

UofA

UNIVERSITY OF ARKANSAS

2014

**FOR THE FISCAL YEAR ENDING JUNE 30, 2014
(REVISED)**

BUDGET

ARKANSAS ARCHEOLOGICAL SURVEY

CRIMINAL JUSTICE INSTITUTE

DIVISION OF AGRICULTURE

FAYETTEVILLE CAMPUS

FORT SMITH CAMPUS

LITTLE ROCK CAMPUS

MEDICAL SCIENCES CAMPUS

MONTICELLO CAMPUS

PINE BLUFF CAMPUS

BATESVILLE CAMPUS

COSSATOT CAMPUS

HOPE CAMPUS

MORRILTON CAMPUS

PHILLIPS CAMPUS

ARKANSAS SCHOOL FOR MATHEMATICS, SCIENCES AND THE ARTS CAMPUS

CLINTON SCHOOL OF PUBLIC SERVICE

SYSTEM ADMINISTRATION

UNIVERSITY OF ARKANSAS
OPERATING BUDGETS - Educational and General Funds
For the Fiscal Year Ending June 30, 2014

REVENUE	UAF	UAFS	UALR	UAMS*	UAM	UAPB	Clinton School	Division of Agriculture
Tuition & Fees	210,800,299	30,952,907	77,876,802	35,943,886	16,328,886	18,016,742	600,000	
State Appropriations	125,565,115	23,481,830	66,032,237	46,761,695	18,267,628	27,083,599	2,295,575	68,217,491
Hospital				566,340,653				
Professional Services				341,960,696				
Local Taxes		5,525,700			759,993			
Other**	19,644,305	1,910,852	4,191,256	192,238,270		648,750	139,832	23,136,269
TOTAL REVENUE	356,009,719	61,871,289	148,100,295	1,183,245,200	35,356,507	45,749,091	3,035,407	91,353,760
EXPENDITURES								
Salaries & Wages	177,534,078	33,619,492	80,907,960	647,205,331	17,260,360	21,623,817	1,775,530	55,656,806
Fringe Benefits	51,045,291	9,676,589	20,561,783	147,802,996	5,416,796	6,656,213	458,302	16,720,784
Maintenance & Operations	76,140,629	9,947,027	22,057,378	363,366,995	5,878,470	9,587,911	426,575	17,526,170
Debt Service	21,551,084	4,301,478	4,414,482	23,625,658	523,311	1,200,000		
Scholarships	16,472,033	4,900,000	15,438,553	295,797	4,302,039	4,858,698	375,000	
Contingency Funds	13,266,604	-	300,000	948,423	892,535	500,006		
Transfers	-	(573,297)	4,420,139		1,082,996	1,322,446		1,450,000
TOTAL EXPENDITURES	356,009,719	61,871,289	148,100,295	1,183,245,200	35,356,507	45,749,091	3,035,407	91,353,760

* UAMS State Appropriations include RSA, EETF, and the Mixed Drink Tax and is adjusted to deduct the Medicaid Match of \$65,991,252.

**Other includes investment income, sales & services related to instruction, indirect cost recovery, etc.

UNIVERSITY OF ARKANSAS
OPERATING BUDGETS - Educational and General Funds
For the Fiscal Year Ending June 30, 2014

REVENUE	CCCUA	PCCUA	UACCB	UACCH	UACCM	Archeological Survey	Criminal Justice	ASMSA	System
Tuition & Fees	3,265,968	2,914,337	2,997,550	2,516,153	6,358,519				
State Appropriations	4,750,192	10,328,438	5,000,422	6,456,823	6,317,216	2,457,684	1,825,769	8,260,861	3,681,551
Local Taxes	1,125,915	1,850,000	1,300,000	950,500	750,000				
Other*	342,494	807,000	270,541	190,100	677,000	30,000	595,903	1,261,861	3,817,048
TOTAL REVENUE	9,484,569	15,899,775	9,568,513	10,113,576	14,102,735	2,487,684	2,421,672	9,522,722	7,498,599
EXPENDITURES									
Salaries & Wages	5,105,427	8,316,317	5,025,067	5,145,368	7,135,066	1,685,826	1,114,824	4,016,932	4,877,946
Fringe Benefits	1,805,318	2,661,218	1,801,146	1,987,193	2,944,091	456,858	294,284	1,265,501	1,317,757
Maintenance & Operations	1,852,769	3,174,345	1,921,439	1,744,474	2,843,306	345,000	1,012,564	3,847,954	1,302,896
Debt Service	454,500	772,895	595,861	817,407	566,532				
Scholarships	50,000	325,000	225,000	195,600	450,000				
Contingency Funds	150,000	315,000		223,534	163,740			186,929	
Transfers	66,555	335,000						205,000	
TOTAL EXPENDITURES	9,484,569	15,899,775	9,568,513	10,113,576	14,102,735	2,487,684	2,421,672	9,522,316	7,498,599

*Other includes investment income, sales & services related to instruction, indirect cost recovery, etc.

UNIVERSITY OF ARKANSAS
OPERATING BUDGETS - Auxiliary Funds
For the Fiscal Year Ending June 30, 2014

REVENUE	UAF	UAFS	UALR	UAMS	UAM	UAPB	PCCUA	UACCB	UACCM
Athletics	77,100,500	3,536,316	7,291,609		1,772,318	5,901,545			
Residence Halls & Food Svc	33,999,030	4,468,631	6,967,643	1,224,708	2,034,571	4,693,000	75,000	139,334	225,000
Other*	46,050,017	4,127,215	7,045,261	5,311,369	3,135,114	3,708,712	199,000	906,466	1,645,844
TOTAL REVENUE	157,149,547	12,132,162	21,304,513	6,536,077	6,942,003	14,303,257	274,000	1,045,800	1,870,844
EXPENDITURES									
Salaries & Wages	41,392,327	1,740,456	5,040,616	972,489	936,347	3,295,985	62,917	111,035	224,642
Fringe Benefits	9,214,577	476,513	983,912	267,285	292,072	1,021,770	19,200	47,702	67,902
Maintenance & Operations	71,882,482	4,082,348	8,184,815	3,184,250	3,640,399	6,461,729	134,200	802,248	1,578,300
Debt Service	27,901,164	3,086,147	4,362,426	2,356,324	1,025,667	1,500,000			
Scholarships	6,758,997	1,522,669	1,895,132		1,047,518	2,023,773			
Contingency Funds		91,903	809,755					84,815	
Transfers		1,132,126	27,857				57,683		
TOTAL EXPENDITURES	157,149,547	12,132,162	21,304,513	6,780,348	6,942,003	14,303,257	274,000	1,045,800	1,870,844

*Other includes bookstore, student union, parking, student organizations, etc.

UNIVERSITY OF ARKANSAS SYSTEM OPERATING BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2014

This budget document, prepared for the University of Arkansas Board of Trustees, contains the operating budget information for all components of the University System. This budget information is segmented into the following seven exhibits:

Exhibit A: The Executive Budget Summary outlines the major budget assumptions for anticipated revenues and expenditures for the fiscal year ending June 30, 2014, and is prepared by the Chancellors, the Vice President for Agriculture, the Director of Archeological Survey, the Director of Criminal Justice Institute, the Director of School for Mathematics, Sciences and the Arts, and the Dean of Clinton School of Public Service.

Exhibit B: A Summary of Budgeted Educational & General Fund Revenues for the current year and the upcoming fiscal year, as well as Actual Revenues for the previous year.

Exhibit B-1: A Summary of Budgeted Educational & General Fund Expenditures for the current year and the upcoming fiscal year, as well as Actual Expenditures for the previous year.

Exhibit B-2: A Breakdown of Budget Educational & General Fund Expenditures into the categories of "Salaries and Wages", "Fringe Benefits", "Maintenance and Operations", "Debt Service", "Scholarships and Awards", "Contingency Funds", and "Transfers".

Exhibit C: A Summary of Budgeted Auxiliary Fund Revenues for the current year and the upcoming fiscal year, as well as Actual Revenues for the previous year.

Exhibit C-1: A Summary of Budgeted Auxiliary Fund Expenditures for the current year and the upcoming fiscal year, as well as Actual Expenditures for the previous year.

Exhibit C-2: A Breakdown of Budget Auxiliary Expenditures into the categories of "Salaries and Wages", "Fringe Benefits", "Maintenance and Operations", "Debt Service", "Scholarships and Awards", "Contingency Funds", and "Transfers".

Exhibit A

ARKANSAS ARCHEOLOGICAL SURVEY BUDGET DISCUSSION FY 2013-2014

INTRODUCTION

The Arkansas Archeological Survey, an independent unit of the University of Arkansas System, operates a statewide program of archeological research, public service, and public education. Eleven research stations are strategically distributed across the state. The Coordinating Office is located in Fayetteville.

Archeologists at the eleven research stations conduct basic archeological research and provide assistance to citizens of Arkansas and to state and federal agencies. Eight research stations are located on university campuses (UAF, UAPB, UAM, UAFS, WRI, HSU, ASU, and SAU). Research stations are also located at Toltec Mounds Archeological State Park, Parkin Archeological State Park, and the City of Blytheville. The Survey's Coordinating Office in Fayetteville houses the administrative offices, the State Archeologist's office, the Registrar's office, Computer Services, Sponsored Research Program, and the Publications Office. Survey administrative staff includes the Director, the Assistant Director for Financial Affairs, an administrative secretary, and an accounting technician. The Survey has 42 employees statewide.

BUDGET CONSIDERATIONS

Salaries: A few employees will receive salary increases due to changes in personnel classifications but the majority of Survey employees will not receive salary increases in FY 2014. If funds are available a few employees could receive one-time salary distributions based on meritorious service.

Maintenance: \$345,000 is allocated for basic expenditures such as utilities and maintenance of the Arkansas Archeological Survey Building in Fayetteville, vehicle insurance, travel, supplies, equipment and other expenses.

DISCUSSION

Despite the lack of funds for permanent salary increases, Survey personnel are extremely grateful for continuing appropriations in these uncertain economic times. In other words, they are very grateful to have a job doing what they love. Colleagues in other states are envious of our situation. Survey employees are extremely dedicated and despite the lack of funds for salary increases they will continue to provide services to the people of Arkansas.

SUMMARY

The Arkansas Archeological Survey continues to operate a nationally recognized program in archeological research, public education, and public service. The Survey accomplishes much of its mission by working closely with the Arkansas Archeological Society, a statewide amateur organization. The Survey works cooperatively with the Department of Arkansas Heritage, Arkansas State Parks and Tourism, and the Arkansas Highway and Transportation Department. In addition, the Survey provides essential services and expertise to many of the Indian tribes that formally resided in Arkansas. These are the Quapaw, Osage, Caddo, Tunica, Choctaw, and Cherokee nations.

The Survey has a national and international reputation as a pioneer in the use of near-surface remote sensing equipment. These technologies allow one to “see” under the ground and detect the buried remains of prehistoric palisades, houses, hearths, and graves. These technologies are also used to locate unmarked graves in contemporary cemeteries. The Survey provides these services to the FBI and state and local law enforcement personnel as requested. The Survey receives more requests for remote sensing than can be provided with the current resources.

The Survey’s cooperative program with the Arkansas Archeological Society provides amateurs with an opportunity to participate in state-of-the-art archeological projects in all corners of the state. The Survey is nationally recognized for allowing amateurs to fully participate in its activities.

University of Arkansas - Arkansas Archeological Survey
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
State Appropriations						
Category A	2,327,380	92.69%	2,327,380	92.34%	2,327,380	93.56%
Category B	5,357	0.21%		0.00%		0.00%
Educational Excellence	125,080	4.98%	128,389	5.09%	130,304	5.24%
Total State Appropriations	2,457,817	97.88%	2,455,769	97.43%	2,457,684	98.79%
Other Sources						
Other Local Income	23,984	0.96%	35,000	1.39%	30,000	1.21%
Reserve Fund	29,158	1.16%	29,700	1.18%		0.00%
Total Educational and General	2,510,959	100.00%	2,520,469	100.00%	2,487,684	100.00%

University of Arkansas - Arkansas Archeological Survey
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Research, Public Service & Teaching	2,509,184	99.93%	2,520,469	100.00%	2,487,684	100.00%
Other	1,775	0.07%		0.00%		0.00%
Reserve Fund		0.00%		0.00%		0.00%
Total Educational and General	2,510,959	100.00%	2,520,469	100.00%	2,487,684	100.00%

University of Arkansas - Arkansas Archeological Survey
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Research, Public Service & Teaching	1,685,826	456,858	345,000					2,487,684
Other								-
Total Educational and General	1,685,826	456,858	345,000	-	-	-	-	2,487,684

**CRIMINAL JUSTICE INSTITUTE
BUDGET SUMMARY
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

MISSION:

The Criminal Justice Institute (CJI) is an educational entity that provides education and training programs and services designed to enhance the performance of Arkansas law enforcement professionals. As a division of the University of Arkansas System, the Institute delivers advanced education and training in progressive areas of criminal justice including law enforcement leadership and management, forensic sciences, computer applications, traffic safety, illicit drug investigations, and school safety. CJI is committed to designing, enhancing, and implementing curricula that meet the unique and dynamic challenges of Arkansas law enforcement professionals, particularly those who serve rural communities. Utilizing distance learning strategies and through collaboration with 22 other Arkansas higher education institutions, CJI works diligently to ensure accessibility of education and training for law enforcement professionals throughout the State.

ESTIMATED REVENUES:

Total revenues for fiscal year 2014 are projected to be \$2,421,672. This amount represents state general revenues of \$1,825,769 (RSA category A), other revenues consisting of estimated indirect cost recovery of \$400,000, and budgeted fund balance of \$195,903.

BUDGET ALLOCATIONS:

Salaries, Wages and Fringe Benefits are budgeted at 58.2% of the total budget. Funds for merit increases up to 2.0% are included in the budget for this fiscal year.

Maintenance and Operations is budgeted at 41.8% of estimated revenues. No funds are budgeted for capital outlay expenditures.

University of Arkansas - Criminal Justice Institute
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
State Appropriations						
Category A	1,830,383	73.13%	1,825,769	74.42%	1,825,769	75.39%
Category B		0.00%		0.00%		0.00%
Total State Appropriations	1,830,383	73.13%	1,825,769	74.42%	1,825,769	75.39%
Other Sources	672,699	26.87%	553,357	22.56%	400,000	16.52%
Budgeted Fund Balance		0.00%	74,156	3.02%	195,903	8.09%
Total Educational and General	2,503,082	100.00%	2,453,282	100.00%	2,421,672	100.00%

University of Arkansas - Criminal Justice Institute
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Public Service	2,154,501	88.29%	2,453,282	100.00%	2,421,672	100.00%
E & G Non-Mandatory Transfers						
Transfer to Plant Fund	285,772	11.71%		0.00%		0.00%
Contingency Fund		0.00%		0.00%		0.00%
Total Educational and General	2,440,273	100.00%	2,453,282	100.00%	2,421,672	100.00%

University of Arkansas - Criminal Justice Institute
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Public Service	1,114,824	294,284	1,012,564					2,421,672
E & G Non-Mandatory Transfers								
Transfer to Plant Fund								-
Contingency Fund								-
Total Educational and General	1,114,824	294,284	1,012,564	-	-	-	-	2,421,672

EXECUTIVE SUMMARY
UNIVERSITY OF ARKANSAS DIVISION OF AGRICULTURE
For the Budget Year Ending June 30, 2013

Mission and Organization:

The Division of Agriculture of the University of Arkansas System is unique in the overall scheme of higher education in Arkansas. It is composed of the Agricultural Experiment Station and the Cooperative Extension Service and has the basic mission of discovery of knowledge through research and helping Arkansans put that knowledge to work in their daily lives through extension education. Through its programs, the Division reaches out into all 75 counties and touches nearly every citizen in the state.

The Agricultural Experiment Station is the primary research support agency for Arkansas farmers, food processors and related industries. Research topics include issues that impact the families, communities and natural resources associated with Arkansas agriculture and related enterprises. The Station is composed of 24 organizational units: 11 academic departments on the Fayetteville campus, the forestry program at UA-Monticello, the cooperative UA/ASU program at Arkansas State University, Jonesboro, 5 research and extension centers, and 7 branch stations. Additionally, the Veterinary Diagnostic Lab is part of the Division of Agriculture, Agricultural Experiment Station.

The Cooperative Extension Service carries out the public service portion of the land-grant mission of the Division of Agriculture, providing life-long learning opportunities to meet the needs of Arkansas citizens at the local level. Extension offers education in the areas of agriculture and family and consumer sciences, including health and wellness, aging, family life, family and consumer economics, nutrition and food safety, and leadership. Extension also plays a major role in promoting opportunities for Arkansas youth through its 100+ year old Arkansas 4-H program. Additionally, the Cooperative Extension Service provides community and economic development and policy research and education programs throughout the state. Important units supporting these efforts include the Public Policy Center and Arkansas Procurement Assistance Center (APAC).

Revenues:

The Division receives its operating revenue from State and Federal Appropriations, County Appropriations, and Other Income, including Sales and Services. For FY14, State Appropriations General Revenue and Educational Excellence (EETF) comprise approximately 75% of the unrestricted budgeted operating funds. Approximately 11% of the Division's unrestricted funds are federal capacity funds that it receives through the Land Grant University partnership with USDA. County Appropriations comprise slightly over 3% of the total Division budgeted revenue, while Other Income, including Sales and Services, comprises slightly over 10%. These amounts represent a decline in federal formula funding. While the full effects of budget cuts at the federal level are still unknown, the most recent information available indicates

that the Agricultural Experiment Station will sustain a 7.63% loss in federal formula funding, and the Cooperative Extension Service will sustain a 8.48% reduction.

Budget Allocations:

The FY2014 Division budget is effectively flat with only a .4% increase over the FY2013 budget. Salaries and Fringe Benefits collectively comprise 79% of the total Division budget, with Maintenance and Operations expenditures comprising a little over 19%.

The Division plans to implement a 2% COLA increase in FY14 for all Division employees, classified and non-classified.

Throughout the year, the Division will monitor the federal budget situation and consider the related impact on Division revenue. If necessary, adjustments to expenditures will be made to ensure the Division operates within its means.

Mark J. Cochran
Vice President for Agriculture

University of Arkansas Division of Agriculture
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
State Appropriations						
Category A	62,800,138	69.30%	62,800,138	69.02%	62,800,138	68.74%
Category B	107,895	0.12%		0.00%		0.00%
Educational Excellence	5,200,192	5.74%	5,337,756	5.87%	5,417,353	5.93%
Total State Appropriations	68,108,225	75.16%	68,137,894	74.89%	68,217,491	74.67%
Other Sources						
Federal Appropriations	9,001,718	9.93%	10,996,156	12.09%	10,061,269	11.01%
County Appropriations	2,988,657	3.30%	2,950,000	3.24%	3,025,000	3.31%
Other Income	9,747,253	10.72%	8,400,000	9.23%	9,400,000	10.29%
Total Other Sources	21,707,628	23.96%	22,346,156	24.56%	22,486,269	24.61%
Transfers from UAF/Other Sources	798,698	0.88%	500,000	0.55%	650,000	0.71%
Budgeted Fund Balance		0.00%		0.00%		0.00%
Total Educational and General	90,614,551	100.00%	90,984,050	100.00%	91,353,760	100.00%

University of Arkansas Division of Agriculture
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Research	42,727,341	48.52%	45,216,980	49.70%	45,568,031	49.88%
Public Service	41,557,498	47.19%	44,517,070	48.93%	44,335,729	48.53%
Mandatory Transfers for Cost Share	14,418	0.02%	50,000	0.05%	50,000	0.05%
E & G Non-Mandatory Transfers						
Transfer to Plant Fund	3,765,585	4.28%	1,200,000	1.32%	1,400,000	1.53%
Contingency Fund		0.00%		0.00%		0.00%
Total Educational and General	88,064,842	100.00%	90,984,050	100.00%	91,353,760	100.00%

University of Arkansas Division of Agriculture
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Research	27,647,722	7,729,868	10,190,441					45,568,031
Public Service	28,009,084	8,990,916	7,335,729					44,335,729
Mandatory Transfers for Cost Share							50,000	50,000
E & G Non-Mandatory Transfers								
Transfer to Plant Fund							1,400,000	1,400,000
Contingency Fund								-
Total Educational and General	55,656,806	16,720,784	17,526,170	-	-	-	1,450,000	91,353,760

University of Arkansas,
Fayetteville

**UNIVERSITY OF ARKANSAS
FY14 OPERATING BUDGET
EXECUTIVE SUMMARY**

The most important factor influencing budget recommendations of the University of Arkansas was the compounding effect of little or no state appropriation increase since FY08. This is seven years of essentially flat State Appropriations. The FY14 State Appropriation is anticipated to increase by 3.98 percent over the actual appropriation in FY08. Somewhat over half of this increase is expected to occur with the 2.61 percent FY14 State Appropriation increase over FY13. The six-year State Appropriation total increase being 3.98 percent is not going to be offset by the 2.61 percent increase from FY13 to FY14. State Appropriations made up about 35.3 percent of the Educational and General (E&G) FY13 Revenues while Tuition and Fees made up about 59.2 percent. The State Appropriation increase since FY08 is well below any measure of inflation over this seven-year time span. To have the total E&G budget increase at approximately inflation, the tuition increase has to be greater than inflation.

The University of Arkansas requests a modest increase of 3 percent in tuition and mandatory fee rate for the 2013-14 academic year – an increase which will keep the university's tuition rate competitive with rates of other SEC and benchmark institutions. We have been conscientious about keeping our tuition/fee increases as low as possible as shown in Table 1. Last year, our increase of 5.3 percent was below the increases of many major universities. Alabama increased by 7 percent; Tennessee increased by 8 percent; Oregon increased by 9 percent; Washington increased by 16 percent.

Of the 13 public research universities in the SEC responding to a query about tuition increases for FY14, eight responded by May 7, 2013, with expectations that tuition would rise by 3-6.5 percent with only one at 3 percent and one other below 4 percent. To date, five have indicated increases from 4.5-6.5 percent. On May 9, one responded that the tuition increase would be 1.7% but that there would be no centrally funded salary increases. Thus the requested 3 percent plus the Library Fee is at the low end of range of requests.

A small increase in state funding and additional tuition revenue will allow the institution to continue to attract and retain top faculty and staff, to increase the number of class sections commensurate with the growing enrollment, and to develop new transition initiatives to support student retention and graduation. The increase will also ensure that we protect and maintain the growing physical plant of the institution.

Our highest priority from tuition revenue is faculty and staff salaries. Last year we were able to provide a merit raise pool of 2.5 percent; this year we are proposing to provide a merit pool of 2.75 percent. While we have made some progress on the average salaries of our tenured faculty, we remain below the average of our peer schools in the Midwest and SEC for the higher faculty ranks of professor and associate professor. We stand to lose our best faculty if we can't continue our momentum and reach our goal of being above average in faculty compensation.

We have always been a good steward of our resources and continue to keep costs as low as possible by carefully monitoring expenses and finding ways to reduce costs at all levels. As a result, we continue to be one of the “best college buys” in the country and to rank favorably among institutions within and outside the SEC with whom we benchmark.

Table 1

2012-13 Undergraduate Tuition & Fees
(Sorted by Resident)

Benchmark	Resident
Vanderbilt University*	\$41,118
Clemson University	\$12,674
University of South Carolina	\$10,488
University of Georgia	\$9,842
University of Texas at Austin	\$9,792
University of Kansas	\$9,678
University of Kentucky	\$9,676
Auburn University	\$9,446
University of Missouri	\$9,257
University of Alabama	\$9,200
University of Tennessee	\$9,092
Texas A & M University	\$8,505
University of Nebraska	\$8,068
Iowa State University	\$7,726
University of Arkansas	\$7,554
University of Oklahoma	\$7,341
Louisiana State University	\$6,989
University of Mississippi	\$6,282
Mississippi State University	\$6,264
University of Florida	\$6,143
Mean of Publics Only	\$8,632

Note: based on 15 hours per term for two terms; * = Private Institution

Source: U.S.News & World Report, Best Colleges, 2013, Common Data Sets

To fulfill our role in advancing the state of Arkansas, we have grown our enrollment in undergraduate and graduate programs and increased dramatically the number of students who succeed and earn degrees. Since the 2000-01 academic year, our six-year graduation rate has increased from 45 percent to 60 percent for first-time, full-time, degree-seeking freshmen, achieving a rate of success ranging 19-41 percentage points higher than Arkansas's other four-year institutions as shown in Table 2.

Table 2 2012 6-Year Bachelor Graduation Rates	
Arkansas 4-Year Institutions	6-Year Graduation Rate
University of Arkansas, Fayetteville	60.0%
University of Central Arkansas	40.6%
Arkansas State University, Jonesboro	38.8%
Arkansas Tech University	36.7%
Henderson State University	35.0%
Southern Arkansas University	32.8%
University of Arkansas at Pine Bluff	27.6%
University of Arkansas at Fort Smith	22.4%
University of Arkansas at Little Rock	18.7%

Source: ADHE Graduation Rate Calculation

While proud of this increase of 15 percentage points since 2000-01, we believe we can and must do even better. We have set ambitious goals of reaching graduation rates of 66 percent by 2015 and 70 percent by 2021. The modest increase in tuition and fees which we are requesting will help us to step up our retention initiatives— enhanced academic tutoring, more intensive academic advising, online degree audits, financial management workshops, and *University Perspectives*, a new course designed to help freshmen transition to college life and expectations. These strategic investments in retention will ultimately advance not only the university but also the state of Arkansas by increasing the number of Arkansas citizens with a college degree.

A 3.0 percent tuition and mandatory fee increase is requested and is only modestly above expected inflation and does not offset the lack of inflationary State appropriation increases. Two smaller mandatory fee increases are included in the 3.0 percent total for Transit with a 4.7 percent increase and the Network and Data Systems Fee with a 3.1% increase. These fee increases are necessary to replace declining federal funds for the Transit System and to reduce the accumulated debt from inadequately funded support of the Student Information System and Network Security. Each dedicated fee is for a specific purpose not otherwise addressed by the general budget.

The university also requests a new fee dedicated to the libraries to support the university's Carnegie classification of very high research activity for sciences, social sciences, engineering, business, and humanities and to pursue its quest to become a Top 50 public research university. Just as start-up funding in the laboratory sciences promotes research activity, the libraries' holdings must be kept current in order to support research and scholarship in other disciplines. This new fee adds to the 3 percent increase to all existing fees and increases the overall tuition and mandatory fee level to 3.5 percent.

Table 3 below demonstrates just how far we lag behind many of our peer institutions in the Southern University Group in the resources we provide our libraries. We feel strongly that only a consistent and aggressive program for the maintenance and improvement of our libraries—a level of investment that will allow the libraries to be among the Top 20 percent of all institutions with which they benchmark—will position them to strategically support the university by promoting the caliber of intellectual discovery and information literacy that are an integral part of a Top 50 public research university.

Table 3. Library Funding

Institution	Overall E&G Library Budget
Texas A&M	\$35,350,406
Maryland	22,525,750
North Carolina	22,308,591
Oklahoma	17,485,780
Virginia Tech	17,059,010
Tennessee	16,878,636
Oklahoma State*	16,744,890
Alabama	15,164,600
Auburn	13,420,533
Georgia	12,343,358
Clemson	10,411,234
Georgia State	10,214,249
LSU	10,046,335
Arkansas	8,818,304
Mississippi State	8,496,265
Mississippi	7,531,317
Mean	\$15,299,954

* Includes student fees

Source: Library Survey, Southern University Group, 2012-13

During each of the past three years, the university has provided \$500,000 to \$1 million in library support, most of which has been with one-time, critical need funding. The libraries must have a steady revenue stream to strategically support both undergraduate and graduate students. This new Library Fee is requested to meet a need that has been difficult to fund from the budgets each year and would be dedicated totally to the specific needs just described. A \$5 per semester credit hour fee would have moved the Library to competitive levels. The initial request was for \$2.50 per semester credit hour but is reduced to \$1.25 per semester credit hour in the final request submitted.

The revenue growth from the increase in tuition and mandatory fees rates and State appropriation is about 3 percent. Growth in enrollment provides significant new revenue that not only is allocated to meet enrollment growth requirements but also to provide the university with additional resources to make it actually possible to meet the non-growth critical needs of the university.

Through a combination of revenue from enrollment growth between FY12 and FY13 not in the FY13 budget, the tuition increase, the inflationary increase in appropriations, and reallocations, the university expects to meet critical needs during the coming year. Both the Educational and General Operating Budget and the Auxiliary Operating Budget are discussed and incorporated into the Institutional Operating Budget.

EXHIBIT B. EDUCATIONAL AND GENERAL REVENUE

This budget is submitted on May 23, 2013, based on the official state revenue forecast for FY14 noting that all new state appropriations are in Category B and subject to loss should State revenue forecasts not materialize. Comparisons to the 3rd Quarter of FY13 are made using the current official state forecast for state revenues for FY13. The FY14 budget estimates for Revenue Stabilization Act (RSA) funding are projected to be \$116,398,902. This is an increase of \$3,055,239 or 2.7 percent in State General Revenue for the Fayetteville Campus from the current FY13 State RSA funding level of \$113,343,663. State appropriations for FY14 currently authorize \$9,166,213 from the Educational Excellence Trust Fund (EETF) for a 1.49 percent increase from the FY13 current EETF base of \$9,031,533. The FY14 expected increase in state appropriations from state revenues (RSA + EETF) is \$3,189,919 or a 2.6 percent increase in total state appropriations utilized in the budget process. An EETF appropriation update is expected in August of 2013. Contingency funds will be used for one-time needs or to fill critical ongoing budget gaps.

In FY08 the university received the largest annual increase in state appropriations since 1989. In contrast, FY14 will be the seventh consecutive year with a small compound annual growth rate in the State Appropriation.

The FY14 Budget is built on a general 3.00 percent tuition and mandatory fee increase for undergraduate and graduate residents and non-residents students. Mandatory fees are designated for specific purposes and are not available for general budget considerations, but were held to much lower increases to provide for the maximum amount of tuition

within the constraint of tuition and fees being held to 3 percent. A new Library Fee of \$1.25 is requested to address critical needs that continue to accumulate with inadequate resources to address from the tuition allocations. The tuition for Arkansas residents for remedial courses is the same as the out-of-district tuition at NWACC.

FY14 budgets could possibly include revenues from the FY14 projected on-campus enrollment change. However, such enrollment changes other than for freshmen have been difficult to predict in previous years so that a good overall projection for upcoming fiscal years has not been possible. The FY14 budget is built on the enrollment achieved in FY13. Remaining revenues from FY14 enrollment changes will be budgeted in contingency reserves as they are realized and used as described above.

The budgeted revenue increase from tuition rate changes alone is \$4,875,127. The budgeted revenue increase from state appropriation is \$3,189,919 for a combined total of \$8,065,046 or 2.4 percent of FY13 E&G. Additional revenues from increases in the differential tuition rates of \$632,593, from an increased fee charged to the Non-Resident Tuition Assistant Recipients of \$3,418,647 and reallocations not previously in E&G are \$2,300,430 for a total of 1.9 percent of FY13 E&G. Enrollment growth provides significant additional revenues of \$7,720,483 or 2.3 percent of FY13 E&G. Thus it is clear that the revenue increase from growth in enrollment is the major source of new revenue in the budget.

EXPECTED EDUCATIONAL AND GENERAL EXPENDITURES

Allocations of additional "general revenue" are supported by tuition, state appropriations, and other revenues not "designated for specific purposes". The latter revenues are not allocated in the budget process since they are earmarked ahead of time. The Budget Exhibits include both "general budgets" and "designated budgets" which together make up the Education and General Budget. A list of discretionary allocations therefore will not equate to the revenues and expenditures in the exhibits although they can be tied to them by properly including the "designated" funds. A list of allocations from 0102 funds will also not show the puts and takes of reallocations of previously existing revenues. The latter are sometimes large and centrally managed but often are smaller and managed at the unit level. Additional exhibits provide revenues and expected expenditures for Auxiliaries which are different from "designated" revenues and expenditures" that are part of the Educational and General Budgets. Nevertheless, it is instructive to see the major categories of allocations and net amounts to understand the priorities of the university.

Budgeted contingencies are increased significantly to enable the university to manage risks and opportunities effectively.

Faculty salaries are the highest priority for specific allocations and are included in the 2.75% merit pool for non-classified employees. Additional promotion increments, promotion equity, other equity, and retention pools specifically targeted to faculty are estimated to increase the pool by 0.64% for faculty. Classified staff employees are budgeted to receive a Cost of Living (COLA) increase as that has been authorized by the

State but must be funded from a campus budget allocation. As noted in the revenue discussion, enrollment growth has produced significant new tuition revenue and the commensurate allocations to meet the direct needs of such growth are apparent in the list of allocations.

Summary Allocations	Sum of Total
Contingency	6,120,965
Non-classified salary increase (including promotion & equity)	4,683,367
Enrollment Growth: Academic	1,992,143
New Faculty (84.75%) and GA's (15.25%)	1,850,636
Academic Computing Support	1,645,657
Enrollment Growth: Infrastructure	1,553,030
Retention of Staff	1,466,004
Utilities	1,169,140
Scholarships	948,225
University Advancement	925,000
Interdisciplinary Programs	751,090
Debt Service	633,000
Classified Salary, Cost of Living Adjustment	612,778
Distribution of Differential Tuition	428,385
Research and Economic Development Support	419,895
Diversity Enhancement	346,062
New Facilities Operational Costs	314,660
Miscellaneous (\$190,000 maximum per item)	381,427
Grand Total	26,241,465

EXHIBIT B-1. EDUCATIONAL AND GENERAL FUND EXPENDITURES

Academic Operations consist of Instruction, Research, Public Service, and Academic Support. Academic Operations budgets as a percentage of total budget increased from 58.7 percent to 60.0 percent. The increase in Academic Operations budgets from FY13 to FY14 is 8.4 percent. The core educational & general operating functions of the university are the Academic Operations, Student Services, Institutional Support, and Physical Plant. Excluding Physical Plant where an accounting change resulted in an artificial reduction of budgeted expenditures, the core educational and general operations budget is increased by 7.2 percent.

Mandatory transfers for debt retirement while increasing by \$852,857 decreased as a percentage of total budgeted E&G from 6.2 percent in FY13 to 6.1 percent in FY14.

The Scholarship & Awards budget increases by \$612,811 but decreased as a percentage of budgeted E&G from 4.7 percent to 4.6 percent.

Contingency reserves increase from a revised budget total of \$6,436,250 to \$13,266,604, for a total increase of \$6,830,354. As a percentage of budgeted E&G, contingency increases from 1.9 percent to 3.7 percent. This increase is strategic in order to give the university the necessary resources to meet unanticipated opportunities and provide a prudent amount for emergencies. It was a goal to increase contingencies and reserves over what was possible in previous budgets. It is possible that further increases may be prudent.

EXHIBIT C. AUXILIARY ESTIMATED REVENUES

Auxiliary expenditures are generally required to be within auxiliary revenues for each auxiliary unit with some generation of reserves. Self-supporting service operations such as Printing Services, Telephone Services, Scientific Supplies, and Mailing Services are included in Auxiliaries.

The sum of the unit auxiliary budgeted revenues increases from the FY13 budget of \$149,614,010 to \$157,149,547 in FY14 for an increase of \$8,122,220 or 5.5 percent.

Athletics and Trademark Licensing budget projections make up the majority of the overall auxiliary budget increase. Athletics and Trademark Licensing revenue is expected to increase by \$5,051,750 from \$75,623,750 to \$80,675,500 or 6.7 percent, primarily due to higher budget projections for conference and NCAA distributions, trademark licensing, and gifts and donations, offset by a reduction in football revenue as a result of having one less home football game in the 2013 season. In contrast to previous years where all Athletic revenues and projected expenditures were stated conservatively, this FY14 budget is as realistic as possible and reflects additional costs associated with increases in salaries and benefits, utilities, financial aid, debt service on new facilities, and team travel. It is necessary to keep in mind that the Razorback Foundation generates a large amount of contributions to support the Athletic Department, and some of those dollars are primarily kept in the Razorback Foundation.

The Union is now more than half an E&G building so that its operation is transitioning to that of an E&G facility, and its budget is no longer reflected as an auxiliary budget.

TOTAL UNIVERSITY BUDGET

The total campus FY14 budget for all Educational and General (0102, 0112, and 0372), auxiliary, service, and revolving accounts is \$ 513,159,266. This represents a 5.9 percent increase over the FY13 revised budget of \$ 484,729,520. Restricted funds and fund balances are not included in this budget information and are not budgeted in the same sense as these budgeted funds. Such funds are treated differently since they do not constitute a recurring base for future general revenues and expenditures.

EXHIBIT B

University of Arkansas, Fayetteville
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	180,261,378	52.81%	185,557,966	55.27%	210,800,299	59.21%
State Appropriations						
Category A	113,957,871	33.39%	113,343,663	33.76%	113,343,663	31.84%
Category B		0.00%		0.00%	3,055,239	0.86%
Educational Excellence	8,798,773	2.58%	9,031,533	2.69%	9,166,213	2.57%
Special Appropriations	570,337	0.17%		0.00%		0.00%
Total State Appropriations	123,326,981	36.13%	122,375,196	36.45%	125,565,115	35.27%
Sales and Services	12,439,025	3.64%	12,322,451	3.67%	5,237,823	1.47%
Other Sources	25,302,406	7.41%	15,446,580	4.60%	14,406,482	4.05%
Total Educational and General	341,329,790	100.00%	335,702,193	100.00%	356,009,719	100.00%

University of Arkansas, Fayetteville
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	131,711,804	40.73%	144,963,028	43.18%	158,755,416	44.59%
Research	15,970,960	4.94%	13,435,525	4.00%	13,750,288	3.86%
Public Service	10,857,746	3.36%	4,825,840	1.44%	4,555,007	1.28%
Academic Support	32,294,815	9.99%	33,727,801	10.05%	36,421,787	10.23%
Student Services	22,668,958	7.01%	26,090,001	7.77%	27,072,599	7.60%
Institutional Support	36,130,704	11.17%	33,500,190	9.98%	34,422,729	9.67%
Physical Plant	31,850,208	9.85%	36,166,109	10.77%	29,742,172	8.35%
Scholarships & Awards	17,326,672	5.36%	15,859,222	4.72%	16,472,033	4.63%
Mandatory Transfers for Debt Retirement	19,640,768	6.07%	20,698,227	6.17%	21,551,084	6.05%
E & G Non-Mandatory Transfers						
Transfer to Athletics		0.00%		0.00%		0.00%
Transfer to Student Union	151,309	0.05%		0.00%		0.00%
Transfer to Plant Fund		0.00%		0.00%		0.00%
Contingency Fund	4,812,710	1.49%	6,436,250	1.92%	13,266,604	3.73%
Total Educational and General	323,416,654	100.00%	335,702,193	100.00%	356,009,719	100.00%

University of Arkansas, Fayetteville
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	90,764,293	29,471,560	38,519,563					158,755,416
Research	9,372,145	2,324,785	2,053,358					13,750,288
Public Service	2,565,190	574,243	1,415,574					4,555,007
Academic Support	21,979,259	5,457,111	8,985,417					36,421,787
Student Services	14,366,451	3,492,310	9,213,838					27,072,599
Institutional Support	22,278,935	5,525,152	6,618,642					34,422,729
Physical Plant	16,207,805	4,200,130	9,334,237					29,742,172
Scholarships & Awards					16,472,033			16,472,033
Mandatory Transfers - Debt Retirement				21,551,084				21,551,084
E & G Non-Mandatory Transfers								-
Transfer to Athletics								-
Transfer to Student Union								-
Transfer to Plant Fund								-
Contingency Fund						13,266,604		13,266,604
Total Educational and General	177,534,078	51,045,291	76,140,629	21,551,084	16,472,033	13,266,604	-	356,009,719

University of Arkansas, Fayetteville
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Athletics	74,022,230	50.10%	73,623,750	49.40%	77,100,500	49.06%
Bookstore	18,487,696	12.51%	21,262,133	14.27%	19,481,410	12.40%
Trademark Licensing		0.00%	2,000,000	1.34%	3,575,000	2.27%
Residence Life	33,881,602	22.93%	30,082,948	20.19%	33,999,030	21.63%
Arkansas Union (to E&G)	850,915	0.58%	#####	0.00%	#####	0.00%
Student Health Services	5,660,313	3.83%	6,019,374	4.04%	5,577,190	3.55%
Transit & Parking	9,144,050	6.19%	8,935,921	6.00%	9,618,017	6.12%
Student Org. & Activities	2,117,080	1.43%	2,184,769	1.47%	2,258,162	1.44%
Other Auxiliary Units	621,279	0.42%	3,432,500	2.30%	4,244,620	2.70%
Total Auxiliary	144,785,165	97.99%	147,541,395	99.00%	155,853,929	99.18%
SERVICE OPERATIONS (See NOTE)	2,969,127	2.01%	1,485,932	1.00%	1,295,618	0.82%
TOTAL AUXILIARY & SERVICE OPERATIONS	147,754,292	100.00%	149,027,327	100.00%	157,149,547	100.00%

NOTE: Includes internal charges to E&G units.

University of Arkansas, Fayetteville
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Athletics	73,382,622	49.36%	73,623,750	49.40%	77,100,500	49.06%
Bookstore	18,512,316	12.45%	21,262,133	14.27%	19,481,410	12.40%
Trademark Licensing		0.00%	2,000,000	1.34%	3,575,000	2.27%
Residence Life	34,502,772	23.21%	30,082,948	20.19%	33,999,030	21.63%
Arkansas Union (to E&G)	964,549	0.65%		0.00%		0.00%
Student Health Services	5,994,457	4.03%	6,019,374	4.04%	5,577,190	3.55%
Transit & Parking	9,185,587	6.18%	8,935,921	6.00%	9,618,017	6.12%
Student Org. & Activities	2,231,921	1.50%	2,184,769	1.47%	2,258,162	1.44%
Other Auxiliary Units	382,423	0.26%	3,432,500	2.30%	4,244,620	2.70%
Total Auxiliary	145,156,647	97.64%	147,541,395	99.00%	155,853,929	99.18%
SERVICE OPERATIONS (See NOTE)	3,504,151	2.36%	1,485,932	1.00%	1,295,618	0.82%
TOTAL AUXILIARY & SERVICE OPERATIONS	148,660,798	100.00%	149,027,327	100.00%	157,149,547	100.00%

NOTE: Includes internal charges to E&G units.

University of Arkansas, Fayetteville
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Athletics	25,639,816	5,621,687	29,127,714	10,088,883	6,622,400			77,100,500
Bookstore	1,770,856	292,395	16,478,284	939,875				19,481,410
Trademark Licensing			3,575,000					3,575,000
Residence Life	6,175,834	1,473,457	14,268,883	12,080,856				33,999,030
Arkansas Union (to E&G)								-
Student Health Services	3,625,004	940,180	890,267		121,739			5,577,190
Transit & Parking	2,356,656	458,631	2,949,680	3,853,050				9,618,017
Student Org. & Activities	360,971	48,063	1,834,270		14,858			2,258,162
Other Auxiliary Units	178,184	48,016	3,318,420	700,000				4,244,620
Total Auxiliary	40,107,321	8,882,429	72,442,518	27,662,664	6,758,997	-	-	155,853,929
SERVICE OPERATIONS (See NOTE)	1,285,006	332,148	(560,036)	238,500				1,295,618
TOTAL AUXILIARY & SERVICE OPERATIONS	41,392,327	9,214,577	71,882,482	27,901,164	6,758,997	-	-	157,149,547

NOTE: Includes internal charges to E&G units.

**UNIVERSITY OF ARKANSAS – FORT SMITH
FY 2014 OPERATING BUDGET
EXECUTIVE SUMMARY**

Priorities corporately pursued in formulation of the FY14 operating budget for University of Arkansas - Fort Smith (UAFS) include:

- Building capacity to respond to enrollment and an expanding population of full-time baccalaureate students.
- Strengthening the role and place of UAFS as a quality, recognized regional university.
- Attracting, retaining, and developing faculty and staff talent needed to offer first-quality higher education learning opportunities.
- Increasing public and private support.
- Positioning the institution to address goals growing out of the strategic planning initiative that will come to fruition in FY14.

The resulting budget is balanced. Assumptions and budget decisions made in pursuit of these objectives are summarized below.

BUDGETED REVENUE

The FY14 budget for unrestricted education and general revenue totals \$61,871,289 -- a decrease of \$205,167 (0.33%) from the revised FY13 budget of \$62,076,456.

Tuition & Fees: UAFS will increase its in-state tuition rate by 2.3 percent from \$130 to \$133 per semester credit hour and will increase its out of state tuition rate from by 2.5 percent from \$355 to \$364 per credit hour. Annual tuition and mandatory fees increases by 3.5 percent in FY14 from \$5,436 to \$5,624.50 for in-state students. Tuition revenue projections assume constant enrollment for FY 14 based on FY13. Tuition and mandatory fee revenue is projected to decrease by \$1,230,236 based on the new tuition and fee rates to \$30,952,907.

State Funding: State funds are budgeted at \$23,481,830 in FY14 – an increase of \$125,346 from the adjusted FY13 budget for state funding. It assumes 100 percent of the “A” allocation (\$20,245,166), 100 percent of the “B” allocation (\$169,925) and \$3,066,739 from the Educational Excellence Trust Fund as forecast by DFA on May 1, 2013.

Local Tax Revenue: The ¼ cent sales and use tax implemented in Sebastian County on January 1, 2002, is budgeted at \$5,525,700 million for FY14 which reflects a decrease in the amount of \$124,300.

Other E&G Revenue: The FY14 budget of \$585,833 reflects a decrease from the revised FY13 budget in the amount of \$300,996. This decrease is primarily attributable to a continued decline in interest and dividends and a reduction in state and federal contracts.

Budgeted Fund Balance: The FY14 budget includes university reserve funds in the amount of \$1,325,019. The university will continue to strive to cut expenses and raise additional revenues in the coming year in an effort to avoid using these funds.

Auxiliary Revenue: Auxiliary fund revenue budgeted for FY14 totals \$12,132,162. This is an increase of \$669,969 from the adjusted FY13 budget. The increase is the net result of increases in budgeted student housing and food service revenue.

BUDGETED EXPENDITURES

Personnel: Pay increases of 2 percent are reflected only for classified staff. The pay increases are below the rate of inflation in the Fort Smith region. No pay increases will be given to faculty and non-classified staff in FY14.

We have reallocated a few faculty positions to meet the needs of our student population in high demand areas. We have also eliminated a minimal amount of faculty positions in low demand programs. Additionally, we have eliminated a few staff positions by combining some job duties and improving processes. The largest amount of increase in this area is attributable to rising health insurance costs for employees; therefore, we are anticipating an increase in fringe benefits for the coming year based on budgeted employees. Overall, the unrestricted E&G revised budget for personnel costs decreases by \$283,282 to a total in FY14 of \$43,296,081.

Non-Personnel Costs: The FY14 budget for maintenance and operations and other non-personnel costs increases from the FY13 revised budget by \$78,115 to \$18,575,208. The net increase includes an increase in debt service (\$166,209), funding for institutional scholarships increase (\$898,845) due to an increase in scholarship retention, contingency reduction (\$315,324), increase in transfers in from auxiliary due to additional revenue (\$702,335), an increase in various supplies and services accounts and utilities (\$77,220), and a decrease in other transfers out (\$46,500). A total of \$4.301 million is budgeted from unrestricted E&G funds for debt service on Series 2010, Series 2010B and Series 2012 University of Arkansas Student Fee Revenue Bonds.

Auxiliary Expenditures: Budgeted auxiliary expenditures for FY14 are balanced with anticipated auxiliary revenue at \$12,132,162, which is an increase of \$669,969. This increase in the auxiliary expense budget is primarily attributable to a pay increase of 2 percent for classified employees, an increase in fringe benefits and a budgeted transfer to E&G in the amount of \$702,335.

EXHIBIT B

University of Arkansas at Fort Smith
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	30,392,284	50.37%	32,183,143	51.84%	30,952,907	50.03%
State Appropriations						
Category A	20,466,141	33.92%	20,334,805	32.76%	20,245,166	32.72%
Category B		0.00%		0.00%	169,925	0.27%
Educational Excellence	2,943,804	4.88%	3,021,679	4.87%	3,066,739	4.96%
Total State Appropriations	23,409,945	38.80%	23,356,484	37.63%	23,481,830	37.95%
Local Taxes	5,658,795	9.38%	5,650,000	9.10%	5,525,700	8.93%
Other Sources	880,780	1.46%	886,829	1.43%	585,833	0.95%
Budgeted Fund Balance		0.00%		0.00%	1,325,019	2.14%
Total Educational and General	60,341,804	100.00%	62,076,456	100.00%	61,871,289	100.00%

University of Arkansas at Fort Smith
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	22,581,845	36.87%	22,453,161	36.17%	22,528,493	36.41%
Public Service	580,338	0.95%	535,174	0.86%	845,182	1.37%
Academic Support	8,165,058	13.33%	9,930,116	16.00%	8,592,662	13.89%
Student Services	4,169,924	6.81%	4,589,454	7.39%	5,075,473	8.20%
Institutional Support	8,983,596	14.67%	9,607,772	15.48%	10,588,558	17.11%
Physical Plant	6,633,076	10.83%	6,333,493	10.20%	5,612,740	9.07%
Scholarships & Awards	3,901,532	6.37%	4,001,155	6.45%	4,900,000	7.92%
Mandatory Transfers for Debt Retirement	4,489,240	7.33%	4,135,269	6.66%	4,301,478	6.95%
E & G Non-Mandatory Transfers						
Transfer to Plant Fund (Library)		0.00%	114,038	0.18%	114,038	0.18%
Transfer to Plant Fund	1,743,751	2.85%	61,500	0.10%	15,000	0.02%
Transfer from Auxiliary	0				(702,335)	
Contingency Fund	0	0.00%	315,324	0.51%	0	0.00%
Total Educational and General	61,248,360	100.00%	62,076,456	100.00%	61,871,289	100.00%

University of Arkansas at Fort Smith
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	16,643,353	4,472,746	1,412,394	-	-	-	-	22,528,493
Public Service	554,739	158,798	131,645	-	-	-	-	845,182
Academic Support	5,062,026	1,526,661	2,003,975	-	-	-	-	8,592,662
Student Services	2,849,583	826,587	1,399,303	-	-	-	-	5,075,473
Institutional Support	6,411,918	2,063,535	2,113,105	-	-	-	-	10,588,558
Physical Plant	2,097,873	628,262	2,886,605	-	-	-	-	5,612,740
Scholarships & Awards	-	-	-	-	4,900,000	-	-	4,900,000
Mandatory Transfers - Debt Retirement	-	-	-	4,301,478	-	-	-	4,301,478
E & G Non-Mandatory Transfers	-	-	-	-	-	-	-	-
Transfer to Plant Fund (Library)	-	-	-	-	-	-	114,038	114,038
Transfer to Plant Fund	-	-	-	-	-	-	15,000	15,000
Transfer from Auxiliary	-	-	-	-	-	-	(702,335)	(702,335)
Contingency Fund	-	-	-	-	-	-	-	-
Total Educational and General	33,619,492	9,676,589	9,947,027	4,301,478	4,900,000	-	(573,297)	61,871,289

University of Arkansas at Fort Smith
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Athletics	2,826,112	25.50%	2,989,585	26.08%	2,936,424	24.20%
Residence Halls/Student Apartments	3,993,363	36.03%	4,237,746	36.97%	4,468,631	36.83%
Food Service	1,022,953	9.23%	1,032,855	9.01%	1,413,000	11.65%
Campus Store	501,273	4.52%	475,000	4.14%	500,000	4.12%
Other Auxiliary Units	2,738,377	24.71%	2,727,007	23.79%	2,814,107	23.20%
Total Auxiliary	11,082,078	100.00%	11,462,193	100.00%	12,132,162	100.00%

University of Arkansas at Fort Smith
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Athletics	3,134,642	30.04%	3,623,729	31.61%	3,536,316	29.15%
Residence Halls/Student Apartments	4,624,086	44.32%	4,640,085	40.48%	4,468,631	36.83%
Food Service	1,004,680	9.63%	1,111,000	9.69%	1,413,000	11.65%
Campus Store	0	0.00%	5,000	0.04%	445,000	3.67%
Other Auxiliary Units	1,670,956	16.01%	2,082,379	18.17%	2,269,215	18.70%
Total Auxiliary	10,434,364	100.00%	11,462,193	100.00%	12,132,162	100.00%

University of Arkansas at Fort Smith
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Athletics	1,045,143	299,345	877,400	-	1,314,428	-	-	3,536,316
Residence Halls/Student Apartments	254,596	70,001	1,137,000	3,086,147	179,591	-	(258,704)	4,468,631
Food Service	-	-	1,200,000	-	-	-	213,000	1,413,000
Campus Store	-	-	5,000	-	-	-	440,000	445,000
Other Auxiliary Units	440,717	107,167	862,948	-	28,650	91,903	737,830	2,269,215
Total Auxiliary	1,740,456	476,513	4,082,348	3,086,147	1,522,669	91,903	1,132,126	12,132,162

EXHIBIT A

UNIVERSITY OF ARKANSAS AT LITTLE ROCK FY 2014 OPERATING BUDGET EXECUTIVE SUMMARY

EXPECTED EDUCATIONAL AND GENERAL REVENUE

The 2013-2014 budget is based on the official state revenue forecast. The numbers included in this Executive Summary compare the original 2012-2013 (not revised) budget to the proposed 2013-2014 budget. The revised forecast includes a small increase in both the Revenue Stabilization Act (\$414,262) and Educational Excellence Trust Fund (\$107,503) for a total of \$521,765, of which \$31,671 will go to the Bowen School of Law. In addition, the UALR William H. Bowen School of Law decreased the budgeted Legal Education funds by \$18,266.

The net increase in tuition, after scholarships, will generate \$1,906,648 (excludes law School). Increases in most fees and sales and services are dedicated to specific corresponding expenditure accounts. However, we have reduced some projected fees (\$282,693). One example is for late payment because the new confirmation process has eliminated some of that revenue. There is no projected increase in enrollment in these numbers.

Law School has experienced an enrollment decline primarily because more students are part time and taking fewer hours. Their tuition and fee revenue has been decreased by \$273,159.

UALR increased its budgeted investment income to \$225,000. Because of sequestration we have reduced our indirect cost income by \$80,000.

Total new revenue for allocation is \$2,321,742; for the law school total revenue from all sources decreased by \$259,754.

EXPENDITURES

Our first priority for allocation of the new dollars includes a salary increase for our classified employees and promotion increments. We are not able to give raises to faculty or non-classified staff.

- The 2% COLA as authorized by the state for classified employees (\$257,874)
- Faculty promotion increments (\$124,750) for the 31 faculty promoted in rank effective July 1.
- Mid-year salary adjustments because of new hires, changes in responsibilities, or market considerations for a total of \$303,385.

- Equity/market adjustments (\$370,199) for selected priority positions. Minimal raises over the last few years have inevitably created some equity/market issues across campus. This pool will enable deans and others to address some of those situations.

Other increases include new leadership positions (\$359,873): Vice Chancellor for Enrollment Management, Director of Digital Strategy and board mandated auditor; three additional public safety officers (\$115,173); other additions include AREON dues (\$75,000), and grant commitments (\$58,600).

A major priority this year has been to start the new accelerated online programs; initial start-up costs have included the addition of new faculty/staff in Criminal Justice, Nursing, and new instructional designers (\$363,125). Some of this is covered by the expected increase in revenue from a distance education fee.

Auxiliaries

Housing: We are anticipating close to full occupancy for the Fall semester in all of our residence halls.

Athletics: The major increase in the expenditures for athletics is in scholarships because of increase in tuition rate. The increase in the Athletic fee will cover that expense. In addition, Athletics has elected to eliminate women's tennis, which will save Athletics \$200,000 annually. This is consistent with NCAA and Sun Belt Conference requirements.

University of Arkansas at Little Rock
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	73,084,598	50.73%	75,904,243	51.91%	77,876,802	52.58%
State Appropriations						
Category A	59,758,438	41.48%	59,841,915	40.92%	59,841,915	40.41%
Category B	675,553	0.47%	0	0.00%	414,262	0.28%
Educational Excellence	5,101,964	3.54%	5,236,930	3.58%	5,315,024	3.59%
Legal Education - School of Law	485,336	0.34%	479,302	0.33%	461,036	0.31%
Total State Appropriations	66,021,291	45.83%	65,558,147	44.83%	66,032,237	44.59%
Other Sources	4,954,236	3.44%	4,766,046	3.26%	4,191,256	2.83%
Total Educational and General	144,060,125	100.00%	146,228,436	100.00%	148,100,295	100.00%

University of Arkansas at Little Rock
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	54,730,412	38.11%	56,374,266	38.55%	60,252,638	40.68%
Research	4,905,991	3.42%	4,879,968	3.34%	4,225,124	2.85%
Public Service	3,308,773	2.30%	3,608,603	2.47%	3,071,689	2.07%
Academic Support	21,419,072	14.92%	22,232,813	15.20%	21,129,832	14.27%
Student Services	8,041,952	5.60%	8,674,695	5.93%	8,396,007	5.67%
Institutional Support	13,157,024	9.16%	14,644,474	10.01%	14,152,646	9.56%
Physical Plant	10,842,190	7.55%	11,977,128	8.19%	12,049,185	8.14%
Scholarships & Awards	14,272,031	9.94%	15,052,552	10.29%	15,438,553	10.42%
Mandatory Transfers for Debt Retirement	4,258,678	2.97%	4,476,197	3.06%	4,414,482	2.98%
E & G Non-Mandatory Transfers						
Transfer to Athletics	1,122,624	0.78%	923,728	0.63%	988,823	0.67%
Transfer to Student Union	1,196,703	0.83%	1,463,585	1.00%	1,569,920	1.06%
Transfer to Plant Fund	5,106,118	3.56%	944,939	0.65%	1,856,906	1.25%
Transfer to Other Funds	1,238,955	0.86%	602,400	0.41%		0.00%
Contingency Fund		0.00%	373,088	0.26%	554,490	0.37%
Total Educational and General	143,600,523	100.00%	146,228,436	100.00%	148,100,295	100.00%

University of Arkansas at Little Rock
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	44,727,887	10,371,225	5,153,526					60,252,638
Research	2,940,130	652,941	632,053					4,225,124
Public Service	2,103,796	540,253	427,640					3,071,689
Academic Support	9,994,046	2,162,152	5,968,462				3,005,172	21,129,832
Student Services	5,077,420	1,393,695	1,924,892					8,396,007
Institutional Support	10,767,959	3,923,626	2,466,233				(3,005,172)	14,152,646
Physical Plant	5,086,638	1,477,975	5,484,572					12,049,185
Scholarships & Awards					15,438,553			15,438,553
Mandatory Transfers - Debt Retirement				4,414,482				4,414,482
E & G Non-Mandatory Transfers								
Transfer to Athletics							988,823	988,823
Transfer to Student Union							1,569,920	1,569,920
Transfer to Plant Fund							1,856,906	1,856,906
Transfer to Other Funds							-	-
Contingency Fund	210,084	39,916				300,000	4,490	554,490
Total Educational and General	80,907,960	20,561,783	22,057,378	4,414,482	15,438,553	300,000	4,420,139	148,100,295

University of Arkansas at Little Rock
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Athletics	7,114,711	37.57%	7,144,129	32.92%	7,291,609	34.23%
Residence Halls	4,534,915	23.95%	7,251,756	33.42%	6,967,643	32.71%
Food Service	1,873,857	9.89%	2,305,551	10.62%	2,300,000	10.80%
Student Union	3,421,232	18.07%	2,676,977	12.34%	2,702,233	12.68%
Other Auxiliary Units	1,993,377	10.53%	2,322,021	10.70%	2,043,028	9.59%
Total Auxiliary	18,938,092	100.00%	21,700,434	100.00%	21,304,513	100.00%

University of Arkansas at Little Rock
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Athletics	7,103,106	37.55%	7,118,989	32.81%	7,291,609	34.23%
Residence Halls	4,855,161	25.66%	6,584,223	30.34%	6,633,844	31.14%
Food Service	1,880,933	9.94%	2,342,331	10.79%	2,300,000	10.80%
Student Union	3,127,207	16.53%	2,254,693	10.39%	1,822,736	8.56%
Other Auxiliary Units	1,951,595	10.32%	2,347,161	10.82%	1,983,028	9.31%
Reserves		0.00%	1,053,037	4.85%	1,273,296	5.98%
Total Auxiliary	18,918,002	100.00%	21,700,434	100.00%	21,304,513	100.00%

University of Arkansas at Little Rock
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Athletics	2,679,139	518,606	2,095,018	75,857	1,895,132		27,857	7,291,609
Residence Halls	885,520	153,492	1,771,804	3,823,028				6,633,844
Food Service			2,300,000					2,300,000
Student Union	884,862	185,768	752,106					1,822,736
Other Auxiliary Units	591,095	126,046	1,265,887					1,983,028
Reserves				463,541		809,755		1,273,296
Total Auxiliary	5,040,616	983,912	8,184,815	4,362,426	1,895,132	809,755	27,857	21,304,513

**UNIVERSITY OF ARKANSAS FOR MEDICAL SCIENCES
2013-2014
BUDGET SUMMARY**

REVENUE

Tuition

An 8.6% increase in tuition was applied to the College of Medicine; a 3.0% increase was applied to the Colleges of Pharmacy, Nursing, Graduate School and the College of Public Health. No increase was given to tuition in the College of Health Professions.

Tuition for all colleges will remain competitive with peer institutions. The College of Medicine tuition remains around the 25th quartile of public medical schools around the country, while tuition cost for the College of Pharmacy is the 4th lowest among Arkansas and bordering states.

General State Appropriations

All of Category A at \$93,862,249 was budgeted and includes \$720,588 earmarked for the Child Safety Center, \$735,000 for Child Abuse and Domestic Violence, and \$1,950,000 for Psychiatric Research and Pediatrics. Indigent care funding (less the 33% we transfer to Arkansas Children's Hospital) totals \$3,561,454. Educational Excellence funding was budgeted at \$9,151,429 plus \$151,815 in EETF Indigent Care (excluding the 33% we transfer to ACH). \$1,000,000 in Category B funds and \$2,600,000 in Category C funds were included in this budget since both are expected to flow. Our overall state support was reduced by \$1,600,000 as compared to FY2013, while the Educational Excellence Trust Fund portion was increased by \$136,691.

We have also budgeted \$2.426M in income from the state mixed drink tax (Act 1274 of 2005) and \$600,000 in income from Collection Agency fees that are committed to support enrollment in the College of Nursing (\$400,000) and the College of Pharmacy (\$200,000) (Arkansas Codes 17-24-305; 6-64-417).

Medicaid Match Amount

There is \$65,991,252 budgeted as contra appropriations in fund 111 for the campus's Medicaid match. UAMS Medical Center has entered into agreements with the Department of Human Services and the state Medicaid program to receive enhanced reimbursement. For every \$1.00 dollar contributed, UAMS receives back approximately \$2.60 through enhanced reimbursement agreements.

UAMS Medical Center

The revenue budget was derived based upon anticipated demands for clinical services, gross charge adjustments and changes in reimbursement rates including reductions for sequestration for federal programs. The revenue budget doesn't reflect increased revenues for expansion of the Medicaid program. The primary volume factors driving growth in revenues are increases in adult admissions for the budgeted fiscal year 2014 of 1.8%, surgery case increases of 4.3% and outpatient visits growth of 9.3% from the projected volume levels for fiscal year 2013.

Strategic efforts will be focused on driving down the adult length of stay from the current level of 5.21 days to 5.00 to enable leveraging of costs along with making beds more rapidly available for additional admissions, increased availability of ambulatory visit appointments along with maximizing throughput to handle growth, and expanding surgical services hours to accommodate case growth in the operating room suites.

Psychiatric Research Institute

For fiscal year 2014, the five areas of specialized services planned focus in the PRI are Comprehensive Evaluation Service, Child, Mood, Trauma and Women's Mental Health. A growth in contracts and external

relationships is budgeted. The current trend toward a higher volume of patients being covered by insurance is expected to continue.

Indirect Cost Recovery

The indirect cost recovery for 2014 is projected to decrease \$2,703,323 or 15.3% less than the 2013 budget. This is due to Federal constraints on NIH funding, general cutbacks in State and Federal funding, and the ending of most ARRA projects. Expenses have been adjusted accordingly. The Head Start and the Translational Research programs are not included in the central budget since it has been agreed that the indirect cost recovery for those programs will remain with the program.

Investment Income

Investment income was budgeted at \$425,500 in the 111 general fund and is based on the following:

- Investment income includes only short term fixed rate returns for the Money Market Fund and Overnight Repurchase Account
- Assumes a .85% Money Market rate of return on \$35.0 million.
- Assumes a First Security Repo Account average balance of \$20 million and a 0.64% return.
- Assumes a 0% realized/unrealized gain/loss to the Intermediate Fund and the Total Return Fund

Miscellaneous Income

Miscellaneous income is budgeted to decrease \$434,013 or 75.7% less than the 2013 budget. This decrease includes a \$6,000 decrease in Vending Machines income, and \$428,013 in CARTI lease income.

Professional Fees

Professional fees consisting of funds 115 and 125 in the College of Medicine are static, the result of patient volumes increasing while Medicare, Medicaid and private payor reimbursement rates are scheduled to decrease. In the division of Regional Programs, professional fees are budgeted to increase in 2014. The increase is mainly driven by patient volume increases at the AHEC sites in Fayetteville/Springdale, Texarkana, Fort Smith and Jonesboro. Radiation Oncology budgeted income has been adjusted to reflect anticipated volumes and reduced Medicare reimbursement levels.

EXPENDITURES

Campus-wide Changes

On April 18, UAMS launched a campus-wide process improvement initiative for all campus units. Using a Lean/Six Sigma hybrid model, multiple teams will review the areas of administration, education, research, and clinical care to determine more efficient and effective processes. It is expected that this effort will result in multiple cost savings. In addition, for 2013-2014 there are no dollars budgeted for an overall campus salary increase for staff, and we plan reductions in personnel and operating expenses for all colleges.

Campus expansions and new programs include the following:

Academic Affairs

Given additional funding support of \$145,934 for Library subscription increases and \$500,000 from division reserves was approved for the expansion of Interprofessional Education.

College of Medicine

Funding of \$606,730 was approved in support of various recruitment packages and grant support.

College of Public Health

Funding was provided to expand the faculty as required by accreditation.

Information Technology

Funding was approved in support of the implementation of new campus EPIC software to better serve UAMS inpatients and outpatients.

UAMS Medical Center

Compensation adjustments of approximately 2% will be enacted at mid-year provided the hospital is able to achieve budgeted margin goals. While inflationary factors are driving up the cost of commodities in non-salary expenses, the planned implementation of several strategic initiatives will enable the hospital to budget an increase of less than 1% for non-salary expenses.

Psychiatric Research Institute

Additional funding was allocated to ensure ongoing operation, growth and expansion, as well as a child advocacy program and the program for Women's Health.

Northwest Arkansas Campus

Additional funding was allocated in educational support of 33 medical students.

Research Division

Support of \$116,000 was added in support of the Institutional Animal Care and Use Committee (IACUC).

Central Administration and Support Services

One-time funding in the amount of \$1.84M was approved for various campus programs, including \$0.53M for physician recruitment.

University of Arkansas for Medical Sciences
Summary of Estimated Revenues and Budget Allocations
Current Funds (Accrual Basis)

Exhibit B

for the Fiscal Years Ending June 30, 2012; June 30, 2013; and June 30, 2014

	Fiscal Year 2011-12		Fiscal Year 2012-13		Fiscal Year 2013-14	
	End of Year Actuals	Percent of Total	Current Budget at 3/31/2013	Percent of Total	Proposed Budget	Percent of Total
REVENUES:						
State Funding - Category A	101,998,512	106.43%	102,623,703	108.54%	97,423,703	98.28%
State Funding - Category B	606,953	0.63%	-	0.00%	1,000,000	1.01%
State Funding - Category C	-	0.00%	-	0.00%	2,600,000	2.62%
Educational Excellence Trust Fund	8,930,311	9.32%	9,166,553	9.69%	9,303,244	9.38%
Mixed Drink Tax	2,536,024	2.65%	2,426,000	2.57%	2,426,000	2.45%
General Improvement Fund (GIF) project support	200,000	0.21%	-	0.00%	-	0.00%
Poison Control	449,959	0.47%	299,959	0.32%	299,959	0.30%
Collection Agency Fees	600,000	0.63%	600,000	0.63%	600,000	0.61%
Medicaid Match	(72,144,473)	-75.28%	(72,583,340)	-76.76%	(65,991,252)	-66.57%
Tuition and Fees	24,519,916	25.59%	32,489,267	34.36%	35,943,886	36.26%
Other Revenue:	28,138,484	29.36%	19,531,143	20.66%	15,528,062	15.66%
Fund 111 , Total General Funds	95,835,686	8.41%	94,553,285	8.01%	99,133,602	8.38%
Fund 112 , Internal Services	59,238,395	5.20%	62,126,988	5.26%	55,172,926	4.66%
Fund 113 , Hospital (net of bad debt, excluding Meaningful Use)	551,609,266	48.43%	566,173,706	47.97%	566,340,653	47.86%
Fund 113, Psychiatric Research Institute (113 portion only)	6,938,674	0.61%	6,766,489	0.57%	8,323,407	0.70%
Fund 113, Radiation Oncology (113 portion only)	-	0.00%	9,390,960	0.80%	7,302,154	0.62%
Fund 114 , Auxiliary	6,821,309	0.60%	6,250,830	0.53%	6,536,077	0.55%
Fund 115 & 125 Professional Services (excluding Meaningful Use)	328,558,643	28.85%	340,029,847	28.81%	341,960,696	28.90%
Fund 116 , Contract Services	69,676,672	6.12%	74,357,480	6.30%	79,489,804	6.72%
Funds 117 - 178 , Other Funds	14,649,039	1.29%	16,802,431	1.42%	14,753,893	1.25%
Funds 113 & 115 Meaningful Use	5,581,435	0.49%	3,845,250	0.33%	4,231,988	0.36%
TOTAL CURRENT FUNDS REVENUES:	1,138,909,119	100.00%	1,180,297,266	100.00%	1,183,245,200	100.00%

University of Arkansas for Medical Sciences
Summary of Estimated Revenues and Budget Allocations
Current Funds (Accrual Basis)
for the Fiscal Years Ending June 30, 2012; June 30, 2013; and June 30, 2014

Exhibit B-1

	Fiscal Year 2011-12		Fiscal Year 2012-13		Fiscal Year 2013-14	
	End of Year Actuals	Percent of Total	Current Budget at 3/31/2013	Percent of Total	Proposed Budget	Percent of Total
EXPENDITURES:						
College of Medicine	398,681,258	35.58%	431,182,867	36.53%	433,455,204	36.63%
College of Nursing	7,510,647	0.67%	7,328,408	0.62%	7,565,637	0.64%
College of Pharmacy	14,275,902	1.27%	13,409,528	1.14%	15,135,214	1.28%
College of Health Professions	8,564,533	0.76%	10,364,941	0.88%	10,213,961	0.86%
College of Public Health	4,328,148	0.39%	5,103,096	0.43%	5,199,354	0.44%
Graduate School	802,270	0.07%	850,807	0.07%	902,656	0.08%
Institutional Administration	(93,193,925)	-8.32%	(92,800,313)	-7.86%	(101,377,588)	-8.57%
Utilities	13,726,126	1.22%	12,363,704	1.05%	12,809,293	1.08%
Chancellor	1,104,719	0.10%	1,381,061	0.12%	1,308,061	0.11%
Arkansas Center for Health Improvement	3,520,849	0.31%	5,021,480	0.43%	4,848,274	0.41%
Vice Chancellor, Academic Affairs	10,200,418	0.91%	9,719,820	0.82%	10,382,207	0.88%
Vice Chancellor, Finance	7,686,890	0.69%	8,287,194	0.70%	8,104,549	0.68%
Vice Chancellor, Administration	5,226,224	0.47%	5,588,561	0.47%	5,678,129	0.48%
Vice Chancellor, Campus Operations	20,916,304	1.87%	24,239,818	2.05%	23,700,852	2.00%
Vice Chancellor, Communications	4,440,632	0.40%	4,495,519	0.38%	5,224,621	0.44%
Vice Chancellor, Institutional Advancement	1,913,958	0.17%	2,671,346	0.23%	2,687,346	0.23%
Vice Chancellor, Diversity Affairs	704,108	0.06%	748,153	0.06%	748,153	0.06%
Vice Chancellor, Institutional Compliance	2,336,239	0.21%	2,622,260	0.22%	2,654,760	0.22%
Vice Chancellor, Research	3,879,173	0.35%	4,161,277	0.35%	4,276,741	0.36%
Information Technology	19,076,331	1.70%	23,637,916	2.00%	24,733,899	2.09%
UAMS Medical Center	554,543,215	49.49%	560,835,126	47.52%	561,450,762	47.45%
Regional Programs	54,222,099	4.84%	58,908,655	4.99%	59,333,072	5.01%
Northwest Arkansas Campus	5,915,938	0.53%	5,672,361	0.48%	6,712,816	0.57%
Arkansas Biosciences Institute	259,792	0.02%	250,000	0.02%	250,000	0.02%
Jones Eye Institute	837,824	0.07%	794,413	0.07%	528,471	0.04%
Multiple Myeloma Institute	5,477,012	0.49%	6,636,583	0.56%	9,042,074	0.76%
Psychiatric Research Institute	21,907,299	1.95%	23,159,164	1.96%	25,996,512	2.20%
Reynolds Institute on Aging	1,111,978	0.10%	1,143,727	0.10%	1,070,920	0.09%
Rockefeller Cancer Institute	8,112,368	0.72%	8,692,131	0.74%	8,296,917	0.70%
Stephens Spine and Neurosciences Institute	357,913	0.03%	362,963	0.03%	363,849	0.03%
Radiation Oncology	0	0.00%	9,390,960	0.80%	6,257,789	0.53%
Translational Research Institute	259,694	0.02%	1,148,458	0.10%	1,116,615	0.09%
Mandatory Transfers	22,738,437	2.03%	22,566,010	1.91%	23,625,658	2.00%
Non-Mandatory Transfers						
To Plant Fund	5,402,581	0.48%		0.00%		0.00%
Chancellor's Contingency	1,575,693	0.14%	359,272	0.03%	948,423	0.08%
Non-Budgeted Items	2,185,891	0.20%		0.00%		0.00%
TOTAL CURRENT FUNDS EXPENDITURES:	1,120,608,538	100.00%	1,180,297,266	100.00%	1,183,245,200	100.00%
Restricted Funds:	194,979,833		172,444,159		131,996,683	
TOTAL ANNUAL EXPENDITURES:	1,315,588,371		1,352,741,425		1,315,241,883	

University of Arkansas for Medical Sciences
Summary of Estimated Revenues and Budget Allocations
Current Funds
for the Fiscal Year Ending June 30, 2014

Exhibit B-2

	SALARIES & WAGES	FRINGE BENEFITS	MAINT & OPER.	DEBT SERVICE	SCHOLARSHIPS & AWARDS	CONTINGENCY FUNDS	TRANSFERS	TOTAL
BUDGET ALLOCATIONS:								
College of Medicine	294,881,814	59,913,020	78,364,574		295,797			433,455,204
College of Nursing	5,801,829	1,226,330	537,478					7,565,637
College of Pharmacy	10,081,839	2,268,415	2,784,960					15,135,214
College of Health Professions	7,133,554	1,688,182	1,386,226					10,213,961
College of Public Health	4,644,711	971,096	(416,452)					5,199,354
Graduate School	226,167	61,744	614,745					902,656
Institutional Administration	32,233	4,533,358	(105,943,179)					(101,377,588)
Utilities (water, gas, electricity, haz.waste, other)			12,809,293					12,809,293
Chancellor	512,297	86,993	708,772					1,308,061
Arkansas Center for Health Improvement	2,833,301	715,692	1,299,281					4,848,274
Vice Chancellor, Academic Affairs	5,169,713	1,311,848	3,900,646					10,382,207
Vice Chancellor, Finance	5,962,646	1,448,977	692,926					8,104,549
Vice Chancellor, Administration	3,950,889	838,485	888,755					5,678,129
Vice Chancellor, Campus Operations	12,632,374	3,472,233	7,596,245					23,700,852
Vice Chancellor, Communications	2,329,457	579,282	2,315,881					5,224,621
Vice Chancellor, Institutional Advancement	2,675,197	568,790	(556,641)					2,687,346
Vice Chancellor, Diversity Affairs	605,290	107,564	35,299					748,153
Vice Chancellor, Institutional Compliance	2,213,683	515,685	(74,609)					2,654,760
Vice Chancellor, Research	3,039,720	709,208	527,813					4,276,741
Information Technology	17,033,798	4,054,043	3,646,058					24,733,899
UAMS Medical Center	191,371,504	45,714,082	324,365,176					561,450,762
Regional Programs	34,460,353	8,317,388	16,555,331					59,333,072
Northwest Arkansas Campus	3,180,853	551,521	2,980,442					6,712,816
Arkansas Biosciences Institute	161,920	34,492	53,588					250,000
Jones Eye Institute	610,081	133,920	(215,530)					528,471
Multiple Myeloma Institute	7,579,383	1,517,450	(54,758)					9,042,074
Psychiatric Research Institute	16,152,973	3,707,387	6,136,152					25,996,511
Reynolds Institute on Aging	735,099	165,932	169,889					1,070,920
Rockefeller Cancer Institute	6,620,351	1,478,325	198,241					8,296,917
Radiation Oncology	3,063,641	765,912	2,428,236					6,257,789
Translational Research Institute	1,237,342	304,798	(425,525)					1,116,615
Stephens Spine/Neurosciences Institute	265,321	40,845	57,683					363,849
Mandatory Transfers				23,625,658				23,625,658
Chancellor's Contingency						948,423		948,423
TOTAL CURRENT FUNDS EXPENDITURES:	647,205,331	147,802,996	363,366,995	23,625,658	295,797	948,423	0	1,183,245,200

REVENUE

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 3rd Qtr. Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUE						
Student Wellness	0	0.00%	0	0.00%	0	0.00%
Student Housing \ Activities	1,751,017	25.67%	1,165,584	18.65%	1,224,708	18.74%
Bookstore	985,255	14.44%	1,011,856	16.19%	774,781	11.85%
Parking Operations	3,651,449	53.53%	3,671,840	58.74%	4,119,282	63.02%
Caduceus Year Book	129,473	1.90%	129,250	2.07%	126,910	1.94%
Rental Properties	103,255	1.51%	83,000	1.33%	101,000	1.55%
Valet Parking	200,860	2.94%	189,300	3.03%	189,396	2.90%
Total Auxiliary	6,821,309	100%	6,250,830	100%	6,536,077	100%

EXPENSES

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 3rd Qtr. Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENSES						
Student Wellness	0	0.00%	0	0.00%	0	0.00%
Student Housing \ Activities	1,694,888	26.82%	1,165,584	17.81%	1,224,708	18.06%
Bookstore	940,570	14.88%	1,011,856	15.46%	774,781	11.43%
Parking Operations	3,016,509	47.73%	3,671,840	56.09%	4,034,292	59.50%
Caduceus Year Book	70,682	1.12%	55,000	0.84%	90,975	1.34%
Rental Properties	14,727	0.23%	83,000	1.27%	101,000	1.49%
Valet Parking	582,821	9.22%	558,600	8.53%	554,592	8.18%
Total Auxiliary	6,320,197	100%	6,545,880	100%	6,780,348	100%

**University of Arkansas at Monticello
FY 2014 Operating Budget
Executive Summary**

The FY 2014 operating budget for the University of Arkansas at Monticello was prepared following a comprehensive process which incorporated participation from every campus unit. The proposed budget for UAM for FY 2014 is \$42,298,510 and represents an increase of \$940,753 (2.27%) over the original budget for FY 2013. The primary source of increased revenue in the proposed budget is the tuition and fees category. The administration placed priority for proposed budget allocation in the areas of salary increases for faculty, non-classified staff, and classified staff, and scholarships and other student related expenditures.

Revenues

Tuition

The total budget increase expected from tuition and fees is \$663,830 over the FY 2013 revised budget. Undergraduate tuition and fees are budgeted to reflect an hourly increase of \$7.77 for a total of \$192.77 per credit hour for the Monticello campus. The projected revenue is based on the assumption of level enrollment in FY 2013. The proposed tuition and fee rate for the Monticello campus continues to be the lowest among in-state peer institutions.

On the Crossett and McGehee campuses, tuition and fees are proposed at a total of \$83.36 per credit hour which is a \$3.36 increase over the FY 2013 amount. This tuition and fee rate is a much lower rate than comparable two year colleges in the region. The budgeted increases projected for the colleges of technology are based on the increased tuition and fee rates and a stable enrollment.

State Appropriations

Total state appropriations for UAM are budgeted at \$15,691 more than the revised budget for FY 2013. Revenue Stabilization Act (RSA) funds are budgeted at the same level as the previous year. Educational Excellence Trust Funds (EETF) which are received only by the Monticello campus are expected to increase by \$15,691. Workforce 2000 funds which are received by the colleges of technology are projected to remain the same for FY 2014.

Expenditures

Salaries

The proposed budget provides a 2% salary increase for all faculty, non-classified staff, and classified staff. The most recent salary increase for faculty and non-classified staff was a 2% salary increase given in FY 2012. Classified staff have not had a pay increase authorized by the state since the University began implementation of the FY 2010 Classified Pay Plan. The State of Arkansas Department of Finance and Administration has authorized a 2% Cost of Living Adjustment (COLA) Classified Pay Plan Implementation for FY 2014. The University is strongly committed to providing a 2% COLA adjustment for all employees in the upcoming budget year.

University of Arkansas at Monticello
FY 2014 Operating Budget
Executive Summary

Students

UAM plans to preserve the value of its scholarships and grants-in-aids to students. This financial aid has been budgeted for the increase in tuition and fees for all institutional awards, including academic scholarships, athletic scholarships, performance-based grants-in-aid and stipends for residence hall assistants.

The University also committed additional funds for institutional college work study and student travel. The proposed budget allows for a staff position to be added for the purpose of managing the student default rate on all three campuses. In recent years, the student loan default rate has risen substantially. This is an area that needs special attention and devoted resources. Additional funds were also budgeted to increase the library database subscriptions. This increase will allow the University Library to offer new resources in continued support of the academic curriculum.

Operating funds in FY 2014 have been budgeted for the purpose of participating in a UAM Science, Technology, Engineering, and Mathematics (STEM) Minority Program. The goal of the program is to increase minority participation in the academic programs identified above. This program has been funded in the past primarily with a grant. However, the grant funds are now limited so the University plans to fund this with operating funds. During the time the University has participated in the program, there has been great success with minority students in this program. In fact, the first group of graduates in the program includes two students that have been accepted into graduate programs.

Miscellaneous

The proposed budget includes additional funds dedicated to the new Master of Fine Arts program implemented in FY 2013. Funds were also budgeted for equipping and operating the new Wellness Center recently renovated on the UAM campus. The University committed funds in FY 2014 for increases in property insurance, information technology maintenance agreements, and advertising. The University has also dedicated additional resources to academic computing and plans to add a position that will assist faculty in course design and provide technology enhancements for distance learning classes.

H. Jack Lassiter
Chancellor

EXHIBIT B

University of Arkansas at Monticello
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	15,505,341	44.65%	15,665,056	44.25%	16,328,886	46.18%
State Appropriations						
Category A	15,938,066	45.89%	15,832,510	44.72%	15,832,510	44.78%
Category B		0.00%		0.00%		0.00%
Educational Excellence	1,025,098	2.95%	1,052,215	2.97%	1,067,906	3.02%
Workforce	1,275,150	3.67%	1,367,212	3.86%	1,367,212	3.87%
Total State Appropriations	18,238,314	52.52%	18,251,937	51.56%	18,267,628	51.67%
Other Sources	985,007	2.84%	766,683	2.17%	759,993	2.15%
Budgeted Fund Balance		0.00%	716,681	2.02%		0.00%
Total Educational and General	34,728,662	100.00%	35,400,357	100.00%	35,356,507	100.00%

University of Arkansas at Monticello
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	15,117,625	43.82%	15,649,165	44.21%	15,137,203	42.81%
Research	20,150	0.06%	14,700	0.04%	52,185	0.15%
Public Service	256,507	0.74%	342,111	0.97%	242,351	0.69%
Academic Support	1,757,421	5.09%	1,938,082	5.47%	1,936,041	5.48%
Student Services	2,004,348	5.81%	2,089,719	5.90%	2,078,624	5.88%
Institutional Support	5,437,271	15.76%	6,055,678	17.11%	5,486,161	15.52%
Physical Plant	3,523,503	10.21%	3,610,413	10.20%	3,623,061	10.25%
Scholarships & Awards	4,389,395	12.72%	4,013,629	11.34%	4,302,039	12.17%
Mandatory Transfers for Debt Retirement	470,116	1.36%	558,934	1.58%	523,311	1.48%
E & G Non-Mandatory Transfers						
Transfer to Athletics	600,000	1.74%	753,745	2.13%	967,043	2.74%
Transfer to Bookstore/Other	96,823	0.28%	139,445	0.39%	115,953	0.33%
Transfer to Plant Fund	830,109	2.41%		0.00%		0.00%
Contingency Fund		0.00%	234,736	0.66%	892,535	2.52%
Total Educational and General	34,503,268	100.00%	35,400,357	100.00%	35,356,507	100.00%

University of Arkansas at Monticello
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	10,456,380	3,236,392	1,444,431					15,137,203
Research	24,400	8,085	19,700					52,185
Public Service	73,352	23,585	145,414					242,351
Academic Support	915,817	293,667	726,557					1,936,041
Student Services	1,225,405	392,059	461,160					2,078,624
Institutional Support	3,018,575	968,218	1,499,368					5,486,161
Physical Plant	1,546,431	494,790	1,581,840					3,623,061
Scholarships & Awards					4,302,039			4,302,039
Mandatory Transfers - Debt Retirement				523,311				523,311
E & G Non-Mandatory Transfers								
Transfer to Athletics							967,043	967,043
Transfer to Bookstore/Other							115,953	115,953
Transfer to Plant Fund							-	-
Contingency Fund						892,535		892,535
Total Educational and General	17,260,360	5,416,796	5,878,470	523,311	4,302,039	892,535	1,082,996	35,356,507

University of Arkansas at Monticello
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Athletics	1,516,319	18.74%	1,632,110	24.43%	1,772,318	25.53%
Residence Halls/Student Apartments	1,543,077	19.07%	1,463,810	21.91%	2,034,571	29.31%
Food Service	1,623,229	20.06%	1,333,256	19.95%	1,457,194	20.99%
Bookstore	2,602,180	32.16%	985,114	14.74%	920,821	13.26%
Other Auxiliary Units	806,335	9.97%	784,075	11.73%	757,099	10.91%
Budgeted Fund Balance		0.00%	483,360	7.23%		0.00%
Total Auxiliary	8,091,140	100.00%	6,681,725	100.00%	6,942,003	100.00%

University of Arkansas at Monticello
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Athletics	3,243,137	40.80%	3,245,317	48.57%	3,380,390	48.69%
Residence Halls/Student Apartments	887,929	11.17%	1,451,972	21.73%	1,578,513	22.74%
Food Service	1,296,873	16.32%	1,055,698	15.80%	1,132,601	16.32%
Bookstore	2,301,261	28.95%	777,771	11.64%	712,568	10.26%
Other Auxiliary Units	219,715	2.76%	150,967	2.26%	137,931	1.99%
Total Auxiliary	7,948,915	100.00%	6,681,725	100.00%	6,942,003	100.00%

University of Arkansas at Monticello
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Athletics	791,001	254,237	1,167,505	120,129	1,047,518			3,380,390
Residence Halls/Student Apartments	61,312	10,557	601,106	905,538				1,578,513
Food Service			1,132,601					1,132,601
Bookstore	57,841	18,772	635,955					712,568
Other Auxiliary Units	26,193	8,506	103,232					137,931
Total Auxiliary	936,347	292,072	3,640,399	1,025,667	1,047,518	-	-	6,942,003

UNIVERSITY OF ARKANSAS AT PINE BLUFF
PROPOSED BUDGET 2013-14
Exhibit A - Executive Summary

The proposed operating budget for the University of Arkansas at Pine Bluff for FY2013-2014 was prepared using the following assumptions:

Revenues

Educational and General Revenue estimates show a total increase in projected revenue from 3rd quarter Revised Budget of \$66,297 based on the following:

- Projected Tuition and Fee Revenue was increased by \$781,800 which reflects a 4.3% increase in tuition and fees pending Board approval.
- Tuition and fee revenue was reduced due to steady decline in enrollment in the amount of \$753,000.
- Educational Excellence Trust Fund increased by \$37,497.

Auxiliary Enterprise Revenue estimates are increased from 3rd quarter revised budget by \$63,467 based on the following:

- Food service revenue was increased by \$165,000 to reflect the 2.2% increase in board plans.
- Reduction in Athletic revenue by \$46,840
- Reduction in Public Safety revenue by \$32,000
- Telephone Service to Housing reduced by \$22,693

Expenses

Educational and General Expenditure estimates show a net increase in total budget commitments over the FY13 revised budget of \$66,297. A total of \$842,000 was reduced from expenses due to the steady decline in enrollment. These reductions were made primarily from vacant positions and contingency budgets in several departments. Other variances in the budget are due to budget reductions and additions to various function areas as outlined in Exhibit B-1. Below are adjustments that were made to the budget:

- \$718,470 -- 4% Increase in Employer Fringe Benefit rate (from 27% to 31%).
- \$169,827 -- Scholarship increase due to the increase in tuition and fee rates.
- \$20,000 -- Budgeted for the University's Wellness Program.
- (\$585,971)—Budget reduction VCAA due to decline in enrollment
- (\$125,362) – Budget reduction VCFA due to decline in enrollment
- (\$94,260) – Budget reduction VCSA due to decline in enrollment
- (\$36,407) – Budget reduction Chancellor (ORSP) due to decline in enrollment

Total E & G Net Expenses \$66,297.

Auxiliary Enterprise expenses reflect an increase of \$63,467 distributed as follows:

- \$134,049 – 4% Increase in Employer Fringe Benefit Rate.
- \$83,577 – Scholarship increase due to increase in tuition and fees rates.
- \$18,843 – Classified 2% COLA raise.
- (\$94,162) – Physical Plant Aux. budget reduction.
- (\$46,840) – Athletics budget reduction.
- (\$32,000) – Public Safety Aux. budget reduction.

Total Auxiliary Net Expenses \$63,467

Note: Budget includes 2% COLA raise for all Classified Employees July 1, 2013. Funds are being held on reserve for Faculty and Non-classified Employees raises.

University of Arkansas at Pine Bluff
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	18,913,371	40.21%	17,977,684	39.35%	18,016,742	39.38%
State Appropriations						
Category A	25,326,294	53.84%	25,229,737	55.23%	25,229,737	55.15%
Category B		0.00%		0.00%		0.00%
Educational Excellence	1,779,548	3.78%	1,826,623	4.00%	1,853,862	4.05%
Total State Appropriations	27,105,842	57.62%	27,056,360	59.23%	27,083,599	59.20%
Other Sources	1,022,217	2.17%	648,750	1.42%	648,750	1.42%
Total Educational and General	47,041,430	100.00%	45,682,794	100.00%	45,749,091	100.00%

University of Arkansas at Pine Bluff
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	12,268,238	27.91%	12,628,156	27.64%	12,433,091	27.18%
Research	2,159,350	4.91%	2,034,359	4.45%	2,045,826	4.47%
Public Service	1,815,069	4.13%	1,856,869	4.06%	1,839,865	4.02%
Academic Support	4,450,900	10.13%	3,999,230	8.75%	3,924,832	8.58%
Student Services	3,000,842	6.83%	3,333,038	7.30%	3,166,555	6.92%
Institutional Support	5,270,588	11.99%	6,661,842	14.58%	6,967,457	15.23%
Physical Plant	5,772,625	13.13%	7,286,678	15.95%	7,490,316	16.37%
Scholarships & Awards	3,908,394	8.89%	4,685,794	10.26%	4,858,698	10.62%
Mandatory Transfers for Debt Retirement	524,309	1.19%	1,477,820	3.23%	1,200,000	2.62%
E & G Non-Mandatory Transfers						
Transfer to Athletics	1,078,234	2.45%	1,138,234	2.49%	1,138,234	2.49%
Transfer to Student Union	184,212	0.42%	184,212	0.40%	184,212	0.40%
Transfer to Plant Fund	3,500,232	7.96%	0	0.00%	0	0.00%
Contingency Fund	22,128	0.05%	396,562	0.87%	500,008	1.09%
Total Educational and General	43,955,121	100.00%	45,682,794	100.00%	45,749,091	100.00%

University of Arkansas at Pine Bluff
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	8,902,069	2,759,600	771,422					12,433,091
Research	1,075,393	333,380	637,053					2,045,826
Public Service	1,039,195	322,160	478,510					1,839,865
Academic Support	2,024,163	627,500	1,273,169					3,924,832
Student Services	1,795,825	556,699	814,031					3,166,555
Institutional Support	4,141,175	1,236,604	1,589,678					6,967,457
Physical Plant	2,645,997	820,270	4,024,049					7,490,316
Scholarships & Awards					4,858,698			4,858,698
Mandatory Transfers - Debt Retirement				1,200,000				1,200,000
E & G Non-Mandatory Transfers								
Transfer to Athletics							1,138,234	1,138,234
Transfer to Student Union							184,212	184,212
Transfer to Plant Fund							-	-
Contingency Fund						500,008		500,008
Total Educational and General	21,623,817	6,656,213	9,587,911	1,200,000	4,858,698	500,008	1,322,446	45,749,091

University of Arkansas at Pine Bluff
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Athletics	4,011,990	29.10%	5,956,885	41.83%	5,901,545	41.26%
Residence Halls	4,955,320	35.95%	4,693,000	32.96%	4,693,000	32.81%
Food Service	4,161,816	30.19%	3,014,193	21.17%	3,165,000	22.13%
Transit Fees	123,916	0.90%	127,500	0.90%	127,500	0.89%
Student Union	184,713	1.34%	184,212	1.29%	184,212	1.29%
Other Auxiliary Units	347,459	2.52%	264,000	1.85%	232,000	1.62%
Total Auxiliary	13,785,214	100.00%	14,239,790	100.00%	14,303,257	100.00%

University of Arkansas at Pine Bluff
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Athletics	6,277,181	46.46%	6,332,762	44.47%	6,403,987	44.77%
Residence Halls	3,301,440	24.44%	4,439,349	31.18%	4,471,504	31.26%
Food Service	2,960,608	21.91%	2,727,015	19.15%	2,712,822	18.97%
Transit Fees	123,916	0.92%	127,500	0.90%	127,500	0.89%
Student Union	286,608	2.12%	308,096	2.16%	316,469	2.21%
Other Auxiliary Units	560,156	4.15%	305,068	2.14%	270,975	1.89%
Total Auxiliary	13,509,909	100.00%	14,239,790	100.00%	14,303,257	100.00%

University of Arkansas at Pine Bluff
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Athletics	1,863,599	577,720	1,379,611	600,000	1,983,057			6,403,987
Residence Halls	1,115,013	345,660	2,070,115	900,000	40,716			4,471,504
Food Service			2,712,822					2,712,822
Transit Fees			127,500					127,500
Student Union	149,504	46,350	120,615					316,469
Other Auxiliary Units	167,869	52,040	51,066					270,975
Total Auxiliary	3,295,985	1,021,770	6,461,729	1,500,000	2,023,773	-	-	14,303,257

**Cossatot Community College
of the University of Arkansas
Executive Budget Summary
For the Fiscal Year ending June 30, 2014**

Mission and Organization:

Cossatot Community College of the University of Arkansas, an institution of higher education, is a public two-year college located in southwest Arkansas and is dedicated to serving students who wish to achieve academic, personal, or career goals. The college seeks to encourage in each student the values essential for effective citizenship; the desire for lifelong learning; the techniques for applying knowledge and skills to personal, career, and community life challenges; and an understanding that all individuals have worth and potential.

Budget Assumption and Philosophy:

Cossatot has an open budgeting process that begins in October and meets once monthly until the entire budget has been vetted. The public served by the college is invited to attend all budget meetings. The process of preparing the expenditure section of the budget starts with the involvement of all department level staff and the Administrative Council. Cossatot begins with the amounts that each department would like to see in the budget for their organizational and program needs. Each department must show the major changes in the budget and justify how these changes will benefit the college and how they are necessary to the goals and objectives in our strategic plan and the missions and purposes of the college.

In this 2013-2014 budget, the college began by making sure that all fixed costs are in the budget. Raises for Non-Classified Staff and Faculty were also budgeted. Next, any additional program needs were placed in the budget. After all these costs were tabulated, the college compared them to estimated revenues and the available fund balance. If the budgeted expenses are not even close to the estimated revenues and fund balance available, then the budget is pared down and refined through a series of budget cuts until a reasonable range is reached. During each paring down stage, the college makes sure that fixed costs are maintained, raises are provided as allowed, and the program needs of students are provided.

This year's budget was developed with the following points:

- ❖ Enactment of a new compensation plan for faculty and non-classified staff.
- ❖ Raises for classified staff at 2% and applicable merit bonuses.
- ❖ Three new Security officer positions will be requested and paid with a new security fee if approved.

- ❖ The remainder of the budget was built to maintain existing programs at their highest quality.
- ❖ Lastly, the Contingency budget may be utilized for additional critical maintenance as needed.

Estimated Revenues:

Estimated Revenues are budgeted at \$9,484,569 for FY14. Tuition and Fees will be budgeted at \$3,265,968. This is a \$334,094 increase over the adjusted budget for Tuition and Fees for FY13. Local Sales Tax is estimated to increase by \$43,062 from the adjusted budget of FY13.

Other Sources are expected to decrease a little. State Appropriations for FY13 are expected to increase slightly. Overall, the college is planning to budget \$195,569 from our Fund Balance. Of this amount, \$150,000 is in the Contingency Budget. Therefore, only the difference \$45,569 is truly an amount that may decrease fund balance at this time.

Budget Allocations:

Instruction costs increased by \$314,186 over FY13 budget. This includes the new compensation plan amounts for faculty and a new small budget for Aviation courses that will be taught by adjunct.

Academic Support decreased by \$33,566 from FY13 budget. Student Services is increased by \$41,811 from FY13. Institutional Support increased by \$88,850 from the FY13 budget. These increases are mainly from the enactment of the new compensation plan.

Physical Plant increased by \$111,728 from the FY13 budget. This budgeted increase includes raises and the new Security budget.

Scholarships and Awards for the college are being decreased by \$5,000 from the adjusted budget in FY13. This budget was increased by \$20,000 during last year, but we feel that it was slightly over-budgeted. We will adjust as necessary during the year to accommodate any fluctuations.

Debt budgeted for FY14 has been decreased due to new bond debt in FY13 savings. And transfers for auxiliary has increased to accommodate the new full-time Rodeo Advisor/Recruiter.

A Contingency amount was also budgeted for \$150,000. The college will use this contingency for things that may come up during the year that were not foreseen with critical maintenance or other technology upgrades. Alternatively, if revenues do not develop as projected, contingency will be the first budget cut made.

Resource Development:

The college continues to seek out grant opportunities that will enhance the college and fit in with our overall goals and objectives. To date, the college has just over \$1.4 million in grants available for FY13. These grants are combination of federal, state and private grants that enhance the college's mission and purposes. Grants have continued to decrease due to Federal budget cuts, but the college will remain active in submitting grant proposals that fit our mission.

CCCUA also continues to work with our foundation to increase monies for scholarships and improvements to infrastructure. A new Executive Director to the Foundation will help to guide efforts to develop this funding.

Cossatot Community College of the University of Arkansas
Summary of Actual Revenues
for Fiscal Year Ending June 30, 2012
and Budgeted Revenues
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	2,595,916	30.06%	2,931,874	32.44%	3,265,968	34.43%
State Appropriations						
Category A	3,384,412	39.19%	3,351,626	37.09%	3,351,626	35.34%
Category B		0.00%		0.00%	44,176	0.47%
Workforce	1,263,191	14.63%	1,354,390	14.99%	1,354,390	14.28%
Total State Appropriations	4,647,603	53.82%	4,706,016	52.08%	4,750,192	50.08%
Local Sales Tax	1,219,654	14.12%	1,082,853	11.98%	1,125,915	11.87%
Other Sources	171,673	1.99%	166,000	1.84%	146,925	1.55%
Budgeted Fund Balance		0.00%	150,000	1.66%	195,569	2.06%
Total Educational and General	8,634,846	100.00%	9,036,743	100.00%	9,484,569	100.00%

Cossatot Community College of the University of Arkansas
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	3,323,985	38.57%	3,516,176	38.91%	3,830,362	40.39%
Public Service	2,868	0.03%	3,526	0.04%	3,670	0.04%
Academic Support	1,441,789	16.73%	1,021,486	11.30%	1,055,052	11.12%
Student Services	981,672	11.39%	1,089,277	12.05%	1,131,088	11.93%
Institutional Support	1,146,687	13.31%	1,440,221	15.94%	1,529,071	16.12%
Physical Plant	1,185,752	13.76%	1,102,543	12.20%	1,214,271	12.80%
Scholarships & Awards	20,674	0.24%	55,000	0.61%	50,000	0.53%
Mandatory Transfers for Debt Retirement	491,477	5.70%	484,482	5.36%	454,500	4.79%
E & G Non-Mandatory Transfers Transfer to Rodeo	22,654	0.26%	38,584	0.43%	66,555	0.70%
Contingency Fund		0.00%	285,448	3.16%	150,000	1.58%
Total Educational and General	8,617,558	100.00%	9,036,743	100.00%	9,484,569	100.00%

Cossatot Community College of the University of Arkansas
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	2,478,128	807,463	544,771					3,830,362
Public Service	2,464	1,206						3,670
Academic Support	571,429	203,554	280,069					1,055,052
Student Services	661,097	256,286	213,705					1,131,088
Institutional Support	955,389	336,708	236,974					1,529,071
Physical Plant	436,920	200,101	577,250					1,214,271
Scholarships & Awards					50,000			50,000
Mandatory Transfers - Debt Retirement				454,500				454,500
E & G Non-Mandatory Transfers Transfer to Rodeo							66,555	66,555
Contingency Fund						150,000		150,000
Total Educational and General	5,105,427	1,805,318	1,852,769	454,500	50,000	150,000	66,555	9,484,569

Cossatot Community College of the University of Arkansas
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Rodeo	18,368	100.00%	38,584	100.00%	66,555	100.00%
Other Auxiliary Units		0.00%		0.00%		0.00%
Total Auxiliary	18,368	100.00%	38,584	100.00%	66,555	100.00%

Cossatot Community College of the University of Arkansas
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Rodeo	41,022	100.00%	38,584	100.00%	66,555	100.00%
Other Auxiliary Units		0.00%		0.00%		0.00%
Total Auxiliary	41,022	100.00%	38,584	100.00%	66,555	100.00%

Cossatot Community College of the University of Arkansas
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Rodeo	29,120	13,135	24,300				(66,555)	-
Other Auxiliary Units								-
Total Auxiliary	29,120	13,135	24,300	-	-	-	(66,555)	-

PHILLIPS COMMUNITY COLLEGE OF THE UNIVERSITY OF ARKANSAS

Budget Narrative

Estimated Revenues

PCCUA is anticipating an overall decrease in budgeted revenue of \$180,663 for the 2014 fiscal year. Even though an increase in tuition has been proposed, tuition and fee revenue is expected to decrease by \$189,763 based on current enrollment data.

The FY14 forecast for state appropriations remains consistent with FY12 and FY13 for Category A funding in the amount of \$9,063,088. Educational Excellence Trust Funds and Workforce 2000 Development Funds are also projected to be funded at a level consistent with the prior fiscal year.

All other revenues are projected to remain fairly stable with a slight increase expected in Other Sources. This increase is expected due to increased diligence in obtaining indirect cost recovery from federal grants and contracts funded at PCCUA.

Budget Allocations

The following is a breakdown of the percentages used for budgeting each of the campuses for FY14:

Helena-59.48%
DeWitt-13.88%
Stuttgart-26.64%

Factors such as FTE, student headcount by campus, and campus maintenance requirements (building square footage, acreage, and age) were employed in the funding distribution by campus.

PCCUA has undertaken several cost saving measures over the past several months to help curb expenses and/or generate additional revenue. The College has negotiated with a new bookstore vendor for operation of the campus bookstores creating additional revenue. A new telephone system lease will result in annual cost savings of approximately \$24,000 annually. Other services and/or maintenance-support agreements have been examined to determine the best value for the college resulting in cost savings. PCCUA also initiated a new budgeting process for FY14 which will enable the College to more closely monitor expenses.

PCCUA has not provided for any salary increases in the FY2014 budget.

EXHIBIT B

Phillips Community College of the University of Arkansas
Summary of Actual Revenues
for Fiscal Year Ending June 30, 2012
and Budgeted Revenues
for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	3,075,183	18.89%	3,104,000	19.32%	2,914,337	18.33%
State Appropriations						
Category A	9,063,088	55.67%	9,063,088	56.40%	9,063,088	57.00%
Category B	7,000	0.04%	0	0.00%	0	0.00%
Educational Excellence	704,484	4.33%	723,120	4.50%	733,904	4.62%
Workforce	495,661	3.04%	531,446	3.31%	531,446	3.34%
Total State Appropriations	10,270,233	63.08%	10,317,654	64.21%	10,328,438	64.96%
Local Tax Revenue	2,023,942	12.43%	1,850,000	11.51%	1,850,000	11.64%
Other Sources	911,834	5.60%	798,000	4.97%	807,000	5.08%
Total Educational and General	16,281,192	100.00%	16,069,654	100.00%	15,899,775	100.00%

Phillips Community College of the University of Arkansas
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	6,892,700	43.08%	5,995,217	37.31%	5,856,146	36.83%
Public Service	761,279	4.76%	559,355	3.48%	514,487	3.24%
Academic Support	1,883,075	11.77%	1,905,346	11.86%	1,962,328	12.34%
Student Services	1,233,060	7.71%	1,228,180	7.64%	1,211,984	7.62%
Institutional Support	2,633,611	16.46%	2,765,992	17.21%	2,743,229	17.25%
Physical Plant	1,153,474	7.21%	1,850,819	11.52%	1,863,706	11.72%
Scholarships & Awards	315,648	1.97%	325,000	2.02%	325,000	2.04%
Mandatory Transfers for Debt Retirement	773,348	4.83%	769,745	4.79%	772,895	4.86%
E & G Non-Mandatory Transfers						
Transfer to Auxiliary Units	63,644	0.40%	50,000	0.31%	60,000	0.38%
Transfer to Plant Fund	290,000	1.81%	275,000	1.71%	275,000	1.73%
Contingency Fund		0.00%	345,000	2.15%	315,000	1.98%
Total Educational and General	15,999,839	100.00%	16,069,654	100.00%	15,899,775	100.00%

Phillips Community College of the University of Arkansas
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	3,898,808	1,247,616	709,722					5,856,146
Public Service	345,937	110,700	57,850					514,487
Academic Support	1,129,940	361,578	470,810					1,962,328
Student Services	855,253	273,681	83,050					1,211,984
Institutional Support	1,377,208	440,708	925,313					2,743,229
Physical Plant	709,171	226,935	927,600					1,863,706
Scholarships & Awards					325,000			325,000
Mandatory Transfers - Debt Retirement				772,895				772,895
E & G Non-Mandatory Transfers								
Transfer to Auxiliary Units							60,000	60,000
Transfer to Plant Fund							275,000	275,000
Contingency Fund						315,000		315,000
Total Educational and General	8,316,317	2,661,218	3,174,345	772,895	325,000	315,000	335,000	15,899,775

Phillips Community College of the University of Arkansas
Summary of Actual Revenues
for Fiscal Year Ending June 30, 2012
and Budgeted Revenues
for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Bookstore	43,918	18.58%	45,000	22.50%	80,000	29.20%
Food Service	76,453	32.35%	90,000	45.00%	75,000	27.37%
Student Activities**	29,549	12.50%	32,000	16.00%	33,000	12.04%
Other Auxiliary Units***	86,444	36.57%	33,000	16.50%	86,000	31.39%
Total Auxiliary	236,364	100.00%	200,000	100.00%	274,000	100.00%

** Funded through transfer from General Fund.

*** Includes Facility Rental and Investment Income

Phillips Community College of the University of Arkansas
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Bookstore	0	0.00%	0	0.00%	57,683	21.05%
Food Service	151,589	70.87%	135,000	67.50%	148,317	54.13%
Student Activities	32,791	15.33%	35,000	17.50%	33,000	12.04%
Other Auxiliary Units	29,522	13.80%	30,000	15.00%	35,000	12.77%
Total Auxiliary	213,902	100.00%	200,000	100.00%	274,000	100.00%

Phillips Community College of the University of Arkansas
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Bookstore							57,683	57,683
Food Service	62,917	19,200	66,200					148,317
Student Activities			33,000					33,000
Other Auxiliary Units			35,000					35,000
Total Auxiliary	62,917	19,200	134,200	-	-	-	57,683	274,000

**UNIVERSITY OF ARKANSAS
COMMUNITY COLLEGE AT BATESVILLE
EXHIBIT A
EXECUTIVE BUDGET SUMMARY
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

MISSION AND ORGANIZATION

The University of Arkansas Community College at Batesville provides quality educational opportunities within a supportive learning environment. We promote success through community partnership, responsive programs, and an enduring commitment to improvement.

VALUES

At UACCB we value...

Unity through collaboration

Achievement in educational goals

Commitment to excellence

Contribution to community

Balance in learning and life

VISION

UACCB will be recognized for excellence in education, leadership, service, and innovation in response to education, economic and social needs.

GOALS

In order to accomplish its mission and fulfill its vision, UACCB has established a set of strategic goals. Each organizational area is expected to work towards its respective goals and correspondingly contribute to the strategic institutional efforts.

BUDGET ASSUMPTIONS AND PHILOSOPHY

In FY12 the campus used zero based budgeting as a means to request actual need by department. This proved to be beneficial to the college and to make personnel more aware of the budgeting process. This process involved all budget managers, the administrative cabinet and an administrative committee, the Chancellor's Advisory Committee. The FY13 budget was set at the same Maintenance and Operations level as the FY12 budget. The FY14 budget is based upon the same General Revenue and the Workforce 2000 forecast as FY13. However, the FY14 budget does contain an additional \$80,475 in the category B forecast. The Administrative Cabinet and budget managers were involved in developing this budget. The FY14 budget sets a direction toward improving student success and retention and meeting the needs of our community through community based programs. The budget is also designed to more closely align with the institution's strategic plan.

The operating budget was developed assuming the following:

- State appropriations will provide an increase of \$80,475 (Category B)
- Revenue from the ¼ cent county sales tax is projected to generate \$1,300,000
- Tuition increase of \$3 per credit hour for in-district and out-of-district students will generate approximately \$63,000
Overall tuition is projected to decrease by approximately 15% in SSCHs
- Safety fee increase of \$2 per credit hour will generate approximately \$42,000
- Drop fee of \$10 per course will be eliminated and replaced with a \$5 administrative fee per semester that will generate an additional \$5,000
- Department operating budgets were formulated at 2013 levels
- Additional expenses for FY14 are needed for safety issues, a new mass alert system and third party default management
- Additional expenses will include a COLA increase of 2% for classified employees and 3% for nonclassified employees, adding to the base salary
- Debt service for FY14 will be set at \$596,000. This debt service is the annual obligation for the existing bond issue for the Conference/Student Center and for Arkansas Development Finance Authority (ADFA) loans which were used for the construction of a consolidated Maintenance Facility and a Library/Academic Facility. This debt payment includes a payment to the Arkansas Revolving Loan Account in which funds were used to assist in the construction of the Nursing and Allied Health Building.

ESTIMATED REVENUES

Revenues for FY14 are projected to decrease from FY13 revenues because of an estimated decrease in enrollment. Tuition increases of \$3 per credit hour for in and out of district students will add approximately \$63,000 to revenues. An additional \$2 safety fee will add approximately \$42,000 to the budget. The elimination of a \$10 drop fee per course and the addition of an administrative fee of \$5 per semester will net approximately \$5,000 additional income. State appropriation funding for FY14 is projected at \$4,050,586, the same as the FY13 General Revenue appropriation. However, \$80,475 has been allocated in Category B. Workforce 2000 funds are projected to remain at the FY13 level of \$869,361. Local sales tax is projected at \$1,300,000.

BUDGET ALLOCATIONS

The budget was prepared with sensitivity to the projected needs of the campus as it continues to develop and cope with the economic situation. Reallocations have been made to cover the cost of departmental budgets.

Scholarships remain a very important part of the UACCB mission. The FY14 budget has funded our student scholarship account at \$225,000. This budget funds institutional scholarships and financial awards.

Debt service for FY14 is \$596,000. This debt service is the annual obligation for the existing bond issue for the Conference/Student Center and the Arkansas Development Finance Authority (ADFA) loans for the construction of a Consolidated Maintenance Facility and Library/Academic Facility. This debt payment includes a payment to the Arkansas Revolving Loan Account in which funds were used for the construction of the Nursing and Allied Health Building.

University of Arkansas Community College at Batesville
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	3,462,025	35.35%	3,580,664	36.29%	2,997,550	31.33%
State Appropriations						
Category A	4,104,600	41.91%	4,050,586	41.06%	4,050,586	42.33%
Category B		0.00%		0.00%	80,475	0.84%
Workforce	810,822	8.28%	869,360	8.81%	869,361	9.09%
Total State Appropriations	4,915,422	50.19%	4,919,946	49.87%	5,000,422	52.26%
Local Sales Tax	1,271,172	12.98%	1,200,000	12.16%	1,300,000	13.59%
Other Sources	144,762	1.48%	165,029	1.67%	270,541	2.83%
Total Educational and General	9,793,381	100.00%	9,865,639	100.00%	9,568,513	100.00%

University of Arkansas Community College at Batesville
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	3,865,559	41.11%	3,930,605	39.84%	3,824,874	39.97%
Academic Support	1,114,691	11.85%	1,137,287	11.53%	1,080,297	11.29%
Student Services	874,746	9.30%	899,107	9.11%	919,497	9.61%
Institutional Support	1,678,398	17.85%	1,682,135	17.05%	1,843,655	19.27%
Physical Plant	982,352	10.45%	1,202,986	12.19%	1,079,329	11.28%
Scholarships & Awards	294,482	3.13%	241,783	2.45%	225,000	2.35%
Mandatory Transfers for Debt Retirement	592,110	6.30%	595,775	6.04%	595,861	6.23%
E & G Non-Mandatory Transfers Transfer to Plant Fund	500	0.01%		0.00%		0.00%
Contingency Fund			175,961	1.78%		0.00%
Total Educational and General	9,402,838	100.00%	9,865,639	100.00%	9,568,513	100.00%

University of Arkansas Community College at Batesville
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	2,640,667	802,840	381,367					3,824,874
Academic Support	519,248	209,405	351,644					1,080,297
Student Services	524,053	189,547	205,897					919,497
Institutional Support	1,011,471	445,139	387,045					1,843,655
Physical Plant	329,628	154,215	595,486					1,079,329
Scholarships & Awards					225,000			225,000
Mandatory Transfers - Debt Retirement				595,861				595,861
E & G Non-Mandatory Transfers								
Transfer to Plant Fund								-
Contingency Fund								-
Total Educational and General	5,025,067	1,801,146	1,921,439	595,861	225,000	-	-	9,568,513

University of Arkansas Community College at Batesville
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Bookstore	917,310	89.24%	1,072,800	90.91%	940,800	89.96%
Food Service	104,786	10.19%	90,000	7.63%	85,000	8.13%
Other Auxiliary Units	5,845	0.57%	17,250	1.46%	20,000	1.91%
Total Auxiliary	1,027,941	100.00%	1,180,050	100.00%	1,045,800	100.00%

University of Arkansas Community College at Batesville
Summary of Actual Expenditures
for Fiscal Year Ending June 30, 2012
and Budgeted Expenditures
for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Bookstore	792,894	82.56%	969,983	82.20%	779,053	74.49%
Food Service	113,306	11.80%	136,337	11.55%	139,334	13.32%
Other Auxiliary Units	54,175	5.64%	50,000	4.24%	42,598	4.07%
Auxiliary Contingency		0.00%	23,730	2.01%	84,815	8.11%
Total Auxiliary	960,375	100.00%	1,180,050	100.00%	1,045,800	100.00%

University of Arkansas Community College at Batesville
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Bookstore	52,316	30,737	696,000					779,053
Food Service	58,719	16,965	63,650					139,334
Other Auxiliary Units			42,598					42,598
Auxiliary Contingency						84,815		84,815
Total Auxiliary	111,035	47,702	802,248	-	-	84,815	-	1,045,800

EXHIBIT A
UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT HOPE

**INSTITUTIONAL GOALS, OBJECTIVES, AND STRATEGIES AS RELATED TO THE
2014 BUDGET**

The mission of the University of Arkansas Community College at Hope is to serve as an accredited, open access, two-year institution of higher education that connects students and community partners to quality education and supports a culture of academic, occupational, personal growth and enrichment programs throughout Southwest Arkansas.

To continue the process of moving towards the fulfillment of the institutional mission, the following projections have guided the development of the 2014 budget:

ESTIMATED REVENUES

The FY2014 budget projects an increase in revenues \$142,618. Appropriate safeguards are included in the budget should reductions in state revenues materialize. Student fees were increased 3.3% for the FY2014 year and the budget includes an estimated 2% reduction in enrollment. The budget is based on a headcount enrollment of 1,483 and an FTE enrollment of 960 in the Fall Semester and a headcount enrollment of 1,498 and an FTE enrollment of 968 in the Spring Semester. State Appropriations are expected to remain flat. Local sales tax revenues will increase with the opening of the Hempstead Hall Auditorium/Conference Center.

BUDGET ALLOCATIONS

The budget for salaries includes a 2% increase for all employees. The starting teaching salary scale was increased in an effort to get starting faculty salaries closer to the average of the public schools in our service area. The budget includes an estimated 5% increase in health insurance. Travel budgets and departmental budgets were not increased for the fifth consecutive year. The budget was increased to cover the operating expenses of Hempstead Hall. A budget contingency of 2% is included in the budget.

University of Arkansas Community College at Hope
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	2,250,185	24.88%	2,459,950	24.67%	2,516,153	24.88%
State Appropriations						
Category A	4,507,704	49.85%	4,491,997	45.05%	4,491,997	44.42%
Category B		0.00%		0.00%		0.00%
Workforce	1,832,524	20.27%	1,964,826	19.71%	1,964,826	19.43%
Total State Appropriations	6,340,228	70.12%	6,456,823	64.76%	6,456,823	63.84%
Local Sales Tax	325,000	3.59%	920,000	9.23%	950,500	9.40%
Other Sources	127,096	1.41%	134,185	1.35%	190,100	1.88%
Total Educational and General	9,042,509	100.00%	9,970,958	100.00%	10,113,576	100.00%

University of Arkansas Community College at Hope
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	3,574,322	39.47%	3,999,004	40.11%	4,102,940	40.57%
Public Service	242,754	2.68%	287,354	2.88%	462,984	4.58%
Academic Support	525,208	5.80%	392,723	3.94%	396,816	3.92%
Student Services	806,506	8.91%	766,144	7.68%	787,309	7.78%
Institutional Support	1,956,528	21.61%	1,960,509	19.66%	2,098,553	20.75%
Physical Plant	1,098,695	12.13%	1,152,160	11.56%	1,028,433	10.17%
Scholarships & Awards	145,601	1.61%	180,000	1.81%	195,600	1.93%
Mandatory Transfers for Debt Retirement	706,193	7.80%	811,913	8.14%	817,407	8.08%
E & G Non-Mandatory Transfers Transfer to Plant Fund	0	0.00%	0	0.00%	0	0.00%
Contingency Fund	0	0.00%	421,151	4.22%	223,534	2.21%
Total Educational and General	9,055,807	100.00%	9,970,958	100.00%	10,113,576	100.00%

University of Arkansas Community College at Hope
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	2,657,963	1,026,465	418,512	-	-	-	-	4,102,940
Public Service	259,552	96,545	106,887	-	-	-	-	462,984
Academic Support	235,961	90,855	70,000	-	-	-	-	396,816
Student Services	517,017	200,467	69,825	-	-	-	-	787,309
Institutional Support	1,164,995	452,008	481,550	-	-	-	-	2,098,553
Physical Plant	309,880	120,853	597,700	-	-	-	-	1,028,433
Scholarships & Awards	-	-	-	-	195,600	-	-	195,600
Mandatory Transfers - Debt Retirement	-	-	-	817,407	-	-	-	817,407
E & G Non-Mandatory Transfers Transfer to Plant Fund	-	-	-	-	-	-	-	-
Contingency Fund	-	-	-	-	-	223,534	-	223,534
Total Educational and General	5,145,368	1,987,193	1,744,474	817,407	195,600	223,534	-	10,113,576

**University of Arkansas Community College at Morrilton
Executive Budget Summary
For the Fiscal Year Ending June 30, 2014**

Mission

The University of Arkansas Community College at Morrilton is committed to excellence in learning and personal enrichment.

Budget Highlights

The operating budget was developed planning for the following:

- Equipping campus in continuation of AREON projects. This includes adding various servers, hubs, and switches.
- Allowing for addition of several campus safety and security features.
- Salary increases in order to retain current employees
- Filling four vacant employee positions.

Estimated Revenues

General revenue has been budgeted using the official state revenue forecast for FY 14. Tuition and fee revenues are budgeted on the tuition and fee increases presented for Board of Trustees approval on static enrollment figures.

Budget Allocations

UACCM is in a unique situation, located within 25 miles of four universities, 3 large public school districts and several state agencies. The budget reflects the challenges faced by UACCM to hire and retain qualified individuals. The tuition and fee increase is to cover the filling of positions to better meet the needs of the students. A new fee is being proposed and budgeted herein at \$3 per credit hour for public safety fee. From committee and student feedback, it was determined the student body greatly supported this fee in order to add some additional safety features on campus. The budget also includes a pool of funds to cover merit increases for classified employees if authorized at the State level. Non-classified personnel will generally receive a 2.0% increase. Likewise, included for Faculty is a 2.0% general increase. Various lower level faculty salaries are being adjusted slightly more than this again to continue efforts to adjust the starting salary of our faculty as it currently falls well below the starting salary of local school districts.

Dr. Larry Davis, Chancellor

University of Arkansas Community College at Morrilton
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	6,463,759	47.24%	5,900,000	45.18%	6,358,519	45.09%
State Appropriations						
Category A	4,734,184	34.60%	4,787,010	36.65%	4,787,010	33.94%
Category B	126,124	0.92%		0.00%	235,145	1.67%
Workforce	1,207,858	8.83%	1,295,061	9.92%	1,295,061	9.18%
Total State Appropriations	6,068,166	44.35%	6,082,071	46.57%	6,317,216	44.79%
Prior Year Fund Balance	0	0.00%	0	0.00%	400,000	2.84%
Local Sales Tax	873,634	6.38%	780,500	5.98%	750,000	5.32%
Other Sources	277,619	2.03%	297,520	2.28%	277,000	1.96%
Total Educational and General	13,683,178	100.00%	13,060,091	100.00%	14,102,735	100.00%

University of Arkansas Community College at Morrilton
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	5,798,936	44.60%	5,700,360	43.65%	5,273,847	37.40%
Public Service	7,611	0.06%	18,510	0.14%	10,000	0.07%
Academic Support	1,418,490	10.91%	1,638,271	12.54%	2,344,468	16.62%
Student Services	1,402,698	10.79%	1,430,163	10.95%	1,476,811	10.47%
Institutional Support	1,720,994	13.24%	1,679,920	12.86%	1,996,866	14.16%
Physical Plant	1,622,467	12.48%	1,190,142	9.11%	1,820,471	12.91%
Scholarships & Awards	423,500	3.26%	387,725	2.97%	450,000	3.19%
Mandatory Transfers for Debt Retirement	340,206	2.62%	460,000	3.52%	566,532	4.02%
E & G Non-Mandatory Transfers Transfer to Plant Fund	77,367	0.60%	555,000	4.25%		0.00%
Contingency & Reserve Fund	189,955	1.46%	0	0.00%	163,740	1.16%
Total Educational and General	13,002,224	100.00%	13,060,091	100.00%	14,102,735	100.00%

University of Arkansas Community College at Morrilton
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Instruction	3,245,308	1,317,392	711,147					5,273,847
Public Service			10,000					10,000
Academic Support	1,247,556	547,578	549,334					2,344,468
Student Services	891,124	330,387	255,300					1,476,811
Institutional Support	1,253,117	467,974	275,775					1,996,866
Physical Plant	497,961	280,760	1,041,750					1,820,471
Scholarships & Awards					450,000			450,000
Mandatory Transfers - Debt Retirement				566,532				566,532
E & G Non-Mandatory Transfers Transfer to Plant Fund								-
Contingency & Reserve Fund						163,740		163,740
Total Educational and General	7,135,066	2,944,091	2,843,306	566,532	450,000	163,740	-	14,102,735

University of Arkansas Community College at Morrilton
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Food Service & Vending	226,019	13.00%	176,000	10.76%	225,000	12.03%
Other Auxiliary Units (Bookstore)	1,512,149	87.00%	1,460,000	89.24%	1,645,844	87.97%
Total Auxiliary	1,738,168	100.00%	1,636,000	100.00%	1,870,844	100.00%

University of Arkansas Community College at Morrilton
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

AUXILIARY FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Food Service & Vending	308,793	20.36%	297,456	18.18%	306,282	16.37%
Other Auxiliary Units (Bookstore)	1,207,594	79.64%	1,338,544	81.82%	1,564,562	83.63%
Total Auxiliary	1,516,387	100.00%	1,636,000	100.00%	1,870,844	100.00%

University of Arkansas Community College at Morrilton
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

AUXILIARY FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Food Service & Vending	124,616	36,466	145,200					306,282
Bookstore	100,026	31,436	1,433,100					1,564,562
Total Auxiliary	224,642	67,902	1,578,300	-	-	-	-	1,870,844

**ARKANSAS SCHOOL FOR MATHEMATICS, SCIENCES AND THE ARTS
BUDGET DISCUSSION FY 2013-2014**

INTRODUCTION

The Arkansas School for Mathematics, Sciences and the Arts is a statewide, residential public school for academically talented students in 11th and 12th grades who are admitted annually as sophomores on a competitive basis. The stated mission is to create, encourage and sustain an educational community of academically talented students, faculty, and staff that seeks to pursue knowledge of mathematics, sciences, the arts and other curricula throughout the State of Arkansas. Three areas are emphasized to meet the mission:

- a rigorous academic program at the residential school,
- extensive class offerings through distance education based on needs which cannot be fully addressed by local schools; and
- teacher enhancement programs to improve classroom performance in other schools.

ASMSA was established by the General Assembly in 1993 and became a part of the University of Arkansas System effective January 2004.

The residential program serves students from many high schools across Arkansas. Teacher training programs conducted during summer months are tuition-based or grant-supported. Residential faculty also provide in-service training for requesting school districts during the regular school year. Distance learning classes teach more than 3,500 students in counties throughout the state.

State appropriations provide the basic funding for the activities of the residential school and a portion of distance learning expenditures. Additional grant funding is received from the Arkansas Department of Education (ADE) for distance learning programs based on funding available. Participating school districts join a state-wide consortium enabling them to receive any distance education program from established providers. The consortium fees that are collected are then distributed to the providers to increase the funding to their programs.

ASMSA will employ a total of 98 employees in fiscal year 2013-2014. Of those, 41 are ten-month full-time teachers, with 23 of those being residential faculty and 18 being distance education teachers. Four part-time teachers and four adjunct positions cover specialty academic areas in both the residential and distance education programs. There are also 17 ten-month support staff and 32 full-time staff. The enabling legislation created all positions as non-classified.

BUDGETED REVENUE

State Funding

State funds are budgeted at \$8,260,455 for fiscal year 2013-14. Our primary source of funding is the Educational Excellence Trust Fund, budgeted at \$7,147,440 and is an increase of \$144,566 over fiscal year 2012-2013. The total portion of state funds derived from the Revenue Stabilization Act funds is \$1,113,015, all of which is in category "A". There is no projected increase in RSA funds, but there is an overall projected increase in state funding of \$144,566.

Other Sources

Distance Education instruction to elementary and secondary schools across the state provides income to offset the costs of the program. We have estimated the amount of revenues to be \$1,150,000 for the upcoming fiscal year. The majority of that, \$750,000, is funded by a grant from the Arkansas Department of Education. The remainder comes from billing the individual school districts that are not enrolled in the state-wide consortium for services provided. Due to changes in the courses and providers that will be funded by the ADE grant next fiscal year, we expect overall Distance Education revenues to decrease by \$300,000 over the current year.

Other miscellaneous revenue has been budgeted at \$57,000. These revenue sources include student assessments and expected sales tax reimbursements.

BUDGETED EXPENDITURES

Personnel

With expected position reductions due to the decrease in Distance Education funding and several vacant positions that will not be filled, salary expenses will be reduced by almost 11% (\$511,434) over the current year salary budget. We are proposing pay raises averaging 2% for all faculty and staff, which increased expenses by \$56,000. A salary pool of \$30,000 will cover emergency needs as they arise. In addition, a pool of \$25,000 will cover extra compensation payments for teachers adding additional coursework, conducting weekend enrichment seminars as part of our campus outreach, or ACT preparation courses.

Fortunately, we will not experience an increase in medical and dental benefit premiums. Due to the recent changes in our insurance plan, we have been able to keep our premiums constant for next fiscal year, but this will likely change in future years. A fringe benefits budget pool of \$33,000 has been created to absorb any employee adjustments and other payroll expenses.

Maintenance and Operations

The proposed budget increases Maintenance and Operations expenses by almost \$520,000. The large majority of that, \$207,000, is for the operating lease payment to Delta Student Housing for the new Student Center and Residence Hall. In addition, the budget for contracts, food services and utilities was increased by \$80,000 to cover anticipated increases in prices and rate increases.

There will be several new initiatives started or funded during the next academic school year. One is the new concurrent credit arrangement with UALR. We are establishing a fund of \$30,000 to assist those students who are eligible for fee waivers with their tuition and fee charges. Another program being initiated within the Humanities department is the Global Learning program. This fund of \$50,000 will support travel abroad opportunities for our students as we begin to increase the global awareness of our students. Finally, a Math & Science Summer Camp will be funded for \$25,000 to allow entering juniors an opportunity to acclimate to the advanced math curriculum or allow rising seniors to further their research opportunities during the summer.

Another initiative evolving over the next two years is the 20th anniversary celebration between the year of the opening of the school and the year of the first graduating class. The Institutional Advancement department will be creating an awareness campaign for the school, updating advertising materials, such as a commercial, brochure, catalogs and other reference guides. Increasing public awareness of our program is a point of interest for our accrediting body and justifies cause for such an investment. This project was allocated a one-time increase of \$50,000 to carry out those projects over the next fiscal year.

Contingency Funds

There is almost \$187,000 budgeted in the contingency/reserves account for next fiscal year - just under 2% of the total budget. The contingency amount includes the forecasted increase in the Educational Excellence Trust Fund, plus a small portion allocated to Distance Education in the event of further funding changes. A portion of those funds will be reallocated throughout the next fiscal year when the final forecast is released and total grant funds are received. A portion of the contingency amount will be reserved for renovations to existing campus facilities and other programmatic initiatives.

SUMMARY

Administration is increasing summer offerings in student development as well as enrichment programs for prospective students. The budget presented herein is based on, and tied to, performance of the legislative mission of the institution. To be conservative, we are reserving enough for special needs or one-time expenditures. We believe this proposed plan is sufficient to support our programs and respectfully request your approval.

Corey Alderdice
Director

Arkansas School for Mathematics, Sciences and the Arts
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees		0.00%		0.00%		0.00%
State Appropriations						
Category A	1,113,015	11.20%	1,113,015	11.25%	1,113,015	11.69%
Category B		0.00%		0.00%		0.00%
Educational Excellence	6,860,926	69.04%	7,042,423	71.16%	7,147,440	75.06%
Total State Appropriations	7,973,941	80.24%	8,155,438	82.40%	8,260,455	86.75%
Other Sources	1,963,994	19.76%	1,727,098	17.45%	1,261,861	13.25%
Budgeted Fund Balance		0.00%	14,669	0.15%		0.00%
Total Educational and General	9,937,935	100.00%	9,897,205	100.00%	9,522,316	100.00%

Arkansas School for Mathematics, Sciences and the Arts
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	3,934,534	39.80%	4,133,113	41.76%	3,242,151	34.05%
Academic Support	1,091,714	11.04%	1,173,182	11.85%	1,279,192	13.43%
Student Services	1,209,625	12.24%	1,265,642	12.79%	1,344,202	14.12%
Institutional Support	947,985	9.59%	1,054,055	10.65%	1,086,010	11.40%
Physical Plant	1,774,150	17.95%	1,932,949	19.53%	2,178,832	22.88%
E & G Non-Mandatory Transfers Transfer to Plant Fund	928,369	9.39%	268,261	2.71%	205,000	2.15%
Contingency Fund		0.00%	70,003	0.71%	186,929	1.96%
Total Educational and General	9,886,376	100.00%	9,897,205	100.00%	9,522,316	100.00%

Arkansas School for Mathematics, Sciences and the Arts
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Contingency Funds	Transfers	Total
Instruction	2,176,530	672,829	392,792			3,242,151
Academic Support	715,261	221,731	342,200			1,279,192
Student Services	437,941	135,761	770,500			1,344,202
Institutional Support	555,620	194,390	336,000			1,086,010
Physical Plant	131,580	40,790	2,006,462			2,178,832
E & G Non-Mandatory Transfers Transfer to Plant Fund					205,000	205,000
Contingency Fund				186,929		186,929
Total Educational and General	4,016,932	1,265,501	3,847,954	186,929	205,000	9,522,316

**UNIVERSITY OF ARKANSAS
CLINTON SCHOOL OF PUBLIC SERVICE**

**BUDGET SUMMARY
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

MISSION:

The Clinton School's vision is of a world of leaders who work with others to build healthy, engaged and vibrant communities. The mission of the Clinton School is to educate and prepare individuals for public service that incorporates a strategic vision, an authentic voice, and a commitment to the common good.

ESTIMATED REVENUES:

Projected revenues for the budget year ending June 30, 2014 are approximately \$3 million. The majority of the revenues are expected to come from State Appropriations.

The increase in Tuition and Fees is due to a restructuring in the curriculum from 36 credit hours to 40 credit hours. There are no increases in the tuition rates. However, the students will be assessed a processing fee of \$20 per credit hour. The fee will be charged by UALR and retained by UALR for their student processing services.

Other Sources of income is comprised primarily of reimbursable amounts from the UA Foundation.

BUDGET ALLOCATIONS:

Personnel cost represent approximately 74% of the total budget allocations. A 2.75% salary increase is being proposed July 1, 2013 to employees (only have non-classified). The tuition revenue generated by the increase in the number of credit hours will fund the increase.

University of Arkansas Clinton School of Public Service
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
Tuition and Fees	455,427	15.52%	578,000	19.12%	600,000	19.77%
State Appropriations						
Category A	2,301,202	78.43%	2,295,575	75.92%	2,295,575	75.63%
Category B		0.00%		0.00%		0.00%
Total State Appropriations	2,301,202	78.43%	2,295,575	75.92%	2,295,575	75.63%
Other Sources	177,411	6.05%	150,000	4.96%	139,832	4.61%
Total Educational and General	2,934,040	100.00%	3,023,575	100.00%	3,035,407	100.00%

University of Arkansas Clinton School of Public Service
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Instruction	1,733,624	57.22%	1,679,568	55.55%	1,737,592	57.24%
Academic Support	405,883	13.40%	383,418	12.68%	387,203	12.76%
Student Services	155,025	5.12%	152,842	5.06%	154,463	5.09%
Institutional Support	260,589	8.60%	273,747	9.05%	281,149	9.26%
Physical Plant	117,469	3.88%	120,000	3.97%	100,000	3.29%
Scholarships & Awards	457,130	15.09%	414,000	13.69%	375,000	12.35%
E & G Non-Mandatory Transfers Transfer to Plant Fund	(100,000)	-3.30%		0.00%		0.00%
Contingency Fund		0.00%		0.00%		0.00%
Total Educational and General	3,029,720	100.00%	3,023,575	100.00%	3,035,407	100.00%

University of Arkansas Clinton School of Public Service
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Scholarships & Awards	Contingency Funds	Total
Instruction	1,173,922	302,095	261,575			1,737,592
Academic Support	295,880	76,323	15,000			387,203
Student Services	95,159	24,304	35,000			154,463
Institutional Support	210,569	55,580	15,000			281,149
Physical Plant			100,000			100,000
Scholarships & Awards				375,000		375,000
E & G Non-Mandatory Transfers Transfer to Plant Fund						-
Contingency Fund						-
Total Educational and General	1,775,530	458,302	426,575	375,000	-	3,035,407

EXHIBIT A

UNIVERSITY OF ARKANSAS SYSTEM ADMINISTRATION BUDGET SUMMARY FOR THE FISCAL YEAR ENDING JUNE 30, 2014

Mission

The University of Arkansas System Administration coordinates various operations of the University's components to ensure that the University operates efficiently and enhances its advantages of size and diversity. The System Administration will continue to provide those administrative and professional services that are more effectively and efficiently furnished on a university-wide basis. In addition to the President's office, these administrative functions include fiscal management, legal services, internal audit, distance learning coordination and governmental relations. The focus and direction of resources expended at the system level will continue to be to provide these administrative functions to all divisions and campuses within the University system.

Budgeted Revenues

Total revenues for fiscal year 2014 are projected to be \$7,498,599. The only increase in state funding from the previous year will be from the Educational Excellence Trust Fund in the amount of \$3,873. Other revenue sources, consisting primarily of reimbursements for expenditures associated with the administration of the employee benefits and risk management function and certain legal and internal audit services, is increasing \$676,766. As discussed at the April board meeting, new audit positions will be added in FY14 that will be critical in allowing for the proactive review of the System's treasury operations. For the first time, 70% of the cost of the internal audit office will be reimbursed by the various campuses and divisions.

Budgeted Expenditures

It is anticipated that the Department of Finance and Administration will authorize a 2% COLA increase for classified employees. Non-classified employees will receive average raises of 2%. As discussed above, three new internal audit positions will be added.

University of Arkansas System Administration
 Summary of Actual Revenues
 for Fiscal Year Ending June 30, 2012
 and Budgeted Revenues
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
REVENUES						
State Appropriations						
Category A	3,424,128	50.57%	3,417,950	50.13%	3,417,950	45.58%
Category B		0.00%		0.00%		0.00%
Educational Excellence	253,034	3.74%	259,728	3.81%	263,601	3.52%
Total State Appropriations	3,677,162	54.30%	3,677,678	53.94%	3,681,551	49.10%
Other Sources	3,094,263	45.70%	3,140,282	46.06%	3,817,048	50.90%
Total Educational and General	6,771,425	100.00%	6,817,960	100.00%	7,498,599	100.00%

University of Arkansas System Administration
 Summary of Actual Expenditures
 for Fiscal Year Ending June 30, 2012
 and Budgeted Expenditures
 for Fiscal Years Ending June 30, 2013 and June 30, 2014

EDUCATIONAL & GENERAL FUND

	FY 2011-12 ACTUAL	PERCENT OF TOTAL	FY 2012-13 Revised Budget	PERCENT OF TOTAL	FY 2013-14 BUDGET	PERCENT OF TOTAL
EXPENDITURES						
Institutional Support	6,623,610	100.00%	6,817,960	100.00%	7,498,599	100.00%
Mandatory Transfers for Debt Retirement	0	0.00%	0	0.00%	0	0.00%
Total Educational and General	6,623,610	100.00%	6,817,960	100.00%	7,498,599	100.00%

University of Arkansas System Administration
Breakdown of Budgeted Expenditures
For the Fiscal Year Ending June 30, 2014

EDUCATIONAL & GENERAL FUND

	Salaries & Wages	Fringe Benefits	Maintenance & Operations	Debt Service	Scholarships & Awards	Contingency Funds	Transfers	Total
Institutional Support	4,877,946	1,317,757	1,302,896			-		7,498,599
Mandatory Transfers - Debt Retirement				-				-
Total Educational and General	4,877,946	1,317,757	1,302,896	-	-	-	-	7,498,599