

# FCR 13

Office of the President  
June 19, 2012

Members, Board of Trustees:

## FISCAL YEAR 2012-2013 OPERATING AND CAPITAL BUDGET

Recommendation: that the Board of Trustees:

1. Approve the Fiscal Year 2012-2013 Operating and Capital Budget.
2. Approve the appropriation and allocation of all fund balances for future operations including amounts necessary to cover accounts receivable and inventories that will represent assets on the audited balance sheet of the University of Kentucky for Fiscal Year 2011-2012. These balances are in addition to those incorporated in the proposed budget. Since the books of account for the University of Kentucky are maintained on a full accrual basis, this action will provide the funds necessary to maintain a sound financial position during Fiscal Year 2012-2013.
3. Order that the operating budget be recorded as an integral part of the University's financial system with the necessary fiscal control being exercised for the collection and appropriation of income and for the expenditure of departmental appropriations in accordance with authorized fiscal policies and procedures.
4. Accept the operating budget as the basis of maximum expenditures for Fiscal Year 2012-2013, subject to Board approved revisions.

Background: Pursuant to the Governing Regulations Part II E 2 (c), the Finance Committee "...shall oversee the budgets of the University by reviewing and recommending to the Board of Trustees on the annual operating budgets." The University's recommended Fiscal Year 2012-2013 consolidated operating budget totals \$2.6 billion, a decrease of \$80.4 million compared to the Fiscal Year 2011-2012 revised budget. The Fiscal Year 2012-2013 Operating and Capital Budget will be provided in detail as a separately bound document. The budget will also be available at: <http://www.uky.edu/OPBPA>.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_