

# FCR 3

Office of the President  
June 19, 2015

Members, Board of Trustees:

## FISCAL YEAR 2015-16 OPERATING AND CAPITAL BUDGET

Recommendation: that the Board of Trustees:

1. Approve the Fiscal Year 2015-16 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, 2015. 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 Fiscal Year 2015-16.
3. Order that the 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 Operating and Capital Budget as the basis of maximum expenditure for Fiscal Year 2015-16, subject to item number two above and other subsequent Board approved budget revisions.

Background: Pursuant to the Governing Regulation 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 budget. The University's recommended Fiscal Year 2015-16 consolidated Operating and Capital Budget totals \$3,368,391,200, an increase of \$351,726,143, or 11.7 percent, compared to the Fiscal Year 2014-15 revised budget. The Fiscal Year 2015-16 Operating and Capital Budget will be available as soon as possible.

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