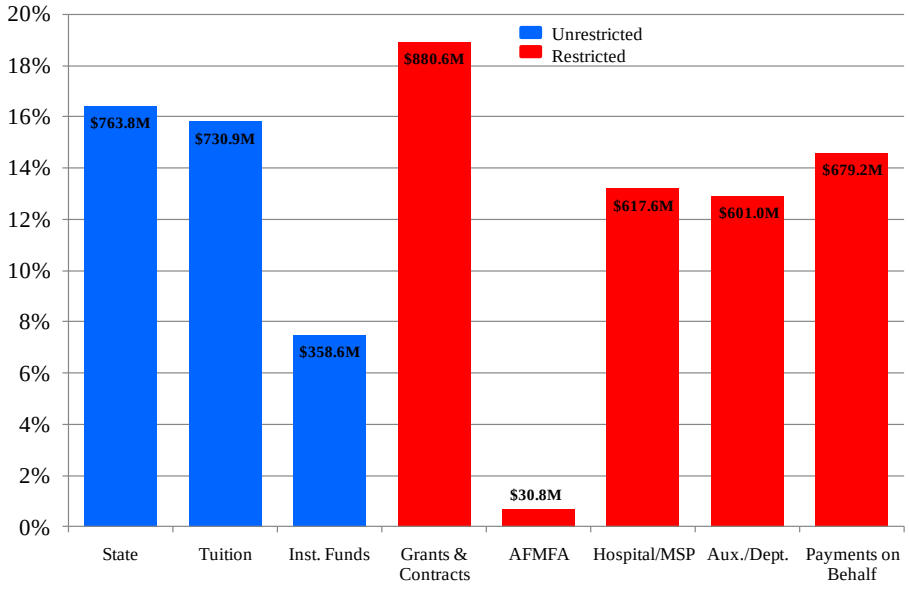
Financial Indicators

UNIVERSITY OF ILLINOIS

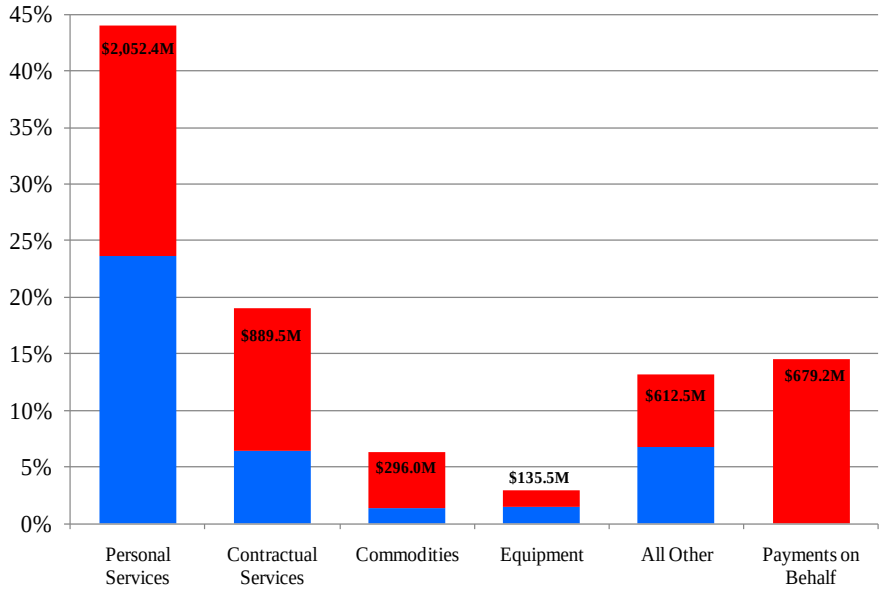
URBANA-CHAMPAIGN•CHICAGO•SPRINGFIELD

Presented to the Board of Trustees
January 21, 2010

Where Does the Money Come From?
FY 2010



Where Do the Dollars Go?
FY 2010



Unrestricted	**$1,853.3M**	**39.7%**
Restricted	**$2,809.2M**	**60.3%**
Total	**$4,662.5M**	**100%**

Unrestricted	**$1,853.3M**	**39.7%**
Restricted	**$2,811.9M**	**60.3%**
Total	**$4,665.2M**	**100%**

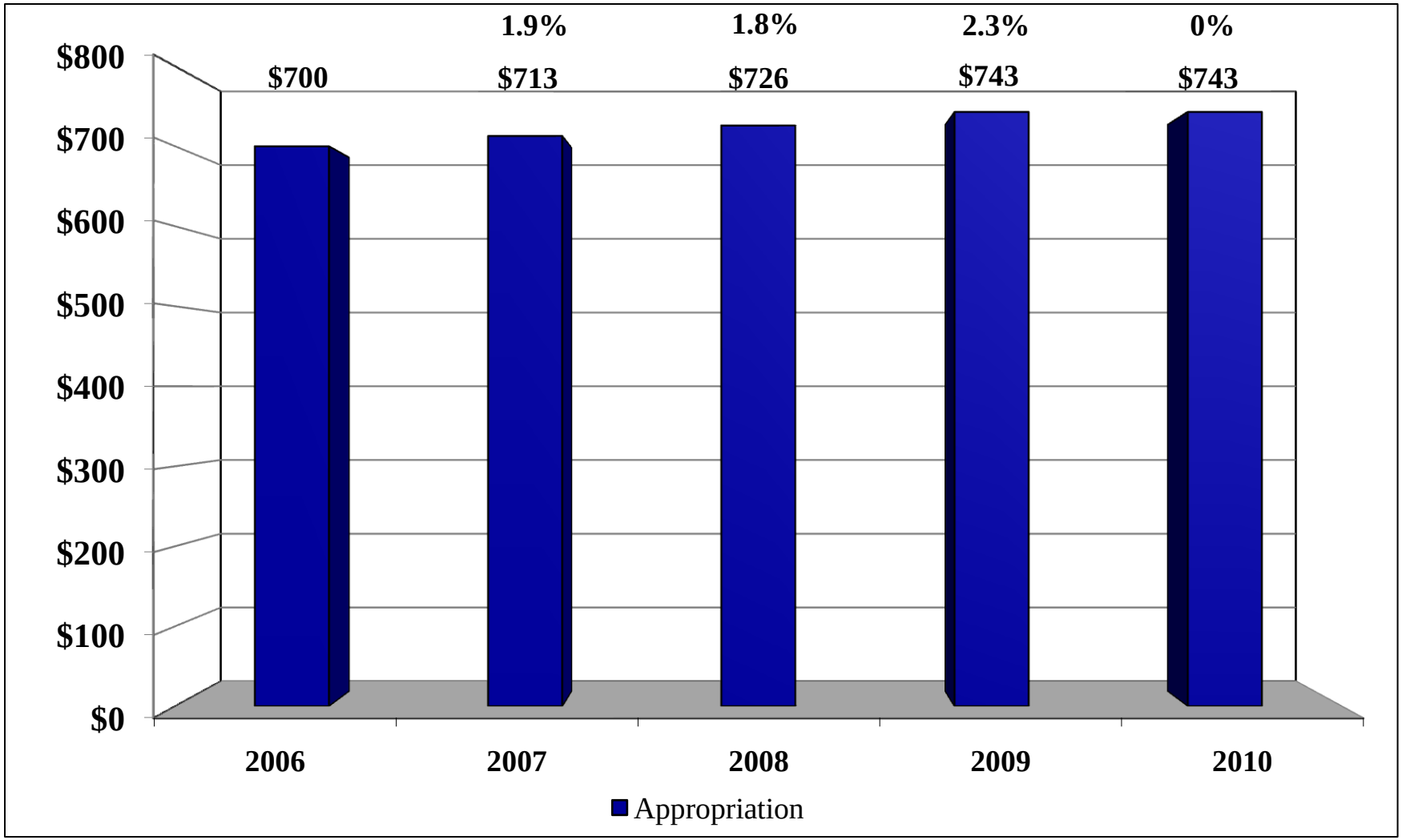
State Appropriation Revenue

Unrestricted Funds

Fiscal Year 2006 through Fiscal Year 2010

In Millions

GRF revenue increased 6.1% in total from FY2006 – FY2010



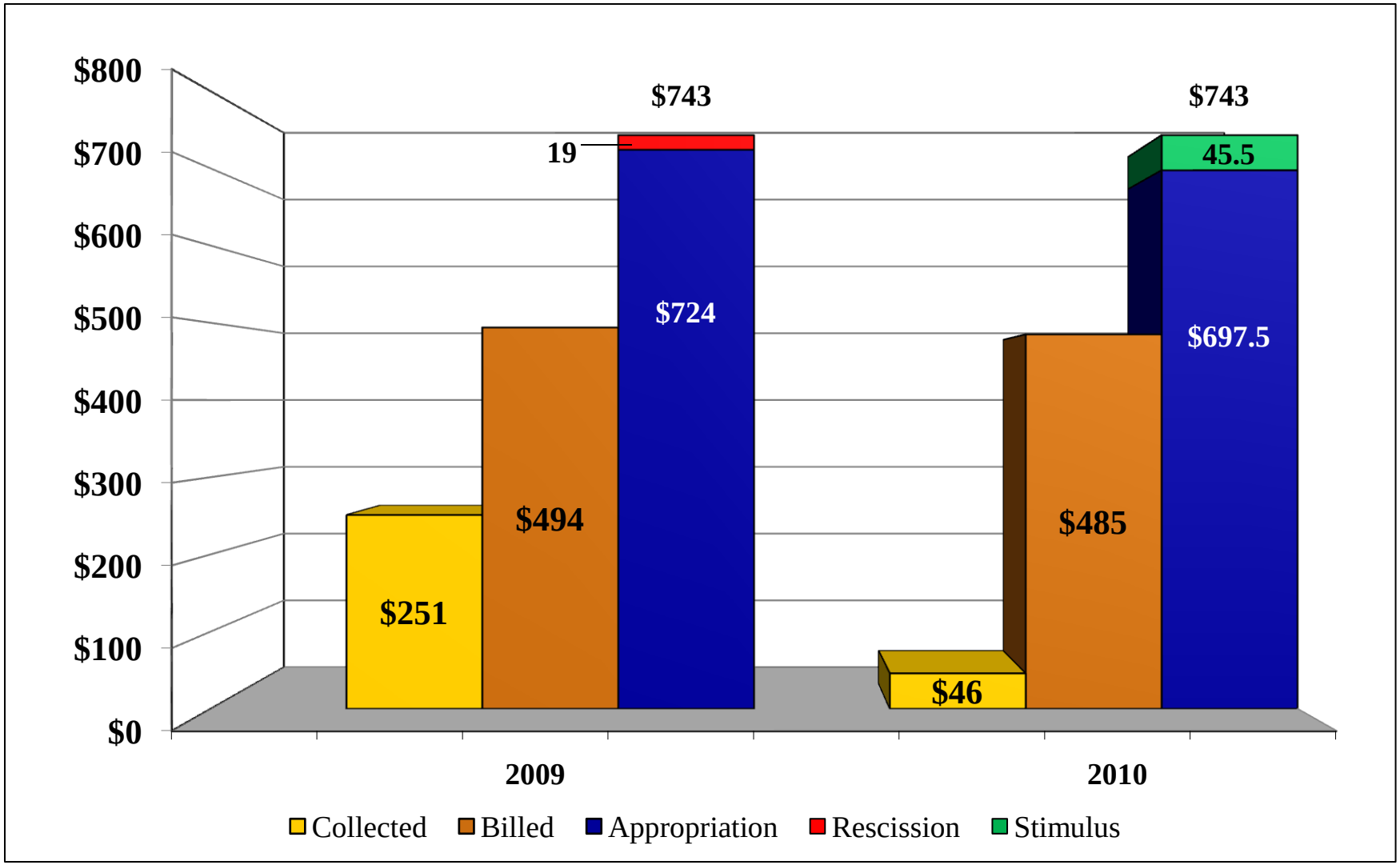
FY09 appropriation includes $19 million rescission.
FY10 appropriation includes $45.5 million of federal stimulus funding and assumes restoration of FY09 rescission.

State Appropriation Revenue

Unrestricted Funds

Billings and Collections through December 31, 2010

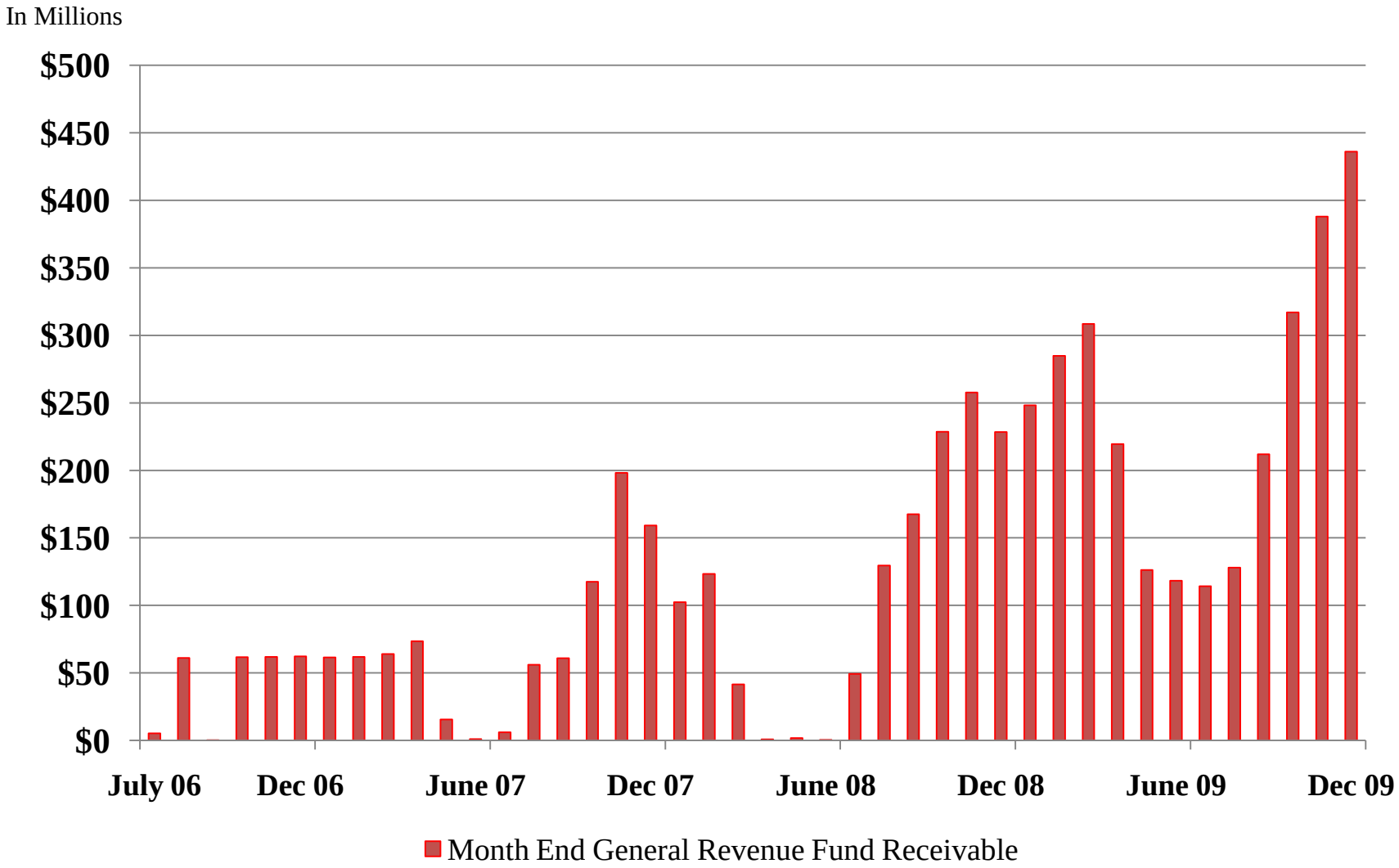
In Millions



FY09 appropriation includes $19 million rescission.
FY10 appropriation includes $45.5 million of federal stimulus funding and assumes restoration of FY09 rescission.

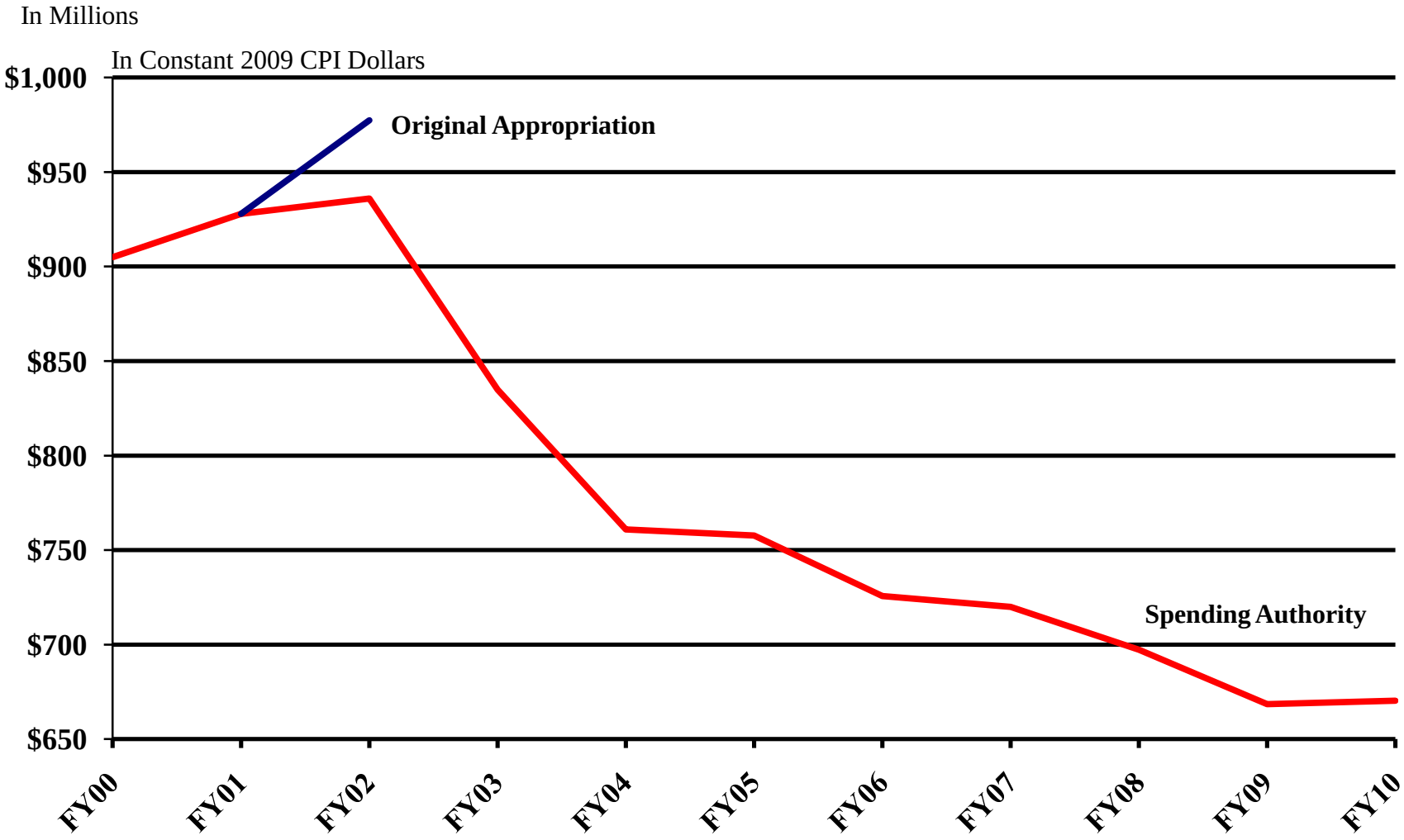
UI Month End GRF Receivable

Fiscal Year 2007 through Fiscal Year 2010



UI Direct State Tax Appropriations (GRF)

Fiscal Year 2000 – Fiscal Year 2010



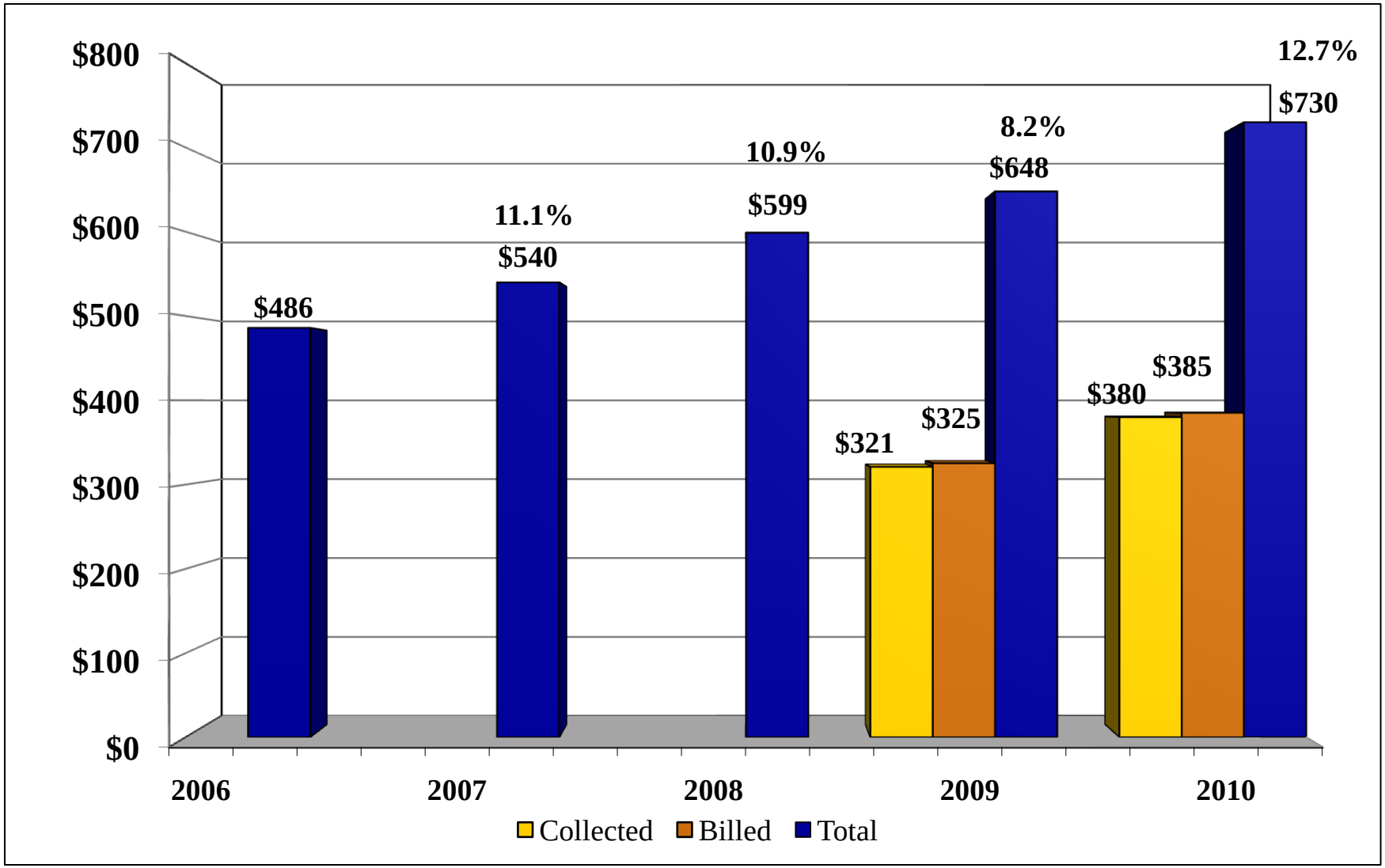
Spending Authority: FY02 – FY10 adjusted for Health Insurance obligation of $24.9 million.
FY09 & FY10 state appropriation adjusted to include $15.8 million transferred for the State Surveys.

Income Fund (Tuition) Revenue

Unrestricted Funds

Fiscal Year 2006-2010; collections through December of Fiscal Year 2009-2010

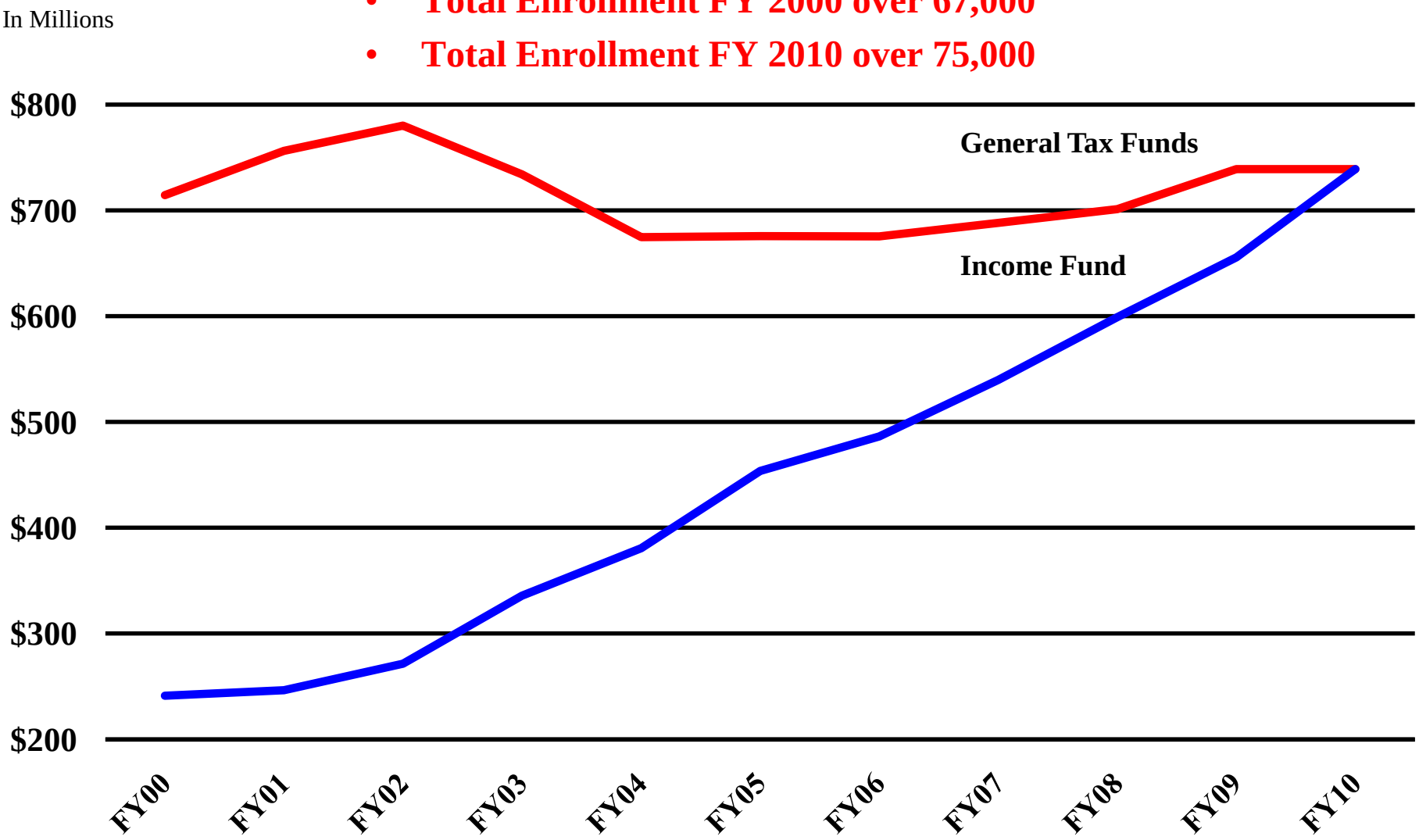
In Millions



Annual tuition revenue increased by 50.2% in total from FY06-FY10

State and Income Fund FY 2000 – FY 2010

- **Total Enrollment FY 2000 over 67,000**
- **Total Enrollment FY 2010 over 75,000**



Sources: Budget Summary for Operations, state payments on behalf, and RAMP. Waivers excluded. GRF for FY02 – FY10 exclude $24.9 million for Health Insurance,.

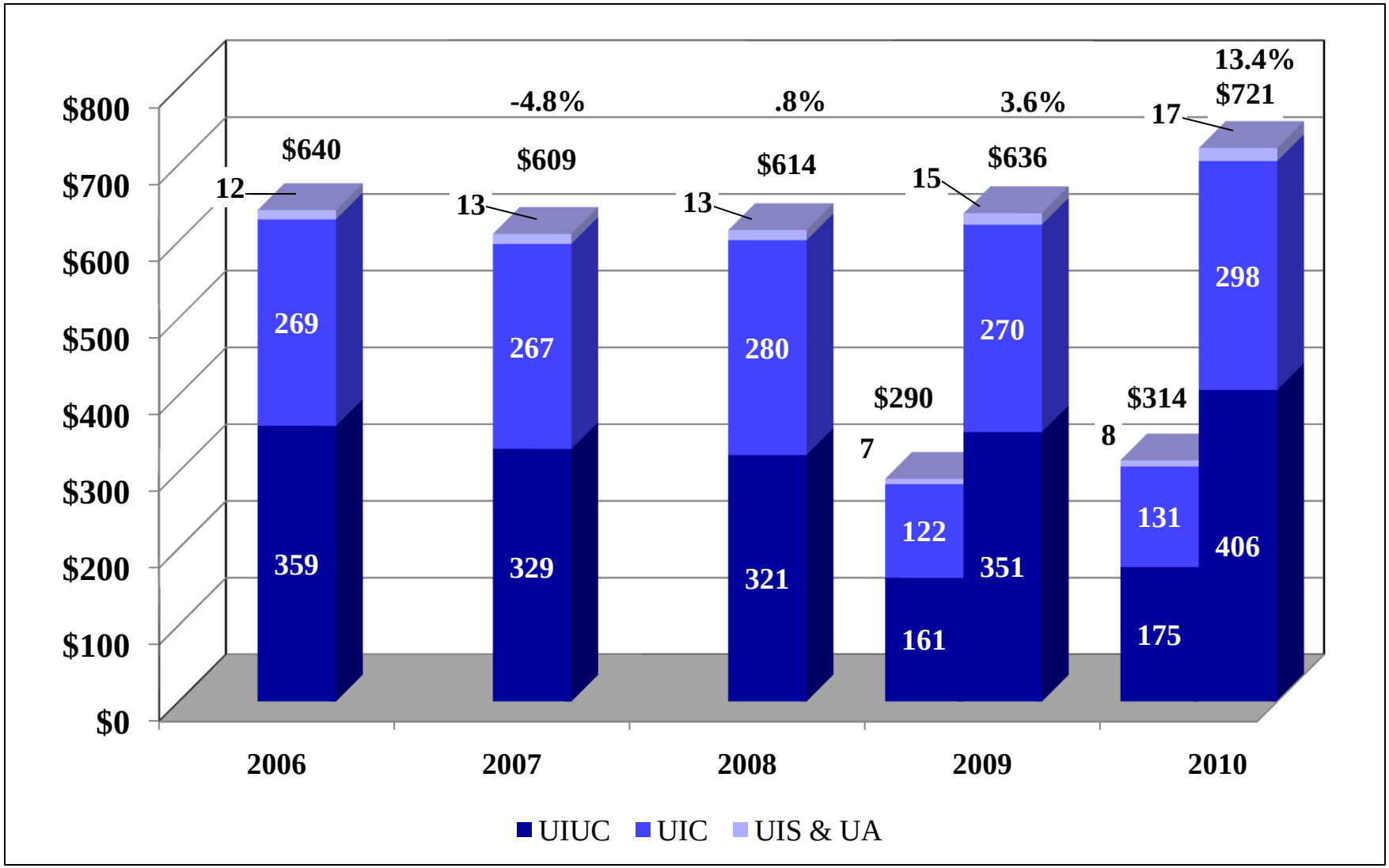
State Surveys are included in State (not IF) in FY09-FY10.

Sponsored Projects Revenue

Restricted Funds

Budget Fiscal Year 2006-2010; Actual through December Fiscal Year 2009-2010

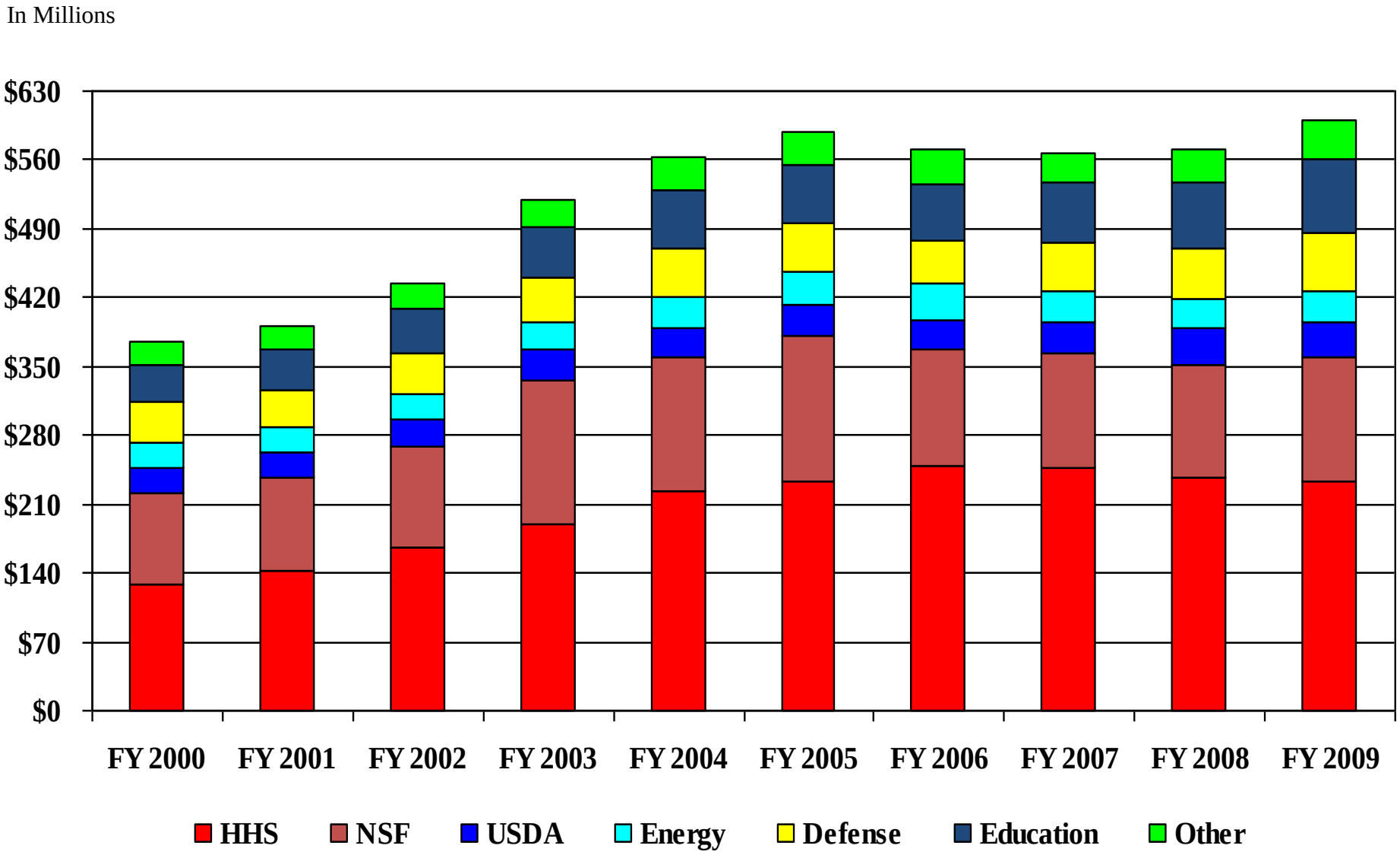
In Millions



Sponsored project revenue increased by 12.7% in total from FY06-FY10

Federal Grants and Contracts Expenditures

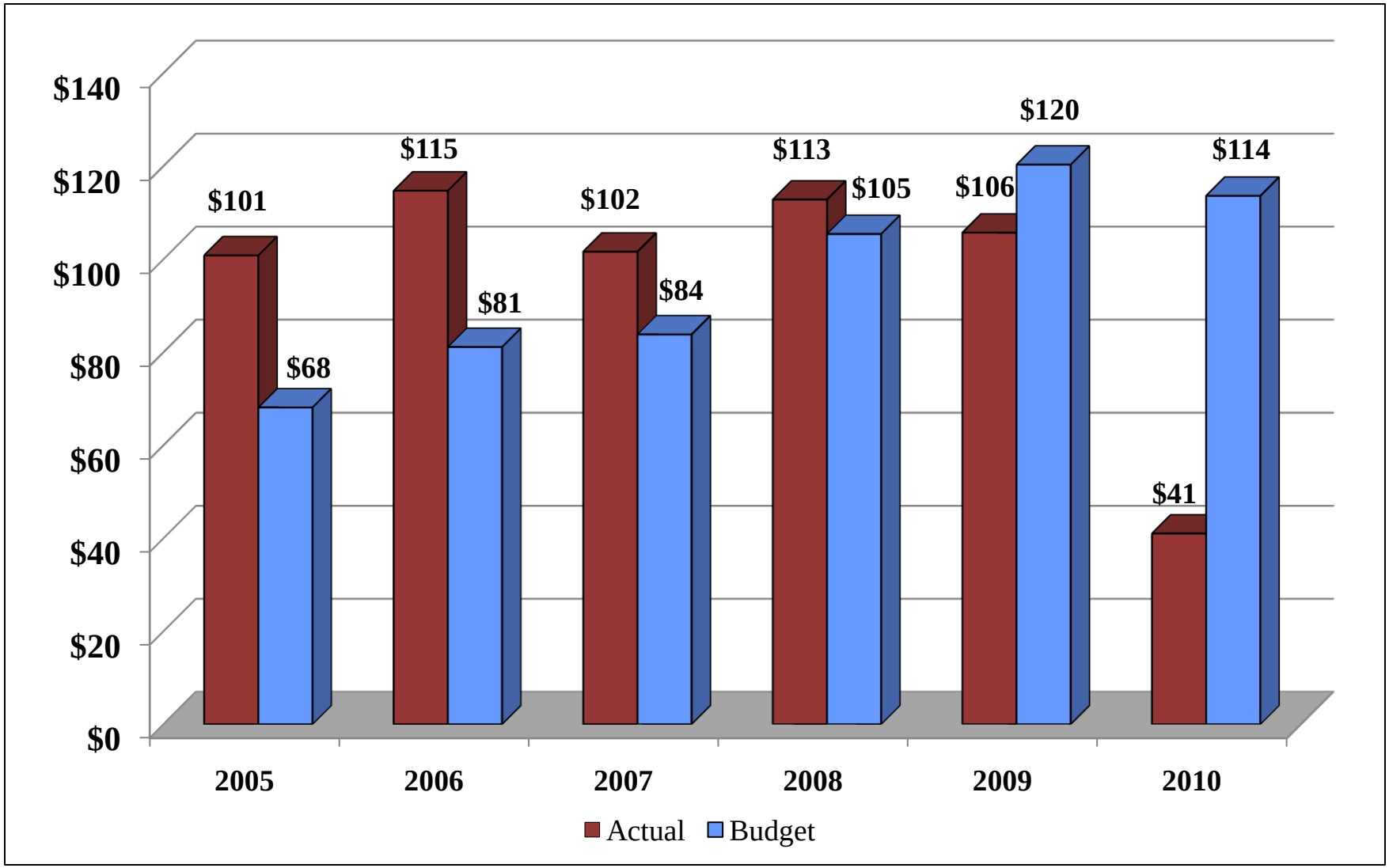
All Functions – Total University



Utility Budget versus Actual Expenditures

Fiscal Year 2005 through Fiscal Year 2010

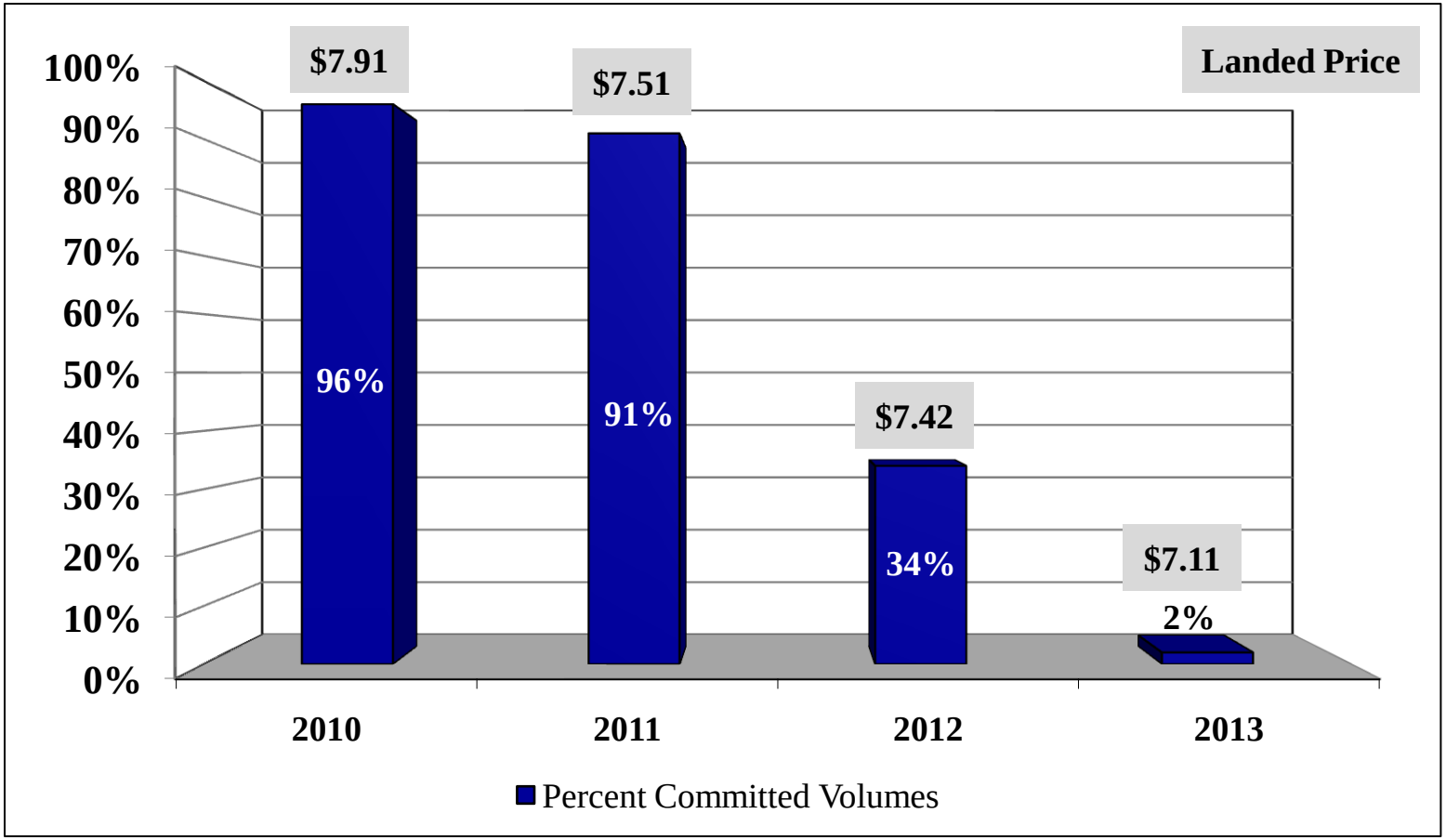
In Millions



FY10 Actual is through 11/30/09

Natural Gas Hedging Program

In accordance with Board established fuel procurement policy, Fiscal Year 2010 and 2011 core gas supply has been secured via physical contract. Market price risk has been essentially eliminated for these years. Purchases for FY12 and FY13 are underway.



Summary of Gas Procurement Program

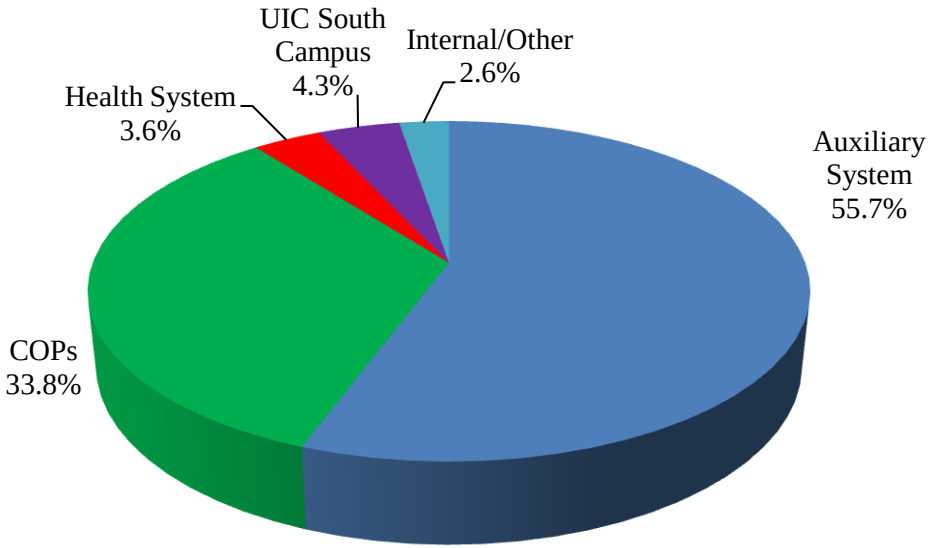
Volume Requirement = Must Run Gas Requirement to produce only steam load

Landed Price = field price + basis + Nicor Enerchange fee + NGPL fees

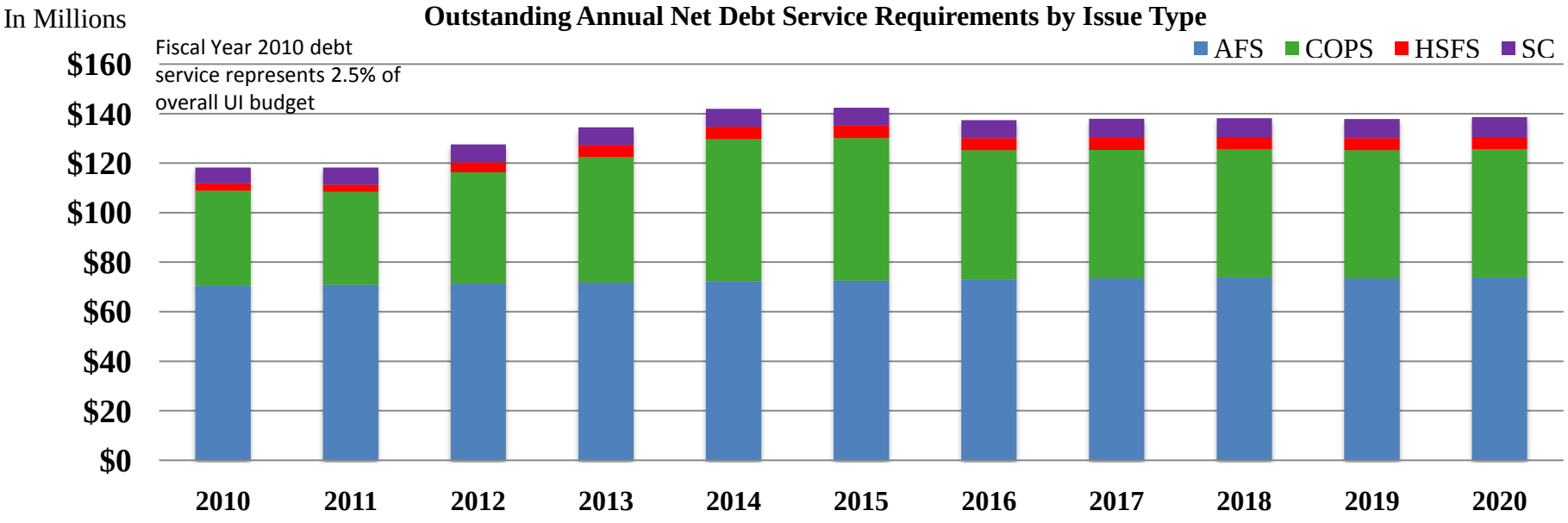
University Debt

Fiscal Year 2010 through Fiscal Year 2020

$1,686.9 Million Total Outstanding at June 30, 2009

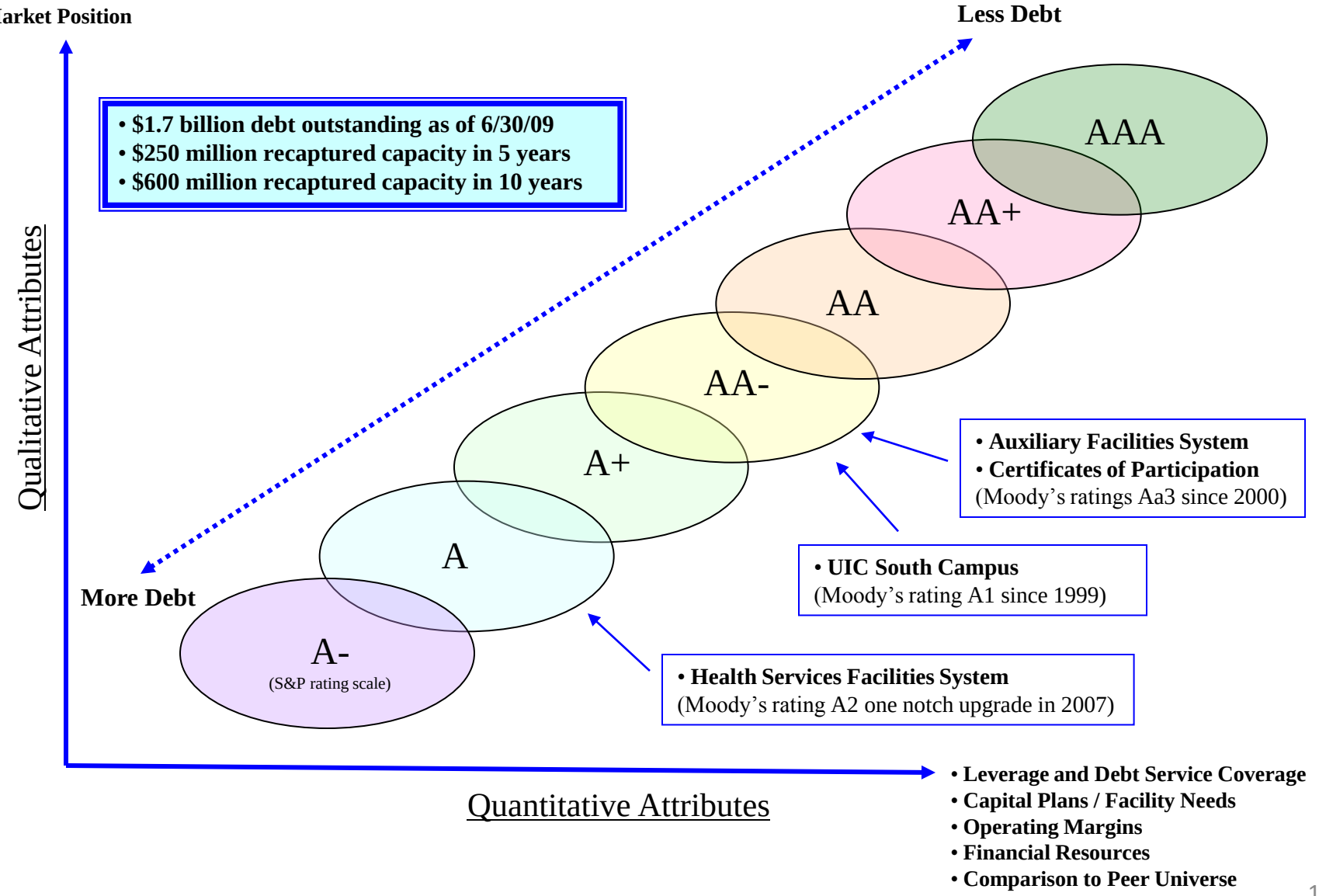


Outstanding Annual Net Debt Service Requirements by Issue Type



Debt Capacity

- **Revenue Diversity**
- **State Relationship**
- **Management & Governance**
- **Enrollment & Student Demand**
- **Market Position**



University of Illinois Credit Position
Moody's Commentary

Positives

- Premier public university in Illinois: multiple campuses and strong student demand
- Nationally prominent reputation in research with diversified sources of research funding
- Essentially balanced operating performance despite recent cuts in state appropriations
- Expected growth in resource base through Brilliant Futures Campaign
- Limited additional debt and capital plans

Challenges

- Significant ongoing capital needs
- Highly leveraged balance sheet relative to peers
- Exposure to healthcare sector challenges
- Declines and delays in State operating support