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Financial Report Highlights
February 28, 2013

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 five months ended, February 28, 2013 and February 29, 2012 are as follows (in thousands):

	At and for the five months ended			
		2-28-13		2-29-12
Total assets				
Current	$	123,418	$	178,532
Loan		5,628		5,031
Endowment		148,351		134,897
Plant		711,908		688,702
Fund Balances				
Current	$	1,559	$	2,273
Loan		993		498
Endowment		115,984		106,162
Plant		345,059		318,989
Other balance sheet highlights				
Cash and investments	$	281,224	$	271,736
Net receivables		75,728		108,926
Bonds payable		347,203		361,298

	For the five months ended			
		2-28-13		2-29-12
Selected operating highlights (current funds)				
Tuition and fees	$	59,226	$	54,915
State appropriations		42,251		44,038
Hospital revenues		135,293		145,319
Gifts, grants and contracts		45,394		49,592
Instruction and academic support		60,633		58,140
Research and public service		33,140		35,077
Hospital expenses		136,853		149,784
Net current fund Increase/(decrease)	$	(4,611)	$	(3,430)

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 continues to experience a 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 2013 or beyond.

UNIVERSITY OF SOUTH ALABAMA
BALANCE SHEET
FEBRUARY 2013 AND 2012

ASSETS	2013	2012
CURRENT FUNDS:		
UNRESTRICTED:		
CASH AND CASH EQUIVALENTS	$ 135,538.11	$ 134,293.31
INVESTMENTS	2,965,754.10	38,279,002.01
ACCOUNTS RECEIVABLE - PATIENTS (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF $51,800,401.49 FOR 2013 AND $54,717,041.15 FOR 2012)	75,728,108.73	108,926,361.36
DEPOSITS	35,000.00	35,000.00
INVENTORIES AT COST	5,872,918.16	5,199,017.36
PREPAID EXPENSES	33,668,644.98	21,063,506.60
TOTAL UNRESTRICTED	118,405,964.08	173,637,180.64
RESTRICTED FUNDS:		
CASH AND CASH EQUIVALENTS	1,356,341.05	0.00
INVESTMENTS	8,647.20	3,999.33
UNBILLED COSTS AND ACCOUNTS RECEIVABLE	3,646,874.35	4,890,774.85
TOTAL RESTRICTED	5,011,862.60	4,894,774.18
TOTAL CURRENT FUNDS	123,417,826.68	178,531,954.82
LOAN FUNDS:		
CASH AND CASH EQUIVALENTS	982,146.70	1,119,925.15
NOTES RECEIVABLE (LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS OF $722,025.21 FOR 2013 AND $446,174.34 FOR 2012)	4,645,449.98	3,910,849.84
TOTAL LOAN FUNDS	5,627,596.68	5,030,774.99
ENDOWMENT FUNDS:		
CASH AND CASH EQUIVALENTS	40,379,320.22	41,615,446.93
INVESTMENTS	96,964,159.38	81,997,619.64
ACCOUNTS RECEIVABLE	4,237,008.07	4,554,832.11
REAL ESTATE HELD FOR RESALE	3,162,768.00	3,162,768.00
PREPAID-LIFE ESTATE	3,607,658.00	3,565,916.00
TOTAL ENDOWMENT FUNDS	148,350,913.67	134,896,582.68
PLANT FUNDS:		
CASH AND CASH EQUIVALENTS	122,385,194.50	51,676,366.31
INVESTMENTS	12,883,898.31	53,746,530.43
ACCOUNTS RECEIVABLE	2,137,855.51	2,804,853.24
DUE FROM OTHER FUNDS	18,908,021.81	74,822,641.14
PREPAID EXPENSES	5,283,351.54	4,567,121.92
CAPITAL LEASE RECEIVABLE	80,747.18	595,443.86
INVESTMENT IN PLANT:		
LAND	22,242,549.92	22,056,047.66
LAND IMPROVEMENTS	13,923,248.75	11,074,932.61
BUILDINGS , ACCUM DEPREC AND IMPROVEMENTS	312,284,587.43	300,158,147.70
OTHER EQUIPMENT, BOOKS AND FILMS	53,582,152.97	56,012,409.25
CONSTRUCTION IN PROGRESS	148,196,307.07	111,187,855.56
TOTAL PLANT FUNDS	711,907,914.99	688,702,349.68
TOTAL ASSETS	$ 989,304,252.02	$ 1,007,161,662.17

LIABILITIES AND FUND BALANCES	2013	2012
CURRENT FUNDS:		
UNRESTRICTED:		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	$ 43,631,819.53	$ 45,322,008.84
DEFERRED REVENUES	54,446,911.97	53,815,103.15
DUE TO OTHER FUNDS	18,908,021.81	73,669,850.01
DEPOSITS HELD IN CUSTODY	463,225.06	630,426.69
OTHER DEPOSITS	729,489.46	796,999.71
FUND BALANCES:		
ALLOCATED FOR:		
HOSPITALS	(40,068,572.08)	(44,020,389.61)
AUXILIARY ENTERPRISES	3,012,699.98	2,483,803.33
ENCUMBRANCES	5,300,896.61	4,817,014.51
SELF-SUPPORTING ACTIVITIES	48,079,643.98	49,262,973.87
UNALLOCATED	(16,098,172.24)	(13,140,609.86)
TOTAL FUND BALANCES	226,496.25	(597,207.76)
TOTAL UNRESTRICTED	118,405,964.08	173,637,180.64
RESTRICTED FUNDS:		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	113,483.72	23,577.64
DEFERRED REVENUES	3,565,740.66	848,647.10
DUE TO OTHER FUNDS	0.00	1,152,791.13
FUND BALANCES	1,332,638.22	2,869,758.31
TOTAL RESTRICTED	5,011,862.60	4,894,774.18
TOTAL CURRENT FUNDS	123,417,826.68	178,531,954.82
LOAN FUNDS:		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	6,000.00	1,882.48
REFUNDABLE GOVERNMENT ADVANCES	4,628,943.38	4,530,636.86
FUND BALANCES:		
UNIVERSITY FUNDS, UNRESTRICTED	992,653.30	498,255.65
TOTAL FUND BALANCES	992,653.30	498,255.65
TOTAL LOAN FUNDS	5,627,596.68	5,030,774.99
ENDOWMENT FUNDS:		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	25,109,000.00	21,860,600.00
BONDS PAYABLE	7,257,918.00	6,874,198.00
FUND BALANCES:		
RESTRICTED NONEXPENDABLE	33,825,008.46	31,254,927.31
UNRESTRICTED EXPENDABLE	82,158,987.21	74,906,857.37
TOTAL FUND BALANCES	115,983,995.67	106,161,784.68
TOTAL ENDOWMENT FUNDS	148,350,913.67	134,896,582.68
PLANT FUNDS:		
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	11,513,564.25	982,271.60
NOTES PAYABLE	935,561.32	0.00
DEFERRED REVENUES	7,171,258.33	7,407,435.73
OTHER DEPOSITS	25,791.63	25,791.63
BONDS PAYABLE	347,202,988.29	361,298,225.16
FUND BALANCES:		
RENEWALS AND REPLACEMENTS	23,139,624.57	54,027,676.90
RETIREMENT OF INDEBTEDNESS	7,125,030.99	7,187,580.23
INVESTMENT IN PLANT	314,794,095.61	257,773,368.43
TOTAL FUND BALANCES	345,058,751.17	318,988,625.56
TOTAL PLANT FUNDS	711,907,914.99	688,702,349.68
TOTAL LIABILITIES AND FUND BALANCES	$ 989,304,252.02	$ 1,007,161,662.17

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013

	CURRENT FUNDS				PLANT FUNDS		
	UNRESTRICTED	RESTRICTED	LOAN FUNDS	ENDOWMENT FUNDS	RENEWALS AND REPLACEMENTS	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT
REVENUES AND OTHER ADDITIONS:							
EDUCATIONAL AND GENERAL REVENUES	132,164,254.07						
HOSPITALS REVENUES	138,816,085.52						
AUXILIARY ENTERPRISES REVENUES	7,808,840.59						
GRANTS AND CONTRACTS:							
FEDERAL		20,701,220.24					
STATE AND LOCAL		1,880,964.12					
PRIVATE		1,973,164.58					
GOVERNMENT APPROPRIATIONS:							
FEDERAL							
STATE					83,507.00		
INVESTMENT INCOME,GAINS/LOSS			1,404.32	4,144,280.13	102,874.90	19,754.63	
INSURANCE PROCEEDS							
INTEREST ON LOANS RECEIVABLE			44,440.07			13,811.28	
GIFTS AND BEQUESTS				1,395,617.57	183,380.20		
EXPENDED FOR PLANT FACILITIES (INCLUDING $4,012,063.23 CURRENT FUNDS EXPENDITURES)							29,966,273.25
RETIREMENT OF INDEBTEDNESS							5,675,000.00
PROCEEDS FROM SALE OF CAPITAL ASSETS							
OTHER SOURCES		1,758,763.74		1,825.00	929,436.94		(202,209.70)
TOTAL REVENUES AND OTHER ADDITIONS	278,789,180.18	26,314,112.68	45,844.39	5,541,722.70	1,299,199.04	33,565.91	35,439,063.55
EXPENDITURES AND OTHER DEDUCTIONS:							
EDUCATIONAL AND GENERAL EXPENDITURES	124,438,710.20	24,516,900.52					
HOSPITALS EXPENDITURES	134,249,910.23	(462.00)					
AUXILIARY ENTERPRISES EXPENDITURES	5,784,807.96						
INDIRECT COSTS RECOVERED		1,829,700.44					
REFUNDED TO GRANTORS		16,220.86					
RETIREMENT OF INDEBTEDNESS						5,675,000.00	
ADMINISTRATIVE AND COLLECTION COSTS			234.94				
EXPENDED FOR PLANT FACILITIES (INCLUDING $862,070.36 FOR NON-CAPITALIZED EXPENDITURES)					26,816,280.38		
INTEREST ON INDEBTEDNESS						2,792,665.96	32,475.81
DEPRECIATION EXPENSES OF PLANT FACILITIES							12,936,192.85
DISPOSAL OF PLANT							
OTHER DEDUCTIONS			(71,200.00)	106,073.69		28,997.00	
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	264,473,428.39	26,362,359.82	(70,965.06)	106,073.69	26,816,280.38	8,496,662.96	12,968,668.66
TRANSFERS AMONG FUNDS-ADDITIONS(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	(11,069,070.70)				50,450.00	11,048,247.95	(29,627.25)
NON-MANDATORY:							
FUNDED DEPRECIATION	(2,124,998.84)				2,124,998.84		
MOBILE RACING COMMMISSION	(17,555.48)				17,555.48		
PLANT ADDITIONS AND REPLACEMENTS	(3,950,000.00)				3,950,000.00		
ENDOWMENT FUND	(1,264,553.95)	328,564.18		953,545.25	(17,555.48)		
OTHER TRANSFERS	(498,089.33)	(282,762.50)		(902,135.17)	2,344,069.00	(387,786.81)	(273,295.19)
TOTAL TRANSFERS	(18,924,268.30)	45,801.68	0.00	51,410.08	8,469,517.84	10,660,461.14	(302,922.44)
NET INCREASE (DECREASE) FOR THE PERIOD	(4,608,516.51)	(2,445.46)	116,809.45	5,487,059.09	(17,047,563.50)	2,197,364.09	22,167,472.45
FUND BALANCES AT OCTOBER 1, 2012	4,835,012.76	1,335,083.68	875,843.85	110,496,936.58	40,187,188.07	4,927,666.90	292,626,623.16
FUND BALANCES AT FEBRUARY 28, 2013	$ 226,496.25	$ 1,332,638.22	$ 992,653.30	$ 115,983,995.67	$ 23,139,624.57	$ 7,125,030.99	$ 314,794,095.61

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE $2,124,998.84 IN MEDICAID DISPROPORTIONATE SHARE PAYMENTS.

UNIVERSITY OF SOUTH ALABAMA
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012

	FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013			FEBRUARY 29,
	UNRESTRICTED	RESTRICTED	TOTAL	2012
REVENUES:				
TUITION AND FEES	$ 59,225,973.92	$	$ 59,225,973.92	$ 54,914,863.59
STATE APPROPRIATIONS	38,728,685.00		38,728,685.00	40,365,371.70
MOBILE RACING COMMISSION	17,555.48		17,555.48	20,359.90
FEDERAL GRANTS AND CONTRACTS	1,499,836.29	19,198,408.70	20,698,244.99	24,168,985.60
STATE GRANTS AND CONTRACTS (INCLUDING INDIRECT COST RECOVERED OF $72,522.74)	135,049.09	1,639,908.65	1,774,957.74	1,367,902.29
PRIVATE GIFTS, GRANTS, AND CONTRACTS (INCLUDING INDIRECT COSTS RECOVERED OF $257,341.41)	21,237,768.15	1,683,518.93	22,921,287.08	24,055,134.53
INVESTMENT INCOME	382,054.47		382,054.47	146,498.12
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES	1,642,154.10		1,642,154.10	1,429,275.17
HOSPITALS - SALES AND SERVICES	135,293,500.52		135,293,500.52 *	145,318,852.22
- STATE APPROPRIATIONS	3,522,585.00		3,522,585.00	3,672,410.00
AUXILIARY ENTERPRISES - SALES AND SERVICES	7,808,840.59		7,808,840.59	7,689,308.06
OTHER SOURCES	9,295,177.57	1,994,602.24	11,289,779.81	11,767,906.54
TOTAL CURRENT REVENUES	278,789,180.18	24,516,438.52	303,305,618.70	314,916,867.72
EXPENDITURES AND TRANSFERS:				
EDUCATIONAL AND GENERAL:				
INSTRUCTION	49,031,068.19	3,339,571.32	52,370,639.51	49,994,753.49
RESEARCH	3,963,624.24	3,978,115.90	7,941,740.14	8,338,928.17
PUBLIC SERVICE	23,742,375.57	1,756,014.94	25,498,390.51	26,738,552.79
ACADEMIC SUPPORT	8,262,526.92		8,262,526.92	8,144,953.77
STUDENT SERVICES	13,236,072.66	366,497.44	13,602,570.10	12,348,252.35
INSTITUTIONAL SUPPORT	11,950,642.59	811,239.48	12,761,882.07	12,194,430.00
OPERATION AND MAINTENANCE OF PLANT	9,643,393.56	3,429,098.99	13,072,492.55	16,150,415.95
SCHOLARSHIPS	4,609,006.47	10,836,362.45	15,445,368.92	14,629,006.45
EDUCATIONAL AND GENERAL	124,438,710.20	24,516,900.52	148,955,610.72	148,539,292.97
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	6,474,843.35		6,474,843.35	5,699,308.02
TOTAL EDUCATIONAL AND GENERAL	130,913,553.55	24,516,900.52	155,430,454.07	154,238,600.99
HOSPITALS (INCLUDING DEBT SERVICE OF $2,604,094.20)	136,854,004.43	(462.00)	136,853,542.43	149,784,260.57
AUXILIARY ENTERPRISES:				
EXPENDITURES	5,784,807.96		5,784,807.96	5,582,095.28
MANDATORY TRANSFERS FOR:				
PRINCIPAL AND INTEREST	1,990,133.15		1,990,133.15	1,837,058.15
NON-MANDATORY TRANSFERS FOR:				
RENEWALS AND REPLACEMENTS	0.00		0.00	120,000.00
TOTAL AUXILIARIES	7,774,941.11	0.00	7,774,941.11	7,539,153.43
TOTAL EXPENDITURES AND TRANSFERS	275,542,499.09	24,516,438.52	300,058,937.61	311,562,014.99
OTHER TRANSFERS AND ADDITIONS/(DEDUCTIONS):				
EXCESS OF RESTRICTED RECEIPTS OVER TRANSFERS TO REVENUES		(32,026.28)	(32,026.28)	485,659.25
REFUNDED TO GRANTORS		(16,220.86)	(16,220.86)	(166,250.18)
FUNDED DEPRECIATION	(2,124,998.84)		(2,124,998.84) *	(4,793,967.20)
MOBILE RACING COMMISSION	(17,555.48)		(17,555.48)	(20,359.90)
PLANT ADDITIONS AND REPLACEMENTS	(3,950,000.00)		(3,950,000.00)	(3,947,000.00)
ENDOWMENT FUND	(1,264,553.95)	328,564.18	(935,989.77)	(643,789.95)
OTHER TRANSFERS	(498,089.33)	(282,762.50)	(780,851.83)	2,300,612.69
TOTAL TRANSFERS	(7,855,197.60)	(2,445.46)	(7,857,643.06)	(6,785,095.29)
NET INCREASE/(DECREASE) IN FUND BALANCES	$ (4,608,516.51)	$ (2,445.46)	$ (4,610,961.97)	$ (3,430,242.56)

*HOSPITALS REVENUES AND HOSPITAL FUNDED DEPRECIATION TRANSFERS INCLUDE $2,124,998.84 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.

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.

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.

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 FIVE MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012**

				EXCESS REVENUES OVER EXPENDITURES AND OTHER CHANGES (DEFICIT)	
	REVENUES	EXPENDITURES	TRANSFERS	02/28/13	02/29/12
BOOKSTORE	$ 3,339,887.88	$ 3,305,025.93	$ (98,555.00)	$ (63,693.05)	$ 16,423.71
FOOD SERVICES-CAMPUS	424,772.38	133,634.06	(281,678.15)	9,460.17	(108,549.19)
HOUSING	4,044,180.33	2,346,147.97	(1,609,900.00)	88,132.36	242,280.11
TOTAL	$ 7,808,840.59	$ 5,784,807.96	$ (1,990,133.15)	$ 33,899.48	$ 150,154.63

BOOKSTORE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012

	02/28/13	02/29/12
REVENUES:		
SALES	$ 3,265,468.83	$ 3,328,586.09
LESS: DEPARTMENTAL DISCOUNTS	1,816.52	2,171.01
COST OF GOODS SOLD	2,435,494.38	2,474,601.23
GROSS PROFIT	828,157.93	851,813.85
CASH OVER/(SHORT)	(14.92)	(1,409.61)
GRADUATION (NET)	27,927.00	21,370.15
TEXTBOOK RENTAL INCOME	20,224.59	0.00
OTHER	26,282.38	18,695.15
NET REVENUES:	902,576.98	890,469.54
EXPENDITURES:		
SALARIES	364,169.92	331,694.55
EMPLOYEE BENEFITS	114,824.71	105,901.70
SUPPLIES	10,686.34	9,172.05
TRAVEL	5,061.89	5,931.94
EQUIPMENT	4,687.51	8,491.24
EQUIPMENT MAINTENANCE AND REPAIR	36,460.45	31,197.89
BUILDING & EQUIPMENT RENTAL	13,712.13	12,680.52
ADVERTISING	22,468.69	14,608.93
UTILITIES	31,250.00	31,250.00
TELEPHONE	3,140.53	12,336.28
INSURANCE AND BONDS	3,912.00	3,997.00
CONTRACT SERVICES	76,492.05	79,302.29
OBSOLETE INVENTORY	1,595.30	271.28
GENERAL EXPENSES	11,611.87	15,116.78
CHARGE CARD AND FACULTY STAFF DISCOUNTS	49,912.49	15,932.98
INSTITUTIONAL COST ALLOCATION	117,729.15	97,605.40
TOTAL EXPENDITURES	867,715.03	775,490.83
TRANSFERS AMONG FUNDS-ADDITIONS/(DEDUCTIONS):		
MANDATORY:		
PRINCIPAL AND INTEREST	(98,555.00)	(98,555.00)
NON-MANDATORY:		
OTHER TRANSFERS	0.00	0.00
RENEWAL AND REPLACEMENT	0.00	0.00
RETIREMENT REIMBURSEMENT	0.00	0.00
TOTAL TRANSFERS	(98,555.00)	(98,555.00)
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS	$ (63,693.05)	$ 16,423.71

FOOD SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES
FOR THE FOUR MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012

	02/28/13	02/29/12
REVENUES:		
COMMISSION INCOME	$ 424,772.38	$ 408,090.57
TOTAL REVENUES	424,772.38	408,090.57
EXPENDITURES:		
SALARIES	0.00	0.00
EMPLOYEE BENEFITS	0.00	0.00
SUPPLIES	0.00	78.24
EQUIPMENT MAINTENANCE AND REPAIR	29,484.68	20,839.60
UTILITIES	52,083.35	52,083.35
TELEPHONE	57.52	336.32
MEMBERSHIPS AND DUES	0.00	0.00
CONTRACT SERVICES	14,500.25	12,778.25
INSURANCE AND BONDS	23,703.00	9,537.00
EQUIPMENT	0.00	1,159.98
BUILDING MAINTENANCE AND REPAIR	0.00	2,905.00
INDIRECT COST	10,416.65	10,416.65
GENERAL EXPENSE	3,388.61	4,827.22
TOTAL EXPENDITURES	133,634.06	114,961.61
TRANSFERS AMONG FUNDS- ADDITIONS/(DEDUCTIONS):	(281,678.15)	(281,678.15)
NON-MANDATORY:		
OTHER TRANSFERS	0.00	(120,000.00)
TOTAL TRANSFERS	(281,678.15)	(401,678.15)
EXCESS REVENUES OVER EXPENDITURES AND MANDATORY TRANSFERS (DEFICIT)	$ 9,460.17	$ (108,549.19)

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012

	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	$ 122,625.00	$ 0.00	$ 808,114.40	$ 19,147.58	$ 188,143.28
BAD DEBT RECOVERY	685.00	0.00	0.00	0.00	0.00	279.52	0.00
OTHER	33,150.00	0.00	0.00	0.00	5,536.89	650.00	73,538.00
TOTAL REVENUES	33,835.00	0.00	122,625.00	0.00	813,651.29	20,077.10	261,681.28
EXPENDITURES:							
SALARIES	169,581.52	1,642.86	0.00	311.75	60,813.46	0.00	36,118.00
EMPLOYEE BENEFITS	50,235.08	0.00	0.00	0.00	4,182.96	0.00	0.00
CONTRACT LABOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT SERVICES	29.50	0.00	33,473.00	0.00	16,777.00	0.00	0.00
TRAVEL	2,518.71	0.00	0.00	0.00	0.00	0.00	0.00
RECEPTIONS	0.00	8,122.97	0.00	0.00	0.00	0.00	0.00
SUPPLIES	4,945.58	923.49	0.00	0.00	643.83	0.00	665.74
CABLE	80,005.73	0.00	0.00	0.00	0.00	0.00	0.00
TELEPHONE	206.07	0.00	0.00	0.00	160.35	0.00	132.74
UTILITIES	0.00	0.00	0.00	0.00	0.00	0.00	479.03
INSURANCE AND BONDS	732.00	0.00	0.00	0.00	8,633.00	2,359.00	5,846.00
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	922.47	2,392.00	0.00	0.00	654.00	0.00	1,860.00
EQUIPMENT RENTAL	513.09	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT MAINTENANCE AND REPAIR	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GROUNDS MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MAJOR RENOVATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	31,899.76	21,938.33	0.00	0.00	45,360.05	496.96	19,889.10
ADMINISTRATIVE OVERHEAD	211,620.65	0.00	0.00	0.00	116,896.90	0.00	39,200.00
ADMINISTRATIVE EXPENSES	(519,375.16)	(35,019.65)	17,740.63	0.00	84,822.41	0.00	44,905.99
TOTAL EXPENDITURES	33,835.00	0.00	51,213.63	311.75	338,943.96	2,855.96	149,096.60
TRANSFERS AMONG FUNDS -							
ADDITIONS/(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	0.00	0.00	0.00	0.00	(802,340.00)	0.00	(191,900.00)
TOTAL MANDATORY TRANSFERS	0.00	0.00	0.00	0.00	(802,340.00)	0.00	(191,900.00)
NON-MANDATORY:							
RENEWALS AND REPLACEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	(802,340.00)	0.00	(191,900.00)
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	$ 0.00	$ 0.00	$ 71,411.37	$ (311.75)	$ (327,632.67)	$ 17,221.14	$ (79,315.32)

HOUSING
STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE FIVE MONTHS ENDED FEBRUARY 28, 2013
WITH COMPARATIVE FIGURES FOR 2012

	GAMMA DORMS	BETA DORMS	DELTA DORMS	EPSILON DORMS	NEW RESIDENCE HALL 2013	TOTAL HOUSING 02/28/13	TOTAL HOUSING 02/29/12
REVENUES:							
RENTAL INCOME	$ 603,407.79	$ 376,371.85	$ 1,274,398.66	$ 512,160.73	$ 0.00	$ 3,904,369.29	$ 3,779,450.34
BAD DEBT RECOVERY	0.00	0.00	0.00	0.00	0.00	964.52	2,090.00
OTHER	5,274.00	2,949.25	9,558.38	8,190.00	0.00	138,846.52	132,435.37
TOTAL REVENUES	608,681.79	379,321.10	1,283,957.04	520,350.73	0.00	4,044,180.33	3,913,975.71
EXPENDITURES:							
SALARIES	71,684.30	37,965.36	128,832.83	57,812.65	0.00	564,762.73	453,597.48
EMPLOYEE BENEFITS	9,365.00	6,513.61	26,377.59	3,553.05	0.00	100,227.29	66,725.45
CONTRACT LABOR	0.00	0.00	551.93	0.00	0.00	551.93	7,409.71
CONTRACT SERVICES	1,740.00	150.00	3,858.50	3,244.08	0.00	59,272.08	35,006.57
TRAVEL	0.00	0.00	0.00	0.00	0.00	2,518.71	1,355.90
RECEPTIONS	0.00	0.00	0.00	0.00	0.00	8,122.97	2,106.24
SUPPLIES	143.25	0.00	2,128.13	1,135.92	0.00	10,585.94	29,062.81
CABLE	0.00	0.00	0.00	0.00	0.00	80,005.73	86,618.36
TELEPHONE	82.96	118.06	300.00	326.33	0.00	1,326.51	1,220.26
UTILITIES	0.00	0.00	0.00	0.00	0.00	479.03	492.74
INSURANCE AND BONDS	8,709.00	4,197.00	13,039.00	5,303.00	0.00	48,818.00	52,569.00
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	0.00	0.00	0.00	0.00	0.00	5,828.47	7,833.71
EQUIPMENT RENTAL	0.00	0.00	383.29	0.00	0.00	896.38	574.18
EQUIPMENT MAINTENANCE AND REPAIR	0.00	0.00	0.00	0.00	0.00	0.00	634.00
GROUNDS MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MAJOR RENOVATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GENERAL EXPENSES	51,751.26	28,206.75	96,946.20	51,518.40	0.00	348,006.81	498,122.24
ADMINISTRATIVE OVERHEAD	223,310.00	105,457.50	321,333.75	107,257.50	0.00	1,125,076.30	971,541.95
ADMINISTRATIVE EXPENSES	81,144.23	51,558.72	197,918.94	65,972.98	0.00	(10,330.91)	0.00
TOTAL EXPENDITURES	447,930.00	234,167.00	791,670.16	296,123.91	0.00	2,346,147.97	2,214,870.60
TRANSFERS AMONG FUNDS - ADDITIONS/(DEDUCTIONS):							
MANDATORY:							
PRINCIPAL AND INTEREST	(95,720.00)	(28,600.00)	(263,517.00)	(155,370.00)	(72,453.00)	(1,609,900.00)	(1,456,825.00)
TOTAL MANDATORY TRANSFERS	(95,720.00)	(28,600.00)	(263,517.00)	(155,370.00)	(72,453.00)	(1,609,900.00)	(1,456,825.00)
NON-MANDATORY:							
RENEWALS AND REPLACEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	(95,720.00)	(28,600.00)	(263,517.00)	(155,370.00)	(72,453.00)	(1,609,900.00)	(1,456,825.00)
EXCESS REVENUES OVER EXPENDITURES AND TRANSFERS (DEFICIT)	$ 65,031.79	$ 116,554.10	$ 228,769.88	$ 68,856.82	$ (72,453.00)	$ 88,132.36	$ 242,280.11