Michigan Technological University
1400 Townsend Drive
Houghton, Michigan

Interim Financial Statements
for the three months ending
September 30, 2009 and 2008

Prepared and Submitted
by
Michigan Tech Accounting Services
**General Information**

The following pages are the most recent quarterly financial statements representing the financial activity of the University along with selected supplemental information which gives greater detail of certain consolidated statement information. University management presents this information as a fair and reliable reflection of the financial position and the results of operations as of the date of these statements.

These statements are unaudited and may contain immaterial discrepancies that will be corrected prior to the issuance of the University's Annual Financial Report. It is the intention of the University to present these interim financial reports in a format that reflects the adoption of the Governmental Accounting Standards Board "GASB" Statement No. 35 financial reporting.

The University has adopted GASB 39 (inclusion of the Michigan Tech Fund (MTF) financial statements). However, we are including MTF only on our year-end financial reports. There is no inclusion of (MTF) activity in the Michigan Tech interim financial reporting. The MTF interim reports can be found at the following address: [http://www.mtf.mtu.edu/trustee_site/financial.php](http://www.mtf.mtu.edu/trustee_site/financial.php)

**Financial Highlights**

**Balance Sheet Variances**

**Cash and cash equivalents:**
Decreased by $3.0 million as construction on the student residential building has begun prior to the issuance of bonds.

**Accounts receivable:**
Increased by $1.1 million due to an increase in research billings.

**Notes and bonds payable:**
Noncurrent notes and bonds payable increased by a net of $2.0 million after issuing the 2008 Series bonds of $15.8 million, refunding $10 million the outstanding 1998 series bonds and issuing semi-annual payments on the remaining bond issues.

**Income Statement Variances**

**Student tuition and fees:**
An increase of $2.7 million (8%) due primarily to a tuition increase

**Salaries and wages:**
Increase by $1.8 million (8%) due to both salary increases and additional employees.
Fringe benefits:
Increase by $1.4 million that reflects a change in accrual adjustments.

Supplies and services:
An decrease of $4.2 million (28%) primarily from the Institutional Support departments.

Scholarships and fellowships:
An increase of $2.4 million as additional institutional resources are committed to helping students attend Michigan Tech.

Investment income
Increased $870,000 as the markets continue to recover through the first quarter of the fiscal year.

The Bottom Line:
The University had an increase in Net Assets of $7.8 million in the first quarter of fiscal year 2009-10 compared to an increase in Net Assets of $5.7 million in the first quarter of fiscal year 2008-09; and improvement in performance of $2.1 million.

Questions?
Visit our Frequently Asked Questions section at the following address:
http://www.admin.mtu.edu/acct/reports/faq.htm
## Schedule of Net Assets by Fund
### September 30, 2009 and 2008

<table>
<thead>
<tr>
<th>Assets</th>
<th>Current Funds</th>
<th>Combined Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>Designated</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ (3,004,335)</td>
<td>$ 16,958,781</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>3,413,056</td>
<td>66,543</td>
</tr>
<tr>
<td>Inventories</td>
<td>226,122</td>
<td>-</td>
</tr>
<tr>
<td>Deposits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>-</td>
<td>13,525</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>634,843</td>
<td>17,038,851</td>
</tr>
</tbody>
</table>

| Noncurrent assets: | | | | | | | | | | | | | | |
| Student loans receivable, net | - | - | - | - | 0 | 13,384,505 | - | - | - | 13,384,505 | 13,641,355 | - | - | - |
| Investments | - | - | 6,527,619 | - | 6,527,619 | - | - | - | 6,527,619 | 6,311,779 | - | - | - |
| Capital assets, net of depreciation | - | - | - | - | 0 | -224,701,976 | - | - | -224,701,976 | 224,038,715 | - | - | - |
| Other assets | - | - | - | - | 0 | 978,544 | - | - | 978,544 | 978,544 | - | - | - |
| **Total noncurrent assets** | - | - | 6,527,619 | - | 6,527,619 | 13,384,505 | 225,680,520 | - | 245,392,644 | 244,970,393 | - | - | - |
| **Total assets** | **634,843** | **17,038,851** | **18,043,897** | **3,537,047** | **4,517,776** | **43,772,414** | **13,763,714** | **224,796,549** | **43,155** | **281,897,492** | **283,731,648** | - | - | - |

| Liabilities | | | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | | | |
| Current portion of L/T liabilities | - | - | - | - | 2,413,491 | - | - | 2,413,491 | - | 1,183,961 | - | 3,597,452 | 3,707,723 |
| Accounts payable | 440,328 | 104,826 | 448,627 | 916,497 | 139,451 | 2,049,729 | - | 66,593 | 23,868 | 2,140,190 | 2,197,744 | - | - | - |
| Other accrued liabilities | 3,601,933 | 193,392 | 447,780 | 3,016,609 | 479,722 | 7,739,436 | - | 7,758 | (459,053) | 2,788,141 | 6,249,570 | - | - | - |
| Deferred revenue | 122,579 | - | - | - | 2,500,598 | 2,523,177 | - | 481,250 | - | 3,104,427 | 2,581,955 | - | - | - |
| **Total current liabilities** | 4,164,840 | 298,218 | 896,407 | 6,346,597 | 3,119,771 | 14,825,833 | - | 1,739,562 | (435,185) | 16,130,210 | 15,136,992 | - | - | - |

| Noncurrent liabilities | | | | | | | | | | | | | | |
| Insurance and benefit reserves | - | - | - | - | 2,146,523 | - | 2,146,523 | - | - | 2,146,523 | 1,664,700 | - | - | - |
| Notes and bonds payable | - | - | - | - | - | 0 | - | 53,471,649 | - | 53,471,649 | 55,508,786 | - | - | - |
| Capital lease obligations | - | - | - | - | 0 | - | 223,164 | - | 223,164 | 641,970 | - | - | - |
| Funds held for others | 715,900 | - | - | - | 715,900 | - | - | - | 715,900 | 731,400 | - | - | - |
| Due to MTF | - | - | - | - | 0 | - | 600,000 | - | 600,000 | 100,000 | - | - | - |
| **Total non-current liabilities** | 715,900 | - | 2,146,523 | - | 2,862,423 | - | 54,294,813 | - | 57,157,236 | 58,646,856 | - | - | - |
| **Total liabilities** | 4,880,740 | 298,218 | 896,407 | 8,493,120 | 3,119,771 | 17,688,256 | - | 56,034,375 | (435,185) | 73,287,446 | 73,783,848 | - | - | - |

| Net assets | | | | | | | | | | | | | | |
| Net increase (decrease) in net assets | 6,873,795 | (882,303) | 7,738,810 | (1,857,288) | (1,423,638) | 10,449,376 | 31,712 | (2,655,613) | - | 7,825,475 | 5,660,102 | - | - | - |
| Net assets, beginning of year | (11,119,692) | 17,622,936 | 9,408,680 | (3,098,785) | 2,821,643 | 15,634,782 | 13,732,002 | 171,417,787 | - | 200,784,571 | 204,287,698 | - | - | - |
| **Total net assets** | (4,245,897) | 16,740,633 | 17,147,490 | (4,956,073) | 1,398,005 | 26,084,158 | 13,763,714 | 168,762,174 | - | 208,610,046 | 209,947,800 | - | - | - |
| **Total liabilities and net assets** | **634,843** | **17,038,851** | **18,043,897** | **3,537,047** | **4,517,776** | **43,772,414** | **13,763,714** | **224,796,549** | **43,155** | **281,897,492** | **283,731,648** | - | - | - |
Schedule of Revenues, Expenses and Changes in Net Assets by Fund by Object
For the Year Ended June 30, 2009

<table>
<thead>
<tr>
<th>Current Funds</th>
<th>Combined Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Operating revenues</td>
<td></td>
</tr>
<tr>
<td>Student tuition and fees</td>
<td>$45,548,263</td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td>75</td>
</tr>
<tr>
<td>State and local grants and contracts</td>
<td>-</td>
</tr>
<tr>
<td>Nongovernmental grants and contracts</td>
<td>-</td>
</tr>
<tr>
<td>Indirect cost recoveries</td>
<td>2,249,953</td>
</tr>
<tr>
<td>Educational activities</td>
<td>137,771</td>
</tr>
<tr>
<td>Student resident fees</td>
<td>-</td>
</tr>
<tr>
<td>Sales and services of dept activities</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>$47,936,062</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; wages - non-faculty</td>
<td>6,968,610</td>
</tr>
<tr>
<td>Salaries &amp; wages - faculty</td>
<td>7,276,682</td>
</tr>
<tr>
<td>Salaries &amp; wages - graduate students</td>
<td>664,067</td>
</tr>
<tr>
<td>Salaries &amp; wages - undergrad students</td>
<td>384,803</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>5,895,374</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>3,623,346</td>
</tr>
<tr>
<td>Scholarships and fellowships</td>
<td>13,676,585</td>
</tr>
<tr>
<td>Utilities</td>
<td>578,779</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>$39,068,246</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>$8,867,816</td>
</tr>
<tr>
<td><strong>Transfers</strong></td>
<td></td>
</tr>
<tr>
<td>Mandatory transfers in</td>
<td>-</td>
</tr>
<tr>
<td>Mandatory transfers out</td>
<td>(368,265)</td>
</tr>
<tr>
<td>Non mandatory transfers in</td>
<td>872,814</td>
</tr>
<tr>
<td>Non mandatory transfers out</td>
<td>(2,504,152)</td>
</tr>
<tr>
<td><strong>Total transfers</strong></td>
<td>$(1,990,603)</td>
</tr>
<tr>
<td><strong>Nonoperating revenues (expenses)</strong></td>
<td></td>
</tr>
<tr>
<td>Federal grants</td>
<td>-</td>
</tr>
<tr>
<td>State appropriations, operating</td>
<td>-</td>
</tr>
<tr>
<td>Gift income</td>
<td>5,582</td>
</tr>
<tr>
<td>Investment income (loss)</td>
<td>-</td>
</tr>
<tr>
<td>Interest expense</td>
<td>-</td>
</tr>
<tr>
<td>Loss on disposal of capital assets</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net nonoperating revenues</strong></td>
<td>$5,582</td>
</tr>
<tr>
<td><strong>Loss before other revenues</strong></td>
<td>$6,873,795</td>
</tr>
<tr>
<td><strong>Other revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Capital grants and gifts</td>
<td>-</td>
</tr>
<tr>
<td>Fund additions</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other revenues</strong></td>
<td>$6,873,795</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in net assets</strong></td>
<td>$6,873,795</td>
</tr>
<tr>
<td><strong>Net assets, beginning of year</strong></td>
<td>$(11,119,692)</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$(4,245,897)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General</th>
<th>Designated</th>
<th>Auxiliary</th>
<th>Retirement</th>
<th>Insurance</th>
<th>Restricted</th>
<th>Total Current Funds</th>
<th>Student Loan</th>
<th>Plant</th>
<th>Eliminations</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,865,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13,676,585</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$ (208,610,046) $ 209,947,800
## Schedule of Revenues, Expenses and Changes in Net Assets by Fund by Function

### For the Three Months Ended September 30, 2009 and 2008

### Current Funds

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Combined Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues</td>
<td></td>
</tr>
<tr>
<td>Student tuition and fees</td>
<td>$45,548,263</td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td>75</td>
</tr>
<tr>
<td>State and local grants and contracts</td>
<td>-</td>
</tr>
<tr>
<td>Nongovernmental grants and contracts</td>
<td>-</td>
</tr>
<tr>
<td>Indirect cost recoveries</td>
<td>2,249,953</td>
</tr>
<tr>
<td>Educational activities</td>
<td>137,771</td>
</tr>
<tr>
<td>Sales and services of dept activities</td>
<td>74,979</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>$47,936,062</td>
</tr>
</tbody>
</table>

### Expenses

| Operating expenses | | |
|-------------------|-----------------|
| Instruction | 13,976,384 | 13,976,384 |
| Research | 2,714,743 | 2,714,743 |
| Public service | 125,328 | 125,328 |
| Academic support | 1,885,421 | 1,885,421 |
| Student services | 1,468,940 | 1,468,940 |
| Institutional support | 2,575,400 | 2,575,400 |
| Student financial support | 11,322,352 | 11,322,352 |
| Operations and maintenance of plant | 2,299,678 | 2,299,678 |
| Sales and services of dept activities | - | - |
| Student residents | - | - |
| Depreciation | - | - |
| **Total operating expenses** | $39,068,246 | $39,068,246 |

### Transfers

| Transfers | | |
|-----------------|-----------------|
| Mandatory transfers in | - | - |
| Mandatory transfers out | (368,265) | (368,265) |
| Non mandatory transfers in | 872,814 | 872,814 |
| Non mandatory transfers out | (2,504,152) | (2,504,152) |
| **Total transfers** | (1,999,603) | (1,999,603) |

### Nonoperating revenues (expenses)

| Nonoperating revenues (expenses) | | |
|-----------------|-----------------|
| Federal Pell grants | - | - |
| State appropriations, operating | - | - |
| Gift income | 5,582 | 5,582 |
| Investment income (loss) | - | - |
| Interest expense | - | - |
| Loss on disposal of capital assets | - | - |
| **Net nonoperating revenues** | 5,582 | 5,582 |

### Loss before other revenues

| Loss before other revenues | | |
|-----------------|-----------------|
| Student tuitions and fees | $44,548,263 | $44,548,263 |
| Federal grants and contracts | 75 | 75 |
| State and local grants and contracts | - | - |
| Nongovernmental grants and contracts | - | - |
| Direct cost recoveries | 2,249,953 | 2,249,953 |
| Educational activities | 137,771 | 137,771 |
| Sales and services of dept activities | 74,979 | 74,979 |
| **Total operating revenues** | $47,936,062 | $47,936,062 |

### Loss

| Loss | | |
|-----------------|-----------------|
| Capital grants and gifts | - | - |
| Fund additions | - | - |
| **Total other revenues** | - | - |

### Net income (decrease) in net assets

| Net income (decrease) in net assets | | |
|-----------------|-----------------|
| **Net income (decrease) in net assets** | $4,245,897 | $4,245,897 |

### Net assets, end of year

| Net assets, end of year | | |
|-----------------|-----------------|
| **Net assets, end of year** | $ (4,245,897) | $ (4,245,897) |
### CASH AND CASH EQUIVALENTS:

<table>
<thead>
<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNRESTRICTED BY FUND GROUPS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>($3,004,334)</td>
<td>($14,228,035)</td>
<td>($12,847,810)</td>
<td>($12,041,032)</td>
</tr>
<tr>
<td>Designated Fund</td>
<td>16,958,783</td>
<td>17,420,055</td>
<td>14,275,568</td>
<td>12,580,735</td>
</tr>
<tr>
<td>Auxiliary Fund</td>
<td>16,466,238</td>
<td>8,880,897</td>
<td>8,230,824</td>
<td>7,013,945</td>
</tr>
<tr>
<td>Retirement Fund</td>
<td>(4,300,098)</td>
<td>(1,646,984)</td>
<td>(2,102,048)</td>
<td>(537,331)</td>
</tr>
<tr>
<td>Plant Fund (Unrestricted funds)</td>
<td>(5,047,766)</td>
<td>(3,601,691)</td>
<td>(4,075,817)</td>
<td>(3,716,957)</td>
</tr>
<tr>
<td><strong>TOTAL CASH &amp; EQUIVALENTS</strong></td>
<td>21,072,823</td>
<td>6,824,242</td>
<td>3,480,717</td>
<td>3,299,360</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DESIGNATED/RESTRICTED BY FUND GROUPS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Fund</td>
<td>1,170,272</td>
<td>1,169,210</td>
<td>1,709,504</td>
<td>1,543,960</td>
</tr>
<tr>
<td>Expendable Restricted Fund</td>
<td>(2,194,581)</td>
<td>(1,680,363)</td>
<td>(821,750)</td>
<td>(423,745)</td>
</tr>
<tr>
<td>Student Loan Fund</td>
<td>379,209</td>
<td>422,993</td>
<td>350,965</td>
<td>118,481</td>
</tr>
<tr>
<td>Plant Fund (includes new construction outlays, 2003 &amp; 2004 bond proceeds plus debt service reserves for the 1998 bond series)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Fund</td>
<td>(442,362)</td>
<td>1,214,078</td>
<td>994,570</td>
<td>1,746,603</td>
</tr>
<tr>
<td><strong>TOTAL CASH &amp; EQUIVALENTS</strong></td>
<td>2,163,876</td>
<td>9,064,555</td>
<td>12,139,349</td>
<td>12,109,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL CASH &amp; EQUIVALENTS</strong></td>
<td>$23,236,699</td>
<td>$15,888,797</td>
<td>$15,620,066</td>
<td>$15,408,460</td>
</tr>
</tbody>
</table>

### BY GENERAL LEDGER ACCOUNT:

#### Commingled cash and equivalents:

<table>
<thead>
<tr>
<th>Account</th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petty Cash</td>
<td>$109,673</td>
<td>$115,352</td>
<td>$112,728</td>
<td>$89,789</td>
</tr>
<tr>
<td>Wells Fargo Bank</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fifth/Third Bank</td>
<td>20,056,306</td>
<td>10,038,933</td>
<td>16,124,317</td>
<td>13,091,973</td>
</tr>
<tr>
<td>Range Bank-Calumet &amp; LL</td>
<td>1,000,000</td>
<td>4,000,000</td>
<td>0</td>
<td>10,076</td>
</tr>
<tr>
<td>Superior National Bank</td>
<td>900,448</td>
<td>565,302</td>
<td>(2,326,483)</td>
<td>652,804</td>
</tr>
<tr>
<td><strong>Commingled cash total</strong></td>
<td>22,066,427</td>
<td>14,719,587</td>
<td>13,910,562</td>
<td>13,844,642</td>
</tr>
</tbody>
</table>

#### Designated/Restricted cash and equivalents:

<table>
<thead>
<tr>
<th>Account</th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fifth Third Bank</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>R&amp;I Fund - Scudder Money MKT</td>
<td>1,170,272</td>
<td>1,169,210</td>
<td>1,709,504</td>
<td>1,543,960</td>
</tr>
<tr>
<td>2003 Bond Issue Funds</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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### ACCOUNTS AND NOTES RECEIVABLE:

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#### RESEARCH BILLED - AGING OF ACCOUNTS RECEIVABLE:

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<tr>
<td>BC/BS OF MICH ADVANCE</td>
<td>0</td>
<td>0</td>
<td>617,597</td>
<td>561,229</td>
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<tr>
<td><strong>TOTAL DEPOSITS</strong></td>
<td>20,000</td>
<td>20,000</td>
<td>637,597</td>
<td>581,229</td>
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<table>
<thead>
<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEFERRED EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIBRARY PERIODICALS &amp; OTHER</td>
<td>0</td>
<td>43,324</td>
<td>29,957</td>
<td>34,784</td>
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<tr>
<td>MTRI RENT</td>
<td>13,525</td>
<td>13,524</td>
<td>13,524</td>
<td>13,524</td>
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<tr>
<td>AETNA HEALTH SAVINGS PAYMENT</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>PLANT FUND BUILDING MATERIALS</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>14,760</td>
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<tr>
<td><strong>TOTAL DEFERRED EXPENSES</strong></td>
<td>13,525</td>
<td>56,848</td>
<td>43,481</td>
<td>63,068</td>
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### TOTAL CURRENT OTHER ASSETS

<table>
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<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL CURRENT OTHER ASSETS</strong></td>
<td>$1,651,094</td>
<td>$1,525,997</td>
<td>$2,169,868</td>
<td>$2,110,861</td>
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### STUDENT LOANS:

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<tr>
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<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FEDERAL PERKINS LOANS, net</strong></td>
<td>$12,198,475</td>
<td>$12,171,052</td>
<td>$12,061,145</td>
<td>$12,176,622</td>
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<tr>
<td><strong>TECHAID LOANS</strong></td>
<td>1,186,030</td>
<td>1,137,957</td>
<td>1,233,203</td>
<td>1,327,648</td>
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<tr>
<td><strong>TOTAL STUDENT LOANS</strong></td>
<td>$13,384,505</td>
<td>$13,309,009</td>
<td>$13,294,348</td>
<td>$13,504,270</td>
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## FINANCIAL STATEMENTS - SUPPLEMENTARY SCHEDULES

### CURRENT LIABILITIES:

<table>
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<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accounts payable</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>VOUCHERS</td>
<td>$915,984</td>
<td>$3,310,432</td>
<td>$4,244,075</td>
<td>$3,270,342</td>
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<tr>
<td>MISCELLANEOUS</td>
<td>127,010</td>
<td>72,507</td>
<td>40,831</td>
<td>38,970</td>
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<tr>
<td>SALES TAX &amp; MISC</td>
<td>31,934</td>
<td>4,519</td>
<td>4,253</td>
<td>9,723</td>
</tr>
<tr>
<td>BENEFITS PAYABLE</td>
<td>865,262</td>
<td>453,430</td>
<td>399,836</td>
<td>806,633</td>
</tr>
<tr>
<td>ACCRUAL</td>
<td>200,000</td>
<td>1,210,016</td>
<td>1,042,869</td>
<td>1,286,890</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,140,190</strong></td>
<td><strong>$5,050,904</strong></td>
<td><strong>$5,731,864</strong></td>
<td><strong>$5,412,558</strong></td>
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<tr>
<td><strong>Other accrued liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>ACCRUED PAYROLL &amp; TAXES</td>
<td>$3,343,129</td>
<td>$3,150,811</td>
<td>$2,586,580</td>
<td>$2,820,535</td>
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<tr>
<td>DEDUCTIONS PAYABLE</td>
<td>156,338</td>
<td>427,804</td>
<td>393,648</td>
<td>479,612</td>
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<tr>
<td>DEFERRED PAYROLL LIABILITY</td>
<td>694,890</td>
<td>1,570,381</td>
<td>1,544,254</td>
<td>1,459,023</td>
</tr>
<tr>
<td>BENEFITS PAYABLE</td>
<td>(5)</td>
<td>(2,495)</td>
<td>(2,185)</td>
<td>(2,167)</td>
</tr>
<tr>
<td>DEPOSITS PAYABLE &amp; MISCE</td>
<td>(539,566)</td>
<td>742,707</td>
<td>638,023</td>
<td>737,615</td>
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<tr>
<td>VACATION ACCRUAL</td>
<td>3,633,355</td>
<td>3,633,355</td>
<td>3,347,574</td>
<td>2,964,550</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$7,288,141</strong></td>
<td><strong>$9,522,563</strong></td>
<td><strong>$8,507,894</strong></td>
<td><strong>$8,459,168</strong></td>
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<tr>
<td><strong>Deferred Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>$3,104,427</td>
<td>$3,148,776</td>
<td>$2,554,640</td>
<td>$3,487,937</td>
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<tr>
<td><strong>Current portion of long term liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BANK LINE OF CREDIT</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>BONDS PAYABLE - UNDER 1 YR</td>
<td>970,000</td>
<td>950,000</td>
<td>1,050,000</td>
<td>1,030,000</td>
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<tr>
<td>MITEL EQUIPMENT NOTES</td>
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<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TELEPHONE SYSTEM NOTE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>OTHER CAPITAL LEASES</td>
<td>213,961</td>
<td>204,945</td>
<td>198,836</td>
<td>0</td>
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<tr>
<td>NOTE PAYABLE</td>
<td>0</td>
<td>0</td>
<td>400,000</td>
<td>322,310</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>1,183,961</strong></td>
<td><strong>1,154,945</strong></td>
<td><strong>1,648,836</strong></td>
<td><strong>1,352,310</strong></td>
</tr>
<tr>
<td>HEALTH &amp; LIABILITY - CURRENT (&amp; ESP)</td>
<td>207,911</td>
<td>207,911</td>
<td>208,088</td>
<td>208,088</td>
</tr>
<tr>
<td>HEALTH &amp; LIABILITY - IBNR</td>
<td>1,435,144</td>
<td>1,435,144</td>
<td>1,432,799</td>
<td>1,225,629</td>
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<tr>
<td>HEALTH &amp; LIABILITY - RSVP</td>
<td>452,436</td>
<td>452,436</td>
<td>502,225</td>
<td>572,517</td>
</tr>
<tr>
<td>HEALTH &amp; LIABILITY - W/C (&amp; MUSIC)</td>
<td>318,000</td>
<td>318,000</td>
<td>318,000</td>
<td>300,000</td>
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<tr>
<td>TIAA/CREF PAYABLE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,597,452</strong></td>
<td><strong>3,568,436</strong></td>
<td><strong>4,109,948</strong></td>
<td><strong>3,658,544</strong></td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td><strong>$16,130,210</strong></td>
<td><strong>$21,290,679</strong></td>
<td><strong>$20,904,346</strong></td>
<td><strong>$21,018,207</strong></td>
</tr>
</tbody>
</table>
### FINANCIAL STATEMENTS - SUPPLEMENTARY SCHEDULES

<table>
<thead>
<tr>
<th></th>
<th>09/30/09</th>
<th>06/30/08</th>
<th>06/30/07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NONCURRENT LIABILITIES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance and benefit reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACRUED CLAIMS</td>
<td>0</td>
<td>0</td>
<td>$0</td>
</tr>
<tr>
<td>MISC - LONG TERM PORTION</td>
<td>267,691</td>
<td>267,876</td>
<td>216,766</td>
</tr>
<tr>
<td>ESP LONG TERM PORTION</td>
<td>623,733</td>
<td>792,342</td>
<td>980,813</td>
</tr>
<tr>
<td>GASB 45</td>
<td>1,255,099</td>
<td>955,099</td>
<td>0</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>$2,146,523</td>
<td>$2,015,317</td>
<td>$1,197,579</td>
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| DUE TO MICHIGAN TECH FUND | $ | $600,000 | $ | $600,000 | $ | $750,000 |
### PROPERTY, PLANT and EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Additions, net of Disposals</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JUL 1, 2009</td>
<td>SEPT 30 2009</td>
<td></td>
</tr>
<tr>
<td><strong>Nondepreciable capital assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAND</td>
<td>$9,089,086</td>
<td>0.00</td>
<td>$9,089,086</td>
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<tr>
<td>MINERAL MUSEUM EXHIBITS</td>
<td>5,049,142</td>
<td>14,650.00</td>
<td>5,063,792</td>
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<tr>
<td>TIMBER</td>
<td>368,394</td>
<td>0.00</td>
<td>368,394</td>
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<tr>
<td>CONSTRUCTION IN PROGRESS</td>
<td>3,955,320</td>
<td>2,645,648.00</td>
<td>6,600,968</td>
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<tr>
<td></td>
<td>18,461,942</td>
<td>2,660,298</td>
<td>21,122,240</td>
</tr>
<tr>
<td><strong>Depreciable capital assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAND IMPROVEMENTS</td>
<td>1,323,100</td>
<td>0.35</td>
<td>1,323,100</td>
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<tr>
<td>INFRASTRUCTURE</td>
<td>4,909,955</td>
<td>138,994.00</td>
<td>5,048,949</td>
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<tr>
<td>BUILDINGS</td>
<td>299,791,697</td>
<td>0.00</td>
<td>299,791,697</td>
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<tr>
<td>DEFERRED FINANCING COSTS</td>
<td>2,085,219</td>
<td>0.00</td>
<td>2,085,219</td>
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<tr>
<td>EQUIPMENT</td>
<td>33,729,409</td>
<td>456,971.00</td>
<td>34,186,380</td>
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<tr>
<td>LIBRARY BOOKS</td>
<td>1,008,001</td>
<td>0.00</td>
<td>1,008,001</td>
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<tr>
<td></td>
<td>342,847,381</td>
<td>595,965</td>
<td>343,443,346</td>
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</tbody>
</table>

|                      |                   |                             |                |
| **Total cost of capital assets** | 361,309,323      | 3,256,263                   | 364,565,586    |

|                      |                   |                             |                |
| **Less Accumulated Depreciation** | (136,998,610) | (2,865,000)                | (139,863,610)  |

|                      |                   |                             |                |
| **CAPITAL ASSETS, net** |                   |                             |                |
|                      | $224,310,713       | $391,263                    | $224,701,976   |
## NOTES AND BONDS PAYABLE

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th>FY09</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LONG TERM PORTION OF BONDS PAYABLE:</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2003 ISSUE</td>
<td>4,190,000</td>
<td>4,295,000</td>
<td>4,500,000</td>
</tr>
<tr>
<td>2004 ISSUE</td>
<td>29,430,000</td>
<td>30,145,000</td>
<td>31,525,000</td>
</tr>
<tr>
<td>2006 ISSUE</td>
<td>2,790,000</td>
<td>2,840,000</td>
<td>2,940,000</td>
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<tr>
<td>2008 ISSUE</td>
<td>15,685,000</td>
<td>15,785,000</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>52,095,000</td>
<td>53,065,000</td>
<td>38,965,000</td>
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