

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

A Component Unit of the State of Mississippi

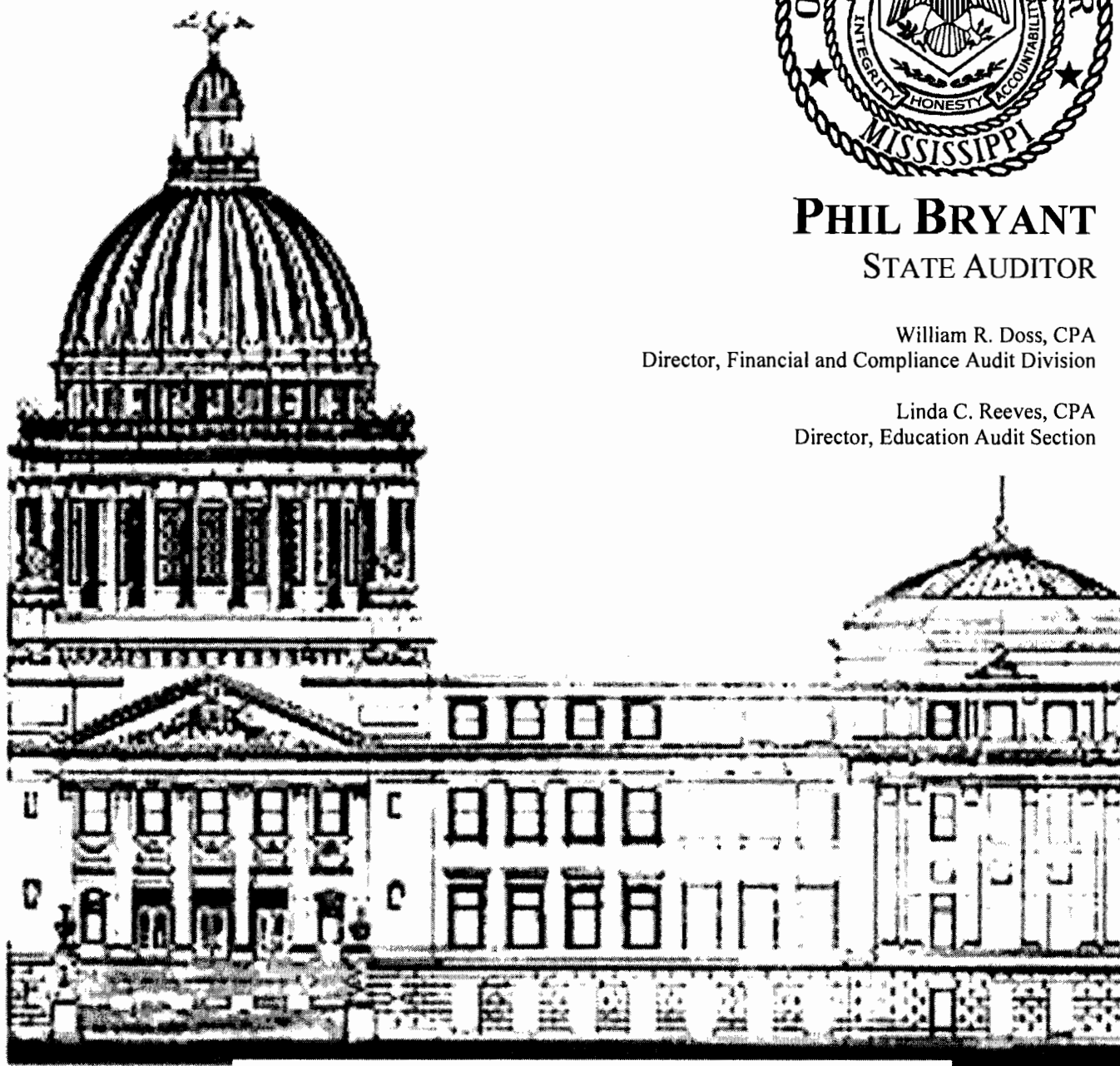
Audited Financial Statements
For the Year Ended June 30, 2006



PHIL BRYANT
STATE AUDITOR

William R. Doss, CPA
Director, Financial and Compliance Audit Division

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A Report from the Education Audit Section

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

TABLE OF CONTENTS

FINANCIAL AUDIT REPORT	1
Independent Auditor's Report on the Financial Statements and Supplemental Information	3
MANAGEMENT'S DISCUSSION AND ANALYSIS	7
BASIC FINANCIAL STATEMENTS	23
Statement of Net Assets - State of Mississippi Institutions of Higher Learning	25
Statements of Financial Position (2006-2005) - Mississippi State University Foundation, Inc.	26
Statements of Financial Position (2006-2005) - The University of Mississippi Foundation	27
Statements of Financial Position (2006-2005) - The University of Southern Mississippi Foundation	28
Statement of Revenues, Expenses and Changes in Net Assets - State of Mississippi Institutions of Higher Learning	29
Statement of Activities (2006) - Mississippi State University Foundation, Inc.	30
Statement of Activities (2005) - Mississippi State University Foundation, Inc.	31
Statement of Activities (2006) - The University of Mississippi Foundation	32
Statement of Activities (2005) - The University of Mississippi Foundation	33
Statement of Activities (2006) - The University of Southern Mississippi Foundation	34
Statement of Activities (2005) - The University of Southern Mississippi Foundation	35
Statement of Cash Flows - State of Mississippi Institutions of Higher Learning	36
Statements of Cash Flows (2006-2005) - Mississippi State University Foundation, Inc.	38
Statements of Cash Flows (2006-2005) - The University of Mississippi Foundation	39
Statements of Cash Flows (2006-2005) - The University of Southern Mississippi Foundation	40
Notes to Financial Statements - State of Mississippi Institutions of Higher Learning	41
Notes to Financial Statements - Mississippi State University Foundation, Inc.	77
Notes to Financial Statements - The University of Mississippi Foundation	85
Notes to Financial Statements - The University of Southern Mississippi Foundation	90
COMBINING SUPPLEMENTAL INFORMATION	99
Combining Statement of Net Assets	100
Combining Statement of Revenues, Expenses and Changes in Net Assets	102
Combining Statement of Cash Flows	104
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	107
Schedule of Expenditures of Federal Awards	109
REPORTS ON INTERNAL CONTROL AND COMPLIANCE	145
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	147
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133	151
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	153
Schedule of Findings and Questioned Costs	155
AUDITEES' CORRECTIVE ACTION PLAN AND SUMMARY OF PRIOR AUDIT FINDINGS	163

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



FINANCIAL AUDIT REPORT

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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State of Mississippi

OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Board of Trustees
State of Mississippi Institutions of Higher Learning
3825 Ridgewood Road
Jackson, MS 39211-6463

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the State of Mississippi Institutions of Higher Learning (IHL), a component unit of the State of Mississippi, as of and for the year ended June 30, 2006, which collectively comprise the IHL's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the IHL's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of:

the University of Mississippi Medical Center Educational Building Corporation, a component unit of the University of Mississippi Medical Center, which statements reflect total assets of \$152,409,073 as of June 30, 2006, and total revenues of \$7,133,952 for the year then ended;

the University of Mississippi Educational Building Corporation, a component unit of the University of Mississippi, which statements reflect total assets of \$82,970,217 as of June 30, 2006, and total revenues of \$1,585,907 for the year then ended;

the University Hospitals and Clinics, a division of the University of Mississippi Medical Center, which schedules reflect total net patient accounts receivable, amounts due from third-party payors, amounts due to third-party payors as of June 30, 2006, of \$63,163,067, \$8,820,000, and (\$4,110,000), respectively, and net patient service revenue of \$435,228,332 for the year then ended;

the University of Mississippi Medical Center Tort Claims Fund, which statements reflect total assets of \$30,065,026 as of June 30, 2006, and total revenues of \$5,276,981 for the year then ended;

the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, which statements reflect total assets of \$12,694,666 as of June 30, 2006, and total revenues of \$6,179,746 for the year then ended;

the State Institutions of Higher Learning Tort Liability Fund, which statements reflect total assets of \$7,295,699 as of June 30, 2006, and total revenues of \$3,812,246 for the year then ended;

Mississippi Valley State University, which statements reflect total assets of \$49,380,926 as of June 30, 2006, and total revenues of \$69,482,736 for the year then ended; and

certain component units including Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation which represent 100% of the assets and revenues of the discretely presented component units.

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the above mentioned entities, is based on the reports of the other auditors.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University Hospitals and Clinics, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, the State Institutions of Higher Learning Tort Liability Fund, the Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation, audited by other auditors, were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the IHL, as of June 30, 2006, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

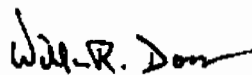
In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2007, on our consideration of the IHL's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 9 through 22, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the IHL's basic financial statements. The accompanying Individual University Financial Statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented as supplemental information for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 and is not a required part of the basic financial statements. This supplemental information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



PHIL BRYANT
State Auditor



WILLIAM R. DOSS, CPA
Director, Financial and Compliance Audit Division

June 1, 2007

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



MANAGEMENT'S DISCUSSION AND ANALYSIS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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Management's Discussion and Analysis

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the Mississippi Institutions of Higher Learning (the "System") for the year ended June 30, 2006. The annual report consists of a series of financial statements prepared in accordance with Governmental Accounting Standards Board Statement Nos. 34 and 35, *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments*. The discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto which follow this section.

The State of Mississippi Institutions of Higher Learning System office was created in 1943 for the purpose of overseeing and directing Mississippi's eight public universities, as well as the University of Mississippi Medical Center, various off-campus centers and multiple research institutes located throughout Mississippi. These campuses serve a student population of approximately 69,900 and employ approximately 24,200 individuals, including more than 5,200 faculty.

All but one of the public universities has established its own educational building corporation (EBC) in accordance with Section 37-101-61 of the Mississippi Code Annotated of 1972. The main purpose of these corporations is for the acquisition, construction and equipping of facilities and land for the various universities. In accordance with Governmental Accounting Standards Board Statements No.'s 14 and 39, the EBC's are deemed component units of the System and are included as blended component units in their general-purpose financial statements.

Management's Discussion and Analysis

The following is a list of abbreviations used throughout this financial report for the member universities of the System:

▪ ASU	--	Alcorn State University
▪ DSU	--	Delta State University
▪ JSU	--	Jackson State University
▪ MSU	--	Mississippi State University
▪ MUW	--	Mississippi University for Women
▪ MVSU	--	Mississippi Valley State University
▪ UM	--	University of Mississippi
▪ USM	--	University of Southern Mississippi
▪ UMMC	--	University of Mississippi Medical Center
▪ IHL System Office	--	Institutions of Higher Learning – Executive Office
▪ SYSTEM	--	(Summary of all of the above)

Financial Highlights

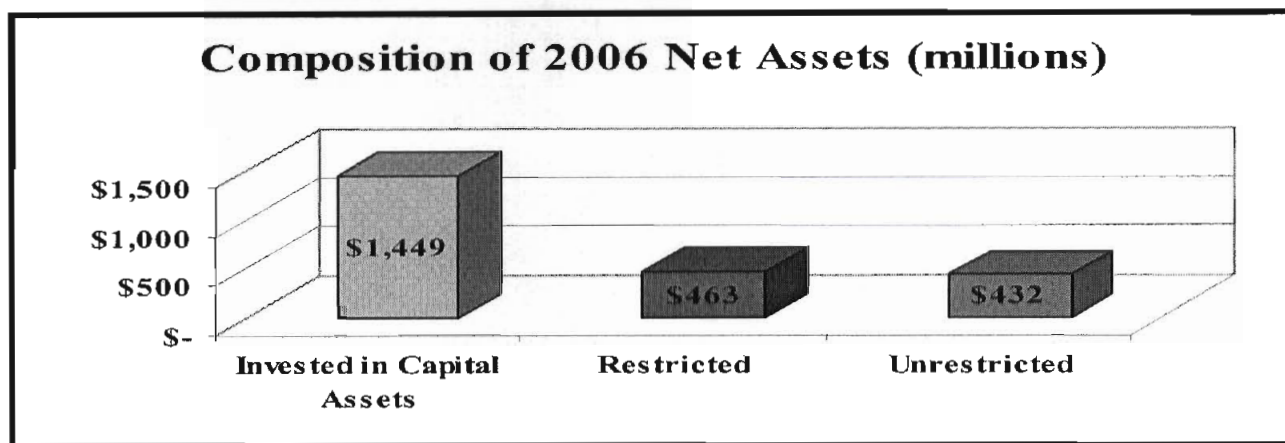
The financial position of the System improved during fiscal year 2006. This fact is illustrated by the \$109.8 million increase net assets (assets minus liabilities). Large portions of this improvement were due to increases in capital assets, net of related debt, and Restricted, expendable net assets. The first category represents the System's equity in property, plant and equipment owned by the System. Restricted, expendable net assets represent assets that are expended while under restrictions imposed by legislative requirements, donor agreements, or grant requirements.

Despite tuition increases, enrollment has continued to increase for the System each year since 1994. IHL management believes that this increase is indicative of the strong demand for a quality educational product at a reasonable price. Other revenue sources such as federal, state and private grants and contracts have remained stable at some institutions and increased at most. Fiscal year 2006 also saw continued improvements in equity markets and investment returns. The System's efforts to create self-generated funds, control costs, and eliminate expenditures on some non-core essential activities allowed the institutions to generate sufficient resources to meet and sometimes even exceed budgeted goals.

Total operating revenues increased from the prior fiscal year by \$129.0 million, while operating expenses increased by \$143.9 million. Overall, the System had an operating loss of \$610.3 million at June 30, 2006. This represented a \$14.9 million increase in the net operating loss over the prior year. Non-operating and other revenues and expenses netted out to a gain of \$747.4 million. Of course this included \$594.8 million of state appropriation revenues which are considered non-operating per GASB guidance. Overall, the IHL System experienced a net gain of \$137.1 million for Fiscal Year 2006. This figure represented a \$52.5 million increase over the prior year's overall net gain.

Net assets, which represent the residual interest in the System's assets after liabilities are deducted, increased by \$109.8 million 4.9% from the prior fiscal year to \$2.34 billion. Shown on the next page is a chart illustrating the composition of the System's net assets as of June 30, 2006.

Management's Discussion and Analysis



Unrestricted net assets are reflected at \$432.0 million. The major components of this total are the University of Mississippi Medical Center with \$111.3 million, the University of Mississippi with \$122.8 million, Mississippi State University with \$87.8 million, and the University of Southern Mississippi with \$62.5 million.

Overview of the Financial Statements

The System's financial report consists of two sections- Management's Discussion and Analysis, which is required supplementary information (this section), and the basic financial statements including the notes to the financial statements. The basic financial statements consist of the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows.

Basic Financial Statements

The basic financial statements present information for the System as a whole. The Statement of Net Assets presents the financial position of the System at the end of the fiscal year and includes all assets and liabilities of the System. The difference between total assets and total liabilities is one measure of the System's financial health or position, while the change in net assets is a useful indicator of whether the financial condition of the System is improving or deteriorating. Over time, increases or decreases in the System's net assets can be useful in assessing whether its financial health is improving.

Management's Discussion and Analysis

The Statement of Revenues, Expenses and Changes in Net Assets presents the operating results of the System, as well as non-operating revenues and expenses. In general terms, operating revenues are received for providing goods and services to the various customers and constituencies of the System. Operating expenses are those incurred to acquire or produce the goods and services provided in return for the operating revenues. Non-operating revenues are those received for which goods and services are not provided as an exchange transaction. For example, state appropriation revenues are classified as non-operating because the State Legislature provides them, without the Legislature receiving commensurate goods or services in return. Due to this classification treatment, the System's financial statements typically depict an overall operating loss. Other revenue sources include gifts, grants and appropriations restricted for capital purposes.

The Statement of Cash Flows provides another perspective on the System's results of operations. This statement provides detailed information about the cash sources and uses of the System. Additional details concerning this statement are explained later in this report.

Other non-financial factors such as enrollment trends and the condition of the physical plant are also useful in evaluating the overall financial health of the System.

Statement of Net Assets

Net assets are divided into three major categories:

- Invested in capital assets, net of related debt – represents the System's equity in property, plant and equipment owned by the System.
- Restricted net assets – represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements.
- Unrestricted net assets – represent those assets that are available to the System for any lawful purpose.

From the data presented, readers of the Statement of Net Assets are able to determine the following:

- the assets available to continue the operations of the System
- the liabilities of the System which include the amount owed vendors and lending institutions, and
- the net assets that are available for expenditure by the System

Current assets total \$656.8 million and consist primarily of cash and cash equivalents, short-term investments and net receivables. Short-term investments increased sharply due to newly begun, major construction projects at JSU. Current assets increased a total of \$18.0 million, or 2.8% over the prior year-end. Approximately \$9.7 million of this increase was related to third-party hospital patient receivables at UMMC. Cash, cash equivalents, and short-term investments constitute 53% of current assets, while accounts receivable constitute 39% of current assets. Most of these receivables are amounts due from contracts and grants.

Management's Discussion and Analysis

Current liabilities total \$212.7 million and consist primarily of accounts payable and accrued liabilities, and deferred revenues. Deferred revenues include advance receipts for athletic ticket sales, tuition, fees, and student housing. Current liabilities increased \$27.7 million, or 15.0% over the prior year-end. A large portion of that increase was recognized at the MUW, where a \$4.2 million liability was established at year-end to recognize a financial obligation for pending construction projects.

Non-current assets total \$2.55 billion and include capital assets of \$1.96 billion. Other non-current assets include cash and investments that are restricted externally by endowment arrangements \$152.5 million or internally by management so as to maximize investment earnings \$353.4 million. In comparison to the prior year-end, non-current assets increased by \$198.4 million at June 30, 2006. The majority of this increase was seen in the area of capital assets \$160.6 million. Specifically, the IHL System's buildings inventory increased in value by a total of \$170.9 million in Fiscal Year 2006. (see the Capital Asset section of this report for additional information)

Non-current liabilities are those liabilities due and payable more than twelve months from June 30, 2006, the date of the Statement of Net Assets. Non-current liabilities total \$651.1 million. The largest component includes principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year \$507.2 million. Bonded liabilities experienced a \$74.4 million increase due to in large part to a \$59 million bond issuance made by MSU for the construction of student residence halls and other campus building projects; Other non-current liabilities of significance include estimated amounts for accrued compensated absences that will not be paid within the next fiscal year \$62.6 million; and contingent obligations to the federal government's Perkins loan program.

Restricted non-expendable net assets total \$94.0 million and consist of endowment and similar type funds, which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained intact and invested for the purpose of producing income that may either be expended or added to principal.

Restricted expendable net assets total \$368.7 million and include resources that the System is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Management's Discussion and Analysis

A summarized listing of the System's assets, liabilities and net assets at June 30, 2006 and June 30, 2005, is shown below.

Statement of Net Assets				
	<u>As of</u>		<u>Change</u>	Percent <u>Change</u>
	<u>June 30, 2005</u>	<u>June 30, 2006</u>		
Assets				
Current assets	\$ 638,844,730	\$ 656,833,584	\$ 17,988,854	2.8%
Capital assets	\$ 1,795,483,038	\$ 1,956,083,827	\$ 160,600,789	8.9%
Other assets	\$ 556,368,840	\$ 594,167,506	\$ 37,798,666	6.8%
Total assets	<u>\$ 2,990,696,608</u>	<u>\$ 3,207,084,917</u>	<u>\$ 216,388,309</u>	7.2%
Liabilities				
Current liabilities	\$ 185,049,665	\$ 212,749,407	\$ 27,699,742	15.0%
Non-current liabilities	\$ 572,195,621	\$ 651,113,360	\$ 78,917,739	13.8%
Total liabilities	<u>\$ 757,245,286</u>	<u>\$ 863,862,767</u>	<u>\$ 106,617,481</u>	14.1%
Net Assets				
Invested in capital assets, net of debt	\$ 1,398,895,201	\$ 1,448,783,468	\$ 49,888,267	3.6%
Restricted - nonexpendable	\$ 87,858,331	\$ 93,962,884	\$ 6,104,553	6.9%
Restricted - expendable	\$ 328,029,611	\$ 368,727,858	\$ 40,698,247	12.4%
Unrestricted	\$ 418,668,179	\$ 431,747,940	\$ 13,079,761	3.1%
Total net assets	<u>\$ 2,233,451,322</u>	<u>\$ 2,343,222,150</u>	<u>\$ 109,770,828</u>	4.9%

Management's Discussion and Analysis

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets (SRECNA) displays information on how the System's assets changed as a result of current year operations. This statement presents the System's revenues received and expenses incurred, as well as any other gains or losses for the fiscal year.

The System's consolidated SRECNA at June 30, 2006 indicates a net operating loss of \$610.3 million. The fiscal year 2006 loss represents an increase in the net operating loss from the prior year by \$14.9 million. The net loss does not include the 2006 effects of non-operating items such as state appropriations, gifts, or net investment earnings.

Statement of Revenues, Expenses and Changes in Net Assets

	For the Year Ended		Change	Percent Change
	June 30, 2005	June 30, 2006		
Operating revenues	\$ 1,447,526,178	\$ 1,576,533,654	\$ 129,007,476	8.9%
Operating expenses	\$ 2,043,001,535	\$ 2,186,872,209	\$ 143,870,674	7.0%
Operating income (loss)	\$ (595,475,357)	\$ (610,338,555)	\$ (14,863,198)	2.5%
Non-operating revenues (expense)	\$ 609,400,602	\$ 635,534,145	\$ 26,133,543	4.3%
Income (loss) before other revenues, expenses, gains or losses	\$ 13,925,245	\$ 25,195,590	\$ 11,270,345	80.9%
Other revenues, expenses, gains or losses	\$ 70,658,684	\$ 111,882,717	\$ 41,224,033	58.3%
Increase in net assets	\$ 84,583,929	\$ 137,078,307	\$ 52,494,378	62.0%
Net assets at beginning of the year – restated	\$ 2,148,867,393	\$ 2,206,143,843	\$ 57,276,450	2.7%
Net assets at the end of the year	\$ 2,233,451,322	\$ 2,343,222,150	\$ 109,770,828	4.9%

Management's Discussion and Analysis

Operating Revenues

Operating revenues for the System totaled \$1.58 billion at June 30, 2006. Major components of operating revenues are UMMC patient care revenues 27.6%, grants and contracts 38.7%, and net tuition and fees 17.6%. The following table summarizes the System's operating revenues for the fiscal years ended June 30, 2006, and June 30, 2005.

	For the Year Ended			Percent
	June 30, 2005	June 30, 2006	Change	Change
Tuition and Fees (net)	\$ 281,294,165	\$ 276,721,475	\$ (4,572,690)	-1.6%
Grants and Contracts	\$ 539,873,748	\$ 609,506,852	\$ 69,633,104	12.9%
Federal Appropriations	\$ 13,574,507	\$ 12,982,886	\$ (591,621)	-4.4%
Sales and Services of educational				
Departments	\$ 42,772,613	\$ 43,090,805	\$ 318,192	0.7%
Auxiliary Enterprises (net)	\$ 128,087,176	\$ 138,367,909	\$ 10,280,733	8.0%
Patient Care revenues	\$ 388,387,725	\$ 435,228,333	\$ 46,840,608	12.1%
Other	\$ 53,536,244	\$ 60,635,394	\$ 7,099,150	13.3%
Total Operating revenues	\$ 1,447,526,178	\$ 1,576,533,654	\$ 129,007,476	8.9%

Net tuition and fee revenues decreased \$4.6 million in fiscal year 2006, 1.6% decrease. A closer examination of these numbers shows a \$20.0 million increase in gross tuition revenues, but a \$24.6 million increase in scholarship allowances (which are netted against gross tuition revenues).

Externally sponsored grants and contract revenue increased \$69.6 million in fiscal year 2006, 12.9% increase. Continued emphasis in the fields of research and fundraising characterize the activities of all of the System's institutions. In addition, the IHL System received the first half of a \$90.0 million special federal appropriation for Hurricane Katrina relief. The second half of this appropriation will be realized in Fiscal Year 2007.

The University of Mississippi Medical Center's net patient care revenues increased \$46.8 million in fiscal year 2006, 12.1% increase. More specifically, net disproportioned share revenues increased \$26.6 million and the net upper payment limit revenues increased \$16.8 million during the year.

Management's Discussion and Analysis

Operating Expenses

Total operating expenses for the System amounted to \$2.19 billion for the year ended June 30, 2006. Personnel costs represented 53.3% of all operating expenses and were the largest component. Other major components were contractual service expenses 19.2%, commodities 9.9%, and scholarships and fellowship expenses 8.1%. Shown in the table below is a summary of the System's operating expenses (by major object category) for the fiscal years ended June 30, 2006, and June 30, 2005.

By Major Object Category	For the Year Ended			Percent Change
	June 30, 2005	June 30, 2006	Change	
Salaries and wages	\$ 916,776,416	\$ 924,632,581	\$ 7,856,165	0.9%
Fringe benefits	\$ 233,720,207	\$ 242,620,116	\$ 8,899,909	3.8%
Travel	\$ 35,984,075	\$ 38,518,473	\$ 2,534,398	7.0%
Contractual services	\$ 383,753,845	\$ 420,709,600	\$ 36,955,755	9.6%
Utilities	\$ 53,980,110	\$ 74,780,624	\$ 20,800,514	38.5%
Scholarships and fellowships	\$ 121,945,811	\$ 178,253,050	\$ 56,307,239	46.2%
Commodities	\$ 214,383,798	\$ 216,370,655	\$ 1,986,857	0.9%
Depreciation	\$ 80,304,106	\$ 86,381,413	\$ 6,077,307	7.6%
Other	\$ 2,153,167	\$ 4,605,697	\$ 2,452,530	113.9%
Total Operating expenses	\$ 2,043,001,535	\$ 2,186,872,209	\$ 143,870,674	7.0%

System contractual services increased \$36.95 million in FY 2006. At MSU, renovations and landscaping costs on campus facilities increased \$12.4 million. At MUW, the facilities and plant maintenance function was outsourced during FY 2006. In 2006, these costs were shifted from salaries and wages into contractual services (as payments to the outsourcing vendor). This shift in classification increased MUW's contractual services by over \$2.4 million. Increased grant related costs resulted in overall increase of \$4.0 million in contractual services at USM. The IHL System Office's contractual service costs increased over \$3.3 million in FY 2006. The majority of these costs were incurred by their grant related projects (Ayers Summer Development, Gear Up, Medicaid and MCVS).

Campus utility costs increased over \$20.8 million in FY 2006. This was a direct result of higher electrical and natural gas rates. Most campuses experienced a 30% plus increase in their utility costs.

Management's Discussion and Analysis

System scholarship and fellowship expenditures increased approximately \$56.3 million in FY 2006. This is primarily a result of the System's decision to increase tuition rates by an average of 4.9%. In addition, each campus increased their room and board fees by an average of 4% to 8% in FY 2006. As these student costs increased, the cost of necessary institutional student aid increased. Institutional student aid discount rates were approximately 14% for the year. This means that on average, for every dollar earned in tuition, the System's institutions waive or scholarship 14 cents. Therefore if tuition rates increase during a given period, the corresponding waivers and scholarships will naturally also increase.

As an alternative presentation model, the System's fiscal year 2006 operating expenses are shown below by major function category. Functional classifications are the traditional categories that universities have used. They represent the type of programs and services that the universities provide. For example, funds utilized to compensate a classroom professor or provide classroom materials would be classified as instruction.

By Function	Operating Expenses			
	For the Year Ended		Change	Percent Change
	June 30, 2005	June 30, 2006		
Instruction	\$ 458,630,103	\$ 444,826,517	\$ (13,803,586)	-3.0%
Research	\$ 274,166,322	\$ 282,439,348	\$ 8,273,026	3.0%
Public service	\$ 125,089,451	\$ 119,447,105	\$ (5,642,346)	-4.5%
Academic support	\$ 99,260,310	\$ 106,967,895	\$ 7,707,585	7.8%
Student services	\$ 53,616,084	\$ 57,923,571	\$ 4,307,487	8.0%
Institutional support	\$ 188,907,910	\$ 210,706,209	\$ 21,798,299	11.5%
Operations & Maintenance of Plant	\$ 104,366,363	\$ 122,838,408	\$ 18,472,045	17.7%
Student aid	\$ 124,465,913	\$ 181,032,614	\$ 56,566,701	45.4%
Auxiliary enterprises	\$ 135,978,864	\$ 147,058,926	\$ 11,080,062	8.1%
Depreciation	\$ 80,020,022	\$ 86,095,781	\$ 6,075,759	7.6%
Hospital	\$ 383,058,049	\$ 407,973,740	\$ 24,915,691	6.5%
Other	\$ 15,442,144	\$ 19,562,095	\$ 4,119,951	26.7%
Total Operating expenses	<u>\$ 2,043,001,535</u>	<u>\$ 2,186,872,209</u>	<u>\$ 143,870,674</u>	7.0%

The Instruction, Research and Public Service functions are typically analyzed together as they represent an institution's core service. The combination of these three functions equaled \$846.7 million in fiscal year 2006. This figure represented an \$11.2 million decrease from the prior year 1.3% decrease.

Institutional Support costs included executive management, general administration and logistical support services, computing, public relations and development. These costs increased \$21.8 million in FY 2006, 11.5% increase.

Operations and Maintenance of Plant costs are typically those associated with the physical plant. Examples would include campus utilities and fire and security services. For fiscal year 2006, these expenditures increased \$18.5 million 17.7%. As mentioned earlier, higher utility rates drove a large portion of this increase.

Management's Discussion and Analysis

Student Aid costs include tuition waivers, scholarships and fellowships awarded to students. These costs often have multiple sources. Sources include federal and state student aid programs, private third-party scholarships; and institutional grants. Student aid expenditures increased \$56.6 million in fiscal year 2006 or 45.4%. A big portion of this increase was a direct result of the \$45.0 million received by the System from the federal government for Hurricane Katrina relief efforts (student aid based).

Auxiliary enterprise costs include all expenditures associated with departments that primarily exist to furnish goods or services to students, faculty, or staff and that charge a fee directly related to, although not necessarily equal to, the cost of the goods and services. Auxiliary departments are required to be essentially self-supporting activities. Examples are (1) Student housing, (2) Food Services, (3) Bookstores, and (4) Intercollegiate Athletics that are essentially self-supporting. These auxiliary expenditures increased \$11.1 million 8.1% in fiscal year 2006.

Capital Asset and Debt Administration

At June 30, 2006, the System had nearly \$1.96 billion invested in a broad range of capital assets. These assets are comprised of land, buildings and improvements, equipment, and library books. They are stated net of accumulated depreciation. See the following table:

	As of		Change	Percent Change
	June 30, 2005	June 30, 2006		
Capital assets not being depreciated	\$ 342,373,689	\$ 347,936,160	\$ 5,562,471	1.6%
Depreciable capital assets:				
Improvements other than buildings	\$ 156,027,336	\$ 169,796,865	\$ 13,769,529	8.8%
Buildings	\$ 1,524,979,369	\$ 1,695,919,837	\$ 170,940,468	11.2%
Equipment	\$ 440,563,514	\$ 472,319,886	\$ 31,756,372	7.2%
Library Books	\$ 252,711,341	\$ 266,744,457	\$ 14,033,116	5.6%
Total depreciable capital assets	\$ 2,374,281,560	\$ 2,604,781,045	\$ 230,499,485	9.7%
Total cost of capital assets	\$ 2,716,655,249	\$ 2,952,717,205	\$ 236,061,956	8.7%
Less accumulated depreciation	\$ (921,172,211)	\$ (996,633,378)	\$ (75,461,167)	-8.2%
Capital assets, net	\$ 1,795,483,038	\$ 1,956,083,827	\$ 160,600,789	8.9%

Non-depreciated capital assets totaled \$347.9 million. Examples include land and construction in progress.

Management's Discussion and Analysis

Significant capital asset additions in fiscal year 2006 were for the following:

- Jobe Hall additions and Court of Governors renovations at DSU
- Continued construction in progress towards the Walter Payton Health and Wellness Center; campus improvements to Dixon Hall and the Campbell College Suites at JSU
- Campus renovations of McCain Hall, Montgomery Hall, and Bowen Hall; Construction in progress on Phase III of the Hand Chemical Lab; and renovations to Shira Field House at MSU
- Continued construction in progress towards the Pohl building and Stark Recreation Center at MUW
- Purchase and renovation of the former Oxford, MS Walmart property (for future Research Park); Continued campus renovations of Scruggs Hall; and continued construction in progress on the Airport Runway Extension project at UM
- Completion of the new Thad Cochran Center; HVAC Project at Reed Green Coliseum; and the addition of three significant land purchases for campus operations at USM
- Continued construction in progress toward the Guyton building expansion; and Phase I improvements to the Campus Water System at UMMC

At June 30, 2006, the IHL System had \$695.7 million in long-term debt. This represented an \$89.0 million increase over the prior year-end. See the following table:

Long-Term Debt Summary				
	<u>As of</u>		<u>Change</u>	<u>Percent Change</u>
	<u>June 30, 2005</u>	<u>June 30, 2006</u>		
Bonds Payable	\$ 439,295,010	\$ 513,704,237	\$ 74,409,227	16.9%
Notes Payable	\$ 4,403,233	\$ 4,045,302	\$ (357,931)	-8.1%
Capital Lease Obligations	\$ 17,993,860	\$ 20,981,400	\$ 2,987,540	16.6%
Accrued Leave Liabilities	\$ 68,794,816	\$ 70,267,487	\$ 1,472,671	2.1%
Deposits Refundable	\$ 2,653,626	\$ 2,835,971	\$ 182,345	6.9%
Other	\$ 73,514,938	\$ 83,851,612	\$ 10,336,674	14.1%
Total long-term debt	<u>\$ 606,655,483</u>	<u>\$ 695,686,009</u>	<u>\$ 89,030,526</u>	14.7%

During FY 2006, MSU issued \$59 million in bonds for the construction of student residence halls and other campus building projects. Other long-term liabilities of significance include estimated amounts for accrued compensated absences that will not be paid within the next fiscal year \$70.3 million and capital lease obligations \$21.0 million.

Management's Discussion and Analysis

Statement of Cash Flows

The final statement presented by the System is the Statement of Cash Flows. This statement presents detailed information about the cash activities of the institution during the year. The statement is divided into five parts. The first part entitled "Cash Flows Activities from Operating" shows the net cash used by the operating activities of the System. The second section is entitled "Cash Flows Activities from Non-capital Financing". The primary source of these activities includes State Appropriations. The third section, entitled "Cash Flows Activities from Capital and Related Financing" shows cash flows from the acquisition and construction of capital and related items. The fourth section is entitled "Cash Flows Activities from Investing". This section reflects cash flows from investing activities and shows purchases, proceeds, and interest received from investing activities. The final section contains a reconciliation of net cash provided (used) to the operating income (loss) reflected on the SRECNA. A condensed Statement of Cash Flows is presented below.

Statement of Cash Flows				
	For the Year Ended		Change	Percent Change
	June 30, 2005	June 30, 2006		
Cash flows activities from:				
Operating	\$ (515,443,840)	\$ (537,077,896)	\$ (21,634,056)	-4.2%
Non-capital financing	\$ 621,228,788	\$ 646,636,668	\$ 25,407,880	4.1%
Capital and related financing	\$ (73,724,096)	\$ (133,353,844)	\$ (59,629,748)	80.9%
Investing	\$ (84,420,813)	\$ 71,474,059	\$ 155,894,872	184.7%
Net increase (decrease) in cash & cash equivalents	\$ (52,359,961)	\$ 47,678,987	\$ 100,038,948	191.1%
Cash and cash equivalents - Beginning of Year	\$ 288,762,348	\$ 236,402,387	\$ (52,359,961)	-18.1%
Cash and cash equivalents - End of Year	<u>\$ 236,402,387</u>	<u>\$ 284,081,374</u>	<u>\$ 47,678,987</u>	20.2%
Cash and cash equivalents classified as:				
Current assets	\$ 165,031,720	\$ 190,967,697	\$ 25,935,977	15.7%
Non-current assets	\$ 71,370,667	\$ 93,113,677	\$ 21,743,010	30.5%
Total Cash and cash equivalents	<u>\$ 236,402,387</u>	<u>\$ 284,081,374</u>	<u>\$ 47,678,987</u>	20.2%

Major sources of funds included in operating activities for fiscal year 2006, were student tuition and fees \$277.5 million, grants and contracts \$598.5 million, patient care services \$430.6 million, and auxiliary enterprises \$138.7 million. Major uses of funds included in operating activities were payments for employees' salaries and benefits \$1.16 billion, and to suppliers \$666.7 million.

Management's Discussion and Analysis

Major sources of funds included in the non-capital financing activities for fiscal year 2006 include state appropriations \$590.1 million and gifts and grants received for purposes other than capital endeavors \$46.2 million.

Major sources of funds included in the capital and related financing activities section for fiscal year 2006 include proceeds from capital debt issuances \$120.8 million. Major uses of funds in this section include direct cash payments made for capital assets \$225.5 million, and principal and interest payments made to retire capital debt \$69.2 million.

Subsequent Events and Other Operational Factors

In fiscal year 2007, the University of Mississippi issued \$21.365 million of EBC revenue bonds to finance several infrastructure and building projects.

Fiscal Year 2007 state legislative appropriations increased \$89.4 million over the FY 2006 levels. This represented a 15.7% increase. The majority of this increase was utilized to award an average five percent salary and wage increase for IHL employees.

The IHL System raised undergraduate student tuition an average of 6.4% beginning with the fall, 2006 semester. New tuition revenues were primarily used to cover the large increases in utility costs that each campus experienced during the 2006 and 2007 fiscal years.

Fall 2006 IHL System enrollment levels (fiscal year 2007) increased approximately one percent over the prior year period. This marked the eleventh consecutive year that the System's total headcount enrollment has increased.

Economic Outlook

The overall financial position of the System strengthened during fiscal year 2006. As the state continues its recovery from the devastating impact of Hurricane Katrina, revenue streams remain secure and steady. Management at each institution has adapted to this economic environment and continues to search for new opportunities to compliment state support. The System's goal, as always, is to deliver extraordinary services to their customers and constituents while maintaining financial integrity. It is believed that the current economic conditions will continue to present a challenge to higher education across the nation and it is a challenge the institutions are prepared to meet.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



BASIC FINANCIAL STATEMENTS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statement of Net Assets
For the Year Ended June 30, 2006

Assets	
Current Assets:	
Cash and cash equivalents	\$ 190,967,697
Short-term investments	158,863,846
Accounts receivable, net	253,646,286
Student notes receivable, net	11,079,501
Inventories	21,067,138
Prepaid expenses	11,057,472
Other current assets	<u>10,151,644</u>
Total Current Assets	<u>656,833,584</u>
Noncurrent Assets:	
Restricted cash and cash equivalents	93,113,677
Restricted short-term investments	10,922,965
Endowment investments	152,502,435
Other long-term investments	249,371,116
Student notes receivable, net	88,172,330
Capital assets:	
Land, construction in progress and livestock	347,936,160
Other capital assets, net	1,608,147,667
Other noncurrent assets	<u>84,983</u>
Total Noncurrent Assets	<u>2,550,251,333</u>
Total Assets	<u>3,207,084,917</u>
Liabilities	
Current Liabilities:	
Accounts payable and accrued liabilities	104,184,409
Deferred revenues	42,328,526
Accrued leave liabilities - current portion	7,626,119
Long-term liabilities - current portion	31,549,895
Other current liabilities	<u>27,060,458</u>
Total Current Liabilities	<u>212,749,407</u>
Noncurrent Liabilities:	
Deposits refundable	2,815,336
Accrued leave liabilities	62,641,368
Long-term liabilities	507,181,044
Other long-term liabilities	<u>78,475,612</u>
Total Noncurrent Liabilities	<u>651,113,360</u>
Total Liabilities	<u>863,862,767</u>
Net Assets	
Invested in capital assets, net of related debt	1,448,783,468
Restricted for:	
Nonexpendable:	
Scholarships and fellowships	29,994,610
Research	4,846,783
Other purposes	59,121,491
Expendable:	
Scholarships and fellowships	40,435,728
Research	42,382,102
Capital projects	149,160,670
Debt service	19,922,171
Loans	35,335,820
Other purposes	81,491,367
Unrestricted	<u>431,747,940</u>
Total Net Assets	<u>\$ 2,343,222,150</u>

The notes to the financial statements are an integral part of this statement.

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Statements of Financial Position

June 30, 2006 and 2005

Assets	2006	2005
Cash	\$ 2,592,696	1,028,074
Accrued interest, other receivables and prepaid assets	1,129,582	1,290,535
Receivable from MSU Alumni Foundation	529,254	21,827
Receivable from Mississippi State University	—	1,176,128
Receivable from MSU Alumni Association	64,502	—
Note receivable (note 4)	438,031	476,591
Pledges receivable, net (note 3)	27,655,789	16,968,492
Investments (note 2)	197,160,624	171,774,383
Present value of amounts due from externally managed trusts	50,223,981	38,336,881
Unamortized bond issuance costs	67,564	79,147
Land, buildings and equipment (note 5)	11,491,014	12,383,167
Total assets	\$ 291,353,037	243,535,225
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,123,457	1,063,916
Payable to MSU Alumni Association	—	129,459
Annuities payable	3,070,390	3,096,882
Liability for amounts held for others	713,516	668,145
Long-term debt (note 6)	6,491,962	7,139,107
Total liabilities	11,399,325	12,097,509
Net assets:		
Unrestricted	27,455,484	17,453,832
Temporarily restricted (note 7)	61,234,349	51,373,812
Permanently restricted (note 7)	191,263,879	162,610,072
Total net assets	279,953,712	231,437,716
Commitments (note 9)		
Total liabilities and net assets	\$ 291,353,037	243,535,225

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statements of Financial Position

June 30, 2006 and 2005

Assets	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 6,499,564	4,107,171
Pledges receivable, less allowance for doubtful pledges of \$2,809,744 in 2006 and \$2,635,043 in 2005	25,981,770	25,020,709
Investments:		
Certificates of deposit	755,016	755,016
Mutual funds - Fixed Income	27,883,454	18,928,921
Mutual funds - Equity	224,719,359	216,714,712
Equity investments	115,958	470,614
Other	6,206,712	13,149,487
Total investments	<u>259,680,499</u>	<u>250,018,750</u>
Property and equipment, net	3,187,107	2,124,369
Other assets	1,729,635	666,552
Total assets	<u><u>\$ 297,078,575</u></u>	<u><u>281,937,551</u></u>
Liabilities and Net Assets		
Funds held in trust for others	\$ 21,088,359	19,810,795
Other liabilities	3,855,908	4,880,820
Total liabilities	<u>24,944,267</u>	<u>24,691,615</u>
Net assets:		
Unrestricted	3,922,345	3,405,887
Temporarily restricted	46,829,276	37,896,191
Permanently restricted	221,382,687	215,943,858
Total net assets	<u>272,134,308</u>	<u>257,245,936</u>
Total liabilities and net assets	<u><u>\$ 297,078,575</u></u>	<u><u>281,937,551</u></u>

See accompanying notes to financial statements.

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Statements of Financial Position

June 30, 2006 and 2005

Assets	2006	2005
Cash and cash equivalents	\$ 6,957,700	2,733,103
Accrued interest	164,160	84,417
Prepaid assets and other receivables	60,220	83,317
Advances to University of Southern Mississippi	—	542,924
Pledges receivable, net (note 3)	12,918,141	8,102,095
Investments (note 2)	49,920,347	43,649,623
Present value of amounts due from externally managed trusts (note 4)	3,945,473	4,260,203
Furniture and equipment, net (note 5)	28,870	41,912
Total assets	\$ 73,994,911	59,497,594
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 1,150,478	325,005
Amounts due to brokers	713,840	—
Gift annuities payable	458,277	602,596
Liability for amounts held for others	67,202	523,495
Total liabilities	2,389,797	1,451,096
Net assets:		
Unrestricted	3,356,527	2,805,943
Temporarily restricted (note 6)	28,731,277	18,952,194
Permanently restricted (note 7)	39,517,310	36,288,361
Total net assets	71,605,114	58,046,498
Commitments (note 10)		
Total liabilities and net assets	\$ 73,994,911	59,497,594

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2006

Operating Revenues:	
Tuition and fees	\$ 377,853,680
Less: Scholarship allowances	(101,132,205)
Federal appropriations	12,982,886
Federal grants and contracts	477,023,806
State grants and contracts	52,632,011
Nongovernmental grants and contracts	79,851,035
Sales and services of educational departments	43,090,805
Auxiliary enterprises:	
Student housing	48,080,538
Food services	21,392,839
Bookstore	6,565,688
Athletics	47,916,416
Other auxiliary revenues	24,250,230
Less: Auxiliary enterprise scholarship allowances	(9,837,802)
Interest earned on loans to students	837,206
Patient care revenues	435,228,333
Other operating revenues	59,798,188
Total Operating Revenues	<u>1,576,533,654</u>
Operating Expenses:	
Salaries and wages	924,632,581
Fringe benefits	242,620,116
Travel	38,518,473
Contractual services	420,709,600
Utilities	74,780,624
Scholarships and fellowships	178,253,050
Commodities	216,370,655
Depreciation	86,381,413
Other operating expense	4,605,697
Total Operating Expenses	<u>2,186,872,209</u>
Operating Income (Loss)	<u>(610,338,555)</u>
Nonoperating Revenues (Expenses):	
State appropriations	594,849,919
Gifts and grants	43,205,970
Investment income, net of investment expense	26,476,397
Interest expense on capital asset-related debt	(18,097,809)
Other nonoperating revenues	5,842,108
Other nonoperating expenses	(16,742,440)
Total Net Nonoperating Revenues (Expenses)	<u>635,534,145</u>
Income (Loss) before Other Revenues, Expenses, Gains and Losses	25,195,590
Capital grants and gifts	45,608,381
State appropriations restricted for capital purposes	61,262,663
Additions to permanent endowments	2,793,741
Net gain from impairment loss due to insurance recoveries	7,517,043
Other additions	11,120,691
Other deletions	(15,434,848)
Special item: contingent loss	(984,954)
Change in Net Assets	<u>137,078,307</u>
Net Assets - Beginning of Year, as Originally Reported	2,233,451,322
Prior period adjustments	<u>(27,307,479)</u>
Net Assets - Beginning of Year, as Restated	<u>2,206,143,843</u>
Net Assets - End of Year	<u>\$ 2,343,222,150</u>

The notes to the financial statements are an integral part of this statement.

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Statement of Activities

Year ended June 30, 2006

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues and support:				
Contributions	\$ 8,001,657	15,929,178	19,599,064	43,529,899
Net investment income (note 2)	10,993,803	6,648,096	111,642	17,753,541
Change in value of split interest agreements	—	6,779,083	8,740,036	15,519,119
Other	2,024,660	1,006,058	—	3,030,718
Net assets released from restrictions	<u>20,298,813</u>	<u>(20,501,878)</u>	<u>203,065</u>	<u>—</u>
Total revenues and support	<u>41,318,933</u>	<u>9,860,537</u>	<u>28,653,807</u>	<u>79,833,277</u>
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	25,631,242	—	—	25,631,242
Contributions and support for MSU Alumni Association	600,000	—	—	600,000
Total program services	<u>26,231,242</u>	<u>—</u>	<u>—</u>	<u>26,231,242</u>
Supporting services:				
General and administrative	2,657,780	—	—	2,657,780
Fund raising	2,428,259	—	—	2,428,259
Total supporting services	<u>5,086,039</u>	<u>—</u>	<u>—</u>	<u>5,086,039</u>
Total expenditures	<u>31,317,281</u>	<u>—</u>	<u>—</u>	<u>31,317,281</u>
Increase in net assets	10,001,652	9,860,537	28,653,807	48,515,996
Net assets at beginning of year	17,453,832	51,373,812	162,610,072	231,437,716
Net assets at end of year	<u>\$ 27,455,484</u>	<u>61,234,349</u>	<u>191,263,879</u>	<u>279,953,712</u>

See accompanying notes to financial statements.

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Statement of Activities

Year ended June 30, 2005

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues and support:				
Contributions	\$ 3,765,889	6,342,729	17,077,049	27,185,667
Net investment income (note 2)	7,495,520	5,358,942	381,373	13,235,835
Change in value of split interest agreements	—	2,140,751	3,859,190	5,999,941
Other	2,206,912	248,296	—	2,455,208
Net assets released from restrictions	<u>12,161,421</u>	<u>(12,481,177)</u>	<u>319,756</u>	<u>—</u>
Total revenues and support	<u>25,629,742</u>	<u>1,609,541</u>	<u>21,637,368</u>	<u>48,876,651</u>
Expenditures:				
Program services:				
Contributions and support for Mississippi State University	15,861,494	—	—	15,861,494
Contributions and support for MSU Alumni Association	<u>635,821</u>	<u>—</u>	<u>—</u>	<u>635,821</u>
Total program services	<u>16,497,315</u>	<u>—</u>	<u>—</u>	<u>16,497,315</u>
Supporting services:				
General and administrative	2,470,299	—	—	2,470,299
Fund raising	<u>2,123,070</u>	<u>—</u>	<u>—</u>	<u>2,123,070</u>
Total supporting services	<u>4,593,369</u>	<u>—</u>	<u>—</u>	<u>4,593,369</u>
Total expenditures	<u>21,090,684</u>	<u>—</u>	<u>—</u>	<u>21,090,684</u>
Increase in net assets	4,539,058	1,609,541	21,637,368	27,785,967
Net assets at beginning of year	<u>12,914,774</u>	<u>49,764,271</u>	<u>140,972,704</u>	<u>203,651,749</u>
Net assets at end of year	<u>\$ 17,453,832</u>	<u>51,373,812</u>	<u>162,610,072</u>	<u>231,437,716</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2006

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues:				
Contributions, gifts, and bequests	\$ 202,995	22,007,444	5,438,829	27,649,268
Investment and other income	2,579,528	7,680,356	—	10,259,884
Net unrealized and realized gains on investments	—	11,490,109	—	11,490,109
Net realized loss from disposition of real estate investments	—	(2,252,870)	—	(2,252,870)
Total revenues	<u>2,782,523</u>	<u>38,925,039</u>	<u>5,438,829</u>	<u>47,146,391</u>
Net assets released from restrictions	29,991,954	(29,991,954)	—	—
Expenses:				
Support for University activities	29,908,190	—	—	29,908,190
General and administrative expenses	1,335,158	—	—	1,335,158
Fundraising expenses	1,014,671	—	—	1,014,671
Total expenses	<u>32,258,019</u>	<u>—</u>	<u>—</u>	<u>32,258,019</u>
Change in net assets	516,458	8,933,085	5,438,829	14,888,372
Net assets, beginning of year	3,405,887	37,896,191	215,943,858	257,245,936
Net assets, end of year	\$ <u>3,922,345</u>	<u>46,829,276</u>	<u>221,382,687</u>	<u>272,134,308</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2005

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues:				
Contributions, gifts, and bequests	\$ 276,653	11,112,211	6,677,784	18,066,648
Investment and other income	1,406,571	5,003,675	—	6,410,246
Net unrealized and realized gains (loss) on investments	(1,000)	8,263,026	—	8,262,026
Net realized loss from disposition of real estate investments	—	(913,670)	—	(913,670)
Total revenues	<u>1,682,224</u>	<u>23,465,242</u>	<u>6,677,784</u>	<u>31,825,250</u>
Net assets released from restrictions	19,614,886	(19,614,886)	—	—
Expenses:				
Support for University activities	23,149,612	—	—	23,149,612
General and administrative expenses	843,757	—	—	843,757
Fundraising expenses	866,783	—	—	866,783
Total expenses	<u>24,860,152</u>	<u>—</u>	<u>—</u>	<u>24,860,152</u>
Change in net assets	<u>(3,563,042)</u>	<u>3,850,356</u>	<u>6,677,784</u>	<u>6,965,098</u>
Net assets, beginning of year	<u>6,968,929</u>	<u>34,045,835</u>	<u>209,266,074</u>	<u>250,280,838</u>
Net assets, end of year	\$ <u>3,405,887</u>	<u>37,896,191</u>	<u>215,943,858</u>	<u>257,245,936</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2006

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains and other support:				
Contributions	\$ 1,591,736	11,138,599	1,553,462	14,283,797
Net investment income (note 2)	1,054,620	4,146,344	1,514,329	6,715,293
Change in value of split interest agreements	—	(1,982)	(64,984)	(66,966)
Other	36,411	31,583	114,133	182,127
Change in restriction by donor	5,300	(117,309)	112,009	—
Net assets released from restrictions	5,418,152	(5,418,152)	—	—
Total revenues, gains and other support	<u>8,106,219</u>	<u>9,779,083</u>	<u>3,228,949</u>	<u>21,114,251</u>
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	5,609,796	—	—	5,609,796
Total program services	<u>5,609,796</u>	<u>—</u>	<u>—</u>	<u>5,609,796</u>
Supporting services:				
General and administrative	1,153,589	—	—	1,153,589
Fund raising	792,250	—	—	792,250
Total supporting services	<u>1,945,839</u>	<u>—</u>	<u>—</u>	<u>1,945,839</u>
Total expenses	<u>7,555,635</u>	<u>—</u>	<u>—</u>	<u>7,555,635</u>
Increase in net assets	550,584	9,779,083	3,228,949	13,558,616
Net assets at beginning of year	<u>2,805,943</u>	<u>18,952,194</u>	<u>36,288,361</u>	<u>58,046,498</u>
Net assets at end of year	<u>\$ 3,356,527</u>	<u>28,731,277</u>	<u>39,517,310</u>	<u>71,605,114</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2005

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Revenues, gains and other support:				
Contributions	\$ 1,496,832	6,352,349	1,510,992	9,360,173
Net investment income (note 2)	828,990	1,333,628	164,539	2,327,157
Change in value of split interest agreements	—	6,013	310,726	316,739
Other	(31,889)	48,251	132,226	148,588
Change in restriction by donor	(29,923)	17,224	12,699	—
Net assets released from restrictions	<u>4,723,554</u>	<u>(4,723,554)</u>	<u>—</u>	<u>—</u>
Total revenues, gains and other support	<u>6,987,564</u>	<u>3,033,911</u>	<u>2,131,182</u>	<u>12,152,657</u>
Expenses:				
Program services:				
Contributions and support for The University of Southern Mississippi	<u>4,794,668</u>	<u>—</u>	<u>—</u>	<u>4,794,668</u>
Total program services	<u>4,794,668</u>	<u>—</u>	<u>—</u>	<u>4,794,668</u>
Supporting services:				
General and administrative	<u>1,050,710</u>	<u>—</u>	<u>—</u>	<u>1,050,710</u>
Fund raising	<u>729,143</u>	<u>—</u>	<u>—</u>	<u>729,143</u>
Total supporting services	<u>1,779,853</u>	<u>—</u>	<u>—</u>	<u>1,779,853</u>
Total expenses	<u>6,574,521</u>	<u>—</u>	<u>—</u>	<u>6,574,521</u>
Increase in net assets	413,043	3,033,911	2,131,182	5,578,136
Net assets at beginning of year	<u>2,392,900</u>	<u>15,918,283</u>	<u>34,157,179</u>	<u>52,468,362</u>
Net assets at end of year	<u>\$ 2,805,943</u>	<u>18,952,194</u>	<u>36,288,361</u>	<u>58,046,498</u>

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statement of Cash Flows
For the Year Ended June 30, 2006

Cash Flows from Operating Activities:	
Tuition and fees	\$ 277,475,978
Grants and contracts	598,455,834
Sales and services of educational departments	46,570,839
Payments to suppliers	(666,651,367)
Payments to employees for salaries and benefits	(1,163,275,256)
Payments for utilities	(73,054,620)
Payments for scholarships and fellowships	(180,953,150)
Loans issued to students and employees	(17,704,540)
Collections of loans to students and employees	16,000,038
Auxiliary enterprisic charges:	
Student housing	43,362,599
Food services	21,155,075
Bookstore	6,629,156
Athletics	47,311,146
Other auxiliary enterprises	20,234,971
Patient care services	430,606,431
Interest earned on loans to students	867,421
Other receipts	65,593,548
Other payments	<u>(9,701,999)</u>
Net Cash Provided (Used) by Operating Activities	<u>(537,077,896)</u>
Cash Flows from Noncapital Financing Activities:	
State appropriations	590,079,702
Gifts and grants for other than capital purposes	46,184,584
Private gifts for endowment purposes	3,674,660
Federal loan program receipts	237,879,095
Federal loan program disbursements	(235,073,688)
Other sources	7,375,985
Other uses	<u>(3,483,670)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>646,636,668</u>
Cash Flows from Capital and Related Financing Activities:	
Proceeds from capital debt	120,802,400
Cash paid for capital assets	(225,502,464)
Capital appropriations received	33,097,414
Capital grants and contracts received	31,879,174
Proceeds from sales of capital assets	2,691,989
Principal paid on capital debt and leases	(53,353,900)
Interest paid on capital debt and leases	(15,839,243)
Other sources	8,029,694
Other uses	<u>(35,158,908)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(133,353,844)</u>
Cash Flows from Investing Activities:	
Proceeds from sale and maturities of investments	251,033,793
Interest received on investments	24,238,303
Purchases of investments	<u>(203,798,037)</u>
Net Cash Provided (Used) by Investing Activities	<u>71,474,059</u>
Net Increase (Decrease) in Cash and Cash Equivalents	47,678,987
Cash and Cash Equivalents - Beginning of the Year	<u>236,402,387</u>
Cash and Cash Equivalents - End of the Year	<u>\$ 284,081,374</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Statement of Cash Flows
For the Year Ended June 30, 2006

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

Operating income (loss)	\$ <u>(610,338,555)</u>
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	86,381,413
Other	(1,275,741)
Changes in assets and liabilities:	
Increase (decrease) in assets:	
Receivables, net	(13,763,210)
Inventories	(1,085,495)
Prepaid expenses	(2,872,900)
Other assets	(9,687,138)
Increase (decrease) in liabilities:	
Accounts payable and accrued liabilities	9,214,085
Deferred revenue	(107,256)
Deposits refundable	15,098
Accrued leave liability	(1,684,994)
Loans to students and employees	(438,738)
Other liabilities	<u>8,565,535</u>
Total adjustments	<u>73,260,659</u>
Net Cash Provided (Used) by Operating Activities	\$ <u><u>(537,077,896)</u></u>
Non-cash Capital Related Financing and Investing Activities:	
New capital leases	\$ 9,886,042
Bureau of Buildings and Grounds construction in progress	28,907,473
Donations of capital assets	4,873,211
Unrealized gain/loss on fair value of investments	934,596
Net gain from impairment loss due to insurance recoveries	7,517,043

The notes to the financial statements are an integral part of this statement.

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Statements of Cash Flows

Years ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Increase in net assets	\$ 48,515,996	27,785,967
Adjustments to reconcile increase in net assets to cash provided by (used in) operating activities:		
Depreciation and amortization	945,269	939,256
Realized and unrealized gains on investments, net	(12,055,135)	(8,791,529)
(Gain) loss on sale of building and equipment	1,732	(294,560)
Present value adjustments to annuities	315,957	311,599
Fair value of donated assets	(4,298,912)	(1,172,500)
Change in accrued interest, other receivables and prepaid assets	160,953	100,768
Change in pledges receivable, net	(10,687,297)	14,912,646
Change in externally managed trusts	(11,887,100)	(6,839,214)
Change in accounts payable and accrued liabilities	59,541	277,299
Change in liability for amounts held for others	45,371	(5,328,507)
Change in receivable from MSU Alumni Foundation	(507,427)	(13,271)
Change in receivable from/payable to Mississippi State University	1,176,128	(176,128)
Change in receivable from/payable to MSU Alumni Association	(193,961)	129,459
Permanently restricted investment dividends and interest	(474)	(1,919)
Permanently restricted contributions	<u>(19,599,064)</u>	<u>(17,077,049)</u>
Net cash provided by (used in) operating activities	<u>(8,008,423)</u>	<u>4,762,317</u>
Cash flows from investing activities:		
Purchases of land, buildings and equipment	(38,840)	(154,761)
Proceeds from sale of equipment	375	—
Purchases of investments	(13,435,363)	(30,871,276)
Proceeds from sales and maturities of investments	4,403,169	10,419,341
Payments on note receivable	<u>38,560</u>	<u>36,356</u>
Net cash used in investing activities	<u>(9,032,099)</u>	<u>(20,570,340)</u>
Cash flows from financing activities:		
Principal payments on long-term debt	(651,945)	(677,293)
Permanently restricted investment dividends and interest	474	1,919
Permanently restricted contributions	19,599,064	17,077,049
Investments subject to annuity agreements	139,085	391,090
Annuity payments	<u>(481,534)</u>	<u>(461,932)</u>
Net cash provided by financing activities	<u>18,605,144</u>	<u>16,330,833</u>
Net increase in cash	1,564,622	522,810
Cash at beginning of year	<u>1,028,074</u>	<u>505,264</u>
Cash at end of year	\$ <u>2,592,696</u>	\$ <u>1,028,074</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ <u>122,239</u>	<u>94,932</u>
Transfer of building to receivable from Mississippi State University	\$ <u>—</u>	<u>1,000,000</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statements of Cash Flows

Years ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Increase in net assets	\$ 14,888,372	6,965,098
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	141,463	134,227
Permanently restricted contributions	(5,438,829)	(6,677,784)
Non-cash investment transfer to University	2,979,814	—
Net realized and unrealized gain on investments	(9,237,239)	(7,348,356)
Changes in operating assets and liabilities:		
Other assets	(1,063,083)	4,899
Pledges receivable	(961,061)	5,064,425
Other liabilities	(1,024,912)	2,292,560
Net cash provided by operating activities	<u>284,525</u>	<u>435,069</u>
Cash flows from investing activities:		
Purchase of property and equipment	(1,204,201)	(54,644)
Purchases of Foundation investments	(3,404,324)	(10,886,781)
Net payments received (made) of funds held in trust for others	1,277,564	(2,991,123)
Net cash used in investing activities	<u>(3,330,961)</u>	<u>(13,932,548)</u>
Cash flows from financing activities:		
Permanently restricted contributions	5,438,829	6,677,784
Net cash provided by financing activities	<u>5,438,829</u>	<u>6,677,784</u>
Net increase (decrease) in cash and cash equivalents	2,392,393	(6,819,695)
Cash and cash equivalents:		
Beginning of year	4,107,171	10,926,866
End of year	\$ <u>6,499,564</u>	<u>4,107,171</u>

See accompanying notes to financial statements.

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Statements of Cash Flows

Years ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Increase in net assets	\$ 13,558,616	5,578,136
Adjustments to reconcile increase in net assets to cash provided by (used in) operating activities:		
Depreciation and amortization	11,022	9,923
Fair value of donated assets	—	(95,772)
Realized and unrealized gains on investments, net	(5,682,859)	(1,444,375)
Loss on disposal of furniture and equipment	2,020	—
Permanently restricted contributions	(2,036,896)	(1,510,992)
Change in externally managed trusts	314,730	(172,205)
Change in gift annuities and pooled income fund	(44,585)	(14,278)
Present value adjustments to annuities	4,089	49,288
Changes in operating assets and liabilities:		
Accrued interest	(79,743)	(39,257)
Prepaid assets and other receivables	23,097	60,913
Advances to University of Southern Mississippi	542,924	(542,924)
Pledges receivable, net	(4,816,046)	(1,012,891)
Accounts payable	825,473	(1,453,876)
Liability for amounts held for others	(456,293)	(24,724)
Net cash provided by (used in) operating activities	<u>2,165,549</u>	<u>(613,034)</u>
Cash flows from investing activities:		
Purchases of furniture and equipment	—	(25,399)
Change in cash surrender value of life insurance	(139,913)	(122,977)
Purchases of investments	(25,183,408)	(46,379,364)
Change in amounts due to brokers	713,840	—
Proceeds from sales and maturities of investments	24,780,041	46,583,273
Net cash provided by investing activities	<u>170,560</u>	<u>55,533</u>
Cash flows from financing activities:		
Permanently restricted contributions	2,036,896	1,510,992
Investments subject to annuity agreements	(82,461)	24,757
Annuity payments	(65,947)	(68,630)
Net cash provided by financing activities	<u>1,888,488</u>	<u>1,467,119</u>
Net increase in cash and cash equivalents	4,224,597	909,618
Cash and cash equivalents at beginning of year	<u>2,733,103</u>	<u>1,823,485</u>
Cash and cash equivalents at end of year	\$ <u>6,957,700</u>	<u>2,733,103</u>

See accompanying notes to financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(1) Summary of Significant Accounting Policies.

- A. Reporting Entity - The Mississippi Constitution was amended in 1943 to create a Board of Trustees of State Institutions of Higher Learning (Board). This constitutional Board provides management and control of Mississippi's system of universities.

The current twelve Board members were appointed by the Governor and approved by the Senate for twelve year terms as follows: one from each of the seven congressional districts, one from each of the three Supreme Court Districts, and two appointed from the state-at-large. The Mississippi Constitution was amended in 2003 to change the length of terms and appointment districts for Board members. New appointments will occur from the three current Supreme Court districts for terms of nine years. The amendment provides for these new appointments and tenures to be gradually implemented. Full implementation occurs in 2012.

The Board meets monthly and oversees the eight public universities, the University of Mississippi Medical Center and various off-campus centers and locations throughout the state.

Each of the eight universities and the University of Mississippi Medical Center has established its own educational building corporation (a nonprofit corporation incorporated in the State of Mississippi) in accordance with Section 37-101-61 of the Mississippi Code Annotated of 1972. The purpose of these corporations is for the acquisition, construction and equipping of facilities and land for the various universities. In accordance with Governmental Accounting Standards Board Statement No. 14, these educational building corporations are deemed component units of the State of Mississippi Institutions of Higher Learning and are included as blended component units in the general purpose financial statements.

The following is a list of abbreviations used throughout the report for the member universities of the State of Mississippi Institutions of Higher Learning:

ASU	–	Alcorn State University
DSU	–	Delta State University
JSU	–	Jackson State University
MSU	–	Mississippi State University
MUW	–	Mississippi University for Women
MVSU	–	Mississippi Valley State University
UM	–	University of Mississippi
USM	–	University of Southern Mississippi
UMMC	–	University of Mississippi Medical Center
IHL Board Office	–	Institutions of Higher Learning - System Office

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements For the Year Ended June 30, 2006

The State of Mississippi Institutions of Higher Learning is considered a component unit of the State of Mississippi reporting entity.

The State of Mississippi Institutions of Higher Learning reports the following discretely presented component units:

Mississippi State University Foundation, Inc. - The Mississippi State University Foundation is a legally separate, tax-exempt not for profit entity established to solicit and manage funds for the benefit of Mississippi State University.

University of Mississippi Foundation - The University of Mississippi Foundation is a legally separate, tax exempt not for profit non-stock corporation formed for the benefit of the University of Mississippi.

University of Southern Mississippi Foundation - The University of Southern Mississippi Foundation is a not for profit entity formed to provide support to the University of Southern Mississippi and its students.

Although these universities do not control the timing or amount of receipts they receive from these foundations, the majority of the resources or income thereon that these foundations hold and invest are restricted to the activities of their respective universities by the donors.

During the year ended June 30, 2006, the Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation each distributed to their respective university the amount of \$25,631,242, \$29,908,190 and \$5,609,796, respectively.

- B. Basis of Presentation - The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - of Public College and Universities*, issued in June and November, 1999, respectively. The universities now follow the "business-type activities" reporting requirements of GASB Statement No. 34 that provides a comprehensive one-line look at the universities financial activities.
- C. Basis of Accounting - The financial statements of the universities have been prepared on the accrual basis whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. All significant intra-agency transactions have been eliminated. The State of Mississippi Institutions of Higher Learning apply all applicable GASB pronouncements and only the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.
- D. Cash Equivalents - For purposes of the statements of cash flows, the universities consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

- E. Short-term Investments - Short-term investments are investments that are not cash equivalents but mature within the next fiscal year.
- F. Accounts receivables, net - Accounts receivables consist of tuition and fee charges to students and patient accounts receivables at UMMC. Accounts receivables also include amounts due from federal and state governments, and non-governmental sources, in connection with reimbursement of allowable expenses made pursuant to the universities grants and contracts. Accounts receivables are recorded net of an allowance for doubtful accounts.
- G. Student notes receivables, net - Student notes receivables consist of federal, state and institutional loans made to students for the purpose of paying tuition and fee charges. Loan balances expected to be paid during the next fiscal year are presented on the statement of net assets as current assets. Those balances that are either in deferment status or expected to be paid back beyond the next fiscal year are presented as noncurrent assets on the statement of net assets.
- H. Inventories - Inventories consist of bookstore, physical plant, agriculture, printing and food service supplies. These inventories are generally valued at the lower of cost or market, on either the first-in, first-out ("FIFO") basis or the average cost basis.
- I. Restricted Cash and Cash Equivalents - Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the statements of net assets.
- J. Restricted Short-term Investments - Short-term investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the statements of net assets.
- K. Endowment Investments - Endowment investments are generally subject to the restrictions of donor gift instruments. They include True Endowment Funds, which are funds received from a donor with the restrictions that only the income is to be utilized; Term Endowment Funds, which are funds for which the donor has stipulated that the principal may be expended after a stated period or on the occurrence of a certain event and Quasi-endowment Funds, which are funds established by the governing board to function like an endowment fund but may be totally expended at any time at the discretion of the governing board.
- L. Other Long-term Investments - The universities account for their investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statements of revenues, expenses and changes in net assets.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

- M. Capital Assets - Capital assets are recorded at cost at the date of acquisition, or, if donated, at fair market value at the date of donation. Livestock for educational purposes is adjusted at year-end to reflect market price. Renovations to buildings and improvements other than buildings that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to the functional expenditure categories. See Note 6 for additional details concerning useful lives, salvage values and capitalization thresholds. Expenditures for construction in progress are capitalized as incurred. Interest expense relating to construction is capitalized net of interest income earned on resources set aside for this purpose. Certain maintenance and replacement reserves have been established to fund costs relating to residences and other auxiliary activity facilities.
- N. Deferred Revenues - Deferred revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Deferred revenues also include amounts received from grant and contract sponsors that have not yet been earned.
- O. Compensated Absences - Twelve-month employees earn annual personal leave at a rate of 12 hours per month for zero to three years of service; 14 hours per month for three to eight years of service; 16 hours per month for eight to 15 years of service; and from 15 years of service and over, 18 hours per month are earned. There is no requirement that annual leave be taken, and there is no maximum accumulation. At termination, these employees are paid for up to 240 hours of accumulated annual leave.
- Nine-month employees earn major medical leave at a rate of 13 1/3 hours per month for one month to three years of service; 14 1/5 hours per month for three to eight years of service; 15 2/5 hours per month for eight to 15 years of service; and from 15 years of service and over, 16 hours per month are earned. There is no limit on the accumulation of sick leave. At retirement, these employees are paid for up to 240 hours of accumulated major medical leave.
- P. Classification of Revenues - The universities have classified their revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, (3) most federal, state and local grants and contracts and federal appropriations, and (4) interest on institutional student loans. Gifts (pledges) that are received on an installment basis are recorded at net present value.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting* and GASB Statement No. 34, such as state appropriations and investment income.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Q. Scholarship Discounts and Allowances - Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid, such as loans, funds provided to students as awarded by third parties and Federal Direct Lending, is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses, or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a university basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

R. Net Assets - GASB Statement No. 34 reports equity as "Net Assets" rather than "Fund Balance". Net assets are classified according to external donor restrictions or availability of assets for satisfaction of university obligations. Nonexpendable restricted net assets are gifts that have been received for endowment purposes, the corpus of which cannot be expended. Expendable restricted net assets represent funds that have been gifted for specific purposes and funds held in federal loan programs.

The unrestricted net asset balance of \$431,747,940 at June 30, 2006, includes, \$37,690,196 reserved for encumbrances, \$4,746,728 reserved for debt service, \$14,777,895 reserved for academic programs and research, \$9,564,571 reserved for quasi-endowments, \$34,812,279 reserved for capital projects, \$11,321,516 reserved for repairs and maintenance, \$26,652,862 reserved for auxiliary operations, renewals and replacements, \$50,086,017 reserved for designated projects and a remaining amount of \$242,095,876.

S. Changes in Accounting Standards - The State of Mississippi Institution's of Higher Learning has implemented GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* for the current fiscal year. This statement establishes accounting and financial reporting standards for impairment of assets and insurance recoveries.

(2) Prior Period Adjustments.

For the year ended June 30, 2006, the universities recorded prior period adjustments of (\$27,307,479), which included (\$21,139,381) related to capital assets and (\$6,168,098) to record prior year corrections and adjustments.

(3) Cash and Investments.

Policies:

A. Cash, Cash Equivalents and Short-term Investments - Investment policies as set forth by Board of Trustees policy and state statute authorize the universities to invest in demand deposits and interest-bearing time deposits such as savings accounts, certificates of deposit, money market funds, U.S. Treasury bills and notes, and repurchase agreements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a collateral pool program established by the Mississippi State Legislature and is governed by Section 27-105-5 of the Mississippi Code Annotated (1972). Under this program, the universities' funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against these deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the IHL System will not be able to recover deposits or collateral securities that are in the possession of an outside party. The IHL System does not have a formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the IHL System. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the IHL System.

- B. Investments - Investment policies as set forth by Board policy as authorized by Section 37-101-15, Mississippi Code Annotated (1972), authorizes the universities to invest in equity securities, bonds and other securities. Investments are reported at fair value (market).

The following table summarizes the fair values of the universities' investments reported on the Statement of Net Assets:

	<u>June 30, 2006</u>
Short-term investments	\$ 169,786,811
Endowment investments	152,502,435
Other long-term investments	<u>249,371,116</u>
Total	<u>\$ 571,660,362</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

The following table presents the fair value of investments by type at June 30, 2006:

Investment Type	Fair Value
U.S. Government agency obligations	\$ 234,016,888
U.S. Treasury obligations	63,841,874
Certificates of deposit	100,427,412
Corporate bonds	1,780,440
Commercial mortgage backed securities	932,541
Collateralized mortgage obligations	4,200,386
Municipal bonds	4,768,764
Money market funds	1,777,189
Bond mutual funds	29,426,852
Equity securities	26,800,747
Guaranteed investment contract	27,785,462
International equity mutual funds	9,582,941
Land grant obligations	1,340,068
International obligations	154,007
Domestic equity mutual funds	50,119,060
Fixed income mutual funds	7,733,719
Equity hedge fund	2,795,956
External investment pool	4,176,056
Total	\$ <u>571,660,362</u>

Custodial Credit Risk.

Per GASB Statement No. 40, custodial credit risk is defined as the risk that, in the event of the failure of the counterparty to a transaction, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The State of Mississippi Institutions of Higher Learning System does not presently have a formal policy for custodial credit risk. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered with securities held by the counterparty's trust department or agent, but not held in the government's name. Of the institution's funds at June 30, 2006, \$19,733,185 of investments were exposed to custodial credit risk.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Interest Rate Risk.

Per GASB Statement No. 40, interest rate risk is defined as the risk a government may face should interest rate variances adversely affect the fair value of investments. The State of Mississippi Institutions of Higher Learning System does not presently have a formal policy that addresses interest rate risk. As of June 30, 2006, the institution had the following investments subject to interest rate risk:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Government agency obligations \$	227,824,523	51,707,767	142,590,984	30,439,817	3,085,955
U.S. Treasury obligations	63,444,781	51,874,673	11,396,429	173,679	
Commercial mortgage backed securities	932,541	100,000	273,213		559,328
Collateralized mortgage obligations	4,009,454				4,009,454
Municipal bonds	10,794,495	6,574,314	3,877,493	342,688	
Bond mutual funds	18,676,481	5,264,591	3,753,506	7,071,806	2,586,578
Certificates of deposit	94,477,412	69,055,805	25,421,607		
Guaranteed investment contract	27,785,462		27,785,462		
Corporate bonds and notes	1,735,823		1,601,910	133,913	
Total	\$ 449,680,972	184,577,150	216,700,604	38,161,903	10,241,315

Credit Risk.

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The State of Mississippi Institutions of Higher Learning System does not presently have a formal policy that addresses credit risk. As of June 30, 2006, the institutions had the following exposure to investment credit risk:

	Fair Value
Aaa	\$ 25,053,747
AAA	284,391,029
Aa1	14,434
Aa2	12,217
Aa3	435,237
AA	697,787
A1	28,955
A2	478,336
A3	682,672
A	887,038
Baa1	5,591
Baa2	30,695
BB	184,080
Rating not available	71,488,328
Total	\$ 384,390,146

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

The credit risk ratings listed above are issued upon standards set by Standards and Poor's or Moody's Ratings Services.

Concentration of Credit Risk.

Per GASB Statement No. 40, concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The State of Mississippi Institutions of Higher Learning System does not presently have a formal policy that addresses concentration of credit risk. The State of Mississippi Institutions of Higher Learning have the following investments that represent more than 5 percent of net investments:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percentage</u>
Federal Home Loan Bank notes	\$ 104,005,583	18.17%
Federal National Mortgage Association notes	30,401,361	5.31%
Federal Home Loan Mortgage Corporation notes	48,139,134	8.40%
AmSouth Bank	40,777,216	7.12%
U.S. Treasury obligations	51,316,375	8.96%

Foreign Currency Risk.

Per GASB Statement No. 40, the foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. The State of Mississippi Institutions of Higher Learning System does not presently have a formal policy that addresses foreign currency risk. Of the Institutions of Higher Learning System's funds at June 30, 2006, no investments were exposed to foreign currency risk.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(4) Accounts Receivable.

Accounts receivable consisted of the following at June 30, 2006:

Student tuition	\$	50,257,410
Auxiliary enterprises and other operating activities		14,735,559
Contributions and gifts		8,688,093
Federal, state, and private grants and contracts		113,842,369
State appropriations		12,604,957
Accrued interest		3,199,961
Patient income		1,547,618,359
Other		<u>16,054,164</u>
 Total Accounts Receivable		 1,767,000,872
 Less: allowance for doubtful accounts		 <u>1,513,354,586</u>
 Net Accounts Receivable	 \$	 <u><u>253,646,286</u></u>

(5) Notes Receivable from Students.

Notes receivable from students are payable in installments over a period of up to ten years, commencing three to twelve months from the date of separation from the institution. The following is a schedule of interest rates and unpaid balances for the different types of notes receivable held by the institution at June 30, 2006:

	<u>Interest Rates</u>		<u>June 30, 2006</u>	<u>Current Portion</u>	<u>Non-Current Portion</u>
Perkins student loans	3% to 9%	\$	71,748,981	9,424,771	62,324,210
Nursing student loans	3% to 9%		600,125	76,491	523,634
Other federal loans	3% to 9%		2,972,905	1,603,952	1,368,953
Institutional loans	0% to 9%		35,879,305	3,371,730	32,507,575
Medical student loans	3% to 9%		413,710	91,703	322,007
Dental student loans	3% to 9%		<u>220,199</u>	<u>10,911</u>	<u>209,288</u>
 Total Notes Receivable			 111,835,225	 14,579,558	 97,255,667
 Less allowance for doubtful accounts			 <u>12,583,394</u>	 <u>3,500,057</u>	 <u>9,083,337</u>
 Net Notes Receivable		 \$	 <u><u>99,251,831</u></u>	 <u><u>11,079,501</u></u>	 <u><u>88,172,330</u></u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(6) Capital Assets.

A summary of changes in capital assets for the year ended June 30, 2006, is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Prior Period Adjustments</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets:					
Land	\$ 45,492,721	3,545,020	29,797		49,007,944
Construction in progress	295,233,612	194,098,542	174,143,081	(17,921,053)	297,268,020
Livestock	<u>1,647,356</u>	<u>311,078</u>	<u>298,238</u>		<u>1,660,196</u>
Total Nondepreciable Capital Assets	<u>342,373,689</u>	<u>197,954,640</u>	<u>174,471,116</u>	<u>(17,921,053)</u>	<u>347,936,160</u>
Depreciable Capital Assets:					
Improvements other than buildings	156,027,336	16,239,704	2,470,175		169,796,865
Buildings	1,524,979,369	190,904,946	19,557,577	(406,901)	1,695,919,837
Equipment	440,563,514	50,282,479	17,853,184	(672,923)	472,319,886
Library books	<u>252,711,341</u>	<u>14,528,405</u>	<u>495,289</u>		<u>266,744,457</u>
Total Depreciable Capital Assets	<u>2,374,281,560</u>	<u>271,955,534</u>	<u>40,376,225</u>	<u>(1,079,824)</u>	<u>2,604,781,045</u>
Less Accumulated Depreciation for:					
Improvements other than buildings	43,047,902	5,824,166	25,903	356,754	49,202,919
Buildings	410,625,961	29,218,130	2,800,938	1,021,508	438,064,661
Equipment	276,551,074	38,728,812	10,685,791	760,242	305,354,337
Library books	<u>190,947,274</u>	<u>13,559,475</u>	<u>495,288</u>		<u>204,011,461</u>
Total Accumulated Depreciation	<u>921,172,211</u>	<u>87,330,583</u>	<u>14,007,920</u>	<u>2,138,504</u>	<u>996,633,378</u>
Total Depreciable Capital Assets, Net	<u>1,453,109,349</u>	<u>184,624,951</u>	<u>26,368,305</u>	<u>(3,218,328)</u>	<u>1,608,147,667</u>
Capital Assets, Net	<u>\$ 1,795,483,038</u>	<u>382,579,591</u>	<u>200,839,421</u>	<u>(21,139,381)</u>	<u>1,956,083,827</u>

Prior period adjustments were recorded to correct prior year errors in recording construction in progress, capital assets and accumulated depreciation.

Depreciation is computed on a straight-line basis with the exception of the library books category, which is computed using a composite method. The following useful lives, salvage values and capitalization thresholds are used to compute depreciation:

	<u>Estimated Useful Lives</u>	<u>Salvage Value</u>	<u>Capitalization Threshold</u>
Buildings	40 years	20%	\$ 50,000
Improvements other than buildings	20 years	20%	25,000
Equipment	3-15 years	1 - 10%	5,000
Library books	10 years	0%	0

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(7) Long-term Liabilities.

Long-term liabilities of the universities consist of notes and bonds payable, capital lease obligations and certain other liabilities that are expected to be liquidated at least one year from June 30, 2006. The various leases cover a period not to exceed five years. The universities have the option to prepay all outstanding payments less any unearned interest to fully satisfy the obligation. There is also a fiscal funding addendum stating that if funds are not appropriated for periodic payment for any future fiscal period, the lessee will not be obligated to pay the remainder of the total payments due beyond the end of the current fiscal period.

Information regarding original issue amounts, interest rates and maturity dates for bonds, notes and capital leases included in the long-term liabilities balance at June 30, 2006, is listed in the following schedule. A schedule detailing the annual requirements necessary to amortize the outstanding debt is also provided.

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
<u>Alcorn State University</u>								
Bonded Debt								
-- 1996 Nursing Dormitory Bonds	\$ 680,000	4.5-6.5%	2011	\$ 380,000		45,000	335,000	50,000
-- 1997 President's Home Bonds	950,000	6.55%	2007	241,837		116,229	125,608	125,608
Total Bonded Debt				<u>621,837</u>	<u>0</u>	<u>161,229</u>	<u>460,608</u>	<u>175,608</u>
Capital Leases								
-- Various equipment				72,087		72,087		
Total Capital Leases				<u>72,087</u>	<u>0</u>	<u>72,087</u>	<u>0</u>	<u>0</u>
Other Long-term liabilities								
-- Accrued leave liabilities				2,022,170	90,092		2,112,262	1,035,008
-- Deposits refundable				544,095		5,081	539,014	
Total Other Long-term Liabilities				<u>2,566,265</u>	<u>90,092</u>	<u>5,081</u>	<u>2,651,276</u>	<u>1,035,008</u>
Total				<u>\$ 3,260,189</u>	<u>90,092</u>	<u>238,397</u>	<u>3,111,884</u>	<u>1,210,616</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
Due within one year							<u>1,210,616</u>	
Total Long-term Liabilities							<u>\$ 1,901,268</u>	
<u>Delta State University</u>								
Bonded Debt								
-- Student Housing Bonds, 1991 Series	2,259,631	5.00%	2011	\$ 448,173		79,544	368,629	73,792
-- Student Housing Bonds, 1998 Series	3,900,000	3.40% to 5.00%	2018	3,425,000		90,000	3,335,000	95,000
-- Student Housing Bonds, 2003 Series	2,475,000	3.00% to 4.25%	2023	<u>2,475,000</u>		<u>95,000</u>	<u>2,380,000</u>	<u>95,000</u>
Total Bonded Debt				<u>6,348,173</u>	<u>0</u>	<u>264,544</u>	<u>6,083,629</u>	<u>263,792</u>
Capital Leases								
-- Various equipment				<u>2,555,397</u>		<u>672,015</u>	<u>1,883,382</u>	<u>689,055</u>
Total Capital Leases				<u>2,555,397</u>	<u>0</u>	<u>672,015</u>	<u>1,883,382</u>	<u>689,055</u>
Other Long-term Liabilities and Notes Payable								
-- Accrued leave liabilities				1,406,451	54,478	10,079	1,450,850	212,748
-- Deposits refundable				433,770	1,072,946	1,195,171	311,545	20,635
-- Notes payable - CIOS Foundation				73,730		23,306	50,424	22,999
-- Other				<u>20,663</u>		<u>20,663</u>		
Total Other Long-term Liabilities and Notes Payable				<u>1,934,614</u>	<u>1,127,424</u>	<u>1,249,219</u>	<u>1,812,819</u>	<u>256,382</u>
Total				<u>\$ 10,838,184</u>	<u>1,127,424</u>	<u>2,185,778</u>	<u>9,779,830</u>	<u>1,209,229</u>
Due within one year							<u>1,209,229</u>	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
Total Long-term Liabilities							\$ <u>8,570,601</u>	
<u>Jackson State University</u>								
Bonded Debt								
-- Alexander Hall West Revenue Bonds	1,250,000	0% to 3.00%	2007	\$ 100,000		50,000	50,000	50,000
-- McAllister/Whiteside Revenue Bonds	4,000,000	1.00% to 3.00%	2020	2,240,000		110,000	2,130,000	115,000
-- Honors Dormitory Revenue Bonds	6,965,000	4.24% to 7.00%	2013	3,535,000		360,000	3,175,000	380,000
-- Student Life Center Revenue Bonds	12,000,000	3.00% to 5.13%	2027	11,140,000		305,000	10,835,000	315,000
-- Campus Facilities Bond 2004 A	40,065,000	2.952%	2034	40,065,000		370,000	39,695,000	760,000
-- Campus Facilities Bond 2004 B	25,925,000	4.2%	2034	<u>25,925,000</u>		<u>375,000</u>	<u>25,550,000</u>	<u>675,000</u>
Total Bonded Debt				<u>83,005,000</u>	<u>0</u>	<u>1,570,000</u>	<u>81,435,000</u>	<u>2,295,000</u>
Other Long-term Liabilities and Notes Payable								
-- Accrued leave liabilities				3,023,924	1,222,387	448,976	3,797,335	448,976
-- Deposits refundable				23,170	9,323		32,493	
-- Notes Payable				<u>1,424,395</u>		<u>70,540</u>	<u>1,353,855</u>	<u>72,672</u>
Total Other Long-term Liabilities and Notes Payable				<u>4,471,489</u>	<u>1,231,710</u>	<u>519,516</u>	<u>5,183,683</u>	<u>521,648</u>
Total				\$ <u>87,476,489</u>	<u>1,231,710</u>	<u>2,089,516</u>	86,618,683	<u>2,816,648</u>
Due within one year							<u>2,816,648</u>	
Total Long-term Liabilities							\$ <u>83,802,035</u>	
<u>Mississippi State University</u>								
Bonded Debt								
-- Dormitory System Revenue Bonds	2,250,000	3.00%	2020	\$ 1,230,000		65,000	1,165,000	65,000

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
-- Student Apartments Bonds	2,038,000	3.00%	2021	1,200,000		55,000	1,145,000	55,000
-- EBC - Revenue Bonds	11,920,000	3.70% to 5.00%	2016	8,510,000		520,000	7,990,000	7,410,000
-- EBC - Revenue Bonds	31,865,000	3.75% to 5.25%	2024	27,465,000		890,000	26,575,000	935,000
-- EBC - Revenue Bonds	16,920,000	4.00% to 5.50%	2026	14,860,000		745,000	14,115,000	775,000
-- EBC - Revenue Bonds	17,000,000	2.00% to 5.00%	2028	16,755,000		475,000	16,280,000	480,000
-- EBC - Revenue Bonds	28,790,000	2.00% to 5.00%	2030	28,790,000		900,000	27,890,000	925,000
-- EBC - Revenue Bonds	58,965,000	4.00% to 5.00%	2035		58,965,000		58,965,000	895,000
Total Bonded Debt				98,810,000	58,965,000	3,650,000	154,125,000	11,540,000
Capital Leases								
-- Various equipment				5,591,286	476,008	2,441,626	3,625,668	1,337,395
Total Capital Leases				5,591,286	476,008	2,441,626	3,625,668	1,337,395
Other Long-term Liabilities								
-- Accrued leave liabilities				17,925,375		361,234	17,564,141	1,411,002
-- Deposits refundable				92,541		5,921	86,620	
-- Other				14,801,179	428,330		15,229,509	
Total Other Long-term Liabilities				32,819,095	428,330	367,155	32,880,270	1,411,002
Total				\$137,220,381	59,869,338	6,458,781	190,630,938	14,288,397
Due within one year							14,288,397	
Total Long-term Liabilities							\$ 176,342,541	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

<u>Description and Purpose</u>	<u>Original Issue</u>	<u>Annual Interest Rate</u>	<u>Maturity</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2006</u>	<u>Due Within One Year</u>
<u>Mississippi University for Women</u>								
Capital Leases								
-- Various equipment				\$ 506,686		159,517	347,169	135,886
Total Capital Leases				506,686	0	159,517	347,169	135,886
Other Long-term Liabilities								
-- Accrued leave liabilities				940,813	93,819	101,555	933,077	74,409
-- Other				136,156	1,612,339		1,748,495	
Total Other Long-term Liabilities				1,076,969	1,706,158	101,555	2,681,572	74,409
Total				\$ 1,583,655	1,706,158	261,072	3,028,741	210,295
Due within one year							210,295	
Total Long-term Liabilities							\$ 2,818,446	
<u>Mississippi Valley State University</u>								
Bonded Debt								
-- Housing Bonds - 1968A	300,000	3.00%	2008	\$ 40,000		10,000	30,000	10,000
-- EBC Bonds	2,400,000	4.50% to 5.30%	2021	2,240,000		80,000	2,160,000	80,000
Total Bonded Debt				2,280,000	0	90,000	2,190,000	90,000
Other Long-term Liabilities								
-- Accrued leave liabilities				1,984,199	73,407		2,057,606	73,407
-- Deposits refundable				168,870	32,368	20,028	181,210	
-- Other				38,011	6,556	3,006	41,561	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

<u>Description and Purpose</u>	<u>Original Issue</u>	<u>Annual Interest Rate</u>	<u>Maturity</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2006</u>	<u>Due Within One Year</u>
Total Other Long-term Liabilities				2,191,080	112,331	23,034	2,280,377	73,407
Total				\$ 4,471,080	112,331	113,034	4,470,377	163,407
Due within one year							163,407	
Total Long-term Liabilities							\$ 4,306,970	
<u>University of Mississippi</u>								
Bonded Debt								
-- Housing Revenue bonds of 1968, Series E	3,000,000	3.00%	2008	\$ 435,000		120,000	315,000	120,000
-- University of Mississippi EBC, Series 1996A	4,100,000	5.3% to 6.0%	2011	185,000		185,000		
-- University of Mississippi EBC, Series 1997A	11,135,000	3.80% to 5.50%	2027	705,000		225,000	480,000	235,000
-- University of Mississippi EBC, Series 1999	12,220,000	4.50% to 5.25%	2018	9,980,000		7,685,000	2,295,000	535,000
-- University of Mississippi EBC, Series 2000A	34,700,000	2.35%	2020	31,035,000		1,340,000	29,695,000	1,400,000
-- University of Mississippi EBC, Series 2002	13,090,000	3.00% to 5.00%	2017	10,730,000		1,070,000	9,660,000	915,000
-- University of Mississippi EBC, Series 2005	10,965,000	3.00% to 4.375%	2027	10,965,000		85,000	10,880,000	295,000
-- University of Mississippi EBC, Series 2006A	17,985,000	4.00% to 5.00%	2025		17,985,000		17,985,000	745,000
Total Bonded Debt				64,035,000	17,985,000	10,710,000	71,310,000	4,245,000
Capital Leases								
-- Various equipment				313,320		249,269	64,051	64,051
Total Capital Leases				313,320	0	249,269	64,051	64,051
Other Long-term Liabilities and Notes Payable								
-- Accrued leave liabilities				8,201,702	1,992,188	1,109,972	9,083,918	1,022,000

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
-- Deposits refundable				431,735	374,900	85,750	720,885	
-- Notes payables				2,240,108		114,085	2,126,023	118,923
-- Other				8,849,400	170,700		9,020,100	
Total Other Long-term Liabilities and Notes Payable				19,722,945	2,537,788	1,309,807	20,950,926	1,140,923
Total				\$ 84,071,265	20,522,788	12,269,076	92,324,977	5,449,974
Due within one year							5,449,974	
Total Long-term Liabilities							\$ 86,875,003	
<u>University of Southern Mississippi</u>								
Bonded Debt								
-- Housing System Revenue Bonds	2,681,000	3.00%	2016	\$ 1,425,000		100,000	1,325,000	105,000
-- Payne Center Bonds	5,117,877	4.75% to 6.00%	2015	3,590,000		255,000	3,335,000	265,000
-- Dormitory Construction Bonds	13,120,000	4.75% to 6.00%	2027	11,380,000		10,745,000	635,000	310,000
-- Technology Improvement Bonds	1,970,000	3.50% to 5.75%	2021	1,690,000		1,280,000	410,000	75,000
-- University Improvements	3,040,000	3.50% to 5.5%	2021	2,605,000		1,975,000	630,000	115,000
-- Student Life Center & International Education Center	17,285,000	3.00% to 5.38%	2022	15,665,000		11,285,000	4,380,000	665,000
-- The Village	18,725,000	3.625% to 5.0%	2032		18,725,000		18,725,000	
-- EBC Refunding Bond	24,855,000	3.625% to 5.0%	2027		24,855,000		24,855,000	420,000
Total Bonded Debt				36,355,000	43,580,000	25,640,000	54,295,000	1,955,000
Capital Leases								
-- Various equipment				859,594	260,955	447,954	672,595	236,281

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

<u>Description and Purpose</u>	<u>Original Issue</u>	<u>Annual Interest Rate</u>	<u>Maturity</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2006</u>	<u>Due Within One Year</u>
Total Capital Leases				<u>859,594</u>	<u>260,955</u>	<u>447,954</u>	<u>672,595</u>	<u>236,281</u>
Other Long-term Liabilities and Notes Payable								
-- Accrued leave liabilities				8,351,186	140,659		8,491,845	1,000,000
-- Deposits refundable				431,394		255,708	175,686	
-- Notes payable				665,000		150,000	515,000	160,000
-- Other				<u>27,882,382</u>	<u>550,701</u>		<u>28,433,083</u>	
Total Other Long-term Liabilities and Notes Payable				<u>37,329,962</u>	<u>691,360</u>	<u>405,708</u>	<u>37,615,614</u>	<u>1,160,000</u>
Total				<u>\$ 74,544,556</u>	<u>44,532,315</u>	<u>26,493,662</u>	92,583,209	<u>3,351,281</u>
Due within one year							<u>3,351,281</u>	
Total Long-term Liabilities							<u>\$ 89,231,928</u>	
<u>University of Mississippi Medical Center</u>								
<u>Bonded Debt</u>								
-- General Revenue Bonds, Series 1993	60,000,000	3.88% to 5.90%	2009	\$ 8,275,000		1,480,000	6,795,000	1,560,000
-- General Revenue Refunding Bonds, Series 1998A	9,380,000	4.30% to 5.75%	2011	6,905,000		845,000	6,060,000	890,000
-- General Revenue Refunding Bonds, Series 1998B	41,075,000	3.85% to 5.50%	2023	40,670,000		75,000	40,595,000	80,000
-- Variable Rate Demand Bonds, Series 2001	45,000,000	3.66%	2031	45,000,000		865,000	44,135,000	900,000
-- General Revenue Refunding Bonds, Series 2002	4,500,000	3.40% to 5.00%	2012	3,350,000		420,000	2,930,000	435,000
-- Variable Rate Demand Bonds, Series 2004	44,000,000	2.29% to 3.197%	2034	<u>43,640,000</u>		<u>350,000</u>	<u>43,290,000</u>	<u>365,000</u>
Total Bonded Debt				<u>147,840,000</u>	<u>0</u>	<u>4,035,000</u>	<u>143,805,000</u>	<u>4,230,000</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
Capital Leases								
-- Various equipment				8,084,971	9,149,079	2,852,661	14,381,389	3,914,729
Total Capital Leases				8,084,971	9,149,079	2,852,661	14,381,389	3,914,729
Other Long-term Liabilities								
-- Accrued leave liabilities				24,324,842		167,335	24,157,507	2,305,539
-- Deposits Refundable				528,051	260,467		788,518	
-- Other				8,113,147	23,436	46,719	8,089,864	
Total Other Long-term Liabilities				32,966,040	283,903	214,054	33,035,889	2,305,539
Total				188,891,011	9,432,982	7,101,715	191,222,278	10,450,268
Due within one year							10,450,268	
Total Long-term Liabilities							\$ 180,772,010	
<u>IHL Board Office</u>								
Capital Leases								
-- Various equipment				\$ 10,519		3,373	7,146	3,504
Total Capital Leases				10,519	0	3,373	7,146	3,504
Other Long-term Liabilities								
-- Accrued leave liabilities				614,154	4,792		618,946	43,030
-- Other				13,674,000	7,615,000		21,289,000	4,721,000
Total Other Long-term Liabilities				14,288,154	7,619,792	0	21,907,946	4,764,030

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Description and Purpose	Original Issue	Annual Interest Rate	Maturity	Beginning Balance	Additions	Deletions	Balance June 30, 2006	Due Within One Year
Total				\$ <u>14,298,673</u>	<u>7,619,792</u>	<u>3,373</u>	21,915,092	<u>4,767,534</u>
Due within one year							4,767,534	
Total Long-term Liabilities							\$ <u>17,147,558</u>	
<u>State of Mississippi Institutions of Higher Learning - Total</u>								
Total Bonded Debt				\$ <u>439,295,010</u>	<u>120,530,000</u>	<u>46,120,773</u>	<u>513,704,237</u>	<u>24,794,400</u>
Total Capital Leases				<u>17,993,860</u>	<u>9,886,042</u>	<u>6,898,502</u>	<u>20,981,400</u>	<u>6,380,901</u>
Other Long-term Liabilities and Notes Payable								
Accrued leave liability				68,794,816	3,671,833	2,199,151	70,267,487	7,626,119
Deposits refundable				2,653,626	1,750,004	1,567,659	2,835,971	20,635
Notes payable				4,403,233		357,931	4,045,302	374,594
Other				<u>73,514,938</u>	<u>10,407,062</u>	<u>70,388</u>	<u>83,851,612</u>	<u>5,376,000</u>
Total Other Long-term Liabilities and Notes Payable				<u>149,366,613</u>	<u>15,828,899</u>	<u>4,195,129</u>	<u>161,000,372</u>	<u>13,397,348</u>
Total Long-term Liabilities				\$ <u>606,655,483</u>	<u>146,244,941</u>	<u>57,214,404</u>	<u>695,686,009</u>	<u>44,572,649</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

<u>University - Fiscal Year</u>	<u>Bonded Debt</u>	<u>Capital Leases</u>	<u>Notes Payable</u>	<u>Interest</u>	<u>Total</u>
<u>Alcorn State University</u>					
2007	\$ 175,608			25,580	201,188
2008	50,000			16,440	66,440
2009	60,000			13,200	73,200
2010	70,000			9,900	79,900
2011	105,000			8,190	113,190
Totals	\$ <u>460,608</u>	<u>0</u>	<u>0</u>	<u>73,310</u>	<u>533,918</u>
<u>Delta State University</u>					
2007	\$ 263,792	689,055	22,999	438,719	1,414,565
2008	268,388	603,990	23,000	411,224	1,306,602
2009	263,320	590,337	4,425	385,578	1,243,660
2010	265,001			373,529	638,530
2011	273,634			366,941	640,575
2012-2016	2,199,494			1,012,988	3,212,482
2017-2021	2,020,000			299,410	2,319,410
2022-2026	530,000			45,475	575,475
Totals	\$ <u>6,083,629</u>	<u>1,883,382</u>	<u>50,424</u>	<u>3,333,864</u>	<u>11,351,299</u>
<u>Jackson State University</u>					
2007	\$ 2,295,000		72,672	3,424,236	5,791,908
2008	2,180,000		74,869	3,414,983	5,669,852
2009	2,335,000		77,132	3,264,291	5,676,423
2010	12,400,000		422,069	15,006,925	27,828,994
2011	12,690,000		489,828	12,483,322	25,663,150
2012-2016	15,095,000		217,285	9,455,057	24,767,342
2017-2021	34,440,000			8,271,493	42,711,493
Totals	\$ <u>81,435,000</u>	<u>0</u>	<u>1,353,855</u>	<u>55,320,307</u>	<u>138,109,162</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

University - Fiscal Year	Bonded Debt	Capital Leases	Notes Payable	Interest	Total
Mississippi State University					
2007	\$ 11,540,000	1,337,395		7,802,535	20,679,930
2008	5,265,000	1,077,780		6,716,124	13,058,904
2009	5,430,000	762,743		6,464,304	12,657,047
2010	5,365,000	379,237		6,227,022	11,971,259
2011	5,560,000	66,990		5,978,771	11,605,761
2012-2016	31,550,000	1,523		25,622,072	57,173,595
2017-2021	30,765,000			17,804,250	48,569,250
2022-2026	30,905,000			10,336,260	41,241,260
2027-2031	16,720,000			4,537,263	21,257,263
2032-2036	11,025,000			1,432,625	12,457,625
Totals	\$ <u>154,125,000</u>	<u>3,625,668</u>	<u>0</u>	<u>92,921,226</u>	<u>250,671,894</u>
Mississippi University for Women					
2007	\$	135,886		10,648	146,534
2008		91,269		6,252	97,521
2009		77,945		3,239	81,184
2010		42,069		508	42,577
Totals	\$ <u>0</u>	<u>347,169</u>	<u>0</u>	<u>20,647</u>	<u>367,816</u>
Mississippi Valley State University					
2007	\$ 90,000			102,420	192,420
2008	95,000			98,360	193,360
2009	100,000			95,063	195,063
2010	105,000			91,440	196,440
2011	110,000			87,300	197,300
2012-2016	645,000			316,440	961,440
2017-2021	1,045,000			172,030	1,217,030
Totals	\$ <u>2,190,000</u>	<u>0</u>	<u>0</u>	<u>963,053</u>	<u>3,153,053</u>
University of Mississippi					
2007	\$ 4,245,000	64,051	118,923	2,997,159	7,425,133
2008	4,235,000		123,978	3,004,858	7,363,836
2009	4,365,000		129,259	2,820,289	7,314,548
2010	4,480,000		251,778	2,621,919	7,353,697
2011	3,920,000		140,545	2,413,671	6,474,216
2012-2016	22,000,000		695,313	9,224,384	31,919,697
2017-2021	20,555,000		413,443	3,997,284	24,965,727
2022-2026	6,160,000		252,784	1,019,179	7,431,963
2027-2028	1,350,000			59,719	1,409,719
Totals	\$ <u>71,310,000</u>	<u>64,051</u>	<u>2,126,023</u>	<u>28,158,462</u>	<u>101,658,536</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

<u>University - Fiscal Year</u>	<u>Bonded Debt</u>	<u>Capital Leases</u>	<u>Notes Payable</u>	<u>Interest</u>	<u>Total</u>
<u>University of Southern Mississippi</u>					
2007	\$ 1,955,000	236,281	160,000	3,154,270	5,505,551
2008	2,180,000	162,559	170,000	3,680,683	6,193,242
2009	1,840,000	124,519	185,000	3,029,961	5,179,480
2010	1,940,000	84,469		2,943,538	4,968,007
2011	2,060,000	51,568		2,857,282	4,968,850
2012-2016	12,165,000	13,199		9,859,552	22,037,751
2017-2021	13,155,000			6,481,737	19,636,737
2022-2026	9,360,000			3,584,468	12,944,468
2027-2031	7,845,000			1,601,800	9,446,800
2032-2036	1,795,000			89,750	1,884,750
Totals	\$ <u>54,295,000</u>	<u>672,595</u>	<u>515,000</u>	<u>37,283,041</u>	<u>92,765,636</u>
<u>University of Mississippi Medical Center</u>					
2007	\$ 4,230,000	3,914,729		6,222,005	14,366,734
2008	4,430,000	3,377,880		5,939,945	13,747,825
2009	4,655,000	2,918,241		5,646,618	13,219,859
2010	4,880,000	2,004,302		5,365,279	12,249,581
2011	5,110,000	1,996,947		5,104,096	12,211,043
2012-2016	25,820,000	169,290		22,488,866	48,478,156
2017-2021	30,355,000			16,768,372	47,123,372
2022-2026	30,160,000			9,279,569	39,439,569
2027-2031	23,665,000			4,418,867	28,083,867
2032-2036	10,500,000			521,397	11,021,397
Totals	\$ <u>143,805,000</u>	<u>14,381,389</u>	<u>0</u>	<u>81,755,014</u>	<u>239,941,403</u>
<u>IHL Board Office</u>					
2007	\$	3,504		214	3,718
2008		3,642		76	3,718
Totals	\$ <u>0</u>	<u>7,146</u>	<u>0</u>	<u>290</u>	<u>7,436</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

University - Fiscal Year	Bonded Debt	Capital Leases	Notes Payable	Interest	Total
<u>State of Mississippi - Institutions of Higher Learning</u>					
2007	\$ 24,794,400	6,380,901	374,594	24,177,786	55,727,681
2008	18,703,388	5,317,120	391,847	23,288,945	47,701,300
2009	19,048,320	4,473,785	395,816	21,722,543	45,640,464
2010	29,505,001	2,510,077	673,847	32,640,060	65,328,985
2011	29,828,634	2,115,505	630,373	29,299,573	61,874,085
2012-2016	109,474,494	184,012	912,598	77,979,359	188,550,463
2017-2021	132,335,000		413,443	53,794,576	186,543,019
2022-2026	77,115,000		252,784	24,264,951	101,632,735
2027-2031	49,580,000			10,617,649	60,197,649
2032-2036	23,320,000			2,043,772	25,363,772
Totals	\$ <u>513,704,237</u>	<u>20,981,400</u>	<u>4,045,302</u>	<u>299,829,214</u>	<u>838,560,153</u>

Advance and Current Refundings.

During fiscal year 2006, the IHL System issued \$32,225,000 of revenue refunding bonds to currently refund or advance refund and defease a portion of five issues. Net proceeds of the refundings were deposited into irrevocable trusts to provide all future debt service payments of the refunded debt. The refunding was undertaken to reduce debt service payments over the next 21 years by \$1,498,588 and to obtain an economic gain (the difference between the present value of the debt service payments of the refunded and refunding bond) of \$1,037,851.

Defeased Bonds.

In prior years, the IHL system defeased certain outstanding bonds by depositing the new proceeds of refunding bonds and additional monies from debt service funds in irrevocable trusts to be used solely for satisfying all future schedule principal and interest payments on defeased bonds. Accordingly, for financial reporting purposed the defeased bonds and related trust accounts are not included in the financial statements. At June 30, 2006, \$84,045,865 of outstanding bonds (including prior years' refundings) are considered defeased.

Interest Rate Exchange Agreements (Swaps).

University of Mississippi EBC, Series 2000A, Swap Agreement

As a means to lower exposure to rising interest rates, the University of Mississippi EBC entered into an interest rate swap agreement in connection with the \$34.7 million UMEBC, Series 2000A variable-rate issue. The intention of the swap was to effectively change the university's interest rate on \$20 million of bonds to a fixed rate of 3.314%.

Terms. The bonds and related swap agreement mature in October 2020. The swap's notional amount was \$17.71 million at June 30, 2006. The remaining portion of \$11.985 million continues as variable-rate debt. Under the swap, the university pays the counterparty a fixed payment of 3.314% and receives a variable payment computed at 70% of the one month average London Interbank Offered Rate (LIBOR). The variable-rate coupons of the bonds are based on the variable Bond Market Association Municipal Swap Index TM (BMA).

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Fair Value. The June 30, 2006, calculated fair value of the swap was \$708,117. The swap's fair value may be countered by a reduction in total interest payments required under the variable-rate bonds, creating a lower synthetic interest rate. Because the coupons on the university's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. The fair value of the swap was calculated by a swap pricing system in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

Credit Risk. The university is exposed to credit risk in the amount of the swap's fair value of \$708,117. To mitigate the potential for credit risk, the swap agreement includes provisions for collateral thresholds and transfer amounts that correspond to the credit rating of the swap counterparty's senior unsecured debt. This debt was rated Aa3 by Moody's Investors Service and A+ by Standard & Poor's as of June 30, 2006. Any required collateralizations will be in the form of U.S. government securities and posted with a third-party custodian.

Basis Risk. The swap exposes the university to basis risk as the relationship between LIBOR and BMA converges, changing the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rate (3.314%) and the synthetic rate as of June 30, 2006 (3.771%). As of June 30, 2006, the BMA rate was 4.00% and 70% of one month average LIBOR was 3.54274% as calculated for swap transactions.

Termination Risk. The university or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap may be terminated by the university if the counterparty's credit quality rating falls below "BBB-" as issued by Standard and Poor's or "Baa3" as issued by Moody's Investors Service. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the university would be liable to the counterparty for a payment equal to the swap's fair value.

Swap Payments and Associated Debt. Using rates as of June 30, 2006, debt service requirements of the variable-rate and net swap payments, assuming current interest rates remain the same for their term, were as follows:

Fiscal Year Ending June 30,	Variable-Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest		
2007	\$ 830,000	683,500	(39,086)	1,474,414
2008	880,000	648,800	(37,102)	1,491,698
2009	920,000	612,400	(35,020)	1,497,380
2010	960,000	574,400	(32,847)	1,501,553
2011	1,000,000	534,800	(30,583)	1,504,217
2012 - 2016	5,810,000	2,005,700	(114,696)	7,701,004
2017 - 2021	7,310,000	685,100	(39,177)	7,955,923
Total	\$ 17,710,000	5,744,700	(328,511)	23,126,189

As rates vary, variable-rate bond interest payments and net swap payments will vary.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements For the Year Ended June 30, 2006

University of Mississippi Medical Center EBC Swap Agreements

To lower exposure to rising interest rates, the University of Mississippi Medical Center EBC (Corporation) entered into two interest rate swap agreements. One for the \$45 million series 2001 variable-rate issue and one for the \$44 million series 2004 variable rate issue. The intention of these swaps was to effectively change the Corporation's interest rate on these two issues to synthetic fixed rates of 3.285% for the \$45 million series 2001 variable-rate issue and 3.197% for the \$44 million series 2004 variable-rate issue.

Terms. The \$45 million series 2001 bonds mature July 1, 2031 and the related swap settles monthly and matures July 1, 2014. The swap's notional amount was \$44,135,000 at June 30, 2006. Under the swap, the Corporation pays the counterparty a fixed payment of 3.285% and receives a variable payment computed at 67% of the one month average London Interbank Offered Rate (LIBOR). The \$44 million series 2004 bonds mature June 1, 2034 and the related swap settles monthly and matures June 1, 2014. The swap's notional amount was \$43,290,000 at June 30, 2006. Under the swap, the Corporation pays the counterparty a fixed payment of 3.19684% and receives a variable payment computed at 67% of the one month average London Interbank Offered Rate (LIBOR). The variable-rate coupons of the bonds for both series are based on the variable Bond Market Association Municipal Swap Index™(BMA).

Fair Values. The June 30, 2006, fair values of the swaps for the \$45 million series 2001 and the \$44 million series 2004 were \$1,251,430 and \$1,537,809, respectively. The fair values of the swaps were calculated by the counterparty using systems derived from both proprietary models as of a given date based on certain assumptions regarding past, present, and future market conditions and certain financial information from sources that the counterparty believes to be reliable.

Credit Risk. The Corporation is exposed to credit risk in the amount of the swaps' fair values of \$1,251,430 for the \$45 million series 2001 and \$1,537,809 for the \$44 million series 2004. To mitigate the potential for credit risk, the swap agreements include provisions for collateral thresholds and transfer amounts that correspond to the credit rating of the counterparty's long-term unsecured and unsubordinated debt. Collateral is required when triggered by ratings from both Standard and Poor's and Moody's of the counterparty's unsecured debt that are less than the Corporation's debt rating by Standard and Poor's and Moody's. Any required collateralization shall be cash, U.S. treasuries, or GNMA certificates.

Basis Risk. The swaps expose the Corporation to basis risk as the relationship between LIBOR and BMA converges, changing the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rate (3.285%) and the synthetic rate as of June 30, 2006 (3.76621%) for the \$45 million series 2001 swap and the difference between the intended synthetic rate (3.19684%) and the synthetic rate as of June 30, 2006 (3.67805%) for the \$44 million series 2004 swap. As of June 30, 2006 the BMA rate was 3.97% and 67% of one month average LIBOR was 3.48879% as calculated for the swap transactions.

Rollover Risk. The swaps terminate July 1, 2014, for the \$45 million series 2001 and June 1, 2014, for the \$44 million series 2004. The \$45 million series 2001 variable-rate bonds mature July 1, 2031, while the \$44 million series 2004 variable-rate bonds mature June 1, 2034. When the swaps mature the remaining bond interest payments revert back to the variable rates which could be higher than the synthetic rates imposed by the swaps.

Termination Risk. The Corporation or the counterparty may terminate either swap if the other party fails to perform under the terms of the contract. If a swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Corporation would be liable to the counterparty for a payment equal to the swap's fair value.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Swap Payments and Associated Debt - Using rates as of June 30, 2006, debt service requirements of the variable-rate and net swap payments, assuming current interest rates remain the same for their term were as follows for the \$45 million Series 2001:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u> <u>Swaps, Net</u>	<u>Total</u>
2007	\$ 900,000	1,750,770	(89,871)	2,560,899
2008	930,000	1,749,579	(89,810)	2,589,769
2009	970,000	1,747,991	(89,729)	2,628,262
2010	1,010,000	1,746,403	(89,647)	2,666,756
2011	1,050,000	1,744,815	(89,566)	2,705,249
2012 - 2016	5,995,000	8,694,499	(268,118)	14,421,381
2017 - 2021	7,630,000	8,629,589		16,259,589
2022 - 2026	9,855,000	8,541,257		18,396,257
2027 - 2032	<u>15,795,000</u>	<u>10,091,938</u>		<u>25,886,938</u>
Total	<u>\$ 44,135,000</u>	<u>44,696,841</u>	<u>(716,741)</u>	<u>88,115,100</u>

Swap Payments and Associated Debt - Using rates as of June 30, 2006, debt service requirements of the variable-rate and net swap payments, assuming current interest rates remain the same for their term were as follows for the \$44 million Series 2004:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Interest Rate</u> <u>Swaps, Net</u>	<u>Total</u>
2007	\$ 365,000	1,718,018	(126,341)	1,956,677
2008	375,000	1,717,621	(126,312)	1,966,309
2009	390,000	1,717,025	(126,268)	1,980,757
2010	405,000	1,716,430	(126,225)	1,995,205
2011	420,000	1,715,834	(126,181)	2,009,653
2012 - 2016	6,330,000	8,411,238	(371,521)	14,369,717
2017 - 2021	7,570,000	8,362,011		15,932,011
2022 - 2026	9,065,000	8,302,659		17,367,659
2027 - 2031	10,860,000	8,231,398		19,091,398
2032 - 2034	<u>7,510,000</u>	<u>4,899,377</u>		<u>12,409,377</u>
Total	<u>\$ 43,290,000</u>	<u>46,791,611</u>	<u>(1,002,848)</u>	<u>89,078,763</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(8) Operating Leases.

Leased property under operating leases is composed of office rent, land, computer software and equipment. The following is a schedule by years of the future minimum rental payments required under those operating leases:

<u>Year Ending June 30</u>		<u>Amount</u>
2007	\$	10,402,018
2008		9,950,127
2009		9,695,702
2010		9,365,710
2011		<u>9,002,949</u>
Total Minimum Payments Required	\$	<u>48,416,506</u>

The total rental expense for all operating leases, except those with terms of a month or less that were not renewed, for the fiscal year ending June 30, 2006, was \$10,752,757.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(9) Natural Classifications with Functional Classifications.

The universities' operating expenses by functional classification were as follows for the year ended June 30, 2006:

Functional Classification	Salaries & Wages	Fringe Benefits	Travel	Contractual Services	Utilities	Scholarships & Fellowships	Commodities	Depreciation Expense	Other	Total
Instruction	\$310,564,624	79,286,514	9,553,898	27,183,588	365,897	2,094,206	15,777,790			444,826,517
Research	127,246,189	33,020,499	8,502,619	84,432,589	3,057,318	2,407,679	23,772,455			282,439,348
Public service	60,843,999	17,224,579	4,748,605	29,309,622	761,931	418,281	6,075,519		64,569	119,447,105
Academic support	54,541,515	14,132,354	2,364,913	23,718,449	378,742	532,283	11,296,583		3,056	106,967,895
Student services	29,937,983	8,649,955	3,200,320	9,406,967	30,679	798,859	5,898,808			57,923,571
Institutional support	88,749,486	20,346,811	2,799,203	74,450,889	963,668	626,103	19,359,516	283,397	3,127,136	210,706,209
Operation of plant	38,720,017	12,682,822	253,990	19,180,202	39,264,379	21,285	12,713,713		2,000	122,838,408
Student aid	5,562,145	2,061,895	57,077	11,365,111		161,869,255	117,131			181,032,614
Auxiliary enterprises	44,286,992	10,817,039	6,955,128	44,823,013	12,516,273	9,485,098	18,149,199	2,235	23,949	147,058,926
Depreciation								86,095,781		86,095,781
Hospital	164,179,629	44,397,648	82,723	96,836,672			102,477,068			407,973,740
Loan Fund expenses				2,500			(110)		1,175,532	1,177,922
Other	2		(3)	(2)	17,441,737	1	732,983		209,455	18,384,173
Total Operating Expenses	\$924,632,581	242,620,116	38,518,473	420,709,600	74,780,624	178,253,050	216,370,655	86,381,413	4,605,697	2,186,872,209

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(10) Construction Commitments and Financing.

The universities have contracted for various construction projects as of June 30, 2006. Estimated costs to complete the various projects and the sources of anticipated funding are presented below:

	Total Costs to Complete	Funded by			
		Federal Sources	State Sources	Institutional Funds	Other
Alcorn State University	\$ 24,207,084		24,207,084		
Delta State University	9,505,792		9,505,792		
Jackson State University	30,838,331		26,741,729	4,096,602	
Mississippi State University	180,982,697	7,185,815	43,928,374	93,951,265	35,917,243
Mississippi University for Women	4,300,029	1,471,067	1,148,570	1,680,392	
Mississippi Valley State University	27,018,148	119,000	25,859,478	1,039,670	
University of Mississippi	113,013,988	57,159,900	15,390,700	28,449,188	12,014,200
University of Southern Mississippi	41,259,362	8,934,030	10,912,884	21,412,448	
University of MS Medical Center	<u>51,337,753</u>	<u>11,945,260</u>	<u>4,757,155</u>	<u>5,543,550</u>	<u>29,091,788</u>
Total	\$ <u>482,463,184</u>	<u>86,815,072</u>	<u>162,451,766</u>	<u>156,173,115</u>	<u>77,023,231</u>

(11) Donor Restricted Endowments.

The net appreciation on investments of donor restricted endowments that is available for authorization for expenditures is \$22,596,294. This amount is included on the Statement of Net Assets as "Net Assets - Expendable for Scholarships and/or Other Purposes".

Most endowments operate on the total-return concept as permitted by the Uniform Management of Institutional Funds Act (Sections 79-11-601 through 79-11-617, Miss. Code Ann. 1972) as enacted in 1998. The annual spending rate for these endowments is 5% of the three-year moving average market value.

(12) Pension Plan.

Plan description - The State of Mississippi Institutions of Higher Learning participate in either the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan or the Optional Retirement Plan (ORP), a multiple-employer defined contribution plan established in 1990. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

Funding policy - PERS members are required to contribute 7.25% of their annual covered salary and the institution is required to contribute at an actuarially determined rate. This current rate was 9.75% of annual covered payroll in fiscal years 2004 and 2005. The rate increased to 10.75% of covered payroll on July 1, 2005; however, the Mississippi Legislature provided funds to cover approximately 89% of the increase during fiscal year 2006. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. The universities' contributions to PERS for the years ending June 30, 2006, 2005 and 2004 were \$68,138,351, \$58,399,257 and \$56,829,858, respectively, equal to the required contributions for each year.

The membership of the ORP is composed of teachers and administrators of the institutions of higher learning appointed or employed on or after July 1, 1990, who elect to participate in ORP and reject membership in PERS. Membership in ORP is offered as a recruitment tool for the institutions of higher learning. The universities' contributions to ORP for the years ending June 30, 2006, 2005 and 2004 were \$18,070,231, \$15,170,489 and \$13,835,333, respectively, equal to the required contributions for each year.

Title 25, Article 11 of the Mississippi Code states that the Board of Trustees of the System will provide for the administration of the ORP program. ORP participants direct the investment of their funds among three investment vendors. Benefits payable to plan participants are not obligations of the State of Mississippi. Such benefits and other rights of participants or their beneficiaries are the liability of the vendors and are governed solely by the terms of the annuity contracts issued by them. As such, ORP is not considered part of the System's reporting entity for financial reporting purposes.

(13) Impairment of Capital Assets.

GASB 42 establishes accounting and financial reporting standards for impairment of capital assets. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. The following assets are considered impaired:

<u>Type of Asset</u>	<u>Amount of Impairment Loss before Insurance Recovery</u>	<u>Indication of Impairment</u>	<u>Insurance Recovery in the same fiscal year related to capital asset</u>	<u>Net Gain from Impairment Loss due to Insurance Recoveries</u>
Buildings	\$3,712,239	Physical Damage	\$11,229,282	\$7,517,043

The reason for the impairment of capital assets was due to damages sustained from Hurricane Katrina.

(14) Self-Insured Workers' Compensation Fund.

The State of Mississippi Institutions of Higher Learning (IHL) participate in the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund (the Fund). The Fund exists in order to provide a mechanism for the IHL to fund and budget for the costs of providing workers' compensation benefits to eligible employees. The Fund does not pay benefits directly to employees. Rather, funds are set-aside in trust, and a third party administrator is utilized to distribute the benefits to eligible employees. Total audited assets of the Fund at June 30, 2006, were \$12,694,666 and liabilities were \$13,737,000.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

A professionally licensed actuarial firm was contracted to establish a liability for both reported and unreported insured events, which includes estimates of future payments of losses. The difference between the assets and liabilities of the fund is not expected to impact the IHL Worker's Compensation Funds's ability to pay claims.

In accordance with general practice with self-insurance, the Fund purchases excess loss insurance to cover risks in excess of what it is prepared to accept. The policy covers losses exceeding \$1,000,000 per occurrence (\$500,000 per occurrence from September 1, 2003, to August 31, 2005, \$350,000 per occurrence from September 1, 2002, to August 31, 2003, and \$250,000 per occurrence prior to September 1, 2002). Excess loss insurance premiums for the year ended June 30, 2006, were \$404,104 and are netted against program assessments on the statement of revenues, expenses and net assets. Premiums for 2006 include \$97,039 as the result of a premium audit which relates to the 2005 policy year. Excess loss insurance does not discharge the Fund from its primary liability to the covered entities. Consequently, failure of the insurer to honor its obligation could result in losses to the Fund.

The following represents changes in the unpaid claims liabilities for the Fund during the period ended June 30, 2006:

Accrued Claims at Beginning of Year	\$ <u>11,681,000</u>
Incurred Claims and Claim Adjustment Expenses:	
Provision for insured events of the current year	6,526,000
Increase (decrease) in provision for insured events of prior years	<u>130,000</u>
Total Incurred Claims and Claims Adjustment Expenses	<u>6,656,000</u>
Payments:	
Claims attributable to insured events of the current year	1,047,000
Claims attributable to insured events of prior years	<u>3,553,000</u>
Total Payments	<u>4,600,000</u>
Total Accrued Claims at End of Year	\$ <u><u>13,737,000</u></u>

At June 30, 2006, \$16,379,000 of unpaid claims are presented at their present value of \$13,737,000. These claims are discounted at an annual rate of 4.5%.

(15) Unemployment Trust Fund.

The State of Mississippi Institutions of Higher Learning (IHL) participate in a self-funded Unemployment Trust Fund (the Fund). The Fund exists in order to provide a mechanism for the IHL to fund and budget for the costs of providing unemployment benefits to eligible former employees. The Fund does not pay benefits directly to former employees. Rather, it reimburses the Mississippi Employment Security Commission for benefits it pays directly to former IHL employees. The assets of the Fund at June 30, 2006, were \$1,654,107, and the liabilities were \$1,655,123.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

A professional licensed actuarial firm was contracted to perform an actuarial analysis of the Fund as of June 30, 2006. They determined the recommended funding requirement as of June 30, 2006, is \$1.45 million to \$2.0 million. Furthermore, they concluded that the actual assets of the funds, \$1,654,107 at June 30, 2006, is reasonable and the Fund is adequately funded with a margin of conservatism.

(16) Tort Liability Fund.

The State of Mississippi Institutions of Higher Learning (IHL) participate in the State Institutions of Higher Learning Tort Liability Fund (the IHL Tort Fund). In accordance with Section 11-46-1, et seq., Mississippi Code Annotated (1972), the Mississippi Tort Claims Board has authorized the Board of Trustees of State Institutions of Higher Learning (IHL Board) to establish a fund in order to self-insure a certain portion of its liability under the Mississippi Tort Claims Act. The IHL Board established the IHL Tort Fund to provide self-insurance.

Effective July 1, 1993, Mississippi statute permitted tort claims to be filed against the IHL. A maximum limit of liability of \$500,000 per occurrence is currently permissible.

During the 2004 year, the IHL Board decided to not renew or reacquire a commercial insurance policy to fund its professional liability which is a component of the Fund's tort liability, as had been authorized by the Board in prior years. These liabilities are included in the unpaid claim liabilities. The policy had provided for retention of liability by the Fund of \$1,000,000 per claim. Prior to 2003, professional liability claims in excess of the retention were paid by both the universities and by the Fund. The Fund is currently funding and intends to fund in the future professional liability claims. Accordingly, the Fund is providing for professional liability claims in its actuarially computed claim liabilities.

A professional licensed actuarial firm was contracted to perform an actuarial analysis of the IHL Tort Fund as of June 30, 2006. Total audited assets of the IHL Tort Fund at June 30, 2006, were \$7,295,699 and the liabilities were \$6,078,357. The difference between the assets and the liabilities of the IHL Tort Fund is not expected to impact the IHL Tort Funds's ability to pay claims in the near future.

The following represents changes in the unpaid claims liabilities for the Program during the period ended June 30, 2006:

Accrued Claims at Beginning of Year		\$ <u>5,148,000</u>
Incurred Claims and Claim Adjustment Expenses:		
Provision for insured events of the current year		1,735,000
Increase in provision for insured events of prior years		<u>433,000</u>
Total Incurred Claims and Claims Adjustment Expenses		<u>2,168,000</u>
Claims and Claim Adjustment Expenses Paid:		
Claims attributable to insured events of the current year		57,000
Claims attributable to insured events of prior years		<u>1,207,000</u>
Total Payments		<u>1,264,000</u>
Total Accrued Claims at End of Year		<u>\$ 6,052,000</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

At June 30, 2006, \$6,782,000 of unpaid claims are presented at their present value of \$6,052,000.

(17) University of Mississippi Medical Center Tort Claims Fund.

The University of Mississippi Medical center participates in the University of Mississippi Medical Center Tort Claims Fund (UMMC Tort Claims Fund). In accordance with Section 11-46-1, et seq., Mississippi Code Annotated (1972), the Mississippi Tort Claims Board has authorized the Board of Trustees of the State Institutions of Higher Learning to establish a fund in order to self-insure a certain portion of its liability under the Mississippi Tort Claims Act.

Effective July 1, 1993, Mississippi statute permitted tort claims to be filed against the State Institutions of Higher Learning. A maximum limit of liability of \$500,000 per occurrence is currently permissible.

The Board of Trustees of State Institutions of Higher Learning has established a UMMC Tort Claims Fund to pay claims up to the maximum liability limits described above. Losses from professional and tort liability claims of the University of Mississippi Medical Center are the responsibility of the UMMC Tort Claims Fund.

Total audited assets of the UMMC Tort Claims Fund at June 30, 2006, were \$30,065,026, and the liabilities were \$25,722,000. A professionally licensed actuarial firm was contracted to perform an actuarial analysis to establish a liability for both reported and unreported insured events, which includes estimates of future payments of losses.

The following represents changes in the unpaid claims liabilities for the Program during the period ended June 30, 2006:

Accrued Claims at Beginning of Year	\$	<u>27,025,000</u>
Incurred Claims:		
Provision for insured events of the current year		7,246,000
Decrease in provision for insured events of prior years		<u>(3,799,000)</u>
Total Incurred Claims		<u>3,447,000</u>
Payments:		
Claims attributable to insured events of the current year		6,000
Claims attributable to insured events of prior years		<u>4,744,000</u>
Total Payments		<u>4,750,000</u>
Total Accrued Claims at End of Year	\$	<u><u>25,722,000</u></u>

At June 30, 2006, unpaid claims of \$29,463,000 are presented at their net present value of \$25,722,000. These claims are presented net of a discount for time value of money of approximately 4 percent.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Notes to Financial Statements
For the Year Ended June 30, 2006

(18) Subsequent Events.

Subsequent to the year end, the IHL system issued the following bonds:

In August 2006, Mississippi State University refunded the 1996 bond issue of the Educational Building Corporation in the amount of \$7,410,000.

In December 2006, the University of Mississippi Educational Building Corporation issued \$21,365,000 of revenue bonds. Proceeds of the bonds will be used for the expansion and related infrastructure improvements to Oxford-University Stadium/Swayze Field, renovation of the University golf course and construction and equipping at The Inn at Ole Miss.

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

(1) Significant Accounting Policies

(a) Organization

Mississippi State University Foundation, Inc. (the Foundation) is a not-for-profit entity established to solicit and manage funds for the benefit of Mississippi State University (the University).

(b) Basis of Accounting

These financial statements, which are presented on the accrual basis of accounting, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions into three classes – permanently restricted, temporarily restricted or unrestricted as follows:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donor of these assets permits the Foundation to use all or part of the income earned on related investments for general or specific purposes in support of the University.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met by actions of the Foundation and/or the passage of time.

Unrestricted net assets – net assets which represent resources generated from operations or that are not subject to donor-imposed stipulations. Unrestricted net assets include contributions designated to a particular college or unit for which the use or purpose is unrestricted.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenditures are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributed goods and services are recorded as revenues and expenses in the statement of activities at estimated fair value.

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

Income and realized and unrealized gains on investments of permanently restricted net assets are reported as follows:

- as increases in permanently restricted net assets if the terms of the gift or the Foundation's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- as increases in temporarily restricted net assets if the terms of the gift impose restrictions on their use;
- as increases in unrestricted net assets in all other cases.

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

An estimate that is particularly susceptible to significant change in the near term relates to the allowance for uncollectible pledges.

The Foundation's investments are invested in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Foundation's financial statements.

(d) Land, Buildings and Equipment

Land, buildings and equipment are stated at cost, if purchased, or at fair value on the date of gift, if donated. Depreciation of buildings and equipment is provided on the straight-line method over the estimated useful life of the assets. The estimated useful lives for buildings is 30-40 years and furniture, fixtures, and equipment is 5 years.

(e) Investments

The Foundation's investments primarily consist of publicly traded fixed income and equity securities, other investments, and cash held for reinvestment. Other investments include real estate investments, private equity funds and hedge funds through fund-of-funds structures generally organized as limited partnerships or limited liability companies. The fair value of publicly traded fixed income and equity securities investments are based on quoted market prices. Since partnership and member interests do not have readily ascertainable market values and may be subject to withdrawal restrictions, the Foundation values these investments in accordance with valuations provided by the general partners or fund managers of the underlying partnerships or companies. The Foundation's management may, in addition, consider other factors in assessing the fair value of these

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

investments. Real estate is valued at estimated fair value. Cash held for reinvestment consists primarily of liquid short-term instruments held by the investment pool.

The Foundation believes that the carrying amount of its other investments is a reasonable estimate of fair value as of June 30, 2006 and 2005. Because other investments are not marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investment existed.

(f) Pledges

All unconditional pledges to give are recorded at their estimated realizable value on a discounted basis.

(g) Split Interest Agreements

The Foundation accepts gifts subject to split interest agreements. These gifts may be in the form of gift annuities, charitable lead trusts, charitable remainder trusts or perpetual trusts. At the time of receipt, a gift is recorded based upon the fair value of assets donated less any applicable liabilities. Liabilities include the present value of projected future distributions to the annuity or trust beneficiary and are determined using appropriate discount rates (at June 30, 2006 rates ranged from approximately 5% to 8%). For certain split interest agreements where the measurement objective is fair value, the discount rate is adjusted to a current market rate at each reporting date. Funds subject to split interest agreements are classified as temporarily restricted or permanently restricted based upon donor designations.

Externally managed trusts consist of irrevocable charitable lead trusts, charitable remainder trusts and perpetual trusts whereby the Foundation is the beneficiary, not the trustee. The Foundation records these trusts, after discovery of their existence, at the present value of the estimated future cash receipts from the assets of the trust.

Contribution revenue attributable to split interest agreements for the fiscal years ended June 30, 2006 and 2005 was \$118,732 and \$866,027, respectively.

(h) Bond Issuance Costs and Bond Discounts

Bond issuance costs and bond discounts are being amortized over the term of the related bond issue using the straight-line method, which does not significantly differ from the interest method.

(i) Income Taxes

The Foundation is a not-for-profit entity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code.

(j) Liquidity

Assets are presented according to their nearness to cash and liabilities are presented according to their nearness of payment or use of cash.

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

(k) Reclassifications

Certain reclassifications have been made to the 2005 financial statements to conform with the 2006 presentation.

(2) Investments

The Foundation, the University, the MSU Alumni Foundation and the MSU Bulldog Club, Inc. are participants in a joint venture whereby certain assets are pooled for investment purposes. The Foundation manages the assets of the pool and maintains separate accounts for each participant. Investment income, gains and losses and expenses of the pool are allocated to each participant based on their share of ownership of the pool. At June 30, 2006 and 2005, approximately 80% and 79%, respectively, of the Foundation's investments are included in the pool.

Endowment earnings are primarily allocated to temporarily restricted net assets based on specified annual rates as determined by the Foundation's board of directors. At June 30, 2006 and 2005, the fair value of certain permanently restricted investments have gone below their historical cost and the deficiency of \$326,092 and \$1,080,592, respectively, has been recorded in unrestricted net assets.

Investments are summarized as follows at June 30, 2006 and 2005:

	2006		2005	
	Cost	Estimated fair value	Cost	Estimated fair value
U. S. Government securities	\$ 3,856,388	3,657,372	5,394,311	5,387,456
Corporate bonds	22,071,870	21,102,820	18,823,727	18,817,759
Equity securities	105,855,564	118,775,656	103,846,481	111,852,958
Partnership and member interests	41,811,378	44,960,219	26,675,170	29,854,899
Short-term investments	3,353,463	3,353,463	2,594,229	2,594,229
Real estate	4,062,571	4,139,571	1,898,659	1,898,659
Other	1,171,523	1,171,523	1,368,423	1,368,423
	<u>\$ 182,182,757</u>	<u>197,160,624</u>	<u>160,601,000</u>	<u>171,774,383</u>

The Foundation has entered into various split interest agreements, including charitable lead annuity trusts, charitable remainder unitrusts, and charitable gift annuities, whereby the Foundation serves as trustee. The assets held under these split interest agreements are included in investments at June 30, 2006 and 2005 with an approximate fair value of \$5,976,000 and \$6,353,000, respectively.

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

The following schedule summarizes net investment income and its classification in the statements of activities:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
June 30, 2006:				
Dividends and interest (net of expenses of \$432,481)	\$ 4,520,504	1,177,428	474	5,698,406
Realized gains, net	7,744,759	145,337	350,626	8,240,722
Unrealized gains (losses), net	4,064,879	(10,671)	(239,795)	3,814,413
Allocation of earnings	<u>(5,336,339)</u>	<u>5,336,002</u>	<u>337</u>	<u>—</u>
	<u>\$ 10,993,803</u>	<u>6,648,096</u>	<u>111,642</u>	<u>17,753,541</u>
June 30, 2005:				
Dividends and interest (net of expenses of \$288,093)	\$ 3,280,944	1,161,443	1,919	4,444,306
Realized gains, net	2,520,132	244,399	277,975	3,042,506
Unrealized gains, net	5,643,220	4,599	101,204	5,749,023
Allocation of earnings	<u>(3,948,776)</u>	<u>3,948,501</u>	<u>275</u>	<u>—</u>
	<u>\$ 7,495,520</u>	<u>5,358,942</u>	<u>381,373</u>	<u>13,235,835</u>

(3) Pledges Receivable

Pledges receivable, net, are summarized as follows at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 9,412,717	7,281,593
One year to five years	13,439,645	9,720,625
Over five years	<u>9,807,050</u>	<u>2,150,096</u>
	32,659,412	19,152,314
Less unamortized discount (rate approximated 5% in 2006 and 4% in 2005)	<u>(4,225,391)</u>	<u>(1,729,983)</u>
	28,434,021	17,422,331
Less allowance for uncollectible pledges	<u>(778,232)</u>	<u>(453,839)</u>
	<u>\$ 27,655,789</u>	<u>16,968,492</u>

(4) Note Receivable

At June 30, 2006 and 2005, the Foundation had a note receivable of \$438,031 and \$476,591, respectively, of which was with a related party. The note receivable requires semi-annual payments of \$33,238, has an interest rate of 6% and a maturity date of August 2014.

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

(5) Land, Buildings and Equipment

Land, buildings and equipment are summarized as follows at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Land and buildings	\$ 11,987,491	11,987,491
Furniture, fixtures, and equipment	2,804,221	2,772,406
	<u>14,791,712</u>	<u>14,759,897</u>
Less accumulated depreciation	<u>(3,300,698)</u>	<u>(2,376,730)</u>
	<u>\$ 11,491,014</u>	<u>12,383,167</u>

(6) Long-Term Debt

Long-term debt is summarized as follows at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Mississippi Business Finance Corporation, Variable Rate Revenue Bonds, Series 2002.	\$ 3,600,000	4,200,000
Unsecured note payable to private foundation, unpaid principal due January 2007. Interest is payable annually at a variable amount not to exceed 4%.	1,000,000	1,000,000
Non-interest bearing unsecured note payable to a private foundation. Principal is payable as repayments are received from students.	420,762	472,707
Non-interest bearing unsecured note payable to private foundation, due March 2008.	1,500,000	1,500,000
	<u>6,520,762</u>	<u>7,172,707</u>
Less unamortized bond discount	<u>(28,800)</u>	<u>(33,600)</u>
	<u>\$ 6,491,962</u>	<u>7,139,107</u>

In April 2002, the Foundation issued \$6,000,000 in Series 2002 Variable Rate Revenue Bonds through the Mississippi Business Finance Corporation. Principal installments are due in fixed amounts through 2012. Interest is payable at a variable rate (4.03% at June 30, 2006). The bonds are secured by a letter of credit. The bonds have an early redemption feature; however, a premium is due if the Foundation retires the bonds early.

Interest expense incurred during the years ended June 30, 2006 and 2005 was \$129,709 and \$94,932, respectively.

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

The aggregate future maturities of long-term debt at June 30, 2006 are summarized as follows:

Fiscal year:		
2007	\$	2,020,762
2008		2,100,000
2009		600,000
2010		600,000
2011		600,000
Thereafter		600,000
	\$	<u>6,520,762</u>

The Foundation is subject to various restrictive and financial maintenance covenants related to certain long-term debt. At June 30, 2006, the Foundation was in compliance with these debt covenants.

(7) Net Assets

Temporarily restricted and permanently restricted net assets at June 30, 2006 and 2005 were available for the following purposes:

	<u>Net assets</u>	
	<u>Temporarily restricted</u>	<u>Permanently restricted</u>
June 30, 2006:		
General college support	\$ 18,483,904	67,442,031
Student financial aid	14,725,975	71,718,425
Research	1,222,095	13,282,898
Faculty and staff support	2,700,223	30,936,532
Facilities	23,138,921	6,109,598
Other	963,231	1,774,395
Total	<u>\$ 61,234,349</u>	<u>191,263,879</u>

	<u>Net assets</u>	
	<u>Temporarily restricted</u>	<u>Permanently restricted</u>
June 30, 2005:		
General college support	\$ 12,772,935	50,470,528
Student financial aid	12,014,048	65,365,189
Research	2,361,422	10,569,226
Faculty and staff support	2,550,243	28,415,754
Facilities	20,730,061	6,089,598
Other	945,103	1,699,777
Total	<u>\$ 51,373,812</u>	<u>162,610,072</u>

(Continued)

MISSISSIPPI STATE UNIVERSITY FOUNDATION, INC.

Notes to Financial Statements

June 30, 2006 and 2005

(8) **Financial Instruments**

The carrying amount reported in the statements of financial position for cash, other receivables, and accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments. The carrying amount of pledges receivable and amounts due from externally managed trusts approximate fair value as they are presented on a discounted basis. The fair value of the note receivable has been estimated using current interest rates and approximate the carrying amounts at June 30, 2006 and 2005. The fair value of the various debt instruments has been estimated using interest rates currently offered to the Foundation for borrowings having similar character, collateral and duration. The fair value of such debt instruments approximates the carrying amounts at June 30, 2006 and 2005.

(9) **Lease Commitment**

The Foundation has entered into a lease agreement for the use of an airplane under a noncancelable operating lease expiring in August 2014. Rent expense related to this lease was \$432,600 in 2006 and 2005. Future minimum lease payments are as follows:

Fiscal year:		
2007	\$	432,600
2008		432,600
2009		432,600
2010		432,600
2011		432,600
Thereafter		<u>1,369,900</u>
Total future minimum lease payments	\$	<u><u>3,532,900</u></u>

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(1) Nature of Organization

The University of Mississippi Foundation (the Foundation) is a nonprofit, nonstock corporation formed for the benefit of The University of Mississippi (the University). The Foundation promotes, encourages, and assists educational, scientific, literary, research, and service activities of the University and its affiliates.

(2) Summary of Significant Accounting Policies

The financial statements report amounts in three classes of net assets -- unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets -- based on the existence or absence of donor-imposed restrictions.

Unrestricted net assets generally arise from the general operations of the Foundation. The use of unrestricted net assets is limited only within the broad guidelines set forth within the Foundation's governing documents.

Temporarily restricted net assets generally arise from donor-imposed restrictions. Temporarily restricted net assets are to be used in a future period or for a specific program or purpose.

Permanently restricted net assets also generally arise from donor-imposed restrictions but include stipulations that the assets be used for a specific purpose in perpetuity.

(a) Use of Estimates

The Foundation prepares its financial statements in accordance with U.S. generally accepted accounting principles which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses. Such estimates include the present value discount rates applied to the pledges receivable, allowance for uncollectible pledges, certain fair market values and depreciation of property and equipment. Actual results could differ from those estimates.

The Foundation's investments are primarily invested in various types of investment securities within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Foundation's financial statements.

(b) Donor-Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted.

When a donor restriction expires or the stated purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Statement of Changes in Net Assets as net assets released from restriction.

(Continued)

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

The permanently restricted net assets include the principal amount of contributions accepted with the stipulation from the donor that the principal be maintained in perpetuity and only the income from investment thereof be expended. The purpose of such expenditure may also be specified by the donor.

(c) Revenue Recognition

The Foundation generally recognizes gifts as revenue when notified of the existence of a pledge in the form of an unconditional promise to give. Pledges, less an allowance for uncollectable amounts and a present value discount, are recorded as revenue in the year the pledge is made. See note 3 for discussion of pledges receivable. Investments received by gift are recorded at fair value at the date of donation.

The increase in the cash surrender value of life insurance policies held by the Chancellor's Trust (unrestricted) is recorded as income each year.

The Foundation earns a management fee of one-half of one percent on certain endowment funds. For the fiscal years ended June 30, 2006 and 2005, such fees totaled approximately \$1,087,000 and \$1,009,000, respectively, and were recorded as other income and reflected within unrestricted net assets.

(d) Cash and Cash Equivalents

The Foundation recognizes cash and securities with an original maturity of three months or less as cash and cash equivalents.

(e) Investments

Investment securities with readily determinable market values, as defined by Statement of Financial Accounting Standards (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, are recorded at fair value. The Foundation has chosen to carry other investments, primarily real estate, not covered by SFAS No. 124 at cost as permitted by the Audit Guide for Colleges and Universities. All related gains and losses are included in the statement of activities. Both realized and unrealized gains and losses are reflected in the statement of activities as changes in temporarily restricted assets, unless further restricted by the donor.

At June 30, 2006 and 2005, the fair values of certain permanently restricted investments are below their historical cost by approximately \$150,000 and \$47,000, respectively, and have been recorded in unrestricted net assets.

(f) Tax Status

The Foundation is exempt from Federal and state income taxes; accordingly, no provision for income taxes has been made in the accompanying financial statements.

(g) Fair Value of Financial Instruments

The carrying amounts at June 30, 2006 and 2005 for cash and cash equivalents, pledges receivable, and other liabilities approximate their fair values.

(Continued)

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(h) Split Interest Agreements

The Foundation accepts gifts subject to split interest agreements. At the time of receipt, a gift is recorded based upon the fair value of the assets donated less the present value of any applicable liabilities for projected distributions to third parties. Funds subject to split interest agreements are classified as temporarily restricted or permanently restricted based upon donor designations.

(i) Reclassifications

Certain reclassifications have been made to the prior year financial statements in order to conform to the current year presentation.

(3) Pledges Receivable

The Foundation obtains pledges through fund raising projects in support of various activities. Pledges mature at various dates through 2027 (approximately \$6,382,000 is due in fiscal year 2007, \$22,579,000 is due in total during the period including fiscal year 2008 through fiscal year 2012, and \$9,211,000 is due thereafter.) A summary of pledges receivable as of June 30, 2006 and 2005 follows:

	2006	2005
Temporarily restricted	\$ 26,446,588	25,017,614
Permanently restricted	11,725,290	12,535,869
	38,171,878	37,553,483
Allowances for doubtful pledges	(2,809,744)	(2,635,043)
Present value discount (weighted average rate of 5.06% and 5.36%, respectively)	(9,380,364)	(9,897,731)
	\$ 25,981,770	25,020,709

(4) Life Insurance Policies

The Foundation has obtained life insurance policies for which it has been named owner and beneficiary. The face amount of life insurance policies in excess of cash surrender value held by the Foundation is deferred and recognized as revenue only when collected. The face amount of life insurance policies owned by the Foundation as of June 30, 2006 and 2005 was \$1,023,000 and \$1,083,000, respectively. The cash surrender value of such policies as of June 30, 2006 and 2005 was \$279,000 and \$243,000, respectively, which is reflected as other assets in the accompanying statements of financial position.

(5) Unitrusts

The Foundation administered charitable remainder unitrusts with net assets of approximately \$4,441,000 and \$4,430,000 as of June 30, 2006 and 2005, respectively. Pursuant to the trust agreements, specified amounts of income from the trust assets must be distributed to the income beneficiaries each year. The remainder of the income and the assets will become the property of the Foundation at a time designated in the agreements, usually upon the death of the income beneficiary.

(Continued)

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(6) Property and Equipment

Property and equipment consist of the following at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Land	\$ 665,000	300,000
Building and equipment	<u>3,307,806</u>	<u>2,468,605</u>
Total	3,972,806	2,768,605
Accumulated depreciation	<u>(785,699)</u>	<u>(644,236)</u>
Property and equipment, net	<u>\$ 3,187,107</u>	<u>2,124,369</u>

Depreciation expense has been computed utilizing the straight-line method over the estimated useful life of the building – 30 years and the equipment – 10 years.

(7) Net Assets

Permanently restricted net assets at June 30, 2006 and 2005 were available for the following purposes:

	<u>2006</u>	<u>2005</u>
Academic and program support	\$ 97,187,001	90,337,881
Scholarship support	73,941,817	73,776,484
Faculty support	37,856,439	39,093,752
Library support	<u>12,397,430</u>	<u>12,735,741</u>
Total	<u>\$ 221,382,687</u>	<u>215,943,858</u>

The vast majority of temporarily restricted net assets at June 30, 2006 and 2005 were available for academic and program support.

(8) Funds Held in Trust for Others

The Foundation administered funds for others of \$21,088,359 and \$19,810,795 at June 30, 2006 and 2005, respectively. These funds are commingled with the Foundation's investments and are accounted for at the fair value of the underlying investments. Earnings and losses from these investments, as well as funds received and distributed, are not included in the results of operations of the Foundation.

The Foundation assists with fund raising activities of the University and processes the receipts for many University affiliated organizations. During fiscal years 2006 and 2005, the Foundation received approximately \$3,014,000 and \$686,000, respectively, for the University of Mississippi Alumni Association; \$11,128,000 and \$10,074,000, respectively, for the UMAA Foundation; and \$225,000 and \$265,000, respectively, for the University of Mississippi Medical Center Alumni Association. Distributions

(Continued)

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

to these organizations, all of which were made at the direction of the affiliated organization, for fiscal years 2006 and 2005 include approximately \$2,899,000 and \$454,000, respectively, to the University of Mississippi Alumni Association; \$10,505,000 and \$10,421,000, respectively, to the UMAA Foundation; and \$307,000 and \$333,000, respectively, to the University of Mississippi Medical Center Alumni Association. In addition to these affiliated organizations, the Foundation maintains funds for certain other third party organizations. During fiscal years 2006 and 2005, the Foundation received approximately \$325,000 and \$962,000, respectively, from these organizations and made distributions to these organizations, at the organization's direction, of approximately \$555,000 and \$295,000, respectively.

(9) Salary Continuation Plan Agreements

In prior years, the Foundation was a party to agreements with certain employees of the University and its affiliates designed to provide compensation to such employees, payable upon their retirement from active service with the University or the affiliate. During fiscal year 2006, the Foundation settled all such amounts due these employees and distributed all funds held in these accounts to each employee for their portion of the pool of investments.

(10) Disposition of Real Estate Investment

During fiscal year 2006, the Foundation liquidated a real estate investment on the Mississippi Gulf Coast which was damaged as a result of Hurricane Katrina. The proceeds from insurance recoveries and sales proceeds of the property were substantially below the fair value of the property prior to the storm resulting in a realized loss on the disposal of \$2,532,013 recorded in fiscal year 2006. This loss is included in net realized loss from disposition of real estate investments in the accompanying statement of activities for the year ended June 30, 2006.

Additionally, during fiscal year 2006, the Foundation transferred real estate located in Oxford, Mississippi and valued at \$2,979,814 directly to the University.

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(1) Organization and Significant Accounting Policies

(a) Organization

The University of Southern Mississippi Foundation (the Foundation) is a not-for-profit entity organized under the laws of the State of Mississippi to provide support to The University of Southern Mississippi (the University) and its students. The Foundation depends on the University to provide the staff and facilities for its operations (see note 9).

(b) Basis of Accounting

The financial statements, which are presented on the accrual basis of accounting, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions into three classes - permanently restricted, temporarily restricted and unrestricted as follows:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donor of these assets permits the Foundation to use all or part of the income earned on related investments for general or specific purposes in support of the University.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met by actions of the Foundation and/or the passage of time. Temporarily restricted net assets include contributions designated to a particular college or unit. To the extent that restricted resources from multiple donors are available for the same purpose, the Foundation expends such gifts on a “first in, first out” basis.

Unrestricted net assets – net assets which represent resources generated from operations or that are not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at a rate commensurate with the risk involved. Amortization of the discount is recorded as contribution revenue and recognized in accordance with donor-imposed restrictions, if any, on the contributions. Allowance is made for uncollectible contributions based upon management’s judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

Income and realized and unrealized gains (losses) on investments of permanently restricted net assets are reported as follows:

- as increases (decreases) in permanently restricted net assets if the terms of the gift or the Foundation's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- as increases (decreases) in temporarily restricted net assets if the terms of the gift impose restrictions on their use;
- as increases (decreases) in unrestricted net assets in all other cases.

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

The Foundation's investments are invested in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Foundation's financial statements.

Another estimate that is particularly susceptible to significant change in the near term relates to the allowance for uncollectible pledges.

(d) Advances

At June 30, 2005, advances to the University totaling \$542,924, represent amounts paid to the University for projects that have not been completed. At June 30, 2006, there were no such advances to the University.

(e) Furniture and Equipment

Furniture and equipment are stated at cost if purchased, or at fair value on the date of gift if donated. Depreciation of equipment is provided on the straight-line method over the estimated useful life of the assets. The estimated useful lives for automobiles and office equipment is five years and furniture and fixtures is seven years.

(f) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value. Transactions are accounted for on a trade date basis. Other investments, which consist primarily of pooled investment funds and real estate, are recorded at fair value. The fair value of real estate is based on recent appraisals.

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(g) Pledges

All unconditional pledges to give are recorded at their estimated realizable value on a discounted basis using a risk-free interest rate.

(h) Split Interest Agreements

The Foundation accepts gifts subject to split interest agreements. These gifts are in the form of annuities, pooled income funds, charitable remainder trusts, or charitable lead trusts. At the time of receipt, a gift is recorded based upon the fair value of assets donated less any applicable liabilities. Liabilities include the present value of projected future distributions to the annuity or trust beneficiary and are determined using a designated discount rate. Funds subject to split interest agreements are classified as temporarily restricted or permanently restricted based upon donor designations.

(i) Income Taxes

The Foundation is exempt from federal income taxes on related income under Internal Revenue Code section 501(a) as an organization described in section 501(c)(3). Accordingly, no provision for income taxes has been made.

(j) Planned Giving Inventory

Planned giving inventory, which includes wills, revocable trusts, and the face value of insurance policies of which the Foundation is the owner and beneficiary, is not recorded as it represents a conditional promise to give which constitutes a future uncertain event.

(k) Liquidity

Assets are presented according to their nearness to cash and liabilities are presented according to their nearness of payment or use of cash.

(l) Cash Equivalents

All highly liquid cash investments with an original maturity of three months or less when purchased are considered to be cash equivalents.

(m) Contributed Goods and Services

Contributed goods and services are recorded as revenues and expenses in the statements of activities at estimated fair value (see note 9).

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(2) Investments

Investments are summarized as follows at June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Pooled investments and mutual funds	\$ 6,014,344	13,188,727
U. S. Government obligations	5,505,570	6,485,721
Corporate equities	29,132,251	19,959,585
Corporate debt obligations	4,290,447	—
Cash surrender value of insurance policies	1,244,647	1,104,734
Real estate	3,687,056	2,795,084
Other	46,032	115,772
	<u>\$ 49,920,347</u>	<u>43,649,623</u>

The Foundation has entered into various split interest agreements, including charitable gift annuities and pooled income funds, whereby the Foundation serves as trustee. The assets held under these split interest agreements are included in investments at June 30, 2006 and 2005 with a fair value of \$790,126 and \$911,448 respectively.

At June 30, 2006 and 2005, the fair value of certain permanently restricted investments have gone below their historical cost, and the deficiency of \$48,973 and \$49,920, respectively, has been recorded in unrestricted net assets.

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

The following schedule summarizes net investment income (loss) and its classification in the statements of activities:

	2006			Total
	Unrestricted	Temporarily restricted	Permanently restricted	
Dividends and interest (net of expenses of \$307,670)	\$ 915,794	73,742	42,898	1,032,434
Realized gains, net	111,649	1,657,936	48,787	1,818,372
Unrealized gain, net	27,177	2,414,666	1,422,644	3,864,487
	<u>\$ 1,054,620</u>	<u>4,146,344</u>	<u>1,514,329</u>	<u>6,715,293</u>

	2005			Total
	Unrestricted	Temporarily restricted	Permanently restricted	
Dividends and interest (net of expenses of \$138,800)	\$ 769,180	54,769	58,833	882,782
Realized gains, net	95,980	1,551,862	122,230	1,770,072
Unrealized losses, net	(36,170)	(273,003)	(16,524)	(325,697)
	<u>\$ 828,990</u>	<u>1,333,628</u>	<u>164,539</u>	<u>2,327,157</u>

(3) Pledges Receivable

Pledges receivable, net, are summarized as follows at June 30, 2006 and 2005:

	2006	2005
Unconditional promises expected to be collected in:		
Less than one year	\$ 3,035,528	2,131,646
One year to five years	9,982,604	5,341,437
Over five years	2,464,518	2,422,899
	<u>15,482,650</u>	<u>9,895,982</u>
Less unamortized discounts ranging from 3.50% to 5.15%	<u>(2,113,510)</u>	<u>(1,229,964)</u>
	13,369,140	8,666,018
Less allowance for uncollectible pledges	<u>(450,999)</u>	<u>(563,923)</u>
	<u>\$ 12,918,141</u>	<u>8,102,095</u>

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(4) Externally Managed Trusts

Externally managed trusts consist of irrevocable charitable lead trusts and charitable remainder trusts whereby the Foundation is the beneficiary, not the trustee. The amount due from these split-interest agreements and the related contribution revenue is recognized at the fair value at the date of the gift. The amount due is then discounted using a discount rate and age factors in order to record the contribution at net present value. The discount rates used as of June 30, 2006 ranged from 5.10% to 5.31%. The discount rates as of June 30, 2005 ranged from 3.72% to 4.28%.

(5) Furniture and Equipment

Furniture and equipment are summarized as follows:

	<u>2006</u>	<u>2005</u>
Automobiles	\$ 63,918	63,918
Furniture and fixtures	86,688	86,688
Office equipment	9,522	33,031
	<u>160,128</u>	<u>183,637</u>
Less accumulated depreciation	<u>(131,258)</u>	<u>(141,725)</u>
	<u>\$ 28,870</u>	<u>41,912</u>

(6) Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2006 and 2005 were available for the following purposes:

	<u>2006</u>	<u>2005</u>
Student financial aid	\$ 14,100,760	8,572,570
Academic divisions	2,023,982	1,444,566
Research	611,728	517,804
Operation and maintenance of plant	6,084,240	4,479,058
Library	244,459	200,790
Athletics	337,554	308,188
Faculty and staff support	311,875	404,089
Other restricted purposes	5,016,679	3,025,129
Total	<u>\$ 28,731,277</u>	<u>18,952,194</u>

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(7) Permanently Restricted Net Assets

Permanently restricted net assets at June 30, 2006 and 2005 have been categorized based on the donors' designation of the related investment income and are summarized as follows:

	<u>2006</u>	<u>2005</u>
Student financial aid	\$ 26,398,886	22,675,627
Academic divisions	2,197,975	2,201,868
Research	671,287	654,815
Operation and maintenance of plant	1,488,670	1,908,120
Library	508,181	492,012
Faculty and staff support	3,330,796	3,378,561
Other restricted purposes	4,921,515	4,977,358
Total	<u>\$ 39,517,310</u>	<u>36,288,361</u>

(8) Planned Giving Inventory (Unaudited)

Planned giving inventory for the Foundation as of June 30, 2006 and 2005 is as follows:

	<u>2006</u>	<u>2005</u>
Insurance policies	\$ 18,016,588	18,291,588
Wills	6,304,986	6,054,986
Trusts	8,814,599	6,814,599
Other	130,000	130,000
	<u>\$ 33,266,173</u>	<u>31,291,173</u>

(9) Related Party Transactions

The following contributed services, commodities, utilities, equipment, and facilities were received from the University during 2006 and 2005 and are reflected as unrestricted contributions and unrestricted expenses in the statements of activities.

	<u>2006</u>	<u>2005</u>
Wages and benefits	\$ 1,300,318	1,151,024
Contractual services	58,527	33,035
Commodities	27,684	36,287
Utilities	41,162	35,664
Facilities	93,321	90,646
Equipment and furniture	26,678	20,856
Total	<u>\$ 1,547,690</u>	<u>1,367,512</u>

(Continued)

THE UNIVERSITY OF SOUTHERN MISSISSIPPI FOUNDATION

Notes to Financial Statements

June 30, 2006 and 2005

(10) Lease Commitments

The Foundation leases an automobile under a noncancelable operating lease agreement. Management expects that, in the normal course of business, leases which expire will be renewed or replaced by other similar leases.

At June 30, 2006, the minimum rental commitment under the noncancelable operating lease with an original term in excess of one year follows:

2007	\$	13,428
2008		<u>5,595</u>
Total future minimum lease payments	\$	<u><u>19,023</u></u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



COMBINING SUPPLEMENTAL INFORMATION

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Combining Statement of Net Assets
For the Year Ended June 30, 2006

	ASU	DSU	JSU	MSU	MUW	MVSU	UM	USM	UMC	IHL	TOTAL
Assets											
Current Assets:											
Cash and cash equivalents	\$ 2,068,438	1,050,245	605,932	34,170,264	1,073,036	206,438	32,083,347	19,115,922	98,537,548	2,056,527	190,967,697
Short-term investments	5,035,883	573,087	39,290,326	31,071,547	1,000,000	2,289,996	65,941,528	8,578,257		5,083,222	158,863,846
Accounts receivable, net	12,508,023	3,820,678	30,027,160	37,227,752	10,431,250	9,620,923	30,421,676	39,455,873	77,004,403	3,128,548	253,646,286
Student notes receivable, net	88,423	607,827	260,453	3,771,692	248,003	148,158	3,030,829	1,571,805	646,485	705,826	11,079,501
Inventories	100,945	317,335	171,974	2,390,447	16,975	390,697	935,107	562,314	15,640,372	540,972	21,067,138
Prepaid expenses	9,711	148,952	949,553	3,629,883	568,952	51,498	396,518	4,175,402	987,423	139,580	11,057,472
Other current assets			76,512						10,075,132		10,151,644
Total Current Assets	19,811,423	6,518,124	71,381,910	112,261,585	13,338,216	12,707,710	132,809,005	73,459,573	202,891,363	11,654,675	656,833,584
Noncurrent Assets:											
Restricted cash and cash equivalents	2,387,538	203,416	5,686,992	2,263,808	(350,918)	1,349,051	7,072,005	18,325,073	56,176,712		93,113,677
Restricted short-term investments							9,594,620		1,328,345		10,922,965
Endowment investments	1,628,069	9,639	6,132,230	19,621,231	2,957,791	1,376,390	65,602,692	2,623,416	47,170,462	5,380,515	152,502,435
Other long term investments		7,823,325	5,440,947	67,163,514	5,730,464	7,107,225	36,155,943	39,778,757	57,226,262	22,944,679	249,371,116
Student notes receivable, net		1,292,909	1,487,200	13,462,189	1,304,001	70,364	13,960,876	22,347,757	13,180,922	21,066,112	88,172,330
Capital assets:											
Land, construction in progress and livestock	5,479,962	1,838,939	52,495,626	147,275,441	15,395,805	2,280,956	28,218,549	25,898,435	69,052,447		347,936,160
Other capital assets, net	69,784,154	79,341,905	139,102,978	386,537,095	57,464,314	24,489,230	363,114,262	212,460,672	270,381,972	5,471,085	1,608,147,667
Other noncurrent assets			26,724					58,259			84,983
Total Noncurrent Assets	79,279,723	90,510,133	210,372,697	636,323,278	82,501,457	36,673,216	523,718,947	321,492,369	514,517,122	54,862,391	2,550,251,333
Total Assets	99,091,146	97,028,257	281,754,607	748,584,863	95,839,673	49,380,926	656,527,952	394,951,942	717,408,485	66,517,066	3,207,084,917
Liabilities											
Current Liabilities:											
Accounts payable and accrued liabilities	4,728,608	2,713,259	3,503,756	25,358,660	1,947,783	1,844,980	12,622,843	12,505,935	37,036,104	1,922,481	104,184,409
Deferred revenues	24,503	724,721	2,242,752	10,918,019	710,779		13,207,260	13,138,245	1,362,247		42,328,526
Accrued leave liabilities - current portion	1,035,008	212,748	448,976	1,411,002	74,409	73,407	1,022,000	1,000,000	2,305,539	43,030	7,626,119
Long-term liabilities - current portion	175,608	975,846	2,367,672	12,877,395	135,886	90,000	4,427,974	2,351,281	8,144,729	3,504	31,549,895
Other current liabilities		20,635	6,647,722	229,341	4,417,455	1,043,284	477,254	60,345	8,788,422	5,376,000	27,060,458
Total Current Liabilities	5,963,727	4,647,209	15,210,878	50,794,417	7,286,312	3,051,671	31,757,331	29,055,806	57,637,041	7,345,015	212,749,407

	ASU	DSU	JSU	MSU	MUW	MVSU	UM	USM	UMC	IHL	TOTAL
Noncurrent liabilities:											
Deposits refundable	539,014	290,910	32,493	86,620		181,210	720,885	175,686	788,518		2,815,336
Accrued leave liabilities	1,077,254	1,238,102	3,348,359	16,153,139	858,668	1,984,199	8,061,918	7,491,845	21,851,968	575,916	62,641,368
Long-term liabilities	285,000	7,041,589	80,421,183	144,873,273	211,283	2,100,000	69,072,100	53,131,314	150,041,660	3,642	507,181,044
Other Long term liabilities				15,229,509	1,748,495	41,561	9,020,100	28,433,083	8,089,864	15,913,000	78,475,612
Total Noncurrent Liabilities	1,901,268	8,570,601	83,802,035	176,342,541	2,818,446	4,306,970	86,875,003	89,231,928	180,772,010	16,492,558	651,113,360
Total Liabilities	7,864,995	13,217,810	99,012,913	227,136,958	10,104,758	7,358,641	118,632,334	118,287,734	238,409,051	23,837,573	863,862,767
Net Assets											
Invested in capital assets, net of related debt	74,803,508	73,213,833	140,198,413	376,061,867	72,512,950	24,580,186	317,832,737	182,876,512	181,248,030	5,455,432	1,448,783,468
Restricted for:											
Nonexpendable:											
Scholarships and fellowships			11,819,222	12,106,647	589,031	1,700,283	3,779,427				29,994,610
Research				4,783,218			63,565				4,846,783
Other purposes	1,624,871			239,789			42,327,491	569,090	14,360,250		59,121,491
Expendable:											
Scholarships and fellowships			8,595	2,884,590		1,449,591	5,280,065	1,804,617	1,085,443	27,922,827	40,435,728
Research				14,971,278			5,754,491		21,656,333		42,382,102
Capital projects		2,415,109	16,024,737	14,787,375	1,404,730	3,275,577	18,688,191	18,546,348	74,018,603		149,160,670
Debt service	414,192	318,395	524,274	4,185,908		4,800,743	351,387	4,551,129	4,738,961	37,182	19,922,171
Loans	1,480,508	2,170,722	1,747,653	3,834,352	308,558	1,213,302	11,799,774	5,280,034	7,500,917		35,335,820
Other purposes	634,299	277,877				1,143,438	9,267,366	977,009	63,085,987	6,105,391	81,491,367
Unrestricted	12,268,773	5,414,511	12,418,800	87,592,881	10,919,646	3,859,165	122,751,124	62,059,469	111,304,910	3,158,661	431,747,940
Total Net Assets	\$ 91,226,151	83,810,447	182,741,694	521,447,905	85,734,915	42,022,285	537,895,618	276,664,208	478,999,434	42,679,493	2,343,222,150

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2006

	ASU	DSU	JSU	MSU	MUW	MVSU	UM	USM	UMC	IHL	TOTAL
Operating Revenues:											
Tuition and fees	\$ 15,602,335	16,843,610	40,557,324	90,150,385	9,566,220	14,392,256	105,101,280	79,155,584	6,484,686		377,853,680
Less: Scholarship allowances	(6,830,826)	(5,012,053)	(14,587,362)	(23,168,265)	(3,147,140)	(3,106,407)	(22,669,580)	(21,129,844)	(1,480,728)		(101,132,205)
Net tuition and fees	8,771,509	11,831,557	25,969,962	66,982,120	6,419,080	11,285,849	82,431,700	58,025,740	5,003,958		276,721,475
Federal appropriations				12,982,886							12,982,886
Federal grants and contracts	21,075,397	8,583,909	54,564,794	130,157,930	4,943,042	18,204,004	68,551,940	85,042,051	32,796,235	53,104,504	477,023,806
State grants and contracts	39,515	1,267,085	4,670,239	16,859,379	6,860,772	430,380	9,692,065	8,062,789	1,674,185	3,075,602	52,632,011
Nongovernmental grants and contracts	695,737	3,352,748	1,983,848	10,708,701	1,612,355	866	26,002,037	9,610,175	24,021,594	1,822,974	79,851,035
Sales and services of educational departments	335,547	1,077,224	1,755,006	24,363,102	813,472	84,324	9,109,965	1,631,787	583,273	3,337,105	43,090,805
Auxiliary enterprises:											
Student housing	3,600,660	2,846,614	6,043,224	10,801,156	1,583,372	2,097,928	10,935,073	9,715,181	457,330		48,080,538
Food services	2,914,037	2,331,526	5,286,359	5,770,470	1,068,133	1,668,438	1,155,916	1,197,960			21,392,839
Bookstore	28,424	379,166					629,515	1,471,654	1,854,442		6,565,688
Athletics				17,213,661			22,690,074	8,012,681			47,916,416
Other auxiliary revenues	1,177,312	1,253,112	1,601,109	7,686,612	335,599	1,202,975	3,421,674	3,264,905	2,237,706	2,069,226	24,250,230
Less: auxiliary enterprise scholarship allowances	(1,182,878)	(1,329,377)	(1,620,818)		(838,686)		(2,379,680)	(2,470,499)	(15,864)		(9,837,802)
Interest earned on loans to students		23,003		264,149		31,624	359,994		435,228,333		837,206
Patient care revenues											435,228,333
Other operating revenues	1,685,984	608,525	6,393,708	1,956,913	111,251	2,165,789	5,232,693	5,732,659	24,635,466	11,275,200	59,798,188
Total Operating Revenues	39,141,244	32,225,092	106,647,431	305,747,079	23,005,128	39,317,926	237,832,966	189,297,083	528,635,094	74,684,611	1,576,533,654
Operating Expenses:											
Salaries and wages	28,479,147	24,300,658	68,547,334	222,039,437	16,513,600	21,489,723	129,735,943	118,595,835	286,350,797	8,580,107	924,632,581
Fringe benefits	7,444,049	6,488,834	15,881,016	61,298,563	4,226,034	6,191,809	30,182,651	34,636,295	74,433,119	1,837,746	242,620,116
Travel	1,847,316	1,236,529	3,885,354	11,120,177	416,995	1,543,311	8,763,927	7,394,721	1,984,776	325,367	38,518,473
Contractual services	8,803,931	9,846,424	31,560,867	97,057,856	6,575,714	19,688,800	50,232,087	45,344,963	132,831,815	18,767,143	420,709,600
Utilities	3,526,263	3,875,376	6,024,524	17,795,495	2,513,792	2,671,804	11,244,461	8,647,629	17,441,737	1,039,543	74,780,624
Scholarships and fellowships	5,537,207	3,584,334	15,328,042	21,662,336	4,172,323	522,657	27,290,871	22,442,682	3,963,073	73,749,525	178,253,050
Commodities	5,809,224	2,388,316	11,875,379	21,344,487	2,463,478	4,613,435	22,688,282	27,714,271	116,602,068	871,715	216,370,655
Depreciation	3,145,662	1,894,897	5,542,364	24,386,973	1,145,024	1,552,306	19,099,670	9,847,098	19,481,787	285,632	86,381,413
Other operating expense	154,159	75,667					312,059		997,260	3,066,552	4,605,697
Total Operating Expense	64,746,958	53,691,035	158,644,880	476,705,324	38,026,960	58,273,845	299,549,951	274,623,494	654,086,432	108,523,330	2,186,872,209
Operating Income (Loss)	(25,605,714)	(21,465,943)	(51,997,449)	(170,958,245)	(15,021,832)	(18,955,919)	(61,716,985)	(85,326,411)	(125,451,338)	(33,838,719)	(610,338,555)
Nonoperating Revenues (Expenses)											
State appropriations	24,230,267	20,546,625	44,775,317	145,588,753	13,239,171	16,534,578	67,409,159	77,537,978	144,094,285	40,893,786	594,849,919
Gifts and grants				26,861,905			5,634,961	113,441	10,159,605	436,058	43,205,970
Investment income, net of investment expense	138,046	179,754	776,777	4,997,427	456,721	389,450	8,656,616	2,206,528	8,400,985	274,093	26,476,397
Interest expense on capital asset-related debt		(464,287)	(3,330,878)	(5,126,715)	(15,564)	(115,510)	(2,486,203)	(1,811,153)	(4,747,499)		(18,097,809)
Other nonoperating revenues		137,358	12,805	101,835	65,236	526,626	2,151,083	1,445,396		1,401,769	5,842,108
Other nonoperating expenses		(3,835,416)	(2,143,612)	(1,401,975)	(1,735,408)	(2,564,817)	(397,819)			(4,663,393)	(16,742,440)
Total Net Nonoperating Revenues (Expenses)	24,368,313	16,564,034	40,090,409	171,021,230	12,010,156	14,770,327	78,816,714	80,197,877	159,352,772	38,342,313	635,534,145

	<u>ASU</u>	<u>DSU</u>	<u>JSU</u>	<u>MSU</u>	<u>MUW</u>	<u>MVSU</u>	<u>UM</u>	<u>USM</u>	<u>UMC</u>	<u>IHL</u>	<u>TOTAL</u>
Income (Loss) Before Other Revenues, Expenses, Gains and Losses	(1,237,401)	(4,901,909)	(11,907,040)	62,985	(3,011,676)	(4,185,592)	17,099,729	(5,128,534)	33,901,434	4,503,594	25,195,590
Capital grants and gifts				11,573,426	9,825,939		10,450,044	6,194,727	7,564,245		45,608,381
State appropriations restricted for capital purposes	6,243,747	5,501,523	8,967,317	13,696,409	3,897,848	6,460,292	5,950,062	10,184,279	361,186		61,262,663
Additions to permanent endowments	1,415,000				13,665	46,410	4,800		1,313,866		2,793,741
Net gain from impairment loss due to insurance recoveries								7,517,043			7,517,043
Other additions		493,695	3,651,786			6,207,454	314,598	453,158			11,120,691
Other deletions		(2,344,144)		(192,826)		(7,263,220)	(575,917)	(3,949,924)	(967,638)	(141,179)	(15,434,848)
Special item: contingent loss						(984,954)					(984,954)
Change in Net Assets	<u>6,421,346</u>	<u>(1,250,835)</u>	<u>712,063</u>	<u>25,139,994</u>	<u>10,725,776</u>	<u>280,390</u>	<u>33,243,316</u>	<u>15,270,749</u>	<u>42,173,093</u>	<u>4,362,415</u>	<u>137,078,307</u>
Net Assets - Beginning of the Year, as Originally Reported	85,425,083	85,040,619	182,029,631	496,307,911	78,008,835	55,105,456	504,581,597	271,257,087	437,380,907	38,314,196	2,233,451,322
Prior period adjustments	(620,278)	20,663			(2,999,696)	(13,363,561)	70,705	(9,863,628)	(554,566)	2,882	(27,307,479)
Net Assets - Beginning of the Year, as Restated	<u>84,804,805</u>	<u>85,061,282</u>	<u>182,029,631</u>	<u>496,307,911</u>	<u>75,009,139</u>	<u>41,741,895</u>	<u>504,652,302</u>	<u>261,393,459</u>	<u>436,826,341</u>	<u>38,317,078</u>	<u>2,206,143,843</u>
Net Assets - End of Year	<u>\$ 91,226,151</u>	<u>83,810,447</u>	<u>182,741,694</u>	<u>521,447,905</u>	<u>85,734,915</u>	<u>42,022,285</u>	<u>537,895,618</u>	<u>276,664,208</u>	<u>478,999,434</u>	<u>42,679,493</u>	<u>2,343,222,150</u>

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Combining Statement of Cash Flows
For the Year Ended June 30, 2006

	ASU	DSU	JSU	MSU	MUW	MVSU	UM	USM	UMC	IHL	TOTAL
Cash Flows from Operating Activities											
Tuition and fees	\$ 8,050,197	11,423,188	25,047,173	66,741,218	6,240,565	14,392,256	81,542,165	58,775,709	5,263,507		277,475,978
Grants and contracts	20,078,617	13,263,563	55,549,728	156,636,551	13,688,098	18,675,251	106,041,597	97,337,071	59,182,278	58,003,080	598,455,834
Sales and services of educational departments	335,547	1,077,224	4,790,595	24,468,027	812,267	84,324	9,187,957	1,631,787	846,006	3,337,105	46,570,839
Payments to suppliers	(16,376,514)	(13,203,770)	(44,829,342)	(128,126,449)	(9,224,898)	(24,302,334)	(73,394,926)	(81,677,578)	(252,208,165)	(23,307,391)	(666,651,367)
Payments to employees for salaries and benefits	(35,923,196)	(30,336,149)	(81,454,426)	(283,256,645)	(21,019,522)	(27,681,532)	(158,460,575)	(154,455,889)	(360,269,469)	(10,417,853)	(1,163,275,256)
Payments for utilities	(3,526,263)	(3,875,376)	(5,637,817)	(17,795,495)	(2,477,689)	(2,671,804)	(11,278,214)	(8,640,682)	(16,111,737)	(1,039,543)	(73,054,620)
Payments for scholarships and fellowships	(5,537,207)	(3,584,334)	(15,328,043)	(21,662,608)	(4,141,192)	(3,629,064)	(27,219,229)	(22,138,875)	(3,963,073)	(73,749,525)	(180,953,150)
Loans issued to students and employees		(357,266)		(4,984,276)		260,571	(3,576,256)	(4,681,878)	(4,365,435)		(17,704,540)
Collections of loans to students and employees		375,178		4,799,379			2,954,302	5,027,775	2,843,404		16,000,038
Auxiliary enterprise charges:											
Student housing	3,431,463	2,890,687	6,354,287	10,794,990	1,071,538	2,097,928	7,719,834	8,564,062	437,810		43,362,599
Food services	2,914,037	2,331,526	5,432,167	5,773,961	736,594	1,668,438	1,059,120	1,239,232			21,155,075
Bookstore	28,424	379,166			96,735	2,105,749	675,653	1,471,446	1,871,983		6,629,156
Athletics				16,999,323			22,278,182	8,033,641			47,311,146
Other auxiliary enterprises	234,951	(948,355)	1,144,239	7,686,872	337,712	1,202,975	3,323,674	2,946,789		2,236,888	20,234,971
Patient care services									430,606,431		430,606,431
Interest earned on loans to students			61,559	264,149		31,624	351,653	158,436			867,421
Other receipts	1,681,776	419,706	367,386	14,779,661		2,165,788	5,247,912	5,859,415	23,796,704	11,275,200	65,593,548
Other payments		(4,500)			(333,329)		(9,039,948)		(188,610)	(135,612)	(9,701,999)
Net Cash Provided (Used) by Operating Activities	(24,608,168)	(20,149,512)	(48,502,494)	(146,881,342)	(14,213,121)	(15,599,830)	(42,587,099)	(80,707,975)	(109,863,042)	(33,965,313)	(537,077,896)
Cash Flows from Noncapital Financing Activities:											
State appropriations	24,230,267	20,158,132	42,550,647	145,189,025	13,178,767	16,534,578	67,307,873	77,210,381	144,014,692	39,705,340	590,079,702
Gifts and grants for other than capital purposes				31,185,355			4,290,125	113,441	10,159,605	436,058	46,184,584
Private gifts for endowment purposes	1,415,000		880,919		13,665	46,410	4,800		1,313,866		3,674,660
Federal loan program receipts	19,726,725	14,218,594	570,605	61,655,759	8,591,437	73,828	50,985,845	67,813,852	14,242,450		237,879,095
Federal loan program disbursements	(19,726,725)	(14,218,594)	(570,605)	(61,623,240)	(8,572,705)	(173,085)	(50,985,845)	(64,960,439)	(14,242,450)		(235,073,688)
Other sources			369,695	48,883	363,081		111,357	3,825,691	1,468,832	1,188,446	7,375,985
Other uses		(23,306)		(316,938)	(2,142,557)	(2,277,147)	1,384,352			(108,074)	(3,483,670)
Net Cash Provided (Used) by Noncapital Financing Activities	25,645,267	20,134,826	43,801,261	176,138,844	11,431,688	14,204,584	73,098,507	84,002,926	156,956,995	41,221,770	646,636,668
Cash Flows from Capital and Related Financing Activities:											
Proceeds from capital debt				58,846,499			18,375,901	43,580,000			120,802,400
Cash paid for capital assets	(435,476)	(2,764,846)	(32,885,871)	(86,316,476)	(13,232,820)	(5,788,184)	(25,361,873)	(29,033,750)	(29,590,337)	(92,831)	(225,502,464)
Capital appropriations received	6,243,747				3,897,848	6,460,292	5,950,062	10,184,279	361,186		33,097,414
Capital grants and contracts received				4,791,483	6,540,566		6,815,424	6,194,727	7,536,974		31,879,174
Proceeds from sales of capital assets				2,652,973				39,016			2,691,989
Principal paid on capital debt and leases	(233,316)	(936,559)	(1,640,541)	(6,091,625)	(159,517)	(90,000)	(11,073,354)	(26,237,954)	(6,887,661)	(3,373)	(53,353,900)
Interest paid on capital debt and leases	(38,697)	(464,287)	(853,435)	(5,245,216)	(15,564)	(115,510)	(2,521,054)	(1,837,635)	(4,747,499)	(346)	(15,839,243)
Other sources	72,087	41,358		3,281,967	3,116,703		952,355	453,159	112,065		8,029,694
Other uses	(4,132,015)	(992,679)		(25,281,815)		(2,250)	(400,805)	(4,349,344)			(35,158,908)
Net Cash Provided (Used) by Capital and Related Financing Activities	1,476,330	(5,117,013)	(35,379,847)	(53,362,210)	147,216	464,348	(7,263,344)	(1,007,502)	(33,215,272)	(96,550)	(133,353,844)

	ASU	DSU	JSU	MSU	MUW	MVSU	UM	USM	UMC	IHL	TOTAL
Cash Flows from Investing Activities:											
Proceeds from sale and maturities of investments		2,851,793	52,340,330	9,949,466	4,073,707	2,124,753	45,562,709	11,041,693	71,272,095	51,817,247	251,033,793
Interest received on investments	138,045	478,007	1,118,194	5,785,794	445,958	561,107	4,726,656	3,066,847	6,587,709	1,329,986	24,238,303
Purchases of investments			(12,152,079)	(9,000,000)	(3,088,005)	(2,271,074)	(64,379,856)	(1,367,503)	(49,535,160)	(62,004,360)	(203,798,037)
Net Cash Provided (Used) by Investing Activities	138,045	3,329,800	41,306,445	6,735,260	1,431,660	414,786	(14,090,491)	12,741,037	28,324,644	(8,857,127)	71,474,059
Net Increase (Decrease) in Cash and Cash Equivalents	2,651,474	(1,801,899)	1,225,365	(17,369,448)	(1,202,557)	(516,112)	9,157,573	15,028,486	42,203,325	(1,697,220)	47,678,987
Cash and Cash Equivalents - Beginning of the Year	1,804,502	3,055,560	5,067,559	53,803,520	1,924,675	2,071,601	29,997,779	22,412,509	112,510,935	3,753,747	236,402,387
Cash and Cash Equivalents - End of the Year	\$ 4,455,976	1,253,661	6,292,924	36,434,072	722,118	1,555,489	39,155,352	37,440,995	154,714,260	2,056,527	284,081,374
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities											
Operating income (loss)	\$ (25,605,714)	(21,465,943)	(51,997,449)	(170,958,245)	(15,021,832)	(18,955,919)	(61,716,985)	(85,326,411)	(125,451,338)	(33,838,719)	(610,338,555)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:											
Depreciation expense	3,145,662	1,894,897	5,542,364	24,386,973	1,145,024	1,552,306	19,099,670	9,847,098	19,481,787	285,632	86,381,413
Other		340,022	403,031		(7,207)	1,581,230				(3,592,817)	(1,275,741)
Changes in assets and liabilities:											
Increase (decrease) in assets:											
Receivables, net	(2,230,411)	(751,815)	(8,621,620)	(1,584,440)	96,876	1,830,057	(621,482)	(6,004,773)	4,481,193	(356,795)	(13,763,210)
Inventories	1,757	(5,066)	155,496	(186,218)	5,778	(18,013)	(179,352)	91,604	(885,310)	(66,171)	(1,085,495)
Prepaid expenses			714,205	(557,950)	(392,994)	(13,513)	(148,125)	(2,450,070)	50,186	(74,639)	(2,872,900)
Other assets			(7,081)						(9,680,057)		(9,687,138)
Increase (decrease) in liabilities:											
Accounts payable and accrued liabilities	238,117	(115,274)	246,541	4,619,224	39,105	(162,565)	614,729	322,684	2,651,553	759,971	9,214,085
Deferred revenue	(9,272)	(105,602)	(2,368,436)	118,375	(70,135)		104,184	2,030,347	193,283		(107,256)
Deposits refundable	(5,081)	4,500	9,322			1,599		(255,709)	260,467		15,098
Accrued leave liability	90,092	44,399	773,411	(2,820,895)	(7,736)	(624,596)	882,216	140,658	(167,335)	4,792	(1,684,994)
Loans to students and employees							(621,954)	896,597	(713,381)		(438,738)
Other liabilities	(233,318)	10,370	6,647,722	101,834		(790,416)			(84,090)	2,913,433	8,565,535
Total adjustments	997,546	1,316,431	3,494,955	24,076,903	808,711	3,356,089	19,129,886	4,618,436	15,588,296	(126,594)	73,260,659
Net Cash Provided (Used) by Operating Activities	\$ (24,608,168)	(20,149,512)	(48,502,494)	(146,881,342)	(14,213,121)	(15,599,830)	(42,587,099)	(80,707,975)	(109,863,042)	(33,965,313)	(537,077,896)
Noncash Capital and Related Financing and Investing Activities											
New capital leases				476,008				260,955	9,149,079		9,886,042
Bureau of Building and Grounds construction in progress	6,243,747		8,967,317	13,696,409					27,271		28,907,473
Donations of capital assets							4,845,940				4,873,211
Unrealized gain/loss on fair value of investments		(355,827)	(718,945)	(2,303,414)	(36,805)		3,578,429	(757,155)	2,174,613	(646,300)	934,596
Net gain from impairment loss due to insurance recoveries								7,517,043			7,517,043

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures										
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
Student Financial Aid - Cluster:													
U.S. Department of Education:													
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		\$ 4,951,946	937,230	216,014	1,342,877	748,770	85,740	441,423	367,689	40,000	772,203	
Federal Family Education Loans (FFEL)	(2) 84.032		158,361,698		8,633,975	25,001,675	26,833,390	8,572,706	20,897,094	29,531,355	5,132,226	33,759,277	
Federal Work-study Program (FWS)	84.033		6,589,478	568,918	432,837	2,281,874	1,245,001	144,641	647,330	648,895	25,564	594,418	
Federal Perkins Loan Program (FPL)	(1) 84.038		10,629,818		281,598	828,835		374,119	173,085	2,191,318	1,953,605	4,827,258	
Federal PELL Grant Program	84.063		72,320,995	7,052,973	4,287,377	14,809,127	10,910,552	3,063,241	8,238,627	8,003,445	332,363	15,623,290	
Federal Direct Loan	(2) 84.268		12,698,073	12,698,073									
Total U.S. Department of Education			265,552,008	21,257,194	13,851,801	44,264,388	39,737,713	12,240,447	30,397,559	40,742,702	7,483,758	55,576,446	0
U.S. Department of Health and Human Services:													
Health Professions Student Loans	(1) 93.342		483,310							483,310			
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925		856,404								856,404		
Total U.S. Department of Health and Human Services			1,339,714	0	0	0	0	0	0	483,310	856,404	0	0
Total Student Financial Aid - Cluster			266,891,722	21,257,194	13,851,801	44,264,388	39,737,713	12,240,447	30,397,559	41,226,012	8,340,162	55,576,446	0
Research and Development Cluster:													
U.S. Department of Agriculture:													
US Department of Agriculture	10.000		152,997				152,997						
Agricultural Research - Basic and Applied Research	10.001		13,136,813	219,275			7,565,541			4,863,005		488,992	
Plant and Animal Disease Pest Control and Animal Care	10.025		370,784				370,292					492	
Wildlife Services	10.028		296,180				296,180						
Forestry Incentives Program	10.064		320,109				320,109						
Grants for Agricultural Research Special Research Grants	10.200		8,338,539	481,818	16,989	323,730	4,574,256		1,063,642			1,878,104	
Cooperative Forestry Research	10.202		719,240				719,240						
Payments to Agricultural Experiment Stations Under Hatch Act	10.203		3,777,476				3,777,476						
Grants for Agricultural Research Competitive Research	10.206		1,695,879				1,189,923			341,771	175,122	(10,937)	
Animal Health and Disease Research	10.207		648,527				648,527						
1890 Institution Capacity Building Grants	10.216		2,386,630	2,386,630									
Agricultural and Rural Economic Research	10.250		186,151				186,151						
Initiative for Future Agriculture and Food Systems	10.302		185,849	185,849									
Integrated Programs	10.303		42,754	42,754									
Homeland Security -Agriculture	10.304		30,000				30,000						
Crop Insurance	10.450		1,161,895				1,161,895						
Cooperative Extension Service	10.500		9,936,212	1,533,036			8,403,176						
Nutrition Education and Training Program	10.564		906,007							906,007			
Team Nutrition Grants	10.574		12,281							12,281			
Forestry Research	10.652		515,985	309			447,351			47,752		20,573	
Cooperative Forestry Assistance	10.664		103,471				72,588					30,883	
National Forest Dependent Rural Communities	10.670		74,066				74,066						
Rural Business Enterprise Grants	10.769		1,254				1,254						
Empowerment Zone	10.772		20,932		20,932								
Resource Conservation and Development	10.901		135,952	135,952									
Soil and Water Conservation	10.902		5,885			863	5,022						
Plant Materials for Conservation	10.905		9,734				9,734						
Wildlife Habitat Incentive Program	10.914		386,337				386,337						
Technical Agricultural Assistance - Foreign Agricultural Service	10.960		23,173							23,173			
Scientific Cooperation and Research	10.961		20,496				20,496						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures													
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board			
Cochran Fellowship Program - International Training Foreign Participant	10.962		40,957				40,957									
Subtotal Direct Programs			45,642,565	4,985,623	37,921	324,593	30,453,568	0	1,063,642	6,193,989	175,122	2,408,107	0			
Pass-through Program From:																
Colorado St Univ - US Department of Agriculture	10.000	1020137	5,036				5,036									
MDAC/Bureau of Plant Industry - US Department of Agriculture	10.000	4121213	3,089				3,089									
Texas Tech - US Department of Agriculture	10.000	1453-C278-02	4,845				4,845									
Univ of FL - US Department of Agriculture	10.000	SC010306-1-2	3,617				3,617									
Univ of Arkansas - US Department of Agriculture	10.000	UA AES 01-115	63,827				63,827									
Univ of FL - US Department of Agriculture	10.000	6015-000000186	(468)				(468)									
Univ of TN - US Department of Agriculture	10.000	05121283	5,592				5,592									
Oceani Institute - US Department of Agriculture	10.000	06020118	18,913				18,913									
Oceani Institute - US Department of Agriculture	10.000	06020118	6,146				6,146									
Delta Wildlife - US Department of Agriculture	10.000	02110948	(7,840)				(7,840)									
City of Eurom - US Department of Agriculture	10.000	05040393	22,498				22,498									
UM - US Department of Agriculture	10.000	06-03-043	113,649											113,649		
Mississippi State Vet - Plant and Animal Disease Pest Control and Animal Care	10.025		30,737			30,737										
Iowa State Univ - Grants for Agricultural Research, Special Research Grants	10.200	416-43-69	49,097				49,097									
JSU - Grants for Agricultural Research, Special Research Grants	10.200	2004-38895-02132	6,026				6,026									
JSU - Grants for Agricultural Research, Special Research Grants	10.200	2005-38895-02289	5,136				5,136									
Univ of FL - Grants for Agricultural Research, Special Research Grants	10.200	Univ of FL - USDA - PO	990				990									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	33,088				33,088									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	1,493				1,493									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	1,471				1,471									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	(774)				(774)									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	871				871									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB61410.02	27,218				27,218									
Univ of AR - Grants for Agricultural Research, Special Research Grants	10.200	4111089	1,410				1,410									
Colorado State Univ - Grants for Agricultural Research, Special Research Grants	10.200	G-1507-5	97,903				97,903									
Rutgers Univ - Grants for Agricultural Research, Special Research Grants	10.200	2004-MS-001BPD	860				860									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSR-AB5-61440-02	141,927				141,927									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	26,746				26,746									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	50,202				50,202									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-ab5-61440-02	36,713				36,713									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	18,346				18,346									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	48,749				48,749									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	16,496				16,496									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	18,842				18,842									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	14,183				14,183									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	204				204									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02 F	33,057				33,057									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	24,068				24,068									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	12,074				12,074									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU AB5-60090-02	1,541				1,541									
OSU - Grants for Agricultural Research, Special Research Grants	10.200	OSU-AB5-61440-02	14,124				14,124									
UAF - Grants for Agricultural Research, Special Research Grants	10.200	UAF 05-0116	23,562				23,562									
FHA - City of Oxford - Grants for Agricultural Research, Special Research Grants	10.200	ITS-0028(001)	2,028											2,028		
FHA - Subcontracts - Grants for Agricultural Research, Special Research Grants	10.200	ITS-0028(001)	278,855											278,855		
MSU / USDA 2004-3431 - Grants for Agricultural Research, Special Research Grants	10.200	2004-34311-14442	32,308											32,308		
MSU / USDA CSREES - Grants for Agricultural Research, Special Research Grants	10.200	2005-34311-15811	54,508											54,508		
MSU / USDA - Grants for Agricultural Research, Special Research Grants	10.200	68-7482-2-39	2,547											2,547		
NCSU - Grants for Agricultural Research, Competitive Research Grants	10.206	2004-1578-04	39,161				39,161									
Alabama A&M - Grants for Agricultural Research, Competitive Research Grants	10.206	2005-35618-15756-MSU	9,975				9,975									
Univ of AR - Grants for Agricultural Research, Competitive Research Grants	10.206	UA AES 90805-09	1,853				1,853									
Univ of Mass Amherst - Grants for Agricultural Research, Competitive Research Grants	10.206	N/A	1,540											1,540		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
MSU - Grants for Agricultural Research, Competitive Research Grants	10.206	2003-35504-12858	593							593			
Ms Board of Animal Health - Animal Health and Disease Research	10.207	06080690	3,783				3,783						
Ms Board of Animal Health - Animal Health and Disease Research	10.207	5070625	7,812				7,812						
Univ of AR-Pine Bluff - 1890 Institution Capacity Building Grants	10.216	3070763	11,917				11,917						
SIU - Higher Education Challenge Grants	10.217	STUC 03-04	1,521				1,521						
Univ of AR - Higher Education Challenge Grants	10.217	UA AES 90806-03	5,545				5,545						
Univ of FL - Higher Education Challenge Grants	10.217	03020352-1-1	161				161						
MSU - Agricultural and Rural Economic Research	10.250		(823)									(823)	
MSU - Agricultural and Rural Economic Research	10.250	018003209352043AE180	18,995									18,995	
NCSU - Integrated Programs	10.303	2003-1477-02	52,719				52,719						
NCSU - Integrated Programs	10.303	2003-1290-04	9,507				9,507						
Univ of FL - Integrated Programs	10.303	SC000453-1-16	20,180				20,180						
NCSU - Integrated Programs	10.303	2003-1477-02	10,224				10,224						
NCSU - Integrated Programs	10.303	2004-1501-01	50,013				50,013						
Texas Tech University - Crop Insurance	10.450	1453/A366-01	3,106				3,106						
Texas Tech University - Crop Insurance	10.450	1301/A293-02	18,908				18,908						
Texas Tech University - Crop Insurance	10.450	1453/B348-01	25,476				25,476						
Texas A&M University - Cooperative Extension Service	10.500	TCE 622113	3,143				3,143						
Univ of Ky - Cooperative Extension Service	10.500	4-72633-05-527	6,500				6,500						
Univ of AR - Cooperative Extension Service	10.500	Univ of AR UACES 23453-03 Black	978				978						
UM - Nutrition Education and Training Program	10.564	03-04-082/300222176A	96,389									96,389	
UM - Nutrition Education and Training Program	10.564	04-04-060/300222263A	122,880									122,880	
USM - USDA - Team Nutrition Grants	10.574	NF59-03-001	21,108							21,108			
UM	10.575	05-04-051	575,560										575,560
Duquense Univ - Forestry Research	10.652	2060492	1,282				1,282						
Ms Forestry Com - Water and Waste Disposal Systems for Rural Communities	10.760	05111041	4,053				4,053						
Lauren Farms - Water and Waste Disposal Loans and Grants	10.770	5060586	2,887				2,887						
Delta Wildlife - Wildlife Habitat Incentive Program	10.914	2110948	1,681				1,681						
Subtotal Pass-Through Programs			2,474,137	0	0	30,737	1,123,263	0	0	391,947	1,540	926,650	0
Total U.S. Department of Agriculture			48,116,702	4,985,623	37,921	355,330	31,576,831	0	1,063,642	6,585,936	176,662	3,334,757	0
U.S. Department of Commerce													
U. S. Department of Commerce	11.000		204,631									204,631	
Geodetic Surveys and Services	11.400		1,055,390			19,145						1,036,245	
Anadromous Fish Conservation Act Program	11.405		44,137									44,137	
Sea Grant Support	11.417		92,859							32,658		60,201	
Coastal Zone Management Estuarine Research Reserves	11.420		23,162				19,470					3,692	
Financial Assistance for National Centers for Coastal Ocean Science	11.426		870,684									870,684	
Fisheries Development and Utilization ion Research and Development Grants	11.427		6,634									6,634	
Undersca Research	11.430		3,393,480							3,393,480			
Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes	11.432		152,435									152,435	
Marine Fisheries Initiative	11.433		150,331							26,475		123,856	
Southeast Area Monitoring and Assessment Program	11.435		121,592									121,592	
Unallied Management Projects	11.454		3,317									3,317	
Special Oceanic and Atmospheric Projects	11.460		3,193,164			257,621	1,160,077					1,775,466	
Habitat Conservation	11.463		1,428				1,428						
Unallied Science Program	11.472		239,243									239,243	
Coastal Services Center	11.473		1,543,813				68,965					1,474,848	
Educational Partnership Program	11.481		51,655	51,655									
Measurement and Engineering Research and Standards	11.609		79,681				2,000					77,681	
Subtotal Direct Programs:			11,227,636	51,655	0	276,766	1,251,940	0	0	3,452,613	0	6,194,662	0
Pass-through Program From:													
IMMS - Department of Commerce	11.000	IMMS Task 12	427				427						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
Univ of Fl - Department of Commerce	11.000	R/LR-Q-28B	38,888				38,888						
MS Technology Alliance - Department of Commerce	11.000	06010068	564,558				564,558						
MS Dept of Marine Resources - Department of Commerce	11.000	05-041	56										
SC Department of Natural Resources - Department of Commerce	11.000	00760-83477	3,357									56	3,357
The Nature Conservancy - Department of Commerce	11.000	NOAA5MS3929-020906	7,921										7,921
UM - Department of Commerce	11.000	06-09-022	30,955										30,955
University of California - Census Bureau Data Products	11.001	B529234	742			742							
MS Technology Alliance - Economic Adjustment Assistance	11.307	508790	2,405				2,405						
MS Technology Alliance - Economic Adjustment Assistance	11.307	MTA Viking 05121235	152				152						
Institute for Marine Mammal Studies - Research and Evaluation Program	11.312	TASK 17	8,848										8,848
Institute for Marine Mammal Studies - Anadromous Fish Conservation Act Program	11.405	NA16FL2703	15,809			15,809							
Gulf States Marine Fisheries Commission - Fisheries Finance Program	11.415	BILLFISH200518NA04NM	73,892										73,892
USM - Sea Grant Support	11.417	MASGC 04090864	(8)				(8)						
USM - Sea Grant Support	11.417	USM-GR01166/OMIBUS-R/CEH-18-PD	6,022				6,022						
USM - Sea Grant Support	11.417	GR01167/Omnibus-R/SP-15-GOIP	38,721				38,721						
		43MGR01166/OMNIBUS-R/CEH23PD	2,009			2,009							
USM - Sea Grant Support	11.417	NA16RG2258	100,220							100,220			
USM-MASG L-3 - Sea Grant Support	11.417		109,015							109,015			
LSU / US Dept of Com - Sea Grant Support	11.417		606							606			
Sea Grant Law Center - Sea Grant Support	11.417	NA06OAR4170078	15,551							15,551			
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	(768)										(768)
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417		(5)										(5)
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	78										78
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417		969										969
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417		2,025										2,025
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA06OAR4170078	2,101										2,101
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258/R/CEH-2	5,903										5,903
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	5,930										5,930
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA06OAR4170078	20,173										20,173
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258-8	62,305										62,305
University of Virginia - Sea Grant Support	11.417	114776-GL10013	5,049										5,049
MS Dept of Environmental Quality - Coastal Zone Management Administration Awards	11.419	MDEQ MS R.25 Jones	(833)				(833)						
Harrison County Board of Supervisors - Coastal Zone Mgmt Administration Awards	11.419		6,283										6,283
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.20	306										306
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.16	5,200										5,200
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS.23.15	5,351										5,351
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.13	10,221										10,221
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.07	10,967										10,967
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	03-00359	12,467										12,467
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.24	14,079										14,079
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.26	16,873										16,873
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.22	19,205										19,205
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.17	24,852										24,852
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.27	26,569										26,569
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.23	26,840										26,840
MS Dept of Environmental Quality - Coastal Zone Mgmt Administration Awards	11.419	MS R.18	32,426										32,426
MS Dept of Marine Resources - Coastal Zone Mgmt Estuarine Research Reserves	11.420	04-044	10										10
USM - Financial Assistance for Natl Centers for Coastal Ocean Science	11.426	NA03N054260216	5,242							5,242			
UM - Undersea Research	11.430	06-09-020	47,544				47,544						
UM -Undersea Research	11.430	06-09-023	261,144										261,144
UM -Undersea Research	11.430	04-10-001	282,576										282,576
UM -Undersea Research	11.430	05-07-009	292,218										292,218
Institute for Marine Mammal Studies - Undersea Research	11.430	Task 26	1,750										1,750

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures													
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board			
Mote Marine Laboratory - Marine Fisheries Initiative	11.433	MML-108591/NA17FF201	346												346	
Mote Marine Laboratory - Marine Fisheries Initiative	11.433	MML-108659	20,107												20,107	
Alaska SeaLife Center - Marine Mammal Data Program	11.439	R3603-01	(5,297)												(5,297)	
Alaska SeaLife Center - Marine Mammal Data Program	11.439		(85)												(85)	
Alaska SeaLife Center - Marine Mammal Data Program	11.439	R1941-08	26,163												26,163	
Institute for Marine Mammal Studies - Marine Mammal Data Program	11.439		777												777	
Louisiana State University - Environmental Sciences, Applications, Data and Education	11.440	C175782	2,516			2,516										
Louisiana State University - Environmental Sciences, Applications, Data and Education	11.440	NA17EC1361	130,347			130,347										
Kennesaw State University - Environmental Sciences, Applications, Data and Education	11.440	03-00001	(2,346)												(2,346)	
Mote Marine Laboratory - Unallied Management Projects	11.454	MML108460ANA04NMF450	11,805												11,805	
Univ of Maryland Biotechnology Institute - Chesapeake Bay Studies	11.457	SC035-27565B	9,008												9,008	
Univ of Maryland Biotechnology Institute - Chesapeake Bay Studies	11.457	SC03-27565B	113,968												113,968	
Univ of Maryland Biotechnology Institute - Chesapeake Bay Studies	11.457	SC03-27565B	234,315												234,315	
Univ of Maryland Biotechnology Institute - Chesapeake Bay Studies	11.457	SC03-27565B	261,691												261,691	
USM - Special Oceanic and Atmospheric Projects	11.460	USM-GR02138-001	45,208				45,208									
Harrison County Board of Supervisors - Special Oceanic and Atmospheric Projects	11.460		10,221												10,221	
NEAq - Habitat Conservation	11.463	NEAq 1886	4,978				4,978									
Gulf of Mexico Foundation - Habitat Conservation	11.463		(2)												(2)	
Applied Meteorological Research	11.468		88,408			88,408										
USM - Unallied Science Program	11.472	USM0225005324	6,924			6,924										
SC Department of Natural Resources - Unallied Science Program	11.472	00720-83477	64,715												64,715	
Univ of Hawaii - Center for Sponsored Coastal Ocean Research - Coastal Ocean Program	11.478	NAONO54261157	6,736							6,736						
Florida A&M University - Educational Partnership Program	11.481	270629017	197,670				197,670									
Howard University - Educational Partnership Program	11.481	NA17AE1623	(8,202)				(8,202)									
Howard University - Educational Partnership Program	11.481	634554-159790	289,563				289,563									
USM - Educational Partnership Program	11.481	USMGR011660	(582)				(582)									
MS Dept of Marine Resources - Educational Partnership Program	11.481	04-029	26,638												26,638	
National Institute of Standard and Technology - Public Telecommunications Facilities	11.550	28-01-N04105	(38)				(38)									
MS Technology Alliance - Manufacturing Extension Partnership	11.611	3121217	3,811				3,811									
MS Technology Alliance - Manufacturing Extension Partnership	11.611	3121217	24,784				24,784									
MS Technology Alliance - Manufacturing Extension Partnership	11.611		55,648												55,648	
MS Technology Alliance - Manufacturing Extension Partnership	11.611	70NANB6H0015	103,954												103,954	
Harrison County Board of Supervisors	11.999		129,689												129,689	
Subtotal Pass-Through Programs			4,078,634	0	0	725,166	776,657	0	0	237,370	0	2,339,441	0			
Total U.S. Department of Commerce			15,306,270	51,655	0	1,001,932	2,028,597	0	0	3,689,983	0	8,534,103	0			
U.S. Department of Defense																
US Department of Defense	12.000		24,953,100				21,382,017			3,279,335					291,748	
Collaborative Research and Development	12.114		56,358												56,358	
Basic and Applied Scientific Research	12.300		7,248,406			216,177	4,705,424			174,266					2,152,539	
Military Medical Research and Development	12.420		2,138,161							2,138,161						
Basic Scientific Research	12.431		8,360,752				1,230,908			6,105,508					1,024,336	
Basic, Applied, and Advanced Research in Science and Engineering	12.630		3,778				3,778									
Air Force Defense Research Sciences Program	12.800		200,854							200,854						
Mathematical Sciences Grants Program	12.901		12,638													
Subtotal Direct Programs			42,974,047	0	0	216,177	27,334,765	0	0	11,898,124	0	3,524,981	0			
Pass-through Program From																
Geo-Center - US Department of Defense	12.000	42963SM	65,498				65,498									
JSU - US Department of Defense	12.000	W912HZ-04-C-0033	39,431				39,431									
Miltec - US Department of Defense	12.000	MILTEC-04-C-0013	31,347				31,347									
Northrup Grumman - US Department of Defense	12.000	473923	372,453				372,453									
Clemson Univ - US Department of Defense	12.000	582-7558-201-2002650	1,002				1,002									
FL State Univ - US Department of Defense	12.000	204031R	32,293				32,293									

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
FL St Univ - US Department of Defense	12.000	2040318	(282)				(282)						
Sentel Corp - US Department of Defense	12.000	97003-21 Task Order 5	200,804				200,804						
S & K Technologies - US Department of Defense	12.000	3657-MSU-001	1,609				1,609						
Geo-Centers - US Department of Defense	12.000	42967SM	1,489				1,489						
FL State Univ - US Department of Defense	12.000	02040318	101,557				101,557						
Creare, Inc - US Department of Defense	12.000	32539	9,720				9,720						
Northrup Grumman - US Department of Defense	12.000	Q1-19102-011	42,341				42,341						
MS Military Dept - US Department of Defense	12.000	MS00095001	25,416				25,416						
Seemann - US Department of Defense	12.000	8957	14,372				14,372						
Sentel Corp - US Department of Defense	12.000	97003-21 TO 7	50,390				50,390						
Miltec - US Department of Defense	12.000	MILTEC-04-C-0018	72,109				72,109						
Miltec - US Department of Defense	12.000	MILTEC-05-C-0004	67,945				67,945						
SemiSouth - US Department of Defense	12.000	1006	85,387				85,387						
Cytec Corp - US Department of Defense	12.000	2005-01-015	3,016				3,016						
City of Meridian - US Department of Defense	12.000	City of Meridian	(580)				(580)						
Michael Baker Inc. - US Department of Defense	12.000	05090847	21,596				21,596						
KAI, Inc. - US Department of Defense	12.000	05100952	48,962				48,962						
Northrup Grumman - US Department of Defense	12.000	22-0544-051	233,745				233,745						
Northrup Grumman - US Department of Defense	12.000	22-05544-051	236,550				236,550						
Acad. Applied Science - US Department of Defense	12.000	05-13. 05-69	4,020				4,020						
OSEC - US Department of Defense	12.000	OSEC 1274	1,954				1,954						
MISET - US Department of Defense	12.000	MSU 0501	87,883				87,883						
AAS - US Department of Defense	12.000	05-13. 05-69	783				783						
ATA Engineering - US Department of Defense	12.000	ATA Engineering 3541	64,487				64,487						
JSU - US Department of Defense	12.000	W912HZ-05-C-0051	79,943				79,943						
JSU - US Department of Defense	12.000	W912HZ-05-C-0051	47,124				47,124						
JSU - US Department of Defense	12.000	W912HZ-05-C-0051	8,300				8,300						
BCHO - US Department of Defense	12.000	TCN 05169	122,923				122,923						
Eduworks - US Department of Defense	12.000	N61339-05-C-0116	51,541				51,541						
Polyschnie Univ - US Department of Defense	12.000	H98230-05-1-0102	19,939				19,939						
Clemson Univ - US Department of Defense	12.000	957-7537-203-2004599	10,787				10,787						
Sentel - US Department of Defense	12.000	97003-21 TO 8	129,082				129,082						
UTC - US Department of Defense	12.000	06-5529-0007-13-C1	36,976				36,976						
Morgan Res - US Department of Defense	12.000	MOR-IDIQ-05-0030/0012	24,687				24,687						
UQM Tech - US Department of Defense	12.000	06030233	33,132				33,132						
Miltec - US Department of Defense	12.000	MILTEC-06-C-0003	62,166				62,166						
Northrup Grumman - US Department of Defense	12.000	473923	131,262				131,262						
SAIC - US Department of Defense	12.000	4000124078	31,640				31,640						
OSEC - US Department of Defense	12.000	B008-MSUN02-06	861				861						
ABSL - US Department of Defense	12.000	W15P7T-06-C-P408	2,482				2,482						
Network Computing Services - US Department of Defense	12.000	SOW-2005	3,484			3,484							
University of Minnesota - US Department of Defense	12.000	DAAD190120014	701,073			701,073							
Craft 03-M-0254 001 - US Department of Defense	12.000	F29601-03-M-0254	880							880			
Battelle - US Department of Defense	12.000	DAAD19-02-D-0001	10,688							10,688			
AMSRIT / ATR - US Department of Defense	12.000	DASG60-02-C-0014	13,509							13,509			
NMOC - US Department of Defense	12.000	N0006504MD0001	100,251							100,251			
NVESD - US Department of Defense	12.000	W909MY04-C-0006	28,574							28,574			
Miltec Clin 02 - US Department of Defense	12.000	DASG60-02-C-0014	191,307							191,307			
Miltec Clin 02 Sub - US Department of Defense	12.000	DASG60-02-C-0014	96,384							96,384			
Craft NNM05AA64C - US Department of Defense	12.000	NNM05AA65C	29,843							29,843			
Craft 05-C-0381 - US Department of Defense	12.000	N68335-05-C-0381	26,000							26,000			
Bae Systems - US Department of Defense	12.000	DAAD19-01-2-0008	53,039							53,039			
Battelle - US Department of Defense	12.000	DAAD19-02-D-0001	21,356							21,356			
Univ of Utah - US Department of Defense	12.000	W9003M-05-C-0195	108,103							108,103			

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures												
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board		
Luna Innovations - US Department of Defense	12.000	W81-XWH-05-C-0152	31,500								31,500				
MISET - US Department of Defense	12.000	W911NF-05-2-0024	46,471								46,471				
Rad Tech - Antenna - US Department of Defense	12.000	W9113M-05-C-0153	45,972								45,972				
Am Ino/US Air Force - US Department of Defense	12.000	F08637-03-C-6006	34,673								34,673				
Fugro Pelagos - US Department of Defense	12.000	PO NUMBER C060517	51,851											51,851	
Geographic Information Services, Inc. - US Department of Defense	12.000	PO 971892	149,521											149,521	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-03	57,086											57,086	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-03	35,398											35,398	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-01	21,857											21,857	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-01	6,226											6,226	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-02	43,091											43,091	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-05	44,262											44,262	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-04	13,758											13,758	
MS Military Department - US Department of Defense	12.000	06-MOA-ARE-04	8,526											8,526	
MS Polymer Technologies, Inc. - US Department of Defense	12.000		21,583											21,583	
MS Research Consortium -US Department of Defense	12.000	19010030016901N62360	2,600											2,600	
MS Research Consortium -US Department of Defense	12.000	NNS05AB88D	15,650											15,650	
MSU - US Department of Defense	12.000	190100-360092-01	31,118											31,118	
USM Research Foundation - US Department of Defense	12.000		25,668											25,668	
High Performance Technologies Inc - Aquatic Plant Control	12.100	HPTI-PET-2001-035	54,990			54,990									
MSU - Aquatic Plant Control	12.100	360040060808021000	30,498			30,498									
Network Computing Services Inc - Aquatic Plant Control	12.100	SOW-2006	26,250			26,250									
USACE Finance Center - Flood Control Projects	12.106	DACA42-03-D	96,713			96,713									
SCRA - Collaborative Research and Development	12.114	2001-516 TO 0001	95,753				95,753								
JSU - Collaborative Research and Development	12.114	W912HZ-04-C-00033	(863)												(863)
JSU - Collaborative Research and Development	12.114	W912HZ-05-C-0051	208,571												208,571
Radiance Technologies, Inc. -Collaborative Research and Development	12.114		166												166
University of New Orleans - Collaborative Research and Development	12.114		(94)												(94)
JSU - Department of Defense Appropriation Act of 2003	12.116	W9113M-04-C-0120	121,315												121,315
Drexel Univ - Basic and Applied Scientific Research	12.300	204080	56,065				56,065								
Florida St Univ - Basic and Applied Scientific Research	12.300	R00149	312,483				312,483								
UM - Basic and Applied Scientific Research	12.300	03-04-088	57				57								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 8, 11, & 12	248,151				248,151								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 13 CIM	51,302				51,302								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 9 & 10	150,894				150,894								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 1&2	121,800				121,800								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 7 & 14	97,664				97,664								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 3, 4, & 5	177,707				177,707								
FSU - Basic and Applied Scientific Research	12.300	R00149-Task 6	41,079				41,079								
FSU - Basic and Applied Scientific Research	12.300	N00014-02-1-0380	47,310							47,310					
FSU - Basic and Applied Scientific Research	12.300	N00014-02-1-0380	31,328							31,328					
FSU - Basic and Applied Scientific Research	12.300	N00014-02-1-0380	53,701							53,701					
Kildare Corp - ONR - Basic and Applied Scientific Research	12.300	N00014-05-C-0443	71,863							71,863					
MS Research Consortium - Basic and Applied Scientific Research	12.300		303												303
MSU - Basic and Applied Scientific Research	12.300	SSC-102/NAS13-98033	(2,669)												(2,669)
MSU - Basic and Applied Scientific Research	12.300		2												2
MSU - Basic and Applied Scientific Research	12.300	SSC-142/NAS213-564	32												32
MSU - Basic and Applied Scientific Research	12.300		602												602
MSU - Basic and Applied Scientific Research	12.300	SSC-98/NAS13-98033	1,071												1,071
MSU - Basic and Applied Scientific Research	12.300	SSC-97/NAS13-98033	4,182												4,182
MSU - Basic and Applied Scientific Research	12.300	SSC-109/NAS13-98033	5,415												5,415
MSU - Basic and Applied Scientific Research	12.300	09-03-0236	34,153												34,153
MSU - Basic and Applied Scientific Research	12.300	3.12134E+18	60,476												60,476
St. Mary University - Basic and Applied Scientific Research	12.300	N00014-03-1-0317	5,000			5,000									

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
Optech International, Inc - Basic and Applied Scientific Research	12.300	PO 00020	47,831									47,831	
Univ of Iowa - Military Construction, National Guard	12.400	4000533037	363,803				363,803						
Georgia Institute of Technology - National Guard Military Operations & Maintenance	12.401		5,326									5,326	
Georgia Institute of Technology - National Guard Military Operations & Maintenance	12.401	A-7413-S2	214,457									214,457	
MS Military Department - National Guard Military Operations & Maintenance	12.401		(45)									(45)	
MS Military Department - National Guard Military Operations & Maintenance	12.401		65									65	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	2,554									2,554	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013MARNG2003	7,031									7,031	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013MARNG2003	12,804									12,804	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	15,342									15,342	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	17,185									17,185	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	18,222									18,222	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	25,763									25,763	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	32,257									32,257	
MS Military Department - National Guard Military Operations & Maintenance	12.401	MSC1001013	41,944									41,944	
MD Anderson: Military Medical Research Development	12.420	W81XWH0410142	53,527								53,527		
Academy of Applied Science - Basic Scientific Research	12.431	0140415	3,624			3,624							
MSU - Basic Scientific Research	12.431	301411-060808-021000	62,417			62,417							
USAERD, WES - Basic Scientific Research	12.431	W912HZ05C0051	2,355,989			2,355,989							
GIT / ARO - Basic Scientific Research	12.431	W911NF-04-1-0190 (ARO)	129,719							129,719			
UCB - Basic Scientific Research	12.431	DAAD19-03--0053	18,698							18,698			
Radianco Tech - Dess - Basic Scientific Research	12.431	W9113M-04-C-0066	316,813							316,813			
JSU - Basic Scientific Research	12.431	DA5G60-99-0009	67,613							67,613			
NGA - Basic, Applied and Advanced Research in Science and Engineering	12.630	HM1582-05-1-2006	60,174				60,174						
Univ of Virginia: Basic Applied & Advanced Research in Science and Engineering	12.630	GG10306-120476	349,466								349,466		
National Geospatial-Intelligence Agency - Basic Applied & Advanced Res in Science	12.630	NMA201-00-1-2004	65,100									65,100	
Univ of MD - Airforce Defense Research Sciences Program	12.800	Z800202	31,499				31,499						
Univ of MA - Airforce Defense Research Sciences Program	12.800	05-003202 A 00	47,596				47,596						
Ohio State University - Airforce Defense Research Sciences Program	12.800	60006867	6,550				6,550						
Craft Aero - Airforce Defense Research Sciences Program	12.800	FA 9550-04-C-0039	116,511							116,511			
Syracuse / AFOSR - Airforce Defense Research Sciences Program	12.800	FA9550-05-1-0079	17,785							17,785			
Universal Technology Corporation - Airforce Defense Research Sciences Program	12.800	06-S531-044-C1	10,042									10,042	
Universal Technology Corporation - Airforce Defense Research Sciences Program	12.800	04-S531-022-C1	37,116									37,116	
USAERD,WES - Research and Technology Development	12.910	W912HZ05C0051	1,153,277			1,153,277							
MSU - Research and Technology Development	12.910	301411-060808-021000	457			457							
MSU - Research and Technology Development	12.910	060808-01090729	(584)			(584)							
MSU - Research and Technology Development	12.910	060808-01090729	12,285			12,285							
MSU - Research and Technology Development	12.910	W912HZ04C0033	313,910			313,910							
Subtotal Pass-Through Programs			13,018,837	0	0	4,819,383	4,572,719	0	0	1,709,891	402,993	1,513,851	0
Total U.S. Department of Defense			55,992,884	0	0	5,035,560	31,907,484	0	0	13,608,015	402,993	5,038,832	0
U.S. Department of Housing and Urban Development:													
HBCU Program	14.237		111,413	111,413									
Community Development Block Grants - Brownsfield Economic Development Initiative	14.246		447,721			447,721							
U.S. Department of Housing and Urban Development			559,134	111,413	0	0	447,721	0	0	0	0	0	0
U.S. Department of Interior:													
US Department of Interior	15.000		485,539			83,819				380,041		21,679	
Cultural Resource Management	15.224		95,860									95,860	
Grants for Mining and Mineral Resources and Research Institutes - MMTC	15.308		480,722							480,722			
Fish and Wildlife Management Assistance	15.608		530,367			480,531						49,836	
Coastal Wetlands Planning Protection and Restoration Act	15.614		20,291			20,307						(16)	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures											
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board	
Multi-State Conservation Grants (B)	15.628		25,680				25,680							
Migratory Bird Joint Ventures	15.637		7,885											
Assistance to State Water Resources Research Institutes	15.805		171,416				171,416							7,885
Geological Survey Research and Data Collection	15.808		954,529				848,706			49,383				56,440
Gap Analysis Program (GAP)	15.811		8,589				8,589							
Cooperative Research Units Program (CRUP)	15.812		17,601				17,601							
Historic Preservation Fund Grants-In-Aid	15.904		4											4
National Center for Preservation Technology and Training	15.923		5,431				5,431							
Subtotal Direct Programs			2,803,914	0	0	0	1,662,080	0	0	910,146	0	0	231,688	0
Pass-through Program From														
MS Dept of Marine Resources - US Department of Interior	15.000	S-02-5-MSU-41	62				62							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	TTW-SWG 05	24,465				24,465							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	5100970	21,598				21,598							
Natl Biological Service -US Department of Interior	15.000	Natl Biological Service	657				657							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	14-45-0009-1543A	499				499							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	01020134	713				713							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	W-48 Study # 57	39,723				39,723							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	W-48-50 58	11,220				11,220							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	#59 04010028	208				208							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	04101033	102				102							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	MDWFP Study #65	42,640				42,640							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	MDWFP Study # 62	28,327				28,327							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	MDWFP Study # 64	39,826				39,826							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	MDWFP Study # 63	25,889				25,889							
MS Dept of Wildlife Fisheries and Parks - US Department of Interior	15.000	MDWFP 06080729	18,871				18,871							
MS Museum of Natural Science - US Department of Interior	15.000		6,999											6,999
MS Dept of Marine Resources - US Department of Interior	15.000	S06-6-USM-108	116,289											116,289
MS Dept of Marine Resources - US Department of Interior	15.000	S06-6-USM-107	35,014											35,014
National Fish and Wildlife Foundation - US Department of Interior	15.000	2006-0065-000	15,709											15,709
MS Museum of Natural Science - Endangered Species on Indian Lands	15.051	FUNDULUS SWEG FY04	9,521											9,521
MS Museum of Natural Science - Endangered Species on Indian Lands	15.051	ALOSA-SWG FY04	27,162											27,162
UM - Cultural Resource Management	15.224	05-06-063	13,550											13,550
CMRET - Grants for Mining and Mineral Resources and Research	15.308	1435-01-02-CA-85273	76,866							76,866				
CMRET - Grants for Mining and Mineral Resources and Research	15.308	1435-01-02-CA-85273	9,294							9,294				
MS Dept Wildlife Fisheries and Parks - Sport Fish Restoration	15.605	T2 03070731	1,175				1,175							
MS Dept of Wildlife Fisheries and Parks - Sport Fish Restoration	15.605	T2 03070731	6,495				6,495							
MS Dept of Wildlife Fisheries and Parks - Sport Fish Restoration	15.605	T1 03090875	68,581				68,581							
MS Dept of Wildlife Fisheries and Parks - Sport Fish Restoration	15.605	PD4644885612	44,831				44,831							
MS Dept of Marine Resources - Sport Fish Restoration	15.605		10											10
MS Dept of Marine Resources - Sport Fish Restoration	15.605	03-043-USM-SG	352											352
MS Dept of Marine Resources - Sport Fish Restoration	15.605	S055USM68F95SEGME15	35,136											35,136
MS Dept of Marine Resources - Sport Fish Restoration	15.605	06-039	35,447											35,447
MS Museum of Natural Science - Fish and Wildlife Management Assistance	15.608	SEGMENT 20	5,678											5,678
MS Museum of Natural Science - Fish and Wildlife Management Assistance	15.608	SWG 2005	8,507											8,507
MS Museum of Natural Science - Wildlife Research	15.611		(187)											(187)
Memphis Zoological Society - Cooperative Endangered Species Conservation Fund	15.615	04080749	70,381				70,381							
MS Dept of Marine Resources	15.618		(422)											(422)
MS Dept of Marine Resources	15.618	S-05-5-USM-54	40,544											40,544
MS Dept of Marine Resources	15.618	S01DAX070424F131SEG5	79,299											79,299
MS Dept of Marine Resources - Coastal Program	15.630	04-055-USM-SG	1,504											1,504
MSU - Assistance to State Water Resources Research Institute	15.805	01 HQGR0088	29,329							29,329				
MSU - Assistance to State Water Resources Research Institute	15.805	01 HQGR0088	9,289							9,289				
MSU - Assistance to State Water Resources Research Institute	15.805	01HQR008801070560-05	18,972											18,972
UM - US Geological Survey Research and Data Collection	15.808	04-06-086 300212005E	4,009											4,009

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
MS Museum of Natural Science	15.999		24,984									24,984	
Subtotal Pass-Through Programs			1,049,118	0	0	0	446,263	0	0	124,778	0	478,077	0
Total U.S. Department of Interior			3,853,032	0	0	0	2,108,343	0	0	1,034,924	0	709,765	0
U.S. Department of Justice:													
Law Enforcement Assistance - FBI Field Police Training	16.302		65									65	
State Justice Statistics Program for Statistical Analysis Centers	16.550		110,869									110,869	
National Institute of Justice Research, Evaluation and Development Project Grant	16.560		702,096				705,231				(3,135)		
Subtotal Direct Programs:			813,030	0	0	0	705,231	0	0	0	(3,135)	110,934	0
Pass-through Program From:													
MS Dept of Public Safety Planning - US Department of Justice	16.000	06090805	5,287				5,287						
MS Museum of Natural Science - Closed Circuit Televising & Child Victim Abuse	16.611	SEGMENT 20	6,214									6,214	
MS Dept of Public Safety Planning - Enforcing Underage Drinking Law Program	16.727	05-UA-401-1	28,074				28,074						
Subtotal Pass-Through Programs			39,575	0	0	0	33,361	0	0	0	0	6,214	0
Total U.S. Department of Justice			852,605	0	0	0	738,592	0	0	0	(3,135)	117,148	0
U.S. Department of Labor:													
Productivity and Technology Data	17.004		35,659				35,659						
WIA Dislocated Workers	17.260		164,563									164,563	
WIA Pilots, Demonstrations and Research Projects	17.261		399,411	35,514			280,771		83,126				
Consultation Agreements	17.504		509,534				509,534						
Subtotal Direct Programs:			1,109,167	35,514	0	0	825,964	0	83,126	0	0	164,563	0
Pass-through Program From:													
South MS PDD - US Department of Labor	17.000	MSBRACNEG001	134,928				134,928						
MS Development Authority	17.006	1-S90-014-W7026-1	(560)				(560)						
MS Development Authority - WIA Adult Program	17.258	3-S90-014-W7042-1 PMS-1	12,579				12,579						
MS Development Authority - WIA Adult Program	17.258	3-S90-014-W7042-1 ESP-1	4,804				4,804						
MS Development Authority - WIA Adult Program	17.258	MDA 5-S90-014-W7071-1 Parisi	713,288				713,288						
Subtotal Pass-Through Programs			865,039	0	0	0	865,039	0	0	0	0	0	0
Total U.S. Department of Labor			1,974,206	35,514	0	0	1,691,003	0	83,126	0	0	164,563	0
U.S. Department of Transportation:													
US Department of Transportation	20.000		582,776				582,776						
Air Transportation Centers of Excellence	20.109		241,349				241,349						
Highway Planning and Construction	20.205		49,995							49,995			
Federal Transit Technical Assistance	20.512		9,997				9,997						
Subtotal Direct Programs			884,117	0	0	0	834,122	0	0	49,995	0	0	0
Pass-through Program From:													
MDOT - US Department of Transportation	20.000	SP-9999-00(027) 104008/101000	9,304				9,304						
MDOT - US Department of Transportation	20.000	103900/032000	29,389				29,389						
MDOT - US Department of Transportation	20.000	103104 101000	22,411				22,411						
MDOT - US Department of Transportation	20.000	103898 008000	44,296				44,296						
MDOT - US Department of Transportation	20.000	104149 130000	7,432				7,432						
MDOT - US Department of Transportation	20.000	STP-0008-03(041)103975 101000	17,820				17,820						
MDOT - US Department of Transportation	20.000	104323 122000	127,088				127,088						
MDOT - US Department of Transportation	20.000	104321 108000	1,977				1,977						
MDOT - US Department of Transportation	20.000	102193 001000	(44)				(44)						
Univ of Alabama - US Department of Transportation	20.000	SUB2005-067	1,123				1,123						
MDOT - US Department of Transportation	20.000	102487 101000	47,281				47,281						
GTR - US Department of Transportation	20.000	04-09-0827	9,021				9,021						
MS Dept of Public Safety Planning - US Department of Transportation	20.000	03JP4011	43,153				43,153						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
MDOT - US Department of Transportation	20.000	104558 119000	14,148				14,148						
MDOT - US Department of Transportation	20.000	104558 121000	6,089				6,089						
MDOT - US Department of Transportation	20.000	104558 124000	6,723				6,723						
MDOT - US Department of Transportation	20.000	104321 108000	3,584				3,584						
MDOT - US Department of Transportation	20.000	104558 120000	12,257				12,257						
MDOT - US Department of Transportation	20.000	104558 0126000	13,905				13,905						
US DOT / MSU Legal - US Department of Transportation	20.000	DTRS56-00-T-0001	47,627							47,627			
Penn State Univ-FAA - Aviation Research Grants	20.108	03-C-NE-PSU	9,670							9,670			
MDOT - Highway Planning and Construction	20.205		10,813							10,813			
City of Oxford - DOT - Highway Planning and Construction	20.205	ITS-0360-00(002)	87,579							87,579			
MS Dept of Public Safety Planning - Highway Training and Education	20.215	05-IN-401-1	51,354				51,354						
MS Dept of Public Safety Planning - Highway Training and Education	20.215	06-IN-401-1	77,522				77,522						
MS Dept of Public Safety Planning - State and Community Highway Safety	20.600	21P4011	15,048				15,048						
Subtotal Pass-Through Programs			716,570	0	0	0	560,881	0	0	155,689	0	0	0
U.S. Department of Transportation			1,600,687	0	0	0	1,395,003	0	0	205,684	0	0	0
National Aeronautics and Space Administration:													
National Aeronautics and Space Administration	43.000		584,854				217,777					367,077	
Aerospace Education Services Program	43.001		2,186,824				29,192	5,056		1,458,718		693,858	
Technology Transfer	43.002		1,396,802				789,005					607,797	
Public Health Applications and Technical Requirements	unknown		(2,689)								(2,689)		
Subtotal Direct Programs			4,165,791	0	0	0	1,035,974	5,056	0	1,458,718	(2,689)	1,668,732	0
Pass-through Program From:													
Univ of New Orleans - National Aeronautics and Space Administration	43.000	58404-S11	28,589				28,589						
Univ of AL - National Aeronautics and Space Administration	43.000	2060462	206,978				206,978						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-01062004-1	63,310				63,310						
UM - National Aeronautics and Space Administration	43.000	MSCI 04-06-082	10,536				10,536						
UM - National Aeronautics and Space Administration	43.000	MSCI 05-07-001	14,450				14,450						
USM - National Aeronautics and Space Administration	43.000	MRCSSC-11052004-1	376,683				376,683						
USM - National Aeronautics and Space Administration	43.000	USM_MRCSSC-12132004-1	(450)				(450)						
CAEC, LLC - National Aeronautics and Space Administration	43.000	05030276	30,639				30,639						
Tetra - National Aeronautics and Space Administration	43.000	TRC-STTR-I-05	16,408				16,408						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-03282005-1	10,723				10,723						
Tetra - National Aeronautics and Space Administration	43.000	TRC-STTR-III-05	187,112				187,112						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-04262005	139,241				139,241						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-3032006-09T	41,896				41,896						
MS Ethanol - National Aeronautics and Space Administration	43.000	NASA-STTR Phase II	104,956				104,956						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-12082005-72D	102,414				102,414						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-12082005-70D	11,301				11,301						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-12202005-69D	32,884				32,884						
CAED - National Aeronautics and Space Administration	43.000	05-T9.01-9993	20,765				20,765						
CFDRC - National Aeronautics and Space Administration	43.000	06-126	13,418				13,418						
USM - National Aeronautics and Space Administration	43.000	USM-MRCSSC-02212006-08T	3,011				3,011						
Tetra - National Aeronautics and Space Administration	43.000	TRC-STTR-II-06	2,308				2,308						
MSU - MRC - National Aeronautics and Space Administration	43.000	DONNS06AA65D	55,052							55,052			
UM - Aerospace Education Services Program	43.001	05-07-002	1,261				1,261						
UM - Aerospace Education Services Program	43.001	05-07-002	4,844				4,844						
USM - Aerospace Education Services Program	43.001	MRCSSC-04202005	6,794				6,794						
UM - Aerospace Education Services Program	43.001	05-09-025	60,353				60,353						
UM - Aerospace Education Services Program	43.001	06-12-033	24,278				24,278						
UM - Aerospace Education Services Program	43.001	06-03-041	8,890				8,890						
UM - Aerospace Education Services Program	43.001	06-03-042	13,986				13,986						
UM - Aerospace Education Services Program	43.001	NGT-400	8,379		8,379								

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
FAA / NIA NASA - Aerospace Education Services Program	43.001	NCC-1-02043	345,435							345,435			
MS Research Consortium - Aerospace Education Services Program	43.001	NNS06AA71D	192,644									192,644	
MS Research Consortium - Aerospace Education Services Program	43.001	NNS05AB69D	32,081									32,081	
MS Research Consortium - Aerospace Education Services Program	43.001	NNS06AA63D	231,473									231,473	
MS Research Consortium - Aerospace Education Services Program	43.001	NNS06AB33T	29,408									29,408	
Radiance Technologies, Inc - Aerospace Education Services Program	43.001	05S-0675	7,294									7,294	
UM - Aerospace Education Services Program	43.001		(1,530)									(1,530)	
UM - Aerospace Education Services Program	43.001	04-04-066/300221940A	(1,208)									(1,208)	
UM - Aerospace Education Services Program	43.001	06-08-010	20,000									20,000	
University of Tennessee-Knoxville - Aerospace Education Services Program	43.001	OR3610-00.05	16,362									16,362	
USM Research Foundation - Aerospace Education Services Program	43.001	41806	6,055									6,055	
MS Ethanol - Technology Transfer	43.002	04030257	6,136				6,136						
UM - Technology Transfer	43.002	MSCI 04-06-081	28,611									28,611	
UM - Technology Transfer	43.002	MSCI 04-06-084	59,163				59,163						
USM - Technology Transfer	43.002	USM-MRCSSC-1216205-65D	363,314				363,314						
USM - Technology Transfer	43.002	USM-MRCSSC-12162005-67d	29,562				29,562						
MS Research Consortium - Technology Transfer	43.002	PO# N8-7971	12,883									12,883	
MS Research Consortium - Technology Transfer	43.002	NAS1303032NNS05AA42D	22,890									22,890	
MS Research Consortium - Technology Transfer	43.002	NNS04AB71D	31,979									31,979	
MS Research Consortium - Technology Transfer	43.002	NSD1303032NNS05AA42D	38,602									38,602	
MS Research Consortium - Technology Transfer	43.002	NNS06AA75T	238,201									238,201	
MS Research Consortium - Technology Transfer	43.002	NNS04AB73D	247,259									247,259	
MSU - Technology Transfer	43.002		(38,389)									(38,389)	
MSU - Technology Transfer	43.002	SSC-81/NAS13-98033	(3,545)									(3,545)	
MSU - Technology Transfer	43.002	SSC-112/NAS13-98033	14									14	
MSU - Technology Transfer	43.002	SSC-114/NAS13-98033	314									314	
MSU - Technology Transfer	43.002		888									888	
MSU - Technology Transfer	43.002	SSC-169/302996-19010	13,998									13,998	
UM - Technology Transfer	43.002		(11,910)									(11,910)	
UM - Technology Transfer	43.002		(3,321)									(3,321)	
UM - Technology Transfer	43.002		10,422									10,422	
UM - Technology Transfer	43.002	02-10-032/NCCS-574	87,784									87,784	
USM - Earth System Science and Technology	unknown	UMSMRCS09282005	33,058								33,058		
USM	unknown	USMNRCS0928200568D	122,977								122,977		
UM- Geoinformatics Center	unknown	NAG13-02052	(695)								(695)		
UM - Application of Remote Sensing Technology	unknown	NAG13-03012	10,268								10,268		
Subtotal Pass-Through Programs			3,779,486	0	8,379	0	2,024,364	0	0	400,487	165,608	1,180,648	0
Total National Aeronautics and Space Administration:			7,945,277	0	8,379	0	3,060,338	5,056	0	1,859,205	162,919	2,849,380	0
National Science Foundation:													
National Science Foundation	47.000		48,083									48,083	
Engineering Grants	47.041		891,276			89,213	235,703			281,721		284,639	
Mathematical and Physical Sciences	47.049		2,591,718			314,399	560,219			136,501		1,580,599	
Geosciences	47.050		238,106			74,747				59,762		103,597	
Computer and Information Science and Engineering	47.070		1,150,422				1,142,831			7,591			
Biological Sciences	47.074		2,423,165				1,464,410			344,696	159,460	454,599	
Social, Behavioral and Economic Sciences	47.075		120,329			(1,457)				11,040		110,746	
Education and Human Resources	47.076		8,135,175	394,872		3,890,839	1,941,132			516,011		1,392,321	
Polar Programs	47.078		1,345				1,345						
International Science and Engineering	47.079		22,494				20,635					1,859	
NSF- IPA Research Agreement	unknown		48,148								48,148		
Subtotal Direct Programs			15,670,261	394,872	0	4,367,741	5,366,275	0	0	1,357,322	207,608	3,976,443	0
Pass-through Program From:													

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
University of California - National Science Foundation	47.000		1,370									1,370	
Univ of HI - Engineering Grants	47.041	Z761889	4,804				4,804						
BarSic - Engineering Grants	47.041	BarSic 2006-0001	13,750				13,750						
Case Western Reserve University - Engineering Grants	47.041	NSF 0403619	12,525									12,525	
Rensselaer Polytech - Mathematical and Physical Sciences	47.049	A11197	(55)				(55)						
National Science Foundation - Mathematical and Physical Sciences	47.049		2,541				2,541						
MSU - Mathematical and Physical Sciences	47.049	060801 362415	100,871								100,871		
University of Wisconsin - Mathematical and Physical Sciences	47.049	K016719	81,871									81,871	
SUNY - Geosciences	47.050	1039074/32191	36,431				36,431						
Univ of New Hampshire- Geosciences	47.050	04-871	7,973								7,973		
National Academy of Sciences- Geosciences	47.050	NA	(2,293)								(2,293)		
IRIS / NSF - Geosciences	47.050	EAR-0004370	30,545							30,545			
Texas A & M - Geosciences	47.050	182-F001007	29									29	
Purdue Univ - Computer and Information Science and Engineering	47.070	501-0563-4	18,440				18,440						
Ohio State University - Computer and Information Science and Engineering	47.070	745316	66,970				66,970						
Rensselaer - Computer and Information Science and Engineering	47.070	A11533	90,042				90,042						
Univ of CA@SD - Computer and Information and Science Engineering	47.070	10246361	35,005				35,005						
MSU - Computer and Information and Science Engineering	47.070	IIS-0442156	34,950							34,950			
JSU	47.071		(72,295)									(72,295)	
JSU	47.071		(1,254)									(1,254)	
JSU	47.071	HRD-0115807/Mod #5	37,871									37,871	
Univ of GA - Biological Sciences	47.074	RR373-020/6236457	89,051				89,051						
Univ of Tx Austin - Biological Sciences	47.074	UTA06-272	2,561				2,561						
Arizona State Univ - Biological Sciences	47.074	03062DEB0213851	45,372								45,372		
Univ. of Louisville- Biological Sciences	47.074	URLF01-1068	52,276								52,276		
Univ of CO - Social, Behavioral and Economic Sciences	47.075	05070719	12				12						
U. S. CRDF / NSF - Social, Behavioral and Economic Sciences	47.075	RUP1-2625-N1-04	4,483							4,483			
UM - Education and Human Resources	47.076	00-10-019	53,205				53,205						
UM - Education and Human Resources	47.076	05-10-030	151,758				151,758						
MSU - Education and Human Resources	47.076	201006712	31,524				31,524						
National Science Foundation - Education and Human Resources	47.076		3,425				3,425						
National Science Foundation - Education and Human Resources	47.076	0201006709	15,265				15,265						
National Science Foundation - Education and Human Resources	47.076	0201006708	154,220				154,220						
National Science Foundation - Education and Human Resources	47.076	ELT4823/DUE0341138	5,110				5,110						
National Science Foundation - Education and Human Resources	47.076		1,230				1,230						
National Science Foundation - Education and Human Resources	47.076		2,000				2,000						
National Science Foundation - Education and Human Resources	47.076		9,055				9,055						
National Science Foundation - Education and Human Resources	47.076	0115728	33,781				33,781						
JSU - MAMP - Education and Human Resources	47.076	HRD9153747	209,658		209,658								
MSU - Education and Human Resources	47.076	EPS0132618	5,630								5,630		
MSU - Education and Human Resources	47.076	44090036242704	13,708								13,708		
EPSCOR '03-Mossing - Education and Human Resources	47.076	EPS-0132618	6,378							6,378			
EPSCOR '03-Davis - Education and Human Resources	47.076	EPS-0132618	21,873								21,873		
EPSCOR '03-Ritchie - Education and Human Resources	47.076	EPS-0132618	17,714								17,714		
USM / NSF IGERT PSC - Education and Human Resources	47.076	DGE-0333136	392,647								392,647		
USM / NSF IGERT Main - Education and Human Resources	47.076	DGE-0333136	1,525								1,525		
MSU / NSF EPSCOR - Education and Human Resources	47.076	EPS-0132618	10,536								10,536		
MSU - Education and Human Resources	47.076	EPS 0132618	100,000								100,000		
MSU - NSF Sukanek - Education and Human Resources	47.076	EPS 0556308	9,152								9,152		
MSU - NSF Tschumper - Education and Human Resources	47.076	EPS 0556308	2,996								2,996		
MSU - NSF Ritchie - Education and Human Resources	47.076	EPS 0556308	11,336								11,336		
MSU - NSF Davis - Education and Human Resources	47.076	EPS 0556308	14,085								14,085		
MSU - Education and Human Resources	47.076		(129,345)									(129,345)	
MSU - Education and Human Resources	47.076	02-01-0067-06	(70,028)									(70,028)	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
MSU - Education and Human Resources	47.076		(1,026)									(1,026)	
MSU - Education and Human Resources	47.076	440900-362427-01	3,956									3,956	
MSU - Education and Human Resources	47.076	440900-362427-01	5,448									5,448	
MSU - Education and Human Resources	47.076	02-01-0067-6	14,404									14,404	
MSU - Education and Human Resources	47.076	02-01-0067-05	36,521									36,521	
MSU - Education and Human Resources	47.076	02-01-0067-6	37,660									37,660	
MSU - Education and Human Resources	47.076	02-01-0067-04	38,918									38,918	
MSU - Education and Human Resources	47.076	02-01-0067-14	54,942									54,942	
MSU - Education and Human Resources	47.076	02-01-0067-07	222,857									222,857	
University of California - Education and Human Resources	47.076		(335)									(335)	
Virginia Institute of Marine Science - Polar Programs	47.078	514702/1247	17,063									17,063	
Subtotal Pass-Through Programs			2,202,692	0	209,658	0	820,125	0	0	658,220	223,537	291,152	0
Total National Science Foundation			17,872,953	394,872	209,658	4,367,741	6,186,400	0	0	2,015,542	431,145	4,267,595	0
U.S. Small Business Administration: Small Business Administration	59.000		1,415,750				415,278					1,000,472	
Pass-through Program From: UM - Small Business Development Center	59.037	9-7620-0025-18	174,702		174,702								
Total U.S. Small Business Administration			1,590,452	0	174,702	0	415,278	0	0	0	0	1,000,472	0
Tennessee Valley Authority: Tennessee Valley Authority	62.000		20,601				20,601						
U.S. Department of Veterans Affairs: US Department of Veterans Affairs	64.000		10,975				10,975						
Environmental Protection Agency: Air Pollution Control Program Support	66.001		18,891			18,891							
Gulf of Mexico Program	66.475		182,075									182,075	
Environmental Protection - Consolidated Research Surveys, Studies, Investigations and Special Purpose Grants	66.500		1,653,080			14,245						1,638,835	
HBCU SB Mentoring - Science and Engineering	66.606		338,843			75	338,768						
Environmental Protection Agency	66.607		12,207			12,207							
Environmental Protection Agency	66.930		7,215			7,215							
Subtotal Direct Programs			2,212,311	0	0	52,633	338,768	0	0	0	0	1,820,910	0
Pass-through Program From:													
Teta Tech - US Environmental Protection Agency	66.000	MSU-14184 TO# 6	4,512				4,512						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	5-0001MSU-006	29,046				29,046						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	99121153	(177)				(177)						
Univ of GA - US Environmental Protection Agency	66.000	RC714-021/3581607	6,202				6,202						
USM - US Environmental Protection Agency	66.000	USM-GR01290-01	80,399				80,399						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	WO # 04-0001-MSU-003	2,354				2,354						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	05-0001MSU-006	2,460				2,460						
Univ of Florida - US Environmental Protection Agency	66.000	6015-0000000308	2,078				2,078						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	05-0001MSU-005	32,916				32,916						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	C9994866-03-0	6,329						6,329				
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	06-0001USM/GCRL-014	81,721									81,721	
MS Dept of Environmental Quality	66.149	04-0001 USM/GCRL-002	97									97	
MS Dept of Environmental Quality	66.149		12,217									12,217	
MS Dept of Environmental Quality	66.149	MDEQ002ID0001USM	42,865									42,865	
MS Dept of Environmental Quality - Water Poll Control State, Interstate & Tribal Program	66.419	MDEQ-02-ID-0001USM	32,632									32,632	
MS Dept of Environmental Quality	66.423	05-00549	26,565				26,565						
MS Dept of Environmental Quality	66.423	MDEQ 05-00549	32,495				32,495						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
MS Dept of Environmental Quality - National Estuary Program	66.456	04-0001MSU-004	27,298				27,298						
FL Dept of Environmental Protection - Nonpoint Source Implementation Grants	66.460	WM880	21,588									21,588	
MDEQ - State Grants to Reimburse Operators of Small Water Systems for Training Costs	66.471	05-0001MSU-007	8,376				8,376						
Univ of Florida	66.502	6015-0000000304	9,523				9,523						
GCHSRC	66.505	034MSU0899	40,991				40,991						
Onondaga Lake - Surveys, Studies, Investigations and Special Purpose Grants	66.606	5080741	2,741				2,741						
Onondaga Lake - Surveys, Studies, Investigations and Special Purpose Grants	66.606	04020217	10,305				10,305						
USAIA/Missionario - International Financial Asst. Projects Sponsored by OIA	66.931	RLAA00050005200	226,223			226,223							
USAID/Missionario - International Financial Asst. Projects Sponsored by OIA	66.931	RANA0003001000	574,070			574,070							
Subtotal Pass-Through Programs			1,315,826	0	0	800,293	318,084	0	0	6,329	0	191,120	0
Total U.S. Department of Environmental Quality			3,528,137	0	0	852,926	656,852	0	0	6,329	0	2,012,030	0
U.S. Department of Energy:													
US Department of Energy	81.000		2,396,923				2,186,033			123,157		87,733	
University-Laboratory Cooperative Program	81.004		4,610,836				4,213,430					397,406	
Inventions and Innovations	81.036		64,121				64,121						
Office of Science Financial Assistance Program	81.049		2,860,720				2,526,247			334,473			
University Coal Research	81.057		227,200				164,308			62,892			
US Department of Energy	81.059		731,477							731,477			
Regional Biomass Energy Programs	81.079		64,894				64,894						
Conservation Research and Development	81.086		135,431				135,431						
Fossil Energy Research and Development	81.089		559,872				37,734			522,138			
Office of Environmental Cleanup and Acceleration	81.104		47,692				47,692						
Subtotal Direct Programs			11,699,166	0	0	0	9,439,890	0	0	1,774,137	0	485,139	0
Pass-through Program From:													
Hughes Eastern - US Department of Energy	81.000	92-3-268	4,599				4,599						
Univ of Michigan - US Department of Energy	81.000	F006909	(700)				(700)						
Sandia National Lab - US Department of Energy	81.000	96401	237,483				237,483						
SSEB - US Department of Energy	81.000	SSEB-NT41980-997-DIAL-2003-01	36,380				36,380						
SSEB - US Department of Energy	81.000	SSEB-NT41980-997-DIAL-2003-01	519				519						
Sandia National Lab - US Department of Energy	81.000	248196	588				588						
MS Ethanol - US Department of Energy	81.000	4060606	493,028				493,028						
MS Ethanol - US Department of Energy	81.000	4060606	26,410				26,410						
MS Ethanol - US Department of Energy	81.000	4060606	25,953				25,953						
ORAU - US Department of Energy	81.000	4111159	164				164						
General Motors - US Department of Energy	81.000	4070700	175,045				175,045						
ORAU - US Department of Energy	81.000	4121268	1,520				1,520						
Tulane Univ - US Department of Energy	81.000	TUL-185-04/05	37,043				37,043						
Tulane Univ - US Department of Energy	81.000	TUL-510-05/06	99,793				99,793						
Univ of CA LANL - US Department of Energy	81.000	01754-001-04	11,029				11,029						
MS Developmental Authority - US Department of Energy	81.000	GT05-327-001	47,457				47,457						
SURA Jefferson Lab - US Department of Energy	81.000	06-P2121	1,146				1,146						
Argonne - US Department of Energy	81.000		(75)										
Oak Ridge Institute for Science and Education - National Energy Information Center	81.039	633254-1925	10,679			10,679				(75)			
ORAU - Office of Science Financial Assistance Program	81.049	05111072	9,703				9,703						
MSU - Office of Science Financial Assistance Program	81.049	0070566-DEFG0200ER45830	158,279			158,279							
The University of Chicago - Office of Science Financial Assistance Program	81.049	W31109ENG38	36,695			36,695							
DE-FG02-00ER45830 - Office of Science Financial Assistance Program	81.049	DE-FG02-00ER45830	45,646							45,646			
MSU - Office of Science Financial Assistance Program	81.049	DE-FG02-00ER45830	53,225							53,225			
MSU - Office of Science Financial Assistance Program	81.049	061800 301117-01	3,930									3,930	
Oak Ridge Associated Universities - Office of Science Financial Assistance Program	81.049		9,585									9,585	
Howard University - Regional Biomass Energy Programs	81.079	633254-192513	178,303			178,303							
MSU - Regional Biomass Energy Programs	81.079	00-07-0566-01	59,739										59,739

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
MSU - Regional Biomass Energy Programs	81.079	00-07-0566-01	149,561									149,561	
Battelle - Conservation Research and Development	81.086	15350	28,832				28,832						
Auburn University - Conservation and Research Development	81.086	02-FWS-533759-USM	15,189									15,189	
MS Ethanol - Renewable Energy Research and Development	81.087	3020239	158,427				158,427						
UM - Fossil Energy Research and Development	81.089	05-10-034	47,321				47,321						
University of Alabama - Fossil Energy Research and Development	81.089	00-023	29,475				29,475						
SSEB - Fossil Energy Research and Development	81.089	SECARB2-998-T7-MSUDIAL-2005-00	62,206				62,206						
UM	81.102		(3,437)									(3,437)	
Dupont - Office of Environmental Cleanup and Acceleration	81.104	DE-FC36-03-G013100	82,912									82,912	
Dupont - Office of Environmental Cleanup and Acceleration	81.104	DE-FC36-03-G013100	88,620									88,620	
Subtotal Pass-Through Programs			2,422,272	0	0	383,956	1,533,421	0	0	98,796	0	406,099	0
Total U.S. Department of Energy			14,121,438	0	0	383,956	10,973,311	0	0	1,872,933	0	891,238	0
U.S. Department of Education:													
Fund for the Improvement of Postsecondary Education	84.116		2,996,930				2,060,522	936,408					
Rehabilitation Long-Term Training	84.129		76,723				76,723						
National Institute on Disability and Rehabilitation Research	84.133		1,206,381				1,206,381						
Fund for the Improvement of Education	84.215		1,118,934		964,658							154,276	
National Institute for Literacy	84.257		14,981				14,981						
Improving Teacher Quality State Grants	84.367		148,905		148,905								
Delta Area Writing Project	84.928		61,453		61,453								
Subtotal Direct Programs			5,624,307	0	1,175,016	0	3,358,607	936,408	0	0	0	154,276	0
Pass-through Program From:													
AL Rehab Services - US Department of Education	84.000	C50870082	2,800				2,800						
State of GA - US Department of Education	84.000	72100-706-05	4,985				4,985						
McComb SD - US Department of Education	84.000	SD 04-05-0477	27,521				27,521						
State of Missouri - US Department of Education	84.000	SS01240	3,669				3,669						
MS Department of Education - US Department of Education	84.000	053201BB244641EA080-02	351,384				351,384						
NCEE - US Department of Education	84.000	Q304B03002	12,364				12,364						
NJ Comm for Blind - US Department of Education	84.000	06010023	14,717				14,717						
State of MO - US Department of Education	84.000	SS01240	5,619				5,619						
AL Rehab Services - US Department of Education	84.000	AE6087MS03	11,829				11,829						
MSU - Fund for the Improvement of Postsecondary Education	84.116	P116Z040141	21,354							21,354			
MSU - Fund for the Improvement of Postsecondary Education	84.116	P116Z050056	77,912							77,912			
Howard Univ - National Institute on Disability and Rehabilitation Research	84.133	633055-166234	(984)				(984)						
NC - Training Interpreters for Indiv who are Deaf and Indiv who are Deaf-Blind	84.160	DHHS 06-15-25	23,120				23,120						
Commonwealth of MA - Rehab Services - Independent Living Svs for Older who are Blind	84.177	SCMCB40004123059	11,176				11,176						
New Jersey - Rehab Services - Independent Living Services for Older Indiv who are Blind	84.177	5010031	6,807				6,807						
State of Missouri - Rehab Services - Indep Living Services for Older Indiv who are Blind	84.177	SS01240 Amend 6	265				265						
Commonwealth of VA - Rehab Services - Indep Living Svs for Older Indiv who are Blind	84.177	0403027701	(510)				(510)						
State of Arkansas - Rehab Services - Indep Living Services for older Indiv who are Blind	84.177	PO# 4500277234	11				11						
Texas Tech Univ - Rehab Services - Indep Living Services for Older Indiv who are Blind	84.177	1304/B109-01	35,172				35,172						
LRA - Rehab Services - Indep Living Services for Older Individuals who are Blind	84.177	05010101	6				6						
State of Arkansas - Rehab Services - Indep Living Services for Older Indiv who are Blind	84.177	PO # 4500393106	4,117				4,117						
Commonwealth of VA - Rehab Services - Indep Living Svs for Older Indiv who are Blind	84.177	05-03-0301-01	5,527				5,527						
GA Dept of Labor - Rehab Services - Indep Living Services for Older Indiv who are Blind	84.177	72100-706-06	11,016				11,016						
AR - Rehab Services - Indep Living Services for Older Indiv who are Blind	84.177	DHHS 4500528212	8,219				8,219						
Commonwealth of VA - Rehab Services - Indep Living Svs for Older Indiv who are Blind	84.177	06-112	3,664				3,664						
NCEE - Civic Education - Cooperative Education Exchange Program	84.304	IS-05-1001	3,980				3,980						
NCEE - Civic Education - Cooperative Education Exchange Program	84.304	GR-05-9001	3,970				3,970						
McComb School District - Early Reading First	84.359	USM-24320011005	229,397									229,397	
CES - Literacy Through School Libraries	84.364		1,655							1,655			
MS Department of Education - Mathematics and Science Partnerships	84.366B		25,990							25,990			

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures										
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
Subtotal Pass-Through Programs			906,752	0	0	0	550,444	0	0	126,911	0	229,397	0
Total U.S. Department of Education			6,531,059	0	1,175,016	0	3,909,051	936,408	0	126,911	0	383,673	0
U.S. Department of Health and Human Services													
US Department of Health and Human Services	93.000		137,764						90,006	47,758			
Food and Drug Administration - Research	93.103		1,227,295							1,227,295			
Environmental Health	93.113		590,792				334,391			256,401			
Oral Diseases and Disorders Research	93.121		81,700				35,033				46,667		
Coordinated Services and Access to Research for Women, Infants, Children and Youth	93.153		42								42		
Rural Health Research Centers	93.155		62,242				62,242						
Research Related to Deafness and Communicative Disorders	93.173		390,092							154,601	235,491		
Research and Training in Complementary and Alternative Medicine	93.213		344,443							284,893		59,550	
Research on Healthcare Costs, Quality and Outcomes	93.226		994,936				300,942				693,994		
Mental Health Research Grants	93.242		840,424								840,424		
Alcohol Research Programs	93.273		320,330									75,661	
Behavioral Pharmacology of Drug Self Administration	93.277		111,648								111,648		
Drug Abuse and Addiction Research Programs	93.279		2,525,905				490,327			1,431,826	603,752		
Mental Health Research Career/ Scientist Development Award	93.281		2,110								2,110		
Mental Health Research Service Awards for Research Training	93.282		176,585										
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		5,005,634		300,109	241,459				4,464,066			
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		72,212									72,212	
Comparative Medicine Program	93.306		120,429	68,415			52,014						
Minority Health and Health Disparity Research	93.307		1,020,346			1,020,346							
Advance Education Nursing Traineeship	93.358		18,231		18,231								
Nursing Research	93.361		123,958								123,958		
Minority Biomedical Research Support	93.375		2,044,784	145,079		1,899,705							
National Center for Research Resources	93.389		10,268,193	285,661		2,023,251	1,728,655			(88)	1,791,029	4,439,685	
Academic Research Enhancement Award	93.390		1,715				1,715						
Cancer Treatment Research	93.395		335,469				40,098			183,393	111,978		
Cancer Control	93.399		69,260				69,260						
Child Welfare Services Training Grants	93.648		69,828						69,828				
Cell Biology and Biophysics Research	93.821		87,438				87,438						
Heart and Vascular Diseases Research	93.837		7,587,597								7,542,640	44,957	
Digestive Diseases and Nutrition Research	93.848		971								971		
Kidney Diseases, Urology and Hematology Research	93.849		599,711								599,711		
Extramural Research programs in the Neurosciences & Neurological Disorders	93.853		880,903			11,784					869,119		
IdeA Networks of Biomedical Research Excellence Grants	93.854		398,985					398,985					
Allergy Immunology and Transplantation Research	93.855		571,437				20,071			69,225	482,141		
Microbiology and Infectious Disease Research	93.856		1,003,347							975,213	13,688	14,446	
Biomedical Research and Research Training	93.859		1,168,123	206,107		292,444	81,379				586,926	1,267	
HIV/STD Risk Reduction AA Adol / Demo Rapid HIV Testing	93.864		284,019			284,019							
Child Health and Human Development Extramural Research	93.865		298,551			152,951					145,600		
Aging Research	93.866		759				759						
Vision Research	93.867		845,547								845,547		
Research Focused Initiative	93.880		882,709			882,709							
Health Care and Other Facilities	93.887		10,329,284								10,280,142	49,142	
Resource and Manpower Development in the Environmental	93.894		237,864				237,864						
HIV Prevention Activities - Nongovernmental Organization Based	93.939		260,020			260,020							
Epidemiologic Research Studies of AIDS and HIV infection in Selected Groups	93.943		1,048,039			1,048,039							
International Research and Research Training	93.989		41,007							41,007			
Atherosclerosis Risk in Communities - ARIC	unknown		526,856								526,856		
Pediatric Hydroxurea Phase III Clinical Trial Supplement	unknown		212,334								212,334		
Subtotal Direct Programs			54,221,868	705,262	318,340	8,293,312	3,542,188	398,985	159,834	9,135,590	26,911,437	4,756,920	0

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
Pass-through Program From.													
Division of Medicaid - US Department of Health and Human Services	93.000	4090946	24,376				24,376						
Division of Medicaid - US Department of Health and Human Services	93.000	05010044	155,640				155,640						
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	5030254	3,012										
Division of Medicaid - US Department of Health and Human Services	93.000	5040352	27,335				27,335						
Univ of MD - US Department of Health and Human Services	93.000	02-4-38719	(42,678)				(42,678)						
George Mason University - US Department of Health and Human Services	93.000	200898	12,373				12,373						
Building Capacity to Environmental Management - US Dept of Health and Human Services	93.000		78,999						78,999				
Emory Univ - US Department of Health and Human Services	93.000	CCU423095	23,616								23,616		
IQH - US Department of Health and Human Services	93.000	500-02-MS01	(206)							(206)			
UT / NIH - US Department of Health and Human Services	93.000		188							188			
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	USM 25310012001	3,127									3,127	
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	USM GM000462	23,337									23,337	
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	USM GM000479	17,140									17,140	
Iowa St Univ - Food and Drug Administration Research	93.103	430-23-48	56,179				56,179						
Univ. of Minnesota: Oral Diseases and Disorders Research	93.121	R01DE14338	171,503								171,503		
Univ. of Minnesota: Oral Diseases and Disorders Research	93.121	B6166124104	57,330								57,330		
Mikkur - Oral Diseases and Disorders Research	93.121	1 R43 DE015455-01A1	3,444							3,444			
North MS Health - Grants to Increase Organ Donations	93.134	01-12-0159-01	6,724				6,724						
Univ. of Medicine and Dentistry-New Jersey- Coor. Svs and Access to Research	93.153	2005MS1	350								350		
Washington Univ. - Research Related to Deafness and Communication	93.173	WU0689	11,593								11,593		
IHL -Quentin N. Burdick Program for Rural Interdisciplinary Training	93.192		200		200								
USM - Research and Training in Complementary and Alternative Medicine	93.213	1 R01 AT001928-01A1	445								445		
Rutgers - Research and Training in Complementary and Alternative Medicine	93.213	1R21 AT002076-01	16,991							16,991			
Harvard University - Research and Training in Complementary and Alternative Medicine	93.213	1R01AT00607	38,215							38,215			
The Lewin Group, Inc - Consolidated Knowledge Development and Application Program	93.230	TLG-004-02-4096.0101	643									643	
Duke Univ.: Mental Health Research Grants	93.242	P50 MH060451	114,130								114,130		
Yale University: Mental Health Research Grants	93.242	A06200	17,498								17,498		
Duke Univ.: Mental Health Research Grants	93.242	P50 MH060451-01A2	208,466								208,466		
East TN. State Univ.: Mental Health Research Grants	93.242	5302302	6,941								6,941		
MS Dept of Mental Health - Substance Abuse and Mental Health Services	93.243		19,315							19,315			
Univ. of New York Buffalo: Alcohol Research Programs	93.273	R351001	9,470								9,470		
Oregon Res. Institute: Drug Abuse and Addiction Research Program	93.279	DA017972	159,450								159,450		
Univ. of Texas San Antonio: Drug Abuse and Addiction Research Program	93.279	115954/115375	18,472								18,472		
CWRU - Drug Abuse and Addiction Research Program	93.279	1 R01 DA-017204-01	109,648							109,648			
MSU - Drug Abuse and Addiction Research Program	93.279	1 903E+13	200,094									200,094	
S. F. Austin - Centers for Disease Control and Prevention - Investigations and Tech-Assst.	93.283	1 R01 CI1000315-01	106,508							106,508			
EcoArray, LLC - Discovery and Applied Research for Technological Innovations	93.286	1 R43 ES013637-01	1,415									1,415	
Florida A&M	93.306	2 G12 RR003020-19	(751)							(751)			
JSU - Minority Health and Health Disparities Research	93.307	P20MD000534	9,325								9,325		
JSU - Minority Health and Health Disparities Research	93.307	P20MD000534	227,623								227,623		
ANRC - National Center for Research Resources	93.389	ARC/HHL-05-01	6,780				6,780						
Charles R Drew University - National Center for Research Resources	93.389	5P20RR11145	58,583			58,583							
USM - National Center for Research Resources	93.389	USMGR00978	2,531			2,531							
USM - National Center for Research Resources	93.389	P20RR16476	70,480								70,480		
Florida A&M - National Center for Research Resources	93.389	5 G12 RR003020	(2,273)							(2,273)			
FAMU - National Center for Research Resources	93.389	5 G12 RR003020	18,775							18,775			
USM - National Center for Research Resources	93.389	5 P20 RR016476-03	929							929			
USM - National Center for Research Resources	93.389	NOT-RR-03-008	81,188							81,188			
MFGN - National Center for Research Resources	93.389		1,500							1,500			
UMMC - National Center for Research Resources	93.389	66412-59378	17,179									17,179	
Drexel Univ	93.390	232245	28,012				28,012						
Univ of Arizona - Cancer Cause and Prevention Research	93.393	Y432809	88,409				88,409						
NIG Sub - Oregon Research Institute: Cancer Cause and Prevention Research	93.393	CA107442	2,763								2,763		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
Univ. of Pennsylvania: Cancer Treatment Research	93.395	531795	98,169								98,169		
GOG: Cancer Treatment Research	93.395	SP 27469-2	124,178								124,178		
Natl. Childhood Cancer Foundation: Cancer Treatment Research	93.395	13164	21,355								21,355		
GOG: Cancer Treatment Research	93.395	CA47269	35,994								35,994		
Natl. Childhood Cancer Foundation: Cancer Treatment Research	93.395	97452-1019	140,835								140,835		
Natl. Childhood Cancer Foundation: Cancer Treatment Research	93.395	8624	620								620		
Univ. of Texas HSC: Cancer Treatment Research	93.395	N01CN35038	17,739								17,739		
Univ. of Michigan: Cancer Treatment Research	93.395	U01CA032102	5,494								5,494		
Georgetown - Cancer Treatment Research	93.395	1R01 CA88456-01	(824)							(824)			
St Jude - Cancer Treatment Research	93.395	1R01 CA108775-01A1	44,415							44,415			
Southwest Oncology Group: Cancer Control	93.399	11-025-00UM	66,185								66,185		
CTRC Research Foundation: Cancer Control	93.399	PCPT9328	5,526								5,526		
Kansas State University - Cancer Control	93.399	C05020	5,331									5,331	
University of Alabama at Birmingham - Cancer Control	93.399	5-U01 CA114619-02	121,535									121,535	
Texas A & M - Promoting Safe and Stable Families	93.556		1,616									1,616	
MS Dept of Human Services - Child Care and Development Block Grant	93.575	04030250	401				401						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527Q741	352				352						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527Q7452	131,590				131,590						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527Q7461	110,868				110,868						
IHL - State survey and Certification of Health Care Providers and Suppliers	93.777		(3,356)									(3,356)	
IHL - State survey and Certification of Health Care Providers and Suppliers	93.777		(9)									(9)	
IHL - State survey and Certification of Health Care Providers and Suppliers	93.777		66,129									66,129	
Network 8 Inc - Centers for Medicare and Medicaid Services Research, Demo & Eval	93.779		110,768							110,768			
MS Dept of Mental Health - Ctrs for Medicare and Medicaid Svs Research Demo & Eval	93.779	6D95-05-PCP-USM	6,256									6,256	
Tulane Univ. Health Sciences Center: Heart and Vascular Disease Research	93.837	HL68057	278,496								278,496		
Univ. of Louisville Research Foundation: Heart and Vascular Disease Research	93.837	HL076160	62,117								62,117		
Univ. of Texas HSC: Heart and Vascular Disease Research	93.837	0004524D	386,089								386,089		
Medical College of Georgia - Heart and Vascular Disease Research	93.837	0004575D	49,049								49,049		
Children's Hospital of Oakland: Blood Diseases and Resources Research	93.839	05-1074E1	4,218								4,218		
Research Triangle: Blood Diseases and Resources Research	93.839	R01DK57778	1,206								1,206		
Boston Medical Center: Blood Diseases and Resources Research	93.839	N01CP01004	75								75		
Boston Medical Center: Blood Diseases and Resources Research	93.839	HL5157	39,899								39,899		
Boston Medical Center: Blood Diseases and Resources Research	93.839	HL68970	284								284		
MS Methodist Rehab - Blood Diseases and Resources Research	93.839	HL5157	6,389								6,389		
MS Methodist Rehab: Extramural Research in Neurosciences and Neurological Disorders	93.853	H133A980035	10,633								10,633		
Univ. of Texas HSC: Extramural Research in Neurosciences and Neurological Disorders	93.853	1U01NS43353	(16,035)								(16,035)		
Mayo Clinic: Extramural Research in Neurosciences and Neurological Disorders	93.853	R01NS41558	347,835								347,835		
Extramural Research in Neurosciences and Neurological Disorders	93.853	NS42759/19	585								585		
Washington Univ. SOM: Extramural Research in Neurosciences and Neurological Disorders	93.853	NS042804/WU0583	6,539								6,539		
Univ. of Mass.: Allergy, Immunology and Transplantation Research	93.855	603184RFS100088	929								929		
Tulane Univ. HSC: Microbiology and Infectious Disease Research	93.856	U10AI46362	81,816								81,816		
Cumberland - Microbiology and Infectious Disease Research	93.856	1R41 A1063935-01A1	38,236							38,236			
University of Arkansas - Microbiology and Infectious Disease Research	93.856		42									42	
Cornell University: Biomedical Research and Research Training	93.859	440527957	21,568								21,568		
Saint Louis University - HIV Prevention Activities - Nongovernmental Org Based	93.939	KSCOM0404-02	20,581			20,581							
The Carter Consultancy - HIV Prevention Activities - Nongovernmental Org Based	93.939	HHSP233200400806P	(13,899)			(13,899)							
Memorial Hospital of Rhode Island - Epidemiologic Research of AIDS and HIV	93.943	U65CCU123365	46,043			46,043							
Assoc of Teachers of Preventative Med - Coop Agreements to Support Safe Motherhood	93.946	TS-0780	77,893									77,893	
MS Families As Allies. Inc - Block Grants for Community Mental Health Services	93.958		1,090									1,090	
MS Division of Medicaid - Family Planning - Service Delivery Improvement Grants	93.974		31,337			31,337							
MS Dept of Health - Preventive Health and Health Services Block Grant	93.991		995									995	
MS Dept of Mental Health - Adolescent Family Life - Demonstration Projects	93.995	5APHA000830	52,638			52,638							
MS Dept of Health - Bioterrorism Training and Curriculum Development Program	93.996	NA	5,614								5,614		
Duke Univ.: Crusade	unknown	BAMSG	142								142		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures	Total Federal Expenditures										
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board	
Univ. of North Carolina: Clinical Antipsychotic Trials of Intervention Effectiveness	unknown	N01MH90001	1,580									1,580		
JSU - Rural Systems, Mississippi	unknown	2004-388895-02132	6,903									6,903		
Univ. of Wisconsin: Molecular Basis for Metabolic and Energetic Diversity	unknown	DE-FG02-01ER663232	28,795									28,795		
Contract: MSH Patients Follow Up Extension	unknown	N01HB67129	1,009									1,009		
Subtotal Pass-Through Program			4,964,194	0	200	197,814	609,373	0	78,999	586,511	2,950,840	540,457	0	
Total U.S. Department of Health and Human Services			59,186,062	705,262	318,540	8,491,126	4,151,561	398,985	238,833	9,722,101	29,862,277	5,297,377	0	
Corporation for National and Community Service: Volunteers in Service to America	94.013		382,230		382,230									
Pass-through Program From: MS Department of Education - Learn and Serve America - Higher Education	94.005	03-5331-001	4,134									4,134		
Total Corporation for National and Community Service			386,364	0	382,230	0	0	0	0	0	0	4,134	0	
U.S. Department of Homeland Security: Pass-through Program From:														
ATA - US Department of Homeland Security	97.000	5080738	239,492				239,492							
ATA - US Department of Homeland Security	97.000	5080738	63,195				63,195							
ATA - US Department of Homeland Security	97.000	05080738 Training 4.1	59,577				59,577							
ATA - US Department of Homeland Security	97.000	05080738/4.1	5,232				5,232							
ATA - US Department of Homeland Security	97.000	05080738/4.1	4,709				4,709							
ATA - US Department of Homeland Security	97.000	5080738	148,035				148,035							
ATA - US Department of Homeland Security	97.000	5080738	131,113				131,113							
ATA - US Department of Homeland Security	97.000	5080738	156,145				156,145							
ATA - US Department of Homeland Security	97.000	05080738	9,354				9,354							
ATA - US Department of Homeland Security	97.000	05080738 Task 21-24	132,775				132,775							
ATA - US Department of Homeland Security	97.000	05080738	39,671				39,671							
ATA - US Department of Homeland Security	97.000	5080738	69,053				69,053							
MS Research Consortium - US Department of Homeland Security	97.000	19010030017002N62306	(2,988)										(2,988)	
MS Dept of Public Safety - State Domestic Preparedness Equipment Support Program	97.004	04HS700	80,637							80,637				
MS Emergency Management Agency	97.052		(2,113)							(2,113)				
MS Emergency Management Agency - Federal Emergency Management Agency	97.063	EMA-2004-GR-5052	47,452							47,452				
Subtotal Pass-Through Program			1,181,339	0	0	0	1,058,351	0	0	125,976	0	(2,988)	0	
Total U.S. Department of Homeland Security			1,181,339	0	0	0	1,058,351	0	0	125,976	0	(2,988)	0	
U.S. Agency of International Development: US Agency of International Development	98.000		404,761	10,068			368,218			26,475				
Pass-through Program From: Univ of NE - US Agency of International Development	98.000	Univ of NE/INTSORMIL	16,471				16,471							
Total U.S. Agency of International Development			421,232	10,068	0	0	384,689	0	0	26,475	0	0	0	
Total Research and Development Cluster			241,051,409	6,294,407	2,306,446	20,488,571	102,720,981	1,340,449	1,385,601	40,880,014	31,032,861	34,602,079	0	
Other Programs:														
U.S. Department of Agriculture:														
US Department of Agriculture	10.000		30,696							3,500			27,196	
Agricultural Research Basic and Applied Research	10.001		177,334				132,477			44,857				
Plant and Animal Disease Pest Control and Animal Care	10.025		562,266	41,238			521,028							
Grants for Agricultural Research Special Research Grants	10.200		239,888				239,888							
Payments to Agricultural Experiment Stations Under Hatch Act	10.203		69,222				69,222							

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
Grants for Agricultural Research Competitive Research Grants	10.206		191,915									191,915	
1890 Institution Capacity Building Grants	10.216		199,767	199,767									
Higher Education Multicultural Scholars Program	10.220		28,750				28,750						
Agricultural and Rural Economic Research	10.250		1,323				1,323						
Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers	10.443		147,569	147,569									
Crop Insurance	10.450		18,476				18,476						
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475		1,446				1,446						
Cooperative Extension Service	10.500		2,918,783	406,115			2,512,668						
Nutrition Education and Training Program	10.564		1,703,642							1,703,642			
Team Nutrition Grants	10.574		2,638,217							2,638,217			
Cooperative Forestry Assistance	10.664		33,302				33,302						
Empowerment Zone Programs	10.772		54,734						54,734				
Plant Materials for Conservation	10.905		19,259				19,259						
Subtotal Direct Programs:			9,036,589	794,689	0	0	3,577,839	0	58,234	4,386,716	0	219,111	0
Pass-Through Programs From:													
Greene CBS - US Department of Agriculture	10.000	CBS 02050419	31,575				31,575						
Harrison CBS - US Department of Agriculture	10.000	CBS 02050429	59,258				59,258						
Amite CBS - US Department of Agriculture	10.000	CBS 02050421	9,042				9,042						
Benton CBS - US Department of Agriculture	10.000	CBS 02050420	33,140				33,140						
Forrest CBS - US Department of Agriculture	10.000	CBS 02070518	39,680				39,680						
Scott CBS - US Department of Agriculture	10.000	CBS 02070519	93,666				93,666						
Jones CBS - US Department of Agriculture	10.000	CBS 02070609	27,723				27,723						
Lincoln CBS - US Department of Agriculture	10.000	CBS 02080669	13,125				13,125						
Wilkinson CBS - US Department of Agriculture	10.000	CBS 02090758	31,714				31,714						
Perry CBS - US Department of Agriculture	10.000	CBS 03050469	143,053				143,053						
Adams CBS - US Department of Agriculture	10.000	CBS 03050490	24,399				24,399						
Chickasaw CBS - US Department of Agriculture	10.000	CBS 03060608	18,871				18,871						
Sharkey CBS - US Department of Agriculture	10.000	CBS 03121277	16,121				16,121						
Jefferson CBS - US Department of Agriculture	10.000	CBS 04050495	11,488				11,488						
Jackson CBS - US Department of Agriculture	10.000	CBS 04101054	21,327				21,327						
Texas A & M TCE - US Department of Agriculture	10.000	TCE 455029	(5)				(5)						
MDAC - Plant and Animal Disease Pest Control and Animal Care	10.025	06070524	9,696				9,696						
Auburn Univ - Grants for Agricultural Research - Special Research Grants	10.200	05030234	109				109						
Univ of GA - Grants for Agricultural Research - Special Research Grant	10.200	RD309-0559038717	40,837				40,837						
Alabama A&M - Grants for Agricultural Research - Competitive Research Grants	10.206	2005-35618-15756-MSU	10,124				10,124						
Univ of FL - Integrated Programs	10.303	SC000453-1-4	(616)				(616)						
Texas A&M - Intergrated Programs	10.303	450007	24,767				24,767						
Univ of FL - Homeland Security Agriculture	10.304	PQ#512977_SC02062150-1-9	50,557				50,557						
Kansas St Univ - Cooperative Extension Service	10.500	S03045	9,333				9,333						
National 4-H Council - Cooperative Extension Service	10.500	03060605	(843)				(843)						
University of GA - Cooperative Extension Service	10.500	RE675-108/5814127	565				565						
Kansas St Univ - Cooperative Extension Service	10.500	S04061	27,712				27,712						
Texas A&M - Cooperative Extension Service	10.500	622106	6,391				6,391						
Univ of Georgia - Cooperative Extension Service	10.500	RE675-110/7877597	51,677				51,677						
Univ of GA - Cooperative Extension Service	10.500	RE675-110/8920107	6,570				6,570						
Univ of VT - Cooperative Extension Service	10.500	SARE N112	589				589						
Clemson - Cooperative Extension Service	10.500	844-7559-215-2004121	12,154				12,154						
Univ of VT - Cooperative Extension Service	10.500	N117	4,977				4,977						
National 4-H Council - Cooperative Extension Service	10.500	05090859	42,821				42,821						
Clemson - Cooperative Extension Service	10.500	942-7559-215-2004121	14,551				14,551						
Texas A&M - Cooperative Extension Service	10.500	TCE 622123	5,932				5,932						
Univ of NE - Cooperative Extension Service	10.500	26-6365-0001-304	13,667				13,667						
Cornell - Cooperative Extension Services	10.500	2004-41210-03107	500				500						
Texas A&M - Cooperative Extension Service	10.500	622070	2,696				2,696						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Total Federal											
	CFDA		Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
Texas A&M - Cooperative Extension Service	10.500	622070	(330)				(330)						
MS Dept of Health - National School Lunch Program	10.555	983201C4062110001	96									96	
MS Dept of Health - Special Supplemental Nutrition Prog for Women Infants & Children	10.557		277,155								277,155		
MS Department of Education - Child and Adult Care Food Program	10.558		(13,436)									(13,436)	
MS Department of Education - Child and Adult Care Food Program	10.558		25,986									25,986	
MS Dept of Human Services - State Admin Matching Grants for Food Stamp Program	10.561	527B151	411,255				411,255						
MS Dept of Human Services - State Admin Matching Grants for Food Stamp Program	10.561	MDHS FNP FY05 527B151	366,770				366,770						
MS Dept of Human Services - State Admin Matching Grants for Food Stamp Program	10.561	527B161	896,039				896,039						
MS Dept of Human Services - State Admin Matching Grants for Food Stamp Program	10.561	527B161 Match	828,879				828,879						
MS Dept of Human Services - State Admin Matching Grants for Food Stamp Program	10.561	524B121	49,327	49,327									
MS Forestry Commission - Cooperative Forestry Assistance	10.664	05111075	15,379				15,379						
USDA Forest Service - Cooperative Forestry Assistance	10.664		12,500							12,500			
Subtotal Pass-Through Programs			3,778,563	49,327	0	0	3,426,935	0	0	12,500	277,155	12,646	0
Total U.S. Department of Agriculture			12,815,152	844,016	0	0	7,004,774	0	58,234	4,399,216	277,155	231,757	0
U.S. Department of Commerce:													
US Department of Commerce	11.000		68,883									68,883	
Grants for Public Works and Economic Development Facilities	11.300		1,989,726				1,989,726						
Economic Development Support for Planning Organizations	11.302		105,841									105,841	
Economic Development Technical Assistance	11.303		330,901				241,975		85,092			3,834	
Sea Grant Support	11.417		219,575									219,575	
Congressionally Identified Awards and Projects	11.469		88,120							88,034		86	
Coastal Services Center	11.473		44,548				8,287					36,261	
Public Telecommunications Facilities - Planning and Construction	11.550		23,241									23,241	
Measurement of Engineering Research and Standards	11.609		8,555							5,743		2,812	
Subtotal Direct Programs			2,879,390	0	0	0	2,239,988	0	85,092	93,777	0	460,533	0
Pass-Through Programs From:													
USM - US Department of Commerce	11.000	USM-GR01597/OMNIBUS-ED-10/B10	42,258				42,258						
Mississippi Development Authority - US Department of Commerce	11.000	241-C3	51,840									51,840	
Mississippi Development Authority - US Department of Commerce	11.000	241-C3 (A)	98,132									98,132	
Southern MS PDD - Economic Development - Support for Planning Organizations	11.302		26,530									26,530	
USM - Sea Grant Support	11.417	USM-22200001002/OMNIBUS-EX-3	56,076				56,076						
USM - Sea Grant Support	11.417	USM-GR02428-A10-EX-9	6,915				6,915						
USM-NOAA-Sea Grant Support	11.417	NA16RG2258	5,000							5,000			
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	569									569	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258/ED-8	27,935									27,935	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	65,804									65,804	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258/ED-9	74,301									74,301	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258/M/PD-1	145,911									145,911	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258/M/PA-1	964,952									964,952	
Mississippi-Alabama Sea Grant Consortium - Sea Grant Support	11.417	NA16RG2258	9,640									9,640	
MS Dept of Environmental Quality - Coastal Zone Management Administration Awards	11.419	MDEQ MS R 25	16,184				16,184						
MS Dept of Environmental Quality - Coastal Zone Management Administration Awards	11.419	MDEQ MS R 25	18,340				18,340						
UM - Undersea Research	11.430	03-04-084	238,535									238,535	
MS Technology Alliance - Manufacturing Extension Partnership	11.611	06010022	173,609				173,609						
MS Technology Alliance - Manufacturing Extension Partnership	11.611	MTA 06010021 Motzenbocker	5,668				5,668						
Subtotal Pass-Through Programs			2,028,199	0	0	0	319,050	0	0	5,000	0	1,704,149	0
Total U.S. Department of Commerce			4,907,589	0	0	0	2,559,038	0	85,092	98,777	0	2,164,682	0
U.S. Department of Defense:													
US Department of Defense	12.000		736,034				16,565			698,285		21,184	
Basic and Applied Scientific Research	12.300		223,830									223,830	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
Air Force Defense Research Sciences Program	12.800		3,000									3,000	
Subtotal Direct Programs			962,864	0	0	0	16,565	0	0	698,285	0	248,014	0
Pass-Through Programs From:													
Applied Resources - US Department of Defense	12.000	AR-0404-01	11,204				11,204						
Auburn Univ - US Department of Defense	12.000	Auburn 05-ACES-539120-MS Wilkinson	8,900				8,900						
Applied Resources - US Department of Defense	12.000	Applied Resources - Ingels	17,451				17,451						
Univ of MD / NFLC - National Security Education Program David L. Boren Schol.	12.551	DABJ2903P0085	1,516							1,516			
Acad Ed Dev -National Security Education Program David L. Boren Scholarship	12.551	DASW01-02-P-0462	181,035							181,035			
Acad Ed Dev -National Security Education Program David L. Boren Scholarship	12.551	DASW01-02-P-0462	122,927							122,927			
Natl Flag Language Program - National Security Education Program David L Boren Schol	12.551	W9137B-06-P-0041	5,532							5,532			
2006 MS Jr Science - Research and Technology Development	12.901	W911NF-04-1-001	1,184							1,184			
2005 MS Jr Science - Research and Technology Development	12.901	W911NF-04-1-0001	3,012							3,012			
Subtotal Pass-Through Programs			352,761	0	0	0	37,555	0	0	315,206	0	0	0
Total U.S. Department of Defense			1,315,625	0	0	0	54,120	0	0	1,013,491	0	248,014	0
U.S. Department of Housing and Urban Development:													
Housing Counseling Assistance Program	14.169		10,071									10,071	
Community Development Block Grants - Technical Assistance Program	14.227		18,780						18,780				
Supportive Housing Program	14.235		240,606									240,606	
Historically Black Colleges and Universities Program	14.237		315,627	300,689		14,938							
Community Development Block Grants - Brownsfield Eco Development Initiative	14.246		4,644,087			174,142	3,296,983			34,754		1,138,208	
Fair Housing Initiatives Program	14.408		40,356									40,356	
Historically Black Colleges and Universities Program	14.520		28,133	28,133									
Subtotal Direct Programs			5,297,660	328,822	0	189,080	3,296,983	0	18,780	34,754	0	1,429,241	0
Pass-Through Programs From:													
City of Meridian - US Department of Housing and Urban Development	14.000	05050460	11,454				11,454						
National Heart Lung and Blood Institute - Historical Black Colleges and Univ Program	14.237	NCC2-1296	385,564			385,564							
City of Jackson - Home Investments Partnerships Program	14.239	2002 HOME CONTRACT	922									922	
City of Jackson - CDBG - Brownsfield Economic Development Initiative	14.246	S367B040021A	7,035			7,035							
City of Jackson - CDBG - Brownsfield Economic Development Initiative	14.246	B-05MC280003	16,433			16,433							
MS Development Authority - CDBG - Brownsfield Eco Dev Initiative	14.246		89,583			89,583							
Biloxi Housing Authority - Community Outreach Partnership Center Program	14.511	HOPE V1-01-001	3,055									3,055	
Subtotal Pass-Through Programs			514,046	0	0	498,615	11,454	0	0	0	0	3,977	0
Total U.S. Department of Housing and Urban Development			5,811,706	328,822	0	687,695	3,308,437	0	18,780	34,754	0	1,433,218	0
U.S. Department of Interior:													
US Department of Interior	15.000		181,081				181,081						
Non-Sale Disposals of Mineral Material	15.214		1,674			1,674							
SAVE AMERICA'S TREASURES	15.292		395,070				395,070						
Fish and Wildlife Management Assistance	15.608		366,295				366,295						
National Spatial Data Infrastructure	15.809		3,323			3,323							
Historic Preservation Fund Grants-In-Aid	15.904		128,990				128,990						
Historically Black Colleges & Universities Preservation Initiative	15.924		268,806	268,806									
Total U.S. Department of Interior			1,345,239	268,806	0	4,997	1,071,436	0	0	0	0	0	0
U.S. Department of Justice:													
US Department of Justice	16.000		256,883				8,560					248,323	
Law Enforcement Assistance - FBI Field Police Training	16.302		255,847									255,847	
OVW Technical Assistance Initiative	16.526		22,302							22,302			
Juvenile Justice and Delinquency Program - Allocation to States	16.540		41,843							24,605		17,238	
Edward Byrne Memorial State and Local Law Enforcement Assistance Grant Program	16.580		4,764,392				447,371		2,383,442			1,933,579	
Violence Against Women Formula Grants	16.588		106,025									106,025	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
Community Prosecution and Project Safe Neighborhoods	16.609		1,571							1,571			
Regional Information Sharing Systems	16.610		551,837									551,837	
Public Safety Partnership and Community Policing Grants	16.710		66,509			39,642						26,867	
Police Corps	16.712		696,356									696,356	
Campus Violence Protection Program - Department of Justice	Unknown		47,273						47,273				
Subtotal Direct Programs			6,810,838	0	0	39,642	8,560	447,371	47,273	2,431,920	0	3,836,072	0
Pass-Through Programs From:													
MS Dept of Public Safety Planning - US Department of Justice	16.000	05-OP-401-S	34,370				34,370						
City of Hattiesburg - US Department of Justice	16.000		22,786									22,786	
MS Dept of Public Safety - Juvenile Justice and Delinquency Prog - Alloc to State	16.540	2004-WF-AX-0025	26,162			26,162							
MS Dept of Public Safety - Juvenile Justice and Delinquency Prog - Allocation to State	16.540	2002-JF-FX-0028	180							180			
MS Dept of Public Safety - Juvenile Justice and Delinquency Prog - Alloc to State	16.540	2002-JF-FX-0028	64,572							64,572			
MS Dept of Public Safety - Juvenile Justice and Delinquency Prog - Alloc to State	16.540		375									375	
City of Hattiesburg - Part E - Developing, Testing and Demonstrating Prom. New Prog	16.541		(4,731)									(4,731)	
City of Hattiesburg - Part E - Developing, Testing and Demonstrating Prom. New Prog	16.541	25360013002	22,603									22,603	
MSU - Public Safety Officers' Benefits Program	16.571	06290036372302	45,970			45,970							
MS Dept of Public Safety Planning - Violence Against Women Formula Grants	16.588	04SV4011	52,161				52,161						
MS Department of Public Safety - Violence Against Women Formula Grants	16.588	3SV4001	3,892			3,892							
MS Department of Public Safety - Violence Against Women Formula Grants	16.588	2004-FW-AX-K028	111,704								111,704		
MS Department of Public Safety - Violence Against Women Formula Grants	16.588	2003-WF-BX-0191	24,628							24,628			
MS Department of Public Safety - Violence Against Women Formula Grants	16.588	2004-WF-AX-0025	30,566							30,566			
MS Dept of Public Safety Planning - Enforcing Underage Drinking Laws Program	16.727	3-UA-401-1	3,912				3,912						
MS Dept of Public Safety Planning - Enforcing Underage Drinking Laws Program	16.727	05-UA-401-2	4,805				4,805						
Subtotal Pass-Through Programs			443,955	0	0	76,024	95,248	0	0	119,946	111,704	41,033	0
Total U.S. Department of Justice			7,254,793	0	0	115,666	103,808	447,371	47,273	2,551,866	111,704	3,877,105	0
U.S. Department of Labor:													
WIA Pilots, Demonstrations and Research Projects	17.261		129,549	130,941						(1,392)			
Subtotal Direct Programs			129,549	130,941	0	0	0	0	0	(1,392)	0	0	0
Pass-Through Programs From:													
MTA - Thriving as a Tech Entrepreneur	17.250		24,990			24,990							
Subtotal Pass-Through Programs			24,990	0	0	24,990	0	0	0	0	0	0	0
Total U.S. Department of Labor			154,539	130,941	0	24,990	0	0	0	(1,392)	0	0	0
U.S. Department of Transportation:													
US Department of Transportation	20.000		15,611							15,611			
Airport Improvement Program	20.106		119,542							119,542			
Subtotal Direct Programs			135,153	0	0	0	0	0	0	135,153	0	0	0
Pass-Through Programs From:													
MDOT - US Department of Transportation	20.000	MDOT 104323 121000 Byrd	58,239				58,239						
Office of Highway Safety - US Department of Transportation	20.000	06-PT-412-1	223,589									223,589	
Office of Highway Safety - US Department of Transportation	20.000		160,259									160,259	
Office of Highway Safety - US Department of Transportation	20.000		80,345									80,345	
MS Department of Public Safety	20.060		(102)									(102)	
MDOT - Highway Planning and Construction	20.205	DDEHBC04X00104-107	17,927			17,927							
MDOT - Highway Planning and Construction	20.205	19240036374201	9,804			9,804							
MS Dept. of Public Safety - Highway Planning and Construction	20.205	04-UA-400-1	333			333							
GA DOT - Highway Planning and Construction	20.205		8,170							8,170			
MS Dept of Transportation-Federal Transit Formula Grants	20.507		762,824						762,824				
MSU - State Planning and Research	20.515	19240036374901	16,340									16,340	
MS Department of Public Safety - State and Community Highway Safety	20.600	4RS4001	9,870									9,870	
MDOT -State and Community Highway Safety	20.600	635326	410,785			410,785							

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
MDOT -State and Community Highway Safety	20.600	407077501	19,618			19,618							
MS Dept. of Public Safety -State and Community Highway Safety	20.600	4RS4001	12,748			12,748							
South Carolina State University - State and Community Highway Safety	20.600	02-447390/P502229	41,008			41,008							
MS Department of Public Safety - State and Community Highway Safety	20.600	3-DF-412-1	63									63	
MS Department of Public Safety - State and Community Highway Safety	20.600	4-DF-412-1	266,062									266,062	
MDOT -State and Community Highway Safety	20.600		823									823	
Office of Highway Safety - State and Community Highway Safety	20.600		(14,309)									(14,309)	
Office of Highway Safety - State and Community Highway Safety	20.600		(2,404)									(2,404)	
Office of Highway Safety - State and Community Highway Safety	20.600		(517)									(517)	
Office of Highway Safety - State and Community Highway Safety	20.600		(292)									(292)	
Office of Highway Safety - State and Community Highway Safety	20.600		(9)									(9)	
Office of Highway Safety - State and Community Highway Safety	20.600	5-OP-412-1	16,816									16,816	
Office of Highway Safety - State and Community Highway Safety	20.600	5-AL-412-1	32,101									32,101	
Office of Highway Safety - State and Community Highway Safety	20.600	5PT-412-1	64,682									64,682	
South Carolina State University - Alcohol Traffic Safety and Drunk Driving Prevention	20.601	05-AL-401-1	25,468				25,468						
MS Dept of Public Safety - Alcohol Traffic Safety and Drunk Driving Prevention	20.601	06-AL-401-1	80,163				80,163						
Subtotal Pass-Through Programs			2,300,404	0	0	538,433	163,870	0	762,824	8,170	0	827,107	0
Total U.S. Department of Transportation			2,435,557	0	0	538,433	163,870	0	762,824	143,323	0	827,107	0
Appalachian Regional Commission:													
Appalachian Regional Development	23.001		95,387							95,387			
Appalachian Area Development	23.002		130,728			130,728							
Appalachian Research, Technical Assistance and Demonstration Projects	23.011		59,568			59,568							
Appalachian Child Development	23.013		373,874			373,874							
Total Appalachian Regional Commission			659,557	0	0	0	564,170	0	0	95,387	0	0	0
Library of Congress:													
Library of Congress	42.000		9,588							9,588			
National Aeronautics and Space Administration:													
National Aeronautics and Space Administration	43.000		146,902	21,859					125,043				
Aerospace Education Services Program	43.001		374,761	6,189					5,828	321,204		41,540	
Technology Transfer	43.002		1,014,324							1,014,324			
Subtotal Direct Programs			1,535,987	28,048	0	0	0	0	130,871	1,335,528	0	41,540	0
Pass-Through Programs From:													
UM - National Aeronautics and Space Administration	43.000	04-08-011	22,547				22,547						
USM - National Aeronautics and Space Administration	43.000	NAS13-03032	10,638							10,638			
UM - Aerospace Education Services Program	43.001	04-04-065	(1,739)				(1,739)						
UM - Aerospace Education Services Program	43.001	06-07-006	53,390				53,390						
Universities Space Research Association - Aerospace Education Services Program	43.001	NNGOGA82G	30,185				30,185						
UM - Aerospace Education Services Program	43.001	N6TS-4009/3002105	33,010				33,010						
NASA - Aerospace Education Services Program	43.001	NWA05CS58A	299,602				299,602						
University of Alabama - Aerospace Education Services Program	43.001	NNG04G093G	12,557				12,557						
Georgia Institute of Technology - Technology Transfer	43.002	NAS10-01025	41,177									41,177	
MS Research Consortium - Technology Transfer	43.002	NAS1303032NNS04AA77D	31									31	
MS Research Consortium - Technology Transfer	43.002		1,750									1,750	
UM - Technology Transfer	43.002	05-11-037NAG13-03012	8,191									8,191	
Subtotal Pass-Through Programs			511,339	0	0	375,354	74,198	0	0	10,638	0	51,149	0
Total National Aeronautics and Space Administration			2,047,326	28,048	0	375,354	74,198	0	130,871	1,346,166	0	92,689	0
National Endowment for the Arts:													
Promotion of the Arts - Grants to Organizations and Individuals	45.024		10,000							10,000			

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
Subtotal Direct Programs			10,000	0	0	0	0	0	0	10,000	0	0	0
Pass-Through Programs From:													
MAC 06-212-AIPG - National Endowment for the Arts	45.000	N/A	1,875							1,875			
MAC 06-156-MH/PG - National Endowment for the Arts	45.000		4,140							4,140			
CEC Artslink - Promotion of the Arts - Grants to Organizations and Individuals	45.024		901							901			
Mississippi Humanities Council - Promotion of the Arts - Grants to Org and Individ	45.024	MSOH04-10-0704	(830)									(830)	
Subtotal Pass-Through Programs			6,086	0	0	0	0	0	0	6,916	0	(830)	0
Total National Endowment for the Arts			16,086	0	0	0	0	0	0	16,916	0	(830)	0
National Endowment for the Humanities:													
Promotion for the Humanities - Federal/State Partnership	45.129		2,000							2,000			
Promotion of the Humanities	45.149		73,060			2,059				195		70,806	
Landmarks of America Democracy	45.163		87,897			87,897							
Promotion of the Humanities - Public Programs	45.164		453			453							
Subtotal Direct Programs			163,410	0	0	90,409	0	0	0	2,195	0	70,806	0
Pass-Through Programs From:													
MS Humanities Council - Promotion for the Humanities - Federal/State Partnership	45.129	MHC-RG05-05-020	1,472				1,472						
MS Humanities Council - Promotion for the Humanities - Federal/State Partnership	45.129	RG04-05-001	1,685				1,685						
MS Arts Commission - Promotion for the Humanities - Federal/State Partnership	45.129	04-359-MH/MG3	568			568							
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129	RG0505030	2,878			2,878							
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		88							88			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		(200)							(200)			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		(1,887)							(1,887)			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		1,027							1,027			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		2,000							2,000			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129		5,000							5,000			
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129	MHC-RG04-02-101	312									312	
MS Humanities Council - Promotion of the Humanities - Federal/State Partnership	45.129	RG 05-05-015	2,000									2,000	
MS Humanities Council - Promotion of the Humanities - Div of Preservation & Access	45.149	MSOH05-10-078	4,302									4,302	
MS Humanities Council - Promotion of the Humanities - Div of Preservation & Access	45.149	MHC-RG06-05-070	1,090									1,090	
Subtotal Pass-Through Programs			20,335	0	0	3,446	3,157	0	0	6,028	0	7,704	0
Total National Endowment for the Humanities			183,745	0	0	93,855	3,157	0	0	8,223	0	78,510	0
Institute of Museum and Library Services													
Museums for America	45.301		70,111							70,111			
National Leadership Grants	45.312		154,072									154,072	
Subtotal Direct Programs			224,183	0	0	0	0	0	0	70,111	0	154,072	0
Pass-Through Programs from:													
IMLS - Museum Assessment Program	45.302	CM-CM-02-0049-02	4,226							4,226			
Subtotal Pass-Through Programs			4,226	0	0	0	0	0	0	4,226	0	0	0
Total Institute of Museum and Library Services			228,409	0	0	0	0	0	0	74,337	0	154,072	0
National Science Foundation:													
Mathematical and Physical Sciences	47.049		(4,377)									(4,377)	
Geosciences	47.050		170,689									170,689	
Computer and Information Science and Engineering	47.070		117,878						65,966			51,912	
Biological Sciences	47.074		(4,501)									(4,501)	
Education and Human Resources	47.076		1,968,005				621,368			1,185,704		160,933	
Polar Programs	47.078		384,405									384,405	
National Science Foundation: IPA Doty		Unknown	83,747								83,747		
Subtotal Direct Programs			2,715,846	0	0	0	621,368	0	65,966	1,185,704	83,747	759,061	0

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
Pass-Through Programs From:													
University of Iowa - Mathematical and Physical Sciences	47.049	I-51939	59,032										
UM - Mathematical and Physical Sciences	47.049	N62306-99-D-B004	(7,313)										
Data Reliability, Inc. - Mathematical and Physical Sciences	47.049		2,541										
USM - Geosciences	47.050	USM-GR02399-C10	159				159						
Villanova - Computer and Information Science and Engineering	47.070	EIA-0306096	16,191							16,191			
JSU - Education and Human Resources	47.076	HRD-0115807	199,025					199,025					
MS Department of Education - Education and Human Resources	47.076	033202R2231127	6,010			6,010							
Univ. of Mass. Of Amherst - Education and Human Resources	47.076	05003146 P00	13,906										
UM - Education and Human Resources	47.076	05-10-028	129,830										
USM - Education and Human Resources	47.076	00-10-021	50,000										
MSU - Education and Human Resources	47.076	0201006	215,474				215,474						
Georgia State University - Education and Human Resources	47.076	ELT4823/DUE0341138	5,110										
Jackson Public Schools - Education and Human Resources	47.076	0115728	33,781				33,781						
UM - Education and Human Resources	47.076	05-10-031	45,739										
2002 AMP - Education and Human Resources	47.076	HRD-0115807	27,180							27,180			
2002 AMP PS - Education and Human Resources	47.076	HRD-0115807	23,319							23,319			
MVSU - Education and Human Resources	47.076	HRD-0411103-SC-01	9,429							9,429			
Am Psych Assn - Education and Human Resources	47.076	DUE-0435058	34,460							34,460			
UM - Education and Human Resources	47.076	05100299HRD0450362	109,325									109,325	
JSU - Education and Human Resources	47.076		42,300						42,300				
UM	47.077		(17,061)									(17,061)	
Raytheon Technical Services Company LLC - Polar Programs	47.078	PO# 4500208704	7,415									7,415	
Subtotal Pass-Through Programs			1,005,852	0	0	508,371	199,184	0	42,300	110,579	45,739	99,679	0
Total National Science Foundation			3,721,698	0	0	508,371	820,552	0	108,266	1,296,283	129,486	858,740	0
Small Business Administration:													
Small Business Administration	59.000		85,963				85,963						
Small Business Development Center	59.037		1,443,526	307,172					20	1,115,818		20,516	
Subtotal Direct Programs			1,529,489	307,172	0	0	85,963	0	20	1,115,818	0	20,516	0
Pass-Through Programs From:													
UM - Small Business Development Center	59.037	02111025 MSBDC FY03	(1,000)				(1,000)						
UM - Small Business Development Center	59.037	4111121	31,837				31,837						
UM - Small Business Development Center	59.037	Univ of MS MSBDC	89,639				89,639						
UM - Small Business Development Center	59.037	5-603001-Z-0025	142,866			142,866							
MSBDC Needs Assess - Small Business Development Center	59.037		31,116							31,116			
UM - Small Business Development Center	59.037		(17,756)									(17,756)	
UM - Small Business Development Center	59.037	5-60300-Z-0025-24	38,026									38,026	
Subtotal Pass-Through Programs			314,728	0	0	142,866	120,476	0	0	31,116	0	20,270	0
Total Small Business Administration			1,844,217	307,172	0	142,866	206,439	0	20	1,146,934	0	40,786	0
Tennessee Valley Authority:													
Tennessee Valley Authority	62.000		5,945				5,945						
U.S. Department of Veterans Affairs:													
US Department of Veterans Affairs	64.000		71,104							71,104			
US Department of Veterans Affairs	Unknown		95,730								95,730		
Total U.S. Department of Veterans Affairs			166,834	0	0	0	0	0	0	71,104	95,730	0	0
U.S. Environmental Protection Agency:													
Gulf of Mexico Program	66.475		9,283									9,283	
Surveys, Studies, Investigations and Special Purpose Grants	66.606		397,621				397,621						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
Subtotal Direct Programs			406,904	0	0	0	397,621	0	0	0	0	9,283	0
Pass-Through Programs From:													
MS Dept of Environmental Quality- US Environmental Protection Agency	66.000	04-00476	3,031				3,031						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	01050357	16,094				16,094						
Univ of GA - US Environmental Protection Agency	66.000	RE353-131/2002467	1,224				1,224						
Univ of GA - US Environmental Protection Agency	66.000	RE353-144/5055677, 406	4,152				4,152						
MS Forestry Commission - US Environmental Protection Agency	66.000	02100838	36,256				36,256						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	04-00517	67,031				67,031						
MS Dept of Environmental Quality - US Environmental Protection Agency	66.000	05-001 USM/GCRL-009	23,911									23,911	
MS Dept of Environmental Quality - Air Pollution Control Program Support	66.001	05-00556	7,711			7,711							
City of Jackson - Pollution Prevention Grants Program	66.708	635246	(203,518)			(203,518)							
MS Dept of Environmental Quality - Pollution Prevention Grants Programs	66.708	635239	51,460			51,460							
Subtotal Pass-Through Programs			7,352	0	0	(144,347)	127,788	0	0	0	0	23,911	0
Total U.S. Environmental Protection Agency			414,256	0	0	(144,347)	525,409	0	0	0	0	33,194	0
U.S. Department of Energy:													
Pass-Through Programs From:													
MS Development Authority - US Department of Energy	81.000	06-313-001	1,792				1,792						
Fermi Lab-Quarknet - US Department of Energy	81.000	DE-AC-02-76CH03000	(1,942)							(1,942)			
Univ of Roch - US Department of Energy	81.000		4,500							4,500			
Ms Band of Choctaw Indians - Renewable Energy Research and Development	81.087	03040402	756				756						
Total U.S. Department of Energy			5,106	0	0	0	2,548	0	0	2,558	0	0	0
Federal Emergency Management Assistance:													
Federal Emergency Management Assistance - Public Assistance Grants	83.544		7,833,626					7,833,626					
Pass-Through Programs From:													
MS Department of Education	83.298		35,417									35,417	
MS Emergency Management Agency	83.537	3SSGCIS-JSU-009	626,422			626,422							
Subtotal Pass-Through Programs			661,839	0	0	626,422	0	0	0	0	0	35,417	0
Total Federal Emergency Management Assistance			8,495,465	0	0	626,422	0	7,833,626	0	0	0	35,417	0
U.S. Department of Education:													
Higher Education - Institutional Aid	84.031		11,628,743	2,586,030		5,934,692			2,755,034			352,987	
TRIO Student Support Services	84.042		1,003,256	265,428			239,223		209,837			288,768	
TRIO Talent Search	84.044		413,494						413,494				
TRIO - Upward Bound	84.047		1,028,380	300,139					728,241				
Patricia Roberts Harris Fellowships	84.094		9,898				9,898						
Fund for the Improvement of Postsecondary Education	84.116		2,266,440	248,685		438,790	203,727		629,733	709,761		35,744	
Minority Science Improvement	84.120		28,247			28,247							
Rehabilitation Services Service Projects	84.128		121,158				121,158						
Rehabilitation Long-Term Training	84.129		167,188			123,900	43,288						
Migrant Education - High School Equivalency Program	84.141		403,284						403,284				
Business and International Education Projects	84.153		45,372									45,372	
Paul Douglas Teacher Scholarship Program	84.176		(249)										(249)
CAMP	84.194		266,837						266,837				
Graduate Assistance in Areas of National Need	84.200		305,775				190,908					114,867	
Javits Gifted and Talented Students Education Grant Program	84.206		150,361					150,361					
Fund for the Improvement of Education	84.215		995,767			905,619	90,148						
TRIO McNair Post-Baccalaureate Achievements	84.217		669,422			249,012				242,389		178,021	
21st Century Community Learning	84.287		163,869						163,869				
National Institute on Early Childhood Development and Research in Special Education	84.307		23,051				23,051						
	84.324		833,032									833,032	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures												
	CFDA Number			ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board		
Special Education - Personnel Development to Improve Services and Results	84.325		366,973				(13,178)							380,151	
Special Education - Technical Assistance and Dissemination to Improve Services and Results	84.326		96,811											96,811	
Demonstration Projects to Ensure Students with Disabilities Receive a Higher Ed.	84.333		298,515											298,515	
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		1,933,472												1,933,472
Child Care Access Means Parents in School	84.335		139,418					56,625						82,793	
Teacher Quality Enhancement Grants	84.336		321,502			169,848	151,654								
Preparing Tomorrow's Teachers to Use Technology	84.342		129,127	129,127											
Improving Teacher Quality State Grants	84.367		113,414							113,414					
Delta Area Writing Project	84.928		166,850	51,000						65,458	50,392				
Hurricane Education Recovery Assistance for IHL (SLEAP)	84.938F		42,997,006												42,997,006
Subtotal Direct Programs			67,086,413	3,580,409	0	7,836,930	1,129,680	150,361	5,749,201	1,002,542	0	2,707,061	44,930,229		
Pass-Through Programs From:															
ASU - US Department of Education	84.000	4121229	3,774				3,774								
IHL - US Department of Education	84.000	IHL 05020139	21,279				21,279								
Center for Civic Ed - US Department of Education	84.000	CC04-05 5804MS	2,170				2,170								
Center for Civic Ed - US Department of Education	84.000	CC04-05 5801MS	613				613								
Univ of California - US Department of Education	84.000	Univ of California Writing Project	76,201				76,201								
Center for Civic Ed - US Department of Education	84.000	Q304B04	(1,799)				(1,799)								
IHL - US Department of Education	84.000	2004-153E	2,475				2,475								
Lawrence County SD - US Department of Education	84.000	04111183	14,187				14,187								
Holly Springs SD - US Department of Education	84.000	04111180	25,197				25,197								
Hattiesburg SD - US Department of Education	84.000	04111179	19,104				19,104								
Benoit SD - US Department of Education	84.000	04111178	13,431				13,431								
South Pike SD - US Department of Education	84.000	04111182	22,681				22,681								
Okolona MSD - US Department of Education	84.000	04111181	19,891				19,891								
Choctaw County SD - US Department of Education	84.000	05070614	11,145				11,145								
CREATE Fdn. - US Department of Education	84.000	06010001	9,095				9,095								
Choctaw County SD - US Department of Education	84.000	SD 06050419	9,656				9,656								
Choctaw County SD - US Department of Education	84.000	05030283	18,388				18,388								
Philadelphia SD - US Department of Education	84.000	05040364	6,961				6,961								
MDRS - US Department of Education	84.000	05-331-S1800-010	7,103				7,103								
IHL - US Department of Education	84.000	2005-81E	16,765				16,765								
IHL - US Department of Education	84.000	2005-81E	20,853				20,853								
IHL - US Department of Education	84.000	2005-82E	7,381				7,381								
Kosciusko PSD - US Department of Education	84.000	05111137	12,952				12,952								
West Point PSD - US Department of Education	84.000	05111143	12,952				12,952								
West Point PSD - US Department of Education	84.000	05111142	13,797				13,797								
Aberdeen PSD - US Department of Education	84.000	05111139	12,952				12,952								
Aberdeen PSD - US Department of Education	84.000	05111140	12,952				12,952								
MSDH - US Department of Education	84.000	20000TTO	3,198				3,198								
MS Authority for ED TV - US Department of Education	84.000	05121218	71,839				71,839								
Benton PSD - US Department of Education	84.000	05111078	39,212				39,212								
Starkville PSD - US Department of Education	84.000	05111138	14,217				14,217								
Starkville PSD - US Department of Education	84.000	05111141	12,952				12,952								
Center for Civic Ed. - US Department of Education	84.000	Q304B040001	15,007				15,007								
Quitman County PSD - US Department of Education	84.000	05121172	15,261				15,261								
IHL - US Department of Education	84.000	IHL America Reads FY06	226,885				226,885								
Greenville PSD - US Department of Education	84.000	06010031	5,796				5,796								
Aberdeen PSD - US Department of Education	84.000	06020122	13,797				13,797								
Center for Civic Ed. - US Department of Education	84.000	Center for Civic Ed.	24,060				24,060								
Aberdeen PSD - US Department of Education	84.000	06020123	13,797				13,797								
Kosciusko PSD - US Department of Education	84.000	06010106	3,316				3,316								
Lownds County PSD - US Department of Education	84.000	05121276	6,266				6,266								
Homewood SD - US Department of Education	84.000	06010107	12,140				12,140								

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
Choctaw Cnty SD - US Department of Education	84.000	06010105	26,967				26,967						
Desoto County PSD - US Department of Education	84.000	Desoto County PSD	11,205				11,205						
Houston PSD - US Department of Education	84.000	Houston PSD	4,979				4,979						
MDMH - US Department of Education	84.000	4546-RE-DD06-MSU	33,568				33,568						
Center for Civic Ed - US Department of Education	84.000	CC05-06 5804MS	10,645				10,645						
Choctaw County SD - US Department of Education	84.000	06040291	15,211				15,211						
FL Law-Related Ed. Assoc. - US Department of Education	84.000	FL Law-Related Ed Assoc	4,973				4,973						
MDRS - US Department of Education	84.000	06-331-s1800-010	49,947				49,947						
ASU - US Department of Education	84.000	Alcorn St. Univ.	265,787				265,787						
Univ of CA - US Department of Education	84.000	06050386	4,538				4,538						
Aberdeen SD - US Department of Education	84.000	06070586	6,812				6,812						
Aberdeen SD - US Department of Education	84.000	06070587	7,152				7,152						
Center for Civic Ed - US Department of Education	84.000	Center for Civic Ed	10,382				10,382						
MS Department of Education - US Department of Education	84.000	063201BB254641EA08-03	5,667				5,667						
National Writing Project Corporation - US Department of Education	84.000		184									184	
IHL - US Department of Education	84.000	2005-88E	22,812										22,812
Forrest County Schools - US Department of Education	84.000		26,046										26,046
Georgetown University - US Department of Education	84.000	051300-300371-01	9,586										9,586
Hattiesburg Public School District - US Department of Education	84.000		(83)										(83)
Hattiesburg Public School District - US Department of Education	84.000	GM000292	16,962										16,962
Office of Highway Safety - US Department of Education	84.000		301,757										301,757
Petal School District - US Department of Education	84.000	GM000529	59,677										59,677
MS Department of Education - Adult Education - State Grant Program	84.002	053201EA098339B054001	100,545			100,545							
State Board of Community & Jr. Colleges - Adult Education - State Grant Program	84.002		110,136			110,136							
MS Department of Education	84.024		1,045									1,045	
MS Department of Education	84.024		22,719									22,719	
IHL - Higher Education - Institutional Aid	84.031	2005-79E/92E/78E/124E	107,929			107,929							
UM - Higher Education - Institutional Aid	84.031		4,114									4,114	
MS Department of Education - Impact Aid	84.041	063201BB254641EA08-01	60,791			60,791							
MS Department of Education - TRJO - Student Support Services	84.042	0522013071005	53,050			53,050							
IHL - Leveraging Educational Assistance Partnership	84.069		128,676				128,676						
IHL - Leveraging Educational Assistance Partnership	84.069	961218VJS39S3-0	6,181		6,181								
IHL - Leveraging Educational Assistance Partnership	84.069		2,001								2,001		
IHL - Leveraging Educational Assistance Partnership	84.069		26,878							26,878			
IHL - Leveraging Educational Assistance Partnership	84.069		254,500										254,500
IHL - Leveraging Educational Assistance Partnership	84.069		10,079	10,079									
IHL - Leveraging Educational Assistance Partnership	84.069		167,011					167,011					
Tupelo PSD - Fund for the Improvement of Postsecondary Education	84.116	06010091	203,782				203,782						
UNT / USDE - Fund for the Improvement of Postsecondary Education	84.116	P116B031199	3,405							3,405			
MS Department of Education - Minority Science and Engineering Improvement	84.120	053201BB	724,481			724,481							
MS Department of Health - Special Education - Grants for Infants and Families	84.181	MDH 04121228	985				985						
MS Department of Health - Special Education - Grants for Infants and Families	84.181		71,919								71,919		
MS Department of Health - Special Education - Grants for Infants and Families	84.181		49,297								49,297		
MS Department of Health - Special Education - Grants for Infants and Families	84.181		6							6			
MS Department of Health - Special Education - Grants for Infants and Families	84.181		45,265							45,265			
Greenville Public School District - Safe and Drug-Free Schools and Communities	84.184		80,217									80,217	
Starkville PSD - Fund for the Improvement of Education	84.215	02111033-0	84,295				84,295						
Starkville PSD - Fund for the Improvement of Education	84.215	02111033-01	6,317				6,317						
Philadelphia PSD - Fund for the Improvement of Education	84.215	U215X040190	11,030				11,030						
Delta Literacy Init - Fund for the Improvement of Education	84.215	U215K050343-05	209,495							209,495			
Hattiesburg Public School District - Fund for the Improvement of Education	84.215	S215X020351	66,190									66,190	
Petal School District - Fund for the Improvement of Education	84.215	GM000158	3,190									3,190	
Lamar County Schools - Language Resource Centers	84.229		(1)										(1)
MS Department of Rehabilitation Services - Rehabilitation Services Demo and Training	84.235		5										5

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
MS Department of Education - State Grants for Innovative Programs	84.298	53201BB244641EA08-04	408,536									408,536	
Louisville SD	84.303	03101016	3,136				3,136						
North Bolivar SD	84.303	North Bolivar SD CREATE	15,379				15,379						
Hattiesburg SD	84.303	Hattiesburg SD CREATE	17,354				17,354						
Greenville PSD	84.303	Greenville PSD CREATE	22,478				22,478						
Richton PSD	84.303	5111083	106,335				106,335						
Benoit PSD	84.303	Benoit PSD CREATE	15,337				15,337						
East Tallahatchie SD	84.303	East Tallahatchie SD CREATE	32,540				32,540						
NCEE - Civic Education - Cooperative Education Exchange Program	84.304	BP-05-7002	12,129				12,129						
NCEE - Civic Education - Cooperative Education Exchange Program	84.304	TT-05-5004	14,347				14,347						
Philadelphia SD - Education Technology State Grants	84.318	GM000514	11,458									11,458	
MS Department of Education - Special Education - State Personnel Development	84.323		49,106									49,106	
University of South Florida - Technical Assistance and Dissemination	84.326	H326M000002	16,145			16,145							
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		1,000							1,000			
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		23,283							23,283			
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		(4,421)									(4,421)	
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2005-69E	4,698									4,698	
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2005-87E	8,449									8,449	
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-80E	13,154									13,154	
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-79E	34,154				34,154						
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-73E	7,328				7,328						
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-74E	37,310				37,310						
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-74E	39,628				39,628						
IHL - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	2006-73E	16,042				16,042						
Philadelphia Mississippi School District	84.342	U215X040190	5,673									5,673	
Reading is Fundamental, Inc. - Reading First State Grants	84.357	MS710G	21,433									21,433	
McComb PSD - Early Reading First	84.359	04-05-0477	17,295				17,295						
MS Department of Education - School Leadership	84.363	05-3201-B873-7432-EA	21,630									21,630	
MS Department of Education - Mathematics and Science Partnership	84.366	06320BB254641EA08-05	51,900									51,900	
IHL - Improving Teacher Quality State Grants	84.367	2005-93E	51,443				51,443						
IHL - Improving Teacher Quality State Grants	84.367	2005-94E	39,129				39,129						
IHL - Improving Teacher Quality State Grants	84.367		83,473							83,473			
IHL - Improving Teacher Quality State Grants	84.367		90,943							90,943			
MS Department of Education - Improving Teacher Quality State Grants	84.367		44,788							44,788			
MS Department of Education - Improving Teacher Quality State Grants	84.367		170,000							170,000			
IHL - Improving Teacher Quality State Grants	84.367		1,127,446										1,127,446
IHL - Improving Teacher Quality State Grants	84.367	2005-101E	39,040									39,040	
IHL - Improving Teacher Quality State Grants	84.367	2005-100E	75,656									75,656	
IHL - Improving Teacher Quality State Grants	84.367	2006-98E	42,677									42,677	
IHL - Improving Teacher Quality State Grants	84.367	200693E	49,304									49,304	
IHL - Improving Teacher Quality State Grants	84.367	S367B040021A	3,052							3,052			
IHL - Improving Teacher Quality State Grants	84.367	S367B040021A	29,411							29,411			
Reading is Fundamental, Inc.	84.387		11,037									11,037	
National Writing Project Corporation - Delta Area Writing Project	84.928	92-MS05	39,344									39,344	
National Writing Project Corporation - Delta Area Writing Project	84.928	01-MS09	39,735									39,735	
Univ of CA-Berkley - Delta Area Writing Project	84.928	02030241	76,582				76,582						
Univ of CA-Berkley - Delta Area Writing Project	84.928	02030241	32,259				32,259						
Center for Civic Ed	84.929	CC 03-04 5804MS	540				540						
Center-Civic Ed	84.929	Q929A040001	16,129				16,129						
Center for Civic Ed.	84.929	CC05-06 5805MS	19,020				19,020						
Subtotal Pass-Through Programs			7,484,050	10,079	6,181	1,173,077	2,388,711	167,011	0	730,999	123,217	1,502,829	1,381,946
Total U.S. Department of Education			74,570,463	3,590,488	6,181	9,010,007	3,518,391	317,372	5,749,201	1,733,541	123,217	4,209,890	46,312,175

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	CFDA Number												
U.S. Institute of Peace:													
US Institute of Peace	91.001		26,666							26,666			
U.S. Department of Health and Human Services:													
US Department of Health and Human Services	93.000		88,868						16,726	596		71,546	
Coordinated Services and Access to Research fro Women, Infants and Children Youth	93.153		484,133								484,133		
Research Related to Deafness and Communication Disorders	93.173		46,721							46,721			
Family Planning Services	93.217		29,074									29,074	
Research on Healthcare Costs, Quality and Outcomes	93.226		301,927									301,927	
Poison Control Stabilization and Enhancement Grants	93.253		83,066								83,066		
Nursing Faculty Loan Program	93.264		3,000									3,000	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		999,083						192,506		806,577		
NIH Extramural Loan Repayments for Indiv. From Disadvantaged Backgrounds	93.308		63,705						63,705				
Advanced Education Nurse Traineeship	93.358		252,943	28,760				96,240			57,684	70,259	
Nurse Education, Practice and Retention Grants	93.359		12,233								12,233		
Minority Biomedical Research Support	93.375		13,918	13,918									
Community Services Block Grant - Discretionary Awards	93.570		114,491	28,052					40,964			45,475	
Early Learning Fund	93.577		543,304									543,304	
Head Start	93.600		87,943			87,943							
University Centers for Excellence in Developmental Disabilities Ed, Research & Service	93.632		505,441									505,441	
Centers for Medicare and Medicaid Services (CMS) Research, Demo and Evaluation	93.779		203,008									203,008	
Health Career Opportunity Programs	93.822		755,652	145,477							610,175		
Basic/Core Area Health Education Centers	93.824		736,794	61,050							675,744		
Grants for Training in Primary Care Medicine and Dentistry	93.884		217,127								217,127		
Health Care and Other Facilities	93.887		1,692,433			506,413	50,759			1,135,261			
Rural Health Care Services Outreach and Rural Health Network Development Program	93.912		59,765									59,765	
Grants to States for Operation of Offices of Rural Health	93.913		1,079	1,079									
Grants to provide outpatient early intervention services with respect to HIV disease	93.918		559,444								559,444		
NCRR Science Foundation Award	93.922		15,053	15,053									
Ryan White HIV/AIDS Dental Reimbursements/Community Based Dental Partnership	93.924		183,113								183,113		
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925		487,114						487,114				
Special Projects of National Significance	93.928		24,526								24,526		
Public Health Traineeships	93.964		9,573									9,573	
International Research and Research Training	93.989		178,013	178,013									
DHHS: Making a Difference Heart to Heart	Unknown		1,279								1,279		
DHHS: Hurricane Katrina Relief for Tulane University	Unknown		2,498								2,498		
DHHS: Sustainability and Leveraging Resources Workshop	Unknown		1,050								1,050		
Subtotal Direct Programs			8,757,371	471,402	0	594,356	50,759	96,240	313,901	1,669,692	3,718,649	1,842,372	0
Pass-Through Programs From:													
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	4585-DD04-RE-TKMARTIN	1,134				1,134						
ICS/HSP - US Department of Health and Human Services	93.000	0407072201	10,222				10,222						
Georgetown Univ - US Department of Health and Human Services	93.000	RX4800-011-MSU	228,232				228,232						
MS Head Start - US Department of Health and Human Services	93.000	05040318	42,019				42,019						
DSU - US Department of Health and Human Services	93.000	03050491	(9,601)				(9,601)						
AHRQ - US Department of Health and Human Services	93.000	E4022848	5,353				5,353						
Medicaid - US Department of Health and Human Services	93.000	05121179	44,084				44,084						
MS Dept. of Human Services - US Department of Health and Human Services	93.000		300,605								300,605		
MS Dept. of Human Services - US Department of Health and Human Services	93.000		365,790									365,790	
MS Dept. of Human Services - US Department of Health and Human Services	93.000		219,515									219,515	
MS Dept. of Mental Health - US Department of Health and Human Services	93.000	6811-DIP2-USM	161									161	
MS Council on Developmental Disab - US Department of Health and Human Services	93.000		50,189									50,189	
MS Protection and Advocacy Sys, Inc. - US Department of Health and Human Services	93.000		(870)									(870)	
MS Protection and Advocacy Sys, Inc. - US Department of Health and Human Services	93.000		2,965									2,965	
PACE Head start - US Department of Health and Human Services	93.000		1									1	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
PACE Head start - US Department of Health and Human Services	93.000		9,147									9,147	
University of Kentucky - US Department of Health and Human Services	93.000	3046859900-06-259	18,876									18,876	
Hinds County Human Resource Agency - Civil Rights and Privacy Rule Compliance	93.001		(6,174)			(6,174)							
Natl Assoc. for Equal Opport. In Higher Ed. - Coop Agreements to Improve Health	93.004	US2MP9700308011	39,672			39,672							
Morehouse School of Medicine - Cooperative Agreements to Improve Health	93.004	USMP302001034	3,840			3,840							
DHA - Coop. Agreements to Improve the Health Status of Minority Populations	93.004	DHA 05050481	287,517				287,517						
DHA - Coop. Agreements to Improve the Health Status of Minority Populations	93.004	DHA 05050481	27,943				27,943						
Hemophilia of Georgia - Maternal and Child health Federal Consolidated Programs	93.110	SWOG-893	33,505								33,505		
Hemophilia of Georgia - Maternal and Child health Federal Consolidated Programs	93.110	SWOG-893	53,957								53,957		
MS Dept of Mental Health	93.125		(544)									(544)	
Louisiana State University - AIDS Education and Training Centers	93.145	1H4AHA00059	388,577								388,577		
MS Dept of Health - Coordinated Svs and Access to Res for Women, Infants & Chil	93.153		58,826								58,826		
MS Dept of Mental Health	93.200	4130DMHUATC	46,357			46,357							
National Heart Lung and Blood Institute NIH	93.200	H79SP11729	100,084			100,084							
National Heart Lung and Blood Institute NIH - Mental Health Research Grants	93.242	5R25MH57113	25,025			25,025							
Jackson Medical Mall Foundation - Health Communities Access Program	93.252		(2,318)								(2,318)		
The Miriam Hospital - Drug Abuse Research	93.279	5R01DA137	75,865			75,865							
National Institutes of Health - Ctr for Disease Control and Prev. - Invest. And TA	93.283		16,902			16,902							
DSU - Centers for Disease Control and Prevention - Investigations and Tech Assistance	93.283	03111158	8,082				8,082						
MS Dept of Health - Ctrs for Disease Control & Prevention - Invest & Tech Assistance	93.283		59,798									59,798	
MS Dept of Health - Ctrs for Disease Control & Prevention - Invest & Tech Assistance	93.283		74,655									74,655	
MS Council on Developmental Disabilities - Presidents Council on Physical Fitness	93.289	4533-RE-DD05-USM/IDS	42,063									42,063	
MS Council on Developmental Disabilities - Natl Community Ctrs of Excellence	93.290	4460-DD05-QA-USMEITR	1,860									1,860	
MFGN - National Center for Research Resources	93.389		624							624			
MS Dept of Health - Cancer Control	93.399	0718i360085510000CA0	977									977	
University of Alabama at Birmingham - Cancer Control	93.399	5U01 CA86128-05	49,323									49,323	
University of Alabama at Birmingham - Cancer Control	93.399		339,579									339,579	
MS Dept of Human Services - Promoting Safe and Stable Families	93.556	525D352A	27,663									27,663	
MS Dept of Human Services - Promoting Safe and Stable Families	93.556	525D351	38,628									38,628	
MS Dept of Human Services - Promoting Safe and Stable Families	93.556	525D341	55,650									55,650	
MS Dept of Human Services - Temporary Assistance for Needy Families	93.558		95									95	
NYSP - Community Service Block Grants - Discretionary Awards	93.570	04-1094	124				124						
NYSP - Community Service Block Grants - Discretionary Awards	93.570	05-1077	49,597				49,597						
NYSP - Community Service Block Grants - Discretionary Awards	93.570	93.634589	55,858			55,858							
NYSP - Community Service Block Grants - Discretionary Awards	93.570		1,856							1,856			
NYSP - Community Service Block Grants - Discretionary Awards	93.570		38,608							38,608			
NYSP - Community Service Block Grants - Discretionary Awards	93.570		9,342							9,342			
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527Q7451	223,300				223,300						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527Q7462	261,525				261,525						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	527VKK62	9,275				9,275						
MS Dept of Human Services - Child Care and Development Block Grant	93.575	525Q7462	28,332									28,332	
MS Dept of Human Services - Child Care and Development Block Grant	93.575	866-164/165	9,171									9,171	
MS Dept of Human Services - Child Care and Development Block Grant	93.575		1,433									1,433	
MS Dept of Human Services - Child Care and Development Block Grant	93.575	525Q7452	125,089									125,089	
MS Dept of Human Services - Child Care Mandatory and Matching Funds	93.596	525Q7451	69,304									69,304	
MS Dept of Mental Health - Developmental Disabilities Basic Support and Advocacy	93.630		90,274									90,274	
MS Dept of Mental Health - Developmental Disabilities Basic Support and Advocacy	93.630		(3,510)									(3,510)	
MS Dept of Mental Health - Developmental Disabilities Basic Support and Advocacy	93.630	4565-RE-DD04-USM	23,514									23,514	
Harrison County School District - Developmental Disabilities Projects of Natl Significance	93.631		(14)									(14)	
Harrison County School District - Developmental Disabilities Projects of Natl Significance	93.631	USM-GM000475	15,996									15,996	
Harrison County School District - Developmental Disabilities Projects of Natl Significance	93.631	USM-25320011003	19,413									19,413	
JSU - Foster Care - Title IV-E	93.658	528E151	9,246				9,246						
USM - Foster Care - Title IV-E	93.658	USM GR02356-C10	55,751				55,751						
USM - Foster Care - Title IV-E	93.658	USM GR02356-D10	7,595				7,595						

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA		Total Federal Expenditures	ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
	Number	Pass-through Entity Number											
USM - Foster Care - Title IV-E	93.658	USM02356F10	426,081			426,081							
MS Dept of Human Services - Foster Care - Title IV-E	93.658	528E151	453,473			453,473							
USM - Foster Care - Title IV-E	93.658	G060IMS1401	151,910							151,910			
JSU - Foster Care - Title IV-E	93.658	G0501MS1401	85,909									85,909	
JSU - Foster Care - Title IV-E	93.658		3,910									3,910	
JSU - Foster Care - Title IV-E	93.658	G051MS1401	20,572									20,572	
MS Dept of Human Services - Social Services Block Grant	93.667	527VKC61	53,027				53,027						
UKRF - Child Abuse and Neglect Discretionary Activities	93.670	90 CA-1698 / 03	(1,638)							(1,638)			
UKRF - Child Abuse and Neglect Discretionary Activities	93.670	90CA1698/03	57,237							57,237			
UKRF - Child Abuse and Neglect Discretionary Activities	93.670	90CA1698/05	55,697							55,697			
UM - Child Abuse and Neglect Discretionary Activities	93.670	05-09-021	727									727	
MS Dept of Mental Health - Center for Medicare and Medicaid Services	93.779		(8,947)									(8,947)	
MS Dept of Mental Health - Center for Medicare and Medicaid Services	93.779	6C95-04-PCP-USM	26,383									26,383	
National Heart Lung and Blood Institute NIH - Heart and Vascular Disease Research	93.837	N01-HC-95170	1,897,201			1,897,201							
MS Dept of Mental Health - Vision Research	93.867		(50)									(50)	
MS Dept of Mental Health - Vision Research	93.867	4564-ED-DD04-USM	15,998									15,998	
MS Dept of Mental Health - Vision Research	93.867	4564-ED-DD05-USM	53,495									53,495	
National Institutes of Health - Medical Library Assistance	93.879	467MZ501660	2,194			2,194							
MS Dept of Mental Health - Specially Selected Health Projects	93.888		630,687								630,687		
MS Dept of Mental Health - National Bioterrorism Hospital Preparedness Program	93.889		254,659								254,659		
MS Dept of Mental Health - National Bioterrorism Hospital Preparedness Program	93.889		(1,438)								(1,438)		
MS Dept of Mental Health - National Bioterrorism Hospital Preparedness Program	93.889		71,766								71,766		
MS Dept of Mental Health - National Bioterrorism Hospital Preparedness Program	93.889		241,727								241,727		
MS Dept of Mental Health - National Bioterrorism Hospital Preparedness Program	93.889		418,670								418,670		
DSU - Rural Health Care Services Outreach and Rural Health Network Development	93.912	3111109	31,182				31,182						
MS Department of Health - HIV Care Formula Grants	93.917		384,572									384,572	
University of Southern California - HIV Demonstration, Research, Public and Prof Ed	93.941	#31067	3,000									3,000	
MS Dept of Health - Coop Agreements to support State Based Safe Motherhood	93.946	FS2003050103	423,580									423,580	
MS Dept. of Mental Health - Block Grants for Prev and Treatment of Sub Abuse	93.959	742803SAP	561,407										
Indiana University Purdue University - Bridges to Doctorate	93.960	IR25GM67592	149,897										
National Heart Lung and Blood Institute NIH - Bridges to Doctorate	93.960	5R25GM050117-07	106,926										
University of Alabama at Birmingham - National Health Promotion	93.990	5U01CA86128-05	(6,723)									(6,723)	
MS Dept. of Mental Health - Maternal and Child Health Services Block Grant	93.994		34,740									34,740	
MS Dept. of Mental Health - Maternal and Child Health Services Block Grant	93.994		49,583									49,583	
Subtotal Pass-Through Programs			10,884,346	0	0	3,954,608	1,345,607	0	0	313,636	3,011,392	2,259,103	0
Total U.S. Department of Health and Human Services			19,641,717	471,402	0	4,548,964	1,396,366	96,240	313,901	1,983,328	6,730,041	4,101,475	0
Corporation for National and Community Service:													
State Commissions	94.003		73,859										73,859
Learn and Serve America - School and Community Based Program	94.004		288,657										288,657
Learn and Serve America Higher Education	94.005		361,035									361,035	
AmeriCorps	94.006		2,684,510	252,175					8,615	46,790			2,376,930
Planning and Program Development Grants	94.007		196,285									1,873	194,412
Training and Technical Assistance	94.009		192,908										192,908
Foster Grandparent Program	94.011		101,869									101,869	
Volunteers in Service to America	94.013		142,919									107,501	35,418
Subtotal Direct Programs			4,042,042	252,175	0	0	0	0	8,615	46,790	0	572,278	3,162,184
Pass-Through Programs From:													
Pinebelt Assoc. for Families - Corporation for National and Community Service	94.000		50,259									50,259	
The Phil Hardin Foundation - Retired and Senior Volunteer Program	94.002		(120)										(120)
IHL - Retired and Senior Volunteer Program	94.002		52,491				52,491						
MS Commission for Volunteer Services - Learn and Serve America - School and Comm	94.004		52									52	
Petal Association for Families - Learn and Serve America - School and Community	94.004		(9,122)									(9,122)	

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures												
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board		
Petal Association for Families - Learn and Serve America - School and Community	94.004	25360013005	16,760											16,760	
USM - Learn and Serve America - Higher Education	94.005	GR-01751-A-01	13,018		13,018										
USM - Learn and Serve America - Higher Education	94.005	03LHHMS001	138								138				
Brown University - Learn and Serve America - Higher Education	94.005	1537-24627	492											492	
Center for Community & Civic Engagement - Learn and Serve America - Higher Education	94.005		2,947											2,947	
Center for Community & Civic Engagement - Learn and Serve America - Higher Education	94.005	GR01751	7,732											7,732	
MS Commission for Volunteer Services - Learn and Serve America - Higher Education	94.005		230											230	
MS Commission for Volunteer Services - Americorps	94.006	MCVS 03090888	68,320				68,320								
MS Commission for Volunteer Services - Americorps	94.006	05121189	374,788				374,788								
IHL - Americorps	94.006	635327/29	2,699												
Jumpstart Mississippi - Americorps	94.006	635327/29	3,310												
IHL - Americorps	94.006	98-ARCM-5025	953,891		953,891										
America Reads Mississippi - Fy 2005 - Americorps	94.006		3,077,391												3,077,391
MS Commission for Volunteer Services - Americorps	94.006		(33,339)											(33,339)	
MS Commission for Volunteer Services - Americorps	94.006	2004-05	61,101											61,101	
Subtotal Pass-Through Programs			4,643,038	0	966,909	58,380	443,108	0	0	0	138	0	0	97,112	3,077,391
Total Corporation for National and Community Service			8,685,080	252,175	966,909	58,380	443,108	0	8,615	46,928	0	0	0	669,390	6,239,575
U.S. Department of Homeland Security:															
US Department of Homeland Security	97.000		180,478								180,478				
Pass-Through Programs From:															
Bolivar County EMA - US Department of Homeland Security	97.000	3SSG-USM-006	31,393												31,393
Claiborne County EMA - US Department of Homeland Security	97.000	3SSG-USM-008	31,536												31,536
Hinds County EMA - US Department of Homeland Security	97.000	3SSG-USM-004	46,057												46,057
Lafayette County EMA - US Department of Homeland Security	97.000	3SSG-USM-002	46,004												46,004
Lowndes County EMA - US Department of Homeland Security	97.000	3SSG-USM-005	31,365												31,365
MS Emergency Management Agency - US Department of Homeland Security	97.000	3SSG-USM	107,925												107,925
Oktibbeha County EMA - US Department of Homeland Security	97.000	3SSG-USM-003	46,919												46,919
The Emergency Management District - US Department of Homeland Security	97.000	3SSG-USM-TNG	83,589												83,589
The Emergency Management District - US Department of Homeland Security	97.000		46,156												46,156
City of Meridian Housing Authority - Pilot Demonstration or Earmarked projects	97.001		11,498				11,498								
Agency/Project Assistance Grant - Disaster Grants - Public Assistance	97.036		36,683		36,683										
Subtotal Pass-Through Programs			519,125	0	36,683	11,498	0	0	0	0	0	0	0	470,944	0
Total U.S. Department of Homeland Security			699,603	0	36,683	11,498	0	0	0	0	180,478	0	0	470,944	0
U.S. Agency for International Development:															
US Agency for International Development	98.000		392							392					
Pass-Through Programs From:															
JSU - USAID Foreign Assistance for Programs Overseas	98.001		(1,578)											(1,578)	
Total U.S. Agency for International Development			(1,186)	0	0	0	0	0	0	392	0	(1,578)	0	0	0
Unknown Federal Agencies:															
Pass-Through Programs From:															
Glaucoma Caucus Foundation	Unknown	E111/CCE220462	4,012											4,012	
Battelle Memorial Institute	Unknown	282980018	35,005											35,005	
Center of Excellence in Women's Health	Unknown	233-03-111	76,847											76,847	
Center of Excellence in Women's Health	Unknown	233-03-111	7,024											7,024	
Total Unknown Federal Agencies			122,888	0	0	0	0	0	0	0	0	0	0	122,888	0
Total Other Programs			157,583,663	6,221,870	1,009,773	16,603,151	21,825,766	8,694,609	7,283,469	16,278,472	7,588,643	19,526,160	52,551,750		

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2006

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Number	Total Federal Expenditures										
				ASU	DSU	JSU	MSU	MUW	MVSU	UM	UMMC	USM	IHL Board
Total Expenditures of Federal Awards			665,526,794	33,773,471	17,168,020	81,356,110	164,284,460	22,275,505	39,066,629	98,384,498	46,961,666	109,704,685	52,551,750

Notes to the Federal Awards

This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the basic financial statements, with the following exceptions:

(A.1.) For purposes of this schedule, loans advanced from the Federal Perkins Loan Program (CFDA #84.038) and Health Professions Student Loans (CFDA #93.342) are presented as federal expenditures. These loans are not reported as expenditures on the financial statements but as an increase in notes receivable. The outstanding loan balances and the allowance for uncollectible amounts for the loan programs at June 30, 2006, are reflected in Note (5) to the financial statements. In the separately issued report prepared by other auditors for Jackson State University, the schedule presents an amount of \$4,380,359 for the Federal Perkins Loan Program (CFDA #84.038) which represents total loans outstanding at June 30, 2006.

(A.2.) For purposes of this schedule, loans made to students under the William D. Ford Federal Direct Student Loan Program (CFDA #84.268) and/or the Federal Family Education Loan Program (CFDA #84.032) are presented as federal expenditures. Neither the funds advanced to students, nor the outstanding loan balance is included in the financial statements since the loans are made and subsequently collected by private lending institutions and/or the federal government. The separately issued report prepared by the other auditors for Jackson State University, reports a total of \$47,386,047 for the Federal Family Education Loan Program (CFDA #84.032) which includes Unsubsidized Stafford Loans in the amount of \$22,384,372.

(B.) Pass-through grants between universities have not been eliminated for purposes of this statement.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING



REPORTS ON INTERNAL CONTROL AND COMPLIANCE

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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State of Mississippi

OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees of the State Institutions of Higher Learning
3825 Ridgewood Road
Jackson, MS 39211-6463

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the State of Mississippi Institutions of Higher Learning (IHL), a component unit of the State of Mississippi, as of and for the year ended June 30, 2006, which collectively comprise the IHL's basic financial statements as listed in the table of contents and have issued our report thereon dated June 1, 2007. We did not audit the financial statements of:

the University of Mississippi Medical Center Educational Building Corporation, a component unit of the University of Mississippi Medical Center, which statements reflect total assets of \$152,409,073 as of June 30, 2006, and total revenues of \$7,133,952 for the year then ended;

The University of Mississippi Educational Building Corporation, a component unit of the University of Mississippi, which statements reflect total assets of \$82,970,217 as of June 30, 2006, and total revenues of \$1,585,907 for the year then ended;

the University Hospitals and Clinics, a division of the University of Mississippi Medical Center, which schedules reflect total net patient accounts receivable, amounts due from third-party payors, amounts due to third-party payors as of June 30, 2006, of \$63,163,067, \$8,820,000, and (\$4,110,000), respectively, and net patient service revenue of \$435,228,332 for the year then ended;

the University of Mississippi Medical Center Tort Claims Fund, which statements reflect total assets of \$30,065,026 as of June 30, 2006, and total revenues of \$5,276,981 for the year then ended;

the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, which statements reflect total assets of \$12,694,666 as of June 30, 2006, and total revenues of \$6,179,746 for the year then ended;

the State Institutions of Higher Learning Tort Liability Fund, which statements reflect total assets of \$7,295,699 as of June 30, 2006, and total revenues of \$3,812,246 for the year then ended;

Mississippi Valley State University, which statements reflect total assets of \$49,380,926 as of June 30, 2006, and total revenues of \$69,482,736 for the year then ended; and

certain component units including Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation which represent 100% of the assets and revenues of the discretely presented component units.

Those financial statements were audited by other auditors whose reports thereon have been furnished to us. This report, insofar as it relates to the amounts included for the above mentioned entities, is based solely on the reports of the other auditors. 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. The financial statements of the University of Mississippi Medical Center Educational Building Corporation, the University of Mississippi Educational Building Corporation, the University Hospitals and Clinics, the University of Mississippi Medical Center Tort Claims Fund, the State Institutions of Higher Learning Self-Insured Workers' Compensation Fund, the State Institutions of Higher Learning Tort Liability Fund, the Mississippi State University Foundation, Inc., the University of Mississippi Foundation and the University of Southern Mississippi Foundation audited by other auditors, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we and other auditors considered the IHL's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control over financial reporting. The reports of the other auditors on internal controls in accordance with *Government Auditing Standards* were furnished to us, and our consideration on internal controls, insofar as it relates to the above mentioned entities, was based solely upon the reports of the other auditors. We and other auditors noted certain matters involving the internal control over financial reporting and its operation that we and the other auditors consider to be reportable conditions. Reportable conditions involve matters coming to our and the other auditors' attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, we and the other auditors believe could adversely affect the IHL's ability to initiate, record, process, summarize and report financial data consistent with management's assertions in the financial statements. Reportable conditions are described in the accompanying "Schedule of Findings and Questioned Costs: Section 2- Findings Relating to the Financial Statements" as items 2006-JSU-1, 2006-JSU-2 and 2006-JSU-3.

A material weakness is a reportable 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 caused by error or fraud in amounts that would be material in relation to the basic 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 and the other auditors' consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We and the reports of other auditors consider reportable condition 2006-JSU-2 listed above to be a material weakness. We and the reports of other auditors noted certain immaterial internal control deficiencies that we and the other auditors have reported to management of the various universities in separate communications.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the IHL's basic financial statements are free of material misstatement, we and other auditors performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, 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.

We did not perform tests of compliance with laws, regulations, contracts and grant agreements for the entities identified in the first paragraph of this report. Those tests were performed by other auditors, whose reports on compliance with laws and regulations in accordance with *Government Auditing Standards* were furnished to us, and this report, insofar as it relates to the above mentioned entities, was based solely upon the reports of the other auditors.

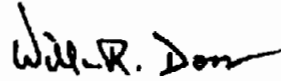
The results of our tests and the reports of other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we and the other auditors noted certain matters that we and the other auditors have reported to management of the various universities in separate communications.

This report is intended solely for the information and use of the IHL, Members of the Legislature, entities with accreditation overview, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



PHIL BRYANT
State Auditor

June 1, 2007



WILLIAM R. DOSS, CPA
Director, Financial and Compliance Audit Division

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State of Mississippi

OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees of the State Institutions of Higher Learning
3825 Ridgewood Road
Jackson, MS 39211-6463

Compliance

We have audited the compliance of the State of Mississippi Institutions of Higher Learning (IHL) 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, 2006. The IHL'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 IHL's management. Our responsibility is to express an opinion on the IHL's compliance based on our audit. We did not audit the selected major federal programs at Jackson State University (JSU) and Mississippi Valley State University (MVSU). These programs were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the major federal programs included at JSU and MVSU, is based solely on the reports of the other auditors.

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 IHL's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion. Our audit and the reports of the other auditors do not provide a legal determination on the IHL's compliance with those requirements.

As described in Finding 2006-MSU-1 and 2006-MSU-2, in the accompanying schedule of findings and questioned costs, the IHL did not comply with requirements regarding Davis - Bacon Act and Special Tests and Provisions, that are applicable to its Grants for Public Works and Economic Development Facilities - CFDA #11.300 and Brownsfield Economic Development Initiative - CFDA #14.246. Compliance with such requirements is necessary, in our opinion, for the IHL to comply with requirements applicable to those programs.

In our opinion, based on our audit and the reports of the other auditors, except for the noncompliance described in the preceding paragraph, the IHL 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, 2006. The results of our auditing procedures and the other auditors' auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying "Schedule of Findings and Questioned Costs: Section 3 - Findings and Questioned Costs for Federal Awards" as items 2006-MSU-3, 2006-MUW-1, 2006-MVSU-1, 2006-UM-1 and 2006-USM-1.

Internal Control Over Compliance

The management of the IHL 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 and the other auditors considered the IHL'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.

We and the other auditors noted certain matters involving the internal control over compliance and its operation that we and the other auditors consider to be reportable conditions. Reportable conditions involve matters coming to our and the other auditors' attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our and the other auditor's judgment, could adversely affect the IHL's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying "Schedule of Findings and Questioned Costs: Section 3 - Findings and Questioned Costs for Federal Awards" as items 2006-MSU-1, 2006-MSU-2, 2006-MSU-4, 2006-MUW-1, 2006-MVSU-2, 2006-UM-1 and 2006-USM-1.

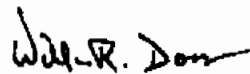
A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that 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. Our and the other auditors' consideration of the internal control over compliance 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 and the other auditors believe that of the reportable conditions described above we consider 2006-MSU-1, 2006-MSU-2 and 2006-MVSU-2 to be material weaknesses of the IHL. We and the other auditors also noted other matters involving internal control over compliance and its operation that we have reported to management of the various universities in separate communications.

This report is intended solely for the information and use of the IHL, Members of the Legislature, entities with accreditation overview, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



PHIL BRYANT
State Auditor

June 1, 2007



WILLIAM R. DOSS, CPA
Director, Financial and Compliance Audit Division



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Section 1: Summary of Auditor's Results

Financial Statements:

- | | | |
|----|---|-------------|
| 1. | Type of auditor's report issued on the financial statements: | Unqualified |
| 2. | Internal control over financial reporting: | |
| a. | Material weakness(es) identified? | Yes |
| b. | Reportable condition(s) identified that are not considered to be material weaknesses? | Yes |
| 3. | Material noncompliance relating to the financial statements? | No |

Federal Awards:

- | | | |
|----|---|-----|
| 4. | Type of auditor's report issued on compliance for major federal programs:
Unqualified for all major programs except for:
Grants for Public Works and Economic Development Facilities - CFDA #11.300
and Brownsfield Economic Development Initiative - CFDA #14.246, which
were qualified. | |
| 5. | Internal control over major programs: | |
| a. | Material weakness(es) identified? | Yes |
| b. | Reportable condition(s) identified that are not considered to be material weaknesses? | Yes |
| 6. | Any audit finding(s) reported as required by Section __.510(a) of Circular A-133? | Yes |
| 7. | Federal programs identified as major programs: | |
| a. | Research and Development Cluster:
(see Schedule of Expenditures of Federal Awards for CFDA numbers) | |
| b. | Student Financial Aid Cluster:
(see Schedule of Expenditures of Federal Awards for CFDA numbers) | |
| c. | Cooperative Extension Service; CFDA #10.500 | |
| d. | Grants for Public Works and Economic Development
Facilities; CFDA #11.300 | |
| e. | Community Development Block Grant - Brownsfield Economic
Development Initiative; CFDA #14.246 | |
| f. | Edward Byrne Memorial State and Local Law Enforcement Assistance
Grant Program; CFDA #16.580 | |
| g. | Federal Transit - Formula Grants; CFDA #20.507 | |
| h. | Federal Emergency Management Act - Public Assistance
Grants; CFDA #83.544 | |
| e. | Higher Education - Institutional Aid; CFDA #84.031 | |
| f. | TRIO Cluster:
CFDA #84.042 Student Support Services
CFDA #84.044 Talent Search
CFDA #84.047 Upward Bound
CFDA #84.217 McNair Post-Baccalaureate Achievements | |

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

- g. Hurricane Education Recovery Assistance; CFDA #84.938F
h. AmeriCorps; CFDA #94.006
8. The dollar threshold used to distinguish between type A and type B programs: \$3,000,000
9. Auditee qualified as a low-risk auditee? Yes
10. Prior fiscal year audit finding(s) and questioned cost relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings as discussed in Section _____.315(b) of OMB Circular A-133? Yes

Section 2: Findings Relating to the Financial Statements

Jackson State University

2006-JSU-1. Controls over Cash Reconciliations Should Be Strengthened

Reportable Condition Not Considered to Be a Material Weakness

Finding

The University has a system in place to reconcile cash accounts to the general ledger. During our audit, we noted instances whereby significant reconciling items such as checks issued and outstanding for several months with no follow-up and timely disposition of items. We also noted no evidence of timely review of the reconciliation of these accounts. Also, the University had not timely resolved the reconciling of material differences between the general ledger balances and several cash account balances. These conditions resulted in significant adjustments and reclassifications in order to balance these accounts at year end. These situations invariably did not facilitate timely completion of financial statement preparation.

Recommendation

We recommend that all bank accounts be reconciled monthly and all outstanding reconciling items be cleared and resolved on a monthly basis. All necessary adjustments should be posted to the books on a timely basis. These efforts will reduce the risk of undetected errors, misstatements or misappropriation of cash being undetected in a timely fashion. The person preparing the reconciliation should sign and date the reconciliation at the time of completion. A supervisor above the preparer should review, sign and date the reconciliation as evidence of such review and agreement to the general ledger.

2006-JSU-2. Controls over the Recording and Reconciliation of Investment Transactions Should Be Strengthened

Material Weakness

Finding

During the audit of investment accounts, we noted that several investment transactions were erroneously or untimely recorded in the general ledger thereby undermining the completeness and accuracy of investments at year end. We also noted significant reconciling differences between the general ledger balances and investment account supporting documentations that were not resolved timely. Some of these accounts had to be manually reconciled at year end to determine the true and valid investments. This situation resulted in major adjustments and reclassifications in order to balance the accounts, and untimely delay in preparation of financial statements.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Recommendation

We recommend that a reconciliation of investment accounts from the general ledger to the detailed supporting documentation be prepared on each investment account on a monthly basis. The detail of investment accounts and related reconciliations should be reviewed by an appropriate supervisory individual to determine the completeness, validity and accuracy of the investment accounts.

2006-JSU-3. Controls over the Reconciliation of the Fixed Asset Ledger and the General Ledger Should Be Strengthened

Reportable Condition Not Considered to Be a Material Weakness

Finding

We noted that a completed up-to-date fixed asset inventory ledger and related supporting documentation as of June 30, 2006 did not agree with general ledger balances. The university has in the past allowed the difference to go unresolved on a timely basis. The cause of this condition is partly associated with the way all supporting documentation received from the State of Mississippi are handled. The construction in progress account also had significant reconciling differences.

Recommendation

We recommend that the University re-evaluate the current policies and procedures in place regarding fixed assets and implement procedures that will result in reconciling the fixed assets detail to the general ledger on a monthly basis.

Section 3: Findings and Questioned Costs for Federal Awards

Mississippi State University

2006-MSU-1. Controls over Compliance with Davis-Bacon Requirements Should Be Strengthened

Material Noncompliance
Material Weakness

Finding

Program: Other Programs; Grants for Public Works and Economic Development
Facilities - CFDA #11.300; Brownsfield Economic Development Initiative CFDA - #14.246

Compliance requirement: Davis-Bacon Act

Questioned cost: Amount undetermined

The Davis-Bacon Act requires all contractors and subcontractors performing work on federal contracts or federally-assisted contracts in excess of \$2,000 to pay their laborers and mechanics not less than the prevailing wage rates and fringe benefits, as determined by the Secretary of Labor, for corresponding classes of laborers and mechanics employed on similar projects in the area.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

The university did not monitor compliance with the Davis-Bacon Act on these construction projects and as a result, we were unable to determine that the contractors and subcontractors paid their employees prevailing wage rates on these projects.

The university has no system in place to monitor compliance with the Davis-Bacon Act.

Noncompliance with the compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* could result in disallowed costs.

Recommendation

The university should develop policies and procedures and establish internal controls to monitor compliance with the compliance requirement described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement*.

2006-MSU-2. Controls over Federal Compliance With Special Tests Should Be Strengthened

Material Noncompliance
Material Weakness

Finding

Programs: Other Programs; Grants for Public Works and Economic Development Facilities - CFDA #11.300; Brownsfield Economic Development Initiative - CFDA #14.246

Compliance requirement: Special tests and provisions

The Department of Labor regulations set forth in 41 CFR 60-4 establishes goals and timetables for participation of women and minorities in the construction industry. These regulations apply to all federally-funded construction contracts in excess of \$10,000. Further, contractors and subcontractors should comply by including such notices, clauses and provisions in the solicitation for offers or bids.

The university could provide no documentation that they had complied with this requirement.

The university did not have controls in place to insure compliance with this requirement.

Noncompliance with the compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* and the grant agreement could result in disallowed costs.

Recommendation

The university should develop policies and procedures and establish internal controls to monitor compliance with the compliance requirement described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement*.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

2006-MSU-3. Controls over Federal Compliance over Allowable Costs Should Be Strengthened

Immaterial Noncompliance

Finding

Program: Research and Development Cluster; Basic Scientific Research - CFDA #12.431

Compliance requirement: Allowable costs/cost principles

Questioned costs: \$40,120

Management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs.

During our audit of federal expenditures, we noted that salaries for two employees totaling \$40,120 were charged to the grant in error.

A weakness in the university's internal control system resulted in unallowable expenses being charged to the grant.

Failure to insure that only costs allowable under program requirements are charged to the program could result in disallowed costs.

Recommendation

The university should strengthen its internal control system to insure that unallowable charges to any federal program would be detected and prevented. The university should contact the grantor agency for disposition of the questioned costs.

2006-MSU-4. Controls over Federal Compliance over Allowable Costs Should Be Strengthened

Reportable Condition

Finding

Programs: Grants for Public Works and Economic Development Facilities - CFDA #11.300;
Brownsfield Economic Development Initiative - CFDA #14.246;
Basic Scientific Research - CFDA # 12.431;
University-Laboratory Cooperative Program - CFDA #81.004;
Cooperative Extension Service - CFDA #10.500

Compliance requirement: Allowable costs/cost principles

Management is responsible for establishing and maintaining effective internal controls over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs.

During our audit of federal grants, we noted, in many instances, that expenditures were not approved by the principal investigator or project director. Also, the designation of principal investigator or project director was not always being updated when changes occurred, such as an employee leaving the university.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Expenditures of federal funds which are not in compliance with the United States Office of Management and Budget (OMB) *Circular A-21, Cost Principles for Educational Institutions*, and the grant agreement can result in disallowed costs.

Recommendation

Internal controls over federal grant expenditures should be strengthened to insure that federal funds are not expended prior to approval by the designated principal investigator or project manager.

Further, grant files should be updated when changes in personnel occur.

Mississippi University for Women

2006-MUW-1. Controls over Special Tests and Provisions Related to the Return of Title IV Funds Should Be Strengthened

Reportable Condition
Immaterial Noncompliance

Finding

Program: Financial Aid Cluster:

Federal Supplemental Educational Opportunity Grants (FSEOG) - CFDA #84.007
Federal Family Education Loans (FFEL) - CFDA #84.032
Federal Perkins Loans (FPL) - Federal Capital Contributions - CFDA #84.038
Federal PELL Grant Program (PELL) - CFDA #84.063
Federal Direct Student Loans (Direct Loan) - CFDA #84.268

Compliance requirement: Special tests and provisions

Questioned cost: Undetermined

Management is responsible for establishing and maintaining effective internal controls over compliance requirements relating to return of Title IV funds. Procedures should be in place to insure that students who have unofficially withdrawn from the university are identified and a determination is made of the amount of Title IV aid, if any, which should be returned by the student and university.

During the audit, a sample of ten students were selected from a listing of 89 students receiving all failing grades for the Fall, Spring and Summer semesters. Five of the ten students selected received student financial assistance. However, the university did not have documentation for three of the five receiving aid that a return of Title IV funds determination/calculation had been performed and applicable funds returned.

The cause of the university's failure to monitor unofficial withdrawals was undetermined.

Failure to monitor unofficial withdrawals could result in Title IV funds erroneously not being returned and result in unallowed cost.

Recommendation

The university should implement policies and procedures to monitor the status of students receiving federal financial assistance. The university should establish procedures to identify those students receiving federal financial assistance who may have unofficially withdrawn from the university and determine the amount of assistance, if any, which must be returned.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Mississippi Valley State University

2006-MVSU-1. Revenue Drawn on the Federal Grant Should Not Exceed Expenditures

Immaterial Noncompliance

Program: Other Programs; CFDA #20.507; Federal Transit - Formula Grant

Compliance requirement: Cash management

Questioned costs: \$34,204

During the audit, we noted that revenue (including the required matching funds) exceeded expenditures.

Recommendation

Program management should follow established procedures to ensure that federal funds are not requested until all matching funds have been expended.

2006-MVSU-2. Controls Over the Reconciliation of Student Financial Aid Expenditures Should Be Strengthened

Material Weakness

Finding

Program: Student Financial Aid Cluster

Compliance requirement: Reporting

For three different programs (Federal Supplemental Educational Opportunity Grants, Federal Family Education Loans and Federal PELL Program), the amount paid to students per reports generated by the Financial Aid Office differed from the amount reflected in the General Ledger. University personnel were not able to provide reconciliations of the differences.

Recommendation

Management should continue its efforts to correct the noted conditions and to ensure that accurate financial information is reported to the federal government in the future.

University of Mississippi

2006-UM-1. Controls over Allowable Costs Should Be Strengthened

Reportable Condition
Immaterial Noncompliance

Finding

Program: Research and Development Cluster; CFDA #93.283; Centers for Disease Control and Prevention – Investigations and Technical Assistance

Compliance requirement: Allowable costs/cost principles

Questioned costs: \$258,056

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

Management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs.

During our audit, we noted the university purchased equipment with grant funds even though equipment was not an allowable cost under the provisions of the grant agreement.

A weakness in the university's internal control system resulted in unallowable expenses being charged to the federal grant.

Failure to insure that only costs allowable under program requirements are charged to the program could result in disallowed costs.

Recommendation

The university should strengthen its internal control system to insure that unallowable charges to any federal program would be detected and prevented. The university should contact the grantor agency for disposition of the questioned costs.

University of Southern Mississippi

2006-USM-1. Controls over Equipment and Real Property Management Should Be Strengthened

Reportable Condition
Immaterial Noncompliance

Finding

Program: Other Programs; CFDA #16.580, Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program

Compliance requirement: Equipment and Real Property Management

Questioned costs: Amount undetermined

Management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. The university did not have written documentation of the transfer of ownership of equipment purchased with grant funds as required in the grant agreement.

A weakness in the university's internal control system over equipment and real property management allowed the ownership of the equipment to be transferred without the required written documentation.

Noncompliance with the compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the grant agreement could result in disallowed costs.

Recommendation

The university should implement policies and procedures to insure that all requirements of the grant agreement are adhered to, including written documentation of the transfer of ownership of equipment.

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

AUDITEES' CORRECTIVE ACTION PLAN
AND SUMMARY OF PRIOR AUDIT FINDINGS

STATE OF MISSISSIPPI INSTITUTIONS OF HIGHER LEARNING

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JACKSON STATE UNIVERSITY
JACKSON, MISSISSIPPI 39217

OFFICE OF THE SENIOR VICE PRESIDENT
FOR FINANCE & OPERATIONS

(601) 979-2323
FAX NO. (601) 979-2948

Finding Corrective Action Plan Detail

Findings Related to the Financial Statement

2006-JSU-1 a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Troy Stovall, Sr. VP of Finance and Operations, (601) 979-3060
Sherry L. Wilson, Controller, (601) 979-2010

b. Corrective Action Planned:

The University understands the importance of periodic reconciliations, especially its cash position, and has implemented several steps to ensure this occurs:

- Hired an Assistant Comptroller, whose primary responsibility will be reconciliation and preparation of financial statements;
- Using online balances of our banking partners, the University will ensure daily cash balances reflect general ledger activity;
- Each month reconciliations of all operating, investing, payroll and grant accounts will be completed by the 15th of the following month;
- Each of these reconciliations will be reviewed and signed off by the Comptroller and Sr. VP (Chief Financial Officer) of JSU.

c. Anticipated Completion Date:

The anticipated completion date of the corrective action is June 30, 2007.

2006-JSU-2

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Troy Stovall, Sr. VP of Finance and Operations, (601) 979-3060
Sherry L. Wilson, Controller, (601) 979-2010

The University understands the importance of ensuring accuracy of the balances of our investment accounts, and has implemented several steps to ensure this occurs:

- Hired an Assistant Comptroller, whose primary responsibility will be reconciliation and preparation of financial statements;
- Leverage the online capabilities of our investment institutions to perform weekly review of account activity is properly posted;
- Twice per month reviews with the University Assistant Treasurer (responsible for investment management) to ensure the accurate and timely posting of investment activity (e.g., purchases, sales, interest, and dividends);
- Each month reconciliations of all investment accounts will be completed by the 15th of the following month;
- Each of these reconciliations will be reviewed and signed off by the Comptroller and Sr. VP (Chief Financial Officer) of JSU.

c. Anticipated Completion Date:
The anticipated completion date of the corrective action is June 30, 2007.

2006-JSU-3

a. Name(s) of Contact Person(s) Responsible for Corrective Action:
Troy Stovall, Sr. VP of Finance and Operations, (601) 979-3060
Sherry L. Wilson, Controller, (601) 979-2010

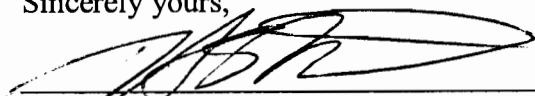
b. Corrective Action Planned:

The University understands the importance of ensuring accuracy of the balances of our fixed assets, and has implemented several steps to ensure this occurs:

- Monthly reviews with Facilities Management and Inventory Management to ensure the proper adjustments are made for construction-in-progress and fixed asset disposal and additions;
- The required data will be forwarded to the State of MS each month to ensure proper recording is done.

c. Anticipated Completion Date:
The anticipated completion date of the corrective action is June 30, 2007.

Sincerely yours,



(University Official)



Mississippi State UNIVERSITY

Office of the Vice President for Finance
and Administration

Findings and Questioned Costs for Federal Awards

Finding 1

Corrective Action Plan Details

2006-MSU-1

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Jim Jones
Executive Director of Facilities
Facilities Management Administration
Phone: (662)325-5830

b. Corrective Action Planned:

To prevent reoccurrence of the finding procedures have been modified to include other construction management arrangements.

c. Anticipated Completion Date:

While the review and improvement of the control process is a continual process, the changes in procedure to address the finding noted above were completed May 29, 2007.

Finding 2

Corrective Action Plan Details

2006-MSU-2

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Don Buffum
Director Procurement & Contracts
Phone: (662)325-2861

b. Corrective Action Planned:

Current solicitations for bids include a terms and conditions attachment that requires contractors to comply with applicable federal, state, and local laws and regulations. However, procedures will be modified to specifically address Code of Federal

Regulations Title 41 Chapter 60 Part 60-4. All future solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts in excess of \$10,000 will also include the "Notice of Requirement for Affirmative Action To Ensure Equal Employment Opportunity" (Executive Order 11246) as prescribed in 41 CFR 60-4.2.

c. Anticipated Completion Date:

For all future solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts in excess of \$10,000 after May 29, 2007.

Finding 3

Corrective Action Plan Details

2006-MSU-3

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Wayne Bland
Interim Associate VP for Finance and Administration
Phone: (662)325-2302

b. Corrective Action Planned:

The University has an internal control system in place to ensure that salaries are charged to correct project and fund. However, a miscommunication between a departmental business manager and principal investigator did result in salaries being charged to the wrong fund. Once the error was discovered, an adjustment was made to correct the error. Procedures are being strengthened to ensure principal investigators are aware of salaries being charged to their projects and any necessary changes are identified and made in a timely manner.

c. Anticipated Completion Date:

The adjustment to correct the salary distribution was made March 20, 2007. While the review and improvement of the control process is a continual process, improvements to address the finding noted above are expected to be in place by July 1, 2007.

Finding 4

Corrective Action Plan Details

2006-MSU-4

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Wayne Bland
Interim Associate VP for Finance and Administration
Phone: (662)325-2302

b. Corrective Action Planned:

The University has an internal control system in place to ensure expenditures comply with OMB A-21. We are not aware of any provision within OMB A-21 that requires prior approval of expenditures by the principal investigator; rather, OMB Circular A-21, section C., 4., d., (4), appears to indicate that cost may be approved by a designee or someone other than the principal investigator. However, procedures will be modified to provide documentation that expenditures have been reviewed by the principal investigator or project director. Further, procedures will be modified to ensure that grant files are updated in an efficient and timely manner.

c. Anticipated Completion Date:

While the review and improvement of the control process is a continual process, improvements to address the finding noted above are expected to be in place by October 1, 2007.

Sincerely,



Chief of Staff and Chief Financial Officer



Mississippi University for Women

A Tradition of Excellence for Women and Men

Vice President for Finance and Administration
1100 College St. MUW-1606
Columbus, MS 39701-5800
(662) 329-7145
(662) 241-7824 Fax

www.muw.edu

Finding Corrective Action Plan Details

Findings and Questioned Costs for Federal Awards

- 2006-MUW-1
- a. Contact Person(s) Responsible for Corrective Action:
Mr. Daniel Miller, Director of Financial Aid.
(662) 329-7117
 - b. Corrective Action Planned:
The Registrar will report all "official withdrawals" to the Financial Aid Office within 5 days of the actual withdrawal date so that the calculation of any Title IV funds is made within the required 30 day period. "Unofficial withdrawals" will be determined after the end of each semester for students who receive all F grades. The date of determination is the date for final grades to be posted by the Registrar. (Faculty are required to report the Last Date of Attendance for all students who receive an F grade. The latest of these LDA dates will determine the date of withdrawal for these students who stopped attending but never officially withdrew.) The Financial Aid Office will perform the review of these unofficial withdrawals within 10 days of the end of the semester to perform the required refund calculations and return funds within the required 30 days from the date final grades are posted.

The Financial Aid Office will maintain a copy of the R2T4 refund calculation worksheet for each withdrawn student in a spiral notebook, arranged by date of withdrawal for each semester/year. This notebook will be the official withdrawal file to be submitted for audit review.
 - c. Anticipated Completion Date:
MUW began the new reporting process in January 2007. The Financial Aid Office has collected all R2T4 calculations previously prepared for Fall 2006 and assembled them in a spiral notebook. All unofficial withdrawals for Fall semester 2006 were reviewed and calculated in December as soon as grades were posted for all who received all F's. Spring semester withdrawals have been reviewed using this plan and all review and refund processes have been completed.

Sincerely yours,

Nora R. Miller
Vice President for Finance and Administration



Mississippi Valley State University

Finding

Corrective Action Plan Details

Findings and Questioned Costs for Federal Awards

2006-MVSU-1

a. Name of Contact Person Responsible for Corrective Action:

Ms. Joyce Dixon
Assistant Vice President for Fiscal & Administrative Affairs
(662) 254-3308

b. Corrective Action Planned:

Mississippi Valley State University will comply. Office Accountants have been assigned to specific grants and will be held accountable for the revenues and expenditures credited to the grants that each has been assigned with.

c. Anticipated Completion Date:

Actions to rectify these audit findings are already being utilized.

2006-MVSU-2

a. Name of Contact Person Responsible for Corrective Action:

Mr. Lloyd Dixon
Associate Financial Aid Director
(662) 254-3765

b. Corrective Action Planned:

Mississippi Valley State University will comply. Office assistants have been assigned specific responsibilities pertaining to reconciliation of Financial Aid expenditures with those applied to the various student accounts.

c. Actions already in place to correct this finding.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Andre L. Curry".

Andre` L. Curry
Vice President for Fiscal and Administrative Affairs

OFFICE OF
FISCAL AND
ADMINISTRATIVE
AFFAIRS

14000 Hwy 82 W
Box 7265

ITTA BENA, MS 38941-1400

(662) 254-3301

FAX: (662) 254-7575

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The
University of Mississippi

Oxford • Jackson • Tupelo • Southaven

**Office of the Vice Chancellor for
Administration and Finance**

Post Office Box 1848
University, MS 38677-1848
(662) 915-7200
(662) 915-5766 -Fax

April 26, 2007

Finding Corrective Action Plan Details

Findings and Questioned Costs for Federal Awards

- 2006-UM-1** a. Names of Contact Persons Responsible for Corrective Action:
Nina Jones, Director of Accounting (662) 915-7078
Dr. Robin Buchannon, Director of Sponsored Programs Administration
(662) 915-7482

- b. Corrective Action Planned:

The University has requested from the agency a formal written revision of the program budget to allow for the questioned costs.

The Office of Research and Sponsored Programs (ORSP) is now reviewing all requests for purchases of equipment and all payments to subcontractors on sponsored projects to ensure that the transactions are allowable. In addition, ORSP is implementing a training program for project administrators. The program includes discussions of allowable charges and budget monitoring.

As an additional safeguard, all project expenditures will be reviewed by the Accounting Office approximately every 90 days.

- c. Anticipated Completion Date:

The University anticipates a response from the agency on the budget revision request by June 30, 2007.

ORSP and the Accounting Office have implemented review procedures effective immediately. The training program is currently offered to select groups with availability to all project administrators by June 30, 2007.

Sincerely,

Larry D. Sparks
Vice Chancellor for
Administration and Finance



The University of
Southern Mississippi

Chief Financial Officer

118 College Drive #5005
Hattiesburg, MS 39406-0001
Tel: 601.266.5005
Fax: 601.266.6313
www.usm.edu

June 1, 2007

Ms. Jamie Goodwin, CPA
Office of the State Auditor
Post Office Box 956
Jackson, MS 39201

Finding Corrective Action Plan Details

Findings and Questioned Costs for Federal Awards

2006-USM-1 a. Name(s) of Contact Person(s) Responsible for Corrective Action:

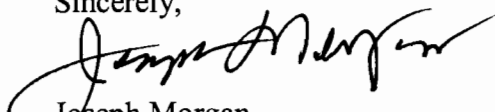
Dr. Julian Allen, Executive Director, (601) 266-5116

b. Corrective Action Planned:

One of the primary purposes of this project was the purchase of equipment to create a network system with the equipment to be eventually transferred to various member agencies. The original practice of the University was to not officially transfer ownership until the implementation was completed at that member agency. All equipment purchased with grant funds which was to be transferred to other agencies was maintained on an automated inventory system separate from the University's inventory system. This system identified the location of each item of equipment. As of the time of the audit, only the inventory associated with Harrison County had been officially transferred and removed from the grant inventory. This transfer was documented by the board minutes of the Harrison County Board of Supervisors. All remaining inventory to be transferred to member departments has now been officially transferred with written documentation maintained by the grant staff.

c. Anticipated Completion date:
May 15, 2007

Sincerely,


Joseph Morgan
Chief Financial Officer



JACKSON STATE UNIVERSITY
JACKSON, MISSISSIPPI 39217

OFFICE OF THE SENIOR VICE PRESIDENT
FOR FINANCE & OPERATIONS

(601) 979-2323
FAX No. (601) 979-2948

February 23, 2007

Ms. Jamie Goodwin
Manager, Education Audit Section
Mississippi Office of the State Auditor
Post Office Box 267
Greenville, Mississippi 38702

Dear Ms. Goodwin:

Attached is a **Summary Schedule** of the findings from the FY05 A133 Federal Funds audit. If you have any questions, or need additional information, please let me know. I may be reached at 601.979.3061, or via e-mail: troy.a.stovall@jsums.edu.

Sincerely,

A handwritten signature in black ink, appearing to read "Troy A. Stovall", written over a horizontal line.

Troy A. Stovall
Senior Vice President

TAS:oms

Attachment

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Jackson State University

For the Year Ended June 30, 2005

Finding Title: Student Credit Balance

Reference Number(s): 2005-01
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding: \$ 0

Status of Questioned Costs (check one): N/A, there were no questioned costs.

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Page Number (from Single Audit Report): 49

Program Name(s): Federal Supplemental Educational Opportunity Grant, Federal Family Education Loan Program, Federal Work-Study Program, and Federal PELL Grant Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.007, 84.032, 84.033, 84.063

Status of Finding (check one):

Fully Corrected	<u> X </u>	Not Corrected	<u> _____ </u>
Partially Corrected	<u> _____ </u>	No Further Action Needed	<u> _____ </u>
Change of Corrective Action	<u> _____ </u>	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Jackson State University

For the Year Ended June 30, 2005

Finding Title: Return of Title IV Funds

Reference Number(s): 2005-02
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding: \$ -0-

Status of Questioned Costs: N/A

Briefly describe the status of the Questioned Costs. Were they refunded to federal government?

Page Number (from Single Audit Report): 52

Program Name(s): Federal Family Education Loans, Federal PELL Grant Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.032, 84.063

Status of Finding (check one):

Fully Corrected	<u> X </u>	Not Corrected	<u> </u>
Partially Corrected	<u> </u>	No Further Action Needed	<u> </u>
Change of Corrective Action	<u> </u>	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Jackson State University

For the Year Ended June 30, 2005

Finding Title: Federal Financial Reporting/Cash Management

Reference Number(s): 2005-03
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding: \$ 136,668

Status of Questioned Costs (check one): Resolved

Due to a change in the financial accounting system at JSU on July 1, 2004, expenditures for FY05 (ended June 30, 2005), were posted in the legacy system and funds drawn down. At time of audit, these expenditures had fed into the GL of the new Finance module, though the receivable was thus appearing to be overdrawn. The adjustments were made in FY06.

Page Number (from Single Audit Report): 55

Program Name(s): Higher Education – institutional Aid, Federal Work-Study Program, and Federal Pell Grant Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.031, 84.033, 84.063

Status of Finding (check one):

Fully Corrected	<u> X </u>	Not Corrected	<u> </u>
Partially Corrected	<u> </u>	No Further Action Needed	<u> </u>
Change of Corrective Action	<u> </u>	{See OMB A-133 Section 315(b)(4)}	

Description of Status: (include corrective action planned and anticipated completion date, if applicable):

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Jackson State University

For the Year Ended June 30, 2005

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS

Jackson State University

For the Year Ended June 30, 2005

Finding Title: Federal Work-Study

Reference Number(s): 2005-04
(from attached schedule of findings, may include more than one)

Initial Year of Finding: 2004

Amount of Questioned Costs in Finding: \$ 364

Status of Questioned Costs (check one): Resolved

The funds were returned to the Federal Government.

Page Number (from Single Audit Report): 58

Program Name(s): Federal Work-Study Program

Federal Grantor Agency: U. S. Department of Education

CFDA Number(s): 84.033

Status of Finding (check one):

Fully Corrected X

Partially Corrected

Change of Corrective Action

Not Corrected

No Further Action Needed

{See OMB A-133 Section 315(b)(4)}

Description of Status: (include corrective action planned and anticipated completion date, if applicable):



**The University of
Southern Mississippi**

Chief Financial Officer

118 College Drive #5005
Hattiesburg, MS 39406-0001
Tel: 601.266.5005
Fax: 601.266.6313
www.usm.edu

May 2, 2007

As required by Section .315(b) of OMB Circular A-133, The University Southern Mississippi has prepared and hereby submits the following summary schedule of prior audit findings as of June 30, 2006.

Fiscal Year Ended June 30, 2005 Audit Report

Finding

Finding number 2005-USM-1

Corrective Action Plan was implemented during fiscal year 2006.

Finding number 2005-USM-2

Corrective Action Plan was implemented during fiscal year 2006.

Finding number 2005-USM-3

Corrective Action Plan is implemented as of this date. See finding 2006-USM-1 for current year finding.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Joseph Morgan".

Joseph Morgan
Chief Financial Officer