

Morehead State University  
Morehead, Kentucky

Board of Regents

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**2003/2004  
OPERATING BUDGET  
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## **MOREHEAD STATE UNIVERSITY 2003/2004 Operating Budget**

### **Background:**

The proposed 2003/2004 Operating Budget reflects Morehead State University's continued efforts to further the goals and objectives identified in the *Pride & Promise: Morehead State University's Strategic Plan 2001-2006*. The proposed budget reflects the University's commitment to improve faculty and staff compensation and the continued advancement of numerous academic and student support initiatives.

This year's budget preparation process continued to be inclusive of campus input and representation. Information was collected from operating units to develop revenue projections and identify changes in University fixed and unavoidable costs. Operating unit heads also participated in developing a 1.875% budget reallocation plan necessary to offset a reduction in state appropriations and fund 2003-2004 budget priorities. The University Planning Committee completed a comprehensive assessment of 79 strategic budget proposals developed by the academic and administrative operating units to advance the institution in accordance with unit plans and the University Strategic Plan. Budget priorities were presented and discussed with the Board of Regents initially at the March 11, 2003 meeting and again at a workshop on May 2, 2003. The result is a proposed \$96.3 million budget that advances the University's mission by focusing on the most important goals and objectives.

The parameters outlining the administration's management responsibilities related to the 2003/2004 Operating Budget and periodic reporting requirements to the Board of Regents are specified in the Budget Adoption Resolution on pages A-9 and A-10 of this document.

### **Analysis – Operating Budget:**

The University Strategic Plan adopted by the Board of Regents in June 2001 proudly reflects the *Pride & Promise* of Morehead State University as the institution aggressively moves into the 21<sup>st</sup> Century with new and innovative academic programs and improved student services. The Plan aligns the institution with the Council on Postsecondary Education's 2020 Vision and Action Agenda that calls for enrollment growth, retention and graduation goals as high priorities for the state's higher education institutions. The Morehead State University 2003/2004 Operating Budget relies upon increases in revenue generated from student tuition and fees as well as a 1.875% budget reallocation to continue support of the key initiatives defined in the Plan.

Morehead State University achieved enrollment growth of 4% in the 2002/2003 academic year with a Fall 2002 student headcount of 9,390. The recommended budget reflects the institution's priority to maintain quality academic instruction and student support services to this growing student body during a budget year when external state appropriations for operating are being reduced. The proposed 2003/2004 Operating Budget is built on a Fall 2003 headcount enrollment objective of 9,100, an increase of 2% over the budgeted headcount for Fall 2002.

## Enrollment and Housing Projections

	Fall 2002 (Budgeted)	Fall 2003 (Budgeted)
Undergraduate Headcount	7,075	7,416
Graduate Headcount	<u>1,797</u>	<u>1,684</u>
	8,872	9,100

Occupancy in the residence halls is projected at 3,092 students.

### New Budget Increases 4.5%

The proposed \$96,286,800 Operating Budget reflects an increase of \$4,153,600 or 4.5%, from the 2002/2003 opening budget. New funds available in the proposed budget to address the reduction in state appropriations and to support new budget initiatives are generated from enrollment growth, increased student tuition and fees, increased housing rates, and the internal reallocation of funds as summarized below:

Tuition and Mandatory Fees	\$ 4,488,200
Residence Halls	\$ 691,000
Endowment Income	\$ 42,748
Reallocated Operating	\$ 1,416,840

#### **Tuition and Mandatory Fees:**

New revenue from tuition and fees is based on the Board approved 15% increase in the rates for 2003/2004 and enrollment growth. Changes in tuition rates are discussed in detail in the Fee Schedule section of this report.

#### **Housing:**

The proposed Operating Budget funds the final phase of the Fire Safety project in the residence halls and increases the housing depreciation fund developed to support the continued upgrade and improvement of residence hall facilities and furnishings.

#### **State Appropriations (Operating):**

The proposed Operating Budget reflects a decrease of \$1,017,500 (2.47%) in state operating appropriations that was implemented in the fourth quarter of 2002/2003 and carried forward into 2003-2004. An increase of \$1,008,400 distributed by the Council on Postsecondary Education through benchmark funding created a net decrease in state appropriations of \$9,200 from the 2002-2003 opening budget and a 3.4% decrease from the 2003-2004 opening budget projected in the Commonwealth's 2002-2004 biennial budget request.

**Endowment Income:**

Endowment income totaling \$200,647 is available in 2003/2004 from various academic state matched endowment funds. This amount represents a 30% decrease in endowment income from 2002-2003. The decrease is attributed to the economic and market difficulties experienced over the past year. Some endowment administrators have elected to allow their funds to remain in the endowment fund to grow and support future initiatives. The amount budgeted from endowment income in 2003-2004 totals \$42,748. These funds will be utilized to enhance existing academic budgets in accordance with the respective endowment purposes.

**Reallocated Operating Resources:**

An internal budget reduction generated additional funding to help support the priority initiatives identified in the proposed 2003/2004 Operating Budget. The following details the operating reductions implemented from each division.

<b>Division</b>	<b>Reduction Amount</b>
Development	\$ 15,371
Academic Affairs	\$ 716,564
IRAPP	\$ 45,400
Administration & Fiscal Services	\$ 286,375
Planning & Technology	\$ 67,620
Student Life	\$ 250,160
University Relations	<u>\$ 35,350</u>
Total Reallocation	\$1,416,840

**Budgeted Fund Balance:**

The 2003-2004 Operating Budget allocates year-end reserves to support various capital and operating initiatives primarily of a non-recurring nature. This budget includes a reduction of \$209,500 in unrestricted fund balance resources allocated to cover recurring expenses.

Non-Capital Fund Balance Allocations	
2002/2003 Projects (Carry Forward)	\$2,406,852
2003/2004 Projects	<u>\$1,174,696</u>
	\$3,581,548
Capital Fund Balance Allocations	
2002/2003 Projects (Carry Forward)	\$ 849,094
2003/2004 Projects	<u>\$2,489,300</u>
	<u>\$3,338,394</u>
Total Budgeted Fund Balance	\$6,919,942

### **Strategic Budget Requests:**

Based on the principle that University resources be allocated in a manner that will carry out the mission of the University and the goals of the Strategic Plan, \$250,000 is allocated within the 2003-2004 Operating Budget to fund Strategic Budget Requests. Academic and administrative units were invited to submit proposals that, if funded, would position the unit to advance the goals and objectives defined in their Unit Plan and the University's Strategic Plan. A total of 79 submitted proposals were reviewed and prioritized by the University Planning Committee with the top 25 forwarded to the President's Cabinet for funding consideration.

In addition to the \$250,000 allocated to fund Strategic Budget Requests prioritized by the Planning Committee, an additional \$339,193 is being reallocated within divisional budgets to address additional strategic initiatives in support of the goals and objectives defined within the Strategic Plan. Also, the portion of the salary increase pool that is allocated above the estimated average for other state regional institutions is being identified as funding for the strategic initiative to move faculty/staff salaries to the 50<sup>th</sup> percentile among state peers. This brings the total amount of new funding in the 2003-2004 operating budget tied directly to the strategic plan to \$2,708,524.

### **Analysis - Fee Schedule:**

A comprehensive review of University fees is conducted annually and recommended changes are presented to the Board for approval. The recommended 2003/2004 Fee Schedule is presented on pages C-1 through C-20 of the Operating Budget. A summary of the significant recommended changes follows:

#### **Tuition and Mandatory Fees:**

In accordance with 13 KAR 2:050, the Council on Postsecondary Education determines tuition for all students enrolled in Kentucky public postsecondary institutions. On April 12, 1999, the Council delegated this authority to the governing boards of each institution. On March 11, 2003, the Morehead State University Board of Regents approved tuition and mandatory fee rates for 2003/2004. The approved rates reflect a 15% increase in tuition rates and mandatory student fees for 2003/2004. A 15% increase equates to an additional \$219 per semester for an undergraduate resident.

#### **Housing:**

The University continues its multi-year plan to install sprinkler systems and upgrade other fire safety systems in student residence halls. As presented on page C-2 of the Fee Schedule, a \$32 increase to the housing surcharge is recommended to fund the final phase of the Fire Safety project bringing the total Fire Safety surcharge for 2003/2004 to \$129.

The University has also identified other residence hall improvement projects including the continued funding of a housing depreciation fund for the continuous upgrade and improvement of residence hall facilities and furnishings that will increase to \$500,000 in the new budget. In addition to the Fire Safety Surcharge, an average 3% increase is recommended for all residence halls to address general operating increases in housing.

**Tuition, Student Activity Fee and Residence Hall Rates:**

	<b>Fall 2002</b>	<b>Fall 2003</b>
Resident Undergraduate Tuition	\$1,213	\$1,393
Student Activity Fee	<u>\$ 250</u>	<u>\$ 289</u>
Total Tuition and Mandatory Fees	\$1,463	\$1,682
Average Residence Hall Rate	\$1,079	\$1,114

**Analysis – Faculty and Staff Compensation:**

**Salary Pool:**

Working toward the goal to increase faculty and staff salaries to the 50th percentile of salary averages among the Kentucky regional universities, a 7% general salary pool increase totaling \$3,296,737 has been built into the 2003/2004 Operating Budget. A salary pool distribution strategy for faculty was developed by an ad-hoc committee on faculty compensation and presented to the President for consideration. The fiscal affairs subcommittee of the Staff Congress likewise recommended a salary pool distribution strategy for both exempt and non-exempt staff. These strategies are summarized below:

**Faculty and Librarians:**

- 4.2% Merit (distributed through the existing PBSI process)
- 2.4% Equity (distributed by Department Chair with Dean/Provost approval)
- 0.4% Equity (distributed by the Provost to address division issues)

**Non-exempt (Hourly) Staff:**

- 4% Across-the-board
- 1% Merit
- \$.25 per hour scale adjustment

**Exempt (Salaried) Staff:**

- 3% Across-the-board
- 2% Merit/Equity (distributed by unit head with division VP approval)
- \$1,000 per year scale adjustment

In addition to the 7% increase to the general salary pool, the 2003-2004 operating budget also includes adjustments for faculty promotions, staff reclassifications and career ladder advancements. In total, the average employee salary increased by 7.35% in 2003-2004.

Category	Average Salary		Percent Increase
	2002-2003	2003-2004	
Faculty	\$49,199	\$52,805	7.3%
Exempt Staff	\$38,927	\$41,791	7.3%
Non-Exempt Staff	\$9.59 / hr	\$10.30 / hr	7.4%
All Employees	\$35,465	\$38,074	7.35%

The 2003/2004 Personnel Roster, presented with this agenda as a separately bound document, contains a listing of the recommended authorized positions as of July 1, 2003. Funding for each position listed in the roster has been provided for in the proposed 2003/2004 Operating Budget. A total of 1,045 positions are recommended for 2003/2004.

The personnel roster is organized by division, with exempt (salary) and non-exempt (hourly) positions listed separately. The following information is shown for each position:

- Position ID number
- Employee currently holding the position
- Position title
- Appointment status if not a regular, full-time appointment
- Recommended 2003/2004 salary for the position
- Contract months for exempt employees

**Medical Insurance:**

Significant increases in employer contribution toward employee medical insurance premiums are included in the proposed 2003/2004 Operating Budget. In December 2002, the University committed to an increase in the average annual contribution to each faculty and staff medical insurance contract by \$480, which equates to a 12.6% increase. Effective January 1, 2003, the total annual employer contribution for medical insurance increased to \$4,296. This increase is incorporated in the proposed 2003/2004 Operating Budget.

**2003-2004 Budget Highlights**

The following list highlights several new funding initiatives included in the 2003/2004 Operating Budget. The items are grouped by the primary goal they support from the 2001-2006 Strategic Plan.



### **Goal 1: Academic Excellence and Student Success**

- \$90,000 – 2<sup>nd</sup> year funding of a plan to increase instructor level salaries
- \$30,000 – academic lab/classroom computers
- \$43,897 – Additional funds to support distance learning systems and software
- \$100,000 – Continuation of fund balance support for classroom and other academic facility improvements
- \$150,000 – Support for planned replacement of instructional equipment
- \$72,000 – Support for Space Science Center
- \$42,125 – Support for accreditation expenses in Social Work, Business and Education
- \$200,000 – Cash match available for research grants
- \$167,268 – New Faculty positions in Nursing, SSWC and HPESS
- \$340,172 – Support for fixed term faculty to handle enrollment growth
- \$25,000 – Support of Caudill College of Humanities Strategic Plan -- 67 initiatives \*
- \$30,000 – Specialized faculty software pool \*
- \$5,000 – Funding for on-line advising software \*
- \$94,860 – Support for planned replacement of classroom furnishings \*

### **Goal 2: Excellence in Student Support**

- \$50,000 – Additional library funds to support increased costs in books and periodicals
- \$30,000 – 2nd year required match for COPS grant
- \$221,401 – Additional debt service for last phase of the fire safety sprinkler project
- \$100,000 – Additional funds for housing depreciation and renewal
- \$49,186 – Recurring funding for a residence hall director and building services technician for Waterfield Hall
- \$13,000 – Student activity programming funds for extended campus centers
- \$85,000 – Debt service to fund Phase III Wellness Center \*
- \$14,460 – Improvements to the CCL Electronic Classroom \*

### **Goal 3: Enrollment Growth and Retention Gains**

- \$142,429 – Support for MSU at Mt. Sterling
- \$316,173 – Athletic scholarship support to offset tuition increase and to comply with OVC mandates
- \$605,167 – Additional funding for out-of-state waiver program
- \$8,900 – Continued support for Student Support and Success Initiative
- \$25,000 – Non-recurring support for Adult, GED and transfer Student Recruitment and retention Initiative \*
- \$15,000 – Non-recurring support for minority student and faculty/staff recruitment\*

**Goal 4: Effective Administration**

- \$3,296,737 – 7% Salary Pool for faculty/staff raises
- \$179,538 – Faculty Promotions, Personnel Adjustments and Career Ladder Advancements
- \$602,328 – Funding to cover increases in Employee Health Coverage
- \$12,500 – Employee Service Award Program
- \$52,013 – Lease for Hogge Building

**Goal 5: Enhanced Reputation and Productive Partnerships**

- \$7,500 – Continued support for on-line alumni directory services
- \$35,000 – Funding to implement Web Content Management Software \*
- \$5,000 – Funding for Alumni and Donor Finding Services \*

\*Marked items include strategic initiatives prioritized highest by the University Planning Committee pending final approval by the University Cabinet.

**Recommendation:**

That the Board approve the recommended 2003/2004 Operating Budget, which totals \$96,286,800, the 2003/2004 Personnel Roster, and the 2003/2004 Fee Schedule.

**Morehead State University  
Board of Regents  
Resolution  
Budget Adoption  
2003-2004**

BE IT RESOLVED, that upon due consideration and upon recommendation of the President, the following budget authorizations, totaling \$96,286,800 are approved for Morehead State University from unrestricted current funds, for the fiscal year beginning July 1, 2003, and ending June 30, 2004, subject to the realization and receipt of revenues totaling a like amount. Expenditure of funds from restricted sources such as state, federal or private gifts, grants, contracts or appropriations are authorized, subject to the realization of funds.

In the event current fund revenues now estimated should not be realized to equal \$96,286,800 the President shall take appropriate action to reduce budget authorizations to amounts sufficient to insure that expenditures do not exceed available revenues. The President shall report to the Board in advance any major deviations from the approved operating budget. The President may make other adjustments to the budget subject to the following:

In the event actual revenues exceed estimated revenues, the President may authorize an increase in the unrestricted current funds expenditure budget in amounts not greater than two percent of the Board's authorized expenditure level. The Board may ratify increases and reauthorize expenditure levels within the two percent cap during a regular or special Board meeting. Increases greater than two percent of the authorized expenditure budget must have prior approval of the Board.

The President may authorize and approve internal operating budget adjustments as the President determines such adjustments to be in the best interest of the University. Except, if adjustments to any one of the six divisions (i.e. University Relations, Development, Academic Affairs, Student Life, Planning & Technology, and Administration & Fiscal Services), increase the total operating expenditure authorization of a division by more than seven percent, then it must have prior approval of the Board. The Board may ratify increases and reauthorize expenditure levels within the seven percent limitations during a regular or special Board meeting.

The purchase of any item of equipment greater than \$100,000 must have the prior approval of the Board of Regents, be contained in the Biennial Legislative Appropriations Act as required by KRS 45.750 and reported to the Board as part of the quarterly financial report when purchased.

A capital construction project greater than \$400,000 must have the prior approval of the Board of Regents and be contained in the Biennial Legislative Appropriations Act in accordance with KRS 45.750. A report of any capital construction projects with a cost greater than \$250,000 shall be provided as part of the quarterly financial report.

The Quarterly Financial Report shall contain a report that reflects each budget unit's July 1

opening appropriation, amendments to the opening budget, expenditures to date, and remaining balance. This report shall provide the necessary detail for amending the budget as permitted by this resolution.

In the incurrence of financial obligations and the expenditure and disbursement of University funds resulting from this authorization, all units and individuals within the University shall observe and adhere to applicable laws, regulations, and policies of the Commonwealth of Kentucky and Morehead State University which govern the expenditure of funds. Heads of the various budget units shall not authorize nor incur financial obligations in excess of the budget authorization for that budgetary unit. Upon approval of the budget, the President is directed to have printed a detail line item operating unit budget to guide and control the expenditures as authorized.

## **Vision Statement**

The President and Board of Regents share this vision for Morehead State University:

*Morehead State University was founded upon and continues to embrace the ideal that all persons should have opportunity to participate in higher education. With immense pride in its past and great promise for its future, the University intends to emerge in the first decade of the 21st century as an even stronger institution recognized for superb teaching and learning with exemplary programs in teacher education, space-related science and technology, entrepreneurship, visual and performing arts, regional engagement and international opportunity.*

## **Mission Statement**

**WHO WE ARE:**

*We are a community of learners that includes teachers, scholars, staff, and students, accredited as a comprehensive University serving the eastern region of the Commonwealth of Kentucky.*

**WHAT WE DO:**

*We offer quality higher education opportunities and training in a collegial environment of open inquiry and educational interaction. We continually pursue academic education, professional development, and research in the belief that learning is a life-long process. We are dedicated to serving as both an important educational resource and as a positive role model for our community.*

**WHERE WE ARE GOING:**

*We commit to preparing ourselves for the challenges and opportunities of the 21st century, and to improving the quality of life for the community in which we live and work, while protecting and preserving the unique history and heritage of our service region and the Commonwealth of Kentucky.*

## **Core Values**

The University strives to exemplify these core values:

- *An academic enterprise committed to providing optimal opportunities for teaching and learning.*
- *A scholarly community that values ideas, individuals and innovation.*
- *A culturally diverse organization dedicated to the personal worth of its members.*
- *A public institution fully accountable for its actions, outcomes and resources.*

## **Strategic Goals**

*Academic Excellence and Student Success  
Excellence in Student Support  
Enrollment Growth and Retention Gains  
Effective Administration  
Enhanced Reputation and Productive Partnerships*

**MOREHEAD STATE UNIVERSITY**  
**SUMMARY OF UNRESTRICTED REVENUES AND EXPENDITURES**  
**2003-2004 OPERATING BUDGET**

	Opening Budget 2002/03	Percent of Total	Recommended 2003/04	Percent of Total
<b>REVENUES BY SOURCE</b>				
<b>Educational and General</b>				
Tuition and Fees	\$27,092,365	33.9%	\$31,880,800	38.0%
State Appropriations - Operating	41,203,600	51.6%	41,194,500	49.1%
State Appropriations - Debt Service	1,543,700	1.9%	1,452,600	1.7%
City Grants & Contracts	50,000	0.1%	50,000	0.1%
Indirect Cost Reimb.	328,658	0.4%	356,000	0.4%
Sales and Services of Educational Activities	931,375	1.2%	847,550	1.0%
Other Sources	1,513,714	1.9%	1,562,748	1.8%
Fund Balance	7,216,371	9.0%	6,599,952	7.9%
<b>Total Educational and General</b>	<b>\$79,879,783</b>	<b>100.0%</b>	<b>\$83,944,150</b>	<b>100.0%</b>
<b>Auxiliary Enterprises</b>	<b>12,253,417</b>		<b>\$12,342,650</b>	
<b>TOTAL REVENUES</b>	<b><u>\$92,133,200</u></b>		<b><u>\$96,286,800</u></b>	

**EXPENDITURES BY MAJOR OBJECT**

Personnel Services	\$55,435,697	60.2%	\$58,999,717	61.3%
Operating Expenditures	16,330,372	17.7%	17,152,339	17.8%
Grants, Loans, & Benefits	5,618,858	6.1%	6,081,343	6.3%
Capital Outlay	2,646,510	2.9%	2,830,703	2.9%
Debt Service	4,883,691	5.3%	5,142,624	5.4%
Other Transfers	7,218,072	7.8%	6,080,074	6.3%
<b>TOTAL EXPENDITURES</b>	<b><u>\$92,133,200</u></b>	<b>100.0%</b>	<b><u>\$96,286,800</u></b>	<b>100.0%</b>

**EXPENDITURES BY MAJOR FUNCTION**

<b>Educational and General</b>				
Instruction	\$32,049,717	44.7%	\$34,574,533	45.6%
Research	351,148	0.5%	326,850	0.4%
Public Service	1,397,862	2.0%	1,308,992	1.7%
Libraries	2,680,020	3.7%	2,777,152	3.7%
Academic Support	6,622,463	9.3%	6,486,298	8.6%
Student Services	6,239,939	8.7%	6,730,941	8.9%
Institutional Support	10,511,835	14.7%	10,725,188	14.2%
Operations & Maintenance	6,172,187	8.6%	6,716,764	8.9%
Student Financial Aid	5,618,858	7.8%	6,081,343	8.0%
<b>Total E &amp; G Expenditures</b>	<b>\$71,644,029</b>	<b>100.0%</b>	<b>\$75,728,061</b>	<b>100.0%</b>
<b>Transfers</b>	<b>8,321,924</b>		<b>\$8,391,410</b>	
<b>Total Educational and General</b>	<b><u>\$79,965,953</u></b>		<b><u>\$84,119,471</u></b>	
<b>Auxiliary Enterprises</b>				
Student Services	\$8,337,408	68.5%	\$9,336,041	76.7%
Mandatory Transfers	3,829,839	31.5%	2,831,288	23.3%
<b>Total Auxiliary Enterprises</b>	<b><u>\$12,167,247</u></b>	<b>100.0%</b>	<b><u>\$12,167,329</u></b>	<b>100.0%</b>
<b>TOTAL EXPENDITURES BY FUNCTION</b>	<b><u>\$92,133,200</u></b>		<b><u>\$96,286,800</u></b>	

**MOREHEAD STATE UNIVERSITY  
EDUCATIONAL AND GENERAL  
REVENUE & EXPENDITURE SUMMARY**

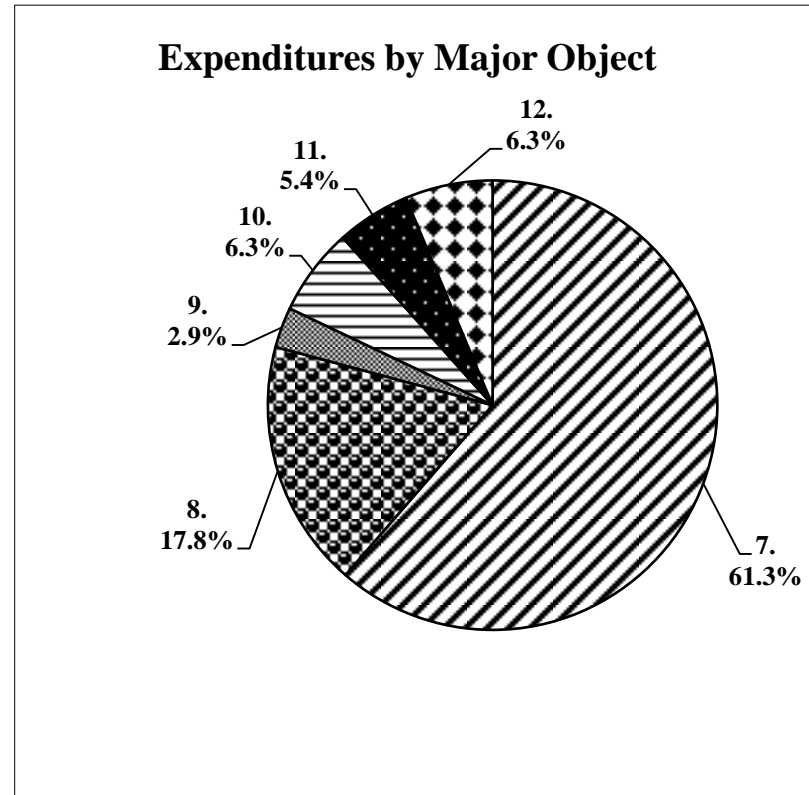
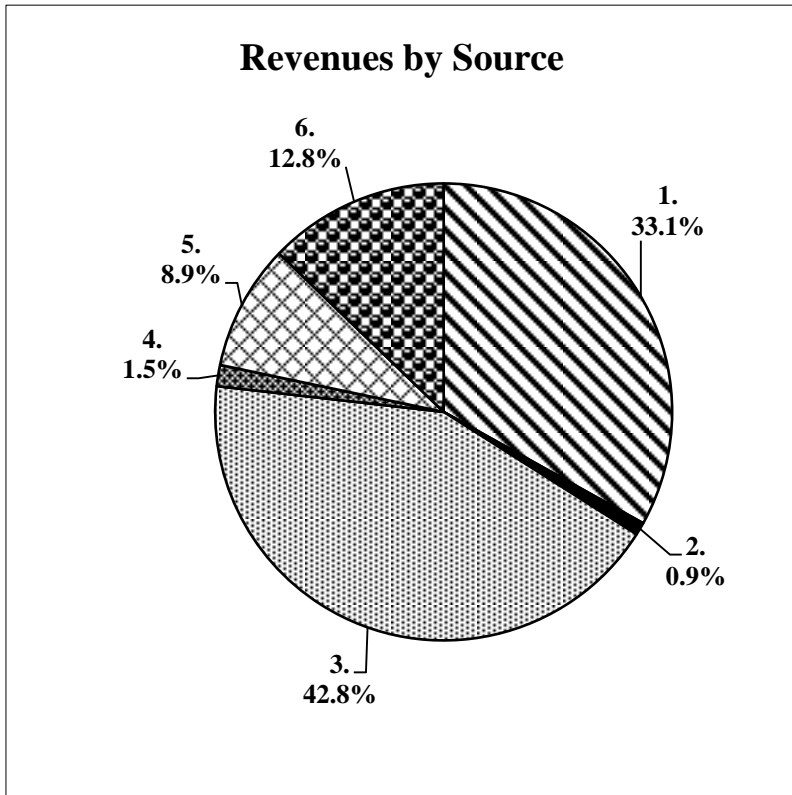
	<b>Opening Budget 2001-02</b>	<b>Actual 2001-02</b>	<b>Opening Budget 2002-03</b>	<b>Recommended 2003-04</b>
<b>REVENUES</b>				
TUITION AND FEES	\$24,013,500	\$27,313,624	\$27,092,365	\$31,880,800
STATE APPROPRIATIONS	41,420,900	42,399,427	42,747,300	42,647,100
CITY GRANTS & CONTRACTS	50,000	50,000	50,000	50,000
INDIRECT COST REIMB	346,000	691,173	328,658	356,000
SALES AND SERVICES	1,063,000	1,215,260	931,375	847,550
OTHER SOURCES	1,408,200	2,115,077	1,513,714	1,562,748
FUND BALANCE	6,702,100	-	7,216,371	6,599,952
<b>Total E&amp;G Revenues</b>	<b>\$75,003,700</b>	<b>\$73,784,561</b>	<b>\$79,879,783</b>	<b>\$83,944,150</b>
<b>EXPENDITURES</b>				
INSTRUCTION	\$29,780,857	\$31,568,757	\$32,049,717	\$34,574,533
RESEARCH	346,850	263,492	351,148	326,850
PUBLIC SERVICE	1,332,026	1,546,491	1,397,862	1,308,992
LIBRARIES	2,513,086	2,568,186	2,680,020	2,777,152
ACADEMIC SUPPORT	5,319,846	5,201,639	6,622,463	6,486,298
STUDENT SERVICES	6,401,288	6,566,892	6,239,939	6,730,941
INSTITUTIONAL SUPPORT	10,365,334	9,670,332	10,511,835	10,725,188
OPERATIONS & MAINTENANCE	5,670,490	5,629,973	6,172,187	6,716,764
STUDENT FINANCIAL AID	5,069,768	5,318,167	5,618,858	6,081,343
<b>Total E &amp; G Expenditures</b>	<b>\$66,799,545</b>	<b>\$68,333,929</b>	<b>\$71,644,029</b>	<b>\$75,728,061</b>
<b>TRANSFERS</b>	<b>\$7,926,724</b>	<b>\$4,840,612</b>	<b>\$8,321,924</b>	<b>\$8,391,410</b>
<b>Total E&amp;G Expenditures &amp; Transfers</b>	<b>\$74,726,269</b>	<b>\$73,174,541</b>	<b>\$79,965,953</b>	<b>\$84,119,471</b>

**MOREHEAD STATE UNIVERSITY  
AUXILIARY ENTERPRISES  
REVENUE AND EXPENDITURE SUMMARY**

	<b>Opening Budget 2001-02</b>	<b>Actual 2001-02</b>	<b>Opening Budget 2002-03</b>	<b>Recommended 2003-04</b>
<b><i>REVENUES</i></b>				
HOUSING	\$6,770,200	\$6,670,312	\$6,945,300	\$7,774,400
FOOD SERVICES	608,500	675,300	651,500	678,750
UNIVERSITY STORE	3,150,000	4,077,966	3,384,000	3,369,000
GOLF COURSE	177,000	209,267	196,000	190,000
OTHER SOURCES	17,600	143,837	146,650	10,500
FUND BALANCE	1,670,000	-	929,967	320,000
<b><i>Total Auxiliary Revenues</i></b>	<b><u>\$12,393,300</u></b>	<b><u>\$11,776,682</u></b>	<b><u>\$12,253,417</u></b>	<b><u>\$12,342,650</u></b>
<b><i>EXPENDITURES</i></b>				
HOUSING	\$4,411,436	\$4,149,715	\$4,411,771	\$5,403,855
FOOD SERVICES	416,596	418,500	414,969	416,487
UNIVERSITY STORE	2,838,073	3,602,165	3,125,903	3,111,603
GOLF COURSE	177,000	181,349	196,000	207,438
OTHER	217,862	232,962	188,765	196,658
<b><i>Total Auxiliary Expenditures</i></b>	<b>\$8,060,967</b>	<b>\$8,584,691</b>	<b>\$8,337,408</b>	<b>\$9,336,041</b>
<b><i>TRANSFERS</i></b>				
HOUSING DEBT SERVICE	\$2,564,546	\$2,556,802	\$2,425,635	\$2,647,036
AUXILIARY DEBT SERVICE	75,218	18,928	74,252	74,252
HOUSING TRANSFERS	1,970,000	1,454,225	1,329,952	110,000
<b><i>Total Auxiliary Transfers</i></b>	<b>\$4,609,764</b>	<b>\$4,029,955</b>	<b>\$3,829,839</b>	<b>\$2,831,288</b>
<b><i>TOTAL AUXILIARY EXPENDITURES AND TRANSFERS</i></b>	<b><u>\$12,670,731</u></b>	<b><u>\$12,614,646</u></b>	<b><u>\$12,167,247</u></b>	<b><u>\$12,167,329</u></b>



**MOREHEAD STATE UNIVERSITY  
BUDGETED REVENUES & EXPENDITURES  
FY 2003-04**



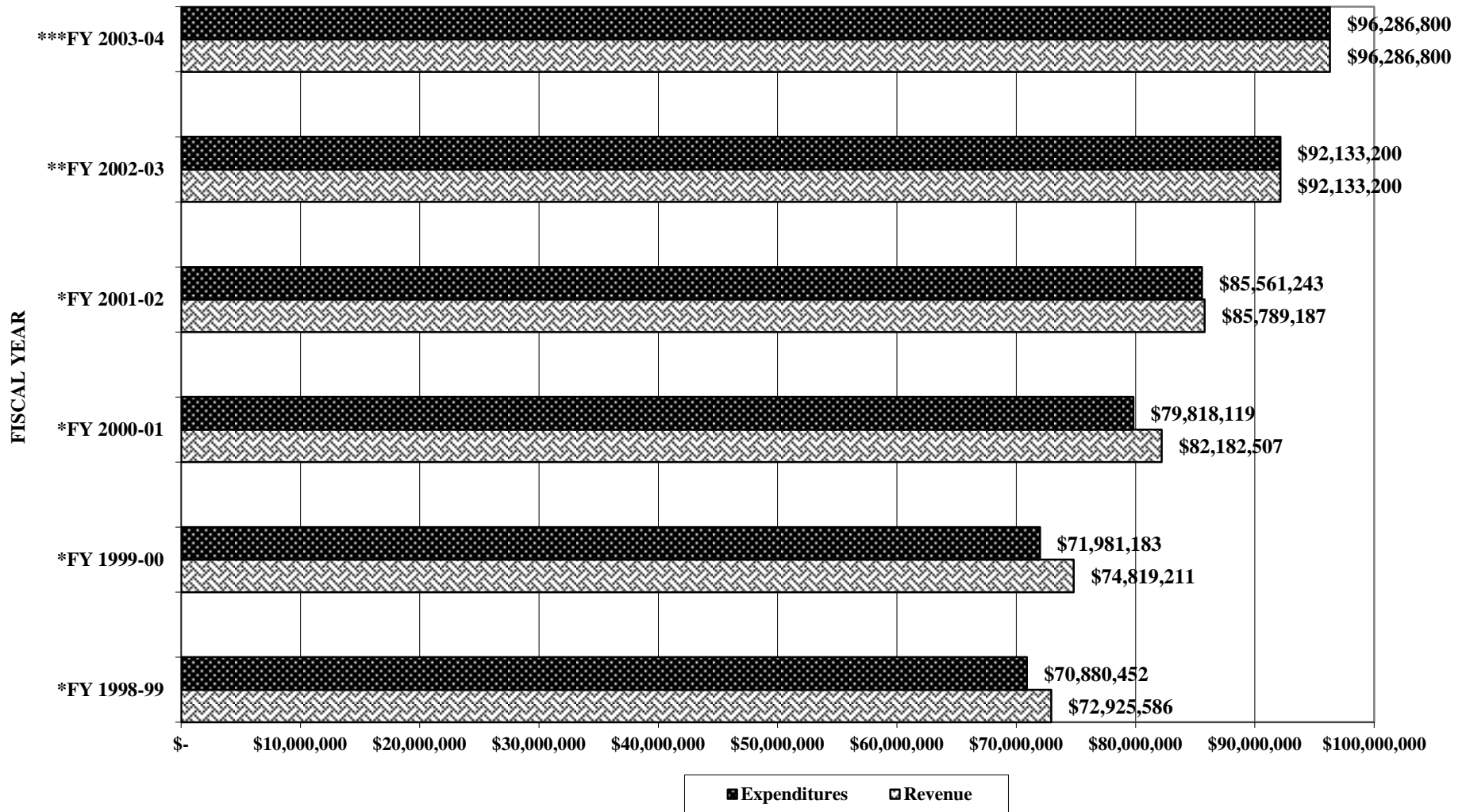
**REVENUES BY SOURCE**

1. Tuition & Fees	\$31,880,800	33.1%
2. Sales & Services of Educ. Act.	847,550	0.9%
3. State Appropriations - Operating	41,194,500	42.8%
4. State Appropriations - Debt Service	1,452,600	1.5%
5. Other Sources	8,568,700	8.9%
6. Auxiliary Services	12,342,650	12.8%
	<hr/>	
<b>TOTAL REVENUES</b>	<b><u><u>\$96,286,800</u></u></b>	<b><u><u>100.0%</u></u></b>

**EXPENDITURES BY MAJOR OBJECT**

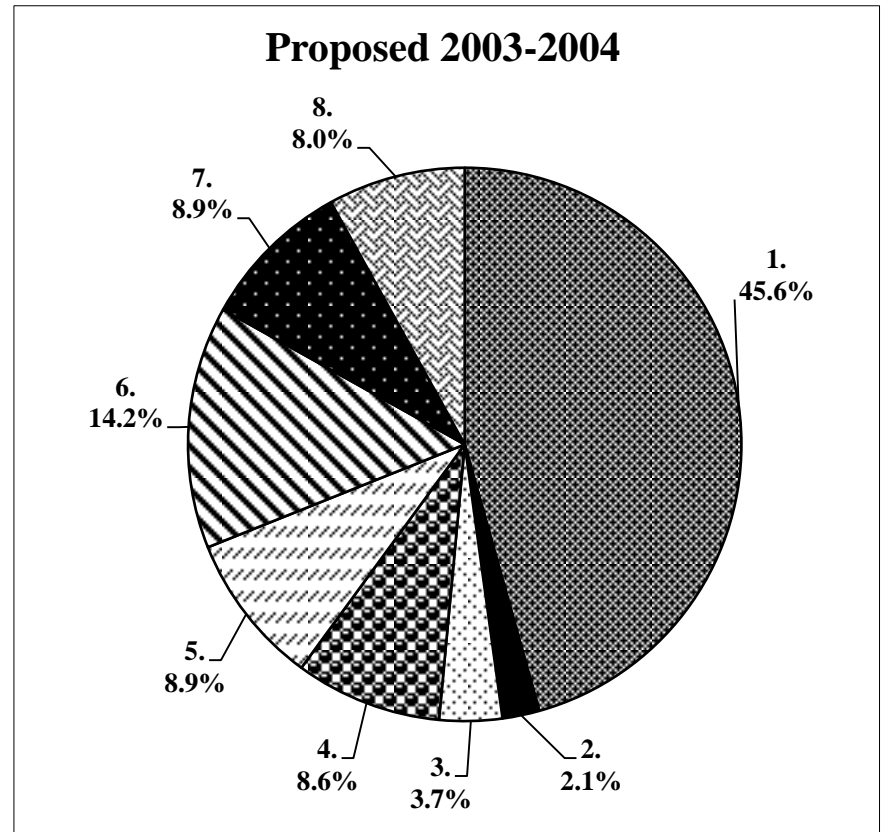
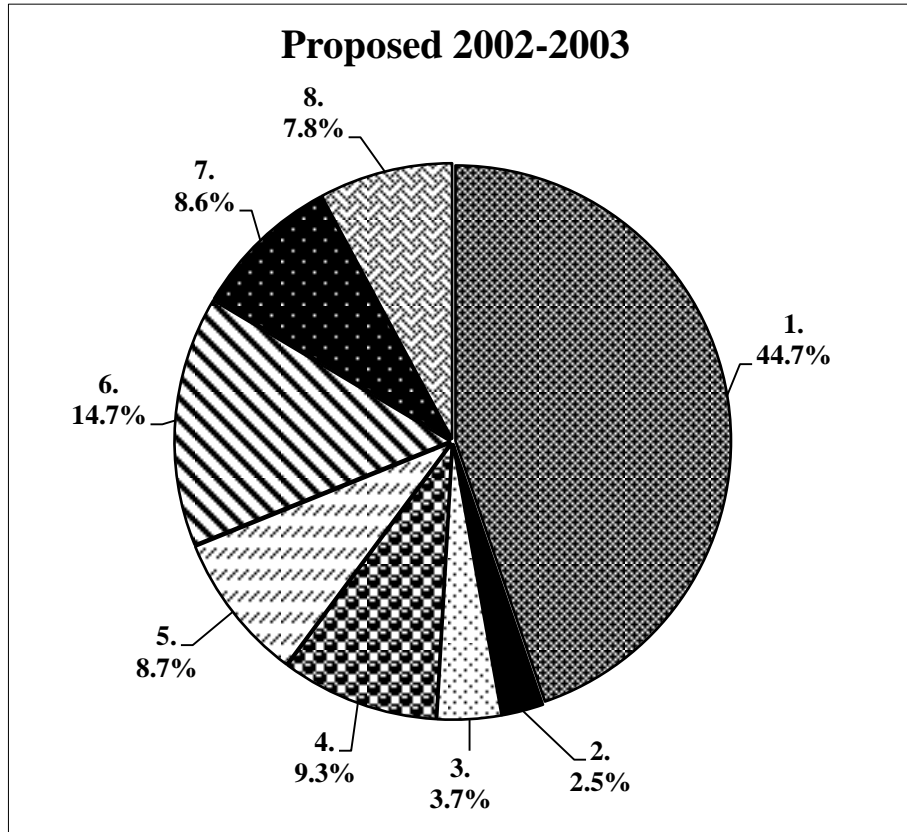
7. Personnel Services	\$58,999,717	61.3%
8. Operating Expenditures	17,152,339	17.8%
9. Capital Outlay	2,830,703	2.9%
10. Grants, Loans, Benefits	6,081,343	6.3%
11. Debt Service	5,142,624	5.4%
12. Other Transfers	6,080,074	6.3%
	<hr/>	
<b>TOTAL EXPENDITURES</b>	<b><u><u>\$96,286,800</u></u></b>	<b><u><u>100.0%</u></u></b>

## MOREHEAD STATE UNIVERSITY COMPARISON OF REVENUE & EXPENDITURES



\* Actual  
 \*\* Opening Budget  
 \*\*\* Recommended

# MOREHEAD STATE UNIVERSITY E & G EXPENDITURES ANALYSIS



1. INSTRUCTION
2. RESEARCH & PUBLIC SERVICE
3. LIBRARIES
4. ACADEMIC SUPPORT
5. STUDENT SERVICES
6. INSTITUTIONAL SUPPORT
7. OPERATION & MAINTENANCE
8. FINANCIAL AID















**MOREHEAD STATE UNIVERSITY  
UNRESTRICTED REVENUES  
2003-2004**

DESCRIPTION	OPENING BUDGET 2001-02	ACTUAL 2001-02	OPENING BUDGET 2002-03	RECOMMENDED 2003-04
<b>STATE APPROPRIATIONS:</b>				
State Appropriation - Base	\$38,585,300	\$39,903,200	\$37,835,400	\$37,894,000
State Appropriation - Action Agenda	-	1,435,000	1,435,000	1,399,600
State Appropriation - Agriculture	200,000	-	200,000	200,000
State Appropriation - Allied Health	101,900	-	101,900	101,900
State Appropriation - Endowmt Trust	-	635,000	-	-
State Appropriation - Enroll. & Retention	320,500	320,500	320,500	312,600
State Appropriation - Faculty Develop.	69,700	70,300	70,300	68,600
State Appropriation - Folk Art	200,000	-	200,000	200,000
State Appropriation - Reg Exc Trust Fund	939,300	-	920,500	897,800
State Appropriation - Wellness	120,000	-	120,000	120,000
Subtotal State Approp. - Operating	<u>\$40,536,700</u>	<u>\$42,364,000</u>	<u>\$41,203,600</u>	<u>\$41,194,500</u>
State Appropriation - Debt Service	<u>884,200</u>	<u>-</u>	<u>1,543,700</u>	<u>1,452,600</u>
KLEPF Incentive Pay	<u>-</u>	<u>35,427</u>	<u>-</u>	<u>-</u>
<b>TOTAL STATE APPROPRIATIONS</b>	<b><u>\$41,420,900</u></b>	<b><u>\$42,399,427</u></b>	<b><u>\$42,747,300</u></b>	<b><u>\$42,647,100</u></b>
<b>CITY GRANTS/CONTRACTS</b>				
Morehead Tourism Commission	<u>\$50,000</u>	<u>50,000</u>	<u>\$50,000</u>	<u>\$50,000</u>
<b>TOTAL CITY GRANTS/CONTRACTS</b>	<b><u>\$50,000</u></b>	<b><u>50,000</u></b>	<b><u>\$50,000</u></b>	<b><u>\$50,000</u></b>
<b>INDIRECT &amp; ADMINISTRATIVE COST RECOVERY:</b>				
Adm Cost Reimb. - Student Fin. Aid	\$110,000	\$116,133	\$112,000	\$115,000
Grants - F&A Reimbursement	230,000	440,481	210,658	235,000
IRAPP - F&A Reimbursement	6,000	107,228	6,000	6,000
S&T - F&A Reimbursement	-	27,331	-	-
<b>TOTAL INDIRECT &amp; ADM. COST</b>	<b><u>\$346,000</u></b>	<b><u>\$691,173</u></b>	<b><u>\$328,658</u></b>	<b><u>\$356,000</u></b>
<b>SALES AND SERVICES OF EDUCATIONAL ACTIVITIES:</b>				
Athletics				
Baseball Guarantees	\$0	\$3,750	\$0	\$0
Basketball Gate Receipts	35,000	42,265	36,000	36,000
Basketball Guarantees	50,000	103,000	50,000	50,000
EAF Support	-	148,720	-	-
Football Gate Receipts	25,000	27,859	26,000	26,000
Football Guarantees	-	13,500	-	20,000
NCAA Proceeds	160,000	182,566	170,000	165,000
Other Athletic Revenue	-	1,873	-	-
Softball Guarantees	-	400	-	-
Subtotal Athletics	<u>\$270,000</u>	<u>\$523,933</u>	<u>\$282,000</u>	<u>\$297,000</u>
Activity Fee	\$0	\$10,752	\$0	\$0
Bowling Lanes	2,000	3,778	2,000	2,000
Career Services	-	7,461	-	-

**MOREHEAD STATE UNIVERSITY  
UNRESTRICTED REVENUES  
2003-2004**

DESCRIPTION	OPENING BUDGET 2001-02	ACTUAL 2001-02	OPENING BUDGET 2002-03	RECOMMENDED 2003-04
Change of Schedule Fees	42,000	43,090	38,000	42,000
Creative Foods	1,000	1,841	1,000	1,000
Deferred Payment	75,000	80,349	80,000	85,000
EagleCard Revenues	-	70,666	20,000	22,000
English Language Center	400,000	97,620	231,375	-
GED - Lick Val ECC	-	4,735	-	-
Graduation Fee	12,000	14,682	12,500	13,400
Horse Sales	7,000	17,520	7,000	7,000
I.D. Card Replacement	2,500	30	-	-
Inst. Foods Laboratory	33,000	26,522	30,000	30,000
International Ed.	-	-	-	1,650
IRAPP	-	3,953	-	-
KFAC	-	-	-	102,000
Late Registration Fee	35,000	65,750	45,000	49,000
Library Fines	-	(2,067)	-	-
Other	-	11,670	2,000	4,000
Reinstatement Fee	40,000	62,400	41,000	48,000
Testing Fees	37,500	36,135	37,500	37,500
Theatre Ensemble	5,500	6,913	-	-
Transcript Fees	30,000	32,356	30,000	30,000
University Farm	70,000	85,131	70,000	70,000
Veterinary Services	500	10,040	2,000	6,000
<b>TOTAL SALES AND SERVICES</b>	<b>\$1,063,000</b>	<b>\$1,215,260</b>	<b>\$931,375</b>	<b>\$847,550</b>

**OTHER SOURCES**

Access Card Services	\$7,000	\$15,209	\$10,000	\$12,000
Bulk Postage Revenue	50,000	24,709	50,000	25,000
C & T Computer Lab	-	536	1,000	1,000
Caudill Health Clinic	4,000	3,354	4,000	4,000
Check Write Off Revenue	4,000	(114)	4,000	10,000
Child Care Center	90,000	103,797	90,000	100,000
Child Development	-	136,053	50,000	150,000
Continuing Education	65,000	47,627	65,000	65,000
TV Productions	-	5,942	-	-
Endowment Income	51,000	57,145	101,814	42,748
Facility Rentals	23,000	27,807	25,000	25,000
Foundation Support	30,000	30,000	30,000	30,000
Foundation Unbudgeted	-	134,221	-	-
Information Technology	-	5,451	-	-
Cobra Revenue	-	575	-	-
Interest Income	650,000	702,778	650,000	650,000
Library	-	34,037	43,000	30,000
Long Distance Direct Comm	10,000	13,051	10,000	10,000
Miscellaneous Rental	30,000	39,801	30,000	30,000
Other Income	-	265,187	-	-

**MOREHEAD STATE UNIVERSITY  
UNRESTRICTED REVENUES  
2003-2004**

DESCRIPTION	OPENING BUDGET 2001-02	ACTUAL 2001-02	OPENING BUDGET 2002-03	RECOMMENDED 2003-04
Parking	-	257,967	208,000	208,000
Perkins Late Fee Revenue	6,400	6,500	7,400	8,300
Recycling Revenue	-	65	-	-
Replacement Check Fee	200	225	200	200
Sale of Surplus Property	20,000	63,018	20,000	20,000
Service Charges	10,000	13,150	13,000	15,000
Special Events	-	1,315	-	-
Trail Blazer Advertising	20,000	33,640	20,000	20,000
Vehicle Replacement Resv.	40,000	44,502	42,000	65,000
Vendor Fee Receipts	800	722	700	700
Water Analysis	30,000	38,103	34,000	34,000
Wellness Center	4,600	8,704	4,600	6,800
<b>TOTAL OTHER SOURCES</b>	<u>\$1,408,200</u>	<u>\$2,115,077</u>	<u>\$1,513,714</u>	<u>\$1,562,748</u>
<b>FUND BALANCE - E&amp;G</b>	<u>\$6,702,100</u>	<u>\$0</u>	<u>\$7,216,371</u>	<u>\$6,599,952</u>
<b>TOTAL EDUCATIONAL &amp; GENERAL</b>	<u>\$75,003,700</u>	<u>\$73,784,561</u>	<u>\$79,879,783</u>	<u>\$83,944,150</u>
<b>AUXILIARY ENTERPRISES:</b>				
<b>HOUSING</b>				
Residence Halls				
Fall Semester	\$3,028,200	\$2,974,917	\$3,255,700	\$3,549,400
Spring Semester	2,573,900	2,814,938	2,767,300	3,087,900
Summer Session	85,000	85,491	75,000	80,000
Subtotal	<u>\$5,687,100</u>	<u>\$5,875,346</u>	<u>\$6,098,000</u>	<u>\$6,717,300</u>
Student Family Housing	\$557,700	\$608,054	\$638,300	\$710,000
Faculty and Staff Housing	-	25,520	14,000	11,100
Special Housing	55,000	15,280	85,000	85,000
Conference Services Housing	78,000	98,877	85,000	85,000
Cable TV Receipts	50,000	49,206	50,000	50,000
Laundry Services	72,400	67,651	65,000	65,000
Room Damages / Locks	40,000	47,234	45,000	45,000
Student Computer Lease	-	30	-	-
Student Telephone Receipts	230,000	129,224	-	6,000
<b>TOTAL HOUSING</b>	<u>\$6,770,200</u>	<u>\$6,916,422</u>	<u>\$7,080,300</u>	<u>\$7,774,400</u>
<b>FOOD SERVICES</b>				
Commissions	\$225,000	\$220,557	\$259,000	\$265,000
Concessions	45,000	63,117	48,000	50,000
External Vending (Machines)	1,500	1,738	1,500	1,750

**MOREHEAD STATE UNIVERSITY  
UNRESTRICTED REVENUES  
2003-2004**

<b>DESCRIPTION</b>	<b>OPENING BUDGET 2001-02</b>	<b>ACTUAL 2001-02</b>	<b>OPENING BUDGET 2002-03</b>	<b>RECOMMENDED 2003-04</b>
Forfeited Dining Club	12,000	14,316	8,000	7,000
Snack Vending Sales	125,000	104,842	130,000	130,000
Vending (Soft Drinks)	200,000	270,730	205,000	225,000
<b>TOTAL FOOD SERVICES</b>	<b>\$608,500</b>	<b>\$675,300</b>	<b>\$651,500</b>	<b>\$678,750</b>
<b>UNIVERSITY STORE</b>	<b>\$3,150,000</b>	<b>\$3,958,148</b>	<b>\$3,384,000</b>	<b>\$3,369,000</b>
<b>GOLF COURSE</b>	<b>\$177,000</b>	<b>\$209,265</b>	<b>\$196,000</b>	<b>\$190,000</b>
<b>OTHER SOURCES</b>				
Licensing Agreement	\$10,000	\$10,000	\$10,000	\$10,000
Cowden Rental	-	40	-	-
University Center	-	7,507	1,650	500
<b>TOTAL OTHER SOURCES</b>	<b>\$17,600</b>	<b>\$17,547</b>	<b>\$11,650</b>	<b>\$10,500</b>
<b>FUND BALANCE - AUX</b>	<b>\$1,670,000</b>	<b>\$0</b>	<b>\$929,967</b>	<b>\$320,000</b>
<b>TOTAL AUXILIARY ENTERPRISES</b>	<b>\$12,393,300</b>	<b>\$11,776,682</b>	<b>\$12,253,417</b>	<b>\$12,342,650</b>
<b>TOTAL UNRESTRICTED REVENUES</b>	<b>\$87,397,000</b>	<b>\$85,561,243</b>	<b>\$92,133,200</b>	<b>\$96,286,800</b>

**MOREHEAD STATE UNIVERSITY  
ORGANIZATIONAL EXPENDITURE SUMMARY**

<b>Budget Unit</b>	<b>Opening Budget 2001-02</b>	<b>Actual 2001-02</b>	<b>Opening Budget 2002-03</b>	<b>Recommended 2003-04</b>
BOARD OF REGENTS	\$8,002	\$23,412	\$8,002	\$8,002
PRESIDENT	621,484	558,095	449,113	513,447
AFFIRMATIVE ACTION	24,721	28,930	65,594	72,098
AMERICANS DISABILITY ACT	10,000	4,176	10,000	10,000
CULTURAL DIVERSITY	15,000	37,500	15,000	15,000
COMMUNITY DEVELOPMENT	-	270	-	-
<b>TOTAL PRESIDENT-ADMINISTRATION</b>	<b>\$679,207</b>	<b>\$652,383</b>	<b>\$547,709</b>	<b>\$618,547</b>
VP FOR UNIVERSITY RELATIONS	\$412,503	\$288,826	\$412,902	\$272,600
UNIVERSITY MARKETING	348,354	512,171	457,194	595,479
DOCUMENT SERVICES	84,742	112,186	81,693	94,011
UNIVERSITY COMMUNICATIONS	179,842	187,198	216,167	225,561
MOREHEAD STATE PUBLIC RADIO	371,661	446,302	401,493	406,538
WOCS	-	55,827	-	-
FOLK ART CENTER	204,242	195,051	205,944	305,612
CENTER FOR TRADITIONAL MUSIC	71,838	120,234	138,754	158,908
<b>TOTAL UNIVERSITY RELATIONS</b>	<b>\$1,673,182</b>	<b>\$1,917,795</b>	<b>\$1,914,147</b>	<b>\$2,058,709</b>
VP FOR DEVELOPMENT	\$156,584	\$199,801	\$213,321	\$223,502
DEVELOPMENT & ALUMNI RELATIONS	571,457	580,984	621,485	622,871
<b>TOTAL DEVELOPMENT</b>	<b>\$728,041</b>	<b>\$780,785</b>	<b>\$834,806</b>	<b>\$846,373</b>
VP FOR PLANNING, BUDGETS & TECHNOLOGY	\$268,340	\$263,591	\$353,404	\$382,253
INST. RES. & COMPUTER APPLICATIONS	161,528	170,187	604,233	666,751
INFORMATION TECHNOLOGY	1,329,015	1,446,359	1,038,188	1,012,890
ACADEMIC COMPUTING	372,656	347,917	384,821	414,954
ACAD COMP - IT ALLOCATION	1,050,000	1,204,791	1,050,000	1,050,000
INFO TECH ALLOCATION	(1,500,000)	(1,443,856)	(1,500,000)	(1,500,000)
TECHNOLOGY PROJECTS	474,911	516,291	434,661	344,661
TELECOMMUNICATIONS	580,952	491,593	567,115	622,222
<b>TOTAL PLANNING &amp; TECHNOLOGY</b>	<b>\$2,737,402</b>	<b>\$2,996,873</b>	<b>\$2,932,422</b>	<b>\$2,993,731</b>
VP FOR ADMINISTRATION & FISCAL SERVICES	\$191,559	\$165,252	\$200,669	\$259,805
FISCAL SERVICES	173,164	144,188	180,038	-
EAGLECARD OFFICE	135,372	459,002	151,754	161,487
ACCOUNTING & BUDGETARY CONTROL	794,056	730,225	849,124	945,751
PAYROLL	109,876	110,453	119,265	129,124
POST OFFICE	105,616	106,368	114,659	120,389
SUPPORT SERVICES	284,926	290,600	263,771	251,570
ENVIRONMENTAL HEALTH & SAFETY	83,968	105,673	89,363	93,672
HUMAN RESOURCES	641,087	489,054	658,227	699,684
CHILD CARE CENTER	141,487	134,300	147,418	156,490
INTERNAL AUDITS	74,228	72,756	77,743	83,111
STAFF CONGRESS	11,164	8,952	11,164	11,164

**MOREHEAD STATE UNIVERSITY  
ORGANIZATIONAL EXPENDITURE SUMMARY**

<b>Budget Unit</b>	<b>Opening Budget 2001-02</b>	<b>Actual 2001-02</b>	<b>Opening Budget 2002-03</b>	<b>Recommended 2003-04</b>
PHYSICAL PLANT ADMINISTRATION	751,246	733,514	757,660	810,425
ENGINEERING SERVICES	166,814	164,020	175,937	140,325
BUILDING MAINTENANCE	1,591,932	1,627,936	1,705,250	1,803,574
BUILDING SERVICES	1,793,672	1,815,563	1,862,300	1,941,319
E & G - FACILITY REMODELING	112,470	287,893	231,430	165,830
E & G - FACILITY REMODELING IA	10,250	(79)	-	-
E & G UTILITIES	1,023,000	943,294	985,000	1,145,000
GENERAL SERVICES	302,518	307,332	311,177	513,690
LANDSCAPING & GROUNDS MAINTENANCE	256,276	229,063	267,139	268,870
MAINTENANCE ALLOCATIONS	(1,762,500)	(1,837,454)	(1,762,500)	(1,762,500)
MOTOR POOL	463,942	358,506	448,894	336,126
PEST CONTROL	26,506	19,190	28,372	30,478
POWER PLANT	790,636	789,055	826,923	961,804
RECYCLING PROGRAM	49,760	45,643	54,042	58,831
COMM. RECYCLING CTR.	23,000	23,000	23,000	23,000
UPHOLSTERY SHOP	10,000	9,994	-	-
WAREHOUSE	-	(41,685)	-	-
ASHLAND FACILITY	-	-	32,200	37,000
PRESTONSBURG FACILITY	-	-	47,000	47,000
WEST LIBERTY FACILITY	-	53,400	112,000	125,320
<b>TOTAL ADMINISTRATION &amp; FISCAL SERVICES</b>	<b>\$8,356,025</b>	<b>\$8,345,008</b>	<b>\$8,969,019</b>	<b>\$9,558,339</b>
VP FOR STUDENT LIFE	\$288,273	\$320,208	\$274,549	\$343,539
CHEERLEADERS	15,669	17,521	15,669	15,375
COUNSELING & HEALTH CENTER	414,627	464,784	484,050	639,092
ADMISSIONS	695,143	752,458	784,266	839,797
FINANCIAL AID	556,151	589,030	591,712	609,832
GRANTS AND SCHOLARSHIPS	2,684,900	2,636,313	2,614,319	2,555,206
GRANTS AND SCHOLARSHIPS - HOUSING	115,400	115,315	112,977	110,859
INSTITUTIONAL WORK-STUDY	311,418	-	307,418	301,654
TUITION WAIVER	1,818,000	2,519,249	2,455,163	3,012,600
MULTICULTURAL STUDENT SERVICES	133,561	172,242	171,210	178,073
PUBLIC SAFETY	786,435	798,166	807,965	826,569
STUDENT ACTIVITIES	615,288	477,735	539,841	473,219
INTRAMURALS	87,739	103,320	90,221	94,568
CONFERENCE SERVICES	163,442	164,241	171,995	173,907
STUDENT DEVELOPMENT	106,219	134,951	152,025	-
STUDENT WELLNESS	79,349	79,894	84,001	87,084
<b>SUBTOTAL STUDENT LIFE</b>	<b>\$8,871,614</b>	<b>\$9,345,427</b>	<b>\$9,657,381</b>	<b>\$10,261,374</b>
OFFICE OF ATHLETICS	\$292,779	\$338,262	\$408,478	\$594,226
SPORTS INFORMATION DIRECTOR	127,419	133,788	133,801	142,364
TRAINER	120,704	114,575	123,994	133,931
CROSS COUNTRY	148,308	130,935	154,108	164,124
FOOTBALL	393,418	415,103	401,923	481,513
MEN'S BASEBALL	190,031	201,106	196,917	210,398