

*Approved 1999-2000*

*EDUCATIONAL BUDGETS*

*MAIN CAMPUS AND FIRELANDS CAMPUS*

Approved by the Board of Trustees

**June 28, 1999**

Prepared by  
Office of Financial Affairs



# Bowling Green State University

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June 15, 1999

## MEMORANDUM

TO: Members of the Board of Trustees

FROM: Sidney A. Ribeau  
President

SUBJ: ***1999-2000 EDUCATIONAL BUDGET***

I strongly endorse and submit for your consideration the enclosed 1999-2000 Educational Budget recommendations, the product of the combined efforts of departments, colleges, vice presidential areas, and budget committees. The budget planning process, which began early in the Fall Semester, was completed earlier this month when the University Budget Committee (UBC) and the Faculty Senate Budget Committee (FSBC) finalized their joint budget recommendations for 1999-2000. The budget committees, as well as the other participants in the budget planning process, are to be commended again for an excellent job.

**State Budget.** You will recall that in odd-numbered years (such as 1999), FSBC and UBC are required to submit their budget recommendations prior to finalization in Columbus of the state budget for the coming year. In fact, the state Education Budget for the next biennium was passed by the Senate last week and, as you receive this memorandum, is being considered by a Conference Committee of the General Assembly assigned the task of developing a budget acceptable to both the House and the Senate. Under both the House and Senate versions of the budget BGSU would receive about a 4.25% increase in instructional subsidy for 1999-2000 and the budget committees have used this estimate in developing the enclosed budget recommendations. The Conference Committee will receive, however, an updated estimate of revenue for the next biennium which we hope may result in higher instructional subsidy allocations.

The House and Senate have also significantly increased funding for the Access and Success Challenge lines. Access Challenge provides funds to two-year institutions such as Firelands College in return for restraint in increasing student tuition. At currently proposed levels of Access Challenge funding for the next biennium, two-year institutions would have no fee increases in the 1999-2000 year and a 5% reduction in fees in 2000-2001. Success Challenge, limited to universities, provides funding based on "success" in graduating at-risk (defined as eligible for an Ohio Instructional Grant) undergraduate students and in graduating all undergraduates in a timely fashion (generally four years). The final level of funding for Success Challenge won't be known until the Conference Committee finishes its work and the actual allocations to campuses won't be determined until the process for establishing what defines timely graduation is complete. It is possible, however, that our share of Success Challenge funding could be as much as \$4 million by 2000-2001, providing significant resources to further enhance and expand our many student success programs.

Both the House and the Senate budget bills also include the language recommended by the Governor limiting increases in main campus undergraduate student fees for 1999-2000 and 2000-2001 to 6% per year, along with the two-vote requirement to raise fees above 4%. There may be an effort in the Conference Committee (as there was in the Senate) to have this fee cap removed. It is highly unlikely, however, that removal of the cap in and of itself would result in our suggesting a higher tuition increase than the 4.7% one that we recommend below. On the other hand, we might well raise our recommended tuition increase if the Conference Committee were to reduce instructional subsidy funding.

It is likely that the state budget for the next biennium will be finalized by the time the Board of

Trustees meets on June 28<sup>th</sup>. In that case, if there are any changes in the subsidy and fee assumptions we have used in developing the budget, we will provide you with an appropriately revised set of income and expense recommendations for your consideration. Even in the event that the state budget has not been completed by June 28<sup>th</sup>, we would expect by that time to have a reasonably good idea of what the most likely outcomes will be and to be able to provide you with appropriate recommendations.

**Revenue.** We are projecting that Educational Budget revenue for 1999-2000 will equal \$172,816,471 (see Exhibit I). This is an increase of \$8,678,594 or 5.29% from projected 1998-99 Educational Budget income. The \$8.68 million increase includes projected increases of \$3.15 million (4.25%) in instructional subsidy and \$5.36 million (6.55%) in student fee income reflecting increases in both projected enrollment (300 additional full-time undergraduates) and student fees.

**Highest Priority – Compensation.** The budget committees’ highest priority for 1999-2000 is enhancing the competitiveness of BGSU faculty and staff compensation. I know from our many discussions during the past year that you fully support this priority and will be particularly pleased (as I am) that the salary recommendation includes both a “normal” salary pool of 3.0% and, in addition, a \$1,689,000 (plus related benefit costs) allocation to fund the first year of our long-term compensation plan. The 3.0% pool will be effective with the beginning of the 1999-2000 fiscal/academic year for continuing faculty and staff (excluding bargaining unit members) and will be distributed in accord with Board policies (merit for faculty and administrative staff and across-the-board for classified staff). The \$1,689,000 compensation plan allocation will “jump start” our long-term efforts to address faculty and staff compensation by providing increases above and beyond the 3% salary pool. The additional increases for 1999-2000 through the compensation plan will average 3.0% for faculty, 2.25% for administrative staff and 0.5% for classified staff. The differential allocations by employee group reflect the relative competitiveness of our current employee compensation in comparison to appropriate peer groups. We are still working on the details of how the \$1,689,000 fund will be distributed to individual faculty, administrative staff and classified staff. More information on that and other details of the compensation plan will be shared prior to and at the June 28th Board meeting. The total recommended increases (\$5,126,000) related to compensation are summarized below.

|   |              |
|---|--------------|
| 3.0% Employee Salary Increase (Total Includes Promotions)   | \$ 2,553,000 |
| 1 <sup>st</sup> Installment of 5-Yr. Compensation Plan      | \$ 1,689,000 |
| Benefit Cost Adjustments (Salary Increases & Other Changes) | \$ 884,000   |

**Other Recommended Increases.** The budget committees devoted considerable effort to developing recommendations with respect to other budget increases for 1999-2000 and as part of that effort have carefully evaluated many very justifiable requests from across the University for increased support. FSBC and UBC have distilled the long list of requests down to a relatively small set of recommended increases which focus on (a) high priority initiatives; (b) costs related to increased enrollment; (c) technology; (d) financial aid; (e) unavoidable increases; and (f) targeted operating budget increases. The increases in these areas recommended by the budget committees, which total \$5,994,000, are summarized by category below:

|   |              |
|---|--------------|
| Funding for Initiatives                   | \$ 440,000   |
| Funding for Additional Class Sections     | \$ 300,000   |
| Increased Funding for Technology          | \$ 1,624,000 |
| Increased Funding for Financial Aid       | \$ 2,109,000 |
| Funding for Unavoidable Increases in Cost | \$ 591,000   |
| Targeted Operating Budget Increases       | \$ 930,000   |

In the event that the Conference Committee increases our funding for FY 2000, the budget committees’ next highest priorities are (in decreasing priority order): an additional \$250,000 for initiatives; \$300,000 for a reserve for FY 2001 to help address the second year of the compensation plan and technology infrastructure; and \$233,000 for additional increases in general operating budgets (1%) and library acquisitions (2%).

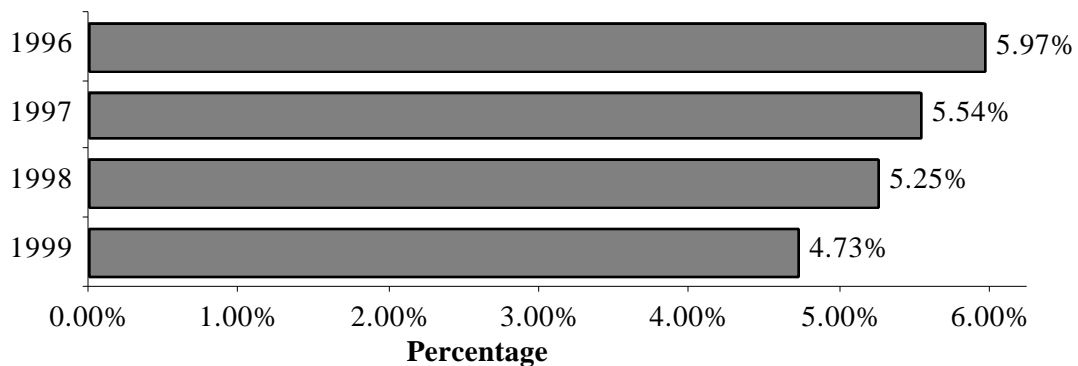
**Funding for Initiatives, Additional Sections & Technology.** The recommended funds for initiatives include an additional \$440,000. I will allocate these funds to areas where, in my judgment, a limited investment of resources will have a significant impact in enhancing our ability to meet our institutional goals. Some of the areas under consideration include Facilities Services, Institutional Research, Development, Counseling Center, Multicultural Affairs, and areas which the Program Review process has identified as being particularly in need of increased resources. The \$300,000 for additional sections is targeted to meet the instructional demand resulting from the projected 300 additional students. The increase for technology enhancement will raise the total annual Educational Budget funding of this critically important initiative by \$1,124,000 (36%) to \$4,288,000. This will allow us to continue addressing the very substantial needs for technology enhancement on the campus such desktop computing, as we await the technology infrastructure plan currently being developed. An additional \$500,000 is earmarked to cover the cost of a mainframe computer upgrade required to keep our continually more technology-intensive administrative activities functioning smoothly.

**Financial Aid and Unavoidable Cost Increases.** The \$2,109,000 for financial aid provides the additional funding (\$933,000) necessary to maintain our current level of support (given the recommended fee increases) for undergraduate scholarships, graduate student fee waivers, and employee and dependent fee waivers. The increase for financial aid also includes an adjustment (\$1,176,000) to bring the budgeted amounts in line with current utilization levels. This adjustment, which is also reflected in income, takes into account the significantly greater numbers of undergraduates taking advantage of our targeted scholarship programs. The \$591,000 in unavoidable cost increases includes \$494,000 for purchased utilities and \$97,000 for increased payments to MCOT resulting from additional revenue generated by nursing and physical therapy students.

**Targeted Operating Budget Increases.** The \$930,000 for operating budgets provides an increase of \$188,000 (8%) for library acquisitions (to partially off-set the impact of 12% to 14% inflation on library acquisition costs) and a pool of funds \$742,000 (4%) for general operating budget increases. This latter pool of operating budget funds will not be allocated across-the-board but rather the funds will be targeted to those areas with highest priority and most critical operating budget needs. A portion of these funds are likely to be allocated to centrally fund the projected increase (25% - 30%) in local charges for telephone service.

**Fee Increases and 1999-2000 Fees.** An overall 4.7% increase in tuition (4.86% increase in instructional fees, 4.08% increase in general fee) is recommended for 1999-2000. This recommendation is well below the 6% cap and, I am pleased to note, continues my record of recommending lower tuition increases each year of my presidency (see chart below). It is also the lowest percentage increase in BGSU undergraduate tuition since 1986-87!

**TUITION INCREASE**



| <u>Semester Fees</u>          | <u>98-99</u> | <u>1999-2000</u> | <u>\$ Incr.</u> | <u>%</u> |
|-------------------------------|--------------|------------------|-----------------|----------|
| Undergraduate Instructional   | \$1,935      | \$2,029          | \$ 94           | 4.9%     |
| Graduate Instructional        | \$2,643      | \$2,773          | \$ 130          | 4.9%     |
| Nonresident Fee               | \$2,644      | \$2,774          | \$ 130          | 4.9%     |
| General Fee                   | \$ 392       | \$ 408           | \$ 16           | 4.1%     |
| <br>                          |              |                  |                 |          |
| <u>Combined Semester Fees</u> | <u>98-99</u> | <u>1999-2000</u> | <u>\$ Incr.</u> | <u>%</u> |
| Ohio Undergraduate            | \$2,327      | \$2,437          | \$ 110          | 4.7%     |
| Nonresident Undergraduate     | \$4,971      | \$5,211          | \$ 240          | 4.8%     |
| Ohio Graduate                 | \$3,035      | \$3,181          | \$ 146          | 4.8%     |
| Nonresident Graduate          | \$5,679      | \$5,955          | \$ 276          | 4.7%     |

The overall increase in annual costs listed below for 1999-2000 for an undergraduate Ohio resident living on-campus and opting for the minimum meal plan would be \$440 or 4.9%. The increase is slightly higher than the 4.7% increase in instructional and general fees, reflecting the 5.0% increase in room and board rates (including the residence hall technology fee) for 1999-2000 approved in December 1998 by the Board of Trustees.

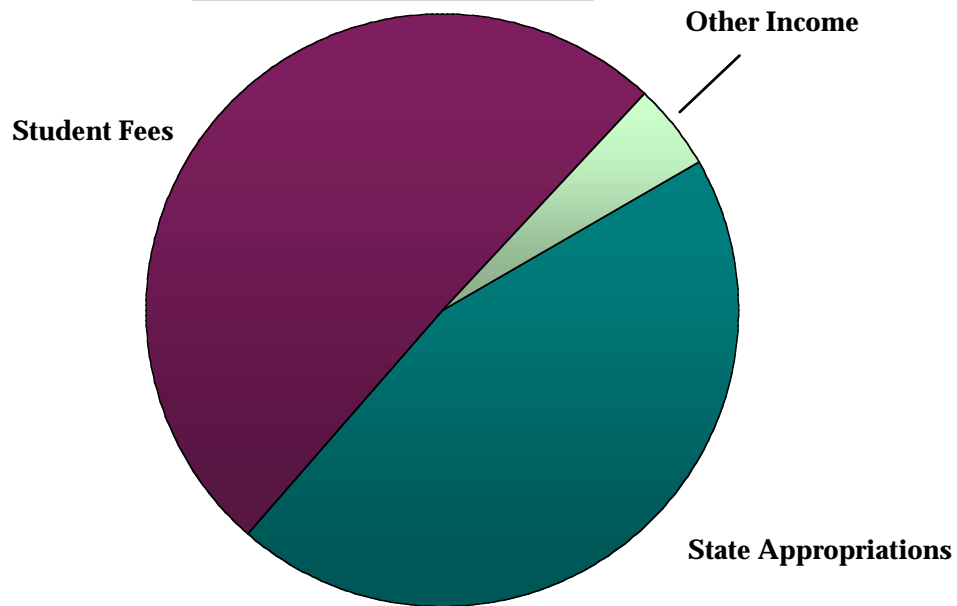
| <u>Annual Fees (with Room/Board)</u> | <u>98-99</u>   | <u>1999-2000</u> | <u>\$ Incr.</u> | <u>%</u>    |
|--------------------------------------|----------------|------------------|-----------------|-------------|
| Undergraduate Instructional          | \$3,870        | \$4,058          | \$ 188          | 4.9%        |
| General Fee                          | \$ 784         | \$ 816           | \$ 32           | 4.1%        |
| Room (Standard Double)               | \$2,580        | \$2,708          | \$ 128          | 5.0%        |
| Residence Hall Technology Fee        | \$ 136         | \$ 162           | \$ 26           | 19.1%       |
| Board (Minimum Meal Plan)            | <u>\$1,676</u> | <u>\$1,742</u>   | <u>\$ 66</u>    | <u>3.9%</u> |
| <br>                                 |                |                  |                 |             |
| On-Campus Ohio Undergraduate         | \$9,046        | \$9,486          | \$ 440          | 4.9%        |

**Firelands.** The proposed 1999-2000 budget for Firelands College is \$7,354,391, an increase of \$38,207 or 0.52% from the revised 1998-99 Firelands budget. Firelands experienced a reduction in their enrollment this past year and their budget for next year is built assuming stable enrollments. No fee increases are included in the budget presented for Firelands College. As noted above, the current version of the state budget provides for significant increases in Access Challenge funding for the two-year sector in lieu of the additional funding that would have come from fee increases. In Firelands case, the increase in Access Challenge funding for FY 2000 is projected to be at least \$85,000. The Senate version of the budget also includes a guarantee that aggregate funding for instructional subsidy and Challenge lines will increase by 3% for FY 2000. The impact of this guarantee, which would increase Firelands instructional subsidy for FY 2000 by more than \$51,000, is not reflected in the enclosed Firelands budget. Again, once we know the final state budget we will prepare for your consideration a suitably modified version of the Firelands budget as appropriate.

I believe that the enclosed budget materials, including Exhibits I through IX which contain summary information related to the recommended 1999-2000 main campus Educational Budget and Exhibits X and XI which relate to the recommended 1999-2000 Firelands College Budget, are largely self-explanatory. If you have questions concerning any aspect of the budget proposals, please call Chris Dalton or Linda Hamilton. They can both be reached through the Financial Affairs office number, which is (419) 372-8262.

# BGSU Educational Income Budget Main Campus 1999-2000

Grand Total \$172,816,471



|                      |              |        |
|----------------------|--------------|--------|
| State Appropriations | \$77,365,803 | 44.77% |
| Student Fees         | \$87,264,115 | 50.50% |
| Other Income         | \$8,186,554  | 4.74%  |

Approved by the Board of Trustees June 28, 1999

Office of Finance & Administration 6/99

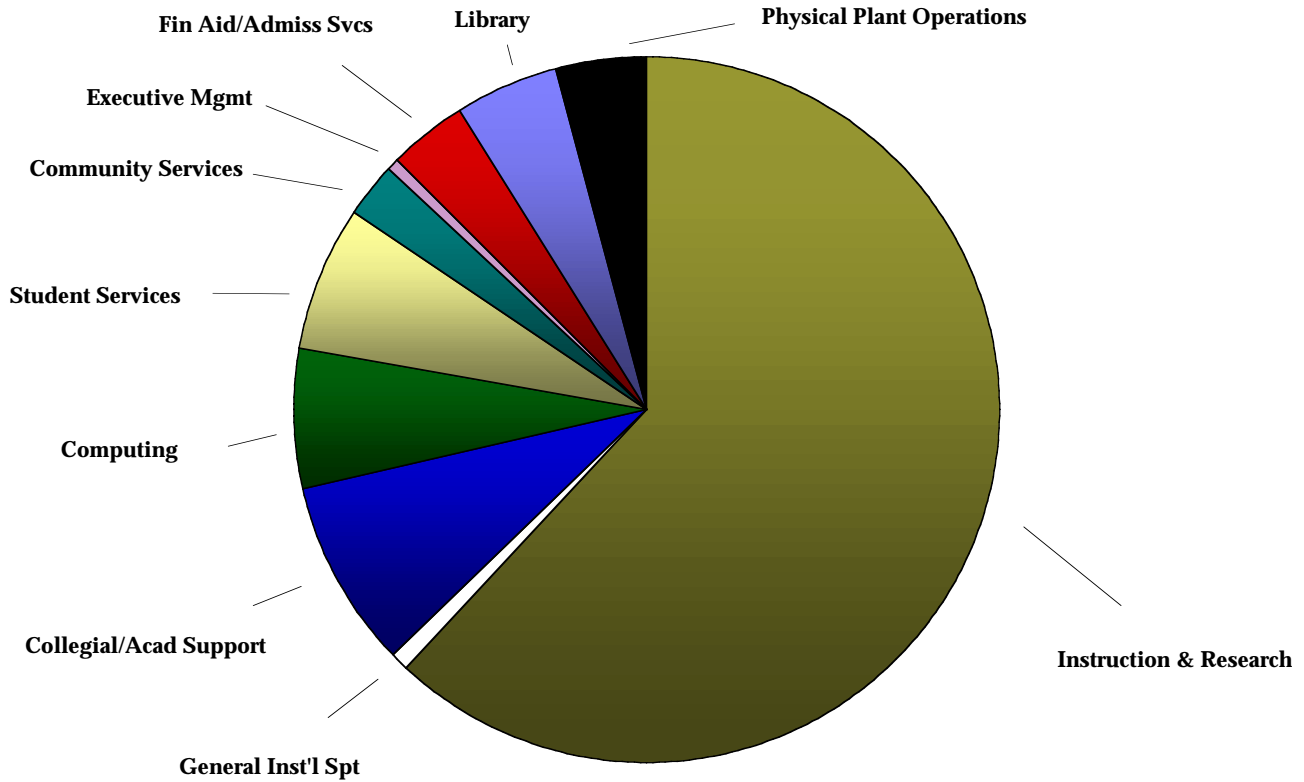
**EDUCATIONAL BUDGET INCOME PROJECTIONS: 1999-2000 WITH 300 ADDN'L UNDERGRADS**

|                                | 1998-99<br>Approved<br>Income<br>Budget | 1998-99<br>Projected<br>Income<br>30-Apr-99 | 1999-2000<br>Model<br>Income<br>8-Jun-99 | \$ Increase<br>from<br>FY 99 Proj<br>to FY 00 | % Increase<br>from<br>FY 99 Proj<br>to FY 00 | COMMENTS   |
|--------------------------------|---|---|--|---|--|--|
| State Appropriation            | \$73,208,727                            | \$74,211,801                                | \$77,365,803                             | \$3,154,002                                   | 4.25%  | Senate Budget: Revised & new enrollment projection |
| Student Instructional Fees     | \$67,569,107                            | \$68,300,000                                | \$71,619,380                             | \$3,319,380                                   | 4.86%  |  |
| Fees from Addn'l Undergrads    |   |   | \$1,217,425                              | \$1,217,425                                   | 1.78%  | 300 Additional Undergrads                          |
| Non-Resident Fee               | \$11,015,205                            | \$10,800,000                                | \$11,324,880                             | \$524,880                                     | 4.86%  |  |
| Fees from Addn'l Nonres Stds   |   |   | \$166,350                                | \$166,350                                     | 1.54%  | 30 Additional Non-Resident Stds                    |
| Misc./Off-Campus Fees          | \$2,292,474                             | \$2,800,000                                 | \$2,936,080                              | \$136,080                                     | 4.86%  |  |
| <b>Total Student Fees</b>      | <b>\$80,876,786</b>                     | <b>\$81,900,000</b>                         | <b>\$87,264,115</b>                      | <b>\$5,364,115</b>                            | <b>6.55%</b>                                 |  |
| GSC - Auxiliaries              | \$5,023,908                             | \$5,023,908                                 | \$5,124,386                              | \$100,478                                     | 2.00%  |  |
| GSC - Grants                   | \$96,168                                | \$96,168                                    | \$96,168                                 | \$0   | 0.00%  |  |
| Interest Income                | \$900,000                               | \$1,150,000                                 | \$1,200,000                              | \$50,000                                      | 4.35%  |  |
| Department Sales               | \$766,000                               | \$786,000                                   | \$786,000                                | \$0   | 0.00%  |  |
| Application Fees               | \$435,000                               | \$445,000                                   | \$455,000                                | \$10,000                                      | 2.25%  |  |
| Miscellaneous Income           | \$390,000                               | \$525,000                                   | \$525,000                                | \$0   | 0.00%  |  |
| <b>Total Other Income</b>      | <b>\$7,611,076</b>                      | <b>\$8,026,076</b>                          | <b>\$8,186,554</b>                       | <b>\$160,478</b>                              | <b>2.00%</b>                                 |  |
| <b>Total Operating Revenue</b> | <b>\$161,696,589</b>                    | <b>\$164,137,877</b>                        | <b>\$172,816,471</b>                     | <b>\$8,678,594</b>                            | <b>5.29%</b>                                 |  |

OFA: JCD 6/10/99 (Ed budg inc proj 99-00 c)

# BGSU EDUCATIONAL EXPENDITURE BUDGET MAIN CAMPUS 1999-2000

**Grand Total \$172,876,472**



|                                     |              |        |
|-------------------------------------|--------------|--------|
| Instruction & Research Programs     | \$99,517,775 | 57.57% |
| Collegial and Academic Support      | \$10,317,687 | 5.97%  |
| Physical Plant Operations           | \$14,138,925 | 8.18%  |
| General Institutional Support       | \$13,588,573 | 7.86%  |
| Computing Services                  | \$10,815,520 | 6.26%  |
| Library                             | \$6,436,641  | 3.72%  |
| Financial Aid & Admissions Services | \$7,834,358  | 4.53%  |
| Executive Management                | \$5,710,028  | 3.30%  |
| Student Services                    | \$3,578,650  | 2.07%  |
| Community Services                  | \$938,315    | 0.54%  |

Approved by Board of Trustees June 28, 1999

Office of Finance and Administration: 11/99

## BGSU EDUCATIONAL BUDGET 1999-2000 Model - 3% Salary/4% Operating/4.86% Fee Increases

|   |       |
|---|-------|
| Assumes Instructional Fee Increase for 1999-2000 AY = | 4.86% |
| Assumes Pool for Salary Increases for 1999-2000 =     | 3.00% |

| PERSONNEL<br>EXPENSES    | 1998-99<br>Approved 6/98 | 1999-2000<br>Projected | \$ Change<br>for 99-00 | % Change<br>for 99-00 | COMMENTS   |
|--------------------------|--------------------------|------------------------|------------------------|-----------------------|--|
| Faculty                  | \$43,243,054             | \$44,540,346           | \$1,297,292            | 3.00%                 | 3.0% Salary Increase                                     |
| Fac Summer Instruction   | \$4,250,547              | \$4,399,316            | \$148,769              | 3.50%                 | Impact 98-99 AY Increase (3.5%)                          |
| Faculty from ERIP Return |                          | \$1,288,057            | \$1,288,057            |                       | Funds Returning from ERIP Load                           |
| Admin Staff              | \$13,245,277             | \$13,642,635           | \$397,358              | 3.00%                 | 3.0% Salary Increase                                     |
| Class Staff              | \$18,665,443             | \$19,225,406           | \$559,963              | 3.00%                 | 3.0% Salary Increase                                     |
| Compensation Plan        |                          | \$1,688,638            | \$1,688,638            |                       | First Installment of 5 Year Plan to Enhance Compensation |
| Promotions               |                          | \$150,000              | \$150,000              |                       | Includes Equity/Market Adjustments                       |
| <b>Total Fac/Staff</b>   | <b>\$79,404,321</b>      | <b>\$84,934,398</b>    | <b>\$5,530,077</b>     | <b>6.96%</b>          |  |
| GA Stipends              | \$8,285,285              | \$8,285,285            | (\$0)                  | 0.00%                 | Assumes 3% Increase in Stipends Funded Within Budget     |
| <b>Total Graduate</b>    | <b>\$8,285,285</b>       | <b>\$8,285,285</b>     | <b>(\$0)</b>           | <b>0.00%</b>          |  |
| Retirement               | \$11,923,737             | \$12,754,160           | \$830,423              | 6.96%                 | Increases with Salary                                    |
| STRS ERIP                | \$6,256,528              | \$4,968,471            | (\$1,288,057)          | -20.59%               | Released Funds Shift to Faculty Personnel                |
| Health Insurance         | \$5,282,850              | \$5,546,993            | \$264,143              | 5.00%                 | 5% Increase  |
| Other Benefits           | \$1,585,730              | \$1,375,274            | (\$210,456)            | -13.27%               | Increases with Salary; -\$300K Worker's Comp             |
| <b>Total Benefits</b>    | <b>\$25,048,845</b>      | <b>\$24,644,898</b>    | <b>(\$403,947)</b>     | <b>-1.61%</b>         |  |
| <b>Total Personnel</b>   | <b>\$112,738,451</b>     | <b>\$117,864,580</b>   | <b>\$5,126,129</b>     | <b>4.55%</b>          |  |

| OPERATING EXPENSES                  | 1998-99<br>Approved 6/98 | 1999-2000<br>Projected | \$ Change<br>for 99-00 | % Change<br>for 99-00 | COMMENTS   |
|-------------------------------------|--------------------------|------------------------|------------------------|-----------------------|--|
| Utilities                           | \$4,940,256              | \$5,434,282            | \$494,026              | 10.00%                | Assumes 10% Increase (New Power Plant; Gas Conversion)               |
| Scholarships/Fee Waivers            | \$18,016,965             | \$20,125,992           | \$2,109,027            | 11.71%                |  |
| Scholarships                        | \$2,960,075              | \$5,212,919            | \$2,252,844            | 76.11%                | Fee Increase & Adjustment for Increased Numbers (+\$2.01 million)    |
| Graduate Fee Waivers                | \$13,385,942             | \$13,265,778           | (\$120,164)            | -0.90%                | Fee Increase & Adjustment for Lower Grad Enrollment (-\$735,000)     |
| Employee/Dependents                 | \$1,320,948              | \$1,018,136            | (\$302,812)            | -22.92%               | Fee Increase & Adjustment for Lower FY 1999 Utilization (-\$350,000) |
| Off-Campus Waivers                  | \$350,000                | \$629,160              | \$279,160              | 79.76%                | Fee Increase & Adjustment for Increased Numbers (+\$250,000)         |
| MCOT Payments                       | \$1,933,767              | \$2,030,455            | \$96,688               | 5.00%                 | Assumes 5% Increase  |
| Lib Acquisitions                    | \$2,352,815              | 2,541,041              | \$188,226              | 8.00%                 | Inflation Significantly Higher Than CPI                              |
| Funds for Technology                | \$3,164,105              | 4,287,881              | \$1,123,776            | 35.52%                | Increases with Fee Increase + \$970,000                              |
| General/Misc. Operating             | \$18,550,230             | 19,292,239             | \$742,009              | 4.00%                 |  |
| Mainframe Computer Upgrade          |                          | \$500,000              | \$500,000              |                       |  |
| <b>Total Operating</b>              | <b>\$48,958,138</b>      | <b>\$54,211,890</b>    | <b>\$5,253,752</b>     | <b>10.73%</b>         |  |
| Phased Increases/Addn'l Initiatives |                          | \$440,000              | \$440,000              |                       | Includes Presidential, Facilities & Disability Services & Others     |
| Additional Sections Cost            |                          | \$300,000              | \$300,000              |                       | Assumes 300 addn'l undergrads; \$2500/Section(75 SCH)                |
| Reserve                             |                          | \$0                    | \$0                    |                       | FY 2001 Compensation Plan & Technology Infrastructure                |
| <b>Total Other</b>                  | <b>\$0</b>               | <b>\$740,000</b>       | <b>\$740,000</b>       |                       |  |
| <b>GRAND TOTAL</b>                  | <b>\$161,696,589</b>     | <b>\$172,816,471</b>   | <b>\$11,119,882</b>    | <b>6.88%</b>          |  |
| Projected 1999-2000 Income          |                          | \$172,816,471          |                        |                       | Assumes 4.86% Fee Increase; 300 Addn'l undergrads; Senate Budget     |
| <b>PROJECTED INCOME - EXPENSES</b>  |                          | <b>\$0</b>             |                        |                       |  |

OFA: JCD 6/14/99 (99-00 ed bdgt exp proj bot)

**RECOMMENDED CHANGES IN 1999-2000 EDUCATIONAL BUDGET**

| <b>Operating Increases</b>  |                    |
|---|--------------------|
| Decrease in Grad Fee Waivers Resulting from Fewer Enrollments           | (228,962)          |
| Increase in Scholarships Resulting from Fee Increase (4.0%)             | 198,403            |
| Increase in Off-Campus Fee Waivers                                      | 274,000            |
| Increase in Scholarships Resulting from Increased Usages                | 1,688,838          |
| MCOT - Nursing & Physical Therapy                                       | 96,688             |
| Increase in Purchased Utilities Budget                                  | 494,026            |
| Increase in Library Acquisitions Budget                                 | 188,226            |
| Pool for Technology Enhancement   | 1,096,564          |
| Targeted Operating Budget Increases (4%, distribution shown on page 10) | 742,009            |
| Mainframe Computer Upgrade  | 500,000            |
| New Initiatives (distribution shown on page 10)                         | 440,000            |
| Center for Child Development Operating Increase                         | 10,500             |
| Additional Course Sections due to Increased Enrollment                  | 300,000            |
| <b>TOTAL PROPOSED OPERATING BUDGET INCREASES</b>                        | <b>\$5,800,292</b> |

| <b>Personnel Budget Adjustments</b>            |                  |
|--|------------------|
| Decrease in Centralized Benefit Costs          | (476,868)        |
| Return of ERIP Released Funds                  | 1,288,057        |
| Increase in Summer Instructional Salary Budget | 148,769          |
| <b>TOTAL PERSONNEL BUDGET INCREASES</b>        | <b>\$959,958</b> |

| <b>SUMMARY OF SALARY POOL PROPOSALS</b>                 |                    |
|---|--------------------|
| Pool for Faculty/Admin.Staff/Classified Staff (3.0%)*   | \$2,254,613        |
| Compensation Plan (Year 1 Installment of 5 Year Plan)   | 1,250,299          |
| Faculty and Admin. Promotions/Market/Equity Adjustments | 150,000            |
| <b>TOTAL SALARY POOL PROPOSALS</b>                      | <b>\$3,654,912</b> |

**TOTAL PROPOSED PERSONNEL INCREASES** \$4,614,870

**GRAND TOTAL PROPOSED EDUCATIONAL BUDGET INCREASES** \$10,415,162

**1998-99 EDUCATIONAL BUDGET** \$161,696,589

**1999-2000 EDUCATIONAL BUDGET** **\$172,111,751**

\*except those classified staff whose salaries must, by law, be negotiated through a collective bargaining process.

OFA:LLH-6/11/99  
file: SUMM2000

## OPERATING INCREASES FOR FY 1999-2000 - APPROVED

|   |           |
|---|-----------|
| Administrative Telephone Rental Increase  | \$175,000 |
| Maintenance Classroom/Academic Space  | \$90,000  |
| Institutional Memberships   | \$64,935  |
| Commencement  | \$25,000  |
| Postage Increase  | \$25,000  |
| External Audit Fees   | \$42,620  |
| CSC   | \$600     |
| Picnic  | \$20,000  |
| Disability Services   | \$40,000  |
| AT BG (Publications)  | \$40,000  |
| Institutional Research  | \$9,000   |
| Facilities  | \$35,000  |
| Additional Revenue Commitment   | -\$41,791 |
| <br>  |           |
| Pool for Increases (Averaging 3%) for Academic Affairs areas<br>(Note this does not include Provost areas.) | \$216,645 |
| <br>  |           |
| TOTAL   | \$742,009 |
| <br>  |           |
| FUNDS IN BUDGET FOR OPERATING BUDGET INCREASE   | \$742,009 |

## NEW INITIATIVES FOR FY 1999-2000 - APPROVED

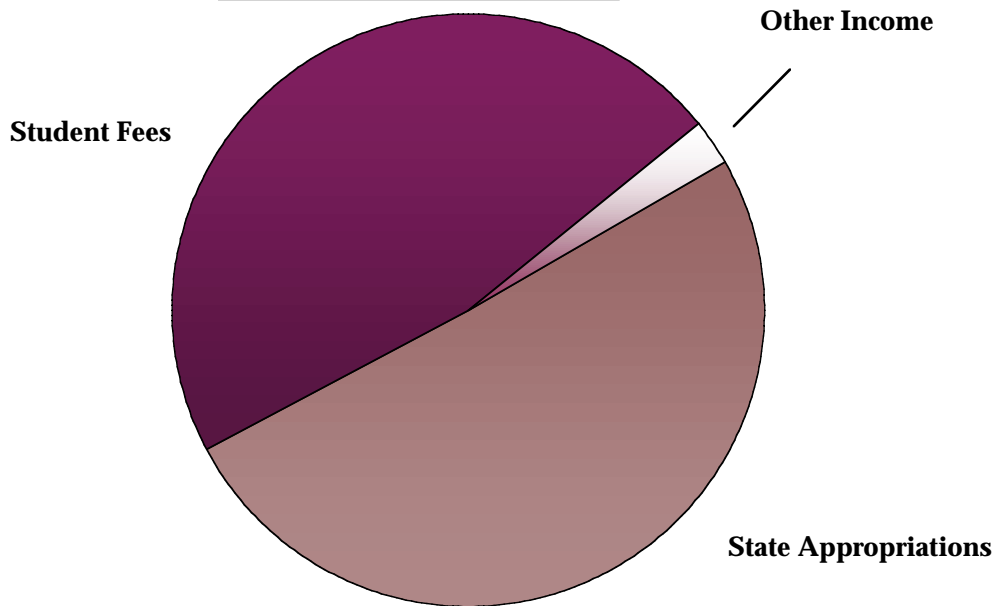
|   |           |
|---|-----------|
| Disability Services - Personnel   | \$46,000  |
| Counseling Center - Psychologist  | \$30,000  |
| Development - Major Gifts?  | \$70,000  |
| Institutional Research - Assoc. Director                                | \$50,800  |
| Facilities Services - 4 Custodians                                      | \$106,812 |
| Facilities Services - 1 Maintenance Repair Worker                       | \$32,000  |
| VPAA - Financial Aid - 2 Student Services Counselors                    | \$74,480  |
| VPAA - Admissions - Transfer Counselor; Recruiter; Admissions Counselor | \$71,000  |
| VPSA - Salary Savings Increase  | -\$41,092 |
| <br>  |           |
| Grand Total   | \$440,000 |
| <br>  |           |
| FUNDS IN BUDGET FOR NEW INITIATIVES                                     | \$440,000 |
| <br>  |           |
| SURPLUS (SHORTFALL)   | \$0       |

**FIRELANDS COLLEGE  
BUDGET FOR 1999-2000**

|  | 1998-99<br>APPROVED<br>BUDGET | 1998-99<br>REVISED<br>BUDGET | 1999-2000<br>PROPOSED<br>BUDGET | \$<br>INC.         | %<br>INC.      |
|--|-------------------------------|------------------------------|---------------------------------|--------------------|----------------|
| <b>REVENUE:</b>                        |                               |                              |                                 |                    |                |
| Instructional Subsidies                | \$3,414,408                   | \$3,485,151                  | \$3,467,442                     | (\$17,709)         | -0.51%         |
| Access Challenge                       | 112,640                       | 165,102                      | 250,900                         | 85,798             |                |
| <b>TOTAL STATE APPROPRIATIONS</b>      | <b>\$3,527,048</b>            | <b>\$3,650,253</b>           | <b>\$3,718,342</b>              | <b>\$68,089</b>    | <b>1.87%</b>   |
| Instructional Fees                     | \$3,482,398                   | \$3,216,256                  | \$3,218,376                     | \$2,120            | 0.07%          |
| General Fees                           | 163,026                       | 150,494                      | 150,673                         | 179                | 0.12%          |
| Nonresident Fees                       | 13,500                        | 3,929                        | 4,500                           | 571                | 14.53%         |
| Lab Fees                               | 18,500                        | 29,675                       | 27,500                          | (2,175)            | -7.33%         |
| Continuing Education                   | 60,000                        | 53,001                       | 60,000                          | 6,999              | 13.21%         |
| <b>TOTAL STUDENT FEES</b>              | <b>\$3,737,424</b>            | <b>\$3,453,355</b>           | <b>\$3,461,049</b>              | <b>\$7,694</b>     | <b>0.22%</b>   |
| <b>OTHER INCOME</b>                    | <b>\$125,000</b>              | <b>\$240,720</b>             | <b>\$175,000</b>                | <b>(\$65,720)</b>  | <b>-27.30%</b> |
| Vending, rental, library fines         |                               |                              |                                 |                    |                |
| <b>PRIOR YEAR UNENCUMBERED BALANCE</b> | <b>\$0</b>                    | <b>\$0</b>                   | <b>\$0</b>                      | <b>\$0</b>         |                |
| <b>TOTAL PROJECTED REVENUE</b>         | <b>\$7,389,472</b>            | <b>\$7,344,328</b>           | <b>\$7,354,391</b>              | <b>\$10,063</b>    | <b>0.14%</b>   |
| <b>EXPENSES:</b>                       |                               |                              |                                 |                    |                |
| Salaries and Wages:                    |                               |                              |                                 |                    |                |
| Contract Salaries                      | \$3,022,406                   | \$3,150,288                  | \$3,122,376                     | (\$27,912)         | -0.89%         |
| Classified Salaries                    | 756,675                       | 756,675                      | 783,350                         | 26,675             | 3.53%          |
| Temporary                              | 191,050                       | 191,050                      | 231,730                         | 40,680             | 21.29%         |
| Wage/Compensation Pool                 | 119,104                       | 0                            | 122,906                         | 122,906            |                |
| <b>Sub-Total Salaries and Wages</b>    | <b>\$4,089,235</b>            | <b>\$4,098,013</b>           | <b>\$4,260,362</b>              | <b>\$162,349</b>   | <b>3.96%</b>   |
| Staff Benefits:                        |                               |                              |                                 |                    |                |
| Retirement                             | \$613,385                     | \$613,385                    | \$632,962                       | \$19,577           | 3.19%          |
| Other                                  | 398,976                       | 398,977                      | 408,059                         | 9,082              | 2.28%          |
| ERIP                                   | 67,409                        | 67,409                       | 61,904                          | (5,505)            | -8.17%         |
| <b>Sub-Total Staff Benefits</b>        | <b>\$1,079,770</b>            | <b>\$1,079,771</b>           | <b>\$1,102,925</b>              | <b>\$23,154</b>    | <b>2.14%</b>   |
| Operating                              |                               |                              |                                 |                    |                |
| Supplies                               | \$128,800                     | \$128,800                    | \$131,686                       | \$2,886            | 2.24%          |
| Travel                                 | 72,765                        | 72,765                       | 72,865                          | 100                | 0.14%          |
| Information & Communication            | 303,170                       | 303,170                      | 323,076                         | 19,906             | 6.57%          |
| Maintenance and Repair                 | 83,285                        | 83,285                       | 88,563                          | 5,278              | 6.34%          |
| Utilities                              | 240,000                       | 240,000                      | 240,000                         | 0                  | 0.00%          |
| MCOT Transfer Payments                 | 357,250                       | 175,477                      | 180,500                         | 5,023              | 2.86%          |
| BG Campus Transfer Payments            | 150,000                       | 224,142                      | 200,000                         | (24,142)           | -10.77%        |
| Fee Waivers/Scholarships               | 238,500                       | 238,500                      | 238,500                         | 0                  | 0.00%          |
| Post Secondary Option Program          | 306,340                       | 120,000                      | 120,000                         | 0                  | 0.00%          |
| Miscellaneous                          | 53,215                        | 164,069                      | 76,895                          | (87,174)           | -53.13%        |
| Equipment                              | 88,520                        | 88,520                       | 104,357                         | 15,837             | 17.89%         |
| Contingency                            | 49,992                        | 49,991                       | 62,967                          | 12,976             | 25.96%         |
| Technology Enhancement                 | 102,150                       | 102,150                      | 105,215                         | 3,065              | 3.00%          |
| Transfer to Reserve                    | 0                             | 101,051                      | 0                               | (101,051)          |                |
| Transfer to Parking                    | 46,480                        | 46,480                       | 46,480                          | 0                  |                |
| <b>Sub-Total Operating</b>             | <b>\$2,220,467</b>            | <b>\$2,138,400</b>           | <b>\$1,991,104</b>              | <b>(\$147,296)</b> | <b>-6.89%</b>  |
| <b>TOTAL PROJECTED EXPENSES</b>        | <b>\$7,389,472</b>            | <b>\$7,316,184</b>           | <b>\$7,354,391</b>              | <b>\$38,207</b>    | <b>0.52%</b>   |

# Firelands Educational Income Budget 1999-2000

Grand Total \$7,354,391



|                      |             |        |
|----------------------|-------------|--------|
| State Appropriations | \$3,718,342 | 50.56% |
| Student Fees         | \$3,461,049 | 47.06% |
| Other Income         | \$175,000   | 2.38%  |

Approved by the Board of Trustees June 28, 1999

Office of Finance & Administration 6/99