

# FCR 10

Office of the President  
April 30, 2002

Members, Board of Trustees:

## 2001-02 Budget Revisions

Recommendation: that the following revisions to the 2001-02 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
<b>A. <u>GENERAL FUND</u></b>			
1. Income Estimates			
State Appropriation			
Regular Appropriation	\$322,210,600	\$303,913,200	\$(18,297,400)
Student Fees			
General			
Regular-Lexington			
Community College	10,027,300	10,427,300	400,000
Self-Supporting			
Noncredit Fees	8,472,600	8,318,700	(153,900)
Other Fees	2,193,800	2,209,300	15,500
Gifts, Grants, Contracts			
The Fund for Advancement			
Of Education and Research in			
The Medical Center	6,543,200	13,273,200	6,730,000
Gifts Donations, Pledges	15,171,100	15,396,400	225,300
Sales and Services			
Departmental Sales			
and Services	29,146,200	26,274,400	(2,871,800)
Fund Balances	20,560,900	26,569,300	6,008,400
Hospital	315,824,000	333,361,000	17,537,000
			<u>\$ 9,593,100</u>
2. Expenditures			
Medical Center			
College of Dentistry			
Office of Administrative			
Affairs	\$ 1,367,300	\$ 1,382,800	\$ 15,500
College of Medicine			
Emergency Medicine	1,727,500	1,567,500	(160,000)
Internal Medicine	13,323,500	13,328,500	5,000
Off-Site Clinics	6,977,200	4,186,500	(2,790,700)
Office of Academic Affairs	803,500	808,500	5,000
Administrative and Support			
Chancellor/Other Support			
Services			
Performance Improvement	335,700	255,700	(80,000)
Academic Support			
Medical Center Library	3,081,100	3,076,100	(5,000)

	<u>Approved</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u> (continued)			
2. Expenditures (continued)			
Provost			
College of Engineering			
Administration	\$ 1,818,700	\$ 1,844,000	\$ 25,300
Civil Engineering	2,378,300	2,478,300	100,000
Mechanical Engineering	2,345,400	2,445,400	100,000
Lexington Community College			
College-Wide Administration	2,337,700	2,286,400	(51,300)
General Instruction	11,252,800	11,652,800	400,000
University-Wide	22,900,700	17,393,000	(5,507,700)
Hospital	314,480,900	332,017,900	17,537,000
			<u>\$ 9,593,100</u>

3. Comments - The University of Kentucky state appropriation is being reduced in the current year as described below:

- a. A reduction in State Appropriation in the amount of \$6,008,400 (University System) is being handled in the current year by utilization of prior year balances. The amount of \$51,300 (Lexington Community College) is being addressed through a reduction in the college reserves for general instruction.
- b. The amount of \$2,507,700 is funding that was originally appropriated for facilities planned to come on line in 2001-02. Since the facilities are opening later than expected, the funds are not needed for that purpose during the current year.
- c. A reduction in State Appropriation in the amount of \$9,730,000 is being offset in part by an intergovernmental transfer (IGT). The State of Kentucky has obtained approval from the Federal government for additional funding for increased costs associated with providing medical services to Medicaid recipients in a teaching setting. The amount of \$6,730,000 increase in gifts, grants and contracts from the Medical Center Fund will provide the offset for the reduction in state funds. The remaining \$3,000,000 will require a reduction in University-wide reserves.

The increase in regular student fees is due to enrollment growth in Spring 2002 in Lexington Community College and will support general instruction. The decrease in noncredit fees reflects the closing of the Emergency Medical Service Center, and an unanticipated reduction in The Medical Center Expectations Training Program. The increase in other fees will support programs in the College of Dentistry.

The increase in gifts, grants, and contracts reflects the IGT offset for the reduction in state funds (\$6,730,000) and will also support the joint engineering programs between the University of Kentucky and Western Kentucky University.

Programs to be supported by increased departmental sales and services include new contract agreements in the College of Medicine. Decreases in departmental sales and services are due to the dissolution of the Health Associates of Kentucky; decreased demand for Medical Center Inter-Library loan services and the closing of the Emergency Medical Service Education Center.

The increase in the hospital will support hospital operations and facility renovations.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
<b>B. <u>RESTRICTED FUNDS</u></b>			
1. Income Estimates	\$ 99,167,900	\$100,258,400	\$ 1,090,500
2. Expenditures			
Senior Vice President - Administration			
Fiscal Affairs and Information			
Technology			
Human Resource Services	-0-	120,000	120,000
Medical Center			
College of Dentistry			
College-Wide	397,300	442,300	45,000
College of Pharmacy			
College-Wide	589,200	709,200	120,000
Provost			
Libraries	3,326,100	4,131,600	805,500
			<u>\$ 1,090,500</u>

3. Comments - Income restricted for the purposes indicated above will fund the proposed additional program activities.

**C. AUXILIARY FUND**

1. Income Estimate	\$ 41,133,600	\$ 41,161,900	\$ 28,300
2. Expenditures			
Medical Center			
College of Dentistry			
Dental Clinics	559,500	587,800	28,300

3. Comments - The increase in auxiliary enterprises will support programs in the College of Dentistry.

**D. AFFILIATED CORPORATIONS**

1. Income Estimates	\$207,709,900	\$213,069,500	\$ 5,359,600
2. Expenditures			
Athletics Association	40,515,000	42,386,000	1,871,000
Equine Research Foundation	16,700	3,505,300	3,488,600

3. Comments - The increase in the Athletics Association is due to additional balances from the Blue/White fund and more ticket sales and will support capital projects and general operations in the University of Kentucky Athletics Association. The increase in Equine Research Foundation is due to two quasi-endowments and a gift and will support the renovation of the Gluck Equine Building.

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