

WESTERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES

October 2, 2015

Resolution No.15.10/3 FY2016 All-Funds Budget

Resolution:

WHEREAS Western Illinois University must prepare an annual all-funds budget for Appropriated Funds, University Income Funds, and All Other Funds for the Illinois Board of Higher Education, Illinois State Legislature and the Governor; and,

WHEREAS the Fiscal Year 2016 all-funds budget requires Western Illinois University Board of Trustees approval prior to submission; and,

WHEREAS the *Fiscal Year 2016 All-Funds Budget* presented today advances the goals of the University's Strategic Plan, *Higher Values in Higher Education*, on both Western Illinois University campuses, and statewide strategic planning goals for higher education, as identified in IBHE's *Illinois Public Agenda for College and Career Success*; and,

WHEREAS the *Fiscal Year 2016 All-Funds Budget* presented today maintains Western Illinois University's public commitments to conservative fiscal management and public accountability to students, their families, and state taxpayers:

THEREFORE be it resolved that the Board of Trustees approves the Fiscal Year 2016 All-Funds Budget as presented in the *Fiscal Year 2016 All-Funds Budget* document and be it further resolved that the President be authorized to make technical adjustments in these budgets if necessary.

Fiscal Year 2016 All-Funds Budget

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

The following table presents Western Illinois University's *Fiscal Year 2016 All-Funds Budget* to be approved by the Western Illinois University Board of Trustees. This budget assumes a state appropriation level of \$48.1M. This amount was included in HB4148 which the General Assembly passed on June 24, 2015 and was vetoed by the governor on June 25, 2015. This amount represents a 6.5% reduction in the revised 2015 appropriation that Western received.

Western Illinois University Fiscal Year 2016 All-Funds Budget					
	State Appropriated	University Income	Auxiliary Facilities System	Other Non- Appropriated	Total
Personal Services	\$ 45,556,500	\$ 59,943,500	\$ 14,200,000	\$ 13,700,000	\$ 133,400,000
Medicare	800,000	800,000	200,000	\$ 150,000	1,950,000
Contractual Services	-	10,730,200	21,000,000	\$ 15,000,000	46,730,200
Travel	-	675,000	100,000	\$ 750,000	1,525,000
Commodities	-	1,500,000	600,000	\$ 2,200,000	4,300,000
Equipment	-	2,800,000	630,000	\$ 1,700,000	5,130,000
Awards & Grants and Matching Funds	-	6,500,000	1,500,000	\$ 24,000,000	32,000,000
Telecommunication Services	-	500,000	150,000	\$ 350,000	1,000,000
Operation of Automotive Equipment	-	300,000	200,000	\$ 450,000	950,000
Permanent Improvements	-	650,000	400,000	\$ 350,000	1,400,000
CMS Health Insurance	1,744,800	-	200,000	\$ 1,000,000	2,944,800
Other	-	-	14,420,000	\$ 250,000	14,670,000
Total FY2016 Operating Budget	\$ 48,101,300	\$ 84,398,700	\$ 53,600,000	\$ 59,900,000	\$ 246,000,000

Statewide budgeting for higher education follows a two-step process. Prior to the start of the fiscal year, the Western Illinois University Board of Trustees must approve a preliminary spending plan for the next fiscal year beginning July 1. Table 1 presents the *Western Illinois University Preliminary Spending Plan* for fiscal years 2014, 2015 and 2016. This plan was approved by Western Illinois University Board of Trustees in June (*Resolution No. 15.6/3*).

Table 2 presents the All-Funds Budget approved by the Western Illinois University Board of Trustees for Fiscal Years 2014, 2015, and 2016. Differences in values budgeted for the *Fiscal Year 2016 Preliminary Spending Plan* (Table 1) and the *Fiscal Year 2016 All-Funds Budget* (Table 2) are due to the following factors.

- The *Fiscal Year 2016 Preliminary Spending Plan*, approved by the Western Illinois University Board of Trustees in June 2015, was based on projected student enrollment. The *Fiscal Year 2016 All-Funds Budget*, presented today, is based on actual Fall 2015 enrollment.
- Western Illinois University bases institutional budgets on previous fiscal year expenditures. The *Fiscal Year 2016 Preliminary Spending Plan*, approved by the Western Illinois University Board of Trustees in June 2015, was based on estimated Fiscal Year 2015 expenditures. The *Fiscal Year 2016 All-Funds Budget*, presented today, is based on actual Fiscal Year 2015 expenditures.

- At the time of presenting the *Fiscal Year 2016 Preliminary Spending Plan* to the Western Illinois University Board of Trustees, the State's *Fiscal Year 2016 Appropriated Funds Budget* had not been enacted. Normally, by the time we present the University's *Fiscal Year 2016 All-Funds Budget*, the state budget has been signed into law. As of September 11, 2015, no state appropriation has been passed into law for Western Illinois University.

Fiscal Year 2016 Spending Priorities

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

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

Pending Board approval, the University will continue to aggressively pursue Strategic Plan priorities. Personal services, Medicare, and CMS health insurance expenditures totaling \$138.3 million represent 56.2 percent of the University's Fiscal Year 2016 planned all-funds budget expenditures, followed by items supporting the academic mission of the University: contractual services (primarily utilities and food service), awards and grants (student financial aid), and equipment.

Integrated Planning, Budgeting, and Accountability Reporting Processes

Because Western Illinois University engages in integrated planning, budgeting, and accountability reporting processes, the *Fiscal Year 2016 All-Funds Budget* report should be read in conjunction with The *Fiscal Year 2017 Appropriated Operating and Capital Budget Recommendations* to the Illinois Board of Higher Education identifying how funding will create sustainability for instructional, research, and service activities that directly contribute to Illinois' knowledge-based economy through successful implementation of *Higher Values in Higher Education*.

Table 1
Western Illinois University
Fiscal Year 2014 Through FY2016 Preliminary Spending Plan

	State Appropriated	University Income	Auxiliary Facilities System	Other Non- Appropriated	Total
Fiscal Year 2014					
Personal Services	\$ 46,109,600	\$ 58,890,400	\$ 14,000,000	\$ 14,000,000	\$ 133,000,000
Medicare	800,000	700,000	200,000	150,000	1,850,000
Contractual Services	2,500,000	8,000,000	21,800,000	14,000,000	46,300,000
Travel	-	400,000	100,000	750,000	1,250,000
Commodities	263,400	1,500,000	700,000	2,000,000	4,463,400
Equipment	400,000	2,000,000	800,000	2,000,000	5,200,000
Awards & Grants and Matching Funds	-	2,200,000	500,000	26,000,000	28,700,000
Telecommunication Services	150,000	500,000	200,000	360,000	1,210,000
Operation of Automotive Equipment	180,000	161,800	100,000	600,000	1,041,800
Permanent Improvements	-	500,000	500,000	300,000	1,300,000
CMS Health Insurance	1,744,800	-	200,000	900,000	2,844,800
Other	-	-	14,420,000	420,000	14,840,000
Total FY2014 Operating Budget	\$ 52,147,800	\$ 74,852,200	\$ 53,520,000	\$ 61,480,000	\$ 242,000,000
Fiscal Year 2015					
Personal Services	\$ 50,184,300	\$ 54,501,900	\$ 14,200,000	\$ 14,250,000	\$ 133,136,200
Medicare	830,000	700,000	200,000	150,000	1,880,000
Contractual Services	-	11,200,000	22,530,000	13,000,000	46,730,000
Travel	-	500,000	150,000	750,000	1,400,000
Commodities	-	2,264,000	650,000	2,200,000	5,114,000
Equipment	-	3,000,000	900,000	2,000,000	5,900,000
Awards & Grants and Matching Funds	-	2,000,000	1,400,000	25,000,000	28,400,000
Telecommunication Services	-	575,000	150,000	360,000	1,085,000
Operation of Automotive Equipment	-	300,000	200,000	600,000	1,100,000
Permanent Improvements	-	700,000	400,000	300,000	1,400,000
CMS Health Insurance	1,744,800	-	200,000	1,000,000	2,944,800
Other	-	-	14,420,000	390,000	14,810,000
Total FY2015 Operating Budget	\$ 52,759,100	\$ 75,740,900	\$ 55,400,000	\$ 60,000,000	\$ 243,900,000
Fiscal Year 2016					
Personal Services	\$ 45,526,500	\$ 61,498,700	\$ 14,200,000	\$ 14,250,000	\$ 135,475,200
Medicare	830,000	700,000	200,000	150,000	1,880,000
Contractual Services	-	11,000,000	23,300,000	14,150,000	48,450,000
Travel	-	500,000	100,000	750,000	1,350,000
Commodities	-	2,400,000	600,000	2,200,000	5,200,000
Equipment	-	3,000,000	500,000	2,000,000	5,500,000
Awards & Grants and Matching Funds	-	5,200,000	1,400,000	25,000,000	31,600,000
Telecommunication Services	-	500,000	125,000	350,000	975,000
Operation of Automotive Equipment	-	300,000	200,000	500,000	1,000,000
Permanent Improvements	-	300,000	400,000	400,000	1,100,000
CMS Health Insurance	1,744,800	-	200,000	1,000,000	2,944,800
Other	-	-	14,440,000	250,000	14,690,000
Total FY2016 Operating Budget	\$ 48,101,300	\$ 85,398,700	\$ 55,665,000	\$ 61,000,000	\$ 250,165,000

Table 2
Western Illinois University
Fiscal Year 2014 Through Fiscal Year 2016 All-Funds Budget

	State Appropriated	University Income	Auxiliary Facilities System	Other Non- Appropriated	Total
Fiscal Year 2014					
Personal Services	\$ 46,596,900	\$ 58,203,100	\$ 14,000,000	\$ 14,250,000	\$ 133,050,000
Medicare	800,000	700,000	200,000	150,000	1,850,000
Contractual Services	2,500,000	8,100,000	22,155,000	13,000,000	45,755,000
Travel	-	400,000	150,000	750,000	1,300,000
Commodities	383,400	1,500,000	700,000	2,200,000	4,783,400
Equipment	400,000	2,200,000	800,000	2,000,000	5,400,000
Awards & Grants and Matching Funds	-	2,500,000	500,000	25,000,000	28,000,000
Telecommunication Services	180,000	500,000	200,000	360,000	1,240,000
Operation of Automotive Equipment	150,000	241,800	100,000	600,000	1,091,800
Permanent Improvements	-	500,000	500,000	300,000	1,300,000
CMS Health Insurance	1,744,800	-	200,000	1,000,000	2,944,800
Other	-	-	14,495,000	390,000	14,885,000
Total FY2014 Operating Budget	<u>\$ 52,755,100</u>	<u>\$ 74,844,900</u>	<u>\$ 54,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 241,600,000</u>
Fiscal Year 2015					
Personal Services	\$ 46,471,100	\$ 60,228,900	\$ 13,975,000	\$ 14,250,000	\$ 134,925,000
Medicare	800,000	800,000	200,000	150,000	1,950,000
Contractual Services	2,500,000	8,571,800	22,500,000	14,150,000	47,721,800
Travel	-	800,000	100,000	750,000	1,650,000
Commodities	383,400	2,000,000	600,000	2,200,000	5,183,400
Equipment	400,000	2,500,000	500,000	2,000,000	5,400,000
Awards & Grants and Matching Funds	-	4,000,000	1,400,000	25,000,000	30,400,000
Telecommunication Services	150,000	350,000	125,000	350,000	975,000
Operation of Automotive Equipment	180,000	120,000	200,000	500,000	1,000,000
Permanent Improvements	-	500,000	400,000	400,000	1,300,000
CMS Health Insurance	1,744,800	-	200,000	1,000,000	2,944,800
Other	-	-	14,300,000	250,000	14,550,000
Total FY2015 Operating Budget	<u>\$ 52,629,300</u>	<u>\$ 79,870,700</u>	<u>\$ 54,500,000</u>	<u>\$ 61,000,000</u>	<u>\$ 248,000,000</u>
Fiscal Year 2016					
Personal Services	\$ 45,556,500	\$ 59,943,500	\$ 14,200,000	\$ 13,700,000	\$ 133,400,000
Medicare	800,000	800,000	200,000	150,000	1,950,000
Contractual Services	-	10,730,200	21,000,000	15,000,000	46,730,200
Travel	-	675,000	100,000	750,000	1,525,000
Commodities	-	1,500,000	600,000	2,200,000	4,300,000
Equipment	-	2,800,000	630,000	1,700,000	5,130,000
Awards & Grants and Matching Funds	-	6,500,000	1,500,000	24,000,000	32,000,000
Telecommunication Services	-	500,000	150,000	350,000	1,000,000
Operation of Automotive Equipment	-	300,000	200,000	450,000	950,000
Permanent Improvements	-	650,000	400,000	350,000	1,400,000
CMS Health Insurance	1,744,800	-	200,000	1,000,000	2,944,800
Other	-	-	14,420,000	250,000	14,670,000
Total FY2016 Operating Budget	<u>\$ 48,101,300</u>	<u>\$ 84,398,700</u>	<u>\$ 53,600,000</u>	<u>\$ 59,900,000</u>	<u>\$ 246,000,000</u>