WESTERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES

October 3, 2014

Resolution No.14.10/2 FY2015 All-Funds Budget

Resolution:

- **WHEREAS** Western Illinois University must prepare an annual all-funds budget for Appropriated Funds, University Income Funds, and All Other Funds for the Illinois Board of Higher Education, Illinois State Legislature and the Governor; and,
- **WHEREAS** the Fiscal Year 2015 all-funds budget requires Western Illinois University Board of Trustees approval prior to submission; and,
- WHEREAS the Fiscal Year 2015 All-Funds Budget presented today advances the goals of the University's Strategic Plan, Higher Values in Higher Education, on both Western Illinois University campuses, and statewide strategic planning goals for higher education, as identified in IBHE's Illinois Public Agenda for College and Career Success; and,
- **WHEREAS** the *Fiscal Year 2015 All-Funds Budget* presented today maintains Western Illinois University's public commitments to conservative fiscal management and public accountability to students, their families, and state taxpayers:
- **THEREFORE** be it resolved that the Board of Trustees approves the Fiscal Year 2015 All-Funds Budget as presented in the *Fiscal Year 2015 All-Funds Budget* document and be it further resolved that the President be authorized to make technical adjustments in these budgets if necessary.

Fiscal Year 2015 All-Funds Budget

To ensure full budgetary disclosure within Illinois public universities, the Illinois Board of Higher Education requires each public university Board of Trustees to approve a budget for the upcoming fiscal year. The plan must include all sources of university funds categorized by State Appropriated Funds, University Income Funds, Auxiliary Services Funds, and All Other Non-Appropriated Funds. The budget approved by the Western Illinois University Board of Trustees is submitted to the Illinois Board of Higher Education, Illinois State Legislature, and the Governor.

The following table presents Western Illinois University's *Fiscal Year 2015 All-Funds Budget* to be approved by the Western Illinois University Board of Trustees.

Western Illinois University										
Fiscal Year 2015 All-Funds Budget										
		State	University Income		Auxiliary Facilities System		Other Non- Appropriated			
	A	ppropriated								Total
Personal Services	\$	46,471,100	\$	60,228,900	\$	13,975,000	\$	14,250,000	\$	134,925,000
Medicare		800,000		800,000		200,000	\$	150,000		1,950,000
Contractual Services		2,500,000		8,571,800		22,500,000	\$	14,150,000		47,721,800
Travel		-		800,000		100,000	\$	750,000		1,650,000
Commodities		383,400		2,000,000		600,000	\$	2,200,000		5,183,400
Equipment		400,000		2,500,000		500,000	\$	2,000,000		5,400,000
Awards & Grants and Matching Funds		-		4,000,000		1,400,000	\$	25,000,000		30,400,000
Telecommunication Services		150,000		350,000		125,000	\$	350,000		975,000
Operation of Automotive Equipment		180,000		120,000		200,000	\$	500,000		1,000,000
Permanent Improvements		-		500,000		400,000	\$	400,000		1,300,000
CMS Health Insurance		1,744,800		-		200,000	\$	1,000,000		2,944,800
Other						14,300,000	\$	250,000		14,550,000
Total FY2015 Operating Budget	\$	52,629,300	\$	79,870,700	\$	54,500,000	\$	61,000,000	\$	248,000,000

Statewide budgeting for higher education follows a two-step process. Prior to the start of the fiscal year, the Western Illinois University Board of Trustees must approve a preliminary spending plan for the next fiscal year beginning July 1. Table 1 presents the *Western Illinois University Preliminary Spending Plan* for fiscal years 2013, 2014 and 2015. This plan was approved by Western Illinois University Board of Trustees in June (*Resolution No. 14.6/3*).

Table 2 presents the All-Funds Budget approved by the Western Illinois University Board of Trustees for Fiscal Years 2013, 2014, and 2015. Differences in values budgeted for the *Fiscal Year 2015 Preliminary Spending Plan* (Table 1) and the *Fiscal Year 2015 All-Funds Budget* (Table 2) are due to the following factors.

- The *Fiscal Year 2015 Preliminary Spending Plan*, approved by the Western Illinois University Board of Trustees in June 2014, was based on projected student enrollment. The *Fiscal Year 2015 All-Funds Budget*, presented today, is based on actual Fall 2014 enrollment.
- Western Illinois University bases institutional budgets on previous fiscal year expenditures. The Fiscal Year 2015 Preliminary Spending Plan, approved by the Western Illinois University Board of Trustees in June 2014, was based on estimated Fiscal Year 2014 expenditures. The Fiscal Year 2015 All-Funds Budget, presented today, is based on actual Fiscal Year 2014 expenditures.
- At the time of presenting the *Fiscal Year 2015 Preliminary Spending Plan* to the Western Illinois University Board of Trustees, the State's *Fiscal Year 2015 Appropriated Funds Budget* had not been enacted. The University's *Fiscal Year 2015 All-Funds Budget* includes the *Fiscal Year 2015 Appropriated Funds Budget* signed into law by the Governor.

Fiscal Year 2015 Spending Priorities

Following a fiscally conservative model, Western Illinois University's annual budget preparation process uses the previous year's budget and <u>Strategic Plan</u> priority and resource allocation decisions as base. This practice successfully supports advancement of the *University Mission Statement* and attainment of institutional goals and priorities stated in *Higher Values in Higher Education*.

As guided by *Higher Values in Higher Education*, funds will be applied to the University's highest priorities, including increasing faculty and staff salaries to meet and exceed the average of peer institutions, support for academic programs, deferred maintenance, student recruitment, marketing and support for student scholarships and retention efforts.

Pending Board approval, the University will continue to aggressively pursue <u>Strategic Plan</u> priorities. Personal services, Medicare, and CMS health insurance expenditures totaling \$139.8 million represent 56.4 percent of the University's Fiscal Year 2015 planned all-funds budget expenditures, followed by items supporting the academic mission of the University: contractual services (primarily utilities and food service), awards and grants (student financial aid), and equipment.

Integrated Planning, Budgeting, and Accountability Reporting Processes

Because Western Illinois University engages in integrated planning, budgeting, and accountability reporting processes, the *Fiscal Year 2015 All-Funds Budget* report should be read in conjunction with The *Fiscal Year 2016 Appropriated Operating and Capital Budget Recommendations* to the Illinois Board of Higher Education identifying how funding will create sustainability for instructional, research, and service activities that directly contribute to Illinois' knowledge-based economy through successful implementation of *Higher Values in Higher Education*.

Table 1 Western Illinois University Fiscal Year 2013 Through FY2015 Preliminary Spending Plan

	State Appropriated		University Income		Auxiliary Facilities System			Other Non- Appropriated		Total		
	Fiscal Year 2013											
Personal Services	\$	46,109,600	\$	56,000,000	\$	15,000,000	\$	13,000,000	\$	130,109,600		
Medicare		800,000		825,000		200,000		160,000		1,985,000		
Contractual Services		2,500,000		9,500,000		22,000,000		11,300,000		45,300,000		
Travel		-		1,000,000		100,000		700,000		1,800,000		
Commodities		263,400		1,500,000		800,000		1,800,000		4,363,400		
Equipment		400,000		2,250,000		900,000		1,600,000		5,150,000		
Awards & Grants and Matching Funds		-		2,000,000		600,000		27,000,000		29,600,000		
Telecommunication Services		150,000		400,000		300,000		280,000		1,130,000		
Operation of Automotive Equipment		180,000		136,700		100,000		500,000		916,700		
Permanent Improvements		-		700,000		800,000		300,000		1,800,000		
CMS Health Insurance		1,744,800		-		200,000		625,000		2,569,800		
Other				-		14,425,000		400,000		14,825,000		
Total FY2013 Operating Budget	\$	52,147,800	\$	74,311,700	\$	55,425,000	\$	57,665,000	\$	239,549,500		
	Fiscal Year 2014											
Personal Services	\$	46,109,600	\$	58,890,400	\$	14,000,000	\$	14,000,000	\$	133,000,000		
Medicare	Ф	800,000	Ф	700,000	Ф	200,000	Ф	150,000	Ф	1,850,000		
Contractual Services						,		,				
Travel		2,500,000		8,000,000		21,800,000		14,000,000		46,300,000		
		262.400		400,000		100,000		750,000		1,250,000		
Commodities		263,400		1,500,000		700,000		2,000,000		4,463,400		
Equipment		400,000		2,000,000		800,000		2,000,000		5,200,000		
Awards & Grants and Matching Funds		150,000		2,200,000		500,000		26,000,000		28,700,000		
Telecommunication Services		150,000		500,000		200,000		360,000		1,210,000		
Operation of Automotive Equipment		180,000		161,800		100,000		600,000		1,041,800		
Permanent Improvements		-		500,000		500,000		300,000		1,300,000		
CMS Health Insurance Other		1,744,800		-		200,000		900,000		2,844,800		
	\$	52 147 800	\$	74.952.200	\$	14,420,000	\$	420,000	\$	14,840,000		
Total FY2014 Operating Budget	2	52,147,800	Þ	74,852,200	Þ	53,520,000	Þ	61,480,000	2	242,000,000		
	Fiscal Year 2015											
Personal Services	\$	50,184,300	\$	54,501,900	\$	14,200,000	\$	14,250,000	\$	133,136,200		
Medicare		830,000		700,000		200,000		150,000		1,880,000		
Contractual Services		_		11,200,000		22,530,000		13,000,000		46,730,000		
Travel		_		500,000		150,000		750,000		1,400,000		
Commodities		_		2,264,000		650,000		2,200,000		5,114,000		
Equipment		_		3,000,000		900,000		2,000,000		5,900,000		
Awards & Grants and Matching Funds		_		2,000,000		1,400,000		25,000,000		28,400,000		
Telecommunication Services		_		575,000		150,000		360,000		1,085,000		
Operation of Automotive Equipment		_		300,000		200,000		600,000		1,100,000		
Permanent Improvements		_		700,000		400,000		300,000		1,400,000		
CMS Health Insurance		1,744,800		-		200,000		1,000,000		2,944,800		
Other		-, ,000				14,420,000		390,000		14,810,000		
Total FY2015 Operating Budget	\$	52,759,100	\$	75,740,900	\$	55,400,000	\$	60,000,000	\$	243,900,000		

Table 2 Western Illinois University Fiscal Year 2013 Through Fiscal Year 2015 All-Funds Budget

	State Appropriated		University Income		Auxiliary Facilities System			Other Non- appropriated		Total
					Fis	Fiscal Year 2013				
Personal Services	\$	46,109,600	\$	57,190,400	\$	14,500,000	\$	14,470,000	\$	132,270,000
Medicare		800,000		700,000		200,000		150,000		1,850,000
Contractual Services		2,500,000		8,500,000		21,580,000		14,000,000		46,580,000
Travel		-		1,000,000		100,000		750,000		1,850,000
Commodities		263,400		1,700,000		700,000		2,000,000		4,663,400
Equipment		400,000		2,200,000		900,000		2,000,000		5,500,000
Awards & Grants and Matching Funds		-		2,300,000		500,000		26,000,000		28,800,000
Telecommunication Services		150,000		500,000		200,000		380,000		1,230,000
Operation of Automotive Equipment		180,000		161,800		100,000		600,000		1,041,800
Permanent Improvements		-		600,000		400,000		300,000		1,300,000
CMS Health Insurance		1,744,800		-		200,000		900,000		2,844,800
Other						14,620,000		450,000		15,070,000
Total FY2012 Operating Budget	\$	52,147,800	\$	74,852,200	\$	54,000,000	\$	62,000,000	\$	243,000,000
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Personal Services	\$	46,596,900	\$	58,203,100	\$	14,000,000	\$	14,250,000	\$	133,050,000
Medicare	Ф	800,000	Ф	700,000	Ф		Ф	150,000	Ф	
Contractual Services		2,500,000		*		200,000 22,155,000		13,000,000		1,850,000
Travel		2,300,000		8,100,000 400,000		150,000		750,000		45,755,000
Commodities		383,400		1,500,000		700,000		2,200,000		1,300,000
Equipment		400,000		2,200,000		800,000		2,000,000		4,783,400 5,400,000
Awards & Grants and Matching Funds		400,000		2,500,000		500,000		25,000,000		28,000,000
Telecommunication Services		180,000		500,000		200,000		360,000		1,240,000
Operation of Automotive Equipment		150,000		241,800		100,000		600,000		1,091,800
Permanent Improvements		130,000		500,000		500,000		300,000		1,300,000
CMS Health Insurance		1,744,800		500,000		200,000		1,000,000		2,944,800
Other		-		-		14,495,000		390,000		14,885,000
Total FY2013 Operating Budget	\$	52,755,100	\$	74,844,900	\$	54,000,000	\$	60,000,000	\$	241,600,000
						scal Year 2015				
Personal Services	\$	46,471,100	\$	60,228,900	\$	13,975,000	\$	14,250,000	\$	134,925,000
Medicare		800,000		800,000		200,000		150,000		1,950,000
Contractual Services		2,500,000		8,571,800		22,500,000		14,150,000		47,721,800
Travel		-		800,000		100,000		750,000		1,650,000
Commodities		383,400		2,000,000		600,000		2,200,000		5,183,400
Equipment		400,000		2,500,000		500,000		2,000,000		5,400,000
Awards & Grants and Matching Funds				4,000,000		1,400,000		25,000,000		30,400,000
Telecommunication Services		150,000		350,000		125,000		350,000		975,000
Operation of Automotive Equipment		180,000		120,000		200,000		500,000		1,000,000
Permanent Improvements		-		500,000		400,000		400,000		1,300,000
CMS Health Insurance		1,744,800		-		200,000		1,000,000		2,944,800
Other Total FY2014 Operating Budget	\$	52,629,300	\$	79,870,700	\$	14,300,000 54,500,000	\$	250,000 61,000,000	\$	14,550,000 248,000,000