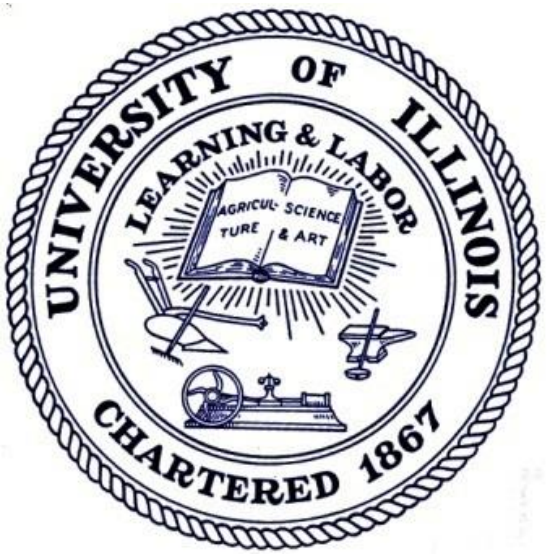
FINANCIAL REPORT



UNIVERSITY OF ILLINOIS

URBANA-CHAMPAIGN•CHICAGO•SPRINGFIELD

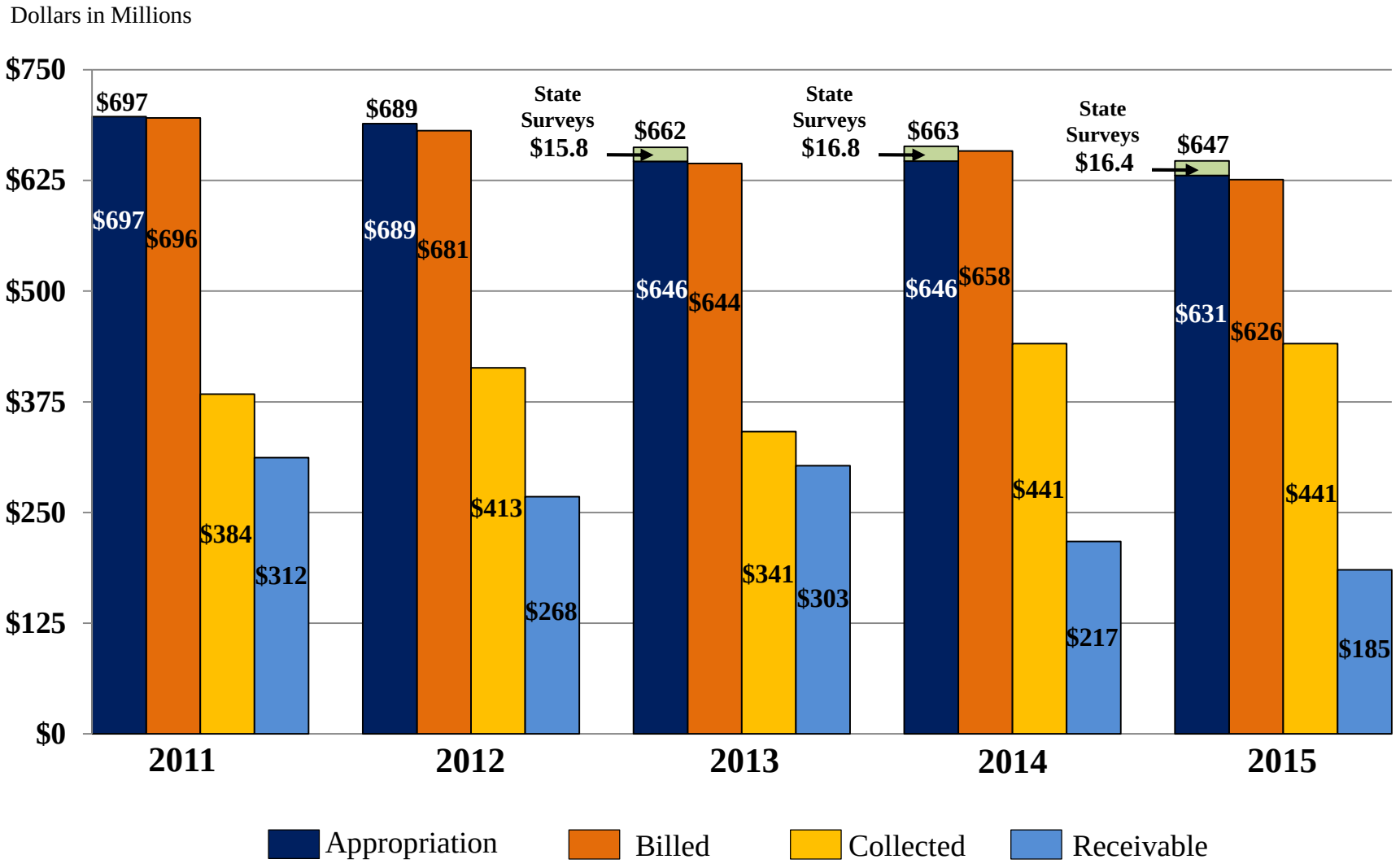
BOARD OF TRUSTEES
May 7, 2015

Since March BOT Meeting

- Senate and House appropriation hearings on March 19th
- Multiple information requests from the legislative staff
- Multiple State grants suspended
- 2.25% Fiscal Year 2015 budget rescission – approximately $18 million
- Capital projects suspended (ACTB)
- No reductions to MAP awards to our students
- Diversity Symposium held at UIC on April 1st
- Senate appropriation hearing at Urbana on April 13th
- Student hearings in Springfield on budget impacts
- No substantive change in State budget or pension issues
- April State general funds surprise, FY 2015 revenue

State Appropriation Revenue

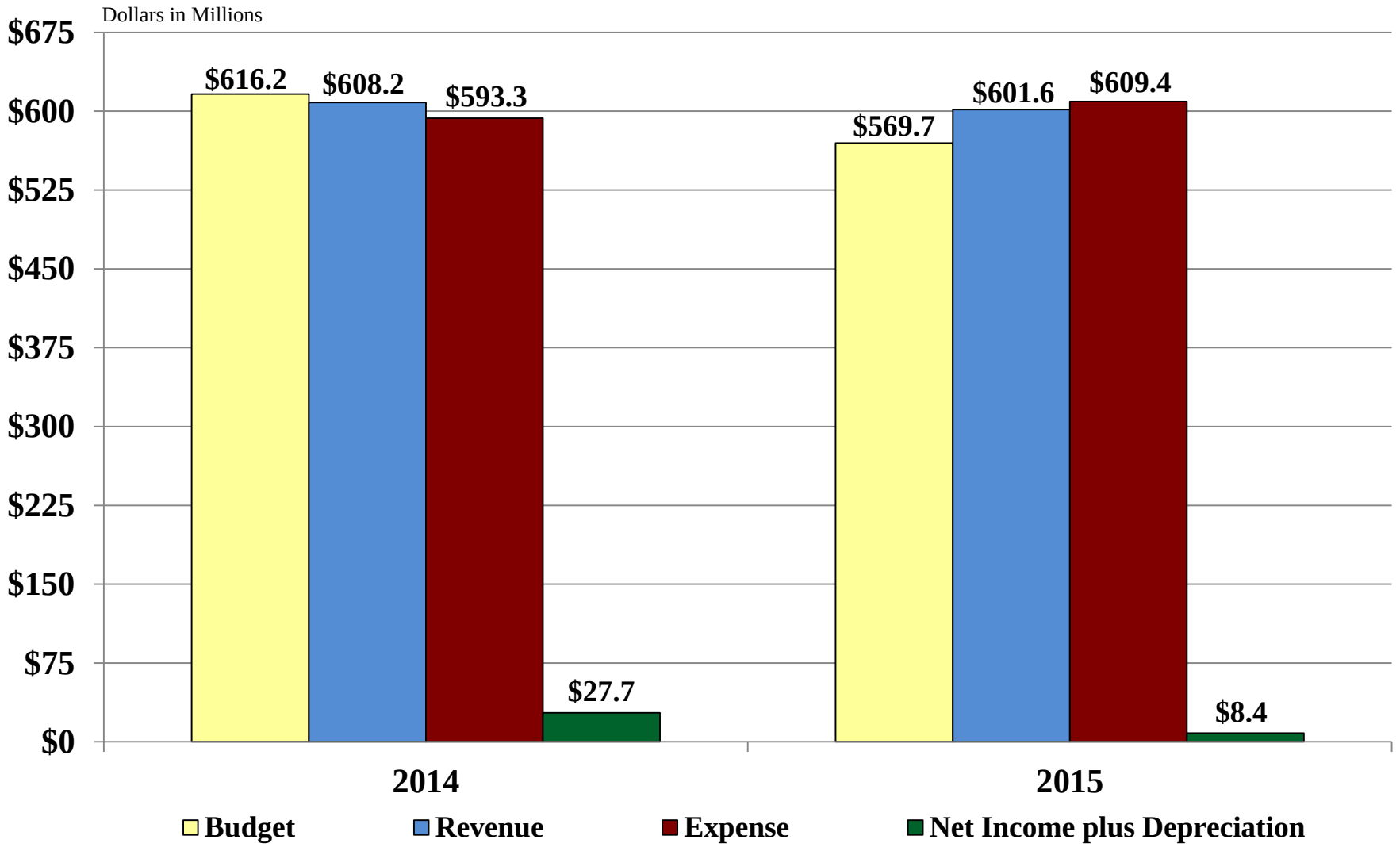
Billings and Collections through May 5, 2015



FY15 Appropriation revised per PA99-0001

Hospital Revenue/Expense/Net Income

Fiscal Year 2014 vs. Fiscal Year 2015 through March 31st



Moody's Credit Rating
Aa3; negative outlook

Strengths

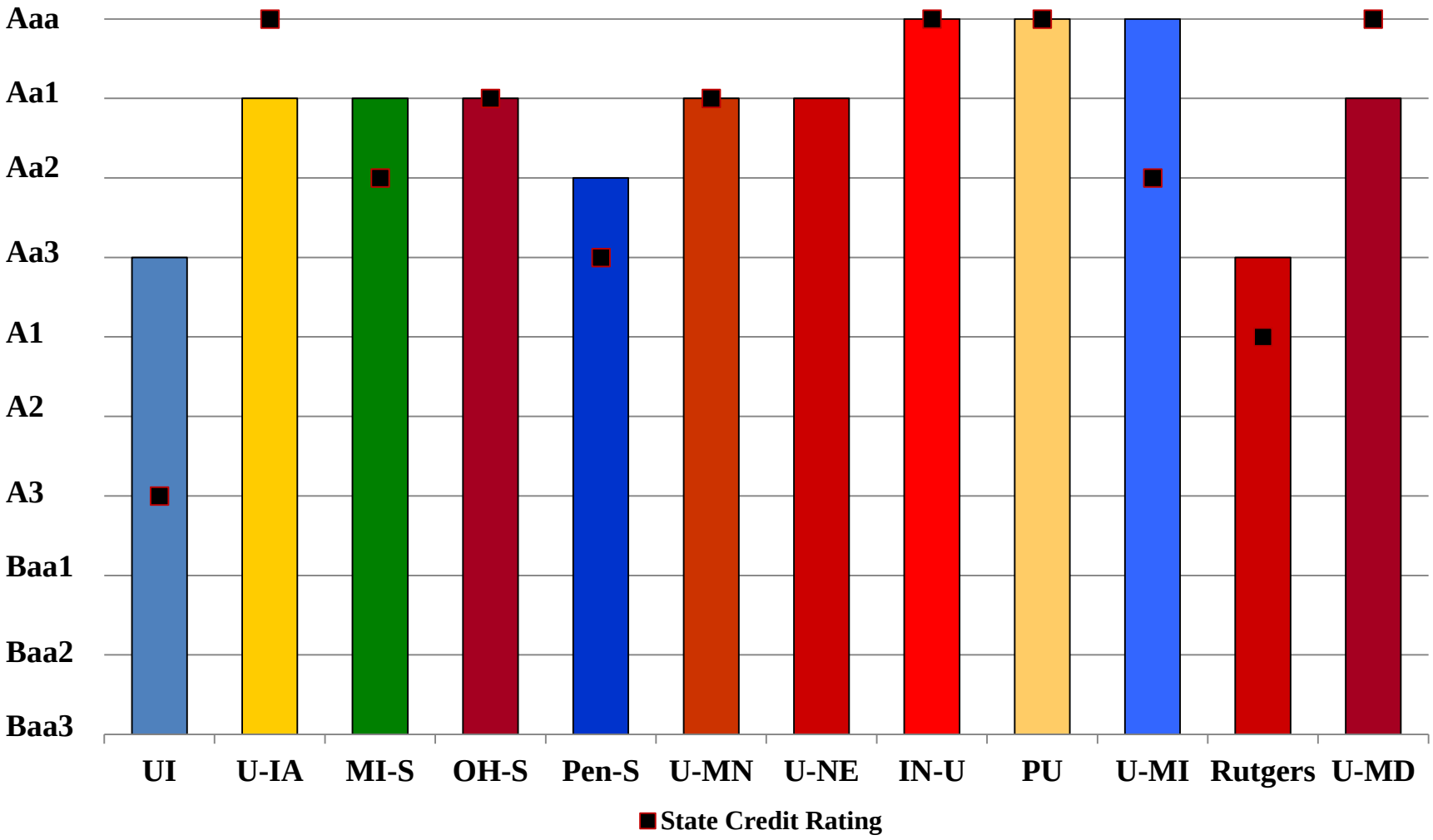
- Flagship and land grant public university
- Leading national research university
- Proactive fiscal management – positive operating margins
- Fundraising success

Challenges

- Reliance on the State – delayed appropriation payments
- Ownership and operation of medical center exposure to healthcare risks
- Exposure to the impact of State pension reform

Big Ten University Credit Rating

with Corresponding State Rating



*Source: FY14 - Moody's Investor Service as of 4/27/15.

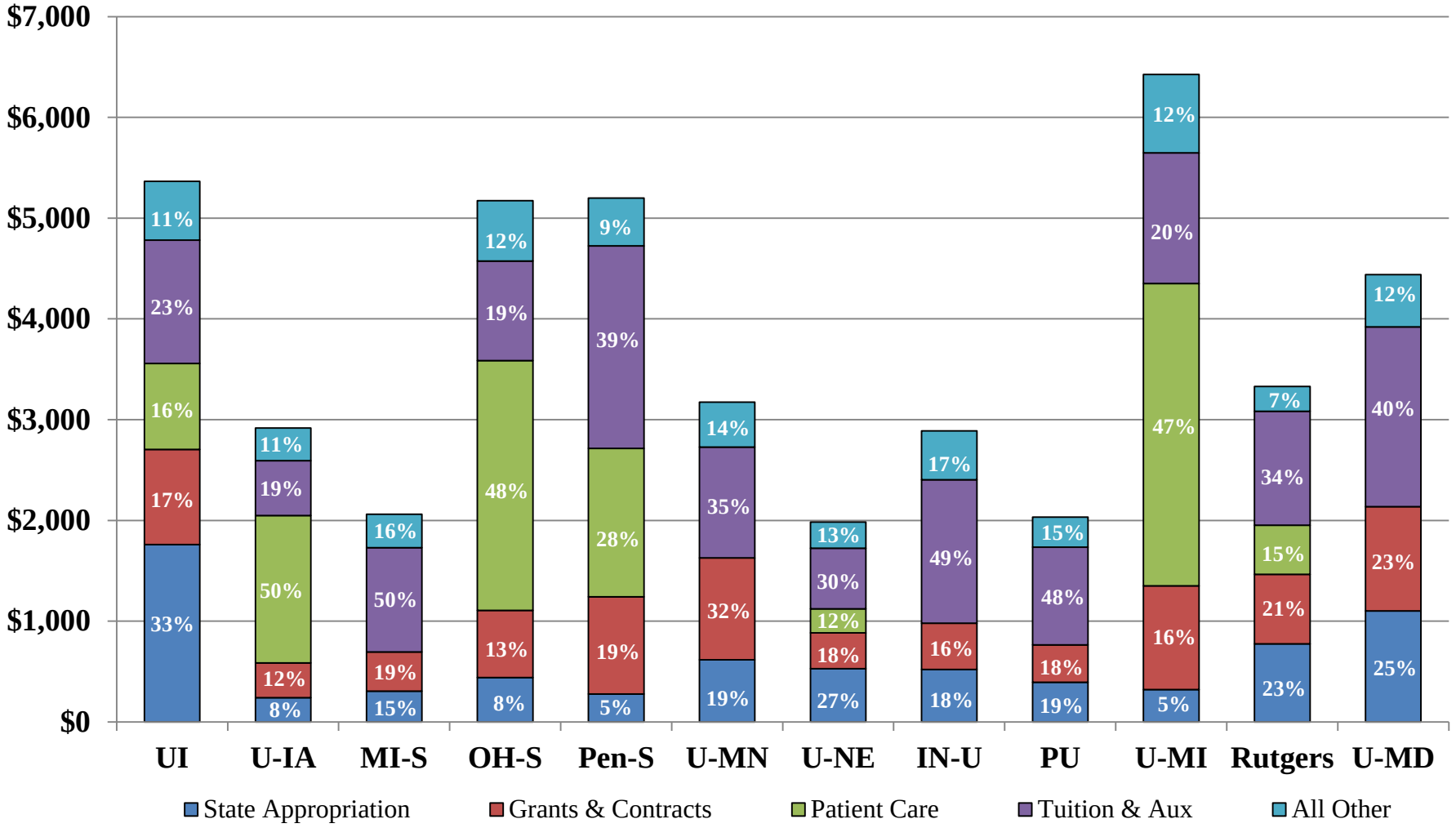
List of Large Public Universities
(to determine the public medians)

- Alabama Community College System, AL
- Arizona State University, AZ
- Board of Regents of The University System of Georgia, GA
- California State University, CA
- Indiana University, IN
- Kentucky Community & Technical College System, KY
- Maricopa County Community College District, AZ
- Minnesota State Colleges & Universities, MN
- Mississippi Institutions of Higher Learning, MS
- Nevada System of Higher Education, NV
- Ohio State University, OH
- Pennsylvania State University, PA
- Purdue University, IN
- Rutgers, The State University of New Jersey, NJ
- State System of Higher Education, PA
- State University of New York, NY
- State University System of Florida, FL
- Texas A&M University System, TX
- Texas State University System, TX
- University of Arkansas, AR
- University of California, CA
- University of Colorado, CO
- University of Florida, FL
- University of Houston System, TX
- University of Illinois, IL
- University of Massachusetts, MA
- University of Michigan, MI
- University of Minnesota, MN
- University of Puerto Rico, PR
- University of Texas System, TX
- University of Washington, WA
- University System of Maryland, MD
- West Virginia Higher Education Policy Commission, WV

Big Ten Comparison

Total Revenues by Contribution

(In Millions)

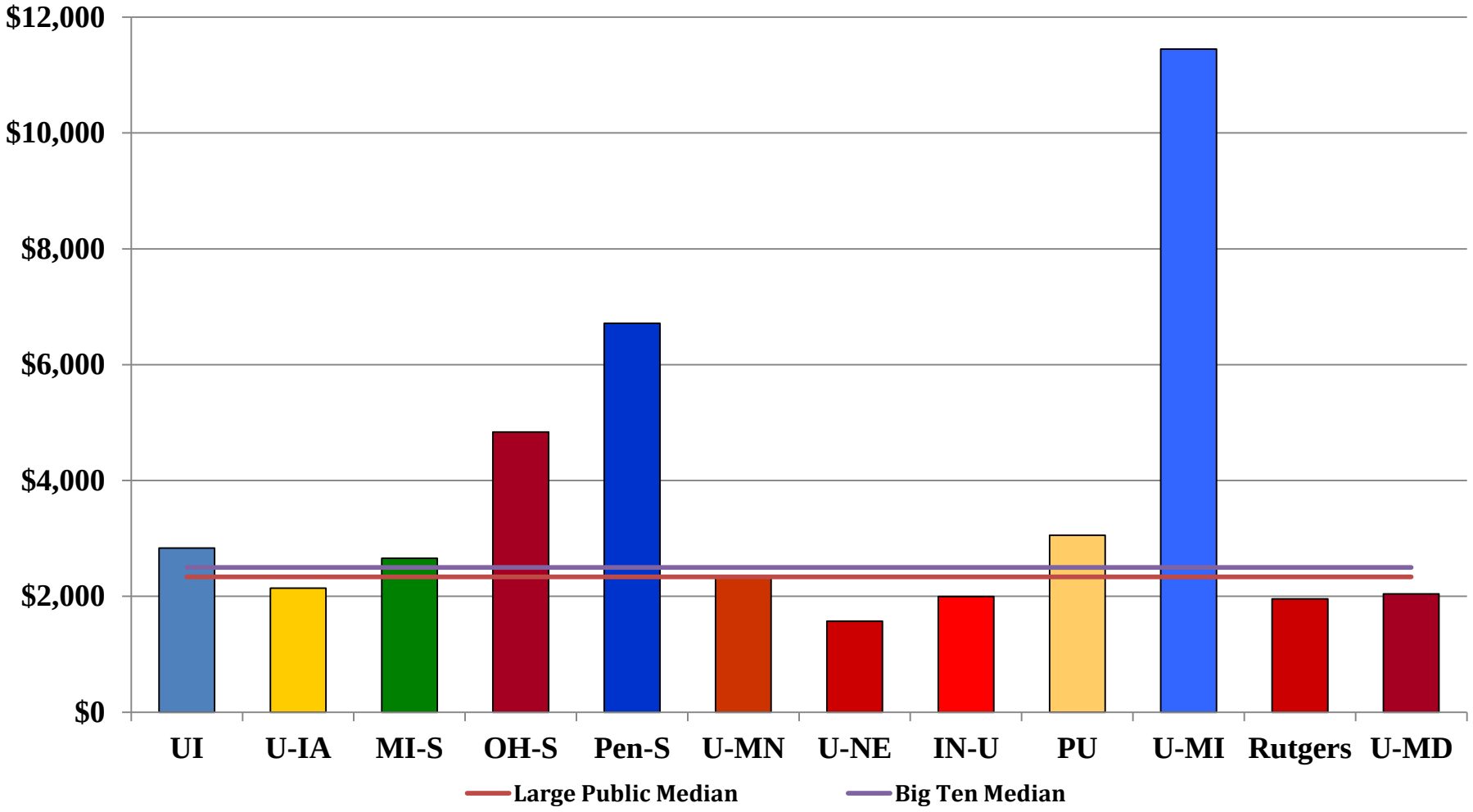


*Source: FY14 - Moody's Investor Service as of 4/27/2015.

Big Ten Comparison

Total Cash & Investments

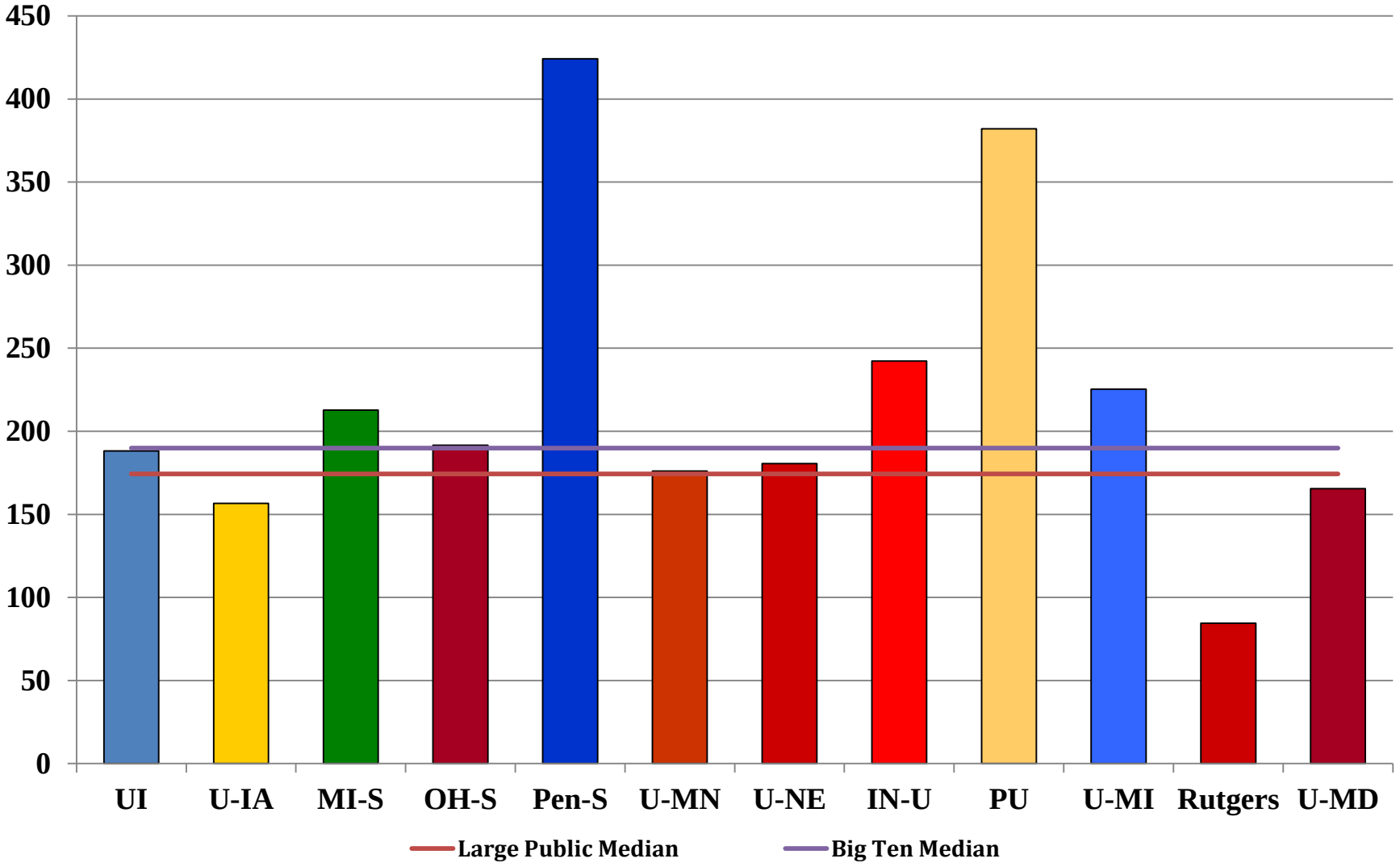
(In Millions)



*Source: FY14 - Moody's Investor Service as of 4/27/2015.

Big Ten Comparison

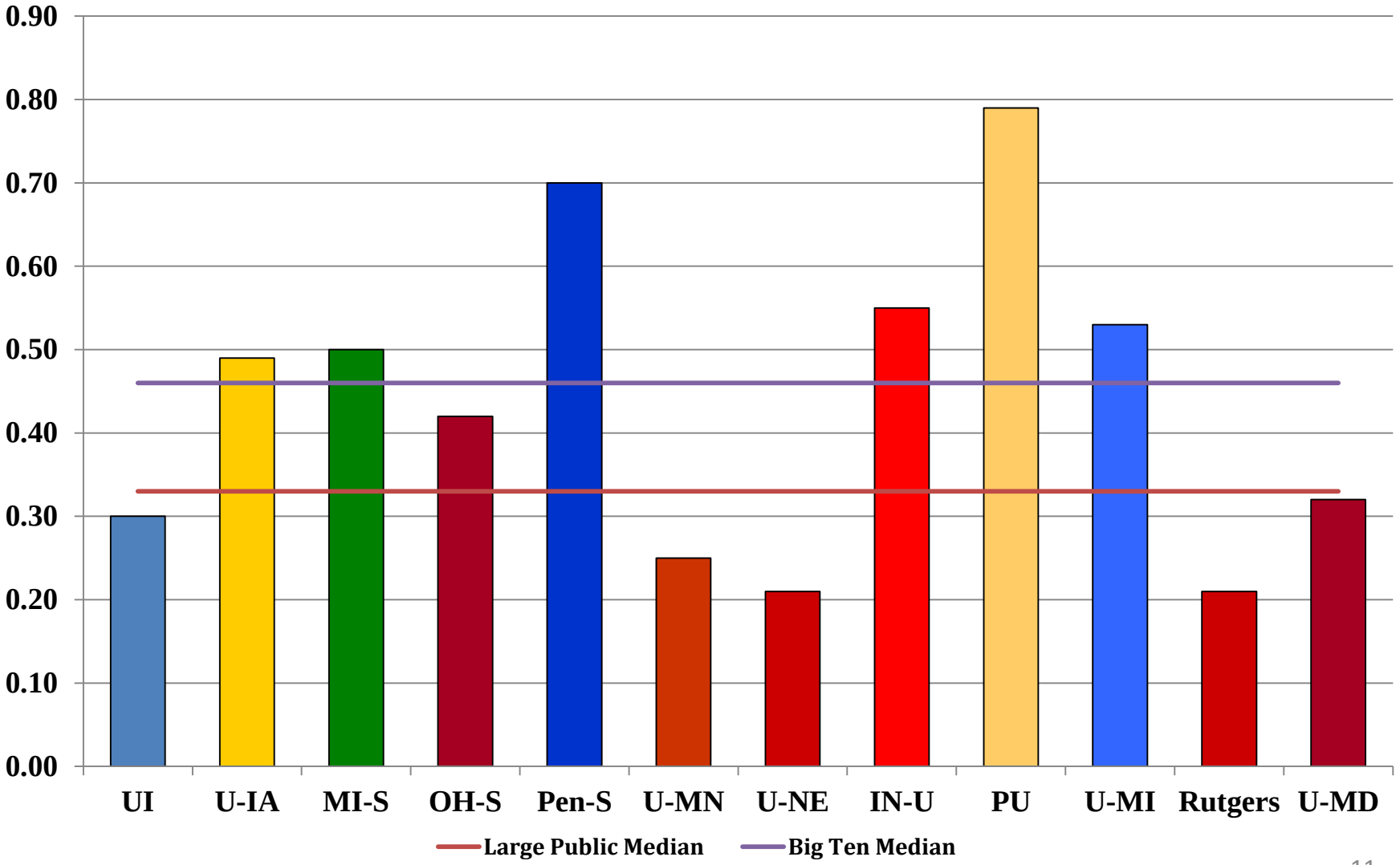
Days Cash on Hand



*Source: FY14 - Moody's Investor Service as of 4/27/2015.

Big Ten Comparison

Unrestricted Financial Resources-to-Operations

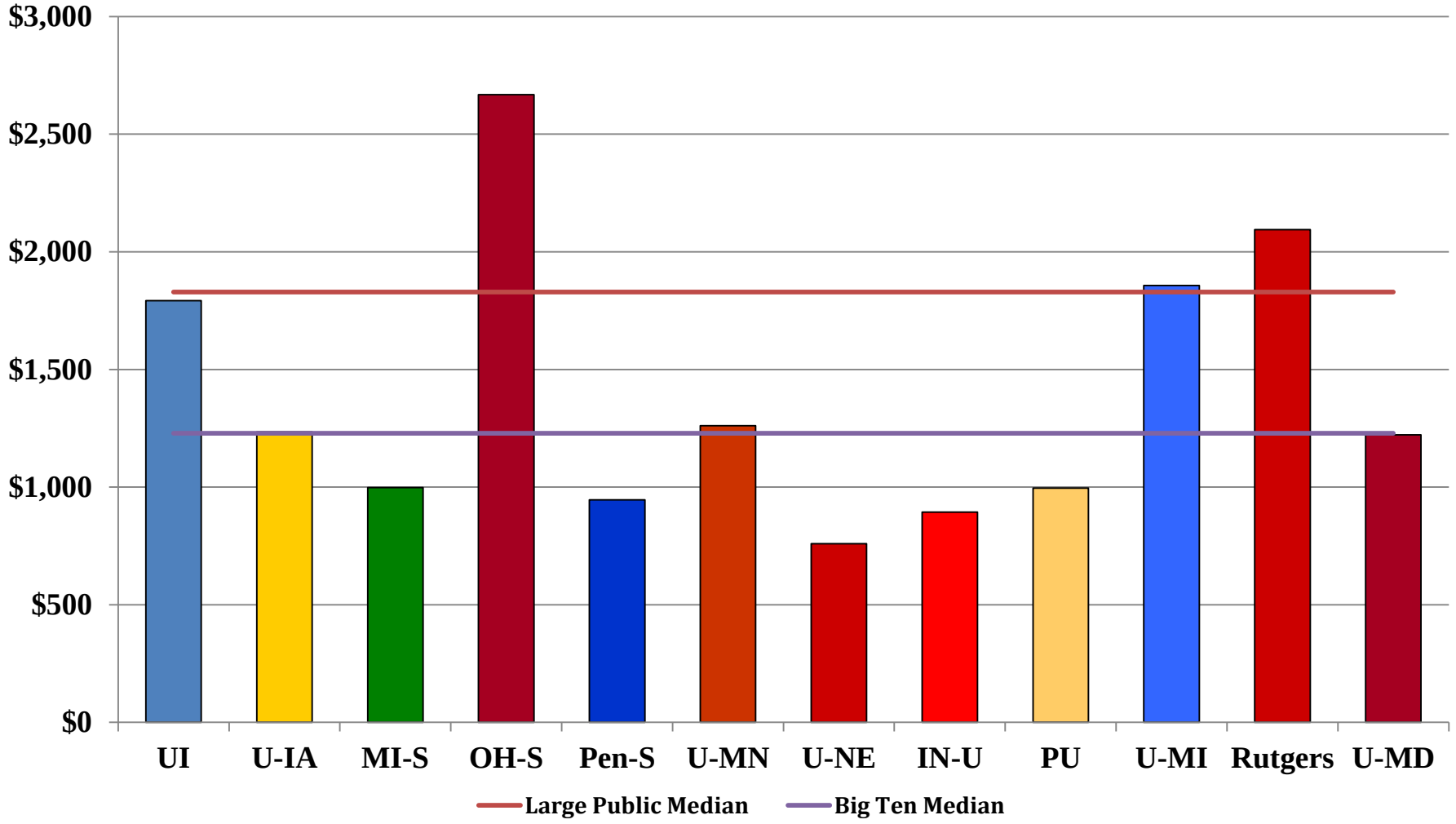


*Source: FY14 – Moody's Investor Service as of 4/27/2015.

Big Ten Comparison

Total Debt

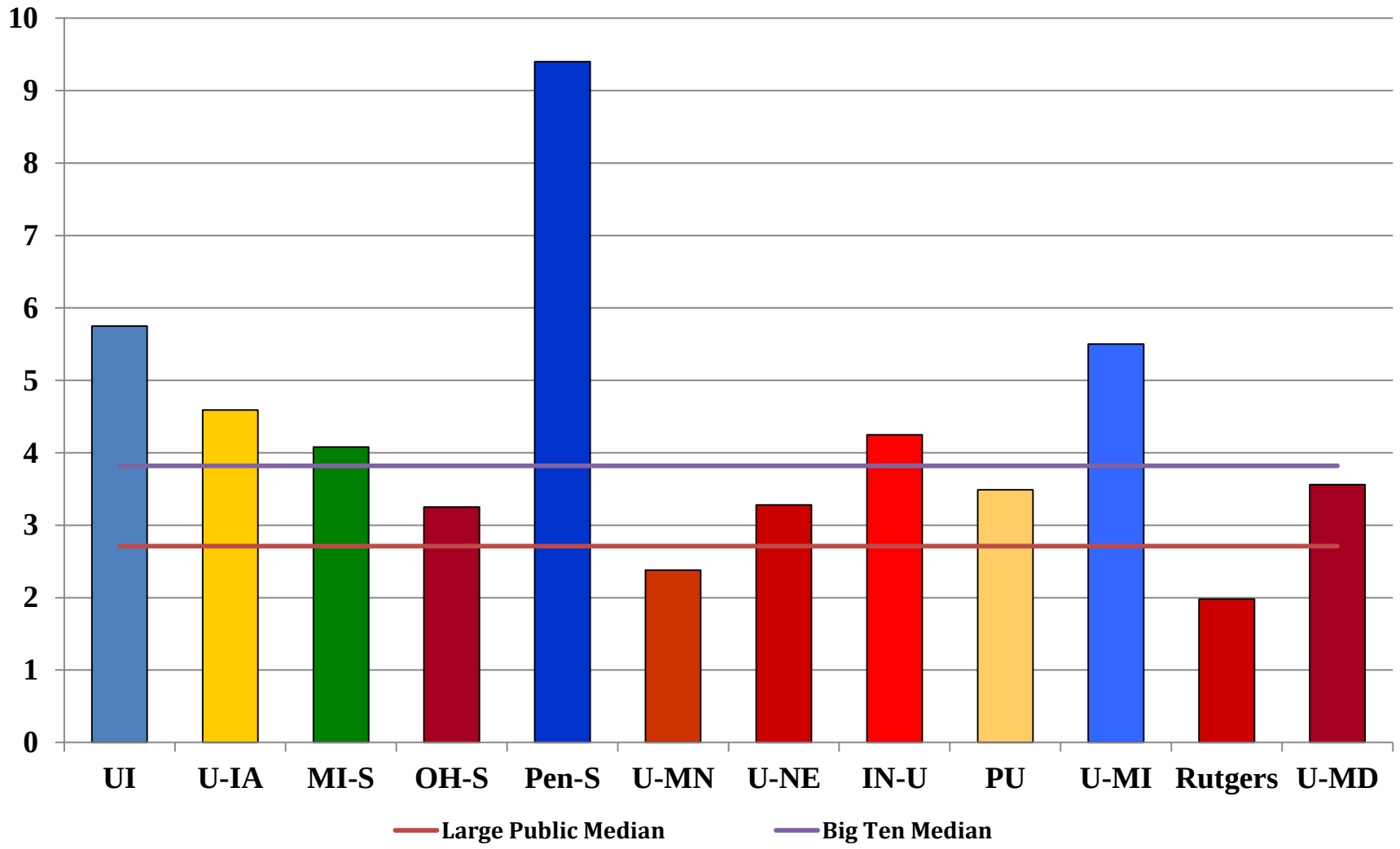
(In Millions)



*Source: FY14 - Moody's Investor Service as of 4/27/2015.

Big Ten Comparison

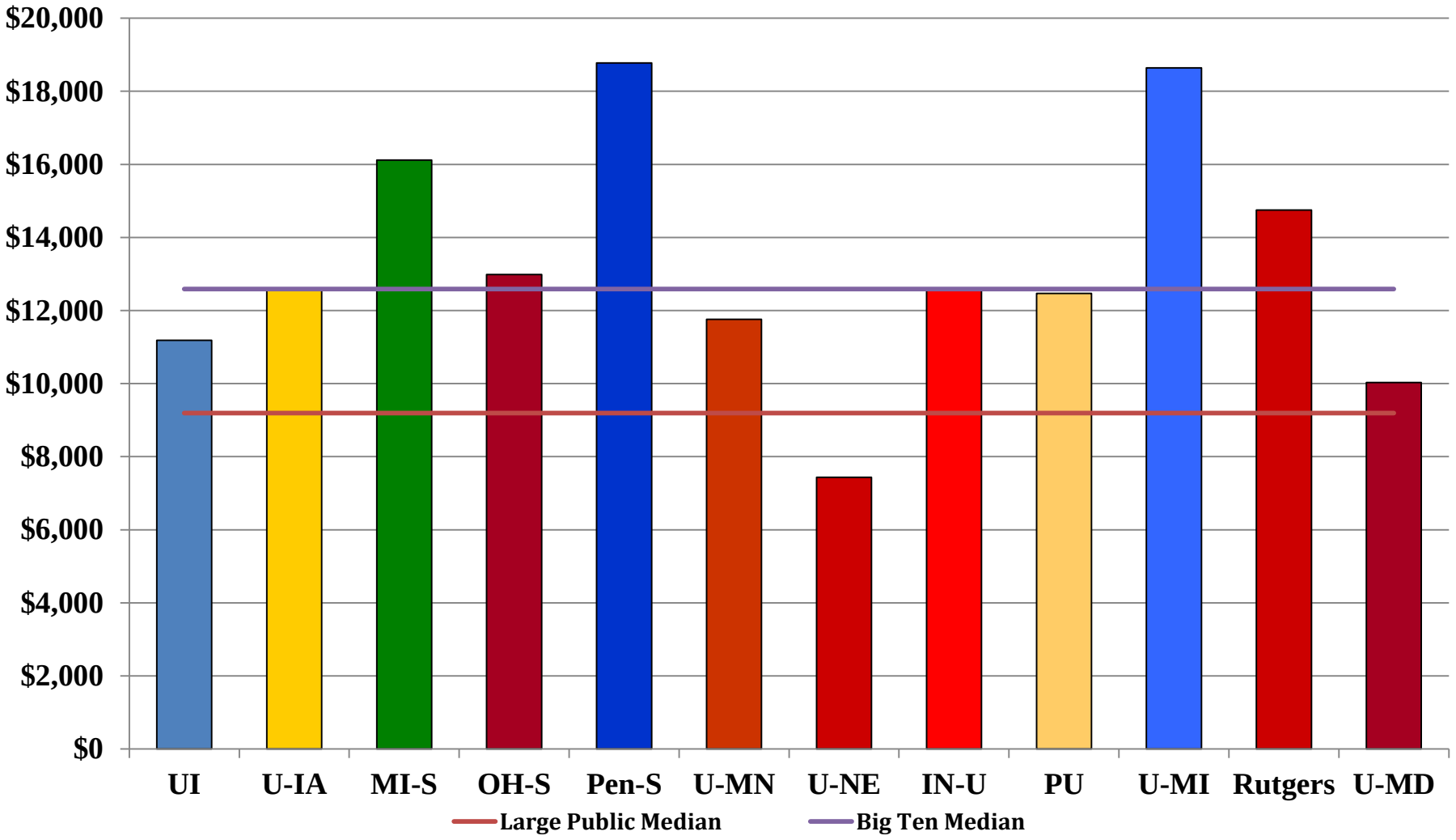
Average Debt Service Coverage (x)



*Source: FY14 - Moody's Investor Service as of 4/27/2015.

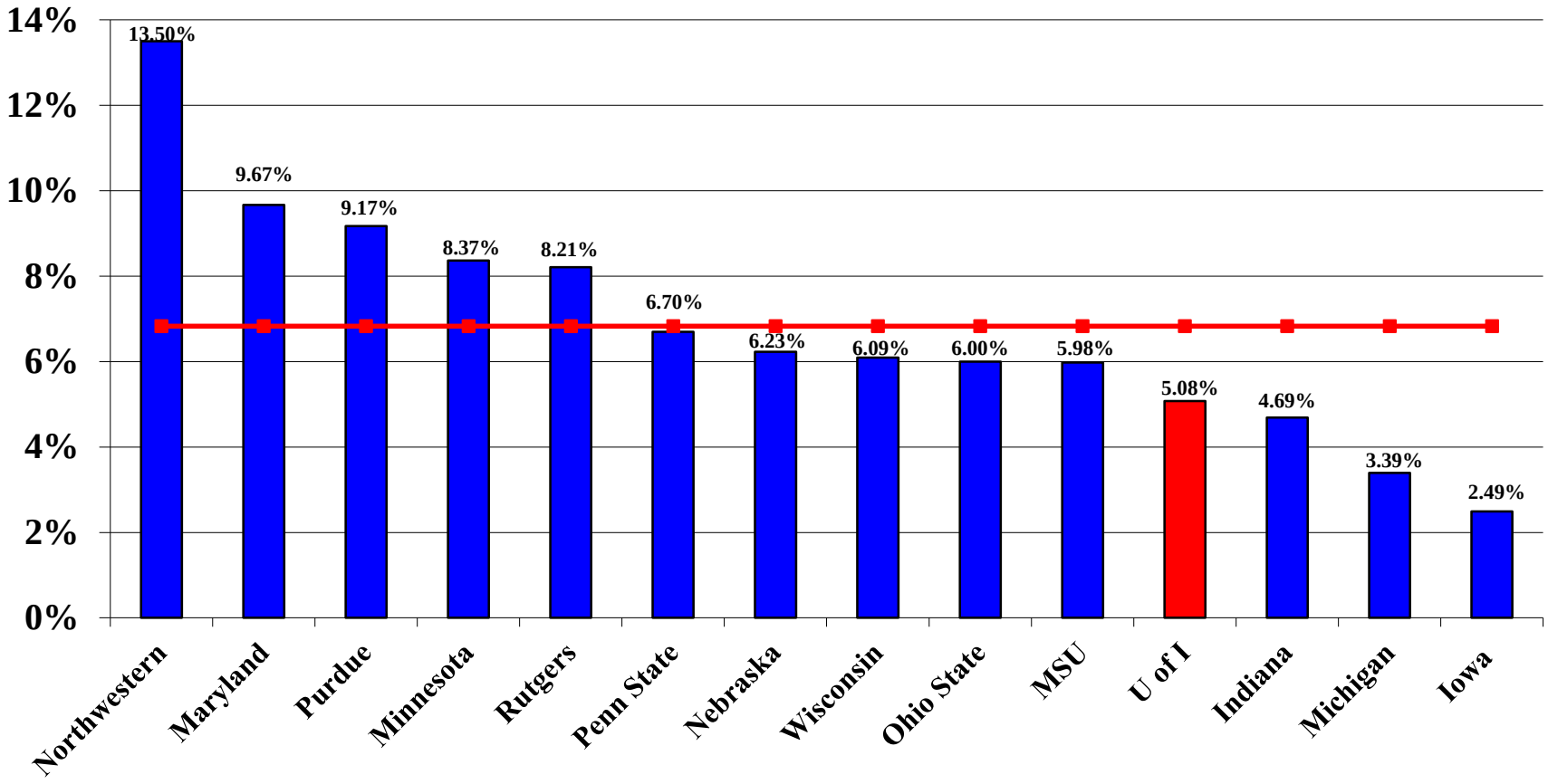
Big Ten Comparison

Net Tuition Per Student



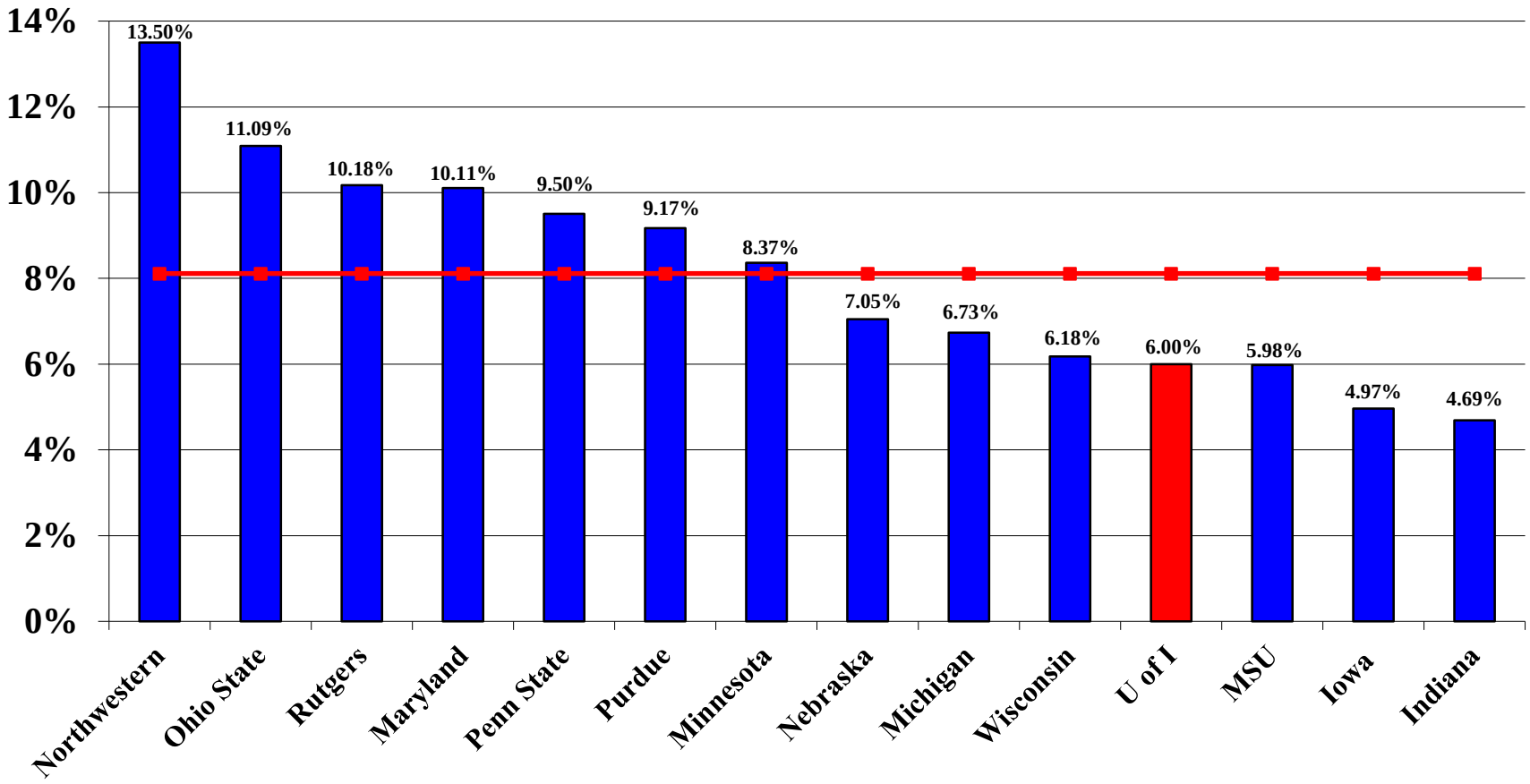
*Source: FY14 - Moody's Investor Service as of 4/27/2015.

Big Ten Universities Total Systems
Institutional Support as a % of Total Expenditures FY 2014



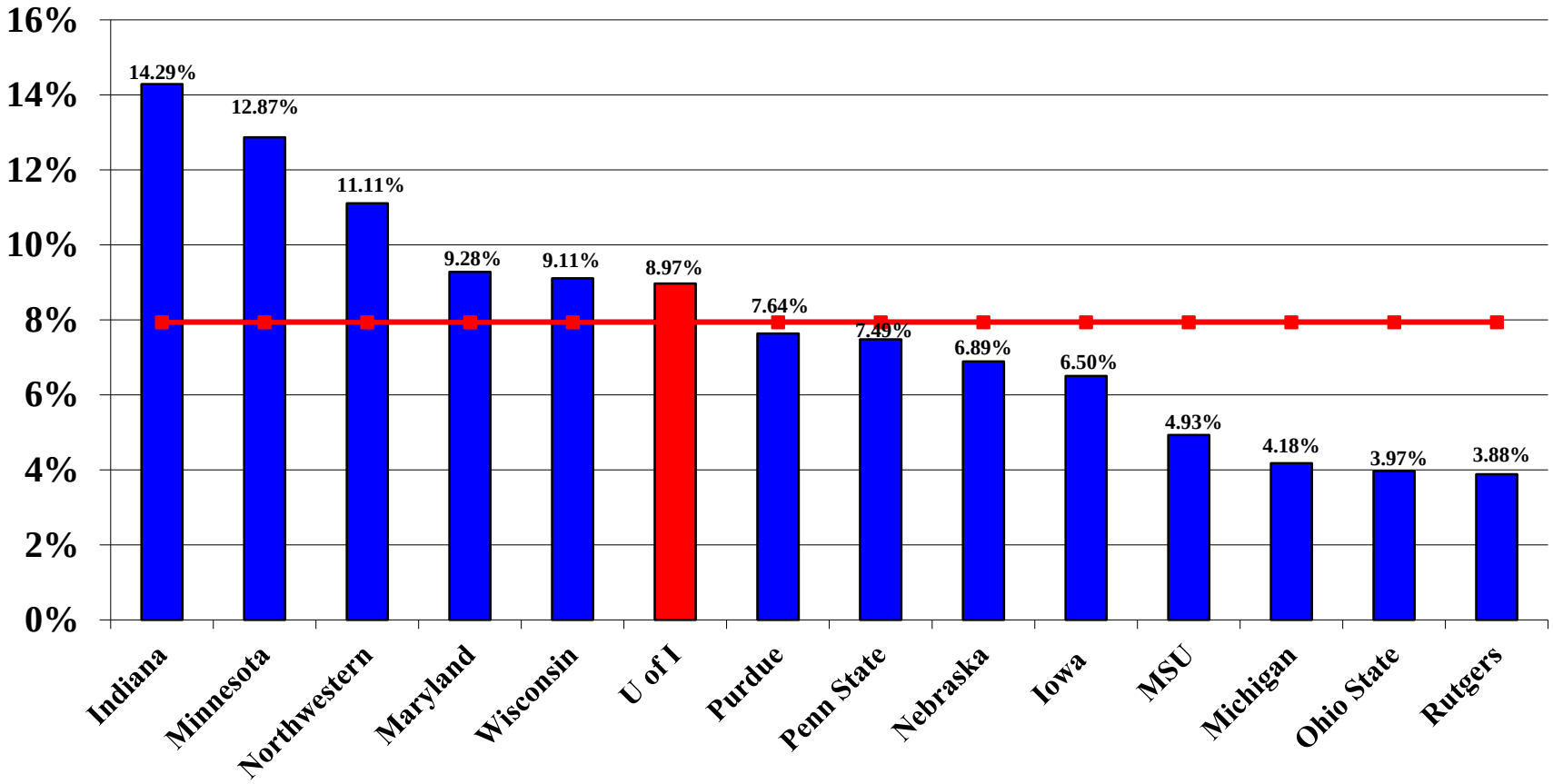
Note: Total Expenditures are Operating Expenditures less Depreciation
Source: FY 2014 Annual Financial Reports

Big Ten Universities Total Systems
Institutional Support as a % of Total Expenditures FY 2014
Excluding Hospital Enterprises



Note: Total Expenditures are Operating Expenditures less Depreciation and Hospital/Medical
Source: FY 2014 Annual Financial Reports

Big Ten Universities Total Systems
Academic Support as a % of Total Expenditures FY 2014



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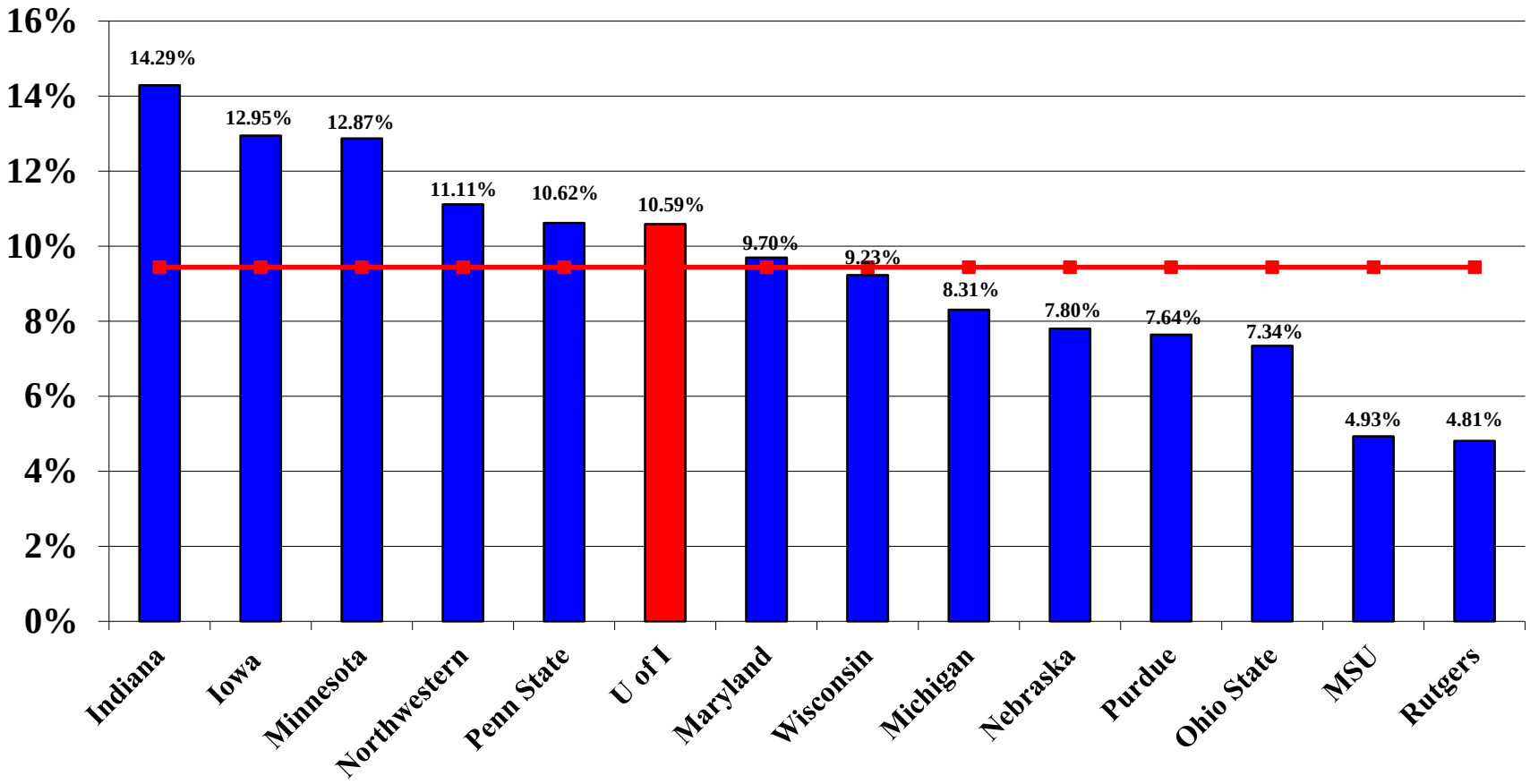
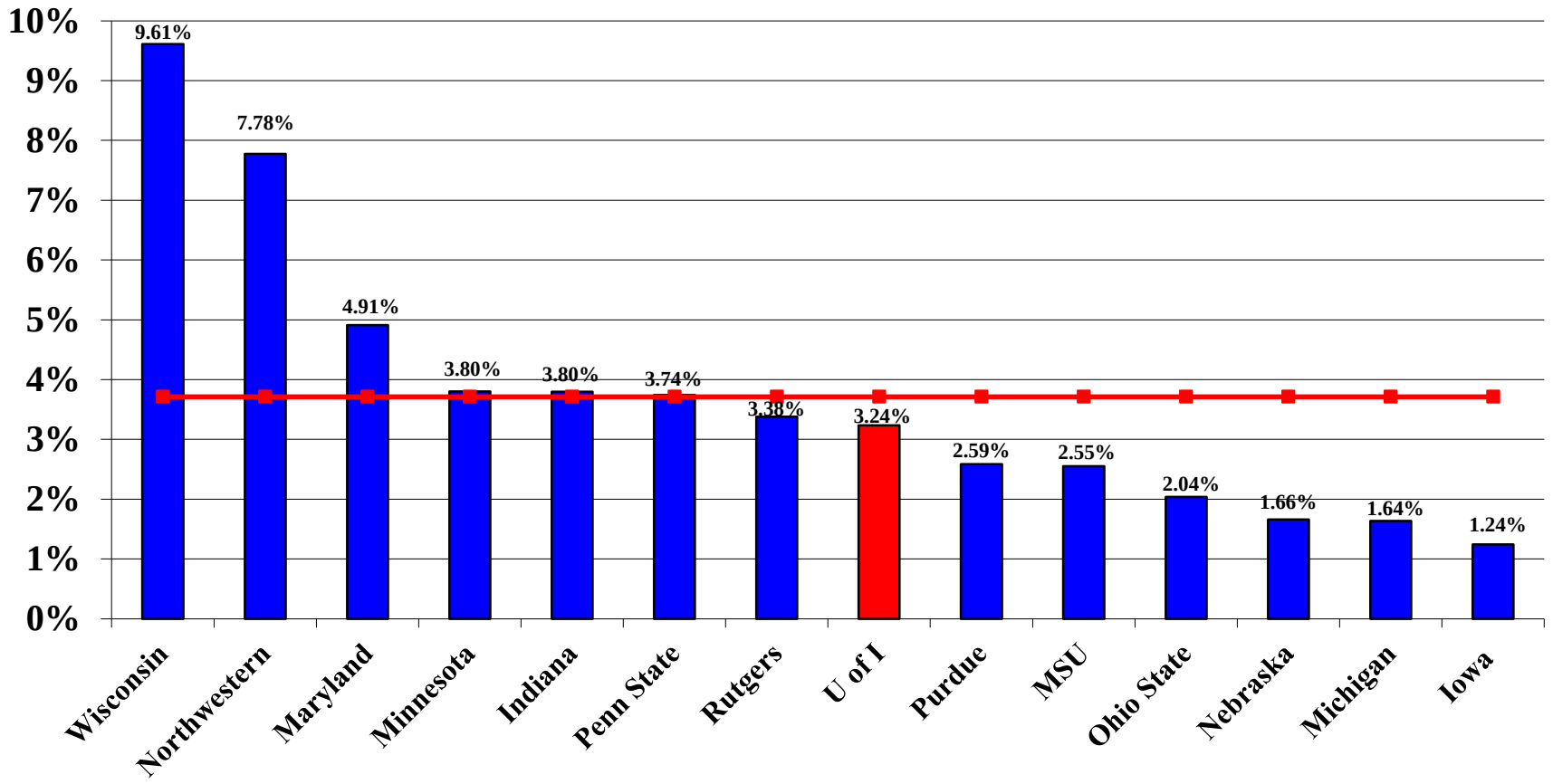
Source: FY 2014 Annual Financial Reports

Big Ten Universities Total Systems
Academic Support as a % of Total Expenditures FY 2014
Excluding Hospital Enterprises



Note: Total Expenditures are Operating Expenditures less Depreciation and Hospital/Medical
Source: FY 2014 Annual Financial Reports

Big Ten Universities Total Systems
Student Services as a % of Total Expenditures FY 2014



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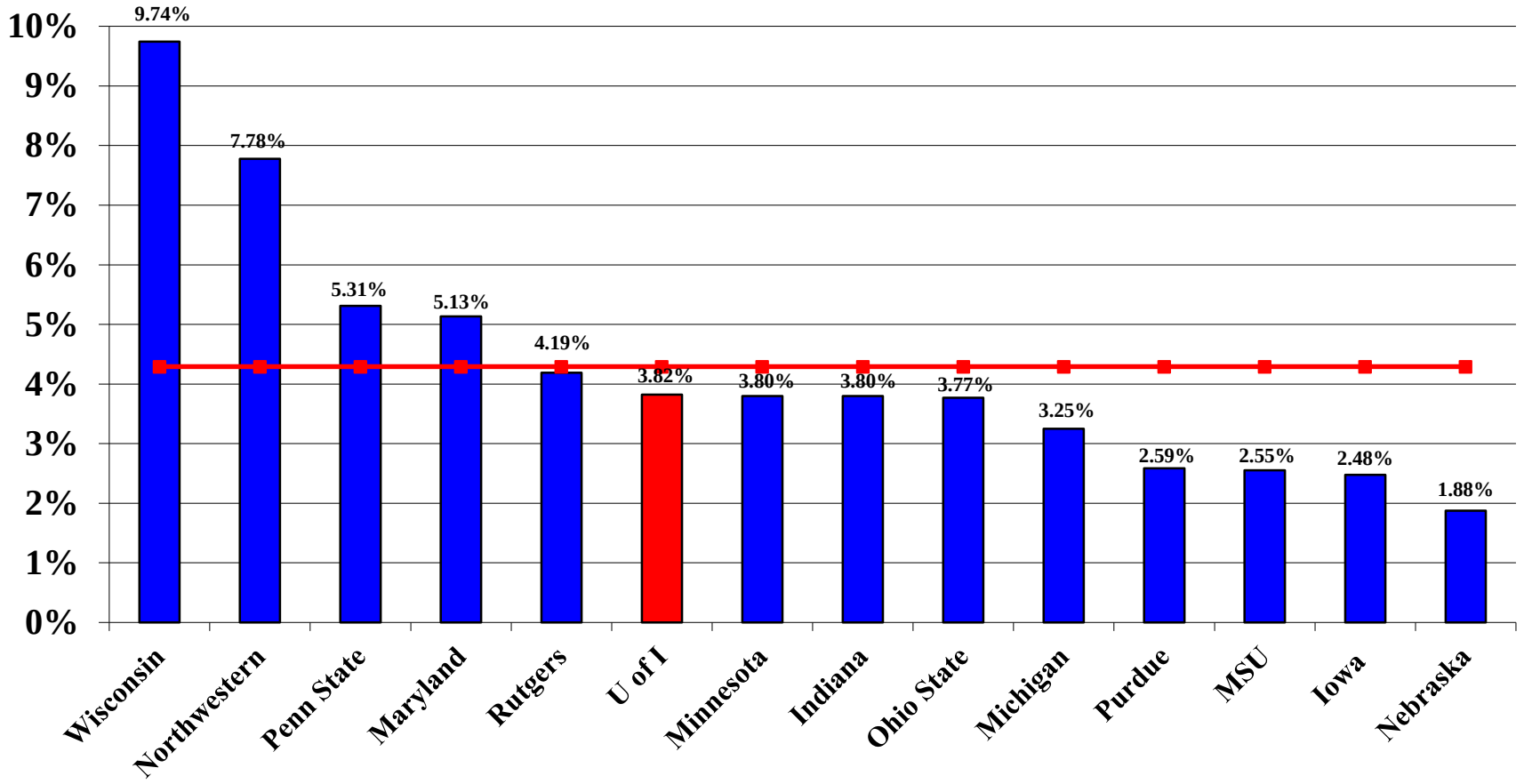
Source: FY 2014 Annual Financial Reports

Big Ten Universities Total Systems
Student Services as a % of Total Expenditures FY 2014
Excluding Hospital Enterprises



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Source: FY 2014 Annual Financial Reports