

July 11, 2014

Members of the Board Finance Committee

Roger Herrin, Chair
Donna Manering
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, July 24, 2014, in the Auditorium, 801 N. Rutledge, Southern Illinois University School of Medicine, Springfield, IL. The following items have been suggested for the agenda:

1. Approval of Minutes of the May 8 and June 24, 2014, meetings (enclosure).
2. Proposed Replacement of the Board of Trustees 5 Policies J Electronic Information Systems Privacy Issues and Statement of Ethics and K Information Technology: Operations Policy at Southern Illinois University [Replacement of 5 Policies of the Board J and K] (Board Agenda Item K).
3. Proposed Revisions to 5 Policies of the Board G (Travel Regulations) (Board Agenda Item L).
4. Approval of Purchase: Investment Management Services, Southern Illinois University (Board Agenda Item M).
5. Reorganization of Office of Institutional Diversity and Inclusion From Office of Provost and Vice Chancellor for Academic Affairs To Office of the Chancellor, SIUE (Board Agenda Item N).
6. Reorganization of East St. Louis Center From Office of the Provost and Vice Chancellor for Academic Affairs To Office of the Vice Chancellor for Administration, SIUE (Board Agenda Item O).
7. Other business.

Finance Committee

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Enclosed is the FY 14 Third Quarter Investment Report.

Yours truly,

Duane Stucky

Senior Vice President for Financial and Administrative Affairs
and Board Treasurer

DS/lap

Enclosures

cc: Don Lowery
Mitch Morecraft
Shirley Portwood

Joel Sambursky
Marquita Wiley
Randy J. Dunn

Julie Furst-Bowe
Paul Sarvela
Other Interested Parties

BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY

Minutes of the Finance Committee Meeting

May 8, 2014

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: Roger Herrin (Chair), Jesse Cler, Donna Manering and Randal Thomas. Other Board members present were: Don Lowery, Nick Mehner, Shirley Portwood, Joel Sambursky and Marquita Wiley. Executive Officers present were: President Randy J. Dunn; 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 April 17, 2014, meeting as submitted. The motion was seconded by Trustee Thomas and passed by the Committee.

SIUC Tuition and Fee Items:

Proposed Increase: Facilities Maintenance Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-6 and A-24] (Board Agenda Item J).

Proposed Increase: Flight Training Charges, SIUC [Amendment to 4 Policies of the Board Appendix A-4] (Board Agenda Item K).

Proposed Increase: Information Technology Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-6 and A-23] (Board Agenda Item L).

Proposed Increase: Intercollegiate Athletic Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item M).

Proposed Increase: Mass Transit Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item N).

Proposed Increase: Residence Hall Rates and Apartment Rentals, SIUC [Amendment to 4 Policies of the Board Appendix A-18] (Board Agenda Item O).

Proposed Increase: Student Activity Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-6 and A-11] (Board Agenda Item P).

Proposed Increase: Student Center Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item Q).

Proposed Increase: Student Medical Benefit (SMB): Student Health Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item R).

Proposed Increase: Student Medical Benefit (SMB): Student Insurance Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item S).

Proposal to Create a Student Media Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-2, A-6 and Addition of A-27] (Board Agenda Item T).

Proposed Change in SIU School of Law Tuition Policy [Amendment to 4 Policies of the Board Appendix A-1.A] (Board Agenda Item U).

President Dunn stated that these matters had been discussed before the May 7 Board Executive Session. He requested that Agenda Item T (the Student Media Fee) be tabled in order that, over the next year, he may work with the campus to review the operations and business model of the Daily Egyptian. He noted that great work has already been done to contain costs. If so warranted, the fee proposal could be brought back to the Board next year. He noted that the President's Office would be providing financial resources during the next year for the Daily Egyptian to continue operations. President Dunn also requested that Agenda Item M (the Intercollegiate Athletic Fee) be temporarily tabled so that he could have time to review Athletics' financial operations and fund balances. Trustee Herrin stated that the Board unanimously concurred with President Dunn's recommendations.

Trustee Thomas recommended approval of the matters, except Items M and T (tabling Item M), and that they be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

SIUE Tuition and Fee Items:

Proposed Increase: Athletic Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item V).

Proposed Increase: Facilities Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item W).

Proposed Increase: Information Technology Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item X).

Proposed Increase: Student Fitness Center Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item Y).

Proposed Increase: Student Welfare and Activity Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item Z).

Proposed Increase: Textbook Rental Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item AA).

Proposed Increase: University Center Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item BB).

Proposed Increase: University Housing Occupancy Fee Rates and Meal Plans, SIUE [Amendment to 4 Policies of the Board Appendix B-11] (Board Agenda Item CC).

Proposed 15% Differential Tuition Surcharge: Undergraduate Majors in the School of Engineering, SIUE [Addition to 4 Policies of the Board Appendix B-1, Note 5] (Board Agenda Item DD).

Proposed Alternate Tuition Rate: Undergraduate and Graduate Dual Diploma Programs, SIUE [Amendment to 4 Policies of the Board Appendix B-1.B.4] (Board Agenda Item EE).

President Dunn pointed out that the Differential Tuition Surcharge for the School of Engineering is new, and he stated his support for the careful, thoughtful use of differential tuition approaches. He reiterated from yesterday's discussion that SIU will need to be clear in communications to students during recruitment regarding differential tuition programs.

Trustee Manering recommended approval of the matters and that they be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Temporary Financial Arrangements for Fiscal Year 2015 (Board Agenda Item FF).

Senior Vice President Stucky stated that the temporary financial arrangements are necessary due to the lack of an approved FY 15 State budget.

Trustee Manering recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Committee.

FY 2015 Operating and Capital Budgets Planning Guidelines (Board Agenda Item GG) (Joint discussion with the Architecture and Design Committee).

Senior Vice President Stucky stated that these general Guidelines allow the campuses to begin FY 2015 budget planning.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Finance and Architecture and Design Committees.

Approval of Purchase: Public Broadcasting Service (PBS) Station Dues for WSIU-TV and WUSI-TV Programming Broadcasting Service, Carbondale Campus, SIUC (Board Agenda Item HH).

Chancellor Cheng reviewed the matter.

Trustee Cler recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Finance Committee.

Approval of Purchase: Computers and Computer Accessories, Carbondale Campus, SIUC (Board Agenda Item II).

Chancellor Cheng reviewed the matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval of Purchase: Marketing Communications Services, Carbondale Campus, SIUC (Board Agenda Item JJ).

Trustee Thomas requested that this matter be deferred to President Dunn for further information.

Approval of Purchase: Solid Waste Removal and Cardboard Recycling for Carbondale Campus, SIUC (Board Agenda Item LL).

Chancellor Cheng reviewed the matter.

Trustee Cler recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Finance Committee.

Approval of Purchase: Plumbing Supplies, Carbondale Campus, SIUC (Board Agenda Item MM).

Chancellor Cheng reviewed the matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Supplemental Requisition Approval: Coal, Coal Hauling, Ash Disposal and Ash Hauling, Carbondale Campus, SIUC (Board Agenda Item NN).

Chancellor Cheng reviewed the matter. In response to a question from Trustee Herrin, Chancellor Cheng, Vice Chancellor Kevin Bame, and Plant and Service Operations Director Phil Gatton explained the error in computation and additional usage resulting in this supplemental request.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval of Purchase: Limestone, Carbondale Campus, SIUC (Board Agenda Item OO).

Approval of Purchase: Limestone Hauling Services, Carbondale Campus, SIUC (Board Agenda Item PP).

Chancellor Cheng reviewed the matters.

Trustee Cler recommended approval of the matters and that they be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Finance Committee.

Approval of Purchase: Under Armour Athletic Apparel, Carbondale Campus, SIUC (Board Agenda Item RR).

Chancellor Cheng reviewed the matter. In response to a question from Trustee Herrin, Chancellor Cheng explained the apparel is purchased season by season, fairly equally between the three years of the contract.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval of Purchase: Practice Management System, Springfield Medical Campus, SIUC (Board Agenda Item TT).

Chancellor Cheng reviewed the matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Approval to Purchase: Software Maintenance Renewal, SIUE (Board Agenda Item WW).

Chancellor Furst-Bowe reviewed the matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval to Purchase: Software Management Renewal, SIUE (Board Agenda Item XX).

Chancellor Furst-Bowe reviewed the matter.

Trustee Cler recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Approval to Purchase: Athletic Apparel, SIUE (Board Agenda Item YY).

Chancellor Furst-Bowe reviewed the matter. In response to a question by Trustee Herrin, Chancellor Furst-Bowe confirmed that this purchase does not contain Under Armour apparel.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval to Purchase: Items for Resale, SIUE (Board Agenda Item ZZ).

Chancellor Furst-Bowe reviewed the matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Finance Committee.

Approval to Purchase: Natural Gas, SIUE (Board Agenda Item AAA).

Chancellor Furst-Bowe reviewed the matter.

Trustee Manering recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Cler and was passed by the Finance Committee.

Approval to Purchase: Media Creation and Buying Services, SIUE (Board Agenda Item BBB).

Trustee Thomas requested that this matter be deferred to President Dunn for further information.

Approval of Salary: Dean of College of Science, SIUC (Refer to Board Agenda Item CCC).

Chancellor Cheng requested Finance Committee approval of the salary for:

Laurie A. Achenbach as Dean of the College of Science, effective July 1, 2014, at an annual salary of \$193,008.

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

Approval of Salary: Dean of College of Mass Communication & Media Arts, SIUC (Refer to Board Agenda Item DDD).

Chancellor Cheng requested Finance Committee approval of the salary for:

Dafna Lemish as Dean of the College of Mass Communication and Media Arts, effective July 1, 2014, at an annual salary of \$182,004.

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

Approval of Salary: Provost and Vice Chancellor for Academic Affairs, SIUE (Refer to Board Agenda Item EEE).

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

Parviz Ansari as Provost and Vice Chancellor for Academic Affairs, effective July 1, 2014, at an annual salary of \$220,000.

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

Other Business.

There being no further business, the meeting was adjourned.

DS/lap

BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY

Minutes of the Finance Committee Meeting

June 24, 2014

The Finance Committee met at 12:25 p.m. following the Executive Session in the Special Events Room of Birger Hall, Southern Illinois University Edwardsville, Edwardsville, IL. Present were: Roger Herrin (Chair), Donna Manering and Randal Thomas. Absent was: Jesse Cler. Other Board members present were: Don Lowery, Joel Sambursky and Marquita Wiley. Absent were: Nick Mehner and Shirley Portwood. Executive Officers present were: President Randy J. Dunn; 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.

Approval of Salary of Interim Dean, College of Business, SIUC (Refer to Board Agenda Item A).

Approval of Salary of Associate Dean, College of Business, SIUC (Refer to Board Agenda Item B).

Approval of Salary of Interim Dean, College of Liberal Arts, SIUC (Refer to Board Agenda Item C).

President Dunn explained the need for the June 1 appointment for the Associate Dean of the College of Business, pending Board approval. Chancellor Cheng provided background on the proposed appointments and requested Finance Committee approval of the salaries of:

Jason Greene as Interim Dean of the College of Business, effective July 1, 2014, at an annual salary of \$266,640.

Cheryl Burke Jarvis as Associate Dean of the College of Business, effective June 1, 2014, at an annual salary of \$231,024.

Jane Swanson as Interim Dean of the College of Liberal Arts, effective July 1, 2014, at an annual salary of \$154,728.

Trustee Thomas recommended approval of the matters and that they be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Committee.

Proposed Increase: Intercollegiate Athletic Fee, SIUC [Amendment to 4 Policies of the Board Appendix A-6] (Board Agenda Item D).

President Dunn introduced Mario Moccia (Director of Intercollegiate Athletics) and Mark Scally (Associate Athletic Director), who provided information on the history of the Athletic Fee, the need for an increase, and the steps that Athletics has taken to increase ticket sales and revenue. Director Moccia quoted a June 5 article in *USA Today* on NCAA Division I finances which stated that SIUC was among only 5 out of 230 public schools surveyed in the country which had a decrease in campus subsidy to Athletics in each of the last three years. Within Illinois public institutions, SIUC had the lowest percentage of subsidy in campus funding sources other than the University of Illinois. In response to a question by Trustee Herrin, Director Moccia explained that there are few other efficiency options in the number of Athletics positions and salaries.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Committee.

Proposal to Create a Student Media Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-2, A-6 and Addition of A-27] (Board Agenda Item E).

President Dunn acknowledged the efforts made by Chair Thomas and several individuals to provide the Board with a report and additional background information on the student newspaper's operations and the proposed new fee. Chancellor Cheng stated that the fee has been discussed for several years at the campus level and expressed her support. School of Journalism Director William Freivogel assured Trustee Manering that the *Daily Egyptian* will not engage in predatory advertising pricing. Trustee Thomas stated that the fee, along with all other student fees, will be reviewed annually. Trustee Herrin reiterated that the Finance Committee's request to delay this matter from the May meeting was only to provide the Board and President with more time to receive background information prior to making a decision on a new student fee.

Trustee Manering recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Committee.

Approval of Purchase: Marketing Communications Services, Carbondale Campus, SIUC (Board Agenda Item F).

President Dunn stated that the campus lowered the cost of the proposed contract from their original May request.

Trustee Manering recommended the matter be moved for discussion before the entire Board. The motion was duly seconded by Trustee Thomas and was passed by the Committee.

Approval of Salary of Interim Dean, School of Nursing, SIUE (Refer to Board Agenda Item G).

President Dunn introduced Chancellor Furst-Bowe, who requested Finance Committee approval of the salary of:

Laura Bernaix as Interim Dean of the School of Nursing, effective July 1, 2014, through June 30, 2016, at an annual salary of \$161,069.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Committee.

Approval to Purchase: Media Creation and Buying Services, SIUE (Board Agenda Item I).

President Dunn stated that this matter was also held over from the May meeting.

Trustee Manering recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Thomas and was passed by the Committee.

Consideration and Approval of SIUE Chancellor Employment Agreement Provisions (Board Agenda Item J).

President Dunn recommended an amendment to Chancellor Furst-Bowe's employment agreement.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Manering and was passed by the Committee.

Other Business.

There being no further business, the meeting was adjourned.

DS/lap



Southern Illinois University

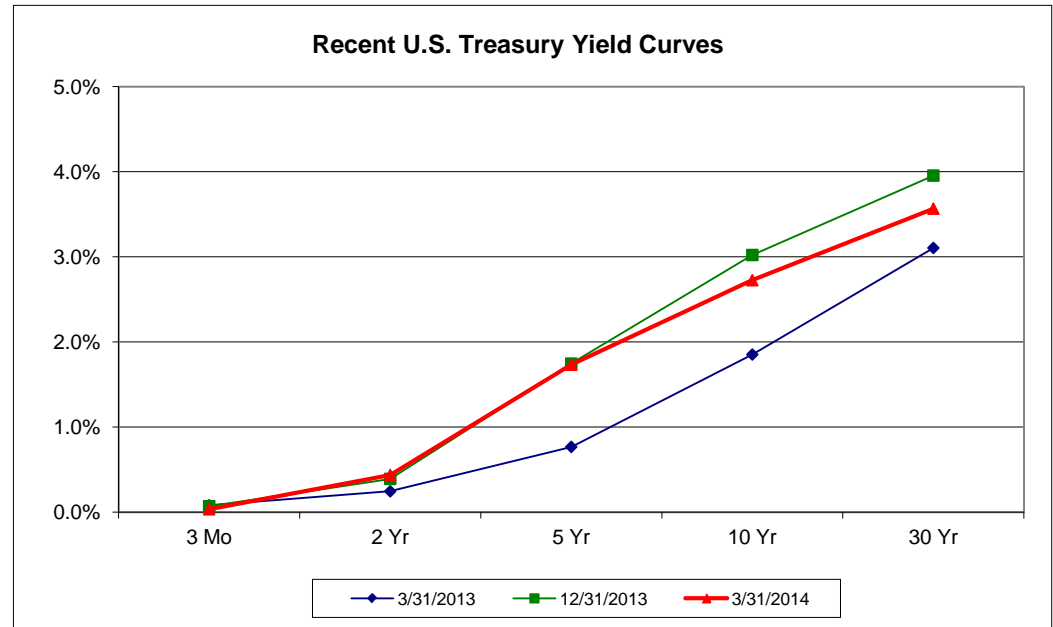
Quarterly Investment Report
March 31, 2014

Performance Analysis

Treasury yields decreased moderately for the quarter ending March 31, 2014, in maturities longer than five years. The yields on the 5-year, 10-year and 30-year maturities fell 1, 30 and 39 basis points, respectively, for the quarter, while 2-year T-Notes rose 5 bp. Treasury yields in 2 years on out are generally higher than where they stood a year ago (compare red vs. blue lines at right). The Treasury market and interest rates in general have held relatively firm so far this year despite the Federal Reserve's anticipated tapering of its open market bond purchases. A generally flat domestic economy has contributed to this firmness.

The decline in interest rates in the 5 to 10 year maturity range generated capital gains on SIU's longer dated assets leading to a positive overall portfolio return for the quarter. SIU's combined portfolio return of 0.25% for the quarter compares favorably to the -0.08% loss in the 4th quarter of 2013. The Intermediate Fund managed by Western Asset Management Company ("WAMCo") posted a 1st quarter of 2014 return of 0.75%, consisting of 0.20% in current income return (after fees), plus a price or capital gain of 0.55%. This 0.75% return compares quite favorably to the quarterly benchmark return of 0.64% on the Barclay's Intermediate U.S. Government Securities Index for the same period. 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 combined portfolio return of 0.25% for the quarter ending 3/31/2014 compares favorably to the weighted benchmark return of 0.20%. For the nine months ending 3/31/14, SIU's combined portfolio return is 0.36% versus a weighted benchmark of 0.20% for the same period.



Operating Investments

Operating Investment Position

Investment Balance

Market Value (\$ in millions)

	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014
State Treasury Fund (Money Market Mutual Fund)	\$ 99.3	\$ 99.6	\$ 165.6	\$ 126.2	\$ 179.4
The Bank of Edwardsville (Money Market Account)	25.0	25.0	25.0	25.0	25.0
MB Financial (Money Market Account)	25.0	25.0	25.0	25.1	25.1
Subtotal Cash & Cash Equivalents	\$ 149.3	\$ 149.6	\$ 215.6	\$ 176.3	\$ 229.5
Western Asset - Intermediate Portfolio	105.6	103.9	104.4	104.1	104.9
Total Portfolio	\$ 254.9	\$ 253.5	\$ 320.0	\$ 280.4	\$ 334.4
Due from State	141.2	60.5	55.2	82.8	79.7
Total Portfolio including Due from State	\$ 396.1	\$ 314.0	\$ 375.2	\$ 363.2	\$ 414.1

Market Value Change (\$ in millions)

	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014
Beginning Market Value	\$ 234.5	\$ 254.9	\$ 253.5	\$ 320.0	\$ 280.4
Deposits (Withdrawals)	20.4	0.3	65.9	(39.3)	53.1
Interest Income, Net of Fees	0.4	0.4	0.4	0.3	0.3
Realized Gain (Loss)	0.0	1.4	(0.2)	0.2	1.3
Unrealized Gain (Loss)	(0.4)	(3.5)	0.4	(0.8)	(0.7)
Ending Market Value	\$ 254.9	\$ 253.5	\$ 320.0	\$ 280.4	\$ 334.4

Operating Performance

Quarterly Performance

	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014
State Treasury Fund (Money Market Mutual Fund)	0.01%	0.01%	0.00%	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)	 0.04%	 0.03%	 0.03%	 0.03%	 0.03%
Benchmark: Ready Assets Prime MMF	0.00%	0.00%	0.00%	0.00%	0.00%
 Western Asset Intermediate Portfolio	 0.07%	 -1.59%	 0.47%	 -0.26%	 0.75%
Benchmark: Barclays Capital Int U.S. Govt	0.14%	-1.37%	0.40%	-0.42%	0.64%
 Total Portfolio	 0.04%	 -0.64%	 0.18%	 -0.08%	 0.25%
Total Benchmark	0.05%	-0.55%	0.15%	-0.15%	0.20%

Historical Annual Performance

	FY2010	FY2011	FY2012	FY2013	Fiscal YTD Ending 3/31/2014
Total Portfolio	3.01%	1.26%	1.74%	-0.25%	0.36%
Benchmark	2.97%	1.08%	1.85%	-0.24%	0.20%

Asset Allocation

Asset Allocation
As of March 31, 2014

	Market Value (in millions)	Allocation Percentage	Target Asset Allocation (in millions)
State Treasury Fund (Money Market Mutual Fund)	\$179.4		
The Bank of Edwardsville (Money Market Account)	25.0		
MB Financial (Money Market Account)	25.1		
Subtotal Cash & Cash Equivalents	\$229.5	69%	\$40 Minimum
Western Asset - Intermediate Term Portfolio	104.9	31%	\$65-115
Total Portfolio	\$334.4		

Fees

Investment Manager Fees*

	Basis Points As of 12/31/13	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Four Quarter Total
State Treasury Fund (Money Market Mutual Fund)	8.2	\$ 24,914	\$ 21,704	\$ 26,427	\$ 26,419	\$ 99,464
Western Asset - Intermediate Term Portfolio	25.0	64,190	64,029	63,752	63,927	255,898
Total Investment Manager Fees		<u>\$ 89,104</u>	<u>\$ 85,733</u>	<u>\$ 90,179</u>	<u>\$ 90,346</u>	<u>\$ 355,362</u>

Custody Bank Fees*

	3/31/2013	6/30/2013	9/30/2013	12/31/2013	Four Quarter Total
JP Morgan Chase	\$ 4,958	\$ 5,275	\$ 5,061	\$ 5,237	\$ 20,531

* 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)

	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014
Housing & Auxiliary Facilities System					
Construction Proceeds	18.1	10.9	2.4	0.9	0.3
Interest Sinking Fund	22.2	7.6	14.2	15.4	22.1
Debt Service Reserve	8.4	8.3	8.3	8.3	8.3
Total HAFS	<u>48.7</u>	<u>26.8</u>	<u>24.9</u>	<u>24.6</u>	<u>30.7</u>
Medical Facilities System					
Construction Proceeds	0.0	0.0	0.0	0.0	0.0
Interest Sinking Fund	1.3	0.4	0.9	1.0	1.4
Debt Service Reserve	0.0	0.0	0.0	0.0	0.0
Total MFS	<u>1.3</u>	<u>0.4</u>	<u>0.9</u>	<u>1.0</u>	<u>1.4</u>
Certificates of Participation					
Construction Proceeds	0.0	0.0	0.0	0.0	24.8
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>24.8</u>
Total Capital Investment Portfolio	\$ 50.0	\$ 27.2	\$ 25.8	\$ 25.6	\$ 56.9

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.