

STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS

State and Federal Compliance Audits

(In Accordance with the Single Audit Act and OMB Circular A-133)

Year Ended June 30, 2001

Performed as Special Assistant Auditors for the Auditor General, State of Illinois

REPORT DIGEST

UNIVERSITY OF ILLINOIS

FINANCIAL AND COMPLIANCE AUDIT (In accordance with the Single Audit Act and OMB Circular A-133)

For the Year Ended:
June 30, 2001

Summary of Findings:

Total this audit	12
Total last audit	14
Repeated from last audit	5

Release Date:

March 15, 2002



State of Illinois
Office of the Auditor General

WILLIAM G. HOLLAND
AUDITOR GENERAL

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SYNOPSIS

The University of Illinois relies on its information technology to meet its mission and mandates. Our review of the University's information systems identified the following weaknesses:

- ◆ The University did not consistently institute security practices to protect its extensive computing environment including: restricting external access; password controls; backup policies; and use of virus protection software.
- ◆ The University's disaster contingency plan was not complete and had not been fully tested.
- ◆ The Student Accounts Receivable system at the Urbana campus is antiquated and should be replaced.
- ◆ The University Library's administrative computer system lacked appropriate security controls although the installation of enhancements was in process.

Our audit procedures at the University of Illinois Hospital identified the following weaknesses:

- ◆ Managed care contract terms were not appropriately administered. Specifically:
 - Negotiated discounts, stop loss provisions, etc. were not correctly applied to patient accounts as services were performed.
 - An error in contractual payments from one payer resulted in an additional receivable of approximately \$5 million.
 - Three accounts within our sample indicated contract terms were not applied correctly until the time of payment.
- ◆ The accounts receivable subsidiary ledger and general ledger were not appropriately reconciled. An unlocated difference of approximately \$1,089,000 existed at June 30, 2001.

{Financial Information and Activity Measures are summarized on the next page.}

**UNIVERSITY OF ILLINOIS
FINANCIAL AND COMPLIANCE AUDITS**

FINANCIAL OPERATIONS (CURRENT FUNDS)	FY 2001	FY 2000
REVENUES		
State Appropriations	\$703,879,000	\$664,818,000
Student Tuition and Fees	352,694,000	328,415,000
Federal Grants	437,066,000	398,812,000
Grants and Contracts.....	267,038,000	238,824,000
Other Sources	545,772,000	494,345,000
Enterprise Sales.....	222,964,000	208,438,000
Hospital Sales	<u>310,000,000</u>	<u>292,199,000</u>
Total	<u>\$2,839,413,000</u>	<u>\$2,625,851,000</u>
EXPENDITURES AND MANDATORY TRANSFERS		
Instruction	\$590,985,000	\$565,892,000
Research	459,391,000	415,812,000
Public Service.....	266,716,000	245,382,000
Academic Support.....	182,789,000	165,039,000
Operation of Plant.....	156,797,000	142,011,000
Other Expenditures and Mandatory Transfers.....	644,498,000	575,626,000
Auxiliary Enterprises	203,826,000	193,604,000
Hospital Activities.....	<u>294,040,000</u>	<u>276,260,000</u>
Total	<u>\$2,799,042,000</u>	<u>\$2,579,626,000</u>
DEFERRED LIABILITIES (STATE BONDS)		
	June 30, 2001	June 30, 2000
Cash and Investments	\$852,244,000	\$882,923,000
Campus Plant Facilities	\$3,930,236,000	\$3,574,941,000
Accrued Compensated Absences	\$194,746,000	\$196,096,000
Revenue Bonds Payable.....	\$546,674,000	\$544,111,000
SUPPLEMENTS TO INFORMATION		
	FY 2001	FY 2000
Employment Statistics -		
Chicago	12,946	12,363
Springfield.....	815	742
Urbana-Champaign	<u>14,244</u>	<u>13,562</u>
Total	<u>28,005</u>	<u>26,667</u>
Enrollment Statistics -		
Undergraduate --		
Chicago.....	16,140	16,170
Springfield	2,118	2,183
Urbana-Champaign.....	<u>28,414</u>	<u>28,916</u>
Subtotal	<u>46,672</u>	<u>47,269</u>
Graduate -		
Chicago.....	8,802	8,440
Springfield	1,824	1,896
Urbana-Champaign.....	<u>10,051</u>	<u>9,935</u>
Subtotal	<u>20,677</u>	<u>20,271</u>
Total	<u>67,349</u>	<u>67,540</u>
Cost Per Student -		
Undergraduate -		
Chicago.....	\$6,146	\$6,002
Springfield	9,081	8,545
Urbana-Champaign.....	6,352	6,141
Graduate -		
Chicago.....	\$13,884	\$13,246
Springfield	9,826	8,858
Urbana-Champaign.....	14,295	14,193
During Audit Period: Dr. James Stukel		
Currently: Dr. James Stukel		

INTRODUCTION

Our 2001 audit of the University of Illinois is presented in three reports. The financial part consists of two reports which include the various financial statements of the University and other supplementary information. The State and Federal Compliance Audit report contains the compliance findings disclosed by our audit tests.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

COMPUTER SECURITY

The University did not consistently institute security practices to protect its extensive computing environment. In addition, enterprise-wide guidelines to promote baseline security requirements had not been developed.

**Enterprise-wide security
guidelines are needed**

Responsibility for security administration is decentralized, and each department has responsibility for security policies and security parameters for their computing environment. We reviewed security controls at several of the primary computing centers and at 10 department-controlled networks in Urbana. Several weaknesses were identified to indicate the existence of risks that could compromise the integrity of the computer systems, networks and critical system resources. Specifically:

- ◆ Effective controls to promote security and restrict external access were not consistently implemented.
- ◆ Effective password controls were not always used.
- ◆ Backup policies did not exist, and procedures varied significantly throughout the University.
- ◆ Virus protection software had not been consistently deployed throughout the University.

The University had approximately \$70 million budgeted for technology-related expenditures at Urbana, Chicago, Springfield, and the Hospital. University-wide baseline policies, procedures and standards regarding the security, administration, and use of the computing environment should assure the University's computer assets are properly safeguarded. (Finding 10, pages 23-24)

University officials concurred with many of the specific recommendations made to strengthen computer security. They stated that changes will be made by July 1, 2002.

DISASTER CONTINGENCY PLAN

The University's Administrative Information Technology Services (AITS) had developed a disaster contingency plan for the applications under AITS' stewardship and management; however, the plan had several weaknesses. Applications under AITS' stewardship included the University's general ledger system, payroll system, accounts payable and receivable systems, and student applications for registration, transcripts, and financial aid.

The disaster contingency plan included a listing of AITS-managed computer applications; however, the list was not prioritized in order of the recovery, required recovery timeframes were not stated, and systems and applications outside of AITS' management were not included. In addition, the plan had not been fully tested. A comprehensive test of the plan should be performed to ensure the plan meets its stated objectives, that adequate capacity for recovery of critical systems exists, that interfaces can be restored, and that systems can be recovered within required timeframes.

During our follow-up procedures, we noted that AITS was in the process of developing a new Business Continuity Plan and expects to have the plan completed and tested by the end of 2004. (Finding 9, pages 21-22)

We recommended the University continue its efforts towards developing a disaster contingency plan that addresses all the University's computing environments and test the plan annually.

Disaster contingency plan not complete or fully tested

University officials concurred with our recommendation and stated they are in the process of developing a new "business continuity plan" that will address the limitations of the existing plan. They said that in response to the tragedy of September 11, 2001 they have developed an intermediate disaster contingency plan that by spring of 2002 will provide 100% fail-over capability of current legacy systems.

OUTDATED STUDENT ACCOUNTS RECEIVABLE SYSTEM

Student accounts receivable system is antiquated and should be replaced

The Student Accounts Receivable System (SAR) at the Urbana Campus is antiquated, complicating adherence to good data processing practices, and should be replaced before it disrupts operations. There is very little documentation as to how the system is structured and operates, and because of the age of the system, proposed updates and enhancements by users are limited. While the SAR is currently operative, the lack of documentation and age of the system puts continued maintenance at the mercy of the few programmers who have gained an understanding of how it works. Good data processing practices prescribe that system documentation exist so any experienced member of the AITS staff can understand the system and correct problems in a timely fashion. (Finding 8, page 20)

We recommended the University continue its efforts towards replacing the current Urbana Campus SAR with a modern receivable system within a reasonable time frame.

University officials concurred with our recommendation and stated that replacement of the Urbana Campus SAR is planned as part of the implementation of an Enterprise Resource Planning (ERP) system for support of university-wide administrative systems. The University selected SCT as their ERP vendor in September 2000 and the draft timeline indicates this module will be live in July 2003.

LIBRARY'S COMPUTER SYSTEM

The University Library's administrative computer system lacked appropriate security controls. For example, user passwords were not encrypted and they were displayed when a user list was printed. In addition, it was determined that there was no in-house support from AITS for the system and software.

Installation of computer enhancements at Library in process

The Library system is a stand alone computer feeder system that processes approximately \$10 million in accounts payable annually. The system generates a magnetic tape that feeds into the University Financial and Administrative Systems for payment of the accounts payable.

During our follow-up procedures, we noted that the Library had purchased a new software package and a new server for acquisitions and accounts payable. As of the end of audit fieldwork, implementation had not occurred. (Finding 7, page 19)

University officials concurred with our finding and stated that subsequent to the audit the new Acquisitions/Accounts Payable software and new Server at the Library have been installed.

HOSPITAL'S MANAGED CARE CONTRACTS

Contract terms not correctly applied to patient accounts

Our review of the University Hospital's managed care department identified several weaknesses. We noted that certain contract terms, including negotiated discounts, stop loss provisions, etc. were not correctly applied to the associated patient billing file as services were performed. Also, personnel within the managed care department identified an error in its contractual payments from one of its payers resulting in an additional receivable of approximately \$5 million. In addition, three accounts within our sample of 75 tested indicated that certain managed care contract terms were not applied correctly until the time of payment.

Hospital personnel indicated the specific exceptions resulted from an untimely review of managed care terms and lack of communication between the managed care negotiators and billing departments coupled with system limitations. Untimely recording of proper contract terms and conditions may misstate the Hospital's periodic operating statements and lack of contract monitoring might result in lost revenue. (Finding 2, page 14)

We recommended the managed care department implement procedures to ensure that all contractual changes are entered timely into the Hospital's billing process. We also recommended that case-by-case negotiated terms be monitored for large balances and adjusted accordingly at the time the services are performed.

University officials concurred with our recommendation and stated they have taken appropriate actions. They are also reviewing contract management systems that will enhance their ability to monitor the many difference contracts they currently have.

HOSPITAL'S ACCOUNTS RECEIVABLE

The University Hospital's reconciliation between the total accounts receivable per the subsidiary ledger and the total accounts receivable per the University Financial Accounting System (general ledger) contained an unlocated system variance of approximately \$1,089,000 at June 30, 2001. An accounts receivable reconciliation of all detail components of the overall accounts receivable must be accumulated and manually prepared in order to tie to the general ledger at the end of each month. The underlying detail components are supported by various reports that were tested during audit procedures.

Hospital personnel stated the difference was not identified by Hospital personnel due to accounting reconciliation inaccuracies that made the difference appear immaterial. Gross accounts receivable for the University Hospital totaled approximately \$105 million at June 30, 2001. The detailed reports were understated by the approximately \$1,089,000 unlocated difference. Several individuals use the reports to compute contractual and bad debt reserves. (Finding 3, page 15)

Subsidiary ledger and general ledger were not appropriately reconciled at June 30, 2001

University officials concurred with our finding and stated they are currently reconciling the accounts receivable subsidiary ledger and the general ledger monthly and resolving any material reconciling differences.

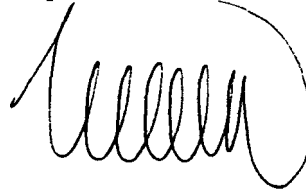
OTHER FINDINGS

The remaining findings are reportedly being addressed by University management. We will review progress toward the implementation of our recommendations in our next audit. University responses were provided by Michael B. Bass, Assistant Vice President for Business and Finance.

AUDITORS' OPINION

The financial audit report contains five sets of financial statements in the Annual Financial Report; and the revenue bond financial statements of the Auxiliary Facilities System, the Willard Airport Facility, the Construction Engineering Research Laboratory, and the Health Services Facilities System.

Our auditors state the June 30, 2001 financial statements are fairly presented in all material respects.



WILLIAM G. HOLLAND, Auditor General

WGH:KMA:pp

SPECIAL ASSISTANT AUDITORS

BKD LLP were our special assistant auditors.

STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS
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Year Ended June 30, 2001

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UNIVERSITY OF ILLINOIS
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**Other Reports Issued by BKD, LLP as Special Assistant Auditors for the Auditor
General of the State of Illinois**

Annual Financial Report of the University of Illinois for the Year Ended June 30, 2001, which is
Incorporated Herein by Reference

Supplemental Financial Information Report for the Year Ended June 30, 2001, which is
Incorporated Herein by Reference

Compliance Report

**STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS**

University Officials

James J. Stukel	President
Chester S. Gardner	Vice President for Academic Affairs
Craig S. Bazzani	Vice President for Administration
Michael B. Provenzano	Senior Associate Vice President for Business and Finance
Richard O. Traver	Executive Director of University Audits
Thomas L. Gardner	Assistant Vice President for Business and Finance at Chicago
John Conner	Assistant Vice President for Business and Finance at Springfield
Katharine J. Kral	Assistant Vice President for Business and Finance at Urbana-Champaign
David L. Chicoine	Vice President for Economic Development and Corporate Relations
Sally A. Pelg	Director of Financial Services

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449 Henry Administration Building
506 South Wright Street
Urbana, Illinois 61801

Chicago Campus

809 South Marshfield
Room 608 MC-078
Chicago, Illinois 60612

Springfield Campus

Public Affairs Center
Room 591
Springfield, Illinois 62794-9243

Urbana-Champaign Campus

104 Coble Hall
801 South Wright Street
Champaign, Illinois 61820

**STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS**

Compliance Report Summary

The compliance audit testing performed in this audit was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

Auditors' Reports

The auditor's reports on compliance and on internal controls do not contain scope limitations, disclaimers, or other significant non-standard language.

Summary of Compliance Audit Findings

Number of	This Audit	Prior Audit
Audit findings	12	14
Repeated audit findings	5	11
Prior recommendations implemented or not repeated	9	5

Details of the compliance audit findings are presented in a separately tabbed report section.

A summary of current findings is located in the Matrix of Current Findings Summarizing the Status of the 2001 Recommendations and University Responses.

A summary of prior year audit findings is located in the Matrix of Prior Findings as Presented in the State and Federal Compliance Audit Reports for the Year Ended June 30, 2000.

Exit Conference

The findings and recommendations appearing in this report were discussed with management of the University on November 30, 2001 and the responses were provided by University personnel for publication by Michael B. Bass, Assistant Vice President for Business and Finance of the University.



Special Report on State Compliance Testing as Measured by State Audit Guide Criteria

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have performed special State compliance testing in accordance with the "Audit Guide for Performing Compliance Audits of Illinois State Agencies" (Audit Guide) issued by the Office of the Auditor General of the operations of the University of Illinois (University) for the year ended June 30, 2001.

We conducted our special State compliance testing in accordance with the Illinois State Auditing Act (Act); in accordance with the applicable auditing standards which are set forth in the Audit Guide as adopted by the Auditor General pursuant to the Act; and, insofar as such standards are applicable to this special testing, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Our examination included such tests of the accounting records and such other procedures as we considered necessary in the circumstances. Our program of tests and other auditing procedures has been separately furnished to you. The procedures for special State compliance testing as required by the Audit Guide were designed to determine with reasonable, but not absolute, assurance:

- A. Whether the audited agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. Whether the audited agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. Whether the audited agency has generally complied with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. In the case of a State agency which receives or makes grants:
 1. Whether the agency is auditing the grantees of funds granted by the audited agency for compliance with the terms of the grants and other applicable laws, regulations and rules and whether the frequency and quality of such audits is generally adequate.
 2. Whether the agency is auditing grants which it receives to determine that it is using the grant funds in accordance with grant requirements and applicable State and federal laws, regulations and rules and whether the frequency and quality of such audits is generally adequate.

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- E. Whether the audited agency is maintaining effective accounting control over revenues, obligations, expenditures, assets and liabilities.
- F. Whether collections of State revenues and receipts by the audited agency are in accordance with applicable laws and regulations and whether the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- G. Whether money or negotiable securities or similar assets handled by the audited agency on behalf of the State or held in trust by the audited agency have been properly and legally administered and whether the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.
- H. Whether tests of agency fiscal operations reveal no evidence of fraud or dishonesty.
- I. Whether the records, books and accounts of the audited agency adequately record its financial and fiscal operations and provide a basis for review of accountability by external auditors.
- J. Whether key financial, statistical, and program data produced by the audited agency provide useful information for review of accountability regarding service efforts and accomplishments.

The concept of obtaining reasonable, but not absolute, assurance recognizes that the cost of the audit should not exceed the benefits derived and that judgments need to be made regarding the nature and extent of audit procedures. Special State compliance testing of this type is based upon test samples and would not necessarily disclose all situations of noncompliance which might exist.

There were findings of noncompliance disclosed by our special State compliance audit tests which are required to be reported in accordance with the Audit Guide and they are described in the Compliance Findings, Recommendations and University Responses section in this report.

As required by the Audit Guide, immaterial findings developed in this special State compliance testing and excluded from this report have been reported in a separate letter to your Office.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and University management, and is not intended to be, and should not be, used by anyone other than these specified parties.

BKD, LLP

Decatur, Illinois
September 14, 2001



Special Report on Internal Controls for State Purposes as Measured by State Audit Guide Criteria

Honorable William G. Holland
Auditor General
State of Illinois

As Special Assistant Auditors for the Auditor General, we have performed special State compliance testing of the operations of the University of Illinois (University) for the year ended June 30, 2001, and we have issued our special report thereon dated September 14, 2001. We have also made a study of the internal controls of the University that we considered relevant to the criteria established by the Office of the Auditor General in Chapter 7 of the "Audit Guide For Performing Compliance Audits of Illinois State Agencies" (Audit Guide). Our study included tests of compliance with such internal controls during the period from July 1, 2000 through June 30, 2001. These tests were performed as a portion of our testing of the University for State compliance purposes. This special report concerns only our State compliance testing.

We conducted our special State compliance testing in accordance with the Audit Guide; applicable auditing standards generally accepted in the United States of America; and applicable *Government Auditing Standards* issued by the Comptroller General of the United States.

In planning and performing our special State compliance testing, we considered the internal controls in order to determine our auditing procedures for the purpose of reporting on our special State compliance testing and to satisfy the requirements of the Audit Guide, but not to provide an opinion on the internal controls. Accordingly, we do not express such an opinion.

The management of the University is responsible for establishing, maintaining, and monitoring internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal controls. Because of inherent limitations in any internal controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of internal controls to future periods is subject to the risk that internal controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of control activities may deteriorate.

For the purpose of this special report, we have classified the significant internal control activities in the following categories:

- Agency Organization and Management
- Administrative Support Services
- Budgeting, Accounting and Reporting
- Purchasing, Contracting and Leasing
- Expenditure Control
- Personnel and Payroll
- Property, Equipment and Inventories
- Revenues and Receivables

- Petty Cash and Local Funds
- Grant Administration
- Electronic Data Processing

For all of the internal control categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be reportable. Reportable matters for State compliance audit purposes involve items coming to our attention relating to significant deficiencies in the design or operation of the internal controls. We understand that internal controls in conformity with the criteria established by your Audit Guide are considered by the Office of the Auditor General to be adequate for State compliance audit purposes in accordance with the Illinois State Auditing Act and related regulations, and that policies or procedures not in conformity with those criteria indicate some inadequacy for such purposes which should be reported.

Based on this understanding and on our study, we believe the conditions described in the Compliance Findings, Recommendations and University Responses section in this report are significant matters for State compliance purposes and are required to be reported pursuant to the criteria established by your Audit Guide.

As required by the Audit Guide, immaterial findings developed relating to the internal controls and excluded from this report have been reported in a separate letter to your Office.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and University management, and is not intended to be, and should not be, used by anyone other than these specified parties.

BKD, LLP

Decatur, Illinois
September 14, 2001



**Report on Compliance and on the Internal Control over
Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

Honorable William G. Holland
Auditor General
Springfield, Illinois
State of Illinois

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the University of Illinois (University), as of and for the year ended June 30, 2001, and have issued our report thereon dated September 14, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the Office of the Auditor General in a separate letter dated September 14, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the University's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the University's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Compliance Findings, Recommendations and University Responses section as items 01-1 through 01-3.

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness. We also noted other matters involving the internal control over financial reporting that we have reported to the Office of the Auditor General in a separate letter dated September 14, 2001.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Office of the Inspector General of the U. S. Department of Defense (Cognizant Agency), federal awarding agencies and pass-through entities, and University management, and is not intended to be, and should not be, used by anyone other than these specified parties.

BKD, LLP

Decatur, Illinois
September 14, 2001



**Report on Compliance with Requirements
Applicable to Each Major Program and on the Internal Control
over Compliance in Accordance with OMB Circular A-133**

Honorable William G. Holland
Auditor General
Springfield, Illinois
State of Illinois

Compliance

As Special Assistant Auditors for the Auditor General, we have audited the compliance of the University of Illinois (University) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2001. The University's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001. However, the results of our auditing procedures disclosed instances of noncompliance that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Compliance Findings, Recommendations and University Responses.

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Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

As Special Assistant Auditors for the Auditor General, we have audited the financial statements of the University as of and for the year ended June 30, 2001, and have issued our report thereon dated September 14, 2001. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, the Office of the Inspector General of the U. S. Department of Defense (Cognizant Agency), Federal awarding agencies and pass-through entities, and University management, and is not intended to be, and should not be, used by anyone other than these specified parties.

BKD, LLP

Decatur, Illinois
September 14, 2001

**STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS**

Schedule of Findings and Questioned Costs

Summary of Auditor's Results

June 30, 2001 Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Reportable condition(s) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Reportable condition(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes no

Identification of major programs:	<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Cluster</u>	<u>Research and Development</u>
	<u>93.778</u>	<u>Medical Assistance Program —</u>
		<u>Home Nursing</u>
	<u>Cluster</u>	<u>Student Financial Aid</u>
	<u>10.500</u>	<u>USDA Cooperative Extension Service</u>

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? yes no

STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS

**Compliance Findings, Recommendations
and University Responses
Year Ended June 30, 2001**

**University — Central University and Chicago Campuses
Current Findings — Government Auditing Standards**

01-1. Finding - Accounts Payable Reconciliation and Identification

The detailed transactions for the University accounts payable balance were not reconciled at June 30, 2001 and the Chicago campus had errors in their June 30, 2001 accounts payable balance.

During our testing of the University's June 30, 2001 accounts payable balance, we noted that the total accounts payable per the database detail and the total accounts payable per the University Financial Accounting System (UFAS) contained an unreconciled system variance of \$439,271.

An accounts payable database containing all vouchers which comprise the total accounts payable balance at June 30 must be accumulated and manually prepared at the end of the fiscal year. The database is then reconciled to the UFAS accounts payable balance. At June 30, 2001, the reconciliation contained an unidentifiable system variance of \$439,271, which must be added to the database in order to reconcile to the UFAS balance sheet.

The variance is a direct result of the lack of adequate policies and procedures necessary to capture the voucher information comprising the accounts payable database. Due to the transaction volume and dollar magnitude, the University was unable to reconcile the database to the UFAS balance sheet in a timely manner. As of the end of our fieldwork the variance had not been resolved.

The Chicago Campus did not fully record its liability. There were 59 unrecorded vouchers that resulted in an accounts payable understatement of \$8,736,064. The University adjusted its financial statements to correct the understatement. The unrecorded vouchers are a result of a lack of procedures to accurately identify accounts payable during the year-end closing process.

Generally accepted accounting principles require that the accounts payable balance include items for which the University has a liability based on receipt or occurrence. University personnel indicated departments responsible for the majority of the purchases need to be more accountable for identification of accounts payable. Understatement of accounts payable results in a lack of accurate and reliable financial accounting information that is readily available for analysis and interpretation. (Finding Code No. 01-1)

Recommendation

We recommend that the University implement procedures to prepare an accounts payable database and reconcile it to the UFAS balance sheet on a regular basis. We also recommend that the University further develop processes that will assist them in identifying accurate accounts payable at year end. Lastly, we recommend that the University ensure that the Chicago Campus personnel have a clear understanding of the processes and that they adhere to the policy.

**University — Central University and Chicago Campuses
Current Findings — Government Auditing Standards**

01-1. Finding - Accounts Payable Reconciliation and Identification (Continued)

University Response

We concur. The Office of Financial Services has developed programming to create an accounts payable database that will contain detailed transactions to support the accounts payable balance in UFAS. When this process is refined and fully implemented, Financial Services will reconcile the University accounts payable balance on a quarterly basis.

We are reviewing the current process used to identify accounts payable at year-end. The process will be modified as necessary and will support standard identification and reporting practices for all campuses. The Chicago Campus personnel will be an integral part of the review with a clear understanding of the process and will adhere to the standard policy.

**University of Illinois Hospital
Current Findings — Government Auditing Standards**

01-2. Finding – Managed Care

Certain contract terms within the University Hospital's managed care contracts, including negotiated discounts, stop loss provisions, etc. were not correctly applied to the associated patient billing file as services were performed.

Also, personnel within the managed care department identified an error in its contractual payments from one of its payers resulting in an additional receivable of approximately \$5,000,000.

In addition, three accounts within our sample of 75 (4%) tested indicated that certain managed care contract terms were not applied correctly until the time of payment. While the system profile related to these overall contracts may have been correct at the time the main contract was signed, it is not unusual to negotiate additional case by case discounts or per diems. It appears that these individual contract changes were not being monitored correctly by the system or by manual intervention. It is also our understanding that the system profile may not possess the capability to react to all contract terms, such as global stop loss provisions. In those cases, manual intervention was also required. Our testing indicated that these provisions might also be overlooked until time of payment.

Hospital personnel indicated the specific exceptions resulted from an untimely review of managed care terms and lack of communication between managed care negotiators and billing departments coupled with system limitations.

Generally accepted accounting principles require proper recording of the financial effects of contract terms and conditions. Untimely recording of proper contract terms and conditions may misstate the Hospital's periodic operating statements. In addition, because contractual changes tend to benefit the Hospital as opposed to the payers, lack of contract monitoring might result in lost revenue. (Finding Code No. 01-2)

Recommendation

We recommend that the managed care department implement procedures to ensure that all contractual changes are entered timely into the Hospital's billing process. Developing an overall chart or grid of all required or expected changes and the timing of these changes for each payer would help facilitate this process. We also recommend that case-by-case negotiated terms be monitored for large balances and adjusted accordingly at the time the services are performed.

University Response

We concur. To assure that appropriate contractual changes have been entered into the Medical Center's billing profiles, the Managed Care department has reviewed all contracts. Summary grids of contract terms and payment rates have been prepared and will be updated regularly. Large balance accounts are reviewed biweekly to assure proper billing, follow up and that appropriate contractual adjustments are being taken.

We are also currently reviewing contract management systems that will significantly enhance our ability to monitor the many different contracts we currently have and help make sure we are paid appropriately.

University of Illinois Hospital
Current Findings — Government Auditing Standards

01-3. Finding - System Variance in Accounts Receivable

The University Hospital's reconciliation between the total accounts receivable per the subsidiary ledger and the total accounts receivable per the University Financial Accounting System (UFAS) contained an unlocated system variance of approximately \$1,089,000.

An accounts receivable reconciliation of all detail components of the overall A/R must be accumulated and manually prepared in order to tie to the general ledger at the end of each month. The underlying detail components are supported by various reports that were tested during audit procedures. At June 30, 2001, the reconciliation contained an unidentifiable system variance of approximately \$1,089,000. This variance was identified as a result of auditor inquiries which identified an error in the reconciliation. Hospital personnel stated the difference was not identified by Hospital personnel due to accounting reconciliation inaccuracies that made the difference appear immaterial. Gross accounts receivable for the University Hospital totaled approximately \$105,000,000 at June 30, 2001.

Significant differences did not recur in the subsequent months' revised reconciliation process. Hospital personnel stated that because the difference appeared to have reversed itself, it would be difficult to investigate the cause for the difference until there is a recurrence. Hospital personnel indicated that at that point in time, a thorough review and investigation will be commenced to identify any significant differences.

Generally accepted accounting principles require reconciliation of general ledger account balances to the underlying subledger and timely resolution of material reconciling items.

The detailed reports were understated by the approximately \$1,089,000 unlocated difference. Several individuals use the reports to compute contractual and bad debt reserves. Understated detail reports may lead to understated contractual allowance reserves. Inaccurate accounts receivable information results in misstated Hospital operating statements. (Finding Code No. 01-3)

Recommendation

We recommend that the Hospital ensure that the accounts receivable subsidiary ledger is properly reconciled to the general ledger and material reconciling items are resolved.

University Response

We concur. We are currently reconciling the accounts receivable subsidiary ledger and the general ledger monthly and resolving any material reconciling differences.

**University — Urbana Campus
Current Findings — Federal and Questioned Costs**

01-4. Finding – Grant-Supported Publications

Federal Agency: Department of Agriculture
Research and Development

CFDA Number: 10.200

Program Name: National Atmospheric Deposition Program – AG 98-COOP-I-5925

Questioned Costs: None

Contrary to Federal regulations, the Urbana Campus did not include proper acknowledgements in certain grant-supported publications.

During our testing of grant-supported publications at the Urbana campus, we noted the following for Department of Agriculture Program AG 98-COOP-I-5925:

- Five out of five (100%) publications tested under the Agriculture COOP Program did not properly acknowledge the USDA, the Cooperative State Research, Education, and Extension Service (CREES), and project number.
- One of the five (20%) publications tested did not include a proper disclaimer.

University personnel stated that the omissions are due to inconsistent implementation of procedures.

CREES, U.S. Department of Agriculture General Terms and Conditions – A, Article 11 requires acknowledgement of CREES support in the publication of any material. In addition, all publications and other materials, except scientific articles or papers published in scientific journals, must contain a required disclaimer.

Failure to include requisite acknowledgements constitutes lack of compliance with grant requirements that, if continued, could potentially jeopardize funding. (Finding Code No. 01-4, 00-6, 99-5, 98-2)

Recommendation

We recommend that the Urbana Campus continue to require the departments to consistently implement procedures to communicate specific grant requirements to project personnel and regularly review grant-supported publications for compliance with such requirements.

University Response

We concur. We will continue to inform and educate Principal Investigators regarding their obligation to properly acknowledge funding agencies. The Grants and Contracts Office has taken proactive steps to ensure that Principal Investigators are aware of this obligation. In addition to guidance provided by our written policies and procedures, the Grants and Contracts Office has instituted a practice of annually sending e-mail messages to investigators to remind them of their responsibility to properly acknowledge sponsorships. The Department of Agricultural, Consumer and Environmental Sciences has also made it a practice to regularly notify faculty of sponsorship acknowledgement requirements.

University — Urbana Campus
Current Findings — Federal and Questioned Costs

01-5. Finding – Disbursements for Student Direct Loans Not Timely Reported

Federal Agency: Department of Education
CFDA Number: Student Financial Aid Cluster
Program Name: Stafford Loans
Parent Loans for Undergraduate Students
Questioned Costs: None

The Urbana Campus did not report direct loan disbursements to the Direct Loan Servicing System (DLSS) of the U.S. Department of Education within the required period of thirty days.

During our testing, we noted 18 of 21(86%) student direct loan disbursements were reported 4 to 143 days late to DLSS. Per 34 CFR 685.301, a school must submit the direct loan disbursement records to the Secretary of Education no later than 30 days following the date of disbursement.

University personnel stated the late reporting was a result of difficulties with the University's computer system. As of the end of our fieldwork the computer system difficulties had been resolved.

The late filing results in noncompliance with Federal regulations. The Department of Education may require the repayment of funds or the purchase of loans if unenforceability of the loans results from a violation of Federal regulations. (Finding Code No. 01-5)

Recommendation

We recommend that the Urbana Campus monitor the dates of direct loan disbursements to the student's accounts to ensure that the disbursement will be reported within thirty days.

University Response

We concur. The problem resulted from insufficient systems support to determine the disbursement deadline. We have now resolved the computer difficulties that led to the reporting delays. System changes and procedures are in place to enable us to comply with this reporting requirement.

University — Urbana Campus
Current Findings — Federal and Questioned Costs

01-6. Finding – Reconciliation Was Not Performed

Federal Agency: Department of Education
CFDA Number: Student Financial Aid Cluster
Program Name: Stafford
Parent Loans for Undergraduate Students
Questioned Costs: None

The Urbana Campus did not perform a reconciliation of Direct Loan Student Account Statement (DLSAS) data files to institution records on a monthly basis.

Each month, the Federal Loan Origination Center provided the Urbana Campus with a DLSAS data file, which consists of a Cash Summary, Cash Detail, and Loan Detail records. 34 CFR 685.102 requires the University to reconcile the DLSAS to its records on a monthly basis. The University has not performed the reconciliation for at least two years. As of the end of our fieldwork the reconciliation had not been performed.

University personnel stated personnel issues have prevented the performance of the reconciliation. Lack of reconciliation could result in inaccurate University Direct Student Loan financial records. (Finding Code No. 01-6)

Recommendation

We recommend that the Urbana Campus establish procedures to ensure reconciliation of DLSAS data files to University records on a monthly basis.

University Response

We concur. Although monthly reconciliations to the DLSAS data files were not performed, internal University financial records were reconciled to Student Financial Aid records on a monthly basis. In addition, a complete reconciliation to Department of Education records is performed on an annual basis. The Office of Student Financial Aid has instituted procedures to bring the University into full compliance with the requirement to perform monthly reconciliations to DLSAS data files for the academic year 2001-02.

University Information Systems and Services Current Findings — State Compliance

01-7. Finding – Lack of Security on the University Library’s Administrative Computer System

The University Library’s administrative computer system lacked appropriate security controls.

During the FY1999 Information Systems Review, it was noted that user passwords were not encrypted and they were displayed when a user list was printed. In addition, it was determined that there was no in-house support from AITS for the system and software. However, it was noted that a Research Programmer has been contracted with by the University to support the Library’s administrative computer system and provide related consulting services.

During our audit follow-up procedures, we noted that the University had not modified or replaced its current Library administrative computer system. However, we noted that Library management issued a purchase order during July 2000 for the acquisition of a new software called Innopac Millennium System Expansion, an Acquisition/Accounts Payable software package supplied by Innovative Interfaces, Inc. The University planned to install the new software by March 2001 and achieve implementation by October 2001. In addition, another purchase order was issued for the purchase of an IBM RS/6000 Server to replace the old IBM 36 System. We also noted that the University’s Acquisitions/Accounts Payable Team is in the process of cleaning up current files and developing a conversion plan. As of October 2001, implementation has not occurred.

The Library system is a standalone computer feeder system that processes \$10M in accounts payable annually for the University Library. The system generates a magnetic tape that feeds into the University Financial and Administrative Systems for payment of the accounts payable.

Logical security controls identify and authenticate the user. Identification is the process of uniquely distinguishing one user from all others, whereas authentication is determining whether the individual is who they say they are. The user ID identifies the user while the password authenticates them, as long as only the user knows the password. Logical security controls can be defeated if passwords are not properly protected. (Finding Code No. 01-7, 00-7, 99-10)

Recommendation

We recommend the University strengthen security controls over the Library’s current administrative computer system. Encrypting passwords and protecting them from disclosure can strengthen security controls. The University should continue its efforts towards replacing its current Library administrative computer system by its established implementation target date. In addition, technical support for the new system and software should be readily available and staff adequately trained.

University Response

We concur. During fiscal year 2000 the Library approved the purchase of Innopac Millennium System Expansion, an Acquisitions/Accounts Payable software package from Innovative Interfaces, Inc. This software and an IBM RS/6000 server running under the AIX operating system have been installed, replacing the IBM 36 Acquisitions Accounts Payable system.

University Information Systems and Services Current Findings — State Compliance

01-8. Finding – Outdated Information Systems and Services

The Student Accounts Receivable System (SAR) at the Urbana Campus is antiquated, complicating adherence to good data processing practices, and should be replaced before it disrupts operations.

The test deck procedures performed by other auditors in 1990 at the Urbana Campus on the SAR system revealed the following problems:

- There was very little documentation as to how the system is structured and operates, and the documentation that does exist had not been updated.
- Because of the age of the system, proposed updates and enhancements by users are limited.

While the SAR is currently operative, the lack of documentation and age of the system puts continued maintenance at the mercy of the few Office of Administrative Information Technology Services (AITS) programmers who have gained an understanding of how it works. If these programmers were to leave the University without cross training other individuals in the SAR program or if a problem developed, a major disruption in the University accounts receivable processing could occur.

Good data processing practices prescribe that system documentation exist to the extent that any experienced member of the AITS staff could understand the system and correct problems in a timely fashion. In addition, the Urbana Campus appears to be hampered in enhancing its Revenue/Receivable systems by the age of the SAR system.

We discussed the status of this finding with University management during our audit. We noted that there had been a change in staff during 1998 without any disruption and the University had indicated that the SAR program achieved Year 2000 compliance. However, they are aware that a new Student Accounts Receivable system is needed. University personnel indicated that their enterprise resource planning (ERP) system initiative would alleviate this situation. (Finding Code No. 01-8, 00-8, 99-7, 98-5, previously presented as immaterial)

Recommendation

We recommend the University continue its efforts towards replacing the current Urbana Campus Student Accounts Receivable system with a modern receivable system within a reasonable time frame.

University Response

We concur. Replacement of the UIUC student accounts receivable (SAR) system is planned as part of the implementation of an ERP system for support of university-wide administrative systems. Support and enhancement limitations of the SAR system have been noted and will be a consideration in determining the order of implementation of the various components of the ERP.

The University selected SCT as our ERP vendor in September of 2000. SCT includes a student accounts receivable system. Our current draft timeline indicates that this module will be live in July of 2003.

University Information Systems and Services Current Findings — State Compliance

01-9. Finding – Disaster Contingency Plan Weakness

The University's Administrative Information Technology Services (AITS) had developed a disaster contingency plan for the University's administrative and business production applications under AITS' stewardship and management; however, the plan had several weaknesses.

AITS support the University's Business and Finance operations, which are in excess of \$2 Billion. Applications under AITS' stewardship included the University's general ledger system, payroll system, accounts payable and receivable systems, and student applications for registration, transcripts, and financial aid. During the FY1999 Information Systems Review, it was noted that the disaster contingency plan included a listing of AITS-managed computer applications; however, the list was not prioritized in order of the recovery, required recovery timeframes were not stated, and systems and applications outside of AITS' management were not included. The plan contained the names and business telephone numbers of the Disaster Assessment and Response Team members; however, it did not include their home or pager numbers. In addition, the plan had not been fully tested.

Although it is not cost-effective to provide the same level of continuity for all operations, it is important that the most critical applications be identified, as well as the resources needed to recover and support them. A comprehensive test of the plan should be performed to ensure the plan meets its stated objectives, that adequate capacity for recovery of critical systems exists, that interfaces can be restored, and that systems can be recovered within required timeframes.

Disaster contingency planning responsibilities were decentralized among AITS and the specific user departments. Although access to AITS' mainframe applications was via a mainframe connection or a local area network, we were not aware of any integration between these groups to develop an integrated disaster contingency plan. Without a tested disaster contingency plan that addresses all of the University's computing environments and prioritizes applications, the University cannot ensure that vital operations could be recovered within required timeframes.

During our audit follow-up procedures, we noted that AITS was in the process of developing a new Business Continuity Plan and expect to have the plan completed and tested by the end of Year 2004. In addition, it was noted that AITS has tested one of its critical mainframe applications (ISIS) for disaster recovery with success. (Finding Code No. 01-9, 00-9, 99-8)

Recommendation

We recommend the University continue its efforts towards developing a disaster contingency plan that addresses all the University's computing environments. A comprehensive test of the plan should be performed annually and any necessary modifications, based on the test results, should be included in the plan. We recommend the University:

- Ensure that processing capacity meets the University's recovery needs.
- Prioritize applications and systems to ensure critical applications are recovered in order of their priority.
- Identify recovery timeframes for critical applications and systems.
- Ensure that disaster contingency test documentation includes detailed information to allow for comprehensive analysis of the technical issues.

**University Information Systems and Services
Current Findings — State Compliance**

01-9. Finding – Disaster Contingency Plan Weakness (Continued)

The University should implement formal disaster recovery plans for their academic systems, the Medical Center, and the various departments that are deemed appropriate. Management should appoint a team of Disaster recovery coordinators to manage overall contingency planning.

University Response

We concur. We are in the process of developing a new “business continuity plan” that will address the limitations of the existing plan.

A major component of this plan will be the approach we are taking with our new SCT ERP system, which was selected in September of 2000. Because this ERP system will consolidate nearly all of the University’s mission-critical administrative processes into a common system, we have planned for 100% disaster recovery fail-over in the system design. As the ERP modules are implemented over the next five years, they will all benefit from this new design. The fail-over process will be well documented, and will be tested on a regular basis. The plan will also address any non-AITS components that are necessary for recovery.

In response to the tragedy of September 11, 2001, we have developed an intermediate disaster contingency plan that by spring of 2002 will provide 100% fail-over capability of current legacy systems.

University Information Systems and Services Current Findings — State Compliance

01-10. Finding – Computer Security

The University did not consistently institute security practices to protect its extensive computing environment. In addition, enterprise-wide guidelines to promote baseline security requirements had not been developed.

The University had approximately \$70 million budgeted for technology-related expenditures at the Computing and Communication Services Office in Urbana, Academic Computing Center in Chicago, Medical Center in Chicago, the Springfield campus, and for the Administrative Information Technology Services (AITS) group located in Urbana and Chicago. The University management relies on its information technology to meet its mission and mandates. Information technology activities on each campus are managed by a Chief Information Officer (CIO) who reports to the Provost on that campus. The AITS is responsible for managing all the business applications and the associated computing networks and the mainframe used for managing the University.

Responsibility for security administration is decentralized and each department has responsibility for security policies and security parameters for their computing environment. We reviewed security controls at several of the primary computing centers and at 10 department controlled networks in Urbana. Several weaknesses were identified to indicate the existence of risks that could compromise the integrity of the computer systems, networks and critical system resources. Specifically,

- Effective controls to promote security and restrict external access were not consistently implemented. For example, the academic computing networks at the Chicago campus did not employ firewalls to protect computing resources.
- Effective password controls were not always used. Most academic accounts we tested did not require a password change interval. In addition, in some instances passwords were only required to be 3 characters in length.
- Backup policies did not exist and procedures varied significantly throughout the University. Backups of computer systems were not always performed and the timeliness and location of off-site storage of backups varied significantly.
- Virus protection software had not been consistently deployed throughout the University. Although the University had a site-license for virus software, a virus protection and avoidance program had not been instituted on many academic networks. During the audit, virus problems caused some computing disruptions.

University-wide baseline policies, procedures and standards regarding the security, administration, and use of the computing environment should assure the University's computerized assets are properly safeguarded. The University should ensure that consistent security parameters are established. (Finding Code No. 01-10, previously reported as immaterial)

University Information Systems and Services Current Findings — State Compliance

01-10. Finding – Computer Security (Continued)

Recommendation

We recommend the University strengthen computer security within its computing environment. Specifically, the University should:

- Develop baseline security guidelines that set the minimum-security requirements for all computing platforms. Any deviations from the security guidelines should be reviewed and approved by University management.
- Ensure appropriate password security parameters are enforced. One method is to institute a password change interval to ensure passwords are changed on a periodic basis (The Auditor General's baseline recommendation is a 35 day password change interval). Another method is to force use of "robust" passwords – minimum length of 8 with mandated special characters and the use of upper and lower case letters.
- Install firewalls on computer systems that are accessible from external systems to protect University resources.
- Implement a formal process for reviewing firewall logs.
- Implement a University-wide virus protection and avoidance program.

University Response

We concur with many of the recommendations listed under this finding. By July 1, 2002 we will make the following changes to our University computer security.

- We will develop baseline security guidelines for the entire University system.
- We will ensure that all systems have strong passwords, or alternatively, implement forced password changes on a periodic basis.
- We will implement a formal process for reviewing firewall logs.

We believe firewalls are most effective when used at the lowest possible level. Basic firewalls or firewall-like functions (e.g., IP spoofing controls) are implemented at the perimeters of all three campuses. Given the nature of the academic enterprise, our University mission would be compromised if we implemented more stringent firewall rules at our campus perimeters.

We already have site licenses for virus protection software available at all of the campuses. We will clearly articulate unit responsibilities for virus protection in our new security policy and will follow up with regular internal vulnerability assessments.

University of Illinois Hospital Current Findings — State Compliance

01-11. Finding – Contractual Allowance Calculation

Certain patient accounts receivable balances were not reduced to their net realizable values accurately and in a timely manner.

Because of contractual agreements to accept less than full charge as reimbursement from various third-party payers, the accounts receivable balances must be reduced to their net realizable values for financial statement presentation as the services are provided. For most inpatient payers, the account is reduced to its net realizable value at the time of billing based upon agreed upon payer rates established in the computer system profile. As a result of the reliance on the system, Hospital personnel do not routinely estimate reserves for these billed inpatient accounts.

During our detail receivable testing as of June 30, 2001 we noted the following exceptions:

- Three accounts from financial class J (Managed care/HMO) for which initial or additional contractual allowance were recorded at the time of payment, rather than at billing. In two cases the accounts were under-contracted, and in the other case the account was over-contracted. The net write-off on these three accounts totaled \$177,154.
- Four accounts that were originally coded as a certain financial class and later changed to another financial class. Two cases involved financial classes that were wrong from inception. The third case involved a change in financial class due to the interim signing of a managed care contract. The fourth case resulted due to an approval from Medicaid that was pending during the service period. In all four cases, the system should have applied a contractual allowance at the rebill stage or the additional contractual allowance should have been located by the manual review of large accounts. The write-off on these accounts at time of payment instead of when services were rendered totaled \$298,571.
- One account from financial class M (Medicare) on which a very minimal contractual allowance was recorded at time of billing (\$5,981). An additional contractual allowance of \$117,654 was taken upon notification from Medicare that the Hospital was not certified for heart transplants. The result was a 100% contractual allowance against this account that was not recorded at time of billing.
- One Medicare inpatient account on which the system-calculated write-off was understated by \$31,342. As a result, an additional allowance was recorded at the time of payment.

Hospital personnel indicated the above errors resulted from:

- Lack of consistent review to ensure programmed write-offs are properly calculated and applied by the system in the correct amount. In addition, Hospital management believed that its current computer system was not sophisticated enough to properly account for some of the Hospital's more complex reimbursement agreements and thus certain contractual adjustments were not identified until time of payment.
- Untimely review of large balance accounts by accounts receivable personnel.

**University of Illinois Hospital
Current Findings — State Compliance**

01-11. Finding – Contractual Allowance Calculation (Continued)

Generally accepted accounting principles require reporting patient accounts receivable at net realizable value. Untimely recording of contractual allowances may misstate the Hospital's periodic operating statement. (Finding Code No. 01-11, 00-10, 99-13)

Recommendation

We recommend that the Hospital review its processes for calculating the adjustments for contractual allowances. Contractual adjustments identified above should be analyzed and determinations made if the errors resulted from a system limitation, a human error, or another error. This analysis should contemplate potential modifications of the Hospital's billing software, as appropriate. This will require continued evaluation of the current processes, identification of deficiencies, and corrective action.

University Response

We concur. Every month we compare the system generated (detail) contractual adjustments with an overall (high level) estimate of contractual allowances. Where appropriate, we make adjustments to the contractual allowances for our financial statements to account for contractual allowances not taken by the system. Large balance accounts are analyzed biweekly to assure proper billing, follow up and that appropriate contractual adjustment has been made.

We are also currently reviewing contract management systems that will significantly enhance our ability to monitor the many different contracts we currently have and help make sure we are paid appropriately.

**University — System-Wide
(Urbana, Chicago, and Springfield)
Current Findings — State Compliance**

01-12. Annual Insurance Certification

The University does not require employees who are assigned a University owned vehicle on an ongoing basis with approval to use them for other than official State business to complete the required annual certifications regarding licensure and liability insurance with the University's Chief Executive Officer.

During our audit it was noted that the University does not require annual certifications. None of the 10 employees to whom vehicles have been assigned on an ongoing basis with approval to use them for other than official State business have completed the required annual certification. According to the Illinois Vehicle Code 625 ILCS 5/7-601c, every employee who is assigned a specific vehicle owned or leased by the State on an ongoing basis shall provide the certification annually to the director or chief executive officer of his or her agency. The purpose of the annual certification is to ensure the employee has the required insurance and a valid driver's license.

University personnel stated that they were not aware of the mandate.

Lack of compliance with this mandate increases the risk of liability to the State for unlicensed or uninsured motorists using a State vehicle. (Finding Code No. 01-12)

Recommendation

We recommend that the University establish a policy to require annual certifications regarding licensure and liability insurance from employees who have vehicles assigned on an ongoing basis with approval to use them for other than official State business.

University Response

We concur. The University has now established a policy within Section 15.3 of *Business and Financial Policies and Procedures* that requires employees authorized to use University vehicles for other than official state business to provide licensure and liability insurance certification annually.

UNIVERSITY OF ILLINOIS

Compliance Findings, Recommendations and University Responses Year Ended June 30, 2001

Prior Findings Not Repeated

PRIOR FINDINGS – GOVERNMENT AUDITING STANDARDS

University – Urbana and Chicago Campuses

01-13. Accounts Payable Errors

In the prior audit, we noted the Urbana Campus's accounts payable balance was understated due to the exclusion of certain construction contract billings. We noted the Chicago Campus did not fully record its liability for environmental remediation. (Finding Code No. 00-1, 99-1)

During the current audit, we did not note understatements in accounts payable balances due to exclusion of certain construction contract billings at the Urbana Campus or environmental remediation at the Chicago Campus.

01-14. Cash Reconciliation

In the prior audit, we noted that the University did not appropriately reconcile one of its bank accounts. Specifically, one of the book cash accounts was found to be overstated by \$219,950. (Finding Code No. 00-2)

During the current audit, a standard reconciliation model has been distributed to the University units responsible for bank reconciliations. The Office of Financial Services also monitors the reconciliations on a quarterly basis to ensure appropriate follow-up on reconciling items. We did not notice any differences in the reconciliation for the current fiscal year.

University of Illinois Medical Service Plan

01-15. General Accounting and Financial Reporting

During the prior audit, we noted that the Medical Service Plan's (MSP) processes for the timely and accurate accumulation and reporting of financial information were not adequate. (Finding Code No. 00-3)

In the current audit it was noted that the process had been improved and there were no major problems with financial information.

UNIVERSITY OF ILLINOIS

Compliance Findings, Recommendations and University Responses Year Ended June 30, 2001

Prior Findings Not Repeated (Continued)

University of Illinois Hospital

01-16. Billing and Collection

During the prior audit, we noted that there needed to be improvement in the timeliness and accuracy of billing and collection systems and processes. (Finding Code No. 00-4, 99-3, 98-8)

During the current year, it was noted during our testing of patient accounts receivable that the Hospital adhered to policies relating to the timeliness and accuracy of the billing and collection activities.

01-17. Accounts Payable

In the prior audit, we noted that the Hospital's processes for the timely and accurate accumulation and monthly reporting of accounts payable were not adequate. (Finding Code No. 00-5)

During the current year audit, the testing of accounts payable at the Hospital indicated that processes are effective in identifying accurate accounts payable as of June 30, 2001.

PRIOR FINDINGS – STATE COMPLIANCE

01-18. Medical Records

In the prior audit, we noted that the Hospital did not have adequate controls over all medical records. Specifically, we were unable to obtain medical records for all patients selected for testing. (Finding Code No. 00-11, 99-14)

In the current year all medical records were obtained during the testing of patient accounts receivable.

01-19. Hospital Operating Information

During the prior audit, we noted that key payer mix operating statistics and patient receivable information used by the Hospital to monitor and analyze operations were estimated for financial analysis since accurate, actual data was not available. (Finding Code No. 00-12, 99-16, 98-7)

During the current year, we found no evidence that statistical information used during audit testing was not accurate.

UNIVERSITY OF ILLINOIS

**Compliance Findings, Recommendations and
University Responses
Year Ended June 30, 2001**

**Prior Findings Not Repeated
(Continued)**

01-20. Use of Comptroller's Offset System

In the prior audit, the Hospital was not in compliance with the Illinois State Collection Act. (Finding Code No. 00-13, 99-15, 98-9)

During the current year, we did not note any noncompliance with the Illinois State Collection Act.

01-21. Student Tuition Waivers

During the prior audit, we noted that the University needed to implement a number of written procedures relating to student tuition waivers. (Finding Code No. 00-14, 99-11)

During the current audit, we noted that the policies and procedures had been written.

UNIVERSITY OF ILLINOIS

Matrix of Prior Findings as Presented in the State and Federal Compliance Audit Reports Year Ended June 30, 2000

As part of the University of Illinois State and Federal compliance audits for the year ended June 30, 2001, we have evaluated the recommendations made during our prior year compliance audits of the University. The following schedule summarizes the results of the evaluation. The recommendation numbers correspond to the University of Illinois State and Federal compliance audit reports for the year ended June 30, 2000.

<u>Recommendation</u>	<u>Repeated</u>	<u>Not Repeated</u>
CURRENT FINDINGS — GOVERNMENT AUDITING STANDARDS		
University — Urbana/Chicago Campus		
00-1. <u>Accounts Payable Errors</u> (Finding Code No. 99-1)		01-13
Amend and emphasize the Urbana/Chicago Campus procedures for evaluating accounts payable.		
University — Chicago Campus		
00-2. <u>Cash Reconciliation</u> (Finding Code No. 00-2)		01-14
Review processes for the reconciliation of cash accounts and ensure that the book and bank balances are reconciled.		
University of Illinois Medical Service Plan		
00-3. <u>General Accounting and Financial Reporting</u> (Finding Code No. 00-3)		01-15
Develop and document processes that will provide for timely and accurate accumulation of accounting information for each department. Management should ensure that these processes are properly implemented at the departmental level and monitored to ensure that the financial information is flowing properly to the general ledger of the MSP.		
University of Illinois Hospital		
00-4. <u>Billing and Collection</u> (Finding Code No. 98-8)		01-16
Evaluate and modify its processes to ensure that physician submission of diagnosis codes and University billing and collection occur timely and accurately.		

UNIVERSITY OF ILLINOIS

**Matrix of Prior Findings as Presented in the
State and Federal Compliance Audit Reports
Year Ended June 30, 2000**

Recommendation	Repeated	Not Repeated
(Continued)		
00-5. <u>Accounts Payable</u> (Finding Code No. 00-5)		01-17
Develop processes that will assist in identifying accurate accounts payable on a monthly basis.		
CURRENT FINDINGS — FEDERAL and QUESTIONED COSTS		
00-6. <u>Grant-Supported Publications</u> (Finding Code No. 98-2)	01-4	
Require the Urbana Campus departments to develop and implement procedures to communicate specific grant requirements to project personnel and establish a system to review grant-supported publications for compliance with such requirements.		
CURRENT FINDINGS — STATE COMPLIANCE		
University Information Systems and Services		
00-7. <u>Lack of Security on the University Library's Administrative Computer System</u> (Finding Code No. 99-10)	01-7	
Strengthen security controls over the Library's current administrative computer system. Continue efforts towards replacing the current Library administrative computer system by its established target date. Ensure technical support for the new system and software are readily available and staff are adequately trained.		
00-8. <u>Outdated Information Systems and Services</u> (Finding Code No. 98-5)	01-8	
Continue to develop a plan to replace the current Urbana Campus Student Accounts Receivable system within a reasonable period of time.		
00-9. <u>Disaster Contingency Plan Weaknesses</u> (Finding Code No. 99-8)	01-9	
Develop a disaster contingency plan that addresses all the University's computing environments. A comprehensive test of the plan should be performed annually and any necessary modifications, based on the test results, should be included in the plan.		

UNIVERSITY OF ILLINOIS

**Matrix of Prior Findings as Presented in the
State and Federal Compliance Audit Reports
Year Ended June 30, 2000**

Recommendation	Repeated	Not Repeated
(Continued)		
University of Illinois Hospital		
00-10. <u>Contractual Allowance Calculations</u> (Finding Code No. 99-13)	01-11	
Review and strengthen processes for calculating the adjustment for contractual allowances. Analyze the recorded contractual adjustments at time of collection.		
00-11. <u>Medical Records</u> (Finding Code No. 99-14)		01-18
Enforce procedures to ensure that all charts for discharged patients are forwarded to the Health Management Department in a timely manner for coding.		
00-12. <u>Hospital Operating Information</u> (Finding Code No. 98-7)		01-19
Continue to use the processes developed during fiscal year 2000 to accumulate and maintain the integrity of statistical and patient accounts receivable data.		
00-13. <u>Use of the Comptroller's Offset System</u> (Finding Code No. 98-9)		01-20
Comply with the statutory requirements, as modified by the State of Illinois Comptroller's Office, and submit all patient accounts that are greater than \$1,000 and 180 days past due to the Comptroller's Offset System.		
University — System Wide		
(Urbana, Chicago, and Springfield)		
00-14. <u>Student Tuition Waiver</u> (Finding Code No. 99-11)		01-21
Fully implement the recommendations made in the Management Audit of Tuition and Fee Waivers.		
	5	9

UNIVERSITY OF ILLINOIS
Matrix of Current Findings Summarizing
The Status of the 2001 Recommendations
and University Responses

As part of our audit of the University of Illinois, we have summarized the status of our 2001 recommendations and University responses:

Recommendation	Accepted	Deferred	Rejected
CURRENT FINDINGS — GOVERNMENT AUDITING STANDARDS			
University — Central University and Chicago Campuses			
01-1. <u>Accounts Payable Reconciliation and Identification</u> (Finding Code No. 01-1)	X		
Implement policies and procedures to prepare an accounts payable database and reconcile to the UFAS balance sheet on a regular basis. Develop procedures to assist in identifying accounts payable. Ensure Chicago Campus personnel understand and adhere to policies.			
University of Illinois Hospital			
01-2. <u>Managed Care</u> (Finding Code No. 01-2)	X		
Implement procedures to ensure contractual changes are entered timely into the Hospital's billing process. Monitor negotiated terms for large balances and adjust accordingly at the time services are performed.			
01-3. <u>System Variance in Accounts Receivable</u> (Finding Code No. 01-3)	X		
Ensure that accounts receivable are properly reconciled to the general ledger and resolve material reconciling items.			

UNIVERSITY OF ILLINOIS
Matrix of Current Findings Summarizing
The Status of the 2001 Recommendations
and University Responses

Recommendation	Accepted	Deferred	Rejected
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(Continued)

CURRENT FINDINGS — FEDERAL AND QUESTIONED COSTS

University — Urbana Campus

01-4. Grant-Supported Publications X
(Finding Code No. 01-4, 00-6, 99-5, 98-2)

Continue to require departments to consistently implement procedures to communicate specific grant requirements and regularly review grant-supported documents for compliance with such requirements.

01-5. Disbursements for Student Direct Loans Not Timely Reported X
(Finding Code No. 01-5)

Monitor dates of direct loan disbursements to ensure reporting within thirty days.

01-6. Reconciliation was not Performed X
(Finding Code No. 01-6)

Establish procedures to ensure reconciliation of DLSAS data files to University records on a monthly basis.

University Information Systems and Services

01-7. Lack of Security on the University Library's Administrative Computer System X
(Finding Code No. 01-7, 00-7, 99-10)

Strengthen security controls over the Library's current administrative computer system.

01-8. Outdated Information Systems and Services X
(Finding Code No. 01-8, 00-8, 99-7, 98-5, previously presented as immaterial)

Continue efforts towards replacing the current Urbana Campus student accounts receivable system with a modern receivable system.

01-9. Disaster Contingency Plan Weakness X
(Finding Code No. 01-9, 00-9, 99-8)

Continue efforts towards developing a disaster contingency plan that addresses all of the University's computing environments.

UNIVERSITY OF ILLINOIS
Matrix of Current Findings Summarizing
The Status of the 2001 Recommendations
and University Responses

Recommendation	Accepted	Deferred	Rejected
(Continued)			
01-10. <u>Computer Security</u> (Finding Code No. 01-10)	X		
Strengthen computer security within its computing environments.			
University of Illinois Hospital			
01-11. <u>Contractual Allowance Calculations</u> (Finding Code No. 01-11, 00-10, 99-13)	X		
Review processes for calculating the adjustment for contractual allowances.			
CURRENT FINDINGS — STATE COMPLIANCE			
System-Wide			
01-12. <u>Annual Insurance Certification</u> (Finding Code No. 01-12)	X		
Establish a policy to comply with the State mandate.			
	12	0	0

Financial Related Information

UNIVERSITY OF ILLINOIS
Financial Related Information
Summary

Financial related information presented in this section of the audit includes the following:

- Financial Related Schedules:

Schedule of Expenditures of Federal Awards and Related Note Disclosure

The Schedule of Expenditures of Federal Awards presented in this section has been subjected to the auditing procedures applied in the audit of the financial statements and, in the auditors' opinion, it is fairly stated in all material respects in relation to the financial statements taken as a whole.

Audit findings and auditors' reports on compliance testing and questioned costs and internal control related to federal awards are presented in the Compliance Report section of this audit report.

UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Research and Development:					
U. S. Department of Agriculture					
Direct Awards					
Hatch		\$4,150,104			\$4,150,104
Other Federal Assistance		1,598,659			1,598,659
Agriculture Research — Basic and Applied Research	10.001	235,583			235,583
Plant and Animal Disease, Pest Control and Animal Care	10.025	35,550			35,550
Wildlife Services	10.028		\$ 4,017		4,017
Transportation Services	10.167	30,346			30,346
Grants for Agricultural Research, Special Research Grants	10.200	3,962,847	451		3,963,298
Cooperative Forestry Research	10.202	179,915			179,915
Payments To Agricultural Experiment Stations Under Hatch Act	10.203	1,009,037			1,009,037
Grants for Agricultural Research-Competitive Research	10.206	2,926,802	70,154		2,996,956
Animal Health and Disease Research	10.207	159,436			159,436
Biotechnology Risk Assessment Research	10.219	105,068			105,068
Fund for Rural America Research Education and Extension	10.224	102,146			102,146
Agricultural and Rural Economic Research	10.250	4,737			4,737
Initiative for Future Agriculture and Food Systems	10.302	172,083			172,083
Integrated Programs	10.303	11,839			11,839
Forestry Research	10.652	36,481			36,481
Cooperative Forestry Assistance	10.664	54,985			54,985
Soil and Water Conservation	10.902	22,287			22,287
International Agricultural Research — Collaborative Program	10.961	10,343			10,343
#90-CSA-ILI-117*		(62)			(62)
01-8217-0023 CA*		7,192			7,192
58-3611-5-175 USDA*		2,316			2,316
AG T-0-3611-105*		(5,195)			(5,195)
APIHS 01-8217-0023 C*		34,785			34,785
Fed Agr Appn Accrual*		5,209			5,209
NA-98-0192 USDA*		28,875			28,875
Anticipated Federal Assistance		5,281			5,281
Indirect Awards					
Other Federal Assistance		78,410			78,410

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pass-Through from State of Illinois					
Federal-State Marketing Improvement Program	10.156	\$ 20,437			\$ 20,437
Special Supplemental Food Program for Women, Infants, and Children	10.557		\$ 42,152		42,152
Agency Totals		14,985,496	116,774		15,102,270
U. S. Department of Commerce					
Direct Awards					
Other Federal Assistance		48,449			48,449
Economic Development-Technical Assistance	11.303		66,685		66,685
Research and Evaluation Program	11.312		1,782		1,782
Sea Grant Support	11.417	11,306	57,636		68,942
Technology Opportunities	11.552	(201)			(201)
Measurement & Engineering Research & Standards	11.609	199,203			199,203
Advanced Technology Program	11.612	116,025	192,317		308,342
Agency Totals		374,782	318,420		693,202
U. S. Department of Commerce-National Bureau of Standards					
Direct Awards					
Other Federal Assistance		160	22		182
Climate and Atmospheric Research	11.431	2,327			2,327
Measurement & Engineering Research & Standards	11.609	34,402			34,402
Advanced Technology Program	11.612		36,112		36,112
Agency Totals		36,889	36,134		73,023
U. S. Department of Commerce-National Oceanic and Atmospheric Administration					
Direct Awards					
Other Federal Assistance		5,793			5,793
Sea Grant Support	11.417	297,943			297,943
Climate and Atmospheric Research	11.431	202,684			202,684
Office of Oceanic and Atmospheric Research (OAR)	11.432	393,585			393,585
Agency Totals		900,005			900,005

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Energy					
Direct Awards					
Other Federal Assistance		\$1,060,038	\$ 362,206		\$ 1,422,244
Energy-Related Inventions	81.036		46,748		46,748
National Energy Information Center	81.039		119,592		119,592
State Energy Conservation	81.041		(12,662)		(12,662)
Basic Energy Sciences, High Energy/Nuclear Physics, Fusion	81.049	13,408,706	821,466		14,230,172
Office of Scientific & Technical Information	81.064		531,982		531,982
Biofuels and Municipal Waste Technology and Regional Conservation Research and Development	81.079	(57)			(57)
Renewable Energy Research and Development	81.086	103,067	570,366		673,433
Office of Science and Technology for Environmental	81.087	63,817	415,036		478,853
National Industrial Competitiveness through Environment and Economics	81.104		33,760		33,760
Transport of Transuranic Wastes to Isolation Pilot Plant	81.105		71,164		71,164
Oil Recovery Demonstration	81.106		53,372		53,372
University Nuclear Science and Reactor Support	81.107	65,915			65,915
DOE ANL IF-01541*	81.114	139,108			139,108
DOE LM 19X-SX400V*		17,203			17,203
Livermore National Laboratories*		9,390			9,390
Anticipated Federal Assistance		46,914	343,999		343,999
Indirect Awards					
Energy - Related Inventions	81.036		20,305		20,305
Pass-Through from State of Illinois					
State Energy Conservation	81.041		117,632		117,632
Agency Totals		14,914,101	3,494,966		18,409,067
U. S. Department of Energy - Argonne National Laboratory					
Direct Awards					
Other Federal Assistance		10,355			10,355
DOE ANL IF-00801*		21,318			21,318
DOE ANL IF-00861*		985			985
DOE ANL IF-00941*		18,163			18,163
DOE ANL 2000-NTN3-08*		5,655			5,655

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
DOE ANL 33482402*		\$ (11,943)			\$ (11,943)
DOE ANL 980072401*		(53,730)			(53,730)
DOE ANL 980332401*		69,855			69,855
DOE ANL 981402401*		(74,147)			(74,147)
DOE ANL 982952402*		75,537			75,537
DOE ANL 992252401*		5,613			5,613
DOE ANL 992702401*		12,843			12,843
DOE ANL IPA*		8,444			8,444
DOE ANL OE-23609*		87,877			87,877
DOE ANL OE-23629*		149,603			149,603
DOE ANL OE-23649*		240,232			240,232
Agency Totals		566,660			566,660
(41) U. S. Department of Energy – Fermi National Laboratory					
Direct Awards					
Other Federal Assistance		18,905			18,905
Agency Totals		18,905			18,905
U. S. Department of Energy – Lawrence National Laboratory					
Direct Awards					
DOE LLNL B336675*		(184)			(184)
DOE LLNL B338249*		31,208			31,208
DOE LLNL B341494*		4,301,562			4,301,562
DOE LLNL B344843*		18,921			18,921
DOE LLNL B505214*		284,982			284,982
DOE LLNL B506131*		39,607			39,607
DOE LLNL B506657*		68,679			68,679
DOE LLNL B507374*		447,592			447,592
DOE LLNL B517202*		6,012			6,012
Anticipated Federal Assistance		7,259			7,259
Agency Totals		5,205,638			5,205,638

UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Energy – Los Almos National Laboratory					
Direct Awards					
Other Federal Assistance		\$ 931,042			\$ 931,042
DOE LLNL 12076-001*		13,250			13,250
DOE LANL 16394001-00*		20,000			20,000
DOE LANL 1998-NTNI-2*		5,655			5,655
DOE LANL H3796-0019*		6,857			6,857
DOE LANL H65540019*		15,622			15,622
DOE LANL 12922-0019*		106,480			106,480
Anticipated Federal Assistance		40,670			40,670
Agency Totals		1,139,576			1,139,576
U. S. Department of Energy – Martin Marietta					
Direct Awards					
Other Federal Assistance		40,473			40,473
Agency Totals		40,473			40,473
U. S. Department of Energy – Oak Ridge National Laboratory					
Direct Awards					
Other Federal Assistance		105,738			105,738
Office of Scientific and Technical Information	81.064		\$ 6,750		6,750
Agency Totals		105,738	6,750		112,488
U. S. Department of Energy – Sandia					
Direct Awards					
Other Federal Assistance			113,693		113,693
DOE SNL 10122*		6,418			6,418
DOE SNL 10793*		10,137			10,137
DOE SNL 11683*		32,206			32,206
DOE SNL 16320*		6,787			6,787
DOE SNL 16806*		27,877			27,877
DOE SNL 17074*		3,000			3,000
DOE SNL 19316*		340			340
DOE SNL 6739*		17,888			17,888

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
DOE SNL BB-5512*		\$ 33,904			\$ 33,904
DOE SNL BF-01628*		30,701			30,701
DOE SNL BF-3798*		71,253			71,253
DOE SNL LG-3996*		34,370			34,370
Office of Scientific & Technical Information	81.064		\$ 74,532		74,532
Anticipated Federal Assistance		(240)			(240)
Agency Totals		274,641	188,225		462,866
U. S. Department of State					
Direct Awards					
Other Federal Assistance		13,004	27,426		40,430
Agency Totals		13,004	27,426		40,430
U. S. Department of State – A.I.D.					
Direct Awards					
Other Federal Assistance		161,049			161,049
Agency Totals		161,049			161,049
U. S. Department of Transportation					
Direct Awards					
Other Federal Assistance		284,543	(7,222)		277,321
Air Transportation Centers of Excellence	20.109	45,783			45,783
Highway Planning and Construction	20.205		104,572		104,572
Railroad Safety	20.301	11,530	195,171		206,701
National Pipeline Mapping System	20.714	37,753			37,753
Transportation Statistics Research Grants	20.920		19,434		19,434
Anticipated Federal Assistance		18,045	21,015		39,060
Indirect Awards					
State and Community Highway Safety	20.600		24,414		24,414
Pass-Through from State of Illinois					
State and Community Highway Safety	20.600		12,528		12,528
Agency Totals		397,654	369,912		767,566

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Transportation – Federal Aviation Administration					
Direct Awards					
Aviation Research Grants	20.108	\$ 504,570			\$ 504,570
Air Transportation Centers of Excellence	20.109	563,524			563,524
DTFA 01-G-019*		593			593
DTFA UC SA2606JB*		70,732			70,732
Agency Totals		1,139,419			1,139,419
U. S. Department of Transportation-Federal Railroad Administration					
Direct Awards					
Railroad Safety	20.301	69,582			69,582
Agency Totals		69,582			69,582
U. S. Department of Transportation-Federal Highway Administration					
Direct Awards					
Other Federal Assistance		12,425			12,425
Pass-Through from State of Illinois					
Highway Planning and Construction	20.205	874,322			874,322
Federal Transit Technical Studies Grants	20.505	113,701	\$ 7		113,708
Agency Totals		1,000,448	7		1,000,455
U. S. Department of Defense					
Direct Awards					
Other Federal Assistance		116,646	58,413		175,059
Collaborative Research and Development	12.114		66,247		66,247
Military Medical Research and Development	12.420		105,236		105,236
Basic and Applied Scientific Research	12.431		114,623		114,623
Basic and Applied Scientific Research	12.800	4,490	14,238		18,728
Research and Technology Development	12.910		9,419		9,419
Anticipated Federal Assistance		4,639			4,639
Agency Totals		125,775	368,176		493,951

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Defense – Air Force					
Direct Awards					
Other Federal Assistance		\$ 1,485,277	\$ (11,910)		\$ 1,473,367
Basic Applied and Advanced Research In Science and Engineering	12.630	1,397,797			1,397,797
Basic and Applied Scientific Research	12.800	2,407,798	155,291		2,563,089
Research and Technology Development	12.910	4,031,280	195,144		4,226,424
AF BBN PO #950000385*		521,738			521,738
AF WIS 271G821*		209,394			209,394
Anticipated Federal Assistance		154,962			154,962
Agency Totals		10,208,246	338,525		10,546,771
U. S. Department of Defense – Army					
Direct Awards					
Other Federal Assistance		4,614,333	63,458		4,677,791
Collaborative Research and Development	12.114	147,235	80,079		227,314
Military Medical Research and Development	12.420	112,991	1,096,832		1,209,823
Basic and Applied Scientific Research	12.431	7,152,181	622,425		7,774,606
Research and Technology Development	12.910	576,841			576,841
ARMY NRC-CR-96-0012*		781,475			781,475
DAAD19-01-I-0591*		14,145			14,145
DAAD19-01-I-0659*		12,231			12,231
DABT63-97-C-0069*		463,900			463,900
DACA88-00-G-0101*		397,407			397,407
DACA88-98-C-0002*		404,995			404,995
DACA88-98-D-0005-15*		303,116			303,116
Anticipated Federal Assistance		18,815			18,815
Indirect Awards					
Other Federal Assistance		33,666			33,666
Agency Totals		15,033,331	1,862,794		16,896,125

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Defense – National Security Agency					
Direct Awards					
Mathematical Sciences Grants Program	12.901	\$ 31,969	\$ 76,724		\$ 108,693
Research and Technology Development	12.910	225,954			225,954
Agency Totals		257,923	76,724		334,647
U. S. Department of Defense – Navy					
Direct Awards					
Other Federal Assistance		1,006,789	4,681		1,011,470
Basic and Applied Scientific Research	12.300	5,726,516	631,086		6,357,602
Research and Technology Development	12.910	407,585			407,585
Air Pollution Control Program Support	66.001		19,149		19,149
N00014-97-C-2061*		4,683			4,683
N00173-01-2-C004*		50,365			50,365
N66001-97-C-8535*		882,025			882,025
N66604-95-C-1536*		(100)			(100)
Anticipated Federal Assistance		11,806			11,806
Agency Totals		8,089,669	654,916		8,744,585
U. S. Department of Education					
Direct Awards					
Other Federal Assistance		134,246	19,434		153,680
Supplemental Educational Opportunity Grants	84.007		22,095		22,095
National Resource Centers & Fellowships in International Studies	84.015	296,929			296,929
Fulbright – Hays Training Grants – Doctoral Dissertation	84.022	2,968			2,968
Handicapped – Innovation and Development	84.023	125,716	182,250		307,966
Handicapped – Early Childhood Education	84.024	1,206,229			1,206,229
Education/Special Education Personnel Development	84.029	(355)			(355)
College Work Study Program	84.033	37,944	987		38,931
Student Support Services	84.042	194,272			194,272
DE MIN KS304908722-1	84.051A	83,594			83,594
DE MIN KS304908722-2	84.051A	7,655			7,655
DE MIN KS304908722-3	84.051A	1,192			1,192
DE MIN KS304908722-4	84.051A	31,417			31,417

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Fund for the Improvement of Postsecondary Education	84.116		\$ 66,342		\$ 66,342
Rehabilitation Training	84.129		4,885		4,885
National Institute on Disability and Rehabilitation	84.133		2,243,150		2,243,150
Secondary Education and Transitional Services	84.158		54,703		54,703
Bilingual Education Training Grants	84.195		73,720		73,720
Graduate Assistance in Areas of National Need	84.200	\$ 1,473			1,473
Secretary's Fund for Innovation in Education	84.215		189,670		189,670
Ronald E. McNair Post-Baccalaureate Achievement	84.217	104,270			104,270
Technology Related Assistance to Individuals	84.224		62,431		62,431
Special Projects and Demonstrations for Providing Vocational Assistance	84.235		513,131		513,131
Mary McLeod Bethune Fine Arts Center	84.302	(104)			(104)
Research Center on Student Learning & Achievement	84.305	1,218	209,170		210,388
Goals 2000: Parental Information Resource Centers	84.310		236,847		236,847
Special Education Research & Innovation	84.324	127,752			127,752
Preparing Tomorrow's Teachers to Use Technology	84.342	733,150			733,150
Occupational Safety and Health Training Grants	93.263	46,179			46,179
Research, Treatment and Education Programs on Lyme Disease	93.942	32,829			32,829
Anticipated Federal Assistance		48,123			48,123
Indirect Awards					
National Program for Drug free Schools	84.184		102,326		102,326
Pass-Through from State of Illinois					
Adult Education State Administered Program	84.002		4,956		4,956
Tech-Prep Education	84.243		39,315		39,315
Agency Totals		3,260,968	3,981,141		7,242,109
U. S. Environmental Protection Agency					
Direct Awards					
Other Federal Assistance		58,640			58,640
Air Pollution Control Program Support	66.001		1,254		1,254
Air Pollution Control	66.006		185,691		185,691
Air Information Center	66.009		69,291		69,291
National Estuary Program	66.456	14,508			14,508
Great Lakes Program	66.469	990			990
Environmental Protection – Consolidated Research Grants	66.500	1,208,139			1,208,139

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Air Pollution Control Research Grants	66.501	\$ 1,764			\$ 1,764
Solid Waste Disposal Research Grants	66.504	1,121			1,121
Water Pollution Control – Research, Development	66.505	31,109			31,109
Special Purpose	66.606	486,467			486,467
Training and Fellowships for the Environmental Protection Agency	66.607		\$ 41,029		41,029
Pass-Through from State of Illinois					
State Indoor Radon Grants	66.032		20,172		20,172
Nonpoint Source Implementation	66.460	85,590			85,590
Capitalization Grants for Drinking Water State Revolving Fund	66.468	16,995			16,995
Performance Partnership	66.605	46,203			46,203
Special Purpose	66.606	26			26
Agency Totals		1,951,552	317,437		2,268,989
(48) U. S. Department of Health and Human Services					
Direct Awards					
Other Federal Assistance		20,914	213,751		234,665
Food and Drug Administration – Research	93.103	190			190
Biological Response to Environmental Health Hazards	93.113	12,077			12,077
Human Immunodeficiency Virus/Services Planning Program	93.168		435,039		435,039
Biological Research Related to Deafness & Communicative Disorders	93.173	36,895			36,895
Disabilities Prevention	93.184		18,570		18,570
Policy Research and Evaluation	93.239	22,824	50,609		73,433
Biophysics and Physiological Sciences	93.821	136,526			136,526
Heart and Vascular Diseases Research	93.837	222,100			222,100
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	1,002			1,002
Population Research	93.864	(218)			(218)
Research for Mothers and Children	93.865		(127,900)		(127,900)
Grants to Provide Outpatient Early Intervention Services	93.918		623,148		623,148
Health Services to Residents of Public Housing	93.927		402,990		402,990
PHS U WISC #P498982*		21,238			21,238
Pass-Through from State of Illinois					
Temporary Assistance for Needy Families	93.558		8,213		8,213
Foster Care Title IV E	93.658	606,150	22,413		628,563
Adoption Assistance	93.659	191			191

UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Independent Living	93.674	\$ 966,232			\$ 966,232
Block Grants for Prevention and Treatment of Substance Abuse	93.959	106,851			106,851
Agency Totals		2,152,972	\$1,646,833		3,799,805
U. S. Department of Health and Human Services – ACPR					
Direct Awards					
Research on Health Care Costs, Quality, and Outcomes	93.226		504,426		504,426
Agency Totals			504,426		504,426
U. S. Department of Health and Human Services – Administration on Aging					
Direct Awards					
Special Programs for the Aging – Title III, Part F-Preventive	93.043		5,002		5,002
Agency Totals			5,002		5,002
U. S. Department of Health and Human Services – Centers for Disease Control					
Direct Awards					
Other Federal Assistance			88,404		88,404
Centers for Research and Demonstration for Health Promotion and Disease	93.135		1,704,597		1,704,597
Injury Control – Research and Development Projects and Prevention Research	93.136		579,175		579,175
Disabilities Prevention	93.184		1,002,399		1,002,399
Policy Research and Evaluation	93.239		5,243		5,243
Occupational Safety and Health Research Grants	93.262		16,199		16,199
Occupational Safety and Health Training Grants	93.263		43,638		43,638
Centers for Disease Control-Investigations and Technical	93.283		627,748		627,748
HIV Demonstration, Research, Public and Professional	93.941		1,013,453		1,013,453
Epidemiologic Research Studies of Aids and HIV	93.943		383,715		383,715
Assistance Program for Chronic Disease Prevention	93.945		98,968		98,968

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pass-Through from State of Illinois					
Childhood Immunization Grants	93.268		\$ 16,000		\$ 16,000
Abandoned Infants	93.551		24,797		24,797
Temporary Assistance for Needy Families	93.558		58,689		58,689
Administration on Developmental Disabilities – Basic Support	93.630		4,207		4,207
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$42,715			42,715
IDHS 011G0000517 TRR*		14,156			14,156
Unknown		2,805			2,805
Agency Totals		59,676	5,667,232		5,726,908
U. S. Department of Health and Human Services – Food and Drug Administration					
Direct Awards					
Pilot Clinical Pharmacology Training	93.948		1		1
Agency Totals			1		1
U. S. Department of Health and Human Services – Health Care Finance Administration					
Pass-Through from State of Illinois					
State Survey and Certification of Health Care Providers	93.777		32		32
Agency Totals			32		32
U.S. Department of Health and Human Services – Health Resources and Services Administration					
Direct Awards					
Other Federal Assistance			29,927		29,927
Maternal and Child Health – Federal Consolidated	93.110		26,469		26,469
Aids Education and Training Centers	93.145		1,244,442		1,244,442
Public Health Training Centers	93.188		2,550		2,550
Allied Health Projects	93.191		33,398		33,398
Centers for Medical Education Research	93.222		254,581		254,581
Grants for Dental Public Health Residency Training	93.236		26,078		26,078
National Health Service Corps	93.258		231,501		231,501

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Schedule of Expenditures of Federal Awards
Cash Federal Awards
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Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Basic Nurse Education and Practice Grants	93.359		\$ 168,127		\$ 168,127
Health Careers Opportunity Program	93.822		236,484		236,484
Grants for Faculty Development in Family Medicine	93.895		103,184		103,184
Predoctoral Training in Primary Care (Family Medicine, Residencies and Advanced Education	93.896		182,748		182,748
Grants to Provide Outpatient Early Intervention Services	93.897		18,547		18,547
Health Start Initiative	93.918		89,219		89,219
Comprehensive Residential Drug Prevention	93.926		28,853		28,853
	93.937		12,154		12,154
Indirect Awards					
HIV Emergency Relief Project Grants	93.914		132,870		132,870
Health Start Initiative	93.926		146,516		146,516
Pass-Through from State of Illinois					
Public Health Training Centers Grant Program	93.249		343,017		343,017
HIV Care Formula Grants	93.917		5,097		5,097
Agency Totals			3,315,762		3,315,762
U. S. Department of Health and Human Services – Office of Human Development					
Direct Awards					
Nursing Research	93.361		45,006		45,006
Family Violence Prevention and Services/Grants for Battered Women	93.592		5,622		5,622
Administration on Developmental Disabilities – Projects	93.631		408,681		408,681
Administration on Developmental Disabilities – University	93.632		210,943		210,943
Administration for Children, Youths and Families – Child Abuse	93.670		38,774		38,774
Pass-Through from State of Illinois					
Policy Research and Evaluation	93.239			\$2,169	2,169
Abandoned Infants	93.551		53,878		53,878
Administration on Developmental Disabilities – Basic	93.630		71,476		71,476
Foster Care Title IV E	93.658		86,241		86,241
Agency Totals			920,621	2,169	922,790

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Health and Human Services – Public Health Service					
Direct Awards					
Other Federal Assistance		\$ 253,282	\$2,580,915		\$2,834,197
Oklahoma Medical Research			5,092		5,092
PHS I R01 HD38791-01*		4,378			4,378
NO2-CO71045/CQ70045	52.246	(21)			(21)
PHS 7 R01 HL47014-09	84.021A	18,332			18,332
National Institute on Disability and Rehabilitation Research	84.133		560,714		560,714
PHS 5 T32 MH19554-09	84.305T	13,669			13,669
Minority Inter Research Training Grant – Biomed & Behavioral	93.106		156,967		156,967
Maternal and Child Health – Federal Consolidated Programs	93.110		77,243		77,243
Biological Response to Environmental Health Hazards	93.113	5,913	520,368		526,281
Applied Toxicological Research and Testing	93.114		281,017		281,017
Diseases of the Teeth and Supporting Tissues	93.121	368,928	1,041,739		1,410,667
Mental Health Planning and Demonstration Projects	93.125		405,995		405,995
Technical and Non-Financial Asst to Health Centers	93.129		7,214		7,214
Health Programs for Toxic Substance and Disease Registry	93.161	271,666	61,212		332,878
Human Immunodeficiency Virus/Services Planning Program	93.168		294,659		294,659
Biological Research Related to Deafness & Communicative Diseases	93.173	1,071,715	677,791		1,749,506
Allied Health Project Grants	93.191		20,825		20,825
Research and Training in Alternative Medicine	93.213	213	1,988,479		1,988,692
Extramural Research Facilities Construction Projects	93.214		(2,034)		(2,034)
Research on Health Care Costs, Quality, and Outcomes	93.226		80,764		80,764
Indian Health Services – Health Management Development	93.228		75,579		75,579
Consolidate Knowledge Development and Application Program	93.230		(2,174)		(2,174)
Mental Health Research Grants	93.242	3,162,332	5,383,597		8,545,929
Occupational Safety and Health Research Grants	93.262	127,588	342,626		470,214
Occupational Safety and Health – Training Grants	93.263	11,937	581,965		593,902
Alcohol Scientist Development Award and Research Scientist	93.271		111,827		111,827
Alcohol Research Programs	93.273	303,348	1,220,448		1,523,796
Drug Abuse Scientist Development Award and Research	93.277		175,195		175,195
Drug Abuse National Research Service Awards for Research	93.278		248,899		248,899
Drug Abuse Research Programs	93.279	37,327	3,574,035		3,611,362
Mental Health Research Scientist Development and Research	93.281	95,681	115,615		211,296

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Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Mental Health National Research Service Awards	93.282	\$ 60,070	\$ 406,877		\$ 466,947
Centers for Disease Control-Investigations and Technical	93.283	3,290	347,541		350,831
Generic Clinical Research Centers	93.333		1,062,350		1,062,350
Nursing Research	93.361	85,630	2,653,679		2,739,309
Biomedical Research Technology	93.371	3,558,748	342,385		3,901,133
Minority Biomedical Research Support	93.375		66,970		66,970
Research Centers in Minority Institutions	93.389		50,711		50,711
Academic Research Enhancement Award	93.390		2,944		2,944
Cancer Cause and Prevention Research	93.393	328,351	2,363,730		2,692,081
Cancer Detection and Diagnosis Research	93.394	311,313	539,069		850,382
Cancer Treatment Research	93.395	337,466	3,397,102		3,734,568
Cancer Biology Research	93.396	621,814	2,871,515		3,493,329
Cancer Research Manpower	93.398	113,057	341,322		454,379
Cancer Control	93.399	68	5,197,753		5,197,821
Community Services Block Grant	93.569	65,651			65,651
Community Schools Youth Services and Supervision Program	93.588		189,727		189,727
Administration for Children, Youth and Families Head	93.600	876			876
Administration on Developmental Disabilities-Projects	93.631		72,493		72,493
Child Welfare Services Training Grants	93.648	92,914			92,914
PHS I R2I DC04840-01	93.713	75,903			75,903
Biophysics and Physiological Sciences	93.821	4,031,291	1,993,659		6,024,950
Health Careers Opportunity Program	93.822		40,847		40,847
Basic/Core Area Health Education Centers	93.824	174,491			174,491
Heart and Vascular Diseases Research	93.837	982,933	5,058,585		6,041,518
Lung Diseases Research	93.838	664,601	2,257,638		2,922,239
Blood Diseases and Resources Research	93.839	472,315	4,518,100		4,990,415
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	491,382	1,234,263		1,725,645
Diabetes, Endocrinology and Metabolism Research	93.847	677,839	2,400,980		3,078,819
Digestive Diseases and Nutrition Research	93.848	285,737	2,084,676		2,370,413
Kidney Diseases, Urology and Hematology Research	93.849	131,657	368,900		500,557
Extramural Research Programs in the Neurosciences	93.853	208,803	523,464		732,267
Biological Basis Research in the Neurosciences	93.854	1,896,892	2,391,658		4,288,550
Allergy, Immunology and Transplantation Research	93.855	400,039	1,512,460		1,912,499
Microbiology and Infectious Diseases Research	93.856	2,726,804	3,010,022		5,736,826

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pharmacological Sciences	93.859	\$6,786,876	\$2,598,471		\$9,385,347
Genetics and Development Biology Research and Research	93.862	1,326,265	2,034,720		3,360,985
Cellular and Molecular Basis of Disease Research	93.863	(589)	(3)		(592)
Population Research	93.864	529,709	1,803,897		2,333,606
Research for Mothers and Children	93.865	709,976	859,453		1,569,429
Aging Research	93.866	1,454,298	2,441,475		3,895,773
Retinal and Choroidal Diseases Research	93.867	548,894	3,054,814		3,603,708
Medical Library Assistance	93.879		392,731		392,731
Minority Access to Research Careers	93.880		21,969		21,969
Resources and Manpower Development – Environmental Health Start Initiative	93.894	17,251			17,251
Center for Medical Rehabilitation Research	93.926		4,612		4,612
Fogarty International Research Collaboration Award	93.929		70,682		70,682
Project Grants for Renovation or Construction of Tertiary Comprehensive Residential Drug Prevention	93.934	71,736	45,670		117,406
Research, Treatment and Education Programs on Lyme Disease	93.395		91,835		91,835
Senior International Awards Program	93.937		6,580		6,580
Gala Design	93.942	84,846			84,846
Anticipated Federal Assistance	93.989	24,855	111,695		136,550
Indirect Awards	99.393	36,087	14,644		50,731
Cancer Detection and Diagnosis Research	93.394		389,408		389,408
Microbiology and Infectious Diseases Research	93.856		212,343		212,343
HIV Emergency Relief Project Grants	93.914		19,583		19,583
Special Projects of National Significance	93.928		3,880		3,880
HIV Prevention Activities – Non-Governmental Organization	93.939		3,046		3,046
HIV Prevention Activities – Health Department Based	93.940		36,220		36,220
Pass-Through from State of Illinois					
Mental Health Planning and Demonstration Projects	93.125		6,980		6,980
Health Programs for Toxic Substance and Disease Registry	93.161		213,836		213,836
Community Partnership Demonstration Grant	93.194		90,782		90,782
Consolidate Knowledge Development and Application Program	93.230		1,010		1,010
Administration on Developmental Disabilities – Basic Support	93.630		43,392		43,392
Family Violence Prevention and Service	93.671		428,011		428,011
HIV Care Formula Grants	93.917		111,133		111,133

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Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
HIV Prevention Activities – Health Department Based	93.940		\$ 179,355		\$ 179,355
HIV/AIDS Surveillance	93.944		5,750		5,750
Assistance Program for Chronic Disease Prevention	93.945		12,444		12,444
Block Grants for Prevention and Treatment of Substance	93.959		2,790		2,790
Cooperative Agreements for State-Based Diabetes Control	93.988		642		642
Maternal and Child Health Services Block Grant	93.994		27,076		27,076
Agency Totals		\$36,136,427	83,231,066		119,367,493
U. S. Department of Health and Human Services – Substance Abuse					
Direct Awards					
Consolidate Knowledge Development and Application Program	93.230		1,538,405		1,538,405
Pass-Through from State of Illinois					
Block Grants for Prevention and Treatment of Substance Abuse	93.959		40,854		40,854
Agency Totals			1,579,259		1,579,259
U. S. Department of Interior					
Direct Awards					
Other Federal Assistance		5,894			5,894
Cooperative Forestry Assistance	10.664	3,740			3,740
Regulation of Surface Coal Mining and Surface Effects	15.250	29,186			29,186
Coastal Wetlands Planning, Protection and Restoration Act	15.614	7,000			7,000
Assistance to State Water Resources Research Institutes	15.805	46,399			46,399
Geological Survey – Research and Data Acquisition	15.808		9,212		9,212
Pass-Through from State of Illinois					
Regulation of Surface Coal Mining and Surface Effects	15.250	45,023			45,023
National Center for Preservation Technology & Training	15.923	91			91
Agency Totals		137,333	9,212		146,545
U. S. Department of Interior – Bureau Reclamation					
Direct Awards					
Other Federal Assistance		11,788			11,788
Water Resources Research	15.BBN	2,947			2,947

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
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Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Indirect Awards					
Other Federal Assistance		\$ 429			\$ 429
Agency Totals		15,164			15,164
U. S. Department of Interior – Fish & Wildlife					
Direct Awards					
Other Federal Assistance		30,970			30,970
Fish and Wildlife Management Assistance	15.608	(258)			(258)
Wildlife Restoration	15.611	9,147			9,147
Coastal Wetlands Planning, Protection and Restoration Act	15.614	(6,586)			(6,586)
Wildlife Conservation and Appreciation	15.617	35,582			35,582
Upper Mississippi River System Long Term Resource	15.978	24,258			24,258
Pass-Through from State of Illinois					
Sport Fish Restoration	15.605	1,463,582			1,463,582
Wildlife Restoration	15.611	173,467			173,467
Cooperative Endangered Species Conservation Fund	15.615	29,729			29,729
Wildlife Conservation and Appreciation	15.617	4,515			4,515
Administrative Grants for Federal Aid in Sport Fish & Wildlife	15.618	6,829			6,829
Agency Totals		1,771,235			1,771,235
U. S. Department of Interior-Geological Survey					
Direct Awards					
Other Federal Assistance		64,247			64,247
Fish and Wildlife Management Assistance	15.608	77,204			77,204
Assistance to State Water Resources Research Institutes	15.805	238,593			238,593
Earthquake Hazards Reduction Program	15.807	23,645			23,645
Geological Survey – Research and Data Acquisition	15.808	187,902			187,902
National Cooperative Geologic Mapping Program	15.810	130,845			130,845
Upper Mississippi River System Long Term Resource	15.978	1,048,270			1,048,270
INT MB 0159 ANT*		7,475			7,475
Agency Totals		1,778,181			1,778,181

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Justice					
Direct Awards					
Law Enforcement Assistance Narcotics and Dangerous Drugs	16.003		\$ 12,926		\$ 12,926
Justice Research and Development Project Grants	16.560		231,844		231,844
Narcotics Control Discretionary Grant Program	16.580		1,152		1,152
Public Safety and Community Policing Grants	16.710		364,885		364,885
Department of Justice K003	16.960		20,391		20,391
Indirect Awards					
Justice Research and Development Project Grants	16.560		15,901		15,901
Reduction and Prevention of Children's Exposure to Violence	16.730		15,315		15,315
Pass-Through from State of Illinois					
Law Enforcement Assistance National Crime Information	16.304		(5,065)		(5,065)
Part E-Share Challenge Activities	16.549		17,942	\$15,187	33,129
Agency Totals			675,291	15,187	690,478
U. S. Department of Labor					
Direct Awards					
Other Federal Assistance		\$ 5,435			5,435
Job Training Partnership Act (JTPA)	17.250			22,682	22,682
Agency Totals		5,435		22,682	28,117
Miscellaneous U. S. Departments					
Direct Awards					
Other Federal Assistance		175,359	4,147		179,506
Institute of Museum and Library Services	45.312	88,670			88,670
Social Behavioral and Economic Sciences	47.075	3,430			3,430
Social Security – Research and Demonstration Grants	96.007	934,942			934,942
Unknown	98.230		(3,363)		(3,363)
CRDF RP2-2104*		1,462			1,462
Anticipated Federal Assistance		6,597	16,474		23,071
Pass-Through from State of Illinois					
Hazard Mitigation Grant	83.548	9,535			9,535
Agency Totals		1,219,995	17,258		1,237,253

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. National Aeronautics and Space Administration					
Direct Awards					
Other Federal Assistance		\$1,041,278	\$ 8,680		\$1,049,958
Aerospace Educational Services Program	43.001		596,762		596,762
Technology Transfer	43.002		393,012		393,012
Anticipated Federal Assistance		18,827			18,827
Agency Totals		1,060,105	998,454		2,058,559
U. S. National Aeronautics and Space Administration – @ Ames					
Direct Awards					
Other Federal Assistance		525,364			525,364
Agency Totals		525,364			525,364
U. S. National Aeronautics and Space Administration – @ George C. Marshall					
Direct Awards					
Other Federal Assistance		459,572			459,572
Agency Totals		459,572			459,572
U. S. National Aeronautics and Space Administration – @ Goddard					
Direct Awards					
Other Federal Assistance		2,655,730			2,655,730
NASA NAG 5-10754*		1,449			1,449
Agency Totals		2,657,179			2,657,179
U. S. National Aeronautics and Space Administration – @ Langley					
Direct Awards					
Other Federal Assistance		83,323	(472)		82,851
Aerospace Educational Services Program	43.001		36,275		36,275
Technology Transfer	43.002		177,479		177,479
Agency Totals		83,323	213,282		296,605

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. National Aeronautics and Space Administration – @ Lewis					
Direct Awards					
Other Federal Assistance		\$ 858,803			\$ 858,803
Technology Transfer	43.002		\$ 42,916		42,916
Agency Totals		858,803	42,916		901,719
U. S. National Aeronautics and Space Administration – @ Washington					
Direct Awards					
Other Federal Assistance		31,729			31,729
Technology Transfer	43.002		78,826		78,826
Agency Totals		31,729	78,826		110,555
(59) U. S. National Science Foundation					
Direct Awards					
Other Federal Assistance		22,506	69,416		91,922
Engineering Grants	47.041	9,603,182	2,476,915		12,080,097
Mathematical and Physical Sciences	47.049	13,876,821	2,837,664		16,714,485
Geosciences	47.050	3,716,831	249,506		3,966,337
Computer and Information Science and Engineering (CISE)	47.070	38,789,500	4,961,635		43,751,135
Science and Technology Centers	47.073	118,740			118,740
Biological Sciences	47.074	5,093,324	2,571,427		7,664,751
Social Behavioral and Economic Sciences	47.075	1,489,870	389,163		1,879,033
Education and Human Resources	47.076	1,246,147	1,005,188		2,251,335
Polar Programs	47.078	383,501	8,754		392,255
Biological Sciences	47.074		7,220		7,220
Anticipated Federal Assistance		916,906	349		917,255
Indirect Awards					
Mathematical and Physical Sciences	47.049		14,405		14,405
Agency Totals		75,257,328	14,591,642		89,848,970

UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. National Endowment for Humanities					
Direct Awards					
Promotion of the Humanities – Research	45.161		\$ 61,090		\$ 61,090
Promotion of Humanities Education Development	45.162		(20,443)		(20,443)
Promotion of the Humanities Seminars & Institutes	45.163		59,848		59,848
Agency Totals			100,495		100,495
U. S. TVA					
Direct Awards					
Other Federal Assistance		\$ (136)			(136)
TVA Energy Research and Technology Applications	62.001		(300)		(300)
Agency Totals			(436)		(436)
U. S. Veterans Administration					
Direct Awards					
Other Federal Assistance			1,620,315		1,620,315
Agency Totals			1,620,315		1,620,315
U. S. Housing and Urban Development					
Direct Awards					
Other Federal Assistance		405,002			405,002
Community Development Block Grant/Small Cities	14.219		26,988		26,988
Pass-Through from State of Illinois					
Lead Abatement Grant	14.900	28,495	39,257		67,752
IDPH 05300676	14.900	30,686			30,686
Agency Totals		464,183	66,245		530,428
Miscellaneous U. S. Departments					
Direct Awards					
Anticipated Federal Assistance			109,215		109,215
Agency Totals			109,215		109,215
Research and Development Cluster		204,945,092	127,551,712	\$40,038	332,536,842

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Bilingual Education:					
U. S. Department of Education					
Indirect Awards					
Bilingual Education Development & Implementation Grants	84.288		\$ 80,106		\$ 80,106
Bilingual Education: Comprehensive School Grants	84.290		149,370		149,370
Agency Totals			229,476		229,476
Bilingual Education Cluster			229,476		229,476
CDBG - Entitlement and Small Cities:					
U. S. Department of Housing & Urban Development – Miscellaneous					
Indirect Awards					
Community Development Block Grants/Entitlement Grants	14.218		12,088		12,088
Agency Totals			12,088		12,088
U. S. Department of Housing & Urban Development					
Direct Awards					
Community Development Block Grants/Entitlement Grants	14.218	\$27,005			27,005
Community Development Block Grants/Small Cities Program	14.219		89,124		89,124
Indirect Awards					
Community Development Block Grants/Entitlement Grants	14.218		147,542		147,542
Agency Totals		27,005	236,666		263,671
CDBG – Entitlement and Small Cities Cluster		27,005	248,754		275,759
Child Care:					
U. S. Department of Health and Human Services – Center for Disease Control					
Pass-Through from State of Illinois					
Child Care Mandatory and Matching Funds of Child Care	93.596	22,463			22,463
Agency Totals		22,463			22,463
Child Care Cluster		22,463			22,463

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Child Nutrition:					
U. S. Department of Agriculture					
Pass-Through from State of Illinois					
Summer Food Service Program for Children	10.559	\$5,284			\$ 5,284
Agency Totals		5,284			5,284
Child Nutrition Cluster		5,284			5,284
Consolidated Health Centers:					
U. S. Department of Health and Human Services – Health Resources and Service Administration					
Direct Awards					
Health Center Grants for Homeless Populations (HCH)	93.151		\$196,879		196,879
Community Health Centers (CHC)	93.224		709,875		709,875
Agency Totals			906,754		906,754
U. S. Department of Health and Human Services – Public Health Services					
Direct Awards					
Health Center Grants for Homeless Populations (HCH)	93.151		9,017		9,017
Agency Totals			9,017		9,017
Consolidated Health Cluster			915,771		915,771
Employment Services:					
U. S. Department of Labor					
Pass-Through from State of Illinois					
Employment Service	17.207			\$14,874	14,874
Agency Totals				14,874	14,874
Employment Services Cluster				14,874	14,874

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Food Stamps:					
U. S. Department of Agriculture					
Pass-Through from State of Illinois					
State Administrative Matching Grants for Food Stamps	10.561	\$3,148,936			\$3,148,936
Agency Totals		3,148,936			3,148,936
Food Stamps Cluster		3,148,936			3,148,936
Highway Safety:					
U. S. Department of Transportation					
Pass-Through from State of Illinois					
State and Community Highway Safety	20.600		\$ 34,978	\$ 44,135	79,113
Alcohol Traffic Safety and Drunk Driving Prevention	20.601			66,062	66,062
Agency Totals			34,978	110,197	145,175
Highway Safety Cluster			34,978	110,197	145,175
HIV:					
U. S. Department of Health and Human Services – Health Resources and Services Administration					
Indirect Awards					
HIV Emergency Relief Project Grants	93.914		965,496		965,496
Agency Totals			965,496		965,496
U. S. Department of Health and Human Services – Public Health Services					
Indirect Awards					
HIV Emergency Relief Project Grants	93.914		56,913		56,913
Agency Totals			56,913		56,913
HIV Cluster			1,022,409		1,022,409

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Medicaid:					
U. S. Department of Health and Human Services – Health Care Financing Administration					
Pass-Through from State of Illinois					
Medical Assistance Program — Home Nursing	93.778		\$13,176,251		\$13,176,251
Agency Totals			13,176,251		13,176,251
Medicaid Cluster			13,176,251		13,176,251
Other Programs:					
Illinois Board of Higher Education					
Pass-Through from State of Illinois					
Eisenhower Professional Development State Grants	84.281			\$15,486	15,486
Agency Totals				15,486	15,486
U. S. Department of Agriculture					
Direct Awards					
Other Federal Assistance		\$62,030			62,030
AG Risk 2000 Ohio St.*		36,933			36,933
AIAC-99-EPIA-1-0461*		(420)			(420)
Becasli Administration*		35,742			35,742
Becasli Connectivity*		2,000			2,000
Becasli Knox County*		10,202			10,202
Becasli Prep Plus*		28,278			28,278
Becasli TT&TA*		25,534			25,534
Cooking Meat Safe Project*		16,879			16,879
Dev Com Profiles*		9,954			9,954
Ec Per Prod Mkt Adv*		69,926			69,926
EPA Indoor Air Quality*		2,908			2,908
Food Safety and Quality*		2,190			2,190
GPRA IMP*		7,649			7,649
II Agrabil Ag Eng 98*		26,907			26,907
II Agrability ADM 98*		71,399			71,399

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
III NCR Sare*		\$ 3,977			\$ 3,977
Interact IPM Interne*		16,954			16,954
Internet Del of Cour*		9,894			9,894
PAT AG ENG*		28,585			28,585
Pest MGT Midwest FRU*		487			487
Prop Dev Agrisk 2000*		56,358			56,358
Risk Manage Ed Evalu*		(862)			(862)
S L PENA Mail ITCS*		39,418			39,418
S L Penalty Mail ADM*		67,269			67,269
S P Health Homes*		2,968			2,968
Plant and Animal Disease, Pest Control, and Animal Care	10.025	15,085			15,085
Grants for Agricultural Research, Special Research	10.200	8,953			8,953
Payments to Agricultural Experiment Stations	10.203	400			400
Grants for Agricultural Research – Competitive Research	10.206	(365)			(365)
Food and Agricultural Science National Needs Graduate Fellowship	10.210	160,340			160,340
Higher Education Challenge Grants	10.217	16,480			16,480
Higher Education Multicultural Scholarship Program	10.220	45,000			45,000
Integrated Programs	10.303	21,979			21,979
Cooperative Extension Service	10.500	10,874,280			10,874,280
Agricultural Telecommunicates Programs	10.501	69			69
Environmental Quality Incentives Program	10.912	8,837			8,837
Anticipated Federal Assistance		14,989			14,989
Agency Totals		11,799,206			11,799,206
U. S. Department of Commerce					
Direct Awards					
Other Federal Assistance		2,152			2,152
Sea Grant Support	11.417	3,001			3,001
Public Telecommunications Facilities – Construction	11.550	49,432			49,432
Agency Totals		54,585			54,585

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Commerce – National Oceanic and Atmospheric Administration					
Direct Awards					
Sea Grant Support	11.417	\$169,768			\$169,768
Agency Totals		169,768			169,768
U. S. Department of Energy					
Direct Awards					
Other Federal Assistance		3,072			3,072
Basic Energy Sciences, High Energy/Nuclear Physics, Fusion	81.049	18,910			18,910
Office of Scientific & Technical Information	81.064		\$ 75,100		75,100
Renewable Energy Research and Development	81.087		69,761		69,761
Pass-Through from State of Illinois					
State Energy Conservation	81.041		104,075		104,075
Rehabilitation Services – Basic Support	84.126		(46,091)		(46,091)
Agency Totals		21,982	202,845		224,827
U. S. Department of Energy – Argonne National Laboratory					
Direct Awards					
DOE ANL TTA 00-249*		624			624
Agency Totals		624			624
U. S. Department of Energy – Oak Ridge National Laboratory					
Direct Awards					
Other Federal Assistance		4,459			4,459
Agency Totals		4,459			4,459
U. S. Department of Energy – Sandia					
Direct Awards					
DOE SNL AE 0629*		12			12
Agency Totals		12			12

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of State					
Direct Awards					
Other Federal Assistance		\$ 36,726	\$ (21,437)		\$ 15,289
Special Domestic Assignments	19.202		10,978		10,978
Russian, Eurasian, and East European Research and Training	19.300	119,440			119,440
Professional Development International Educators/Administrators	19.404		869		869
Educational Exchange – Fulbright American Studies Institutes	19.418		265,045		265,045
Agency Totals		156,166	255,455		411,621
U. S. Department of State – A.I.D.					
Direct Awards					
Other Federal Assistance		71,956			71,956
Agency Totals		71,956			71,956
U. S. Department of Transportation					
Direct Awards					
Federal Transit Grants for University Research	20.502	2,833			2,833
Pass-Through from State of Illinois					
Interagency Hazardous Materials Public Sector Training	20.703	126,501			126,501
Agency Totals		129,334			129,334
U. S. Department of Transportation – Federal Highway Administration					
Direct Awards					
DOT DDEOCC-01-X-710*		759			759
Agency Totals		759			759
U. S. Department of Defense					
Direct Awards					
Basic and Applied Scientific Research	12.431	54,125			54,125
Pass-Through from State of Illinois					
Procurement Technical Assistance for Business Firms	12.002	907			907
Agency Totals		55,032			55,032

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Defense – Air Force					
Direct Awards					
Other Federal Assistance		\$139,418			\$139,418
Basic and Applied Scientific Research	12.800	14,615			14,615
Anticipated Federal Assistance		12,130			12,130
Agency Totals		166,163			166,163
U. S. Department of Defense – Army					
Direct Awards					
Other Federal Assistance		143,905			143,905
Military Medical Research and Development	12.420	22,456			22,456
Basic and Applied Scientific Research	12.431	27,183			27,183
Pass-Through from State of Illinois					
Chemical Stockpile Emergency Preparation Program	83.549	9,020			9,020
Agency Totals		202,564			202,564
U. S. Department of Defense – National Security Agency					
Direct Awards					
Other Federal Assistance		326			326
Agency Totals		326			326
U. S. Department of Defense – Navy					
Direct Awards					
Other Federal Assistance		175,133			175,133
Basic and Applied Scientific Research	12.300	196,062			196,062
Agency Totals		371,195			371,195
U. S. Department of Education					
Direct Awards					
Business Development Assistance to Small Business	59.005			\$5,064	5,064
National Resource Centers & Fellowships – International	84.015	944,446			944,446
Undergrad International Studies & Foreign Language Programs	84.016	72,144			72,144
Fulbright – Hays Training Grants – Doctoral Dissertation	84.022	23,061			23,061
Handicapped – Early Childhood Education	84.024	66,481			66,481

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Education/Special Education Personnel Development	84.029	\$ 420,028	\$148,023		\$ 568,051
Vocational Education Research	84.051	74,197			74,197
Fund for the Improvement of Postsecondary Education	84.116	5,106	42,394		47,500
Rehabilitation Training	84.129	74,822	49,415		124,237
National Institute on Disability and Rehabilitation Research	84.133		928,615		928,615
Secondary Education and Transitional Services	84.158	1,802,004	(3,134)		1,798,870
Bilingual Education Support Services	84.194		114,022		114,022
Bilingual Education Training Grants	84.195	139,483	471,425		610,908
Graduate Assistance in Areas of National Need	84.200	435,557			435,557
Jacob K Javitz Gifted and Talented Students	84.206		189,338		189,338
Secretary's Fund for Innovation in Education	84.215		197,994		197,994
Center for International Business Education	84.220	202,541			202,541
Rehabilitation Training-Experimental and Innovative Training	84.263	21,130			21,130
Rehabilitation Continuing Education Programs	84.264	35,367			35,367
21 st Century Community Learning Centers	84.287	35,781			35,781
Ready to Learn Television	84.295	20,272			20,272
Goals 2000: Parental Information Resource Centers	84.310		4,348		4,348
Special Education Research & Innovation to Improve	84.324	98,776	142,532		241,308
Special Education – Personnel Preparation to Improve Service & Results	84.325	171,476			171,476
Gaining Early Awareness and Readiness for Undergraduate	84.334	207,339	464,650	\$355,625	1,027,614
Teacher Quality Enhancement Grants	84.336	365,606			365,606
Preparing Tomorrow's Teachers to use Technology	84.342	26,342			26,342
PELL ADM ALLOW 00-01	84.633	21,890			21,890
DE ED-99-CO-0020*		720,733			720,733
DE-RR93002007*		578			578
FWS 98 – 99*		169,363			169,363
FWS 99 – 00*		450,212			450,212
FWS 99 – 00*				10,123	10,123
Indirect Awards					
Bilingual Education: Program Enhancement Grants	84.195		53,758		53,758

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pass-Through from State of Illinois					
Handicapped Infants and Toddlers	84.181		\$ 156,588		\$ 156,588
National Program for Drug Free Schools and Communities	84.184		438		438
Goals 2000: Educate America Act	84.276	\$ 137,563			137,563
Eisenhower Professional Development State Grants	84.281	42,789		\$ 55,608	98,397
Agency Totals		6,785,087	2,960,406	426,420	10,171,913
U. S. Environmental Protection Agency					
Direct Awards					
Other Federal Assistance		1,780			1,780
Air Pollution Control Program Support	66.001		45,555		45,555
Great Lakes Program	66.469	11,006			11,006
Special Purpose	66.606	827,132			827,132
Training and Fellowships for the Environmental Protection Agency	66.607		9,983		9,983
Children's Health Protection	66.609		32,456		32,456
Pollution Prevention Grants Program	66.708	45,084			45,084
EPA U-91577401-0*		946			946
Indirect Award					
National Estuary Program	66.456	9,070			9,070
Nonpoint Source Implementation	66.460	2,846			2,846
CAL-NM 2001NTN122	66.001	1,312			1,312
Pass-Through from State of Illinois					
Nonpoint Source Implementation	66.460	5,000			5,000
Pollution Prevention Grants Program	66.708	7,838			7,838
Agency Totals		912,014	87,994		1,000,008
U. S. Department of Health and Human Services					
Direct Awards					
Other Federal Assistance			6,490		6,490
Financial Assistance for Disadvantaged Health Professions	93.139		25,000		25,000
Centers for Disease Control – Investigations	93.283	29,000			29,000

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pass-Through from State of Illinois					
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$690,987			\$ 690,987
Agency Totals		719,987	\$ 31,490		751,477
U. S. Department of Health and Human Services – Centers for Disease Control					
Direct Awards					
Centers for Research and Demonstrations for Health Promotion and Disease Control	93.135		231,170		231,170
Centers for Disease Control-Investigations and Technical Preventive Health and Health Services Block Grant	93.283		146,374		146,374
	93.991		25,284		25,284
Indirect Awards					
Centers for Research and Demonstrations for Health Promotion and Disease Control	93.135		93,192		93,192
HIV Prevention Activities – Health Department Based	93.940		516,322		516,322
Pass-Through from State of Illinois					
Assistance Program for Chronic Disease Prevention and Control IDHS 011G0000517 TRR*	93.945		17,514		17,514
Unknown		(297)			(297)
Agency Totals		19,689			19,689
U. S. Department of Health and Human Services – Health Resources and Services Administration					
Direct Awards					
Other Federal Assistance			179,081		179,081
Maternal and Child Health-Federal Consolidated Programs	93.110		372,313		372,313
Centers of Excellence	93.157		453,052		453,052
Public Health Training Center	93.188		(84,924)		(84,924)
Hansen's Disease National Ambulatory Care Program	93.215		39,577		39,577
Advanced Education Nursing Traineeships	93.358		92,540		92,540
Grants for Graduate Training in Family Medicine	93.379		186,405		186,405
Grants for Faculty Development in Family Medicine	93.895		298		298
Predoctoral Training in Primary Care	93.896		190,359		190,359
Rural Health Services Outreach and Rural Network Development	93.912		36,981		36,981

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Grants for the Training of Health Professions in Geriatrics	93.969			\$3,338	\$ 3,338
Academic Administration Units in Primary Care	93.984		\$ 204,120		204,120
Indirect Awards					
HIV Care Formula Grants	98.917		115,239		115,239
Pass-Through from State of Illinois					
Maternal and Child Health Services Block Grant	93.994		5,232,000		5,232,000
Agency Totals			7,017,041	3,338	7,020,379
U. S. Department of Health and Human Services – Office of Human Development					
Direct Awards					
Community Services Block Grants Discretionary Awards	93.570		93,538		93,538
Administration on Developmental Disabilities	93.631		1,301		1,301
Indirect Awards					
Administration for Children, Youth and Families	93.600		685,942		685,942
Pass-Through from State of Illinois					
Policy Research and Evaluation	93.239	\$ 9			9
Child Support Enforcement	93.563		18,971		18,971
Foster Care Title IV E	93.658		272,517		272,517
Agency Totals		9	1,072,269		1,072,278
U. S. Department of Health and Human Services – Public Health Service					
Direct Awards					
Other Federal Assistance			370,840		370,840
Minority Research Training Grant-Biomed and Behavioral	93.106		(105)		(105)
Maternal and Child Health-Federal Consolidated Programs	93.110		595,777		595,777
Diseases of the Teeth and Supporting Tissues	93.121		28,032		28,032
Hazardous Waste Workers Health and Safety Training	93.142	90,078			90,078
Community Partnership Demonstration Grant	93.194	36,642			36,642
Extramural Research Facilities Construction Projects	93.214		125,121		125,121
Hansen's Disease National Ambulatory Care Program	93.215		52,728		52,728
Mental Health Research Grants	93.242	71			71
Occupational Safety and Health – Training Grants	93.263		78,731		78,731

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Alcohol National Research Service Awards for Research	93.272	\$ 87,549			\$ 87,549
Drug Abuse National Research Service Awards for Research	93.278	19,469			19,469
Drug Abuse Research Programs	93.279		\$ 48,589		48,589
Mental Health National Research Service Awards	93.282	309,741			309,741
Centers for Disease Control-Investigations and Technical	93.283	59,217	47,769		106,986
Nurse Practitioner/Midwife Education and Traineeships	93.298		(1,849)		(1,849)
Advanced Education Nursing Traineeships	93.358		(2,290)		(2,290)
Nursing Research	93.361		65,299		65,299
Research Centers in Minority Institutions	93.389		77,589		77,589
Cancer Research Manpower	93.398	196,522	168,828		365,350
Cancer Control	93.399	34,488			34,488
Community Schools Youth Services and Supervision	93.588		841,181		841,181
Administration for Children, Youth and Families – Head Start	93.600	1,197,651			1,197,651
Biophysics and Physiological Sciences	93.821	993,658			993,658
Health Careers Opportunity Program	93.822		3,552		3,552
Heart and Vascular Diseases Research	93.837		193,238		193,238
Lung Diseases Research	93.838		368,244		368,244
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		3,756		3,756
Extramural Research Programs in the Neurosciences	93.853	12,332			12,332
Microbiology and Infectious Diseases Research	93.856	(18)	234,056		234,038
Hager Sharp	93.857		41		41
Population Research	93.864	172,366			172,366
Research for Mothers and Children	93.865	161,019			161,019
Aging Research	93.866	15,252			15,252
Grants for Residency Training in General Internal Medicine and/or General Practices	93.884		133,410		133,410
Resources and Manpower Development – Environmental Health	93.894	155,484			155,484
Predoctoral Training in Primary Care	93.896		96,397		96,397
Residencies and Advanced Education	93.897		(4,595)		(4,595)
Pilot Clinical Pharmacology Training	93.948		55,160		55,160
Traineeships for Students in Schools of Public Health and Graduate Public Health	93.964		70,841		70,841
HHS SDS 6993709-00*		40,858			40,858
PHS 5 T32 MH19554STP*	84.305T	101,765			101,765

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Anticipated Federal Assistance		\$ 27,186	\$ (7,339)		\$ 19,847
Indirect Awards					
Cancer Control	93.399		(3,903)		(3,903)
Administration for Children, Youth and Families – Head Start	93.600		(4,023)		(4,023)
HIV Prevention Activities – Health Department Based	93.940		420,075		420,075
Tuberculosis Demonstration Research	93.947		48,069		48,069
Pass-Through from State of Illinois					
Maternal and Child Health-Federal Consolidated Programs	93.110		141,996		141,996
Community Partnership Demonstration Grant	93.194		175,803		175,803
Family Planning Services	93.217		146,988		146,988
Social Services Block Grant	93.667		35,293		35,293
Health Start Initiative	93.926		132,646		132,646
Block Grants for Prevention and Treatment of Substance Abuse	93.959		(77,596)		(77,596)
Cooperative Agreements for State-Based Diabetes Control	93.988		112,647		112,647
Maternal and Child Health Services Block Grant	93.994		2,187,862		2,187,862
Agency Totals		3,711,340	6,958,858		10,670,198
U.S. Department of Health and Human Services – Substance Abuse					
Direct Awards					
Heart, Lung and Blood Disorders Shared Research Facilities	93.131		576,613		576,613
HIV/Aids and Related Diseases Among Substance Abusers	93.949		373,995		373,995
Agency Totals			950,608		950,608
U. S. Department of Interior					
Indirect Awards					
Geological Survey-Research and Data Acquisition	15.808	5,000			5,000
Agency Totals		5,000			5,000
U. S. Department of Interior – Fish and Wildlife					
Direct Awards					
Other Federal Assistance		122			122
Fish and Wildlife Management Assistance	15.608	1,493			1,493
Wildlife Conservation and Appreciation	15.617	1,000			1,000

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Pass-Through from State of Illinois					
Fish and Wildlife Management Assistance	15.608		\$ 7,597		\$ 7,597
Agency Totals			10,212		10,212
U. S. Department of Interior – Geological Survey					
Direct Awards					
Other Federal Assistance			2,828		2,828
Agency Totals			2,828		2,828
U. S. Department of Justice					
Direct Awards					
Juvenile Justice and Delinquency Prevention – Special Emphasis	16.541		\$ 80,897		80,897
National Institute for Juvenile Justice and Delinquency	16.542			\$ 1,239	1,239
Justice Research and Development Project Grants	16.560		65,593		65,593
Rural Domestic Violence and Child Victimization Enforcement Grant	16.589	48,744			48,744
Residential Substance Abuse Treatment	16.593			27,353	27,353
Public Safety and Community Policing Grants	16.710		655,507		655,507
Troops To Cops	16.711	73,072	(12,786)		60,286
Indirect Awards					
Local Law Enforcement Block Grant Program	16.592		557,003		557,003
Public Safety and Community Policing Grants	16.710		482,491		482,491
Troops to Cops	16.711		13,841		13,841
Pass-Through from State of Illinois					
Illinois Criminal Justice	16.523		15,365		15,365
Juvenile Justice and Delinquency Prevention – Allocation	16.540			22,699	22,699
Part E-Share Challenge Activities	16.549			31,141	31,141
Bulletproof Partnership	16.607			1,474	1,474
Public Safety and Community Policing Grants	16.710	338,241		137,829	476,070
Agency Totals		460,057	1,857,911	221,735	2,539,703

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. Department of Labor					
Pass-Through from State of Illinois Workforce Investment Act	17.255			\$52,464	\$ 52,464
Agency Totals				52,464	52,464
Miscellaneous Federal Awards					
Direct Awards					
Other Federal Assistance		\$126,251	\$ 3,115		129,366
Housing Opportunities for Persons with AIDS (HOPWA) To Support/Bring International Exchange Program	14.241 45.024		37,010 12,230		37,010 12,230
Institute of Museum and Library Services	45.312	59,741			59,741
Professional Development International Education	82.009	130			130
First Responder Anti-Terrorism Training Assistance	83.547	46,297			46,297
State Fire Training Systems Grants	83.553	487			487
National Historical Publications and Records Grants	89.003	18,452			18,452
CNS Bonner Foundation*		20,664			20,664
IMLS NL-00003-00*		68,585			68,585
US GUUC Accrued*		58,297			58,297
Pass-Through from State of Illinois					
Public Safety and Community Policing Grants	16.710	10,000			10,000
Reference Services in Science, Technology, and Business	42.007			72,815	72,815
Institute of Museum Services	45.301		55,700		55,700
State Library Program	45.310	361,066	67,282		428,348
Emergency Management Performance Grants	83.552	87,749			87,749
Agency Totals		857,719	175,337	72,815	1,105,871
U. S. National Aeronautics and Space Administration					
Direct Awards					
Other Federal Assistance		38,899			38,899
Aerospace Educational Services Program	43.001		23,824		23,824
Agency Totals		38,899	23,824		62,723

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. National Aeronautics and Space Administration – @ Ames					
Direct Awards					
Other Federal Assistance		\$ 43,765			\$ 43,765
Agency Totals		43,765			43,765
U. S. National Aeronautics and Space Administration – @ Goddard					
Direct Awards					
Other Federal Assistance		107,732			107,732
Agency Totals		107,732			107,732
U. S. National Aeronautics and Space Administration – @ L. B. Johnson					
Direct Awards					
Other Federal Assistance		22,444			22,444
Agency Totals		22,444			22,444
U. S. National Aeronautics and Space Administration – @ Lewis					
Direct Awards					
Other Federal Assistance		45,640			45,640
Agency Totals		45,640			45,640
U. S. National Science Foundation					
Direct Awards					
Other Federal Assistance		10,000			10,000
Engineering Grants	47.041	154,291	\$ 7,973		162,264
Mathematical and Physical Sciences	47.049	497,651	244,271		741,922
Geosciences	47.050	1,548			1,548
Computer and Information Science and Engineering (CISE)	47.070	1,012,782	584,201		1,596,983
Social Behavioral and Economic Sciences	47.075	33,147	2,758		35,905
Education and Human Resources	47.076	1,056,507	313,549	\$88,653	1,458,709
Polar Programs	47.078	13,890			13,890
Anticipated Federal Assistance		47,728			47,728

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Indirect Awards					
Education and Human Resources	47.076		\$ 16,517		\$ 16,517
Agency Totals		\$2,827,544	1,169,269	\$88,653	4,085,466
U. S. National Endowment for the Arts					
Direct Awards					
Promotion of the Arts – Museums	45.012	19,630			19,630
Institute of Museum and Library Services	45.301		6,370		6,370
Agency Totals		19,630	6,370		26,000
U. S. National Endowment for the Humanities					
Direct Awards					
Promotion of the Arts – Museums	45.012	289,215			289,215
Promotion of the Humanities – Office of Preservation	45.149	586,423			586,423
Promotion of the Humanities – Research	45.161	4,702			4,702
Promotion of the Humanities Seminars and Institutes	45.163		59,331		59,331
Institute of Museum and Library Services	45.312		16,789		16,789
Pass-Through from State of Illinois					
National Endowment for the Humanities	54.129		9,600		9,600
Agency Totals		880,340	85,720		966,060
U. S. Small Business Administration					
Pass-Through from State of Illinois					
Small Business Development Center	59.037	2,694			2,694
Agency Totals		2,694			2,694
U. S. Department of the Treasury					
Direct Awards					
Other Federal Assistance		2,361			2,361
Agency Totals		2,361			2,361

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
U. S. TVA					
Indirect Awards					
TVA Energy Research and Technology Applications	62.001	\$ 2,072			\$ 2,072
Agency Totals		2,072			2,072
U. S. Veterans Administration					
Direct Awards					
Other Federal Assistance		19,638	\$ 76,625		96,263
Veterans State Domiciliary Care	64.014		127,883		127,883
Agency Totals		19,638	204,508		224,146
U. S. Action					
Direct Awards					
Other Federal Assistance			1,335		1,335
Agency Totals			1,335		1,335
U. S. Department of Housing & Urban Development					
Direct Awards					
Supportive Housing Demonstration Program	14.235	18,562			18,562
Housing Opportunities for Persons with AIDS (HOPWA)	14.241		66,460		66,460
Equal Opportunity in Housing	14.400		58,641		58,641
General Research and Technology Activity	14.506	5,833			5,833
Joint Community Development Program	14.510		107,117		107,117
Community Outreach Partnership Center Program	14.511			\$ 87,426	87,426
Community Development Work Study Program	14.562		9,000		9,000
Public Housing Drug Elimination Program	14.854	6,013			6,013
HUD Waukegan 4-H*		612			612
Pass-Through from State of Illinois					
CDBG/Secretary's Discretionary Fund/Community Development	14.227	(104)			(104)
Agency Totals		30,916	241,218	87,426	359,560
Other Programs Cluster		30,732,786	24,330,979	968,337	56,032,102

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Student Financial Aid:					
U. S. Department of Education					
Direct Awards					
Supplemental Educational Opportunity Grants	84.007	\$ 871,217	\$ 961,568	\$ 76,519	\$ 1,909,304
College Work – Study Program	84.033	1,358,986	1,110,384	97,956	2,567,326
Perkins Loans – Federal Capital Contribution	84.038	65,014	660,188		725,202
Pell Grant Program	84.063	9,726,340	11,915,877	972,162	22,614,379
Federal Direct Student Loan Program	84.268		(5,322)		(5,322)
Agency Totals		12,021,557	14,642,695	1,146,637	27,810,889
U. S. Department of Health and Human Services					
Direct Awards					
Health Professions – Student Loans Including Primary Care	93.342		25,125		25,125
Nursing Student Loans	93.364		47,046		47,046
Scholarships for First-Year Students of Exceptional Financial Need	93.820		58,058		58,058
Scholarships for Health Professions Students	93.925		502,962		502,962
Agency Totals			633,191		633,191
U. S. Department of Health and Human Services – Public Health Service					
Direct Awards					
Scholarships for Health Professions Students	93.925	68			68
Agency Totals		68			68
Student Financial Aid Cluster		12,021,625	15,275,886	1,146,637	28,444,148

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UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Cash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Trio:					
U. S. Department of Education					
Direct Awards					
Student Support Services	84.042		\$ 178,114		\$ 178,114
Talent Search	84.044		199,370		199,370
Upward Bound	84.047	\$ 333,033	768,302		1,101,335
Ronald E. McNair Post-Baccalaureate Achievement	84.217	166,300	176,854		343,154
Agency Totals		499,333	1,322,640		1,821,973
Trio Cluster		499,333	1,322,640		1,821,973
Total Cash Federal Awards		\$251,402,524	\$184,108,856	\$2,280,083	\$437,791,463

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The accompanying notes are an integral part of this schedule.

* For reporting purposes these awards are presented under the award description as allowed by OMB Circular A-133. No CFDA numbers were available for the awards.

UNIVERSITY OF ILLINOIS
Schedule of Expenditures of Federal Awards
Noncash Federal Awards
Year Ended June 30, 2001

Cluster/Federal Grantor/Pass-Through Grantor/Type Of Award Program Title/Award Description	Federal CFDA Number	Urbana	Chicago	Springfield	Totals
Student Financial Aid					
U. S. Department of Education					
Federal Family Education Loans (FFEL)					
Stafford	84.032			\$5,557,876	\$ 5,557,876
Parent Loans for Undergraduate Students	84.032			15,777	15,777
Total Federal Family Education Loans (FFEL)				5,573,653	5,573,653
Federal Direct Student Loans					
Stafford	84.268	\$65,290,841	\$71,779,386		137,070,227
Parent Loans for Undergraduate Students	84.268	15,868,415	998,593		16,867,008
Total Federal Direct Student Loans				81,159,256	72,777,979
Total U. S. Department of Education				81,159,256	72,777,979
U. S. Department of Health and Human Services					
Health Professions Student Loans	93.342	11,577	72,171		83,748
Total U. S. Department of Health and Human Services				11,577	72,171
Total Student Financial Aid				81,170,833	72,850,150
Total Noncash Federal Awards				\$81,170,833	\$72,850,150
				\$5,573,653	\$159,594,636

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The accompanying notes are an integral part of this schedule.

STATE OF ILLINOIS
UNIVERSITY OF ILLINOIS
Federal Compliance Audit

Notes to Schedule of Expenditures of Federal Awards

June 30, 2001

I. Scope of Audit Pursuant to OMB Circular A-133

All Federal grant operations of the University of Illinois (University) are included in the scope of the audit pursuant to Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* (Single audit). The Single Audit was performed in accordance with the provisions of the *OMB Circular A-133 Compliance Supplement*. Testing of all applicable compliance requirements, as described in the Compliance Supplement, was performed in accordance with the guidance provided by the Compliance Supplement. For programs not included in the Compliance Supplement, compliance testing was performed in accordance with the compliance requirements determined by researching the statutes, regulations, and grant agreements governing the individual programs, or by researching the *Catalog of Federal Domestic Assistance*. Additionally, some agencies have developed an audit guide for programs not included in the Compliance Supplement. The University's major programs for which compliance testing was performed are as follows:

- Research and Development Cluster
- Medical Assistance Program — Home Nursing (U. S. Department of Health and Human Services)
- Student Financial Aid Cluster
- USDA Cooperative Extension Service

These major programs cover approximately 91 percent of total Federal awards for the year ended June 30, 2001.

The Office of the Inspector General of the U. S. Department of Defense has been designated as the University's cognizant agency for the Single Audit.

2. Fiscal Period Audited

Single Audit testing procedures were performed for program transactions occurring during the fiscal year ended June 30, 2001, in accordance with OMB Circular A-133.

3. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the University of Illinois for the year ended June 30, 2001, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general-purpose financial statements.

The schedule designates Federal awards as direct, pass-through, or indirect. Direct awards represent Federal funding awarded directly to the University by a Federal funding agency. Pass-through awards are Federal awards passed through a State of Illinois department or agency to the University. Indirect awards represent Federal awards passed to the University through non-governmental entities or governmental entities other than the State of Illinois.

4. Findings of Noncompliance

There were instances of noncompliance identified in connection with the 2001 Single Audit as disclosed in the Schedule of Current Findings and Questioned Costs. The status of the findings of noncompliance identified in connection with the 2000 and previous audits is presented in the Matrix of Prior Findings as presented in the State and Federal Compliance Audit Reports.

5. Major Programs

In accordance with OMB Circular A-133, major programs of the University are an individual award or a number of awards in a category of Federal awards determined to be major using a risk-based approach. The risk-based approach includes consideration of such criteria as current and prior audit experience, oversight by Federal agencies and pass-through entities, and the inherent risk of the Federal program. Under the risk-based approach, programs are classified as either "Type A" or "Type B". A Type A program is determined pursuant to formulas based on total Federal awards expended. For the University, all programs with Federal awards expended exceeding \$3 million are identified as Type A programs. Federal programs not identified as Type A programs are Type B programs.

6. Student Loan Programs

As disclosed in the Non-cash Federal Awards section of the Schedule of Expenditures of Federal Awards, the Federal Direct Student Loan Program administered by the University awarded approximately \$65.3 million at the Urbana campus and \$71.8 million at the Chicago campus in Stafford loans. The value of Stafford loans issued at the Springfield campus under the Federal Family Educational Loans totaled approximately \$5.6 million.

The Loan Funds, reflected in the combined financial statements of the University, are resources which are used for student financial assistance. The principal sources of these funds are advances by the U. S. Government (in connection with Direct Loans, Perkins Student Loans Program, the Health Professional Student Loans Program, and Loans for Disadvantaged Students), University funding, and matching from the State of Illinois.

The value of the Federal capital contributions received under the Federal Perkins Loan Program (Perkins) was approximately \$725,000 for the year ended June 30, 2001. The values of new loans issued to students for the year ended June 30, 2001, for Perkins and the Health Professions Student Loans Program (HPSL) were approximately \$5.9 million and \$1.8 million, respectively. The total loan balances outstanding at June 30, 2001, for Perkins and HPSL were approximately \$35.4 million and \$14.0 million, respectively.

7. Subrecipients

Of the federal expenditures presented in the schedule, the University provided federal awards to subrecipients as follows:

Federal Grantor/Program Title	Federal CFDA Number	Amount Provided To Subrecipients
U. S. DEPARTMENT OF AGRICULTURE		
OTHER FEDERAL ASSISTANCE		\$ 40,152
GRANTS FOR AGRICULTURAL RESEARCH, SPECIAL RESEARCH	10.200	1,158,150
GRANTS FOR AGRICULTURAL RESEARCH – COMPETITIVE RESEARCH	10.206	148,399
INITIATIVE FOR FUTURE AGRICULTURAL AND FOOD SYSTEMS	10.302	7,935
FORESTRY RESEARCH	10.652	11,000
INTERNATIONAL AGRICULTURAL RESEARCH – COLLABORATIVE	10.961	5,959
U. S. DEPARTMENT OF COMMERCE		
ADVANCED TECHNOLOGY PROGRAM	11.612	(1,503)
U. S. DEPARTMENT OF ENERGY		
BASIC ENERGY SCIENCES, HIGH ENERGY/NUCLEAR PHYSICS, FUSION	81.049	(3,474)
U. S. DEPARTMENT OF ENERGY – LAWRENCE L NATIONAL LABORATORY		
DOE LLNL CS		55,480
U. S. DEPARTMENT OF ENERGY – LOS ALMO NATIONAL LABORATORY		
DOE LLNL B347714		666,203
U. S. DEPARTMENT OF STATE		
EDUCATIONAL EXCHANGE – FULBRIGHT AMERICAN STUDIES INSTITUTES	19.418	7,884
U. S. DEPARTMENT OF STATE – A.I.D.		
OTHER FEDERAL ASSISTANCE		10,000
U. S. DEPARTMENT OF TRANSPORTATION		
OTHER FEDERAL ASSISTANCE		21,015
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	146,862
U. S. DEPARTMENT OF TRANSPORTATION – FEDERAL AVIATION ADMINISTRATION		
AIR TRANSPORTATION CENTERS OF EXCELLENCE	20.109	11,797
U. S. DEPARTMENT OF TRANSPORTATION – FEDERAL HIGHWAY PLANNING AND CONSTRUCTION	20.205	21,325
U. S. DEPARTMENT OF DEFENSE		
COLLABORATIVE RESEARCH AND DEVELOPMENT	12.114	45,368

Federal Grantor/Program Title	Federal CFDA Number	Amount Provided To Subrecipients
U. S. DEPARTMENT OF DEFENSE – AIR FORCE		
F33615-99-C-1519		\$ 92,266
BASIC APPLIED AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	12.630	186,903
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.800	113,303
RESEARCH AND TECHNOLOGY DEVELOPMENT	12.910	1,322,144
U. S. DEPARTMENT OF DEFENSE – ARMY		
DACA88-96-D-0005-13	12.431	26,984
DACA88-98-C-0002-07		22,750
DA88-98-C-0002		19,534
DAAD19-00-C-0099		71,000
ARMY RAYTHEON ID		118,500
OTHER FEDERAL ASSISTANCE		6,200
MILITARY MEDICAL RESEARCH AND DEVELOPMENT	12.420	157,914
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.431	1,046,434
U. S. DEPARTMENT OF DEFENSE – NAVY		
N66001-97-C-8535		365,472
N66001-97-C-8532		12,076
N00014-97-C-2061		45,121
N66001-98-C-8624		79,875
N66001-00-C-8051		97,876
BASIC AND APPLIED SCIENTIFIC RESEARCH	12.300	860,940
RESEARCH AND TECHNOLOGY DEVELOPMENT	12.910	120,383
U. S. DEPARTMENT OF EDUCATION		
NATIONAL RESOURCE CENTERS AND FELLOWSHIPS HANDICAPPED – INNOVATION AND DEVELOPMENT	84.015	189,718
HANDICAPPED – EARLY CHILDHOOD EDUCATION	84.023	57,741
UPWARD BOUND	84.024	139,086
FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION	84.047	1,575
NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION RESEARCH	84.116	37,250
SECONDARY EDUCATION AND TRANSITIONAL SERVICES	84.133	573,065
SECRETARY'S FUND FOR INNOVATION IN EDUCATION	84.158	1,317,548
SPECIAL PROJECTS AND DEMONSTRATIONS	84.215	186,362
SPECIAL EDUCATION RESEARCH AND INNOVATION TO IMPROVE	84.235	22,898
GAINING EARLY AWARENESS AND READINESS	84.324	12,396
TEACHER QUALITY ENHANCEMENT GRANTS	84.334	32,002
PREPARING TOMORROW'S TEACHERS TO USE TECHNOLOGY	84.336	30,182
	84.342	379,777
U. S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY		
ENVIRONMENTAL PROTECTION – CONSOLIDATED RESEARCH GRANTS	66.500	171,579
SPECIAL PURPOSE	66.606	242,205
POLLUTION PREVENTION GRANTS PROGRAM	66.708	18,923
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
HUMAN IMMUNODIFICIENCY VIRUS/SERVICES PLANNING PROGRAM	93.168	27,800
HIV EMERGENCY RELIEF PROJECT GRANTS	93.914	51,182
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – ADMINISTRATION FOR CHIRLDREN AND FAMILIES		
ADMINISTRATION ON DEVELOPMENTAL DISABILITIES- PROJECTS	93.631	12,200

Federal Grantor/Program Title	Federal CFDA Number	Amount Provided To Subrecipients
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – CENTER FOR DISEASE CONTROL OTHER FEDERAL ASSISTANCE		\$ 34,907
CENTERS FOR RESEARCH AND DEMONSTRATION FOR HEALTH PROMOTION AND DISEASE	93.135	1,500
DISABILITIES PREVENTION	93.184	230,564
CENTERS FOR DISEASE CONTROL – INVESTIGATIONS ADMINISTRATION ON DEVELOPMENTAL DISABILITIES BASIC	93.283	50,526
HIV PREVENTION ACTIVITIES – HEALTH DEPARTMENT BASED	93.630	15,728
HIV DEMONSTRATION, RESEARCH, PUBLIC AND PROFESSIONAL	93.940	458,176
ASSISTANCE PROGRAM FOR CHRONIC DISEASE PREVENTION	93.941	409,327
	93.945	2,283
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – HEALTH RESOURCES AIDS EDUCATION AND TRAINING CENTERS NATIONAL HEALTH SERVICE CORPS	93.145	425,169
	93.258	58,536
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – PUBLIC HEALTH SERVICE OTHER FEDERAL ASSISTANCE		746,580
NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION	84.133	19,478
APPLIED TOXICOLOGICAL RESEARCH AND TESTING	93.114	72,852
DISEASES OF THE TEETH AND SUPPORTING TISSUES	93.121	94,440
MENTAL HEALTH PLANNING AND DEMONSTRATION PROJECTS	93.125	117,288
AIDS EDUCATION AND TRAINING CENTERS	93.145	123,862
HEALTH PROGRAMS FOR TOXIC SUBSTANCE AND DISEASE HUMAN IMMUNODEFICIENCY VIRUS/SERVICES PLANNING PROGRAM	93.161	87,498
COMMUNITY PARTNERSHIP DEMONSTRATION GRANT	93.168	129,965
	93.194	157,619
RESEARCH ON HEALTHCARE COSTS, QUALITY, AND OUTCOMES	93.226	81,655
MENTAL HEALTH RESEARCH GRANTS	93.242	336,116
OCCUPATIONAL SAFETY AND HEALTH RESEARCH GRANTS	93.262	46,843
OCCUPATIONAL SAFETY AND HEALTH – TRAINING GRANTS	93.263	55,763
ALCOHOL RESEARCH PROGRAMS	93.273	167,599
DRUG ABUSE RESEARCH PROGRAMS	93.279	362,987
GENERAL CLINICAL RESEARCH CENTERS	93.333	53,401
NURSING RESEARCH	93.361	12,068
BIOMEDICAL RESEARCH TECHNOLOGY	93.371	48,685
GRANTS FOR GRADUATE TRAINING IN FAMILY MEDICINE	93.379	6,667
CANCER CAUSE AND PREVENTION RESEARCH	93.393	51,171
CANCER TREATMENT RESEARCH	93.395	304,811
CANCER CONTROL	93.399	174,873
COMMUNITY SCHOOLS YOUTH SERVICES AND SUPERVISION PROGRAM	93.588	213,393
ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES – HEAD START	93.600	574,668
FOSTER CARE TITLE IV E	93.658	73,822
INDEPENDENT LIVING	93.674	145,963
BIOPHYSICS AND PHYSIOLOGICAL SCIENCES	93.821	96,899
AREA HEALTH EDUCATION CENTERS	93.824	69,437
HEART AND VASCULAR DISEASES RESEARCH	93.837	190,340
LUNG DISEASES RESEARCH	93.838	277,045

Federal Grantor/Program Title	Federal CFDA Number	Amount Provided To Subrecipients
ARTHRITIS, MUSCULOSKELETAL AND SKIN DISEASE RESEARCH	93.846	\$ 71,958
DIABETES, ENDOCRINOLOGY AND METABOLISM RESEARCH	93.847	80
BIOLOGICAL BASIS RESEARCH IN THE NEUROSCIENCES	93.854	201,519
MICROBIOLOGY AND INFECTIOUS DISEASES RESEARCH	93.856	456,016
PHARMACOLOGICAL SCIENCES	93.859	449,902
AGING RESEARCH	93.866	10,141
RETINAL AND CHOROIDDAL DISEASES RESEARCH	93.867	137,201
GRANTS TO PROVIDE OUTPATIENT EARLY INTERVENTION SERVICES	93.918	5,625
CENTER FOR MEDICAL REHABILITATION RESEARCH	93.929	48,357
FOGARTY INTERNATIONAL RESEARCH COLLABORATION AWARD	93.934	25,600
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – SUBSTANCE ABUSE HEART, LUNG AND BLOOD DISORDERS SHARED RESEARCH	93.131	196,462
U. S. DEPARTMENT OF INTERIOR – GELOGICAL SURVEY ASSISTANCE TO STATE WATER RESOURCES RESEARCH INSTITUTIONS	15.805	63,275
U. S. DEPARTMENT OF JUSTICE LOCAL LAW ENFORCEMENT BLOCK GRANT PROGRAM	16.592	82,392
PUBLIC SAFETY AND COMMUNITY POLICING GRANTS	16.710	152,654
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT JOINT COMMUNITY DEVELOPMENT PROGRAM	14.510	83,444
U. S. DEPARTMENT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION – @ GODDARD		
NASA NAG 5-8569		180,247
NASA NCCS 5-153		15,455
NASA NGT 5-40030		438,335
NASA NAG 5-8740		14,638
NASA NG 3-2135		57,499
NASA NCC 1-309		13,624
NASA NCC 2-1282		5,669
OTHER FEDERAL ASSISTANCE		564
U. S. NATIONAL SCIENCE FOUNDATION		
ENGINEERING GRANTS	47.041	1,442,059
MATHEMATICAL AND PHYSICAL SCIENCES	47.049	1,039,918
GEOSCIENCES	47.050	83,284
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING (CISE)	47.070	10,997,085
BIOLOGICAL SCIENCES	47.074	1,147,109
SOCIAL BEHAVIORAL AND ECONOMIC SCIENCES	47.075	16,003
EDUCATION AND HUMAN RESOURCES	47.076	268,915
U. S. DEPARTMENT OF NATIONAL ENDOWMENT FOR THE HUMANITIES		
PROMOTION OF THE ARTS MUSEUM	45.012	10,849
PROMOTION OF THE HUMANITIES – OFFICE OF PRESENTATION	45.149	57,599
PROMOTION OF THE HUMANITIES – RESEARCH	45.161	18,304
PROMOTION OF THE HUMANITIES SEMINARS AND INSTITUTES	45.163	37,825
U. S. MISCELLANEOUS		
SOCIAL SECURITY – RESEARCH DEMONSTRATION GRANTS	96.007	210,039
TOTAL AMOUNT PROVIDED TO SUBRECIPIENTS		\$35,241,866