

January 4, 2008

**Members of the Board Finance Committee**

Keith Sanders, Chair  
John Simmons  
Roger Tedrick  
Stephen Wigginton  
Marquita Wiley

Dear Members of the Finance Committee:

There will be a meeting of the Finance Committee immediately following the Academic Matters Committee on Thursday, January 17, 2008, in the Meridian Ballroom of the Delyte W. Morris University Center, Southern Illinois University Edwardsville, Edwardsville, IL. The following items have been suggested for the agenda:

1. Approval of Minutes of the November 8, 2007, meeting (enclosure).
2. First Quarterly Budget Report for FY 2008 (enclosure).
3. Approval of Purchase: Marketing and Communications, SIUE (Board Agenda Item W).
4. Other business.

Yours truly,

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

DS/lap

Enclosures

cc: Samuel Goldman  
Ed Hightower  
Megan Pulliam

Christine Williams  
Glenn Poshard  
Fernando Treviño

Vaughn Vandegrift  
Constituency Heads  
Other Interested Parties

## BOARD OF TRUSTEES

### SOUTHERN ILLINOIS UNIVERSITY

#### Minutes of the Finance Committee Meeting

November 8, 2007

The Finance Committee met following the Executive Committee in Ballroom B of the Student Center, Southern Illinois University Carbondale, Carbondale, IL. Present were: Keith Sanders (Chair), John Simmons (via phone), Roger Tedrick and Marquita Wiley. Absent was: Steve Wigginton. Other Board members present were: Samuel Goldman, Ed Hightower, Megan Pulliam and Christine Williams. Executive Officers present were: President Glenn Poshard; Chancellor Fernando Treviño, SIUC; Chancellor Vaughn Vandegrift, SIUE; Vice President for Academic Affairs John S. Haller, Jr.; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

#### Minutes

Marquita Wiley recommended approval of the minutes of the September 20, 2007, meeting as submitted. John Simmons seconded the motion, and it was passed by the Committee.

#### Revision to Executive Committee and Finance Committee Bylaws and Addition of Audit Committee Bylaws [Amendments to III Bylaws of the Board 1, 3 and 6] (Board Agenda Item R).

General Counsel Blakemore reviewed the matter. Marquita Wiley commented that this is the first step to implementing, defining, and adopting a Charter, with additional work to be done in the coming months.

Marquita Wiley recommended approval of the matter and that it be placed on the Board's omnibus motion. The motion was duly seconded by Roger Tedrick and was passed by the Finance Committee.

#### Addition to Faculty and Staff Services [Addition of 2 Policies of the Board J] (Board Agenda Item S).

General Counsel Blakemore reviewed the matter. This proposal would make SIU the first public university in Illinois to adopt a Student Loan Code of Conduct. Keith Sanders commended General Counsel Blakemore for writing a strong statement and putting SIU in the forefront for establishing the Code of Conduct.

Marquita Wiley recommended approval of the matter and that it be placed on the Board's omnibus motion. The motion was duly seconded by Roger Tedrick and was passed by the Finance Committee.

#### Addition to Administrative and Financial Affairs Policies [Addition of 5 Policies of the Board M] (Board Agenda Item T).

General Counsel Blakemore reviewed the matter and gave special thanks to Jeff McLellan for his effort on the trademark review.

Marquita Wiley recommended approval of the matter and that it be placed on the Board's omnibus motion. The motion was duly seconded by John Simmons and was passed by the Finance Committee.

**Investments Report.**

Vice President Stucky provided a summary of the University's investments for the first quarter of Fiscal Year 2008. He discussed the possibility of combining the short and intermediate-term investments at Western Asset based on advice from SIU's Financial Advisor.

**Annual Financial Performance Report for FY 2007.**

Vice President Stucky reviewed the fiscal year's income and expenditures.

**Other Business.**

There being no further business, the meeting was adjourned.

DS/lap



Southern Illinois University

# First Quarter Budget Report

September 30, 2007

**Southern Illinois University - Combined Total  
FY 2008 Operating Budget  
by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$387,742,500	\$115,838,580	\$11,438,500	\$127,746,750	\$108,231,150	<b>\$750,997,480</b>	\$128,925,450
Budget as of 9/30/07	<u>389,283,200</u>	<u>115,838,580</u>	<u>11,438,500</u>	<u>127,946,800</u>	<u>108,227,450</u>	<b><u>752,734,530</u></b>	<u>128,918,450</u>
Revenue Budget Variance	\$1,540,700	\$0	\$0	\$200,050	(\$3,700)	<b>\$1,737,050</b>	(\$7,000)
% Change	0.4%	0.0%	0.0%	0.2%	0.0%	<b>0.2%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$387,835,000	\$115,838,580	\$12,008,100	\$126,005,850	\$106,783,250	<b>\$748,470,780</b>	\$129,779,950
Budget as of 9/30/07	<u>393,907,900</u>	<u>115,838,580</u>	<u>12,008,100</u>	<u>125,874,700</u>	<u>107,146,150</u>	<b><u>754,775,430</u></b>	<u>129,665,200</u>
Expenditures Budget Variance	\$6,072,900	\$0	\$0	(\$131,150)	\$362,900	<b>\$6,304,650</b>	(\$114,750)
% Change	1.6%	0.0%	0.0%	-0.1%	0.3%	<b>0.8%</b>	-0.1%
Planned Operating Results (+/-)	(4,624,700)	0	(569,600)	2,072,100	1,081,300	<b>(\$2,040,900)</b>	(746,750)
<b>Beginning Cash Balance (1)</b>	<b>\$4,847,200</b>	<b>\$0</b>	<b>\$14,172,294</b>	<b>\$16,914,578</b>	<b>\$23,390,025</b>	<b>\$59,324,098</b>	<b>\$4,237,655</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$222,500</u></b>	<b><u>\$0</u></b>	<b><u>\$13,602,694</u></b>	<b><u>\$18,986,678</u></b>	<b><u>\$24,471,325</u></b>	<b><u>\$57,283,198</u></b>	<b><u>\$3,490,905</u></b>

Notes:

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- (2) 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.

**Southern Illinois University Carbondale  
FY 2008 Operating Budget  
by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$212,435,100	\$64,105,000	\$4,300,000	\$53,916,550	\$54,582,550	<b>\$389,339,200</b>	\$88,809,550
Budget as of 9/30/07	213,883,100	64,105,000	4,300,000	54,116,600	54,578,850	<b>390,983,550</b>	88,802,550
Revenue Budget Variance	\$1,448,000	\$0	\$0	\$200,050	(\$3,700)	<b>\$1,644,350</b>	(\$7,000)
% Change	0.7%	0.0%	0.0%	0.4%	0.0%	<b>0.4%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$212,435,100	\$64,105,000	\$4,300,000	\$53,299,350	\$54,872,250	<b>\$389,011,700</b>	\$90,227,050
Budget as of 9/30/07	217,062,700	64,105,000	4,300,000	53,168,200	55,235,150	<b>393,871,050</b>	90,112,300
Expenditures Budget Variance	\$4,627,600	\$0	\$0	(\$131,150)	\$362,900	<b>\$4,859,350</b>	(\$114,750)
% Change	2.2%	0.0%	0.0%	-0.2%	0.7%	<b>1.2%</b>	-0.1%
Planned Operating Results (+/-)	(3,179,600)	0	0	948,400	(656,300)	<b>(\$2,887,500)</b>	(1,309,750)
<b>Beginning Cash Balance (1)</b>	<b>\$3,179,600</b>	<b>\$0</b>	<b>\$6,807,200</b>	<b>\$8,819,250</b>	<b>\$9,521,650</b>	<b>\$28,327,700</b>	<b>\$3,369,600</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$6,807,200</u></b>	<b><u>\$9,767,650</u></b>	<b><u>\$8,865,350</u></b>	<b><u>\$25,440,200</u></b>	<b><u>\$2,059,850</u></b>

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- (2) 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.

**Southern Illinois University School of Medicine  
FY 2008 Operating Budget  
by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$47,227,700	\$13,500,000	\$5,191,000	\$38,619,600	\$25,416,000	<b>\$129,954,300</b>	\$14,282,200
Budget as of 9/30/07	<u>47,324,400</u>	<u>13,500,000</u>	<u>5,191,000</u>	<u>38,619,600</u>	<u>25,416,000</u>	<b><u>130,051,000</u></b>	<u>14,282,200</u>
Revenue Budget Variance	\$96,700	\$0	\$0	\$0	\$0	<b>\$96,700</b>	\$0
% Change	0.2%	0.0%	0.0%	0.0%	0.0%	<b>0.1%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$47,320,200	\$13,500,000	\$5,706,100	\$37,072,900	\$24,917,500	<b>\$128,516,700</b>	\$13,798,900
Budget as of 9/30/07	<u>47,358,200</u>	<u>13,500,000</u>	<u>5,706,100</u>	<u>37,072,900</u>	<u>24,917,500</u>	<b><u>128,554,700</u></b>	<u>13,798,900</u>
Expenditures Budget Variance	\$38,000	\$0	\$0	\$0	\$0	<b>\$38,000</b>	\$0
% Change	0.1%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
Planned Operating Results (+/-)	(33,800)	0	(515,100)	1,546,700	498,500	<b>\$1,496,300</b>	483,300
<b>Beginning Cash Balance (1)</b>	<b>\$256,300</b>	<b>\$0</b>	<b>\$6,611,600</b>	<b>\$3,148,100</b>	<b>\$3,102,500</b>	<b>\$13,118,500</b>	<b>\$609,600</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$222,500</u></b>	<b><u>\$0</u></b>	<b><u>\$6,096,500</u></b>	<b><u>\$4,694,800</u></b>	<b><u>\$3,601,000</u></b>	<b><u>\$14,614,800</u></b>	<b><u>\$1,092,900</u></b>

Notes:

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- (2) 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.

**Southern Illinois University Edwardsville  
FY 2008 Operating Budget  
by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$123,125,600	\$37,998,580	\$1,897,500	\$35,210,600	\$26,540,900	<b>\$224,773,180</b>	\$25,214,300
Budget as of 9/30/07	<u>123,121,600</u>	<u>37,998,580</u>	<u>1,897,500</u>	<u>35,210,600</u>	<u>26,540,900</u>	<u>224,769,180</u>	<u>25,214,300</u>
Revenue Budget Variance	(\$4,000)	\$0	\$0	\$0	\$0	<b>(\$4,000)</b>	\$0
% Change	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$123,125,600	\$37,998,580	\$1,952,000	\$35,633,600	\$25,291,800	<b>\$224,001,580</b>	\$25,134,600
Budget as of 9/30/07	<u>124,532,900</u>	<u>37,998,580</u>	<u>1,952,000</u>	<u>35,633,600</u>	<u>25,291,800</u>	<u>225,408,880</u>	<u>25,134,600</u>
Expenditures Budget Variance	\$1,407,300	\$0	\$0	\$0	\$0	<b>\$1,407,300</b>	\$0
% Change	1.1%	0.0%	0.0%	0.0%	0.0%	<b>0.6%</b>	0.0%
Planned Operating Results (+/-)	(1,411,300)	0	(54,500)	(423,000)	1,249,100	<b>(\$639,700)</b>	79,700
<b>Beginning Cash Balance (1)</b>	<b>\$1,411,300</b>	<b>\$0</b>	<b>\$600,869</b>	<b>\$4,947,228</b>	<b>\$10,484,049</b>	<b>\$17,443,447</b>	<b>\$258,455</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$546,369</u></b>	<b><u>\$4,524,228</u></b>	<b><u>\$11,733,149</u></b>	<b><u>\$16,803,747</u></b>	<b><u>\$338,155</u></b>

Notes:

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**Southern Illinois University University Administration**  
**FY 2008 Operating Budget**  
**by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$2,055,800	\$0	\$50,000	\$0	\$40,000	<b>\$2,145,800</b>	\$0
Budget as of 9/30/07	2,055,800	0	50,000	0	40,000	<b>2,145,800</b>	0
Revenue Budget Variance	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>	\$0
% Change	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$2,055,800	\$0	\$50,000	\$0	\$50,000	<b>\$2,155,800</b>	\$0
Budget as of 9/30/07	2,055,800	0	50,000	0	50,000	<b>2,155,800</b>	0
Expenditures Budget Variance	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>	\$0
% Change	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
Planned Operating Results (+/-)	0	0	0	0	(10,000)	<b>(\$10,000)</b>	0
<b>Beginning Cash Balance (1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,625</b>	<b>\$0</b>	<b>\$84,826</b>	<b>\$237,451</b>	<b>\$0</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$152,625</u></b>	<b><u>\$0</u></b>	<b><u>\$74,826</u></b>	<b><u>\$227,451</u></b>	<b><u>\$0</u></b>

Notes:

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**Southern Illinois University University Wide Services  
FY 2008 Operating Budget  
by Major Fund Groups**

	<u>Appropriated &amp; Income Fund</u>	<u>Grants and Contracts</u>	<u>Indirect Cost Recovery</u>	<u>Revenue Bond Operations</u>	<u>Self-Supporting Activities</u>	<u>All Funds 2008 Totals</u>	<u>Service (2) Departments</u>
<b>Revenue Estimates</b>							
Budget as of 7/1/07	\$2,898,300	\$235,000	\$0	\$0	\$1,651,700	<b>\$4,785,000</b>	\$619,400
Budget as of 9/30/07	<u>2,898,300</u>	<u>235,000</u>	<u>0</u>	<u>0</u>	<u>1,651,700</u>	<b>4,785,000</b>	<u>619,400</u>
Revenue Budget Variance	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>	\$0
% Change	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
<b>Expenditures Estimates</b>							
Budget as of 7/1/07	\$2,898,300	\$235,000	\$0	\$0	\$1,651,700	<b>\$4,785,000</b>	\$619,400
Budget as of 9/30/07	<u>2,898,300</u>	<u>235,000</u>	<u>0</u>	<u>0</u>	<u>1,651,700</u>	<b>4,785,000</b>	<u>619,400</u>
Expenditures Budget Variance	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>	\$0
% Change	0.0%	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>	0.0%
Planned Operating Results (+/-)	0	0	0	0	0	<b>\$0</b>	0
<b>Beginning Cash Balance (1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$197,000</b>	<b>\$197,000</b>	<b>\$0</b>
<b>Estimated Ending Cash Balance</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$197,000</u></b>	<b><u>\$197,000</u></b>	<b><u>\$0</u></b>

Notes:

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# Income Fund as of 9/30/2007

Income Fund revenue includes tuition revenue, off-campus program revenue, interest earnings, and certain miscellaneous fee revenue.

Tuition revenue is a direct result of student enrollment, student residency, credit hours, and tuition rates. Enrollment projections are made two years in advance for budget purposes. Off-campus program revenue is based on charges sufficient to cover all instructional and administrative costs of the programs. Miscellaneous income includes interest earnings from cash balances that were invested in U.S. Government securities and other University Investment Pools. Also, LAC guidelines require that certain fee revenue such as application fees, course-specific fees and graduation fees be deposited into the income fund.

## Southern Illinois University - Combined Total

### FY 2008 Income Fund Revenue & Enrollment Projections

Fund Source	Original Projection	Current Projections	Variance
Tuition	\$143,511,600	\$145,063,200	\$1,551,600
Miscellaneous Income	4,136,400	4,136,500	100
Off-Campus Programs	12,902,200	12,891,200	(11,000)
	-----	-----	-----
<b>Total Revenue Estimate</b>	\$160,550,200	\$162,090,900	\$1,540,700
Carryover From Previous Fiscal Year	92,500	4,847,200	4,754,700
<b>Total Expenditure Estimate</b>	160,642,700	166,715,600	6,072,900
<b>Net Result</b>	<u>\$0</u>	<u>\$222,500</u>	<u>\$222,500</u>

Fall Term 2007 (FY08)	Projection	Actual	Variance
Enrollment Headcount	34,526	34,381	(145)

# Southern Illinois University Carbondale

## FY 2008 Income Fund Revenue & Enrollment Projections

Fund Source	Original Projection	Current Projections	Variance
Tuition	\$80,720,800	\$82,202,800	\$1,482,000
Miscellaneous Income	2,698,400	2,698,400	0
Off-Campus Programs	12,132,400	12,132,400	0
	-----	-----	-----
<b>Total Revenue Estimate</b>	\$95,551,600	\$97,033,600	\$1,482,000
Carryover From Previous Fiscal Year	0	3,179,600	3,179,600
<b>Total Expenditure Estimate</b>	95,551,600	100,213,200	4,661,600
<b>Net Result</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

Fall Term 2007 (FY08)	Projection	Actual	Variance
Enrollment Headcount	20,714	20,692	(22)

# Southern Illinois University School of Medicine

## FY 2008 Income Fund Revenue & Enrollment Projections

Fund Source	Original Projection	Current Projections	Variance
Tuition	\$6,756,200	\$6,814,800	\$58,600
Miscellaneous Income	55,900	56,000	100
Off-Campus Programs	0	0	0
	-----	-----	-----
<b>Total Revenue Estimate</b>	\$6,812,100	\$6,870,800	\$58,700
Carryover From Previous Fiscal Year	92,500	256,300	163,800
<b>Total Expenditure Estimate</b>	6,904,600	6,904,600	0
<b>Net Result</b>	<b><u>\$0</u></b>	<b><u>\$222,500</u></b>	<b><u>\$222,500</u></b>

Fall Term 2007 (FY08)	Projection	Actual	Variance
Enrollment Headcount	291	291	0

# Southern Illinois University Edwardsville

## FY 2008 Income Fund Revenue & Enrollment Projections

Fund Source	Original Projection	Current Projections	Variance
Tuition	\$56,034,600	\$56,045,600	\$11,000
Miscellaneous Income	1,382,100	1,382,100	0
Off-Campus Programs	769,800	758,800	(11,000)
	-----	-----	-----
<b>Total Revenue Estimate</b>	<b>\$58,186,500</b>	<b>\$58,186,500</b>	<b>\$0</b>
Carryover From Previous Fiscal Year	0	1,411,300	1,411,300
<b>Total Expenditure Estimate</b>	<b>58,186,500</b>	<b>59,597,800</b>	<b>1,411,300</b>
<b>Net Result</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

Fall Term 2007 (FY08)	Projection	Actual	Variance
Enrollment Headcount	13,521	13,398	(123)