

RESOLUTION NO. 15-8

BOARD OF TRUSTEES OF OREGON INSTITUTE OF TECHNOLOGY

A RESOLUTION ADOPTING THE FISCAL YEAR 2015-16 BUDGET

WHEREAS, Oregon Tech's All Funds Budget includes revenues and expenses in five fund types:

1. Educational and General (E&G) - Oregon Tech's core operations. E&G includes funds from tuition, state appropriations (general funds), and fees.
 2. Designated Operations - Fees charged for external activities, non-credit programs, workshops, community service programs, conferences and related activities
 3. Service Departments - Departments that provide a service internal to the university, which includes telecommunications and copying.
 4. Auxiliary Enterprises - University services that generally do not received state support, including Housing, Student Activities, Athletics, Health Services, and Parking.
 5. Restricted Funds - Funds that can only be used for a designated purpose, such as gifts, grants, contracts, and student financial aid.
- ; and

WHEREAS, the guiding principal for the fiscal year 2015-16 budget planning was to develop a realistic budget; and

WHEREAS, fiscal year 2015-16 revenue and expenditure budgets were developed in three phases;

1. A base budget was developed assuming flat enrollment and a consistent student mix (resident/non-resident), additional revenue generated by the tuition increase authorized by the State Board of Higher Education in June, and the level of state appropriation to public universities proposed in the budget framework of the Co-Chairs of the Joint Ways and Means Committee of the Legislative Assembly. Base expenditure budgets were set at a level matching this anticipated level of overall base funds. Each division was assigned a base budget of equal to its adjusted 2014-15 budget. It is expected that each division will pay for all increased costs, both known and unknown, including salary increases (bargained or otherwise), fringe cost increases, and all other inflationary costs.
2. The enrollment management process forecasted approximately 3.0% overall enrollment growth. ~~This process included the colleges and administration. The additional revenue anticipated from planned growth is \$2.2million. Of this additional revenue, \$400 thousand is committed to additional student remissions to support students and to generate the increased enrollment, with the remaining amount going towards the cost of serving the additional enrollment (such as hiring of faculty and other growth-related costs).~~
3. A strategic investment pool of \$3.8 million was created. These funds come from the sale of university assets no longer needed for on-going operations. This amount has been *reserved* ~~committed~~ by the President's executive committee for critical and strategic initiatives and investments.

; and

WHEREAS, it is possible that additional funds may come to Oregon Tech through the final outcomes based funding model from the Higher Education Coordinating Commission, and if those funds are provided Oregon Tech will prioritize allocation of these for student success;

Now, therefore, the Board of Trustees resolves as follows:

Section 1

The University All Funds budget for the 2015-16 fiscal year be approved as follows:

1. The charts below summarize the All Fund Budget for the University.

Oregon Tech University All Funds - Operating Budget 2015-16						
	E&G	Designated Operations	Service Departments	Auxiliary Enterprises	Restricted Funds	Total All Funds
Revenue						
Tuition and fees, net of remissions	\$ 27,730,869	\$ 25,750	\$ -	\$ 2,959,389	\$ 17,328	\$ 30,733,336
Government resources & allocations	24,955,580			401,824	53,200	25,410,604
Gifts, grants and contracts				39,219	11,820,832	11,860,051
Internal sales			973,134	361,773		1,334,907
Sales and services revenue		27,800		5,866,391	103,296	5,997,487
Interest income	289,216	277		5,250	24,643	319,386
Other revenue	428,612			40,536	815	469,963
Total Revenue	53,399,277	53,827	973,134	9,674,382	12,020,114	76,120,734
Expense						
Salaries and wages	27,272,677	9,564	30,616	2,683,047	1,201,296	31,197,200
Other payroll expenses	12,730,668	1,933	1,107	1,285,714	399,256	14,418,678
Service and supplies	9,676,274	42,053	854,920	6,434,975	935,286	17,943,508
Athletic and Shaw Library support	1,094,611					1,094,611
Capital outlay	829,183			30,000	10,264	869,447
Student aid and student loan related expense				168,173	9,326,222	9,494,395
One-time commitments	1,061,171					1,061,171
Debt service	1,612,362					1,612,362
Depreciation			65,056	896,395		961,451
Total Expense	54,276,946	53,550	951,699	11,498,304	11,872,324	78,652,823
Other Revenue (Expense)						
Sale of Harmony (estimated net proceeds)	3,900,000					3,900,000
Reserve proceeds from sale of Harmony	(3,826,346)					(3,826,346)
Transfers in			30,883	1,078,796	46,797	1,156,476
Transfers out			(33,909)	(117,253)	(16,329)	(167,491)
Total Other Revenue (Expense)	73,654	-	(3,026)	961,543	30,468	1,062,639
Net	\$ (804,015)	\$ 277	\$ 18,409	\$ (862,379)	\$ 178,258	\$ (1,469,450)

Section 2

Some of the amounts in this resolution may change in the final adopted budget for fiscal year 2015-16, based on changed needs or circumstances. The President is authorized to make adjustments to the budget adopted here, based on changed needs or circumstances, not known or anticipated at the time this budget is adopted, as long as those adjustments do not materially change the overall budget *and are within the incremental spending authority of the President*. *Exceeding the President's incremental spending authority is exercisable only in an emergency, when timing constraints make it impossible or impractical to obtain approval for such adjustment from the Oregon Tech Board of Trustees, and any exercise of this authority requires prompt written expeditious notice of change to be given to the Oregon Tech Board of Trustees, per Section 2.3 of the Board Policy Delegating Authority.*

Section 3

Throughout the year the President and/or Executive Staff shall provide the Board updates on strategies identified and implemented to bring the budget into alignment, and prior to preparing the FY 16-17 budget, shall provide a full report. At a minimum the strategies shall include:

- 1. enrollment management strategies,*
- 2. academic program alignments,*
- 3. cost analyses, and*
- 4. advocacy for more appropriately aligned state support.*

Section 4

This Resolution shall take effect immediately upon approval by the Board.

Moved by _____

Seconded by _____

Trustee	Yes	No
Jeremy Brown		
Melissa Ceron		
Bill Goloski		
Jessica Gomez		
Lisa Graham		
Kathleen Hill		
Gary Johnston		
Jill Mason	absent	
Kelley Minty Morris		
Celia Núñez	absent	
Dan Peterson		
Steve Sliwa		
Paul Stewart		
Fred Ziari		

Approved and dated this _____ day of _____, 2015.

 Lisa Graham
 Board Chair

ATTEST:

 Sandra Fox
 Board Secretary

I, _____, Secretary of the Board, do hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Oregon Institute of Technology Board of Trustees at the meeting held on the _____ day of _____, 2015, and thereafter approved and signed by the Chair and attested by the Secretary of the Board.

 Secretary of the Board