

FINANCIAL REPORT



UNIVERSITY OF ILLINOIS

URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

BOARD OF TRUSTEES

September 12, 2013

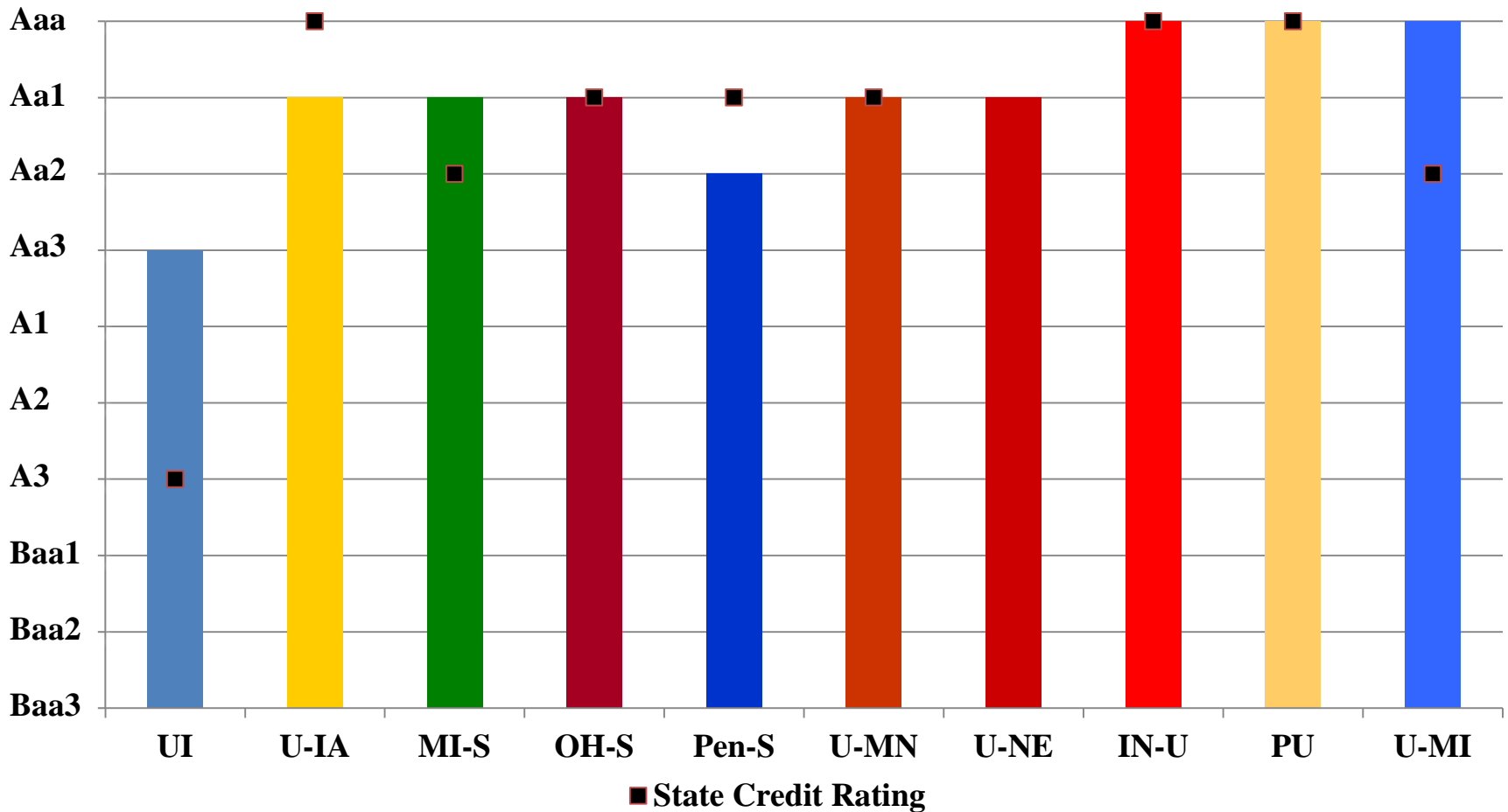
University of Illinois

Moody's Rating Action

August 9, 2013

- Challenges –
 - Reliance on State “for a significant portion of its operating revenues”
 - “Vulnerable to impact of pension reform”
 - University healthcare system “exposed to healthcare risks”
- Strengths –
 - University is flagship institution
 - “Proactive management of operations and cash flow”
 - Leading national research and fundraising success

Big Ten University Credit Rating with Corresponding State Rating



*Source: Moody's Investor Service as of 3/21/13.

Fiscal Year 2013

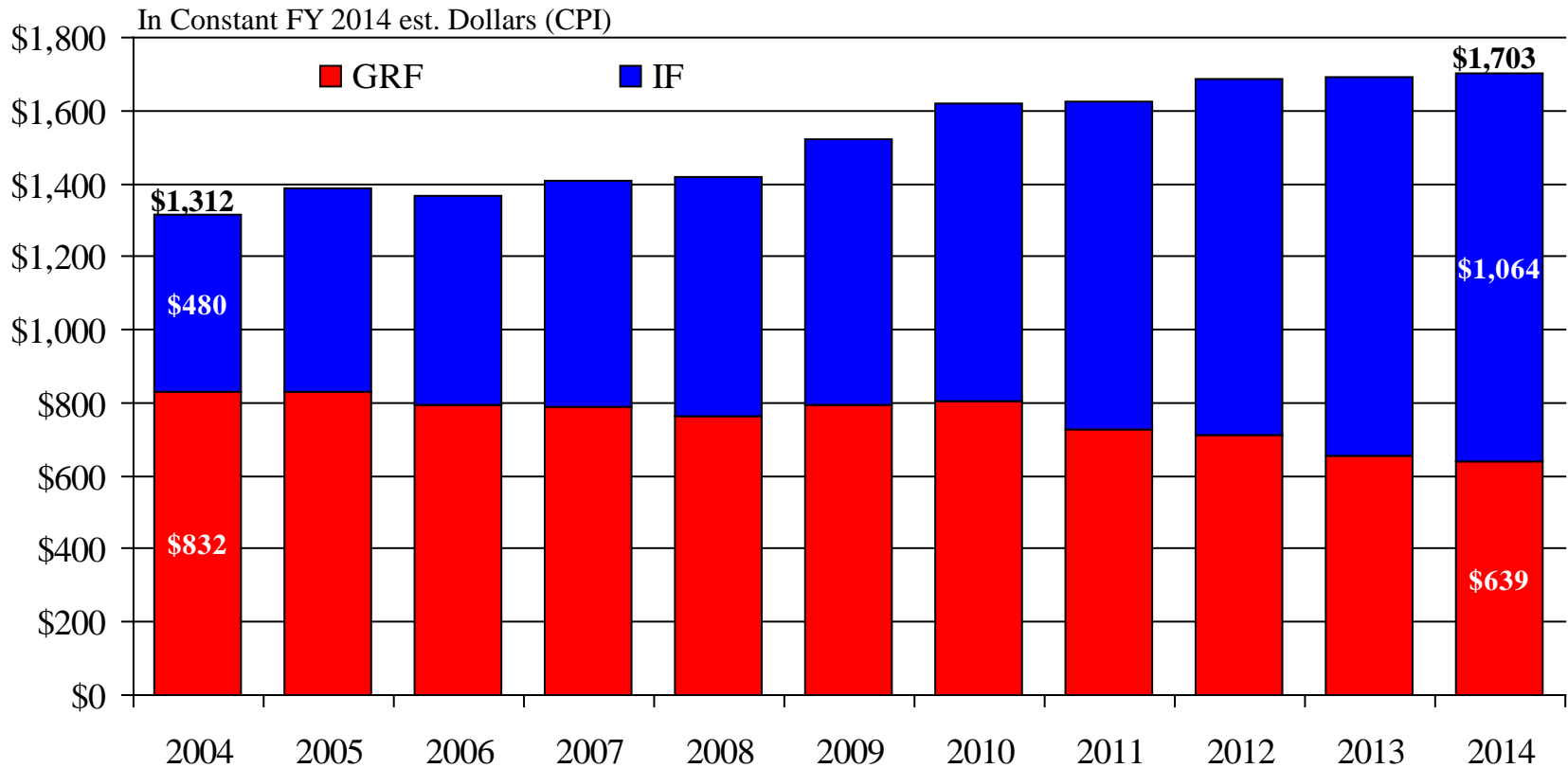
University Financial Summary

- It was a year of performance
 - Positive outcomes for hospital, medical service plan and auxiliaries
 - Instruction/research operations (tuition/sponsored research grants) had robust revenue generation and all campuses demonstrated strong expense control
 - UI collected \$207 million FY 2012 state appropriation receivable by 12/31/12
- It was a year of improvements but continuing challenges
 - Ended FY 2013 with \$181 million State receivable
 - State had over \$6.1 billion in unpaid FY 2013 vouchers as of June 30th
 - Pension and benefit issues continue to be a concern

University of Illinois Appropriations & Tuition

(Dollars in Millions)

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

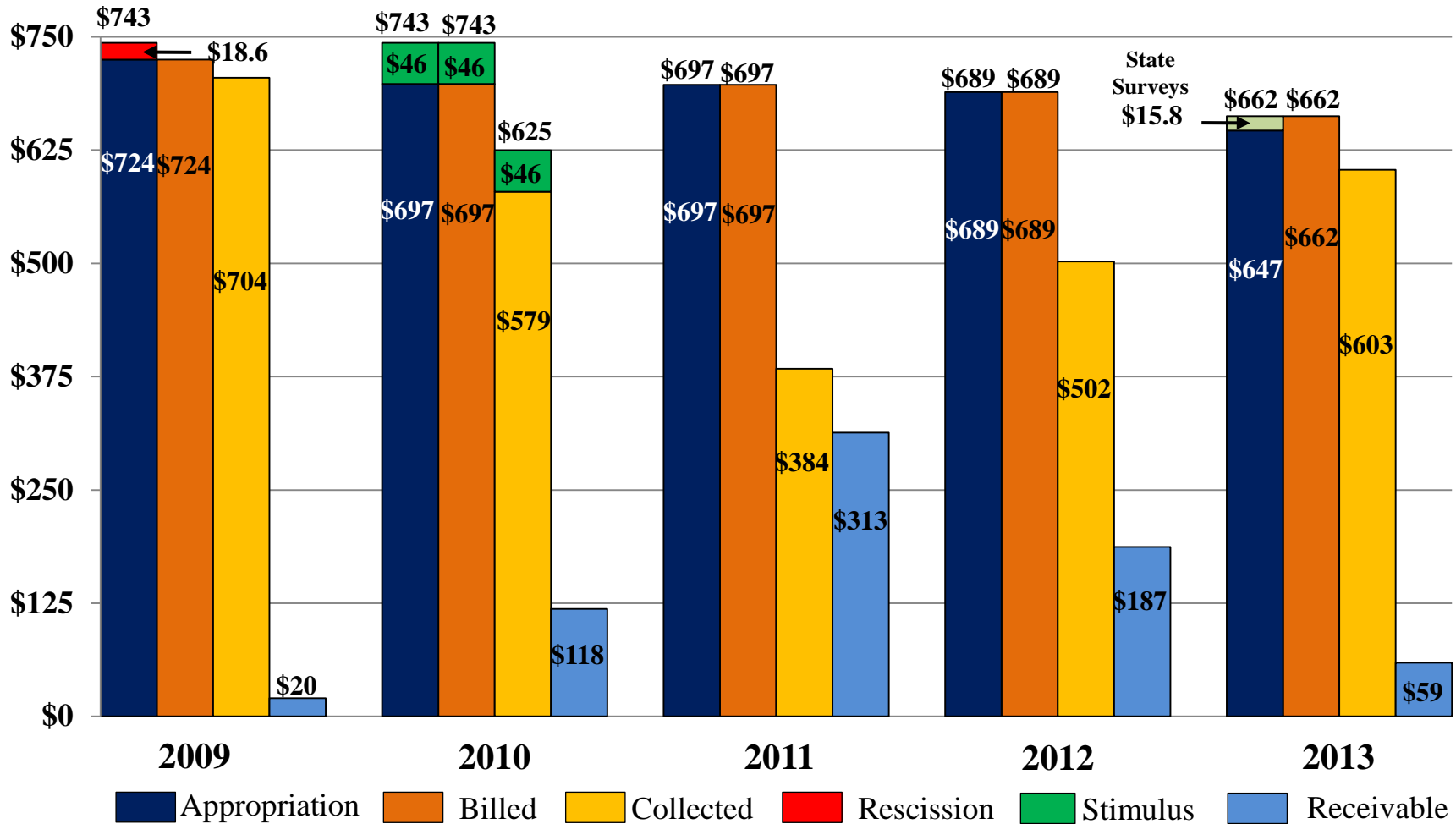


Assumes 2.5% CPI for FY14.

State Appropriation Revenue

Lapsed Period Billings and Collections through September 9, 2013

Dollars in Millions



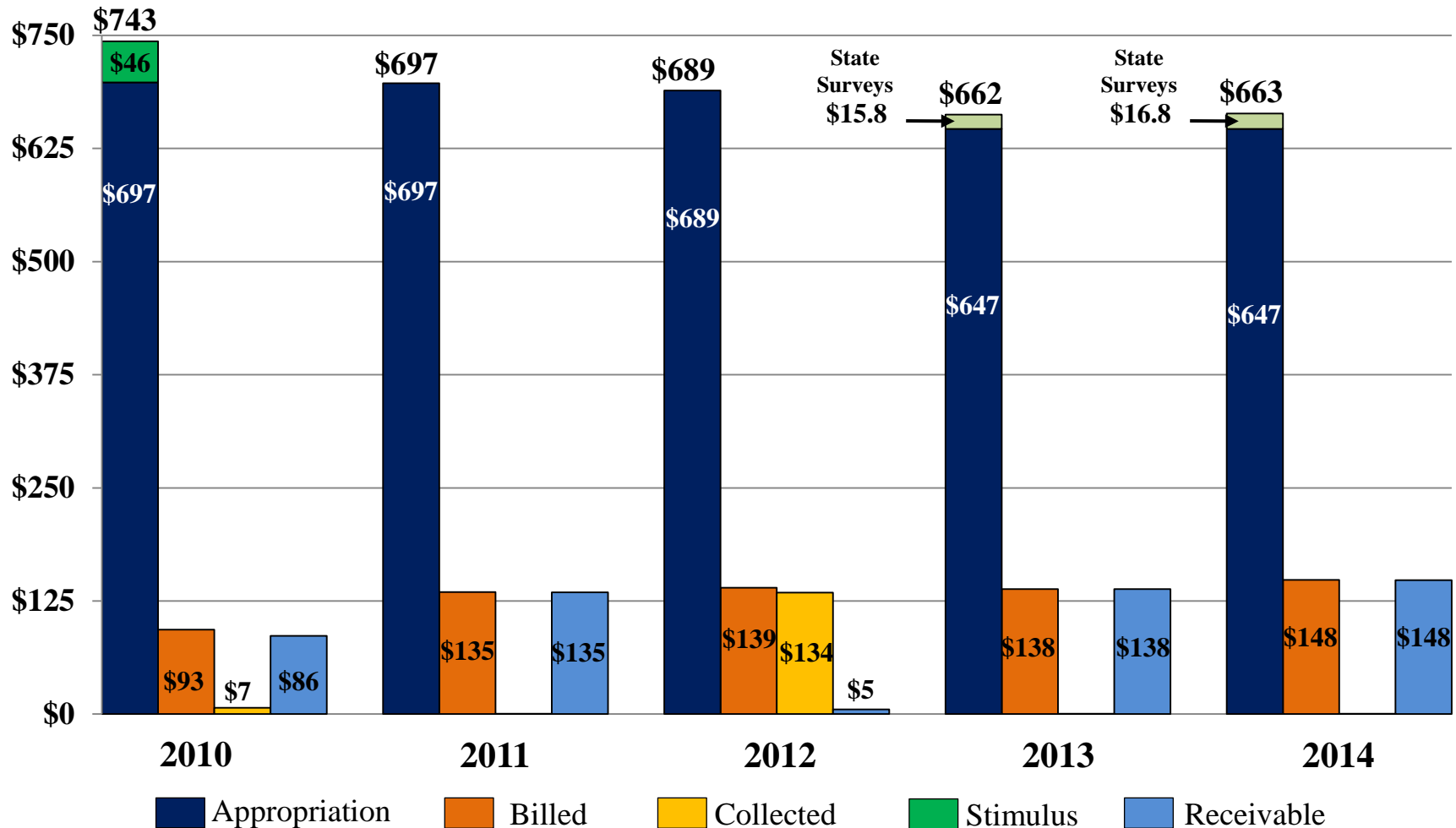
FY09 appropriation includes \$18.6 million rescission.

FY10 appropriation includes \$45.5 million of federal stimulus funding.

State Appropriation Revenue

Billings and Collections through September 9, 2013

Dollars in Millions

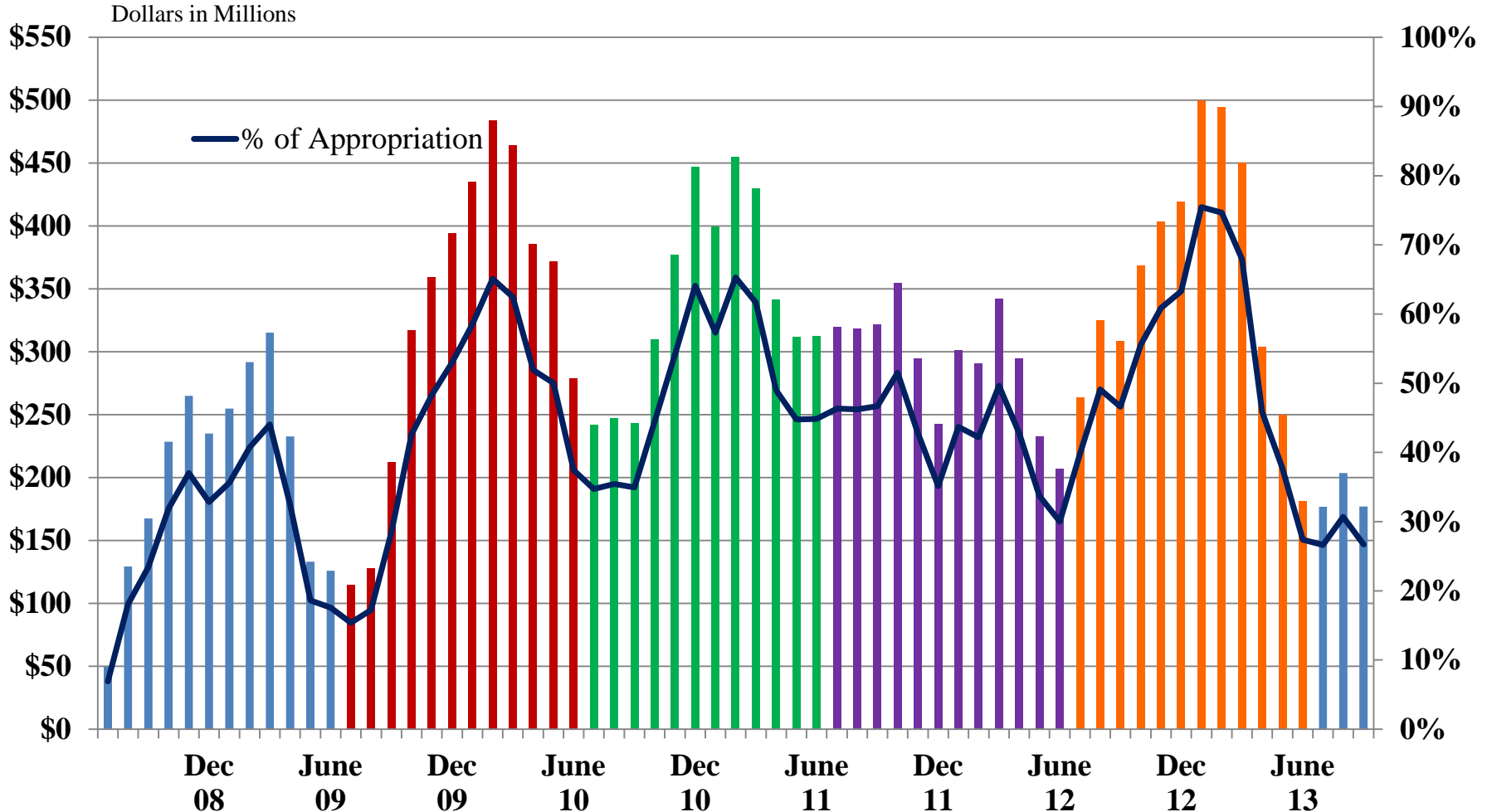


FY10 appropriation includes \$45.5 million of federal stimulus funding.

UI Month End GRF Receivable & Percent of State Budget

Fiscal Year 2009 through Fiscal Year 2014

As of September 9, 2013

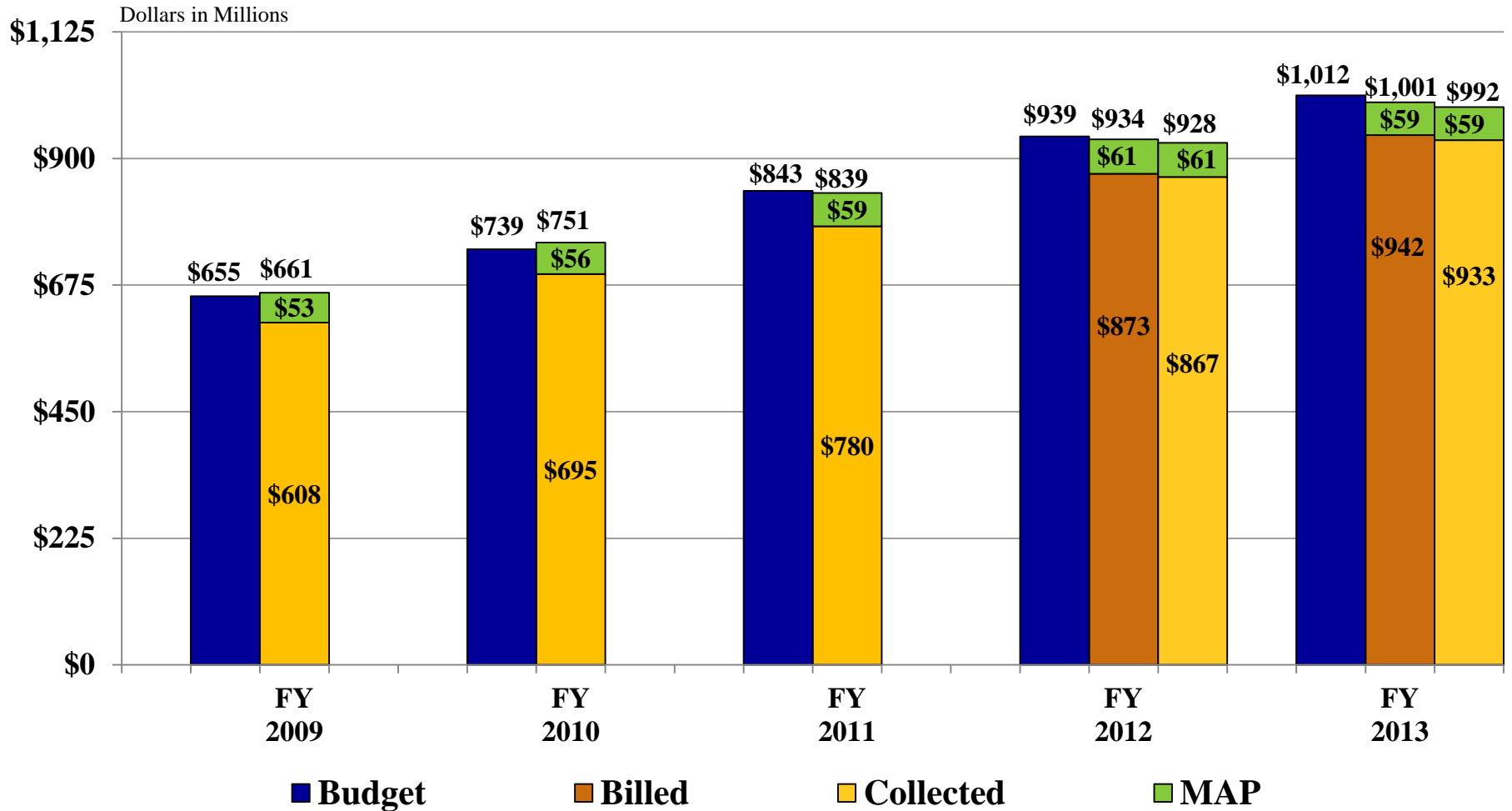


Receivables as of June 30th for each of the following fiscal years were: 2009 (\$125.9M), 2010 (\$278.5M), 2011 (\$312.7M), 2012 (\$206.7M), 2013 (\$181.4M).

Income Fund (Tuition) Revenue

Fiscal Years 2009 – 2013

Collections and Billed through June 30th of Fiscal Years 2012 & 2013



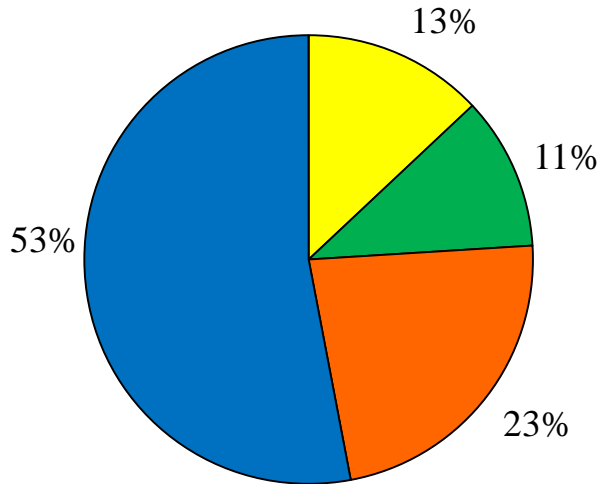
Exclude funds transferred for the State Surveys.

University of Illinois

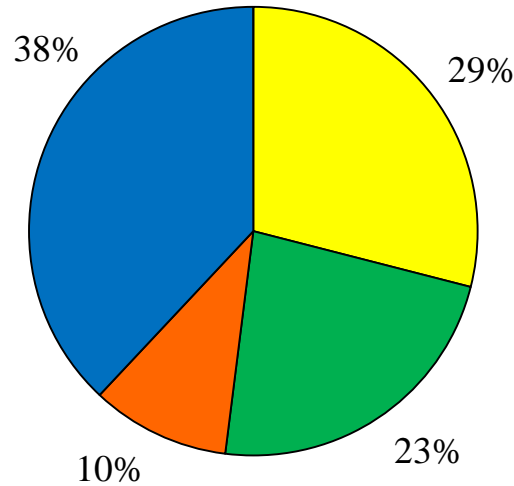
Half the Full-time Undergraduate Students Pay Less than Sticker Price

Fall 2012 – All Students

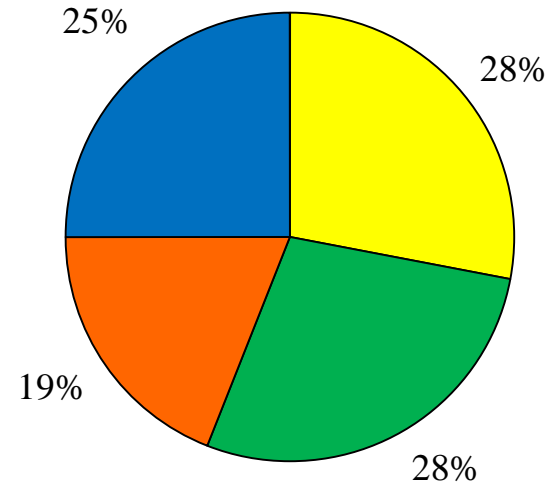
Urbana-Champaign



Chicago



Springfield

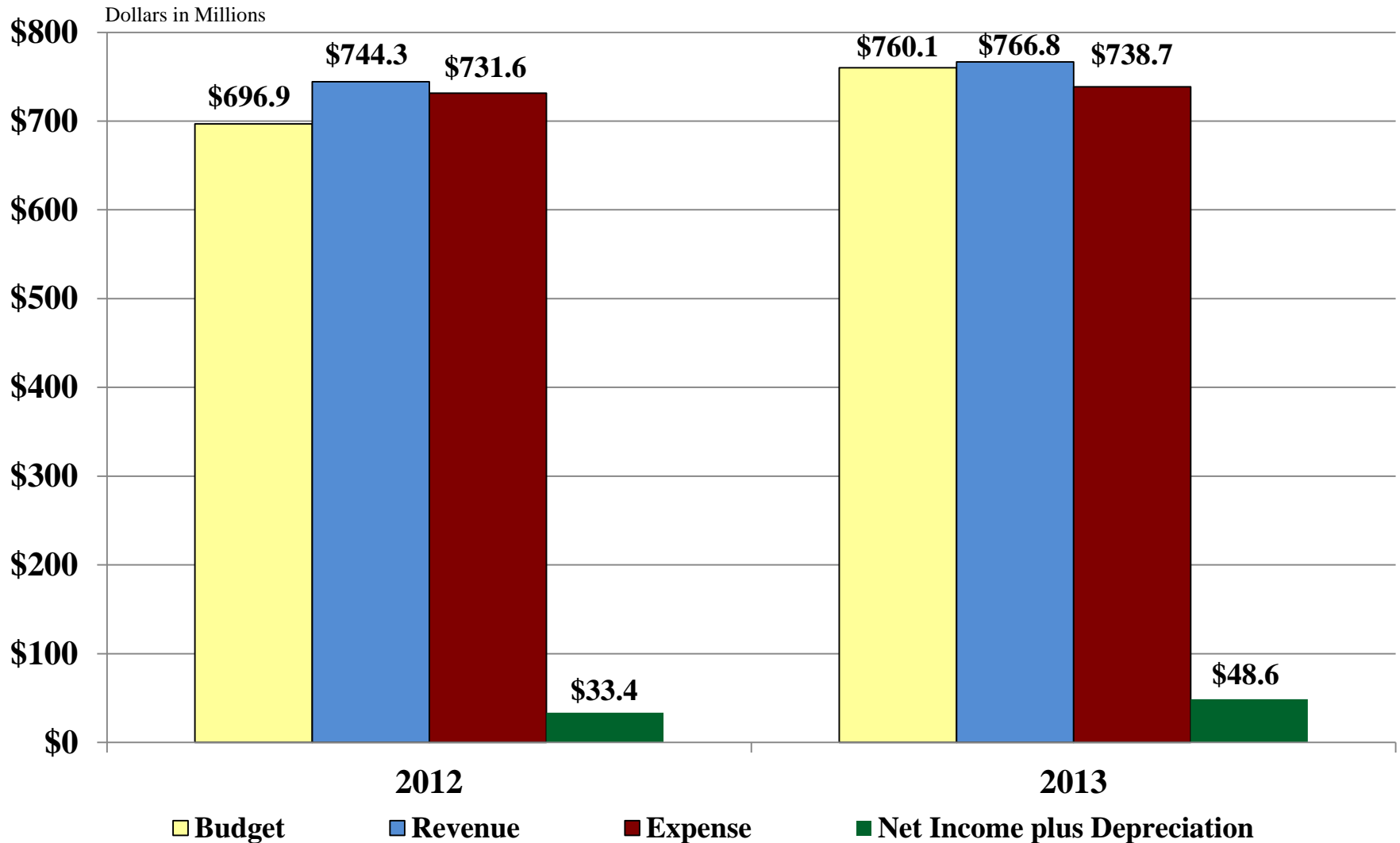


Based on Fall 2012 Full-time Undergraduates.

Note: Although 29% of UIC students in Fall 2012 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.

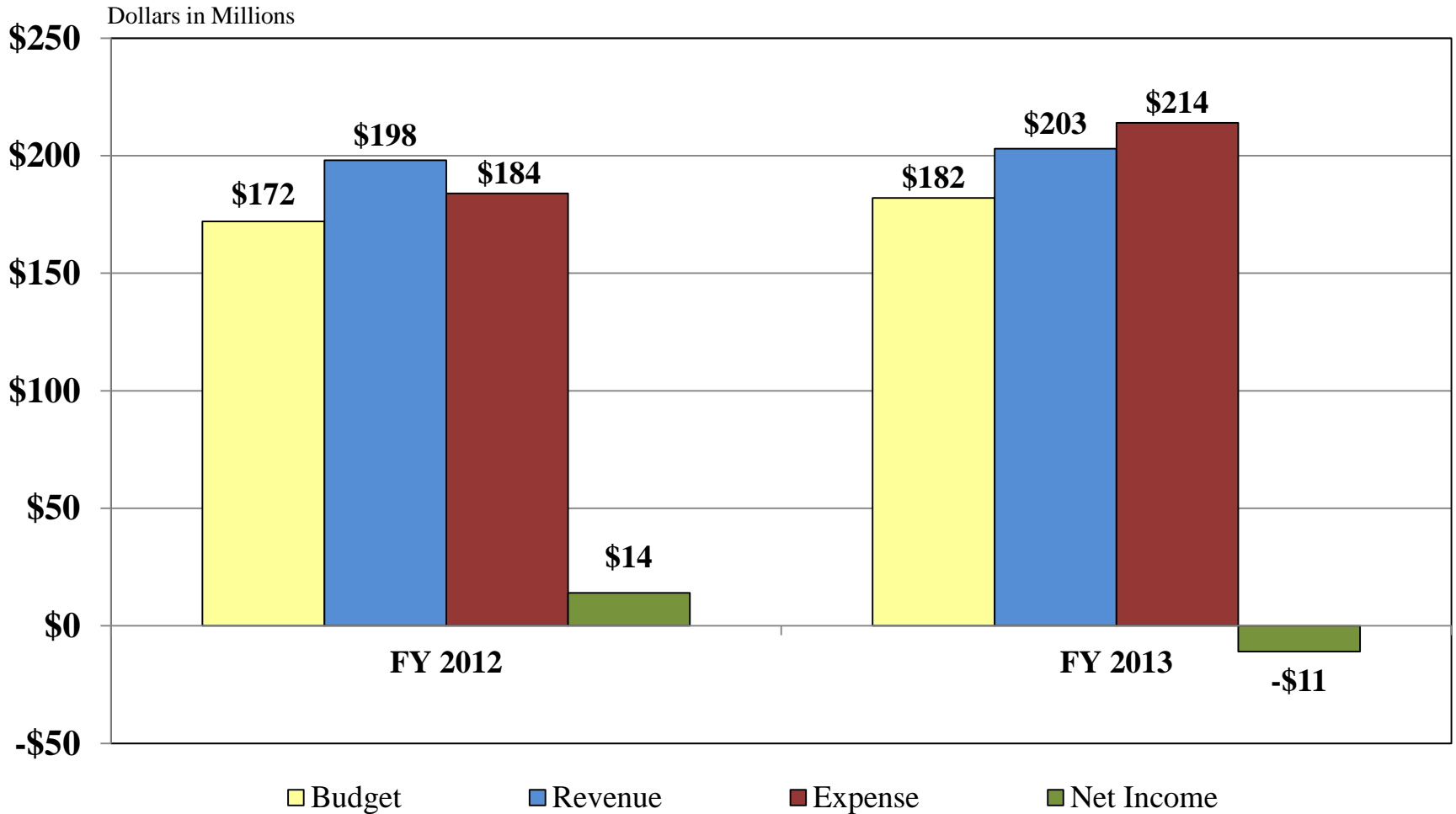
Hospital Revenue/Expense/Net Income

Fiscal Year 2012 vs. Fiscal Year 2013 through June 30, 2013



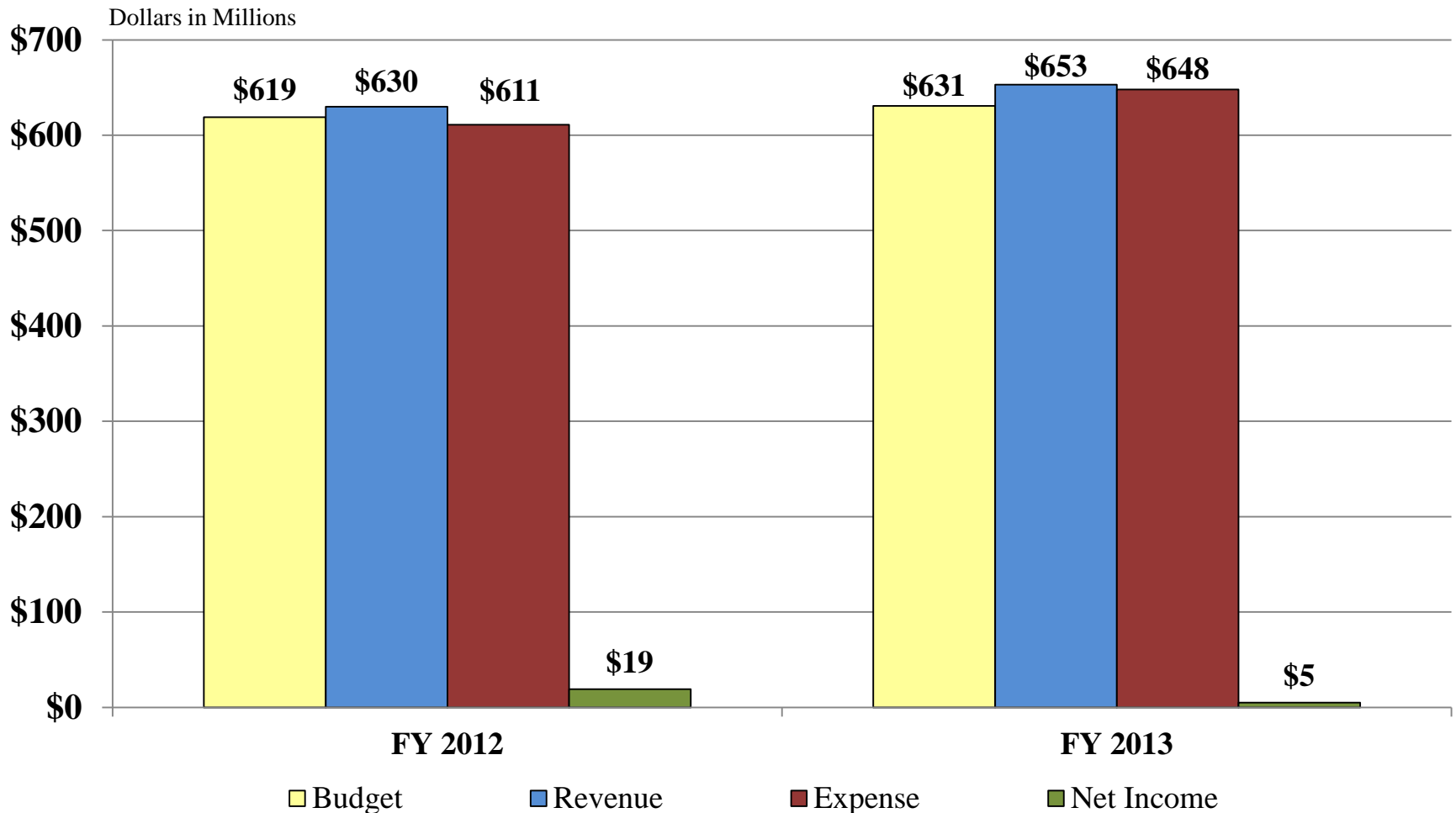
Medical Service Plan Revenue/Expense/Net Income

Fiscal Year 2012 versus Fiscal Year 2013 through June 30



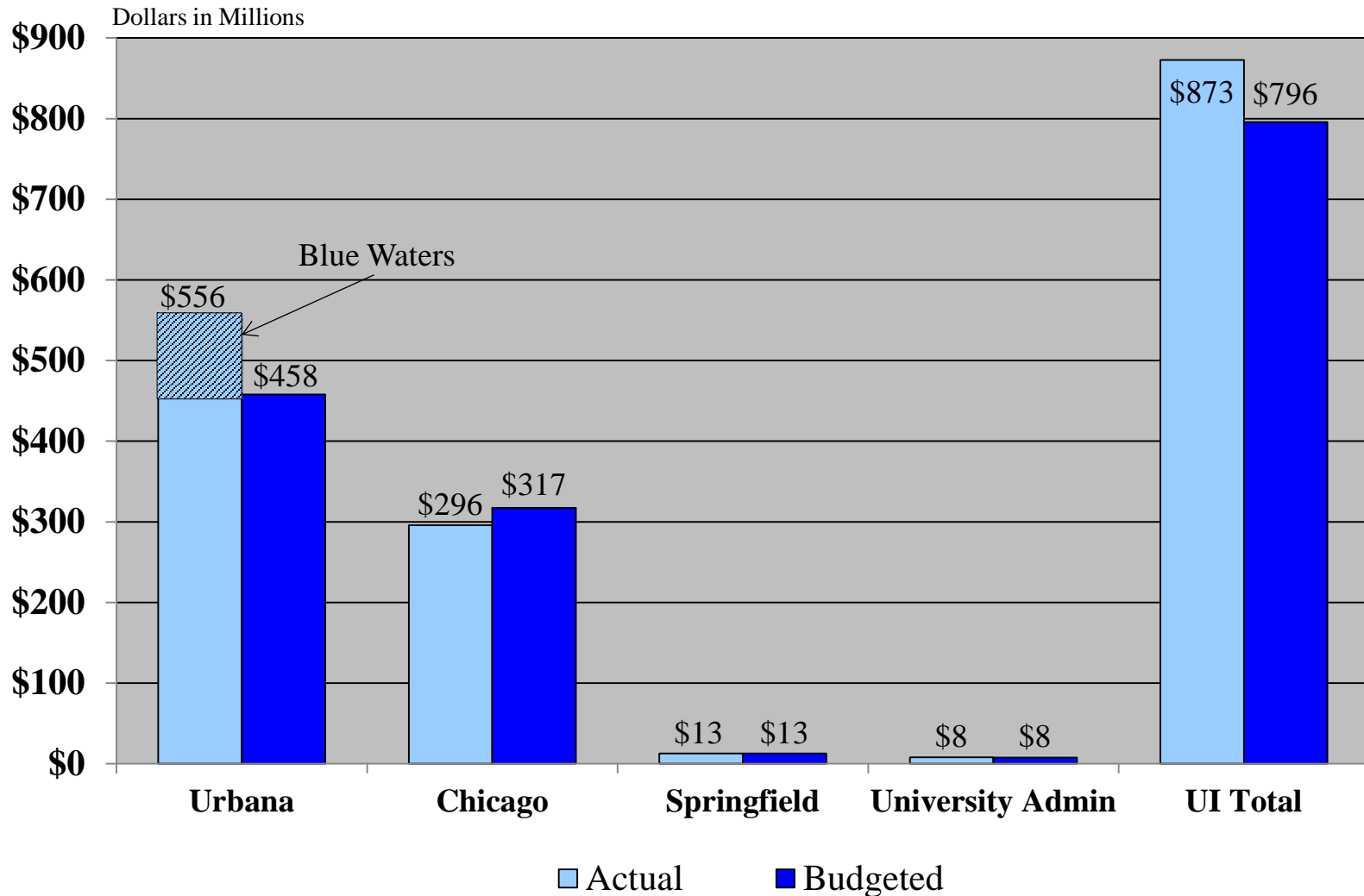
Auxiliary/Departmental Activities Revenue/Expense/Net Income

Fiscal Year 2012 versus Fiscal Year 2013 through June 30



Fiscal Year 2013 Budget Assessment

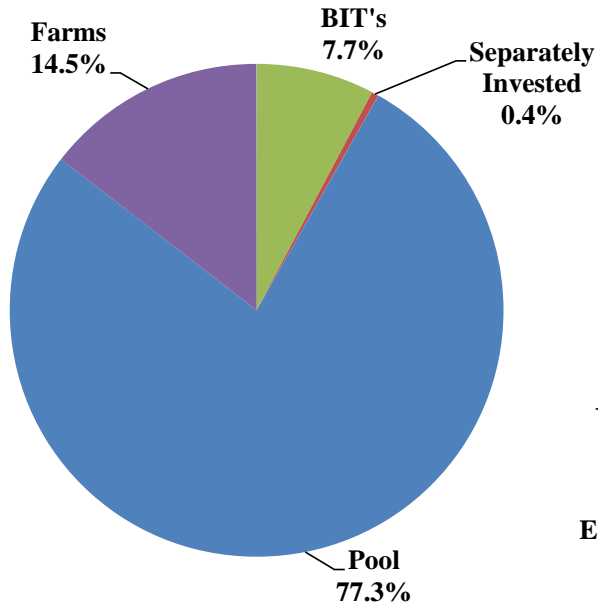
Sponsored Projects Revenue



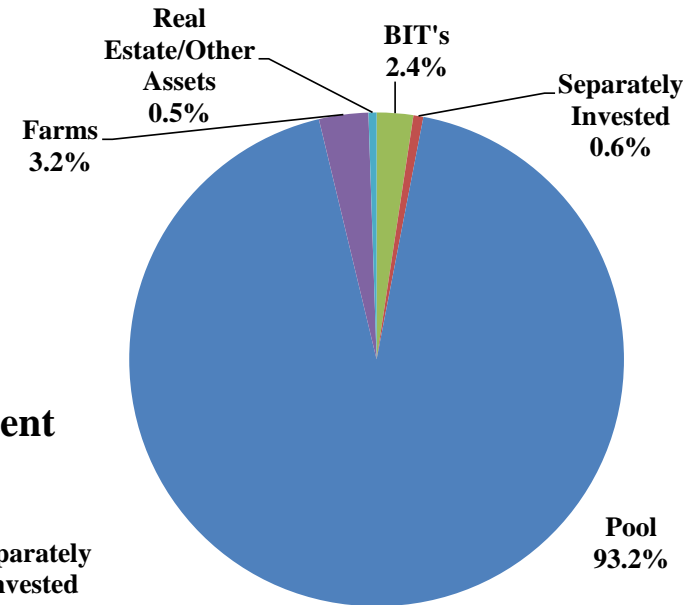
UI and UIF Individual and Combined Total Endowment

Values are preliminary as of June 30, 2013

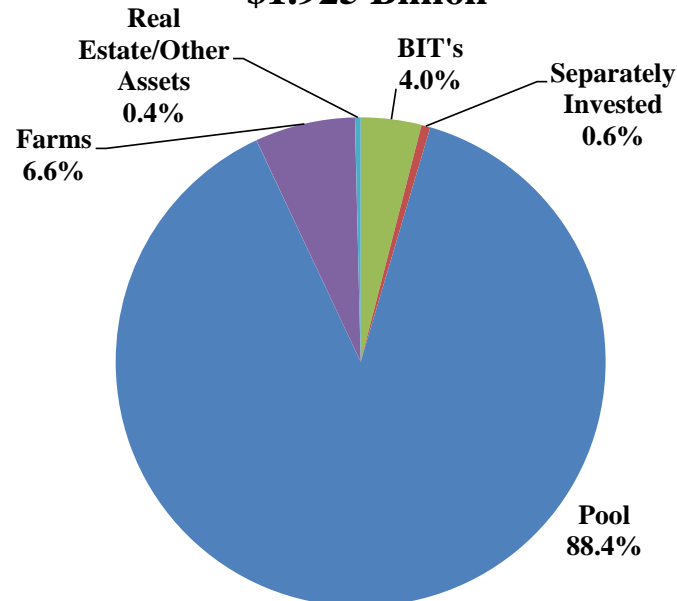
UI Endowment \$580 Million



UIF Endowment \$1.34 Billion



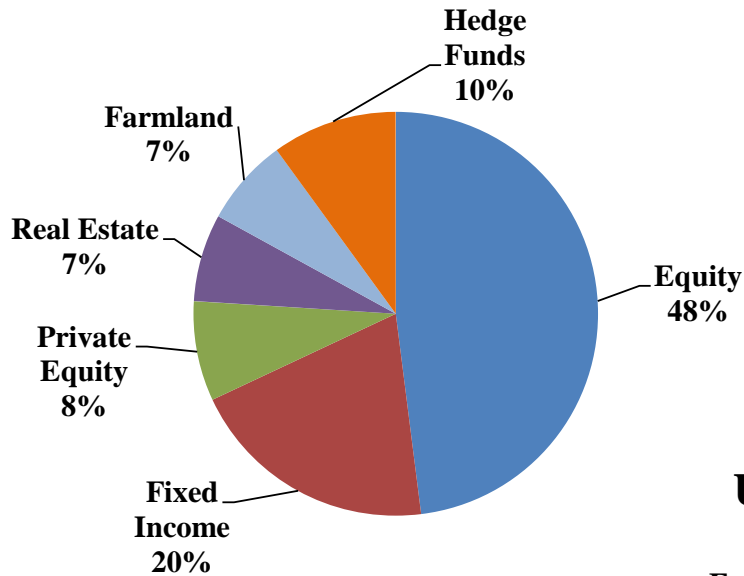
UI/UIF Combined Endowment \$1.925 Billion



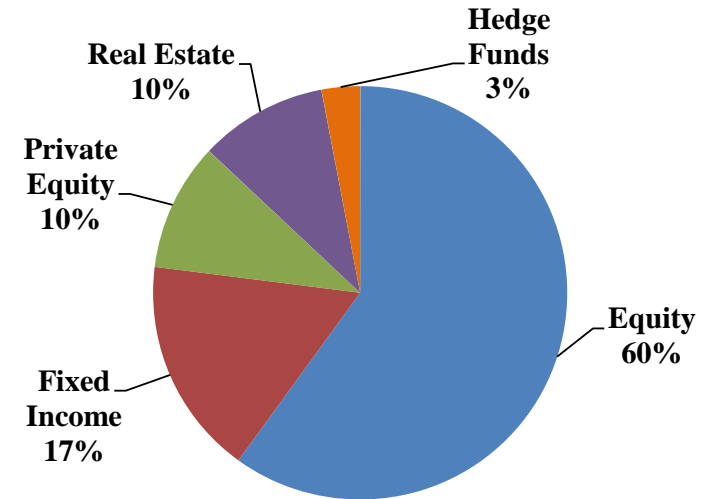
UI, UIF and Combined Endowment Pool Targets

As of June 30, 2013

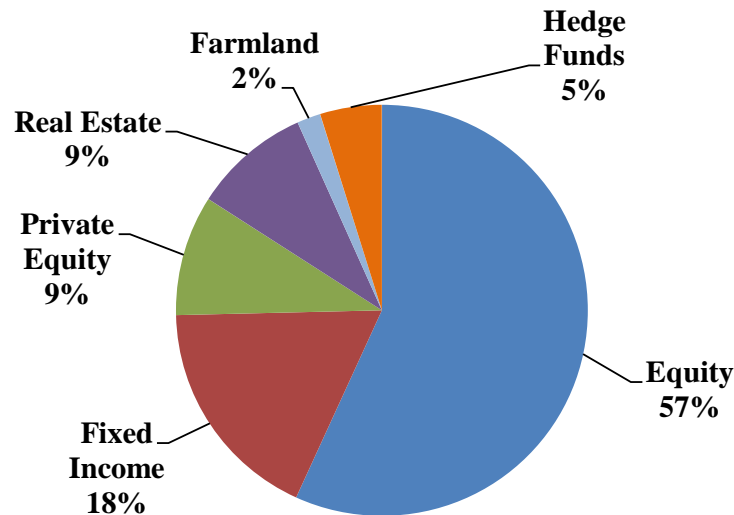
UI Approved Target



UIF Target



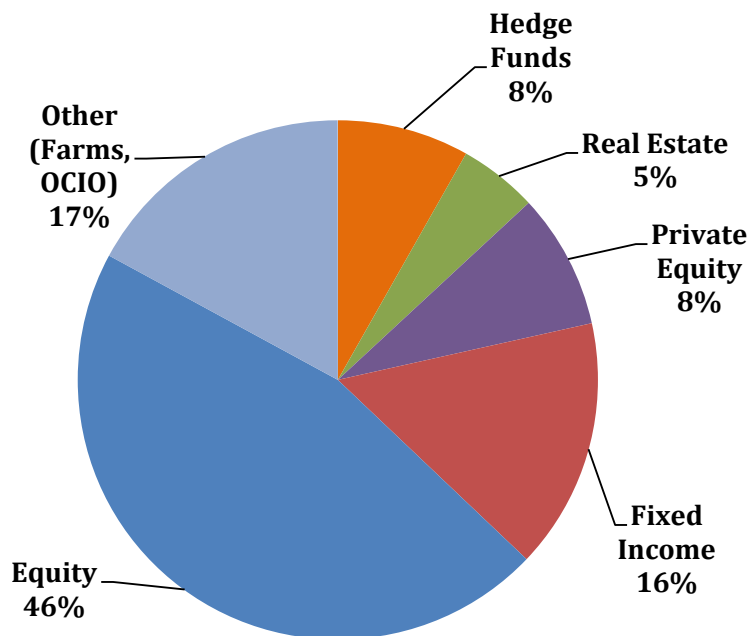
UI/UIF Combined



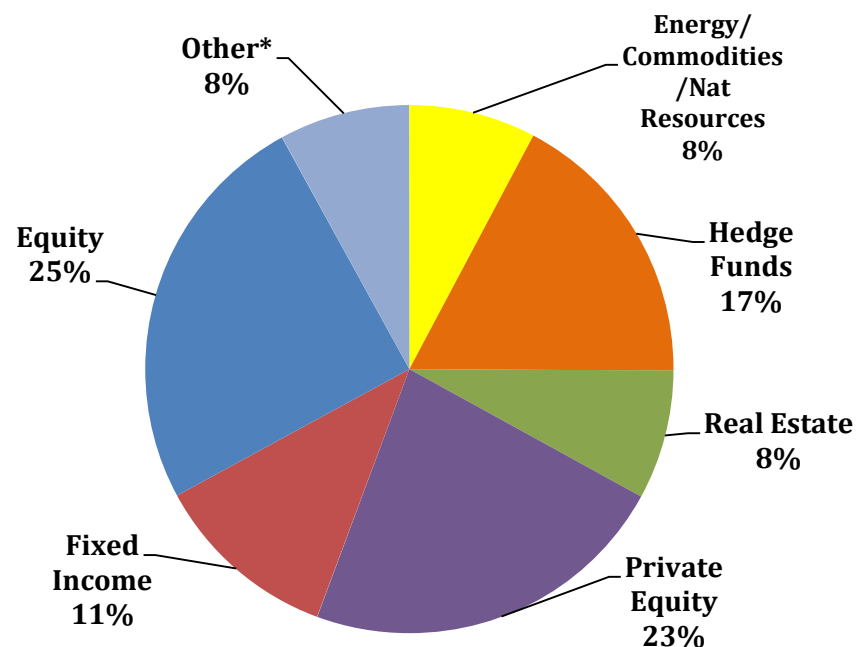
2012 NACUBO

Commonfund Study of Endowments 6/30/2012

UI/UIF E-Pool



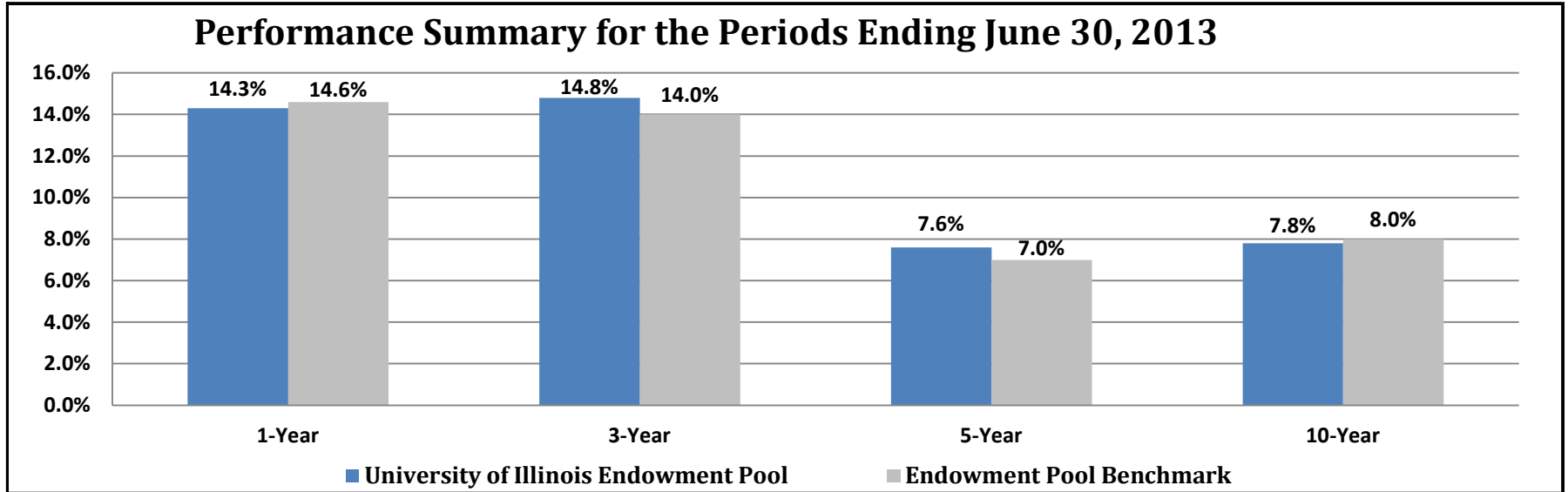
Big Ten



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

Note: May not equal 100% due to rounding.

Investment Performance: University Endowment Pool



University Endowment Pool Market Values:

June 30, 2013	\$448,707,242
March 31, 2013	\$424,671,473
December 31, 2012	\$392,784,225

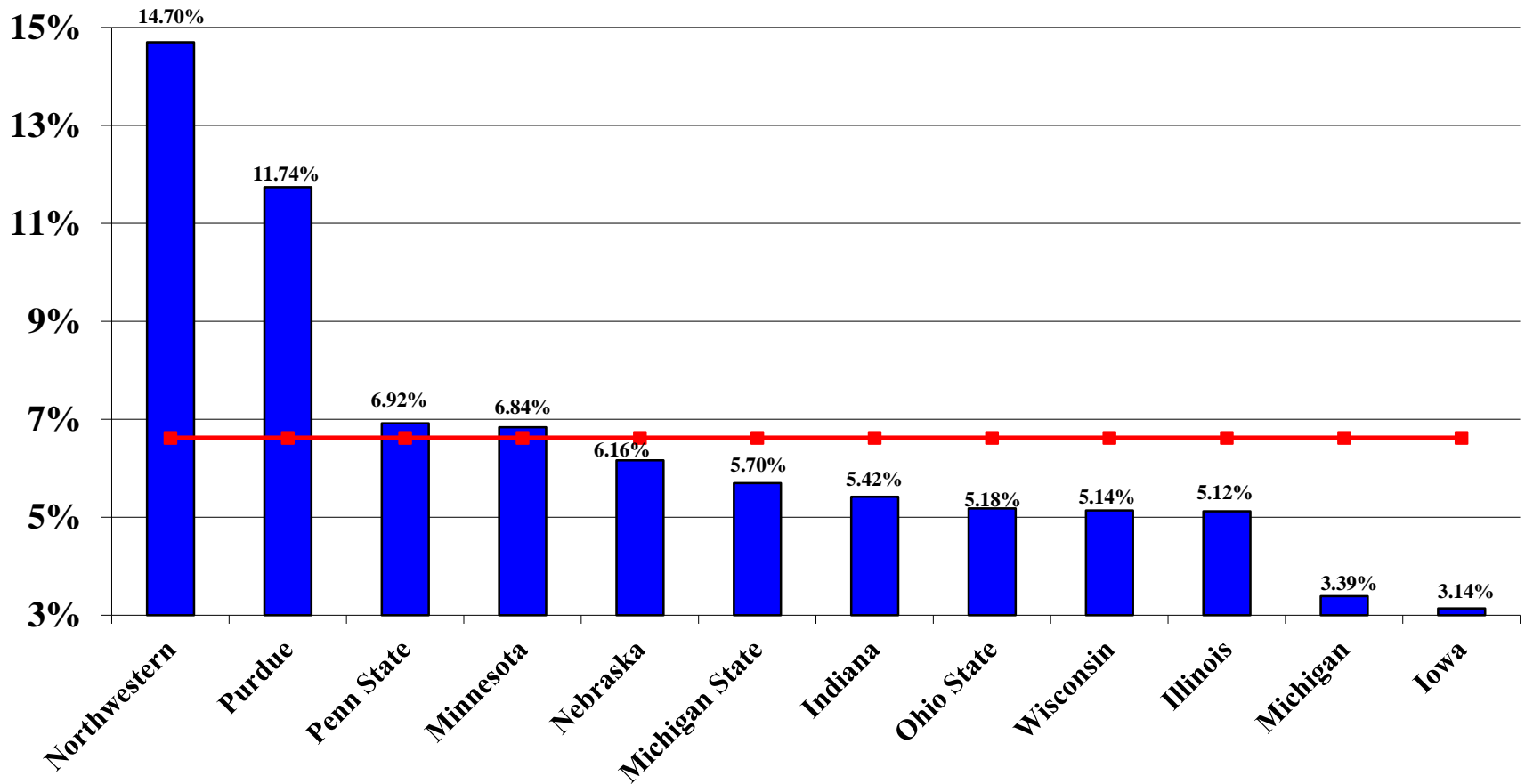
University of Illinois

Budget by Campus, All Sources

	FY 2004		FY 2014		\$ Change FY04-FY14	% Change FY04-FY14
	\$ in Thousands	% of Budget	\$ in Thousands	% of Budget		
Urbana	\$1,289,936	43.8%	\$1,998,503	45.3%	\$708,567	54.9%
Chicago	1,356,425	46.1%	2,079,310	47.1%	722,885	53.3%
Springfield	54,846	1.9%	84,871	1.9%	30,025	54.7%
University Programs	117,154	4.0%	132,151	3.0%	14,997	12.8%
University Administration	123,605	4.2%	116,632	2.6%	(6,973)	-5.6%
Total	\$2,941,966		\$4,411,467			

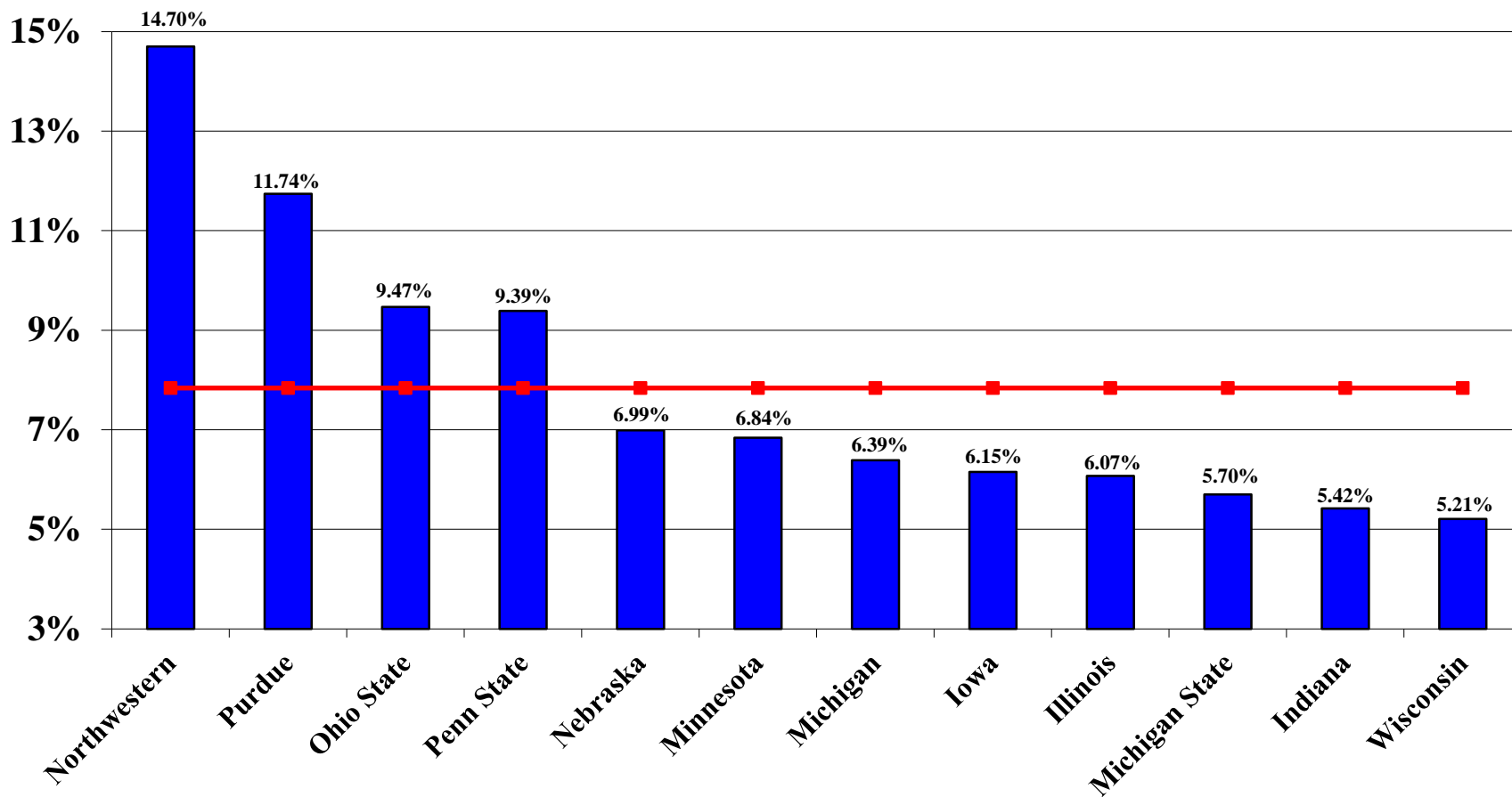
Source: Budget Summary for Operations
Excludes Payments on Behalf.

Big Ten Universities Total Systems Institutional Support as a % of Total Expenditures FY 2012



Note: Total Expenditures are Operating Expenditures less Depreciation
Source: FY 2012 Annual Financial Reports

Big Ten Universities Total Systems Institutional Support as a % of Total Expenditures FY 2012 Excluding Hospital Enterprises



Note: Total Expenditures are Operating Expenditures less Depreciation and Hospital/Medical
 Source: FY 2012 Annual Financial Reports