

I. Athens Campus General Fund

Revenues

Tuition and Fees **\$140,177,000**

Resources for the FY 03 budget incorporate the recommendation of the Provost and the University Planning Advisory Council (UPAC) that tuition and fees on the Athens Campus increase by 9.9% for continuing students. New students' tuition will increase by 9.9% plus \$300. Additional tuition and fees will also be provided by the planned enrollment increase linked to the New Faculty Initiative.

State Share of Instruction **\$93,655,000**

The State of Ohio budget is expected to provide the Athens Campus General Program with \$93,655,000 in State Share of Instruction. This represents a decrease of \$7,387,000 or 7.3% from last year's original budget. The 7.3% decrease includes the State reduction. It also includes a change in the accounting for subsidy earned for courses taught by Lifelong Learning, which is responsible for nearly \$1,775,000 of the variance.

Success Challenge **\$5,307,000**

The amount of funding generated from Success Challenge is expected to be \$5,307,000 or a 5.3% decrease from last year's original budget.

Other Revenue **\$28,000,000**

Revenue from other income is expected to increase by \$4,666,000. A portion of this increase is attributable to the new technology fee for the College of Communication. Another portion comes from overhead return from the federal government, the College of Medicine, Regional Higher Education (including Lifelong Learning), and unsupported

Auxiliaries. The remaining portion is attributed to interest earned from investments.

Expenditures

Scholarships and Fee Related Expenses **\$4,642,000**

In order to increase the quality and diversity of the student body, the following increases in scholarships are recommended.

- **Undergraduate Financial Aid** **\$308,000**

Current university funds for student financial aid need to be adjusted by \$181,000 to take into account the recommended 9.9% tuition and fee increase for continuing students. The remaining \$127,000 includes the 9.9% tuition and fee increase for new students and the \$300 increase.

- **ICA Scholarships & Room and Board** **\$354,000**

Intercollegiate Athletics is obligated to provide support for room and board to its scholarship students. This increase reflects both a 9.9% increase in tuition and fees, as well as the 8% dorm & dining fee increase.

- **Scholarships for High Achievers** **\$787,000**

These funds help to cover the planned effort to provide four year renewable academic scholarships for high-achievers. The scholarships are awarded on the basis of ACT or SAT test scores and high school class rank, with special recognition for those with valedictorian status.

- **Graduate Tuition Scholarships for General Fee** **\$400,000**

The University's financial offers to graduate students have become increasingly less competitive since we require the payment of the general fee while many institutions do not. These dollars initiate a program of providing tuition scholarships to partially offset the general fee.

- **Graduate Tuition Scholarships** **\$1,704,000**

This allocation addresses the cost for graduate tuition scholarships related to the 9.9% tuition increase.

- **Employee Fee Waivers** **\$856,000**

The FY 03 budget assumes the Athens Campus General Fund will absorb the cost of Employee Fee Waivers for Regional Higher Education and College of Osteopathic Medicine (COM) employees. These funds are also adjusted for the 9.9% increase in tuition and fees. This decision will be further studied during FY 03.

- **Need Based Grants (OU Grant)** **\$175,000**

These funds are to provide need based grants to partially offset the additional tuition costs borne by new students.

- **Cutler Scholarships** **\$58,000**

These funds are to offset the increased cost of tuition and fees for the Cutler Scholarships.

Compensation Related Increases	\$6,820,000
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A compensation increase of 3% for university personnel is recommended along with an increase in funding for health insurance benefits.

- **Compensation** **\$4,485,000**

This increase is the estimated cost of providing a 3% increase to faculty, contract staff, and non-bargaining and bargaining unit personnel.

- **Summer Rates for Faculty Teaching** **\$72,000**

This increase in pay rates for summer teaching reflects the 3% increase in faculty and staff salaries.

- **Graduate Stipends** **\$309,000**

This increase in graduate stipends reflects the 3% increase in faculty and staff salaries.

- **Faculty Promotion Base Adjustments** **\$128,000**

This funding provides one-time base salary adjustments for faculty who have received promotions effective September 2002. The adjustments for promotions are:

- Instructor to Asst. Professor \$500
- Asst. Professor to Assoc. Professor \$2,000
- Assoc. Professor to Professor \$3,500

- **IT/Classified Compensation Adjustment** **\$208,000**

The current recommended funding represents the second allocation in addressing some of the inequities identified by the IT/Classified Compensation Study.

- **Faculty Compensation Adjustment** **\$45,000**

A Faculty Salary Equity Study was conducted last year, and these dollars will be used to complete the funding to resolve faculty salary inequities identified in that study.

- **Health Insurance** **\$1,573,000**

This funding responds to the substantially increased costs of providing health insurance benefits to faculty and staff. While the increase is substantial, costs are significantly below where they would have been had the University not changed Third Party Administrators last July. This change was made to secure guaranteed discounts and an increased healthcare provider network.

Continuing Commitments	\$1,280,000
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Support to cover increased expenses in the following areas is also recommended.

- **Additional Plant Operation & Maintenance** **\$507,000**

Basic plant operation and maintenance costs have increased due to additional square footage coming online.

- **Additional Utilities** **\$430,000**

The large increase in the rates for natural gas, electricity, and water has had a strong impact on the utility budget. This estimate also assumes continuation of an aggressive conservation program by the University.

- **Dual Career Fund** **\$100,000**

This program provides temporary support to hire the spouse of an incoming employee in order to recruit that employee. This is the third year of funding in a four-year plan to create a permanent pool of \$500,000 that will generate \$200,000 to be spent each year.

- **Honors Tutorial College** **\$23,000**

Each department or school that accepts HTC majors currently receives \$1,050 per student. This funding is the second installment on a plan to increase this amount to \$1,200.

- **Postal Rate Increase** **\$75,000**

This provides funding to planning units to offset the impact of the U.S. Postal Service's change in postal rates planned for July 2002.

- **Enterprise Software** **\$100,000**

This provides funding for the software maintenance costs associated with the implementation of the Oracle Enterprise system.

- **Student Activities** **\$45,000**

This funding will provide support for the Student Activities Commission (SAC), a division of Student Senate, to support student programs.

Academic Excellence Investments	\$2,258,000
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- **New Faculty Initiative** **\$1,000,000**

This initiative is to fund the second year of the New Faculty Initiative. The faculty positions will once again be allocated through a competitive process that will emphasize the anticipated contribution of these new faculty to four important goals of the university: active learning experiences for our students, diversity among our faculty, a revised general education curriculum that will enhance student learning, and increased enrollments by units that are in high demand by high-achieving students.

- **Strategic Investment Plan** **\$859,000**

These dollars will be used to fund a second round of the doctoral selective enhancement process crucial to meeting the goal of creating distinctiveness in graduate education through program focus and to support the expansion of the MBA program. In addition, these funds will also provide additional support for the first round of the doctoral selective enhancement in Psychology and Physics.

- **General Education Curriculum/ Student Engagement** **\$270,000**

The University is implementing a new General Education Curriculum. The proposals that are funded assist in the preparation for moving that program forward.

- Increased Student Engagement \$150,000
- RLC Coordinator & Centers Initiatives \$120,000

- **Provost Instructional Capacity Fund** **\$129,000**

The Provost will use these funds to ensure the University can respond quickly to unanticipated enrollment demands or to special enrollment pressures due to General Education.

Other New Investments	\$2,440,000
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- **ICA Funding** **\$100,000**

These dollars will be used to provide increased security at athletic events along with paying a portion of the annual membership fee to the Mid American Conference.

- **Insurance Premiums** **\$400,000**

These dollars are used to offset the additional property insurance premium. The events of September 11, 2001 have exacerbated premium increases associated with property insurance. This premium is projected to increase by approximately 100%.

- **Employee Training Programs** **\$130,000**

This additional funding to University Professional Development is to aid in the expansion of the employee training program and to help offset the debt payment for the new Human Resources/Training facility.

- **Diversity** **\$205,000**

This department was established as part of the President's commitment to diversity. During FY 02, the Provost provided one time only dollars for start up; however, these funds will provide the base funding for this department.

- **SIS Maintenance Costs** **\$300,000**

The University's current system for SIS, DARS, and web course offerings and registration will not handle the

requirements of the new General Education Program. The allocation of these funds will initiate the required updates to existing systems.

- **University Recruitment and Marketing** **\$100,000**

These funds will be used to implement increased efforts at marketing the University and recruiting non-resident students.

- **Parking/Transportation** **\$97,000**

These funds will be used to provide transportation to the out-lying areas of campus that are not easily accessed by foot traffic.

- **Provost One Time Only Investments** **\$550,000**

Recent state reductions have depleted resources used to meet critical one time only needs that arise annually across the University. These funds will provide resources to meet these needs.

- **Crucial Program Needs** **\$558,000**

A number of critical program needs were identified through a request for proposal process. The following proposals were funded:

- Graduate Stipend Enhancement \$100,000
- Computer Science Faculty Position \$88,000
- Admissions 3-9 increase \$70,000
- Library Acquisitions \$100,000
- Visiting Artist/Scholars Program \$60,000
- Multimedia Faculty Position \$31,000
- Classroom Technology Technician \$40,000
- Hospitality Faculty Position \$69,000

Accounting Changes	(\$3,494,000)
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- **College of Communication Technology Fee** **\$400,000**

Approval of this budgetary recommendation would authorize the College of Communication (COC) to expend funds obtained through a Technology Fee to be assessed on COC majors beginning in Fall 2002.

- **Research Indirect Cost Allocations** **\$1,107,000**

This item adjusts the revenue estimate for the recovery of indirect costs related to sponsored programs. This estimate had remained relatively constant during the last several budgets, with a supplemental allocation occurring at year end. This allows for the funds to be budgeted and planned at the beginning of the year.

- **Lifelong Learning Structure Change** **(\$5,015,000)**

The Lifelong Learning Division has a dual reporting line to the VP for Regional Higher Education and the Provost. This adjustment will align the budgeting process for Lifelong Learning to be more like the Regional Campus model in an effort to make it more entrepreneurial.

- **Mid-Year Budget Adjustment** **\$14,000**

The adjustment reflects the estimated increase in the quasi-endowment income/expenditures that are available for Professional Development.