

FCR 7

Office of the President
April 21, 2009

Members, Board of Trustees:

2008-09 BUDGET REVISIONS

Recommendation: that the Board of Trustees authorize and approve the following revisions to the 2008-09 budget. The budget revisions outlined below will decrease the University of Kentucky's total budget by \$5,170,500 – from \$2,227,947,200 to \$2,222,776,700.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u>			
1. Income Estimates			
State Appropriations Operating	\$316,853,500	\$310,521,400	\$(6,332,100)
Tuition and Fees			
Fall and Spring Tuition	215,715,100	216,685,900	970,800
Noncredit	10,785,800	10,745,500	(40,300)
County Appropriations	15,248,200	15,250,900	2,700
Gifts, Grants and Contracts			
Non-Governmental Grants and Contracts	111,036,600	111,068,300	31,700
Departmental Sales and Services	20,192,200	20,088,900	(103,300)
Transfers			
Other	9,541,000	9,841,000	<u>300,000</u>
			<u>\$(5,170,500)</u>
2. Expenditures			
Finance and Administration			
Facilities Management			
Auxiliary Services Operations	\$ 1,287,900	\$ 1,157,900	\$ (130,000)
Human Resource Services	4,819,100	4,834,100	15,000

2. Expenditures (continued)

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
Provost			
College of Agriculture			
Agricultural Cooperative			
Extension Service			
Field Programs	\$ 34,727,800	\$ 34,730,500	\$ 2,700
College of Medicine			
Anatomy and Neurobiology	2,225,100	2,236,800	11,700
Sanders-Brown Center on Aging	2,108,400	2,140,100	31,700
College of Nursing			
Administration	1,760,300	1,720,000	(40,300)
University Wide			
General Operating and Capital			
Projects	101,404,100	99,548,100	(1,856,000)
General University Reserve	6,489,500	3,284,200	<u>(3,205,300)</u>
			\$(5,170,500)

3. Comments – In response to a budget shortfall, Governor Steve Beshear issued an executive order March 27, 2009 reducing state appropriations of each Kentucky public university and the Kentucky Community and Technical College System by two percent for FY 2008-09. The budget reduction for the University of Kentucky is \$6,332,100. The budget cut will be absorbed centrally using excess tuition revenue, bookstore contract revenue, the operating contingency reserve, and other reallocations. The reduction is expected to be recurring.

Noncredit Fees from the College of Nursing’s continuing education program are projected to be \$40,300 less than budget.

County Appropriations will increase \$2,700 to support field programs in the Agricultural Cooperative Extension Service.

Non-Governmental Grants and Contracts revenue will increase \$31,700 due to a new Veteran’s Administration Interpersonal Services Agreement with the Sanders-Brown Center on Aging.

Departmental Sales and Services is anticipated to decrease in total by \$103,300 primarily due to a \$130,000 revenue shortfall from the sale of surplus property operation. Additional revenue is expected from professional testing services provided by the Center for Technology Electrodes and a Kentucky Higher Education Assistance Authority (KHEAA) Work Study Program grant.

Action taken: Approved Disapproved Other _____