

I N D E X **APRIL 30, 2012**

	<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
Bookstore.....	11
Brookley Center.....	12
Food Service.....	14
Housing.....	15

Financial Report Highlights

April 30, 2012

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 Standards 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 seven months ended, April 30, 2012 and 2011 are as follows (in thousands):

	At and for the seven months ended	
	4-30-12	4-30-11
Total assets		
Current	\$ 182,546	\$ 194,752
Loan	5,053	5,043
Endowment	138,203	131,867
Plant	695,858	657,064
Fund Balances		
Current	\$ 6,359	\$ 3,562
Loan	522	593
Endowment	108,174	110,239
Plant	323,861	312,531
Other balance sheet highlights		
Cash and investments	\$ 256,281	\$ 261,961
Receivables, primarily patient care	119,945	94,544
Bonds payable	355,054	327,341

	For the seven months ended	
	4-30-12	4-30-11
Selected operating highlights (current funds)		
Tuition and fees	\$ 73,127	\$ 67,294
State appropriations	61,679	56,553
Hospital revenues	196,321	172,453
Gifts, grants and contracts	65,127	70,435
Instruction and academic support	80,161	80,869
Research and public service	46,786	47,883
Hospital expenses	202,383	178,296
Net current fund increase (decrease)	\$ 656	\$ (7,308)

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

While enrollment and tuition have increased in recent years, the University has experienced a significant decline in state appropriations. Additionally, the University is subject to the uncertainties of the general economic conditions in the United States and the State of Alabama. Administration is not aware of any other conditions that are expected to have a significant impact on the University's financial position in 2012 or beyond.

UNIVERSITY OF SOUTH ALABAMA
BALANCE SHEET
APRIL 2012 AND 2011

ASSETS		2012	2011	LIABILITIES AND FUND BALANCES		2012	2011
CURRENT FUNDS:				CURRENT FUNDS:			
UNRESTRICTED:				UNRESTRICTED:			
CASH AND CASH EQUIVALENTS	\$	134,664.84	135,088.90	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$	43,406,415.89	54,721,039.66
INVESTMENTS		32,413,458.37	67,820,191.49	DEFERRED REVENUES		40,941,441.24	29,825,638.67
ACCOUNTS RECEIVABLE - PATIENTS (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$51,987,348.90 FOR 2012 AND \$48,576,856.14 FOR 2011)				DUE TO OTHER FUNDS		88,990,489.35	102,002,103.00
DEPOSITS		119,944,699.34	94,544,145.47	OTHER DEPOSITS		1,395,570.99	530,616.81
INVENTORIES AT COST		35,000.00	35,000.00	FUND BALANCES:		500,013.09	839,317.81
PREPAID EXPENSES		5,159,355.07	4,816,309.78	ALLOCATED FOR:			
		20,533,402.72	21,514,921.75	HOSPITALS		(46,567,104.13)	(34,499,830.11)
				AUXILIARY ENTERPRISES		2,580,430.97	1,241,348.17
				ENCUMBRANCES		4,697,925.69	4,595,574.56
				SELF-SUPPORTING ACTIVITIES		54,066,640.41	44,905,112.43
				UNALLOCATED		(11,791,243.16)	(15,295,263.61)
				TOTAL FUND BALANCES		2,986,649.78	946,941.44
				TOTAL UNRESTRICTED		178,220,580.34	188,865,657.39
TOTAL UNRESTRICTED		<u>178,220,580.34</u>	<u>188,865,657.39</u>				
RESTRICTED FUNDS:				RESTRICTED FUNDS:			
CASH AND CASH EQUIVALENTS		599,107.90	0.00	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		312,221.16	51,707.45
INVESTMENTS		3,999.33	8,731.27	DEFERRED REVENUES		640,603.85	993,442.47
UNBILLED COSTS AND ACCOUNTS RECEIVABLE		3,722,276.93	5,878,030.80	DUE TO OTHER FUNDS		0.00	2,226,880.56
				FUND BALANCES		3,372,559.15	2,614,731.59
TOTAL RESTRICTED		<u>4,325,384.16</u>	<u>5,886,762.07</u>	TOTAL RESTRICTED		4,325,384.16	5,886,762.07
TOTAL CURRENT FUNDS		<u>182,545,964.50</u>	<u>194,752,419.46</u>	TOTAL CURRENT FUNDS		<u>182,545,964.50</u>	<u>194,752,419.46</u>
LOAN FUNDS:				LOAN FUNDS:			
CASH AND CASH EQUIVALENTS		1,186,503.72	1,804,595.61	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		150.00	825.00
NOTES RECEIVABLE (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF \$446,174.34 FOR 2012 AND \$476,477.39 FOR 2011)				REFUNDABLE GOVERNMENT ADVANCES		4,530,636.86	4,449,746.67
				FUND BALANCES:			
				UNIVERSITY FUNDS, UNRESTRICTED		522,306.66	592,918.93
TOTAL LOAN FUNDS		<u>3,866,589.80</u>	<u>3,238,894.99</u>	TOTAL FUND BALANCES		<u>522,306.66</u>	<u>592,918.93</u>
				TOTAL LOAN FUNDS		<u>5,053,093.52</u>	<u>5,043,490.60</u>
ENDOWMENT FUNDS:				ENDOWMENT FUNDS:			
CASH AND CASH EQUIVALENTS		38,519,045.68	40,458,199.91	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		23,060,600.00	15,027,400.00
INVESTMENTS		86,311,000.40	81,342,652.27	BONDS PAYABLE		6,968,806.00	6,600,388.00
ACCOUNTS RECEIVABLE		4,634,144.78	5,193,941.57	FUND BALANCES:			
REAL ESTATE HELD FOR RESALE		3,162,788.00	1,338,429.00	RESTRICTED NONEXPENDABLE		31,254,927.31	29,788,244.93
PREPAID-LIFE ESTATE		3,576,462.00	3,533,418.00	UNRESTRICTED EXPENDABLE		76,919,087.55	80,450,607.82
				TOTAL FUND BALANCES		<u>108,174,014.86</u>	<u>110,238,852.75</u>
TOTAL ENDOWMENT FUNDS		<u>138,203,420.86</u>	<u>131,866,640.75</u>	TOTAL ENDOWMENT FUNDS		<u>138,203,420.86</u>	<u>131,866,640.75</u>
PLANT FUNDS:				PLANT FUNDS:			
CASH AND CASH EQUIVALENTS		37,194,202.46	3,866,239.38	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		9,565,951.29	937,924.53
INVESTMENTS		54,755,982.43	65,187,287.49	DEFERRED REVENUES		7,350,622.83	16,227,903.23
ACCOUNTS RECEIVABLE		2,701,039.09	2,366,811.65	OTHER DEPOSITS		25,791.63	25,791.63
NOTES RECEIVABLE		0.00	14,519,581.00	BONDS PAYABLE		355,054,349.36	327,341,248.12
DUE FROM OTHER FUNDS		88,990,489.35	104,228,983.56				
PREPAID EXPENSES		4,513,557.96	4,648,234.30				
CAPITAL LEASE RECEIVABLE		509,661.08	1,024,357.77				
INVESTMENT IN PLANT:							
LAND		22,056,047.66	21,996,268.29				
LAND IMPROVEMENTS		10,819,856.75	12,197,283.19				
BUILDINGS, ACCUM DEPREC AND IMPROVEMENTS		299,912,360.16	251,110,612.47				
OTHER EQUIPMENT BOOKS AND FILMS		53,825,292.51	60,092,971.34				
CONSTRUCTION IN PROGRESS		120,579,346.77	115,825,650.74				
TOTAL PLANT FUNDS		<u>695,857,836.22</u>	<u>657,064,281.18</u>				
TOTAL ASSETS	\$	<u>1,021,660,315.10</u>	<u>\$ 988,726,831.99</u>	TOTAL LIABILITIES AND FUND BALANCES	\$	<u>1,021,660,315.10</u>	<u>\$ 988,726,831.99</u>

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012

	CURRENT FUNDS		LOAN FUNDS	ENDOWMENT FUNDS	RENEWALS AND REPLACEMENTS	PLANT FUNDS	
	UNRESTRICTED	RESTRICTED				RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT
REVENUES AND OTHER ADDITIONS:							
EDUCATIONAL AND GENERAL REVENUES	179,082,252.88						
HOSPITALS REVENUES	201,462,848.17						
AUXILIARY ENTERPRISES REVENUES	9,869,253.52						
GRANTS AND CONTRACTS:							
FEDERAL		30,079,192.46					
STATE AND LOCAL		2,589,017.57					
PRIVATE		3,126,137.72					
GOVERNMENT APPROPRIATIONS:							
FEDERAL							
STATE							
INVESTMENT INCOME, GAINS/LOSS			2,864.90	7,413,336.86	221,418.32	53,445.43	
INSURANCE PROCEEDS							
INTEREST ON LOANS RECEIVABLE							
GIFTS AND BEQUESTS			80,973.10	1,948,509.02	141,027.90	8,556.63	
EXPENDED FOR PLANT FACILITIES (INCLUDING \$10,331,720.83 CURRENT FUNDS EXPENDITURES)							36,899,127.72
RETIREMENT OF INDEBTEDNESS							4,785,000.00
PROCEEDS FROM SALE OF CAPITAL ASSETS							(283,093.58)
OTHER SOURCES		1,624,873.65		3,700.00	5,909,214.60		41,401,034.14
TOTAL REVENUES AND OTHER ADDITIONS	390,414,354.57	37,419,221.40	83,838.00	9,365,545.88	6,271,660.82	62,002.06	
EXPENDITURES AND OTHER DEDUCTIONS:							
EDUCATIONAL AND GENERAL EXPENDITURES	163,322,852.78	34,870,643.97					
HOSPITALS EXPENDITURES	198,684,498.17						
AUXILIARY ENTERPRISES EXPENDITURES	6,930,589.84						
INDIRECT COSTS RECOVERED		2,464,509.92					
REFUNDED TO GRANTORS		244,279.99					
RETIREMENT OF INDEBTEDNESS			8,392.50			4,785,000.00	
ADMINISTRATIVE AND COLLECTION COSTS							
EXPENDED FOR PLANT FACILITIES (INCLUDING \$2,593,749.37 FOR NON-CAPITALIZED EXPENDITURES)					29,161,156.26	3,558,710.24	18,737,357.85
INTEREST ON INDEBTEDNESS							
DEPRECIATION EXPENSES OF PLANT FACILITIES							
DISPOSAL OF PLANT							
OTHER DEDUCTIONS			(101,750.00)	196,908.83		134,055.29	
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	368,937,940.79	37,579,433.88	(93,357.50)	196,908.83	29,161,156.26	8,477,765.53	18,737,357.85
TRANSFERS AMONG FUNDS-ADDITIONS(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	(13,558,408.45)				58,037.00	13,610,135.37	(109,763.92)
FINANCIAL AID MATCHING							
NON-MANDATORY:							
FUNDED DEPRECIATION	(6,711,554.08)				6,711,554.08		
MOBILE RACING COMMISSION	(338,381.99)				338,381.99		
PLANT ADDITIONS AND REPLACEMENTS	(4,087,000.00)				4,009,900.00	77,100.00	
ENDOWMENT FUND	(1,259,062.13)				(338,381.99)		
OTHER TRANSFERS	3,850,718.18	1,413,913.48		183,530.64	(2,398,892.46)	(231,315.96)	(853,762.04)
TOTAL TRANSFERS	(22,103,688.47)	29,989.51		(396,737.23)	8,380,598.62	13,455,919.41	(963,525.96)
NET INCREASE (DECREASE) FOR THE PERIOD	(627,274.69)	1,443,902.99	0.00	(213,206.59)	(14,508,896.82)	5,040,155.94	21,700,150.33
FUND BALANCES AT OCTOBER 1, 2011	3,613,924.47	1,283,690.51	177,195.50	8,955,430.46	64,246,266.12	4,634,676.48	242,748,769.06
FUND BALANCES AT APRIL 30, 2012	2,986,649.78	2,088,868.64	345,111.16	99,218,584.40	49,737,369.30	9,674,832.42	264,448,919.39
	\$	\$	\$	\$	\$	\$	\$

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$6,711,554.08 IN MEDICAID DISPROPORTIONATE SHARE PAYMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	MONTH ENDED APRIL 30, 2012		APRIL 30, 2011
	UNRESTRICTED	RESTRICTED	TOTAL
REVENUES:			
TUITION AND FEES	\$ 73,127,040.91	\$	\$ 73,127,040.91
STATE APPROPRIATIONS	56,537,625.38		56,537,625.38
MOBILE RACING COMMISSION	338,381.99		338,381.99
FEDERAL GRANTS AND CONTRACTS	2,074,715.34	28,004,210.20	30,078,925.54
STATE GRANTS AND CONTRACTS (INCLUDING INDIRECT COST RECOVERED OF \$134,312.87)	243,595.76	2,105,008.15	2,348,603.91
PRIVATE GIFTS, GRANTS, AND CONTRACTS (INCLUDING INDIRECT COSTS RECOVERED OF \$255,481.71)	30,050,695.13	2,648,781.88	32,699,477.01
INVESTMENT INCOME	98,797.32		98,797.32
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	2,267,809.67		2,267,809.67
HOSPITALS - SALES AND SERVICES	196,321,474.17		196,321,474.17 *
- STATE APPROPRIATIONS	5,141,374.00		5,141,374.00
AUXILIARY ENTERPRISES - SALES AND SERVICES	9,869,253.52		9,869,253.52
OTHER SOURCES	14,343,591.38	2,112,643.74	16,456,235.12
TOTAL CURRENT REVENUES	390,414,354.57	34,870,643.97	425,284,998.54
EXPENDITURES AND TRANSFERS:			
EDUCATIONAL AND GENERAL:			
INSTRUCTION	63,901,025.88	4,812,466.26	68,713,492.14
RESEARCH	5,523,307.15	6,475,394.13	11,998,701.28
PUBLIC SERVICE	32,223,295.37	2,563,660.94	34,786,956.31
ACADEMIC SUPPORT	11,446,537.79	499.00	11,447,036.79
STUDENT SERVICES	16,443,419.72	430,002.13	16,873,421.85
INSTITUTIONAL SUPPORT	15,362,425.70	1,026,404.67	16,388,830.37
OPERATION AND MAINTENANCE OF PLANT	12,877,495.12	8,750,678.04	21,628,173.16
SCHOLARSHIPS	5,545,346.05	10,040,772.50	15,586,118.55
EDUCATIONAL AND GENERAL	163,322,852.78	34,099,877.67	197,422,730.45
MANDATORY TRANSFERS FOR:			
EDUCATIONAL AND GENERAL	8,058,686.70		8,058,686.70
PRINCIPAL AND INTEREST	0.00		0.00
FINANCIAL AID MATCHING	171,381,539.48	34,099,877.67	205,481,417.15
TOTAL EDUCATIONAL AND GENERAL	201,612,338.51	770,766.30	202,383,104.81
HOSPITALS (INCLUDING DEBT SERVICE OF \$2,927,840.34)			
AUXILIARY ENTERPRISES:			
EXPENDITURES	6,930,589.84		6,930,589.84
MANDATORY TRANSFERS FOR:			
PRINCIPAL AND INTEREST	2,571,881.41		2,571,881.41
NON-MANDATORY TRANSFERS FOR:			
RENEWALS AND REPLACEMENTS	120,000.00		120,000.00
TOTAL AUXILIARIES	9,622,471.25	0.00	9,622,471.25
TOTAL EXPENDITURES AND TRANSFERS	382,616,349.24	34,870,643.97	417,486,993.21
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):			
EXCESS OF RESTRICTED RECEIPTS OVER TRANSFERS TO REVENUES			
REFUNDED TO GRANTORS		84,067.51	84,067.51
FUNDED DEPRECIATION		(244,279.99)	(244,279.99)
MOBILE RACING COMMISSION	(6,711,554.08)		(6,711,554.08) *
PLANT ADDITIONS AND REPLACEMENTS	(3,367,000.00)		(3,367,000.00)
ENDOWMENT FUND	(1,259,062.13)	1,413,913.48	154,851.35
OTHER TRANSFERS	3,850,718.18	29,989.51	3,880,707.69
TOTAL TRANSFERS	(8,425,280.02)	1,283,690.51	(7,141,589.51)
NET INCREASE/(DECREASE) IN FUND BALANCES	\$ (627,274.69)	\$ 1,283,690.51	\$ 656,415.82
			\$ (7,307,758.61)

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE \$6,711,554.08 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 12.07% 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.
- University Facilities Revenue Capital Improvement Bond, Series 2010, 3.81% payable through August 2030.
- University Facilities Revenue Capital Improvement Bond, Series 2012A, 2.92% payable through August 2032.
- University Facilities Revenue Capital Improvement Bond, Series 2012B, 2.14% payable through February 2018.

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 SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011**

	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>TRANSFERS</u>	<u>EXCESS REVENUES OVER EXPENDITURES AND OTHER CHANGES (DEFICIT)</u>	
				<u>04/30/12</u>	<u>04/30/11</u>
BOOKSTORE	\$ 3,794,687.90	\$ 3,733,443.32	\$ (137,977.00)	\$ (76,732.42)	\$ 130,485.99
BROOKLEY CENTER	0.00	0.00	0.00	0.00	(814,263.69)
FOOD SERVICES-CAMPUS	622,558.91	166,824.48	(514,349.41)	(58,614.98)	(48,578.04)
HOUSING	5,452,006.71	3,030,322.04	(2,039,555.00)	382,129.67	(5,904.94)
TOTAL	<u>\$ 9,869,253.52</u>	<u>\$ 6,930,589.84</u>	<u>\$ (2,691,881.41)</u>	<u>\$ 246,782.27</u>	<u>\$ (738,260.68)</u>

BOOKSTORE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	<u>04/30/12</u>	<u>04/30/11</u>
REVENUES:		
SALES	\$ 3,687,141.17	\$ 3,508,413.63
LESS: DEPARTMENTAL DISCOUNTS	3,568.94	2,747.22
COST OF GOODS SOLD	2,676,427.42	2,472,400.71
GROSS PROFIT	<u>1,007,144.81</u>	<u>1,033,265.70</u>
CASH OVER/(SHORT)	(1,423.14)	(45.11)
GRADUATION (NET)	83,715.15	71,078.50
BAD DEBT RECOVERY	0.00	0.00
OTHER	25,254.72	24,055.97
NET REVENUES:	<u>1,114,691.54</u>	<u>1,128,355.06</u>
EXPENDITURES:		
SALARIES	457,897.66	435,785.36
EMPLOYEE BENEFITS	139,193.93	143,517.28
SUPPLIES	12,896.44	9,271.09
TRAVEL	8,622.39	2,223.11
EQUIPMENT	11,032.77	3,653.52
EQUIPMENT MAINTENANCE AND REPAIR	32,102.56	36,318.64
BUILDING & EQUIPMENT RENTAL	14,291.50	14,368.15
ADVERTISING	17,520.56	21,676.37
UTILITIES	43,750.00	43,750.00
TELEPHONE	13,026.52	6,409.21
INSURANCE AND BONDS	3,997.00	3,800.00
CONTRACT SERVICES	95,176.69	65,246.84
BAD DEBT EXPENSE	0.00	0.00
RENT	1,554.00	0.00
OBSOLETE INVENTORY	403.90	0.00
GENERAL EXPENSES	24,468.24	25,701.21
CHARGE CARD AND FACULTY		
STAFF DISCOUNTS	40,865.24	14,936.48
INSTITUTIONAL COST ALLOCATION	136,647.56	171,211.81
TOTAL EXPENDITURES	<u>1,053,446.96</u>	<u>997,869.07</u>
TRANSFERS AMONG FUNDS-		
ADDITIONS/(DEDUCTIONS):		
MANDATORY:		
PRINCIPAL AND INTEREST	(137,977.00)	0.00
NON-MANDATORY:		
OTHER TRANSFERS	0.00	0.00
RENEWAL AND REPLACEMENT	0.00	0.00
RETIREMENT REIMBURSEMENT	0.00	0.00
TOTAL TRANSFERS	<u>(137,977.00)</u>	<u>0.00</u>
EXCESS REVENUES OVER EXPENDITURES		
AND MANDATORY TRANSFERS	<u>\$ (76,732.42)</u>	<u>\$ 130,485.99</u>

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	ADMINISTRATION	INVESTMENT HOUSING	GOLF SHOP	FOOD SERVICE	TOTAL AUXILIARY SERVICES
REVENUES:					
SALES-FOOD & MERCHANDISE	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
LESS: COST OF GOODS SOLD	0.00	0.00	0.00	0.00	0.00
DISCOUNTS	0.00	0.00	0.00	0.00	0.00
GROSS PROFIT	0.00	0.00	0.00	0.00	0.00
FEES	0.00	0.00	0.00	0.00	0.00
RENTALS	0.00	0.00	0.00	0.00	0.00
OTHER	0.00	0.00	0.00	0.00	0.00
FACILITY ASSESSMENT FEE	0.00	0.00	0.00	0.00	0.00
NET REVENUES	0.00	0.00	0.00	0.00	0.00
EXPENDITURES:					
OPERATING EXPENDITURES:					
SALARIES	0.00	0.00	0.00	0.00	0.00
EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
SUPPLIES	0.00	0.00	0.00	0.00	0.00
TRAVEL	0.00	0.00	0.00	0.00	0.00
CONTRACT SERVICE	0.00	0.00	0.00	0.00	0.00
BUILDING MAINTENANCE & REPAIR	0.00	0.00	0.00	0.00	0.00
GROUND MAINTENANCE	0.00	0.00	0.00	0.00	0.00
UTILITIES	0.00	0.00	0.00	0.00	0.00
EQUIPMENT MAINTENANCE & REPAIR	0.00	0.00	0.00	0.00	0.00
BUILDING & EQUIPMENT RENTAL	0.00	0.00	0.00	0.00	0.00
TELEPHONE	0.00	0.00	0.00	0.00	0.00
INSURANCE AND BONDS	0.00	0.00	0.00	0.00	0.00
RECEPTIONS	0.00	0.00	0.00	0.00	0.00
ADVERTISING	0.00	0.00	0.00	0.00	0.00
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	0.00	0.00	0.00	0.00	0.00
EXPENSE OFFSET	0.00	0.00	0.00	0.00	0.00
EDUCATIONAL SUPPORT ALLOCATIONS	0.00	0.00	0.00	0.00	0.00
OPERATING COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATING EXPENDITURES	0.00	0.00	0.00	0.00	0.00
EXCESS REVENUES OVER EXPENDITURES	0.00	0.00	0.00	0.00	0.00
OTHER EXPENDITURES:					
EQUIPMENT	0.00	0.00	0.00	0.00	0.00
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	0.00	0.00	0.00	0.00	0.00
TRANSFERS AMONG FUNDS -					
ADDITIONS/(DEDUCTIONS):					
MANDATORY:					
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	0.00
NON-MANDATORY:					
OTHER NON-MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	0.00
EXCESS REVENUES OVER					
EXPENDITURES (DEFICIT)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BROOKLEY CENTER
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	CONTINUING EDUCATION	EDUCATIONAL LEASING	UNIVERSITY SERVICE	TOTAL EDUCATIONAL SERVICES	BROOKLEY CENTER TOTAL 04/30/12	BROOKLEY CENTER TOTAL 04/30/11
REVENUES:						
SALES-FOOD & MERCHANDISE	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,005.63
LESS: COST OF GOODS SOLD	0.00	0.00	0.00	0.00	0.00	0.00
DISCOUNTS	0.00	0.00	0.00	0.00	0.00	2,100.43
GROSS PROFIT	0.00	0.00	0.00	0.00	0.00	2,905.20
FEES	0.00	0.00	0.00	0.00	0.00	192,672.58
RENTALS	0.00	0.00	0.00	0.00	0.00	16,703.16
OTHER	0.00	0.00	0.00	0.00	0.00	16,874.31
FACILITY ASSESSMENT FEE	0.00	0.00	0.00	0.00	0.00	0.00
NET REVENUES	0.00	0.00	0.00	0.00	0.00	229,155.25
EXPENDITURES:						
OPERATING EXPENDITURES:						
SALARIES	0.00	0.00	0.00	0.00	0.00	212,603.45
EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00	60,094.87
SUPPLIES	0.00	0.00	0.00	0.00	0.00	2,190.16
TRAVEL	0.00	0.00	0.00	0.00	0.00	750.26
CONTRACT SERVICE	0.00	0.00	0.00	0.00	0.00	86,208.33
BUILDING MAINTENANCE & REPAIR	0.00	0.00	0.00	0.00	0.00	13,050.44
GROUND MAINTENANCE	0.00	0.00	0.00	0.00	0.00	11,422.52
UTILITIES	0.00	0.00	0.00	0.00	0.00	311,765.42
EQUIPMENT MAINTENANCE & REPAIR	0.00	0.00	0.00	0.00	0.00	6,706.85
BUILDING & EQUIPMENT RENTAL	0.00	0.00	0.00	0.00	0.00	97,630.98
TELEPHONE	0.00	0.00	0.00	0.00	0.00	8,772.25
INSURANCE AND BONDS	0.00	0.00	0.00	0.00	0.00	46,034.00
RECEPTIONS	0.00	0.00	0.00	0.00	0.00	0.00
ADVERTISING	0.00	0.00	0.00	0.00	0.00	1,144.78
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	0.00	0.00	0.00	0.00	0.00	184,493.38
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	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATING EXPENDITURES	0.00	0.00	0.00	0.00	0.00	1,042,867.69
EXCESS REVENUES OVER EXPENDITURES	0.00	0.00	0.00	0.00	0.00	(813,712.44)
OTHER EXPENDITURES:						
EQUIPMENT	0.00	0.00	0.00	0.00	0.00	551.25
OTHER COST ALLOCATIONS	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENDITURES	0.00	0.00	0.00	0.00	0.00	551.25
TRANSFERS AMONG FUNDS -						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	0.00	0.00
NON-MANDATORY:						
OTHER 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	0.00	0.00
EXCESS REVENUES OVER						
EXPENDITURES (DEFICIT)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ (814,263.69)

FOOD SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	<u>04/30/12</u>	<u>04/30/11</u>
REVENUES:		
COMMISSION INCOME	\$ 622,558.91	\$ 459,194.80
TOTAL REVENUES	<u>622,558.91</u>	<u>459,194.80</u>
EXPENDITURES:		
SALARIES	0.00	0.00
EMPLOYEE BENEFITS	0.00	0.00
SUPPLIES	84.34	6.22
EQUIPMENT MAINTENANCE AND REPAIR	35,539.63	14,482.58
UTILITIES	72,916.69	58,333.31
TELEPHONE	329.08	(16.72)
MEMBERSHIPS AND DUES	0.00	0.00
CONTRACT SERVICES	19,024.25	7,414.38
INSURANCE AND BONDS	9,537.00	8,505.00
EQUIPMENT	1,739.97	2,795.87
BUILDING MAINTENANCE AND REPAIR	2,905.00	2,051.50
INDIRECT COST	14,583.31	14,583.31
GENERAL EXPENSE	<u>10,165.21</u>	<u>5,266.50</u>
TOTAL EXPENDITURES	<u>166,824.48</u>	<u>113,421.95</u>
TRANSFERS AMONG FUNDS-		
ADDITIONS/(DEDUCTIONS):	(394,349.41)	(394,350.89)
NON-MANDATORY:		
OTHER TRANSFERS	<u>(120,000.00)</u>	<u>(394,350.89)</u>
TOTAL TRANSFERS	<u>(514,349.41)</u>	<u>(394,350.89)</u>
EXCESS REVENUES OVER		
EXPENDITURES AND MANDATORY		
TRANSFERS (DEFICIT)	<u>\$ (58,614.98)</u>	<u>\$ (48,578.04)</u>

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	CENTRAL HOUSING	HOUSING PROGRAMMING	WASHERS AND DRYERS	CAMPS AND CONFERENCES	STOKES HALL	HILLSDALE MARRIED STUDENT	SMALL GROUP HOUSING
REVENUES:							
RENTAL INCOME	\$ 0.00	\$ 0.00	\$ 126,275.00	\$ 580.00	\$ 1,078,372.05	\$ 28,022.10	\$ 284,859.21
BAD DEBT RECOVERY	2,090.00	0.00	0.00	0.00	0.00	999.68	0.00
OTHER	41,958.00	0.00	0.00	0.00	9,288.74	1,050.00	58,469.50
TOTAL REVENUES	44,048.00	0.00	126,275.00	580.00	1,087,660.79	30,071.78	343,328.71
EXPENDITURES:							
SALARIES	204,822.69	1,136.80	0.00	116.00	57,467.61	0.00	33,379.65
EMPLOYEE BENEFITS	58,241.71	0.00	0.00	0.00	3,587.14	0.00	0.00
CONTRACT LABOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT SERVICES	555.32	0.00	66,674.00	0.00	383.75	0.00	0.00
TRAVEL	3,394.51	910.80	0.00	0.00	0.00	0.00	0.00
RECEPTIONS	1,142.63	4,818.64	0.00	0.00	283.50	(157.92)	0.00
SUPPLIES	18,491.86	4,158.13	0.00	0.00	16,027.14	0.00	247.43
CABLE	120,643.20	0.00	0.00	0.00	0.00	0.00	0.00
TELEPHONE	518.35	0.00	0.00	0.00	25.46	0.00	170.27
UTILITIES	0.00	0.00	0.00	0.00	0.00	(118.50)	920.09
INSURANCE AND BONDS	732.00	0.00	0.00	0.00	9,059.00	786.00	6,310.00
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BUILDING MAINTENANCE AND REPAIR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT	142.29	1,119.04	0.00	0.00	0.00	0.00	0.00
EQUIPMENT RENTAL	839.55	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT MAINTENANCE AND REPAIR	814.45	0.00	0.00	0.00	170.00	0.00	0.00
GENERAL EXPENSES	62,354.76	4,458.89	0.00	0.00	68,029.95	410.38	61,111.80
ADMINISTRATIVE OVERHEAD	252,246.75	0.00	0.00	0.00	141,816.50	0.00	47,657.75
ADMINISTRATIVE EXPENSES	(680,892.07)	(16,602.30)	22,319.82	0.00	106,716.64	0.00	56,497.04
TOTAL EXPENDITURES	44,048.00	0.00	88,993.82	116.00	403,566.69	919.96	206,294.03
TRANSFERS AMONG FUNDS -							
ADDITIONS/(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	(1,078,028.00)	0.00	(268,660.00)
TOTAL MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	(1,078,028.00)	0.00	(268,660.00)
NON-MANDATORY:							
OTHER NON-MANDATORY TRANSFERS	0.00	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	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	(1,078,028.00)	0.00	(268,660.00)
EXCESS REVENUES OVER EXPENDITURES	\$ 0.00	\$ 0.00	\$ 37,281.18	\$ 464.00	\$ (393,933.90)	\$ 29,151.82	\$ (131,625.32)
AND TRANSFERS (DEFICIT)							

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE SEVEN MONTHS ENDED APRIL 30, 2012
WITH COMPARATIVE FIGURES FOR 2011

	GAMMA DORMS	BETA DORMS	DELTA DORMS	EPSILON DORMS	TOTAL HOUSING 04/30/12	TOTAL HOUSING 04/30/11
REVENUES:						
RENTAL INCOME	\$ 807,915.60	\$ 451,479.74	\$ 1,872,312.17	\$ 660,120.79	\$ 5,309,936.66	\$ 3,880,883.37
BAD DEBT RECOVERY	0.00	0.00	0.00	0.00	3,089.68	1,681.96
OTHER	4,194.00	5,279.00	11,837.13	6,904.00	138,980.37	86,883.51
TOTAL REVENUES	812,109.60	456,758.74	1,884,149.30	667,024.79	5,452,006.71	3,969,448.84
EXPENDITURES:						
SALARIES	62,715.60	21,966.33	125,752.34	53,812.52	561,169.54	454,806.88
EMPLOYEE BENEFITS	10,708.38	0.00	16,312.08	2,362.91	91,212.22	93,973.00
CONTRACT LABOR	804.01	0.00	2,071.70	4,534.00	7,409.71	3,492.96
CONTRACT SERVICES	0.00	0.00	59.25	988.00	68,660.32	67,598.89
TRAVEL	0.00	0.00	0.00	0.00	4,305.31	3,876.90
RECEPTIONS	0.00	0.00	0.00	0.00	6,086.85	6,067.39
SUPPLIES	0.00	0.00	903.74	322.10	40,150.40	108,505.37
CABLE	0.00	0.00	0.00	0.00	120,643.20	105,157.69
TELEPHONE	40.32	162.16	405.26	256.95	1,578.77	146,568.81
UTILITIES	0.00	0.00	0.00	0.00	801.59	5,753.88
INSURANCE AND BONDS	9,409.00	4,530.00	16,017.00	5,726.00	52,569.00	38,850.00
BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	(500.00)
BUILDING MAINTENANCE AND REPAIR	0.00	0.00	0.00	0.00	0.00	358.00
EQUIPMENT	6,961.70	0.00	0.00	0.00	8,223.03	0.00
EQUIPMENT RENTAL	0.00	0.00	0.00	0.00	839.55	704.39
EQUIPMENT MAINTENANCE AND REPAIR	0.00	0.00	0.00	0.00	984.45	270.00
GENERAL EXPENSES	94,835.35	59,708.97	251,697.99	102,921.28	705,529.37	734,720.11
ADMINISTRATIVE OVERHEAD	270,848.41	127,865.50	389,682.16	130,041.66	1,360,158.73	1,233,878.73
ADMINISTRATIVE EXPENSES	115,086.57	64,866.97	249,005.49	83,001.84	0.00	0.00
TOTAL EXPENDITURES	571,409.34	279,099.93	1,051,907.01	383,967.26	3,030,322.04	3,004,083.00
TRANSFERS AMONG FUNDS -						
ADDITIONS/(DEDUCTIONS):						
MANDATORY:						
PRINCIPAL AND INTEREST	(134,008.00)	(40,040.00)	(301,301.00)	(217,518.00)	(2,039,555.00)	(971,270.78)
TOTAL MANDATORY TRANSFERS	(134,008.00)	(40,040.00)	(301,301.00)	(217,518.00)	(2,039,555.00)	(971,270.78)
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	(134,008.00)	(40,040.00)	(301,301.00)	(217,518.00)	(2,039,555.00)	(971,270.78)
EXCESS REVENUES OVER EXPENDITURES	\$ 106,692.26	\$ 137,618.81	\$ 530,941.29	\$ 65,539.53	\$ 382,129.67	\$ (5,904.94)
AND TRANSFERS (DEFICIT)						