

**Budget & Finance Committee**  
**August 2017**  
**Agenda Item:**

Item Origination and Authorization				
Policy ____	Award of Bid ____	Budget Amendment ____	Change Order ____	
Resolution ____	Contract ____	Grant ____	Other <input checked="" type="checkbox"/> ____	

Action of Board				
Approved ____	Approved w/ Conditions ____	Disapproved ____	Continued ____	Withdrawn ____

**Subject: Approval of Fiscal Year 2017-18 Final Operating Budget**

**Rationale:** Pursuant to Board of Governor’s Regulation 9.007 State University Budgets, the FY 2017-18 final operating budget must be approved by the University Board of Trustees prior to submission to the Board of Governors. The final budget is due to the Board of Governors by August 21, 2017.

**Attachments: FY 2017-18 Final Operating Budget**

**Recommendation:** It is recommended that the Board of Trustees approve the 2017-18 Final Operating Budget.

**Prepared by:** Budget Office

**Approved by:** Interim Vice President Wanda Ford

**FLORIDA A&M UNIVERSITY**  
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
**2017-18 OPERATING BUDGET**  
**SUMMARY SCHEDULE I**

<b>FINAL BUDGET</b>	-----Local Funds <sup>4</sup> -----											Faculty Practice Plan <sup>5</sup>	Summary Totals
	Education & General <sup>1</sup>	Contracts & Grants <sup>2</sup>	Auxiliaries <sup>3</sup>	Student Activities	Student Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance	Board - Approved Fees	Faculty		
<b>Beginning Fund Balance :</b>	\$ 34,600,000	\$ (7,298,863)	\$ 39,482,829	\$ 492,517	\$ 8,262,591	\$ 518,920	\$ -	\$ 517,910	\$ -	\$ -	\$ -	\$ -	\$ 76,575,904
<b>Receipts/Revenues</b>													
General Revenue	\$ 89,699,098												\$ 89,699,098
Lottery	\$ 13,304,267												\$ 13,304,267
Student Tuition	\$ 67,801,614												\$ 67,801,614
Phosphate Research													\$ -
Other U.S. Grants		\$ 60,937,888											\$ 60,937,888
City or County Grants													\$ -
State Grants		\$ 4,320,269	\$ 76,032		\$ 165,217								\$ 4,561,518
Other Grants and Donations		\$ 1,141,305			\$ 29,895,866								\$ 31,037,171
Donations / Contrib. Given to the State													\$ -
Sales of Goods / Services			\$ 19,711,922			\$ 227,629	\$ 4,980,600						\$ 24,920,151
Sales of Data Processing Services													\$ -
Fees			\$ 1,875,000	\$ 3,066,782	\$ 2,950,228		\$ 3,720,000	\$ 1,952,080					\$ 13,564,090
Miscellaneous Receipts			\$ 8,099,342		\$ 15,553,689								\$ 23,653,031
Rent													\$ -
Concessions													\$ -
Assessments / Services													\$ -
Other Receipts / Revenues <sup>6</sup>													\$ -
Subtotal:	\$ 170,804,979	\$ 66,399,462	\$ 29,762,296	\$ 3,066,782	\$ 48,565,000	\$ 227,629	\$ 8,700,600	\$ 1,952,080	\$ -	\$ -	\$ -	\$ -	\$ 329,478,828
Transfers In			\$ 3,765,635				\$ 1,100,000						\$ 4,865,635
Total - Receipts / Revenues:	\$ 170,804,979	\$ 66,399,462	\$ 33,527,931	\$ 3,066,782	\$ 48,565,000	\$ 227,629	\$ 9,800,600	\$ 1,952,080	\$ -	\$ -	\$ -	\$ -	\$ 334,344,463
<b>Operating Expenditures</b>													
Salaries and Benefits	\$ 131,056,780	\$ 25,232,411	\$ 9,699,167	\$ 259,969	\$ 355,575		\$ 3,722,854	\$ 25,000					\$ 170,351,756
Other Personal Services	\$ 4,667,350	\$ 5,047,697	\$ 2,066,606	\$ 129,935	\$ 162,355		\$ 358,775						\$ 12,432,718
Expenses	\$ 27,812,714	\$ 21,811,486	\$ 19,262,062	\$ 1,312,270		\$ 330,658	\$ 5,698,371	\$ 1,401,788					\$ 77,629,349
Operating Capital Outlay	\$ 374,940	\$ 3,107,395	\$ 515,206	\$ 7,000				\$ 30,000					\$ 4,034,541
Risk Management	\$ 1,210,295		\$ -										\$ 1,210,295
Financial Aid	\$ 624,417		\$ -		\$ 48,205,885								\$ 48,830,302
Scholarships	\$ 3,200,000		\$ -										\$ 3,200,000
Waivers	\$ 130,838		\$ -										\$ 130,838
Finance Expense			\$ -										\$ -
Debt Service	\$ 1,514,846		\$ 6,157,076										\$ 7,671,922
Salary Incentive Payments													\$ -
Law Enforcement Incentive Payments	\$ 14,799												\$ 14,799
Library Resources													\$ -
Institute of Government													\$ -
Regional Data Centers - SUS													\$ -
Black Male Explorers Program	\$ 198,000												\$ 198,000
Phosphate Research													\$ -
Other Operating Category (Provide Details)													\$ -
Total Operating Expenditures :	\$ 170,804,979	\$ 55,198,989	\$ 37,700,117	\$ 1,709,174	\$ 48,723,815	\$ 330,658	\$ 9,780,000	\$ 1,456,788	\$ -	\$ -	\$ -	\$ -	\$ 325,704,520

**FLORIDA A&M UNIVERSITY**  
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
**2017-18 OPERATING BUDGET**  
**SUMMARY SCHEDULE I**

<b>FINAL BUDGET</b>	-----Local Funds <sup>4</sup> -----											
	Education & General <sup>1</sup>	Contracts & Grants <sup>2</sup>	Auxiliaries <sup>3</sup>	Student Activities	Student Financial Aid	Concessions	Intercollegiate Athletics	Technology Fee	Self-Insurance	Board - Approved Fees	Faculty Practice Plan <sup>5</sup>	Summary Totals
<b>Non-Operating Expenditures</b>												
Transfers		\$ 3,837,928	\$ 3,151,208	\$ 1,482,889	\$ 2,820			\$ 86,942				\$ 8,561,787
Fixed Capital Outlay												\$ -
Carryforward (From Prior Period Funds)												
Other <sup>7</sup>												\$ -
<b>Total Non-Operating Expenditures :</b>	\$ -	\$ 3,837,928	\$ 3,151,208	\$ 1,482,889	\$ 2,820	\$ -	\$ -	\$ 86,942	\$ -	\$ -	\$ -	\$ 8,561,787
<b>Ending Fund Balance :</b>	\$ 34,600,000	\$ 63,682	\$ 32,159,435	\$ 367,236	\$ 8,100,956	\$ 415,891	\$ 20,600	\$ 926,260	\$ -	\$ -	\$ -	\$ 76,654,060
<b>Fund Balance Increase / Decrease :</b>	\$ -	\$ 7,362,545	\$ (7,323,394)	\$ (125,281)	\$ (161,635)	\$ (103,029)	\$ 20,600	\$ 408,350	\$ -	\$ -	\$ -	\$ 78,156
<b>Fund Balance Percentage Change :</b>	0.00%	-100.87%	-18.55%	-25.44%	-1.96%	-19.85%		78.85%				0.10%

1. The Education and General budget funds the general instruction, research, and public service operations of the universities. Universities have accumulated ending fund balances for activities such as the implementation and maintenance of Enterprise Resource Program systems, contingency for unfunded enrollment growth, potential budget reductions, anticipated increases in utilities, and prior year encumbrances (recorded, estimated liability at year-end for ordered or received goods or services), and compliance with Section 1011.40(2) F.S. on maintaining a 5% reserve.
2. The Contracts and Grants budget contains activities in support of research, public service, and training. Large fund balances are due to the timing of receipt of Federal contracts or grants.
3. Auxiliaries are ancillary support units on each university campus. Some of the major activities include housing, food services, book stores, student health centers, facilities management, and computer support. Ending fund balances includes financial activities such as debt service payments, reserve, repair and replacement reserves for future maintenance costs, construction/renovation of auxiliary facilities, and prior year encumbrances.
4. Local funds include the following university activities:
  - a. Student Activities - Supported primarily by the student activity and service fee and funds operations of the student government, cultural events, organizations, and intramural/club sports.
  - b. Financial Aid - This activity represents the financial aid amounts for which the university is fiscally responsible. Examples include: student financial aid fee, bright futures, federal grants, college work study, and scholarships. The ending fund balance represents a timing difference between the receipts of funds and disbursement to the students.
  - c. Concessions - These resources are generated from various vending machines located on the university campuses.
  - d. Athletics - Revenues are primarily derived from the student athletic fee, ticket sales, and sales of goods. Sufficient fund balances are maintained to provide the necessary support for ongoing athletic activities.
  - e. Technology fee - Collections are used to enhance instructional technology resources for students and faculty.
  - f. Self-Insurance Program - These programs are directed by the respective self-insurance councils and the captive insurance companies (These companies underwrite the risks of its owner and the owner's affiliates.). These activities are supported by premiums charged to the insured individuals and entities (primarily medical faculty and institutions).
  - g. Board-Approved Fees - Student fees proposed by each university and authorized by the Board of Governors to address specific student-based needs not addressed through another service or fee.
5. Faculty Practice - The Faculty Practice Plan collects and distributes income from faculty billings for patient services provided in conjunction with state university medical school programs.
6. Other Receipts/Revenues includes categories such as interest, penalties, refunds, admissions, fines, taxes, etc.
7. Other Non-Operating Expenditures includes categories such as refunds, payment of sales taxes, or indirect costs.

**FLORIDA A&M UNIVERSITY**  
**STATE UNIVERSITY SYSTEM OF FLORIDA**  
**2017-18 OPERATING BUDGET**  
**SUMMARY SCHEDULE I**

**FINAL BUDGET vs Preliminary Budget**

	<u>Summary Totals</u>		Notes
	FINAL	PRELIMINARY	
Beginning Fund Balance :	\$ 76,575,904	\$ 54,568,532	The initial fund balance was only an estimate. Actual expenditures were less than projected at June 30th. Please note that the fund balance is the cumulative amount for all funds.
<b><u>Receipts/Revenues</u></b>			
General Revenue	\$ 89,699,098	\$ 89,699,267	
Lottery	\$ 13,304,267	\$ 13,304,267	
Student Tuition	\$ 67,801,614	\$ 67,801,614	
Phosphate Research	\$ -	\$ -	
Other U.S. Grants	\$ 60,937,888	\$ 52,596,574	The receivables at June 30th was \$7.9m and was added to the preliminary amount of \$52m.
City or County Grants	\$ -	\$ -	
State Grants	\$ 4,561,518	\$ 4,665,269	
Other Grants and Donations	\$ 31,037,171	\$ 49,476,032	Transactions were reclassified to sales of goods/services and miscellaneous receipts.
Donations / Contrib. Given to the State	\$ -	\$ -	
Sales of Goods / Services	\$ 24,920,151	\$ 14,041,797	Transactions were reclassified from fees, and other grants and donations.
Sales of Data Processing Services	\$ -	\$ -	
Fees	\$ 13,564,090	\$ 29,601,933	Transactions were reclassified to sales of goods/services and miscellaneous receipts.
Miscellaneous Receipts	\$ 23,653,031	\$ 6,587,845	Transactions were reclassified from other grants and donations and fees.
Rent	\$ -	\$ -	
Concessions	\$ -	\$ -	
Assessments / Services	\$ -	\$ -	
Other Receipts / Revenues <sup>6</sup>	\$ -	\$ -	
Subtotal:	\$ 329,478,828	\$ 327,774,598	
Transfers In	\$ 4,865,635	\$ 4,537,066	
Total - Receipts / Revenues:	\$ 334,344,463	\$ 332,311,664	
<b><u>Operating Expenditures</u></b>			
Salaries and Benefits	\$ 170,351,756	\$ 168,594,110	Increased due to some departments not submitting budget documents timely.
Other Personal Services	\$ 12,432,718	\$ 12,585,446	
Expenses	\$ 77,629,349	\$ 79,637,564	Actual budget was less than originally projected. Also, some budgets were revised.
Operating Capital Outlay	\$ 4,034,541	\$ 4,034,479	
Risk Management	\$ 1,210,295	\$ 1,210,295	
Financial Aid	\$ 48,830,302	\$ 42,521,009	Submitted a revised budget.
Scholarships	\$ 3,200,000	\$ 3,200,000	
Waivers	\$ 130,838	\$ 130,838	
Finance Expense	\$ -	\$ -	
Debt Service	\$ 7,671,922	\$ 7,671,922	
Salary Incentive Payments	\$ -	\$ -	
Law Enforcement Incentive Payments	\$ 14,799	\$ 14,799	
Library Resources	\$ -	\$ -	
Institute of Government	\$ -	\$ -	
Regional Data Centers - SUS	\$ -	\$ -	
Black Male Explorers Program	\$ 198,000	\$ 198,000	
Phosphate Research	\$ -	\$ -	
Other Operating Category (Provide Details)	\$ -	\$ -	
Total Operating Expenditures :	\$ 325,704,520	\$ 319,798,462	
<b><u>Non-Operating Expenditures</u></b>			
Transfers	\$ 8,561,787	\$ 17,312,758	
Fixed Capital Outlay	\$ -	\$ -	
Carryforward (From Prior Period Funds)	\$ -	\$ -	
Other <sup>7</sup>	\$ -	\$ -	
Total Non-Operating Expenditures :	\$ 8,561,787	\$ 17,312,758	Debt service was included in this category and in the debt service category. The duplicate was removed from transfers.
Ending Fund Balance :	\$ 76,654,060	\$ 49,768,807	