

FINANCIAL REPORT



UNIVERSITY OF ILLINOIS

URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

BOARD OF TRUSTEES

March 16, 2016

Since January BOT Meeting

- State budget remains at impasse with no FY 2016 University operating, capital frozen, no student aid Monetary Award Program appropriations; most State grants remain suspended
- FY 2016 unbilled State reimbursement vouchers now at level of FY 2015 appropriation: \$662 million
- State made deposits to the Medicaid Trust Fund through February; payments for managed care Medicaid claims have slowed; enhanced Medicaid payments and future deposits to the Medicaid Trust Fund are in question
- Monetary Award Program bill approved by legislature subsequently vetoed by Governor
- Institute of Government & Public Affairs reported the State's FY 2016 deficit would be \$6.6 billion
- Ratings for the Auxiliary Facilities System Revenue financings were affirmed by Moody's Investors Service (Aa3 rating with negative outlook)
- Competitively sold \$129 million Auxiliary Facilities System Refunding Revenue bonds achieving a \$22.1 million present value savings representing 16.3% of the refunded bonds
- Governor's FY 2017 budget address made on February 17th

Governor's Budget Recommendation

February 17, 2016

- Affirms 31.5% reduction in FY 2016 appropriation from the beginning FY 2015 appropriation (\$209 million)
- FY 2017 recommendation 21.8% below beginning FY 2015 appropriation (\$144 million)
- Includes \$50 million IBHE performance funding, assumes current model
- FY 2017 Monetary Award Program recommendation of \$365 million – same as prior years
- Recommends changes to SURS and a pension cost shift
- No new capital projects, existing projects still frozen

Recent Developments

- The State's Commission on Government Forecasting and Accountability (CGFA) revised state general revenue funds downward, -\$442 million for FY 2016
- CGFA estimate is an increase of \$215 million for FY 2017 in the General Funds above FY 2016 estimates
- The current certified increase for the State's 5 pension systems for FY 2017 is an additional \$291.1 million, to \$7.9 billion.
- We are anticipating there will be changes in the benefit structure/cost from the State for our employees.
- ISAC is making awards to students for Fall 2016, although there is no current year appropriation
- The State Comptroller estimates there is \$7.4 billion in unpaid vouchers by the State.

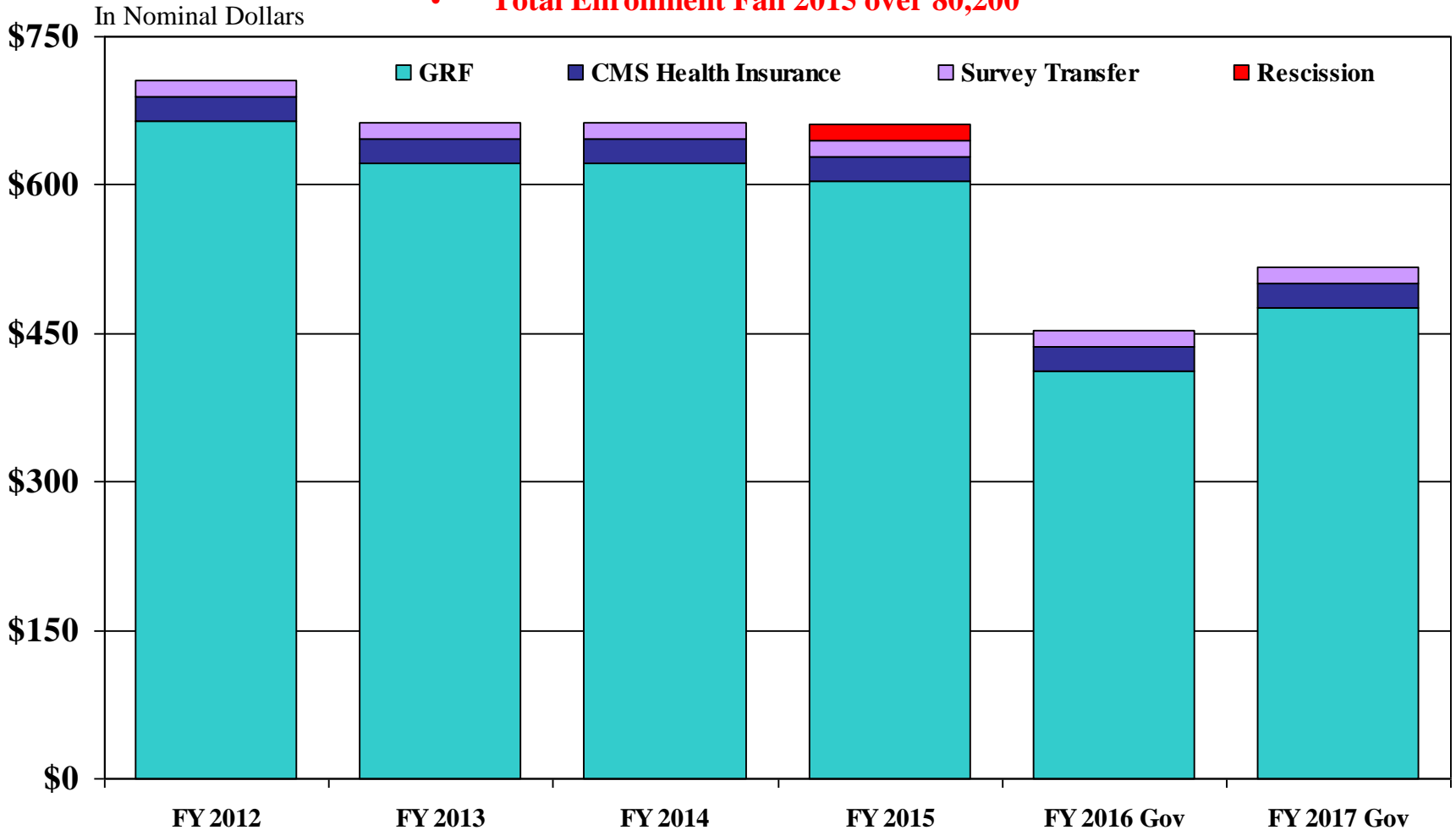
University of Illinois

GRF Appropriations

FY 2012 – FY 2017 Gov. Recommendation

(Dollars in Millions)

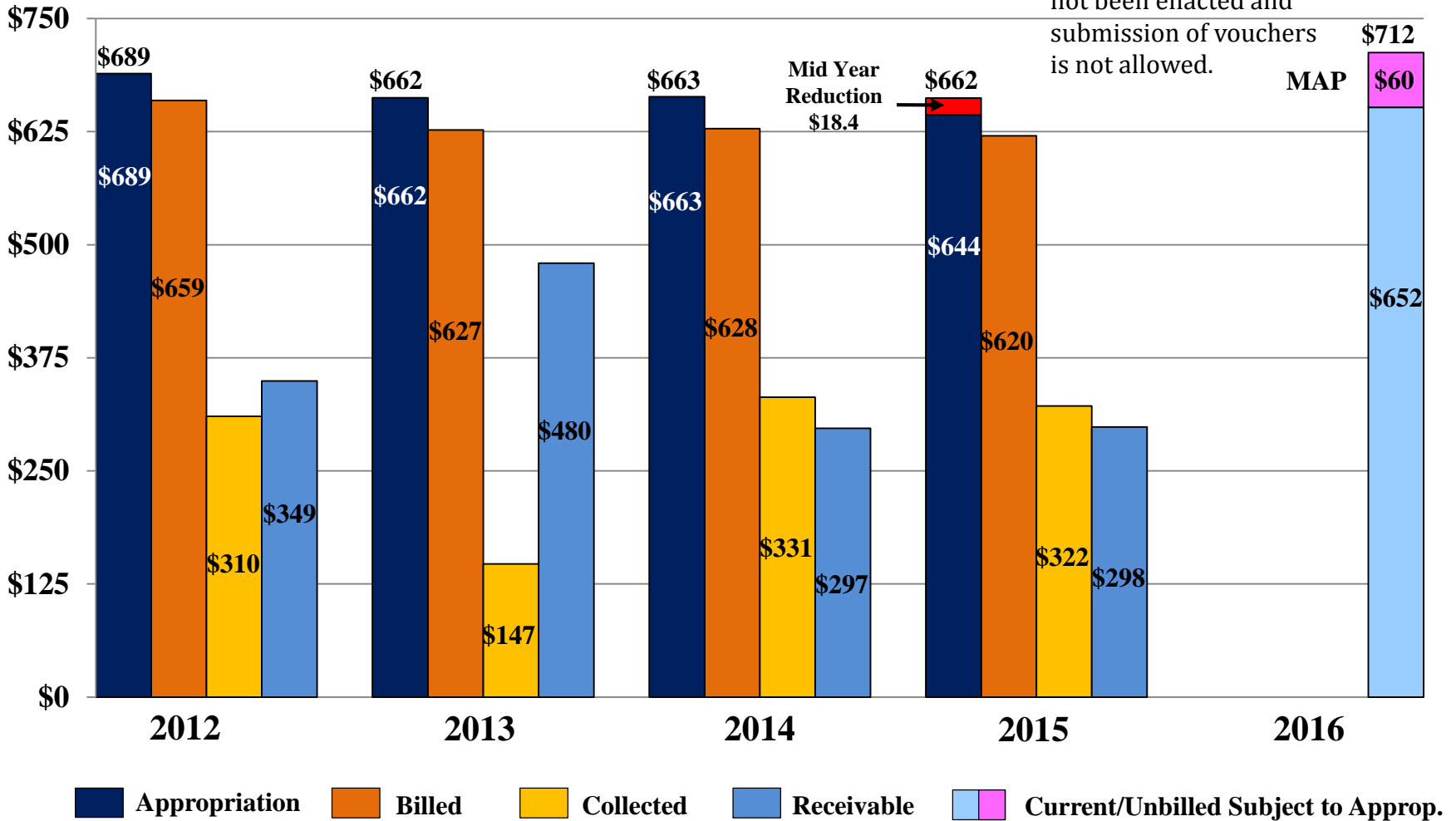
- **Total Enrollment Fall 2001 over 68,500**
- **Total Enrollment Fall 2015 over 80,200**



State Appropriation Revenue

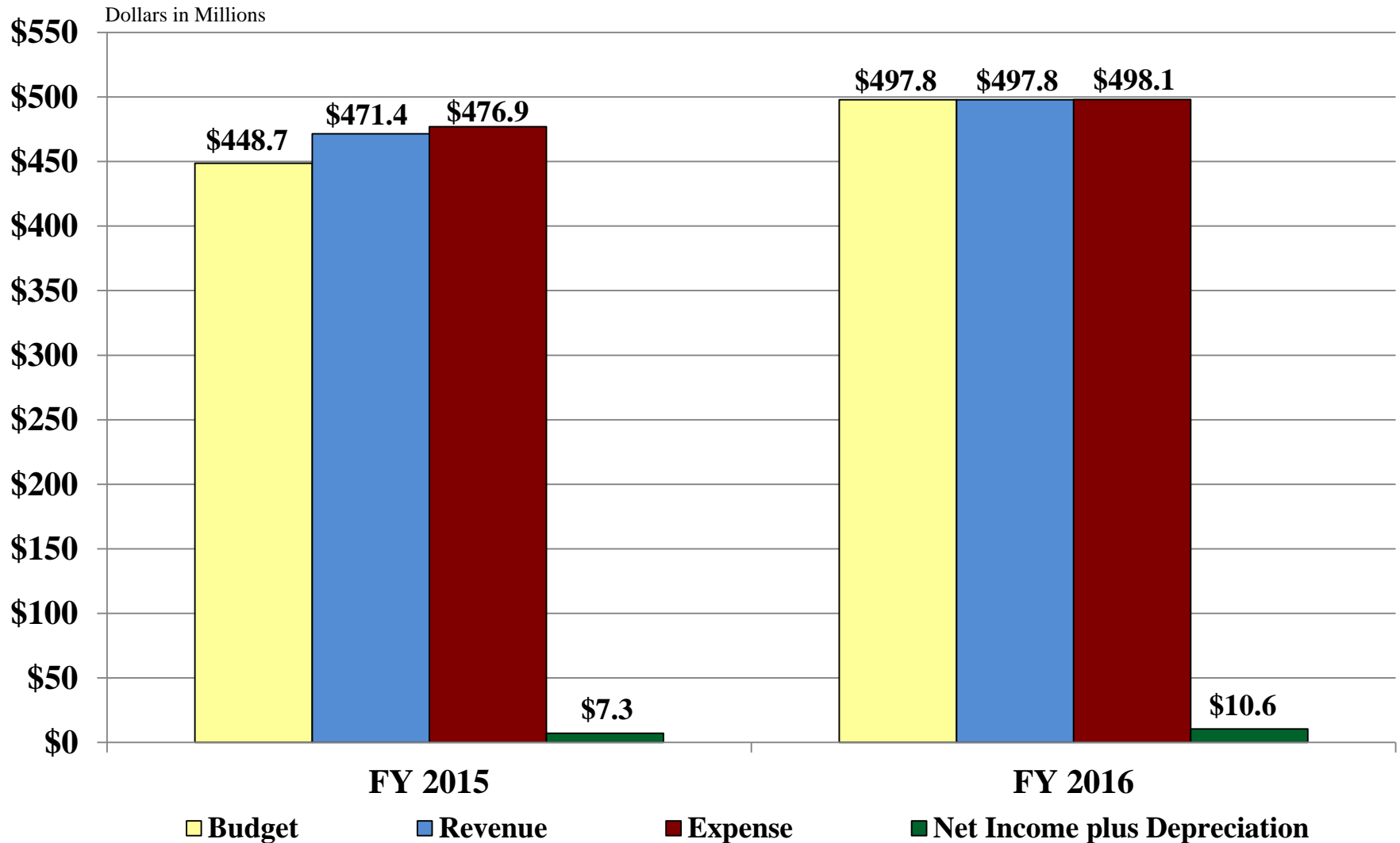
Billings and Collections through March 14, 2016

Dollars in Millions



Hospital Revenue/Expense/Net Income

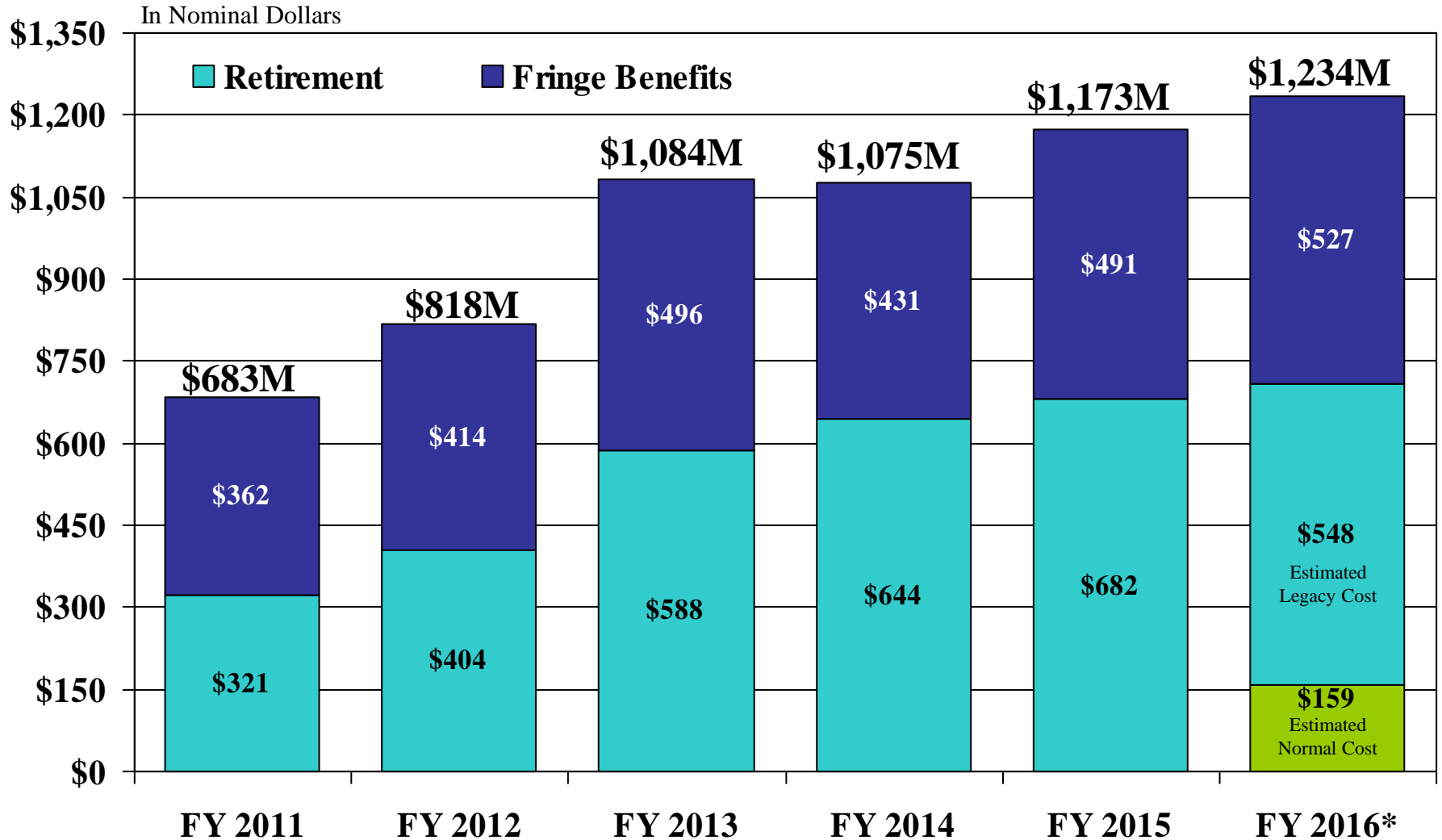
Fiscal Year 2015 and 2016 through January 31st



Payments on Behalf

FY 2011 – FY 2016

(Dollars in Millions)

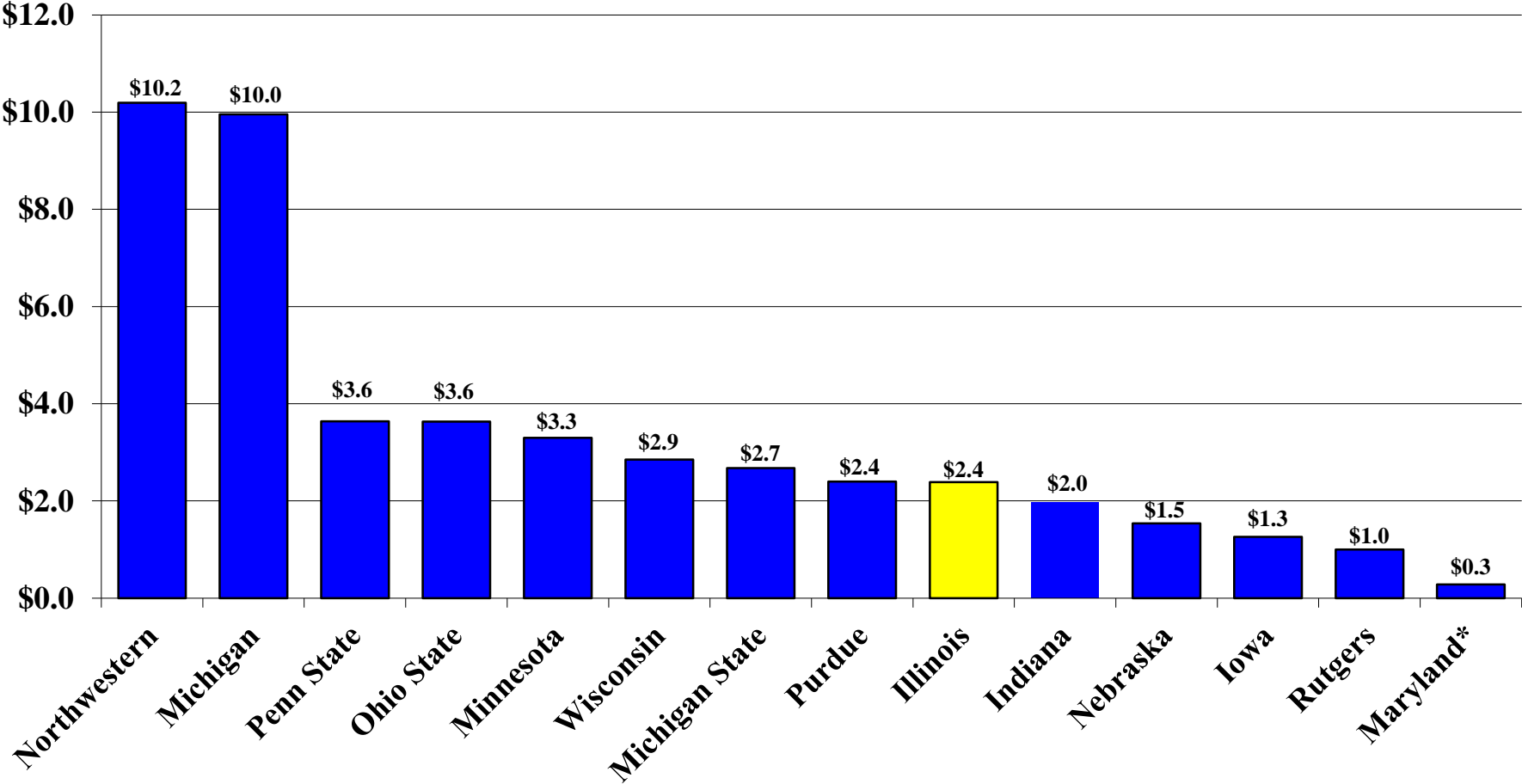


* Retirement based on estimated historical share of SURS funding and fringe benefits based on 5 year average increase.

Big Ten University and Foundation Endowments

FY 2015

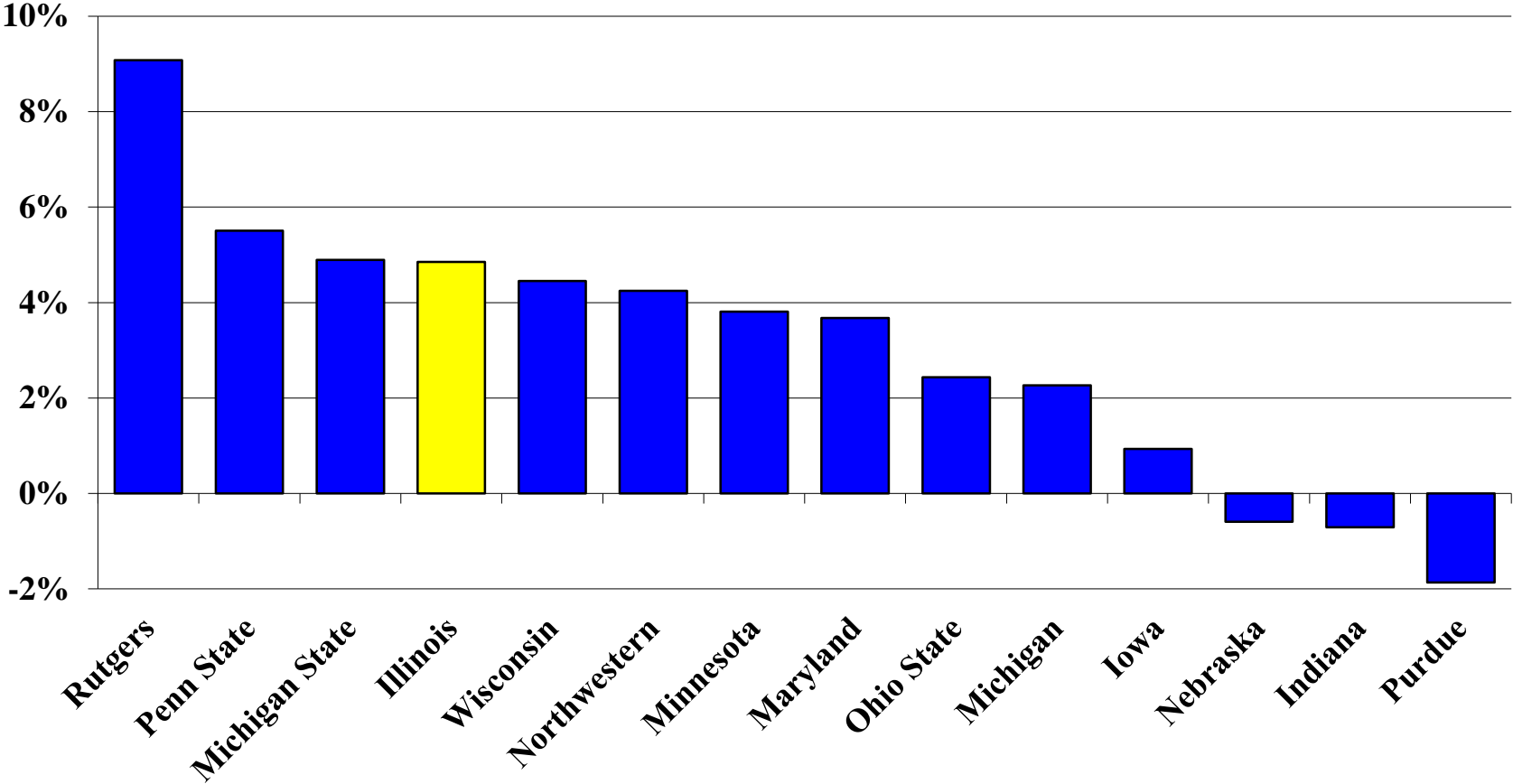
(Dollars in Billions)



Source: NACUBO-Commonfund Study of Endowments FY 2015.

*Represents endowment balance for the University of Maryland College Park Foundation. Does not include endowment funds held in the University System of Maryland Foundation.

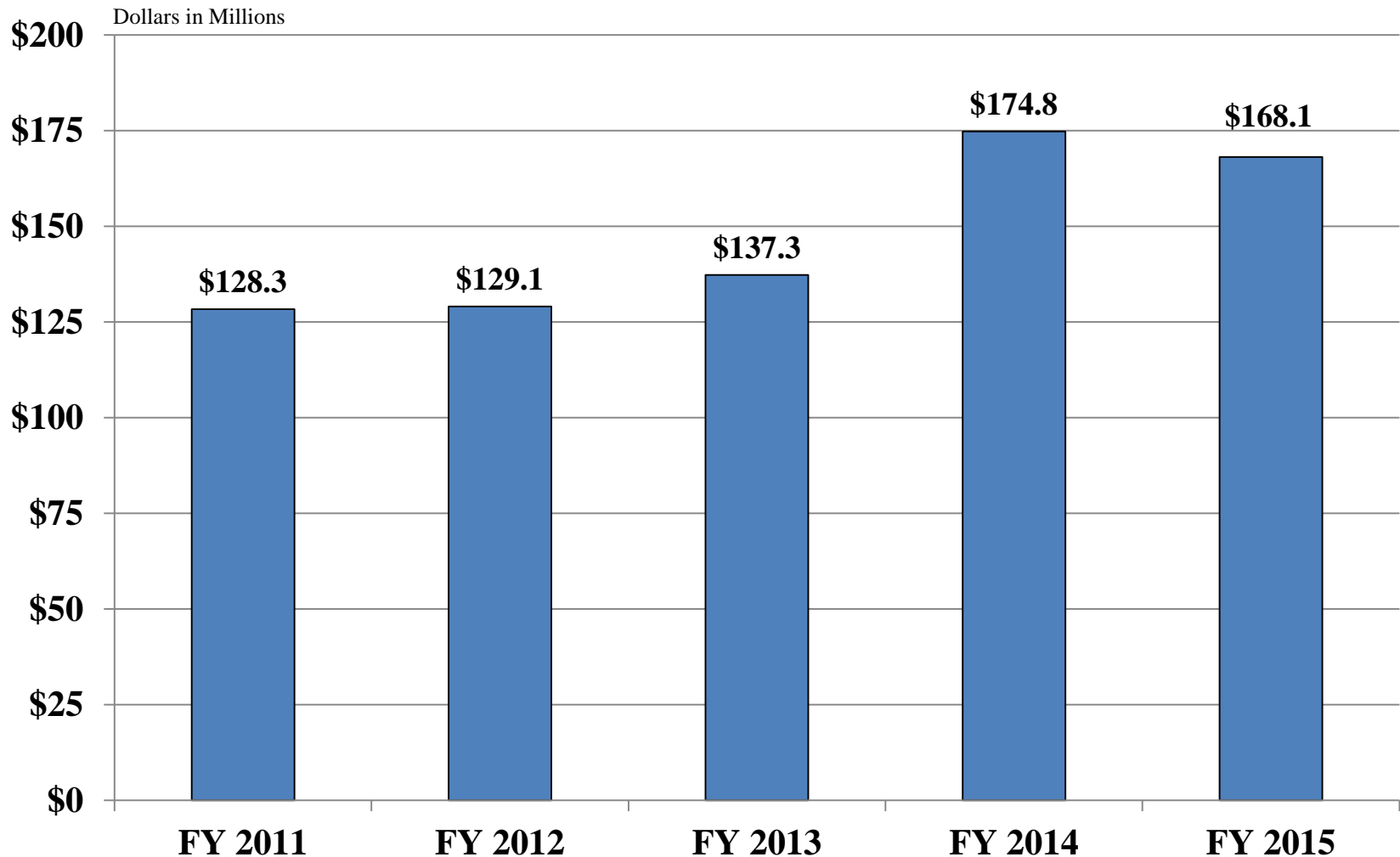
Big Ten University and Foundation Endowments Percentage Growth from 2014 – 2015



Source: NACUBO-Commonfund Study of Endowments FY 2015.

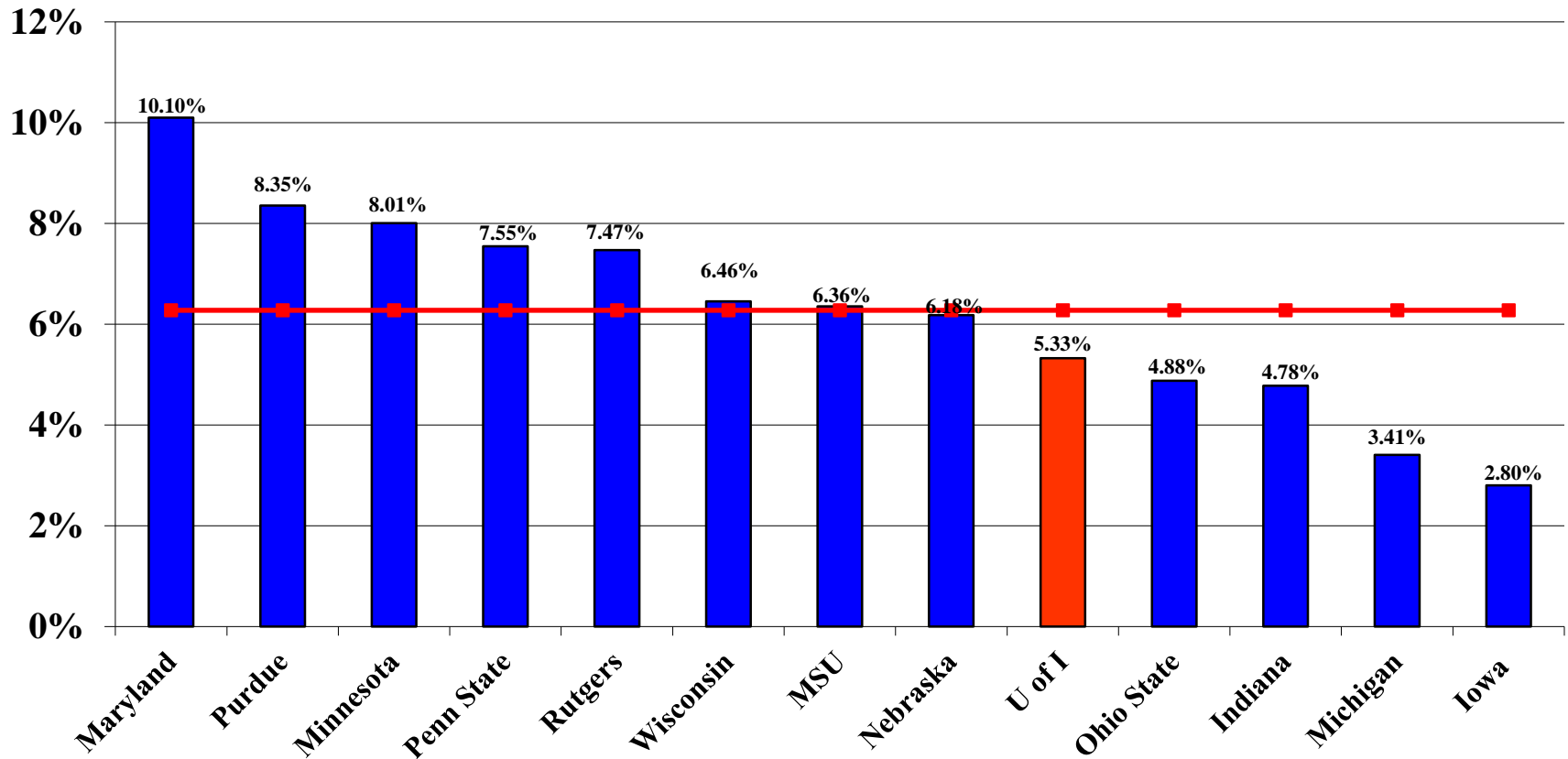
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University of Illinois Foundation Distributions to the University



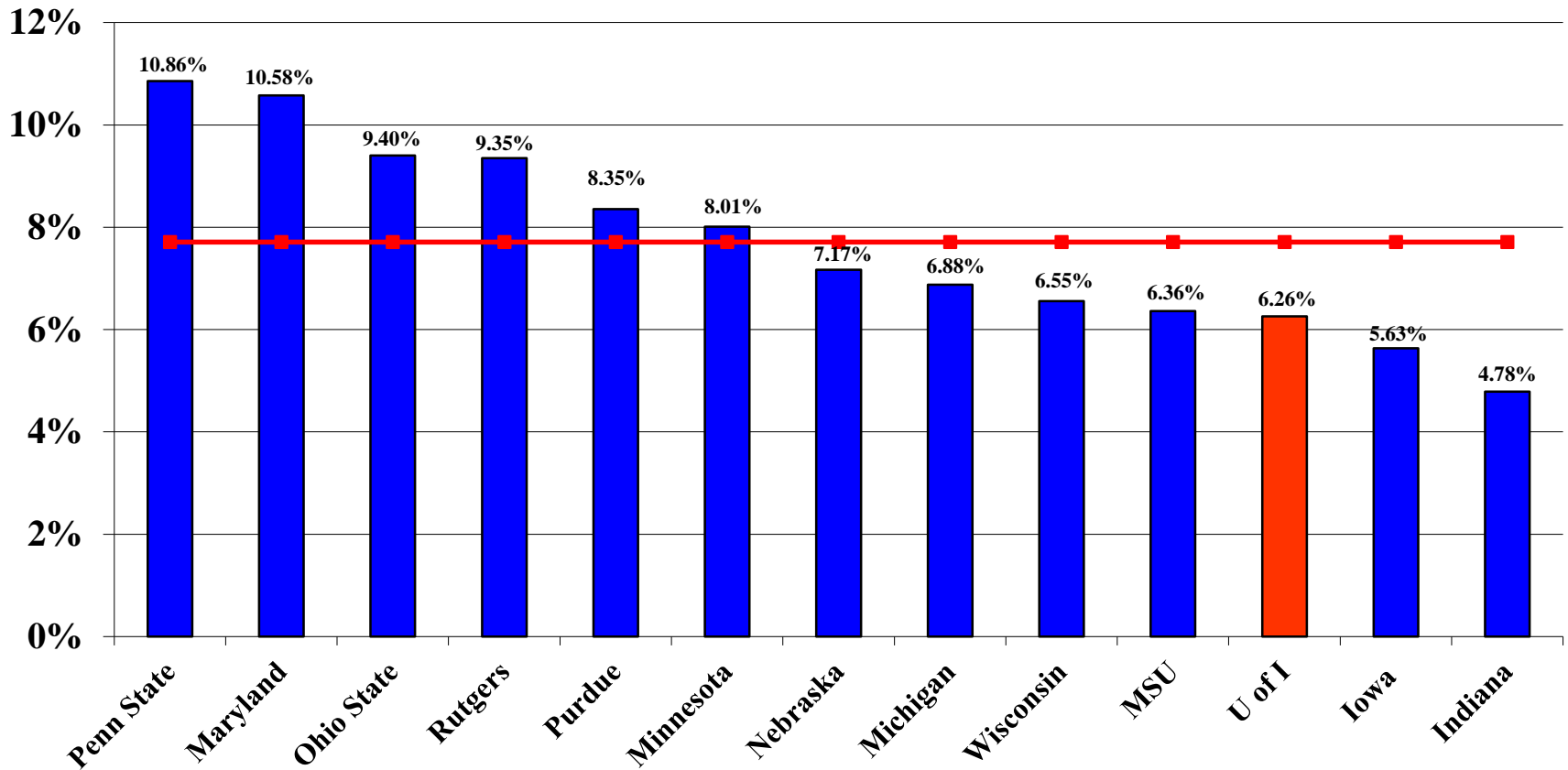
Source: University Accounting and Financial Reporting.
Includes endowment income and current use gifts distributions from the UI Foundation.

Big Ten Public Universities Total Systems Institutional Support as a % of Total Expenditures FY 2015



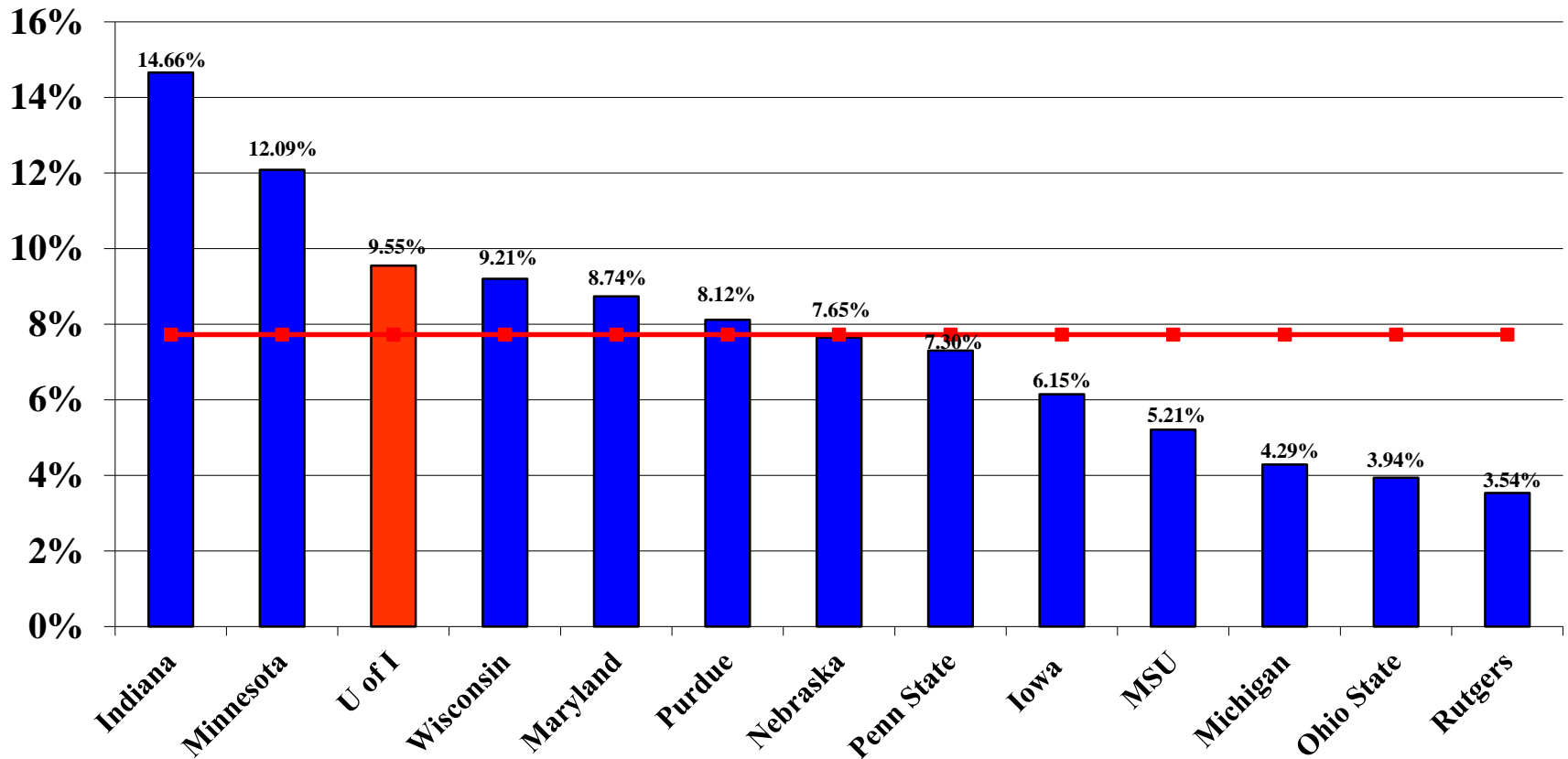
Note: Total Expenditures are Operating Expenditures less Depreciation
Source: FY 2015 Annual Financial Reports

Big Ten Public Universities Total Systems Institutional Support as a % of Total Expenditures FY 2015 Excluding Hospital Enterprises



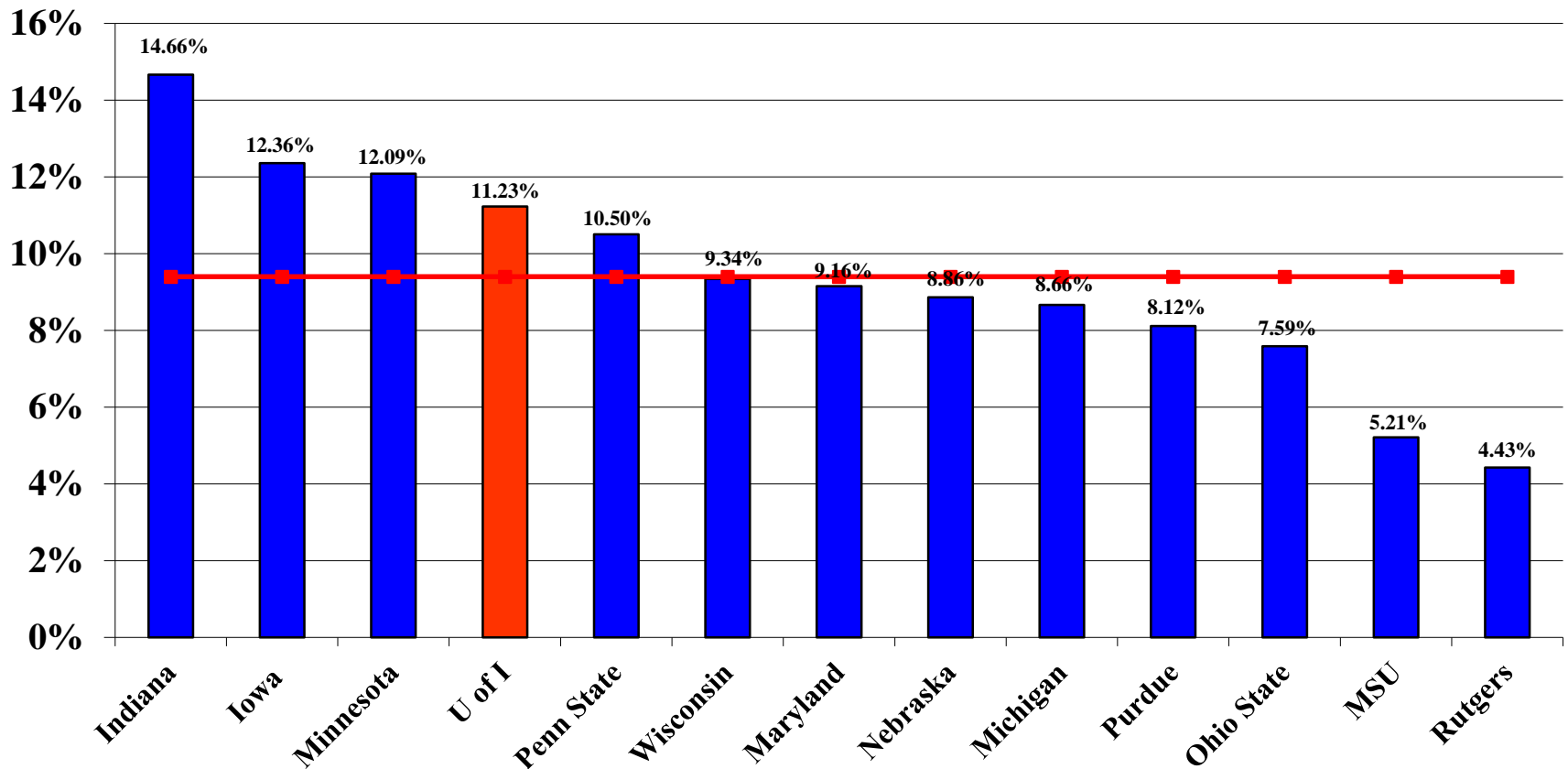
Note: Total Expenditures are Operating Expenditures less Depreciation and Hospital/Medical
 Source: FY 2015 Annual Financial Reports

Big Ten Public Universities Total Systems Academic Support as a % of Total Expenditures FY 2015



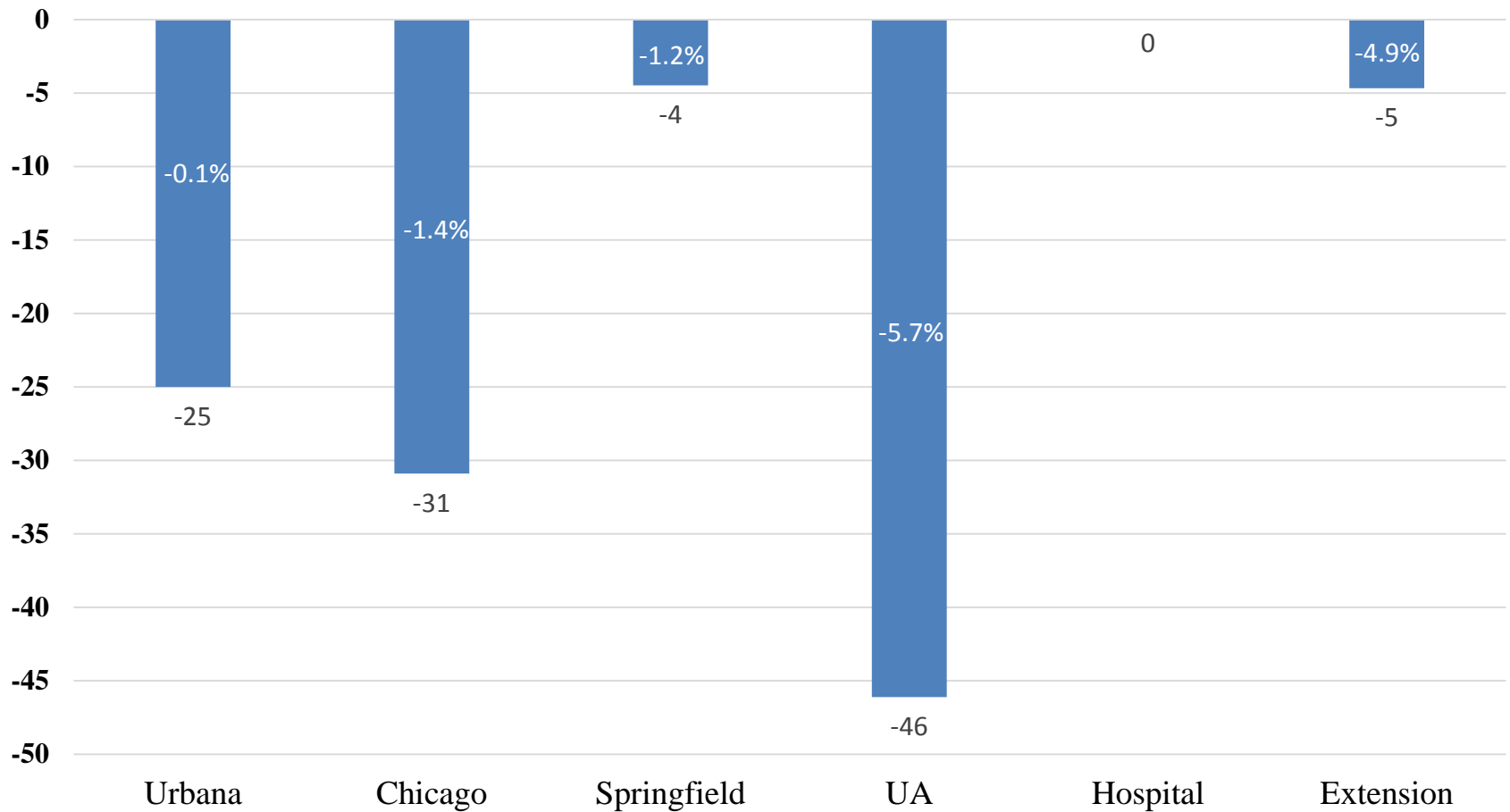
Note: Total Expenditures are Operating Expenditures less Depreciation
Source: FY 2015 Annual Financial Reports

Big Ten Public Universities Total Systems Academic Support as a % of Total Expenditures FY 2015 Excluding Hospital Enterprises



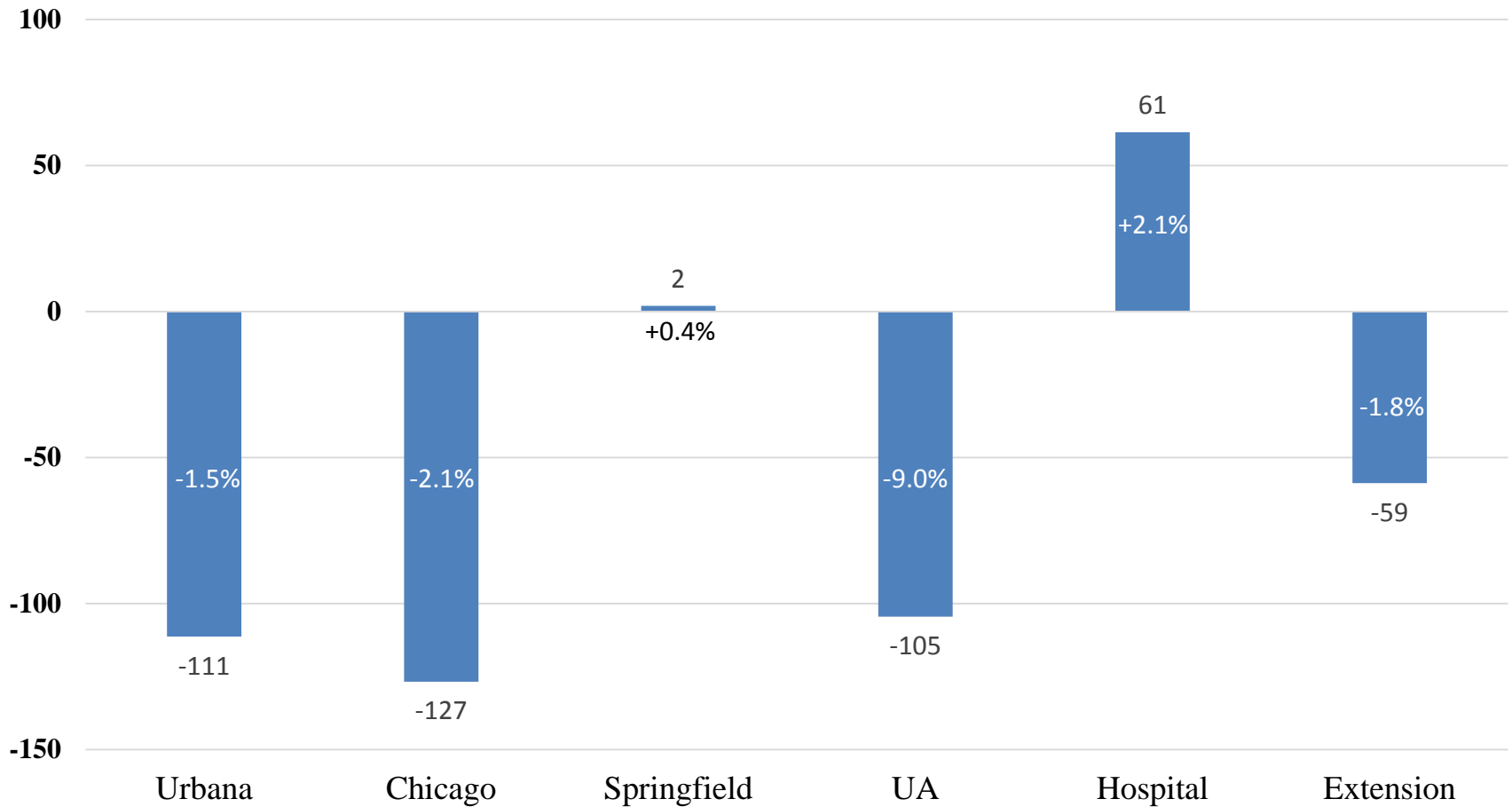
Note: Total Expenditures are Operating Expenditures less Depreciation and Hospital/Medical
Source: FY 2015 Annual Financial Reports

Change in AP/Civil Service Staff FTE State Funds July 2015 through February 2016



Excludes Faculty and Graduate Assistants.

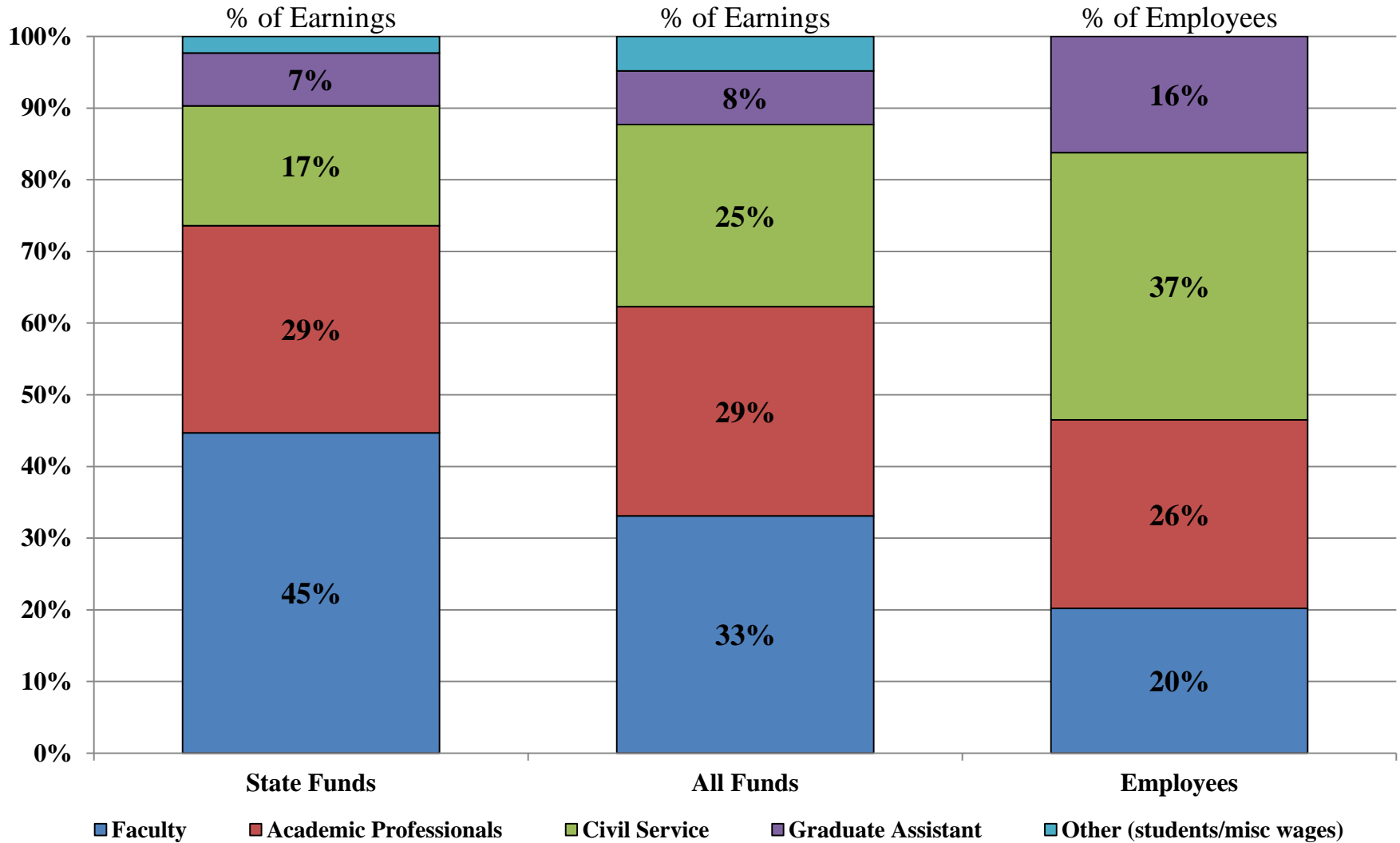
Change in AP/Civil Service Staff FTE All Funds July 2015 through February 2016



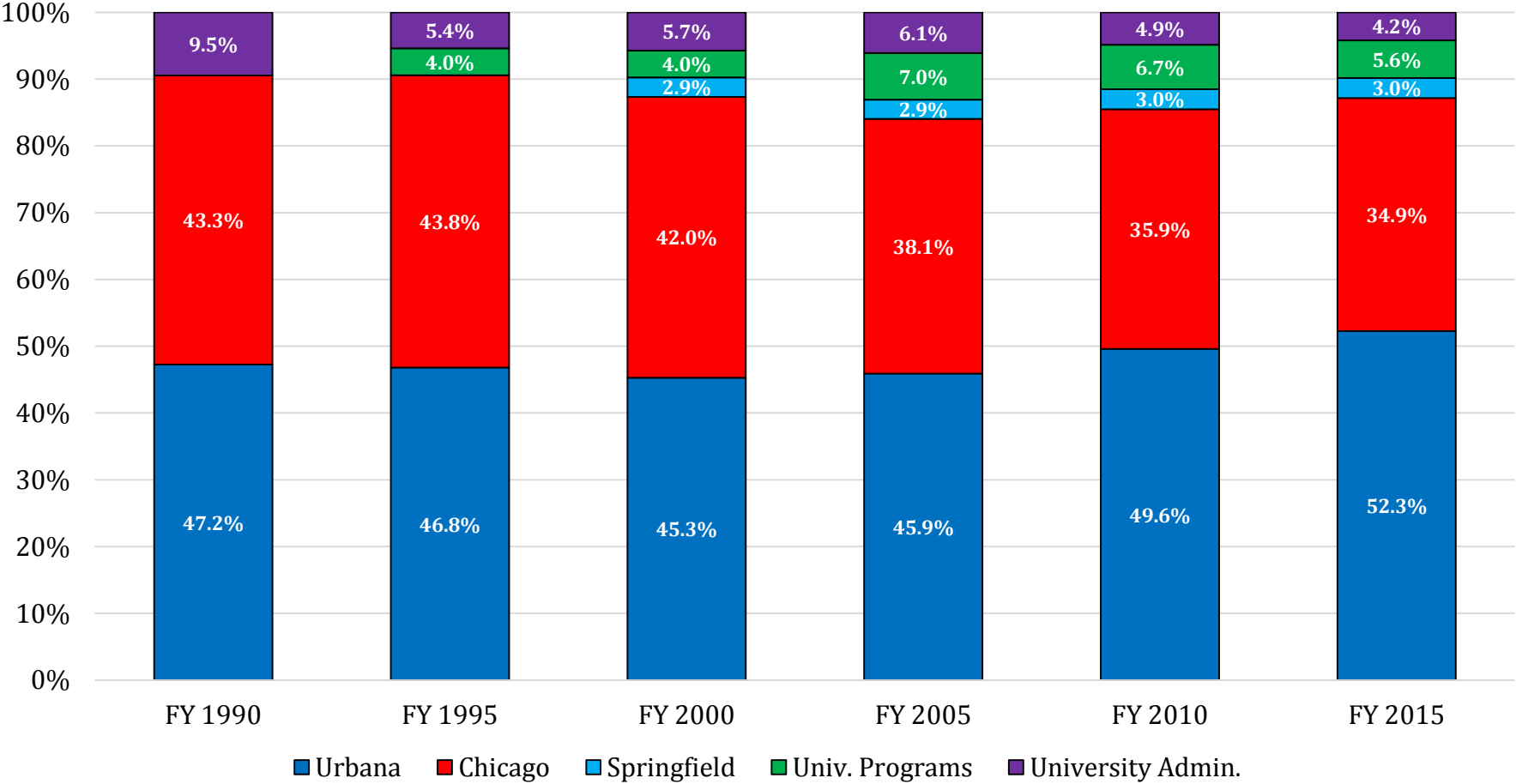
Excludes Faculty and Graduate Assistants.

Staff Earnings

Total, University of Illinois

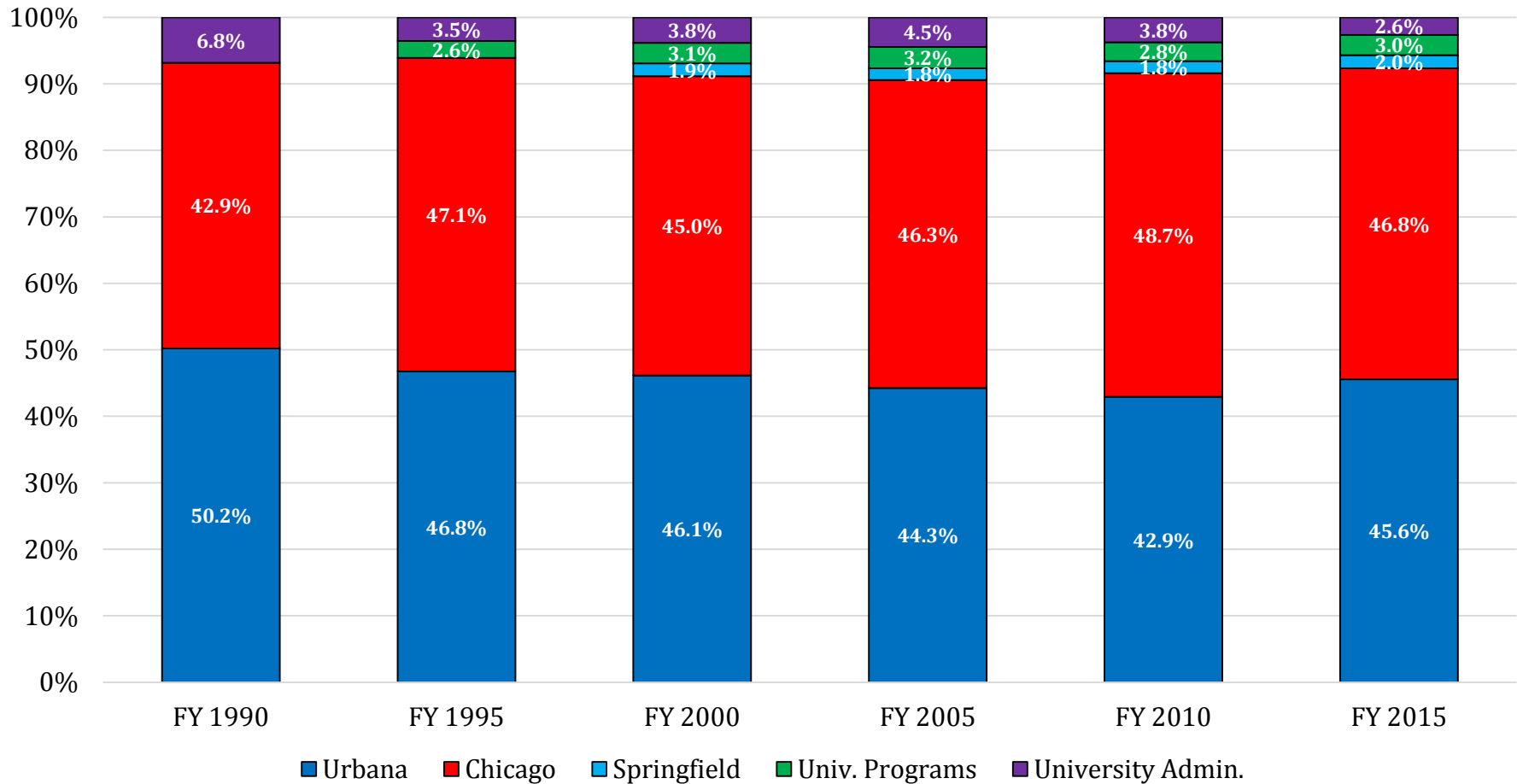


State & Income Fund Budget by Campus



Does not include POB or AFMFA. FY90 & FY95 – UIS not part of University.
 FY90 – UP not separate. FY90 and FY95 UA/UP includes FSI and PTI.

All Funds Budget by Campus



Does not include POB or AFMFA. FY90 & FY95 - UIS not part of University.
 FY90 - UP not separate. FY90 and FY95 UA/UP includes FSI and PTL.