

**INDEX
DECEMBER 2007**

	<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 December 31, 2007

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 three months ended, December 31, 2007 and 2006 are as follows (in thousands):

	12-31-07	12-31-06
<i>Total assets, by fund</i>		
Current	\$ 205,168	\$ 175,668
Loan	4,763	4,894
Endowment	73,652	32,114
Plant	478,385	369,787
<i>Fund Balances, by fund</i>		
Current	\$ 56,688	\$ 51,349
Loan	414	346
Endowment	73,652	32,114
Plant	270,927	242,941
<i>Other balance sheet highlights</i>		
Cash and investments	\$ 282,302	\$ 185,063
Accounts receivable	66,210	63,650
Bonds and notes payable	196,803	117,933

	12-31-07	12-31-06
<i>Selected operating highlights (current funds)</i>		
Tuition and fees	\$ 21,527	\$ 19,074
State appropriations	34,934	30,097
Hospital revenues	70,558	66,299
Gifts, grants and contracts	20,868	17,309
Instruction and Academic support	31,469	29,632
Research and public service	15,522	16,489
Hospital expenses	72,943	64,165
Net current fund increase	7,929	7,379

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
DECEMBER 2007 AND 2006

ASSETS	2007	2006	LIABILITIES AND FUND BALANCES	2007	2006
CURRENT FUNDS:			CURRENT FUNDS:		
UNRESTRICTED:			UNRESTRICTED:		
CASH AND CASH EQUIVALENTS	\$ 138,144.81	\$ 135,503.49	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	53,806,759.23	\$ 58,852,568.51
INVESTMENTS	93,089,142.85	79,550,830.55	DEFERRED REVENUES	22,822,223.05	20,686,682.70
ACCOUNTS RECEIVABLE - PATIENTS (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$46,723,448.47 FOR 2007 AND \$48,494,621.27 FOR 2006)			DUE TO OTHER FUNDS	69,583,526.41	43,009,592.55
DEPOSITS	66,209,924.80	63,650,482.20	DEPOSITS HELD IN CUSTODY	519,055.39	388,635.57
INVENTORIES AT COST	35,000.00	35,000.00	OTHER DEPOSITS	589,137.85	426,318.70
PREPAID EXPENSES	5,017,808.95	5,080,986.33	FUND BALANCES:		
	19,664,062.17	7,704,684.93	ALLOCATED FOR:		
			HOSPITALS	(9,491,682.42)	(7,249,416.01)
			AUXILIARY ENTERPRISES	(669,110.75)	(484,515.83)
			ENCUMBRANCES	2,743,715.48	2,702,348.63
			SELF-SUPPORTING ACTIVITIES	42,896,679.05	38,761,978.11
			UNALLOCATED	1,353,780.29	(936,705.43)
			TOTAL FUND BALANCES	36,833,381.65	32,793,689.47
TOTAL UNRESTRICTED	<u>184,154,083.58</u>	<u>156,157,487.50</u>	TOTAL UNRESTRICTED	<u>184,154,083.58</u>	<u>156,157,487.50</u>
RESTRICTED FUNDS:			RESTRICTED FUNDS:		
CASH AND CASH EQUIVALENTS	7,203,380.78	7,440,850.14	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	288,069.92	169,787.86
INVESTMENTS	169,426.36	168,763.28	OTHER DEPOSITS	1,100.00	1,070.00
UNBILLED COSTS AND ACCOUNTS RECEIVABLE	13,641,501.60	11,900,500.88	DEFERRED REVENUES	870,827.40	784,152.09
			FUND BALANCES	19,854,311.42	18,555,104.35
TOTAL RESTRICTED	<u>21,014,308.74</u>	<u>19,510,114.30</u>	TOTAL RESTRICTED	<u>21,014,308.74</u>	<u>19,510,114.30</u>
TOTAL CURRENT FUNDS	<u>205,168,392.32</u>	<u>175,667,601.80</u>	TOTAL CURRENT FUNDS	<u>205,168,392.32</u>	<u>175,667,601.80</u>
LOAN FUNDS:			LOAN FUNDS:		
CASH AND CASH EQUIVALENTS	268,522.94	632,443.09	REFUNDABLE GOVERNMENT ADVANCES	4,348,114.74	4,547,901.00
NOTES RECEIVABLE (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$493,734.41 FOR 2007 AND \$493,734.41 FOR 2006)	4,494,111.27	4,261,901.49	FUND BALANCES:		
			UNIVERSITY FUNDS, UNRESTRICTED	414,519.07	346,443.58
TOTAL LOAN FUNDS	<u>4,762,633.81</u>	<u>4,894,344.58</u>	TOTAL FUND BALANCES	<u>414,519.07</u>	<u>346,443.58</u>
ENDOWMENT FUNDS:			TOTAL LOAN FUNDS	<u>4,762,633.81</u>	<u>4,894,344.58</u>
CASH AND CASH EQUIVALENTS	18,658,765.34	8,021,455.04	ENDOWMENT FUNDS:		
FUNDS WITH TRUSTEES	53,981.22	54,629.68	FUND BALANCES:		
INVESTMENTS	51,573,674.28	20,927,321.07	RESTRICTED NONEXPENDABLE	24,255,873.47	12,611,443.71
REMAINDER INTEREST IN REAL ESTATE	3,365,671.00	3,111,017.00	UNRESTRICTED EXPENDABLE	49,396,218.38	19,502,979.08
TOTAL ENDOWMENT FUNDS	<u>73,652,091.85</u>	<u>32,114,422.79</u>	TOTAL ENDOWMENT FUNDS	<u>73,652,091.85</u>	<u>32,114,422.79</u>
PLANT FUNDS:			PLANT FUNDS:		
CASH AND CASH EQUIVALENTS	42,512,642.29	49,482,822.09	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	3,767,431.80	1,780,470.95
INVESTMENTS	68,688,540.45	18,703,439.97	DEFERRED REVENUES	6,722,732.29	7,037,403.56
ACCOUNTS RECEIVABLE	2,405,471.00	2,304,683.00	OTHER DEPOSITS	2,000.04	95,013.46
NOTES RECEIVABLE	254,936.16	258,195.26	NOTES PAYABLE	1,096,174.56	2,775,381.44
INTEREST RECEIVABLE	94,173.61	0.00	BONDS PAYABLE	195,706,424.64	115,157,788.98
DUE FROM OTHER FUNDS	69,563,526.41	43,009,592.55	CAPITALIZED LEASE OBLIGATIONS	163,209.44	0.00
PREPAID EXPENSES	2,206,396.18	1,659,957.76	FUND BALANCES:		
CAPITAL LEASE RECEIVABLE	1,572,539.01	1,982,560.40	RENEWALS AND REPLACEMENTS	83,993,911.02	68,455,406.77
INVESTMENT IN PLANT:			RETIREMENT OF INDEBTEDNESS	16,564,059.15	15,471,418.04
LAND	29,271,538.45	28,490,990.30	INVESTMENT IN PLANT	170,368,665.87	159,014,452.22
LAND IMPROVEMENTS	10,790,640.08	7,346,774.15	TOTAL FUND BALANCES	<u>270,926,636.04</u>	<u>242,941,275.03</u>
BUILDINGS, ACCUM DEPREC AND IMPROVEMENTS	132,110,781.03	128,796,073.08	TOTAL PLANT FUNDS	<u>478,384,608.81</u>	<u>369,787,333.42</u>
OTHER EQUIPMENT, BOOKS AND FILMS	46,342,892.16	35,350,752.14	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 761,967,726.79</u>	<u>\$ 582,463,702.59</u>
CONSTRUCTION IN PROGRESS	72,550,531.98	52,401,488.72			
TOTAL PLANT FUNDS	<u>478,384,608.81</u>	<u>369,787,333.42</u>			
TOTAL ASSETS	<u>\$ 761,967,726.79</u>	<u>\$ 582,463,702.59</u>			

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007

	CURRENT FUNDS		LOAN FUNDS	ENDOWMENT FUNDS	RENEWALS AND REPLACEMENTS	PLANT FUNDS RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT
	UNRESTRICTED	RESTRICTED					
REVENUES AND OTHER ADDITIONS:							
EDUCATIONAL AND GENERAL REVENUES	71,931,459.09						
HOSPITALS REVENUES	73,850,098.30						
AUXILIARY ENTERPRISES REVENUES	2,711,508.84						
GRANTS AND CONTRACTS:							
FEDERAL		4,596,395.39					
STATE AND LOCAL		828,117.10					
PRIVATE		2,588,627.28					
GOVERNMENT APPROPRIATIONS:							
FEDERAL							
STATE			218.93	405,723.20	1,172,377.69	187,907.72	
INVESTMENT INCOME,GAINS/LOSS					448,792.25		
INSURANCE PROCEEDS					2,144.88		
INTEREST ON LOANS RECEIVABLE			9,852.31			15,450.93	
INTEREST ON BEQUESTS			30.00	3,415,995.59	189,892.39		8,841,491.21
EXPENDED FOR PLANT FACILITIES (INCLUDING							2,833,197.30
\$365,953.74 CURRENT FUNDS EXPENDITURES)							
RETIREMENT OF INDEBTEDNESS							
PROCEEDS FROM SALE OF CAPITAL ASSETS							
OTHER SOURCES		2,665,350.76	23.00		11,283.50		121,312.35
TOTAL REVENUES AND OTHER ADDITIONS	148,493,064.23	10,878,490.53	10,124.24	3,821,718.79	1,824,490.71	203,358.65	11,796,000.86
EXPENDITURES AND OTHER DEDUCTIONS:							
EDUCATIONAL AND GENERAL EXPENDITURES	57,531,855.19	7,129,352.93					
HOSPITALS EXPENDITURES	72,436,315.77						
AUXILIARY ENTERPRISES EXPENDITURES	2,982,310.78						
INDIRECT COSTS RECOVERED		1,213,025.72					
REFUNDED TO GRANTORS		30,364.38					
RETIREMENT OF INDEBTEDNESS						2,833,197.30	
ADMINISTRATIVE AND COLLECTION COSTS			128.00				
EXPENDED FOR PLANT FACILITIES (INCLUDING					10,024,946.35		
\$1,549,408.88 FOR NON-CAPITALIZED EXPENDITURES)							
INTEREST ON INDEBTEDNESS						812,739.29	
DEPRECIATION EXPENSES OF PLANT FACILITIES							4,665,011.13
LOSS ON DISPOSAL OF PLANT							
OTHER DEDUCTIONS			5,277.80				
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	132,950,481.74	8,372,743.03	5,405.80	0.00	10,024,946.35	3,645,936.59	4,665,011.13
TRANSFERS AMONG FUNDS-ADDITIONS(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	(2,270,281.24)				(715,200.29)	2,985,481.53	
NON-MANDATORY:							
FUNDED DEPRECIATION	(1,588,693.00)				1,588,693.00		
MOBILE RACING COMMISSION	(64,796.37)				64,796.37		
PLANT ADDITIONS AND REPLACEMENTS	(4,440,712.50)				4,440,712.50		
ENDOWMENT FUND	(1,261,787.85)				(51,368.19)		
OTHER TRANSFERS	(603,733.81)	311,772.00	25,000.00	1,001,384.04	814,162.88		(234,549.07)
TOTAL TRANSFERS	(10,230,004.77)	(880.00)	25,000.00	1,001,384.04	6,141,796.27	2,985,481.53	(234,549.07)
NET INCREASE (DECREASE) FOR THE PERIOD	5,312,577.72	2,616,639.50	29,718.44	4,823,102.83	(2,058,659.37)	(457,096.41)	6,896,440.66
FUND BALANCES AT OCTOBER 1, 2007	31,520,803.93	17,237,671.92	384,800.63	68,828,989.02	86,052,570.39	17,021,155.56	163,472,225.21
FUND BALANCES AT DECEMBER 31, 2007	\$ 36,833,381.65	\$ 19,854,311.42	\$ 414,519.07	\$ 73,652,091.85	\$ 83,983,911.02	\$ 16,564,059.15	\$ 170,368,665.87

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$588,844.00 IN MEDICAID DISPROPORTIONATE SHARE PAYMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	MONTH ENDED DECEMBER 31, 2007		TOTAL	DECEMBER 31, 2006
	UNRESTRICTED	RESTRICTED		
REVENUES:				
TUITION AND FEES	\$ 21,526,633.16	\$	21,526,633.16	19,073,651.31
STATE APPROPRIATIONS	31,642,631.01		31,642,631.01	27,169,966.00
MOBILE RACING COMMISSION	64,796.37		64,796.37	92,656.50
FEDERAL GRANTS AND CONTRACTS	960,279.70	3,571,179.97	4,531,459.67	5,430,574.74
STATE GRANTS AND CONTRACTS (INCLUDING INDIRECT COST RECOVERED OF \$68,249.39)	108,061.39	584,159.57	692,220.96	805,417.17
PRIVATE GIFTS, GRANTS, AND CONTRACTS (INCLUDING INDIRECT COSTS RECOVERED OF \$184,496.63)	13,244,526.16	2,399,474.41	15,644,000.57	11,072,605.94
ENDOWMENT INCOME	0.00	13,292.59	13,292.59	885,019.38
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	755,079.66		755,079.66	615,569.81
HOSPITALS - SALES AND SERVICES	70,558,497.31		70,558,497.31	66,295,293.71
- STATE APPROPRIATIONS	3,291,600.99		3,291,600.99	2,927,099.00
AUXILIARY ENTERPRISES - SALES AND SERVICES	2,711,506.84		2,711,506.84	2,644,909.24
OTHER SOURCES	3,529,451.64	561,246.39	4,190,698.03	5,895,917.77
TOTAL CURRENT REVENUES	148,493,064.23	7,129,352.93	155,622,417.16	142,912,669.57
EXPENDITURES AND TRANSFERS:				
EDUCATIONAL AND GENERAL:				
INSTRUCTION	25,226,021.80	1,549,999.09	26,776,020.89	25,467,922.30
RESEARCH	1,712,275.05	2,924,645.52	4,636,920.57	4,431,869.57
PUBLIC SERVICE	10,453,628.85	431,697.47	10,885,326.32	12,056,908.52
ACADEMIC SUPPORT	4,892,996.16	34.92	4,893,031.08	4,163,924.41
STUDENT SERVICES	4,252,759.32	174,879.64	4,427,638.96	4,440,423.30
INSTITUTIONAL SUPPORT	6,756,891.43	504.99	6,757,396.42	7,696,682.82
OPERATION AND MAINTENANCE OF PLANT	4,270,651.46	1,678,413.84	5,949,065.30	3,697,417.74
SCHOLARSHIPS	166,631.12	369,177.46	535,808.58	90,332.86
EDUCATIONAL AND GENERAL	57,631,855.19	7,129,352.93	64,661,208.12	62,045,471.52
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	1,323,534.00		1,323,534.00	1,266,279.00
TOTAL EDUCATIONAL AND GENERAL	58,955,389.19	7,129,352.93	65,984,742.12	63,311,750.52
HOSPITALS (INCLUDING DEBT SERVICE OF \$506,842.24)	72,943,158.01		72,943,158.01	64,165,099.52
AUXILIARY ENTERPRISES:				
EXPENDITURES	2,982,310.78		2,982,310.78	2,649,961.71
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	439,905.00		439,905.00	415,776.00
NON-MANDATORY TRANSFERS FOR:				
OTHER TRANSFERS	947.45		947.45	(1,078.70)
TOTAL AUXILIARIES	3,423,163.23	0.00	3,423,163.23	3,064,659.01
TOTAL EXPENDITURES AND TRANSFERS	135,221,710.43	7,129,352.93	142,351,063.36	130,541,509.05
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):				
EXCESS OF RESTRICTED RECEIPTS OVER TRANSFERS TO REVENUES		2,336,111.88	2,336,111.88	2,450,956.60
REFUNDED TO GRANTORS		(30,364.38)	(30,364.38)	(91,503.11)
FUNDED DEPRECIATION	(1,588,693.00)		(1,588,693.00) *	(2,023,942.00)
MOBILE RACING COMMISSION	(64,796.37)		(64,796.37)	(92,656.50)
PLANT ADDITIONS AND REPLACEMENTS	(4,440,712.50)		(4,440,712.50)	(4,434,993.00)
ENDOWMENT FUND	(1,261,787.85)	311,772.00	(950,015.85)	(540,522.81)
OTHER TRANSFERS	(602,786.36)	(860.00)	(603,646.36)	(259,008.72)
TOTAL TRANSFERS	(7,968,776.08)	2,616,639.50	(5,342,136.58)	(4,991,668.54)
NET INCREASE/(DECREASE) IN FUND BALANCES	\$ 5,312,577.72	\$ 2,616,639.50	\$ 7,929,217.22	\$ 7,379,491.98

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$588,844.00 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.

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 THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>TRANSFERS</u>	<u>EXCESS REVENUES OVER EXPENDITURES AND OTHER CHANGES (DEFICIT)</u> <u>12/31/07</u>	<u>12/31/06</u>
BOOKSTORE	\$ 581,652.27	\$ 835,932.24	\$ 0.00	\$ (254,279.97)	\$ (211,465.98)
BROOKLEY CENTER	483,985.22	684,272.45	(18,755.45)	(219,042.68)	(165,908.62)
FOOD SERVICES-CAMPUS	57,600.01	41,272.32	0.00	16,327.69	7,189.62
HOUSING	1,563,235.54	1,395,799.97	(422,097.00)	(254,661.43)	(49,564.79)
TOTAL	<u>\$ 2,686,473.04</u>	<u>\$ 2,957,276.98</u>	<u>\$ (440,852.45)</u>	<u>\$ (711,656.39)</u>	<u>\$ (419,749.77)</u>

BOOKSTORE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	<u>12/31/07</u>	<u>12/31/06</u>	<u>HEALTH SCIENCES</u> <u>12/31/07</u>	<u>HEALTH SCIENCES</u> <u>12/31/06</u>	<u>TOTAL</u> <u>12/31/07</u>	<u>TOTAL</u> <u>12/31/06</u>
REVENUES:						
SALES	\$ 444,930.99	\$ 441,687.39	\$ 114,580.98	\$ 93,762.14	\$ 559,511.97	\$ 535,449.53
LESS: DEPARTMENTAL DISCOUNTS	518.64	1,048.60	619.71	398.41	1,138.35	1,447.01
COST OF GOODS SOLD	<u>336,294.33</u>	<u>335,654.44</u>	<u>94,325.24</u>	<u>74,386.59</u>	<u>430,619.57</u>	<u>410,041.03</u>
GROSS PROFIT	108,118.02	104,984.35	19,636.03	18,977.14	127,754.05	123,961.49
CASH OVER/(SHORT)	(13.06)	75.54	6.30	(3.99)	(6.76)	71.55
GRADUATION (NET)	15,336.00	15,205.34	0.00	0.00	15,336.00	15,205.34
BAD DEBT RECOVERY	0.00	0.00	0.00	0.00	0.00	0.00
OTHER	5,053.72	6,570.57	1,757.34	1,185.46	6,811.06	7,756.03
NET REVENUES:	<u>128,494.68</u>	<u>126,835.80</u>	<u>21,399.67</u>	<u>20,158.61</u>	<u>149,894.35</u>	<u>146,994.41</u>
EXPENDITURES:						
SALARIES	160,115.11	142,873.46	14,485.31	16,034.84	174,600.42	158,908.30
EMPLOYEE BENEFITS	44,490.59	37,931.08	5,998.25	4,246.88	50,488.84	42,177.96
SUPPLIES	2,215.41	2,787.97	1,244.37	414.47	3,459.78	3,202.44
TRAVEL	3,765.72	930.00	0.00	540.96	3,765.72	1,470.96
EQUIPMENT	2,256.19	950.74	169.16	0.00	2,425.35	950.74
EQUIPMENT MAINTENANCE AND REPAIR	22,956.54	225.15	0.00	0.00	22,956.54	225.15
BUILDING & EQUIPMENT RENTAL	403.86	559.84	241.96	138.79	645.82	698.63
UTILITIES	18,750.00	18,750.00	0.00	0.00	18,750.00	18,750.00
TELEPHONE	821.29	935.48	452.41	695.50	1,273.70	1,630.98
INSURANCE AND BONDS	2,166.00	0.00	0.00	0.00	2,166.00	0.00
CONTRACT SERVICES	20,967.28	31,561.92	2,280.05	5,385.59	23,247.33	36,947.51
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
RENT	0.00	0.00	4,995.00	4,995.00	4,995.00	4,995.00
OBSOLETE INVENTORY	352.42	0.00	0.00	0.00	352.42	0.00
GENERAL EXPENSES	13,269.14	11,660.88	1,565.24	1,358.40	14,834.38	13,019.28
CHARGE CARD AND FACULTY						
STAFF DISCOUNTS	3,093.67	2,754.26	1,088.37	1,341.18	4,182.04	4,095.44
INSTITUTIONAL COST ALLOCATION	65,049.24	60,420.00	10,981.74	10,968.00	76,030.98	71,388.00
TOTAL EXPENDITURES	<u>360,672.46</u>	<u>312,340.78</u>	<u>43,501.86</u>	<u>46,119.61</u>	<u>404,174.32</u>	<u>358,460.39</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	0.00	0.00	0.00	0.00	0.00	0.00
RETIREMENT REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS	<u>\$ (232,177.78)</u>	<u>\$ (185,504.98)</u>	<u>\$ (22,102.19)</u>	<u>\$ (25,961.00)</u>	<u>\$ (254,279.97)</u>	<u>\$ (211,465.98)</u>

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	ADMINISTRATION	INVESTMENT HOUSING	GOLF SHOP	RECREATION CENTER	FOOD SERVICE	TOTAL AUXILIARY SERVICES
REVENUES:						
SALES-FOOD & MERCHANDISE	0.00	0.00	9,244.46	0.00	0.00	9,244.46
LESS: COST OF GOODS SOLD	203.06	0.00	8,433.77	0.00	0.00	8,433.77
DISCOUNTS	0.00	0.00	964.62	0.00	0.00	964.62
GROSS PROFIT	(203.06)	0.00	(153.93)	0.00	0.00	(153.93)
FEES	99.00	0.00	76,390.06	0.00	7,298.83	83,688.89
RENTALS	19,500.00	171,596.62	0.00	0.00	0.00	171,596.62
OTHER	569.99	2,012.17	128.16	0.00	0.00	2,140.33
FACILITY ASSESSMENT FEE	0.00	0.00	0.00	0.00	0.00	0.00
NET REVENUES	19,965.93	173,608.79	76,364.29	0.00	7,298.83	257,271.91
EXPENDITURES:						
OPERATING EXPENDITURES:						
SALARIES	177,634.87	21,356.27	60,752.68	0.00	0.00	82,110.95
EMPLOYEE BENEFITS	55,087.27	6,714.01	17,661.03	0.00	0.00	24,395.04
SUPPLIES	7,800.17	0.00	63,384.12	0.00	0.00	63,384.12
TRAVEL	760.46	0.00	380.87	0.00	0.00	380.87
CONTRACT SERVICE	29,208.28	2,214.76	13,595.68	0.00	0.00	15,800.44
BUILDING MAINTENANCE & REPAIR	3,603.59	9,276.87	937.87	0.00	828.59	11,043.33
GROUND MAINTENANCE	3,292.19	4,664.10	11,209.45	0.00	0.00	15,873.55
UTILITIES	32,738.56	17,786.52	9,413.18	0.00	12,793.40	39,993.10
EQUIPMENT MAINTENANCE & REPAIR	234.54	700.22	9,903.05	0.00	4,250.00	14,653.27
BUILDING & EQUIPMENT RENTAL	781.65	0.00	4,147.02	0.00	0.00	4,147.02
TELEPHONE	3,987.29	38.20	371.47	0.00	1.28	410.95
INSURANCE AND BONDS	38,474.00	0.00	0.00	0.00	2,115.00	2,115.00
RECEPTIONS	118.10	5.00	0.00	0.00	0.00	5.00
ADVERTISING	2,829.95	0.00	1,069.16	0.00	93.34	1,162.50
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	21,077.67	417.52	4,775.81	0.00	0.00	5,193.33
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	(377,795.94)	105,782.86	0.00	3,777.96	15,111.83	124,672.65
TOTAL OPERATING EXPENDITURES	(169,35)	168,958.33	197,611.39	3,777.96	35,193.44	405,541.12
EXCESS REVENUES OVER EXPENDITURES	20,135.28	4,650.46	(121,247.10)	(3,777.96)	(27,894.61)	(148,269.21)
OTHER EXPENDITURES:						
EQUIPMENT	2,327.28	0.00	1,975.00	0.00	0.00	1,975.00
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	2,327.28	0.00	1,975.00	0.00	0.00	1,975.00
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST NON-MANDATORY:	(17,808.00)	0.00	0.00	0.00	0.00	0.00
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	(947.45)	0.00	0.00	(947.45)
TOTAL TRANSFERS	(17,808.00)	0.00	(947.45)	0.00	0.00	(947.45)
EXCESS REVENUES OVER EXPENDITURES (DEFICIT)	0.00	4,650.46	(124,169.55)	(3,777.96)	(27,894.61)	(151,191.66)

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	CONTINUING EDUCATION	EDUCATIONAL LEASING	UNIVERSITY SERVICE	TOTAL EDUCATIONAL SERVICES	BROOKLEY CENTER TOTAL 12/31/07	BROOKLEY CENTER TOTAL 12/31/06
REVENUES:						
SALES-FOOD & MERCHANDISE	0.00	0.00	0.00	0.00	9,244.46	10,153.67
LESS: COST OF GOODS SOLD	0.00	0.00	0.00	0.00	8,636.83	6,315.63
DISCOUNTS	1,397.86	0.00	0.00	1,397.86	2,362.48	2,041.49
GROSS PROFIT	(1,397.86)	0.00	0.00	(1,397.86)	(1,754.85)	1,796.55
FEES	74,198.67	144,381.06	0.00	218,579.73	302,367.62	194,511.10
RENTALS	3,300.00	0.00	0.00	3,300.00	194,396.62	186,837.61
OTHER	300.00	0.00	0.00	300.00	3,010.32	1,896.36
FACILITY ASSESSMENT FEE	0.00	0.00	0.00	0.00	0.00	0.00
NET REVENUES	<u>76,400.81</u>	<u>144,381.06</u>	<u>0.00</u>	<u>220,781.87</u>	<u>498,019.71</u>	<u>385,041.62</u>
EXPENDITURES:						
OPERATING EXPENDITURES:						
SALARIES	0.00	0.00	0.00	0.00	259,745.92	244,001.91
EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	79,482.31	70,389.99
SUPPLIES	7,317.31	1,195.89	0.00	8,513.20	79,897.49	19,703.31
TRAVEL	0.00	0.00	0.00	0.00	1,141.33	763.05
CONTRACT SERVICE	1,176.75	2,563.78	0.00	3,760.53	48,769.25	52,814.58
BUILDING MAINTENANCE & REPAIR	5,588.49	2,248.54	0.00	7,837.03	22,483.95	14,675.65
FOUNDATIONS MAINTENANCE	0.00	0.00	0.00	0.00	19,165.74	13,590.07
UTILITIES	31,176.57	23,817.98	0.00	54,994.55	127,726.21	114,151.28
EQUIPMENT MAINTENANCE & REPAIR	298.88	312.19	0.00	611.07	15,688.88	10,831.34
BUILDING & EQUIPMENT RENTAL	0.00	0.00	0.00	0.00	4,928.67	4,889.80
TELEPHONE	0.00	0.00	0.00	0.00	4,398.24	2,744.38
INSURANCE AND BONDS	720.00	0.00	0.00	720.00	41,309.00	1,080.00
RECEPTIONS	0.00	0.00	0.00	0.00	121.10	0.00
ADVERTISING	2,396.34	0.00	0.00	2,396.34	6,398.79	3,380.55
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	(3,258.22)	11,037.63	0.00	7,779.41	34,050.41	(23,339.49)
EXPENSE OFFSET	0.00	0.00	0.00	0.00	0.00	0.00
EDUCATIONAL SUPPORT ALLOCATIONS	0.00	0.00	(54,966.51)	(54,966.51)	(54,966.51)	0.00
OPERATING COST ALLOCATIONS	75,559.20	64,225.31	113,338.78	253,123.29	680,140.66	529,676.42
TOTAL OPERATING EXPENDITURES	<u>120,975.32</u>	<u>105,421.32</u>	<u>58,372.27</u>	<u>284,768.91</u>	<u>680,140.66</u>	<u>529,676.42</u>
EXCESS REVENUES OVER EXPENDITURES	<u>(44,574.51)</u>	<u>38,959.74</u>	<u>(58,372.27)</u>	<u>(63,987.04)</u>	<u>(192,120.97)</u>	<u>(144,634.80)</u>
OTHER EXPENDITURES:						
EQUIPMENT	89.99	3,773.99	0.00	3,863.98	8,166.26	4,389.52
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	<u>89.99</u>	<u>3,773.99</u>	<u>0.00</u>	<u>3,863.98</u>	<u>8,166.26</u>	<u>4,389.52</u>
TRANSFERS AMONG FUNDS -						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	(17,808.00)	(17,808.00)
NON-MANDATORY:						
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	(947.45)	923.70
TOTAL TRANSFERS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(18,755.45)</u>	<u>(16,884.30)</u>
EXCESS REVENUES OVER EXPENDITURES (DEFICIT)	<u>(44,664.50)</u>	<u>35,185.75</u>	<u>(58,372.27)</u>	<u>(67,851.02)</u>	<u>(219,042.68)</u>	<u>(165,908.62)</u>

FOOD SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	12/31/07	12/31/06
REVENUES:		
COMMISSION INCOME	\$ 57,600.01	\$ 47,953.95
TOTAL REVENUES	57,600.01	47,953.95
EXPENDITURES:		
SUPPLIES	2.32	30.86
EQUIPMENT MAINTENANCE AND REPAIR	5,300.08	17,511.43
UTILITIES	16,250.01	16,239.00
TELEPHONE	69.20	(10.96)
MEMBERSHIPS AND DUES	270.00	270.00
CONTRACT SERVICES	2,209.96	2,095.00
INSURANCE AND BONDS	11,865.00	0.00
BUILDING MAINTENANCE AND REPAIR	1,024.00	800.00
INDIRECT COST	4,045.50	4,029.00
GENERAL EXPENSE	236.25	(200.00)
TOTAL EXPENDITURES	41,272.32	40,764.33
TRANSFERS AMONG FUNDS-		
ADDITIONS/(DEDUCTIONS):		
NON-MANDATORY:		
OTHER TRANSFERS	0.00	0.00
TOTAL TRANSFERS	0.00	0.00
EXCESS REVENUES OVER		
EXPENDITURES AND MANDATORY		
TRANSFERS (DEFICIT)	\$ 16,327.69	\$ 7,189.62

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	CENTRAL HOUSING	HOUSING PROGRAMMING	WASHERS AND DRYERS	HILLSDALE MARRIED STUDENT	SMALL GROUP HOUSING	GAMMA DORMS
REVENUES:						
RENTAL INCOME	\$ 0.00	\$ 0.00	\$ 37,025.00	\$ 204,119.02	\$ 90,708.56	\$ 273,313.56
BAD DEBT RECOVERY	1,123.84	0.00	0.00	0.00	0.00	0.00
OTHER	0.00	0.00	0.00	7,196.71	1,931.03	1,142.00
TOTAL REVENUES	1,123.84	0.00	37,025.00	211,315.73	92,639.59	274,455.56
EXPENDITURES:						
SALARIES	95,136.11	24,219.73	0.00	74,044.07	23,173.68	49,073.40
EMPLOYEE BENEFITS	25,397.46	25.00	0.00	22,601.79	4,031.11	10,415.84
CONTRACT LABOR	0.00	0.00	0.00	73.00	68.00	0.00
CONTRACT SERVICES	1,001.00	0.00	25,143.00	5,895.25	3,212.31	2,865.52
TRAVEL	955.35	313.58	0.00	0.00	0.00	0.00
RECEPTIONS	(95.15)	6,488.79	0.00	0.00	0.00	0.00
SUPPLIES	2,633.02	0.00	0.00	9,582.37	4,471.97	1,744.88
CABLE	23,982.70	0.00	0.00	162.24	0.00	0.00
TELEPHONE	200.42	0.00	0.00	580.77	167.42	15,654.96
UTILITIES	0.00	0.00	0.00	5,700.03	288.60	0.00
INSURANCE AND BONDS	0.00	0.00	0.00	9,063.00	8,112.00	13,585.00
BUILDING MAINTENANCE AND REPAIR EQUIPMENT	0.00	0.00	0.00	0.00	0.00	6,150.00
EQUIPMENT RENTAL	0.00	201.42	0.00	0.00	0.00	0.00
EQUIPMENT MAINTENANCE AND REPAIR	264.88	0.00	0.00	996.95	0.00	0.00
GENERAL EXPENSES	0.00	0.00	0.00	326.95	0.00	0.00
ADMINISTRATIVE OVERHEAD	8,932.50	25.00	200.00	616.61	0.00	25,729.75
ADMINISTRATIVE EXPENSES	109,499.64	0.00	0.00	0.00	19,483.14	110,805.75
TOTAL EXPENDITURES	(266,784.09)	(31,273.52)	11,028.13	1,192.22	27,719.35	57,227.07
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	(227,637.00)	(23,991.00)
TOTAL MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	(227,637.00)	(23,991.00)
NON-MANDATORY:						
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	(227,637.00)	(23,991.00)
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	\$ (0.00)	\$ 0.00	\$ 653.87	\$ 80,480.48	\$ (225,724.99)	\$ (42,787.61)

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE THREE MONTHS ENDED DECEMBER 31, 2007
WITH COMPARATIVE FIGURES FOR 2006

	BETA DORMS	DELTA DORMS	EPSILON DORMS	TOTAL HOUSING 12/31/07	TOTAL HOUSING 12/31/06
REVENUES:					
RENTAL INCOME	\$ 159,275.20	\$ 614,961.50	\$ 159,828.25	\$ 1,539,231.09	\$ 1,617,053.96
BAD DEBT RECOVERY	0.00	0.00	0.00	1,123.84	2,148.11
OTHER	1,241.30	7,392.14	3,977.43	22,880.61	25,872.03
TOTAL REVENUES	<u>160,516.50</u>	<u>622,353.64</u>	<u>163,805.68</u>	<u>1,563,235.54</u>	<u>1,645,074.10</u>
EXPENDITURES:					
SALARIES	15,448.22	65,694.07	57,644.02	404,433.30	385,073.66
EMPLOYEE BENEFITS	2,876.68	11,603.27	6,816.45	83,767.60	82,879.63
CONTRACT LABOR	357.00	13,097.52	357.00	13,952.52	1,300.52
CONTRACT SERVICES	1,588.82	6,874.07	1,701.11	48,281.08	16,839.27
TRAVEL	0.00	0.00	0.00	1,268.93	441.69
RECEPTIONS	0.00	0.00	0.00	6,393.64	4,893.07
SUPPLIES	1,660.08	10,404.47	3,973.26	34,470.05	31,817.79
CABLE	0.00	0.00	0.00	24,144.94	37,782.43
TELEPHONE	6,436.82	37,894.52	8,652.11	69,587.02	74,205.30
UTILITIES	0.00	0.00	0.00	5,988.63	4,164.96
INSURANCE AND BONDS	6,945.00	19,028.00	6,097.00	62,830.00	0.00
BUILDING MAINTENANCE AND REPAIR EQUIPMENT	0.00	0.00	0.00	6,150.00	564.72
EQUIPMENT RENTAL	0.00	985.00	5,390.00	6,576.42	18,764.07
EQUIPMENT MAINTENANCE AND REPAIR	0.00	6.95	0.00	1,268.78	968.03
GENERAL EXPENSES	14,052.30	100.50	0.00	427.45	2,874.23
ADMINISTRATIVE OVERHEAD	52,351.89	55,420.00	16,383.39	121,359.55	137,075.52
ADMINISTRATIVE EXPENSES	32,488.28	159,475.14	53,284.50	504,900.06	497,181.00
TOTAL EXPENDITURES	<u>134,205.09</u>	<u>506,959.93</u>	<u>202,324.98</u>	<u>1,395,799.97</u>	<u>1,296,825.89</u>
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):					
MANDATORY:					
PRINCIPAL AND INTEREST	(17,160.00)	(99,810.00)	(53,499.00)	(422,097.00)	(397,968.00)
TOTAL MANDATORY TRANSFERS	<u>(17,160.00)</u>	<u>(99,810.00)</u>	<u>(53,499.00)</u>	<u>(422,097.00)</u>	<u>(397,968.00)</u>
NON-MANDATORY:					
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	155.00
TOTAL NON-MANDATORY TRANSFERS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>155.00</u>
TOTAL TRANSFERS	<u>(17,160.00)</u>	<u>(99,810.00)</u>	<u>(53,499.00)</u>	<u>(422,097.00)</u>	<u>(397,813.00)</u>
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	\$ 9,151.41	\$ 15,583.71	\$ (92,018.30)	\$ (254,661.43)	\$ (49,564.79)