

STATEMENTS OF CASH FLOWS (IN THOUSANDS)

Years ended June 30

	2006		2005
Cash Flows from Operating Activities			
Increase in net assets	\$ 932,251	\$	587,649
Adjustments to reconcile increase in net assets to net cash provided by operating activities:			
Depreciation	34,485		34,575
Cumulative effect of change in accounting principle	17,683		—
Adjustment to carrying value of buildings and equipment	817		5,061
Changes in operating assets and liabilities:			
Accounts receivable, deferred charges and other assets	(6,546)		(8,402)
Contributions receivable	(29,001)		(18,026)
Accounts payable, refundable advances, deferred revenue, and deposits and other liabilities	35,958		29,191
Amounts payable under split-interest agreements	(626)		3,340
Pension and other postretirement benefits	(702)		24,637
Contributions for investments and physical facilities	(113,499)		(58,454)
Investment income restricted for reinvestment	(2,094)		(2,173)
Net gain on investments	(790,573)		(571,424)
Other, net	(36,580)		(7,981)
Net cash provided by operating activities	41,573		17,993
Cash Flows from Investing Activities			
Proceeds from sales of investments	2,554,342		2,741,488
Purchases of investments	(2,731,202)		(2,764,012)
Purchases of land, buildings and equipment	(92,403)		(74,565)
Student loans granted	(5,369)		(10,202)
Student loans repaid	8,917		6,713
Other changes in notes receivable	1,756		45
Net cash used by investing activities	(263,959)		(100,533)
Cash Flows from Financing Activities			
Contributions received restricted for:			
Investments	93,150		46,260
Physical facilities	20,349		12,194
Investment income restricted for reinvestment	2,094		2,173
Net proceeds from commercial paper issued	21,000		—
Proceeds from bonds issued	185,000		—
Repayment of bonds and notes	(114,510)		(1,680)
Government advances for student loans	482		729
Net cash provided by financing activities	207,565		59,676
Net change in cash and cash equivalents	(14,821)		(22,864)
Cash and cash equivalents at beginning of year	53,112		75,976
Cash and cash equivalents at end of year	\$ 38,291	\$	53,112
Supplemental data			
Interest paid	\$ 12,285	\$	8,442
Noncash investing and financing activities:			
Assets acquired with note payable	40,000		—
Gifts of securities	10,010		2,818

See accompanying notes to financial statements.