

REVISED

FCR 14

Office of the President
May 6, 2003

Members, Board of Trustees:

2002-03 Budget Revisions

Recommendation: that the following revisions to the 2002-03 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u>			
1. Income Estimates			
State Appropriation			
Regular Appropriation	\$313,431,100	\$304,755,700	\$ (8,675,400)
Student Fees			
General			
Regular - University System	100,455,300	103,568,500	3,113,200
Lexington Community College	11,047,700	11,847,700	800,000
Self-Supporting			
Mandatory Registration Fees	5,997,300	6,241,800	244,500
Gifts, Grants, and Contracts			
Gifts, Donations, Pledges	6,973,700	8,761,200	1,787,500
Sales and Services			
Departmental Sales and Services	30,140,600	37,206,400	7,065,800
Hospital	321,089,000	343,064,000	21,975,000
			<u>\$ 26,310,600</u>
2. Expenditures			
Senior Vice President - Administration			
Fiscal Affairs and Information Technology			
Communication and Network Systems	\$ 3,030,300	\$ 3,430,300	\$ 400,000
Provost			
Agricultural Cooperative			
Extension Service			
Field Programs	28,311,200	29,911,200	1,600,000
Student Affairs			
Campus Recreation	1,696,000	1,940,500	244,500
Lexington Community College			
General Instruction	12,104,800	12,835,600	730,800
Hospital	317,744,400	339,719,400	21,975,000
University-Wide	0	1,360,300	1,360,300
			<u>\$ 26,310,600</u>

3. Comments - The \$8,606,200 decrease in state appropriation for the University will be addressed using prior year balances and excess tuition. The \$69,200 decrease in state appropriation for the Lexington Community College will be addressed through excess tuition revenue.

A. GENERAL FUND (continued)

The increase in regular student fees revenue is due to enrollment growth in fall 2002 and spring 2003. The revenue will be used to address the state appropriation reduction and support general instruction. The increase in mandatory registration fee income is likewise due to enrollment growth and will support campus recreation programs and activities.

The increase in gifts, grants and contracts reflects the receipt of \$1,600,000 of the Phase 1 tobacco settlement from the Kentucky Agricultural Development Board and will support field programs in Agricultural Cooperative Extension Service. In addition, \$187,500 was received from the Council on Postsecondary Education to support the joint engineering programs between the University of Kentucky and Western Kentucky University.

The sales and services budget will increase by approximately \$2.2 million from the sale of property to support scholarships. This category also includes transfers from the renewal and replacement fund to help offset the state appropriation reductions and to support communication and network systems.

The increase in budgeted hospital revenues will support hospital operations and facility renovations.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
B. <u>RESTRICTED FUNDS</u>			
1. Income Estimates	\$102,675,000	\$102,965,000	\$ 290,000
2. Expenditures			
Medical Center			
College of Dentistry			
College-Wide	442,300	482,300	40,000
Center for Cancer Prevention, Education, Research and Patient Care	2,938,100	3,188,100	250,000
			<u>\$ 290,000</u>
3. <u>Comments</u> - The above budgeted increases are restricted for the identified programs.			

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
C. <u>AUXILIARY FUND</u>			
1. Income Estimate	\$ 43,278,500	\$ 43,524,000	\$ 245,500
2. Expenditures			
Medical Center			
Administration and Support			
University Health Services	3,953,000	4,203,000	250,000
Provost			
Service Centers			
Engineering Electron			
Microscopy	13,000	22,000	9,000
Media Design and Production	15,000	1,500	(13,500)
			<u>\$ 245,500</u>
3. <u>Comments</u> - The increase in auxiliary enterprises' expenditure authority will support programs in the College of Engineering and University Health Service.			

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
D. <u>AFFILIATED CORPORATIONS</u>			
1. Income Estimates	\$232,153,000	\$234,353,000	\$ 2,200,000
2. Expenditures			
Athletics Association	40,991,000	42,491,000	1,500,000
The Medical Center Fund	5,775,100	6,475,100	<u>700,000</u>
			\$ 2,200,000
3. <u>Comments</u> - The increase in the Medical Center Fund will support programs in the Colleges of Dentistry and Nursing. The increase in the Athletics Association reflects prior year fund balances as well as miscellaneous receipts that will support the expected net loss in fiscal year 2003.			

Action taken: Approved Disapproved Other _____