

ITEM F.4
Operating Budgets FY 2018

DESCRIPTION AND BACKGROUND

Operating budgets for the upcoming new fiscal year are traditionally presented to the Board of Governors for their review and approval at the June meeting after the legislative budget process has concluded and fall enrollment trends are available. Due to reductions in state support for both FY17 and FY18, a three step process was utilized this year. Following the mid-year withholding of \$3.1 million for FY17, a plan to balance the budget was developed utilizing vacancies, deferred purchases, and use of contingent funds. For FY18, a “bridge budget” approach was utilized to absorb a 9% reduction in state support. This included a combination of one-time cuts and reductions in recurring costs. For FY19 and beyond, the Organizational Excellence Advisory Group is providing the foundation for long-term strategies.

RECOMMENDED ACTION

BE IT RESOLVED that the “Operating Budgets for Fiscal Year 2018” be approved and adopted for the 2017-2018 Fiscal Year; and

BE IT FURTHER RESOLVED that the President of the University is authorized to adjust the operating budget should state appropriations levels change; and

BE IT FURTHER RESOLVED that a copy of the document be attached to the minutes as an exhibit.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ATTACHMENT

Operating Budgets for Fiscal Year 2018



**OPERATING BUDGETS
FOR
FISCAL YEAR 2018**

FY 2018 BUDGET DOCUMENTS

A. The FY 2018 Education and General Budget	Page
1. Executive Summary	1
2. General Budget Priorities	1
3. Revenue Assumptions	1
4. Planned Expenditures	5
5. FY 2018 Education and General Revenue by Category	11
6. FY 2018 Education and General Expenditures by Category	15
B. The FY 2018 Auxiliary Budget	
1. Executive Summary	20
2. General Budget Priorities	20
3. Revenue Assumptions	20
4. Planned Expenditures	21
5. FY 2018 Auxiliary Revenue by Category	24
6. FY 2018 Auxiliary Expenditures by Area	26
C. The FY 2018 Restricted Funds Budget	
1. Executive Summary	28
2. Projected Restricted Revenues and Expenditures	28
3. FY 2018 Estimated Restricted Revenue and Expenditures	31
D. Combined Operating Budget Summary	
1. Operating Budgets	33
2. Revenue Sources	34

FISCAL YEAR 2018 EDUCATION AND GENERAL BUDGET NARRATIVE

Executive Summary

The Education and General (E&G) Budget is the operating budget which supports the primary functions of the University including instruction, research, public service, and the various support areas. It is funded by state appropriations, student fees, and other miscellaneous sources. The appropriation passed by the General Assembly was a 6.58% cut, however the budget has been developed with the state appropriation recommended by the Governor which includes a 9% decrease. Following the 0.7% increase in all tuition categories approved in February 2017, tuition for 2017-2018 was increased 2.1% for Missouri resident undergraduates, 3.3% for non-resident undergraduates, 2.1% for Missouri resident graduates, and 3.3% for non-resident graduates and enrollment for FY 2018 is projected to be down by 75 FTE. The overall result is a 3% decrease in projected revenue and expenditures compared to the FY 2017 budget.

General Budget Priorities

The FY 2018 budget was developed using the following guiding principles:

1. Protect core instructional/academic functions as much as possible.
2. Sustain key student support functions.
3. Continue to develop administrative efficiencies and reduce administrative costs whenever possible.
4. Reduce equipment/operations funds primarily in targeted areas of where purchases can be deferred.
5. Avoid significant increases in costs to students by using modest increases in tuition to enhance revenue while maintaining current levels of student financial aid.
6. Review every vacant position to justify continuation, reconfiguration or elimination.
7. No across the board cuts utilized.

Revenue Assumptions

General Revenue

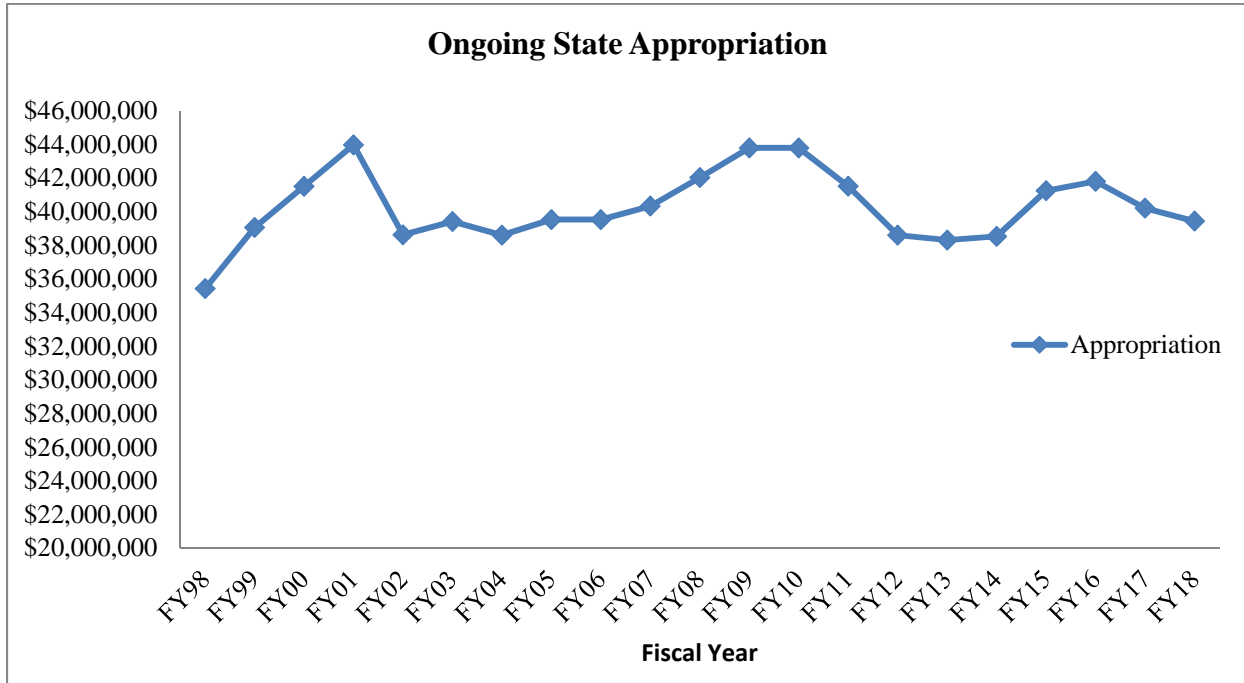
The base general revenue appropriation for Truman from the State of Missouri and approved by the General Assembly is 6.58% below FY 2017, however the Governor has not

signed this bill. Total funds appropriated from general revenue and lottery proceeds for FY 2018 are \$40,671,122. Historically, the Governor withholds at least three percent of these funds as a contingency. For Fiscal Year 2018 this requires a reserve of \$1,220,134 for the standard withholding. Table 1 provides a snapshot of total state revenue trends for FY 1998 through FY 2018 and reflects the actual funds received after all state withholding actions, including those beyond the 3% level. A comparison of initial appropriations and state funds received after withholding for FY01-FY18 is found on Table 2. Expected state support for the FY 2018 is roughly equal to the FY 1999 level.

Enrollment Fees and Other Income

The Fall 2017 enrollment is projected for budget purposes at approximately 5,430 full-time equivalent students. Spring 2018 enrollment is projected at the historical average of 93 percent of the fall semester total. Total tuition and required fees for 2017-2018 was increased by 2.1% for Missouri undergraduate students, increased by 3.3% for non-resident undergraduate students, 2.1% for Missouri graduate students, and 3.3% for non-resident graduate students. Sources of income in addition to enrollment fees include special fees, fines, charges for services, and interest income. Due to continued low interest rates on invested funds, the interest income available in FY 2018 is projected to be comparable to FY 2017.

**Table 1
GENERAL REVENUE TRENDS**



Ongoing State Appropriations Received

Fiscal Year	Appropriation	% Change
FY98	\$35,437,909	4.7%
FY99	\$39,072,485	10.3%
FY00	\$41,522,860	6.2%
FY01	\$43,987,383	5.6%
FY02	\$38,640,023	-12.2%
FY03	\$39,427,733	2.0%
FY04	\$38,619,423	-2.1%
FY05	\$39,545,109	2.4%
FY06	\$39,545,109	0.0%
FY07	\$40,346,396	2.0%
FY08	\$42,040,945	4.2%
FY09	\$43,806,665	4.2%
FY10	\$43,806,665	0.0%
FY11	\$41,526,613	-5.2%
FY12	\$38,619,750	-7.0%
FY13	\$38,325,596	-0.8%
FY14	\$38,542,604	0.6%
FY15	\$41,262,248	7.1%
FY16	\$41,816,820	1.3%
FY17	\$40,226,391	-3.8%
FY18*	\$39,450,989	-1.91%

*Projected

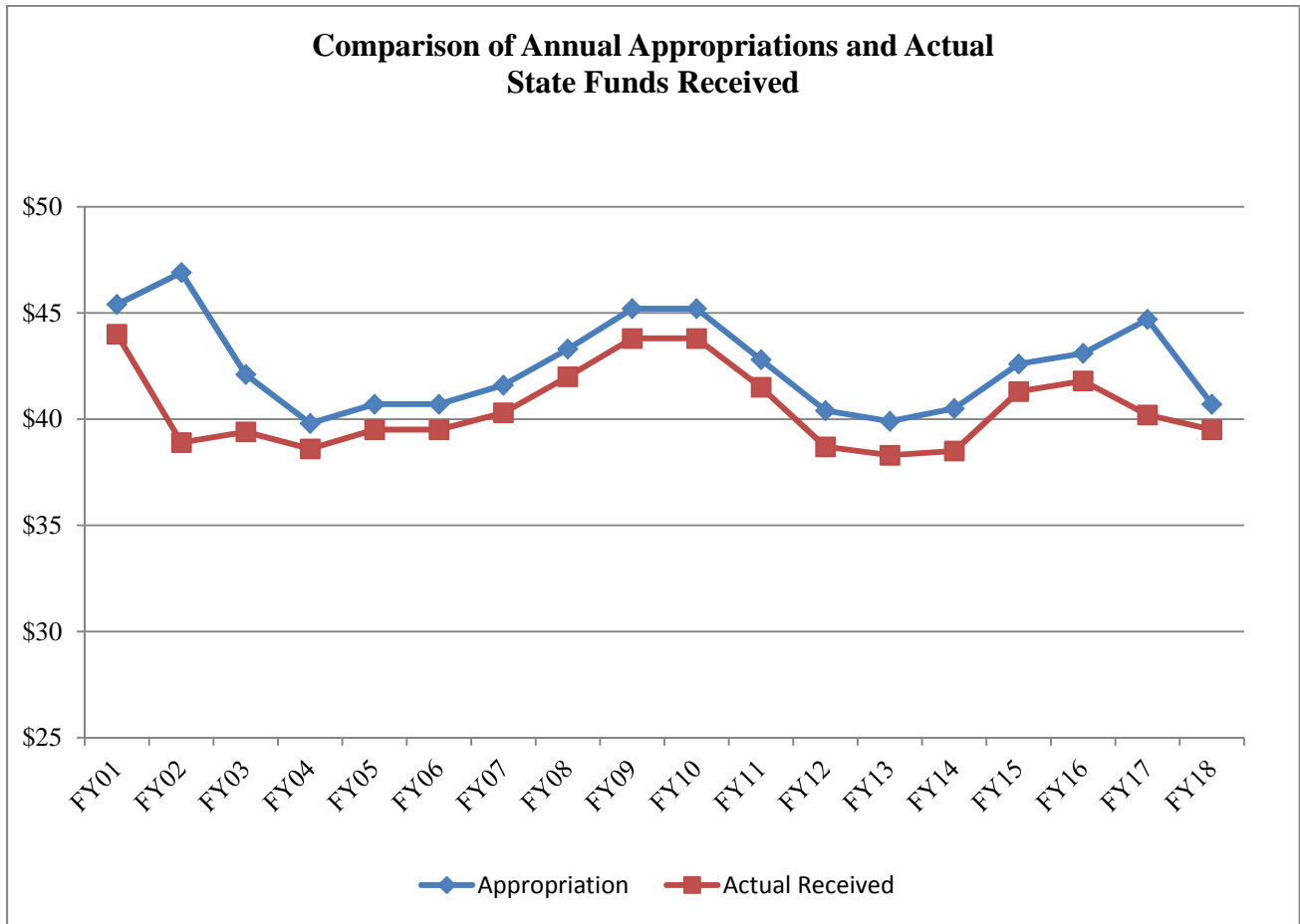
Note: This table excludes funds appropriated but withheld and one-time funds.

For FY10, one-time federal funds of \$756,339 are excluded.

For FY17, one-time Autism Clinic funds excluded, and reflects extra withholding.

For FY18, the standard 3% withholding is assumed.

Table 2



	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Appropriation	45.4	46.9	42.1	39.8	40.7	40.7	41.6	43.3	45.2	45.2	42.8	40.4	39.9	40.5	42.6	43.1	44.7	40.7
Actual Received	44.0	38.9	39.4	38.6	39.5	39.5	40.3	42.0	43.8	43.8	41.5	38.7	38.3	38.5	41.3	41.8	40.2	39.5

FY10 excludes one-time federal fund designated for Caring for Missourians.
 FY17 excludes one-time Autism Clinic funds and reflects extra withholding.
 FY18 is projected based on the standard 3% withholding.

Planned Expenditures

General

In order to balance the FY 2018 Education and General budget, planned expenditures were reduced by approximately \$2.9 million, from \$97.3 million to \$94.4 million. A complicating factor was the increase in the required MOSERS retirement system contribution which impacted fringe benefit costs. Table 3 outlines expenditure trends by Personal Service (salaries and benefits), Equipment/Operations, and Total for the last 10 years. The FY 2018 budget calls for expenditures which are only 2% above the FY09 level.

Personal Services

A major portion of the operating budget is utilized for salaries and fringe benefits. For FY 2018, Truman is budgeting \$57.1 million in this category, or 60% of the total Education and General budget. This includes funds for faculty and staff salaries, student employment, and fringe benefits such as retirement, medical insurance, and social security. The breakdown for Personal Services is as follows.

Salaries	\$37,521,209
Fringe Benefits	\$15,782,318
Student Employment	\$ 3,825,967
Total	\$57,129,494

Within the FY 2018 budget, several positions were eliminated through attrition or retirements and others were reconfigured to meet current needs. Positions eliminated include office and physical plant support staff as well as administrative and faculty positions.

Operations and Equipment

The following provides a brief summary of operations and equipment trends by major segments of the campus.

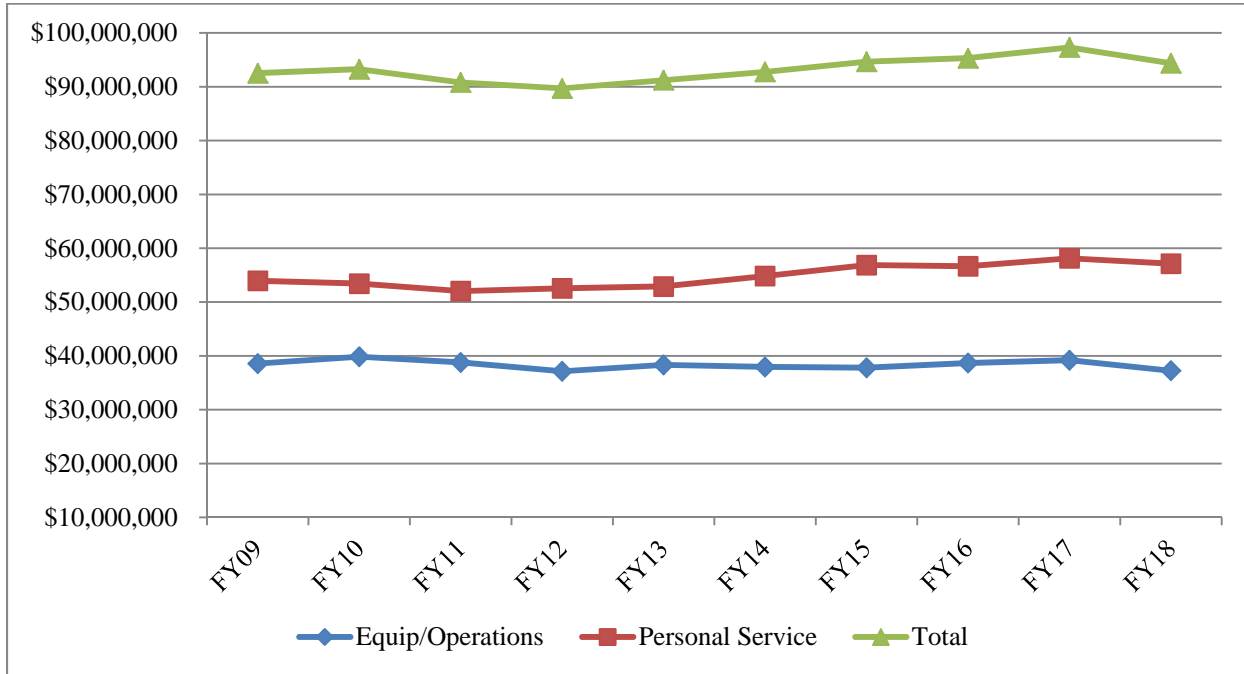
1. Academic Affairs. Operations funds have been allocated to meet needs in instruction, research and public service areas. A total of over \$3.3 million dollars in operations is budgeted in core areas including the academic departments. Equipment for instructional use will be budgeted approximately the same as the FY 2017 level. This

academic equipment is in addition to the campus technology funds. Table 4 outlines academic and research equipment budgets for FY 2005-FY 2018 and shows the asset renewal rate for these areas. Research funding totals are just over \$600,000 for FY 2018, with most of the funds in the operations and equipment categories. Funds for Pickler Memorial Library were reduced in the acquisitions category.

2. Student Services. Operating and equipment budgets in the Student Services category have been allocated to meet priorities in various areas. The offices and functions in this category within the Education and General budget include Registrar, Financial Aid, International Students, Multicultural Affairs, Admission, Athletics, Health Clinic, and Counseling. Nearly \$3 million is budgeted for equipment and operations in the student services category. This includes the funds generated by the student athletic fee. Additional Student Services areas including Residential Living, the Student Union, and Recreation Center are funded in the Auxiliary Budget and are not included here.
3. Computing and Technology. The FY 2018 operating budget includes significant allocations for computing and technology. A total of \$3.4 million is budgeted for technology services which include staff, operations, equipment and maintenance of existing systems and networks with over 2,000 laptop and desktop workstations on campus, and a network with 8,800 ports. Continued technology investment is necessary to remain competitive. For 2017-2018, technology areas are budgeted at 3.6 percent of the institutional total.
4. Maintenance and Repair Fund. In the mid 1990's the General Assembly provided designated appropriations from General Revenue to handle campus maintenance and repair. These funds were added to the base appropriation for each campus with the intention to meet needs such as renovations, roof replacements and upgrades to heating and air conditioning systems. For FY 2018, a total of \$1,190,000 is budgeted for maintenance and repair. Table 5 outlines trends in the Maintenance & Repair budget for FY 2008-FY 2018.

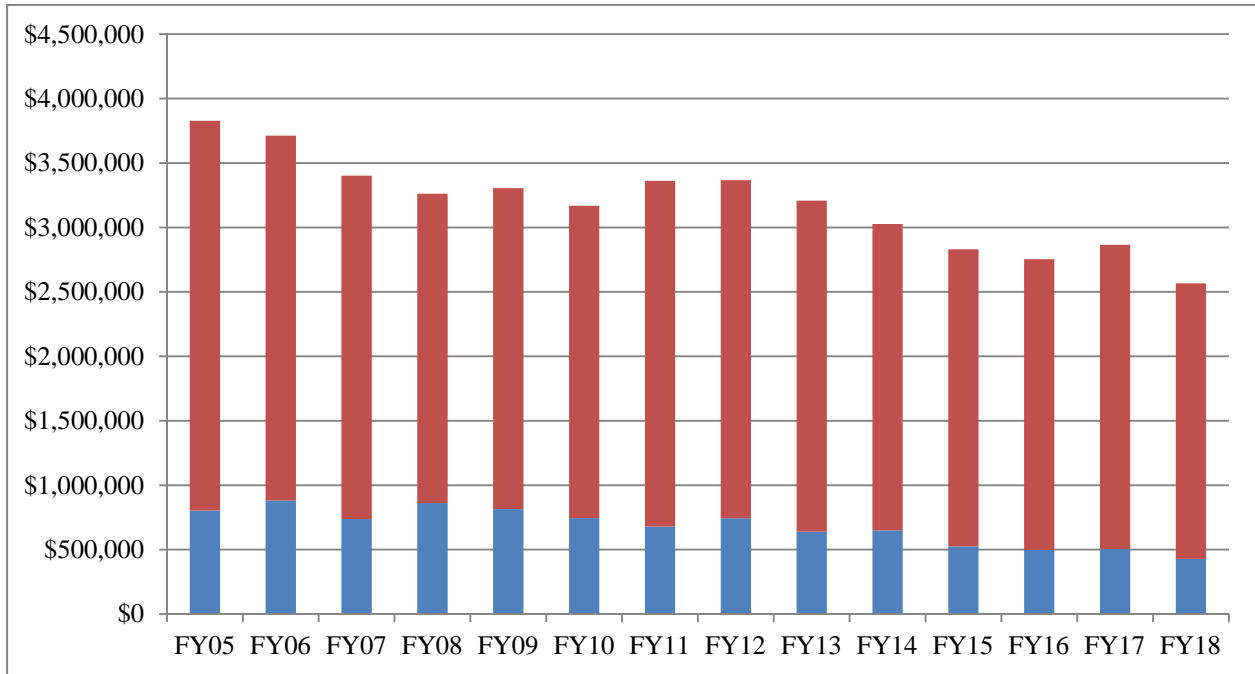
5. Utilities. Due to increases in utility costs and increased demand, utility budgets have historically increased each year. However, for 2017-18 utility costs are projected to decline as a result of savings from the recent energy project. Total funds budgeted for utilities, including operation of the central power plant, are \$2.9 million. The Auxiliary Budget includes additional funds to cover utilities in those facilities.
6. Institutional Support. This area includes many administrative functions such as the Business Office, Alumni/Advancement, Public Relations, President's Office and other support areas. The combined operations and equipment total for this category is almost \$1.9 million, which includes funds transferred from the Foundation to support advancement and fundraising efforts.
7. Scholarships. For FY 2018, funds for scholarships have been maintained at approximately the same level to cover projected expenditures for institutionally funded academic and athletic grants.
8. Student Employment. Student employment budgets are targeted to assist students and supplement staff in multiple areas. Funds allocated for student employment in the Education and General budget total over \$3.8 million, a small decrease from FY 2017.

Table 3
Education and General Budget by Category
FY 2009 – FY 2018



	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
TOTAL	92,505,854	93,259,767	90,799,907	89,683,895	91,213,610	92,770,780	94,658,000	95,302,000	97,317,725	94,368,295
Personal Service	53,942,855	53,418,859	52,039,986	52,548,445	52,886,984	54,834,643	56,866,257	56,643,753	58,132,124	57,129,494
Equipment/ Operations	38,562,999	39,840,908	38,759,921	37,135,450	38,326,626	37,936,137	37,791,743	38,658,247	39,185,601	37,238,801

**Table 4
Academic & Research Equipment Budgets**

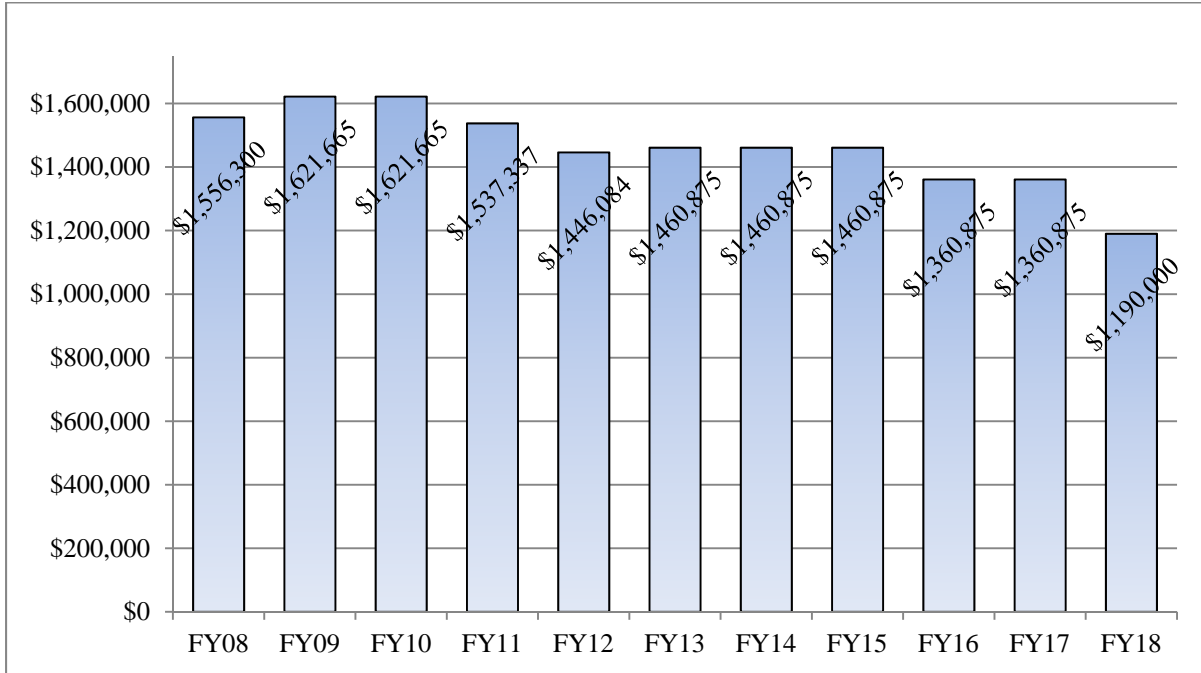


(000's omitted)

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Equipment Budget	3,025	2,831	2,665	2,400	2,491	2,423	2,682	2,622	2,568	2,378	2,305	2,255	2,360	2,138
Actual \$ Available	803	881	737	862	814	744	679	744	640	649	525	498	504	429

Note: Equipment budgets include significant amounts designated to cover the 3% withholding in state funds and contingency amounts including the 5% reserve. The plan is to focus these funds on academic purchases should they be released during the fiscal year. This chart shows the portion of annual equipment budgets actually available for academic and research purchases. It should be noted that changes in definitions or the threshold price for equipment have reduced this budget significantly in recent years.

**Table 5
Maintenance & Repair Budget**



	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>
Operating M&R	1,556,300	1,621,665	1,621,665	1,537,337	1,446,084	1,460,875	1,460,875	1,460,875	1,360,875	1,360,875	1,190,000

FY 2018 EDUCATION AND GENERAL REVENUE BY CATEGORY

The page that follows provides a summary of projected revenue for FY 2018 in several major categories. General Revenue, or state funds, provides 43.1% of the proposed budget.

Board policy calls for net tuition income not to exceed a target of 35 percent of the total budget. This policy has specific guidelines regarding the calculation which allow for the omission of designated or restricted fees. The policy also compensates for budgeted student aid.

Page 13 of this section provides the detail for the calculation to determine adherence to the policy for FY 2018. The portion of the adjusted budget supported by student tuition is 30.7% and, therefore, is within the policy.

Table 6 illustrates budgeted sources of funds for FY 2018. Trends in recent years include reductions in state funding, increases in student fees, and more revenues from other miscellaneous sources. As a result, state support now accounts for approximately 43% of budgeted Education and General revenues.

**EDUCATION AND GENERAL
FY 2018 REVENUE BY CATEGORY**

General Revenue

\$40,671,122

This represents the entire amount appropriated by the General Assembly. A contingency budget of \$1,220,134 has been established for the traditional 3% withholding by the Governor. In recent years only a small portion of the 3% withholding has been released, and no funds are expected to be released in FY 2018.

Student Tuition and Enrollment Fees

\$51,026,000

FY 2018 enrollment income for budget purposes is based upon a 75 FTE decline in student enrollment. Spring semester enrollment is based on a 93% retention rate. Missouri students are assumed to make up 70% of the total enrollment; graduate enrollment is expected to be stable; and summer enrollment is projected at the 2017 summer level. This category also includes fees for off-campus courses, the athletic fee, study abroad programs, and special enrollment fees.

Other Local Income and Transfers

\$ 2,671,173

This includes various revenue sources: investments, athletic gate receipts, sales and services of educational activities (such as summer camps), rollover from FY 2017, indirect costs from grants and other miscellaneous sources. Transfers from Auxiliary sources and the Foundation are also included here.

GRAND TOTAL ALL SOURCES

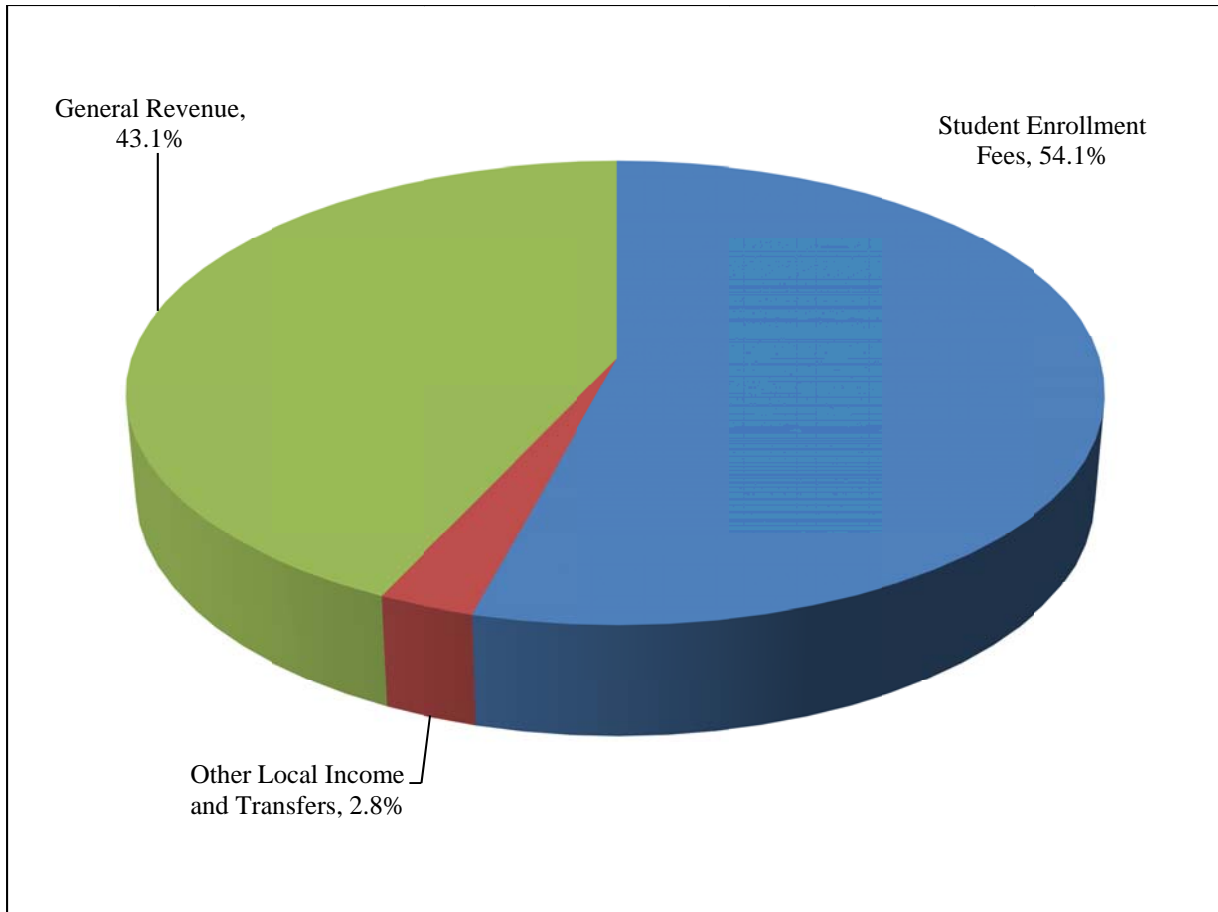
\$94,368,295

SEGREGATION OF ON-CAMPUS FEE INCOME FOR FY 2018 IS AS FOLLOWS:

	Total Fee Income	Undesignated & Unrestricted
Enrollment Fees		48,961,000
Less Restricted/Designated		
Student Union	-1,014,700	
“out-of-state” Missouri taxpayer discount	-150,000	
Recreation Center	-1,185,600	
Truman Week Fee	-512,000	
Joseph Baldwin Academy	-450,000	
Student Health Center Fee	-288,000	
Student Activity Fee	-473,000	
Athletic Fee	-610,000	
Technology Fee	-177,000	
Student Sustainability Fee	-52,700	
Total designated/restricted funds	-4,913,000	
		<hr/>
Total unrestricted funds		44,048,000
The percentage calculation is shown as follows:		
1. Undesignated and unrestricted fees (above)		44,048,000
2. Less Academic Scholarships, Experienceships and Athletic Grants in Aid		-21,757,304
NET TUITION		22,290,696
		<hr/>
1. Total Education and General Budget		94,368,295
2. Less Academic Scholarships, Experienceships and Athletic Grants in Aid		-21,757,304
ADJUSTED E&G TOTAL		72,610,991
		<hr/>
NET TUITION AS A PERCENTAGE OF ADJUSTED E&G		30.7%

NOTE: Includes projected on-campus student fee income and excludes off-campus courses and study abroad program fees.

Table 6
FY 2018 BUDGETED REVENUE



FY 2018 PLANNED EXPENDITURES BY CATEGORY

The Missouri Coordinating Board for Higher Education and Office of Administration have developed a budget reporting structure which follows the NCHEMS model and federal financial reporting standards for higher education. The broad budget categories and totals for FY 2018 are as follows:

Instruction \$41,497,189

This includes all expenditures such as faculty salaries, operating funds and equipment which support instructional activities.

Research \$ 615,230

Activity organized to produce research outcomes is included in this category. Internal research grants, research equipment, and undergraduate research stipends are in this budget.

Public Service \$ 36,463

Non-instructional services beneficial to external groups are included in public services. Summer camps and matching funds for Upward Bound and similar programs are budgeted here.

Academic Support \$ 4,649,775

The Library and academic administration are in this category. Expenses for operation of the library represent over one-half of this budget.

Student Services \$ 8,850,561

This includes areas such as student services administration, counseling services, admissions and records, intercollegiate athletics, health services, and testing services.

Institutional Support \$ 7,126,937

Support areas including fiscal operations, alumni and public relations, and general administration are in this category.

Physical Plant \$ 8,604,836

General physical plant operations, including maintenance, grounds and custodial, and public safety are in this category. Funds for fuel and utilities are also included here.

Maintenance and Repairs \$ 1,190,000

Funds designated for campus building repairs and preventive maintenance are in this category.

Student Aid \$ 21,757,304

Student scholarships, experienceships and athletic aid are included here.

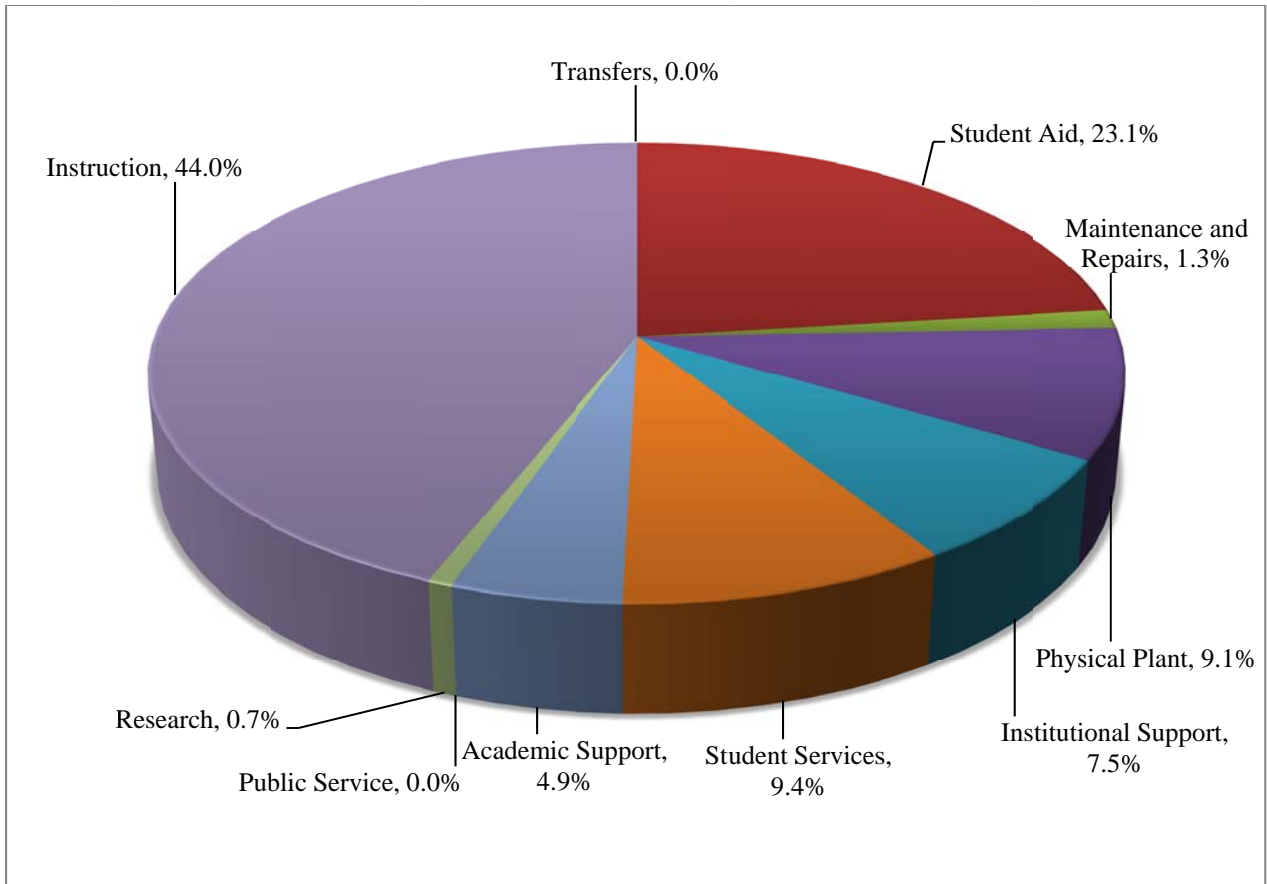
Transfers \$ 40,000

Mandatory transfers for federal aid programs (Perkins and SEOG) comprise this budget.

TOTAL \$94,368,295

Note: Several significant changes in categories have been made to match the 2006 Uniform Financial Reporting Manual developed by the Coordinating Board for Higher Education as well as the most recent National Association of College and University Business Officers guidance regarding classification of various functional areas.

Table 7
FY 2018 PLANNED EXPENDITURES



FY 2018 EDUCATION AND GENERAL EXPENDITURES BY CATEGORY

	Personal Service	Equipment	Operations	Total
Instruction	36,410,541	1,712,769	3,373,879	41,497,189
Research	84,000	375,000	156,230	615,230
Public Service	33,796	0	2,667	36,463
SUBTOTAL	36,528,337	2,087,769	3,532,776	42,148,882
Academic Support	3,077,768	50,000	1,522,007	4,649,775
Student Services	5,907,363	5,500	2,937,698	8,850,561
Institutional Support	5,160,186	27,100	1,939,651	7,126,937
Physical Plant	4,005,840	112,200	4,486,796	8,604,836
Maintenance & Repairs	0	0	1,190,000	1,190,000
Student Aid	2,450,000	0	19,307,304	21,757,304
Transfers	0	0	40,000	40,000
TOTALS	57,129,494	2,282,569	34,956,232	94,368,295

Note: Several significant changes in categories have been made to match the 2006 Uniform Financial Reporting Manual developed by the Coordinating Board for Higher Education as well as the most recent National Association of College and University Business Officers guidance regarding classification of various functional areas.

**COMPARISON OF EDUCATION AND GENERAL BUDGET BY CATEGORY
FY 2011 – FY 2018**

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Change 17-18
Personal Services	52,039,986	52,548,445	52,886,984	54,834,643	56,866,257	56,643,753	58,132,124	57,129,494	-1.72%
Equipment	3,000,714	2,941,815	3,074,615	2,844,715	2,635,965	2,570,303	2,659,869	2,282,569	-14.2%
Operations	35,759,207	34,193,635	35,252,011	35,155,492	35,155,788	36,087,944	36,525,732	34,956,232	-4.3%
TOTAL	90,799,907	89,683,895	91,213,610	92,770,780	94,658,000	95,302,000	97,317,725	94,368,295	-3.0%

Notes: Equipment category includes funds to cover 3% state withholding and other major contingency accounts. Due to reclassification of equipment under GASB year-to-year comparisons may not be valid.

FISCAL YEAR 2018 AUXILIARY BUDGET NARRATIVE

Executive Summary

Revenue from combined auxiliary operations is projected to increase slightly in FY 2018. This estimate is based on the number housed in the residence halls as well as budgets which are tied to student enrollment such as the Student Union and Recreation Center. Occupancy levels in the residence halls are budgeted based on a small decrease from actual this past academic year. The rates charged to students for residence halls including room and board were increased by an average of 1.0% for the 2017-18 academic year.

Modest changes in operating and equipment budgets have been recommended for 2017-2018. For FY 2018, only minor staffing changes are recommended in auxiliary areas. Two positions were added to work with student career readiness. The major changes in the Auxiliary Budget for FY 2018 include the increase in funds to cover projected food costs as well as MOSERS contributions. Savings were realized with the refinancing of bonds in 2015 and 2016 and this is reflected in the operating budgets for FY 2018.

General Budget Priorities

This budget was prepared to meet priorities such as improving services to students, and activities which will provide more efficient operations. Asset renewal is also important in the auxiliary area, particularly in the residence halls and Student Union Building. The budget for auxiliary operations must be balanced and also meet bond payment requirements.

Revenue Assumptions

1. **Residence Halls.** Room and board rates were raised by an average of 1.0% for FY 2018. A student living in a typical two-person room will pay \$8,558 for the 2017-2018 academic year. Based upon an occupancy rate of 2,475 for the fall semester and 93 percent returning for the spring semester, revenue from residence halls and apartments is projected at \$21,325,000.

2. Other Residence Hall Income. Income from off-campus students who dine in the halls and from rentals, commissions, and miscellaneous sources is projected at \$760,000 for FY 2018. Additional revenue sources include interest income and miscellaneous fees which should generate approximately \$865,000.
3. Student Union. The Student Union is primarily funded by a transfer from enrollment income to this budget at a rate of \$95 per full-time equivalent student per semester. This fee was established to build, maintain and cover debt service for the Student Union. The Student Activity Fee helps fund the Center for Student Involvement, which is housed in the Student Union. Additional income sources include room rentals, bookstore, and food service commission. Total revenue for the Student Union Building is projected at \$1,370,000.
4. Recreation Center. Major expenses for the Recreation Center include personnel, operations and debt service. A designated fee of \$111 per semester per full-time equivalent student is included in enrollment fees. Debt on the Recreation Center has been retired so funds are being budgeted to help finance future renovations. Total revenue for FY 2018 is projected at \$1,260,000 for the Recreation Center.
5. Service Departments. Revenue from auxiliary service departments such as Printing Services is projected at \$660,000 for FY 2018.

Planned Expenditures

A significant portion of the Auxiliary Budget is utilized to operate the residence halls. Staff includes the Residential Living Office, hall directors, housekeepers, and physical plant employees assigned to these non-academic areas. Table 8 outlines Auxiliary Budget equipment trends for FY 1998-FY 2018 and illustrates the emphasis on asset renewal in these areas.

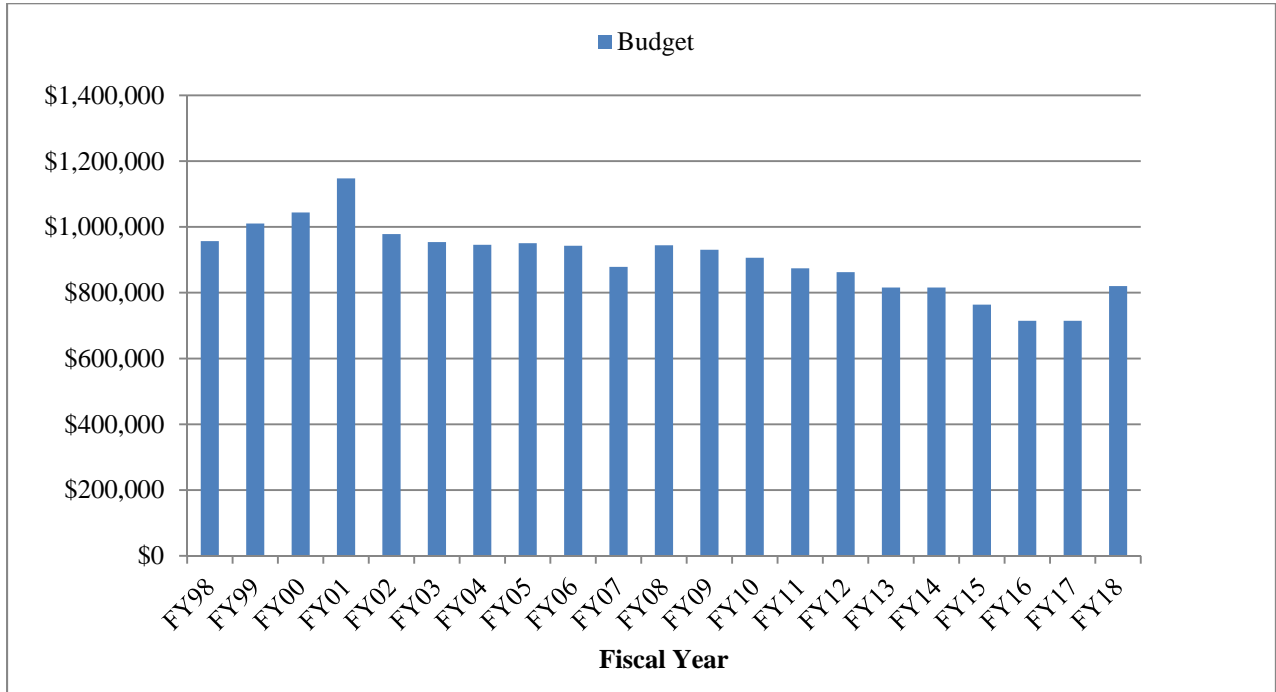
Operating funds for Residential Living include utilities, repairs and renovations, and food service contracts. Funds are included for furniture replacements, food service equipment, and general repairs to the facilities. Food service costs will increase to cover increased costs as agreed to in the food service contract, which is the largest single component of this budget.

Utility costs are projected to be stable in 2017-2018 from the current year actual expenditures and the budget reflects this. A major portion of the Residential Living operating budget is the \$3,337,387 set aside for bond repayments.

On a smaller scale, the Student Union Building budget also covers personnel, operating costs such as utilities, and funds for replacement and repair of the equipment. Funds are also included to cover general maintenance of this building and funds have been increased for student employment. This budget includes \$314,898 for bond repayments.

The Recreation Center budget is continued at a level comparable to the previous year. This will provide for continued staffing and operations funds to meet the usage of this facility. Utility costs are a major component in the operating budget for this area, and the student employment budget has been increased. An equipment budget is also provided to replace and update items as needed. Funds are also budgeted for future equipment and renovation to this facility.

Table 8
Auxiliary Equipment Budget Trends
FY98-FY18



<u>Fiscal Year</u>	<u>Equipment Budget</u>	<u>% change</u>
FY98	\$ 957,058	6.3%
FY99	\$ 1,010,358	5.5%
FY00	\$ 1,043,858	3.3%
FY01	\$ 1,147,858	9.9%
FY02	\$ 978,464	-14.7%
FY03	\$ 954,166	-2.5%
FY04	\$ 945,906	-0.9%
FY05	\$ 950,796	0.5%
FY06	\$ 942,796	-0.8%
FY07	\$ 878,780	-6.8%
FY08	\$ 944,488	7.4%
FY09	\$ 930,488	-1.5%
FY10	\$ 906,247	-2.6%
FY11	\$ 874,233	-3.5%
FY12	\$ 862,633	-1.3%
FY13	\$ 815,883	-5.4%
FY14	\$ 815,883	0.0%
FY15	\$ 763,883	-6.4%
FY16	\$ 714,583	-6.5%
FY17	\$ 714,583	0.0%
FY18	\$ 820,060	+14.7%

Note: Includes equipment funds for residence halls, food service, Student Union, etc.

FY 2018 AUXILIARY REVENUE BY CATEGORY

RESIDENCE HALLS

Room and Board \$21,325,000

This projection is based on an occupancy rate of 2,475 for residence halls and apartments. Spring occupancy is historically 93 percent of the fall semester.

Investment Income \$ 80,000

Income from investment is projected to be comparable to previous year's total.

Off-Campus Student Meal Sales \$ 760,000

This source represents income from purchase of residence hall meal cards by students who live off-campus. The projection is based on FY 2017 levels of sales.

Other Income \$ 785,000

Revenue from deposits, processing fees, rentals, commissions, and similar sources is projected to be down slightly from FY 2017.

TOTAL RESIDENCE HALL INCOME **\$22,950,000**

STUDENT UNION\$ 1,370,000

This revenue source includes the transfer of enrollment fees based on full-time equivalent (FTE) students. Total revenues are projected to be comparable to FY17 and additional income sources include rentals, bookstore, and food service commission.

RECREATION CENTER\$ 1,260,000

Funds for operation of the Recreation Center and repayment of construction bonds come primarily from the transfer of enrollment fees based on FTE students. Other sources of income include rental of the facility to outside groups and faculty/staff membership fees.

SERVICE DEPARTMENTS\$ 660,000

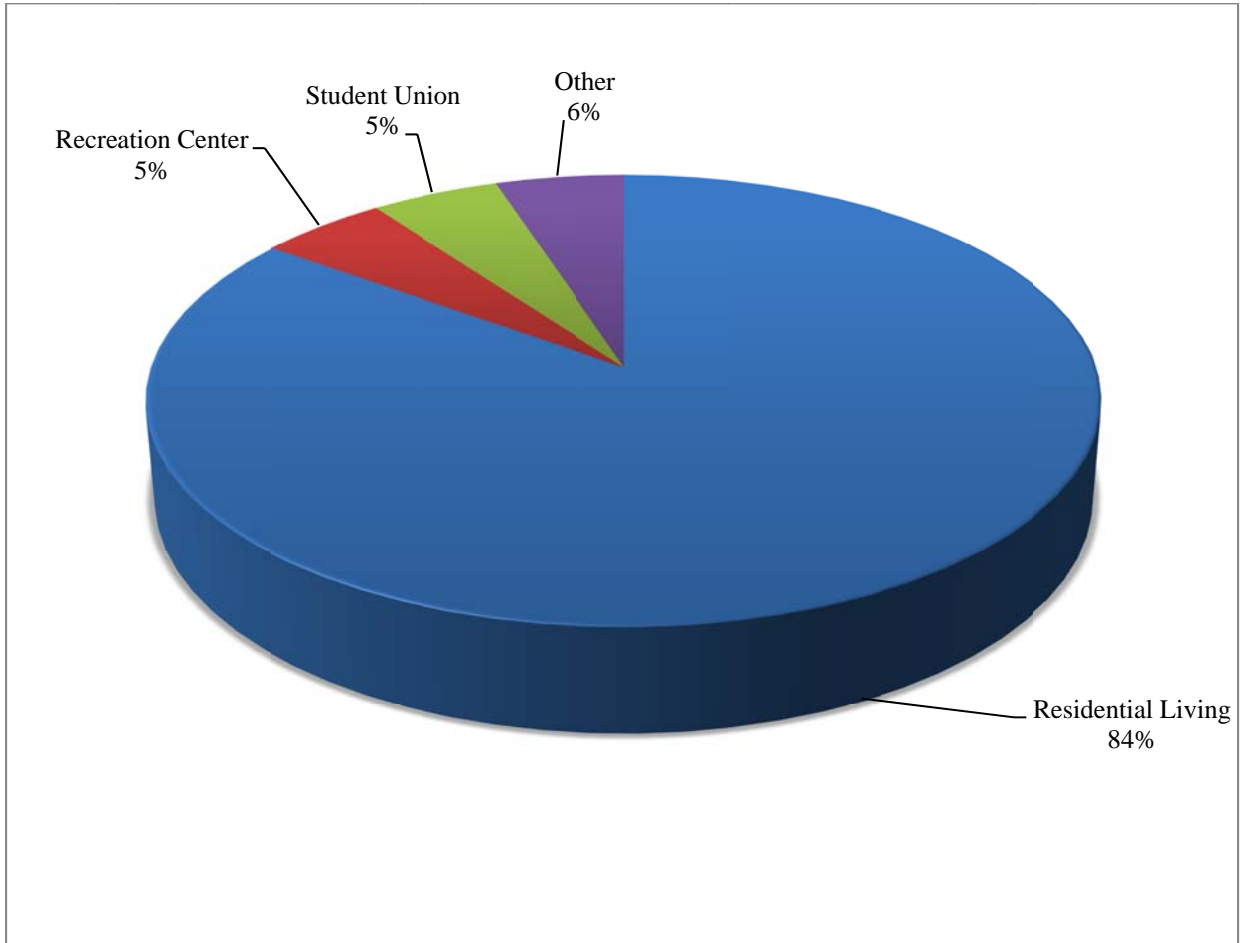
Several service departments are operated as auxiliary enterprises. Currently this includes Campus Printing Services. Revenue is projected to be level for FY18.

GRAND TOTAL AUXILIARY REVENUE**\$26,240,000**

FY 2018 AUXILIARY EXPENDITURES BY AREA

	Personal Services	Equipment	Operations	Total
Residential Living	3,492,535	644,360	14,667,291	18,804,186
Residential Living Bond Payments	0	0	3,337,387	3,337,387
Student Union	393,445	140,700	413,374	947,519
Student Union Bond Payment	0	0	314,898	314,898
Printing Services	189,031	5,000	249,870	443,901
Auxiliary Administration	92,957	0	18,494	111,451
Other Auxiliary	3,000	0	28,000	31,000
Recreation Center	478,789	30,000	198,374	707,163
Recreation Center Reserve	0	0	450,000	450,000
Transfer/Surplus	0	0	1,092,495	1,092,495
TOTAL	4,649,757	820,060	20,770,183	26,240,000

Table 9
FY 2018 AUXILIARY EXPENSES
BY MAJOR AREA



FISCAL YEAR 2018 RESTRICTED FUND BUDGET

Executive Summary

This budget includes funds from outside grants and other sources (state and federal) which are restricted in nature. Examples include federal programs such as McNair and Upward Bound and state-funded activities such as the Regional Professional Development Center. Due to the nature of these programs and the fact that the federal fiscal year does not match Truman's fiscal year, all revenues in this budget are estimated.

Projected Restricted Revenues and Expenditures

Major activities supported through restricted funds include the following:

Upward Bound \$ 405,000

This program is part of the federal TRIO program funded by the Department of Education. It is designed to assist high school students in building the skills and motivation necessary for college success.

McNair \$ 255,000

Truman has received McNair funding since 1992. The program is designed to provide disadvantaged college students with preparation for graduate programs.

Regional Professional Development Center \$ 900,000

The Regional Professional Development Center is operated in conjunction with Truman's School of Health Sciences and Education. The center is funded by the Missouri Department of Elementary and Secondary Education and provides training and support to public schools in the northeast region. Any fee income generated by Regional Professional Development Center activities is restricted and must be returned to the state if not used for the program.

NSF-Preparing & Advancing Scholars in Mathematics & Computer Science

\$ 60,000

This grant will identify, recruit, nurture and educate talented young students and place them in academic and professional careers in mathematics and computer science.

NSF-Robert Noyce Scholars Program for Secondary Mathematics & Physics Teaching

\$ 364,857

This project will strive to impact physics and mathematics teacher shortages in Missouri and nationwide by creating a dual mathematics/physics secondary teacher preparation tract. The program will recruit and support students following this new contract.

Pell

\$4,700,000

Pell Grants are provided from federal funds to eligible students based on need. This amount is a projection as awards are contingent on the number of qualifying students enrolled.

SEOG

\$ 101,284

Supplemental Educational Opportunities Grants are provided from federal funds to eligible students.

Work Study

\$ 310,818

The College Work-Study Program includes federal funds to support part-time student workers.

Federal TEACH Grant

\$ 25,000

This grant provides up to \$4,000 to eligible undergraduate and graduate students who agree to teach specified high-need subjects at schools serving primarily disadvantaged populations for four years within eight years of graduation. This amount is a projection as awards are contingent on the number of qualifying students enrolled.

USA Funds – Hawthorne Foundation

\$ 100,000

Grants from the national nonprofit USA Funds will expand programs that accelerate degree completion, reduce college costs, and prepare students for high demand fields.

Other

\$ 182,200

There are numerous smaller grants and contracts from foundations and governmental sources designed for instruction, research and public service activities. This includes programs supported by HUD, Missouri Foundation for Health, NSF, U.S. Small Business Administration, and USDA.

TOTAL ESTIMATED FY 2018 RESTRICTED

\$7,404,159

FISCAL YEAR 2018
ESTIMATED RESTRICTED REVENUE AND EXPENDITURES

<u>Area or Program</u>	<u>FY 2018 Estimate</u>
Upward Bound	\$ 405,000
McNair	\$ 255,000
Regional Professional Development Center	\$ 900,000
NSF Preparing & Advancing Scholars	\$ 60,000
NSF-Robert Noyce Scholars Program	\$ 364,857
Pell	\$4,700,000
SEOG	\$ 101,284
Work-Study	\$ 310,818
Federal TEACH Grant	\$ 25,000
USA Funds – Hawthorne Foundation	\$ 100,000
Other	\$ 182,200
TOTAL	\$7,404,159

COMBINED OPERATING BUDGET SUMMARY

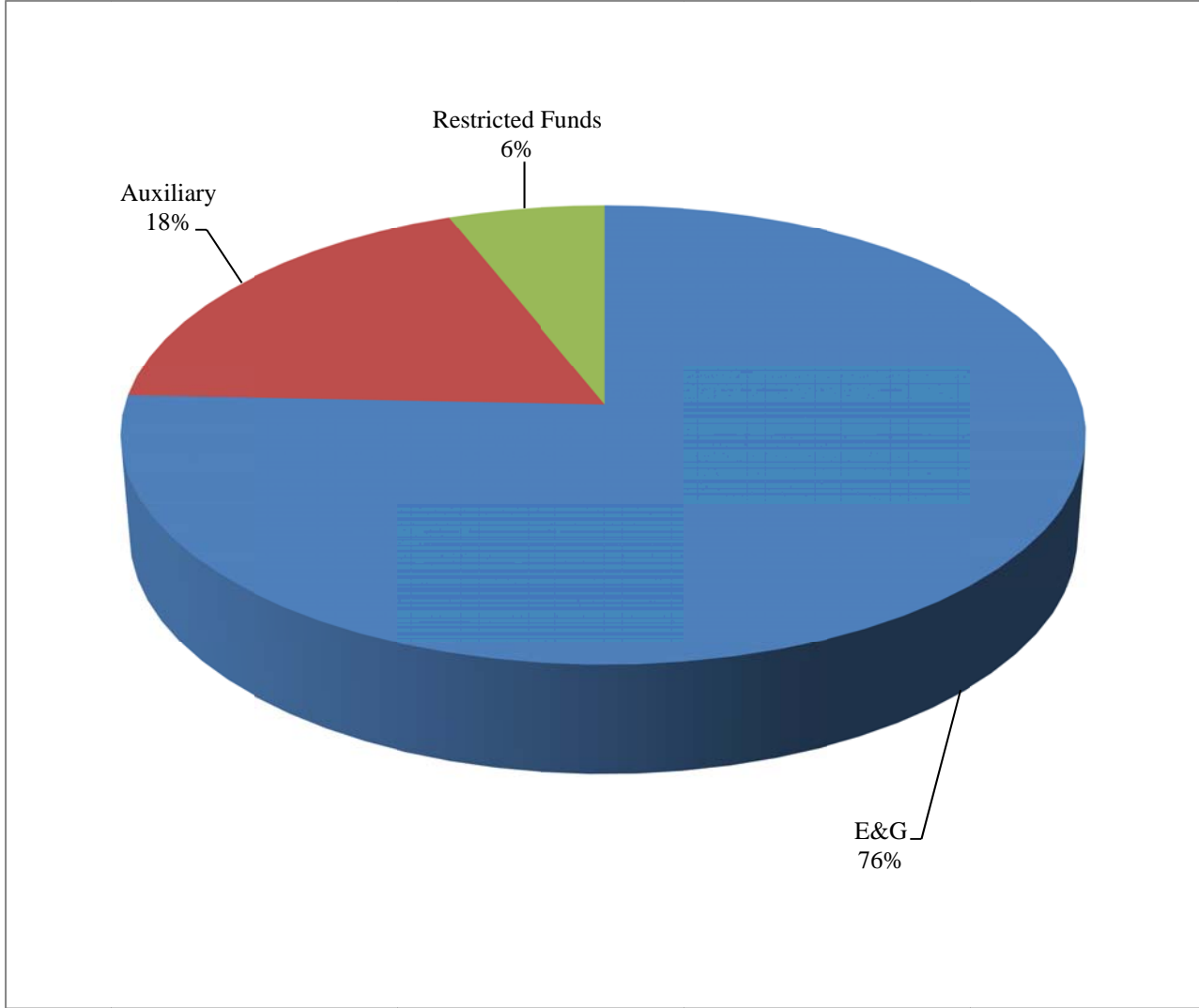
The combined operating budget for Fiscal Year 2018 totals \$124,722,454.

Education and General	\$ 94,368,295
Auxiliary	\$ 22,950,000
Restricted Funds	<u>\$ 7,404,159</u>
Total	\$124,722,454

Table 10 illustrates the combined operating budget distributed by type, and the Education and General budget represent 75% of the total.

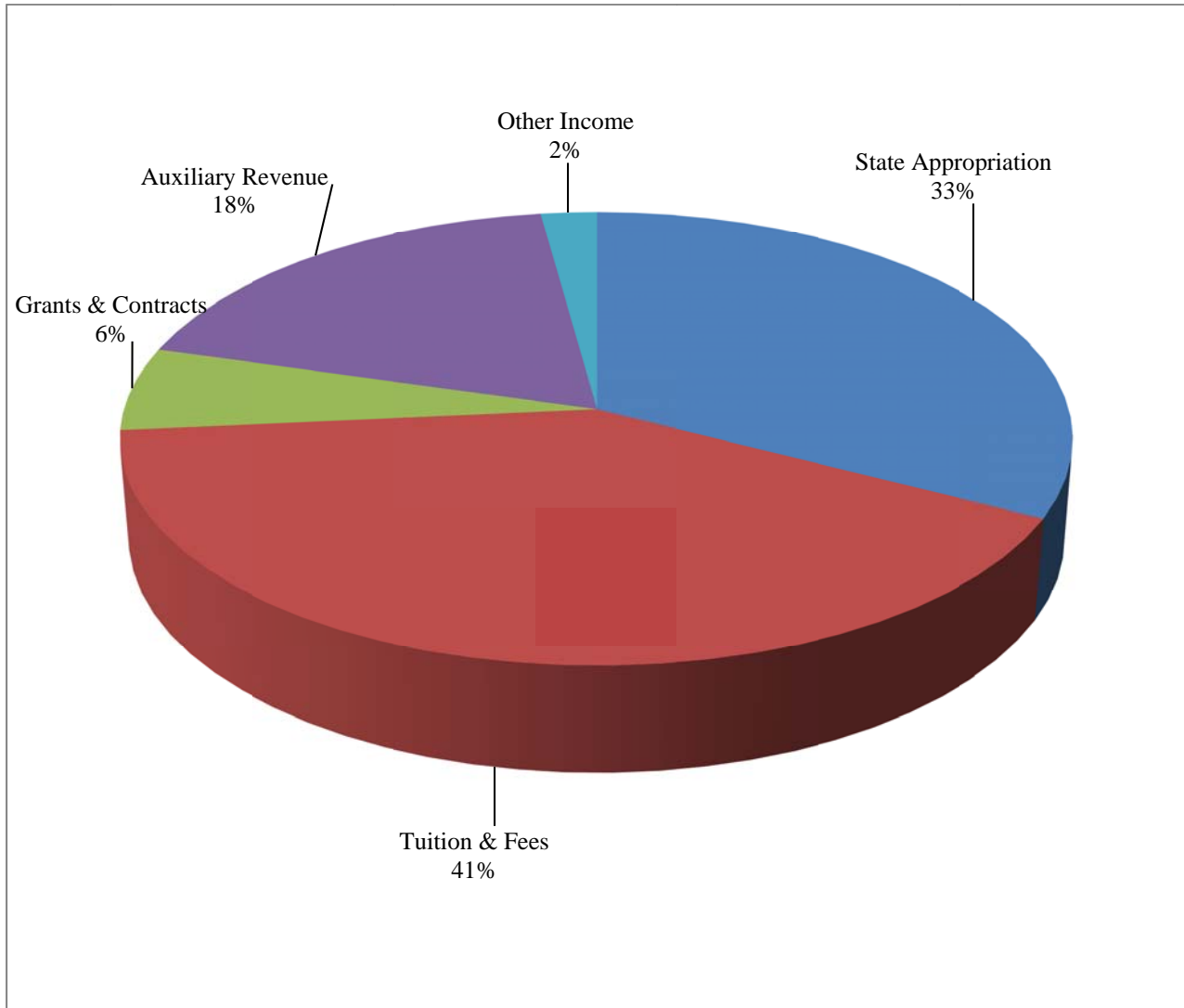
Projected revenues are equal to the various operating budgets, and Table 11 illustrates the sources of revenue which are combined to produce the funds needed. Major sources, in descending order, are Student Tuition and Fees, State Appropriations, Auxiliary Revenue, Grants and Contracts, and Other Income.

**Table 10
FY 2018 OPERATING BUDGETS**



Operating Budget	\$ Amount
E&G	\$94,368,295
Auxiliary	\$22,950,000
Restricted Funds	\$ 7,404,159

**Table 11
FY 2018 Revenue Sources**



Revenue Sources	\$ Amount
State Appropriation	\$40,671,122
Tuition & Fees	\$51,026,000
Grants & Contracts	\$ 7,404,159
Auxiliary Revenue	\$22,950,000
Other Income	\$ 2,671,173