

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE Director, Office of Research and Sponsored Programs
APPLICANT ORGANIZATION University of Arkansas for Medical Sciences	DATE SUBMITTED May 11, 2010

CERTIFICATION REGARDING LOBBYING

Applicants should also review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, "New Restrictions on Lobbying." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant, or cooperative agreement.

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

NAME OF APPLICANT

University of Arkansas for Medical Sciences

AWARD NUMBER AND/OR PROJECT NAME

EasyGrants 4493

PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Suzanne Alstadt, MPA, CRA / Director, Office of Research and Sponsored Programs

SIGNATURE



DATE

May 11, 2010

CERTIFICATION REGARDING LOBBYING LOWER TIER COVERED TRANSACTIONS

Applicants should review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, "New Restrictions on Lobbying."

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

In any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

NAME OF APPLICANT

University of Arkansas for Medical Sciences

AWARD NUMBER AND/OR PROJECT NAME

EasyGrants 4493

PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Suzanne Alstadt, MPA, CRA / Director, Office of Research and Sponsored Programs

SIGNATURE



DATE

May 11, 2010

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

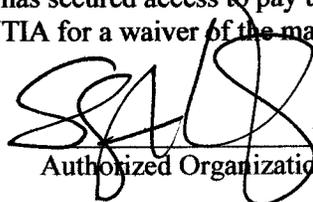
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> NA a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> NA a. bid/offer/application b. initial award c. post-award	3. Report Type: <input type="checkbox"/> NA a. initial filing b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: NA	7. Federal Program Name/Description: NA CFDA Number, if applicable: NA	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): <div style="text-align: center;">  </div>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature:  Print Name: <u>Suzanne Alstadt, MPA, CRA</u> Title: <u>Director, UAMS Office of Research and Sponsored Programs</u> Telephone No.: <u>(501) 686-8845</u> Date: <u>05/11/2010</u>	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

**U.S. Department of Commerce
Broadband Technology Opportunities Program
Authentication and Certifications**

1. I certify that I am the duly Authorized Organization Representative (AOR) of the applicant organization, and that I have been authorized to submit the attached application on its behalf.
2. I certify that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.
3. I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.
4. I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements ("DOC Pre-Award Notification"), published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); the Department of Commerce American Recovery and Reinvestment Act Award Terms (Apr. 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award.
5. I certify that any funds awarded to the entity(ies) I represent as a result of this application will not result in any unjust enrichment of such entity(ies) or duplicate any funds such entity(ies) receive under federal universal service support programs administered by the Universal Service Administrative Corporation (USAC).
6. I certify that the entity(ies) I represent has secured access to pay the 20% of total project cost or has petitioned the Assistant Secretary of NTIA for a waiver of the matching requirement.

March 26, 2010
Date


Authorized Organization Representative Signature

Suzanne Alstadt, MPA, CRA
Print Name

Director, Office of Research Sponsored Programs, UAMS
Title

**BROADBAND TECHNOLOGY OPPORTUNITIES PROGRAM
Federal Request and Match Verification**

Name of Applicant Organization University of Arkansas for Med Sciences
DUNS Number 122452563
Easy Grants # of Submitted Application 4493

As an Authorized Organizational Representative of the entity listed above, I verify that

(i.) The amounts in the "Grant Request" column from the budget table submitted by the entity I represent in response to Question 44 on page 17 of the Broadband Infrastructure Application completely and accurately reflect the amount of the organization's Federal grant request to NTIA; and

(ii.) The amounts in the "Cash \$" and "In-kind \$" fields submitted by the entity I represent in response to Question 52 on page 19 of the Broadband Infrastructure Application completely and accurately reflect, respectively, the organization's cash and in-kind matching contributions for the proposed project.

Signature of authorized person  Date 5/11/2010
Print name of authorized person Suzanne Alstadt
Title or position Director, Office of Research & Sponsored Programs

BTOP Comprehensive Community Infrastructure Detailed Budget

Please complete the General Budget Overview and Detailed Project Costs worksheets.

Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this upload.

Applicants are required to provide this upload as an Excel file, and not to convert it to a PDF prior to upload. Applicants should not alter the layout of the provided templates, except to insert additional line-items as needed in the Detailed Project Costs worksheet.

General Budget Overview

Budget	Federal Funding Request	Matching Funds (Cash)	Matching Funds (In-Kind)	Budget TOTAL	Last Mile Allocation	Middle Mile Allocation	Allocated TOTAL
Network & Access Equipment (switching, routing, transport, access)	\$32,031,409	\$0	\$0	\$32,031,409		\$32,031,409.00	\$32,031,409
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)	\$0	\$0	\$0	\$0		\$0.00	\$0
Buildings and Land – (new construction, improvements, renovations, lease)	\$0	\$0	\$3,712,898	\$3,712,898		\$3,712,898.28	\$3,712,898
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)	\$14,707,758	\$0	\$7,918,815	\$22,626,574		\$22,626,573.66	\$22,626,574
Billing and Operational Support Systems (IT systems, software, etc.)	\$500,000	\$0	\$218,094	\$718,094		\$718,094.20	\$718,094
Operating Equipment (vehicles, office equipment, other)	\$0	\$0	\$0	\$0		\$0.00	\$0
Engineering/Professional Services (engineering design, project management, consulting, etc.)	\$47,080,344	\$88,400	\$32,928,925	\$80,097,670		\$80,097,669.58	\$80,097,670
Testing (network elements, IT system elements, user devices, test generators, lab furnishings, servers/computers, etc.)	\$100,000	\$0	\$0	\$100,000		\$100,000.00	\$100,000
Site Preparation	\$0	\$0	\$0	\$0		\$0.00	\$0
Other	\$8,044,726	\$0	\$1,853,280	\$9,898,006		\$9,898,005.76	\$9,898,006
TOTAL BROADBAND SYSTEM:	\$102,464,237	\$88,400	\$46,632,013	\$149,184,650	\$0	\$149,184,650	\$149,184,650
Cost Share Percentage:	68.68%	0.06%	31.26%				

DETAIL OF PROJECT COSTS

PLEASE COMPLETE THE TABLE BELOW FOR THE DIFFERENT CATEGORIES OF EQUIPMENT THAT WILL BE REQUIRED FOR COMPLETING THE PROJECT. EACH CATEGORY SHOULD BE BROKEN DOWN TO THE APPROPRIATE LEVEL FOR IDENTIFYING UNIT COST

SERVICE AREA or COMMON NETWORK FACILITIES:	Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
NETWORK & ACCESS EQUIPMENT				\$32,031,409	\$0	\$32,031,409	\$32,031,409		
Switching				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Routing				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Transport	100 mbps circuits	\$373,426.20	30	\$11,202,786		\$11,202,786.00	\$11,202,786	11. Misc.	Average quote of \$10,372.95 per month for :
	20 mbps circuits	\$165,600.00	15	\$2,484,000		\$2,484,000.00	\$2,484,000	11. Misc.	Average quote of \$4,600 per month for 36 m
	10 mbps circuits	\$106,214.40	59	\$6,266,650		\$6,266,649.60	\$6,266,650	11. Misc.	Average quote of \$2,950.40 per month for 36
	1.5 mbps circuits	\$29,367.36	154	\$4,522,573		\$4,522,573.44	\$4,522,573	11. Misc.	Average quote of \$815.76 per month for 36
	Connect Existing Fiber to Network for 4-Year Un	\$69,600.00	10	\$696,000		\$696,000.00	\$696,000	11. Misc.	Average quote of \$1933.33 per month for 36
Access				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Other	Video Communication Gatekeeper	\$290,433.33	6	\$1,742,600		\$1,742,599.98	\$1,742,600	10. Equipment	Average quote for 6 advanced server contro
	Video Communication Firewall Transversal	\$142,633.33	6	\$855,800		\$855,799.98	\$855,800	10. Equipment	Average quote for 6 server controllers
	Video System Controllers	\$21,300.00	20	\$426,000		\$426,000.00	\$426,000	10. Equipment	Average quote for 20 video management su
	Multipoint Control Unit	\$295,000.00	13	\$3,835,000		\$3,835,000.00	\$3,835,000	10. Equipment	13 bridges with 40 slots each for the 474 site
OUTSIDE PLANT				\$0	\$0	\$0	\$0		
Cables				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Conduits				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Ducts				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Poles				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Towers				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Repeaters				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Other				\$0			\$0		
				\$0			\$0		
				\$0			\$0		

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
BUILDINGS					\$3,712,898	\$0	\$3,712,898	\$3,712,898		
New Construction					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Pre-Fab Huts					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Improvements &					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other	Conference/Exam Rooms	In-kind Match	\$23,061.48	161	\$3,712,898		\$3,712,898.28	\$3,712,898	2. Land, structures	Estimated value of the % of conference room
					\$0			\$0		
					\$0			\$0		
CUSTOMER PREMISE EQUIPMENT					\$22,626,574	\$0	\$22,626,574	\$22,626,574		
Modems					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Set Top Boxes					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Inside Writing					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other	Personal Computers		\$1,500	292	\$438,000		\$438,000	\$438,000	11. Misc.	Average quote of \$1500 per computer for all
	Clinical Telemed Units with Scopes		\$32,000	367	\$11,744,000		\$11,744,000	\$11,744,000	10. Equipment	Average quote of \$32,000 per unit for 367 m
	Home Health Monitors		\$7,236	68	\$492,048		\$492,048	\$492,048	10. Equipment	Average quote of \$7236 per unit for 68 units
	Telemedicine Units on Carts		\$13,000	105	\$1,365,000		\$1,365,000	\$1,365,000	10. Equipment	Average quote of \$13,000 per unit for 105 th
	Desktop Telemedicine Units		\$9,000	7	\$63,000		\$63,000	\$63,000	10. Equipment	Average quote of \$9000 per unit for 7 librari
	Educational Video Conference Unit		\$21,000	4	\$84,000		\$84,000	\$84,000	10. Equipment	Average quote of \$21,000 for a unit in a mec
	Existing Equipment Allocated for	In-kind Match	\$125,695	63	\$7,918,815		\$7,918,815	\$7,918,815	10. Equipment	Quote of value of equipment per site from 63
	eICU telemedicine equipment		\$13,812	17	\$234,808		\$234,808	\$234,808	10. Equipment	Quote of equipment cost of \$13,812 per 17 t
	Video VoIP		\$2,190	10	\$21,900		\$21,900	\$21,900	11. Misc.	Average quote of \$2190 to allow a secondar
	Webcam and Video Conference Licenses		\$442	600	\$265,002		\$265,002	\$265,002	11. Misc.	Average quote for 600 licenses to allow mult
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS					\$718,094	\$0	\$718,094	\$718,094		
Billing Support					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Customer Care	Monitoring Center		\$50,000.00	10	\$500,000		\$500,000	\$500,000	10. Equipment	Estimate to connect MEMS site
					\$0			\$0		
					\$0			\$0		
Other Support	Software / License Fees	In-kind Match	\$672.08	15	\$10,081		\$10,081	\$10,081	11. Misc.	Quote of value of software and licensing fees
	Supplies	In-kind Match	\$8,320.52	25	\$208,013		\$208,013	\$208,013	11. Misc.	Quote of value of supplies dedicated to proje
					\$0			\$0		

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
OPERATING EQUIPMENT					\$0	\$0	\$0	\$0		
Vehicles					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Office Equipment /					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
PROFESSIONAL SERVICES					\$80,097,670	\$0	\$80,097,670	\$80,097,670		
Engineering					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Project	Center for Distance Health Salaries		\$224,411.25	12	\$2,692,935		\$2,692,935	\$2,692,935	1. Admin and Legal	12 FTE's averaging \$74,804 in salaries per y
	Center for Distance Health		\$6,333.33	12	\$76,000		\$76,000	\$76,000	1. Admin and Legal	\$164,400 in supplies and travel to manage t
	Center for Distance Health	Cash Match	\$88,400.00	1	\$88,400		\$88,400	\$88,400	1. Admin and Legal	\$88,400 in cash match toward supplies and
Consulting					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other	Contracted Installation Service		\$4,219.41	474	\$2,000,000		\$2,000,000	\$2,000,000	11. Misc.	Average charge of \$4219 from vendors to in
	Contracted eICU telemedicine project		\$74,093.92	15	\$1,111,409		\$1,111,409	\$1,111,409	11. Misc.	Quote to implement eICU project
	ARE-ON Fiber Build-Out for Community College		\$1,791,304.35	23	\$41,200,000		\$41,200,000	\$41,200,000	11. Misc.	Quote from sub-recipient
	ARE-ON Fiber Build-Out for Com	In-kind Match	\$1,431,692.41	23	\$32,928,925		\$32,928,925	\$32,928,925	11. Misc.	Quote from sub-recipient for match from con
TESTING					\$100,000	\$0	\$100,000	\$100,000		
Network	Network Monitoring Software		\$100,000.00	1	\$100,000		\$100,000	\$100,000	11. Misc.	Quote for software to test and monitor netwo
					\$0			\$0		
					\$0			\$0		
IT System					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
User Devices					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Test Generators					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Lab					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Servers/Computer					\$0			\$0		
					\$0			\$0		
					\$0			\$0		

COMMON		Match	Unit Cost	No. of	Total Cost	Last Mile	Middle Mile	Allocated Total	SF-424C Budget	Support of Reasonableness
OTHER UPFRONT COSTS					\$9,898,006	\$0	\$9,898,006	\$9,898,006		
Site					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other	Facility Administration		\$8,044,725.76	1	\$8,044,726		\$8,044,726	\$8,044,726	1. Admin and Legal	NICRA indirect rate of 26% applied to eligible
	Highway Rights of Way	In-kind Match	\$115,830.00	16	\$1,853,280		\$1,853,280	\$1,853,280	2. Land, structures	Highway Dept estimate for 16 sites at \$1 per
					\$0			\$0		
PROJECT TOTAL:					\$149,184,650	\$0	\$149,184,650	\$149,184,650		



UofA

UNIVERSITY OF ARKANSAS

Financial Statements

Years Ended June 30, 2007 and 2006

University of Arkansas for Medical Sciences
 Statements of Net Assets
 (in thousands)

	June 30	
	2007	2006
Assets		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 119,184	\$ 136,954
Investments (Note 5)	51,547	-
Patient accounts receivable, net (Note 2)	84,779	85,777
Nonpatient accounts receivable, (net of allowances of \$1,355 in 2007 and \$994 in 2006)	14,201	15,002
Inventories	9,462	8,086
Notes and student loans receivable, net (Notes 6 and 14)	4,063	3,237
Prepaid expenses	171	260
Total Current Assets	283,407	249,316
Noncurrent Assets:		
Investments (Note 5)	75,829	110,038
Notes and student loans receivable, net (Notes 6 and 14)	10,315	13,747
Deposits and funds held in trust by others (Note 5)	103,092	186,754
Capital assets, net (Notes 7, 9, and 10)	521,465	395,858
Other noncurrent assets	3,582	4,058
Total Noncurrent Assets	714,283	710,455
Total Assets	\$ 997,690	\$ 959,771
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities (Note 8)	\$ 83,763	\$ 68,412
Deferred revenue	2,173	2,260
Funds held in trust for others	205	1,547
Estimated third-party payor settlements (Note 2)	16,335	17,529
Compensated absences payable, current portion (Note 9)	1,792	1,601
Bonds, notes and capital leases payable, current portion (Notes 9 and 10)	10,918	11,288
Total Current Liabilities	115,186	102,637
Noncurrent Liabilities:		
Deposits	122	111
Compensated absences payable, net of current portion (Note 9)	32,882	30,553
Bonds, notes and capital leases payable, net of current portion (Notes 9 and 10)	289,301	290,826
Total Noncurrent Liabilities	322,305	321,490
Total Liabilities	437,491	424,127
Commitments and Contingencies (Notes 10, 11, 12, and 15)		
Net Assets		
Invested in capital assets, net of related debt	323,739	229,548
Restricted :		
Expendable	50,661	36,927
Nonexpendable	36,769	31,635
Unrestricted	149,030	237,534
Total Net Assets	560,199	535,644
Total Liabilities and Net Assets	\$ 997,690	\$ 959,771

See accompanying notes to financial statements.

University of Arkansas for Medical Sciences
 Statements of Revenue, Expenses and Changes in Net Assets
(in thousands)

	Year ended June 30	
	2007	2006
Revenue		
Operating Revenue:		
Student tuition and fees (net of scholarship allowances of \$2,710 in 2007 and \$2,479 in 2006)	\$ 13,566	\$ 14,463
Net patient services (Notes 2 and 9)	672,528	635,435
Sponsored programs:		
Federal grants and contracts	80,227	87,010
State and local grants and contracts	13,859	11,041
Nongovernmental grants and contracts	46,062	40,606
Sales and services of educational departments	24,877	21,458
Auxiliary enterprises:		
Housing and food service	3,092	2,466
Bookstore	771	726
Other auxiliary enterprises	3,506	3,280
Other operating revenue	6,643	9,263
Total Operating Revenue	865,131	825,748
Expenses		
Operating Expenses (Note 16):		
Compensation and benefits	600,490	563,529
Supplies and other services	289,236	258,348
Scholarships and fellowships	143	119
Depreciation and amortization (Note 7)	27,163	25,648
Total Operating Expenses	917,032	847,644
Operating Loss	(51,901)	(21,896)
Nonoperating Revenue (Expenses)		
State appropriations, net (Note 3)	47,303	37,939
Gifts	9,241	4,586
Investment gain, net of investment expense (Note 5)	26,335	15,556
Interest on debt	(10,804)	(7,321)
Loss on disposal of capital assets	(598)	(4,167)
Total Nonoperating Revenue (Expenses)	71,477	46,593
Income Before Other Changes in Net Assets	19,576	24,697
OTHER CHANGES IN NET ASSETS		
Capital gifts	1,242	9,941
Capital appropriations	2,492	-
Interagency transfer	1,245	5,692
Total Other Changes in Net Assets	4,979	15,633
Increase in Net Assets	24,555	40,330
Net Assets – beginning of year	535,644	495,314
Net Assets – end of year	\$ 560,199	\$ 535,644

See accompanying notes to financial statements.

University of Arkansas for Medical Sciences
 Statements of Cash Flows
(in thousands)

	Year ended June 30	
	2007	2006
Cash Flows from Operating Activities		
Tuition and fees (net of scholarships)	\$ 16,935	\$ 15,230
Patient and insurance payments	709,873	666,043
Research grants and contracts	139,659	138,791
Collection of loans and interest	1,769	1,527
Auxiliary enterprise revenue:		
Housing and food service	3,090	2,483
Bookstore	771	726
Other auxiliary enterprises	3,642	3,129
Other receipts	20,253	29,920
Payments to suppliers	(306,631)	(275,556)
Payments to employees	(493,023)	(457,453)
Payments of employee benefits	(102,944)	(99,760)
Loans issued to students	(2,148)	(2,286)
Scholarships and fellowships	(143)	(119)
Other payments	(9,293)	(9,012)
Net cash and cash equivalents provided by (used in) operating activities	(18,190)	13,663
Cash Flows from Noncapital Financing Activities		
State appropriations	49,250	44,102
Gifts and grants	9,241	4,586
Loan proceeds	292	482
Other agency funds (net)	(1,342)	1,105
Repayments of loans	31	103
Net cash and cash equivalents provided by noncapital financing activities	57,472	50,378
Cash Flows from Capital and Related Financing Activities		
Proceeds from issuance of debt	-	112,622
Capital appropriations	2,492	--
Proceeds from sale of capital assets	49	396
Purchases of capital assets	(127,356)	(63,225)
Principal paid on capital debt and leases	(11,345)	(14,742)
Interest and paying agent fees paid on debt and capital leases	(13,551)	(7,764)
Net cash and cash equivalents provided by (used by) capital and related financing activities	(149,711)	27,287

(Continued)

University of Arkansas for Medical Sciences
 Statements of Cash Flows (continued)
(in thousands)

	Year ended June 30	
	2007	2006
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	\$ 122,778	\$ 54,194
Interest on investments (net of fees)	5,951	4,830
Purchase of investments	(36,070)	(126,780)
Net cash and cash equivalents (used in) provided by investing activities	92,659	(67,756)
Net increase in cash and cash equivalents	(17,770)	23,752
Cash and cash equivalents – beginning of year	136,954	113,382
Cash and cash equivalents – end of year	\$ 119,184	\$ 136,954
Operating loss		
Operating loss	\$ (51,901)	\$ (21,896)
Adjustments to reconcile net operating loss to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	27,163	25,648
Changes in assets and liabilities:		
Patient and nonpatient accounts receivable, net	(11,196)	(7,319)
Inventories	(1,376)	(468)
Other assets	2,664	(529)
Accounts payable and accrued liabilities	15,207	12,045
Deferred revenue	(87)	97
Deposits	10	(11)
Compensated absences payable	2,520	3,396
Other liabilities	(1,194)	2,700
Net cash and cash equivalents provided by (used in) operating activities	\$ (18,190)	\$ 13,663
Noncash transactions:		
Fixed assets acquired by capital gift	\$ 1,242	\$ 9,941
Fixed asset acquisition paid for by State of Arkansas	\$ 2,492	-
Fixed assets acquired by incurring capital lease obligations	\$ 10,334	\$ 6,346

See accompanying notes to financial statements.



UofA

UNIVERSITY OF ARKANSAS

Financial Statements

Years Ended June 30, 2008 and 2007

University of Arkansas for Medical Sciences
 Statements of Net Assets
(in thousands)

	June 30	
	2008	2007
Assets		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 50,490	\$ 28,500
Investments (Note 5)	166,720	142,231
Patient accounts receivable, net (Note 2)	88,492	84,779
Nonpatient accounts receivable, (net of allowances of \$815 in 2008 and \$1,355 in 2007)	23,530	14,201
Inventories	8,545	9,462
Notes and student loans receivable, net (Notes 6 and 15)	2,686	4,063
Prepaid expenses	2,157	171
Total Current Assets	342,620	283,407
Noncurrent Assets:		
Investments (Note 5)	73,820	75,829
Notes and student loans receivable, net (Notes 6 and 15)	20,238	10,315
Deposits and funds held in trust by others (Note 5)	28,760	103,092
Capital assets, net (Notes 7, 9, and 10)	625,458	521,465
Other noncurrent assets	3,399	3,582
Total Noncurrent Assets	751,675	714,283
Total Assets	\$ 1,094,295	\$ 997,690
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities (Note 8)	\$ 91,985	\$ 83,763
Deferred revenue	2,396	2,173
Funds held in trust for others	492	205
Estimated third-party payor settlements (Note 2)	12,049	16,335
Compensated absences payable, current portion (Note 9)	2,106	1,792
Liability for other postemployment benefits	686	-
Bonds, notes, and capital leases payable, current portion (Notes 9 and 10)	12,608	10,918
Total Current Liabilities	122,322	115,186
Noncurrent Liabilities:		
Deposits	110	122
Compensated absences payable, net of current portion (Note 9)	36,071	32,882
Liability for other postemployment benefits	9,115	-
Bonds, notes, and capital leases payable, net of current portion (Notes 9 and 10)	288,487	289,301
Total Noncurrent Liabilities	333,783	322,305
Total Liabilities	456,105	437,491
Commitments and Contingencies (Notes 10, 12, 13, and 16)		
Net Assets		
Invested in capital assets, net of related debt	342,789	323,739
Restricted :		
Expendable	82,045	50,661
Nonexpendable	30,337	36,769
Unrestricted	183,019	149,030
Total Net Assets	638,190	560,199
Total Liabilities and Net Assets	\$ 1,094,295	\$ 997,690

See accompanying notes to financial statements.

University of Arkansas for Medical Sciences
 Statements of Revenues, Expenses, and Changes in Net Assets
(in thousands)

	Year ended June 30	
	2008	2007
Revenues		
Operating Revenues:		
Student tuition and fees (net of scholarship allowances of \$2,661 in 2008 and \$2,710 in 2007)	\$ 19,951	\$ 13,566
Net patient services (Notes 2 and 9)	765,358	672,528
Sponsored programs:		
Federal grants and contracts	78,311	80,227
State and local grants and contracts	14,219	13,859
Nongovernmental grants and contracts	44,473	46,062
Sales and services of educational departments	25,443	24,877
Auxiliary enterprises:		
Housing and food service	3,905	3,092
Bookstore	665	771
Other auxiliary enterprises	2,747	3,506
Other operating revenue	9,802	6,643
Total Operating Revenues	<u>964,874</u>	<u>865,131</u>
Expenses		
Operating Expenses (Note 17):		
Compensation and benefits	657,101	600,490
Supplies and other services	299,028	289,236
Scholarships and fellowships	244	143
Depreciation and amortization (Note 7)	31,434	27,163
Total Operating Expenses	<u>987,807</u>	<u>917,032</u>
Operating Loss	(22,933)	(51,901)
Nonoperating Revenues (Expenses)		
State appropriations, net (Note 3)	45,763	47,303
Gifts	13,864	9,241
Investment gain, net of investment expense (Note 5)	9,814	26,335
Interest on debt	(8,631)	(10,804)
Loss on disposal of capital assets	(115)	(598)
Total Nonoperating Revenues (Expenses)	<u>60,695</u>	<u>71,477</u>
Income Before Other Changes in Net Assets	37,762	19,576
OTHER CHANGES IN NET ASSETS		
Capital gifts	10,281	1,242
Capital appropriations	47,454	2,492
Proceeds from Act 1282 of 2005	12,730	-
Interagency disposition	(30,236)	1,245
Total Other Changes in Net Assets	<u>40,229</u>	<u>4,979</u>
Increase in Net Assets	77,991	24,555
Net Assets – beginning of year	560,199	535,644
Net Assets – end of year	<u>\$ 638,190</u>	<u>\$ 560,199</u>

See accompanying notes to financial statements.

University of Arkansas for Medical Sciences
 Statements of Cash Flows
(in thousands)

	Year ended June 30	
	2008	2007
Cash Flows from Operating Activities		
Tuition and fees (net of scholarships)	\$ 20,756	\$ 16,935
Patient and insurance payments	768,343	709,873
Research grants and contracts	138,356	139,659
Collection of loans and interest	3,507	1,769
Auxiliary enterprise revenue:		
Housing and food service	3,917	3,090
Bookstore	665	771
Other auxiliary enterprises	2,741	3,642
Other receipts	28,184	20,253
Payments to suppliers	(299,935)	(306,631)
Payments to employees	(517,693)	(493,023)
Payments of employee benefits	(121,564)	(102,944)
Loans issued to students	(945)	(2,148)
Scholarships and fellowships	(244)	(143)
Other payments	(11,271)	(9,293)
Net cash and cash equivalents provided by (used in) operating activities	<u>14,817</u>	<u>(18,190)</u>
Cash Flows from Noncapital Financing Activities		
State appropriations	42,334	49,250
Gifts and grants	24,146	9,241
Loan proceeds	-	292
Other agency funds (net)	287	(1,342)
Repayments of loans	-	31
Net cash and cash equivalents provided by noncapital financing activities	<u>66,767</u>	<u>57,472</u>
Cash Flows from Capital and Related Financing Activities		
Capital appropriations	28,605	2,492
Proceeds from sale of capital assets	-	49
Proceeds from Act 1282 of 2005	12,730	-
Purchases of capital assets	(130,186)	(127,356)
Principal paid on capital debt and leases	(18,431)	(11,345)
Interest and paying agent fees paid on debt and capital leases	(13,979)	(13,551)
Net cash and cash equivalents used in capital and related financing activities	<u>(121,261)</u>	<u>(149,711)</u>

(Continued)

University of Arkansas for Medical Sciences
 Statements of Cash Flows (continued)
 (in thousands)

	Year ended June 30	
	2008	2007
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	\$ 203,839	\$ 314,252
Interest on investments (net of fees)	3,009	5,951
Purchases of investments	(145,181)	(202,451)
Net cash and cash equivalents provided by investing activities	<u>61,667</u>	<u>117,752</u>
Net increase in cash and cash equivalents	21,990	7,323
Cash and cash equivalents – beginning of year	28,500	21,177
Cash and cash equivalents – end of year	<u>\$ 50,490</u>	<u>\$ 28,500</u>
Operating loss	\$ (22,933)	\$ (51,901)
Adjustments to reconcile net operating loss to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	31,434	27,163
Changes in assets and liabilities:		
Patient and nonpatient accounts receivable, net	(11,548)	(11,196)
Inventories	917	(1,376)
Other assets	(560)	2,664
Accounts payable and accrued liabilities	8,278	15,207
Deferred revenue	223	(87)
Deposits	(12)	10
Compensated absences payable	3,502	2,520
Other liabilities	5,516	(1,194)
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ 14,817</u>	<u>\$ (18,190)</u>
Noncash transactions:		
Fixed assets acquired by capital gift	\$ 10,281	\$ 1,242
Fixed asset acquisition paid for by State of Arkansas	\$ 18,849	\$ 2,492
Fixed assets acquired by incurring capital lease obligations	\$ 11,177	\$ 10,334
Fixed assets acquired by notes payable	\$ 9,292	\$ -

See accompanying notes to financial statements.



UofA

UNIVERSITY OF ARKANSAS

Financial Statements

Years Ended June 30, 2009 and 2008

University of Arkansas for Medical Sciences
 Statements of Net Assets
(in thousands)

	June 30	
	2009	2008
Assets		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 77,270	\$ 50,490
Investments (Note 5)	54,709	166,720
Patient accounts receivable, net (Note 2)	100,516	88,492
Nonpatient accounts receivable, (net of allowances of \$815 in 2009 and 2008)	31,101	23,530
Inventories	15,601	8,545
Notes and student loans receivable, net (Notes 6 and 15)	2,183	2,686
Prepaid expenses	2,608	2,157
Total Current Assets	283,988	342,620
Noncurrent Assets:		
Investments (Note 5)	55,426	73,820
Notes and student loans receivable, net (Notes 6 and 15)	19,572	20,238
Deposits and funds held in trust by others (Note 5)	6,999	28,760
Capital assets, net (Note 7)	731,054	625,458
Other noncurrent assets	3,204	3,399
Total Noncurrent Assets	816,255	751,675
Total Assets	\$ 1,100,243	\$ 1,094,295
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities (Note 8)	\$ 76,931	\$ 91,985
Deferred revenue	2,892	2,396
Funds held in trust for others	2,489	492
Estimated third-party payor settlements (Note 2)	5,964	12,049
Compensated absences payable, current portion (Note 9)	1,986	2,106
Liability for other postemployment benefits	-	686
Bonds, notes, and capital leases payable, current portion (Notes 9 and 10)	14,105	12,608
Total Current Liabilities	104,367	122,322
Noncurrent Liabilities:		
Deposits	92	110
Compensated absences payable, net of current portion (Note 9)	39,801	36,071
Liability for other postemployment benefits, net of current portion	13,710	9,115
Federal Capital Contribution for Perkins Loan Program	2,162	-
Bonds, notes, and capital leases payable, net of current portion (Notes 9 and 10)	297,697	288,487
Total Noncurrent Liabilities	353,462	333,783
Total Liabilities	457,829	456,105
Commitments and Contingencies (Notes 10, 12, 13, and 16)		
Net Assets		
Invested in capital assets, net of related debt	425,812	342,789
Restricted :		
Expendable	86,192	82,045
Nonexpendable	23,308	30,337
Unrestricted	107,101	183,019
Total Net Assets	642,414	638,190
Total Liabilities and Net Assets	\$ 1,100,243	\$ 1,094,295

University of Arkansas for Medical Sciences
 Statements of Revenues, Expenses, and Changes in Net Assets
(in thousands)

	Year ended June 30	
	2009	2008
Revenues		
Operating Revenues:		
Student tuition and fees (net of scholarship allowances of \$2,848 in 2009 and \$2,661 in 2008)	\$ 20,374	\$ 19,951
Net patient services (Notes 2 and 9)	781,472	765,358
Sponsored programs:		
Federal grants and contracts	78,465	78,311
State and local grants and contracts	18,622	14,219
Nongovernmental grants and contracts	48,875	44,473
Sales and services of educational departments	26,894	25,443
Auxiliary enterprises:		
Housing and food service	5,664	3,905
Bookstore	693	665
Other auxiliary enterprises	2,533	2,747
Other operating revenue	4,766	9,802
Total Operating Revenues	988,358	964,874
Expenses		
Operating Expenses (Note 17):		
Compensation and benefits	707,091	657,101
Supplies and other services	316,792	299,028
Scholarships and fellowships	3	244
Depreciation and amortization (Note 7)	43,148	31,434
Total Operating Expenses	1,067,034	987,807
Operating Loss	(78,676)	(22,933)
Nonoperating Revenues (Expenses)		
State appropriations, net (Note 3)	44,390	45,763
Gifts	18,143	13,864
Investment income (loss), net of investment expense (Note 5)	(14,585)	9,814
Interest on debt	(11,938)	(8,631)
Loss on disposal of capital assets	(449)	(115)
Total Nonoperating Revenues (Expenses), net	35,561	60,695
Income (Loss) Before Other Changes in Net Assets	(43,115)	37,762

(Continued)

University of Arkansas for Medical Sciences
 Statements of Revenues, Expenses, and Changes in Net Assets (continued)
(in thousands)

	Year ended June 30	
	2009	2008
OTHER CHANGES IN NET ASSETS		
Capital gifts	\$ 14,070	\$ 10,281
Capital appropriations	35,431	47,454
Federal Perkins Loan Capital Contribution	(2,162)	-
Proceeds from Act 1282 of 2005	-	12,730
Interagency disposition (Note 11)	-	(30,236)
Total Other Changes in Net Assets	47,339	40,229
Increase in Net Assets	4,224	77,991
Net Assets – beginning of year	638,190	560,199
Net Assets – end of year	\$ 642,414	\$ 638,190

See accompanying notes to financial statements.

University of Arkansas for Medical Sciences
 Statements of Cash Flows
(in thousands)

	Year ended June 30	
	2009	2008
Cash Flows from Operating Activities		
Tuition and fees (net of scholarships)	\$ 23,262	\$ 20,756
Patient and insurance payments	763,515	768,343
Research grants and contracts	142,529	138,356
Collection of loans and interest	2,525	3,507
Auxiliary enterprise revenue:		
Housing and food service	5,663	3,917
Bookstore	692	665
Other auxiliary enterprises	2,520	2,741
Other receipts	31,967	28,184
Payments to suppliers	(336,311)	(299,935)
Payments to employees	(569,032)	(517,693)
Payments of employee benefits	(124,620)	(121,564)
Loans issued to students	(2,320)	(945)
Scholarships and fellowships	(3)	(244)
Other payments	(10,922)	(11,271)
Net cash and cash equivalents provided by (used in) operating activities	<u>(70,535)</u>	<u>14,817</u>
Cash Flows from Noncapital Financing Activities		
State appropriations	35,947	42,334
Gifts and grants	32,213	24,146
Other agency funds (net)	1,997	287
Net cash and cash equivalents provided by noncapital financing activities	<u>70,157</u>	<u>66,767</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from issuance of debt	26,525	-
Capital appropriations	15,989	28,605
Proceeds from sale of capital assets	309	-
Proceeds from Act 1282 of 2005	-	12,730
Purchases of capital assets	(125,620)	(130,186)
Principal paid on capital debt and leases	(15,819)	(18,431)
Interest and paying agent fees paid on debt and capital leases	(11,808)	(13,979)
Net cash and cash equivalents used in capital and related financing activities	<u>(110,424)</u>	<u>(121,261)</u>

(Continued)

University of Arkansas for Medical Sciences
 Statements of Cash Flows (continued)
 (in thousands)

	Year ended June 30	
	2009	2008
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	\$ 240,626	\$ 203,839
Interest on investments (net of fees)	1,763	3,009
Purchases of investments	<u>(104,807)</u>	<u>(145,181)</u>
Net cash and cash equivalents provided by investing activities	<u>137,582</u>	<u>61,667</u>
Net increase in cash and cash equivalents	26,780	21,990
Cash and cash equivalents – beginning of year	<u>50,490</u>	<u>28,500</u>
Cash and cash equivalents – end of year	<u>\$ 77,270</u>	<u>\$ 50,490</u>
Operating loss	\$ (78,676)	\$ (22,933)
Adjustments to reconcile net operating loss to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation and amortization	43,148	31,434
Changes in assets and liabilities:		
Patient and nonpatient accounts receivable, net	(14,779)	(11,548)
Inventories	(7,056)	917
Other assets	(95)	(560)
Accounts payable and accrued liabilities	(14,990)	8,278
Deferred revenue	496	223
Deposits	(18)	(12)
Compensated absences payable	3,611	3,502
Other liabilities	<u>(2,176)</u>	<u>5,516</u>
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ (70,535)</u>	<u>\$ 14,817</u>
Noncash transactions:		
Fixed assets acquired by capital gift	\$ 14,070	\$ 10,281
Fixed asset acquisition paid for by State of Arkansas	\$ 19,442	\$ 18,849
Fixed assets acquired by incurring capital lease obligations	\$ 16,759	\$ 11,177
Fixed assets acquired by notes payable	\$ 9,766	\$ 9,292

See accompanying notes to financial statements.



UNIVERSITY OF ARKANSAS SYSTEM Consolidated Financial Statements FY2006-07



UNIVERSITY OF ARKANSAS

Statement of Net Assets

June 30, 2007 with comparative figures at June 30, 2006

	June 30, 2007	June 30, 2006
ASSETS		
Current		
Cash and cash equivalents	\$ 205,956,767	\$ 209,395,005
Investments	146,658,859	30,851,909
Accounts receivable, net of allowances of \$12,695,630 & \$10,154,982	72,775,238	71,917,420
Patient accounts receivable, net of allowances of \$876,393,000 & \$858,890,000	84,779,000	85,777,000
Inventories	16,285,200	14,307,880
Deposits and funds held in trust by others	1,498,774	9,333,352
Notes receivable, net of allowances of \$2,092,845 & \$1,127,709	8,906,190	8,241,941
Other receivables	4,000,098	2,881,789
Other assets	5,643,707	5,504,066
Total current assets	<u>546,503,833</u>	<u>438,210,362</u>
Non-Current		
Cash and cash equivalents	14,485,717	\$ 13,896,484
Investments	196,033,530	293,634,114
Notes receivable, net of allowance of \$5,005,553 & \$3,020,646	22,610,153	26,367,167
Deposits and funds held in trust by others	142,504,314	303,708,940
Other non-current assets	5,357,590	5,858,414
Capital assets, net of depreciation of \$1,032,168,030 & \$944,158,001	1,681,777,278	1,438,384,104
Total non-current assets	<u>2,062,768,582</u>	<u>2,081,849,223</u>
TOTAL ASSETS	<u>\$ 2,609,272,415</u>	<u>\$ 2,520,059,585</u>
LIABILITIES		
Current		
Accounts payable and other accrued liabilities	\$ 135,395,243	\$ 116,083,678
Deferred revenue	26,652,707	35,066,291
Funds held in trust for others	3,182,094	3,735,488
Liability for future insurance claims	9,646,053	8,694,534
Estimated third party payor settlements	16,335,000	17,529,000
Compensated absences payable - current portion (Note 7)	3,299,283	3,092,241
Bonds, notes and capital leases payable - current portion (Note 7)	32,769,997	31,395,100
Total current liabilities	<u>227,280,377</u>	<u>215,596,332</u>
Non-Current		
Deferred revenues, deposits and other	616,805	192,466
Compensated absences payable (Note 7)	56,873,136	52,798,336
Bonds, notes and capital leases payable (Note 7)	759,336,429	784,149,623
Total non-current liabilities	<u>816,826,370</u>	<u>837,140,425</u>
TOTAL LIABILITIES	<u>\$ 1,044,106,747</u>	<u>\$ 1,052,736,757</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$ 1,014,544,026	\$ 853,878,577
Restricted		
Non-Expendable	66,855,458	59,799,174
Expendable	168,772,865	142,336,948
Unrestricted	314,993,319	411,308,129
TOTAL NET ASSETS	<u>\$ 1,565,165,668</u>	<u>\$ 1,467,322,828</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS
Statement of Revenues, Expenses and Changes in Net Assets
For The Year Ended June 30, 2007 with comparative figures for 2006

	Year Ended	
	June 30, 2007	June 30, 2006
Operating Revenues		
Student tuition & fees, net of scholarship allowances of \$61,488,239 & \$68,214,175	\$ 167,410,197	\$ 160,274,039
Patient services, net of contractual allowances of \$665,057,000 & \$583,226,000	672,528,000	635,435,000
Federal and county appropriations	18,728,213	14,072,899
Federal grants and contracts	150,143,844	146,835,145
State and local grants and contracts	41,444,758	39,210,111
Non-governmental grants and contracts	66,289,106	64,698,436
Sales and services of educational departments	51,094,986	46,341,535
Insurance plan	34,282,613	32,757,459
Auxiliary enterprises	-	-
Athletics, net of scholarship allowances of \$1,595,355 & \$1,519,899	55,128,840	44,122,847
Housing/food service, net of scholarship allowances of \$5,705,996 & \$5,749,914	30,005,125	25,749,076
Bookstore, net of scholarship allowances of \$2,384,365 & \$2,252,302	19,638,477	20,547,932
Other auxiliary enterprises, net of scholarship allowances of \$258,057 & \$222,631	15,501,532	14,356,171
Other operating revenues	20,870,563	22,153,920
Total operating revenues	<u>1,343,066,254</u>	<u>1,266,554,570</u>
Operating Expenses		
Compensation and benefits	1,079,722,671	1,017,733,215
Supplies and services	528,200,729	490,156,663
Scholarships and fellowships	46,529,579	50,084,124
Insurance plan	100,778,639	89,712,646
Depreciation	103,720,459	93,130,081
Total operating expenses	<u>1,858,952,077</u>	<u>1,740,816,729</u>
Operating income (loss)	<u>(515,885,823)</u>	<u>(474,262,159)</u>
Non-Operating Revenues (Expenses)		
State appropriations	396,026,328	367,146,067
Property and sales tax	10,069,710	9,795,995
Federal grants	54,515,290	55,603,660
State and local grants	9,282,971	16,377,533
Non-governmental grants	1,800,571	2,193,638
Gifts	52,349,176	47,165,542
Investment income (net)	52,714,403	30,393,816
Interest on capital asset-related debt	(27,935,475)	(22,854,478)
Gain (loss) on disposal of assets	(2,393,047)	(7,257,910)
Other	4,629,557	4,213,440
Net non-operating revenues	<u>551,059,484</u>	<u>502,777,303</u>
Income before other revenues and expenses	<u>35,173,661</u>	<u>28,515,144</u>
Other Changes in Net Assets		
Write-off of assets due to change in capitalization level	(1,804)	(844,938)
Capital appropriations	5,062,606	4,664,707
Capital grants and gifts	50,378,208	49,603,152
Adjustments to prior year revenues and expenses	5,664,116	233,785
Other	321,053	(1,053,009)
Interagency transfer	1,245,000	5,692,000
Total other revenues and expenses	<u>62,669,179</u>	<u>58,295,697</u>
Increase (decrease) in net assets	<u>97,842,840</u>	<u>86,810,841</u>
Net Assets, beginning of year - as originally reported	1,467,322,828	1,375,327,935
Adjustment due to change in accounting estimate	-	5,184,052
Net Assets, beginning of year - restated	<u>1,467,322,828</u>	<u>1,380,511,987</u>
Net Assets, end of year	<u>\$ 1,565,165,668</u>	<u>\$ 1,467,322,828</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS
Statement of Cash Flows - Direct Method

For The Year Ended June 30, 2007 with comparative figures for 2006

	Year Ended	
	June 30, 2007	June 30, 2006
Cash Flows from Operating Activities		
Student tuition and fees (net of scholarships)	\$ 169,375,479	\$ 159,888,120
Patient and insurance payments	709,873,000	666,043,000
Federal and county appropriations	19,358,974	13,662,917
Grants and contracts	246,062,675	256,502,881
Collection of loans and interest	5,419,981	6,329,233
Insurance plan receipts	33,933,725	32,913,781
Auxiliary enterprise revenues:		
Athletics	54,400,358	50,126,161
Housing and food service	30,632,137	25,971,585
Bookstore	20,173,445	19,856,432
Other auxiliary enterprises	15,367,042	13,820,508
Payments to employees	(929,091,317)	(870,468,929)
Payment of employee benefits	(144,170,098)	(138,119,629)
Payments to suppliers	(549,472,780)	(504,512,702)
Loans issued to students	(5,503,138)	(6,122,642)
Scholarships and fellowships	(46,571,969)	(50,162,275)
Payments of insurance plan expenses	(99,712,785)	(91,024,972)
Other receipts (payments)	52,209,653	59,194,918
Net cash provided (used) by operating activities	(417,715,618)	(356,101,613)
Cash Flows from Noncapital Financing Activities		
State appropriations	397,790,305	373,656,684
Property and sales tax	9,973,814	9,685,019
Gifts and grants for other than capital purposes	112,635,186	120,506,917
Loan proceeds	292,000	482,000
Direct Lending, Plus and FFEL loan receipts	73,101,494	72,819,290
Direct Lending, Plus and FFEL loan payments	(73,002,148)	(73,360,970)
Other agency funds - net	(674,249)	1,504,369
Repayments of loans	432,610	103,000
Other	15,881,411	2,556,655
Net cash provided (used) by noncapital financing activities	536,430,423	507,952,964
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	-	238,736,571
Capital appropriations	4,935,145	4,392,650
Capital grants and gifts	26,927,166	6,588,603
Property taxes - capital allocation	20,331	21,889
Proceeds from sale of capital assets	1,013,755	411,196
Purchases of capital assets	(291,354,816)	(207,586,032)
Principal paid on capital debt and lease	(39,398,861)	(54,660,850)
Interest and fees paid on capital debt and lease	(34,976,282)	(26,553,358)
Deposit with trustee	78,741,297	(8,645,095)
Other	(28,322)	1,193,250
Net cash provided (used) by capital and related financing activities	(254,120,587)	(46,101,176)
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	306,642,459	137,522,385
Investment income (net of fees)	17,049,994	13,084,649
Purchases of investments	(191,177,675)	(241,330,284)
Net cash provided (used) by investing activities	132,514,778	(90,723,250)
Net increase in cash	(2,891,004)	15,026,925
Cash, beginning of year	223,291,489	208,774,098
Cash, beginning of year adjustment	41,999	(509,534)
Cash, end of year	<u>\$ 220,442,484</u>	<u>\$ 223,291,489</u>

UNIVERSITY OF ARKANSAS
Statement of Cash Flows - Direct Method - Continued
 For The Year Ended June 30, 2007 with comparative figures for 2006

	Year Ended	
	June 30, 2007	June 30, 2006
Reconciliation of net operating revenues to net cash provided by operating activities:		
Operating income (loss)	\$ (515,885,823)	\$ (474,262,159)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	103,720,459	93,130,081
Change in assets and liabilities:		
Receivables, net	(14,951,664)	(7,429,549)
Inventories	(2,064,264)	(737,478)
Deposits with others	-	(54,949)
Prepaid expenses and other assets	1,805,316	67,464
Accounts payable	13,537,095	14,502,911
Deferred revenue	(8,371,252)	11,604,233
Loans to students and employees	50,295	(45,065)
Compensated Absences	4,237,548	6,029,426
Other liabilities	206,672	1,093,472
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (417,715,618)	\$ (356,101,613)
Non-Cash Transactions		
Capital gifts	24,309,748	48,733,871
Equipment acquired by incurring capital lease obligations	10,370,239	10,250,192
Fixed asset acquisition paid for by State of Arkansas	2,502,780	14,528
Payments to bond escrow directly from bond proceeds	6,223,205	9,551,515
Fixed asset acquisition directly from bond proceeds	-	10,150,000

See accompanying notes.

University of Arkansas System Consolidated Financial Statements FY2007-08



UNIVERSITY OF ARKANSAS SYSTEM • CONSOLIDATED FINANCIAL STATEMENT FY2008

UNIVERSITY OF ARKANSAS

Statement of Net Assets

June 30, 2008 with comparative figures at June 30, 2007

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
ASSETS		
Current		
Cash and cash equivalents	\$167,146,791	\$115,272,767
Investments	261,805,947	237,342,859
Accounts receivable, net of allowances of \$14,047,624 & \$12,695,630	91,301,915	76,728,894
Patient accounts receivable, net of allowances of \$316,378,000 & \$876,393,000	88,492,000	84,779,000
Inventories	16,230,893	16,285,200
Deposits and funds held in trust by others	272,044	1,498,774
Notes receivable, net of allowances of \$852,807 & \$2,092,845	6,829,527	8,906,190
Other assets	7,340,386	5,690,149
Total current assets	<u>639,419,503</u>	<u>546,503,833</u>
Non-Current		
Cash and cash equivalents	23,703,847	14,485,717
Investments	188,409,200	196,033,530
Notes receivable, net of allowance of \$4,619,951 & \$5,005,553	33,997,708	22,610,153
Deposits and funds held in trust by others	51,952,191	142,504,314
Other non-current assets	4,711,412	5,357,590
Capital assets, net of depreciation of \$1,136,606,329 & \$1,032,168,030	1,855,899,813	1,681,777,278
Total non-current assets	<u>2,158,674,171</u>	<u>2,062,768,582</u>
TOTAL ASSETS	<u>\$2,798,093,674</u>	<u>\$2,609,272,415</u>
LIABILITIES		
Current		
Accounts payable and other accrued liabilities	\$141,112,155	\$135,395,243
Deferred revenue	29,142,140	26,652,707
Funds held in trust for others	4,071,468	3,182,094
Liability for future insurance claims	10,705,826	9,646,053
Estimated third party payor settlements	12,049,000	16,335,000
Compensated absences payable - current portion (Note 7)	3,863,942	3,299,283
Liability for other post retirement benefits - current portion (Note 13)	2,203,870	-
Bonds, notes and capital leases payable - current portion (Note 7)	38,044,135	32,769,997
Total current liabilities	<u>241,192,536</u>	<u>227,280,377</u>
Non-Current		
Deferred revenues, deposits and other	988,801	616,805
Compensated absences payable (Note 7)	61,095,851	56,873,136
Liability for other post retirement benefits (Note 13)	16,414,908	-
Bonds, notes and capital leases payable (Note 7)	797,518,344	759,336,429
Total non-current liabilities	<u>876,017,904</u>	<u>816,826,370</u>
TOTAL LIABILITIES	<u>\$1,117,210,440</u>	<u>\$1,044,106,747</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$1,051,693,500	\$1,014,544,026
Restricted		-
Non-Expendable	78,569,934	66,855,458
Expendable	201,247,280	168,772,865
Unrestricted	349,372,520	314,993,319
TOTAL NET ASSETS	<u>\$1,680,883,234</u>	<u>\$1,565,165,668</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS SYSTEM • CONSOLIDATED FINANCIAL STATEMENT FY2008

UNIVERSITY OF ARKANSAS

Statement of Revenues, Expenses and Changes in Net Assets

For The Year Ended June 30, 2008 with comparative figures for 2007

	Year Ended	
	June 30, 2008	June 30, 2007
Operating Revenues		
Student tuition & fees, net of scholarship allowances of \$70,589,481 & \$61,488,239	\$183,885,092	\$167,410,197
Patient services, net of contractual allowances of \$767,059,000 & \$665,057,000	765,358,000	672,528,000
Federal and county appropriations	15,932,245	18,728,213
Federal grants and contracts	140,892,160	150,143,844
State and local grants and contracts	52,057,838	41,444,758
Non-governmental grants and contracts	66,307,600	66,289,106
Sales and services of educational departments	52,800,882	51,094,986
Insurance plan	35,384,004	34,282,613
Auxiliary enterprises		
Athletics, net of scholarship allowances of \$1,960,311 & \$1,595,355	54,862,413	55,128,840
Housing/food service, net of scholarship allowances of \$7,170,994 & \$5,705,996	35,725,360	30,005,125
Bookstore, net of scholarship allowances of \$2,516,354 & \$2,384,365	20,209,148	19,638,477
Other auxiliary enterprises, net of scholarship allowances of \$252,796 & \$258,057	16,129,771	15,501,532
Other operating revenues	30,221,709	20,870,563
Total operating revenues	<u>1,469,766,222</u>	<u>1,343,066,254</u>
Operating Expenses		
Compensation and benefits	1,176,462,926	1,079,722,671
Supplies and services	551,346,221	528,200,729
Scholarships and fellowships	51,331,763	46,529,579
Insurance plan	115,418,625	100,778,639
Depreciation	118,549,997	103,720,459
Total operating expenses	<u>2,013,109,532</u>	<u>1,858,952,077</u>
Operating income (loss)	<u>(543,343,310)</u>	<u>(515,885,823)</u>
Non-Operating Revenues (Expenses)		
State appropriations	423,376,315	396,026,328
Property and sales tax	11,023,826	10,069,710
Federal grants	59,784,187	54,515,290
State and local grants	13,038,695	9,282,971
Non-governmental grants	1,546,480	1,800,571
Gifts	72,530,232	52,349,176
Investment income (net)	19,047,116	52,714,403
Interest on capital asset-related debt	(27,537,889)	(27,935,475)
Gain (loss) on disposal of assets	(2,603,581)	(2,393,047)
Other	4,610,759	4,629,557
Net non-operating revenues	<u>574,816,140</u>	<u>551,059,484</u>
Income before other revenues and expenses	<u>31,472,830</u>	<u>35,173,661</u>
Other Changes in Net Assets		
Write-off of assets	(188,661)	(1,804)
Capital appropriations	67,818,889	5,062,606
Capital grants and gifts	28,813,032	50,378,208
Bond proceeds from Act 1282 of 2005 (Note 7)	16,984,637	-
Adjustments to prior year revenues and expenses	(125,086)	5,664,116
Other	1,177,925	321,053
Interagency transfer (Note 20)	(30,236,000)	1,245,000
Total other revenues and expenses	<u>84,244,736</u>	<u>62,669,179</u>
Increase (decrease) in net assets	<u>115,717,566</u>	<u>97,842,840</u>
Net Assets, beginning of year - restated	<u>1,565,165,668</u>	<u>1,467,322,828</u>
Net Assets, end of year	<u>\$1,680,883,234</u>	<u>\$1,565,165,668</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS SYSTEM • CONSOLIDATED FINANCIAL STATEMENT FY2008

UNIVERSITY OF ARKANSAS

Statement of Cash Flows - Direct Method

For The Year Ended June 30, 2008 with comparative figures for 2007

	Year Ended	
	June 30, 2008	June 30, 2007
Cash Flows from Operating Activities		
Student tuition and fees (net of scholarships)	\$ 185,788,328	\$ 169,375,479
Patient and insurance payments	768,343,000	709,873,000
Federal and county appropriations	15,876,740	19,358,974
Grants and contracts	258,728,472	246,062,675
Collection of loans and interest	5,601,470	5,419,981
Insurance plan receipts	35,603,553	33,933,725
Auxiliary enterprise revenues:		
Athletics	54,827,297	54,400,358
Housing and food service	35,861,116	30,632,137
Bookstore	20,455,088	20,173,445
Other auxiliary enterprises	15,574,906	15,367,042
Payments to employees	(985,864,191)	(929,091,317)
Payment of employee benefits	(159,206,047)	(144,170,098)
Payments to suppliers	(550,126,851)	(549,472,780)
Loans issued to students	(4,128,915)	(5,503,805)
Scholarships and fellowships	(51,351,165)	(46,571,969)
Payments of insurance plan expenses	(114,103,962)	(99,712,785)
Other receipts (payments)	62,856,127	52,210,320
Net cash provided (used) by operating activities	(405,265,034)	(417,715,618)
Cash Flows from Noncapital Financing Activities		
State appropriations	419,773,270	397,790,305
Property and sales tax	10,123,329	9,973,814
Gifts and grants for other than capital purposes	154,820,676	119,017,169
Loan proceeds	-	292,000
Direct Lending, Plus and FFEL loan receipts	78,098,647	73,101,494
Direct Lending, Plus and FFEL loan payments	(78,080,988)	(73,002,148)
Other agency funds - net	803,804	(674,249)
Repayments of loans	-	432,610
Other	3,843,796	9,499,428
Net cash provided (used) by noncapital financing activities	589,382,534	536,430,423
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	74,822,412	-
Capital appropriations	44,260,452	4,935,145
Capital grants and gifts	2,709,644	26,927,166
Property taxes - capital allocation	5,604	20,331
Proceeds from sale of capital assets	7,109	1,013,755
Bond Proceeds from Act 1282 of 2005 (Note 7)	16,016,270	-
Purchases of capital assets	(274,435,444)	(291,354,816)
Principal paid on capital debt and lease	(44,969,108)	(39,398,861)
Interest and fees paid on capital debt and lease	(37,122,986)	(34,976,282)
Deposit with trustee	5,346,452	78,741,297
Other	462,709	(28,322)
Net cash provided (used) by capital & related financing activities	(212,896,886)	(254,120,587)
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	353,807,735	498,116,459
Investment income (net of fees)	10,621,156	17,049,994
Purchases of investments	(274,557,351)	(357,558,675)
Net cash provided (used) by investing activities	89,871,540	157,607,778
Net increase in cash	61,092,154	22,201,996
Cash, beginning of year	129,758,484	107,514,489
Cash, beginning of year adjustment	-	41,999
Cash, end of year	\$ 190,850,638	\$ 129,758,484

UNIVERSITY OF ARKANSAS SYSTEM • CONSOLIDATED FINANCIAL STATEMENT FY2008

UNIVERSITY OF ARKANSAS

Statement of Cash Flows - Direct Method - Continued

For The Year Ended June 30, 2008 with comparative figures for 2007

	Year Ended	
	June 30, 2008	June 30, 2007
Reconciliation of net operating revenues to net cash provided by operating activities:		
Operating income (loss)	\$ (543,343,310)	\$ (515,885,823)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	118,549,997	103,720,459
Change in assets and liabilities:		
Receivables, net	(15,155,389)	(14,951,664)
Inventories	(19,728)	(2,064,264)
Deposits with others	142,000	-
Prepaid expenses and other assets	395,868	1,805,316
Accounts payable	11,990,385	13,632,357
Deferred revenue	2,712,275	(8,371,252)
Loans to students and employees	(1,231,823)	50,295
Compensated absences	4,721,135	4,237,548
OPEB liability	18,618,778	-
Other liabilities	(2,645,222)	111,410
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (405,265,034)	\$ (417,715,618)
Non-Cash Transactions		
Capital gifts	25,820,944	24,309,748
Equipment acquired by incurring capital lease obligations	11,177,000	10,370,239
Bond issuance costs & underwriter's discounts paid directly from bond proceeds	529,300	-
Fixed asset acquisition paid for by State of Arkansas	18,937,379	2,502,780
Payments to bond escrow directly from bond proceeds	-	6,223,205
Fixed asset acquisition directly from bond/note proceeds	9,292,000	-
Interest on long-term debt paid directly from deposits with trustees	1,448,198	-
Payment of long-term debt principal paid directly from University of Arkansas Foundation, Inc. accounts	3,760,655	-
Insurance proceeds remitted directly to Arkansas Department of Finance and Administration	27,628	-
Other equipment noncash additions	33,107	-

See accompanying notes.



University of Arkansas System
Consolidated Financial Statements
FY2008-09

UNIVERSITY OF ARKANSAS
Statement of Net Assets
June 30, 2009 with comparative figures at June 30, 2008

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
ASSETS		
Current		
Cash and cash equivalents	207,423,633	167,146,791
Investments	158,997,338	261,805,947
Accounts receivable, net of allowances of \$15,528,000 & \$14,047,624	105,661,291	91,301,915
Patient accounts receivable, net of allowances of \$423,624,000 & \$316,378,000	100,516,000	88,492,000
Inventories	22,030,435	16,230,893
Deposits and funds held in trust by others	2,561,822	272,044
Notes receivable, net of allowances of \$739,916 & \$852,807	6,277,282	6,829,527
Other assets	7,971,200	7,340,386
Total current assets	<u>611,439,001</u>	<u>639,419,503</u>
Non-Current		
Cash and cash equivalents	21,720,255	23,703,847
Investments	144,287,030	188,409,200
Notes receivable, net of allowance of \$4,713,684 & \$4,619,951	33,077,874	33,997,708
Deposits and funds held in trust by others	76,846,429	51,952,191
Other non-current assets	4,713,820	4,711,412
Capital assets, net of depreciation of \$1,307,118,654 & \$1,189,782,044	2,015,582,833	1,855,899,813
Total non-current assets	<u>2,296,228,241</u>	<u>2,158,674,171</u>
TOTAL ASSETS	<u>\$2,907,667,242</u>	<u>\$2,798,093,674</u>
LIABILITIES		
Current		
Accounts payable and other accrued liabilities	126,026,082	141,112,155
Deferred revenue	29,216,314	29,142,140
Funds held in trust for others	6,120,534	4,071,468
Liability for future insurance claims (Note 12)	10,920,000	10,705,826
Estimated third party payor settlements	5,964,000	12,049,000
Compensated absences payable - current portion (Note 7)	3,835,629	3,863,942
Liability for other post employment benefits - current portion (Note 13)	0	2,203,870
Bonds, notes, capital leases & installment contracts payable - current portion (Note 7)	50,418,234	38,044,135
Total current liabilities	<u>\$232,500,793</u>	<u>\$241,192,536</u>
Non-Current		
Deferred revenues, deposits and other	807,212	988,801
Refundable federal advance - Perkins loans	18,014,623	0
Compensated absences payable (Note 7)	65,701,933	61,095,851
Liability for other post employment benefits (Note 13)	25,984,585	16,414,908
Bonds, notes, capital leases and installment contracts payable (Note 7)	871,467,650	797,518,344
Total non-current liabilities	<u>\$981,976,003</u>	<u>\$876,017,904</u>
TOTAL LIABILITIES	<u>\$1,214,476,796</u>	<u>\$1,117,210,440</u>
NET ASSETS		
Invested in capital assets, net of related debt	\$1,169,406,597	\$1,051,693,500
Restricted		
Non-Expendable	53,094,876	78,569,934
Expendable	178,563,741	201,247,280
Unrestricted	292,125,232	349,372,520
TOTAL NET ASSETS	<u>\$1,693,190,446</u>	<u>\$1,680,883,234</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS
Statement of Revenues, Expenses and Changes in Net Assets
For The Year Ended June 30, 2009 with comparative figures for 2008

	Year Ended	
	June 30, 2009	June 30, 2008
Operating Revenues		
Student tuition & fees, net of scholarship allowances of \$77,487,431 & \$70,589,481	\$208,176,798	\$183,885,092
Patient services, net of contractual allowances of \$820,134,000 & \$767,059,000	781,472,000	765,358,000
Federal and county appropriations	17,428,250	15,932,245
Federal grants and contracts	152,420,327	140,892,160
State and local grants and contracts	47,921,909	52,057,838
Non-governmental grants and contracts	71,750,204	66,307,600
Sales and services of educational departments	54,379,606	52,800,882
Insurance plan	37,620,140	35,384,004
Auxiliary enterprises		
Athletics, net of scholarship allowances of \$2,032,123 & \$1,960,311	59,529,714	54,862,413
Housing/food service, net of scholarship allowances of \$7,730,208 & \$7,170,994	41,180,705	35,725,360
Bookstore, net of scholarship allowances of \$2,534,112 & \$2,516,354	19,204,503	20,209,148
Other auxiliary enterprises, net of scholarship allowances of \$298,782 & \$252,796	16,816,188	16,129,771
Other operating revenues	17,445,074	30,127,552
Total operating revenues	<u>1,525,345,418</u>	<u>1,469,672,065</u>
Operating Expenses		
Compensation and benefits	1,239,872,124	1,176,462,926
Supplies and services	577,621,984	551,346,221
Scholarships and fellowships	58,008,264	51,331,763
Insurance plan	117,995,316	115,418,625
Depreciation	135,863,367	118,549,997
Total operating expenses	<u>2,129,361,055</u>	<u>2,013,109,532</u>
Operating loss	<u>(604,015,637)</u>	<u>(543,437,467)</u>
Non-Operating Revenues (Expenses)		
State appropriations	422,293,281	423,376,315
Property and sales tax	11,548,994	11,023,826
Federal grants	67,306,923	59,784,187
State and local grants	14,259,823	13,038,695
Non-governmental grants	1,660,834	1,546,480
Gifts	67,885,045	72,530,232
Investment income	(28,499,438)	19,141,273
Interest on capital asset-related debt	(35,639,135)	(27,537,889)
Loss on disposal of assets	(1,190,713)	(2,603,581)
Other	3,768,785	4,610,759
Net non-operating revenues	<u>523,394,399</u>	<u>574,910,297</u>
Income (loss) before other revenues and expenses	<u>(80,621,238)</u>	<u>31,472,830</u>
Other Changes in Net Assets		
Write-off of assets due to impairment	0	(188,661)
Capital appropriations	41,601,051	67,818,889
Capital grants and gifts	23,148,013	28,813,032
Bond proceeds from Act 1282 of 2005 (Note 7)	28,220,677	16,984,637
Adjustments to prior year revenues and expenses	(391,738)	(125,086)
Other	7,809,221	1,177,925
Interagency disposition (Note 20)	0	(30,236,000)
Total other revenues and expenses	<u>100,387,224</u>	<u>84,244,736</u>
Increase in net assets	19,765,986	115,717,566
Net Assets, beginning of year as originally reported	1,680,883,234	1,565,165,668
Restatement of prior year balance (Note 22)	(7,458,774)	0
Net Assets, beginning of year restated	<u>1,673,424,460</u>	<u>1,565,165,668</u>
Net Assets, end of year	<u>\$1,693,190,446</u>	<u>\$1,680,883,234</u>

See accompanying notes.

UNIVERSITY OF ARKANSAS
Statement of Cash Flows - Direct Method
For The Year Ended June 30, 2009 with comparative figures for 2008

	Year Ended	
	June 30, 2009	June 30, 2008
Cash Flows from Operating Activities		
Student tuition and fees (net of scholarships)	\$ 208,512,398	\$ 185,788,328
Patient and insurance payments	763,515,000	768,343,000
Federal and county appropriations	16,622,550	15,876,740
Grants and contracts	267,104,538	258,728,472
Collection of loans and interest	4,010,736	5,601,470
Insurance plan receipts	37,577,966	35,603,553
Auxiliary enterprise revenues:		
Athletics	59,396,473	54,827,297
Housing and food service	40,813,647	35,861,116
Bookstore	19,216,096	20,455,088
Other auxiliary enterprises	16,418,738	15,574,906
Payments to employees	(1,054,147,851)	(985,864,191)
Payment of employee benefits	(169,020,243)	(159,206,047)
Payments to suppliers	(594,559,668)	(550,126,851)
Loans issued to students	(3,466,052)	(4,128,582)
Scholarships and fellowships	(57,931,794)	(51,351,165)
Payments of insurance plan expenses	(117,396,425)	(114,103,962)
Other	59,716,853	62,761,637
Net cash used by operating activities	<u>(503,617,038)</u>	<u>(405,359,191)</u>
Cash Flows from Noncapital Financing Activities		
State appropriations	413,846,439	419,773,270
Property and sales tax	12,221,769	10,123,329
Gifts and grants for other than capital purposes	162,793,412	154,820,676
Loan proceeds	0	0
Direct Lending, Plus and FFEL loan receipts	102,568,585	89,404,805
Direct Lending, Plus and FFEL loan payments	(102,468,947)	(89,387,146)
Other agency funds - net	1,687,492	803,804
Repayments of loans	0	0
Other	3,646,362	3,843,796
Net cash provided by noncapital financing activities	<u>594,295,112</u>	<u>589,382,534</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	97,126,924	70,989,485
Capital appropriations	22,848,406	48,093,379
Capital grants and gifts	3,591,552	2,709,644
Property taxes - capital allocation	3,687	5,604
Proceeds from sale of capital assets	361,894	7,109
Bond Proceeds from Act 1282 of 2005 (Note 7)	19,017,412	16,016,270
Purchases of capital assets	(238,112,153)	(274,435,444)
Principal paid on capital debt and lease	(40,775,910)	(44,969,108)
Interest and fees paid on capital debt and lease	(35,636,414)	(37,122,986)
Deposit with trustee	(23,319,528)	11,811,703
Other	1,298,178	462,709
Net cash used by capital and related financing activities	<u>(193,595,952)</u>	<u>(206,431,635)</u>
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	368,670,974	341,960,654
Investment income (net of fees)	4,815,459	10,715,313
Purchases of investments	(232,275,305)	(269,175,521)
Net cash provided by investing activities	<u>141,211,128</u>	<u>83,500,446</u>
Net increase in cash	38,293,250	61,092,154
Cash, beginning of year	190,850,638	129,758,484
Cash, end of year	<u>\$ 229,143,888</u>	<u>\$ 190,850,638</u>

UNIVERSITY OF ARKANSAS
Statement of Cash Flows - Direct Method - Continued
For The Year Ended June 30, 2009 with comparative figures for 2008

	Year Ended	
	June 30, 2009	June 30, 2008
Reconciliation of net operating revenues to net cash provided by operating activities:		
Operating loss	\$ (604,015,637)	\$ (543,437,467)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	135,863,367	118,549,997
Change in assets and liabilities:		
Receivables, net	(22,444,679)	(15,155,389)
Inventories	(5,799,544)	(19,728)
Deposits with others	0	142,000
Prepaid expenses and other assets	(373,376)	395,868
Accounts payable	(13,222,845)	11,990,385
Deferred revenue	72,801	2,712,275
Loans to students and employees	258,307	(1,231,823)
Refundable federal advance	120,162	0
Compensated absences	4,578,773	4,721,135
OPEB liability	7,365,805	18,618,778
Other liabilities	(6,020,172)	(2,645,222)
NET CASH USED BY OPERATING ACTIVITIES	\$ (503,617,038)	\$ (405,359,191)
Non-Cash Transactions		
Capital gifts	19,548,841	25,820,944
Fixed assets acquired by incurring capital lease obligations	16,767,519	11,177,000
Bond issuance costs, underwriter's discounts and debt service reserve paid directly from bond proceeds	1,072,606	529,300
Fixed asset acquisition paid for by State of Arkansas	19,531,954	18,937,379
Payments to bond escrow directly from bond proceeds	3,855,000	0
Fixed asset acquisition directly from bond/note proceeds	9,766,000	9,292,000
Interest on long-term debt paid directly from deposits with trustees	2,172,147	1,448,198
Payment of long-term debt principal paid directly from University of Arkansas Foundation, Inc. accounts	1,432,879	3,760,655
Insurance proceeds remitted directly to Arkansas Department of Finance and Administration	0	27,628
Other equipment noncash additions	5,772	33,107
Valuation adjustments to capital assets	612,251	342,309
Capital outlay paid directly from bond proceeds from Act 1282 of 2005	9,235,298	0
Capital outlay paid directly from proceeds of University of Arkansas long-term debt instruments	3,020,626	0

See accompanying notes.

BTOP Comprehensive Community Infrastructure Service Offerings and Competitor Data Template

Please complete the complete the following worksheets--either of the Last Mile or Middle Mile Service Offerings worksheets may be omitted if the applicant is not proposing to provide that type.

For both the Last Mile and Middle Mile Service Offerings worksheets, the service offerings should include all relevant tiers and markets (*e.g.* residential, business, wholesale). Applicants should ensure to include details on any services that would be offered at discounted rates to specific classes of customers (*e.g.* community anchor institutions or third party service providers).

In the Last Mile Service Offerings worksheet, applicants are required to provide estimated end user speeds. Average speeds should be the average sustained actual, non-burst end user speed that would be received during a peak hour. For purposes of calculating these speeds, applicants should utilize their subscriber projections for year eight of the project, and develop utilization projections that are consistent with any additional services the applicant is proposing. For wireless broadband services, this speed should be an average of the speeds available across the entire cell. Beyond these general guidelines, due to the multiplicity of technical solutions that may be proposed, the applicants may use discretion to determine the most reasonable method to estimate actual speeds on their network. Applicants should explain the underlying methodology used to calculate the average speeds in the space provided.

In the Competitor Data worksheet, applicants are required to provide data on both last mile and middle mile service providers, regardless of whether the applicant proposes to offer last mile and middle mile services. In the column titled Service Areas Where Service Offered, applicants should list all of the Last Mile and Middle Mile Service Areas within their Proposed Project Area in which the listed services are available. Please ensure that the Service Areas are consistent with those provided within the application and the Service Areas upload. If the availability of the listed services is limited (*e.g.* the service is only available within a portion of a Last Mile or Middle Mile Service Area), note this in the Other Comments column.

In contrast to several other upload templates in this application, the data provided in these worksheets will NOT be subject to automated processing. These template worksheets are provided to demonstrate the level of data required and to provide a suggested format. Applicants may modify the template layouts in order to provide the most effective presentation of their specific project. Applicants should, however, ensure that they provide at least as much data as these templates require. To the extent that you modify these templates please ensure that the print layouts are adjusted so that rows do not break across pages in a manner that is difficult to understand. A PDF of this file will be automatically generated upon upload to Easy Print and the print settings will be used to format the PDF file.

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Proposed Middle Mile Service Offerings

Name of Service Offering	Distance Band or Point to Point	Maximum Peak Load Network Bandwidth Capacity (Mbps)	Minimum Peak Load Network Bandwidth Capacity (Mbps)	Monthly/Yearly Pricing (\$)	Other Comments/Description/Features or Limitations
Higher Education - ARE-ON Location	Point to Point	10 gbps	50 mbps	N/A	Optical Dark Fiber network
ATOM Network Primary Hub - ARE-ON Connection	Point to Point	100 mbps	20 mbps	\$124,475.40 /yr	Pricing based on ATT quotes - actual price will be based on formal bid process
ATOM Network Primary Hub - 100 mbps MPLS	Point to Point	100 mbps	10 mbps	\$124,475.40 /yr	Pricing based on ATT quotes - actual price will be based on formal bid process
ATOM Network Secondary Spoke - 20 mbps MPLS	Point to Point	20 mbps	2 mbps	\$55,200.00 /yr	Pricing based on ATT quotes - actual price will be based on formal bid process
ATOM Network Secondary Spoke - 10 mbps MPLS	Point to Point	10 mbps	1 mbps	\$35,404.80 /yr	Pricing based on ATT quotes - actual price will be based on formal bid process
ATOM Network Tertiary Spoke - 1.5 mbps MPLS	Point to Point	1.5 mbps	384 kbps	\$9,789.12 /yr	Pricing based on ATT quotes - actual price will be based on formal bid process

Competitor Data

Competitor Data - Last Mile Service Providers

Service Provider	Service Areas Where Service Available	Technology Platform	Service Tiers	Downstream Speed	Monthly Pricing	Other Comments/Description/Features or Limitations

Competitor Data - Middle Mile Service Providers

Service Provider	Service Areas Where Service Available	Technology Platform	Service Tiers	Distance Band or Point-to-Point	Minimum Peak Load Network Bandwidth Capacity	Pricing	Other Comments/Description/Features or Limitations
ATT		MPLS	100 mbps	Point to Point	N/A	\$124,475.40 /yr	
			20 mbps	Point to Point	N/A	\$55,200.00 /yr	
			10 mbps	Point to Point	N/A	\$35,404.80 /yr	
			1.5 mbps	Point to Point	N/A	\$9,789.12 /yr	
Windstream		MPLS	100 mbps	Point to Point	N/A	\$33,960 /yr	Available only in Western and Central Ark in very few locations
			20 mbps	Point to Point	N/A	\$19,960 /yr	Available only in Western and Central Ark
			10 mbps	Point to Point	N/A	\$14,360 /yr	Available only in Western and Central Ark
			1.5 mbps	Point to Point	N/A	\$8,040/yr	Available only in Western and Central Ark
TWTelecom		MPLS	100 mbps	Point to Point	N/A	no current price	Did not offer 100 mb outside Little Rock
			20 mbps	Point to Point	N/A	\$16,493 /yr	Did not offer 20 mb outside Little Rock
			10 mbps	Point to Point	N/A	\$56,673 /yr	Average pricing based on quotes in various Ark towns
			1.5 mbps	Point to Point	N/A	no current price	

