

FINANCIAL INDICATORS



UNIVERSITY OF ILLINOIS

URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

Prepared for Presentation to the
Board of Trustees
September 14, 2012

Fiscal Year 2012

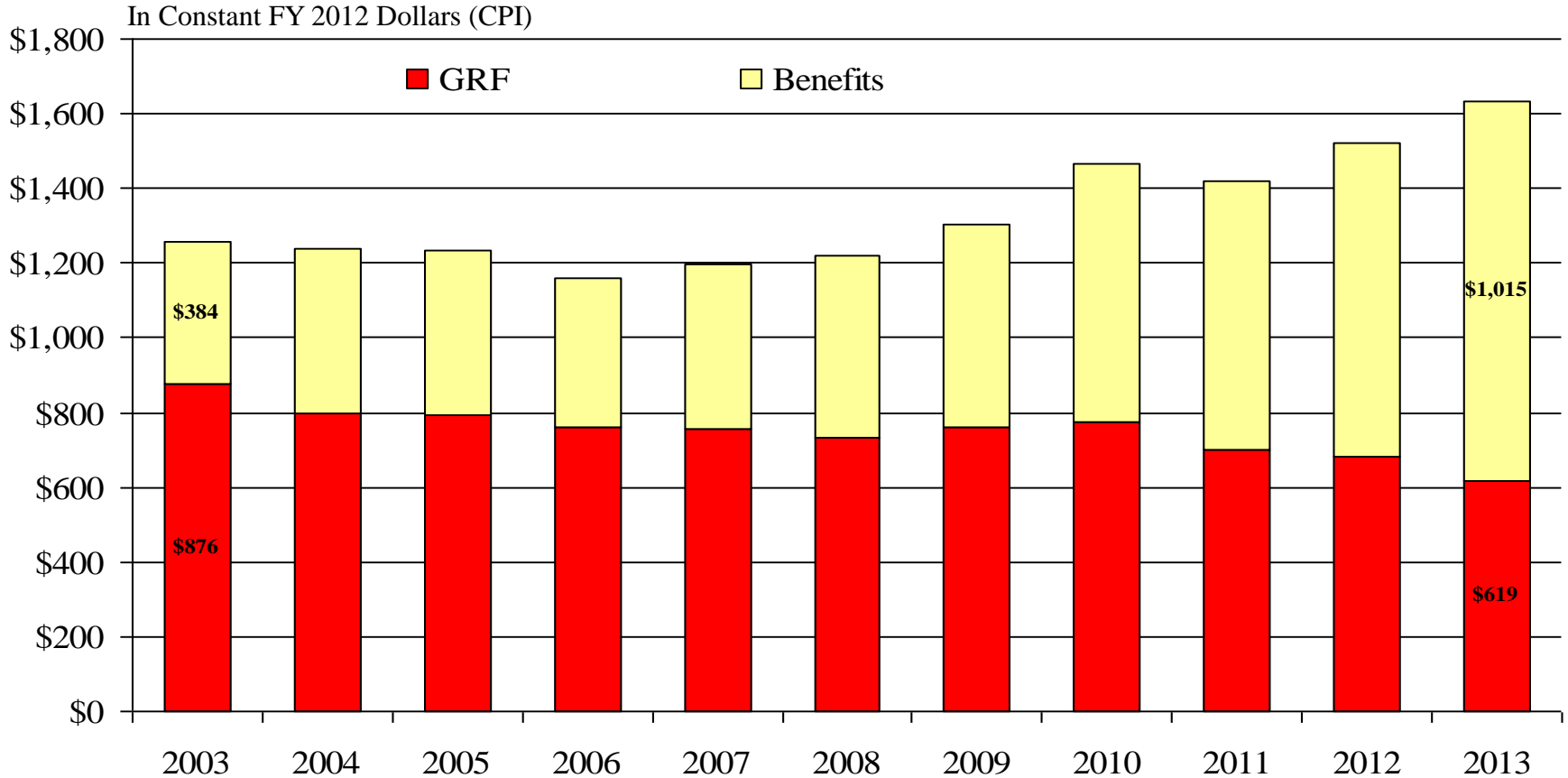
University Financial Summary

- It was a year of performance
 - Positive outcomes for hospital, medical service plan and auxiliaries
 - Instruction/research operations had robust revenue generation (tuition/sponsored research grants) and all campuses demonstrated strong expense control
 - UI collected \$313 million FY 2011 state appropriation receivable by 12/31/11
- It was a year of some improvements but continuing challenges
 - Ended FY 2012 with \$207 million State receivable (and \$15.8M for Surveys)
 - State has over \$8.0 billion in unpaid FY 2012 vouchers
 - Pension and benefit issues continue to be a top concern

University of Illinois

Appropriations & Benefits

(Dollars in Millions)

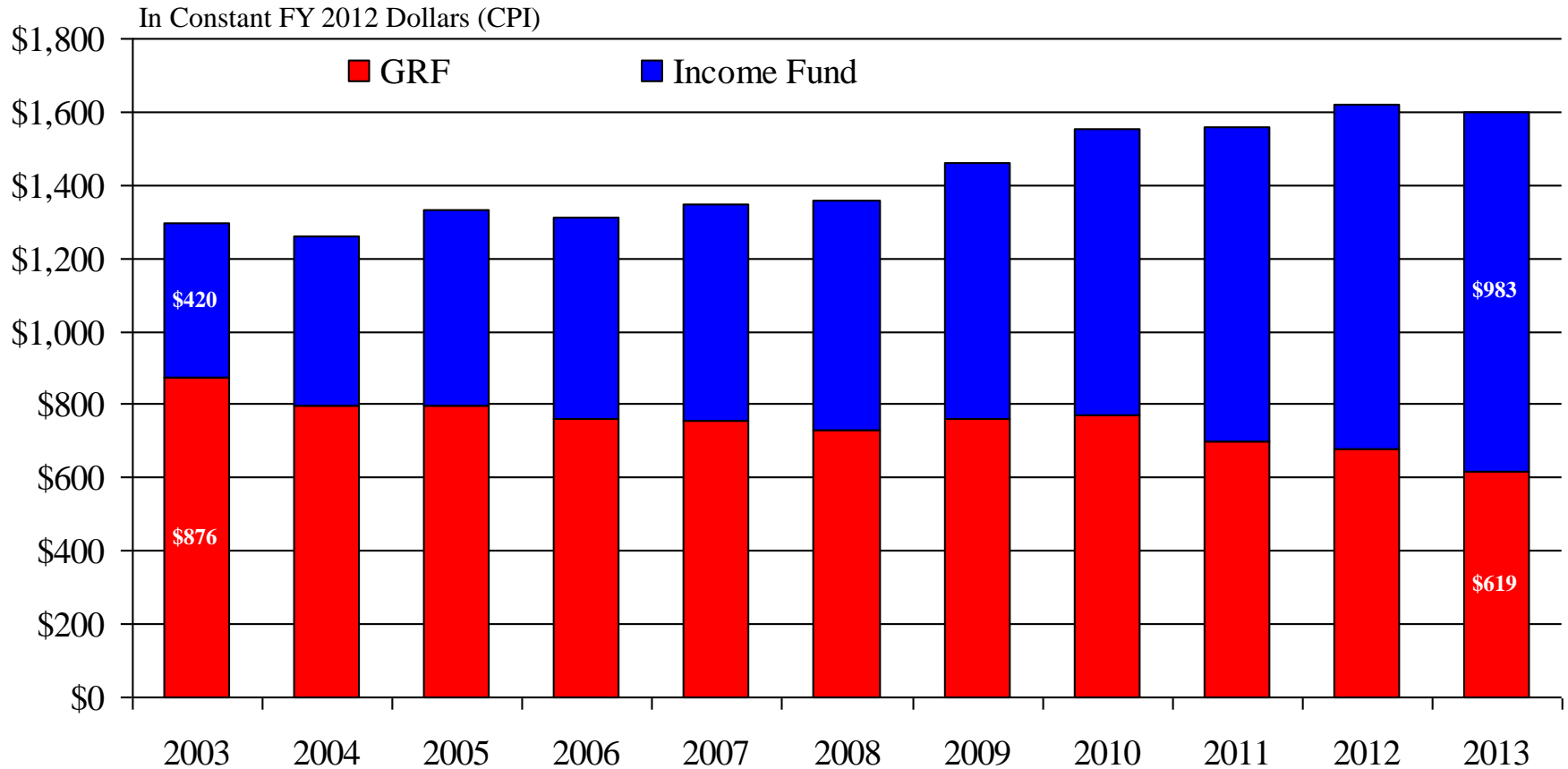


FY 2003 - 2013 GRF Adjusted for Health Insurance and Rescissions; FY 2009 – FY 2013 include the transfer of the State Surveys. Benefits include retirement (SURS) and insurance paid by the State as well as the portion of GRF redirected to CMS. FY 2004 benefits excludes one time pension bond proceeds. FY 2013 Benefits are estimated.

University of Illinois Appropriations & Tuition

(Dollars in Millions)

- **Total Enrollment FY 2002 over 67,000**
- **Total Enrollment FY 2012 over 77,600**

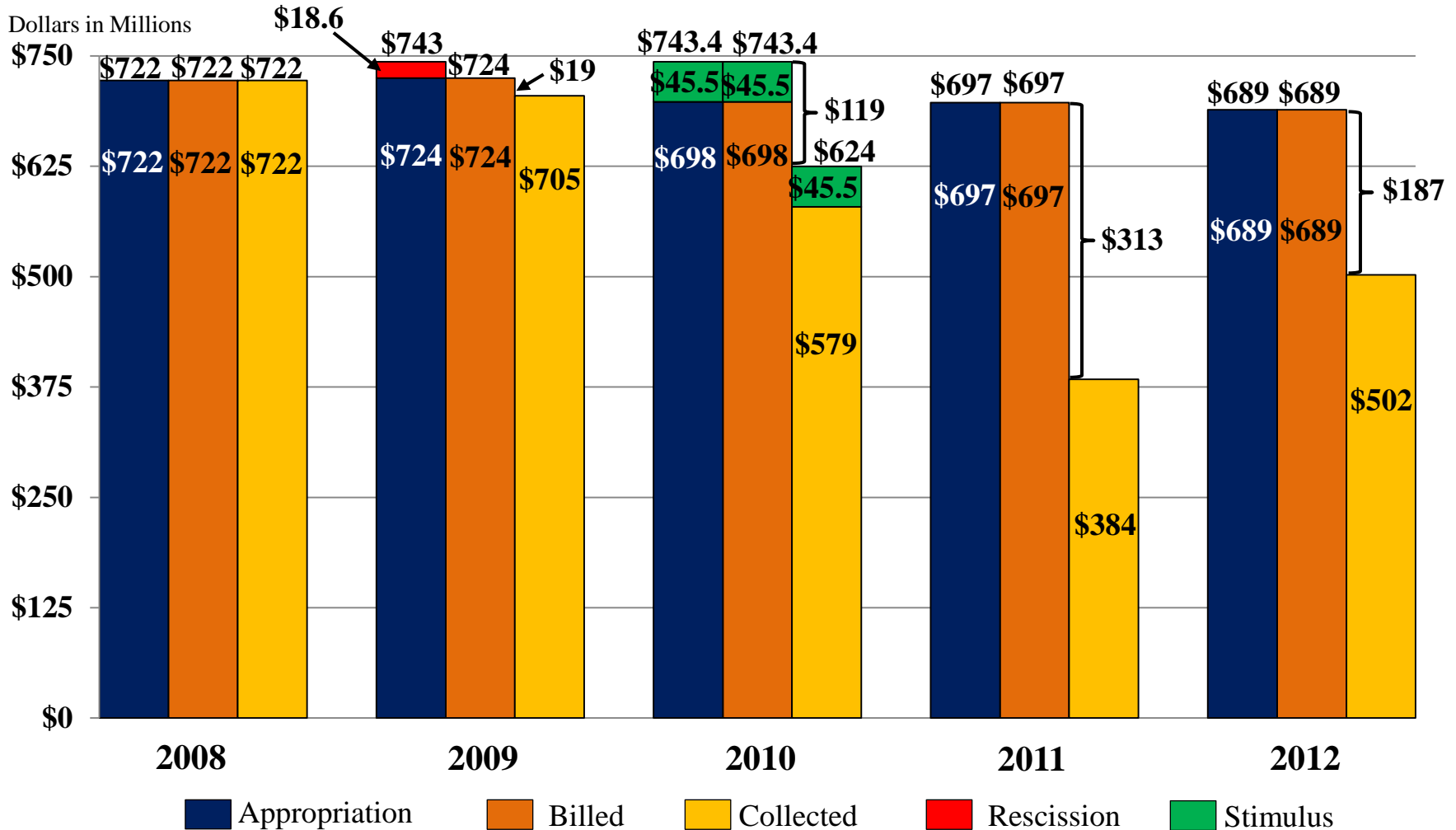


FY 2002 – 2013 GRF Adjusted for Health Insurance and Rescissions; FY 2009 – FY 2013 include the transfer of the State Surveys.

State Appropriation Revenue

Unrestricted Funds

Lapsed Period Billings and Collections through September 10, 2012



FY08 as of July 31st. FY09 appropriation includes \$18.6 million rescission.

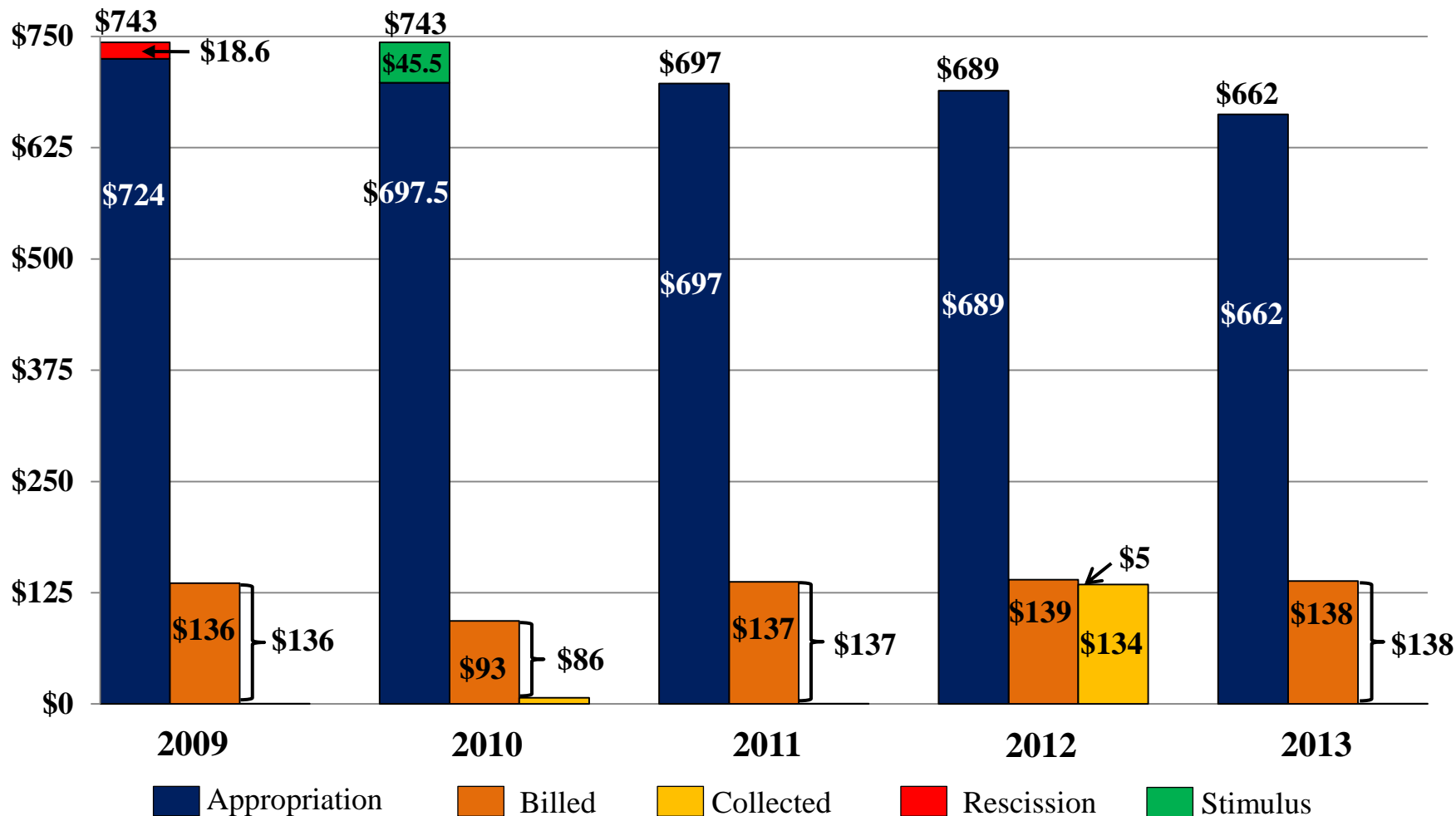
FY10 appropriation includes \$45.5 million of federal stimulus funding and assumes restoration of FY09 rescission.

State Appropriation Revenue

Unrestricted Funds

Billings and Collections through September 10, 2012

Dollars in Millions



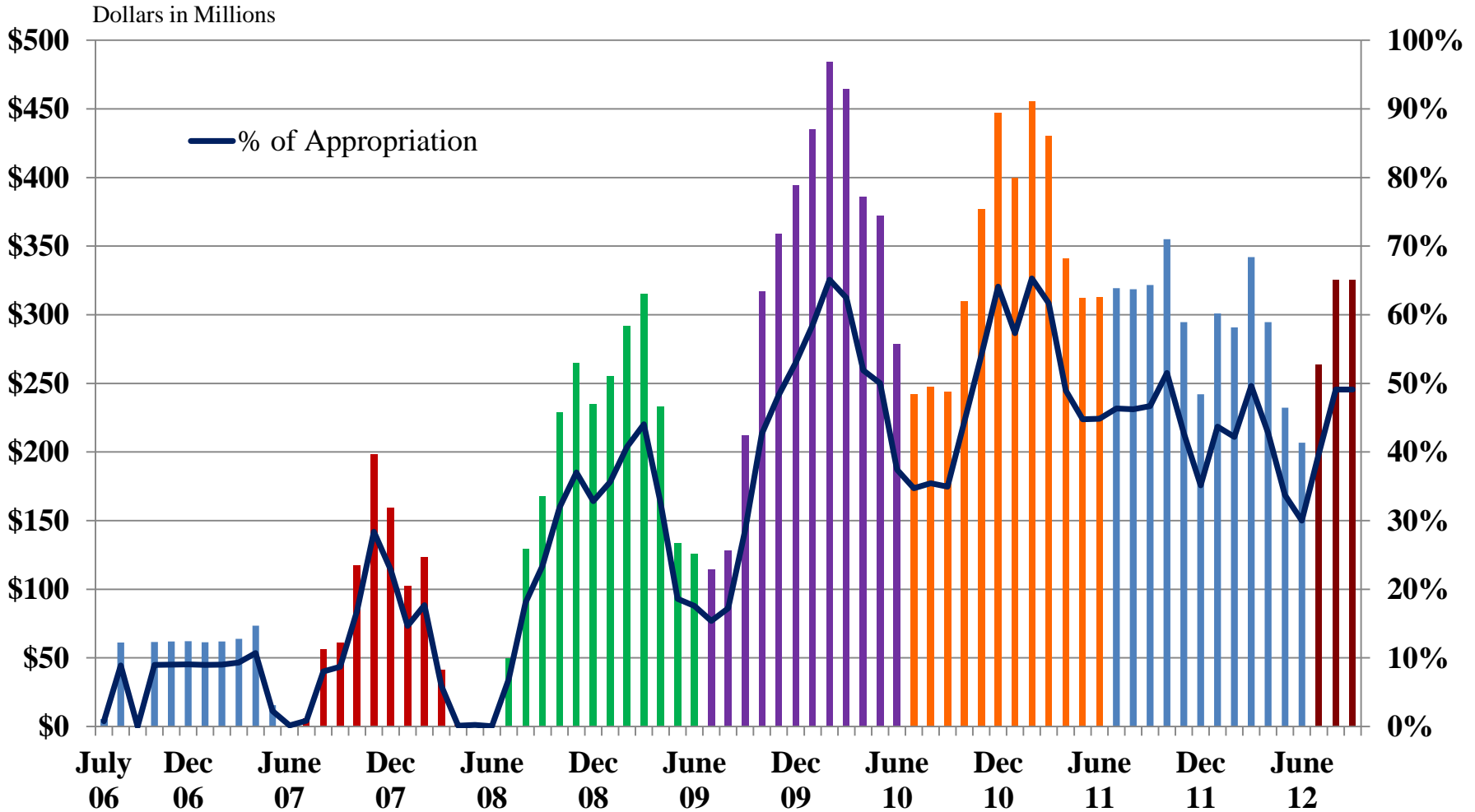
FY09 appropriation includes \$18.6 million rescission. FY09 as of August 31st.

FY10 appropriation includes \$45.5 million of federal stimulus funding and assumes restoration of FY09 rescission.

UI Month End GRF Receivable & Percent of State Budget

Fiscal Year 2007 through Fiscal Year 2013

As of September 10, 2012



Receivables as of June 30th for each of the following fiscal years were: 2009 (\$125.9M), 2010 (\$278.5M), 2011 (\$312.7M), 2012 (\$206.7M).

FY 2010 State Capital Budget

Major Projects as Signed by the Governor

(Dollars in Thousands)

All projects have been released and are progressing.

	<u>Project</u>	<u>Total</u>
University Wide	Repair and Renovation	\$ 21,505
University Wide	Repair and Renovation	10,700
Urbana	Lincoln Hall Remodeling	57,304
Chicago	College of Medicine Rockford	14,820
Urbana	Petascale Facility – Blue Waters	60,000
Chicago	Dentistry Modernization/Code Compliance	20,800
Urbana	Electrical and Computer Engineering Bldg. ¹	44,520
Urbana	Integrated Bioprocessing and Research Lab	20,034
Springfield	Public Safety Building	4,000

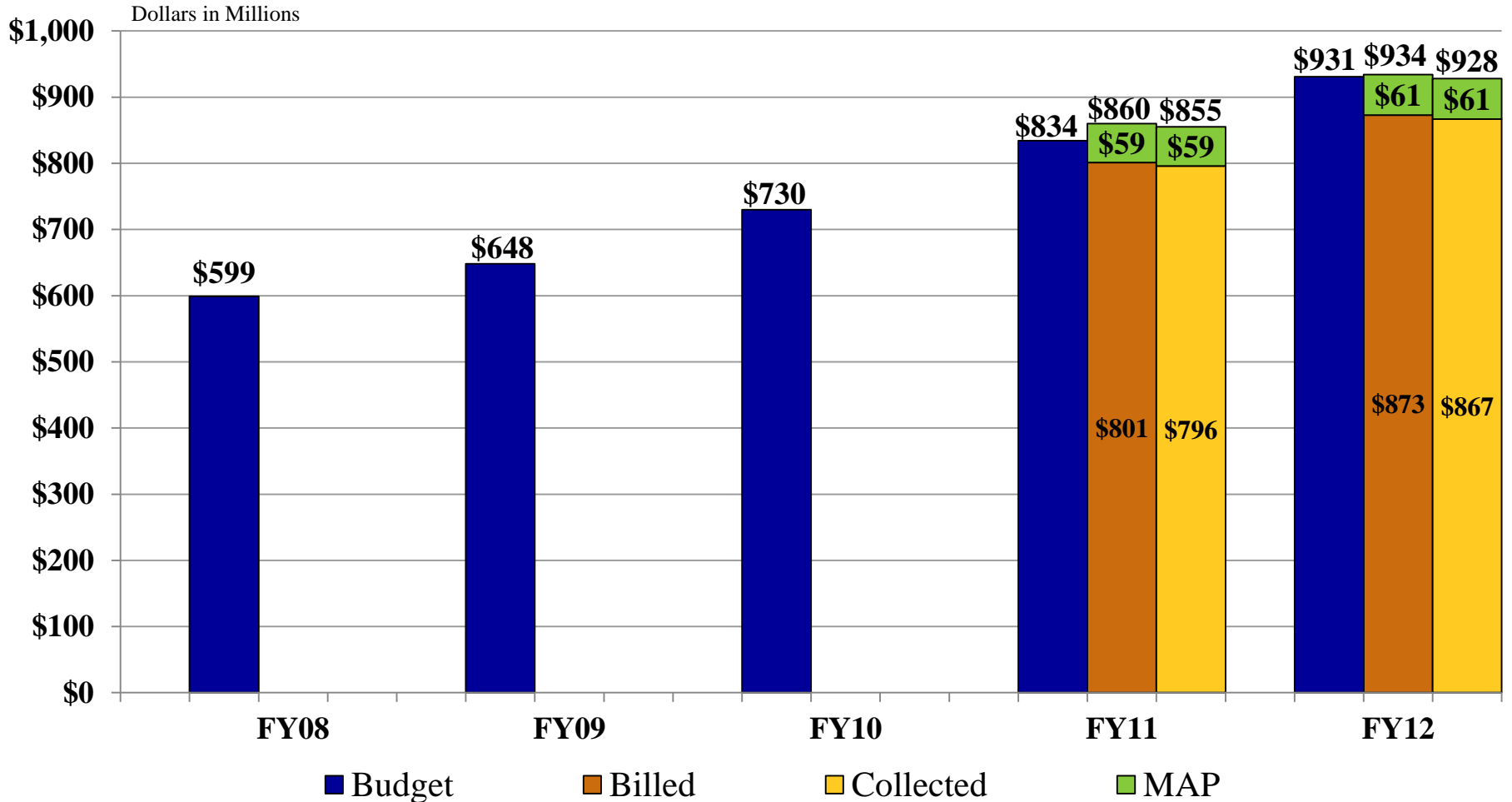
¹ State match of non-state funds

Income Fund (Tuition) Revenue

Unrestricted Funds

Fiscal Years 2008 – 2012

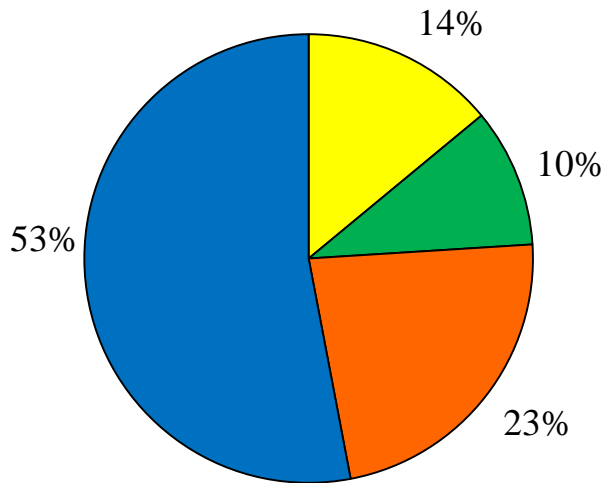
Collections and Billed through June 30th of Fiscal Years 2011 & 2012



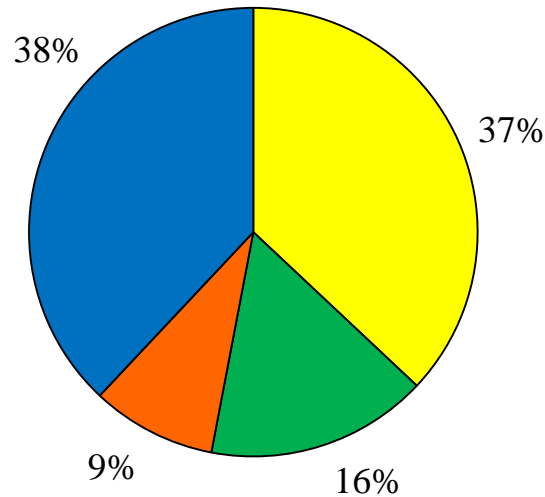
University of Illinois

Half the Full-time Undergraduate Students Pay Less than Sticker Price Fall 2011 – All Students

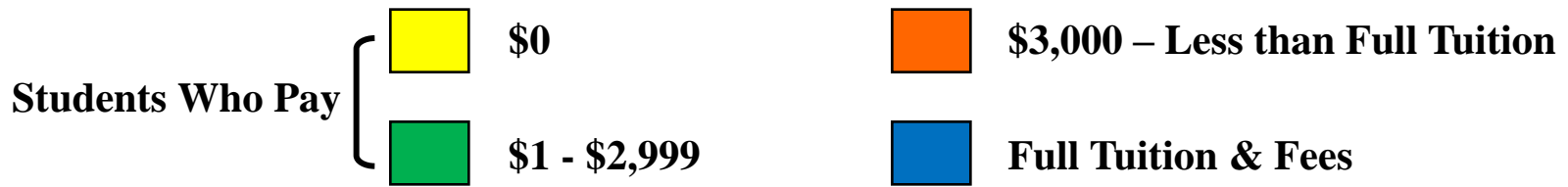
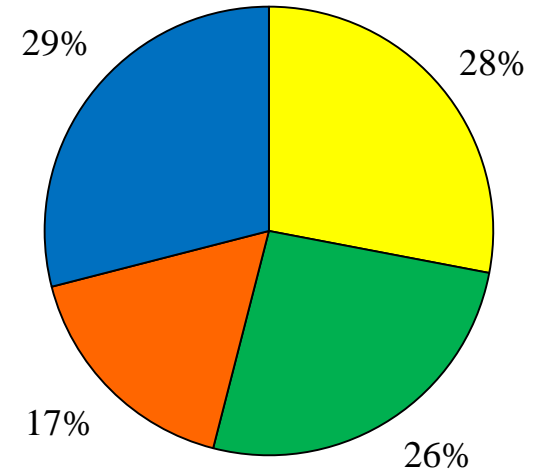
Urbana-Champaign



Chicago



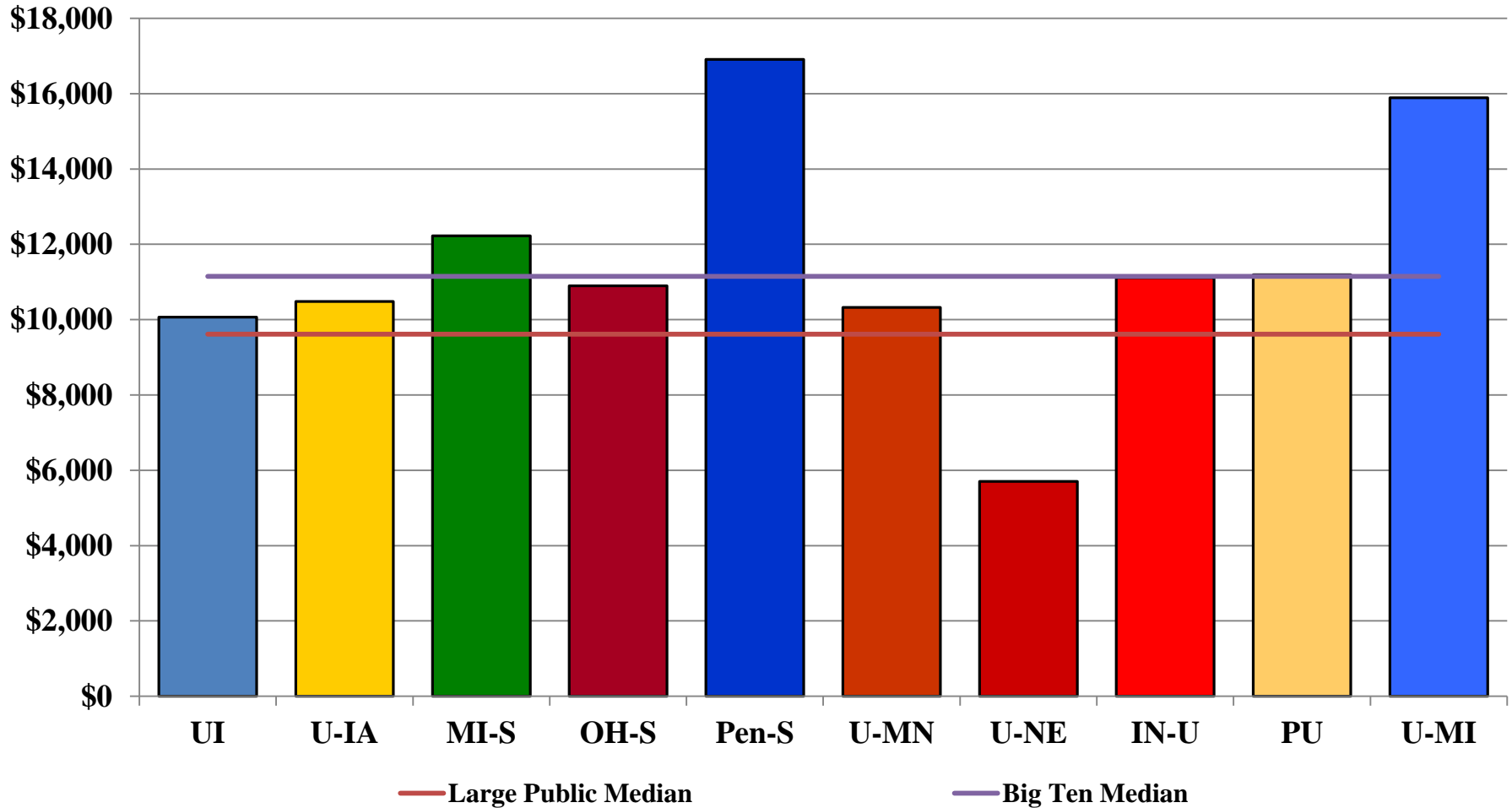
Springfield



Based on Fall 2011 Full-time Undergraduates.

Note: Although 37% of UIC students in Fall 2011 have no out-of-pocket costs for tuition, only 3% have their tuition waived completely. The remainder have a portion of their tuition paid with State, Federal and private funds.

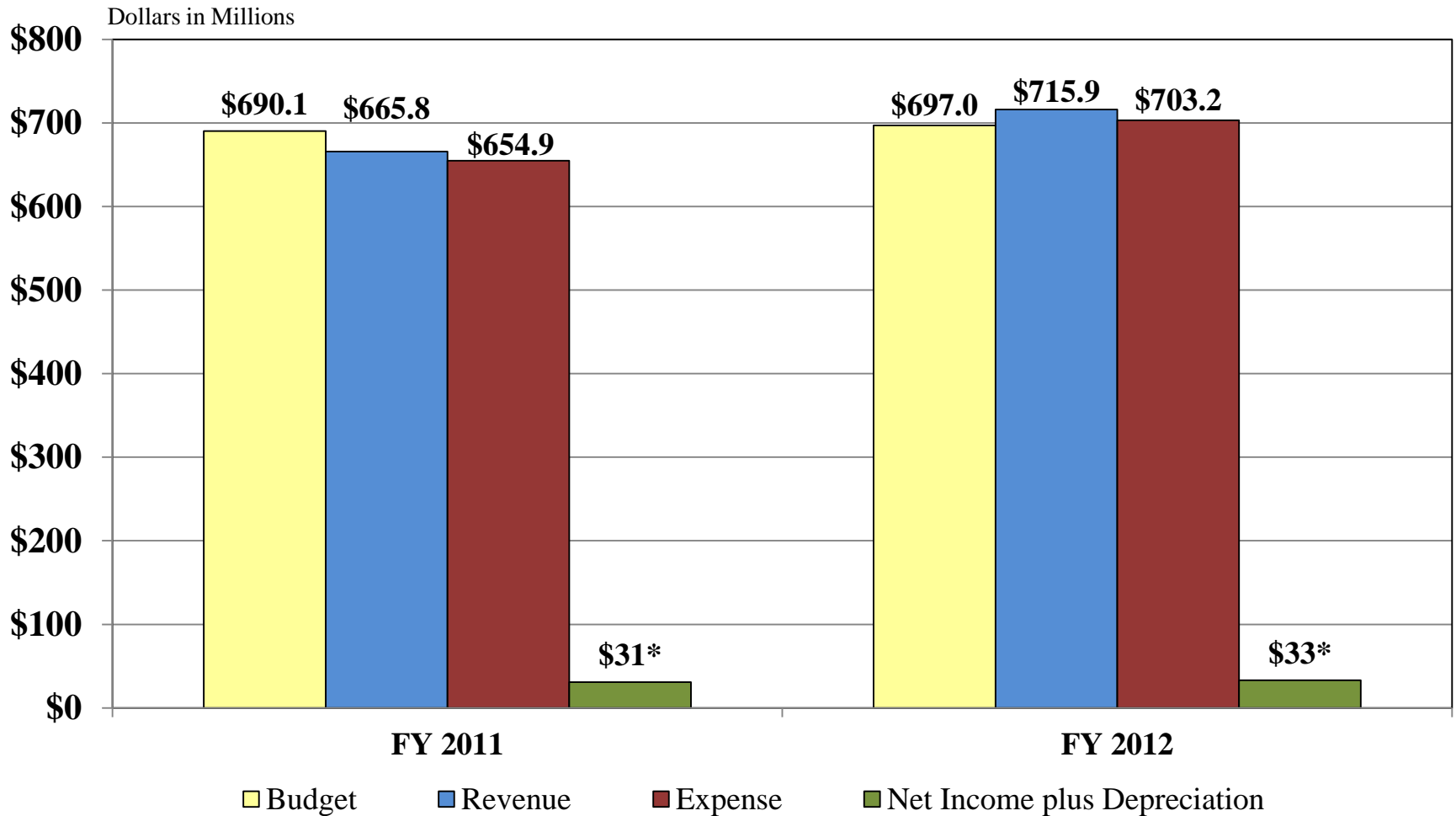
Big Ten Comparison Net Tuition per Student



Source: Moody's Investor Service. All FY 2011 data except Michigan State, Ohio State and University of Nebraska are FY 2010.

Hospital Revenue/Expense/Net Income

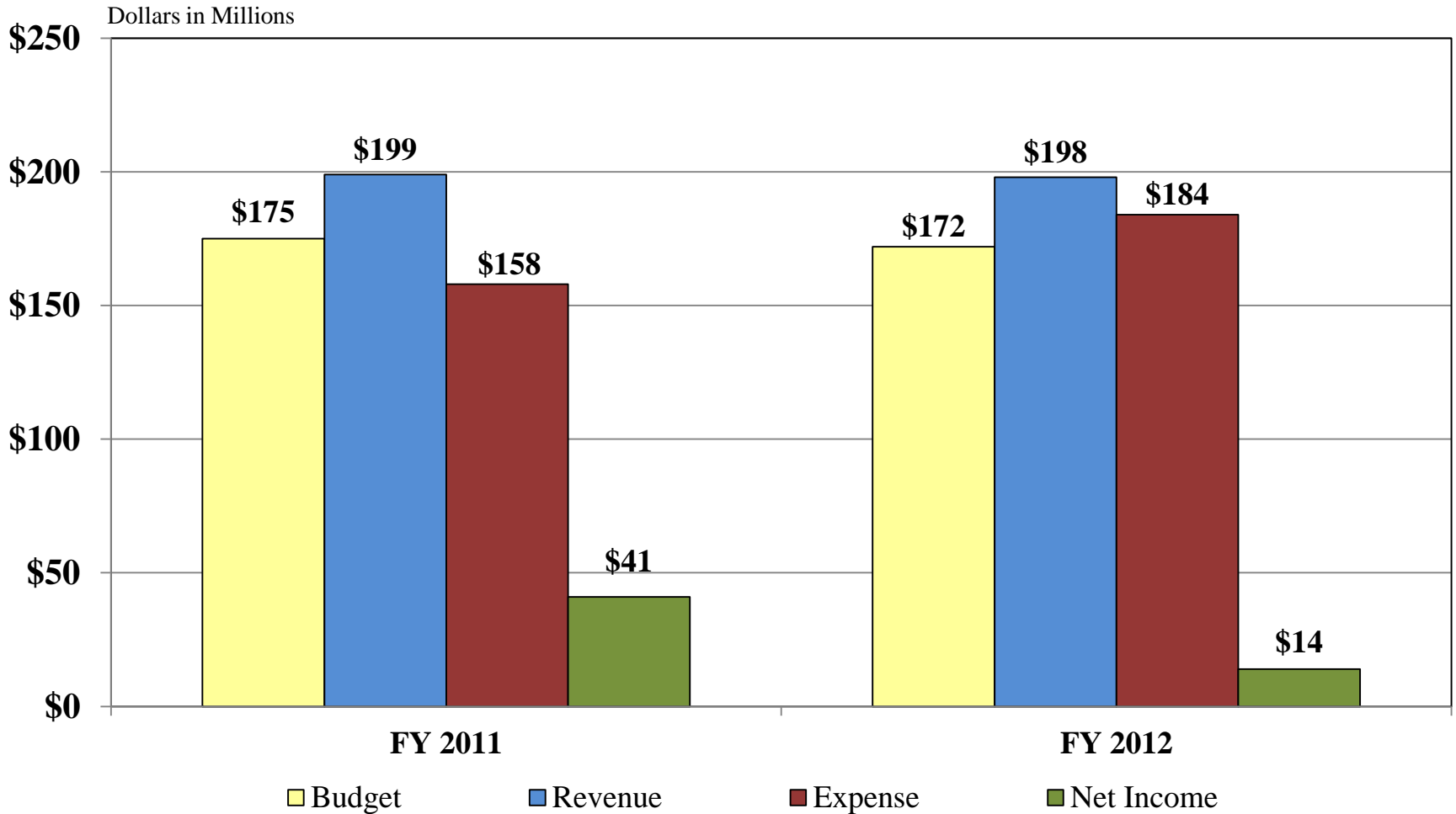
Fiscal Year 2011 versus Fiscal Year 2012 through June 30



* Depreciation included above was approximately \$18.7 million for FY11 and approximately \$18.9 million in FY12.

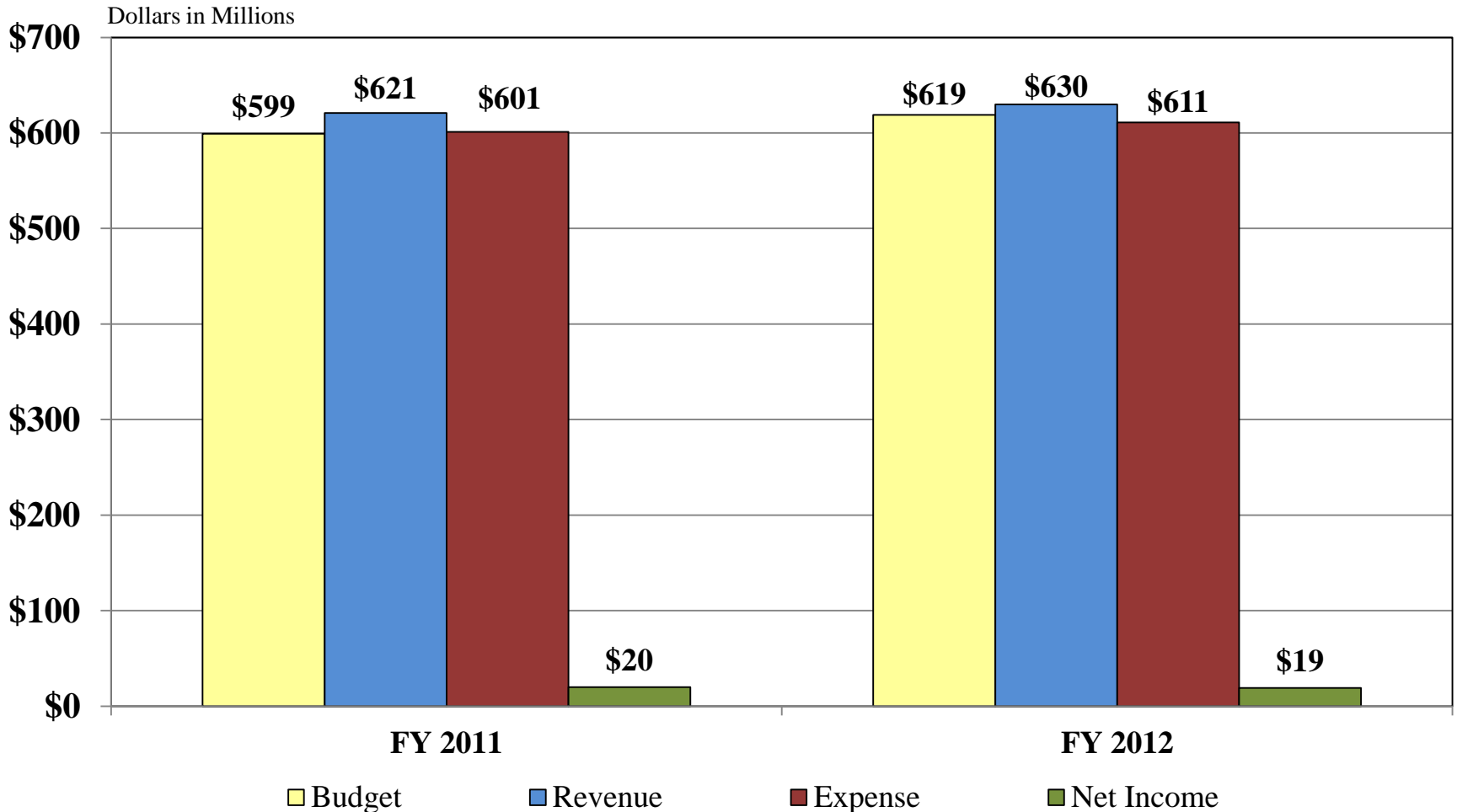
MSP Revenue/Expense/Net Income

Fiscal Year 2011 versus Fiscal Year 2012 through June 30



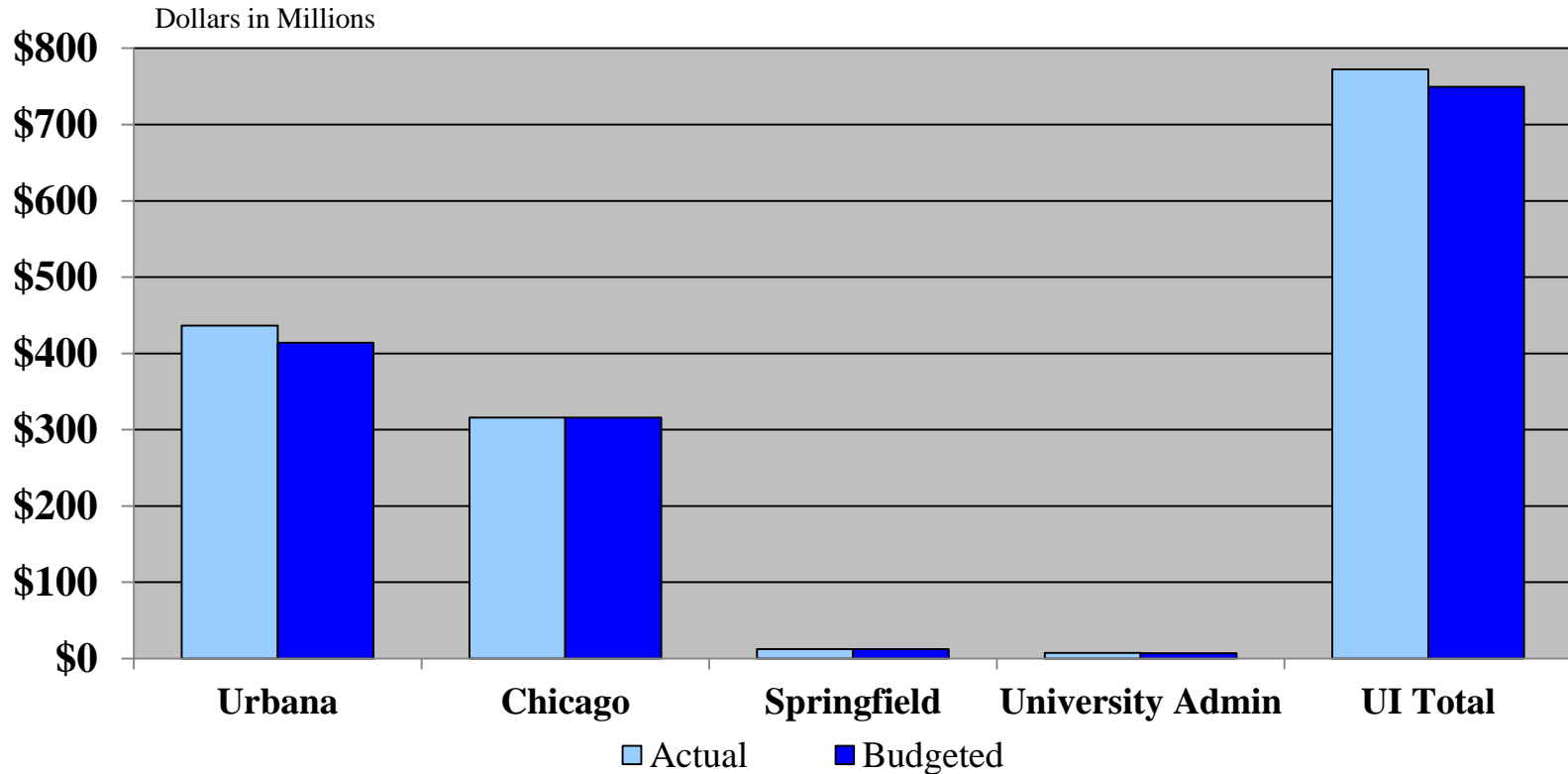
Auxiliary/Departmental Activities Revenue/Expense/Net Income

Fiscal Year 2011 versus Fiscal Year 2012 through June 30



Fiscal Year 2012 Budget Assessment

Sponsored Projects Revenue

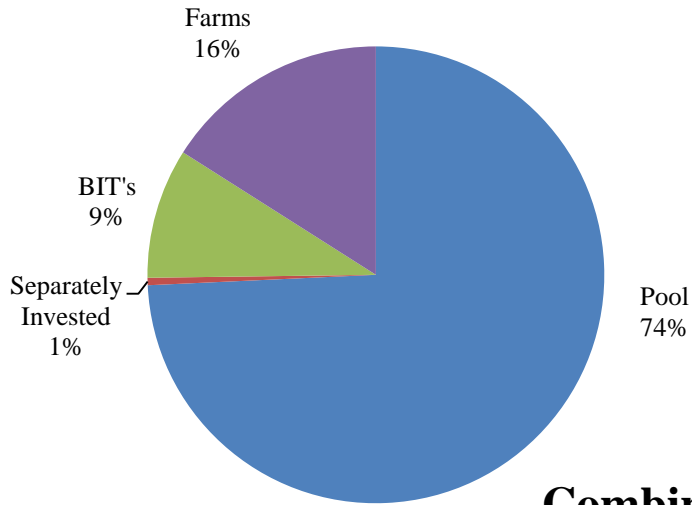


Campus	Actual Revenue	Budgeted Revenue	\$ Variance	% Variance
Urbana	\$436.3	\$414.0	\$ 22.3	5.4%
Chicago	315.9	315.9	0.0	0.0%
Springfield	12.5	12.5	0.0	0.0%
University Admin	7.5	6.9	0.6	8.7%
Totals	\$772.2	\$749.3	\$ 22.9	3.1%

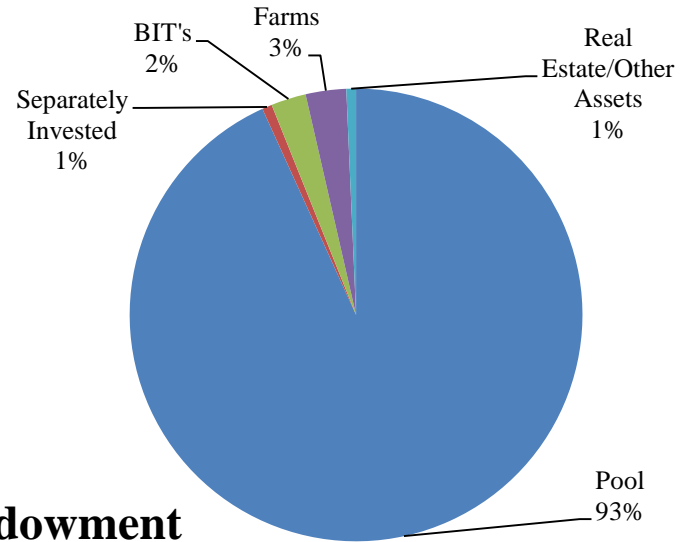
UI and UIF Individual and Combined Total Endowment

Values are preliminary as of June 30, 2012

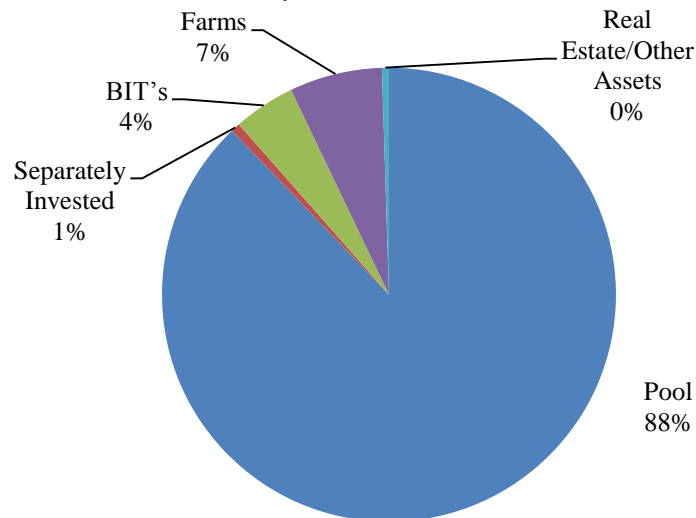
UI Endowment \$467 Million



UIF Endowment \$1.18 Billion

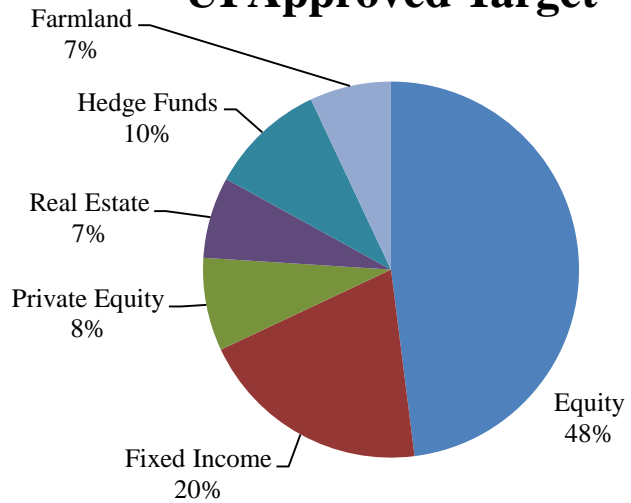


Combined UI/UIF Endowment \$1.65 Billion

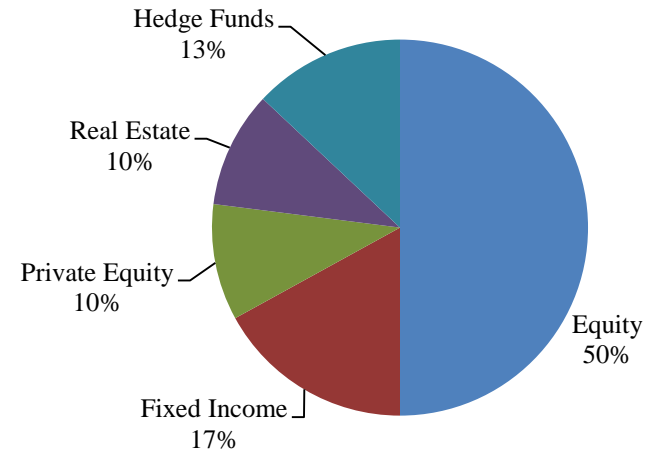


UI, UIF and Combined Endowment Pool Targets

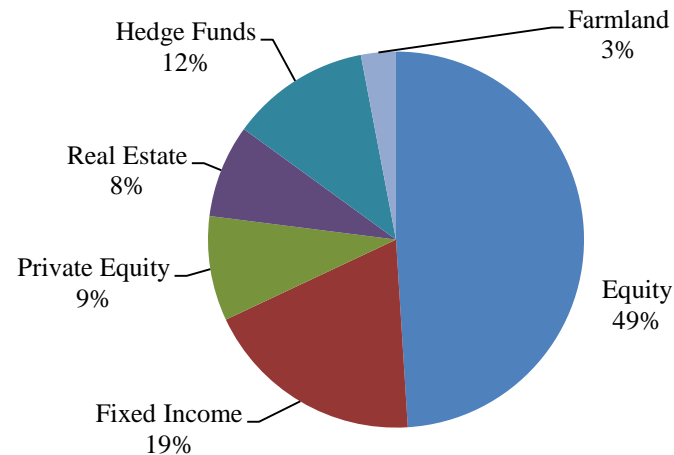
UI Approved Target



UIF Target



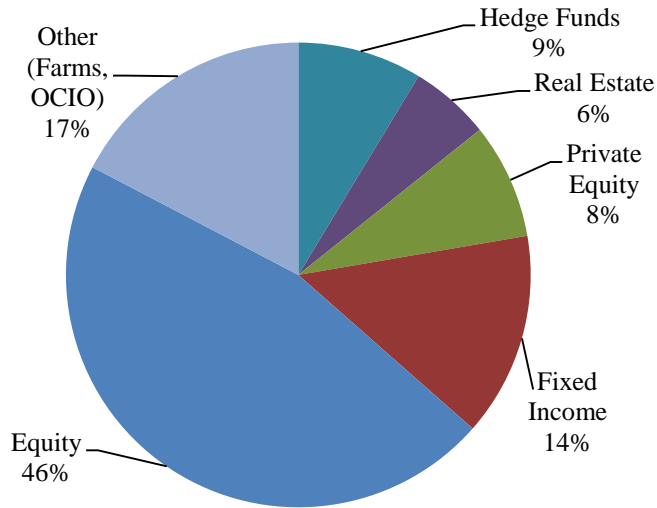
UI/UIF Combined



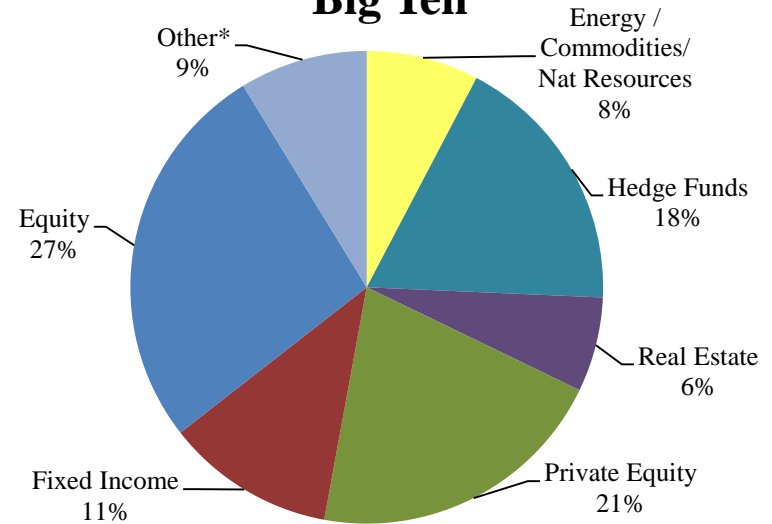
2011 NACUBO

Commonfund Study of Endowments 6/30/2011

UI/UIF E-Pool

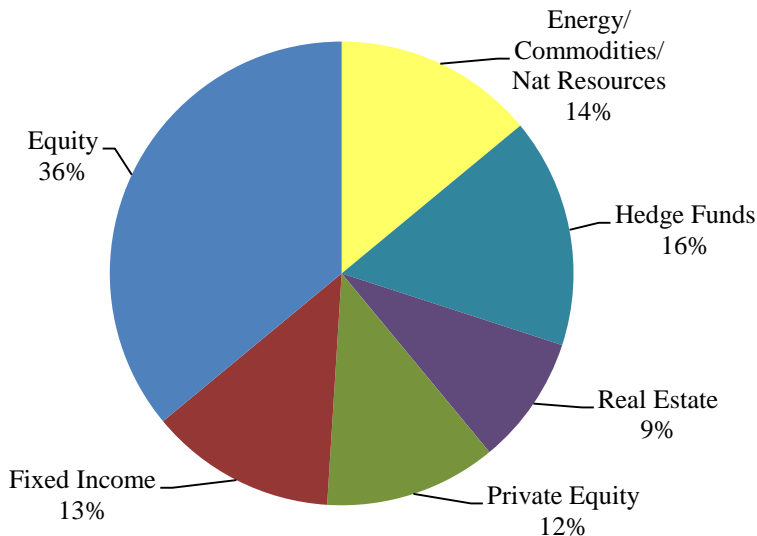


Big Ten

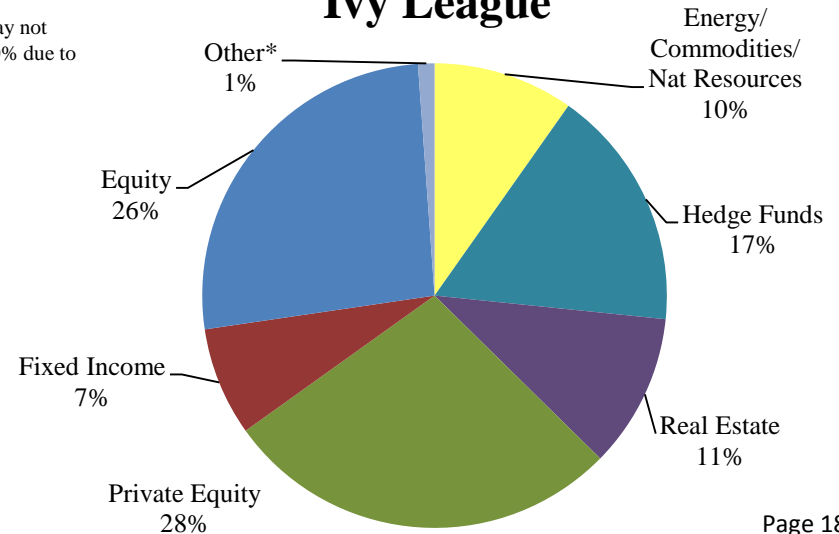


*Other includes cash and other investments not categorized in the asset classes represented by responding institutions.

Harvard



Ivy League



Note: May not equal 100% due to rounding.

Investment Performance: University Endowment Pool

Performance Summary for the Periods Ending June 30, 2012:	Annualized			
	<u>1-Year</u>	<u>3-Years</u>	<u>5-Years</u>	<u>10-Years</u>
University of Illinois Endowment Pool	3.2%	15.2%	2.7%	6.5%
Endowment Pool Benchmark*	3.8%	13.8%	2.9%	7.0%
<u>Market Indices</u>				
DJ US Total Stock Market	4.0%	16.9%	0.6%	6.1%
MSCI All Country World ex-U.S.	-14.6%	7.0%	-4.6%	6.7%
Barclays Capital Aggregate Bond	7.5%	6.9%	6.8%	5.6%
NCREIF Cornbelt Index	24.9%	15.3%	14.8%	--

*UI Intermediate Target Asset Allocations: 51.5% U.S. Equity, 15% Non-U.S. Equity, 21.5% Fixed Income, 7% Farmland, 5% Private Equity

UI Long-Term Target Asset Allocations: 14% US Equity, 10% Non-US Equity, 24% Global Equity, 20% Fixed Income, 7% Farmland, 8% Private Equity, 10% Hedge Funds, 7% Core Real Estate

University Endowment Pool Market Value:

June 30, 2012	\$346,769,012
March 31, 2012	\$329,061,898
December 31, 2011	\$291,764,866