cost of resurfacing any one existing parking lot, whichever is greater.
 - 20% of the historical cost of moveable equipment or the replacement cost of any individual piece of equipment, whichever is greater.

In the Selected Plant Fund Data presented, the University has used 5% of replacement cost (calculated using the *Engineering News Record* - Building Cost Index) of buildings and related improvements in calculating allowable reserves.

3. Historical or replacement cost of investments in plant assets have been provided for purposes of computing the margins of compliance. In compliance with GASB 35, all reserve activity associated with an entity has been included in the financial statement for that entity.

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
AUXILIARY ENTERPRISES NOT UNDER INDENTURE
STUDENT/STAFF PROGRAMS AND SERVICES - ENTITY 3200
JUNE 30, 2005

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash (excludes repair and replacement reserve)	\$ 6,599,964	5,886,545	352,528
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds	A \$ 6,599,964	\$ 5,886,545	\$ 352,528

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 6,054,164	9,245,357	425,580
Encumbrances and current liabilities paid in lapse period	768,080	431,319	41,742
Deferred income	994,259	2,184,103	27,756
Refundable deposits	40,201	123,466	41,211
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	66,272	24,340	0
Working Capital Allowance	B \$ 7,922,976	\$ 12,008,585	\$ 536,289

3. Current Excess Funds

Deduct B from A and enter here	C \$ (1,323,012)	\$ (6,122,040)	\$ (183,761)
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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 \$ (197,097)	\$ (338,382)	(240,664)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (1,520,109)	\$ (6,460,422)	\$ (424,425)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STOREROOMS AND SERVICE DEPARTMENTS
COMMUNICATION AND COMPUTING SERVICES - ENTITY 3100
JUNE 30, 2005

1. Current Available Funds

		All campuses
Add:		
Cash	\$	18,076,504
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A \$	18,076,504

2. Working Capital Allowance

Add:		
Highest month's expenditures	\$	10,525,141
Encumbrances and current liabilities paid in lapse period		2,005,324
Deferred income		
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		148,313
Working Capital Allowance	B \$	12,678,778

3. Current Excess Funds

Deduct B from A and enter here	C \$	5,397,726
--------------------------------	------	-----------

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 \$	(35,209,283)
---	------	--------------

Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$	(29,811,557)
---	----	--------------

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
STOREROOMS AND SERVICE DEPARTMENTS
PLANT AND SERVICE OPERATIONS - ENTITY 3110
JUNE 30, 2005

1. Current Available Funds

		All campuses
Add:		
Cash		\$ 5,998,133
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A	\$ 5,998,133

2. Working Capital Allowance

Add:		
Highest month's expenditures		\$ 62,019,683
Encumbrances and current liabilities paid in lapse period		24,312,834
Deferred income		102,038
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		1,119,410
Working Capital Allowance	B	\$ 87,553,965

3. Current Excess Funds

Deduct B from A and enter here	C	\$ (81,555,832)
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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	\$ (25,992,940)
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Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund		\$ (107,548,772)
---	--	------------------

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
INSTRUCTIONAL COURSE ACTIVITIES - ENTITY 3400
JUNE 30, 2005

1. Current Available Funds

	Urbana	Chicago
Add:		
Cash (excludes repair and replacement reserve)	\$ 1,514,645	817,200
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items	0	-
Interfund receivables		
Total Current Available Funds	A \$ 1,514,645	\$ 817,200

2. Working Capital Allowance

Add:		
Highest month's expenditures	\$ 501,802	275,992
Encumbrances and current liabilities paid in lapse period	69,850	54,662
Deferred income	248,600	721,720
Refundable deposits		400
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts	761	1,365
Working Capital Allowance	B \$ 821,013	\$ 1,054,139

3. Current Excess Funds

Deduct B from A and enter here	C \$ 693,632	\$ (236,939)
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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 \$ (1,420,813)	\$ (32,903)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (727,181)	\$ (269,842)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
PROFESSIONAL DEVELOPMENT ACTIVITIES - ENTITY 3410
JUNE 30, 2005

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash (excludes repair and replacement reserve)	\$ 2,625,783	2,348,488	(1,370)
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds	A \$ 2,625,783	\$ 2,348,488	\$ (1,370)

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 1,054,242	1,967,032	60,071
Encumbrances and current liabilities paid in lapse period	533,451	284,611	2,373
Deferred income	975,700	431,995	
Refundable deposits	0	(10)	
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	4,140	5,404	0
Working Capital Allowance	B \$ 2,567,533	\$ 2,689,032	\$ 62,444

3. Current Excess Funds

Deduct B from A and enter here	C \$ 58,250	\$ (340,544)	\$ (63,814)
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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 \$ (164,386)	(347,955)	(20,930)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (106,136)	\$ (688,499)	\$ (84,744)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
AGRICULTURAL OPERATIONS - ENTITY 3430
JUNE 30, 2005

1. Current Available Funds

		Urbana
Add:		
Cash		\$ 4,505,433
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A	\$ 4,505,433

2. Working Capital Allowance

Add:		
Highest month's expenditures		\$ 1,282,995
Encumbrances and current liabilities paid in lapse period		451,678
Deferred income		376,737
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		9,100
Working Capital Allowance	B	\$ 2,120,510

3. Current Excess Funds

Deduct B from A and enter here	C	\$ 2,384,923
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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	\$ (3,099,218)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund		\$ (714,295)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS NOT UNDER INDENTURE - ENTITY 3600
JUNE 30, 2005

1. Current Available Funds

Add:

Cash	_____
Cash Equivalents	_____
Bank Deposits	_____
Marketable Securities	_____
Certificates of Deposit	_____
Repurchase Agreements	_____
Other cash equivalent items	_____
Interfund receivables	_____
Total Current Available Funds	_____ A

Chicago

(300,643)
\$ (300,643)

2. Working Capital Allowance

Add:

Highest month's expenditures	_____
Encumbrances and current liabilities paid in lapse period	_____
Deferred income	_____
Refundable deposits	_____
Allowance for restoring inventory to normal level	_____
Allowance for sick leave/vacation payouts	_____
Working Capital Allowance	_____ B

844,053
10,860
-
-
\$ 854,913

3. Current Excess Funds

Deduct B from A and enter here	_____ C
--------------------------------	---------

\$ (1,155,556)

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
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\$ (1,750,803)

Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	_____
---	-------

\$ (2,906,359)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
COMMERCIAL OPERATIONS UNDER INDENTURE - ENTITY 3610
JUNE 30, 2005

1. Current Available Funds

		Urbana
Add:		
Cash		\$ 833,073
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A	\$ 833,073

2. Working Capital Allowance

Add:		
Highest month's expenditures		\$ 250,642
Encumbrances and current liabilities paid in lapse period		49,831
Deferred income		746,963
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		28,350
Working Capital Allowance	B	\$ 1,075,786

3. Current Excess Funds

Deduct B from A and enter here	C	\$ (242,713)
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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	\$ (3,405,583)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund		\$ (3,648,296)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
HOSPITAL AND CLINICS - ENTITY 3500
JUNE 30, 2005

1. Current Available Funds

		Chicago
Add:		
Cash		\$ 37,626,350
Cash Equivalents		
Bank Deposits		
Marketable Securities		
Certificates of Deposit		
Repurchase Agreements		
Other cash equivalent items		
Interfund receivables		
Total Current Available Funds	A	\$ 37,626,350

2. Working Capital Allowance

Add:		
Highest month's expenditures		\$ 68,877,921
Encumbrances and current liabilities paid in lapse period		47,289,635
Deferred income		
Refundable deposits		
Allowance for restoring inventory to normal level		
Allowance for sick leave/vacation payouts		1,133,726
Working Capital Allowance	B	\$ 117,301,282

3. Current Excess Funds

Deduct B from A and enter here	C	\$ (79,674,932)
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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	\$ (42,721,126)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund		\$ (122,396,058)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
PUBLIC SERVICE AND ACADEMIC SUPPORT ACTIVITIES - ENTITY 3440
JUNE 30, 2005

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash (excludes repair and replacement reserve)	\$ 9,261,079	(8,600,219)	(68,004)
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds	A \$ 9,261,079	\$ (8,600,219)	\$ (68,004)

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 3,298,766	6,203,335	208,796
Encumbrances and current liabilities paid in lapse period	1,222,685	2,059,208	61,330
Deferred income	474,198	210,862	51,949
Refundable deposits		21,972	
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	83,928	128,660	
Working Capital Allowance	B \$ 5,079,577	\$ 8,624,037	\$ 322,075

3. Current Excess Funds

Deduct B from A and enter here	C \$ 4,181,502	\$ (17,224,256)	\$ (390,079)
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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 \$ (9,260,631)	\$ (7,966,526)	\$ N/A
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (5,079,129)	\$ (25,190,782)	\$ (390,079)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
DEPARTMENTAL ACTIVITIES
INTERCOLLEGIATE ATHLETICS - ENTITY 3450
JUNE 30, 2005

1. Current Available Funds

	Urbana	Chicago	Springfield
Add:			
Cash	\$ (351,626)	134,207	(9,937)
Cash Equivalents			
Bank Deposits			
Marketable Securities			
Certificates of Deposit			
Repurchase Agreements			
Other cash equivalent items			
Interfund receivables			
Total Current Available Funds	A \$ (351,626)	\$ 134,207	\$ (9,937)

2. Working Capital Allowance

Add:			
Highest month's expenditures	\$ 3,931,386	1,270,937	171,393
Encumbrances and current liabilities paid in lapse period	962,604	134,314	7,791
Deferred income	3,517,886		22,414
Refundable deposits			
Allowance for restoring inventory to normal level			
Allowance for sick leave/vacation payouts	144,473	43,618	6,688
Working Capital Allowance	B \$ 8,556,349	\$ 1,448,869	\$ 208,286

3. Current Excess Funds

Deduct B from A and enter here	C \$ (8,907,975)	\$ (1,314,662)	\$ (218,223)
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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 \$ (314,225)	\$ (39,503)	\$ 0
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (9,222,200)	\$ (1,354,165)	\$ (218,223)

UNIVERSITY OF ILLINOIS
CALCULATION SHEET FOR CURRENT EXCESS FUNDS
AUXILIARY ENTERPRISES UNDER INDENTURE
AUXILIARY FACILITIES SYSTEM
JUNE 30, 2005

1. Current Available Funds

	All campuses
Add:	
Cash (excludes repair and replacement reserve)	\$ 38,407,056
Cash Equivalents	
Bank Deposits	
Marketable Securities	
Certificates of Deposit	
Repurchase Agreements	
Other cash equivalent items	
Interfund receivables	
Total Current Available Funds	A \$ 38,407,056

2. Working Capital Allowance

Add:	
Highest month's expenditures	\$ 21,910,199
Encumbrances and current liabilities paid in lapse period	7,025,510
Deferred income	3,220,585
Refundable deposits	1,261,214
Allowance for restoring inventory to normal level	
Allowance for sick leave/vacation payouts	466,082
Working Capital Allowance	B \$ 33,883,590

3. Current Excess Funds

Deduct B from A and enter here	C \$ 4,523,466
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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 \$ (43,647,643)
Enter the algebraic sum of C and D and remit the amount due, if any, for deposit in the Income Fund	\$ (39,124,177)

UNIVERSITY OF ILLINOIS
ANALYSIS OF INDIRECT COST REIMBURSEMENTS
STATEMENT OF SOURCES AND APPLICATIONS OF
INDIRECT COST REIMBURSEMENTS
YEAR ENDED JUNE 30, 2005

Balance, July 1, 2004		\$ 91,267,866
Sources		
Private Gifts, Grants and Contracts	15,044,119	
United States Government Grants and Contracts	138,537,657	
State of Illinois Grants and Contracts	5,477,671	
Medical Service Plan	1,630,197	
Auxiliary Administrative Allowances	10,765,748	
Other Administrative Allowances	18,459,195	
Investment income	102,441	
	190,017,028	
Total Additions		190,017,028
Applications		
Educational and General		
Instruction	1,049	
Research	74,250,724	
Public Service	4,198,269	
Academic Support	30,174,861	
Student Services	1,666,127	
Institutional Support	49,218,543	
Operation and Maintenance of Plant	32,625,649	
Student Aid	2,353,385	
	194,488,607	
Total Deductions		194,488,607
Balance at June 30, 2005		\$ 86,796,287

Note: Above information is prepared on an accrual basis.

Indirect cost reimbursements are expended, pursuant to allocations of funds within the University's budget as adopted by the Board of Trustees, to pay for the costs of grants and contracts operations and to pay for overhead expenses of the University. Indirect cost reimbursements are expended in a manner consistent with the formula under which such reimbursements are determined.

Based on the requirements of the *University Guidelines*, patents and royalties do not meet the definition of indirect cost reimbursements and are excluded from this calculation as well as the indirect cost carry-forward.

UNIVERSITY OF ILLINOIS
ANALYSIS OF INDIRECT COST REIMBURSEMENTS
CALCULATION SHEET FOR INDIRECT COST CARRY-FORWARD
JUNE 30, 2005

1. Cash and Equivalents Balance

Add:

Cash	\$	56,933,101
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Cash Equivalents		
------------------	--	--

Bank Deposits		
---------------	--	--

Marketable Securities		
-----------------------	--	--

Certificates of Deposit		
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Repurchase Agreements		
-----------------------	--	--

Other cash equivalent items		
-----------------------------	--	--

Interfund receivables		
-----------------------	--	--

	\$	56,933,101
--	----	------------

2. Allocated Reimbursements

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

\$ 225,230,000 ; enter 30% of this amount	\$	67,569,000
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3. Unallocated Reimbursements

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

	0
--	---

4. Encumbrances and Current Liabilities Paid in the Lapse Period

Enter the amount of:

Current Liabilities		6,548,547
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Encumbrances		8,949,709
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Total	\$	15,498,256
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5. Indirect Cost Carry-forward

a. Enter the total items 2, 3 and 4		83,067,256
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b. Subtract from item 1		(26,134,155)
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If a positive number results, enter here and remit for deposit in the Income Fund

	\$	N/A
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UNIVERSITY OF ILLINOIS
RATIO OF FEDERAL TO NONFEDERAL EXPENDITURES
YEAR ENDED JUNE 30, 2005

	<u>Amount</u>	<u>Percent</u>
Federal funds	\$ 624,636,487	17.67%
Nonfederal funds	<u>2,910,061,513</u>	<u>82.33%</u>
	<u>\$ 3,534,698,000</u>	<u>100.00%</u>

Source: Schedule of Expenditures of Federal Awards and the University of Illinois Annual Financial Report.

UNIVERSITY OF ILLINOIS
UNIVERSITY FUNCTIONS AND PLANNING PROGRAM
YEAR ENDED JUNE 30, 2005

The University of Illinois ("University") is a comprehensive university primarily serving the citizens of Illinois from three main campuses and various outreach activities. The University is headed by its President, B. Joseph White, whose office is located at the Urbana-Champaign campus, Office of the President, 346 Henry Administration Building, 506 South Wright Street, Urbana, Illinois 61801. The University's mission is articulated in its "Scope and Mission of the University of Illinois" statement. This document is updated as deemed necessary by management of the University.

The Chicago campus is responsible for pursuing teaching, research and service activities related to basic and health sciences and providing a broad range of educational services at both the graduate and undergraduate levels. Vast educational offerings include professional degree programs in medicine, dentistry, pharmacy, nursing, associated health professions and public health as well as major research programs in a variety of curriculums.

The Springfield campus is responsible for addressing public affairs within the framework of a liberal arts curriculum through its first-hand access to state government and public service through special courses, projects and internship opportunities.

The Urbana-Champaign campus is responsible for pursuing instruction, including strong emphasis at the graduate level; research, through its eminent faculty; and public service as the original land grant campus of the University.

Each campus has developed planning procedures for maintenance and expansion of existing programs as well as development of new programs. All proposals for academic programs originate in the campus Faculty Senate, are reviewed by Central Administration and are approved by the Board of Trustees before being submitted, when necessary, to the Illinois Board of Higher Education. A university-wide, five-year "rolling" budget, the Resource Allocation Management Plan (RAMP), is prepared annually and is approved by the Illinois Board of Higher Education. The University's planning and budgeting procedures appear to be comprehensive and responsive in accomplishing each campus' mission.

In addition to the extensive formal planning and budgeting process at the University, each campus has established its own academic review program. These programs involve the participation of those faculty members responsible for considering matters of educational policy (e.g., granting tenure). On occasion, outside reviewers are utilized and accreditation review teams provide additional input for virtually all professional programs and academic offerings. The reviews concentrate on qualitative concerns as well as document quantitative issues. It appears that the academic reviews should be effective measures in accomplishing the University's mission.

We conclude, based on our observation of the University's functions and planning program, that the University's mission is formally documented on a current basis and that formal planning and monitoring procedures have been designed and implemented to meet the needs of the University and the requirements of the State.

UNIVERSITY OF ILLINOIS
EMPLOYMENT AND COST STATISTICS
FALL TERMS FISCAL 2005 AND 2004
(UNAUDITED)

University employment statistics

	Fall Term Fiscal 2005				Fall Term Fiscal 2004			
	Urbana	Chicago	Springfield	Total	Urbana	Chicago	Springfield	Total
<u>Headcount</u>								
Faculty	3,179	3,048	301	6,528	3,200	2,856	274	6,330
Academic Professionals	4,030	3,530	167	7,727	3,790	3,642	197	7,629
Support Staff	5,116	5,405	269	10,790	5,031	5,565	293	10,889
Other	6,081	3,704	239	10,024	6,240	3,581	208	10,029
	<u>18,406</u>	<u>15,687</u>	<u>976</u>	<u>35,069</u>	<u>18,261</u>	<u>15,644</u>	<u>972</u>	<u>34,877</u>
<u>Full-time equivalency</u>								
Faculty	2,934	2,417	226	5,577	2,966	2,361	210	5,537
Academic Professionals	3,940	3,475	158	7,573	3,653	3,475	186	7,314
Support Staff	5,006	5,239	266	10,511	4,929	5,394	289	10,612
Other	2,635	2,135	130	4,900	3,317	2,091	115	5,523
	<u>14,515</u>	<u>13,266</u>	<u>780</u>	<u>28,561</u>	<u>14,865</u>	<u>13,321</u>	<u>800</u>	<u>28,986</u>

"Other" represents house staff (medical residents and interns) and research and teaching assistants.

The above information was provided by the University Office of Planning and Budgeting from the Staff Monitoring System and is prepared using Illinois Board of Higher Education requirements as follows:

- (1) Employees with full-time contracts are counted as one full-time equivalent.
- (2) Part-time employees are multiplied by the number of months worked and then divided by twelve to arrive at their full-time equivalency.

UNIVERSITY OF ILLINOIS
EMPLOYMENT AND COST STATISTICS
YEARS ENDED JUNE 30, 2005 AND 2004
(UNAUDITED)

Cost per student credit hour and full-time equivalent student

The following are calculations of cost per student credit hour and cost per full-time equivalent student for the years ended June 30, 2005 and June 30, 2004, using the formula prescribed by the Illinois Board of Higher Education. All credit hours and instructional operating costs paid from state appropriated funds are included (except costs related to the College of Medicine and Dentistry at the Health Sciences Center).

	<u>Urbana-Champaign</u>		<u>Chicago</u>		<u>Springfield</u>	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2005:						
Total costs (1)	\$ 206,422,002	\$ 206,830,054	\$ 98,136,166	\$ 99,736,377	\$ 18,223,473	\$ 11,186,575
Student credit hours	889,226	309,511	437,220	168,506	61,100	29,505
Full-time equivalent students (2)	29,641	12,896	14,574	7,021	2,037	1,229
Cost per student credit hour	\$ 232	\$ 668	\$ 224	\$ 592	\$ 298	\$ 379
Cost per full-time equivalent student	\$ 6,964	\$ 16,038	\$ 6,734	\$ 14,205	\$ 8,946	\$ 9,102

	<u>Urbana-Champaign</u>		<u>Chicago</u>		<u>Springfield</u>	
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Undergraduate</u>	<u>Graduate</u>
For the year ended June 30, 2004:						
Total costs (1)	\$ 197,403,173	\$ 203,690,894	\$ 90,855,224	\$ 96,930,287	\$ 17,702,853	\$ 10,935,169
Student credit hours	870,459	317,789	447,909	165,220	61,129	30,424
Full-time equivalent students (2)	29,015	13,241	14,930	6,884	2,038	1,268
Cost per student credit hour	\$ 227	\$ 641	\$ 203	\$ 587	\$ 290	\$ 359
Cost per full-time equivalent student	\$ 6,803	\$ 15,383	\$ 6,085	\$ 14,080	\$ 8,686	\$ 8,624

Cost per student credit hour and full-time equivalent student - continued

- (1) Total costs are calculated using Illinois Board of Higher Education requirements as follows: total state appropriated costs less organized research, public service, student financial aid, appropriations for the State Universities Retirement System, appropriations for workmen's compensation, auxiliary enterprises, hospital and independent operations.
- (2) Undergraduate full-time equivalent student is computed as the total number of semester credit hours divided by 30. Graduate and professional full-time equivalent student is computed as the total number of semester credit hours divided by 24.

Daytime classroom utilization

**Classroom Utilization
FY2005**

	<u>UIC*</u>	<u>UIS*</u>	<u>UIUC**</u>
<u>Fall 2004 Semester</u>			
Daytime			
110 Space-Classroom	55%	67%	57%
210 Space-Laboratory	40%	44%	39%
Evening			
110 Space-Classroom	19%	60%	10%
210 Space-Laboratory	5%	45%	8%
<u>Spring 2005 Semester</u>			
Daytime			
110 Space-Classroom	52%	65%	n/a
210 Space-Laboratory	38%	45%	n/a
Evening			
110 Space-Classroom	20%	56%	n/a
210 Space-Laboratory	6%	42%	n/a

Different campuses use different bases of computation:

* UIC and UIS uses workspace hours available divided by hours used

** UIUC uses rooms available divided by rooms in use; it only tracks Fall Semester statistics and does not include any walk-in labs.

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FISCAL YEAR 2005
(UNAUDITED)

The following statistics are from the *State of Illinois Board of Higher Education 2005 Data Book on Illinois Higher Education*, Fall Enrollment Survey.

Enrollment Statistics

The total headcount enrollment for Fall 2004 by class level was as follows:

	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>	<u>Total</u>
Undergraduate				
Freshman	4,300	8,089	123	12,512
Sophomore	2,762	5,947	294	9,003
Junior	3,292	6,675	1,049	11,016
Senior	5,048	8,220	862	14,130
Unclassified	60	701	179	940
Total Undergraduate	<u>15,462</u>	<u>29,632</u>	<u>2,507</u>	<u>47,601</u>
Graduate				
Professional	2,210	1,070		3,280
Graduate	6,516	9,618	1,587	17,721
Unclassified	677	367	302	1,346
Total Graduate	<u>9,403</u>	<u>11,055</u>	<u>1,889</u>	<u>22,347</u>
Total	<u><u>24,865</u></u>	<u><u>40,687</u></u>	<u><u>4,396</u></u>	<u><u>69,948</u></u>

The total headcount enrollment for Fall 2004 by gender and by level of instruction were as follows:

	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>	<u>Total</u>
Gender				
Men	11,077	21,550	1,801	34,428
Women	13,788	19,137	2,595	35,520
Total	<u>24,865</u>	<u>40,687</u>	<u>4,396</u>	<u>69,948</u>
Level of instruction				
Full-time	20,321	37,553	1,900	59,774
Part-time	4,544	3,134	2,496	10,174
Total	<u>24,865</u>	<u>40,687</u>	<u>4,396</u>	<u>69,948</u>

The median age of students enrolled by level of instruction for Fall 2004 were as follows:

	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>
Median age			
Undergraduate	21.3	20.2	25.0
Graduate	28.5	27.1	31.5
Combined	23.4	21.1	28.2

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FISCAL YEAR 2005
(UNAUDITED)

Degrees Conferred

The following statistics are from the Integrated Postsecondary Education Data System (IPEDS) Completion Survey.

The number of degrees conferred for the year ended June 30, 2005 was as follows:

Degrees	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>	<u>Total</u>
Baccalaureate	3,149	6,752	675	10,576
Masters	1,785	2,637	481	4,903
First Professional	528	335	-	863
Doctorate	286	636	1	923
Total	<u>5,748</u>	<u>10,360</u>	<u>1,157</u>	<u>17,265</u>

UIC Doctorate counts include the Doctor of Physical Therapy degrees which the campus considers first-professional degrees.

UIC Professional counts include 25 First-Professional Certificates.

UIS Baccalaureate counts include 3 Post-Baccalaureate Certificates.

UIS and UIUC Masters degree counts include 11 and 15 Post-Masters Certificates, respectively.

UIUC also had 12 Aviation Certificates.

Staff Statistics

The following statistics are from the Survey of Salaries of Full-Time Instructional Faculty, 2004-2005 IPEDS.

The average salary of full-time faculty for the year ended June 30, 2005 was as follows:

Average salary of full-time faculty	<u>Chicago</u>	<u>Urbana*</u>	<u>Springfield</u>	<u>Combined</u>
	\$ 77,504	\$ 82,796	\$ 58,182	\$ 79,874

* Excludes University Administration

The percent of tenured full-time faculty for the year ended June 30, 2005 was as follows:

Percent of tenured full-time faculty	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>	<u>Combined</u>
	60.1%	61.5%	56.3%	60.8%

UNIVERSITY OF ILLINOIS
SERVICE EFFORTS AND ACCOMPLISHMENTS
FISCAL YEAR 2005
(UNAUDITED)

Tuition and Required Fees Rates

The following tuition rates are from the Institutional Characteristics Survey (IC), Integrated Postsecondary Education Data System (IPEDS).

The general 4-year guaranteed base rate tuition and required fees for full-time, in-state undergraduates and general full-time base rate tuition and required fees for in-state graduate students entering after May 2003 for the 2004-05 academic year were as follows (excluding refundable fees):

	<u>Chicago</u>	<u>Urbana</u>	<u>Springfield</u>
Undergraduate	\$ 7,818	\$ 7,944	\$ 5,239
Graduate	\$ 8,236	\$ 8,310	\$ 4,594

The tuition and required fees for a full-time student entering after May 2003 for the 2004-2005 academic year in the first-professional programs were as follows (excluding refundable fees):

	<u>Chicago</u>	<u>Urbana</u>
First-professional programs		
Medicine	\$ 24,572	
Dentistry	\$ 18,558	
Pharmacy	\$ 13,782	
Other (Physical Therapy)	\$ 12,628	
Law		\$ 15,926
Veterinary Medicine		\$ 14,858

UNIVERSITY OF ILLINOIS
ILLINOIS FIRST PROJECTS
FISCAL YEAR 2005
(Unaudited)

Appropriation Code/ Project Number	Description	Award Amount	Expenditures
Appropriated to the Capital Development Board for the benefit of the Board of Higher Education:			
	To purchase, plan, design, and/or construct facilities suitable for operations of the Natural History Survey in the Research Park at University of Illinois, Urbana-Champaign campus	\$ 6,000,000	\$ 6,080,068 *
	Total Illinois First Projects	\$ 6,000,000	\$ 6,080,068

*\$80,068 of interest income was earned on the funds awarded.

UNIVERSITY OF ILLINOIS
EMERGENCY PURCHASES
YEAR ENDED JUNE 30, 2005
(Unaudited)

The University reported the following emergency purchases to the Office of the Auditor General during fiscal year 2005.

Vendor	Description	Amount
Patient Equipment Rebuild	Services needed to remove hazardous material from campus.	36,615.00
Broech Corporation	Enterprise system performance consulting services related to performance issues with the Enterprise Resource System, Banner, and Oracle.	35,000.00
Bid-Service, LLC	Purchase of ultra-high vacuum and deposition equipment for research, instruction, and fabrication purposes.	85,000.00
Bid-Service, LLC	Purchase of ultra-high vacuum and deposition equipment for research, instruction, and fabrication purposes.	120,000.00
Motorola	ML 900 laptop computers.	32,400.00
The Electric Services Inc.	Electrical transformer replacement to ensure uninterrupted service.	60,947.00
Thermo Finnigan LLC	Liquid chromatograph-mass spectrometer detector system with related accessories, sold at a discount from list price.	65,050.00
Embassy Suites Hotel Downtown	Hotel accommodations and catering services for the men's basketball team while playing at the NCAA tournament in Indianapolis, Indiana.	55,298.31
Marriott Suites Chicago O'Hare	Hotel accommodations and catering services for the men's basketball team while playing in the NCAA tournament in Chicago, IL.	49,173.32
Holiday Inn Westport	Hotel accommodations for the basketball team staff who worked at the games at the NCAA Final Four tournament in St. Louis, MO.	76,156.54
St. Louis Marriott Downtown	Hotel accommodations and catering services for the men's basketball team while playing in the NCAA Final Four tournament in St. Louis, MO.	61,670.16
H & M Encore Travel	Air travel to Africa for participants in Enviovet 2005, a Veterinary Biosciences course.	52,375.00
GrowSafe Systems Ltd.	Emergency repair of farm equipment due to lightning damage.	38,162.00

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2005

In accordance with an Office of the Auditor General, July 25, 2000, memorandum entitled "*Matters Regarding University Audits*" ("Memorandum"), certain supplemental data is required to be reported for University audits. The table below cross-references the memorandum requirements (indicated by number and letter paragraph references) to the University financial statements and audit reports for the year ended June 30, 2005, where such special data is found.

Compliance Findings

- 13(a) At June 30, 2005, no findings of noncompliance with *University Guidelines* were noted. The University's calculation sheets for current excess funds are presented in this report on page numbers 73 through 85.

Indirect Cost Reimbursements

- 13(b) A statement of the sources and applications of indirect cost reimbursements is included in this report on page number 86.
- 13(c) The University's calculation sheet for indirect cost carry-forward is included in this report on page number 87.

Tuition Charges and Fees

- 13(d) No instances of tuition being diverted to auxiliary enterprise operations were noted.

Auxiliary Enterprises, Activities and Accounting Entities

- 13(e) Identification of each specific accounting entity and descriptions of the sources of revenue and purpose of each are presented in this report on pages 36 through 39.
- 13(f) Entity financial statements are presented on pages 40 through 65 of this report. The entity financial statements should be read in conjunction with the University of Illinois Annual Financial Report for the year ended June 30, 2005, the Annual Financial Report of the University of Illinois Auxiliary Facilities System for the year ended June 30, 2005 the Annual Financial Report of the Willard Airport Facility for the year ended June 30, 2005, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2005.
- 13(g) The University's calculation sheets for current excess funds are presented in this report on pages 73 through 85.
- 13(h) Support received by auxiliary enterprises from State appropriated funds for retirement and group insurance benefits is disclosed in the Annual Financial Report of the University of Illinois Auxiliary Facilities System on page 10.

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2005

Auxiliary Enterprises, Activities and Accounting Entities (Continued)

- 13(i) Statements of receipts and disbursements, and related definitions, for funds required by bond indentures are presented on pages 7 through 9 and pages 14 through 16 of the Annual Financial Report of the University of Illinois Auxiliary Facilities System.
- 13(j) Statements with respect to compliance with the fund accounting covenants of the Resolutions of the Board of Trustees of the University of Illinois, which provided for the issuance of revenue bonds, are included in the respective Independent Auditor's Report included in the Annual Financial Report of the University of Illinois Auxiliary Facilities System, the Annual Financial Report of the Willard Airport Facility, and the Annual Financial Report of the University of Illinois Health Services Facilities System for the year ended June 30, 2005.
- 13(k) At June 30, 2005, no non-instructional facilities reserves (development reserves) have been established by the University.

University-Related Organizations

13(l), (m) and (n)

Organizations recognized by the University as University Related Organizations (UROs) are as follows:

University of Illinois Foundation	PrairieLand Energy, Inc.
University of Illinois Alumni Association	Illinois Ventures, LLC and its Subsidiary
University of Illinois Research Park, LLC	Wolcott, Wood and Taylor, Inc.

Payments by the UROs to the University for services provided by the University and payments by the University to UROs for services provided by the UROs are disclosed in this report on pages 101 and 102 and on indicated pages of the following reports for the year ended June 30, 2005:

University of Illinois Annual Financial Report	Page 30
Annual Financial Statements of the University of Illinois Foundation	Pages 17 and 18
Annual Financial Statements of the University of Illinois Alumni Association	Page 15
Annual Financial Statements of Wolcott, Wood And Taylor, Inc.	Page 18

UNIVERSITY OF ILLINOIS
SPECIAL DATA REQUIREMENTS FOR UNIVERSITY AUDITS
YEAR ENDED JUNE 30, 2005

University-Related Organizations (Continued)

Annual Financial Statements of Prairieland Energy, Inc.	Page 17
Annual Financial Statements of Illinois Ventures, LLC and its Subsidiary	Page 19
Annual Financial Statements of University Of Illinois Research Park, LLC	Page 16

The University has designated no organizations as "Independent Organizations" as defined in Section VII of *University Guidelines*.

- 13(o) At June 30, 2005, there are no unreimbursed subsidies to the UROs from University or appropriated funds.
- 13(p) Debt financing by UROs at June 30, 2005 is disclosed in the Annual Financial Statements of the University of Illinois Foundation on page 23.

Other Topics

- 13(q) Schedules of cash and investments held by the University are presented in the Analysis of Significant Account Balances section of this report on pages 11 and 12 and in the Notes to Financial Statements in the University of Illinois Annual Financial Report for the year ended June 30, 2005, on pages 35 through 38.
- 13(r) A statement describing the methodology used to allocate income from investments of pooled funds is included in this report on page 11.
- 13(s) Costs per full time equivalent student are presented in this report on page 91.
- 13(t) Acquisitions of land in excess of \$250,000 by the University and its UROs during the year ended June 30, 2005 that were not funded by a separate appropriation specifically identifying the particular acquisitions are presented in this report on pages 19 and 101 as Analysis of Significant Account Balances – Capital Assets and Schedule of Funds Provided by the University of Illinois Foundation.
- 13(u) On February 24, 2005, the University issued Certificates of Participation UIC College of Medicine Research Building Project Series 2005 in the amount of \$20,590,000. The Series 2005 Certificates were issued to finance, in combination with state appropriated capital funds and University funds, the construction of a new College of Medicine Research Building at the Chicago campus, as well as the demolition of buildings and structures currently on the site of the new building, and modifications to adjacent buildings to facilitate the construction of, and connection to, the new building.

UNIVERSITY OF ILLINOIS
ANALYSIS OF OPERATIONS

SCHEDULE OF FUNDS PROVIDED BY THE UNIVERSITY OF ILLINOIS FOUNDATION
YEARS ENDED JUNE 30, 2005 and 2004

During fiscal years 2005 and 2004, the University engaged the Foundation, under contract, to provide fund-raising and other services. In accordance with the contract agreement, the University provided \$3,130,274 cash and \$4,194,803 budget allocation in 2005 and \$2,127,998 cash and \$3,680,206 budget allocation in 2004, and an additional \$310,000 and \$569,000 of services in 2005 and 2004, respectively, to the Foundation. As required by contract, the Foundation provided the University certain funds considered unrestricted for purposes of the computations outlined in *University Guidelines*. In addition, the Foundation provided the University nonqualifying restricted funds. Presented below is a summary of all funds that the Foundation provided to the University during each fiscal year:

	2005	2004
Unrestricted funds	\$ 381,555	\$ 303,248
Restricted only as to campus, college or department and generally available for ongoing university operations:		
Provided to a particular campus	1,073,153	963,019
Provided to a particular college	8,474,007	7,238,233
Provided to a particular department	22,742,668	15,826,243
Provided for the Intercollegiate Athletics	6,790,712	5,319,544
Subtotal	39,462,095	29,650,287
Restricted by donor:		
Provided for student support	15,385,276	17,258,526
Provided for certain instructional, research and public service programs	25,558,551	22,092,811
Provided for physical facilities additions or improvements	18,048,660	32,714,842
Provided for other restricted purposes	24,066,148	20,882,246
Total funds provided by the Foundation to the University	\$ 122,520,730	\$ 122,598,712

University Guidelines require that the University report annually the purchase or acceptance of gifts of real estate by a University Related Organization (URO) in excess of \$250,000. The University of Illinois Foundation received the following gifts and made the following purchases of real estate during fiscal year 2005:

<u>Date</u>	<u>Value</u>	<u>Property and Description</u>
12/11/2004	\$ 260,000	Property located at 807 W Vermont in Urbana, IL
12/21/2004	\$ 1,163,393	Property located at 1543 W 15th Ave in Chicago, IL
1/31/2005	\$ 1,607,091	Property located at 161 E Chicago Ave in Chicago, IL
2/17/2005	\$ 560,000	Property located at 1514 Steinhart Ave in Redondo Beach, CA

UNIVERSITY OF ILLINOIS
ANALYSIS OF OPERATIONS

SCHEDULE OF FUNDS PROVIDED BY THE UNIVERSITY TO THE UNIVERSITY OF ILLINOIS ALUMNI ASSOCIATION
YEARS ENDED JUNE 30, 2005 and 2004

In accordance with an annual agreement between the University and the Alumni Association, the University paid \$3,515,100 and \$3,360,600 of which \$2,364,100 and \$2,233,600 represent employee salaries to the Alumni Association for the years ended June 30, 2005 and 2004, respectively. In return, the Alumni Association agreed to: (1) provide management and supervisory services for the maintenance of alumni records, (2) publish Alumni periodicals and (3) provide support to Alumni field activities and meetings. During the years ended June 30, 2005 and 2004, the Alumni Association expended the following amounts in the performance of those functions:

	<u>2005</u>	<u>2004</u>
Communications	\$ 596,700	\$ 665,600
Information services	760,800	621,200
Membership promotion	249,800	253,100
Alumni outreach programs	1,166,900	1,127,600
General and operating expenses	<u>740,900</u>	<u>693,100</u>
Total expenditures	<u><u>\$ 3,515,100</u></u>	<u><u>\$ 3,360,600</u></u>

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE AND GRADUATE TUITION AND FEE WAIVERS
2004 - 2005 SCHOOL YEAR
(UNAUDITED)
(In Thousands of Dollars)

	<u>Undergraduate</u>			<u>Graduate</u>		
	<u>Tuition Waivers</u>	<u>Fee Waivers</u>	<u>Total Waivers</u>	<u>Tuition Waivers</u>	<u>Fee Waivers</u>	<u>Total Waivers</u>
Urbana	\$ 17,917.3	\$ 297.4	\$ 18,214.7	\$ 112,011.4	\$ 2,950.9	\$ 114,962.3
Chicago	\$ 3,877.9	\$ 96.0	\$ 3,973.9	\$ 53,671.8	\$ 2,647.2	\$ 56,319.0
Springfield	\$ 323.9	\$ 10.7	\$ 334.6	\$ 1,079.7	\$ 66.0	\$ 1,145.7
Total	<u>\$ 22,119.1</u>	<u>\$ 404.1</u>	<u>\$ 22,523.2</u>	<u>\$ 166,762.9</u>	<u>\$ 5,664.1</u>	<u>\$ 172,427.0</u>

The amount of fiscal 2005 tuition waivers reported above are based on data provided from the Office of Planning and Budgeting.

UNIVERSITY OF ILLINOIS
SCHEDULE OF UNDERGRADUATE TUITION AND FEE WAIVERS
2004 - 2005 SCHOOL YEAR
(UNAUDITED)

University of Illinois at Urbana-Champaign
(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>1,744</u>	<u>\$ 9,043.4</u>	<u>104</u>	<u>\$ 143.4</u>
Teacher Special Education	84	512.5	84	114.5
General Assembly	535	3,759.4		
ROTC	131	712.2		
DCFS	20	130.7	20	28.9
Children of Employees	732	2,329.6		
Honorary Scholarships	245	1,599.0		
Adjustments (1)	(3)			
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>4,649</u>	<u>8,873.9</u>	<u>504</u>	<u>154.0</u>
Faculty/Administrators	52	99.4	52	25.9
Civil Service	36	76.7	36	20.8
Academic/Other Talent	715	1,796.3	38	4.0
Athletic	146	800.0		
Foreign Exchange Students	260	3,455.8	255	64.8
Out-of-State Students	3	32.4		
Foreign Students	13	107.9		
Student Need-Financial Aid	3,308	1,699.3		
Student Need-Special Programs	56	23.9		
Cooperating Professionals	7	8.2	7	1.6
Research Assistants	2	12.6	2	0.3
Teaching Assistants	12	80.7	12	3.3
Other Assistants	95	622.6	94	24.5
Interinstitutional/Related Agencies	9	51.3	8	7.5
Retired University Employees	2	6.8	2	1.3
Adjustments (1)	(67)		(2)	
TOTAL	<u>6,393</u>	<u>\$ 17,917.3</u>	<u>608</u>	<u>\$ 297.4</u>

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

University of Illinois at Chicago
(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>330</u>	<u>\$ 1,364.5</u>	<u>11</u>	<u>\$ 11.2</u>
Teacher Special Education	3	18.7	3	0.9
General Assembly	105	573.3		
ROTC	52	261.4		
DCFS	8	44.1	8	10.3
Children of Employees	148	391.9		
Honorary Scholarships	14	75.1		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>616</u>	<u>2,513.4</u>	<u>94</u>	<u>84.8</u>
Faculty/Administrators	26	75.1	26	21.3
Civil Service	56	135.7	56	54.9
Academic/Other Talent	332	1,077.5		
Athletic	114	990.0		
Foreign Exchange Students	6	23.3	6	5.0
Out-of-State Students				
Student Need-Financial Aid	62	171.7		
Student Need-Special Programs	15	31.4		
Cooperating Professionals	5	5.2	5	2.3
Retired University Employees	1	3.5	1	1.3
Adjustments (1)	(1)			
TOTAL	<u>946</u>	<u>\$ 3,877.9</u>	<u>105</u>	<u>\$ 96.0</u>

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

University of Illinois at Springfield

(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>52</u>	<u>\$ 139.8</u>	<u>-</u>	<u>\$ -</u>
General Assembly	10	39.0		
DCFS	1	4.3		
Children of Employees	21	29.4		
Honorary Scholarships	20	67.1		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>92</u>	<u>184.1</u>	<u>32</u>	<u>10.7</u>
Faculty/Administrators	6	8.2	5	1.6
Civil Service	33	46.5	27	9.1
Academic/Other Talent	9	20.3		
Athletic	21	50.0		
Intercollegiate Athletics	9	25.0		
Foreign Exchange Students	1	10.0		
Out-of-State Students	2	14.9		
Student Need-Financial Aid	6	4.2		
Interinstitutional/Related Agencies	5	5.0		
TOTAL	<u>144</u>	<u>\$ 323.9</u>	<u>32</u>	<u>\$ 10.7</u>

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

UNIVERSITY OF ILLINOIS
SCHEDULE OF GRADUATE TUITION AND FEE WAIVERS
2004 - 2005 SCHOOL YEAR
(UNAUDITED)

University of Illinois at Urbana-Champaign

(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	72	\$ 771.8	3	\$ 1.3
Teacher Special Education	4	6.5	3	1.3
General Assembly	32	408.3		
Honorary Scholarships	36	357.0		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	7,875	111,239.6	7,718	2,949.6
Faculty/Administrators	361	1,637.7	365	265.2
Civil Service	56	183.2	56	33.3
Academic/Other Talent	171	1,628.4	153	40.6
Foreign Exchange Students	23	332.3	20	5.7
Out-of-State Students	14	142.7		
Student Need-Financial Aid	1	1.5		
Cooperating Professionals	235	494.2	235	91.4
Research Assistants	3,095	47,079.8	3,017	1,053.4
Teaching Assistants	2,189	30,050.5	2,160	738.0
Other Assistants	1,585	13,718.5	1,325	346.9
Interinstitutional/Related Agencies	42	168.7	37	23.2
Retired University Employees	3	27.3	3	2.9
Contract/Training Grants	122	1,607.8	121	44.0
Fellowship/Traineeship	967	14,167.0	923	305.0
Adjustments (1)	(989)		(697)	
TOTAL	7,947	\$ 112,011.4	7,721	\$ 2,950.9

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

University of Illinois at Chicago

(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>129</u>	<u>\$ 2,598.0</u>	<u>9</u>	<u>\$ 2.3</u>
Teacher Special Education	9	38.0	9	2.3
General Assembly	95	2,154.2		
Honorary Scholarships	25	405.8		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	<u>4,317</u>	<u>51,073.8</u>	<u>4,308</u>	<u>2,644.9</u>
Faculty/Administrators	577	3,205.0	564	562.3
Civil Service	65	273.0	60	62.4
Academic/Other Talent	83	2,715.9		
Foreign Exchange Students	4	52.8	4	3.8
Cooperating Professionals	65	119.1	51	37.0
Research Assistants	1,383	15,563.1	1,377	781.8
Teaching Assistants	936	12,087.6	928	532.1
Other Assistants	766	10,965.7	765	413.9
Interinstitutional/Related Agencies	12	22.2	1	0.2
Retired University Employees	2	13.4	1	1.3
Grad College Waivers and Fellowships	605	6,056.0	557	250.1
Adjustments (1)	(181)			
TOTAL	<u>4,446</u>	<u>\$ 53,671.8</u>	<u>4,317</u>	<u>\$ 2,647.2</u>

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005

University of Illinois at Springfield

(in thousands of dollars)

	Tuition Waived		Fees Waived	
	Number of Recipients *	Value of Waivers	Number of Recipients *	Value of Waivers
<u>MANDATORY WAIVERS</u>				
<u>(SUBTOTAL)</u>	8	\$ 23.0	-	\$ -
Teacher Special Education				
General Assembly	1	0.6		
Honorary Scholarships	7	22.4		
<u>DISCRETIONARY WAIVERS</u>				
<u>(SUBTOTAL)</u>	326	1,056.7	184	66.0
Faculty/Administrators	69	105.2	62	23.2
Civil Service	21	22.1	21	7.4
Academic/Other Talent	12	43.6		
Foreign Exchange Students	3	39.9		
Student Need-Financial Aid	28	19.6		
Cooperating Professionals	13	7.9		
Research Assistants	12	42.5	12	4.5
Teaching Assistants	16	87.3	16	5.6
Other Assistants	146	677.5	72	24.8
Interinstitutional/Related Agencies	11	10.3		
Retired University Employees	1	0.8	1	0.5
Adjustments (1)	(6)			
TOTAL	334	\$ 1,079.7	184	\$ 66.0

* Unduplicated

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

(1) A recipient may be granted a waiver in multiple categories. The number of recipients in the subtotal is adjusted for student waivers granted in multiple categories.

NOTE: DISCRETIONARY CHILDREN OF EMPLOYEE WAIVERS CATEGORY HAS BEEN DISCONTINUED AS OF FISCAL YEAR 2005