

May 29, 2009

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, June 11, 2009, in Rooms 1007 and 1008 of Building D at the East St. Louis Higher Education Campus, East St. Louis, IL. The following items have been suggested for the agenda:

1. Approval of Minutes of the May 7, 2009, meeting (enclosure).
2. Temporary Financial Arrangements for Fiscal Year 2010 (Board Agenda Item J).
3. Operating and Capital RAMP Guidelines for Fiscal Year 2011 (Board Agenda Item K) (Joint discussion with Architecture and Design Committee).
4. Authorization to Purchase Bus Services, Student Center, Carbondale Campus, SIUC (Board Agenda Item L).
5. Authorization to Provide PPO Network Access to SIUC Students, Carbondale Campus, SIUC (Board Agenda Item M).
6. Authorization to Purchase and Install Equipment to Build Digital Television Master Control Facilities for WSIU Television, Carbondale Campus, SIUC (Board Agenda Item N).
7. Reorganization and Renaming of Associate Chancellor (Diversity) Responsibility Area, SIUC (Board Agenda Item O).
8. Authorization to Purchase Dental Lab Services: School of Dental Medicine, SIUE (Board Agenda Item Q).
9. Other business.

Finance Committee
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May 29, 2009

Enclosed are the Third Quarterly Investment Report and Budget Report for FY 2009.

Yours truly,

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

DS/lap

Enclosures

| | | | |
|-----|------------------------|-------------------|--------------------------|
| cc: | Frank William Bonan II | Glenn Poshard | Constituency Heads |
| | Nate Brown | Sam Goldman | Other Interested Parties |
| | Ed Hightower | Vaughn Vandegrift | |
| | Amber Suggs | | |

BOARD OF TRUSTEES

SOUTHERN ILLINOIS UNIVERSITY

Minutes of the Finance Committee Meeting

May 7, 2009

The Finance Committee met at 9:05 a.m. in Ballroom B of the Student Center, Southern Illinois University Carbondale, Carbondale, IL. Present were: Roger Tedrick (Chair Pro Tem), Frank William Bonan II (Pro Tem), Keith Sanders (by phone), Steve Wigginton (by phone) and Marquita Wiley. Absent was: John Simmons. Other Board members present were: Nate Brown and Amber Suggs. Absent was: Ed Hightower. Executive Officers present were: President Glenn Poshard; Chancellor Samuel Goldman, SIUC; Chancellor Vaughn Vandegrift, SIUE; Vice President for Academic Affairs Paul Sarvela; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

Minutes

Frank William Bonan II recommended approval of the minutes of the April 2, 2009, meeting as submitted. The motion was seconded by Marquita Wiley and passed by the Committee.

Proposal to Create a Green Fee, SIUC [Amendments to 4 Policies of the Board Appendix A-2, A-6 and Addition of A-25] (Board Agenda Item K).

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

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

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

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

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

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

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

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

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

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

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

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

Roger Tedrick requested that Matters O, S and V be removed for a separate vote by the Board.

Frank William Bonan II recommended approval of Matters K, L, M, N, P, Q, R, T, U and W and that they be placed on the Board's omnibus motion. The motion was duly seconded by Marquita Wiley and was passed by the Finance Committee.

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

Proposed Change: Campus Housing Activity Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item Y).

Proposed Increase: Facilities Fee, SIUE [Amendments to 4 Policies of the Board Appendix B-4 and B-17] (Board Agenda Item Z).

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

Proposal to Increase the Nursing Program Fee, SIUE [Amendment to 4 Policies of the Board Appendix B-4] (Board Agenda Item BB).

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

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

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

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

Proposed Increase: Textbook Rental Fee, SIUE [Amendments to 4 Policies of the Board Appendix B-4 and B-5] (Board Agenda Item GG).

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

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

Frank William Bonan II recommended approval of Matters X through II and that they be placed on the Board's omnibus motion. The motion was duly seconded by Marquita Wiley and was passed by the Finance Committee.

Proposed Tuition Rates for FY 2010 [Amendments to 4 Polices of the Board Appendices A and B] (Board Agenda Item JJ).

Dr. Stucky stated that the proposed tuition increases have been reduced by half from the original proposals presented in April. Tuition for incoming students will increase: SIUC 4.5%; SIUE 6.0%.

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

Authorization to Purchase Natural Gas, SIUE (Board Agenda Item OO).

Authorization to Purchase Student Success Center Furniture, SIUE (Board Agenda Item PP).

Dr. Stucky reviewed the matters for purchases over \$1 million.

Frank William Bonan II recommended approval of the matters and that they be placed on the Board's omnibus motion. The motion was duly seconded by Marquita Wiley and was passed by the Finance Committee.

Accept Principles of Governing Master Agreement for and Recognize the Partnership for a Connected Illinois, Inc., as a University Related Organization (Board Agenda Item QQ).

Dr. Stucky stated that this matter recognizes Partnership for a Connected Illinois, Inc., a 501c3 not-for-profit, as a University-Related Organization assigned to the President's Office. Approval is also requested for the principles of a Master Agreement. In 2007, the Governor and Legislature passed a bill requiring Department of Commerce and Economic Opportunity (DCEO) to recruit a not-for-profit 501c3 to forge private/public partnerships to increase broadband statewide. Connect SI was already engaged in these activities for the 20 southern-most counties in Illinois through the management of Man-Tra-Con and SIU staff. A partnership was sought by SIU with the University of Illinois to form a 501c3, but the University of Illinois decided to withdraw from our partnership. A partnership was then developed by SIU with Connected Nation, an organization in Washington, DC, involved in these activities in several states. A 501c3 was established and proposals were submitted in November 2008 to DCEO. SIU's was one of five proposals submitted, and SIU was granted the multi-million contract over three years.

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

Addition of Identity Theft Prevention Program Policy [Addition to 5 Policies of the Board O] (Board Agenda Item RR).

Dr. Stucky mentioned that this item is in response to a recent Federal Trade Commission requirement for universities to have a policy for the prevention of identity theft.

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

Other Business.

There being no further business, the meeting was adjourned.

DS/lap

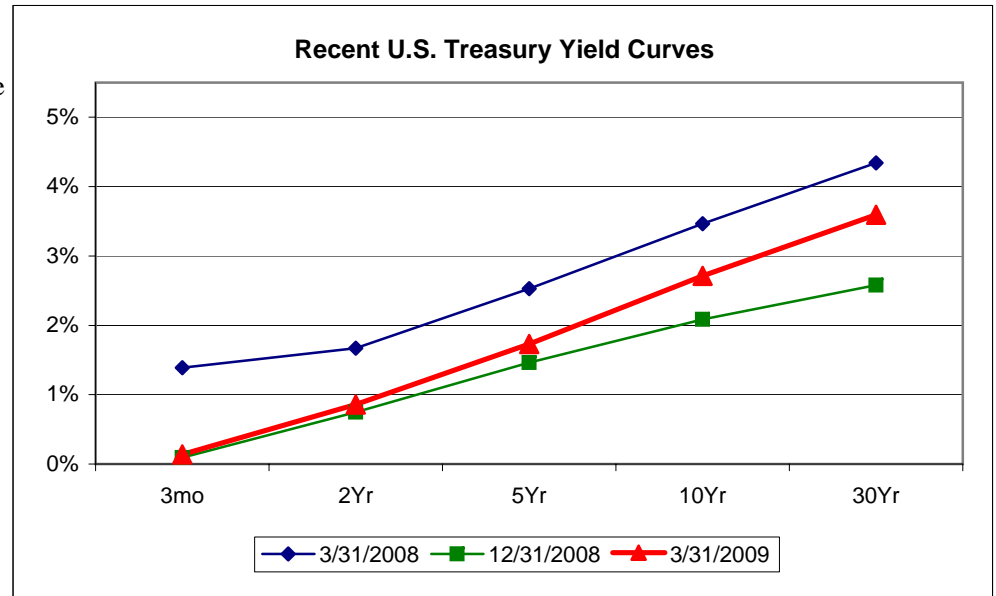


Southern Illinois University

Quarterly Investment Report
March 31, 2009

Performance Analysis

The U.S. economy is still very challenged. The ongoing credit crisis has fueled uncertainty as to the length of the recession facing the nation. These fears continue to dominate, driving asset prices down and furthering the near-term negative outlook from market participants. Although it appears that a deflationary spiral has been avoided, the recession has significantly reduced economic activity, increased unemployment, and severely dampened consumer demand. There have been some brighter spots from time to time: municipal bonds rallied strongly in the first part of January, moving taxable and tax-exempt yields toward a more normal alignment; major bank earnings appear to be surprisingly strong considering the environment; and the Federal Reserve began to buy treasury securities in the open market, beginning a period of true quantitative easing (as an addition to stimulus spending). However, none of these positives have been enough to shake the fear of further unknown credit damage lurking just around the corner, lending credence to the view that the recession may last through the end of the year.



Overall, Southern Illinois University received a quarterly return of 0.06%, in line with the weighted benchmark return of 0.08%. The Illinois Funds continued to slightly underperform the Merrill Lynch Ready Assets benchmark as a consequence of the benchmark's slightly lower credit quality. The Intermediate Fund managed by Western Asset Management performed favorably against its benchmark, returning -0.01% for the quarter, compared to a benchmark return of -0.08%. With interest rates rising this quarter, this fund's somewhat shorter maturity allowed it to outperform. All investments with Western Asset Management have been moved to the Intermediate Fund; SIU has now completed its planned asset allocation change developed late last year, and holdings in the Short-Term Fund have been reduced to zero.

John S. Vincent & Company LLC

Operating Investments

Operating Investment Position

Investment Balance

Market Value (\$ in millions)

| | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | 3/31/2009 |
|--|-------------|-------------|-------------|-------------|--------------|
| State Treasury Fund- Money Market | \$ 52.7 | \$ 29.1 | \$ 51.4 | \$ 71.4 | \$ 63.0 |
| State Treasury Fund- Prime | 68.1 | 75.6 | 61.5 | 26.1 | 56.1 |
| Western Asset - Short Portfolio* | 22.9 | 22.7 | 22.9 | 23.7 | |
| Western Asset - Intermediate Portfolio | <u>72.0</u> | <u>70.9</u> | <u>71.8</u> | <u>76.5</u> | <u>100.2</u> |
| Total Portfolio | \$ 215.7 | \$ 198.3 | \$ 207.6 | \$ 197.7 | \$ 219.3 |

Market Value Change (\$ in millions)

| | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | 3/31/2009 |
|------------------------------|------------|--------------|------------|------------|--------------|
| Beginning Market Value | \$ 167.4 | \$ 215.7 | \$ 198.3 | \$ 207.6 | \$ 197.7 |
| Deposits (Withdrawals) | 44.4 | (16.9) | 7.6 | (15.6) | 21.5 |
| Interest Income, Net of Fees | 1.9 | 1.7 | 1.5 | 1.2 | 1.0 |
| Realized Gain (Loss) | 0.0 | 0.2 | 0.0 | 0.1 | 0.5 |
| Unrealized Gain (Loss) | <u>2.0</u> | <u>(2.4)</u> | <u>0.2</u> | <u>4.4</u> | <u>(1.4)</u> |
| Ending Market Value | \$ 215.7 | \$ 198.3 | \$ 207.6 | \$ 197.7 | \$ 219.3 |

*In accordance with revisions made to the Investment Policy, as approved by the Board of Trustees on December 11, 2008, assets within the Short Term Portfolio were transferred into the Intermediate Portfolio effective January 1, 2009.

Operating Performance

Quarterly Performance

| | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | 3/31/2009 |
|--|-----------|-----------|-----------|------------|-----------|
| State Treasury Fund Rate of Return | | | | | |
| State Treasury Portfolio | 0.77% | 0.56% | 0.53% | 0.26% | 0.12% |
| Merrill Lynch Ready Assets | 0.94% | 0.61% | 0.54% | 0.56% | 0.23% |
| Short Term Portfolio Rate of Return* | | | | | |
| Western Asset Short Term Portfolio | 2.72% | -0.50% | 0.95% | 3.09% | N/A |
| Lehman Bros 1-3 Year Govt Index | 2.64% | -0.58% | 1.38% | 3.04% | N/A |
| Intermediate Portfolio Rate of Return | | | | | |
| Western Asset Intermediate Portfolio | 3.51% | -1.52% | 1.27% | 6.74% | -0.01% |
| Barclays Capital Intermediate U.S. Govt** | 3.51% | -1.36% | 1.79% | 6.16% | -0.08% |
| Total Fund Rate of Return | | | | | |
| Total Portfolio | 1.90% | -0.21% | 0.85% | 3.10% | 0.06% |
| Benchmark | 2.07% | -0.14% | 1.10% | 2.98% | 0.08% |

Historical Annual Performance

| | FY 2005 | FY 2006 | FY 2007 | FY 2008 | Fiscal YTD ending 3/31/2009 |
|----------------------------------|---------|---------|---------|---------|-----------------------------|
| Total Fund Rate of Return | | | | | |
| Total Portfolio | 3.5% | 2.36% | 5.29% | 5.95% | 4.04% |
| Benchmark | 3.0% | 2.08% | 5.12% | 6.40% | 4.19% |

*In accordance with revisions made to the Investment Policy, as approved by the Board of Trustees on December 11, 2008, assets within the Short Term Portfolio were transferred into the Intermediate Portfolio effective January 1, 2009.

**Title of benchmark changed from Lehman Brothers Intermediate Government Index to Barclays Capital Intermediate U.S. Govt. Index.

Asset Allocation

Asset Allocation
As of March 31, 2009

| | Market Value (in millions) | Allocation Percentage | Target Asset Allocation (in millions) |
|---|--------------------------------------|--|---|
| State Treasury Fund | \$119.1 | 54% | \$40 Minimum |
| Western Asset - Intermediate Term Portfolio | 100.2 | 46% | \$65-105 |
| | <u>\$219.3</u> | | |

Fees

Investment Manager Fees*

| | Basis Points | | | | | |
|---|-----------------------|------------------|------------------|------------------|-------------------|-------------------|
| | As of 12/31/08 | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | Total |
| State Treasury Fund- Money Market | 9.4 | \$11,972.60 | \$9,499.70 | \$9,502.89 | \$9,664.16 | \$40,639.35 |
| State Treasury Fund- Prime | 8.8 | 16,165.49 | 18,753.89 | 13,204.62 | 10,323.85 | 58,447.85 |
| Western Asset - Short Term Portfolio | 25.0 | 14,234.42 | 14,199.27 | 14,306.46 | 14,621.06 | 57,361.21 |
| Western Asset - Intermediate Term Portfolio | 25.0 | <u>44,707.29</u> | <u>44,330.91</u> | <u>44,715.97</u> | <u>46,321.99</u> | <u>180,076.16</u> |
| Total Investment Manager Fees | | \$87,079.80 | \$86,783.77 | \$81,729.94 | \$80,931.06 | \$336,524.57 |

Custody Bank Fees*

| | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | Total |
|-----------------|------------------|------------------|------------------|-------------------|--------------|
| JP Morgan Chase | \$6,025.54 | \$6,122.58 | \$6,044.79 | \$6,114.01 | \$24,306.92 |

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

Capital Investments

Capital Investments Position

Investment Balance

Market Value (\$ in millions)

| | 3/31/2008 | 6/30/2008 | 9/30/2008 | 12/31/2008 | 3/31/2009 |
|--|-------------|-------------|-------------|-------------|-------------|
| Housing & Auxiliary Facilities System | | | | | |
| Construction Proceeds | 3.0 | 31.9 | 28.4 | 25.2 | 21.6 |
| Interest Sinking Fund | 14.8 | 5.1 | 10.1 | 11.5 | 16.3 |
| Debt Service Reserve | 9.6 | 9.4 | 9.4 | 9.5 | 9.4 |
| Total HAFS | <u>27.4</u> | <u>46.4</u> | <u>47.9</u> | <u>46.2</u> | <u>47.3</u> |
| Medical Facilities System | | | | | |
| Construction Proceeds | 4.2 | 3.0 | 1.6 | 1.3 | 0.7 |
| Interest Sinking Fund | 1.1 | 0.4 | 0.8 | 0.8 | 1.2 |
| Debt Service Reserve | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total MFS | <u>5.3</u> | <u>3.4</u> | <u>2.4</u> | <u>2.1</u> | <u>1.9</u> |
| Certificates of Participation | | | | | |
| Construction Proceeds | 5.5 | 2.8 | 1.3 | 0.7 | 0.7 |
| Interest Sinking Fund | 2.4 | 2.4 | 2.0 | 2.0 | 1.9 |
| Debt Service Reserve | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total COPS | <u>7.9</u> | <u>5.2</u> | <u>3.3</u> | <u>2.7</u> | <u>2.6</u> |
| Total Capital Investment Portfolio | \$ 40.6 | \$ 55.0 | \$ 53.6 | \$ 51.0 | \$ 51.8 |

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

Third Quarter Budget Report

March 31, 2009

**Southern Illinois University - Combined Total
FY 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & Income Fund</u> | <u>Grants and Contracts</u> | <u>Indirect Cost Recovery</u> | <u>Revenue Bond Operations</u> | <u>Self-Supporting Activities</u> | All Funds 2009 Totals | <u>Service (2) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$411,772,000 | \$119,148,200 | \$12,675,800 | \$135,629,800 | \$120,967,400 | 800,193,200 | \$129,784,300 |
| Budget as of 3/31/09 | <u>408,507,000</u> | <u>121,295,200</u> | <u>13,115,000</u> | <u>134,245,800</u> | <u>123,890,650</u> | <u>801,053,650</u> | <u>137,780,900</u> |
| Revenue Budget Variance | (\$3,265,000) | \$2,147,000 | \$439,200 | (\$1,384,000) | \$2,923,250 | \$860,450 | \$7,996,600 |
| % Change | -0.8% | 1.8% | 3.5% | -1.0% | 2.4% | 0.1% | 6.2% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$420,168,000 | \$119,148,200 | \$12,917,400 | \$135,654,900 | \$122,566,700 | \$810,455,200 | \$130,590,500 |
| Budget as of 3/31/09 | <u>416,898,600</u> | <u>121,295,200</u> | <u>12,488,800</u> | <u>135,704,600</u> | <u>126,162,050</u> | <u>812,549,250</u> | <u>137,916,050</u> |
| Expenditures Budget Variance | (\$3,269,400) | \$2,147,000 | (\$428,600) | \$49,700 | \$3,595,350 | \$2,094,050 | \$7,325,550 |
| % Change | -0.8% | 1.8% | -3.3% | 0.0% | 2.9% | 0.3% | 5.6% |
| Planned Operating Results (+/-) from Recast Budget | (8,391,600) | 0 | 626,200 | (1,458,800) | (2,271,400) | (11,495,600) | (135,150) |
| Actual Beginning Cash 7/1/08 (1) | \$8,612,600 | \$0 | \$17,789,441 | \$20,545,065 | \$30,896,270 | \$77,843,375 | \$6,521,209 |
| Estimated Ending Cash Balance | <u>\$221,000</u> | <u>\$0</u> | <u>\$18,415,641</u> | <u>\$19,086,265</u> | <u>\$28,624,870</u> | <u>\$66,347,775</u> | <u>\$6,386,059</u> |

Notes:

(1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.

(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 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & 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 2009 Totals</u> | <u>Service (3) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$225,198,200 | \$69,367,000 | \$5,050,000 | \$58,961,100 | \$57,746,200 | 416,322,500 | \$87,315,400 |
| Budget as of 3/31/09 | <u>222,268,500</u> | <u>70,514,000</u> | <u>5,415,000</u> | <u>57,577,100</u> | <u>61,875,800</u> | <u>417,650,400</u> | <u>93,993,000</u> |
| Revenue Budget Variance | (\$2,929,700) | \$1,147,000 | \$365,000 | (\$1,384,000) | \$4,129,600 | \$1,327,900 | \$6,677,600 |
| % Change | -1.3% | 1.7% | 7.2% | -2.3% | 7.2% | | 7.6% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$230,873,600 | \$69,367,000 | \$5,050,000 | \$58,304,700 | \$58,532,900 | \$422,128,200 | \$88,560,100 |
| Budget as of 3/31/09 | <u>227,944,000</u> | <u>70,514,000</u> | <u>5,415,000</u> | <u>58,354,400</u> | <u>61,302,300</u> | <u>423,529,700</u> | <u>94,663,150</u> |
| Expenditures Budget Variance | (\$2,929,600) | \$1,147,000 | \$365,000 | \$49,700 | \$2,769,400 | \$1,401,500 | \$6,103,050 |
| % Change | -1.3% | 1.7% | 7.2% | 0.1% | 4.7% | | 6.9% |
| Planned Operating Results (+/-) from Recast Budget | (5,675,500) (2) | 0 | 0 | (777,300) | 573,500 | (5,879,300) | (670,150) |
| Actual Beginning Cash 7/1/08 (1) | \$5,675,500 (2) | \$0 | \$7,844,200 | \$11,824,900 | \$12,947,750 | \$38,292,350 | \$3,680,600 |
| Estimated Ending Cash Balance | <u>\$0</u> | <u>\$0</u> | <u>\$7,844,200</u> | <u>\$11,047,600</u> | <u>\$13,521,250</u> | <u>\$32,413,050</u> | <u>\$3,010,450</u> |

Notes:

- (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (2) Beginning cash and expenditures were restated to conform with new Governmental Accounting Standards Board (GASB) requirements for recognition of summer semester tuition revenue and expenses between fiscal years.
- (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.

**Southern Illinois University School of Medicine
FY 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & Income Fund</u> | <u>Grants and Contracts</u> | <u>Indirect Cost Recovery</u> | <u>Revenue Bond Operations</u> | <u>Self-Supporting Activities</u> | All Funds 2009 Totals | <u>Service (3) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$49,048,600 | \$14,500,000 | \$5,493,800 | \$38,690,700 | \$33,904,600 | 141,637,700 | \$14,770,100 |
| Budget as of 3/31/09 | <u>49,044,200</u> | <u>15,500,000</u> | <u>5,568,000</u> | <u>38,690,700</u> | <u>32,668,200</u> | <u>141,471,100</u> | <u>16,089,000</u> |
| Revenue Budget Variance | (\$4,400) | \$1,000,000 | \$74,200 | \$0 | (\$1,236,400) | (\$166,600) | \$1,318,900 |
| % Change | 0.0% | 6.9% | 1.4% | 0.0% | -3.6% | | 8.9% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$48,935,100 | \$14,500,000 | \$5,555,600 | \$38,586,400 | \$32,513,300 | \$140,090,400 | \$15,023,100 |
| Budget as of 3/31/09 | <u>48,926,200</u> | <u>15,500,000</u> | <u>4,762,000</u> | <u>38,586,400</u> | <u>33,309,200</u> | <u>141,083,800</u> | <u>16,137,000</u> |
| Expenditures Budget Variance | (\$8,900) | \$1,000,000 | (\$793,600) | \$0 | \$795,900 | \$993,400 | \$1,113,900 |
| % Change | 0.0% | 6.9% | -14.3% | 0.0% | 2.4% | | 7.4% |
| Planned Operating Results (+/-) from Recast Budget | 118,000 (2) | 0 | 806,000 | 104,300 | (641,000) | 387,300 | (48,000) |
| Actual Beginning Cash 7/1/08 (1) | \$103,000 (2) | \$0 | \$9,063,500 | \$3,095,800 | \$4,128,000 | \$16,390,300 | \$1,638,900 |
| Estimated Ending Cash Balance | <u>\$221,000</u> | <u>\$0</u> | <u>\$9,869,500</u> | <u>\$3,200,100</u> | <u>\$3,487,000</u> | <u>\$16,777,600</u> | <u>\$1,590,900</u> |

Notes:

- (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (2) Beginning cash and expenditures were restated to conform with new Governmental Accounting Standards Board (GASB) requirements for recognition of summer semester tuition revenue and expenses between fiscal years.
- (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.

**Southern Illinois University Edwardsville
FY 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & 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 2009 Totals</u> | <u>Service (3) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$132,710,700 | \$34,843,000 | \$2,082,000 | \$37,978,000 | \$27,487,900 | 235,101,600 | \$26,970,500 |
| Budget as of 3/31/09 | <u>132,710,700</u> | <u>34,843,000</u> | <u>2,082,000</u> | <u>37,978,000</u> | <u>27,487,900</u> | <u>235,101,600</u> | <u>26,970,500</u> |
| Revenue Budget Variance | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| % Change | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$135,544,800 | \$34,843,000 | \$2,261,800 | \$38,763,800 | \$29,681,800 | \$241,095,200 | \$26,387,500 |
| Budget as of 3/31/09 | <u>135,544,800</u> | <u>34,843,000</u> | <u>2,261,800</u> | <u>38,763,800</u> | <u>29,681,800</u> | <u>241,095,200</u> | <u>26,387,500</u> |
| Expenditures Budget Variance | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| % Change | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Planned Operating Results (+/-) from Recast Budget | (2,834,100) (2) | 0 | (179,800) | (785,800) | (2,193,900) | (5,993,600) | 583,000 |
| Actual Beginning Cash 7/1/08 (1) | \$2,834,100 (2) | \$0 | \$720,848 | \$5,624,365 | \$13,200,168 | \$22,379,481 | \$1,201,709 |
| Estimated Ending Cash Balance | <u>\$0</u> | <u>\$0</u> | <u>\$541,048</u> | <u>\$4,838,565</u> | <u>\$11,006,268</u> | <u>\$16,385,881</u> | <u>\$1,784,709</u> |

Notes:

- (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (2) Beginning cash and expenditures were restated to conform with new Governmental Accounting Standards Board (GASB) requirements for recognition of summer semester tuition revenue and expenses between fiscal years.
- (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.

**Southern Illinois University Administration
FY 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & Income Fund</u> | <u>Grants and Contracts</u> | <u>Indirect Cost Recovery</u> | <u>Revenue Bond Operations</u> | <u>Self-Supporting Activities</u> | All Funds 2009 Totals | <u>Service (3) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$2,113,400 | \$0 | \$50,000 | \$0 | \$40,000 | 2,203,400 | \$0 |
| Budget as of 3/31/09 | <u>2,027,700</u> | <u>0</u> | <u>50,000</u> | <u>0</u> | <u>40,000</u> | <u>2,117,700</u> | <u>0</u> |
| Revenue Budget Variance | (\$85,700) | \$0 | \$0 | \$0 | \$0 | (\$85,700) | \$0 |
| % Change | -4.1% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$2,113,400 | \$0 | \$50,000 | \$0 | \$50,000 | \$2,213,400 | \$0 |
| Budget as of 3/31/09 | <u>2,027,700</u> | <u>0</u> | <u>50,000</u> | <u>0</u> | <u>50,000</u> | <u>2,127,700</u> | <u>0</u> |
| Expenditures Budget Variance | (\$85,700) | \$0 | \$0 | \$0 | \$0 | (\$85,700) | \$0 |
| % Change | -4.1% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Planned Operating Results (+/-) from Recast Budget | 0 (2) | 0 | 0 | 0 | (10,000) | (10,000) | 0 |
| Actual Beginning Cash 7/1/08 (1) | \$0 (2) | \$0 | \$160,893 | \$0 | \$74,173 | \$235,065 | \$0 |
| Estimated Ending Cash Balance | <u>\$0</u> | <u>\$0</u> | <u>\$160,893</u> | <u>\$0</u> | <u>\$64,173</u> | <u>\$225,065</u> | <u>\$0</u> |

Notes:

- (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (2) Beginning cash and expenditures were restated to conform with new Governmental Accounting Standards Board (GASB) requirements for recognition of summer semester tuition revenue and expenses between fiscal years.
- (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.

**Southern Illinois University - University Wide Services
FY 2009 Operating Budget
by Major Fund Groups**

| | <u>Appropriated & 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 2009 Totals</u> | <u>Service (3) Departments</u> |
|---|---|---------------------------------|-----------------------------------|------------------------------------|---------------------------------------|----------------------------------|------------------------------------|
| Revenue Estimates | | | | | | | |
| Budget as of 12/31/08 | \$2,701,100 | \$438,200 | \$0 | \$0 | \$1,788,700 | 4,928,000 | \$728,300 |
| Budget as of 3/31/09 | <u>2,455,900</u> | <u>438,200</u> | <u>0</u> | <u>0</u> | <u>1,818,750</u> | <u>4,712,850</u> | <u>728,400</u> |
| Revenue Budget Variance | (\$245,200) | \$0 | \$0 | \$0 | \$30,050 | (\$215,150) | \$100 |
| % Change | -9.1% | 0.0% | 0.0% | 0.0% | 1.7% | | 0.0% |
| Expenditures Estimates | | | | | | | |
| Budget as of 12/31/08 | \$2,701,100 | \$438,200 | \$0 | \$0 | \$1,788,700 | \$4,928,000 | \$619,800 |
| Budget as of 3/31/09 | <u>2,455,900</u> | <u>438,200</u> | <u>0</u> | <u>0</u> | <u>1,818,750</u> | <u>4,712,850</u> | <u>728,400</u> |
| Expenditures Budget Variance | (\$245,200) | \$0 | \$0 | \$0 | \$30,050 | (\$215,150) | \$108,600 |
| % Change | -9.1% | 0.0% | 0.0% | 0.0% | 1.7% | | 17.5% |
| Planned Operating Results (+/-) from Recast Budget | 0 (2) | 0 | 0 | 0 | 0 | 0 | 0 |
| Actual Beginning Cash 7/1/08 (1) | \$0 (2) | \$0 | \$0 | \$0 | \$546,179 | \$546,179 | \$0 |
| Estimated Ending Cash Balance | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$546,179</u> | <u>\$546,179</u> | <u>\$0</u> |

Notes:

- (1) Carryover cash balances are used for ongoing operational costs of support units and expenditures are restricted in accordance with bond covenants, Legislative Audit Commission guidelines and Illinois Statute.
- (2) Beginning cash and expenditures were restated to conform with new Governmental Accounting Standards Board (GASB) requirements for recognition of summer semester tuition revenue and expenses between fiscal years.
- (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.



Income Fund as of 3/31/2009

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 2009 Income Fund Projections and Enrollment Updates

| Fund Source | Original Projections | Current Projections | Variance |
|-------------------------------------|----------------------|---------------------|------------------|
| Tuition | \$158,581,600 | \$155,817,500 | (\$2,764,100) |
| Miscellaneous Income | 4,247,200 | 4,401,600 | 154,400 |
| Off-Campus Programs | 12,621,900 | 12,470,800 | (151,100) |
| Total Revenue Estimate | \$175,450,700 | \$172,689,900 | (\$2,760,800) |
| Carryover From Previous Fiscal Year | 163,800 | 8,612,600 | 8,448,800 |
| Total Expenditure Estimate | 175,545,600 | 181,081,500 | 5,535,900 |
| Projected Ending Balance | <u>\$68,900</u> | <u>\$221,000</u> | <u>\$152,100</u> |

| Spring Term 2009 (FY09) | Projection | Actual | Variance |
|-------------------------|------------|--------|----------|
| Enrollment Headcount | 32,440 | 32,360 | (80) |

Southern Illinois University Carbondale

FY 2009 Income Fund Projections and Enrollment Updates

| Fund Source | Original Projection | Current Projections | Variance |
|-------------------------------------|---------------------|---------------------|---------------|
| Tuition | \$90,407,700 | \$87,431,100 | (\$2,976,600) |
| Miscellaneous Income | 2,793,400 | 2,947,400 | 154,000 |
| Off-Campus Programs | 11,760,000 | 11,608,900 | (151,100) |
| | ----- | ----- | ----- |
| Total Revenue Estimate | \$104,961,100 | \$101,987,400 | (\$2,973,700) |
| Carryover From Previous Fiscal Year | 0 | 5,675,500 | 5,675,500 |
| Total Expenditure Estimate | 104,961,100 | 107,662,900 | 2,701,800 |
| Projected Ending Balance | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| Spring Term 2009 (FY09) | Projection | Actual | Variance |
|-------------------------|------------|--------|----------|
| Enrollment Headcount | 19,498 | 19,099 | (399) |

Southern Illinois University School of Medicine

FY 2009 Income Fund Projections and Enrollment Updates

| Fund Source | Original Projection | Current Projections | Variance |
|-------------------------------------|---------------------|---------------------|------------------|
| Tuition | \$7,194,300 | \$7,406,800 | \$212,500 |
| Miscellaneous Income | 55,800 | 56,200 | 400 |
| Off-Campus Programs | 0 | 0 | 0 |
| | ----- | ----- | ----- |
| Total Revenue Estimate | \$7,250,100 | \$7,463,000 | \$212,900 |
| Carryover From Previous Fiscal Year | 163,800 | 103,000 | (60,800) |
| Total Expenditure Estimate | 7,345,000 | 7,345,000 | 0 |
| Projected Ending Balance | <u>\$68,900</u> | <u>\$221,000</u> | <u>\$152,100</u> |

| Spring Term 2009 (FY09) | Projection | Actual | Variance |
|-------------------------|------------|--------|----------|
| Enrollment Headcount | 291 | 292 | 1 |

Southern Illinois University Edwardsville

FY 2009 Income Fund Projections and Enrollment Updates

| Fund Source | Original Projection | Current Projections | Variance |
|-------------------------------------|---------------------|---------------------|-------------------|
| Tuition | \$60,979,600 | \$60,979,600 | \$0 |
| Miscellaneous Income | 1,398,000 | 1,398,000 | 0 |
| Off-Campus Programs | 861,900 | 861,900 | 0 |
| | ----- | ----- | ----- |
| Total Revenue Estimate | \$63,239,500 | \$63,239,500 | \$0 |
| Carryover From Previous Fiscal Year | 0 | 2,834,100 | 2,834,100 |
| Total Expenditure Estimate | 63,239,500 | 66,073,600 | 2,834,100 |
| Projected Ending Balance | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| Spring Term 2009 (FY09) | Projection | Actual | Variance |
|-------------------------|------------|--------|----------|
| Enrollment Headcount | 12,651 | 12,969 | 318 |