

Telecommunications Facilities Revenue Bond Funds State University of Iowa

Financial Report

06.30.2006

McGladrey & Pullen
Certified Public Accountants

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Contents

Independent Auditor's Report	1 – 2
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Financial Statements

Statement of net assets	3
Statement of revenues, expenses and changes in net assets	4
Statement of cash flows	5
Notes to basic financial statements	6 – 12

Supplementary Information

Combining statement of net assets	13 – 14
Combining statement of revenues, expenses and changes in net assets	15 – 16
Schedule of insurance coverage (unaudited)	17
Schedule of student enrollment (unaudited)	18

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Independent Auditor's Report

To the Members of the Board of Regents,
State of Iowa

We have audited the accompanying statement of net assets and the related statement of revenues, expenses and changes in net assets and cash flows of the Telecommunications Facilities Revenue Bond Funds of State University of Iowa as of and for the year ended June 30, 2006, which collectively comprise the Bond Funds basic financial statements listed in the table of contents. We have also audited the financial statements of each individual fund of the Telecommunications Facilities Revenue Bond Funds of State University of Iowa as of and for the year ended June 30, 2006 presented in the combining fund financial statements in the supplementary information listed in the table of contents. These financial statements are the responsibility of the University's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the financial statements present only the Telecommunications Facilities Revenue Bond Funds of State University of Iowa and do not purport to, and do not, present fairly the financial position of State University of Iowa as of June 30, 2006 and changes in its financial position and its cash flows for the year then ended in conformity with auditing standards generally accepted in the United States of America. Because the financial statements present only the Telecommunications Facilities Revenue Bond Funds of State University of Iowa, and do not purport to, and do not present the financial statements of State University of Iowa, management has chosen not to present a Management's Discussion and Analysis.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Telecommunications Facilities Revenue Bond Funds of State University of Iowa as of June 30, 2006, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the combining financial statements referred to above present fairly, in all material respects, the respective financial position of each individual fund of the Telecommunications Facilities Revenue Bond Funds of State University of Iowa as of June 30, 2006, and the respective changes in financial position of each individual fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe Telecommunications Facilities Revenue Bond Funds of State University of Iowa were not in compliance with the accounting requirements of the Board of Regents Resolution for the issuance of the Telecommunications Facilities Revenue Bond Funds; however, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The information in the schedules of insurance coverage and student enrollment has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of State University of Iowa, the members of the Board of Regents, citizens of the State of Iowa and other parties to whom the State University of Iowa may report. This report is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

Davenport, Iowa
September 29, 2006

Telecommunications Facilities Revenue Bond Funds
 State University of Iowa

Statement of Net Assets
 June 30, 2006

Assets	
Current Assets:	
Cash and cash equivalents	\$ 5,089,713
Investments	257,760
Accounts receivable	43,438
Interest receivable	41,138
Inventories	963,179
Total current assets	<u>6,395,228</u>
Noncurrent Assets:	
Investments	2,803,223
Capital assets, net	17,969,002
Total noncurrent assets	<u>20,772,225</u>
	<u>\$ 27,167,453</u>
Liabilities and Net Assets	
Current Liabilities:	
Accounts payable	\$ 647,107
Accrued salaries and wages payable	487,937
Accrued interest payable	459,209
Revenue bonds payable, current portion	2,495,000
Total current liabilities	<u>4,089,253</u>
Noncurrent Liabilities,	
revenue bonds payable	20,320,000
Total liabilities	<u>24,409,253</u>
Net Assets:	
Invested in capital assets, net of related debt	(4,845,998)
Restricted	5,489,293
Unrestricted	2,114,905
Total net assets	<u>2,758,200</u>
Total liabilities and net assets	<u>\$ 27,167,453</u>

See Notes to Basic Financial Statements.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

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

Operating revenues and expenses:	
Operating revenues	<u>\$ 17,866,083</u>
Operating expenses:	
Operating expenses other than depreciation	11,808,838
Depreciation expense	<u>4,532,248</u>
Total operating expenses	<u>16,341,086</u>
Operating income	<u>1,524,997</u>
Nonoperating revenues (expenses):	
Investment income	258,324
Interest expense	(918,418)
Other	<u>2,247,327</u>
Total nonoperating revenues	<u>1,587,233</u>
Income before transfers	3,112,230
Transfers from other University funds	<u>(5,574,743)</u>
(Decrease) in net assets	(2,462,513)
Net assets:	
Beginning	5,220,713
Ending	<u><u>\$ 2,758,200</u></u>

See Notes to Basic Financial Statements.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Statement of Cash Flows
Year Ended June 30, 2006

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Cash Flows from Operating Activities:	
Cash received from operations	\$ 17,882,215
Cash paid for operations	(11,993,615)
Net cash provided by operating activities	<u>5,888,600</u>
Cash Flows (Used in) Noncapital Financing Activities, transfers to other University funds	<u>(5,574,743)</u>
Cash Flows from Capital Financing Activities:	
Purchase of capital assets	(548,201)
Other capital financing activities	2,247,327
Principal paid on capital debt	(2,430,000)
Interest paid on capital debt	(954,733)
Net cash (used in) capital financing activities	<u>(1,685,607)</u>
Cash Flows from Investing Activities:	
Interest on investments	309,946
Proceeds from sales of investments	686,343
Net cash provided by investing activities	<u>996,289</u>
Net (decrease) in cash and cash equivalents	(375,461)
Cash and cash equivalents:	
Beginning	5,465,174
Ending	<u>\$ 5,089,713</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 1,524,997
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	4,532,248
(Increase) decrease in assets:	
Accounts receivable	16,132
Inventories	(214,486)
Increase in liabilities:	
Accounts payable	2,343
Accrued salaries and wages payable	27,366
Net cash provided by operating activities	<u>\$ 5,888,600</u>
Schedule of Noncash Investing Activities, unrealized loss on investments	\$ 58,377

See Notes to Basic Financial Statements.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies

Reporting entity:

The accompanying financial statements include only the Telecommunications Facilities Revenue Bond Funds Series S.U.I. 2000 and the Telecommunications Facilities Revenue Refunding Bond Funds Series S.U.I. 2003 (collectively the Funds), enterprise funds of the State University of Iowa (University), which were created by various resolutions of The State of Iowa Board of Regents which authorized the issuance of revenue bonds and notes to fund the costs of constructing, equipping, furnishing and improving the telecommunications facilities at the University. The Revenue Bonds and Revenue Refunding Bonds are issued on behalf of the University. The Funds do not represent the entire telecommunications system of the University. Under the provisions of the resolutions, the net assets of the Funds are, in general, restricted to provide for the retirement of the outstanding bonds and the operation and maintenance of the telecommunications system. The following summarizes the bond series, dates of resolution and original issuance amounts of the Revenue Bonds and the Revenue Refunding Bonds outstanding as of June 30, 2006:

Bond Series	Resolution Date	Original Issuance Amount
S.U.I. 2000	March 1, 2000	\$ 15,875,000
S.U.I. 2003 Refunding	December 1, 2003	14,060,000
		<u>\$ 29,935,000</u>

These financial statements present only the Funds and do not purport to, and do not, present the financial position of the State University of Iowa as of June 30, 2006, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. The Funds' financial statements are presented to comply with bond agreements.

Basic financial statements:

The statement of net assets and the statement of revenues, expenses and changes in net assets report information on all of the activities of the Telecommunications Facilities Revenue Bond Funds and Telecommunications Facilities Revenue Refunding Bond Funds. For the most part, the effect of interfund activity has been removed from these statements.

The statement of net assets presents assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Funds first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The statement of revenues, expenses and changes in net assets demonstrates how net assets changed during the fiscal year.

The statement of cash flows presents information related to cash inflows and outflows, summarized by operating, non-capital financing, capital financing and investing activities.

Fund accounting:

In order to ensure the observance of limitations and restrictions placed on the use of available resources, the accounts are maintained in accordance with the principles of fund accounting. Each fund provides a separate set of self-balancing accounts which comprises its assets, liabilities, reserves, net assets, revenues and expenses. Fund accounting is the procedure by which resources for various purposes are classified, for accounting and reporting purposes, into funds according to the activities or objectives specified.

The following funds are used to account for transactions:

Revenue Fund – The Revenue Fund is used to record all revenues and expenses related to operations.

Investment in Plant Fund – The Investment in Plant Fund is used to account for buildings, construction in progress and accumulated depreciation. Additions to the Investment in Plant Fund are made via transfers from other funds in which the costs of the assets are initially accumulated.

Construction Fund – The Construction Fund is used to record payments made for the cost of construction and improvement of telecommunications facilities.

Unassigned Earnings Fund – The Unassigned Earnings Fund is used to accumulate amounts not required to be deposited into the Bond Sinking Fund or the Debt Service Reserve Fund. Amounts held in the Unassigned Earnings Fund may be used for any purpose at the discretion of The State of Iowa Board of Regents.

Bond Sinking Fund – The Bond Sinking Fund is used to make principal and interest payments.

Debt Service Reserve Fund – The Debt Service Reserve Fund represents bond sinking reserves to provide payment of principal and interest, in the event there are no sufficient funds in the Bond Sinking Fund to make such payments.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Basis of presentation:

The Funds' financial statements have been prepared on the basis of the proprietary fund concept, which pertains to financial activities that operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the users of the services. Accordingly, the financial statements have been prepared using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred.

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). In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Funds have elected not to apply the provisions of pronouncements of the Financial Accounting Standards Board issued after November 30, 1989.

Cash and cash equivalents:

Cash and cash equivalents represent amounts in cash accounts or the Funds' share of the Pooled Investment Fund of the University. The Pooled Investment Fund is composed of cash and short-term U.S. government securities, and a monthly allocation is made of the interest received based on the percentage of each participant's investment.

The University deposits the cash of most funds in commingled bank accounts and makes disbursements from the combined cash balances. An individual fund's cash balance represents that fund's cumulative deposits to and disbursements from the University's bank accounts. For purposes of the statement of net assets and the statement of cash flows, the University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments:

Investments are stated at fair value. Fair value is based on quoted market prices. Investments with an original maturity of one year or less are reported as current in the statement of net assets.

Inventories:

Inventories are stated at the lower of cost or market.

Capital assets:

Capital assets are defined by the University as assets with an initial individual cost of more than \$5,000 for equipment or \$50,000 for buildings and infrastructure. Such assets are recorded at historical cost when purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Outlays for capital assets are capitalized as projects are constructed. During the year ended June 30, 2006, no interest costs were capitalized.

Depreciation is calculated using the straight-line method over the estimated useful lives of the capital assets, generally 40 to 50 years for buildings.

Fringe benefits:

The University utilizes the fringe benefits pool method to account for fringe benefits. Under the fringe benefits pool method, fringe benefits are expensed as a percentage of actual salary or wage costs. The use of fringe benefits rates rather than actual fringe benefits costs is accepted by the Federal Government and widely used by universities. Rates are reviewed annually prior to the beginning of the fiscal year and adjusted to reflect differences between the rates charged and actual benefits costs as well as future benefit projections. The Federal Government must approve the annual rate study.

Operating and nonoperating activities:

Operating activities, as reported in the statement of revenues, expenses and changes in net assets, are transactions that result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Nonoperating activities include transactions such as investment earnings and interest expense.

Use of estimates:

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

Transfers in (out):

After meeting certain requirements specified in the bond agreements, the balance of net receipts may be transferred to the University for its general operations. However, all such monies that have been transferred shall be returned by the University, if necessary, to satisfy the requirements of the bond indentures.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 2. Cash and Cash Equivalents and Investments

In accordance with the Code of Iowa and the bond resolutions, the Funds may invest in obligations of the U.S. government and its agencies, certificates of deposit, prime bankers' acceptances, commercial paper, and repurchase agreements.

Investments held by the Funds are recorded at fair value, as determined by quoted market prices. As of June 30, 2006, the Funds' investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Effective Duration</u>	<u>Quality Rating</u>
U.S. government treasuries, notes, bonds	\$ 3,060,983	0.584%	Not applicable

Interest rate risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the effective duration. In accordance with the University's investment policy, the maximum duration of the University's operating portfolio may not exceed the duration of the Merrill 1-3 year Government/Corporate Index by more than 20%.

Credit risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To reduce the University's exposure to credit risk, the weighted average credit quality of the University's operating portfolios, in accordance with the University's investment policy, should be AA or Aa as rated by Standard & Poor's or Moody's, respectively.

Concentration of credit risk:

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. Except for U.S. government investments, no one issuer represents 5% or more of the total investments.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 3. Capital Assets

A summary of changes in buildings and construction in progress for the year ended June 30, 2006 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated:				
Buildings	\$ 66,624,736	\$ 379,727	\$ -	\$ 67,004,463
Less accumulated depreciation	(47,599,774)	(4,532,248)	-	(52,132,022)
	<u>19,024,962</u>	<u>(4,152,521)</u>	<u>-</u>	<u>14,872,441</u>
Capital assets not being depreciated, construction in progress	2,928,087	920,729	(752,255)	3,096,561
Capital assets, net	<u>\$ 21,953,049</u>	<u>\$ (3,231,792)</u>	<u>\$ (752,255)</u>	<u>\$ 17,969,002</u>

Note 4. Revenue Bonds Payable

A summary of revenue bonds payable activity for the year ended June 30, 2006 is as follows:

Beginning balance	\$ 25,245,000
Payments	<u>2,430,000</u>
Ending balance	<u>\$ 22,815,000</u>

A summary of bond principal and interest maturities as of June 30, 2006 is as follows:

	Principal	Interest	Total
Year ending June 30:			
2007	\$ 2,495,000	\$ 880,448	\$ 3,375,448
2008	2,575,000	800,923	3,375,923
2009	2,655,000	712,809	3,367,809
2010	2,755,000	614,963	3,369,963
2011	2,860,000	507,848	3,367,848
2012 - 2016	9,475,000	1,033,932	10,508,932
	<u>\$ 22,815,000</u>	<u>\$ 4,550,923</u>	<u>\$ 27,365,923</u>

The bonds bear interest at rates ranging from 2.00% to 5.40% per year.

Under provisions of the bond agreements, specified amounts of net receipts are to be retained by the Funds to pay costs of operating and maintaining the telecommunications facilities of the University and to provide for the payment of interest and the retirement of the outstanding bonds. After meeting such requirements, the balance of the net receipts must be transferred to the Unassigned Earnings Fund and may be used for any lawful purpose as determined by the State of Iowa Board of Regents.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Notes to Basic Financial Statements

Note 4. Revenue Bonds Payable (Continued)

Certain revenue bonds payable as of June 30, 2006 may be called at par value as follows:

Bond Series	Call Date	Amount Callable
S.U.I. 2000	After July 1, 2008	\$ 8,855,000

Note 5. Related Party Transactions

Included in the statement of revenues, expenses and changes in net assets are revenues of \$17,684,229 from various University departments and expenses of \$363,774 for services purchased from various University departments.

Note 6. Commitments

As of June 30, 2006, the University has entered into \$1,942,201 of contract commitments for construction projects.

Note 7. Pending Pronouncements

Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, issued September 2006, is effective for periods beginning after December 15, 2006. This Statement establishes accounting and financial reporting standards for transactions in which an entity receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. It also provides disclosure requirements for entities that pledge or commit future cash flows from a specific revenue source. In addition, this Statement establishes accounting and financial reporting standards for intra-entity transfers of assets and future revenues. The University has not yet determined the effect if any this Statement will have on the Revenue Bond Funds.

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Combining Statement of Net Assets
June 30, 2006

	Revenue Fund	Investment in Plant Fund
Assets		
Current Assets:		
Cash and cash equivalents	\$ 4,619	\$ -
Investments	-	-
Accounts receivable	43,438	-
Interest receivable	7,495	-
Inventories	963,179	-
Total current assets	1,018,731	-
Noncurrent Assets:		
Investments	-	-
Capital assets, net	-	17,969,002
Total noncurrent assets	-	17,969,002
	\$ 1,018,731	\$ 17,969,002
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 615,437	\$ -
Accrued salaries and wages payable	487,937	-
Accrued interest payable	-	-
Revenue bonds payable, current portion	-	-
Total current liabilities	1,103,374	-
Noncurrent Liabilities,		
revenue bonds payable	-	-
Total liabilities	1,103,374	-
Net Assets:		
Invested in capital assets, net of related debt	-	17,969,002
Restricted	-	-
Unrestricted	(84,643)	-
Total net assets	(84,643)	17,969,002
Total liabilities and net assets	\$ 1,018,731	\$ 17,969,002

Construction Fund	Unassigned Earnings Fund	Bond Sinking Fund	Debt Service Reserve Fund	Total
\$ -	\$ 1,973,458	\$ 2,954,209	\$ 157,427	\$ 5,089,713
-	257,760	-	-	257,760
-	-	-	-	43,438
-	-	33,643	-	41,138
-	-	-	-	963,179
-	2,231,218	2,987,852	157,427	6,395,228
-	-	-	2,803,223	2,803,223
-	-	-	-	17,969,002
-	-	-	2,803,223	20,772,225
\$ -	\$ 2,231,218	\$ 2,987,852	\$ 2,960,650	\$ 27,167,453
\$ -	\$ 31,670	\$ -	\$ -	\$ 647,107
-	-	-	-	487,937
-	-	459,209	-	459,209
-	-	2,495,000	-	2,495,000
-	31,670	2,954,209	-	4,089,253
-	-	20,320,000	-	20,320,000
-	31,670	23,274,209	-	24,409,253
-	-	(22,815,000)	-	(4,845,998)
-	-	2,528,643	2,960,650	5,489,293
-	2,199,548	-	-	2,114,905
-	2,199,548	(20,286,357)	2,960,650	2,758,200
\$ -	\$ 2,231,218	\$ 2,987,852	\$ 2,960,650	\$ 27,167,453

Telecommunications Facilities Revenue Bond Funds
 State University of Iowa

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

	Revenue Fund	Investment in Plant Fund
Operating revenues and expenses:		
Operating revenues	\$ 17,866,083	\$ -
Operating expenses:		
Operating expenses other than depreciation	11,649,237	-
Depreciation expense	-	4,532,248
Total operating expenses	11,649,237	4,532,248
Operating income (loss)	6,216,846	(4,532,248)
Nonoperating revenues (expenses):		
Investment income	116,084	-
Interest expense	-	-
Other	-	-
Total nonoperating revenues (expenses)	116,084	-
Income (loss) before transfers	6,332,930	(4,532,248)
Transfers:		
Mandatory transfers in (out)	(4,244,136)	3,947,448
Transfers from other University funds	(2,175,496)	(3,399,247)
Total transfers	(6,419,632)	548,201
Increase (decrease) in net assets	(86,702)	(3,984,047)
Net assets:		
Beginning	2,059	21,953,049
Ending	\$ (84,643)	\$ 17,969,002

Construction Fund	Unassigned Earnings Fund	Bond Sinking Fund	Debt Service Reserve Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 17,866,083
-	159,601	-	-	11,808,838
-	-	-	-	4,532,248
-	159,601	-	-	16,341,086
-	(159,601)	-	-	1,524,997
-	-	142,240	-	258,324
-	-	(918,418)	-	(918,418)
2,155,969	91,358	-	-	2,247,327
2,155,969	91,358	(776,178)	-	1,587,233
2,155,969	(68,243)	(776,178)	-	3,112,230
(2,155,969)	(896,323)	3,348,980	-	-
-	-	-	-	(5,574,743)
(2,155,969)	(896,323)	3,348,980	-	(5,574,743)
-	(964,566)	2,572,802	-	(2,462,513)
-	3,164,114	(22,859,159)	2,960,650	5,220,713
\$ -	\$ 2,199,548	\$ (20,286,357)	\$ 2,960,650	\$ 2,758,200

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Schedule of Insurance Coverage
(Unaudited)
June 30, 2006

Insurer:

FM Global Insurance Company

Description and amount of coverage:

The Telecommunications Facilities are insured under the State University of Iowa's policies which have blanket coverage of \$1,000,000,000 that applies to buildings, contents, income and property in the course of construction.

Premium is based on the following values for Telecommunications Facilities (including switches):

Building	\$	21,837,167
Contents		7,450,000
Income		5,066,685

Policy Number:

FR289

Term of Policy:

September 1, 2006 to September 1, 2007

Telecommunications Facilities Revenue Bond Funds
State University of Iowa

Schedule of Student Enrollment
(Unaudited)
Year Ended June 30, 2006

Enrollment at the State University of Iowa for the year ended June 30, 2006 was as follows:

Summer semester, 2005	11,448
Fall semester, 2005	29,642
Spring semester, 2006	28,355