

MEMORANDUM

To: Board of Regents
 From: Board Office
 Subject: Comprehensive Fiscal Report for FY 2004
 Date: October 20, 2004

Recommended Action:

Receive the FY 2004 Comprehensive Fiscal Report.

Executive Summary:

Report Purpose Each year, the Board conducts a series of reviews and approvals for budgetary and financial matters. The purpose of the comprehensive fiscal report is to compare actual revenues and expenditures with the Board-approved budgets, and identify significant variances. In addition, this year historical data for the past five years has been added.

Funds This report focuses on the major funds at each of the institutions – the general operating funds and restricted funds.

General operating funds include operating appropriations, some federal funds, interest income, tuition and fee revenues, reimbursed indirect costs, and sales and services.

Restricted funds are specifically designated or restricted for a particular purpose or enterprise and include capital appropriations, tuition replacement appropriations, gifts, sponsored funding from federal and private sources, residence system revenues, athletics, as well as other auxiliary or independent functions such as parking and utility systems.

Each University's Residence System Annual Report and Athletic Department data are presented as part of their restricted funds in attachments A through C.

FY 2004 Overall Data	<u>General Operating</u>	<u>Restricted</u>	<u>Total</u>
	\$1.7 billion	\$1.3 billion	\$3.0 billion

The combined general operating fund revenues and expenditures of all Regent institutions represented 99.5% of the total combined revised budgets. Salary expenditures were at 98.4% of the approved budget. The variance is the result of the Health Care units being below budget by \$16.1 million due to significant efforts to reduce the use and cost of outside agency staff.

The combined restricted fund revenues of all Regent institutions were 100.1% of the total budgeted amount.

Institutional detail for FY 2004 is included in Attachments A through E.

Strategic Plan

The Comprehensive Fiscal Report supports the Board's strategic plan priority 4, "Demonstrating public accountability and effective stewardship of resources."

Background:**Fiscal
Accountability**

The Board's system of governance is intended to maintain confidence in the financial management of the Regent institutions while allowing the institutions relatively wide latitude in the administration of their internal fiscal affairs.

In accordance with its accountability and stewardship responsibilities, the Board, as a governing body, has financial management guidelines for its institutions that help to ensure proficient performance.

These mechanisms were designed to help the Board proactively and systematically set goals and develop strategies for maximizing achievement within the framework of available funding.

The Comprehensive Fiscal Report brings closure to the process for FY 2004 by summarizing major budgetary events and reporting variances in Board-approved budgets.

**Budget
Adjustments**

FY 2004 was another year with mid-year deappropriations and revised budgets.

- The 2003 General Assembly reduced state appropriations to Regent universities by \$17.9 million but provided moderate funding increases to the Special Schools.
 - The original detailed budgets were approved by the Board in July 2003.
 - In October 2003, the Governor announced a 2.5% across-the-board reduction in state appropriations.
 - In November 2003, the Board considered institutional proposals and provided support for institutional plans to address the budget shortfall. The Board was made aware of additional projected shortfalls in tuition revenues and indirect cost recoveries.
 - In February 2004, the Board approved revised budgets.
 - In June 2004, the Board approved a budget ceiling adjustment for Cooperative Extension Service due to federal funding changes and the Governor announced a restoration of 10% of the 2.5% mid-year cut.
 - In August 2004, the Board approved the revised budgets that resulted from the Governor's partial restoration of the appropriations reduction.
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Analysis:

General Operating Fund

General operating funds include operating appropriations, some federal support, interest income, tuition and fee revenues, reimbursed indirect costs, and sales and services.

The following table compares the final revised combined institutional budgets to actual revenues and expenditures.

**General Fund - All Institutions
FY 2004**

	Revised Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 591,510,366	\$ 591,510,366	\$ -	100.0%
Other	259,583	259,583	-	100.0%
RESOURCES				
Federal Support	15,819,118	16,145,558	326,440	102.1%
Interest	2,932,500	2,668,018	(264,482)	91.0%
Tuition and Fees	414,201,259	409,622,568	(4,578,691)	98.9%
Reimbursed Indirect Costs	62,636,334	60,380,988	(2,255,346)	96.4%
Sales and Services	595,983,674	594,871,367	(1,112,307)	99.8%
Other Income	4,014,457	2,926,590	(1,087,867)	72.9%
TOTAL REVENUES	\$ 1,687,357,291	\$ 1,678,385,038	\$ (8,972,253)	99.5%
EXPENDITURES				
Salaries	\$ 1,178,866,492	\$ 1,160,270,694	\$ (18,595,798)	98.4%
Prof. /Scientific Supplies	293,918,268	314,433,803	20,515,535	107.0%
Library Acquisitions	21,253,551	20,239,250	(1,014,301)	95.2%
Rentals	8,030,507	7,423,235	(607,272)	92.4%
Utilities	59,217,803	59,935,636	717,833	101.2%
Building Repairs	22,512,086	15,282,267	(7,229,819)	67.9%
Auditor of State	1,210,698	1,279,298	68,600	105.7%
Equipment	23,122,173	19,445,275	(3,676,898)	84.1%
Aid to Individuals	79,225,715	80,868,512	1,642,797	102.1%
TOTAL EXPENDITURES	\$ 1,687,357,293	\$ 1,679,177,970	\$ (8,179,323)	99.5%

Revenues vary slightly from expenditures because the hospital at SUI and the Institute for Physical Research and Technology (IPRT) at ISU units have carryover authority.

State
Appropriations

The Regent institutions began FY 2004 with the following adjustments to base operating appropriations:

- The Universities appropriations were reduced \$17.9 million and no funding was provided for salary increases.
- The Special Schools received an increase in base funding of \$255,404 consistent with K-12 allowable growth funding and an additional increase for salaries of \$306,981 for a total increase of \$562,385.

In October 2003, the Governor implemented across-the-board reductions of 2.5%.

- The Universities were cut an additional \$14.8 million.
- The Special Schools were cut \$321,225.

In June 2004, the Governor implemented a partial restoration of the cuts made in October.

- The Universities funding was increased by \$1.5 million.
- The Special Schools funding was increase by \$32,122.

The net effect of FY 2004 state appropriation funding is that:

- The Universities were cut \$31.2 million.
- The Special Schools received increased funding of \$273,282.

New Tuition
Revenues

The total FY 2004 tuition increases, net of student financial aid, are as follows:

	<u>Net Tuition Increases</u>
SUI	\$19,697,778
ISU	14,129,978
UNI	<u>6,088,857</u>
	\$39,916,613

Other Income

The total FY 2004 indirect cost recoveries were \$60.4 million, which represents an increase of \$3.8 million over FY 2003.

Sales and Services were \$594.9 million, which represents an increase of \$64.3 million over FY 2003. The health care units represent the majority of this revenue.

Reallocations The Regent institutions utilized \$31.7 million in reallocations to address strategic and other initiatives as originally planned. The Regent institutions made additional reallocations to address the mid-year reductions in state appropriations.

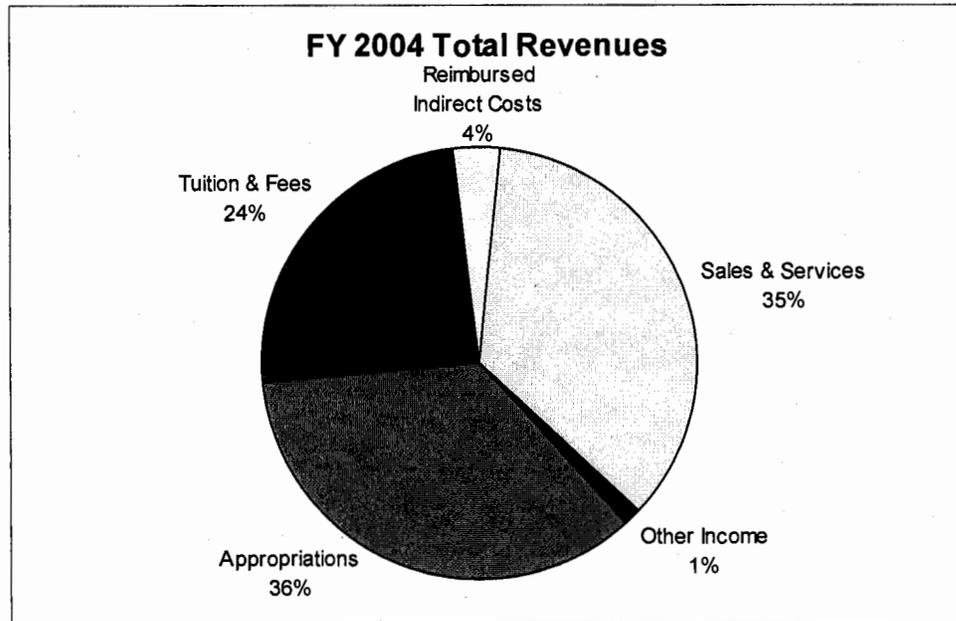
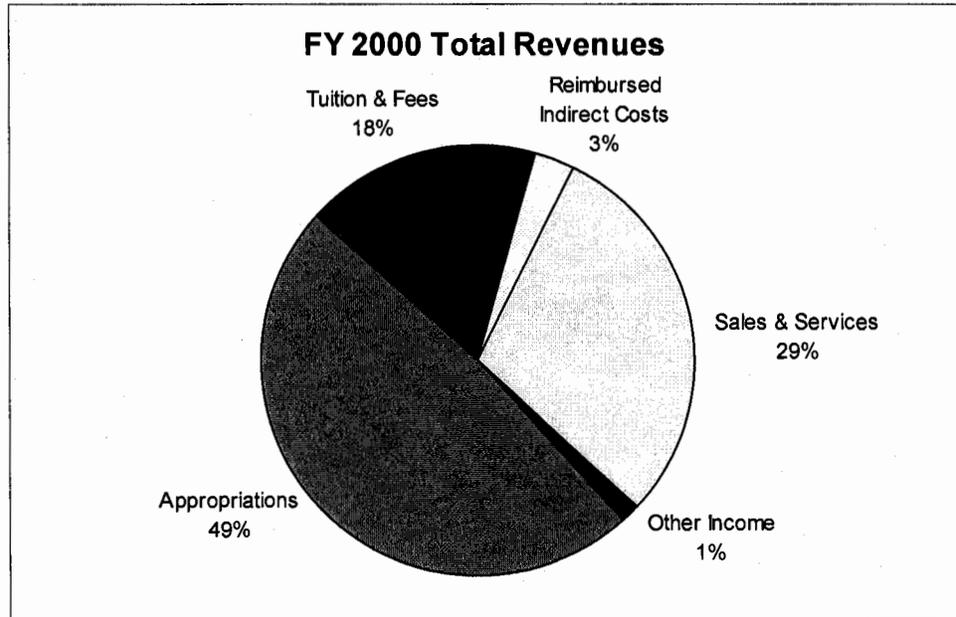
	<u>Strategic Initiatives</u>	<u>Shortfall / Mandatory Cost Increases</u>	<u>Total</u>
SUI	\$7,660,000	\$5,271,979	\$12,931,979
ISU	5,350,492	5,038,355	10,388,847
UNI	3,837,673	4,040,498	7,878,171
ISD	207,000	103,067	310,067
IBSSS	<u>167,148</u>	<u>65,032</u>	<u>232,180</u>
	\$17,222,313	\$14,518,931	\$31,741,244

Historical Data The following table shows the actual revenue and expenditures for the past five years.

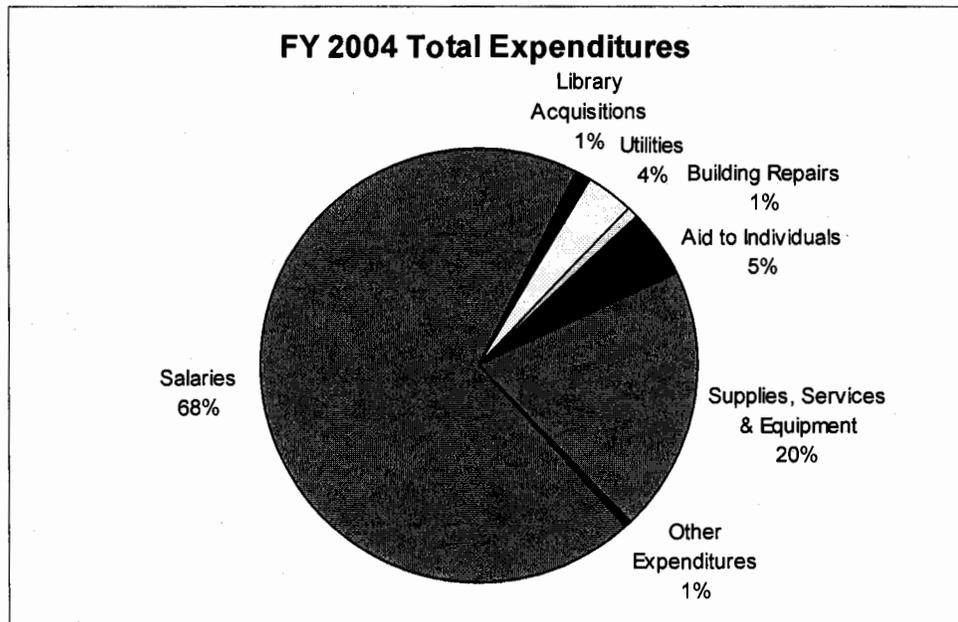
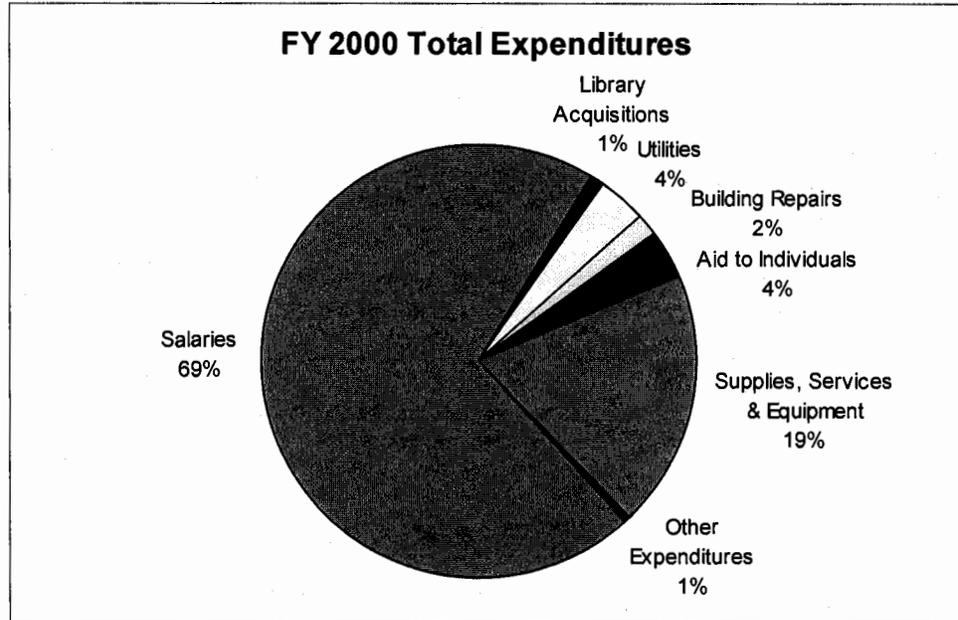
**General Fund - All Institutions
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
General	\$ 672,912,022	\$ 693,060,885	\$ 640,053,903	\$ 622,437,810	\$ 591,510,366
Other	194,600	294,600	271,266	264,600	259,583
RESOURCES					
Federal Support	14,698,057	14,488,015	15,716,908	15,275,956	16,145,558
Interest	2,593,355	3,506,101	3,224,820	3,563,343	2,668,018
Tuition and Fees	246,129,703	263,682,655	298,810,494	358,212,890	409,622,568
Reimbursed Indirect Costs	43,124,095	46,104,721	53,488,875	56,596,962	60,380,988
Sales and Services	407,274,272	444,743,022	488,497,725	530,527,548	594,871,367
Other Income	2,698,533	3,332,252	3,137,655	3,417,325	2,926,590
TOTAL REVENUES	\$ 1,389,624,637	\$ 1,469,212,251	\$ 1,503,201,646	\$ 1,590,296,434	\$ 1,678,385,038
EXPENDITURES					
Salaries	\$981,846,817	\$1,021,479,503	\$1,059,615,706	\$1,102,592,226	\$1,160,270,694
Prof. /Scientific Supplies	246,952,178	278,019,400	271,373,651	289,931,737	314,433,803
Library Acquisitions	17,917,559	18,921,073	19,905,142	21,560,157	20,239,250
Rentals	6,852,961	7,197,393	7,878,641	7,240,368	7,423,235
Utilities	50,068,305	55,008,706	53,905,432	56,770,647	59,935,636
Building Repairs	23,804,086	20,680,733	12,285,907	25,158,329	15,282,267
Auditor of State	822,122	1,047,987	1,068,582	1,160,817	1,279,298
Equipment	20,032,255	19,047,649	22,262,816	16,741,816	19,445,275
Aid to Individuals	49,647,890	48,722,973	54,433,728	69,375,447	80,868,512
TOTAL EXPENDITURES	\$ 1,390,366,738	\$ 1,470,125,417	\$ 1,502,729,605	\$ 1,590,531,544	\$ 1,679,177,971

The following charts demonstrate how the revenues in the general fund, including the health care units at the University of Iowa, have shifted since FY 2000.



The following charts demonstrate the changes in expenditures in the general fund since FY 2000. Salaries continue to be the largest expense. This is even more dramatic if the health care units at the University of Iowa are excluded.



Restricted Funds

Restricted fund revenues are specifically designated or restricted for a particular purpose or enterprise. These revenues include capital appropriations, tuition replacement appropriations, gifts, sponsored funding from federal and private sources, residence system revenues, as well as other auxiliary or independent functions such as parking systems.

With respect to capital appropriations, the revenues reflect the drawdowns of funds from current and prior fiscal years, while the budgets reflect the total amounts appropriated by the state. Interest earnings within bonded enterprises (i.e. residence systems, utility systems, UIHC) are retained within the individual bonded enterprise.

Restricted funds are managed at the fund level and the actuals can vary significantly from the budget due to such things as the timing of federal funds and capital proceeds. This results in variances that are not very meaningful. Therefore, all variances are reported on the athletic and residence system budgets while other variances are reported only if the variance is significant.

The following table compares the budget to actual revenues and expenditures.

Restricted Fund - All Institutions				
FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 32,460,300	\$ 23,818,522	\$ (8,641,778)	73.4%
Tuition Replacement	24,303,459	23,706,383	(597,076)	97.5%
RESOURCES				
Federal Support	350,624,456	345,479,700	(5,144,756)	98.5%
Interest	5,030,000	2,735,604	(2,294,396)	54.4%
Tuition and Fees	58,450,443	62,528,632	4,078,189	107.0%
Reimbursed Indirect Costs	26,403,919	27,020,459	616,540	102.3%
Sales and Services	301,193,367	293,510,427	(7,682,940)	97.4%
Other Income	497,841,314	518,252,543	20,411,229	104.1%
TOTAL RESOURCES	\$1,296,415,931	\$1,297,158,498	\$ 742,567	100.1%
EXPENDITURES				
Salaries	\$ 467,273,106	\$ 490,204,801	\$ 22,931,695	104.9%
Prof. /Scientific Supplies	361,856,663	401,617,676	39,761,013	111.0%
Library Acquisitions	4,800	24,869	20,069	518.1%
Rentals	12,969,400	14,111,174	1,141,774	108.8%
Utilities	16,247,334	16,869,455	622,121	103.8%
Building Repairs	23,535,073	22,502,999	(1,032,074)	95.6%
Auditor of State	250	-	(250)	0.0%
Equipment	27,217,249	23,972,819	(3,244,430)	88.1%
Aid to Individuals	87,581,685	85,675,015	(1,906,670)	97.8%
Debt Service	73,405,453	99,512,278	26,106,825	135.6%
Plant Capital	226,324,918	234,986,494	8,661,576	103.8%
TOTAL EXPENDITURES	\$1,296,415,931	\$1,389,477,580	\$ 93,061,649	107.2%

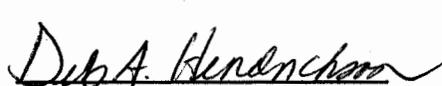
Historical Data The following table shows the actual revenue and expenditures of the restricted fund for the past five years.

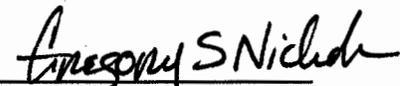
Restricted Fund - All Institutions FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$ 20,408,539	\$ 17,779,375	\$ 29,980,495	\$ 35,221,183	\$ 23,818,522
Tuition Replacement	27,927,851	28,201,492	26,682,244	26,841,927	23,706,383
RESOURCES					
Federal Support	243,004,165	255,194,779	279,767,766	315,689,301	345,479,700
Interest	7,431,035	8,833,517	6,059,433	5,222,872	2,735,604
Tuition and Fees	30,067,012	31,832,320	39,760,338	51,409,254	62,528,632
Reimbursed Indirect Costs	15,061,251	18,624,934	19,985,210	25,225,026	27,020,459
Sales and Services	230,721,227	254,557,690	249,323,722	284,303,443	293,510,427
Other Income	449,392,446	475,941,624	510,376,695	459,072,932	518,252,543
TOTAL RESOURCES	\$ 1,024,084,984	\$ 1,091,965,731	\$ 1,161,935,903	\$ 1,202,985,938	\$ 1,297,158,498
EXPENDITURES					
Salaries	\$ 349,703,954	\$ 383,793,958	\$ 428,064,445	\$ 450,445,254	\$ 490,204,801
Prof. /Scientific Supplies	298,294,838	322,764,874	327,055,546	336,436,536	401,617,676
Library Acquisitions	3,438	1,606	3,490	24,392	24,869
Rentals	7,499,892	11,134,827	10,657,812	12,622,010	14,111,174
Utilities	13,349,565	15,840,774	15,248,800	16,817,751	16,869,455
Building Repairs	24,652,019	27,585,691	23,363,071	17,538,015	22,502,999
Auditor of State	-	-	-	-	-
Equipment	26,740,637	29,839,956	23,954,435	22,843,173	23,972,819
Aid to Individuals	66,203,512	66,784,519	77,992,815	81,936,351	85,675,015
Debt Service	60,406,119	66,624,141	77,667,053	107,240,611	99,512,278
Plant Capital	208,408,981	179,562,398	175,149,417	203,283,582	234,986,494
TOTAL EXPENDITURES	\$ 1,055,262,955	\$ 1,103,932,744	\$ 1,159,156,884	\$ 1,249,187,675	\$ 1,389,477,580

Athletic Budgets and Residence System The athletic and residence system budgets are part of the restricted fund budget; however, each is presented to the Board individually for approval. Tables comparing athletic and residence system budgeted revenues with actual revenues and five year historical data on revenues are identified in each university attachment (A through C). Annual enrollment and occupancy information for the residence systems is also presented.

The University of Iowa and Iowa State University's athletic budgets both have reduced general fund support while the University of Northern Iowa's general fund support has increased.

Iowa State University's residence system has faced challenges due to declines in enrollment which affect occupancy.


Deb A. Hendrickson

Approved: 
Gregory S. Nichols

**Attachment A
UNIVERSITY OF IOWA**

General Fund The following table compares the University's combined general fund final revised budget to actual revenues and expenditures with the health care appropriation units identified separately.

**University of Iowa - General Fund
FY 2004**

	Revised Budget	Actual	Variance Over/(Under)	Actual as % of Budget
University Approp. Units *				
REVENUES				
General Appropriations	\$ 231,241,065	\$ 231,241,065	\$ -	100.0%
Interest	934,000	1,299,039	365,039	139.1%
Tuition and Fees	198,291,993	194,963,659	(3,328,334)	98.3%
Reimbursed Indirect Costs	42,333,300	39,028,455	(3,304,845)	92.2%
Sales and Services	2,827,566	2,735,129	(92,437)	96.7%
Other Income	200,000	168,450	(31,550)	84.2%
TOTAL REVENUES	\$ 475,827,924	\$ 469,435,797	\$ (6,392,127)	98.7%
EXPENDITURES				
Salaries	\$ 361,257,129	\$ 358,242,103	\$ (3,015,026)	99.2%
Prof. /Scientific Supplies	34,527,068	33,461,540	(1,065,528)	96.9%
Library Acquisitions	10,872,574	10,819,750	(52,824)	99.5%
Rentals	1,509,000	1,296,456	(212,544)	85.9%
Utilities	20,113,066	20,327,852	214,786	101.1%
Building Repairs	6,668,634	5,347,909	(1,320,725)	80.2%
Auditor of State	471,016	543,711	72,695	115.4%
Equipment	6,593,329	5,024,386	(1,568,943)	76.2%
Aid to Individuals	33,816,110	34,372,090	555,980	101.6%
TOTAL EXPENDITURES	\$ 475,827,926	\$ 469,435,797	\$ (6,392,129)	98.7%

	Revised Budget	Actual	Over/(Under)	Percent
Health Care Approp. Units**				
REVENUES				
General Appropriations	\$ 41,445,971	\$ 41,445,971	\$ -	100.0%
Federal Support	2,749,293	3,081,766	332,473	112.1%
Reimbursed Indirect Costs	3,658,300	4,119,451	461,151	112.6%
Sales and Services	591,893,777	590,877,012	(1,016,765)	99.8%
Other Income	1,816,391	920,896	(895,495)	50.7%
TOTAL REVENUES	\$641,563,732	\$640,445,096	(1,118,636)	99.8%
EXPENDITURES				
Salaries	\$ 390,729,290	\$ 374,651,305	\$ (16,077,985)	95.9%
Prof. /Scientific Supplies	214,656,942	237,240,221	22,583,279	110.5%
Rentals	4,756,000	4,514,088	(241,912)	94.9%
Utilities	15,214,100	15,732,346	518,246	103.4%
Building Repairs	7,376,500	67,621	(7,308,879)	0.9%
Equipment	8,830,900	9,045,284	214,384	102.4%
TOTAL EXPENDITURES	\$ 641,563,732	\$ 641,250,865	(312,867)	100.0%

	Revised Budget	Actual	Over/(Under)	Percent
Total General Fund				
REVENUES				
General Appropriations	\$ 272,687,036	\$ 272,687,036	\$ -	100.0%
Federal Support	2,749,293	3,081,766	332,473	112.1%
Interest	934,000	1,299,039	365,039	139.1%
Tuition and Fees	198,291,993	194,963,659	(3,328,334)	98.3%
Reimbursed Indirect Costs	45,991,600	43,147,906	(2,843,694)	93.8%
Sales and Services	594,721,343	593,612,141	(1,109,202)	99.8%
Other Income	2,016,391	1,089,346	(927,045)	54.0%
TOTAL REVENUES	\$ 1,117,391,656	\$ 1,109,880,893	\$ (7,510,763)	99.3%
EXPENDITURES				
Salaries	\$ 751,986,419	\$ 732,893,408	\$ (19,093,011)	97.5%
Prof. /Scientific Supplies	249,184,010	270,701,761	21,517,751	108.6%
Library Acquisitions	10,872,574	10,819,750	(52,824)	99.5%
Rentals	6,265,000	5,810,544	(454,456)	92.7%
Utilities	35,327,166	36,060,198	733,032	102.1%
Building Repairs	14,045,134	5,415,530	(8,629,604)	38.6%
Auditor of State	471,016	543,711	72,695	115.4%
Equipment	15,424,229	14,069,670	(1,354,559)	91.2%
Aid to Individuals	33,816,110	34,372,090	555,980	101.6%
TOTAL EXPENDITURES	\$ 1,117,391,658	\$ 1,110,686,662	\$ (6,704,996)	99.4%

* Includes all university appropriation units except for the hospital appropriation units.

** Includes University Hospitals, Psychiatric Hospital, SCHS, and Center for Development and Disabilities.

Variance Explanations	<p>General fund revenues and expenditures were 99.4% of the budgeted revenues and expenditures. The hospital units were at 99.8% of budgeted revenue and the University units were at 98.7% of budgeted revenue. In February 2004, the University reported potential further reductions in tuition revenues and indirect cost recoveries that were not included in the revised budget. Those reductions did materialize which caused the majority of the variance in the university appropriation units of the general fund.</p>
Revenues	<p><u>Interest Income</u> was higher than budget due to slightly better interest rates than anticipated and higher cash balances due to the timing of expenditures.</p> <p><u>Tuition and Fees</u> were less than budget due to lower than anticipated growth in enrollments and a reduction in the percentage of non-resident students.</p> <p><u>Reimbursed Indirect Costs</u> were less than budget due to the timing of grant and contract awards which is difficult to project.</p> <p><u>Other Income</u> was less than budget due to funds budgeted as other income being recorded in Federal Funds.</p>
Expenditures	<p><u>Salary expenditures</u> were 97.5% of budget. This included the University units at 99.2% and health care units at 95.9%. Salaries in the Health Care units were below budget due to significant efforts to reduce the use and cost of outside agency staff. In addition, emphasis to align skill mix and increase productivity has contributed to the savings. Salaries comprised 76.3% of the general fund budget excluding the hospital appropriation units.</p> <p><u>Professional/Scientific Supplies, Building Repairs, and Equipment</u> were under the budget in the University units to address the revenue shortfalls.</p> <p><u>Professional/Scientific Supplies</u> were over budget in the health care units due to inflationary costs of items such as surgical implants, prescription drugs, and medical supplies.</p> <p><u>Building Repairs</u> were significantly reduced in the hospital units to offset the increase in Professional and Scientific Supplies.</p>
State Appropriations	<p>The University began FY 2004 with \$8.5 million in reduced state appropriations and no funding for salary increases.</p> <p>In October 2003, the Governor implemented an across-the-board reduction of 2.5% which further reduced SUI's state appropriations by \$7.0 million.</p> <p>In June 2004, the Governor implemented a partial restoration of the cuts made in October which increased SUI's state appropriations by \$697,407.</p> <p>The net effect of FY 2004 state appropriation funding is that the University was cut \$14.7 million.</p>
Tuition Revenues	<p>The FY 2004 tuition increase from the prior year, net of student financial aid, was \$19.7 million. Tuition and Fees were \$3.3 million less than budget.</p>
Reallocations	<p>The University reports that reallocations were implemented as originally budgeted. The University reallocated \$5.3 million to address the budget cuts and mandatory cost increases and \$7.6 million for strategic initiatives.</p>

Historical Data The following table shows the actual revenue and expenditures of the general fund for the past five years.

**University of Iowa - General Fund
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
University Approp. Units * REVENUES					
General Appropriations	\$ 261,382,411	\$268,958,231	\$ 248,867,597	\$ 243,735,860	\$ 231,241,065
Interest	905,773	1,257,440	883,977	1,422,646	1,299,039
Tuition and Fees	118,707,995	125,772,900	142,360,121	170,198,158	194,963,659
Reimbursed Indirect Costs	29,799,461	31,690,183	35,390,304	37,543,182	39,028,455
Sales and Services	1,927,605	1,928,958	2,339,564	2,398,914	2,735,129
Other Income	214,837	137,955	166,087	157,285	168,450
TOTAL REVENUES	\$ 412,938,082	\$ 429,745,667	\$ 430,007,650	\$ 455,456,045	\$ 469,435,797
EXPENDITURES					
Salaries	\$ 309,742,199	\$ 325,498,666	\$ 327,849,293	\$ 344,538,721	\$ 358,242,103
Prof. /Scientific Supplies	38,662,761	40,328,893	39,407,700	38,502,946	33,461,540
Library Acquisitions	9,029,646	9,443,266	9,927,781	10,390,988	10,819,750
Rentals	1,499,520	1,572,003	1,271,618	1,182,599	1,296,456
Utilities	17,338,043	18,588,278	17,821,292	19,497,089	20,327,852
Building Repairs	8,913,812	6,663,587	5,283,335	6,868,408	5,347,909
Auditor of State	349,027	443,184	448,864	493,634	543,711
Equipment	7,128,073	6,355,123	4,746,208	4,677,293	5,024,386
Aid to Individuals	20,275,001	20,852,667	23,251,559	29,304,367	34,372,090
TOTAL EXPENDITURES	\$ 412,938,082	\$ 429,745,667	\$ 430,007,650	\$ 455,456,045	\$ 469,435,797

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Health Care Approp. Units** REVENUES					
General Appropriations	\$48,636,608	\$49,629,530	\$ 45,225,220	\$ 43,686,825	\$ 41,445,971
Federal Support	2,176,659	1,895,774	3,127,491	2,530,102	3,081,766
Reimbursed Indirect Costs	2,145,337	2,755,818	3,434,503	3,597,824	4,119,451
Sales and Services	404,160,737	441,502,192	484,823,839	526,951,814	590,877,012
Other Income	1,149,431	1,590,788	1,259,864	1,318,799	920,896
TOTAL REVENUES	\$ 458,268,772	\$ 497,374,102	\$ 537,870,917	\$ 578,085,364	\$ 640,445,096
EXPENDITURES					
Salaries	\$280,022,547	\$288,395,853	\$ 317,367,440	\$ 343,688,108	\$ 374,651,305
Prof. /Scientific Supplies	158,212,573	190,033,187	190,359,200	202,847,608	237,240,221
Rentals	3,542,020	3,595,119	4,320,063	4,320,832	4,514,088
Utilities	11,903,596	13,461,901	13,957,497	14,580,314	15,732,346
Building Repairs	2,257,408	676,415	339,044	7,345,055	67,621
Equipment	2,654,903	1,757,545	11,091,710	5,457,487	9,045,284
TOTAL EXPENDITURES	\$ 458,593,047	\$ 497,920,020	\$ 537,434,954	\$ 578,239,404	\$ 641,250,865

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Total General Fund REVENUES					
General Appropriations	\$310,019,019	\$318,587,761	\$ 294,092,817	\$ 287,422,685	\$ 272,687,036
Federal Support	\$2,176,659	\$1,895,774	3,127,491	2,530,102	3,081,766
Interest	\$905,773	\$1,257,440	883,977	1,422,646	1,299,039
Tuition and Fees	\$118,707,995	\$125,772,900	142,360,121	170,198,158	194,963,659
Reimbursed Indirect Costs	\$31,944,798	\$34,446,001	38,824,807	41,141,006	43,147,906
Sales and Services	\$406,088,342	\$443,431,150	487,163,403	529,350,728	593,612,141
Other Income	\$1,364,268	\$1,728,743	1,425,951	1,476,084	1,089,346
TOTAL REVENUES	\$ 871,206,854	\$ 927,119,769	\$ 967,878,567	\$ 1,033,541,409	\$ 1,109,880,893
EXPENDITURES					
Salaries	\$589,764,746	\$613,894,519	\$ 645,216,733	\$ 688,226,829	\$ 732,893,408
Prof. /Scientific Supplies	196,875,334	230,362,080	229,766,900	241,350,554	270,701,761
Library Acquisitions	9,029,646	9,443,266	9,927,781	10,390,988	10,819,750
Rentals	5,041,540	5,167,122	5,591,681	5,503,431	5,810,544
Utilities	29,241,639	32,050,179	31,778,789	34,077,403	36,060,198
Building Repairs	11,171,220	7,340,002	5,622,379	14,213,463	5,415,530
Auditor of State	349,027	443,184	448,864	493,634	543,711
Equipment	9,782,976	8,112,668	15,837,918	10,134,780	14,069,670
Aid to Individuals	20,275,001	20,852,667	23,251,559	29,304,367	34,372,090
TOTAL EXPENDITURES	\$ 871,531,129	\$ 927,665,687	\$ 967,442,604	\$ 1,033,695,449	\$ 1,110,686,662

* Includes all university appropriation units except for the hospital appropriation units.

** Includes University Hospitals, Psychiatric Hospital, SCHS, and Center for Development and Disabilities.

Restricted Funds

The following table compares the restricted fund budget to actual revenues and expenditures.

University of Iowa - Restricted Fund FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 11,203,000	\$ 12,050,000	\$ 847,000	107.6%
Tuition Replacement	10,223,353	10,016,419	(206,934)	98.0%
RESOURCES				
Federal Support	201,800,000	192,476,507	(9,323,493)	95.4%
Tuition and Fees	37,700,000	37,534,312	(165,688)	99.6%
Reimbursed Indirect Costs	21,600,000	19,588,493	(2,011,507)	90.7%
Sales and Services	202,800,000	189,238,890	(13,561,110)	93.3%
Other Income	190,073,647	207,763,713	17,690,066	109.3%
TOTAL REVENUES	\$ 675,400,000	\$ 668,668,334	\$ (6,731,666)	99.0%
EXPENDITURES				
Salaries	\$ 264,100,000	\$ 273,049,431	\$ 8,949,431	103.4%
Prof. /Scientific Supplies	173,000,000	173,944,870	944,870	100.5%
Rentals	12,200,000	13,080,313	880,313	107.2%
Utilities	7,000,000	7,465,166	465,166	106.6%
Building Repairs	3,800,000	3,624,360	(175,640)	95.4%
Equipment	13,500,000	14,491,432	991,432	107.3%
Aid to Individuals	43,800,000	40,290,907	(3,509,093)	92.0%
Debt Service	33,000,000	40,038,266	7,038,266	121.3%
Plant Capital	125,000,000	150,489,404	25,489,404	120.4%
TOTAL EXPENDITURES	\$ 675,400,000	\$ 716,474,149	\$ 41,074,149	106.1%

The Restricted Fund includes the Organized Activities Fund, the Auxiliary Enterprise Fund, the Current Restricted Fund and the Plant Fund. Revenues are derived from federal and non-federal support for sponsored programs (primarily research and student aid), sales and services, bond proceeds, transfers from current unrestricted funds for debt service and depreciation, tuition replacement appropriations and capital appropriations.

- The Organized Activities Fund includes Continuing Education programs, Medicine and Dentistry Practice Plan funds, Sports Camp activities, Conferences and Institutes, and various publications and workshops related to academic departments.
- The Auxiliary Enterprise Fund includes Intercollegiate Athletics, Residence Halls, the Iowa Memorial Union operations, Student Health, Recreational Services, Hancher Auditorium, Parking and Transportation, Cambus, and various smaller enterprises serving faculty, staff, students and the public.
- The current Restricted Fund includes sponsored activities, predominantly research and student financial aid funded from federal and non-federal sources.

Other income includes: non-federal gifts, grants and contracts; interest, dividends and capital gains and losses; workshops and seminars; commissions; royalties; non-credit course fees; rental of equipment; parking and other fines; sales salvage and recycling; and other miscellaneous revenue.

Variance
Explanations

Capital appropriations were more than budget due to timing. The actuals reflect the drawdowns of funds from current and prior fiscal years, while the budgets reflect the total amounts appropriated in that year.

Federal Support and Reimbursed Indirect Costs were less than budget due to the timing of grant and contract awards which is difficult to project.

Sales and Services were less than budget. The actual sales and services for FY 2003 were \$173.5 million compared to an actual of \$189.2 million for FY 2004. The University believes the FY 2004 budget was inadvertently over-stated.

Other Income was more than budget due to bond sales in excess of what was budgeted.

Salaries were higher than budget due to positions being shifted from the general fund to the restricted fund as a result of a shortfall in state appropriations.

Aid to Individuals (Student Financial Aid) was less than budget. The actual student financial aid for FY 2003 was \$38 million compared to an actual of \$40.3 million for FY 2004. The University believes the FY 2004 budget was inadvertently over-stated.

Debt Service was higher than budget due to a \$4.5 million error when converting from accrual accounting to cash basis.

Plant Capital was higher than budget due to variance in construction schedules.

Historical Data The following table shows the actual revenue and expenditures of the restricted fund for the past five years.

University of Iowa - Restricted Fund FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$7,284,500	\$7,022,000	8,784,336	\$ 5,900,000	\$ 12,050,000
Tuition Replacement	11,939,510	11,931,688	11,034,944	10,036,521	10,016,419
RESOURCES					
Federal Support	137,392,794	150,028,989	158,080,846	177,503,705	192,476,507
Tuition and Fees	17,205,149	20,052,725	24,459,900	32,525,366	37,534,312
Reimbursed Indirect Costs	11,717,126	13,866,173	15,653,429	18,882,308	19,588,493
Sales and Services	158,493,570	181,142,301	160,566,975	183,842,779	189,238,890
Other Income	157,345,872	198,787,242	203,784,950	132,822,300	207,763,713
TOTAL REVENUES	\$ 501,378,521	\$ 582,831,118	\$ 582,365,380	\$ 561,512,979	\$ 668,668,334
EXPENDITURES					
Salaries	\$194,303,711	\$211,220,302	\$244,087,821	\$ 250,115,002	\$ 273,049,431
Prof. /Scientific Supplies	134,461,312	154,243,625	146,534,515	142,506,815	173,944,870
Rentals	6,827,069	10,226,085	9,847,332	11,827,897	13,080,313
Utilities	4,899,365	6,046,782	5,969,938	6,653,416	7,465,166
Building Repairs	3,429,853	3,811,589	3,847,150	3,603,823	3,624,360
Equipment	12,656,558	14,200,681	12,337,554	12,762,667	14,491,432
Aid to Individuals	31,198,219	32,913,089	37,882,723	37,963,742	40,290,907
Debt Service	32,530,336	33,309,077	42,954,393	54,817,621	40,038,266
Plant Capital	141,317,270	117,938,900	109,917,603	110,842,989	150,489,404
TOTAL EXPENDITURES	\$ 561,623,693	\$ 583,910,130	\$ 613,379,029	\$ 631,093,972	\$ 716,474,149

Intercollegiate Athletics

The following table compares athletic budgeted revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues				
Sports Income	\$18,695,700	\$20,434,095	\$1,738,395	109.3%
Alumni / Foundation / Corp Support / Sponsorship	4,597,566	5,224,344	626,778	113.6%
Athletic Conference / NCAA	10,419,000	10,562,297	143,297	101.4%
General University Support	2,389,361	2,223,359	(166,002)	93.1%
Student Fees	1,401,944	1,401,944	0	100.0%
Other Income	<u>4,595,975</u>	<u>4,943,861</u>	<u>(97,614)</u>	98.1%
Total Revenues	\$42,099,546	\$44,789,900	\$2,690,354	106.4%
Expenses				
Men's Sports	\$18,634,980	\$20,393,123	\$1,758,143	109.4%
Women's Sports	7,987,039	7,794,333	(192,706)	97.6%
Other Expenses	<u>15,477,527</u>	<u>16,019,851</u>	<u>542,324</u>	103.5%
Total Expenses	\$42,099,546	\$44,207,307	\$2,107,761	105.0%
Operating Balance 6/30/04			\$582,593	

Variance Explanations

Sports Income was higher than budget due to an increase in ticket sales for football.

Foundation Support was higher than budget due to higher annual contributions and higher interest earnings from endowment accounts.

Athletic Conference / NCAA revenue was higher than budget due to the Big Ten Conference having a second football team in the Bowl Championship Series and Conference distribution.

General University Support was below budget due to the budget reduction.

Other Income was below budget due to lower net revenue from the Corporate Partners program.

Men's Sports expenses were higher than budget due to increases in medical costs for football, wrestling, gymnastics, and baseball. There were increases in baseball salaries due to new coaching staff and higher team travel expenses.

Women's Sports expenses were less than budget due to lower than anticipated scholarship and travel expenses.

Other Expenses were higher than budget due to higher voice and data phone expenses, increased office expense and higher sports promotion expense.

Historical Data The following table shows the actual revenues and expenditures of SUI intercollegiate athletics for the past five years. FY 2004 is the first year during the period that Athletics had a positive operating balance.

University of Iowa Athletic Revenues FY 2000-FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues					
Sports Income	\$ 10,315,105	\$ 13,915,477	\$ 14,146,866	\$ 17,331,996	\$ 20,434,095
Alumni / Foundation / Corp Support / Sponsorship	3,490,474	3,836,386	3,623,720	4,308,596	5,224,344
Athletic Conference / NCAA Support	7,377,975	7,055,704	9,010,848	10,160,312	10,562,297
General University Support	1,673,670	1,925,000	2,166,137	2,437,361	2,223,359
Student Fees	717,209	705,395	1,490,611	1,302,920	1,401,944
Other Income	3,620,191	4,764,782	4,209,305	5,289,586	4,943,861
Total Income	\$ 27,194,624	\$ 32,202,744	\$ 34,647,487	\$ 40,830,771	\$ 44,789,900
Expenses					
Men's Sports	\$ 10,210,489	\$ 14,111,107	\$ 15,567,371	\$ 18,543,989	\$ 20,393,123
Women's Sports	4,497,961	5,193,165	6,544,669	7,200,110	7,794,332
Other Expenses	12,718,842	13,293,870	13,877,185	15,136,867	16,019,850
Total Expenses	\$ 27,427,292	\$ 32,598,142	\$ 35,989,225	\$ 40,880,966	\$ 44,207,305
Operating Balance	\$ (232,668)	\$ (395,398)	\$ (1,341,738)	\$ (50,195)	\$ 582,595

Residence System The following table compares residence system revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues	\$38,033,296	\$37,759,658	\$(273,638)	99.3%
Expenditures	28,131,890	26,907,055	(1,224,835)	95.6%
Debt Service	5,289,435	5,040,259	(249,176)	95.3%
Mandatory Transfers	<u>600,000</u>	<u>600,000</u>	-	100.0%
Net Revenues	\$4,011,971	\$5,212,344	\$1,200,374	129.9%
Net Revenue as % of Gross Revenue	10.5%	13.8%		

Variance Explanations Revenues were less than budget due to a lower number of academic year room and board contracts than budgeted.

Expenditures were less than budget due to reduced salaries from numerous vacancies in positions, primarily in the residence life and food service areas.

Historical Data The following table shows the actual revenue and expenditures of SUI Residence System for the past five years.

**University of Iowa - Residence System
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues	\$ 28,245,101	\$ 30,151,057	\$ 32,863,821	\$ 34,980,611	\$ 37,759,658
Expenditures for Operations	19,325,806	22,075,770	22,996,769	25,061,687	26,907,055
Debt Service and Mandatory Transfers	3,129,602	4,340,776	5,533,974	5,749,070	5,640,259
Net Revenues after Debt Service and Mandatory Transfers	\$ 5,789,693	\$ 3,734,511	\$ 4,333,078	\$ 4,169,854	\$ 5,212,344
Net Revenues as % of Gross Revenue	20.5%	12.4%	13.2%	11.9%	13.8%

FY 2004 Annual Report The residence system annual report provides information on various aspects of the University of Iowa residence system for FY 2004 including enrollment data, residence hall and apartment utilization, and financial operations.

Enrollment / Occupancy		Fall 2003	Fall 2004	Change	% Change
	Enrollment				
	Total University	29,745	29,745	0	0.0 %
	Lower Division	10,600	10,415	(185)	(1.7)%
	% of Total	35.6%	35.0%		
	Total Occupancy	5,571	5,572	1	0.2 %
	Occupancy as a % of Enrollment	18.7%	18.7%		

Fall 2004 residence system occupancy increased by 1 student. The percentage of student enrollment living in university housing (residence halls plus apartments) remained the same from Fall 2003 to Fall 2004.

The outstanding revenue bond obligations for the University of Iowa residence system as of June 30, 2004, were \$63,655,000.

Voluntary Reserves for the University of Iowa residence system, which totaled \$15.2 million as of June 30, 2004, include the balances of funds including the Operation and Maintenance Fund and the Improvement Fund.

Mandatory Reserves include the balances of the Sinking Fund, Bond Reserve Fund, and Bond Construction Fund and totaled \$13.2 million as of June 30, 2004.

Attachment B
IOWA STATE UNIVERSITY

General Fund The following table compares the combined general operating fund final revised budget to actual revenues and expenditures.

Iowa State University - General Fund
FY 2004

	Revised Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
General	\$ 227,578,328	\$ 227,578,328	\$ -	100.0%
RESOURCES				
Federal Support	12,825,373	12,825,373	-	100.0%
Interest	1,370,000	962,755	(407,245)	70.3%
Tuition and Fees	159,809,266	160,217,878	408,612	100.3%
Reimbursed Indirect Costs	15,000,000	15,085,278	85,278	100.6%
Sales and Services	290,000	285,789	(4,211)	98.5%
Other Income	1,967,000	1,808,396	(158,604)	91.9%
TOTAL REVENUES	\$ 418,839,967	\$ 418,763,797	\$ (76,170)	100.0%
EXPENDITURES				
Salaries	\$ 307,403,610	\$ 308,675,379	\$ 1,271,769	100.4%
Prof. /Scientific Supplies	32,231,855	32,068,799	(163,056)	99.5%
Library Acquisitions	8,474,019	8,241,921	(232,098)	97.3%
Rentals	854,307	727,784	(126,523)	85.2%
Utilities	20,089,631	19,865,947	(223,684)	98.9%
Building Repairs	7,208,045	8,345,783	1,137,738	115.8%
Auditor of State	431,682	459,768	28,086	106.5%
Equipment	6,837,213	4,152,661	(2,684,552)	60.7%
Aid to Individuals	35,309,605	36,212,919	903,314	102.6%
TOTAL EXPENDITURES	\$ 418,839,967	\$ 418,750,961	\$ (89,006)	100.0%

Variance Explanations General fund revenues and expenditures were 100.0% of the budgeted revenues and expenditures.

Revenues Interest Income was less than budget. Interest income was budgeted at FY 2003 levels. This budget, while considerably lower than that of other years, was still too optimistic.

Tuition and Fees were more than budget due to efforts made during the late spring and fall that yielded an enrollment slightly higher than expected.

Other Income was less than budget because applications from potential students were down. Application fees are a major component of other income.

Expenditures	<p><u>Salary expenditures</u> were 100.4% of budget. Salaries comprise 73.7% of the general fund budget. Salaries were slightly over budget due to a few staff positions for academic initiatives and retention packages.</p> <p><u>Building Repairs</u> were higher than budget because priorities were shifted from equipment acquisitions to building repairs.</p> <p><u>Equipment</u> was below budget partially due to an increase in the equipment capitalization limit from \$2,000 to \$5,000 which made it difficult to budget accurately.</p> <p><u>Aid to Individuals (Student Financial Aid)</u> exceeded the budget due to timing differences with the payment of summer scholarships.</p>
State Appropriations	<p>At the beginning of FY 2004, appropriations were \$7.0 million (2.9%) lower than FY 2003 and no funding for salary increases.</p> <p>In October 2003, the Governor implemented an across-the-board reduction of 2.5% which further reduced ISU's state appropriations by \$5.8 million.</p> <p>In June 2004, the Governor implemented a partial restoration of the cuts made in October which increased ISU's state appropriations by \$582,401.</p> <p>The net effect of FY 2004 state appropriation funding is that the University was cut \$12.2 million.</p>
New Tuition Revenues	<p>The FY 2004 tuition increase from the prior year, net of student financial aid, was \$14.1 million. Tuition and Fees were \$408,612 over budget.</p>
Reallocations	<p>The University reports that reallocations were implemented as originally budgeted. The University had \$5.0 million in reallocations to address the budget cuts and mandatory cost increases and \$5.4 million for strategic initiatives.</p>

Historical Data The following table shows the actual revenue and expenditures of the ISU general fund for the past five years.

**Iowa State University - General Fund
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
General	\$262,026,485	\$269,897,593	\$ 248,811,942	\$ 239,809,203	\$ 227,578,328
Other	200,000	300,000			
RESOURCES					
Federal Support	12,352,480	12,425,373	12,425,373	12,525,373	12,825,373
Interest	1,149,661	1,748,369	1,823,873	1,357,383	962,755
Tuition and Fees	93,251,187	101,403,362	116,665,645	140,529,155	160,217,878
Reimbursed Indirect Costs	9,873,618	10,096,672	12,795,622	13,473,201	15,085,278
Sales and Services	263,290	262,954	305,268	262,832	285,789
Other Income	1,334,265	1,603,509	1,711,704	1,904,313	1,808,396
TOTAL REVENUES	\$ 380,450,986	\$ 397,737,832	\$ 394,539,427	\$ 409,861,460	\$ 418,763,797
EXPENDITURES					
Salaries	\$285,186,051	\$295,206,466	\$ 300,934,648	\$ 298,798,781	\$ 308,675,379
Prof. /Scientific Supplies	37,502,066	34,650,770	30,513,439	35,825,940	32,068,799
Library Acquisitions	6,967,701	7,409,967	8,013,978	8,951,021	8,241,921
Rentals	1,098,656	1,255,378	1,353,782	830,123	727,784
Utilities	17,918,030	19,367,574	18,875,964	18,954,950	19,865,947
Building Repairs	9,864,266	9,945,195	5,391,027	9,961,275	8,345,783
Auditor of State	262,646	395,970	393,686	411,932	459,768
Equipment	6,776,330	9,259,853	5,646,943	5,554,335	4,152,661
Aid to Individuals	15,093,065	20,313,908	23,379,882	30,654,174	36,212,919
TOTAL EXPENDITURES	\$ 380,668,811	\$ 397,805,081	\$ 394,503,349	\$ 409,942,531	\$ 418,750,961

Restricted Funds

The following table compares the budget to actual revenues and expenditures.

Iowa State University - Restricted Fund FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 10,177,300	\$ 4,291,000	\$ (5,886,300)	42.2%
Tuition Replacement	9,428,152	9,130,436	(297,716)	96.8%
RESOURCES				
Federal Support	124,415,553	130,963,751	6,548,198	105.3%
Interest	3,000,000	1,893,642	(1,106,358)	63.1%
Tuition and Fees	8,250,443	12,920,470	4,670,027	156.6%
Reimbursed Indirect Costs	4,803,919	7,431,966	2,628,047	154.7%
Sales and Services	31,432,177	44,031,368	12,599,191	140.1%
Other Income	278,111,126	282,179,667	4,068,541	101.5%
TOTAL REVENUES	\$ 469,618,670	\$ 492,842,300	\$ 23,223,630	104.9%
EXPENDITURES				
Salaries	\$ 168,009,007	\$ 180,059,854	\$ 12,050,847	107.2%
Prof. /Scientific Supplies	148,282,735	179,131,988	30,849,253	120.8%
Utilities	7,357,334	7,991,585	634,251	108.6%
Building Repairs	9,394,084	14,393,063	4,998,979	153.2%
Equipment	10,346,186	6,984,415	(3,361,771)	67.5%
Aid to Individuals	30,540,685	33,633,535	3,092,850	110.1%
Debt Service	30,500,000	36,496,385	5,996,385	119.7%
Plant Capital	65,188,639	66,674,327	1,485,688	102.3%
TOTAL EXPENDITURES	\$ 469,618,670	\$ 525,365,152	\$ 55,746,482	111.9%

Variance Explanations

Capital Appropriations were less than budget due to the timing of the drawdown of funds for the renovation of classrooms and auditoriums.

Federal Support was more than budget since research grants reached an all-time high in FY 2004.

Interest Income was less than budget. Interest income was budgeted at FY 2003 levels. This budget, while considerably lower than that of other years, was still too optimistic.

Tuition and Fees were more than budget. In FY 2004, tuition revenues for off-campus courses and study abroad were moved from the general fund to the restricted fund. The restricted budget inadvertently was not adjusted for this transfer which caused the variance.

Reimbursed Indirect Costs were more than budget due to increased research funding.

Sales and Services increased due to the reclassification of many accounts from other income to sales and services in accordance with National Association of College and University Business Officers (NACUBO) guidelines.

Other Income which includes auxiliary enterprises; plant fund; non-federal gifts, grants and contracts; independent operations; and endowment income and gains was slightly higher than budget.

Salaries were higher than budget because many units shifted faculty salaries from the general fund to other funding sources such as gifts and grants to address budget cuts.

Professional and Scientific Supplies were higher than budget due to growth in auxiliaries and research grants.

Utilities were higher than budget because of new facilities in the auxiliary enterprises.

Building Repairs were higher than budget and Equipment was lower than budget because capital priorities were shifted between these categories.

Aid to Individuals (Student Financial Aid) was higher than budget due to timing differences with the payment of summer scholarships. A portion of summer 2004 scholarships were paid in FY 2004 instead of FY 2005.

Debt Service was higher than budget due the addition of two new bond issues.

Historical Data The following table shows the actual revenue and expenditures of the ISU restricted fund for the past five years.

Iowa State University - Restricted Fund FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$5,900,259	\$3,445,000	\$ 13,667,741	\$ 14,281,000	\$ 4,291,000
Tuition Replacement	11,361,395	11,261,324	10,836,267	10,843,686	9,130,436
Technology	39,500	0			
RESOURCES					
Federal Support	89,686,630	86,976,005	99,512,603	120,384,095	130,963,751
Interest	3,970,952	4,814,845	3,762,952	2,955,644	1,893,642
Tuition and Fees	5,360,384	3,496,929	4,475,944	7,914,897	12,920,470
Reimbursed Indirect Costs	3,344,125	4,758,761	4,331,781	6,342,718	7,431,966
Sales and Services	18,788,105	19,340,491	21,828,035	40,471,450	44,031,368
Other Income	257,011,730	260,033,054	264,548,605	281,329,227	282,179,667
TOTAL REVENUES	\$ 395,463,080	\$ 394,126,409	\$ 422,963,928	\$ 484,522,717	\$ 492,842,300
EXPENDITURES					
Salaries	\$126,891,281	\$138,009,252	\$ 145,588,520	\$ 160,972,411	\$ 180,059,854
Prof. /Scientific Supplies	127,395,522	127,937,865	136,172,630	149,343,659	179,131,988
Utilities	6,387,216	7,497,019	6,828,633	7,634,368	7,991,585
Building Repairs	12,091,294	15,980,032	7,800,285	9,028,337	14,393,063
Equipment	10,732,933	10,971,148	9,229,926	8,654,943	6,984,415
Aid to Individuals	26,171,637	24,499,898	28,454,724	31,233,332	33,633,535
Debt Service	19,798,538	24,074,929	26,007,334	27,374,441	36,496,385
Plant Capital	52,831,813	46,632,350	57,315,379	68,832,859	66,674,327
TOTAL EXPENDITURES	\$ 382,300,234	\$ 395,602,493	\$ 417,397,431	\$ 463,074,350	\$ 525,365,152

Intercollegiate Athletics The following table compares athletic budgeted revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues				
Sports Income	\$9,920,115	\$9,464,889	\$(455,226)	95.4%
Alumni / Foundation / Corp Support / Sponsorship	6,204,500	6,308,994	104,494	101.7%
Athletic Conference / NCAA	5,194,403	6,272,461	1,078,058	120.8%
General University Support	3,165,951	2,544,403	(621,548)	80.4%
Student Fees	1,106,700	1,097,684	(9,016)	99.2%
Other Income	<u>2,394,252</u>	<u>2,744,588</u>	<u>350,336</u>	110.2%
Total Revenues	\$27,985,921	\$28,433,019	\$447,098	101.6%
Expenses				
Sports Operations / Guarantees	\$6,032,000	\$6,071,488	\$39,488	100.7%
Non-sport Operations	3,578,085	3,245,105	(332,980)	90.7%
Scholarships	4,792,497	4,326,583	(465,914)	90.3%
Other	<u>13,583,339</u>	<u>14,789,843</u>	<u>1,206,504</u>	108.9%
Total Expenses	\$27,985,921	\$28,433,019	\$447,098	101.6%

Variance Explanations Sports Income was below budget due to a season ticket price decrease for football and a rebuilding year for both men's and women's basketball.

Athletic Conference / NCAA revenue was higher than budget due to additional football television revenue, Bowl distribution, conference revenue from football championship game, and Conference men's basketball tournament.

General University Support was below budget due to the mid-year budget reduction.

Non-sports Operations were less than budget due to reduced expenses in academic services, building and grounds, administration, media relations, and corporate sponsorship/marketing rights.

Scholarships were less than budget due to unfilled scholarships, early graduations, and transfers.

Other Expenses were higher than budget due to projects being approved as unbudgeted revenue was identified.

Historical Data The following table shows the actual revenues and expenditures of ISU Intercollegiate Athletics for the past five years.

Iowa State University Athletic Revenues FY 2000-FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues					
Sports Income	\$ 7,451,961	\$ 9,296,249	\$ 11,070,020	\$ 11,010,046	\$ 9,464,889
Alumni / Foundation / Corp Support / Sponsorship	3,280,124	3,310,662	4,282,946	4,723,359	6,308,994
Athletic Conference / NCAA Support	4,855,589	5,254,283	5,156,237	6,484,363	6,272,461
General University Support	2,346,888	2,403,465	2,778,396	3,066,035	2,544,403
Student Fees	983,358	1,005,264	1,045,224	1,227,216	1,097,684
Other Income	651,298	1,051,686	875,327	2,884,787	2,744,588
Total Revenues	\$ 19,569,218	\$ 22,321,609	\$ 25,208,150	\$ 29,395,806	\$ 28,433,019
Expenses					
Sports Operations / Guarantees	\$ 4,321,843	\$ 5,356,141	\$ 5,544,827	\$ 5,904,931	\$ 6,071,488
Non-Sport Operations	3,036,158	3,269,204	3,196,261	3,447,075	3,245,104
Scholarships	3,292,966	3,695,976	3,735,562	4,173,077	4,326,583
Other Income	8,918,251	10,000,288	12,731,500	15,870,723	14,789,843
Total Expenses	\$ 19,569,218	\$ 22,321,609	\$ 25,208,150	\$ 29,395,806	\$ 28,433,018

Residence System The following table compares residence system revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues	\$62,139,896	\$56,123,907	\$(6,015,989)	90.3%
Expenditures	46,531,195	42,384,353	(4,146,842)	91.1%
Debt Service	11,014,567	9,649,041	(1,365,526)	87.6%
Mandatory Transfers	500,000	500,000	0	100.0%
Net Revenues	4,094,135	3,590,513	(503,622)	87.7%
Net Revenue as % of Gross Revenue	6.6%	6.4%		

Variance Explanations Revenues were less than budget due mainly to a material decrease in enrollment and a decrease in the housing capture rate.

Expenditures were less than budget due to department cost cutting measures in response to reduced revenues. These included layoffs and position eliminations and programmatic closure of Knapp Hall and Linden Dining Center, as well as other general spending reductions.

Debt Service was less than budget due to the early retirement of 1960s series bond debt.

Historical Data The following table shows the actual revenues, expenditures, debt service, mandatory transfers, and net revenues of the ISU Residence System for the past five years.

**Iowa State University - Residence System
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues	\$ 41,596,554	\$ 46,498,071	\$ 50,941,980	\$ 54,417,868	\$ 56,123,907
Expenditures for Operations	29,808,354	33,223,306	34,939,813	38,108,215	42,384,353
Debt Service and Mandatory Transfers	5,543,100	6,949,789	8,273,015	9,188,892	10,149,041
Net Revenues after Debt Service and Mandatory Transfers	\$ 6,245,100	\$ 6,324,976	\$ 7,729,152	\$ 7,120,761	\$ 3,590,513
Net Revenues as % of Gross Revenue	15.0%	13.6%	15.2%	13.1%	6.4%

FY 2004 Annual Report The residence system annual report provides information on various aspects of Iowa State University's residence system for FY 2004 including enrollment data; residence hall and apartment utilization; and financial operations.

The annual report presents data for FY 2004 (Fall 2003) and current FY 2005 data (Fall 2004).

Enrollment / Occupancy		<u>Fall 2003</u>	<u>Fall 2004</u>	<u>Change</u>	<u>% Change</u>
	Enrollment				
	Total University	27,380	26,380	(1,000)	(3.7)%
	Lower Division	9,809	9,226	(583)	(5.9)%
	% of Total	35.8%	35.0%		
	Total Occupancy	7,717	7,414	(303)	(3.9)%
	Occupancy as a % of Enrollment	28.2%	28.1%		

Fall 2004 residence system occupancy decreased by 303 students. The percentage of student enrollment living in university housing (residence halls and apartments) decreased only slightly from 28.2% to 28.1%.

The outstanding revenue bond obligations for Iowa State University residence system as of June 30, 2004, were \$134,750,000.

Voluntary Fund Balances for Iowa State University residence system, which totaled \$13.8 million as of June 30, 2004, include the balances of funds including the Operation and Maintenance Fund and the Improvement Fund.

Mandatory Funds include the balances of the Sinking Fund, Bond Reserve Fund, and Bond Construction Fund and totaled \$20.3 million as of June 30, 2004.

Attachment C
UNIVERSITY OF NORTHERN IOWA

General Fund The following table compares the combined final revised general operating fund budget to actual revenues and expenditures.

University of Northern Iowa - General Fund				
FY 2004				
	Revised Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
General	\$ 78,578,624	\$ 78,578,624	\$ -	100.0%
RESOURCES				
Interest	600,000	394,052	(205,948)	65.7%
Tuition and Fees	56,100,000	54,441,031	(1,658,969)	97.0%
Reimbursed Indirect Costs	1,575,000	2,081,363	506,363	132.2%
Sales and Services	625,000	615,253	(9,747)	98.4%
TOTAL REVENUES	\$ 137,478,624	\$ 136,110,323	\$ (1,368,301)	99.0%
EXPENDITURES				
Salaries	\$ 108,246,909	\$ 107,740,739	\$ (506,170)	99.5%
Prof. /Scientific Supplies	10,943,690	10,016,599	(927,091)	91.5%
Library Acquisitions	1,891,520	1,165,001	(726,519)	61.6%
Rentals	911,200	884,907	(26,293)	97.1%
Utilities	3,357,844	3,572,510	214,666	106.4%
Building Repairs	1,050,000	1,148,445	98,445	109.4%
Auditor of State	225,000	206,272	(18,728)	91.7%
Equipment	752,461	1,092,346	339,885	145.2%
Aid to Individuals	10,100,000	10,283,503	183,503	101.8%
TOTAL EXPENDITURES	\$ 137,478,624	\$ 136,110,322	\$ (1,368,302)	99.0%

Variance Explanations

General fund revenues and expenditures were 99% of the budgeted revenues and expenditures.

Revenues

Interest Income was less than budget due to continued declining interest rates.

Tuition and Fees were less than budget due to enrollment being lower than originally anticipated.

Reimbursed Indirect Costs were greater than budget due to increased grant and contract activity that occurred late in the year.

Sales and Services revenues were less than budget because of diminished revenues in this category.

Expenditures	<p><u>Salary expenditures</u> were 99.5% of budget. Salaries were less than budget due to delays in filling open positions caused by budget uncertainty following the mid-year reversion. Salaries comprise 79.2% of the general fund budget.</p> <p><u>Utilities, building repairs, and equipment</u> were over budget. Savings in salaries, professional and scientific supplies, library acquisitions, rentals, and auditor of state helped offset unexpected expenditures in these categories.</p> <p><u>Aid to Individuals (Student Financial Aid)</u> was greater than budget due to successful recruiting and retaining students with diverse backgrounds.</p>
State Appropriations	<p>At the beginning of FY 2004, state appropriations were \$2.4 million less than FY 2003 and no funding for salary increases.</p> <p>In October 2003, the Governor implemented an across-the-board reduction of 2.5% which further reduced UNI's state appropriations by \$2.0 million.</p> <p>In June 2004, the Governor implemented a partial restoration of the cuts made in October which increased UNI's state appropriations by \$200,968.</p> <p>The net effect of FY 2004 state appropriation funding is that the University was cut \$4.2 million.</p>
New Tuition Revenues	<p>The FY 2003 tuition increase from the prior year, net of student financial aid, was \$6.0 million. Tuition and fees were under the budget by \$1.7 million.</p>
Reallocations	<p>The University reports that reallocations were implemented as originally budgeted. The University had \$4.0 million in reallocations to address the budget cuts and mandatory cost increases and \$3.8 million for strategic initiatives.</p>

Historical Data The following table shows the actual revenue and expenditures of the general fund for the past five years.

University of Northern Iowa - General Fund					
FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
General	\$88,497,226	\$91,829,144	\$ 84,834,889	\$ 82,815,878	\$ 78,578,624
Interest	474,956	426,180	461,048	755,148	394,052
Tuition and Fees	34,170,521	36,506,393	39,784,728	47,485,577	54,441,031
Reimbursed Indirect Costs	1,279,631	1,536,354	1,829,627	1,913,640	2,081,363
Sales and Services	612,684	656,244	645,630	561,801	615,253
TOTAL REVENUES	\$ 125,035,018	\$ 130,954,315	\$ 127,555,922	\$ 133,532,044	\$ 136,110,323
EXPENDITURES					
Salaries	\$96,917,749	\$101,987,529	\$ 103,149,526	\$ 105,065,391	\$ 107,740,739
Prof. /Scientific Supplies	10,997,555	11,539,315	9,527,111	11,081,558	10,016,599
Library Acquisitions	1,904,775	2,051,090	1,950,490	2,204,419	1,165,001
Rentals	712,765	774,893	933,178	906,814	884,907
Utilities	2,605,033	3,141,386	2,933,820	3,314,299	3,572,510
Building Repairs	1,819,021	2,236,707	529,790	508,489	1,148,445
Auditor of State	113,864	130,334	148,759	179,026	206,272
Equipment	2,824,344	1,536,662	580,961	855,141	1,092,346
Aid to Individuals	7,139,912	7,556,398	7,802,287	9,416,906	10,283,503
TOTAL EXPENDITURES	\$ 125,035,018	\$ 130,954,314	\$ 127,555,922	\$ 133,532,043	\$ 136,110,323

Restricted Funds

The following table compares the budget to actual revenues and expenditures.

University of Northern Iowa - Restricted Fund				
FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 10,880,000	\$ 7,301,892	\$ (3,578,108)	67.1%
Tuition Replacement	4,651,954	4,559,528	(92,426)	98.0%
Other Income	108,673	106,228	(2,445)	
RESOURCES				
Federal Support	24,000,000	21,638,331	(2,361,669)	90.2%
Interest	2,000,000	819,901	(1,180,099)	41.0%
Tuition and Fees	12,500,000	12,073,850	(426,150)	96.6%
Sales and Services	65,200,000	58,272,610	(6,927,390)	89.4%
Other Income	29,573,016	28,227,165	(1,345,851)	95.4%
TOTAL REVENUES	\$148,913,643	\$132,999,505	\$ (15,914,138)	89.3%
EXPENDITURES				
Salaries	\$ 33,311,486	\$ 35,279,353	\$ 1,967,867	105.9%
Prof. /Scientific Supplies	40,292,530	48,200,166	7,907,636	119.6%
Library Acquisitions	3,200	24,869	21,669	777.2%
Rentals	769,400	1,030,861	261,461	134.0%
Utilities	1,850,000	1,412,704	(437,296)	76.4%
Building Repairs	10,054,295	4,386,249	(5,668,046)	43.6%
Equipment	3,350,000	2,493,781	(856,219)	74.4%
Aid to Individuals	13,241,000	11,750,573	(1,490,427)	88.7%
Debt Service	9,905,453	22,977,627	13,072,174	232.0%
Plant Capital	36,136,279	17,822,763	(18,313,516)	49.3%
TOTAL EXPENDITURES	\$ 148,913,643	\$ 145,378,946	\$ (3,534,697)	97.6%

Variance Explanations

General fund revenues were 89.3% of budget and expenditures were 97.6% of budget.

Revenues

Capital Appropriations were under budget due to the timing of the drawdown of these funds.

Federal Support was \$4.3 million greater than FY 2003 but less than the University was originally expecting.

Interest Income was less than budget due to continued declining interest rates.

Tuition and Fees were under the budget due to a change in methodology of collecting fees based on headcount to full time equivalent which resulted in less revenue.

Sales and Services Revenue was below budget due to declining enrollment. The budget projected a reasonable percentage increase that did not materialize.

Other Income was less than budget because bonds issued were slightly less than originally anticipated.

Expenditures Salaries were over budget due to increased Grants and Contracts.

Professional and Scientific Supplies were over budget due to a shifting of these expenses from the General Fund because of budget cuts.

Utilities were under budget because the University was anticipating higher oil and fuel prices than what actually materialized.

Building Repairs were below budget due to limited resources available to fund projects as originally planned.

Aid to Individuals (Student Financial Aid) was under the budget. The dollar volume of grants and contracts that flows through the restricted fund varies a great deal from year to year. For that reason it was difficult for the University to accurately predict the dollar volume of student financial aid expenditures.

Debt Service was greater than budget due to a bond refunding that occurred in FY 2004 which increased the total principal and interest paid by the University.

Plant Capital was less than budget due to the requirement to balance the revenues and expenditures in the restricted fund during the budgeting process.

Historical Data The following table shows the actual revenue and expenditures of the UNI restricted fund for the past five years.

University of Northern Iowa - Restricted Fund FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$6,360,612	\$5,349,555	\$ 5,357,415	\$ 14,643,409	\$ 7,301,892
Tuition Replacement	4,626,946	5,008,480	4,811,033	5,961,720	4,559,528
Other Income		1,000,000		-	106,228
RESOURCES					
Federal Support	15,411,603	17,798,703	21,660,900	17,314,233	21,638,331
Interest	2,331,850	3,961,274	2,244,968	2,247,329	819,901
Tuition and Fees	7,501,479	8,282,666	10,824,494	10,968,991	12,073,850
Sales and Services	52,890,051	52,296,157	65,245,479	58,240,557	58,272,610
Other Income	34,853,161	16,951,813	41,875,024	44,845,956	28,227,165
TOTAL REVENUES	\$ 123,975,702	\$ 110,648,648	\$ 152,019,313	\$ 154,222,195	\$132,999,505
EXPENDITURES					
Salaries	\$27,343,069	\$33,219,911	\$ 37,007,816	\$ 37,745,543	\$ 35,279,353
Prof. /Scientific Supplies	36,146,333	40,229,132	43,720,053	43,923,014	48,200,166
Library Acquisitions	3,438	1,606	3,490	24,392	24,869
Rentals	672,823	908,742	810,480	794,113	1,030,861
Utilities	2,062,984	2,296,973	2,450,229	2,529,967	1,412,704
Building Repairs	7,629,400	5,800,065	9,547,611	4,466,837	4,386,249
Equipment	3,172,603	4,541,131	2,266,541	1,413,741	2,493,781
Aid to Individuals	8,833,656	9,371,532	11,655,368	12,739,277	11,750,573
Debt Service	8,077,245	9,240,135	8,705,326	25,048,549	22,977,627
Plant Capital	14,259,898	14,991,148	7,916,435	23,607,734	17,822,763
TOTAL EXPENDITURES	\$ 108,201,449	\$ 120,600,375	\$ 124,083,349	\$ 152,293,167	\$ 145,378,946

Intercollegiate Athletics

The following table compares athletic budgeted revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues				
Sports Income	\$1,038,525	\$1,267,919	\$229,394	122.1%
Alumni / Foundation / Corp Support / Sponsorship	565,000	465,838	(99,162)	82.4%
Athletic Conference / NCAA	250,000	470,408	220,408	188.2%
General University Support	4,475,764	4,662,997	187,233	104.2%
Student Fees	1,224,300	1,224,963	663	100.1%
Other Income	<u>297,500</u>	<u>242,433</u>	<u>(55,067)</u>	81.5%
Total Revenues	\$7,851,089	\$8,334,558	\$483,469	106.2%
Expenses				
Men's Sports	\$3,619,555	\$3,926,360	\$306,805	108.5%
Women's Sports	2,465,166	2,518,246	53,080	102.2%
Other Expenses	<u>1,766,368</u>	<u>1,889,952</u>	<u>123,584</u>	107.0%
Total Expenses	\$7,851,089	\$8,334,558	\$483,469	106.2%

Variance Explanations

Sports Income was greater than budget due to increased ticket sales from successful men's football and basketball teams.

UNI Foundation Athletic Club Support decreased because football and men's basketball had successful seasons, therefore, Athletics did not need as much from the UNI Foundation to balance the Athletics budget.

Athletic Conference / NCAA Support increased due to a successful men's basketball team that participated in the NCAA tournament.

General University Support continues to increase. The University states that this is due to a transfer of Marketing and Sports Information account being moved from the General Fund to Intercollegiate Athletics.

Men's Sports were higher than budget because basketball expenses were higher than budget.

Other Expenses were higher than budget because athletic training was higher than budget.

Historical Data The following table shows the actual revenue and expenditures of Intercollegiate Athletics for the past five years.

University of Northern Iowa Athletic Revenues FY 2000-FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues					
Sports Income	\$ 746,649	\$ 823,724	\$ 1,063,442	\$ 1,141,391	\$ 1,267,919
Alumni / Foundation / Corp Support / Sponsorship	736,655	1,314,957	1,009,027	373,481	465,838
Athletic Conference / NCAA Support	176,115	169,961	209,255	282,647	470,408
General University Support	3,177,904	3,572,435	3,848,105	4,149,209	4,662,997
Student Fees	568,502	622,626	682,617	1,086,088	1,224,963
Other Income	521,218	346,360	293,930	270,093	242,433
Total Revenues	\$ 5,927,043	\$ 6,850,063	\$ 7,106,376	\$ 7,302,909	\$ 8,334,558
Expenses					
Men's Sports	\$ 2,983,609	\$ 3,407,789	\$ 3,418,414	\$ 3,565,815	\$ 3,926,360
Women's Sports	1,577,381	1,886,378	2,115,349	2,241,123	2,518,246
Other Expenses	1,366,053	1,555,896	1,572,613	1,495,971	1,889,952
Total Expenses	\$ 5,927,043	\$ 6,850,063	\$ 7,106,376	\$ 7,302,909	\$ 8,334,558

Residence System

The following table compares residence system budgeted revenues and expenditures with actual revenues and expenditures and identifies the variances.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>	<u>Percent</u>
Revenues	\$23,627,380	\$23,774,707	\$147,327	100.6%
Expenditures	19,107,823	18,027,628	(1,080,195)	94.3%
Debt Service	2,812,103	2,812,104	(1)	100.0%
Mandatory Transfers	<u>330,000</u>	<u>330,000</u>	<u>0</u>	100.0%
Net Revenues	1,377,454	\$2,604,975	\$1,227,521	189.1%
Net Revenue as % of Gross Revenue	5.8%	11.0%		

Variance Explanations

Revenues were higher than budget because the Residence System was able to offer more single rooms instead of double rooms.

Expenditures were under budget primarily due to savings in Dining Administration, Residential Dining Services, Mobile Food Operations, Dining Hall Retail, and Maucker Union Operations. The Department has increased the dining options available. As experiences with student choices increases, the accuracy of these budgeted line items will increase. The Residence Hall remodeling projects resulted in salary savings and reduced expenses.

Historical Data The following table shows the actual revenues, expenditures, debt service, mandatory transfers, and net revenues of the ISU Residence System for the past five years.

**University of Northern Iowa - Residence System
FY 2000 - FY 2004**

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Revenues	\$ 21,060,673	\$ 24,522,544	\$ 24,817,829	\$ 24,158,490	\$ 23,774,707
Expenditures for Operations	16,691,503	18,018,387	19,282,151	18,491,104	18,027,628
Debt Service and Mandatory Transfers	2,148,452	3,132,036	3,141,508	3,467,817	3,142,104
Net Revenues after Debt Service and Mandatory Transfers	\$ 2,220,718	\$ 3,372,121	\$ 2,394,170	\$ 2,199,569	\$ 2,604,975
Net Revenues as % of Gross Revenue	10.5%	13.8%	9.6%	9.1%	11.0%

FY 2004 Annual Report The residence system annual report provides information on various aspects of the University of Northern Iowa residence system for FY 2004 including enrollment data; residence hall and apartment utilization; and financial operations.

The annual report presents data for FY 2004 (Fall 2003) and current FY 2005 data (Fall 2004).

Enrollment / Occupancy		Fall 2003	Fall 2004	Change	% Change
		Enrollment			
	Total University	13,441	12,824	(617)	(4.6)%
	Lower Division	4,363	4,156	(207)	(4.7)%
	% of Total	32.5%	32.4%		
	Total Occupancy	3,818	3,742	(76)	(2.0)%
	Occupancy as a % of Enrollment	28.4%	29.2%		

Fall 2004 residence system occupancy decreased by 76 students. The percentage of student enrollment living in university housing (residence halls and apartments) increased from Fall 2003 to Fall 2004.

The outstanding revenue bond obligations for the University of Northern Iowa Residence System as of June 30, 2004, were \$36,915,000.

Voluntary Reserves for the University of Northern Iowa residence system, which totaled \$5.1 million as of June 30, 2004, include the balances of funds including the Operation and Maintenance Fund and the Improvement Fund.

Mandatory Reserves include the balances of the Sinking Fund, Bond Reserve Fund, and Bond Construction Fund. The balance as of June 30, 2004, totaled \$4.1 million.

Attachment D
IOWA SCHOOL FOR THE DEAF

General Fund The following table compares the final revised budget to actual revenues and expenditures.

Iowa School for the Deaf - General Fund				
FY 2004				
	Revised		Variance	
	Budget	Actual	Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
General	\$ 8,123,362	\$ 8,123,362	\$ -	100.0%
Other (DOE Funds)	169,342	169,342	-	100.0%
RESOURCES				
Federal Support	54,000	49,381	(4,619)	91.4%
Interest	25,000	9,580	(15,420)	38.3%
Sales and Services	322,693	327,975	5,282	101.6%
Other Income	11,916	11,916	-	100.0%
TOTAL REVENUES	\$ 8,706,313	\$ 8,691,556	\$ (14,757)	99.8%
EXPENDITURES				
Salaries	\$ 7,159,553	\$ 6,916,112	\$ (243,441)	96.6%
Prof. /Scientific Supplies	980,641	1,018,639	37,998	103.9%
Library Acquisitions	8,226	5,891	(2,335)	71.6%
Utilities	317,997	307,937	(10,060)	96.8%
Building Repairs	121,650	329,201	207,551	270.6%
Auditor of State	57,000	46,035	(10,965)	80.8%
Equipment	61,246	67,741	6,495	110.6%
TOTAL EXPENDITURES	\$ 8,706,313	\$ 8,691,556	\$ (14,757)	99.8%

Variance Explanations

General Fund Revenues and Expenditures were consistent with budget.

Federal Support from the School Milk Program was below budget due to fewer students qualifying for the program.

Interest Income was below budget due to lower rates of returns on investments.

Salaries were less than budget as a result of not filling several positions that became vacant during the year.

Building Repairs were higher than budget. Salary savings were used for projects such as deferred maintenance, fire-safety projects, asbestos abatement, painting, and electrical work.

State Appropriations

The School began FY 2004 with an increase in base funding of \$163,949 and \$197,755 for salary increases for a total increase of \$361,704 over FY 2003.

The Governor's 2.5% across-the-board reduction during FY 2004 amounted to \$205,977.

The Governor later restored \$20,598 to the operating fund appropriations which resulted in an overall net increase in state appropriations to the School of \$176,325.

Reallocations

Reallocations of \$310,067 were accomplished substantially as budgeted.

- Staff positions that became vacant remained unfilled and savings from retirements were reallocated to cover salary shortfall.
- Reallocations from the Elementary School to the High School and the Middle School provided for an additional High School Counselor and centralized services in the High School and educational services in the Middle School.

Historical Data

The following table shows the actual revenue and expenditures of the general fund for the past five years.

Iowa School for the Deaf - General Fund FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
General	\$7,936,367	\$8,178,008	\$ 7,891,351	\$ 7,943,985	\$ 8,123,362
Other (DOE Funds)	124,956	192,888	181,783	174,813	169,342
RESOURCES					
Federal Support	67,627	58,709	53,926	52,038	49,381
Interest	36,845	52,005	47,128	22,505	9,580
Sales and Services	242,557	313,477	304,628	316,289	327,975
Other Income				17,785	11,916
TOTAL REVENUES	\$ 8,408,352	\$ 8,795,087	\$ 8,478,816	\$ 8,527,415	\$ 8,691,556
EXPENDITURES					
Salaries	\$6,420,187	\$6,606,594	\$ 6,533,571	\$ 6,673,337	\$ 6,916,112
Prof. /Scientific Supplies	965,913	951,597	985,739	1,041,045	1,018,639
Library Acquisitions	6,998	7,876	5,362	5,075	5,891
Utilities	195,532	297,882	220,663	305,461	307,937
Building Repairs	639,727	741,221	572,136	368,246	329,201
Auditor of State	50,629	56,847	46,029	43,139	46,035
Equipment	129,367	133,070	115,316	91,112	67,741
TOTAL EXPENDITURES	\$ 8,408,353	\$ 8,795,087	\$ 8,478,816	\$ 8,527,415	\$ 8,691,556

Restricted Funds

The following table compares the budget to actual revenues and expenditures.

Iowa School for the Deaf - Restricted Fund FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 100,000	\$ 175,630	\$ 75,630	175.6%
RESOURCES				
Federal Support	125,148	154,980	29,832	123.8%
Interest	30,000	22,061	(7,939)	73.5%
Sales and Services	627,590	814,322	186,732	129.8%
Other Income	5,000	23,832	18,832	476.6%
TOTAL REVENUES	\$ 887,738	\$ 1,190,825	\$ 303,087	134.1%
EXPENDITURES				
Salaries	\$ 609,348	\$ 541,428	\$ (67,920)	88.9%
Prof. /Scientific Supplies	55,783	164,315	108,532	294.6%
Library Acquisition	1,600	-	(1,600)	0.0%
Utilities	40,000	-	(40,000)	0.0%
Building Repairs	172,194	95,092	(77,102)	55.2%
Auditor of State	250	-	(250)	0.0%
Equipment	8,563	964	(7,599)	11.3%
TOTAL EXPENDITURES	\$ 887,738	\$ 801,799	\$ (85,939)	90.3%

Variance Explanations

Capital Appropriations were over budget due to the timing of drawdowns.

Federal Support was greater than budget due to additional funding from the Star Grant School's Project funding and additional funding from the Transitional Alliance Program.

Interest Income was below budget due to lower rates of returns on investments.

Sales and Services were over budget due to Nebraska tuition being higher than budgeted.

Other Income was over budget due to receipt of the Iowa West Technology Grant.

Professional and Scientific Supplies were over budget due to timing.

Building Repairs were under budget due to the timing of projects.

Utilities were under budget due to the mild winter. ISD budgets for utilities in the restricted fund with the plan of using the funds only when needed.

Historical Data The following table shows the actual revenue and expenditures of the restricted fund for the past five years.

Iowa School for the Deaf - Restricted Fund					
FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$ 650,000	\$ 1,942,835	\$ 1,549,761	\$ 396,774	\$ 175,630
Other	31,958				
RESOURCES					
Federal Support	110,009	107,310	146,218	158,358	154,980
Interest	-	57,398	51,513	19,899	22,061
Sales and Services	1,128,233	1,062,680	832,514	709,975	814,322
Other Income	380	45,440	35,061	7,577	23,832
TOTAL REVENUES	\$ 1,920,580	\$ 3,215,663	\$ 2,615,067	\$ 1,292,583	\$ 1,190,825
EXPENDITURES					
Salaries	\$465,372	\$484,505	\$393,761	\$ 384,105	\$ 541,428
Prof. /Scientific Supplies	49,926	121,223	380,497	452,845	164,315
Library Acquisition	-	-	-	-	-
Utilities	-	-	-	-	-
Building Repairs	1,241,194	1,974,020	1,508,468	447,669	95,092
Auditor of State	-	-	-	-	-
Equipment	33,607	96,105	42,134	6,103	964
TOTAL EXPENDITURES	\$ 1,790,099	\$ 2,675,853	\$ 2,324,860	\$ 1,290,722	\$ 801,799

Attachment E
IOWA BRAILLE AND SIGHT SAVING SCHOOL

General Fund The following table compares the final revised general fund operating budget to actual revenues and expenditures.

Iowa Braille and Sight Saving School - General Fund				
FY 2004				
	Revised Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
General	\$ 4,543,016	\$ 4,543,016	\$ -	100.0%
Other (DOE Funds)	90,241	90,241	-	100.0%
RESOURCES				
Federal Support	190,452	189,038	(1,414)	99.3%
Interest	3,500	2,592	(908)	74.1%
Reimbursed Indirect Costs	69,734	66,441	(3,293)	95.3%
Sales and Services	24,638	30,209	5,571	122.6%
Other	19,150	16,932	(2,218)	88.4%
TOTAL REVENUES	\$ 4,940,731	\$ 4,938,469	\$ (2,262)	100.0%
EXPENDITURES				
Salaries	\$ 4,070,001	\$ 4,045,056	\$ (24,945)	99.4%
Prof. /Scientific Supplies	578,072	628,005	49,933	108.6%
Library Acquisitions	7,212	6,687	(525)	92.7%
Utilities	125,165	129,044	3,879	103.1%
Building Repairs	87,257	43,308	(43,949)	49.6%
Auditor of State	26,000	23,512	(2,488)	90.4%
Equipment	47,024	62,857	15,833	133.7%
TOTAL EXPENDITURES	\$ 4,940,731	\$ 4,938,469	\$ (2,262)	100.0%

Variance Explanations

General Fund Revenues and Expenditures were consistent with the budget.

Salary Expenditures were less than budget due to reduction in temporary or casual labor costs.

Professional and Scientific Supplies were over budget due to the facilities department making necessary facility supply and services purchases.

Building Repairs were under budget as a result of deferring projects into future years and performing repairs in-house instead of contracting for them.

Utilities were over budget due to increased natural gas costs.

Equipment was over budget due to a necessary vehicle replacement.

State Appropriations

The School began FY 2004 with an increase in base funding of \$91,455 and \$109,226 for salary increases for a total increase of \$200,681 over FY 2003.

The Governor's 2.5% across-the-board reduction during FY 2004 amounted to \$115,248.

The Governor later restored \$11,524 to the operating fund appropriations which resulted in an overall net increase in state appropriations to the School of \$96,957.

Reallocations

Reallocations of \$315,863 were accomplished substantially as budgeted. In addition, the Early Childhood position was eliminated due to mid-year budget cuts and the state auditor costs were less than budgeted due to a decrease in audit scope.

Historical Data

The following table shows the actual revenue and expenditures of the general fund for the past five years.

Iowa Braille and Sight Saving School - General Fund					
FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
General	\$4,432,925	\$4,568,379	\$ 4,422,904	\$ 4,446,059	\$ 4,543,016
Other (DOE Funds)	69,644	101,712	89,483	89,787	90,241
RESOURCES					
Federal Support	101,291	108,159	110,118	168,443	189,038
Interest	26,120	22,107	8,794	5,661	2,592
Reimbursed Indirect Costs	26,048	25,694	38,819	69,115	66,441
Sales and Services	67,399	79,197	78,796	35,898	30,209
Other				19,143	16,932
TOTAL REVENUES	\$ 4,723,427	\$ 4,905,248	\$ 4,748,914	\$ 4,834,106	\$ 4,938,469
EXPENDITURES					
Salaries	\$3,558,084	\$3,784,395	\$ 3,781,228	\$ 3,827,888	\$ 4,045,056
Prof. /Scientific Supplies	611,310	515,638	580,462	632,640	628,005
Library Acquisitions	8,439	8,874	7,531	8,654	6,687
Utilities	108,071	151,685	96,196	118,534	129,044
Building Repairs	154,926	417,608	170,575	106,856	43,308
Auditor of State	22,978	21,652	31,244	33,086	23,512
Equipment	259,619	5,396	81,678	106,448	62,857
TOTAL EXPENDITURES	\$ 4,723,427	\$ 4,905,248	\$ 4,748,914	\$ 4,834,106	\$ 4,938,469

Restricted Funds

The following table compares the budget to actual revenues and expenditures.

Iowa Braille and Sight Saving School - Restricted Fund				
FY 2004				
	Budget	Actual	Variance Over/(Under)	Percent
REVENUES				
APPROPRIATIONS				
Capital	\$ 100,000	\$ -	\$ (100,000)	0.0%
RESOURCES				
Federal Support	283,755	246,131	(37,624)	86.7%
Sales and Services	1,133,600	1,153,237	19,637	101.7%
Other Income	78,525	58,166	(20,359)	74.1%
TOTAL REVENUES	\$ 1,595,880	\$ 1,457,534	\$ (138,346)	91.3%
EXPENDITURES				
Salaries	\$ 1,243,265	\$ 1,274,735	\$ 31,470	102.5%
Prof. /Scientific Supplies	225,615	176,337	(49,278)	78.2%
Building Repairs	114,500	4,235	(110,265)	3.7%
Equipment	12,500	2,227	(10,273)	17.8%
TOTAL EXPENDITURES	\$ 1,595,880	\$ 1,457,534	\$ (138,346)	91.3%

Variance
Explanations

Capital Appropriations and Building Repairs Expenditures were under budget because the HVAC upgrade is still in the planning stages.

Federal Support, Supplies, and Equipment were under budget due to decreased federal grant funding from grants passed through the Iowa Department of Education to the School resulting in decreased supplies and equipment expenditures.

Sales and Services revenue was over budget due to increased Outreach Services billings for vision itinerant services to the Area Education Agencies /Local Education Agencies.

Salaries Expenditures were greater than budget for the increased vision itinerant services.

Other Income and Supply Expenditures were under budget because IBSSS was able to reduce operating expenses rather than use the endowment funds as budgeted. Endowment resources are used only to the extent that general fund resources are not available to support educational and related expenditures according to the School's strategic plan.

Historical Data The following table shows the actual revenue and expenditures of the restricted fund for the past five years.

Iowa Braille and Sight Saving School - Restricted Fund FY 2000 - FY 2004					
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
REVENUES					
APPROPRIATIONS					
Capital	\$213,168	\$19,985	\$ 621,242	\$ -	\$ -
RESOURCES					
Federal Support	403,129	283,772	367,199	328,910	246,131
Sales and Services	549,121	716,061	850,719	1,038,682	1,153,237
Other Income	181,683	124,075	133,055	67,872	58,166
TOTAL REVENUES	\$ 1,347,101	\$ 1,143,893	\$ 1,972,215	\$ 1,435,464	\$ 1,457,534
EXPENDITURES					
Salaries	\$700,521	\$859,988	\$ 986,527	\$ 1,228,193	\$ 1,274,735
Prof. /Scientific Supplies	241,745	233,029	247,851	210,203	176,337
Building Repairs	260,278	19,985	659,557	(8,651)	4,235
Equipment	144,936	30,891	78,280	5,719	2,227
TOTAL EXPENDITURES	\$ 1,347,480	\$ 1,143,893	\$ 1,972,215	\$ 1,435,464	\$ 1,457,534