

November 26, 2013

Members of the Board Finance Committee

Marquita Wiley, Chair
Jesse Cler
Donna Manering
Joel Sambursky
Randal Thomas

Dear Members of the Finance Committee:

There will be a meeting of the Finance Committee immediately following the Academic Matters Committee on Thursday, December 12, 2013, in Ballroom B of the Student Center, Southern Illinois University Carbondale, Carbondale, IL. The following items have been suggested for the agenda:

1. Approval of Minutes of the November 14, 2013, meeting (enclosure).
2. Reorganization of Communications and Marketing From Office of Vice Chancellor for University Advancement to Office of the Chancellor, SIUE (Board Agenda Item M).
3. Authorization to Establish the Position of University Architect, Office of the President, Southern Illinois University (Board Agenda Item N).
4. Associate General Counsel, Office of General Counsel.
5. Other business.

Enclosed are the FY 14 First Quarter Investment Report and the FY 2013 Annual Financial Performance Report.

Yours truly,

Duane Stucky
Senior Vice President for Financial and Administrative Affairs
and Board Treasurer

DS/lap

Enclosures

cc: Roger Herrin
Don Lowery
Nick Mehner

Shirley Portwood
Glenn Poshard

Rita Cheng
Julie Furst-Bowe
Other Interested Parties

BOARD OF TRUSTEES

SOUTHERN ILLINOIS UNIVERSITY

Minutes of the Finance Committee Meeting

November 14, 2013

The Finance Committee met following the Academic Matters Committee in the Conference Center, 2nd Floor, of the Delyte W. Morris University Center, Southern Illinois University Edwardsville, Edwardsville, IL. Present were: Marquita Wiley (Chair), Jesse Cler, Donna Manering and Randal Thomas. Other Board members present were: Roger Herrin, Don Lowery, Nick Mehner, Shirley Portwood and Joel Sambursky. Executive Officers present were: President Glenn Poshard; Chancellor Rita Cheng, SIUC; Chancellor Julie Furst-Bowe, SIUE; Interim General Counsel Lucas Crater; Vice President for Academic Affairs Paul Sarvela; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

Minutes

Trustee Cler recommended approval of the minutes of the September 12, 2013, meeting as submitted. The motion was seconded by Trustee Thomas and passed by the Committee.

Approval of Purchase: Investment Banking Services, Southern Illinois University (Board Agenda Item L).

Authorization to Renew Installment Purchase Contract: "Certificates of Participation Series 2004A" (Board Agenda Item M).

Authorization for the Sale of Certificates of Participation (Capital Improvement Projects), Series 2014A (Board Agenda Item N).

Senior Vice President Stucky explained the basic differences between selling bonds and Certificates of Participation. He reviewed the three proposed matters and how they are interrelated in this debt financing.

Trustee Cler recommended approval. The motion was duly seconded by Trustee Thomas and was passed by the Finance Committee.

Approval of Purchase: Software Support Contract, Southern Illinois University System (Board Agenda Item O).

Senior Vice President Stucky reviewed the matter.

Trustee Thomas recommended approval. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Approval of Purchase: Electrical Services Associated with Remodeling and Maintenance Projects, Carbondale Campus, SIUC (Board Agenda Item P).

Approval of Purchase: Miscellaneous Flooring Materials, Carbondale Campus, SIUC (Board Agenda Item Q).

Chancellor Cheng reviewed the matters.

Trustee Cler recommended approval. The motion was duly seconded by Trustee Thomas and was passed by the Finance Committee.

Revision to Residency Status Policies [Amendment to 3 Policies of the Board A-1] (Board Agenda Item R).

Proposed Revisions to 4 Policies of the Board B, Appendix A1, and C, Appendix B1 (Board Agenda Item S).

Senior Vice President Stucky reviewed the matters revising Board Policy. In response to a question from Trustee Manering regarding charging in-state tuition to out-of-state students, President Poshard commented that the State appropriation committees continue to be concerned about loss of tuition revenue. However, these programs are used to build enrollment, the matters allow parity between the campuses, and the practice is consistent with other universities.

Trustee Thomas recommended approval. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Proposed Alternate Tuition Rate: Regional Enhancement, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 5] (Board Agenda Item T).

Proposed Alternate Tuition Rate: High Achievers Program, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 6] (Board Agenda Item U).

Proposed Alternate Tuition Rate: Legacy Student Enhancement Program, SIUE [Addition to 4 Policies of the Board C, Appendix B, 1 Section B, 7] (Board Agenda Item V).

Chancellor Furst-Bowe reviewed the matters to maintain competitiveness in student recruitment and provide an alumni benefit. In response to a question from Trustee Manering, Chancellors Furst-Bowe and Cheng confirmed their international student tuition rates.

Trustee Thomas recommended approval. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Approval of Salary: Vice Chancellor for University Advancement, SIUE (Refer to Board Agenda Item W).

Chancellor Furst-Bowe requested Finance Committee approval for the salary of:

Rachel Carlton Stack as Vice Chancellor for University Advancement, effective January 6, 2014, at an annual salary of \$160,000.00.

Trustee Thomas recommended approval. The motion was duly seconded by Trustee Wiley and was passed by the Finance Committee.

Executive Assistant to the President, Office of the President.

Trustee Wiley stated that this matter was pulled from the Finance Committee agenda.

Other Business.

There being no further business, the meeting was adjourned.

DS/lap



Southern Illinois University

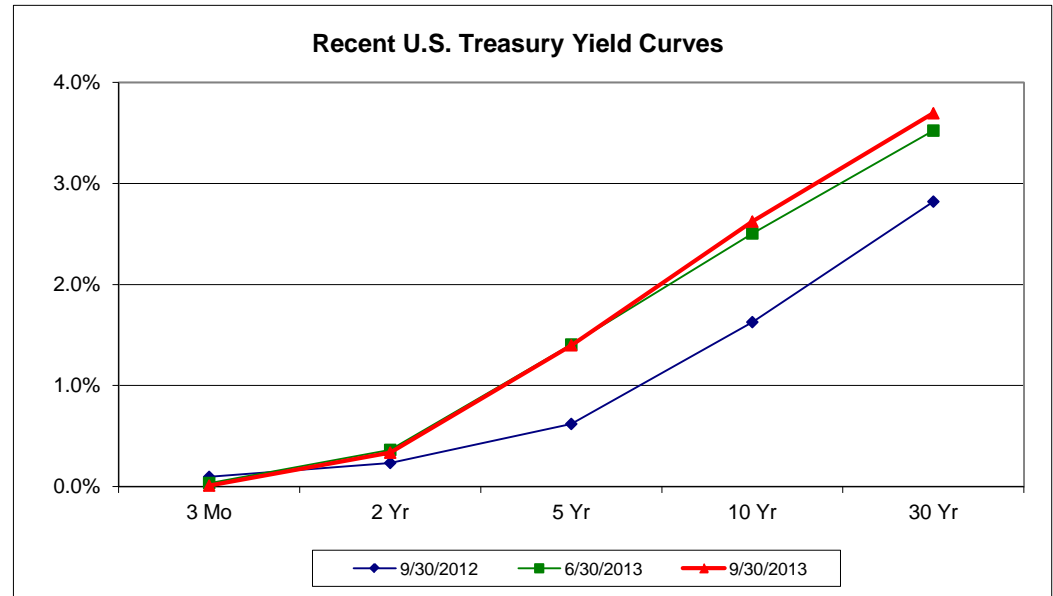
Quarterly Investment Report
September 30, 2013

Performance Analysis

Treasury yields held relatively stable for the quarter ending September 30, 2013, with a slight increase in the long end of the curve. The 10-year and 30-year benchmark maturities rose 12 and 17 basis points, respectively, for the quarter, while 90-day T-Bills declined 3 bp to a rock bottom 0.01%. Treasury yields in the 5-year range and longer continue to be measurably higher than where they stood a year ago (compare red vs. blue lines at right). The Fed's postponement of tapering its open market bond purchases in September helped stabilize the fixed income market.

The stable interest rate environment for the 3rd Quarter of 2013 led to a positive return on SIU's overall portfolio. SIU's combined portfolio return was 0.18% for the quarter ending 9/30/2013, up from -0.64% for the preceding quarter. The Western Asset Management Company's ("WAMCo") Intermediate Fund posted a 3rd quarter return of 0.47%, which consisted of 0.31% in current income return (after fees), coupled with 0.16% of capital appreciation. The 0.47% return for the quarter compares favorably to the 0.40% benchmark return on the Barclay's Intermediate U.S. Government Securities Index. The short-term return on SIU's liquid funds remained low at 0.01% for the quarter due to rock bottom yields in the money markets.

SIU's overall return of 0.18% for the quarter ending 9/30/2013 compares favorably to the weighted benchmark return 0.15%.



Operating Investments

Operating Investment Position

Investment Balance

Market Value (\$ in millions)

	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	
State Treasury Fund (Money Market Mutual Fund)	\$ 130.9	\$ 84.8	\$ 99.3	\$ 99.6	\$ 165.6	165.5
The Bank of Edwardsville (Money Market Account)	25.0	19.1	25.0	25.0	25.0	
MB Financial (Money Market Account)*	25.0	25.0	25.0	25.0	25.0	
Subtotal Cash & Cash Equivalents	\$ 180.9	\$ 128.9	\$ 149.3	\$ 149.6	\$ 215.6	
Western Asset - Intermediate Portfolio	105.4	105.6	105.6	103.9	104.4	
Total Portfolio	\$ 286.3	\$ 234.5	\$ 254.9	\$ 253.5	\$ 320.0	
Due from State	79.6	117.0	141.2	60.5	55.2	
Total Portfolio including Due from State	\$ 365.9	\$ 351.5	\$ 396.1	\$ 314.0	\$ 375.2	

Market Value Change (\$ in millions)

	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	
Beginning Market Value	\$ 245.4	\$ 286.3	\$ 234.5	\$ 254.9	\$ 253.5	
Deposits (Withdrawals)	40.1	(52.0)	20.4	0.3	65.9	
Interest Income, Net of Fees	0.5	0.5	0.4	0.4	0.4	0.3
Realized Gain (Loss)	0.1	0.0	0.0	1.4	(0.2)	
Unrealized Gain (Loss)	0.2	(0.3)	(0.4)	(3.5)	0.4	
Ending Market Value	\$ 286.3	\$ 234.5	\$ 254.9	\$ 253.5	\$ 320.0	

Operating Performance

Quarterly Performance

	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013
State Treasury Fund (Money Market Mutual Fund)	0.03%	0.03%	0.01%	0.01%	0.00%
Benchmark: Ready Assets Prime MMF	0.00%	0.00%	0.00%	0.00%	0.00%
The Bank of Edwardsville (Money Market Account)	0.04%	0.04%	0.04%	0.04%	0.04%
Benchmark: Ready Assets Prime MMF	0.00%	0.00%	0.00%	0.00%	0.00%
MB Financial (Money Market Account)	0.05%	0.05%	0.04%	0.03%	0.03%
Benchmark: Ready Assets Prime MMF	0.00%	0.00%	0.00%	0.00%	0.00%
Western Asset Intermediate Portfolio	0.72%	0.07%	0.07%	-1.59%	0.47%
Benchmark: Barclays Capital Int U.S. Govt	0.62%	0.03%	0.14%	-1.37%	0.40%
Total Portfolio	0.31%	0.05%	0.04%	-0.64%	0.18%
Total Benchmark	0.26%	0.01%	0.05%	-0.55%	0.15%

Historical Annual Performance

	FY2010	FY2011	FY2012	FY2013	Fiscal YTD Ending 9/30/2013
Total Portfolio	3.01%	1.26%	1.74%	-0.25%	0.18%
Benchmark	2.97%	1.08%	1.85%	-0.24%	0.15%

Asset Allocation

Asset Allocation
As of September 30, 2013

	Market Value (in millions)	Allocation Percentage	Target Asset Allocation (in millions)
State Treasury Fund (Money Market Mutual Fund)	\$165.6		
The Bank of Edwardsville (Money Market Account)	25.0		
MB Financial (Money Market Account)	25.0		
Subtotal Cash & Cash Equivalents	\$215.6	67%	\$40 Minimum
Western Asset - Intermediate Term Portfolio	104.4	33%	\$65-115
Total Portfolio	\$320.0		

Fees

Investment Manager Fees*

	Basis Points As of 6/30/13	9/30/2012	12/31/2012	3/31/2013	6/30/2013	Four Quarter Total
State Treasury Fund (Money Market Mutual Fund)	8.2	\$ 21,765	\$ 17,933	\$ 24,914	\$ 21,704	\$ 86,316
Western Asset - Intermediate Term Portfolio	25.0	64,166	64,234	64,190	64,029	256,619
Total Investment Manager Fees		\$ 85,931	\$ 82,167	\$ 89,104	\$ 85,733	\$ 342,935

Custody Bank Fees*

	9/30/2012	12/31/2012	3/31/2013	6/30/2013	Four Quarter Total
JP Morgan Chase	\$ 5,083	\$ 4,938	\$ 4,958	\$ 5,275	\$ 20,254

* Fees for the current quarter were not available at the time this report was prepared. All fees are reflected on an accrual basis.

Note: There are no fees associated with the money market accounts at The Bank of Edwardsville and MB Financial.

Capital Investments

Capital Investments Position

Investment Balance

Market Value (\$ in millions)

	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013
Housing & Auxiliary Facilities System					
Construction Proceeds	21.7	22.5	18.1	10.9	2.4
Interest Sinking Fund	14.2	15.4	22.2	7.6	14.2
Debt Service Reserve	8.4	8.4	8.4	8.3	8.3
Total HAFS	<u>44.3</u>	<u>46.3</u>	<u>48.7</u>	<u>26.8</u>	<u>24.9</u>
Medical Facilities System					
Construction Proceeds	0.0	0.0	0.0	0.0	0.0
Interest Sinking Fund	0.9	0.9	1.3	0.4	0.9
Debt Service Reserve	0.0	0.0	0.0	0.0	0.0
Total MFS	<u>0.9</u>	<u>0.9</u>	<u>1.3</u>	<u>0.4</u>	<u>0.9</u>
Certificates of Participation					
Construction Proceeds	0.0	0.0	0.0	0.0	0.0
Interest Sinking Fund	0.0	0.0	0.0	0.0	0.0
Debt Service Reserve	0.0	0.0	0.0	0.0	0.0
Total COPS	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Capital Investment Portfolio	\$ 45.2	\$ 47.2	\$ 50.0	\$ 27.2	\$ 25.8

Capital Investments are managed internally and are invested in high quality, low risk government securities. The investment maturity, rate of return and type are limited by covenants in the debt financing documents.



SOUTHERN ILLINOIS UNIVERSITY



FY 2013 Financial Performance Report

Year End Report



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INTRODUCTION

SIU FY13 FINANCIAL PERFORMANCE REPORT

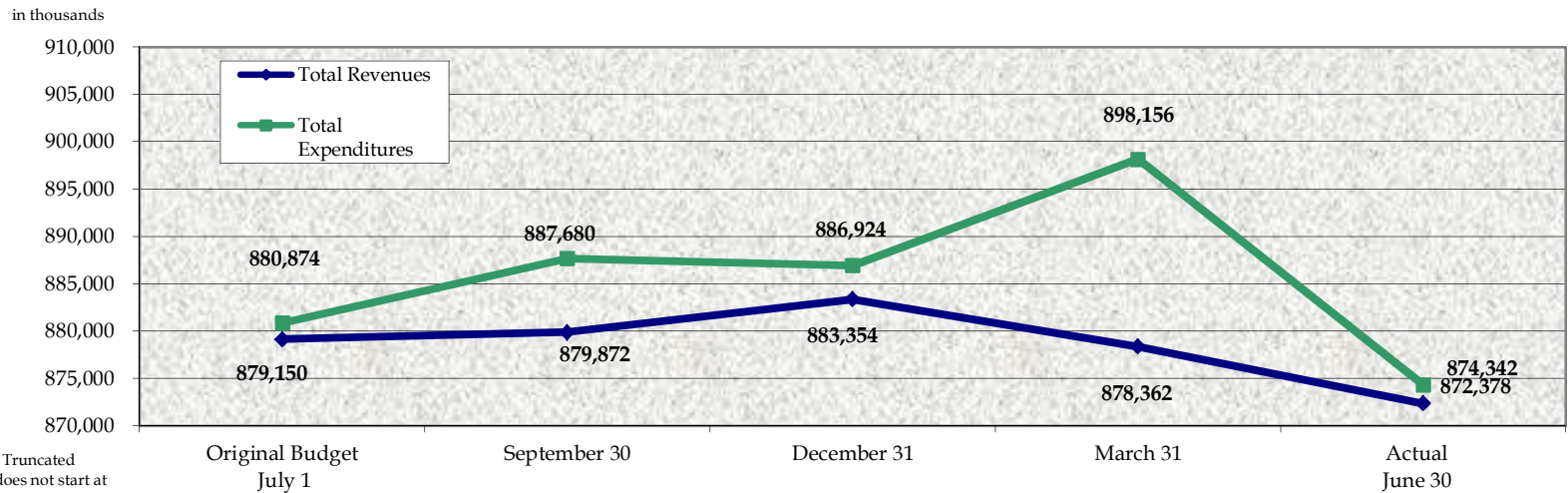
This report provides information on the financial performance of SIU's major operating fund groups for FY2013. Schedule A shows how the budget was adjusted during the year, as presented in periodic reports to the Board. It also compares revenue and expenditure estimates with actual year-end totals. Schedule B provides a University-wide summary of financial performance for each fund group. Schedule C compares FY13 results with the prior year and with budget for each fund group.

It should be noted that this report is presented on a cash basis except for the revenue bond fund group, which is on a modified accrual basis, and would, therefore, differ from the University's annual audited financial statements which are presented on an accrual basis. Also, this report deals only with operating fund groups; cash balances in this report would differ from the University's annual financial statement, which includes all funds.

SIU FINANCIAL PERFORMANCE REPORT

Southern Illinois University
Summary of Combined Budgetary Adjustments and Year End Actual Performance
(Excludes Service Departments)

Fiscal Year 2013 (\$ in thousands)	Original Budget July 1	September 30	December 31	March 31	Actual June 30 (1)	% Diff. from Revised Budget
Total Revenues	879,150	879,872	883,354	878,362	872,378 (4)	-1%
Total Expenditures	880,874	887,680	886,924	898,156	874,342	-3%
Net Operating Results	(1,724)	(7,808)	(3,570)	(19,794)	(1,964)	
Beginning Cash Balance	109,495	122,345	122,345	122,345	122,345	
Ending Cash Balance (2) (3)	107,771	114,537	118,775	102,551	120,381	17%



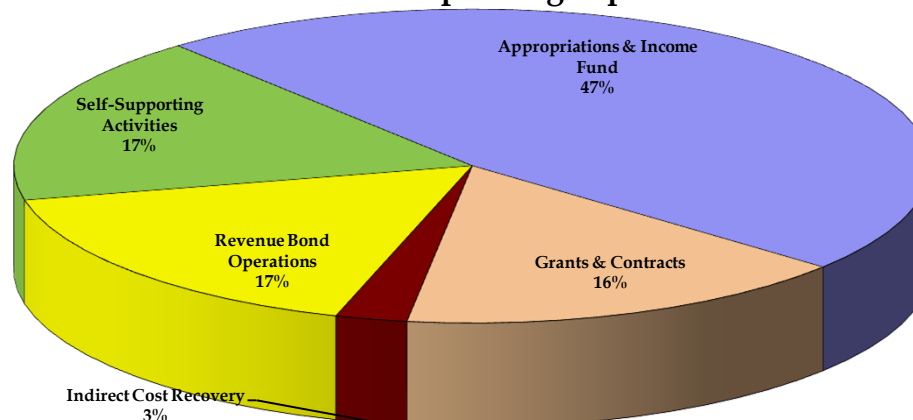
- (1) Includes lapse period dollars.
- (2) Cash balances are used for ongoing operational costs of academic/support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (3) Ending Cash is unaudited and has not been adjusted for transfers or other accounting adjustments.
- (4) Includes approximately \$31.4 million that was uncollected in state appropriations as of 8/16/13.

SIU FINANCIAL PERFORMANCE REPORT

Southern Illinois University
Fiscal Year 2013 Net Operating Results by Fund Group

	Appropriations (1) & Income Fund	Grants (2) and Contracts	Indirect Cost Recovery	Revenue Bond Operations	Self-Supporting Activities	Total	Service (3) Departments
Total Revenue	413,935,998 ⁽⁶⁾	141,060,400	19,477,200	146,562,700	151,342,510	872,378,808	156,773,493
Total Expenditures	413,152,498	141,060,400	22,082,100	145,861,800	152,186,004	874,342,802	152,222,653
Net Operating Results (+/-)	783,500	0	(2,604,900)	700,900	(843,494)	(1,963,994)	4,550,841
Beginning Cash Balance (4)	\$16,516,746	\$0	\$35,479,024	\$21,831,648	\$48,517,135	\$122,344,552	\$6,296,050
Ending Cash Balance (5)	<u>\$17,300,246</u>	<u>\$0</u>	<u>\$32,874,124</u>	<u>\$22,532,548</u>	<u>\$47,673,640</u>	<u>\$120,380,559</u>	<u>\$10,846,890</u>

Distribution of Operating Expenditures

**Note:**

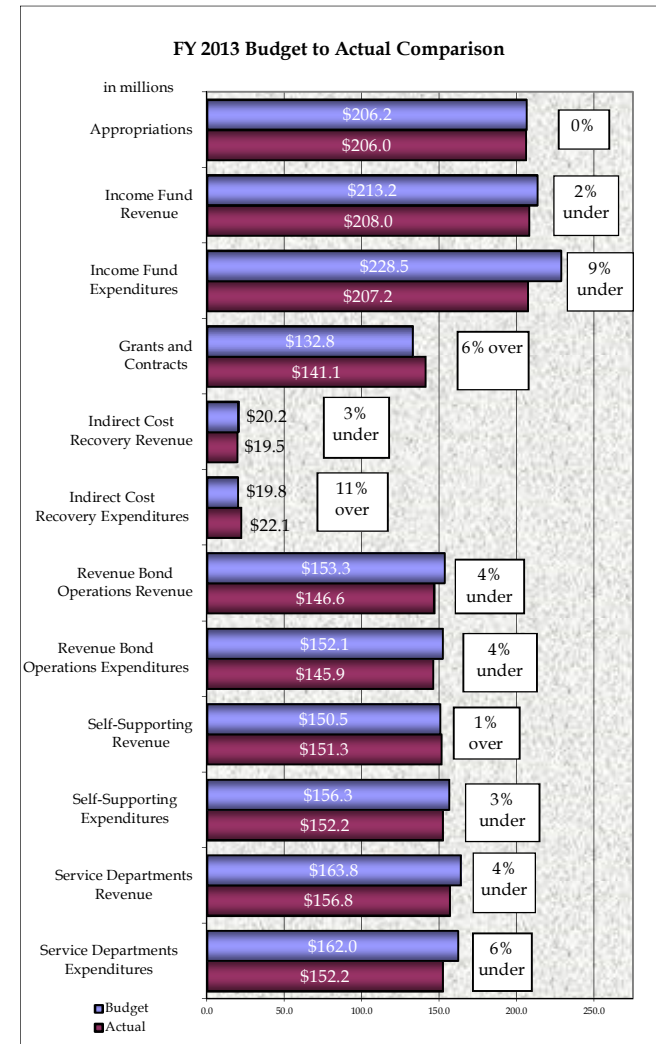
- (1) Appropriations - Direct payments by the State of Illinois for staff benefits on behalf of the University total about \$222 million.
- (2) Grants and Contracts - Revenues received from external sources match expenditures over the life of the grant, therefore the cash balance is reflected as zero.
- (3) Service Departments act as "flow through" accounts for services provided to University departments. In order to avoid double-counting of financial transactions, revenue and expenditures are not added to the University totals.
- (4) Cash balances are used for ongoing operational costs of academic/support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (5) Ending Cash is unaudited and has not been adjusted for transfers or other accounting adjustments. Actual Ending Cash balance will be reported as Beginning Cash balance on the First Quarter report for FY 2014.
- (6) Includes approximately \$31.4 million that was uncollected in state appropriations as of 8/16/13.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIU FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

Southern Illinois University - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations (a) (b)				
Expenditures	219,501,500	205,965,800	(13,535,700)	-6%
Income Fund (b)				
Revenue	203,011,000	207,969,100	4,958,100	2%
Expenditures	199,842,000	207,185,600	7,343,600	4%
Net Result	3,169,000	783,500	(2,385,500)	
Grants and Contracts (c)				
Expenditures	150,929,300	141,060,400	(9,868,900)	-7%
Indirect Cost Recovery				
Revenue	30,012,400	19,477,200	(10,535,200)	-35%
Expenditures	24,841,700	22,082,100	(2,759,601)	-11%
Net Result	5,170,700	(2,604,900)	(7,775,599)	
Revenue Bond Operations				
Revenue	147,933,500	146,562,700	(1,370,800)	-1%
Expenditures	149,462,400	145,861,800	(3,600,600)	-2%
Net Result	(1,528,900)	700,900	2,229,800	
Self-Supporting Activities				
Revenue	148,100,600	151,342,500	3,241,900	2%
Expenditures	141,213,300	152,186,000	10,972,700	8%
Net Result	6,887,300	(843,500)	(7,730,801)	
Service Departments				
Revenue	137,849,600	156,773,500	18,923,900	14%
Expenditures	137,648,800	152,222,700	14,573,900	11%
Net Result	200,800	4,550,801	4,350,001	



Note: Budgets as of 3/31/13 except for Appropriations, which is reported at end of lapse period.

(a) General Revenue Funds are held in the State's Treasury and funds are released when vouchered; therefore, revenue matches expenditures.

(b) Includes lapse period dollars.

(c) Grants and Contracts - Revenues received from external sources match expenditures over the life of the grant.

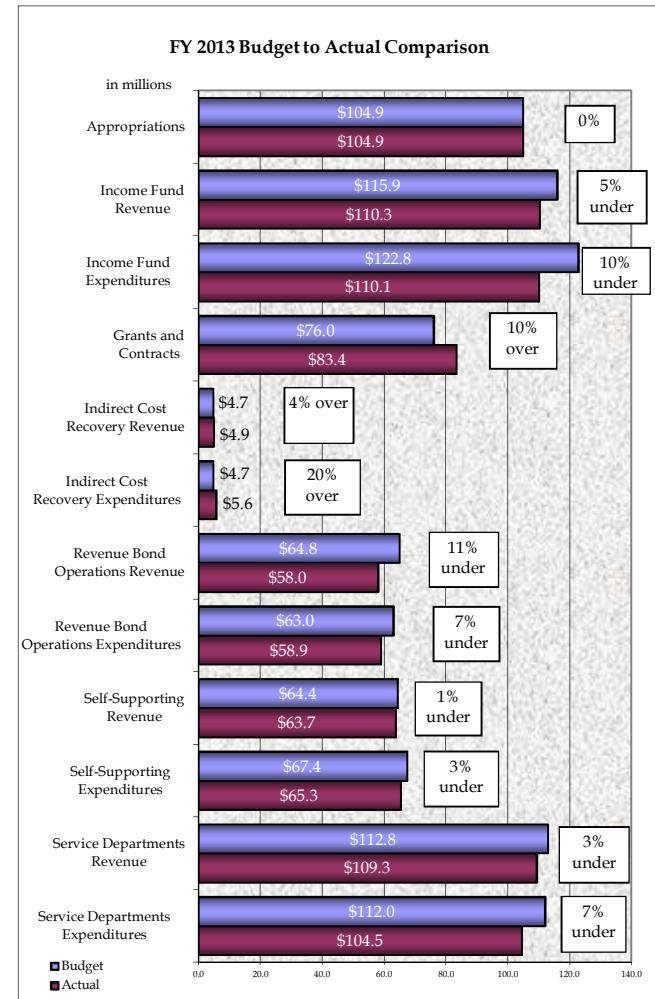
Numbers are rounded to the nearest hundred.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIU FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

SIU Carbondale - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations				
Expenditures	112,409,100	104,876,400	(7,532,700)	-7%
Income Fund				
Revenue	110,690,800	110,293,300	(397,500)	0%
Expenditures	108,405,500	110,073,400	1,667,900	2%
Net Result	2,285,300	219,900	(2,065,400)	
Grants and Contracts				
Expenditures	88,562,800	83,371,300	(5,191,500)	-6% (1)
Indirect Cost Recovery				
Revenue	5,819,400	4,865,900	(953,500)	-16% (2)
Expenditures	9,693,300	5,624,700	(4,068,600)	-42% (3)
Net Result	(3,873,900)	(758,799)	3,115,101	
Revenue Bond Operations				
Revenue	60,360,800	57,959,000	(2,401,800)	-4% (4)
Expenditures	62,121,000	58,857,300	(3,263,700)	-5% (5)
Net Result	(1,760,200)	(898,300)	861,900	
Self-Supporting Activities				
Revenue	63,757,300	63,736,000	(21,300)	0%
Expenditures	61,278,900	65,334,800	4,055,900	7% (6)
Net Result	2,478,400	(1,598,800)	(4,077,200)	
Service Departments				
Revenue	89,111,700	109,282,300	20,170,600	23% (7)
Expenditures	89,561,300	104,457,400	14,896,100	17% (8)
Net Result	(449,600)	4,824,900	5,274,500	



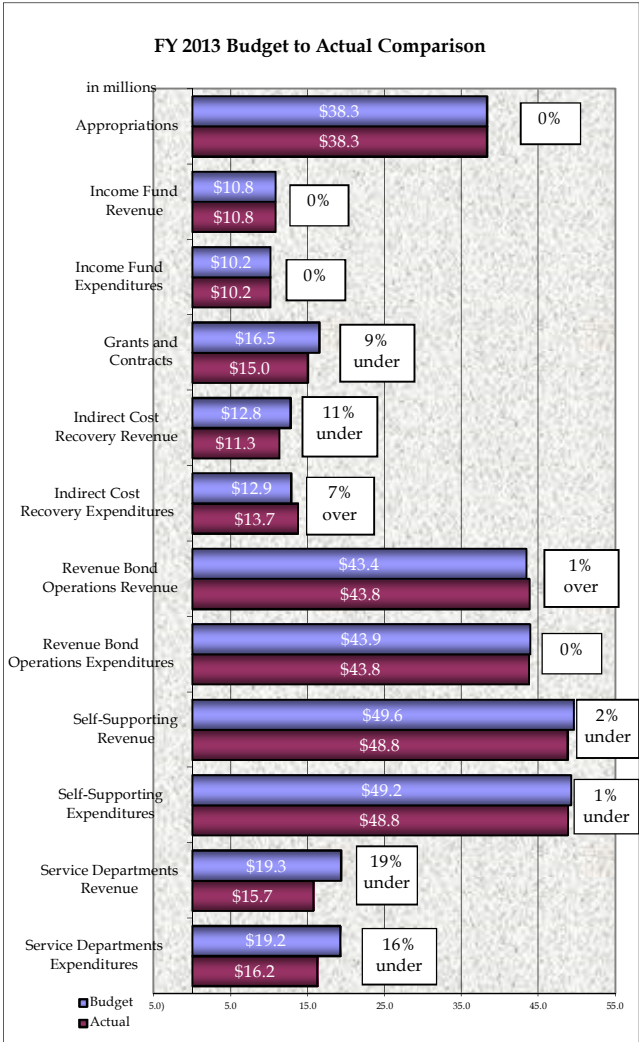
- (1) Decrease due to decreases in sponsored project awards and programs such as Pell Grant, SEOG, Illinois Worknet, Clean Coal Program, and others.
- (2) Decrease due to decrease in revenue from Grant & Contract expenditures.
- (3) Decrease due to expenditures being transferred from state funding during the first half of FY13.
- (4) Decrease due to decreases in housing income from a decline in occupancy for FY13. Conference lodging was down due to the loss of a major conference participant.
- (5) Decrease due to decreases in transfers to the Repair and Replacement Reserve.
- (6) Increased due to projects being completed such as replacing chilled water coils in Life Science II, renovating Pulliam pool, and roof replacements.
- (7) Increased due to construction of the new Student Services building.
- (8) Increase due to construction of the new Student Services building, hiring of extra help for working on facilities, and increase in Time & Materials work on Morris Library, Pulliam Hall, and the Plaza projects.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIUC FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

SIUC School of Medicine - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations				
Expenditures	40,075,000	38,300,700	(1,774,300)	-4%
Income Fund				
Revenue	9,337,200	10,798,800	1,461,600	16% (1)
Expenditures	9,015,500	10,162,200	1,146,700	13% (1)
Net Result	321,700	636,600	314,900	
Grants and Contracts				
Expenditures	15,483,500	15,012,100	(471,400)	-3%
Indirect Cost Recovery				
Revenue	21,456,800	11,326,100	(10,130,700)	-47% (2)
Expenditures	12,700,500	13,739,900	1,039,400	8% (3)
Net Result	8,756,300	(2,413,800)	(11,170,100)	
Revenue Bond Operations				
Revenue	42,273,700	43,821,700	1,548,000	4%
Expenditures	42,212,400	43,783,500	1,571,100	4%
Net Result	61,300	38,200	(23,100)	
Self-Supporting Activities				
Revenue	48,150,400	48,787,600	637,200	1%
Expenditures	47,038,000	48,827,500	1,789,500	4%
Net Result	1,112,400	(39,900)	(1,152,300)	
Service Departments				
Revenue	15,348,200	15,742,400	394,200	3%
Expenditures	15,345,000	16,247,500	902,500	6%
Net Result	3,200	(505,100)	(508,300)	



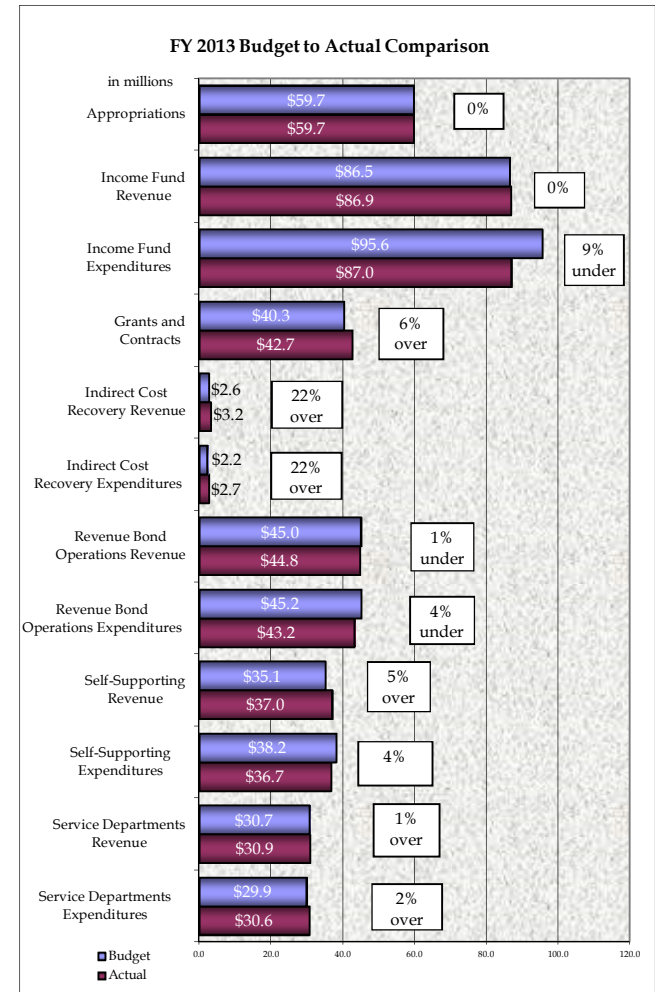
(1) Increase due to Physician's Assistant Program transfer from Carbondale to Springfield.
 (2) Decrease due to Medicaid Intergovernmental Transfer (IGT) funding for FY12 included retroactive "catch-up" revenues.
 (3) Increase due to funds transferred to Equipment & Technology Plant Fund for future equipment and software purchases.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIU FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

SIU Edwardsville - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations Expenditures	63,563,800	59,746,000	(3,817,800)	-6%
Income Fund Revenue	82,983,000	86,877,000	3,894,000	5% (1)
Income Fund Expenditures	82,421,000	86,950,000	4,529,000	5% (2)
Income Fund Net Result	562,000	(73,000)	(635,000)	
Grants and Contracts Expenditures	46,883,000	42,677,000	(4,206,000)	-9% (3)
Indirect Cost Recovery Revenue	2,676,000	3,213,000	537,000	20%
Indirect Cost Recovery Expenditures	2,403,000	2,697,000	294,000	12%
Indirect Cost Recovery Net Result	273,000	516,000	243,000	
Revenue Bond Operations Revenue	45,299,000	44,782,000	(517,000)	-1%
Revenue Bond Operations Expenditures	45,129,000	43,221,000	(1,908,000)	-4% (4)
Revenue Bond Operations Net Result	170,000	1,561,000	1,391,000	
Self-Supporting Activities Revenue	34,501,000	37,036,000	2,535,000	7% (5)
Self-Supporting Activities Expenditures	31,491,000	36,705,000	5,214,000	17% (5)
Self-Supporting Activities Net Result	3,010,000	331,000	(2,679,000)	
Service Departments Revenue	32,629,000	30,872,000	(1,757,000)	-5% (6)
Service Departments Expenditures	31,856,000	30,638,000	(1,218,000)	-4% (6)
Service Departments Net Result	773,000	234,000	(539,000)	



(1) Increase due to tuition rate increase.

(2) Increase due to planned salary increases for non-negotiated and negotiated employees and shifting expenditures from State Appropriations.

(3) Decrease due to less State grant funding, with the largest being National Corn to Ethanol Research Center capital grants.

(4) Decrease due to lower non-mandatory RRR transfers and reduced debt service at the University Center due to refunding of bonds.

(5) Revenue increase due to the Pepsi sponsorship and rebate checks for both FY12 and FY13 being deposited in FY13, higher P-Card rebate, Textbook Sales were higher, increased off-campus enrollments, and increased Athletics Sponsorships. Expenditures increase due to several projects supported by the Facilities Fee, textbook purchases increased, and the Nursing Clinical Program Fee to support the Carbondale Regional Nursing Program and the Doctorate of Nursing Program.

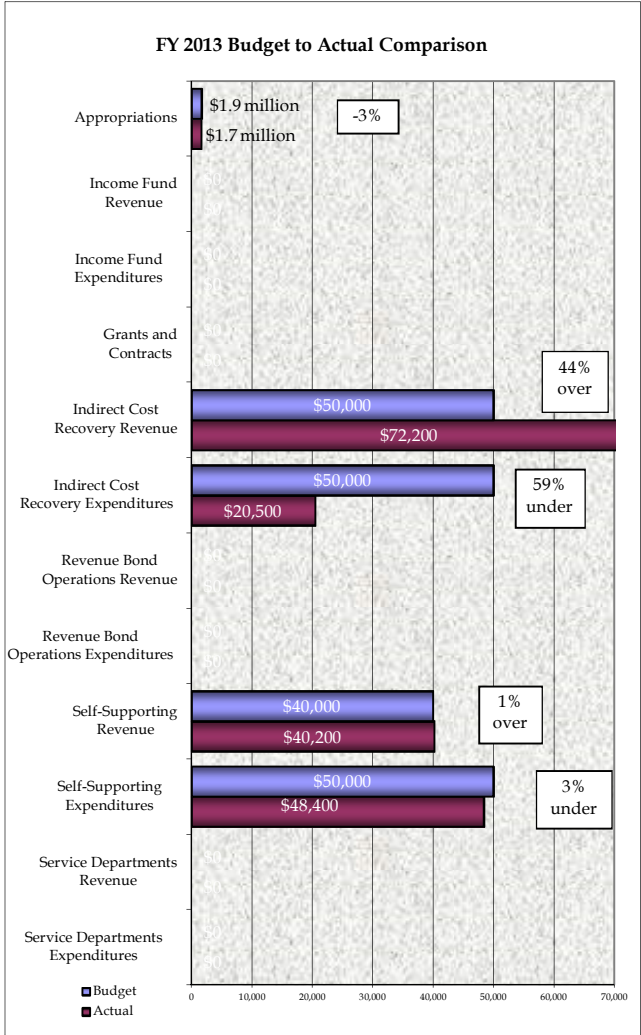
(6) Decreases due to the lower electricity rates and a late utility billing posted to FY12, Facilities Management was short staffed in FY13, did not utilize temporary workers as in the past, and had less vacation/sick leave buyouts, and Transportation Services purchased/replaced fewer vehicles in FY13.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIU FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

SIU University Administration - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations				
Expenditures	1,729,300	1,629,900	(99,400)	-6% (1)
Income Fund				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	
Grants and Contracts				
Expenditures	0	0	0	0%
Indirect Cost Recovery				
Revenue	60,200	72,200	12,000	20% (2)
Expenditures	44,900	20,500	(24,400)	-54% (3)
Net Result	15,300	51,700	36,400	
Revenue Bond Operations				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	
Self-Supporting Activities				
Revenue	35,500	40,200	4,700	13% (2)
Expenditures	49,700	48,400	(1,300)	-3%
Net Result	(14,200)	(8,200)	6,000	
Service Departments				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	



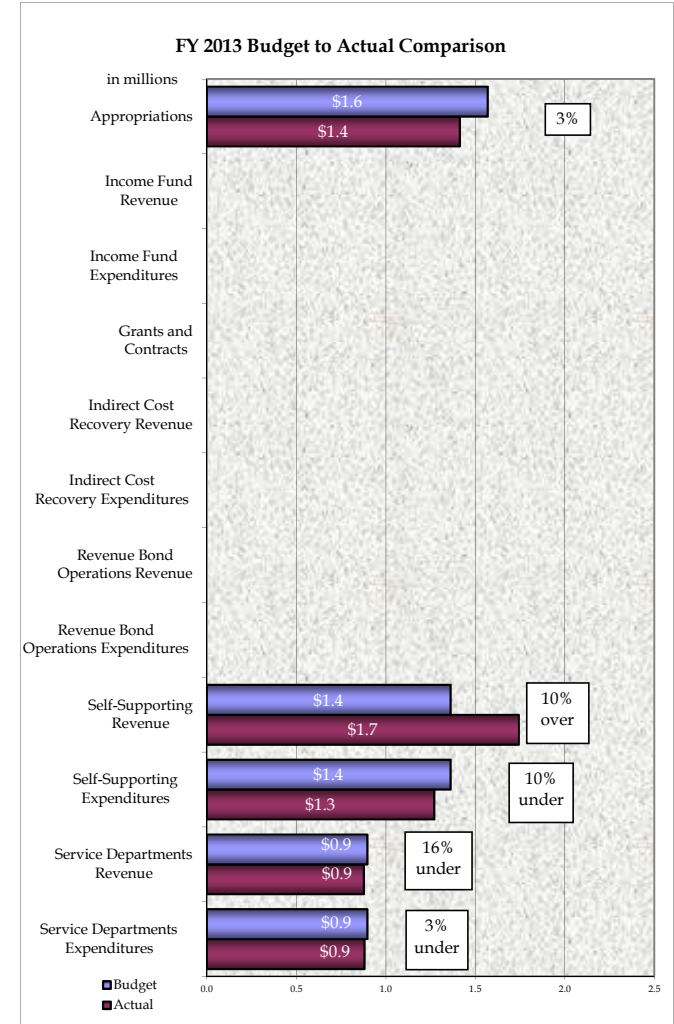
(1) Decrease due to staff departures.
 (2) Decrease due to timing of reimbursements.
 (3) Decreased due to fluctuations that occur in the normal course of business.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

SIU FINANCIAL PERFORMANCE - COMPARATIVE STATEMENT

SIU University Wide Services - Statement of Financial Performance for Fiscal Year 2013

Major Fund Groups	Comparison to the Prior Fiscal Year			
	FY 2012	FY 2013	\$ Change	% Change
Appropriations				
Expenditures	1,724,300	1,412,800	(311,500)	-18% (1)
Income Fund				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	
Grants and Contracts				
Expenditures	0	0	0	0%
Indirect Cost Recovery				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	
Revenue Bond Operations				
Revenue	0	0	0	0%
Expenditures	0	0	0	0%
Net Result	0	0	0	
Self-Supporting Activities				
Revenue	1,656,400	1,742,700	86,300	5%
Expenditures	1,355,700	1,270,300	(85,400)	-6% (1)
Net Result	300,700	472,400	171,700	
Service Departments				
Revenue	760,700	876,800	116,100	15% (2)
Expenditures	886,500	879,800	(6,700)	-1%
Net Result	(125,800)	(3,000)	122,800	



(1) Decrease due to transferring the Connect SI account to Carbondale campus and staff departures.

(2) Increase due to timing of reimbursements.

Cash basis accounting except for Revenue Bond Operations, which are on modified accrual basis.

APPENDIX

DESCRIPTION OF MAJOR FUND GROUPS

Appropriated Fund

State appropriated funds include General Revenue Funds and Other State Funds, both of which come from Illinois tax dollars.

Income Fund

Income Fund revenue includes tuition revenue, off-campus program revenue, interest earnings on income fund deposits, and certain miscellaneous fee revenue. Tuition revenue is a direct result of student enrollment, student residency, credit hours, and tuition rates. Off-campus program revenue is based on charges sufficient to cover all instructional and administrative costs of the programs. LAC guidelines require that certain fee revenue such as application fees, course-specific fees and graduation fees be deposited into the income fund.

Grants and Contracts

Grants and contracts include funds received from governmental entities and private foundations and corporations for the support of various research projects, instructional and training programs, public service activities, student financial aid, and other programs. The specific use of these funds is restricted by contractual agreement with the sponsoring agency. Generally, revenues will equal expenditures over the life of the grant or contract.

Indirect Cost Fund

Indirect cost funds are recovered as overhead allowances on grants and contracts. They are used to help cover a share of expenses for such items as operation and maintenance, library services, sponsored project administration and general administration.

Revenue Bond

Operations of revenue bond financed facilities are reported in this fund group. Revenue Bond enterprises are funded primarily from student fees, operating charges, and sales and services of various activities and include such facilities as residence halls, student centers, and student recreation centers.

Self-Supporting Activities

Self-Supporting Activities include a wide range of operations, which are directly related to Instructional, Research, or Public Service units or support the overall objectives of the University. They may be Self-Supporting in whole or in part. Revenue is generally derived through student fees or sales of services. Examples include Shryock Auditorium, textbook services and athletic fees.

Service Departments

Service Departments provide specific types of services to University departments and are supported by internal charges to using departments. Such services might be purchased from outside sources but for reasons of convenience, cost or control are often provided more effectively by an in-house service department.