



General Fund Budget Recommendations


FY 2013 - 2014

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Overview

Budget Development Began with a Flat Enrollment Assumption

- Proposed budget can absorb slightly declining enrollment
 - Contingency Planning underway to adjust for potential larger enrollment decline

Structural Issue Has Been Addressed

- Most unit reductions have been identified
- No draw on central reserves necessary to balance
 - Units will need to access carry-over balances because savings will not be realized immediately
- Minimal savings from one-time or short-term sources
 - \$4.5 of \$25.5 million in reductions
 - Minimal savings anticipated from unidentified attrition

FY 2014 Budget Development

- Adjust FY 13 Budget to Current Resource Base
 - Reduced state support, changes in the funding model
 - Stagnant to declining enrollment for the near-term

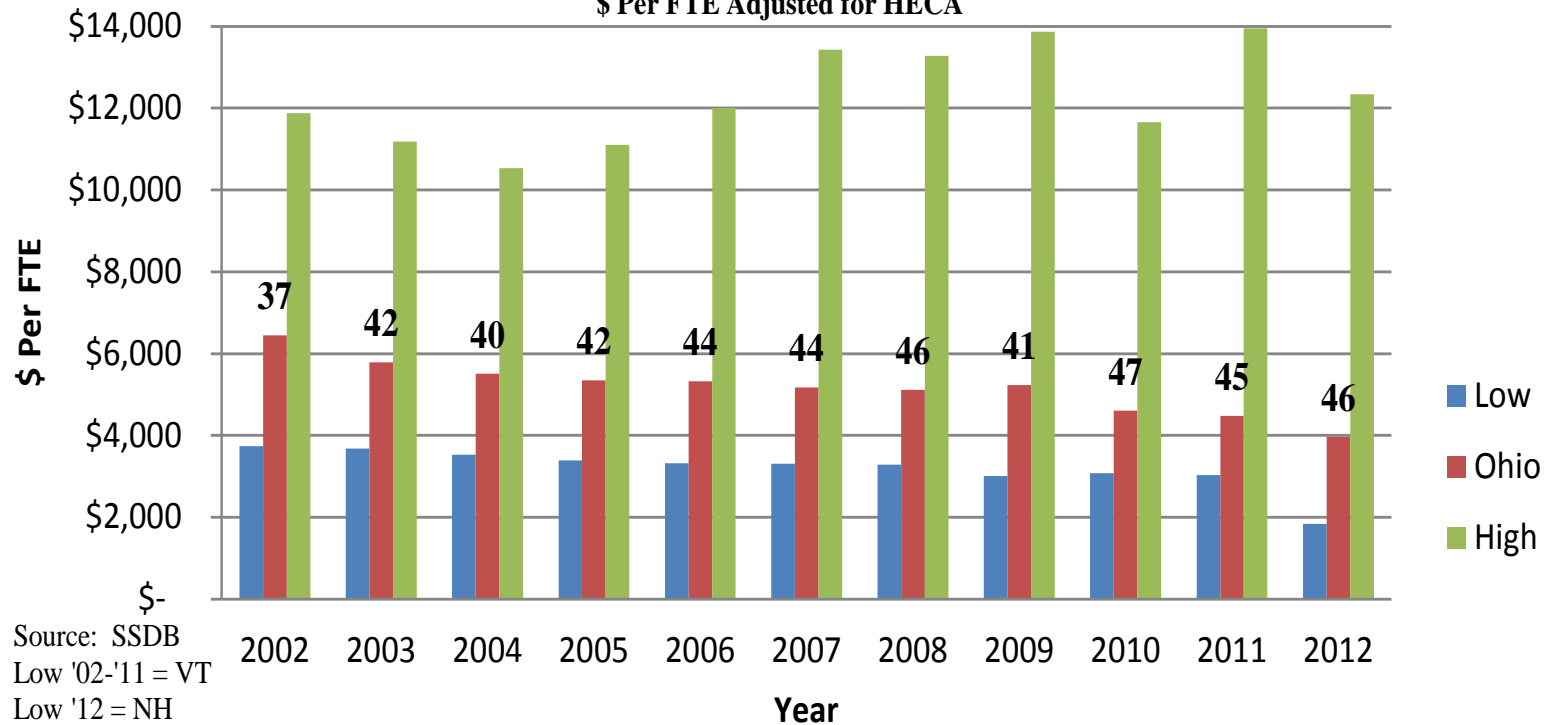
- Budget Proposal
 - Revenue Increases of \$4.5 million
 - Expenditure Reductions of \$25.5 million
 - Develop contingency for further enrollment decline

- Necessary Board Actions
 - Proposed 2% Increase in Tuition
 - No increase for Wayne, Summit Associate programs, reduce MCUC to Wayne rate
 - Realign Technology, Library and Career Advantage fees
 - Facility Fee Resolution
 - Dedicated fully to Debt Service, savings to General Fund
 - Changes to Investment Policy
 - Create longer-term investment for segment of Operating Funds

Ohio versus National High and Low

State Appropriations per FTE 2002-2012

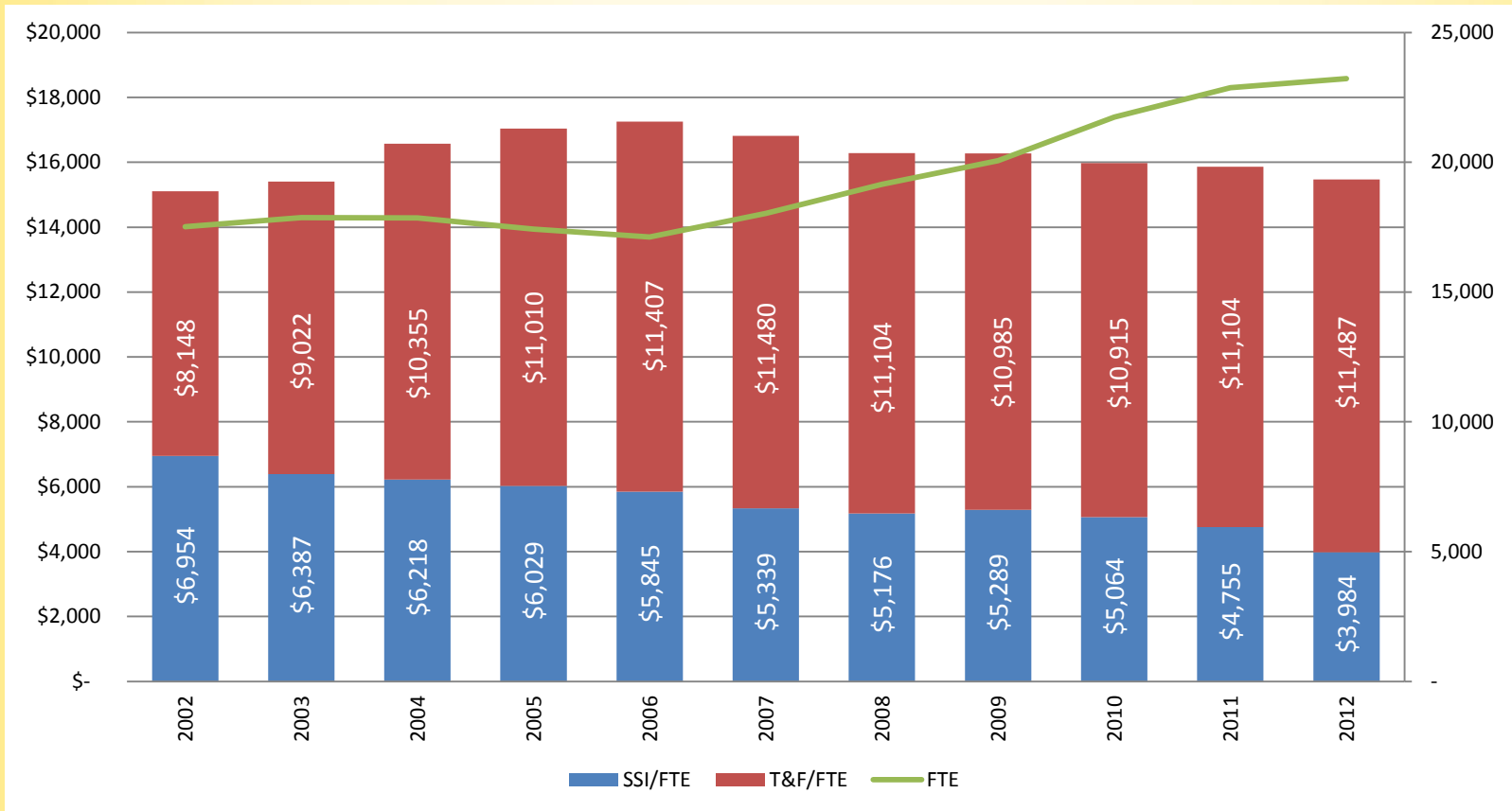
\$ Per FTE Adjusted for HECA



Source: SSDB
 Low '02-'11 = VT
 Low '12 = NH
 High '01,'02,'03 = CT
 High '04-'12 = WY

UA Specific Trend

Student Revenue per FTE (HECA adjusted)



Note: Constant 2011 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds.

FY 2014 General Fund Revenues

	FY 2012-2013		FY 2013-2014		Variance fr FY13 Projected
	Approved Budget	Projected	Proposed Adjustments	Budget Proposal	
REVENUES					
Tuition/Gen Svc Fees (gross)	\$ 244,282	\$ 235,870	\$ 4,028	\$ 239,898	1.7%
Other Fees	25,413	24,453	1,899	26,352	7.8%
Total Tuition and Fees	\$ 269,695	\$ 260,323	\$ 5,927	\$ 266,250	2.3%
State Share of Instruction	\$ 91,090	\$ 91,008	\$ -	\$ 90,909	-0.1%
Investments/Endowments	\$ 2,429	\$ 2,429	\$ 1,000	\$ 3,429	41.2%
Departmental Sales/Svc	14,401	13,800	(1,295)	12,505	-9.4%
Indirect Cost Revenue	4,347	4,400	175	4,575	4.0%
Miscellaneous	1,050	1,050	500	1,550	47.6%
Total Other Revenue	\$ 22,227	\$ 21,679	\$ 380	\$ 22,059	1.8%
Total Revenue	\$ 383,011	\$ 373,010	\$ 6,307	\$ 379,218	1.7%
Transfers-in	\$ 5,000	\$ 5,000	\$ -	\$ 406	-91.9%
Total Current Resources	\$ 388,011	\$ 378,010	\$ 6,307	\$ 379,625	0.4%

FY 2014 General Fund Expenditures

	FY 2012-2013		FY 2013-2014		Variance fr FY13 Projected
	Approved Budget	Projected	Proposed Adjustments	Budget Proposal	
EXPENDITURES					
Total payroll	\$ 164,531	\$ 166,583	\$ (7,374)	\$ 159,209	-4.4%
Fringe Benefits	58,337	55,670	(1,825)	53,845	-3.3%
Total Compensation	\$ 222,869	\$ 222,254	\$ (9,200)	\$ 213,054	-4.1%
Nonpersonnel operating	\$ 19,903	\$ 19,903	\$ (2,708)	\$ 17,195	-13.6%
Central Obligations	45,335	33,273	10,561	43,834	31.7%
Scholarships	43,575	46,200	2,527	48,727	5.5%
Utilities	8,500	8,000	500	8,500	6.3%
Total nonpersonnel	\$ 117,313	\$ 107,376	\$ 10,880	\$ 118,256	10.1%
Aux. Support (incl. debt svc.)	\$ 37,647	\$ 37,647	\$ (2,181)	\$ 35,466	-5.8%
Set-aside for Law bldg	1,245	1,245	381	1,626	30.6%
Debt service (excl. aux.)	7,938	7,938	(1,788)	6,150	-22.5%
Enrollment Reserve	-	-	4,073	4,073	n/a
Plant Fund	1,000	1,000	-	1,000	0.0%
Total transfers out	\$ 47,830	\$ 47,830	\$ 485	\$ 48,315	1.0%
Total expenditures	\$ 388,011	\$ 377,459	\$ 2,165	\$ 379,624	0.6%
Net Surplus/Deficit	\$ 0	\$ 551	\$ 4,142	\$ 0	

FY 2014 Revenue Increases

\$4.5 million

- Increase Tuition and Fees
 - Undergraduate and Graduate 2%
 - No increase for Wayne and Summit College Associate degree programs
 - Law School increased 6% and frozen at that level for fall cohort
- Convert Technology, Library and Career Services Fee to apply to Freshmen through Juniors rather than Sophomores through Seniors
- Revise Operating Funds Investment Policy to allow longer-term investments

FY 2014 Expenditure Reductions

\$25.5 million

- Continuing Obligations - \$6.5 million
 - Refund Outstanding Debt
 - Reduce fund transfers
 - \$1.5 million reductions to CONOB
 - Procurement Initiatives
- Support Unit Reductions - \$8 million
 - \$7 million (8%) reductions in support units
 - Reallocate Facility Fee
- Academic Unit Reductions - \$11 million
 - \$7 million (5%) reductions in academic units
 - Reduce Summer Faculty
 - Reduce Achieving Distinction funding level, forgo next round - \$3 million

FY 2014 Contingency Plan

\$6-10 million

- Increase Reduction Targets to Each Unit
- Strategic analysis of position functions within units to determine centrality to mission
- Classification, Compensation and Benefits Review
- Ongoing Effectiveness & Efficiency Initiatives

Recap

- Proposed budget includes \$4.1 million Enrollment Reserve that can absorb up to 2% enrollment decline
 - More balancing to do if enrollment decline is greater
- Increases provided for scholarships and acquisition of Central Hower
- To date, no draw on central reserves planned
 - Units will need to access carry-over balances because savings will not be realized immediately
- Minimal adjustments from one-time or short-term sources
- Balanced to Base Resources if enrollment stabilizes

Questions?