



OFFICE OF THE BOARD OF TRUSTEES

## Public Meeting Notice

October 13, 2016

TO: Southern Oregon University Board of Trustees, Finance and Administration Committee

FROM: Sabrina Prud'homme, University Board Secretary

RE: Notice of Regular Meeting of the Finance and Administration Committee

The Finance and Administration Committee of the Southern Oregon University Board of Trustees will hold a regular meeting on the date and at the location set forth below.

Topics of the meeting will include a vice president's report including a review of the financial dashboard, enrollment topics, and other items. There will be a review and discussion of the first quarter forecast; the budget pro forma; and the 2016-17 budget process. The committee also will discuss the FY2017 budget calendar and the role of the committee in the budgeting process; committee priorities and interests; and future meetings.

The meeting will occur as follows:

Thursday, October 20, 2016  
4:00 p.m. to 6:00 p.m. (or until business concludes)  
Hannon Library, DeBoer Room, 3<sup>rd</sup> Floor, Room #303

The Hannon Library is located at 1290 Ashland Street, on the Ashland campus of Southern Oregon University. **If special accommodations are required or to sign-up in advance for public comment, please contact Kathy Park at (541) 552-8055 at least 72 hours in advance.**



**Board of Trustees**  
**Finance and Administration Committee Meeting**  
**October 20, 2016**

# Call to Order and Preliminary Business



**Board of Trustees  
Finance and Administration Committee Meeting**

**Thursday, October 20, 2016  
4:00 p.m. – 6:00 p.m. (or until business concludes)  
DeBoer Room, Hannon Library**

**AGENDA**

Persons wishing to participate during the public comment period shall sign up at the meeting.  
Please note: times are approximate and items may be taken out of order.

- |           |          |   |   |
|-----------|----------|---|---|
|           | <b>1</b> | <b>Call to Order and Preliminary Business</b>                           | Chair Nicholson   |
|           | 1.1      | Welcome and Opening Remarks   |   |
|           | 1.2      | Roll Call   | Sabrina Prud'homme, SOU,<br>Board Secretary   |
|           | 1.3      | Agenda Review   | Chair Nicholson   |
|           | 1.4      | Consent Agenda: Approval of September 15, 2016 Meeting Minutes (Action) |   |
|           | <b>2</b> | <b>Public Comment</b>   |   |
| ~ 10 min. | <b>3</b> | <b>Vice President's Report</b>  | Craig Morris, SOU, Vice President for Finance and Administration  |
|           | 3.1      | Committee Dashboard Review  |   |
|           | 3.2      | Enrollment and Completions Dashboard                                    | Kelly Moutsatson, SOU,<br>Director of Admissions and<br>Dr. Matt Stillman, SOU,<br>University Registrar: Co-Executive Directors of Student Enrollment |
|           | 3.3      | Others  | Craig Morris  |
| ~ 20 min. | <b>4</b> | <b>First Quarter Forecast</b>   | Steve Larvick, SOU, Director of Business Services   |
| ~ 30 min. | <b>5</b> | <b>Pro Forma Review</b>   | Craig Morris; Mark Denney, SOU, Associate Vice President for Budget and Planning  |

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~ 20 min.	<b>6</b>	<b>2016-17 Budget Process Debrief</b>	Chair Nicholson
~ 15 min.	<b>7</b>	<b>Fiscal Year 2017 Budget Calendar and Role of the Committee in the Budgeting Process</b>	Chair Nicholson; Craig Morris; Mark Denney
~ 15 min.	<b>8</b>	<b>Discussion Regarding Committee Priorities and Interests</b>	Chair Nicholson
~ 5 min.	<b>9</b>	<b>Future Meetings</b>	Chair Nicholson
	<b>10</b>	<b>Adjourn</b>	Chair Nicholson



**Board of Trustees  
Finance and Administration Committee Meeting**

**Thursday, September 15, 2016  
4:00 p.m. – 6:00 p.m. (or until business concludes)  
DeBoer Room, Hannon Library**

**MINUTES**

**Call to Order and Preliminary Business**

Chair Nicholson called the meeting to order at 4:03 p.m. The committee welcomed President Schott to the meeting.

The following committee members were present: Paul Nicholson, Lyn Hennion, Jeremy Nootenboom, April Sevcik and Dennis Slattery. Trustees Les AuCoin and Steve Vincent were absent. President Linda Schott (ex officio) also attended the meeting.

Other meeting guests included: Craig Morris, Vice President for Finance and Administration; Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Jason Catz, General Counsel; Dr. Matt Stillman, University Registrar, Co-Executive Director of Student Enrollment; Partha Chatterjee, Senior Budget Analyst; Kelly Moutsatson, Director of Admissions, Co-Executive Director of Student Enrollment; Steve Larvick, Director of Business Services; Melinda Joy, ASSOU; Treasa Sprague, Administrative Services Coordinator; Sabrina Prud'homme, Board Secretary; Gordon Carrier, Computing Coordinator; and Kathy Park, Executive Assistant.

Chair Nicholson advised the committee of three changes to the draft July 14, 2016 meeting minutes: he requested the word “significant” be used instead of “exponential” in the discussion on tuition revenue in the HECC Update; in the discussion on the president’s residence, he noted the university does not retain contractors; and prior to the meeting, a sentence about reaching the five-year fundraising goal of \$5 million was reworded for clarity. Trustee Slattery moved to approve the July 14, 2016 meeting minutes as amended. Trustee Sevcik seconded the motion and it passed unanimously.

**Public Comment**

There was no public comment.

**Vice President’s Report**

Reviewing the financial dashboard, Craig Morris said operating cash is at target but is well below last year at this time. This can be attributed to the considerable amount of cash in SOU’s bank account last year for the science [building] project. Because of the new governance structure, on construction projects for which the state pays the debt, cash is held at the state level and SOU must submit invoices for reimbursement of bills it has paid. Discussion followed on this new payment procedure.

Mr. Morris then highlighted labor expenses, which for the first two months, are exceeding the burn rate of last year. This can be attributed to a one-time payment in July to faculty pursuant to the collective bargaining agreement. He believes it will even-out as the year progresses.

Regarding enrollment, Dr. Matt Stillman said headcount is down 2.7 percent and FTE is down 1.5 percent. This represents substantive progress compared to the low watermark of six weeks before start of the term. He said folks get nervous this time of year when looking at current enrollment compared to end of term enrollment for last year. Current enrollment is far off from end of term enrollment for last year but part of that is a timing issue. He pointed out that last year headcount increased from the fall to the end of the year, the vast majority of that increase being Advanced Southern Credit students. Advanced Southern Credit students are not yet recorded for this year. He said they are comfortable the retrenchment targets will be met. He added that diversity numbers are up and students continue to come from California. SCH is down for resident students but up for WUE students; although this translates to more tuition revenue, recruiting efforts will refocus on resident students.

Kelly Moutsatson said, rather than focus on applications at this point, they are focusing on enrolled students. Two weeks before start of fall term, the number of enrolled students is 1278, a 5.9 percent decrease from last year at the same time. The bulk of the decrease is in resident freshmen. The decrease in that population is not unique to SOU; other Oregon public universities report similar decreases. Regarding SOU's recruiting efforts, Ms. Moutsatson highlighted the Portland admissions counselor's efforts; upcoming SOU2You events; admission counselor's visits to local high schools and discussions about the Pledge; and calling campaigns. She stressed that they are not taking their foot off the gas. Responding to Trustee Hennion's inquiry, Ms. Moutsatson said the community colleges are also reporting decreases in their numbers. Possible explanations for the decreases were mentioned, including the decrease in high school graduation rates, the impact of the Oregon Promise, more students may be taking a gap year and the increasing cost of college.

### **Review of Year-end Financials and External Audit Update**

Introducing this agenda item, Chair Nicholson said the purpose of this item was to inform the committee of the year-end process and how the year ended and provide an update on CliftonLarsonAllen's external audit. Steve Larvick hit the high points on the Periodic Management Report. The Education and General fund balance improved to 11.9 percent, driven by higher than anticipated enrollments, the enrollment mix of higher paying students and lower than anticipated labor costs particularly tied to benefits; however, this was offset somewhat by increased S&S costs. Regarding presentation of the report this year, there were a couple of accounting changes (e.g., shift in bad debt allowances and recording funds from the North Campus Village). Overall transfers are up largely due to increased support to athletics.

Discussing Auxiliary Enterprises, about \$1.4 million of the revenue increase is tied to accounting changes. There was an increase in recreation center revenue, an overall increase in housing occupancy and fewer fee remissions issued from the housing area. Labor expenses included general budgeted pay increases; increased spending in

athletics for both post-season expenses and added programs; and increased labor relating to housing maintenance activities. S&S is up; \$2.1 million of the increase is associated with the North Campus Village. Two factors account for the deficit in the Auxiliary Enterprises: BOLI settlement and the athletics shortfall.

In Designated Operations, there was an overall general increase in activity, some of which was higher than last year but lower than budget expectations. Revenue finished at just under \$5 million. On the expense side, labor and S&S expenses changed, largely due to increased activities in the JPR area where spending was up but less than anticipated.

Regarding the external audit, Mr. Larvick said they are in the final stages of completion. There were a few audit comments to bring forward but nothing material at this stage. When the audit statements come out, there will be substantial changes in the way things are reported, such as bond obligations being removed from SOU's financial statements and the increase in the pension liability.

The external audit includes the A-133 audit, which focuses on federal grants to universities and non-profit organizations to ensure funds are used appropriately. SOU receives federal funding, primarily to support financial aid programs. The A-133 audit is nearing completion. There may be a few comments, most being relatively minor.

Mr. Larvick then discussed bad debt reserves. There was a 9 percent growth in the total charges posted to Banner accounts, compared to a 2.4 percent increase in the accounts receivable. Collection history is relatively consistent from year to year. Through the fourth year, approximately 99 percent of the student accounts have been collected; after that mark, write-offs begin to occur. Factors going into estimating the bad debt allowance include the age of the debts; status of payments; percent of debts remaining outstanding at the end of the first year; growth or decline of debts older than four years; and recovery history on previously written-off accounts.

Mr. Larvick provided some history on the bad debt reserve then mentioned the alternative model SOU created in FY2015. As of July 2015, the bad debt reserve was \$3.5 million; in June 2016, it was \$3.7 million. SOU's alternative formula for calculating the bad debt ending reserve results in a \$3.6 million reserve, \$100,000 over the amount reached using the auditor's reasonableness test. If the old OUS calculation were used, the reserve would have been \$4.2 million. Mr. Larvick said the takeaway is that SOU's reserve levels are adequate and reasonable; Mr. Morris concurred.

### **Review of New Budget Forecasting Model**

Mark Denney said the pro forma will continue to be presented each month. The pro forma projects enrollment revenue and other information based upon relatively simple inflation or multiplier factors. However, it lacks the ability to get into some of the nuances driving those factors beyond the current budget year that is being developed. He wanted to enhance the pro forma to take the level of detail already used in budget development and continue that level of detail into future years. While much of the model will be familiar, it will also lay out how the model in each segment is built. Each month, Mr. Denney will present a different element of the model, building in some

what-if drivers, looking at what it takes to move the economic forecast and helping to identify areas that should be focused on. The current format will be retained but with separate tabs for each element and assumptions.

Mr. Denney said the desired end state will be a data-driven model and an interactive tool for other campus constituents to use. Mr. Morris said the work Mr. Denney and Partha Chatterjee have done is already paying off; it has facilitated more sophisticated conversations in meetings of the president's cabinet. In closing, Mr. Denney recognized Mr. Chatterjee's great work on the project.

### **Endowment Investment Policy Update**

Craig Morris provided background information on this item, saying the chair formed a work group with Trustee Sevcik as the leader and Trustees Hennion and Slattery as members, along with himself. The group met and Penny Burgess walked them through the endowment investment policy. After a hearty conversation, the group developed some recommendations.

Trustee Sevcik said the issue is the \$2.136 million and how it is invested. The work group reviewed the draft policy, with Ms. Burgess's help, and made recommended changes to the asset allocation and the spending policy and some wordsmithing changes. Trustee Sevcik said the work group will recommend the committee and the full board approve the policy. Ms. Burgess asked for a copy of the board's approval so she can forward it to the state treasurer for further action. Chair Nicholson set forth the timeline for approval of the policy, with the board's anticipated approval happening in January.

### **Future Meetings**

Chair Nicholson said all committee members are in charge of the agenda. This item was added to ensure committee members knew what was coming up and to include desired agenda topics. He reviewed a calendar detailing the topics covered in past meetings and proposed topics for future meetings. Chair Nicholson noted his absence for the November and December meetings. He encouraged members to think about topics they would like to discuss.

### **Adjourn**

Chair Nicholson adjourned the meeting at 5:25 p.m.

# Public Comment

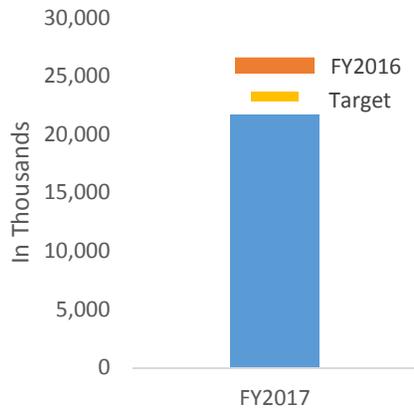
# Vice President's Report

## Financial Dashboard

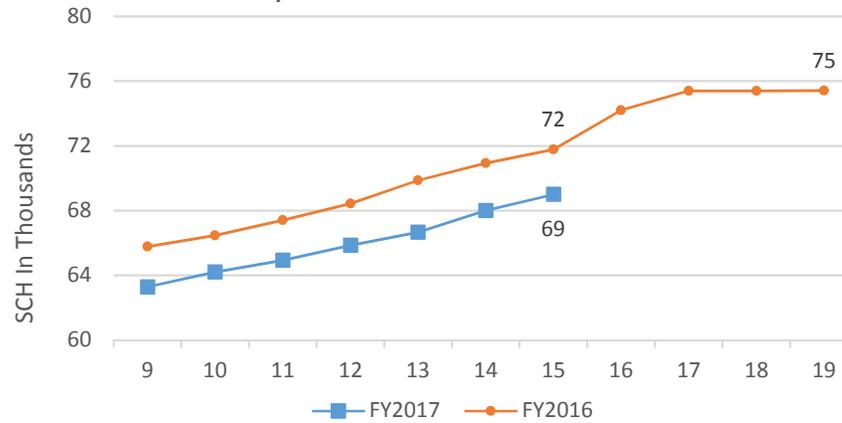
For FY17

As of September 30, 2016

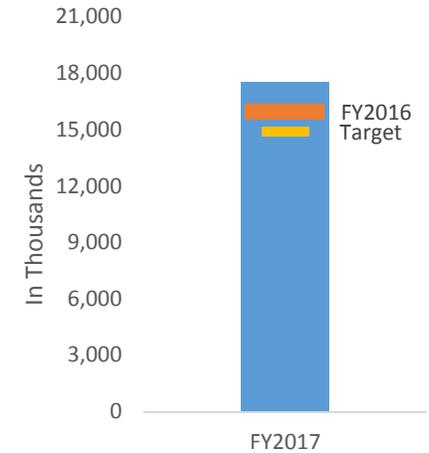
### Public University Funds Operating Cash



### Total Student Credit Hours by Week of the Fiscal Year



### E&G Fund Balance

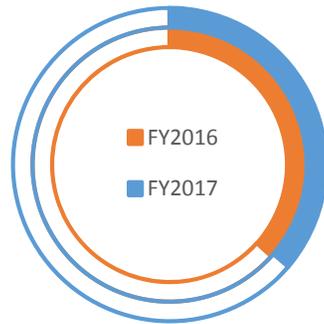


### 2016 Federal Direct Loan Statistics Since 2011

% of Admitted Students Who Borrowed  
2011: 68% -> 2016: 60%

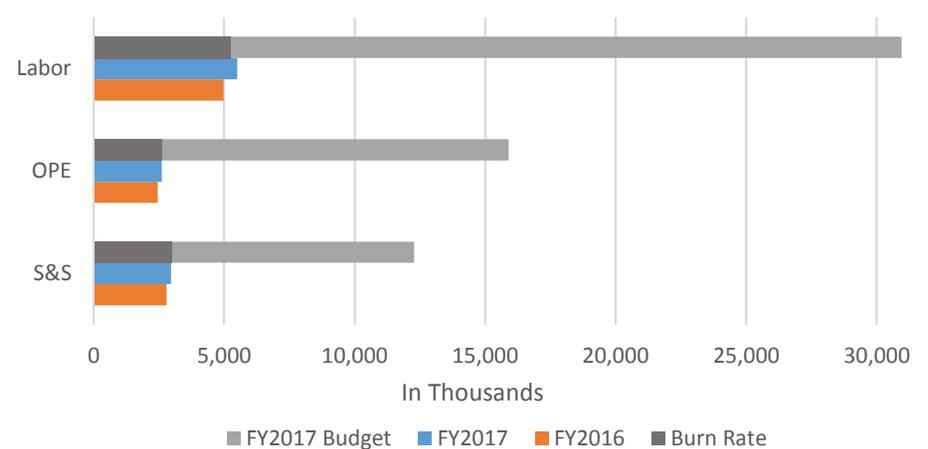
Avg Amount Borrowed per Student, Adjusted for Inflation:  
\$10,825 -> \$9,987

### E&G YTD Revenues

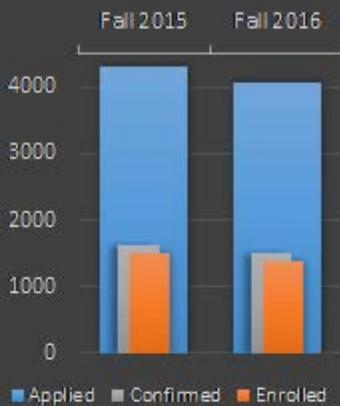


FY2017 Collected 21,437,260 (36% of budget)

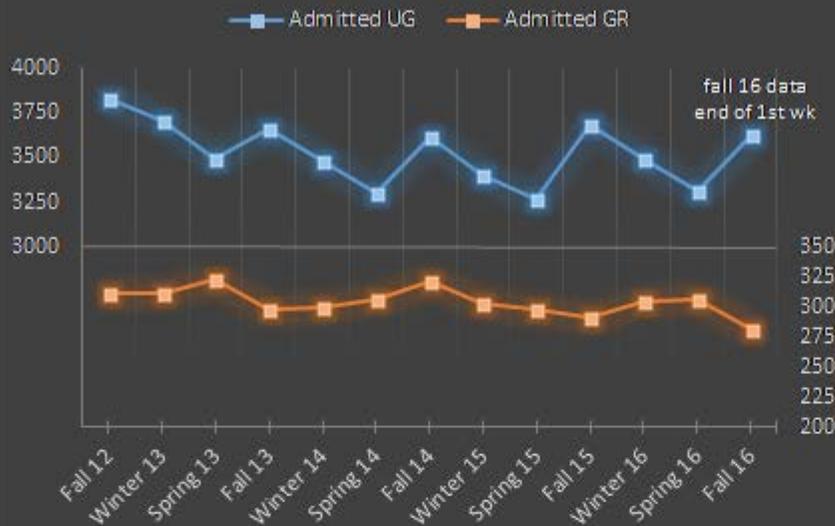
### E&G YTD Select Expenses



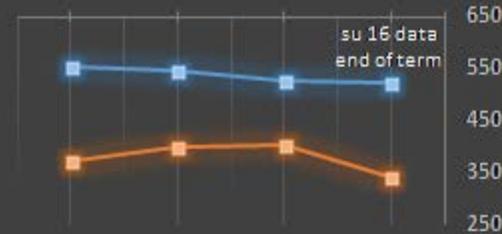
## Admission Apps



## FTE Enrollment Trends

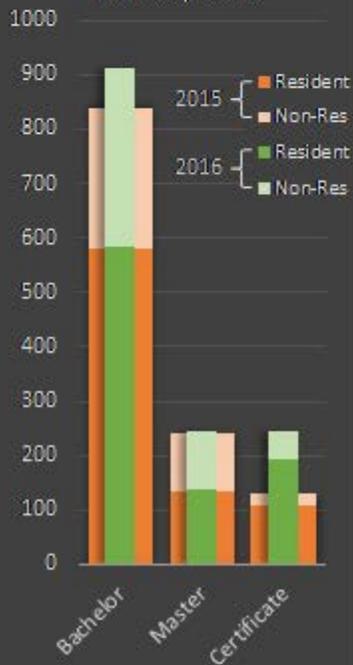


Summer 13 Summer 14 Summer 15 Summer 16

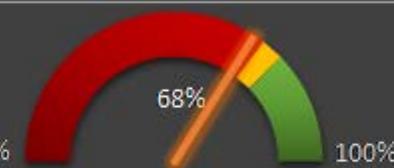
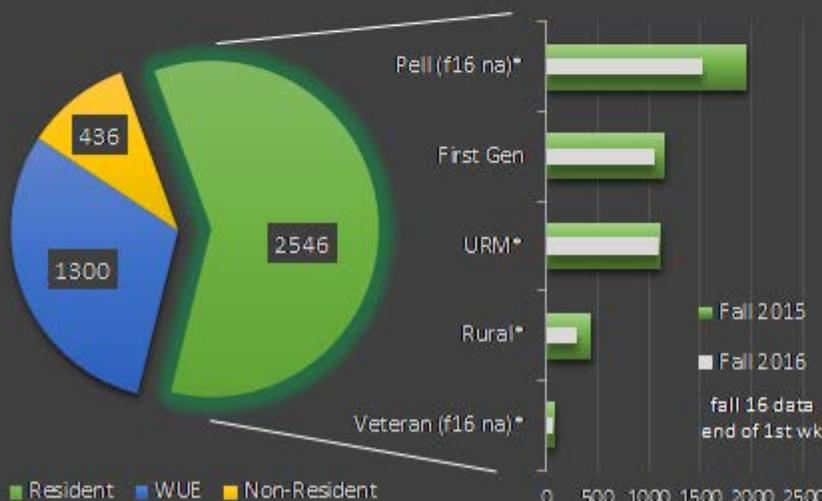


## Degree Apps

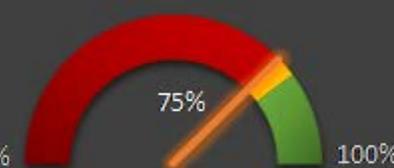
End of September



## Fall 2016 UG Student Populations



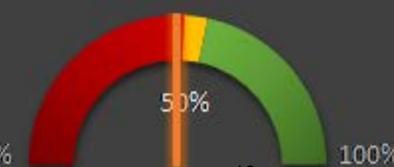
First Year Retention



UG Retention



First Year Grad Rate



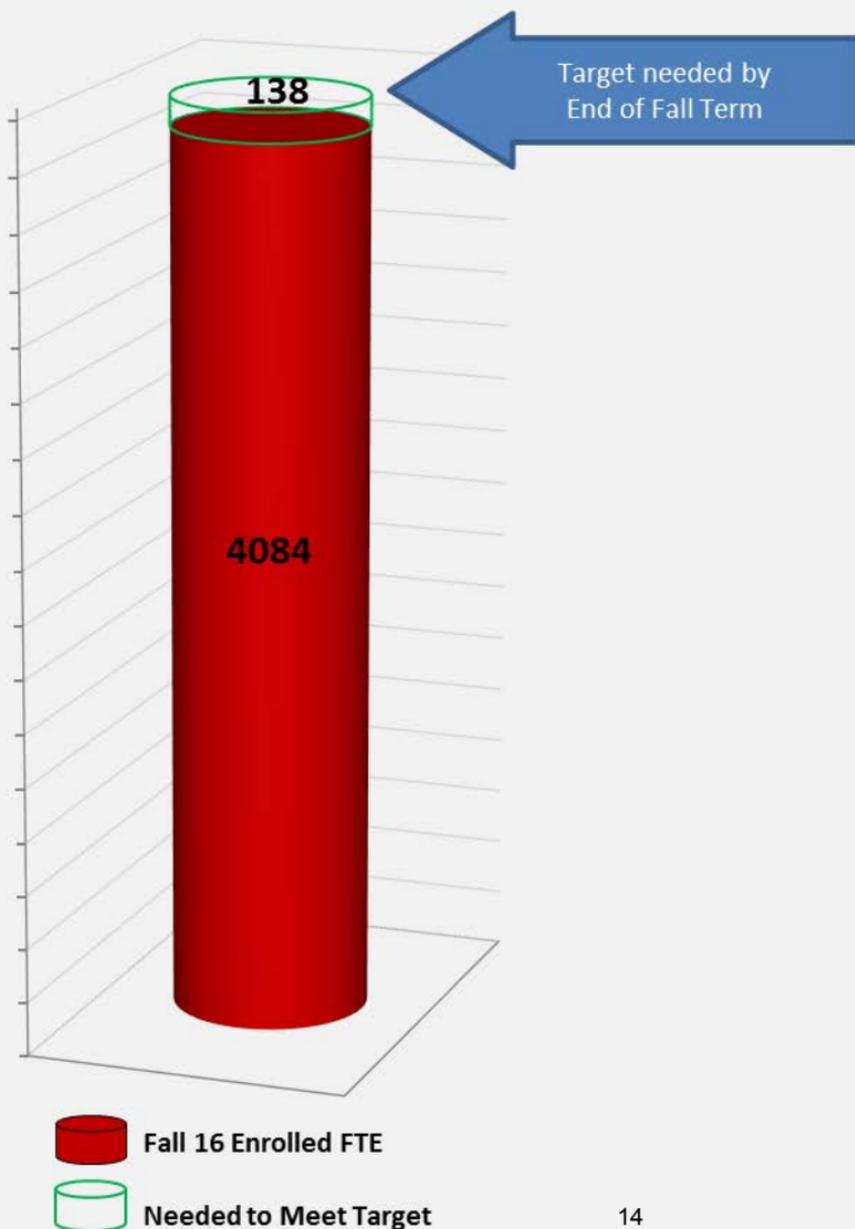
Transfer Grad Rate

\*as counted by HECC for funding

Last Updated: 10/2/2016

# Fall16 Target: 4222 FTE\*

Data as of: October 9, 2016



\*Target established within original retrenchment planning

# First Quarter Forecast



**Summary of Projected Subsidies (Transfers) Between Fund Types**  
*For Fiscal Year 2017*

Transaction Description	Education & General	Designated Operations &	Auxiliaries (including NCV)	Plant, and Other Funds
	Projected	Projected	Projected	Projected
	\$ (1,920,934)	\$ 352,738	\$ 1,243,308	\$ 324,888
<b>Between Fund Types</b>				
Base General Fund Support to Athletics	\$ (1,202,146)	\$ -	\$ 1,202,146	\$ -
Athletics General Fund Course Transfer	(395,615)	-	395,615	-
Added Institutional Support to Athletics	-	-	-	-
Sports Camps Support to Athletics	-	(3,100)	3,100	-
Support to Athletics Sports Band	(35,000)	-	35,000	-
General Fund Support to JPR	(265,174)	265,174	-	-
General Fund Support to RVTV	(90,520)	90,520	-	-
Housing Support for Service Center	152,521	-	(152,521)	-
General Fund Repayment of Loan to Housing (to end FY17)	(35,000)	-	35,000	-
Operations to Repair/Replace Reserve	-	-	(274,888)	274,888
General Fund PEAK Support to Various	-	-	-	-
Closing Out Funds	-	144	(144)	-
General Fund Support for Science Building Project	(50,000)	-	-	50,000
Housing Support to Athletics			(100,000)	
Athletic Support from Housing			100,000	

Periodic Management Report

**Budget Forecast**

(in thousands except enrollment)	FY2016 Final Results	FY2017 Initial Budget	% Change	FY2017 Forecast	100.0%	Variance from Initial Budget	% Variance from Initial Budget	Notes
<b>EDUCATION &amp; GENERAL</b>								
State General Fund	\$ 20,697	\$ 21,523	4%	\$ 21,523		\$ -	0%	(1)
Tuition & Resource Fees, net of Remissions	34,736	35,614	3%	34,738		(876)	-2%	(2)
Other	2,632	1,860	-29%	1,937		76	4%	(3)
<b>Total Revenues</b>	<u>\$ 58,066</u>	<u>\$ 58,997</u>	2%	<u>\$ 58,197</u>	68.7%	<u>\$ (800)</u>	-1%	
Personnel Services	\$ 44,565	\$ 46,838	5%	\$ 46,450		\$ (388)	-1%	(4)
Supplies & Services & Capital Outlay	9,271	9,117	-2%	9,191		74	1%	(5)
<b>Total Expenditures</b>	<u>\$ 53,836</u>	<u>\$ 55,955</u>	4%	<u>\$ 55,641</u>		<u>\$ (314)</u>	-1%	
<b>Net from Operations</b>	<u>\$ 4,230</u>	<u>\$ 3,043</u>		<u>\$ 2,556</u>		<u>\$ (486)</u>		
Net Subsidies (Transfers) In (Out)	(2,103)	(1,846)	-12%	(1,921)		(75)	4%	(6)
Fund Additions/(Deductions)	0	-		(0)		(0)		
Change in Fund Balance	\$ 2,127	\$ 1,196		\$ 635		\$ (561)		
<b>Beginning Fund Balance</b>	4,758	6,885		6,885		0		
<b>Ending Fund Balance</b>	<u>\$ 6,885</u>	<u>\$ 8,081</u>		<u>\$ 7,520</u>		<u>\$ (561)</u>		
<b>Ending FB as a % Operating Revenues</b>	11.9%	13.7%		12.9%				
<b>Ending FB: Reflected as Months of Expenditures</b>	1.5	1.7		1.6				
Student FTE Enrollment	4,478	4,487	0.2%	4,389			-2.2%	
<b>AUXILIARY ENTERPRISES (Including North Campus Village)</b>								
Enrollment Fees	\$ 5,745	\$ 6,552	14%	\$ 6,373		\$ (179)	-3%	(7)
Sales & Services	12,797	13,301	4%	12,612		(688)	-5%	(8)
Other	2,715	2,845	5%	2,742		(104)	-4%	(9)
<b>Total Revenues</b>	<u>\$ 21,258</u>	<u>\$ 22,699</u>	7%	<u>\$ 21,728</u>	25.6%	<u>\$ (971)</u>	-4%	
Personnel Services	\$ 7,035	\$ 7,882	12%	\$ 7,709		\$ (173)	-2%	(10)
Supplies & Services & Capital Outlay	14,919	15,131	1%	14,795		(336)	-2%	(11)
<b>Total Expenditures</b>	<u>\$ 21,954</u>	<u>\$ 23,014</u>	5%	<u>\$ 22,504</u>		<u>\$ (510)</u>	-2%	
<b>Net from Operations</b>	<u>\$ (696)</u>	<u>\$ (315)</u>		<u>\$ (776)</u>		<u>\$ (461)</u>		
Net Subsidies (Transfers) In (Out)	1,668	1,502	-10%	1,243		\$ (260)	-17%	(12)
Additions/(Deductions) to Unrestricted Net Assets	(846)	-		(837)		(837)		(13)
Change in Unrestricted Net Assets	\$ 126	\$ 1,187		\$ (371)		\$ (1,558)		
<b>Beginning Fund Balance Available for Operations</b>	1,370	(618)		(618)		0		
<b>Ending Fund Balance Available for Operations</b>	<u>\$ (618)</u>	<u>\$ 569</u>		<u>\$ (989)</u>		<u>\$ (1,558)</u>		(14)
<b>Ending FB as a % Operating Revenues</b>	-2.9%	2.5%		-4.6%				
<b>Ending FB: Reflected as Months of Expenditures</b>	(0.3)	0.3		(0.5)				

Periodic Management Report

Budget Forecast

	FY2016 Final Results	FY2017 Initial Budget	% Change	FY2017 Forecast	100.0%	Variance from Initial Budget	% Variance from Initial Budget	Notes
(in thousands except enrollment)								
<b>DESIGNATED OPERATIONS, SERVICE DEPARTMENTS, CLEARING FUNDS</b>								
Enrollment Fees	\$ 893	\$ 911	2%	\$ 898		\$ (13)	-1%	(15)
Sales & Services	2,284	2,270	-1%	2,142		(129)	-6%	(16)
Other	1,672	1,614	-4%	1,752		138	9%	(17)
<b>Total Revenues</b>	<u>\$ 4,849</u>	<u>\$ 4,795</u>	-1%	<u>\$ 4,791</u>	5.7%	<u>\$ (4)</u>	0%	
Personnel Services	\$ 2,666	\$ 3,272	23%	\$ 2,895		\$ (377)	-12%	(18)
Supplies & Services & Capital Outlay	2,067	1,947	-6%	2,327		380	20%	(18)
<b>Total Expenditures</b>	<u>\$ 4,733</u>	<u>\$ 5,219</u>	10%	<u>\$ 5,222</u>		<u>\$ 3</u>	0%	
<b>Net from Operations</b>	<u>\$ 116</u>	<u>\$ (424)</u>		<u>\$ (431)</u>		<u>\$ (7)</u>		
Net Subsidies (Transfers) In (Out)	294	343	17%	353		10	3%	
Additions/(Deductions) to Unrestricted Net Assets	(3)	-		(33)		(33)		
Change in Unrestricted Net Assets	<u>\$ 406</u>	<u>\$ (82)</u>		<u>\$ (112)</u>		<u>\$ (30)</u>		
<b>Beginning Fund Balance Available for Operations</b>	<u>898</u>	<u>1,305</u>		<u>1,305</u>		<u>0</u>		
<b>Ending Fund Balance Available for Operations</b>	<u><u>\$ 1,305</u></u>	<u><u>\$ 1,223</u></u>		<u><u>\$ 1,193</u></u>		<u><u>\$ (30)</u></u>		
<b>Ending FB as a % Operating Revenues</b>	26.9%	25.5%		24.9%				
<b>Ending FB as Months of Expenditures</b>	3.3	2.8		2.7				

ALL CURRENT UNRESTRICTED FUNDS:

Notes

- (1) Increases in the funding base plus changes in the funding model. All institutions received increases.
- (2) Budgeted for an even enrollment, along with an 3% average price increase. Enrollment is currently trending down 2.2%. Increases resulting in changes to assessing tuition for "online" courses, offset somewhat with other changes to enrollment mix.
- (3) North Campus Village Land Lease revenue to General Fund will be \$460k lower. This is anticipated due to recognition of prior year land lease revenue in FY2016. Additional reduction tied to larger insurance claim reimbursements in FY2016 (non are being anticipated in FY2017).
- (4) COLA and classified employees step increases budgeted for FY2017. Projected reduction tied to lower number of adjunct faculty due to lower enrollments.
- (5) Holding in line with current budgets.
- (6) \$1.6m associated with Athletics. See "Subsidies" report for further summary.
- (7) An increase in the Student Recreation Center fee from \$35/credit hour to \$75/credit hour will raise the Rec Center revenues by about \$450k. Increases to the Student Incidental fee will generate another \$200k.
- (8) Lower NCV Land Lease revenue being recognized in Housing for FY2017 (\$236k lower). Additionally, Occupancy is lower (50 students), largely in Greensprings, as a result in lower "new freshmen" enrollment (down 142, 1 week into the start of the term).
- (9) Largely a decrease in Dining operations associated with decreases in Housing occupancy, but still anticipated to be slightly higher than the prior year.
- (10) COLA and classified step increases, offset by reduced labor tied to lower housing occupancy and institutional enrollment.

Periodic Management Report

**Budget Forecast**

(in thousands except enrollment)	FY2016 Final Results	FY2017 Initial Budget	% Change	FY2017 Forecast	100.0%	Variance from Initial Budget	% Variance from Initial Budget	Notes
(11)								Slightly lower spending tied to lower housing occupancy and institution enrollment.
(12)								Largely subsidies to Athletics, offset by some transfers to reserves. FY2017 assumes Athletic post-season travel will not exceed current budgets (set at \$238k).
(13)								Payments of Bond principal.
(14)								Contributing factors to the auxiliary deficit operating Fund Balance position include: <ul style="list-style-type: none"> <li>- Athletic program ongoing projected deficit of \$(2.08m).</li> <li>- Remaining Internal Loan from the General Fund to cover the costs of the BOLI Settlement \$(2m), to be paid back to the GF over the next 10 years</li> </ul>
(15)								Non-credit program activity trending in line with the prior year.
(16)								Lower revenue expected with the SOLIR program (\$50k), as well as some one-time funds received in FY2016 associated with facilities and the gain on the sale of some vehicles (\$18k)
(17)								Increase in Service Center activities.
(18)								Adjustment between labor and S&S, particular within JPR, but overall spending is being projected to be in line with budget.

# Pro Forma Review

## Southern Oregon University Budgeted Operations Pro Forma

	2013-15 Biennium		2015-17 Biennium			2017-19 Biennium		2019-21 Biennium	
	2013-14	2014-15	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	ACTUAL	ACTUAL	ACTUAL	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
(in thousands of dollars)									
<b>Budgeted Operations</b>									
State Appropriations	13,762	17,065	20,263	20,639	20,639	20,618	21,354	21,236	22,512
State Appropriations: ETIC/SELP			434	415	415	415	415	415	415
One-time Classified Staff Funding				469	469				
Tuition, net of Remissions	33,278	33,043	34,736	35,614	34,738	36,356	37,277	38,176	39,065
Other	3,008	1,915	2,632	1,860	1,937	1,899	1,947	1,994	2,041
<b>Total Revenues &amp; Transfers In</b>	<b>50,048</b>	<b>52,023</b>	<b>58,065</b>	<b>58,997</b>	<b>58,197</b>	<b>59,288</b>	<b>60,992</b>	<b>61,821</b>	<b>64,033</b>
Personnel Services	(43,948)	(42,953)	(44,562)	(48,211)	(48,211)	(51,586)	(53,649)	(55,795)	(58,027)
Vacancy Adj.				1,373	1,373	1,393	1,449	1,507	1,567
Other Adj.									
<b>Net Personnel</b>	<b>(43,948)</b>	<b>(42,953)</b>	<b>(44,562)</b>	<b>(46,838)</b>	<b>(46,450)</b>	<b>(50,193)</b>	<b>(52,200)</b>	<b>(54,288)</b>	<b>(56,460)</b>
Supplies & Services	(7,229)	(8,054)	(9,271)	(8,535)	(8,609)	(8,781)	(8,957)	(9,136)	(9,319)
Program Investment				(582)	(582)	(250)	(250)	(250)	(250)
<b>Total Expenditures &amp; Transfers Out</b>	<b>(51,177)</b>	<b>(51,007)</b>	<b>(53,833)</b>	<b>(55,955)</b>	<b>(55,641)</b>	<b>(59,224)</b>	<b>(61,407)</b>	<b>(63,675)</b>	<b>(66,029)</b>
<b>Net from Operations and Transfers</b>	<b>(1,129)</b>	<b>1,016</b>	<b>4,232</b>	<b>3,043</b>	<b>2,556</b>	<b>64</b>	<b>(415)</b>	<b>(1,854)</b>	<b>(1,996)</b>
Net Transfers	1,855	1,998	(2,103)	(1,846)	(1,921)	(1,855)	(1,908)	(1,934)	(2,004)
Change in Fund Balance	<b>726</b>	<b>3,014</b>	<b>2,129</b>	<b>1,196</b>	<b>635</b>	<b>(1,791)</b>	<b>(2,323)</b>	<b>(3,788)</b>	<b>(4,000)</b>
<b>Beginning Fund Balance</b>	<b>1,019</b>	<b>1,745</b>	<b>4,759</b>	<b>6,885</b>	<b>6,885</b>	<b>7,520</b>	<b>5,729</b>	<b>3,406</b>	<b>(383)</b>
<b>Ending Fund Balance</b>	<b>1,745</b>	<b>4,759</b>	<b>6,885</b>	<b>8,081</b>	<b>7,520</b>	<b>5,729</b>	<b>3,406</b>	<b>(383)</b>	<b>(4,382)</b>
<b>% Operating Revenues</b>	<b>3.5%</b>	<b>9.1%</b>	<b>11.9%</b>	<b>13.7%</b>	<b>12.9%</b>	<b>9.7%</b>	<b>5.6%</b>	<b>-0.6%</b>	<b>-6.8%</b>
				<i>Ending fund balance projections: 6/30/16:</i>		<b>13.5%</b>	<b>11.7%</b>	<b>7.9%</b>	<b>3.3%</b>
Retrenchment Plan	1.9%	7.6%	7.8%	10.2%	10.2%	11.0%			

# 2016-17 Budget Process Debrief

# Budget Process Debrief



<b>MONTH</b>	<b>BUDGET PROCESS TOPIC</b>
<b>September</b>	Budget process and timeline, athletics
<b>October</b>	Other personnel expenses
<b>November</b>	Strategic initiatives, balance sheet ratios
<b>January</b>	Enrollment and tuition projection process, student incidental fee process
<b>February</b>	Enrollment projections
<b>March</b>	Tuition and mandatory fees, housing fee, revenue projections for 2016-17
<b>April</b>	Approved tuition and fees, and budget timeline
<b>May</b>	Revenue and fund balance, athletics, housing budget
<b>June</b>	FY 2016-2017 Budget approval

# **Fiscal Year 2017 Budget Calendar and Role of the Committee in the Budgeting Process**

# Budget Development Discussion

- Complete view
  - With each element of the Budget, the Proforma will be updated to reflect current projections giving the FC situational awareness at time of each review/approval
- Multiple Looks
  - Each element of the Budget will have at least one review from the Finance Committee before approval is requested.
  - Where possible, University Budget Committee, UPB, Faculty and Student Senate's will have reviewed and their feedback will be provided.

# Budget Development Discussion

	Proposed timeline	2017-18 Development Audience	Action
July	Review Prior Year results		
August			
September			
October	Present forecast (Proforma)	Finance Committee	Provide feedback on priorities for development
	Budget Development timeline	Finance Committee	Provide feedback, discuss timing for review
November			
December	Budget Assumptions		
January	Baseline budget roll out - Auxiliaries		
	Initial Enrollment Projection	Finance Committee	Review, provide feedback
February	Preliminary Tuition and Fee preview	Finance Committee	Review, provide feedback
March	Baseline budget roll out - Ed & Gen		
	Student Fee Proposal	Finance Committee	Review, approve for forwarding to full board
	Draft Tuition and Mandatory Fees	Finance Committee	Review, approve for forwarding to full board
April	Baseline budget completion		
	Tuition and Mandatory Fee rates	Board	Approve Tuition and Fees
	Draft Auxiliary Budget presentation	Finance Committee	Review, provide feedback
	Draft Transfers Discussion	Finance Committee	Review, provide feedback
May	Draft Budget Presentation: All Funds	Finance Committee	Review, approve for forwarding to full board
June	Adopt Approved Budget	Board	Adopted Budget

*Note: With each month, the Proforma will be presented, fully updated, providing a holistic view of the budget as it develops.*

	2016-17 Development		2017-18 Development		
	Original Plan	Actual Presentation	Proposed Timeline	Audience	Action
<b>July</b>	Review Prior Year Results		Review Prior Year results		
<b>August</b>					
<b>September</b>	Approve Budget Calendar	Approve Budget Calendar			
<b>October</b>		Budget Assumptions	Present Forecast (Pro Forma) Budget Development Timeline	Finance Committee Finance Committee	Provide Feedback on Priorities for Development Provide Feedback, Discuss Timing for Review
<b>November</b>	Present Forecast for Budget Year	Present Forecast for Budget Year			
<b>December</b>			Budget Assumptions		
<b>January</b>	Enrollment Projections	Enrollment Projections	Baseline budget roll out - Auxiliaries Initial Enrollment Projection	Finance Committee	Review, Provide Feedback
<b>February</b>	Tuition & Mandatory Fees	Tuition & Mandatory Fees Process Discussion	Preliminary Tuition and Fee Preview Tuition Advisory Council Update	Finance Committee	Review, Provide Feedback
<b>March</b>		Tuition and Mandatory Fees Preview	Baseline Budget Roll-out - Ed & Gen Student Fee Proposal Draft Tuition and Mandatory Fees	Finance Committee Finance Committee	Review, Rpprove for Rorwarding to Full Board Review, Rpprove for Rorwarding to Full Board
<b>April</b>	Baseline Budget Roll-out and Completion	Tuition and Mandatory Fees Final Pro Forma Presentation	Baseline Budget Completion Tuition and Mandatory Fee Rates Draft Auxiliary Budget Rresentation Draft Transfers Discussion	Board Finance Committee Finance Committee	Approve Tuition and Fees Review, Provide feedback Review, Provide feedback
<b>May</b>	Preliminary Budget	Draft Auxiliary Budget Revenue and Fund Balance Presentation Pro Forma Presentation	Draft Budget Presentation: All Funds	Finance Committee	Review, Approve for Forwarding to Full Board
<b>June</b>	Adopt Approved Budget	Adopt Preliminary Budget Pro Forma Presentation	Adopt Approved Budget	Board	Adopted Budget

# Discussion Regarding Committee Priorities and Interests

# Future Meetings

**Adjourn**