

Contact: Brad Berg

COMPREHENSIVE FISCAL REPORT FOR FY 2012

Action Requested:

Receive the FY 2012 Comprehensive Fiscal Report.

Executive Summary:

Each year, the Board conducts a series of reviews and approvals for budgetary and financial matters. The comprehensive fiscal report compares actual revenues and expenditures with the Board-approved budgets and identifies significant variances. The report also includes a five-year history of actual revenues and expenditures for each university and special school.

The Board approved the original university and special school FY 2012 budgets in August 2011. Revised FY 2012 operating budgets were later approved for each Iowa's three public universities to reflect updated revenue projections. Details of the budget revisions are provided in the attachments.

The general operating fund and the restricted funds are the primary funds of the institutions.

- General operating funds include state operating appropriations, some federal funds, interest income, tuition and fee revenues, reimbursed indirect costs, and sales and services. General fund operating revenues can vary from expenditures due to legislation that allows the Regent universities to retain student charges and due to non-reversion language for the economic development and Specialized Child Health Services special purpose appropriated units.
- Restricted funds are specifically designated or restricted for a particular purpose or enterprise and include capital appropriations, tuition replacement appropriations, gifts, bond proceeds, sponsored funding from federal and private sources, residence systems, athletics, as well as other auxiliary or independent functions such as parking and utility systems.

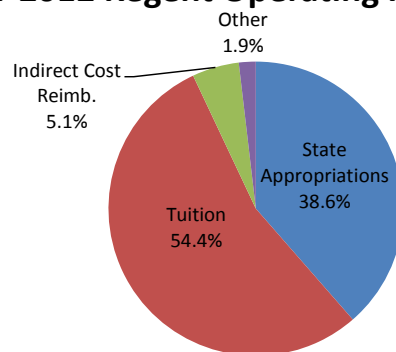
Total FY 2012 actual revenues for the Regent enterprise totaled \$4.27 billion.

	<u>General</u> <u>Operating</u>	<u>UIHC</u> <u>Operating</u>	<u>Restricted</u>	<u>Total</u>
FY 2012 Actual Revenues	\$1.36 billion	\$0.98 billion	\$1.93 billion	\$4.27 billion

General Operating

The primary revenue sources providing FY 2012 general operating funds for Iowa's public universities are state appropriations and tuition revenues.

FY 2012 Regent Operating Revenues



For FY 2012, Iowa's public universities and special schools (excluding UIHC units) were appropriated approximately \$526 million in general state operating funding which comprised 38.6% of all operating revenues. Actual university tuition revenues totaled \$741.6 million and were 54.4% of total operating revenues.

The following table compares the final FY 2012 budget (excluding UIHC) as approved by the Board to actual revenues and expenditures. Budget-to-actual comparisons for each of Iowa's public universities and special schools are contained in the attachments. Note: The comparison for the UIHC units is provided in Attachment A beginning on page 8.

General Operating Fund - All Institutions					
FY 2012 (excludes UIHC units)					
	Board Approved Budget	Actual	Variance Over/(Under)	% of Budget	
REVENUES					
APPROPRIATIONS					
General	\$ 525,987,450	\$ 525,888,871	\$ (98,579)	100.0%	
Other	82,049	82,049	-	100.0%	
RESOURCES					
Federal Support	14,086,000	14,165,837	79,837	100.6%	
Interest	2,661,489	2,514,957	(146,532)	94.5%	
Tuition and Fees	740,741,329	741,563,393	822,064	100.1%	
Reimbursed Indirect Costs	72,637,479	70,167,952	(2,469,527)	96.6%	
Sales and Services	7,394,701	6,946,095	(448,606)	93.9%	
Other Income	9,221,530	1,603,784	(7,617,746)	17.4%	
TOTAL REVENUES	\$ 1,372,812,027	\$ 1,362,932,938	\$ (9,879,089)	99.3%	
EXPENDITURES					
Salaries	\$ 947,182,730	\$ 944,918,564	\$ (2,264,166)	99.8%	
Prof. /Scientific Supplies	119,986,963	89,619,796	(30,367,167)	74.7%	
Library Acquisitions	28,479,235	29,320,034	840,799	103.0%	
Rentals	5,893,822	6,480,022	586,200	109.9%	
Utilities	66,320,889	67,409,051	1,088,162	101.6%	
Building Repairs	25,854,128	45,792,429	19,938,301	177.1%	
Auditor of State	1,450,150	1,290,169	(159,981)	89.0%	
Equipment	14,098,880	15,271,720	1,172,840	108.3%	
Aid to Individuals	163,545,230	166,174,791	2,629,561	101.6%	
TOTAL EXPENDITURES	\$ 1,372,812,027	\$ 1,366,276,576	\$ (6,535,451)	99.5%	

Actual tuition revenue slightly exceeded the budget (0.1%) while aggregate indirect cost reimbursements were 3.2% less than the budget primarily due to the difficulty in projecting federal grant awards. The amended budgets for SUI and UNI also included approximately \$7.6 million of revenue earned and reported in prior years (advanced commitment funds) but budgeted for expenditure in FY 2012. With the actual revenues being reported in the year received, an expected budget-to-actual variance occurs in "other income".

Reflective of the service nature of Iowa's public universities and special schools, salary-related expenses comprised the largest portion (69.2%) of the operating budgets and were 0.2% less than the budget. Professional/Scientific supplies and services were under budget at all three universities and were redistributed to address needs in other areas such as building repairs and financial aid.

The following table provides a five-year revenue and expense history of all operating units (excluding UIHC) for Iowa's public universities and special schools. The table reflects the dynamic changes in state appropriations, tuition revenue, and includes the infusion of the ARRA funds in FY 2010. A five-year history specific to each of Iowa's public universities and special schools is contained in the attachments.

For FY 2010, the 2009 legislature appropriated approximately \$80.3 million in State Fiscal Stabilization Funds from the American Recovery and Reinvestment Act of 2009 (ARRA) to be distributed to Iowa's public universities and special schools. These one-time funds were effectively used to bridge strategic budget decisions in FY 2010 to achieve permanent budget reductions that positively impacted future year budgets, thus minimizing the "funding cliff" realized in FY 2011.

General Operating Fund - All Institutions					
FY 2008 - FY 2012 (excludes UIHC Units)					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
General	\$ 645,964,131	\$ 674,271,577	\$ 566,673,443	\$ 555,670,904	\$ 525,888,871
Other	264,600	260,631	85,140	285,140	82,049
ARRA-State Stabilization			80,280,000		
RESOURCES					
Federal Support	13,200,728	13,223,096	13,328,241	14,236,120	14,165,837
Interest	4,722,432	1,815,403	3,053,527	2,583,391	2,514,957
Tuition and Fees	507,306,596	550,207,301	604,732,008	676,102,832	741,563,393
Reimbursed Indirect Costs	63,416,149	64,515,247	72,052,568	74,679,294	70,167,952
Sales and Services	5,254,265	6,358,351	7,320,345	6,859,188	6,946,095
Other Income	2,092,816	2,466,979	2,609,032	1,534,590	1,603,784
TOTAL REVENUES	\$ 1,242,221,717	\$ 1,313,118,585	\$ 1,350,134,304	\$ 1,331,951,459	\$ 1,362,932,938
EXPENDITURES					
Salaries	\$ 900,528,299	\$ 952,716,291	\$ 935,665,009	\$ 919,301,070	\$ 944,918,564
Prof. /Scientific Supplies	85,996,326	95,507,689	94,158,676	92,812,693	89,619,796
Library Acquisitions	24,697,176	28,646,126	25,661,535	30,016,230	29,320,034
Rentals	4,446,298	5,223,791	8,339,711	5,824,736	6,480,022
Utilities	59,893,487	59,791,145	62,881,492	65,029,266	67,409,051
Building Repairs	29,473,228	32,054,437	35,657,373	64,957,927	45,792,429
Auditor of State	1,196,630	1,383,137	1,306,200	1,268,118	1,290,169
Equipment	15,675,285	12,688,711	21,194,506	15,553,528	15,271,720
Aid to Individuals	107,203,987	121,876,786	133,618,753	150,450,391	166,174,791
TOTAL EXPENDITURES	\$ 1,229,110,716	\$ 1,309,888,113	\$ 1,318,483,255	\$ 1,345,213,959	\$ 1,366,276,576

Restricted

External forces greatly affect the revenues and expenditures of the restricted funds. Restricted funds are managed at the fund level and the actuals can vary significantly from the budget due to the timing of federal funds and capital proceeds. Capital appropriation revenues reflect the draw down of funds (based upon expenditures) from current and prior year appropriations, while the budgets reflect the total amounts appropriated by fiscal year. Federal support and reimbursed indirect costs are difficult to project due to the uncertainty and volatility of federal grant awards. Other revenue and expenditures are affected by the timing and amounts of bond issues and nonfederal gifts, grants, and contracts. This report includes a combined budget-to-actual restricted fund comparison for all Regent institutions using the budget as approved by the Board in August 2011. Restricted fund budget-to-actual comparisons for the individual institutions are available in the Board Office.

The athletic and residence system budgets are part of the restricted fund budgets. Information comparing athletic and residence system budget-to-actual and five-year historical data for each university is provided in the attachments. The attachments also include annual enrollment and occupancy information for the university residence systems.

Restricted Fund - All Institutions FY 2012				
	Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
Grow IA Values Fund	\$ 1,440,000	\$ 1,440,000	\$ -	100.0%
Capital	5,000,000	14,743,244	9,743,244	294.9%
Tuition Replacement	24,305,412	23,989,301	(316,111)	98.7%
Other	1,763,000	1,898,000	135,000	107.7%
RESOURCES				
Federal Support	463,674,627	507,595,930	43,921,303	109.5%
Interest	2,305,000	2,111,203	(193,797)	91.6%
Tuition and Fees	107,000,000	111,191,600	4,191,600	103.9%
Reimbursed Indirect Costs	34,800,000	36,248,329	1,448,329	104.2%
Sales and Services	421,649,157	443,699,038	22,049,881	105.2%
Other Income	865,789,241	789,848,011	(75,941,230)	91.2%
TOTAL RESOURCES	\$ 1,927,726,437	\$ 1,932,764,656	\$ 5,038,219	100.3%
EXPENDITURES				
Salaries	\$ 654,459,895	\$ 700,681,793	\$ 46,221,898	107.1%
Prof. /Scientific Supplies	542,981,718	578,515,487	35,533,769	106.5%
Library Acquisitions	30,500	35,016	4,516	114.8%
Rentals	21,020,000	26,534,378	5,514,378	126.2%
Utilities	27,663,706	27,249,983	(413,723)	98.5%
Building Repairs	12,327,000	16,986,278	4,659,278	137.8%
Auditor of State	10,500	-	(10,500)	0.0%
Equipment	27,032,001	37,827,641	10,795,640	139.9%
Aid to Individuals	138,150,000	134,815,824	(3,334,176)	97.6%
Debt Service	118,391,117	123,202,892	4,811,775	104.1%
Plant Capital	385,660,000	360,909,280	(24,750,720)	93.6%
TOTAL EXPENDITURES	\$ 1,927,726,437	\$ 2,006,758,572	\$ 79,032,135	104.1%

Revenue Variances

- Actual capital appropriation draw downs, which are based on incurred expenditures, were greater than the total appropriated amounts included in the budget. Reversion dates for capital appropriations are generally three years after the fiscal year for which funds are appropriated. The variance is primarily related to draws from prior year appropriations for SUI's Pappajohn Biomedical Discovery Building and the Hygienic Laboratory.
- Federal support exceeded the budget at all three universities due to additional federal grant opportunities and the success of securing sponsored research grants.
- Higher enrollments than originally budgeted (primarily at ISU) resulted in student fee revenue exceeding the budget.
- Other income includes, in part, bond and loan proceeds, workshop and seminar revenues, royalties, practice plan revenues, and nonfederal gifts, grants, and contracts. Other income was short of budget primarily due to budget-to-actual variances in the timing of bond issues for capital projects.

Expense Variances

- Restricted salary costs exceeded the budget primarily from higher levels of professional and scientific and faculty staff working for activities funded from grants and contracts and for auxiliary enterprises.
- Professional/Scientific supplies and services exceed the budget at all three universities primarily due to additional purchases for auxiliaries and grant funded activities.
- The variance in plant capital expenditures result from changes in construction project schedules compared to the original budget.

The following provides a consolidated 5-year history of actual revenues and expenditures from the restricted funds for all institutions.

Restricted Fund - All Institutions FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
Grow IA Values Fund	\$ 4,800,000	\$ 3,839,292	\$ 4,320,000	\$ 4,004,766	\$ 1,440,000
Capital	15,690,592	31,134,637	37,752,033	40,724,538	14,743,244
Tuition Replacement	23,870,594	27,774,500	21,803,585	24,030,371	23,989,301
Battelle	1,838,113	100,000	545,075	-	-
Other	50,000	100,000	238,000	1,903,000	1,898,000
RESOURCES					
Federal Support	386,470,790	428,761,782	456,778,992	481,254,061	507,595,930
Interest	9,128,151	4,708,993	2,966,703	2,013,907	2,111,203
Tuition and Fees	91,282,468	89,370,164	92,714,125	103,004,379	111,191,600
Reimbursed Indirect Costs	29,732,454	33,053,969	35,440,526	36,920,791	36,248,329
Sales and Services	382,325,703	389,719,682	408,142,912	407,639,897	443,699,038
Other Income	847,984,720	800,123,017	853,824,080	862,472,955	789,848,011
TOTAL REVENUES	\$1,793,173,585	\$1,808,686,036	\$1,914,526,031	\$1,963,968,665	\$1,932,764,656
EXPENDITURES					
Salaries	\$ 585,934,563	\$ 633,958,923	\$ 639,126,302	\$ 659,378,842	\$ 700,681,793
Prof./Scientific Supplies	500,005,372	508,825,821	530,978,125	550,031,143	578,515,487
Library Acquisitions	39,692	32,552	28,081	22,842	35,016
Rentals	17,154,941	17,057,967	17,079,613	22,334,208	26,534,378
Utilities	22,567,968	21,322,137	22,639,271	27,307,761	27,249,983
Building Repairs	9,389,769	11,802,215	13,739,861	13,607,641	16,986,278
Auditor of State	-	-	9,800	-	-
Equipment	26,191,137	26,719,033	25,357,947	27,291,028	37,827,641
Aid to Individuals	101,937,082	108,095,654	127,469,006	139,173,735	134,815,824
Debt Service	95,271,726	102,748,073	102,810,729	113,361,053	123,202,892
Plant Capital	281,969,821	411,740,993	303,695,737	284,553,273	360,909,280
TOTAL EXPENDITURES	\$ 1,640,462,071	\$ 1,842,303,368	\$ 1,782,934,472	\$ 1,837,061,526	\$ 2,006,758,572

University of Iowa

The budget-to-actual comparison below contains the general university and special purpose appropriated units except for the four hospital units, which are reported in a subsequent table.

University of Iowa - General Operating Fund				
FY 2012 (excludes UHC units)				
	Board Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 219,718,042	\$ 219,619,463	\$ (98,579)	100.0%
RESOURCES				
Interest	1,685,189	1,636,760	(48,429)	97.1%
Tuition and Fees	365,684,000	366,397,221	713,221	100.2%
Reimbursed Indirect Costs	49,897,327	47,973,649	(1,923,678)	96.1%
Sales and Services	2,763,099	2,514,087	(249,012)	91.0%
Other Income	4,245,000	120,162	(4,124,838)	2.8%
TOTAL REVENUES	\$ 643,992,657	\$ 638,261,342	\$ (5,731,315)	99.1%
EXPENDITURES				
Salaries	\$ 437,975,164	\$ 439,903,989	\$ 1,928,825	100.4%
Prof. /Scientific Supplies	50,684,781	40,215,585	(10,469,196)	79.3%
Library Acquisitions	16,062,000	15,866,309	(195,691)	98.8%
Rentals	3,397,401	4,212,760	815,359	124.0%
Utilities	34,860,369	35,432,308	571,939	101.6%
Building Repairs	14,173,000	15,400,048	1,227,048	108.7%
Auditor of State	605,000	565,595	(39,405)	93.5%
Equipment	10,171,942	8,737,521	(1,434,421)	85.9%
Aid to Individuals	76,063,000	80,182,770	4,119,770	105.4%
TOTAL EXPENDITURES	\$ 643,992,657	\$ 640,516,885	\$ (3,475,772)	99.5%

Actual expenditures exceeded revenues in FY 2012 due to the expenditure of advanced commitment revenues earned and reported in prior years. The Board approved revised operating budgets for SUI this summer. To submit a balanced budget, the amendment included \$4.0 million in advanced commitment funds budgeted as "other income". With the actual revenues reported in the year received, an expected budget-to-actual variance occurs in "other income". The funds were used for expenses related to the Library Student Commons project previously approved by the Board. The budget-to-actual comparisons are based on the revised budget.

Revenue Variances

- State appropriations were slightly less than budget due to a reversion for the Iowa Online Advanced Placement Academy. FY 2012 was the first year for the Academy. The appropriation was established late in the session resulting in delayed advertisement of the online courses. The University reverted \$98,579 at the end of FY 2012. In accordance with Section 8.62 of the Iowa Code, fifty percent of the reverted amount was carried forward into FY 2013 and will be used by the Academy for technology enhancements.
- Indirect cost reimbursements were \$1.9 million or 3.9% under budget. A complicating factor in projecting indirect cost recoveries has been the application of substantial, one-time federal ARRA grant awards.

Expense Variances

- Salaries comprised 68.7% of all general operating fund expenditures and were 100.4% of the salary budget.
- Professional and Scientific Supplies/Services were under budget. Many University units redirected these resources toward other non-recurring expenses such as building repairs and student aid. This resulted in these expenditure lines exceeding the budget.

The University reallocated \$5.3 million from collegiate and vice presidential units and reinvested those funds to support student success initiatives and strategic priorities. In addition, collegiate and non-collegiate units reallocated an additional \$3.2 million to fund required and performance-based salary cost increases.

The following provides a consolidated five-year history of actual revenues and expenditures from the general university and special purpose units (does not include the four hospital units). State appropriations comprised 47.3% of University operating revenues in FY 2008; these have declined to 34.4% in FY 2012.

University of Iowa - General Fund FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
University Approp. Units					
REVENUES					
General Appropriations	\$ 269,684,579	\$ 281,480,361	\$ 236,681,950	\$ 231,586,438	\$ 219,619,463
ARRA State-Stabilization			35,393,382	-	-
RESOURCES					
Interest	1,787,590	61,936	2,167,711	1,722,877	1,636,760
Tuition and Fees	252,315,603	272,263,415	299,505,345	335,272,910	366,397,221
Reimbursed Indirect Costs	43,150,431	45,363,862	50,872,224	51,844,960	47,973,649
Sales and Services	3,001,354	3,167,187	3,051,924	2,336,210	2,514,087
Other Income	286,987	211,944	185,850	124,502	120,162
TOTAL REVENUES	\$ 570,226,544	\$ 602,548,705	\$ 627,858,386	\$ 622,887,897	\$ 638,261,342
EXPENDITURES					
Salaries	\$ 418,912,211	\$ 441,562,693	\$ 438,587,243	\$ 423,332,774	\$ 439,903,989
Prof. /Scientific Supplies	36,953,256	34,956,489	35,386,816	37,101,537	40,215,585
Library Acquisitions	13,160,870	13,907,424	14,691,588	15,755,140	15,866,309
Rentals	2,103,853	2,553,763	5,919,827	3,360,269	4,212,760
Utilities	29,624,657	30,748,310	32,182,585	33,427,427	35,432,308
Building Repairs	11,252,886	14,489,609	17,238,167	25,463,722	15,400,048
Auditor of State	486,434	540,014	586,677	549,820	565,595
Equipment	9,049,763	7,825,119	11,373,671	10,298,430	8,737,521
Aid to Individuals	48,682,614	55,965,284	62,826,037	72,163,373	80,182,770
TOTAL EXPENDITURES	\$ 570,226,544	\$ 602,548,705	\$ 618,792,611	\$ 621,452,492	\$ 640,516,885

The table below contains the FY 2012 budget-to-actual consolidated comparison for UIHC, Psychiatric Hospital, Specialized Child Health Services, and the Center for Disabilities and Development. Actual revenues and expenditures for the Health Care Units exceeded the budget by 0.7%.

University of Iowa - Health Care Appropriated Units FY 2012				
	Board Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 72,170,319	\$ 70,993,368	\$ (1,176,951)	98.4%
RESOURCES				
Federal Support	3,074,743	3,148,841	74,098	102.4%
Reimbursed Indirect Costs	5,479,796	5,077,189	(402,607)	92.7%
Sales and Services	892,954,188	891,360,602	(1,593,586)	99.8%
Other Income	2,088,988	11,883,189	9,794,201	568.8%
TOTAL REVENUES	\$ 975,768,034	\$ 982,463,189	\$ 6,695,155	100.7%
EXPENDITURES				
Salaries	\$ 642,603,796	\$ 627,352,532	\$ (15,251,264)	97.6%
Prof. /Scientific Supplies	298,829,218	322,135,680	23,306,462	107.8%
Rentals	5,539,409	4,260,948	(1,278,461)	76.9%
Utilities	28,795,611	28,512,198	(283,413)	99.0%
TOTAL EXPENDITURES	\$ 975,768,034	\$ 982,261,358	\$ 6,493,324	100.7%

Revenue Variances

- In addition to the \$27.3 million of appropriated funds authorized in FY 2012 to support the IowaCare program, the General Assembly approved supplemental funding for additional support services provided to IowaCare patients. A timing difference in the provision of patient services compared to the corresponding cash receipts resulted in a budget-to-actual variance of \$1.2 million in the supplemental IowaCare appropriation.
- UIHC experienced volume increases beyond budget levels in admissions, acute patient days, surgical procedures, and emergency treatment center visits. While patient volumes were generally higher than budget, actual patient revenue was slightly below (0.2%) the sales and services budget.
- Other income significantly exceeded the budget primarily from Meaningful Use funds of \$9.4 million received in FY 2012. These funds are associated with new incentives provided by Medicare and Medicaid for use of the electronic health records in the care of patients.

Expense Variances

- In FY 2012, a concerted effort to monitor and manage labor costs was utilized to minimize the need for additional staffing costs while providing safe and high quality patient care services. All new position and vacancy hire requests were reviewed by a Hiring Board. These efforts resulted in labor costs being less than the budget.
- Increased patient volumes reflected in higher patient admissions and surgical volumes resulted in greater use of patient care related medical supplies and services. Increased supply use of medical implants, robotic surgery supplies and drugs contributed to the variance over budget.

The following provides a consolidated five-year history of actual revenues and expenditures from the four hospital units.

University of Iowa - Health Care Units					
FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
General Appropriations	\$ 55,417,370	\$ 66,763,498	\$ 59,852,785	\$ 79,159,331	\$70,993,368
Federal Support	869,003	905,363	712,900	1,774,990	3,148,841
Reimbursed Indirect Costs	3,937,027	4,976,423	5,301,879	5,453,806	5,077,189
Sales and Services	728,365,734	793,364,878	763,845,872	813,404,161	891,360,602
Other Income	1,644,724	1,198,442	764,759	2,019,494	11,883,189
TOTAL REVENUES	\$ 790,233,858	\$ 867,208,604	\$ 830,478,195	\$ 901,811,782	\$ 982,463,189
EXPENDITURES					
Salaries	\$ 505,642,104	\$ 567,287,610	\$ 546,527,163	\$ 572,396,446	\$627,352,532
Prof. /Scientific Supplies	257,818,806	268,533,335	253,798,794	297,593,749	322,135,680
Rentals	5,414,105	6,102,577	5,493,726	6,352,795	4,260,948
Utilities	22,006,349	24,202,456	24,767,378	25,805,003	28,512,198
Building Repairs	17,730	-	-	-	-
Equipment	8,190	-	8,124	24,480	-
TOTAL EXPENDITURES	\$ 790,907,284	\$ 866,125,978	\$ 830,595,185	\$ 902,172,473	\$ 982,261,358

UNIVERSITY OF IOWA ATHLETICS

	FY 2012 Budget	FY 2012 Actuals	Variance
<u>INCOME:</u>			
Men's Sports			
Football	\$20,879,309	\$ 21,824,362	\$ 945,053
Basketball	2,602,243	2,550,266	(51,977)
Wrestling	425,000	479,270	54,270
All Other	12,000	14,328	2,328
Total Men's Sports	\$ 23,918,552	\$ 24,868,226	\$ 949,674
Women's Sports			
Basketball	\$ 185,000	\$ 169,829	\$ (15,171)
Volleyball	13,000	13,958	958
All Other	13,000	12,646	(354)
Total Women's Sports	\$ 211,000	\$ 196,433	\$ (14,567)
Other Income			
Facility Debt Service/Student Fees	\$ 500,000	\$ 543,574	\$ 43,574
Learfield Multi Media Contract Income	5,407,000	5,374,600	(32,400)
Athletic Conference	22,844,000	23,795,775	951,775
Interest	500,000	371,219	(128,781)
Foundation Support	8,614,664	7,152,407	(1,462,257)
Foundation Premium Seat Revenue	7,700,000	7,926,439	226,439
Novelties--Bookstore	3,000,000	3,762,889	762,889
General Income	2,247,500	2,813,558	566,058
Total Other Income	\$ 50,813,164	\$ 51,740,461	\$ 927,297
TOTAL INCOME	\$ 74,942,716	\$ 76,805,120	\$ 1,862,404
<u>EXPENSES:</u>			
Men's Sports			
Football	\$16,437,772	\$ 16,534,656	\$ 96,884
Basketball	5,123,290	5,275,489	152,199
Wrestling	1,126,937	1,105,291	(21,646)
Other Sports	4,039,707	4,096,459	56,752
Total Men's Sports	\$26,727,706	\$ 27,011,895	\$ 284,189
Women's Sports			
Basketball	\$3,205,034	\$ 3,354,595	\$ 149,561
Volleyball	1,151,326	1,170,302	18,976
Other Sports	7,801,245	7,779,729	(21,516)
Total Women's Sports	\$ 12,157,605	\$ 12,304,626	\$ 147,021
Other Expenses			
Training Services	\$1,563,072	\$ 1,581,585	\$ 18,513
Sports Information	691,951	754,657	62,706
Admin. & General Expenses	10,839,656	11,300,654	460,998
Facility Debt Service	11,736,734	11,736,733	(1)
Transfer for New Facility Costs & Reserves	1,000,000	1,000,000	-
Academic & Counseling	1,730,688	1,598,402	(132,286)
Buildings & Grounds	8,495,304	9,516,568	1,021,264
Total Other Expenses	\$ 36,057,405	\$ 37,488,599	\$ 1,431,194
TOTAL EXPENSE	\$ 74,942,716	\$ 76,805,120	\$ 1,862,404

The following describes the budget-to-actual revenue and expense variances for SUI Athletics as shown on the previous page.

Revenue Variances

- Football revenue was above budget due to additional revenue from ticket sales, parking, and handling fees.
- Athletic conference revenues were higher than projected resulting from additional Men's Basketball Conference Gate Sharing and Conference Tournament, football bowl, and television distributions.
- Performance from other revenue streams enabled foundation support to be less than budgeted.
- Licensing revenue was greater than projected due to increased novelty and apparel sales.
- General income exceeded the budget due to the new agreement for Herky's Locker Room (merchandise and apparel), and higher concession and seat back sales.

Expense Variances

- Administrative expenses were above budget because of higher postseason and administrative travel, rent for Herky's Locker Room, and higher salary costs.
- Building and Grounds expenses were higher than projected due to higher utilities, maintenance, and custodial costs associated with the first-year occupancy of the renovated Carver Hawkeye Arena. Also, Kinnick Stadium utilities and maintenance costs were greater than expected.

The following provides a 5-year history of actual revenues and expenditures for SUI Athletics. Athletics is fully self-supporting and has not received general university support during the five-year period.

University of Iowa Athletics FY 2008-FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues					
Sports Income	\$ 20,787,018	\$ 22,291,981	\$ 22,362,821	\$ 23,696,710	\$ 25,064,659
Alumni / Foundation / Corp Support / Sponsorship	11,955,735	13,322,998	13,135,009	13,868,807	15,078,846
Athletic Conference / NCAA Support	18,781,140	19,145,182	20,019,049	21,967,980	23,795,775
Student Fees	1,487,795	525,941	525,707	564,680	543,574
Other Income	10,159,640	10,051,456	10,739,480	11,481,810	12,322,266
Total Income	\$ 63,171,328	\$ 65,337,558	\$ 66,782,066	\$ 71,579,987	\$ 76,805,120
Expenses					
Men's Sports	\$ 21,897,146	\$ 23,757,103	\$ 25,164,180	\$ 25,776,573	\$ 27,011,895
Women's Sports	10,224,129	10,680,382	10,624,206	11,487,092	12,304,626
Other Expenses	30,682,753	30,900,073	30,993,680	34,316,322	37,488,599
Total Expenses	\$ 62,804,028	\$ 65,337,558	\$ 66,782,066	\$ 71,579,987	\$ 76,805,120

University of Iowa Residence System - FY 2012				
	Budget	Actual	Variance Over/(Under)	Percent
Revenues	\$63,108,956	\$64,390,761	\$1,281,805	102.0%
Expenditures	49,140,441	48,295,519	(\$844,922)	98.3%
Debt Service	4,716,930	4,703,627	(\$13,303)	99.7%
Mandatory Transfers	600,000	600,000	-	100.0%
Net Revenues	8,651,585	10,791,615	\$2,140,030	124.7%
Net Revenues as % of Gross Revenue	13.7%	16.8%		

Revenues from the SUI Residence System were 102% of budget. Contract residence hall room and board revenues exceeded the budget due to increased demand resulting from the large first-year class size for Fall 2011. Other income was also over budget due to high non-contract food sales in the retail and catering areas that transitioned into the Residence System during FY 2012.

Total expenditures were approximately \$0.8 million (1.7%) under budget. Savings in utility costs from reduced gas, steam, and electricity during the winter and lower than projected snow removal, data services, and telecommunication costs contributed to the expense reductions.

University of Iowa - Residence System FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$ 45,109,482	\$ 46,437,517	\$ 49,470,939	\$ 53,622,260	\$ 64,390,761
Expenditures for Operations	30,870,381	34,194,597	34,899,205	37,808,037	48,295,519
Debt Service and Mandatory Transfers	5,568,395	5,577,426	5,603,144	5,388,061	5,303,627
Net Revenues after Debt Service and Mandatory Transfers	\$ 8,670,706	\$ 6,665,494	\$ 8,968,590	\$ 10,426,162	\$ 10,791,615
Net Revenues as % of Gross Revenue	19.2%	14.4%	18.1%	19.4%	16.8%

The residence system annual report is available in the Board Office and provides information on various aspects of the University of Iowa residence system for FY 2012. The report includes enrollment data, residence hall and apartment utilization, and financial information. The annual report also contains Fall 2012 enrollment and occupancy information. The table below reflects a larger Fall 2012 lower division student enrollment and total student occupancy compared to Fall 2011. The University continues to lease two off-campus properties to address the increased demand for student housing.

University of Iowa Residence System				
	Fall 2011	Fall 2012	Change	% Change
Total University Enrollment	31,181	31,498	317	1.0%
Lower Division	10,271	10,390	119	1.2%
Lower Div as % of Total	32.9%	33.0%		
Total Occupancy	6,501	6,566	65	1.0%
Occupancy as a % of Enrollment	20.8%	20.8%		

In March 2012, the Board approved the financing plan and budget for a new West Campus Residence Hall Campus to house approximately 500 students. The first of two series of bonds for the project was sold in August 2012. The University currently projects construction to be ready for occupancy in Fall 2015.

The principal outstanding on dormitory revenue bonds for SUI as of June 30, 2012, was \$38.0 million (excludes July 1 principal payment). The Voluntary Reserve Fund balance totaled \$13.3 million at year end.

Iowa State University

The budget-to-actual comparison below contains revenue and expenditure data for the general university and all special purpose appropriated units.

Iowa State University - General Operating Fund FY 2012				
	Board Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 216,625,997	\$ 216,625,997	\$ -	100.0%
RESOURCES				
Federal Support	13,700,000	13,700,000	-	100.0%
Interest	140,000	96,920	(43,080)	69.2%
Tuition and Fees	294,377,470	294,606,623	229,153	100.1%
Reimbursed Indirect Costs	20,630,000	19,979,951	(650,049)	96.8%
Other Income	1,328,000	1,471,706	143,706	110.8%
TOTAL REVENUES	\$ 546,801,467	\$ 546,481,197	\$ (320,270)	99.9%
EXPENDITURES				
Salaries	\$ 368,051,255	\$ 366,115,250	\$ (1,936,005)	99.5%
Prof. /Scientific Supplies	54,335,062	35,408,899	(18,926,163)	65.2%
Library Acquisitions	10,415,000	11,364,211	949,211	109.1%
Rentals	1,674,000	1,444,841	(229,159)	86.3%
Utilities	25,381,000	26,569,097	1,188,097	104.7%
Building Repairs	10,200,000	28,163,139	17,963,139	276.1%
Auditor of State	525,150	412,423	(112,727)	78.5%
Equipment	3,325,000	5,509,651	2,184,651	165.7%
Aid to Individuals	72,895,000	71,111,750	(1,783,250)	97.6%
TOTAL EXPENDITURES	\$ 546,801,467	\$ 546,099,261	\$ (702,206)	99.9%

The Board approved revised FY 2012 operating budgets for ISU this summer. The amended budget projected additional tuition revenue of \$10.2 million and indirect cost reimbursements of \$1.0 million. Actual operating revenues and expenses were 99.9% of the amended budget.

A record enrollment in FY 2012 resulted in tuition revenue slightly exceeding the amended budget by \$0.2 million. Actual indirect cost reimbursements of \$20.0 million were 3.2% less than the budget.

Salary and related benefits were within 1% of the budget with slight, but offsetting, variances between faculty, professional and scientific staff, and general service staff salary costs. Budgeted purchases of professional and scientific supplies were redirected to on-going campus flood repairs resulting in building repairs exceeding the budget.

The following provides a consolidated five-year history of actual revenues and expenditures from the general university and all special purpose units. State appropriations comprised 54.2% of operating revenues in FY 2008; they were 39.6% of revenues in FY 2012.

Iowa State University - General Fund FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
General Appropriations	\$ 267,358,107	\$ 276,483,151	\$ 231,209,458	\$ 228,133,348	\$ 216,625,997
ARRA-State Stabilization			31,595,952		
RESOURCES					
Federal Support	12,828,617	12,828,617	12,828,617	13,709,264	13,700,000
Interest	2,056,558	1,301,018	67,021	169,105	96,920
Tuition and Fees	191,094,747	211,130,075	233,832,393	263,927,004	294,606,623
Reimbursed Indirect Costs	18,174,171	16,804,534	18,741,253	20,536,852	19,979,951
Other Income	1,656,972	2,239,390	2,405,535	1,393,247	1,471,706
TOTAL REVENUES	\$ 493,169,172	\$ 520,786,785	\$ 530,680,229	\$ 527,868,820	\$ 546,481,197
EXPENDITURES					
Salaries	\$ 346,245,077	\$ 369,387,807	\$ 360,260,250	\$ 357,445,034	\$ 366,115,250
Prof. /Scientific Supplies	34,426,124	40,857,434	37,924,392	37,645,935	35,408,899
Library Acquisitions	9,397,518	12,493,675	8,901,193	12,269,146	11,364,211
Rentals	1,353,289	1,649,521	1,524,447	1,556,130	1,444,841
Utilities	24,824,022	23,496,951	24,913,351	25,802,929	26,569,097
Building Repairs	13,710,926	14,347,995	13,502,270	34,866,046	28,163,139
Auditor of State	426,040	469,224	442,769	423,804	412,423
Equipment	5,141,081	3,512,242	7,779,668	4,164,335	5,509,651
Aid to Individuals	47,099,253	53,769,249	57,073,187	63,823,890	71,111,750
TOTAL EXPENDITURES	\$ 482,623,330	\$ 519,984,098	\$ 512,321,527	\$ 537,997,249	\$ 546,099,261

IOWA STATE UNIVERSITY ATHLETICS

<u>INCOME</u>	<u>FY 2012 Budget</u>	<u>FY 2012 Actuals</u>	<u>Variance</u>
Sports:			
Football	\$ 8,557,074	\$ 9,556,820	\$ 999,746
Men's Basketball	2,325,000	2,656,849	331,849
Women's Basketball	550,000	526,444	(23,556)
Wrestling	110,000	133,806	23,806
Other Sports	205,000	283,521	78,521
Subtotal	\$ 11,747,074	\$ 13,157,440	\$ 1,410,366
Other Income			
Big Twelve Conference/NCAA	\$ 16,038,434	\$ 21,060,168	\$ 5,021,734
Post-Season Revenue	1,400,000	1,781,904	381,904
Fundraising	8,156,066	5,021,501	(3,134,565)
Multi-Media Rights	3,344,725	3,349,225	4,500
Student Fees	1,640,000	1,721,450	81,450
Game Guarantees	275,000	361,000	86,000
Auxillary Revenue	1,195,000	1,444,019	249,019
Investment Income	107,606	121,020	13,414
ISU Licensing	514,206	646,319	132,113
Other Revenue	1,696,200	1,937,299	241,099
Subtotal	\$ 34,367,237	\$ 37,443,905	\$ 3,076,668
TOTAL INCOME	\$ 46,114,311	\$ 50,601,345	\$ 4,487,034
EXPENSES			
Sports Operations			
Football	\$ 2,912,327	\$ 3,163,729	\$ 251,402
Men's Basketball	1,389,000	1,430,205	41,205
Women's Basketball	706,750	736,757	30,007
Wrestling	215,480	210,385	(5,095)
Other Sports	1,717,439	1,861,302	143,863
Subtotal	\$ 6,940,996	\$ 7,402,378	\$ 461,382
Sports Program Support Units:			
Medical	\$ 550,000	\$ 501,202	\$ (48,798)
Video Operations	223,400	244,379	20,979
Athletic Training	213,220	224,512	11,292
Academic Services	184,990	273,006	88,016
Other	227,265	239,106	11,841
Subtotal	\$ 1,398,875	\$ 1,482,205	\$ 83,330
Internal Operations:			
Administration	\$ 464,530	\$ 605,771	\$ 141,241
Big 12 Expenses	1,433,654	1,680,000	246,346
Information Technology	276,000	274,528	(1,472)
Other	347,196	271,374	(75,822)
Subtotal	\$ 2,521,380	\$ 2,831,673	\$ 310,293
Salaries & Benefits	\$ 16,910,625	\$ 16,808,696	\$ (101,929)
Scholarships	5,843,039	5,393,899	(449,140)
External Operations	1,374,063	1,503,353	129,290
Facilities & Events	4,100,000	4,317,806	217,806
Postseason	1,890,000	2,423,601	533,601
Debt Service	3,435,723	7,047,809	3,612,086
Capital Projects	1,827,550	1,329,525	(498,025)
Coaching Change	(200,000)	-	200,000
TOTAL EXPENSES	\$ 46,042,251	\$ 50,540,945	\$ 4,498,694

The following summarizes the significant budget-to-actual revenue and expense variances for ISU Athletics as shown on the previous page.

Revenue Variances

- Record attendance at football games resulted in ticket sales exceeding the budget.
- Conference realignment and new television contracts resulted in conference and NCAA revenue exceeding the budget.
- Increases in Conference and other revenues resulted in less fundraising support needed from the Cyclone Club.
- Other revenue exceeded the budget resulting from the Presidential straw poll held at Hilton Coliseum in August 2011.
- Postseason revenue and expenses were more than the budget resulting from participation in the Pinstripe Bowl.

Expense Variances

- Sports Operations expenses were higher than budget from additional allowable NCAA expenses primarily related to meals and lodging.
- Costs associated with the Big 12 Conference commissioner search and marketing strategies resulted in Internal Operation expenses exceeding the budget.
- Scholarship costs were under budget due a higher resident to nonresident mix of scholarships awarded during the year.
- The early retirement of debt from Jack Trice Stadium – East Concourse project and the Hilton Scoreboard resulted in debt service costs in excess of budget. In addition and as previously reported with the FY 2013 budget, FY 2012 actuals include the debt service funded by major gifts from donors previously part of the ISU Foundation and now reflected in athletics.
- The timing of the completion of capital projects resulted in the expenses being under budget.

The following provides a five-year summary of ISU Athletics' revenues and expenditures. In accordance with the general university support for Athletics reduction plan presented to the Board in March 2010, ISU Athletics was self-supporting and received no general university support in FY 2012.

Iowa State University Athletics					
FY 2008 - FY 2012					
	FY 2008	*FY 2009	FY 2010	FY 2011	FY 2012
Revenues					
Sports Income	\$ 13,320,217	\$ 11,846,824	\$ 11,510,957	\$ 11,820,168	\$ 13,157,439
Alumni / Foundation / Corp Support / Sponsorship	6,844,118	8,819,526	9,608,746	9,430,103	8,370,726
Athletic Conference / NCAA Support	8,819,450	10,428,104	11,511,505	13,409,778	22,842,072
General University Support	2,953,733	3,604,793	1,612,923	1,599,423	-
Student Fees	1,098,035	1,197,018	1,182,648	1,233,698	1,721,450
Other Income	2,509,827	3,838,522	4,860,442	4,950,874	4,509,657
Total Revenues	\$ 35,545,380	\$ 39,734,787	\$ 40,287,221	\$ 42,444,044	\$ 50,601,344
Expenses					
Sports Operations	\$ 5,731,702	\$ 6,393,368	\$ 6,115,553	\$ 7,029,198	\$ 7,402,378
Non-Sport Operations	7,147,722	7,971,943	8,277,360	8,972,610	10,135,037
Scholarships	5,404,874	6,045,549	5,940,717	6,698,901	5,393,899
Other Expenses	17,169,873	19,298,151	19,750,383	19,648,589	27,609,631
Total Expenses	\$ 35,454,171	\$ 39,709,011	\$ 40,084,013	\$ 42,349,298	\$ 50,540,945

*Athletics assumed management of Hilton Coliseum beginning in FY 2009

Iowa State University Residence System - FY 2012				
	Budget	Actual	Variance Over/(Under)	Percent
Revenues	\$82,379,287	\$84,478,305	\$2,099,018	102.5%
Expenditures	58,593,003	59,290,134	\$697,131	101.2%
Debt Service	10,872,042	10,411,183	(460,859.00)	95.8%
Mandatory Transfers	500,000	500,000	-	100.0%
Net Revenues	12,414,242	14,276,988	\$1,862,746	115.0%
Net Revenues as % of Gross Revenue	15.1%	16.9%		

ISU residence system revenues exceeded the budget by \$2.1 million due to higher room and board contract revenue from increased occupancy and other revenue received from the Odyssey of the Mind World Finals hosted by ISU in late May 2012.

Expenditures were \$0.7 million over budget due to additional expenditures for food resulting from higher occupancy and greater sales at retail food locations. Maintenance and repair costs also exceeded the budget due to large expense items including HVAC and roof repairs, tuckpointing, and painting. These expense increases were partially offset by savings in salary and utility costs. Net revenues were significantly higher in FY 2012 than the previous four years.

Iowa State University - Residence System FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$ 66,178,786	\$ 71,884,662	\$ 72,795,895	\$ 77,385,073	\$ 84,478,305
Expenditures for Operations	46,094,142	49,721,330	49,968,320	54,416,611	59,290,134
Debt Service and Mandatory Transfers	10,768,360	11,166,307	11,261,339	11,213,229	10,911,183
Net Revenues after Debt Service and Mandatory Transfers	\$ 9,316,284	\$ 10,997,025	\$ 11,566,236	\$ 11,755,233	\$ 14,276,988
Net Revenues as % of Gross Revenue	14.1%	15.3%	15.9%	15.2%	16.9%

The residence system annual report is available in the Board Office and provides information on various aspects of Iowa State University's residence system for FY 2012 including enrollment data, residence hall and apartment utilization, and financial information. The annual report also contains Fall 2012 enrollment and occupancy information. ISU has enjoyed record freshmen enrollments with occupancy increasing at a rate higher than enrollment. Housing demand is expected to exceed capacity in the foreseeable future, resulting in facility expansion considerations (see Agenda Item 12).

Iowa State University Residence System				
	Fall 2011	Fall 2012	Change	% Change
Total University Enrollment	29,887	31,040	1,153	3.9%
Lower Division	11,027	11,712	685	6.2%
Lower Div as % of Total	36.9%	37.7%		
Total Occupancy	9,976	10,426	450	4.5%
Total Occupancy % of Enrollment	33.4%	33.6%		

The principal outstanding on dormitory revenue bonds for ISU as of June 30, 2012, was \$112.9 million (excludes July 1 principal payment). The Voluntary Reserve Fund balance totaled \$33.3 million at year end.

University of Northern Iowa

The following compares the FY 2012 general fund approved budget with the actual revenue and expenditure transactions for all appropriated units.

University of Northern Iowa - General Operating Fund FY 2012				
	Board Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 77,344,516	\$ 77,344,516	\$ -	100.0%
RESOURCES				
Interest	821,000	781,121	(39,879)	95.1%
Tuition and Fees	80,679,859	80,559,549	(120,310)	99.9%
Reimbursed Indirect Costs	2,068,884	2,173,084	104,200	105.0%
Sales and Services	520,000	442,983	(77,017)	85.2%
Other Income	3,636,614		(3,636,614)	0.0%
TOTAL REVENUES	\$ 165,070,873	\$ 161,301,253	\$ (3,769,620)	97.7%
EXPENDITURES				
Salaries	\$ 127,227,084	\$ 125,009,541	\$ (2,217,543)	98.3%
Prof. /Scientific Supplies	13,088,887	11,970,054	(1,118,833)	91.5%
Library Acquisitions	1,992,009	2,082,474	90,465	104.5%
Rentals	822,421	822,421	-	100.0%
Utilities	5,414,000	4,937,753	(476,247)	91.2%
Building Repairs	1,200,000	1,881,459	681,459	156.8%
Auditor of State	255,000	243,089	(11,911)	95.3%
Equipment	484,242	944,222	459,980	195.0%
Aid to Individuals	14,587,230	14,880,271	293,041	102.0%
TOTAL EXPENDITURES	\$ 165,070,873	\$ 162,771,284	\$ (2,299,589)	98.6%

The Board approved revised FY 2012 operating budgets for UNI earlier this summer. The budget amendment decreased projected tuition revenues by approximately \$1.4 million due to smaller than projected enrollments. The amended budget also included small adjustments to interest income and indirect cost reimbursements. The budget-to-actual comparisons are based on the revised budget.

To submit a balanced budget, the budget revision also included \$3.6 million in advanced commitment funds budgeted as "other income". With the actual revenues reported in the year received, an expected budget-to-actual variance occurs in "other income". These one-time funds were dedicated to offset a portion of a net revenue shortfall and to support core operational needs, adjunct instructors, seed funding for grants, the student information system project, bridge funding to facilitate permanent divisional cuts, and student recruitment strategies.

With the exception of expected variance advanced commitment funds (other income), all other revenue streams were comparable to the projections reflected in the budget.

Expense Variances

- Salary costs were slightly under budget primarily from unfilled positions and Price Laboratory School program reductions during May and June.
- Savings in the professional/scientific supplies and services budget line were reallocated to support additional needs in building repairs and equipment.
- Building repairs exceeded the budget due to HVAC upgrades in multiple buildings, a turbine generator overhaul, and classroom/corridor improvements in Seerley Hall.

The following provides a consolidated five-year history of actual revenues and expenditures from the general university and all special purpose units. Reflective of UNI's reliance on state funding for operations, appropriations comprised 58% of operating revenues in FY 2008; they were 48% of revenue in FY 2012. Total operating revenues for each of the two years were approximately \$161 million.

University of Northern Iowa - General Fund FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
General Appropriations	\$ 93,775,731	\$ 100,693,508	\$ 84,463,016	\$ 81,728,481	\$ 77,344,516
ARRA-State Stabilization			12,376,464		
RESOURCES					
Interest	826,354	446,117	814,277	690,413	781,121
Tuition and Fees	63,896,246	66,813,811	71,394,270	76,902,918	80,559,549
Reimbursed Indirect Costs	2,053,211	2,301,699	2,391,577	2,256,214	2,173,084
Sales and Services	612,073	483,641	497,309	481,989	442,983
TOTAL REVENUES	\$ 161,163,615	\$ 170,738,776	\$ 171,936,913	\$ 162,060,015	\$ 161,301,253
EXPENDITURES					
Salaries	\$ 121,926,676	\$ 127,374,663	\$ 122,128,989	\$ 123,327,890	\$ 125,009,541
Prof. /Scientific Supplies	12,531,475	17,662,591	18,550,815	15,745,831	11,970,054
Library Acquisitions	2,135,031	2,243,484	2,058,168	1,979,522	2,082,474
Rentals	989,156	1,020,507	895,437	908,337	822,421
Utilities	4,831,652	4,991,469	5,260,673	5,283,923	4,937,753
Building Repairs	3,362,647	1,409,733	3,085,584	3,727,283	1,881,459
Auditor of State	224,599	313,916	222,355	243,397	243,089
Equipment	1,175,100	1,152,375	1,788,791	950,180	944,222
Aid to Individuals	11,422,120	12,142,253	13,719,529	14,463,128	14,880,271
TOTAL EXPENDITURES	\$ 158,598,456	\$ 168,310,991	\$ 167,710,341	\$ 166,629,491	\$ 162,771,284

UNIVERSITY OF NORTHERN IOWA ATHLETICS

<u>INCOME</u>	FY 2012 Budget	FY 2012 Actuals	Variance
Sports:			
Football	\$990,500	\$ 961,664	\$ (28,836)
Men's Basketball	992,950	552,483	(440,467)
Men - All Other Sports	45,200	65,082	19,882
Women - All Sports	105,200	164,219	59,019
Subtotal - Sports	\$ 2,133,850	\$ 1,743,448	\$ (390,402)
Other Income:			
Student Activity Fees	\$ 1,468,393	\$ 1,468,392	\$ (1)
General University Support			
General Support	3,055,200	3,039,545	(15,655)
Scholarship Support	1,283,481	1,283,481	-
Alumni/Foundation Support	1,300,000	1,880,754	580,754
Athletic Marketing	1,081,000	1,072,963	(8,037)
Athletic Conf/NCAA Support	650,000	896,969	246,969
Novelties-Outings	175,000	281,395	106,395
Miscellaneous	342,200	577,470	235,270
Subtotal - Other	9,355,274	10,500,969	1,145,695
TOTAL INCOME	\$ 11,489,124	\$ 12,244,417	\$ 755,293
EXPENSES			
Men's Sports:			
Football	\$ 2,700,511	\$ 2,799,848	\$ 99,337
Basketball	1,721,617	1,964,063	242,446
All Other Men's Sports	1,021,134	1,144,516	123,382
Subtotal - Men's Sports	\$ 5,443,262	\$ 5,908,427	\$ 465,165
Women's Sports:			
Basketball	\$ 864,762	\$ 1,015,630	\$ 150,868
Volleyball	667,028	743,437	76,409
All Other	2,025,334	2,158,764	133,430
Subtotal - Women's Sports	\$ 3,557,124	\$ 3,917,831	\$ 360,707
Other Expenses:			
Athletic Training	\$ 226,414	\$ 143,990	\$ (82,424)
Administration & General	1,972,913	1,967,401	(5,512)
Athletic Marketing	214,411	246,917	32,506
Contingency	75,000	-	(75,000)
Subtotal - Other Expenses	\$ 2,488,738	\$ 2,358,308	\$ (130,430)
TOTAL EXPENSE	\$ 11,489,124	\$ 12,184,566	\$ 695,442

The following describes the budget-to-actual revenue and expense variances for UNI Athletics as shown on the previous page.

Revenue Variances

- Missouri Valley Conference revenue distributions were reflected as men's basketball revenue in the original budget. The revenue applies to all sports and is now classified as Athletic Conference/NCAA Support. This resulted in men's basketball revenues being less than the budget and Athletic Conference revenues exceeding the budget.
- Funds in excess of budget were drawn from the Foundation to support travel cost and mid-year operating cost increases.
- Novelties exceeded the budget due to increased sales and royalties.
- Miscellaneous revenue exceeded the budget due to hosting special one-time events.

Expense Variances

- Men's Basketball and Other Men's Sports' travel costs exceeded the budget due to post-season travel.
- Women's Basketball post-season and regular season travel costs were greater than anticipated in the original budget. In addition, operating costs for Other Women's Sports were also higher than projected.
- A contingency expense account was budgeted for athletics with actual expenses being reported in the appropriate expense category.

The following provides a consolidated five-year history of actual revenues and expenditures for UNI Athletics. In accordance with the general university support for Athletics reduction plan presented to the Board in March 2010, University support for athletics was approximately \$1 million less in FY 2012 than in FY 2008.

University of Northern Iowa Athletics FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues					
Sports Income	\$ 2,132,457	\$ 2,556,215	\$ 2,296,587	\$ 2,175,394	\$ 1,743,448
Alumni / Foundation / Corp Support / Sponsorship	1,610,762	2,239,783	2,280,349	2,313,857	2,953,717
Athletic Conference / NCAA Support	533,941	597,553	641,630	682,641	896,969
General University Support	5,354,845	5,231,210	4,449,174	4,559,447	4,323,026
Student Fees	1,210,148	1,209,614	1,212,518	1,263,343	1,468,392
Other Income	276,535	338,378	749,300	623,651	858,865
Total Revenues	\$ 11,118,688	\$ 12,172,753	\$ 11,629,558	\$ 11,618,333	\$ 12,244,417
Expenses					
Men's Sports	\$ 5,039,491	\$ 5,749,288	\$ 5,400,066	\$ 5,530,894	\$ 5,908,427
Women's Sports	3,466,215	3,288,418	3,422,237	3,602,138	3,917,831
Other Expenses	2,465,379	3,043,858	2,764,770	2,482,927	2,358,308
Total Expenses	\$ 10,971,085	\$ 12,081,564	\$ 11,587,073	\$ 11,615,959	\$ 12,184,566

University of Northern Iowa Residence System - FY 2012				
	Budget	Actual	Variance Over/(Under)	Percent
Revenues	\$37,675,032	\$38,561,780	\$886,748	102.4%
Expenditures	27,226,376	25,825,875	(\$1,400,501)	94.9%
Debt Service	5,772,924	4,839,001	(933,923)	83.8%
Mandatory Transfers	330,000	330,000	-	100.0%
Net Revenues	4,345,732	7,566,904	\$3,221,172	174.1%
Net Revenues as % of Gross Revenue	11.5%	19.6%		

The UNI Residence System's total operating revenues were \$0.9 million higher than the budget largely due to higher than expected single student housing contracts from greater retention of returning students.

While revenues for the Residence System exceeded budget, total expenditures for the system were \$1.4 million less than the budget. Revenues exceeded the budget due to greater retention of students living in the residence halls, higher catering revenue, and interest income primarily from bond proceeds received but not yet expended. Administrative costs were under budget due to salary and fringe savings, and a contingency budget that was not used. Debt service was less than budget due to the issuance of refunding bonds at a lower interest rate, and the true interest costs of the December 2011 bond sale were 1.1% less than budgeted.

As expected, net revenues after debt service and mandatory transfers declined slightly beginning in FY 2011 after several years of positive growth as shown in the five-year history below. The decline results from debt service payments for the Panther Village apartment project.

University of Northern Iowa - Residence System FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$32,181,568	\$35,645,340	\$36,308,224	\$37,083,719	\$38,561,780
Expenditures for Operations	24,102,082	25,211,051	24,860,280	24,865,282	25,825,875
Debt Service and Mandatory Transfers	3,620,449	3,615,136	3,610,804	4,647,379	5,169,001
Net Revenues after Debt Serv/Mand Transfers	\$ 4,459,037	\$ 6,819,153	\$ 7,837,140	\$ 7,571,058	\$ 7,566,904
Net Revenues as % of Gross Revenue	13.9%	19.1%	21.6%	20.4%	19.6%

The residence system annual report is available in the Board Office and provides enrollment data, residence hall and apartment occupancy, and financial information. The annual report also contains Fall 2012 enrollment and occupancy information. Fall 2012 occupancy in the Residence System is down 5.4% from Fall 2011 and total enrollment has declined 6.8% during the same time period.

University of Northern Iowa Residence System				
	Fall 2011	Fall 2012	Change	% Change
Total University Enrollment	13,168	12,273	-895	-6.8%
Lower Division	4,601	4,187	-414	-9.0%
Lower Div as % of Total	34.94%	34.12%		
Total Occupancy	4,359	4,123	-236	-5.4%
Occupancy as a % of Enrollment	33.1%	33.6%		

The principal outstanding of revenue bond obligations for the UNI residence system as of June 30, 2012, was \$67.0 million (excludes July 1 principal payment). The Voluntary Reserve Fund balance totaled \$15.1 million at year end.

Iowa School for the Deaf

The following compares the FY 2012 general fund approved budget with actual revenue and expenditure transactions. Total revenues and expenses were 99.8% of the budget.

Iowa School for the Deaf - General Fund FY 2012				
	Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 8,679,964	\$ 8,679,964	\$ -	100.0%
Other	77,175	77,175	-	100.0%
RESOURCES				
Federal Support	54,000	58,834	4,834	109.0%
Interest	15,000	156	(14,844)	1.0%
Sales and Services	333,274	325,238	(8,036)	97.6%
Other Income	11,916	11,916	-	100.0%
TOTAL REVENUES	\$ 9,171,329	\$ 9,153,283	\$ (18,046)	99.8%
EXPENDITURES				
Salaries	\$ 7,512,924	\$ 7,585,092	\$ 72,168	101.0%
Prof. /Scientific Supplies	1,040,521	1,025,404	(15,117)	98.5%
Library Acquisitions	8,226	5,912	(2,314)	71.9%
Utilities	350,520	245,027	(105,493)	69.9%
Building Repairs	156,442	254,074	97,632	162.4%
Auditor of State	35,000	28,667	(6,333)	81.9%
Equipment	67,696	9,107	(58,589)	13.5%
TOTAL EXPENDITURES	\$ 9,171,329	\$ 9,153,283	\$ (18,046)	99.8%

While total general fund revenues and expenditures were consistent with the budget, line item variance explanations are provided below.

Variance

- Interest income was less than budgeted due to lower interest rates on investments.
- Utility expenses were under budget due to a mild heating season and the installation of a new, steam generated, high efficiency boiler.
- Funds redistributed from utilities to building repairs were used for HVAC repairs, asbestos abatement, Boys Dormitory improvements, and fire safety projects.
- Expenses paid to the State Auditor were less than the original cost estimate.
- Equipment was under budget due to the deferral of vehicle purchases until FY 2013.

The following provides a five-year history of general operating revenues and expenditures. State appropriations continued their decline in FY 2012; they comprised 95.6% of total operating revenues, and were approximately \$1.4 million less than FY 2009 funding levels.

Iowa School for the Deaf - General Fund FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
General	\$ 9,689,607	\$ 9,974,495	\$ 9,263,866	\$ 9,075,944	\$ 8,679,964
Other	173,735	180,687	75,680	77,321	77,175
ARRA-State Stabilization			583,987		
RESOURCES					
Federal Support	43,235	43,534	53,117	57,711	58,834
Interest	16,387	1,406	3,724	783	156
Sales and Services	336,225	385,811	416,178	351,265	325,238
Other Income	11,916	11,916	11,916	11,916	11,916
TOTAL REVENUES	\$ 10,271,105	\$ 10,597,849	\$ 10,408,468	\$ 9,574,940	\$ 9,153,283
EXPENDITURES					
Salaries	\$ 8,159,021	\$ 8,389,417	\$ 7,703,991	\$ 7,729,012	\$ 7,585,092
Prof. /Scientific Supplies	1,202,762	1,088,288	1,094,153	1,103,118	1,025,404
Library Acquisitions	3,449	21	8,430	9,029	5,912
Utilities	389,672	358,157	299,351	275,586	245,027
Building Repairs	354,222	579,725	1,161,360	303,526	254,074
Auditor of State	33,880	34,500	29,791	28,669	28,667
Equipment	128,099	147,741	111,392	126,000	9,107
TOTAL EXPENDITURES	\$ 10,271,105	\$ 10,597,849	\$ 10,408,468	\$ 9,574,940	\$ 9,153,283

On August 18, 2011, the Iowa School for the Deaf campus was impacted by severe weather. Each of the buildings on campus was affected to varying degrees, with the Lied Multipurpose Complex suffering extensive hail damage to its roof. Heavy rains occurred in the weeks following the hail storm, resulting in additional damage to the building. The storm required significant corrective work to the Lied Multipurpose Complex. The roof over the Complex was replaced, and the gym floor was removed and replaced. Inspection of the tile roof on the Giangreco Administration Building is complete, and ISD is awaiting the results. All other repairs have been completed.

Since 1994, the School has carried property insurance on its facilities with a \$1 million deductible. ISD's FY 2013 restricted budget includes \$1,000,000 from a capital appropriation to fund actual storm rehabilitation expenses up to the insurance deductible amount.

Iowa Braille and Sight Saving School

The following compares the FY 2012 general operating fund approved budget with actual revenue and expenditure transactions. Total revenues and expenditures were 0.5% less than the budget.

Iowa Braille and Sight Saving School - General Fund FY 2012				
	Approved Budget	Actual	Variance Over/(Under)	Actual as % of Budget
REVENUES				
APPROPRIATIONS				
General	\$ 3,618,931	\$ 3,618,931	\$ -	100.0%
Other	4,874	4,874	-	100.0%
RESOURCES				
Federal Support	332,000	407,003	75,003	122.6%
Interest	300		(300)	0.0%
Reimbursed Indirect Costs	41,268	41,268	-	100.0%
Sales and Services	3,778,328	3,663,787	(114,541)	97.0%
TOTAL REVENUES	\$ 7,775,701	\$ 7,735,863	(39,838)	99.5%
EXPENDITURES				
Salaries	\$ 6,416,303	\$ 6,304,692	\$ (111,611)	98.3%
Prof. /Scientific Supplies	837,712	999,854	162,142	119.4%
Library Acquisitions	2,000	1,128	(872)	56.4%
Utilities	315,000	224,866	(90,134)	71.4%
Building Repairs	124,686	93,709	(30,977)	75.2%
Auditor of State	30,000	40,395	10,395	134.7%
Equipment	50,000	71,219	21,219	142.4%
TOTAL EXPENDITURES	\$ 7,775,701	\$ 7,735,863	(39,838)	99.5%

While total general fund revenues and expenditures were consistent with the budget, line item variance explanations are provided below.

Revenue Variances

- Federal support exceeded the budget due to additional State Vision Grant revenue being allocated to cover higher Orientation and Mobility personnel costs.
- Sales and service revenue was less than budget due to salary support for two Vision Itinerant Teachers (TVI) coming from state funds and not being billed to the AEA's as budgeted.

Expense Variances

- Salary costs were less than the budget due to lower base salaries for new hires, unfilled positions, and lower paraeducators/support staff costs for summer programming.
- Professional and scientific supplies/services were over budget due to additional contracted IT services related to the development of the Student Database, contracted support services with the Grant Wood AEA, and costs associated with the Spring Conference and Summer Institute.
- Utility costs were under budget primarily due to the mild winter.
- Building repair projects budgeted from operating funds were cancelled due the storm in July 2011 which resulted in actual expenses being less than the budget.

The following provides a consolidated five-year history of actual general operating revenues and expenditures. A 26.4% decrease in the base operating appropriation coupled with the loss of one-time funding received in FY 2011, resulted in a total state operating funding decrease of \$1.7 million for FY 2012.

Beginning in FY 2008, the salary and mileage billings for the TVI's and Certified Orientation and Mobility Specialists (COMS) employed by the school and under contractual agreement with the AEAs/LEAs were reported as sales and services in the general operating fund. The number of TVI's and COMS employed by the school and contracted with the AEAs/LEAs significantly increased in FY 2010 as a part of the Statewide System for Vision Services. The sales and services line also contains the rental income received from the agreement with Americorps.

Iowa Braille and Sight Saving School - General Fund FY 2008 - FY 2012					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
REVENUES					
APPROPRIATIONS					
General	\$ 5,456,107	\$ 5,640,062	\$ 5,055,153	\$ 5,146,693	\$ 3,618,931
Other	90,865	79,944	9,460	207,819	4,874
ARRA-State Stabilization			330,215		
RESOURCES					
Federal Support	328,876	350,945	446,507	469,145	407,003
Interest	35,543	4,926	794	213	
Reimbursed Indirect Costs	38,336	45,152	47,514	41,268	41,268
Sales and Services	1,304,613	2,321,712	3,354,934	3,689,724	3,663,787
Other	136,941	3,729	5,731	4,925	
TOTAL REVENUES	\$ 7,391,281	\$ 8,446,470	\$ 9,250,308	\$ 9,559,787	\$ 7,735,863
EXPENDITURES					
Salaries	\$ 5,285,314	\$ 6,001,711	\$ 6,984,536	\$ 7,466,360	\$ 6,304,692
Prof. /Scientific Supplies	882,709	942,887	1,202,500	1,216,272	999,854
Library Acquisitions	308	1,522	2,156	3,393	1,128
Utilities	223,484	196,258	225,532	239,401	224,866
Building Repairs	792,547	1,227,375	669,992	597,350	93,709
Auditor of State	25,677	25,483	24,608	22,428	40,395
Equipment	181,242	51,234	140,984	14,583	71,219
TOTAL EXPENDITURES	\$ 7,391,281	\$ 8,446,470	\$ 9,250,308	\$ 9,559,787	\$ 7,735,863

On July 11, 2011, the IBSSS campus was impacted by a severe straight line wind storm. Each of the buildings on campus was affected to varying degrees, with Old Main suffering extensive damage. President Obama declared this storm affecting a six-county area to be a Major Disaster for Public Assistance, qualifying the cleanup/repair/restoration of the facilities for federal assistance through FEMA. FEMA eligibility allows the recovery of 75% of eligible costs outside the coverage of insurance, and does not cover debris removal. The School carries property insurance on its facilities with a \$1 million deductible.

IBSSS's FY 2013 restricted budget includes \$1,000,000 from a capital appropriation to fund the deductibles on property insurance and to provide the necessary match for funds which may be available from FEMA. Replacement of the Old Main roof is currently scheduled to begin in October 2012 with completion estimated for August 2013.