

Minutes
 Finance Committee
 Meeting of October 31, 2005
 3pm, Ulmer 211

Members in attendance: James Wheeler (chair), Jonathan Lindzey (secretary), Leandra Torres, Richard McCarty, Laxman Satya

- I. J. Wheeler agreed to serve as Chair. J. Lindzey agreed to serve as Secretary.
- II. R. McCarty updated the committee on the following aspects of the 2005-2006 LHUP budget: a) Board of Governors Budget Request Summary, b) PSSHE 2005-2006 Performance Funding Allocation, c) updated budget outlook.

a. Board of Governors Budget Request Summary

Educational and General Budget

Revenue/Sources	FY 2004-2005	FY 2005-2006	% Change
Tuition	27,810,607	29,603,808	6.4
Fees	3,633,908	3,988,970	9.8
State Appropriation	20,614,992	21,119,694	2.4
All other revenue	1,223,084	1,158,208	-5.3
Use of Carryforward Balance	92,808	0	-100
Total Revenue/Sources	53,375,399	55,870,680	4.7
Expenditures and Transfers			
Salaries and Wages	29,409,262	30,474,931	3.6
Benefits	10,532,466	11,173,437	6.1
Subtotal	39,941,728	41,648,368	4.3
Services/Supplies	11,402,302	11,946,928	5.6
Capital Expenditures	754,443	796,439	5.6
Transfers	1,276,926	1,478,945	15.8
Total Expenditures and Transfers	53,375,399	55,870,680	4.7

In reference to the above update, Richard McCarty pointed out the following:
 1) 6.4% tuition increase stems in part from a 4% increase in enrollment, 2) the 2.4% increase in state appropriation includes the performance funding, 3) the seemingly large increase (% 15.8) in transfers compared to 2004/2005 is due in

large part to 2004/2005 being the worst year in 6-7 years (stemming from decreases in appropriations). Rich McCarty also pointed out that approximately 2.4 million in transfers would be required next year to accommodate parking and conduit construction.

b. Performance Funding

LHUP will receive the following Performance Funding Allocation for 2005-2006.

Educational and General-	\$801,225
Program Initiatives/Line Item-	\$320,487*
<u>Total</u>	<u>\$1,121,712**</u>

**Must be used for increased investments in library materials and accreditation efforts. See "Guidelines for Expenditures on Library Materials and Accreditation. n These funds will be transferred to the Universities from the Office of the Chancellor.*

***This level ranks 12th among the 14 campuses.*

c. Budget Outlook

Rich McCarty also reported that due to unforeseen increases in gas expenses, increased CUO budget, and mandated spending of performance allocations, the actual Transfer Funds are likely to approach \$1,395,867 (estimate).