

I N D E X
SEPTEMBER 2008

	<u>PAGE</u>
FINANCIAL HIGHLIGHTS.....	1
BALANCE SHEET.....	2
STATEMENT OF CHANGES IN FUND BALANCES.....	3
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES.....	4
NOTES TO FINANCIAL REPORTS	5
SUPPLEMENTAL SCHEDULES:	
Summary Schedule of Auxiliary Enterprises; Statement of Revenues, Expenditures and Other Changes.....	10
Bookstores.....	11
Brookley Center.....	12
Food Service.....	14
Housing.....	15

Financial Report Highlights September 30, 2008

Introduction

This Financial Report presents the financial position and financial activity of the University of South Alabama utilizing the fund basis of accounting. The report presents the assets, liabilities and fund balances of each fund including the current funds (unrestricted and restricted), loan funds, endowment funds, and plant funds (renewals and replacements, retirement of indebtedness and investment in plant). The financial reporting requirements of the Governmental Accounting Standard Board, by which the University reports its quarterly financial statements, are not utilized in this monthly financial report.

Financial Highlights

Financial report highlights at, and for the year ended, September 30, 2008 and 2007 are as follows (in thousands):

	At and for the year ended	
	9-30-08	9-30-07
<i>Total assets, by fund</i>		
Current	\$ 217,769	\$ 199,443
Loan	4,744	4,733
Endowment	82,248	68,829
Plant	607,898	478,514
<i>Fund Balances, by fund</i>		
Current	\$ 49,020	\$ 48,758
Loan	411	385
Endowment	72,888	68,829
Plant	286,009	266,546
<i>Other balance sheet highlights</i>		
Cash and investments	\$ 369,142	\$ 285,057
Accounts receivable	49,534	50,606
Bonds and notes payable	308,897	199,613

	For the year ended	
	9-30-08	9-30-07
<i>Selected operating highlights (current funds)</i>		
Tuition and fees	\$ 71,531	\$ 63,974
State appropriations	139,737	120,388
Hospital revenues	290,474	287,956
Gifts, grants and contracts	112,884	106,180
Instruction and Academic support	132,757	119,997
Research and public service	64,894	67,436
Hospital expenses	302,188	265,558
Net current fund increase	262	4,789

Financial Analysis

This report should be read in conjunction with the University's monthly financial reports and with the understanding of the cyclical nature of the University's operations. Certain revenues (tuition and fees, auxiliary enterprises, etc.) are received at specific times in the University's fiscal year while certain other revenue streams (hospital, state appropriations) are received throughout the year. Additionally, certain revenue and expense items fluctuate with changes in enrollment while others do not. As a result of these items, significant fluctuations of cash and investments along with other balance sheet items are normal.

Economic Outlook

Enrollment and tuition have increased in recent years. Additionally, state appropriations increased significantly in fiscal 2008 and 2007. University administration is not aware of any conditions that are expected to have a significant impact on the University financial position throughout the remainder of 2008 or beyond.

UNIVERSITY OF SOUTH ALABAMA
BALANCE SHEETS
SEPTEMBER 2008 AND 2007

ASSETS	2008	2007	LIABILITIES AND FUND BALANCES	2008	2007
CURRENT FUNDS:			CURRENT FUNDS:		
UNRESTRICTED:			UNRESTRICTED:		
CASH AND CASH EQUIVALENTS	\$ 45,101.84	\$ 128,022.81	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 55,363,281.25	\$ 48,080,444.14
INVESTMENTS	122,735,568.31	102,740,178.84	DEFERRED REVENUES	24,324,481.85	21,554,609.55
ACCOUNTS RECEIVABLE - PATIENTS (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$43,808,288.69 FOR 2008 AND \$41,432,000.00 FOR 2007)			DUE TO OTHER FUNDS	85,691,158.24	76,218,307.86
DEPOSITS	49,534,245.23	50,006,280.58	DEPOSITS HELD IN CUSTODY	579,201.35	205,407.12
INVENTORIES AT COST	35,000.00	35,000.00	OTHER DEPOSITS	429,587.46	470,920.95
PREPAID EXPENSES	4,894,962.22	4,235,380.74	FUND BALANCES:		
	21,965,889.48	20,305,630.58	ALLOTTED FOR:		
			HOSPITALS	(16,987,519.04)	(6,260,495.40)
			AUXILIARY ENTERPRISES	2,173,902.95	42,545.64
			ENCUMBRANCES	1,852,815.58	1,746,935.02
			SELF-SUPPORTING ACTIVITIES	43,526,098.19	39,302,113.69
			UNALLOCATED	2,257,746.25	(1,310,295.02)
			TOTAL FUND BALANCES	32,823,046.93	31,520,803.93
			TOTAL UNRESTRICTED	199,210,757.08	178,050,493.55
TOTAL UNRESTRICTED	199,210,757.08	178,050,493.55	RESTRICTED FUNDS:		
RESTRICTED FUNDS:			ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	1,401,942.10	1,446,496.58
CASH AND CASH EQUIVALENTS	7,577,887.11	7,670,686.09	OTHER DEPOSITS	1,100.00	6,210.32
INVESTMENTS	11,529.00	169,426.36	DEFERRED REVENUES	957,627.51	2,702,919.72
UNBILLED COSTS AND ACCOUNTS RECEIVABLE	10,968,785.93	13,552,786.29	FUND BALANCES	16,197,333.03	17,237,871.92
			TOTAL RESTRICTED	18,558,202.64	21,392,898.74
TOTAL RESTRICTED	18,558,202.64	21,392,898.74	TOTAL CURRENT FUNDS	217,768,959.72	199,443,392.29
TOTAL CURRENT FUNDS	217,768,959.72	199,443,392.29			
LOAN FUNDS:			LOAN FUNDS:		
CASH AND CASH EQUIVALENTS	442,761.89	184,000.29	REFUNDABLE GOVERNMENT ADVANCES	4,333,038.93	4,348,114.74
NOTES RECEIVABLE (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$500,633.16 FOR 2008 AND \$493,734.41 FOR 2007)			FUND BALANCES:		
			UNIVERSITY FUNDS, UNRESTRICTED	410,683.89	384,800.63
			TOTAL FUND BALANCES	410,683.89	384,800.63
TOTAL LOAN FUNDS	4,430,960.93	4,548,915.08	TOTAL LOAN FUNDS	4,743,722.82	4,732,915.37
ENDOWMENT FUNDS:			ENDOWMENT FUNDS:		
CASH AND CASH EQUIVALENTS	20,183,820.52	21,538,749.94	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	87.50	0.00
FUNDS WITH TRUSTEES	53,981.22	53,981.22	DEFERRED REVENUE	2,023,282.00	0.00
INVESTMENTS	58,509,826.82	43,870,586.86	OTHER LONG TERM DEBT	7,338,871.00	0.00
PREPAID- LIFE ESTATE	3,500,298.00	3,365,671.00	FUND BALANCES:		
			RESTRICTED NONEXPENDABLE	28,073,403.57	15,762,717.56
			UNRESTRICTED EXPENDABLE	44,814,282.49	53,066,271.46
			TOTAL FUND BALANCES	72,887,686.06	68,828,989.02
			TOTAL ENDOWMENT FUNDS	82,247,926.56	68,828,989.02
TOTAL ENDOWMENT FUNDS	82,247,926.56	68,828,989.02			
PLANT FUNDS:			PLANT FUNDS:		
CASH AND CASH EQUIVALENTS	95,284,985.13	22,814,460.24	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	6,148,410.90	5,444,969.46
FUNDS WITH TRUSTEES	351,707.17	0.00	DEFERRED REVENUES	6,724,007.70	6,722,013.82
INVESTMENTS	63,362,945.00	85,940,933.06	OTHER DEPOSITS	27,791.67	1,666.70
REAL ESTATE HELD FOR RESALE	988,429.00	0.00	NOTES PAYABLE	0.00	1,456,138.90
ACCOUNTS RECEIVABLE	1,799,284.00	2,405,471.00	BONDS PAYABLE	308,897,250.93	198,156,424.64
NOTES RECEIVABLE	254,936.16	258,199.26	CAPITALIZED LEASE OBLIGATIONS	91,588.99	186,442.40
INTEREST RECEIVABLE	0.00	94,173.61			
DUE FROM OTHER FUNDS	85,691,158.24	76,218,307.86			
PREPAID EXPENSES	5,108,891.27	2,206,386.18			
CAPITAL LEASE RECEIVABLE	1,226,440.42	1,685,762.25			
INVESTMENT IN PLANT:					
LAND	29,232,252.32	29,271,538.45			
LAND IMPROVEMENTS	10,073,539.08	11,050,329.47			
BUILDINGS, ACCUM. DEPREC AND IMPROVEMENTS	136,567,042.26	134,041,395.24			
OTHER EQUIPMENT, BOOKS AND FILMS	59,706,940.26	47,699,916.55			
CONSTRUCTION IN PROGRESS	118,249,698.17	64,826,723.91			
TOTAL PLANT FUNDS	607,898,248.48	478,513,607.08			
TOTAL ASSETS	\$ 912,658,857.58	\$ 751,518,903.76	TOTAL LIABILITIES AND FUND BALANCES	\$ 912,658,857.58	\$ 751,518,903.76

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	CURRENT FUNDS		LOAN FUNDS	ENDOWMENT FUNDS	PLANT FUNDS	
	UNRESTRICTED	RESTRICTED			RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS
REVENUES AND OTHER ADDITIONS:						
EDUCATIONAL AND GENERAL REVENUES	276,203,949.36					
HOSPITALS REVENUES	303,640,095.93					
AUXILIARY ENTERPRISES REVENUES	17,383,750.79					
GRANTS AND CONTRACTS:						
FEDERAL		47,160,879.57				
STATE AND LOCAL		9,957,893.43				
PRIVATE		5,700,132.33				
GOVERNMENT APPROPRIATIONS:			15,075.81			
FEDERAL						
STATE						
INVESTMENT INCOME, GAINS/LOSS			28,965.25	(9,385,128.67)		463,966.42
INSURANCE PROCEEDS						
INTEREST ON LOANS RECEIVABLE			43,232.83			
GIFTS AND BEQUESTS			130.00	9,488,221.37		
EXPENDED FOR PLANT FACILITIES (INCLUDING \$22,674,581.46 CURRENT FUNDS EXPENDITURES)						16,577.50
RETIREMENT OF INDEBTEDNESS						86,700,874.93
PROCEEDS FROM SALE OF CAPITAL ASSETS						5,287,133.64
OTHER SOURCES		4,546,755.65	55.00			932,044.59
TOTAL REVENUES AND OTHER ADDITIONS	587,227,796.08	67,365,460.98	87,458.89	103,092.70	3,274,341.11	92,936,630.66
EXPENDITURES AND OTHER DEDUCTIONS:						
EDUCATIONAL AND GENERAL EXPENDITURES	250,054,472.05	61,224,600.08				
HOSPITALS EXPENDITURES	300,162,650.02					
AUXILIARY ENTERPRISES EXPENDITURES	16,104,917.24					
INDIRECT COSTS RECOVERED	5,636,011.36					
REFUNDED TO GRANTORS	159,052.78					
RETIREMENT OF INDEBTEDNESS						5,287,133.64
ADMINISTRATIVE AND COLLECTION COSTS			71,693.70			
EXPENDED FOR PLANT FACILITIES (INCLUDING \$5,809,938.06 FOR NON-CAPITALIZED EXPENDITURES)					69,836,231.52	20,060,474.05
INTEREST ON INDEBTEDNESS						
DEPRECIATION EXPENSES OF PLANT FACILITIES						
DISPOSAL OF PLANT						
LOSS ON DISPOSAL OF PLANT						
OTHER DEDUCTIONS			14,881.93	270,148.42		151,503.42
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	566,322,019.31	67,019,664.22	86,575.63	270,148.42	69,836,231.52	20,212,055.23
TRANSFERS AMONG FUNDS-ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	(8,516,655.51)					
FINANCIAL AID MATCHING	(148,269.00)					
NON-MANDATORY:		148,269.00				
FUNDED DEPRECIATION	(8,700,224.00)					
MOBILE RACING COMMISSION	(397,635.24)					
PLANT ADDITIONS AND REPLACEMENTS	(5,540,611.94)					
ENDOWMENT FUND	(5,682,975.97)					
OTHER TRANSFERS	(29,603,533.77)	477,582.93	25,000.00	5,112,618.50		
TOTAL TRANSFERS	(50,520,603.93)	(2,011,987.58)	25,000.00	(886,865.74)		
NET INCREASE (DECREASE) FOR THE PERIOD	1,302,243.00	(1,386,135.65)	25,000.00	4,225,752.76	16,371,130.31	1,543,645.69
FUND BALANCES AT OCTOBER 1, 2007	31,520,803.93	(1,040,336.89)	25,883.26	4,058,697.04	(50,190,760.10)	(401,136.90)
FUND BALANCES AT SEPTEMBER 30, 2008	\$ 32,823,046.93	\$ 16,197,333.03	\$ 410,683.89	\$ 72,887,686.06	\$ 35,861,810.29	\$ 16,620,018.66

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$3,044,828.00 IN MEDICAID DISPROPORTIONATE SHARE PAYMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	YEAR ENDED SEPTEMBER 30, 2008		TOTAL	SEPTEMBER 30, 2007
	UNRESTRICTED	RESTRICTED		
REVENUES:				
TUITION AND FEES	\$ 71,530,652.51	\$	71,530,652.51	63,974,411.46
STATE APPROPRIATIONS	126,570,525.00	\$	126,570,525.00	108,679,868.00
MOBILE RACING COMMISSION	397,636.24		397,636.24	493,986.11
FEDERAL GRANTS AND CONTRACTS	4,523,735.39	43,009,694.00	47,533,429.39	39,653,302.89
STATE GRANTS AND CONTRACTS (INCLUDING INDIRECT COST RECOVERED OF \$604,890.17)	742,452.17	9,273,873.06	10,016,325.22	16,627,736.38
PRIVATE GIFTS, GRANTS, AND CONTRACTS (INCLUDING INDIRECT COSTS RECOVERED OF \$607,385.80)	50,352,623.75	4,970,989.36	55,333,613.11	49,898,653.05
INVESTMENT INCOME	3,886,961.24		3,886,961.24	1,960.87
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	4,562,356.88		4,562,356.88	4,253,728.72
HOSPITALS - SALES AND SERVICES	290,473,691.93		290,473,691.93 *	287,956,392.91
- STATE APPROPRIATIONS	13,166,404.00		13,166,404.00	11,708,395.00
AUXILIARY ENTERPRISES - SALES AND SERVICES	17,383,750.79		17,383,750.79	17,077,884.71
OTHER SOURCES	13,625,008.18	3,970,043.67	17,595,051.85	22,446,618.54
TOTAL CURRENT REVENUES	597,227,796.08	61,224,600.08	658,452,396.16	622,772,938.64
EXPENDITURES AND TRANSFERS:				
EDUCATIONAL AND GENERAL:				
INSTRUCTION	105,050,203.30	11,022,815.55	116,073,018.85	105,265,934.13
RESEARCH	6,731,410.31	16,088,308.56	21,819,718.87	21,087,869.30
PUBLIC SERVICE	40,604,066.49	2,470,311.81	43,074,378.30	48,348,410.32
ACADEMIC SUPPORT	16,681,548.17	2,292.64	16,683,840.81	14,730,700.98
STUDENT SERVICES	22,589,547.07	822,388.29	23,411,935.36	20,706,859.98
INSTITUTIONAL SUPPORT	30,441,539.45	75,000.00	30,516,539.45	27,566,492.35
OPERATION AND MAINTENANCE OF PLANT	22,536,967.96	18,744,455.06	41,281,423.02	34,752,817.76
SCHOLARSHIPS	5,419,189.30	12,999,028.17	18,418,217.47	15,616,873.40
EDUCATIONAL AND GENERAL	250,054,472.05	61,224,600.08	311,279,072.13	286,066,958.22
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	5,294,136.00		5,294,136.00	5,540,692.00
FINANCIAL AID MATCHING	148,269.00		148,269.00	179,846.00
TOTAL EDUCATIONAL AND GENERAL	255,496,877.05	61,224,600.08	316,721,477.13	291,787,496.22
HOSPITALS (INCLUDING DEBT SERVICE OF \$2,025,695.51)	302,188,325.53		302,188,325.53	265,557,633.04
AUXILIARY ENTERPRISES:				
EXPENDITURES	16,104,917.24		16,104,917.24	16,604,985.88
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	1,196,824.00		1,196,824.00	1,197,880.00
NON-MANDATORY TRANSFERS FOR:				
RENEWALS AND REPLACEMENTS	838,493.25		838,493.25	170,000.00
OTHER TRANSFERS	(2,887,841.01)		(2,887,841.01)	(2,292.87)
TOTAL AUXILIARIES	15,252,393.48	0.00	15,252,393.48	16,970,573.01
TOTAL EXPENDITURES AND TRANSFERS	572,937,596.06	61,224,600.08	634,162,196.14	574,316,702.27
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):				
EXCESS OF RESTRICTED RECEIPTS OVER TRANSFERS TO REVENUES				
REFUNDED TO GRANTORS				
FUNDED DEPRECIATION	504,849.54		504,849.54	1,286,385.51
MOBILE RACING COMMISSION	(159,052.78)		(159,052.78)	(107,444.63)
PLANT ADDITIONS AND REPLACEMENTS	(6,700,224.00)		(6,700,224.00) *	(29,680,064.00)
ENDOWMENT FUND	(397,535.24)		(397,535.24)	(493,986.11)
OTHER TRANSFERS	(4,702,116.69)		(4,702,116.69)	(4,550,493.00)
OTHER TRANSFERS	(5,682,975.97)		(5,682,975.97)	(4,564,401.04)
OTHER TRANSFERS	(3,505,003.12)		(3,505,003.12)	(5,560,062.09)
TOTAL TRANSFERS	(22,987,957.02)	(1,040,338.89)	(24,028,295.91)	(43,668,062.36)
NET INCREASE/(DECREASE) IN FUND BALANCES	\$ 1,302,243.00	\$ (1,040,338.89)	\$ 261,904.11	\$ 4,789,174.01

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$3,044,828.00 IN MEDICAID DISPROPORTIONATE SHARE PAYMENTS.

UNIVERSITY OF SOUTH ALABAMA
Notes to Financial Report

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTS

The accompanying financial reports are the responsibility of management of the University of South Alabama. Management is responsible for adopting sound accounting policies, for maintaining an adequate and effective system of accounts, for the safeguarding of assets and for devising a system of internal control that will, among other things, help assure the production of proper financial statements. The transactions which should be reflected in the accounts and in the financial reports are matters within the direct knowledge and control of management.

BASIS OF PRESENTATION

The financial reports of the University of South Alabama (the University) are prepared on the accrual basis. The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and, (3) transfers of a nonmandatory nature in all other cases.

FUND ACCOUNTING

In order to observe limitations and restrictions placed on the use of resources available to the University, the accounts of the University are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds which may be used for specified activities or objectives. Separate accounts are maintained for each fund; however, in the accompanying financial statements funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

Within each fund group, funds restricted by outside sources are so indicated and are distinguished from funds designated for specific purposes by authority of the Board of Trustees.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions affecting the reported amounts of assets and liabilities, revenues and expenses, as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

UNIVERSITY OF SOUTH ALABAMA
Notes to Financial Report

CURRENT FUNDS

Current fund balances are separated into those which are unrestricted and those which are restricted by donors and grantors. Restricted funds may only be expended for the purpose indicated by the donor or grantor, whereas unrestricted funds are under the control of the University to use in achieving its educational purposes.

PLANT FUNDS

Plant funds include the transactions related to investment in institutional properties and related indebtedness.

Plant assets consisting of land, buildings, equipment and library books are stated at cost or, if contributed, at fair market value at the time of receipt. Investment in plant is reduced for disposals of plant assets.

Some equipment purchases are made from current funds and are presented under the appropriate functional classification of expenditures, while other additions are funded by transfers from unrestricted current funds to the plant funds. All such expenditures in excess of \$5,000 having a life of two years or more are capitalized as investment in plant.

INVESTMENT IN POOLED FUNDS

Investments are stated at cost, except those received by gift which are stated at fair market value at date of receipt. Endowment investments of the University are maintained and administered in a common pool. Separate accounts are maintained for each fund, as applicable. Depositories and other financial institutions that held investments for the University have pledged securities of various governmental agencies to secure funds held on deposit.

UNRESTRICTED GIFTS

Except for pledged operating and capital gifts, unrestricted gifts are recognized as revenue when received. Certain operating and capital pledges are recorded as a receivable, along with the corresponding revenue, when such pledges are made.

GRANTS AND CONTRACTS

The University has been awarded grants and contracts for current funds operations for which the funds have not been received nor have expenditures been made for the purpose specified in the grant or contract. These awards have not been reflected in the financial reports, but represent commitments of sponsors to provide funds for specific research and training projects.

UNIVERSITY OF SOUTH ALABAMA
Notes to Financial Report

SCHOLARSHIPS AND FELLOWSHIPS

The University receives funds which are restricted by donors and grantors for assistance to qualified students. When these funds are granted to students, the University records the expenditure for scholarships and fellowships along with the corresponding revenue.

INCOME TAXES

The Internal Revenue Service has determined that the University is a tax-exempt organization; accordingly, no provision for income taxes has been made in the accompanying financial statements.

DEFERRED REVENUES AND EXPENDITURES

Dormitory rentals, student tuition and other fees, together with related expenditures, are deferred and amortized over the applicable academic semester.

EMPLOYEE BENEFITS

Employees of the University are covered by two pension plans, a defined contribution pension plan and a pension plan administered by the Teachers' Retirement System of the State of Alabama (the Retirement Plan).

The defined contribution pension plan covers certain academic and administrative employees and contributions under this plan are funded as accrued.

Permanent employees of the University participate in the Teachers' Retirement System of Alabama. The Retirement Plan is fully funded by the State and by contributions from participating employees. The University contributes 11.75% of each employee's gross earnings to the Retirement Plan and is reflected in current funds expenditures. All covered employees must contribute 5% of their gross earnings to the Retirement Plan. Benefits fully vest after 10 years of full-time, permanent employment.

LIABILITY INSURANCE

The University and certain of its affiliates participate in professional and general liability trust funds. These trust funds are irrevocable and use contributions by the University and its affiliates, together with earnings thereon, to pay liabilities arising from the performance of its employees. Contributions to the trusts are recorded as expenditures upon payment and are determined by independent actuaries. If the trust funds are ever terminated, appropriate provision for payment of reported claims will be made and any remaining balance will be distributed to the University and its affiliates in proportion to contributions made.

UNIVERSITY OF SOUTH ALABAMA
Notes to Financial Report

BONDS PAYABLE

Bonds payable consist of the following:

- University Tuition Revenue Refunding and Capital Improvements Bonds, Series 1996, 3.80% to 5.00%, payable through November 2015 (refunded in January 2007)
- University Tuition Revenue Bonds, Series 1999, 3.70% to 5.25%, payable through November 2018.
- University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, 2.00% to 5.00%, payable through March 2024.
- University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, 5.00% payable through June 2037.
- University Facilities Revenue Capital Improvement Bonds, Series 2008, 3.00% to 5.00%, payable through August 2038.

LITIGATION

Various other claims have been filed against the University alleging discriminatory employment practices and other matters. University administration and legal counsel are of the opinion that the resolution of these matters will not have a material effect on the financial position or results of operations of the University.

MEDICAID DISPROPORTIONATE SHARE PAYMENTS

Hospitals revenues include funds received from the Alabama Medicaid Agency for services provided to a disproportionately high number of low income patients.

SUPPLEMENTAL SCHEDULES

SUMMARY SCHEDULE OF AUXILIARY ENTERPRISES
REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	REVENUES	EXPENDITURES	TRANSFERS	OPERATING RESULTS 09/30/08	FUND BALANCE TRANSFERS	EXCESS REVENUES OVER EXPENDITURES AND OTHER CHANGES (DEFICIT) 09/30/08	09/30/07
BOOKSTORE	\$ 9,342,141.03	\$ 8,636,207.37	\$ (250,000.00)	\$ 455,933.66	\$ 0.00	\$ 455,933.66	\$ 301,116.37
BROOKLEY CENTER	2,172,863.43	2,762,479.36	(68,569.60)	(658,185.53)	2,881,420.88	2,223,235.35	(616,524.95)
FOOD SERVICES-CAMPUS	199,287.01	141,136.82	(45,000.00)	13,150.19	0.00	13,150.19	15,771.76
HOUSING	5,669,459.32	4,565,093.69	(1,121,834.27)	(17,468.64)	(543,493.25)	(560,961.89)	406,948.52
TOTAL	<u>\$ 17,383,750.79</u>	<u>\$ 16,104,917.24</u>	<u>\$ (1,485,403.87)</u>	<u>\$ (206,570.32)</u>	<u>\$ 2,337,927.63</u>	<u>\$ 2,131,357.31</u>	<u>\$ 107,311.70</u>

BOOKSTORE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	<u>09/30/08</u>	<u>09/30/07</u>	<u>09/30/08</u>	<u>09/30/07</u>	<u>09/30/08</u>	<u>09/30/07</u>
REVENUES:						
SALES	\$ 8,007,849.16	\$ 7,388,838.06	\$ 1,243,661.78	\$ 1,310,361.72	\$ 9,251,510.94	\$ 8,699,199.78
LESS: DEPARTMENTAL DISCOUNTS	5,726.22	4,699.17	4,764.56	4,003.83	10,490.78	8,703.00
COST OF GOODS SOLD	5,888,196.26	5,529,964.79	920,992.40	1,046,133.63	6,809,188.66	6,576,098.42
GROSS PROFIT	2,113,926.68	1,854,174.10	317,904.82	260,224.26	2,431,831.50	2,114,398.36
CASH OVER/(SHORT)	(447.74)	30.14	(1,132.87)	216.58	(1,580.61)	246.72
GRADUATION (NET)	42,548.99	32,683.84	0.00	0.00	42,548.99	32,683.84
BAD DEBT RECOVERY	0.00	0.00	0.00	0.00	0.00	0.00
OTHER	28,431.58	22,499.86	21,230.13	18,415.03	49,661.71	40,914.89
NET REVENUES:	<u>2,184,459.51</u>	<u>1,909,387.94</u>	<u>338,002.08</u>	<u>278,855.87</u>	<u>2,522,461.59</u>	<u>2,188,243.81</u>
EXPENDITURES:						
SALARIES	661,680.86	618,405.38	80,821.41	71,303.14	742,502.27	689,708.52
EMPLOYEE BENEFITS	214,524.17	184,110.29	27,778.84	21,244.55	242,303.01	205,354.84
SUPPLIES	28,504.50	21,765.36	5,215.78	3,133.86	33,720.28	24,899.22
TRAVEL	12,548.45	12,456.29	55.57	540.96	12,604.02	12,997.25
EQUIPMENT	8,989.38	5,691.47	169.16	0.00	9,158.54	5,691.47
EQUIPMENT MAINTENANCE AND REPAIR	23,548.02	26,409.48	10.00	0.00	23,558.02	26,409.48
BUILDING & EQUIPMENT RENTAL	4,619.17	3,862.44	241.96	854.16	4,861.13	4,716.60
UTILITIES	75,000.00	75,000.00	0.00	0.00	75,000.00	75,000.00
TELEPHONE	4,694.32	4,863.14	7,269.25	6,894.22	11,963.57	11,757.36
INSURANCE AND BONDS	4,362.00	4,023.00	0.00	0.00	4,362.00	4,023.00
CONTRACT SERVICES	133,667.67	123,699.72	25,582.33	29,438.48	159,250.00	153,138.20
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
RENT	0.00	0.00	19,980.00	19,980.00	19,980.00	19,980.00
OBsolete INVENTORY	702.74	10.96	0.00	0.00	702.74	10.96
GENERAL EXPENSES	48,399.96	46,567.57	8,923.52	5,890.29	57,323.48	52,457.86
CHARGE CARD AND FACULTY						
STAFF DISCOUNTS	105,064.66	135,304.87	10,050.29	8,616.81	115,114.95	143,921.68
INSTITUTIONAL COST ALLOCATION	260,196.96	243,144.00	43,926.96	43,917.00	304,123.92	287,061.00
TOTAL EXPENDITURES	<u>1,586,502.86</u>	<u>1,505,313.97</u>	<u>230,025.07</u>	<u>211,813.47</u>	<u>1,816,527.93</u>	<u>1,717,127.44</u>
TRANSFERS AMONG FUNDS-						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
NON-MANDATORY:						
OTHER TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
RENEWAL AND REPLACEMENT	(250,000.00)	(170,000.00)	0.00	0.00	(250,000.00)	(170,000.00)
RETIREMENT REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	<u>(250,000.00)</u>	<u>(170,000.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>(250,000.00)</u>	<u>(170,000.00)</u>
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS	<u>\$ 347,956.65</u>	<u>\$ 234,073.97</u>	<u>\$ 107,977.01</u>	<u>\$ 67,042.40</u>	<u>\$ 455,933.66</u>	<u>\$ 301,116.37</u>

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	ADMINISTRATION	INVESTMENT HOUSING	GOLF SHOP	RECREATION CENTER	FOOD SERVICE	TOTAL AUXILIARY SERVICES
REVENUES:						
SALES-FOOD & MERCHANDISE	\$ 0.00	\$ 0.00	\$ 39,754.78	\$ 0.00	\$ 0.00	\$ 39,754.78
LESS: COST OF GOODS SOLD	0.00	0.00	31,219.67	0.00	0.00	31,219.67
DISCOUNTS	0.00	0.00	4,135.31	0.00	0.00	4,135.31
GROSS PROFIT	0.00	0.00	4,399.80	0.00	0.00	4,399.80
FEES	274.00	0.00	394,070.91	0.00	48,096.16	442,167.07
RENTALS	27,986.00	691,981.20	0.00	0.00	0.00	691,981.20
OTHER	2,627.51	2,016.17	478.04	0.00	0.00	2,484.21
FACILITY ASSESSMENT FEE	50,004.00	0.00	0.00	0.00	0.00	50,004.00
NET REVENUES	80,901.51	693,997.37	399,948.75	0.00	48,096.16	1,141,042.28
EXPENDITURES:						
OPERATING EXPENDITURES:						
SALARIES	709,000.66	83,631.24	229,483.08	0.00	0.00	304,114.32
EMPLOYEE BENEFITS	250,892.35	30,044.43	71,184.14	0.00	0.00	101,228.57
SUPPLIES	65,521.30	500.52	73,677.04	0.00	0.00	74,177.56
TRAVEL	3,492.32	0.00	462.42	0.00	0.00	462.42
CONTRACT SERVICE	156,830.86	38,765.81	53,073.42	0.00	1,920.00	93,759.23
BUILDING MAINTENANCE & REPAIR	11,623.07	43,412.71	2,216.56	0.00	3,193.77	48,829.04
GROUND MAINTENANCE	19,467.00	27,864.62	41,517.36	0.00	86.54	69,468.52
UTILITIES	142,744.36	81,046.45	33,747.11	0.00	54,346.79	189,142.35
EQUIPMENT MAINTENANCE & REPAIR	3,089.85	3,091.17	47,703.52	0.00	7,132.83	57,917.52
BUILDING & EQUIPMENT RENTAL	2,775.33	0.00	28,290.25	0.00	2,346.24	30,638.49
TELEPHONE	16,345.18	76.40	1,204.56	0.00	6.72	1,287.86
INSURANCE AND BONDS	51,650.00	0.00	732.00	0.00	2,115.00	2,847.00
RECEPTIONS	1,507.10	205.00	260.00	0.00	0.00	465.00
ADVERTISING	2,829.95	980.36	6,429.77	0.00	186.68	7,596.81
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	82,284.26	1,672.52	22,333.97	0.00	6,623.61	32,630.10
EXPENSE OFFSET	0.00	0.00	0.00	0.00	0.00	0.00
EDUCATIONAL SUPPORT ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
OPERATING COST ALLOCATIONS	(1,514,379.93)	424,026.38	0.00	15,143.80	60,575.20	499,745.38
TOTAL OPERATING EXPENDITURES	5,673.66	735,307.61	603,315.20	15,143.80	140,541.36	1,494,307.99
EXCESS REVENUES OVER EXPENDITURES	75,227.85	(41,310.24)	(204,366.45)	(15,143.80)	(92,445.22)	(353,265.71)
OTHER EXPENDITURES:						
EQUIPMENT	3,995.85	1,818.99	1,975.00	0.00	0.00	3,793.99
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	3,995.85	1,818.99	1,975.00	0.00	0.00	3,793.99
TRANSFERS AMONG FUNDS -						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	(71,232.00)	0.00	0.00	0.00	0.00	0.00
NON-MANDATORY:						
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	2,662.40	0.00	0.00	2,662.40
TOTAL TRANSFERS	(71,232.00)	0.00	2,662.40	0.00	0.00	2,662.40
EXCESS REVENUES OVER EXPENDITURES (DEFICIT)	0.00	(43,129.23)	(203,679.05)	(15,143.80)	(92,445.22)	(354,397.30)

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	CONTINUING EDUCATION	EDUCATIONAL LEASING	UNIVERSITY SERVICE	TOTAL EDUCATIONAL SERVICES	BROOKLEY CENTER TOTAL 09/30/08	BROOKLEY CENTER TOTAL 09/30/07
REVENUES:						
SALES-FOOD & MERCHANDISE	0.00	0.00	0.00	0.00	\$ 39,754.78	\$ 43,868.71
LESS: COST OF GOODS SOLD	303.42	0.00	0.00	303.42	31,523.09	(4,536.54)
DISCOUNTS	4,536.05	0.00	0.00	4,536.05	8,671.36	9,213.23
GROSS PROFIT	(4,839.47)	0.00	0.00	(4,839.47)	(439.67)	39,192.02
FEES	402,494.72	485,136.44	0.00	887,631.16	1,340,072.23	1,225,862.31
RENTALS	13,200.00	418.00	0.00	13,618.00	733,595.20	758,081.25
OTHER	4,315.50	0.00	0.00	4,315.50	9,437.22	10,735.31
FACILITY ASSESSMENT FEE	0.00	0.00	0.00	0.00	50,004.00	0.00
NET REVENUES	415,170.75	485,554.44	0.00	910,725.19	2,132,868.98	2,033,870.89
EXPENDITURES:						
OPERATING EXPENDITURES:						
SALARIES	0.00	0.00	0.00	0.00	1,013,114.98	986,606.08
EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	352,120.92	322,478.41
SUPPLIES	18,854.49	6,604.46	0.00	25,458.95	165,157.81	124,166.41
TRAVEL	0.00	0.00	0.00	0.00	3,954.74	4,005.72
CONTRACT SERVICE	12,401.30	3,657.52	0.00	16,058.82	266,648.91	256,622.94
BUILDING MAINTENANCE & REPAIR	28,033.90	5,602.88	0.00	33,636.78	84,088.89	81,293.79
GROUPS MAINTENANCE	144.81	682.32	0.00	827.13	86,762.65	93,101.23
UTILITIES	135,153.06	102,865.85	0.00	238,018.91	549,905.62	530,859.38
EQUIPMENT MAINTENANCE & REPAIR	8,616.78	6,491.49	0.00	15,108.27	76,115.64	67,812.25
BUILDING & EQUIPMENT RENTAL	0.00	0.00	0.00	0.00	33,411.82	31,860.03
TELEPHONE	0.32	0.00	0.00	0.32	17,633.18	19,662.02
INSURANCE AND BONDS	7,680.00	0.00	0.00	7,680.00	62,177.00	56,816.00
RECEPTIONS	495.00	0.00	0.00	495.00	2,467.10	900.00
ADVERTISING	22,877.44	0.00	0.00	22,877.44	33,304.20	28,763.27
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	48,275.85	0.00	0.00	48,275.85	191,885.70	180,027.48
EXPENSE OFFSET	(34,050.00)	0.00	0.00	(34,050.00)	(34,050.00)	(34,038.00)
EDUCATIONAL SUPPORT ALLOCATIONS	0.00	0.00	(219,866.04)	(219,866.04)	(219,866.04)	(194,490.00)
OPERATING COST ALLOCATIONS	302,875.99	257,444.59	454,313.97	1,014,634.55	2,697,833.12	2,566,467.01
TOTAL OPERATING EXPENDITURES	551,358.94	412,044.60	234,447.93	1,197,851.47	(565,164.14)	(532,596.12)
EXCESS REVENUES OVER EXPENDITURES	(136,188.19)	83,509.84	(234,447.93)	(287,128.28)		
OTHER EXPENDITURES:						
EQUIPMENT	12,887.96	3,773.99	0.00	16,661.95	24,451.79	14,834.70
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	12,887.96	3,773.99	0.00	16,661.95	24,451.79	14,834.70
TRANSFERS AMONG FUNDS -						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	(71,232.00)	(71,232.00)
NON-MANDATORY:						
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	2,662.40	2,137.87
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	(68,569.60)	(69,094.13)
EXCESS REVENUES OVER						
EXPENDITURES (DEFICIT)	(149,076.15)	79,735.85	(234,447.93)	(303,788.23)	(658,185.53)	(616,524.95)

FOOD SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	09/30/08	09/30/07
REVENUES:		
COMMISSION INCOME	\$ 199,287.01	\$ 159,971.88
TOTAL REVENUES	199,287.01	159,971.88
EXPENDITURES:		
SALARIES	0.00	0.00
EMPLOYEE BENEFITS	0.00	0.00
SUPPLIES	(3.86)	48.01
EQUIPMENT MAINTENANCE AND REPAIR	26,972.67	35,490.84
UTILITIES	65,000.04	64,992.00
TELEPHONE	179.92	16.64
MEMBERSHIPS AND DUES	600.00	270.00
CONTRACT SERVICES	11,014.96	12,324.60
INSURANCE AND BONDS	11,865.00	10,003.00
EQUIPMENT	243.97	0.00
BUILDING MAINTENANCE AND REPAIR	5,436.81	4,732.00
INDIRECT COST	16,182.00	16,170.00
GENERAL EXPENSE	3,645.31	153.03
TOTAL EXPENDITURES	141,136.82	144,200.12
TRANSFERS AMONG FUNDS- ADDITIONS/(DEDUCTIONS):		
NON-MANDATORY:		
OTHER TRANSFERS	(45,000.00)	
TOTAL TRANSFERS	(45,000.00)	0.00
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS (DEFICIT)	\$ 13,150.19	\$ 15,771.76

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	CENTRAL HOUSING	HOUSING PROGRAMMING	WASHERS AND DRYERS	OLD SHELL ROAD HOUSING	HILLSDALE MARRIED STUDENT	SMALL GROUP HOUSING
REVENUES:						
RENTAL INCOME	\$ 0.00	\$ 0.00	\$ 132,200.00	\$ 0.00	\$ 500,381.27	\$ 366,267.87
BAD DEBT RECOVERY	6,436.84	0.00	0.00	0.00	2,521.70	0.00
OTHER	335.40	0.00	0.00	0.00	22,338.88	70,002.80
TOTAL REVENUES	6,772.24	0.00	132,200.00	0.00	525,241.85	436,270.67
EXPENDITURES:						
SALARIES	383,854.74	96,059.58	0.00	0.00	299,313.54	79,460.08
EMPLOYEE BENEFITS	116,215.23	470.98	0.00	0.00	108,497.01	15,972.32
CONTRACT LABOR	0.00	0.00	0.00	0.00	808.00	1,423.47
CONTRACT SERVICES	1,722.50	0.00	49,606.00	0.00	19,957.71	25,100.59
TRAVEL	4,407.58	783.38	0.00	0.00	0.00	0.00
RECEPTIONS	(95.15)	31,462.34	0.00	0.00	0.00	0.00
SUPPLIES	18,305.77	595.45	0.00	119.07	27,613.74	12,701.81
CABLE	108,556.59	0.00	0.00	0.00	1,434.91	0.00
TELEPHONE	1,525.52	0.00	0.00	0.00	1,991.74	919.01
UTILITIES	0.00	0.00	0.00	0.00	28,232.28	1,414.83
INSURANCE AND BONDS	2,196.00	0.00	0.00	0.00	13,976.00	8,112.00
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	380.32	2,881.00
BUILDING MAINTENANCE AND REPAIR EQUIPMENT	0.00	0.00	0.00	0.00	217.87	706.70
EQUIPMENT RENTAL	609.76	201.42	0.00	0.00	0.00	5,689.94
EQUIPMENT MAINTENANCE AND REPAIR	311.38	0.00	0.00	0.00	5,031.35	0.00
GROUND MAINTENANCE	0.00	0.00	0.00	0.00	909.10	0.00
MAJOR RENOVATIONS	933.75	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00
ADMINISTRATIVE OVERHEAD	70,680.57	4,375.03	200.00	0.00	16,502.17	2,002.00
ADMINISTRATIVE EXPENSES	291,999.04	0.00	0.00	0.00	0.00	51,955.04
TOTAL EXPENDITURES	(994,451.04)	(130,190.45)	41,611.75	0.00	4,498.57	104,591.64
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	0.00	(607,032.00)
TOTAL MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	0.00	(607,032.00)
NON-MANDATORY:						
RENEWALS AND REPLACEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
OTHER NON-MANDATORY TRANSFERS	0.00	3,757.73	0.00	0.00	0.00	0.00
TOTAL NON-MANDATORY TRANSFERS	0.00	3,757.73	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	3,757.73	0.00	0.00	0.00	(607,032.00)
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	\$ 0.00	\$ 0.00	\$ 40,782.25	\$ (119.07)	\$ (4,122.46)	\$ (483,691.76)

* Includes \$543,493.25 transfer to Renewals and Replacements for renovations.

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
WITH COMPARATIVE FIGURES FOR 2007

	GAMMA DORMS	BETA DORMS	DELTA DORMS	EPSILON DORMS	TOTAL HOUSING 09/30/08	TOTAL HOUSING 09/30/07
REVENUES:						
RENTAL INCOME	\$ 980,253.56	\$ 604,101.28	\$ 2,311,006.39	\$ 602,365.93	\$ 5,496,576.30	\$ 5,851,990.74
BAD DEBT RECOVERY	0.00	0.00	0.00	0.00	8,958.54	5,825.19
OTHER	6,953.30	7,595.38	35,721.87	20,976.85	163,924.48	248,504.09
TOTAL REVENUES	<u>987,206.86</u>	<u>611,696.66</u>	<u>2,346,728.26</u>	<u>623,342.78</u>	<u>5,669,459.32</u>	<u>6,106,320.02</u>
EXPENDITURES:						
SALARIES	180,919.62	48,419.84	238,476.82	168,367.30	1,494,871.52	1,459,281.09
EMPLOYEE BENEFITS	49,682.49	13,472.57	59,167.96	32,312.98	395,791.54	366,381.03
CONTRACT LABOR	150.00	357.00	70,436.08	357.00	73,531.55	50,817.51
CONTRACT SERVICES	28,679.73	16,237.78	88,308.79	66,553.32	296,166.42	252,350.96
TRAVEL	0.00	0.00	0.00	0.00	5,190.96	5,564.13
RECEPTIONS	0.00	443.75	0.00	0.00	31,810.94	24,131.54
SUPPLIES	12,217.94	9,083.37	73,455.98	26,299.46	180,392.59	197,919.76
CABLE	0.00	0.00	0.00	0.00	109,991.50	124,582.97
TELEPHONE	34,435.58	15,176.84	86,061.96	16,870.81	166,981.46	169,310.22
UTILITIES	0.00	0.00	0.00	0.00	29,647.11	33,315.58
INSURANCE AND BONDS	13,585.00	6,945.00	20,492.00	6,097.00	71,403.00	70,030.00
BAD DEBT EXPENSE	1,702.19	25.00	5,809.35	140.00	10,937.86	17,649.75
BUILDING MAINTENANCE AND REPAIR EQUIPMENT	7,413.50	4,504.88	437.50	175.00	13,455.45	11,318.49
EQUIPMENT RENTAL	198.16	0.00	(77,858.00)	5,390.00	(65,768.72)	46,458.90
EQUIPMENT MAINTENANCE AND REPAIR	0.00	0.00	428.65	0.00	5,771.38	7,035.89
MAJOR RENOVATIONS	0.00	0.00	270.69	0.00	1,179.79	11,990.52
GENERAL EXPENSES	54,999.54	34,068.08	224,818.44	(1,240.40)	406,405.43	1,337.95
ADMINISTRATIVE OVERHEAD	295,482.00	139,605.04	425,267.04	142,092.00	1,346,400.16	423,474.85
ADMINISTRATIVE EXPENSES	215,931.16	122,585.92	476,847.99	158,574.46	0.00	1,299,332.00
TOTAL EXPENDITURES	<u>895,396.91</u>	<u>410,925.07</u>	<u>1,692,421.25</u>	<u>621,988.93</u>	<u>4,565,093.69</u>	<u>4,572,878.50</u>
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	(63,976.00)	(45,760.00)	(266,160.00)	(142,664.00)	(1,125,592.00)	(1,126,648.00)
TOTAL MANDATORY TRANSFERS	<u>(63,976.00)</u>	<u>(45,760.00)</u>	<u>(266,160.00)</u>	<u>(142,664.00)</u>	<u>(1,125,592.00)</u>	<u>(1,126,648.00)</u>
NON-MANDATORY:						
RENEWALS AND REPLACEMENTS	(259,698.25)	0.00	(283,795.00)	0.00	(543,493.25)	0.00
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	3,757.73	155.00
TOTAL NON-MANDATORY TRANSFERS	<u>(259,698.25)</u>	<u>0.00</u>	<u>(283,795.00)</u>	<u>0.00</u>	<u>(539,735.52)</u>	<u>155.00</u>
TOTAL TRANSFERS	<u>(323,674.25)</u>	<u>(45,760.00)</u>	<u>(549,955.00)</u>	<u>(142,664.00)</u>	<u>(1,665,327.52)</u>	<u>(1,126,493.00)</u>
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	\$ (231,864.30)	\$ 155,011.59	\$ 104,352.01	\$ (141,310.15)	\$ (560,961.89)	\$ 406,948.52