

FCR 10

Office of the President
June 22, 2018

Members, Board of Trustees:

FISCAL YEAR 2018-19 OPERATING AND CAPITAL BUDGET

Recommendation: that the Board of Trustees:

1. Approve the Fiscal Year 2018-19 Operating and Capital Budget.
2. Approve the appropriation and allocation of all fund balances for future operations, to include amounts necessary to cover accounts receivable and inventories that will represent assets on the audited balance sheet of the University of Kentucky as of June 30, 2018. These audited balances may be different than the estimates 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 authorization to expend accumulated fund balances as necessary to maintain a sound financial position during the fiscal year ended June 30, 2019.
3. Order that the Fiscal Year 2018-19 Operating and Capital Budget be recorded as an integral part of the University's financial system with the necessary fiscal control being exercised for the recognition and collection of income and the expenditure of funds, including the allocation of expenditure authority to departments, in accordance with established fiscal policies and procedures.
4. Accept the Fiscal Year 2018-19 Operating and Capital Budget as the basis of maximum expenditure of current funds, subject to item number two above and other subsequent Board approved budget revisions.

Background: Pursuant to Governing Regulation Part II E.2.d.3, the Finance Committee oversees the budgets of the University by reviewing and recommending the annual operating budgets to the Board of Trustees. The University's recommended Fiscal Year 2018-19 Operating and Capital Budget totals \$3,888,607,100, an increase of \$181,219,500, or 4.9 percent, compared to the Fiscal Year 2017-18 revised budget. The Fiscal Year 2018-19 Operating and Capital Budget is attached and will be available online at <https://www.uky.edu/ubo/>. Pending approval by the Board of Trustees, a bound copy of the comprehensive document will be available at the September 2018 meeting.

Action taken: Approved Disapproved Other _____