

FCR 3

Office of the President
December 7, 2010

Members, Board of Trustees:

2010-11 BUDGET REVISIONS

Recommendation: that the Board of Trustees authorize and approve the following revisions to the 2010-11 budget. The budget revisions outlined below will increase the University of Kentucky's total budget by \$31,211,800 – from \$2,469,115,200 to \$2,500,327,000.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u>			
1. Income Estimates			
Student Tuition and Fees			
Other Fees	\$13,238,700	\$ 13,470,700	\$ 232,000
County Appropriations	17,028,800	17,828,300	799,500
Appropriated Fund Balances - University	91,809,700	121,378,600	<u>29,568,900</u>
			\$ 30,600,400
2. Expenditures			
Provost			
Agricultural Cooperative Extension Service			
Field Programs	\$36,113,700	\$ 36,913,200	\$ 799,500
College of Engineering Administration	2,551,600	2,783,600	232,000
University Wide General Operating and Capital Projects	93,134,900	122,703,800	<u>29,568,900</u>
			\$ 30,600,400
3. <u>Comments</u> – Income from Student Tuition and Fees will increase \$232,000 due to unanticipated revenues received from undergraduate course fees in the College of Engineering. These revenues will support teaching assistants and laboratory equipment in the College.			

County appropriations will increase \$799,500 to support field programs in the Agricultural Cooperative Extension Service.

A. GENERAL FUND (continued)

3. Comments (continued) - The 2010-11 Operating and Capital Budget approved by the Board of Trustees at the June 2010 meeting included a projected fund balance of \$91,809,700. Additional expenditure authority of \$29,568,900 is now requested to fully recognize the available funds. The current fund balance is higher than anticipated largely due to funds reserved for the fit-up of space on the fourth and fifth floors of the new Pharmacy Building, most of which have not been expended yet (but will be later in the fiscal year). In addition, there were some unspent funds in various reserve accounts and other excess revenues in several areas of the University. These funds are intended for use on capital projects. Pursuant to AR II-1.4-1 the Board of Trustees must approve the initiation of any capital project with a scope of \$600,000 or more.

	Approved <u>Budget</u>	Revised <u>Budget</u>	<u>Change</u>
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B. AUXILIARY FUND

1. Income Estimates

Auxiliary Enterprises

Other

	\$ 4,518,100	\$ 4,593,100	\$ 75,000
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2. Expenditures

Finance and Administration

Facilities Management

Auxiliary Services Operations

	\$ 43,000	\$ 118,000	\$ 75,000
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3. Comments – Income from Auxiliary Enterprises is expected to increase \$75,000 from rebate income received from the Fed Ex Office. These revenues will be used to support Auxiliary Services Operations.

	Approved <u>Budget</u>	Revised <u>Budget</u>	<u>Change</u>
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C. RESTRICTED FUND

1. Income Estimates

Endowment and Investment

Income

	\$24,068,900	\$ 24,100,300	\$ 31,400
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Gifts, Grants and Contracts

Gifts, and Other Grants and

Contracts

	17,740,000	18,245,000	<u>505,000</u>
			\$ 536,400

C. RESTRICTED FUND (continued)

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
2. Expenditures			
Finance and Administration			
Facilities Management			
Housing Operations	\$ 0	\$ 31,400	\$ 31,400
President			
Development			
Administration	364,800	869,800	<u>505,000</u>
			\$ 536,400

3. Comments – Endowment and Investment Income is expected to increase by \$31,400 and will be used to support maintenance on the Sigma Alpha Epsilon House.

Gifts, and Other Grants and Contracts will increase by \$505,000 due to an unrestricted gift from the Estate of Peggy H. Gwillim. These funds will be used to support programs in the Office of Development.

Action taken: Approved Disapproved Other _____