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REPORT TO THE BOARD OF TRUSTEES

2006-07 YEAR END PROJECTION

2007-08 PROPOSED BUDGET

2007-08 to 2011-12 FIVE-YEAR CAPITAL BUDGET

June 7-9, 2007

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Finance Committee Agenda

Friday, June 8, 9:00 – 11:00 AM
Seattle Campus

- | | |
|---|-------------------|
| 1. FY 07 Year End Operations Review | Campus Presidents |
| 2. FY 08 Budget | Campus Presidents |
| 3. FY08-12 Capital Budgets | Campus Presidents |
| 4. Investment Policy and Endowment Spending | Bruce Bedford |
| 5. Debt Covenant Update | Tom Faecke |
| 6. Expense and Revenue Monitoring at Campuses | Tom Faecke |
| 7. Handling of Restricted Funds | Tom Faecke |
| 8. Audit Recommendation Updates | Tom Faecke |
| 9. College Tenure Recommendations | Bruce Bedford |
| 10. Other | |

REPORT TO THE BOARD OF TRUSTEES

June 7-9, 2007

This report includes the 2006-07 end of year projections prepared and submitted by each of the Campuses. Two months remained in the fiscal year when these projections were prepared. The October report will include the actual end of year budget figures but management feels that the projections as presented are an accurate reflection of year end. Also included in this report is the 2007-08 Proposed Budgets which contain the spending plans developed by each of the Campuses and operating units for consideration and action by the Board of Trustees. The Proposed Budget for each Campus reflects a careful analysis of its future revenues and expenditures. The fiscal year 2008-12 capital budget request is also presented for review, comment and approval. The endowment summary is included in this report. Earnings on the endowment have been strong this fiscal year and the final results will be reported at the October board meeting.

The financial information in this report is presented in summary form. You will notice that the budget for 2006-07 is compared against the projection for the same period. On the same worksheet you will find the projected end of year performance for 2006-07 compared against the 2007-08 proposed budgets. A separate section detailing the capital budget requests follows the current year projection and proposed budget section of this report for each campus and operating unit.

2006-07 Year-End Projections

With approximately two months remaining in the fiscal year these financial projections reflect that the University will end the year in a positive position of \$253,176 with regard to excess revenue over expenditures. When factoring in the cash items resulting from the capital budget freeze implemented at the November board meeting the University projects that it will end the year with a positive balance of \$1,077,451. Obviously, this was a double edged sword approach. While we were able to save the cash from the equipment and capital improvement freeze, Campuses and operating units were unable to purchase valuable equipment and move forward with badly needed physical improvements to their facilities. This cannot go on forever, but for this fiscal year it was a necessity to improve the University cash position. These positive balances also do not necessarily totally amount to cash as it includes receivables and pledges that have not been collected. After the 2006-07 audit has been completed we will be able to give you an accurate account of our cash position at year end.

On a cash basis two operating units of the University are projected to be ending the year with a negative balance. WYSO will be ending the year with excess revenue over expenses of \$24,089, but when calculating the cash items from

capital expenditures it is projected to net a negative amount of \$90,241. The Antioch Review did not have any capital expenditures so the end of year deficit is projected to be \$53,266

Antioch University Southern California has been officially segregated into individual institutions beginning in 2007-08, but as a combined unit in this fiscal year they ended the year with a negative \$191,032 of expenses over revenues. Because their capital expenditures were limited to only \$43,000 against depreciation expense of \$309,026 they ended the year with a net positive cash basis of \$70,994. As you can recall, Antioch University Southern California ended fiscal year 2006-07 with a negative \$879,000 so this year's performance marks a vast improvement in revenue and expense control over the past.

Antioch College is projected to end the fiscal year with a negative \$395,543 of expenses over revenues. As in Southern California, they limited the amount they spent on equipment and capital improvements and thus ended the year with a net positive cash basis of \$404,671. Again, we must reiterate that although limited capital expenditures helped the University cash position, it only led to further deferring of badly needed improvements to the College physical facilities and the replacement of its aging equipment.

Management is working with WYSO and the Antioch Review on their budgets and will be introducing changes that will eliminate the operating deficits within the next fiscal year, or other options must be considered. Management is also confident that Antioch University Los Angeles and Santa Barbara have taken the necessary action that will allow them to operate on a self-sustaining, yet, growing pair of institutions in fiscal year 2007-08. Antioch College continues to struggle with enrollment and retention issues and a physical plant that is in desperate need for deferred maintenance and improvements. Management is taking this challenge very seriously and is looking forward to constructive discussions with the board surrounding these issues.

2007-08 Budget Review

Total revenues in 2007-08 are expected to exceed \$85.7 million, an increase of \$5 million over what is projected for the 2006-07 fiscal year. Expenditures for next fiscal year are expected to be approximately \$85.2 million or an increase of \$4.9 million over the current fiscal year. All campuses have submitted a balanced budget for review and approval. The information provided in this report is in summary form for the 2007-08 budgets. Detailed budget information is available for your review and the campus presidents are prepared to answer any questions regarding their budget submittals.

The Antioch Review and WYSO have submitted budgets that reflect a deficit of \$34,194 and \$100,140 respectively. As was stated in the 2006-07 narrative,

management is working with these units on a plan that will present a balanced budget by the 2008-09 fiscal year.

Antioch College has submitted a balanced budget for approval. It is management's recommendation that the approval of the College budget be deferred until the Finance Committee and Board of Trustees has had the opportunity to review and discuss the long-term fiscal projections of the College.

2008-12 Capital Budget

Campuses and operating units were asked to submit a five year capital budget. We have included these requests as presented. Management will continue to monitor the cash position of the University and only allow expenditures in the 2007-08 fiscal year that can be paid without borrowing from campus contingencies or the line of credit. Management feels that past practice of approving capital expenditures without identifying the funding source contributed to the drain on cash that was deposited for restricted purposes.

Respectfully Submitted,

Thomas A. Faecke
Vice Chancellor & CFO

Antioch University
2006-07 Projection & 2007-08 Proposed Budget

	2006-07 Budget	2006-07 Projection	Change From 2006-07 Budget to 2006-07 Projection		2007-08 Proposed Budget	Change From 2006-07 Projection to 2007-08 Proposed Budget	
			\$	%		\$	%
Revenues							
Tuition & Fees	59,546,160	57,890,842	-1,655,318	-2.78%	63,385,570	5,494,728	9.49%
Less Tuition Discounts	-4,639,513	-4,500,451	139,062	3.00%	-4,666,291	-165,840	-3.68%
Net Tuition and Fees	54,906,647	53,390,391	-1,516,256	-2.76%	58,719,279	5,328,888	9.98%
Gifts	6,353,020	2,238,612	-4,114,408	-64.76%	2,350,050	111,438	4.98%
Grants	6,130,743	7,185,731	1,054,988	17.21%	7,386,792	201,061	2.80%
Endowment Income	259,068	316,356	57,288	22.11%	212,500	-103,856	-32.83%
Contracts	257,741	405,249	147,508	57.23%	430,788	25,539	6.30%
Other Income	1,443,793	2,277,547	833,754	57.75%	1,284,288	-993,259	-43.61%
Total E&G Revenue	69,351,012	65,813,886	-3,537,126	-5.10%	70,383,697	4,569,811	6.94%
Auxiliary Enterprises	2,753,623	2,846,839	93,216	3.39%	2,671,990	-174,849	-6.14%
Released From Restrictions	5,742,885	7,388,083	1,645,198	28.65%	7,009,347	-378,736	-5.13%
Net Overhead for Central Operations	4,733,576	4,634,434	-99,142	-2.09%	5,659,006	1,024,572	22.11%
Total Revenues	82,581,095	80,683,242	-1,897,854	-2.30%	85,724,040	5,040,798	6.25%
Operating Expenses							
Salaries & Wages	38,706,640	37,607,033	-1,099,607	-2.84%	38,364,743	757,710	2.01%
Benefits	12,318,753	12,464,566	145,813	1.18%	13,213,435	748,869	6.01%
Training & Development	2,307,517	2,330,153	22,636	0.98%	2,483,060	152,907	6.56%
Student Aid Services	1,853,790	1,632,072	-221,718	-11.96%	1,925,707	193,635	11.86%
Special Events	593,898	609,935	16,037	2.70%	475,496	-134,439	-22.04%
Supplies	1,633,407	1,642,511	9,104	0.56%	1,794,102	151,591	9.23%
Business Operations	7,839,330	7,479,217	-360,113	-4.59%	7,367,093	-112,124	-1.50%
Plant Maintenance	5,396,389	5,247,744	-148,645	-2.75%	5,809,450	561,706	10.70%
Resale Costs	480,174	573,853	93,679	19.51%	374,960	-198,893	-34.66%
Interest Expense	795,787	929,482	133,695	16.80%	777,006	-152,476	-16.40%
Miscellaneous	1,376,613	1,339,083	-37,530	-2.73%	1,764,232	425,149	31.75%
Contingency/Reserves							
Campus Contingency, Mandatory	709,395		-709,395	-100.00%	1,281,399	1,281,399	
Campus Contingency, Discretionary	57,734		-57,734	-100.00%	101,463	101,463	
Overhead							
To the University	4,733,575	4,664,875	-68,700	-1.45%	6,011,825	1,346,950	28.87%
Other (Inter-campus Agree & Univ Conf)	331,395	416,446	85,051	25.66%	260,725	-155,721	-37.39%
Depreciation	3,399,565	3,493,096	93,531	2.75%	3,382,867	-110,209	-3.16%
Total Operating Expenses	82,533,962	80,430,066	-2,103,896	-2.55%	85,287,583	4,857,517	6.04%
Excess Revenue over Expenses	47,134	253,176	206,042	437.14%	436,457	183,281	72.39%
Annual Budget Conversion to Cash Basis							
Capital Expenditures	-2,451,816	-9,967,118	-7,515,302	-306.52%	7,933,226	2,033,892	20.41%
Principal Payments	515,000	-804,281	-289,281	-56.17%	746,111	58,170	7.23%
Bond Proceeds		8,102,578	8,102,578		4,820,939		
Add back Depreciation	3,399,565	3,493,096	93,531	2.75%	3,382,867	-110,209	-3.16%
Total Cash Items	432,749	824,275	391,526	90.47%	-475,511	-1,299,786	-157.69%
Net Cash Basis Budget	479,883	1,077,451	597,568	124.52%	-39,054	-1,116,505	-103.62%

ANTIOCH COLLEGE

ANTIOCH COLLEGE

2006-07 YEAR END PROJECTION

2007-08 PROPOSED BUDGET

Fiscal Year 2007-08 will be the third year of implementation of the Renewal Plan for Antioch College.

Gross tuition income declined in the current year and is projected to decline further in the coming year. Despite admission of a strong first-year class in fall 2006, the College continues to struggle with the budgetary implications of a historically small class of entering students in fall 2005 (63 new students), which is currently in its second year of studies. Gifts remain below projection, requiring more rapid expenditure of the Drey gift of \$10 million. College leadership have responded to the worsening revenue situation by undertaking significant reductions in core expenditures, including \$2 million in staff and operating cost expenditures, which become fully effective in the new fiscal year. Further reductions in expenditures are being contemplated.

The College is projecting an end-of-year deficit for 2006-07 of about \$395,000. This is due to lower than projected revenue in the amount of \$1,402,613, the result of shortfalls in tuition, auxiliary services, gift income and other income. The budget included \$325,000 in other income from the gain on the sale of properties which did not materialize. The impact of lower than projected revenues was mitigated by expenditures \$1,007,070 less than projected. Savings were mainly due to reduced personnel costs. Some senior positions became vacant and remained unfilled and a hiring freeze on selected positions was put into effect after the November board meeting. There were also savings in energy costs.

I. Current Year Accomplishments and Challenges

- Fall 2006 new student admissions were more than double those of fall 2005 (130 versus 63). The College continues to be more selective in offering admission, with an emphasis on higher academic preparation of new students.
- Key elements of the Renewal Plan were fully operational. Five learning communities were offered in the fall of 2006, as compared to three in the fall of 2005. Incoming students expressed general satisfaction with the Learning Community experience. Faculty have agreed to adjustments in the second semester of the first year core curriculum to allow for greater student choice in course selection.
- New co-op communities were successfully implemented in New Mexico, Washington, D.C. and southwest Ohio in fall 2006.

- The College initiated a variety of efforts for improving retention of students, and particularly first-year students. Levels of student satisfaction were surveyed in the late fall of 2006 and faculty and staff have established mechanisms for early detection and response to student academic or social difficulties that might lead to withdrawal. The new presidential task force on retention meets monthly to coordinate retention efforts across campus.
- The president and the faculty have agreed to focus curricular resources on three areas: the environment, global citizenship and the arts. This curricular frame will clarify to prospective students Antioch's areas of academic distinction and will be used as a tool to recruit and retain academically motivated students.
- Dr. Dana Patterson, the first director of the Coretta Scott King Center for Cultural and Intellectual Freedom, was appointed in December 2006. The Center is now fully operational and is offering a rich array of academic and community service programming.
- The Vice President for Institutional Advancement resigned in February 2007, after having built an effective professional development team and identifying a large and credible list of major gift prospects. The IA office has been reorganized to ensure continued effective staff performance. Annual fund gifts and pledges as of the end of April were \$919,285 and major gifts and pledges are approaching \$200,000 for the 2006 Campaign.
- In an effort to keep the College's chronic deficit at manageable levels over the longer term, the College reduced core staff and operating cost expenditures by approximately \$2 million, or approximately 10 percent of total expenditures. These included the elimination in March of 20 staff positions representing approximately \$1.1 million in savings. Additional staff reductions will be announced before June 1, becoming effective July 1, 2007. The full benefit of staff and operating cost reductions will be in effect from the beginning of the fiscal year. Staff reductions required the reorganization of the Office of the President and the consolidation of the Office of Student Affairs and the Department of Auxiliary Services. The positions of Executive Vice President and Dean of Faculty have been consolidated into a single position. (Rick Jurasek, Executive VP, has been appointed President of Medaille College, effective June 1.) Milt Thompson, former Director of Auxiliary Services, has been appointed Vice President for Student Affairs and Services, effective March 1.
- A new fund-raising document entitled "Thinking Critically, Acting Responsibly, Giving Generously" was developed with the assistance of

Krukowski and Associates and with input from faculty, staff and board members. The document provides a summary of plans and progress toward revitalizing the College's performance as an educational institution.

- Good progress has been made toward cultivating a campus climate characterized by intellectual freedom, open inquiry and mutual respect, due to the leadership of faculty, students and staff alike.
- The College and the University have begun discussions with prospective investors interested in developing housing and other facilities on College land adjacent to Livermore Street.

II. Enrollment, Revenue and Expense changes for 2007-08

Five-Year Planning Framework

The College continues to analyze and plan its budget within the framework of a five-year rolling financial planning model first developed in fiscal year 2006-07. On the revenue side, the model enables senior staff to vary assumptions about enrollments and student revenues (i.e. tuition revenue), gift income and endowment and other sources of income based on performance. In the course of the year, the president has adjusted downward revenue assumptions attendant to enrollment growth, retention and gifts to still positive but more realistic levels.

Revenue and Enrollment

- The College five-year plan provides that a significant portion of the 2007-08 operating budget will be funded by gifts. It is the assumption of the College that 2007 fund-raising will be as successful as 2004-06.
- Overall student body enrollment for 2007-08 is forecasted to decline (see note below)
- Endowment income net endowment income will decline due to the draw-down of the Drey gift.
- Tuition will increase by five percent (5%).
- Total Degree and non-Degree Fall enrollment:

	New	Transfers	Returning	AEA (non-matric)	Total
FY07	116	17	209	79	421
FY08	110	15	182	82	389

Expense Changes

- The 2007-08 budget provides for a \$1.7 million net reduction in personnel and operating expenditures.
- Salaries increases are planned at approximately one percent.
- Energy costs are expected to decrease by \$50,000.

Risks

The President is determined to bring expenditures into alignment with realistic projections of revenue. This is essential for the College's sustainability, as it increases revenues from enrollment and gifts at a slow rate of growth and over the long term. As such, the College has aggressively managed expenses in the face of weak revenues, and will continue to do so.

Steven Lawry
President

Antioch College 2006-07 Projection & 2007-08 Proposed Budget

	2006-07 Budget	2006-07 Projection	Change From 2006-07 Budget to 2006-07 Projection		2007-08 Proposed Budget	Change From 2006-07 Projection to 2007-08 Proposed Budget	
			\$	%		\$	%
Revenues							
Tuition & Fees	10,302,931	10,036,453	-266,478	-2.59%	9,729,346	-307,107	-3.06%
Less Tuition Discounts	-4,258,625	-4,100,000	158,625	3.72%	-3,989,032	110,968	2.71%
Net Tuition and Fees	6,044,306	5,936,453	-107,853	-1.78%	5,740,314	-196,139	-3.30%
Gifts	5,355,715	1,500,000	-3,855,715	-71.99%	1,637,500	137,500	9.17%
Grants	1,297,291	2,514,785	1,217,494	93.85%	2,403,137	-111,648	-4.44%
Endowment Income	205,000	254,611	49,611	24.20%	150,000	-104,611	-41.09%
Contracts		3,436	3,436			-3,436	-100.00%
Other Income	413,000	105,447	-307,553	-74.47%	47,500	-57,947	-54.95%
Total E&G Revenue	13,315,312	10,314,732	-3,000,580	-22.53%	9,978,451	-336,281	-3.26%
Auxiliary Enterprises	1,970,969	2,166,779	195,810	9.93%	1,913,430	-253,349	-11.69%
Released From Restrictions	4,816,674	6,218,831	1,402,157	29.11%	6,513,506	294,675	4.74%
Subsidy	740,000	740,000	0	0.00%	740,000	0	0.00%
Total Revenues	20,842,955	19,440,342	-1,402,613	-6.73%	19,145,387	-294,955	-1.52%

Operating Expenses							
Salaries & Wages	8,820,841	8,405,159	-415,682	-4.71%	7,316,464	-1,088,695	-12.95%
Benefits	3,094,660	2,961,364	-133,296	-4.31%	2,870,455	-90,909	-3.07%
Training & Development	781,779	747,228	-34,551	-4.42%	731,644	-15,584	-2.09%
Student Aid Services	1,144,049	925,000	-219,049	-19.15%	1,074,644	149,644	16.18%
Special Events	180,455	202,202	21,747	12.05%	125,636	-76,566	-37.87%
Supplies	715,079	758,902	43,823	6.13%	697,493	-61,409	-8.09%
Business Operations	2,217,660	2,319,480	101,820	4.59%	1,968,493	-350,987	-15.13%
Plant Maintenance	1,692,844	1,456,542	-236,302	-13.96%	1,640,291	183,749	12.62%
Interest Expense	132,043	132,043	0	0.00%	87,398	-44,645	-33.81%
Resale Costs	233,000	285,921	52,921	22.71%	210,500	-75,421	-26.38%
Miscellaneous	249,860	240,944	-8,916	-3.57%	311,672	70,728	29.35%
Contingency/Reserves							
Campus Contingency, Mandatory	179,585		-179,585	-100.00%	114,806	114,806	
Overhead							
To the University			0		664,791	664,791	
Other (Intercampus Agree & Univ Conf)	-183,900	-183,900	0	0.00%	-188,900	-5,000	-2.72%
Depreciation	1,585,000	1,585,000	0	0.00%	1,480,000	-105,000	-6.62%
Total Operating Expenses	20,842,955	19,835,885	-1,007,070	-4.83%	19,105,387	-730,498	-3.68%
Excess Revenue over Expenses	0	-395,543	-395,543		40,000	435,543	110.11%

Annual Budget Conversion to Cash Basis

Capital Expenditures	-1,732,600	-750,000	982,600	56.71%	-1,520,000	-770,000	-102.67%
Principal Payments	-275,000	-34,786	240,214	87.35%	-27,830	6,956	20.00%
Add back Depreciation	1,585,000	1,585,000	0	0.00%	1,480,000	-105,000	-6.62%
Total Cash Items	-422,600	800,214	1,222,814	289.35%	-67,830	-868,044	-108.48%
Net Cash Basis Budget	-422,600	404,671	827,271	195.76%	-27,830	-432,501	-108.68%

ANTIOCH COLLEGE
2007-12 Capital Budget

Antioch University -College
Capital Budget Request
For the Period July 1, 2007 - June 30, 2012

	FY08	FY09	FY10	FY11	FY12	Total
New Construction		10,000,000	7,000,000	4,000,000		21,000,000
Remodeling	917,000	881,000	834,000	782,000	827,000	4,241,000
General Equipment	173,000	230,000	230,000	247,000	252,000	1,132,000
Computer Equipment	75,000	258,000	209,000	243,000	247,000	1,032,000
Furnishings	55,000	57,000	59,000	61,000	63,000	295,000
Library Books	40,000	40,000	40,000	40,000	40,000	200,000
Bond Payments						0
Other Capital Expenditures	260,000	264,000	293,000	332,000	276,000	1,425,000
						0
Total:	1,520,000	11,730,000	8,665,000	5,705,000	1,705,000	29,325,000

Proposed 2007-08 capital expenditures are \$1,520,000, which is equal to budgeted depreciation plus \$40,000 of book expenditures from Michener library funds. The \$40,000 excess revenue over expenditures in the 2007-08 budget is the Michener released from restriction revenue that will fund the capital book expenditures. Capital expenditures will focus mainly on maintenance of current buildings and facilities and replacement of equipment. No new construction is contemplated for the coming year.

Steven Lawry
President,

NOTES

GLEN HELEN

GLEN HELEN ECOLOGY INSTITUTE

2006-07 YEAR END PROJECTION

2007-08 PROPOSED BUDGET

The Glen Helen Ecology Institute projects a balanced budget for the end of this fiscal year. They expect that revenue from the Outdoor Education Center and Auxiliary Enterprises will be below the budgeted amounts. However, they have been able to hold the reins on expenses, and expect to end the year approximately \$1,000 below anticipated expenses. In addition, they expect that they will exceed their year-end fundraising goal by \$8,000, exceed budgeted grant revenue by \$21,000, and exceed expected endowment income by \$5,000. They will also release an additional \$3,000 in restricted funds to close the remaining imbalance.

2007-08 Budget Development Narrative

Enrollments and Revenues for 2007-08

The Outdoor Education Center will run our School camp for 33 weeks, and our Summer Eco Camp for 6 weeks in 2007-08. We anticipate that 2,641 students will attend the School Camp program with an average fee per student of \$105 and total revenue of \$277,610. We anticipate that 330 students will attend the Eco Camp program with an average fee per student of \$184 and total revenue of \$60,720. Revenue from these programs is split between Tuition & Fees and Auxiliary Enterprises. The increase in expected tuition is largely a result of a planned 5% increase in fees for our School Camp.

Other Income Categories

Gifts: We anticipate gifts totaling \$150,300. This total is comprised of annual fund contributions, revenue from special events (the spring birding day and Friends Music Concert), and the annual donation from the Glen Helen Association.

Grants: In 2007-08 we will utilize funding obtained from the U.S. EPA and Morgan Family Foundation to replumb the water and sewer system of the Outdoor Education Center, hence the significant increase in that line item. Grant revenue also includes \$41,611 in Ohio State Department of Education support for the Antioch/Glen Helen Summer Honors Institute.

Endowment Income: We expect \$50,700 based on standard distribution from interest income.

Contracts: Consistent with prior years, we expect \$10,500 from contracted education programs.

Other Income: Based on prior performance, this line includes \$1,700 in ticket sales for our benefit concert with the Friends Music Camp, plus \$9,950 in parking receipts. We also project \$2,000 from newsletter and calendar advertising income.

Auxiliary Enterprises: In addition to room and board revenue from School and Eco-Camp fees, this line item includes site rentals, calendar, and camp store sales. We anticipate a modest increase in this line item, consistent with trends over the past four years. In addition, part of the increased fees for school camp revenues is reflected here. We have also, with funding from the Glen Helen Association, hired a part-time Project Coordinator, who will have responsibility for helping boost day rentals of our facilities.

Released from Restriction:

We have received a \$10,000 restricted gift to improve signage within the preserve, \$9,000 of which will be used in FY-08. Also on land management, we expect to draw down our restricted funds by \$2,500 for trail and nature preserve maintenance, and \$1,000 for restoration. We will release \$3,500 from the Glen Helen Building fund to cover utilities, plus utilize \$1,800 of the Vernet Endowment for HVAC maintenance. We will also release \$1,000 from restricted funds for raptor cage improvements, plus an additional \$1,000 for general maintenance.

Significant Expense Changes for Continuing Operations

Salaries/Benefits: Raises are budgeted at 1%. Our salary line will increase and our benefits line will decrease because we have adjusted the Volunteer Coordinator position from 20 hrs/week with benefits to 15 hrs/week without benefits. We have also added the 15 hr/week Project Coordinator position. Also without benefits, the Project Coordinator will manage site rentals and event planning. Through reclassification from part time to hourly, we have been able to make these adjustments without a corresponding increase in net cost.

Business Operations: This category includes \$45,000 for environmental and other compliance studies related to the Outdoor Education Center Waterworks project. Also, printing of the newsletter was reinstated into the budget.

Plant Maintenance: Although we project an increase in plant maintenance over 2006-07, this year's projected expense is less than 2005-06, and in line with 2003-04 and 2004-05

Depreciation Expense: Depreciation has increased over 2006-07 with the purchase of a new pickup truck/plow. We will also begin depreciation of the Outdoor Education Center Waterworks project and other capital acquisitions in 2007-08.

Goals and Objectives for 2007-08

Ongoing initiatives:

Outdoor Education Center

33 weeks of School camp for 2,611 students

6 weeks of Eco Camp for 330 students
2 weeks of Summer Honors Institute for 25 students

Raptor Center

Accept 200 rehabilitation cases
Release 110 rehabilitated raptors back to the wild
Hold 50 raptor programs
Continue care and feeding of resident birds

Trailside Museum

Maintain hours Fri-Sun year round
Hold 150+ public walks/talks/programs

Land Stewardship and Restoration

Maintain 25 miles of trails

New initiatives:

Using grant funding from the U.S. EPA and the Morgan Family Foundation, we will replace the septic tanks and leach fields servicing the seven buildings of the complex with modernized water and sewer service.

With grant funding from the U.S. Fish and Wildlife Service, we will conduct wetlands restoration in the southwest corner of Glen Helen.

Utilizing funding from the Glen Helen Association, we will initiate planning for a new office at the Outdoor Education Center to replace the rental trailer that has been on site for the past 5 years.

Utilizing an individual donation, we will update interpretive and protective signage in the preserve.

Other Campus-Specific Topics

We have a unique role in the Antioch universe, partly because the Glen Helen Ecology Institute exists as an operating unit of Antioch College, partly because our friends-of-group, the Glen Helen Association, is the primary source of our gift revenue. In the coming year, we will continue to maintain the Glen Helen Nature Preserve and its programs, striving, as always, to do so without creating a financial burden to the institution as a whole.

Nick Boutis
Director

**Glen Helen
2006-07 Projection & 2007-08 Proposed Budget**

	2006-07 Budget	2006-07 Projection	Change From 2006-07 Budget to 2006-07 Projection		2007-08 Proposed Budget	Change From 2006-07 Projection 2007-08 Proposed Budget	
			\$	%		\$	%
Revenues							
Tuition & Fees	122,461	112,009	-10,452	-8.53%	127,004	14,995	13.39%
Net Tuition and Fees	122,461	112,009	-10,452	-8.53%	127,004	14,995	13.39%
Gifts	143,500	151,581	8,081	5.63%	150,300	-1,281	-0.85%
Grants	44,993	65,915	20,922	46.50%	303,611	237,696	360.61%
Endowment Income	42,768	47,939	5,171	12.09%	50,700	2,761	5.76%
Contracts	12,500	8,768	-3,732	-29.86%	10,500	1,732	19.75%
Other Income	9,882	12,088	2,206	22.32%	15,871	3,783	31.30%
Total E&G Revenue	376,104	398,300	22,196	5.90%	657,986	259,686	65.20%
Auxiliary Enterprises	294,014	246,514	-47,500	-16.16%	297,026	50,512	20.49%
Released From Restrictions	21,600	40,685	19,085	88.36%	19,800	-20,885	-51.33%
Total Revenues	691,718	685,499	-6,219	-0.90%	974,812	289,313	42.20%
Operating Expenses							
Salaries & Wages	325,212	317,457	-7,755	-2.38%	340,907	23,450	7.39%
Benefits	121,575	102,203	-19,372	-15.93%	100,368	-1,835	-1.80%
Training & Development	2,600	3,473	873	33.58%	3,600	127	3.66%
Special Events	500	1,234	734	146.80%	1,000	-234	-18.96%
Supplies	45,544	46,798	1,254	2.75%	46,728	-70	-0.15%
Business Operations	48,975	59,690	10,715	21.88%	92,523	32,833	55.01%
Plant Maintenance	92,661	107,690	15,029	16.22%	103,390	-4,300	-3.99%
Resale Costs	8,300	9,223	923	11.12%	8,300	-923	-10.01%
Miscellaneous	1,135	1,250	115	10.13%	1,110	-140	-11.20%
Contingency/Reserves							
Campus Contingency, Discretionary	15,000		-15,000	-100.00%	15,000	15,000	
Depreciation	29,016	27,632	-1,384	-4.77%	43,886	16,254	58.82%
Total Operating Expenses	690,518	676,650	-13,868	-2.01%	756,812	80,162	11.85%
Excess Revenue over Expenses	1,200	8,849	7,649	637.42%	218,000	209,151	2363.56%
Annual Budget Conversion to Cash Basis							
Capital Expenditures	-30,216	-36,481	-6,265	-20.73%	258,600	-222,119	-608.86%
Add back Depreciation	29,016	27,632	-1,384	-4.77%	43,886	16,254	58.82%
Total Cash Items	-1,200	-8,849	-7,649	-637.42%	214,714	-205,865	-2326.42%
Net Cash Basis Budget	0	0	0		3,286	3,286	

GLEN HELEN ECOLOGY INSTITUTE

2007-12 Capital Budget

Antioch University -Antioch College, Glen Helen Ecology Institute
Capital Budget Request: Glen Helen Ecology Institute
For the Period July 1, 2007 - June 30, 2012

	FY08	FY09	FY10	FY11	FY12	Total
New Construction	65,000	150,000	500,000			715,000
Remodeling		105,000	270,000	825,000	395,000	1,595,000
General Equipment	12,000	130,000				142,000
Computer Equipment	5,000	2,500	2,500	2,500	2,500	15,000
Furnishings			22,000			22,000
Library Books						0
Bond Payments						0
Other Capital Expenditures	226,600		5,000	8,000		239,600
						0
Total:	308,600	387,500	799,500	835,500	397,500	2,728,600

New Construction: We have plans to construct a new office for the Outdoor Education Center to replace the leased trailer currently in use. We have already received a \$200,000 pledge for that purpose. We also have plans to replace our older student dormitories with a new building in FY10.

Remodeling: We will be remodeling our older student dormitories to become classroom space. \$35,000 is in hand for this purpose from the Ohio Department of Humanities. Longer range renovations are planned for the Glen Building, Birch Manor, the Outdoor Education Center Lodge, and the Outdoor Education Center staff houses.

General Equipment: The bulk of this line is comprised of mandatory upgrades to our gas and electric service to the Outdoor Education Center.

Computer equipment: We expect modest periodic updates on an ongoing basis

Furnishings: With completion of a new dormitory for the Outdoor Education Center, we will need new bunk beds, storage cabinets, and other furniture.

Other Capital Expenditures: We are in the midst of upgrading the sewer and water lines for the Outdoor Education Center, with the bulk of the work to be completed in FY08. Funding is in hand for this work.

Nick Boutis
Director

**ANTIOCH
UNIVERSITY
NEW ENGLAND**

ANTIOCH NEW ENGLAND GRADUATE SCHOOL

2006-07 YEAR END PROJECTION

2007-08 PROPOSED BUDGET

Accomplishments and Challenges for 2006-07

Antioch New England made significant progress during 2006-07 in its goal of enhanced marketing and recruiting and robust enrollments in its continuing academic programs. Overall enrollment was above targets for the Summer and Fall terms and slightly under target for the Spring with the net affect of being above target for the full year. We continued to move significant marketing and recruiting resources to the web with the launch of a major redesign of the web site that includes improved navigability and marketing features. We also produced an attractive new marketing and recruitment "viewbook" to replace the former masters program catalogs. A challenge for the Antioch New England community in 2006-07 has involved major leadership changes including new presidential leadership and national searches to replace two of the three vice presidential positions and the chair of our environmental studies department.

Additional accomplishments for 2006-07 include:

- Completed a comprehensive campus strategic plan that focuses clearly on revenue streams and business strategy and the organizational and administrative structures needed to pursue them.
- Designated the campus' senior level administrative positions as vice presidents and hired new Vice Presidents for Institutional Advancement and Academic Affairs. The third VP level position was changed from the Chief Financial Officer title to Vice President for Finance and Administration.
- Reorganized the senior officer level administrative structure designating the president's direct reports as the President's Cabinet and eliminating the former president's council.
- Conducted two leadership searches in the environmental studies department; an unsuccessful search for a new chair and a successful search for a director of the environmental education program.
- Reorganized the communication, public relations, and web services departments to report to the new Vice President for Institutional Advancement.
- Implemented a more collaborative and transparent budget development process for the 2007-08 budget cycle.
- Developed and implemented marketing and recruitment strategies for five new programs: an MBA in Organizational and Environmental Sustainability, Organization Development Certificate, M.Ed. in Educating for Sustainability, M.Ed. in School Change, and a certificate in School Leadership with principal licensure.
- Developed a proposal for new Ph.D. program in Marriage and Family Therapy and gained positive recommendation from the Chief Academic Officer Group. ULC and Trustee approval will be sought at June 2007 board meeting.
- Joined the New Hampshire College & University Council as an affiliate member resulting in significantly increased visibility for our campus.

- Completed and published the institution's first comprehensive "Social Justice Audit" and began work on implementing its recommendations.
- Became a campus partner of Clean Air – Cool Planet and conducted a climate impact audit.
- Received recognition for our community engagement from the Carnegie Foundation for the Advancement of Teaching and the US President's Higher Education Honor Roll.

Enrollments and Revenues for 2007-08

Projected new student enrollments for 2007-08 include a reduction in enrollment targets for some continuing programs (-6 in ES Masters; -29 in Education Waldorf; -10 Education MRPSOC; -4 in DMT; -5 in Clinical Mental Health Counseling). These reductions reflect conservative assumptions based on 3-year enrollment trends (see table) as well as increased competition. Enrollment overall, however, is projected to increase by six (+6) students because the five new programs with the following enrollment targets: MBA (15), OD Certificate (15), M.Ed. in Sustainability (10), M.Ed. in School Change (10), School Leadership Certificate (10).

Total tuition and fee revenue is projected at \$13,065,050 (up from \$11,878,835 in 2006-07) with a 7% tuition increase across all programs, a \$75 increase in the general fee, and attrition calculated at 8.5%.

Other Income Categories

ANE departments, centers, and institutes remain active in seeking and receiving funding for sponsored projects that is budgeted in Fund 2. For 2007-08, however, the federally funded Monadnock Region Public Schools of Choice (MRPSOC) project will be concluded at the end of the first quarter. The end of this large four-year grant will result in a reduction of approximately 50% in the total external funding of the Antioch New England Institute. The anticipated Fund 2 budget for 2007-08 is summarized below.

Significant Expense Changes for Continuing Operations

While the 2007-08 projected enrollment and tuition/fee increases yield \$1,202,552 in additional revenue over 2006-07, salary and health premium increases and University increases for overhead and reserves require \$945,000 in net additional expense. Except for a small increase in the communications, marketing, and recruiting budgets, unit operating budgets were reduced somewhat from 2006-07 levels in order to make approximately \$300,000 available for three net new faculty positions needed for new programs in the Organization and Management and Education Departments and one new faculty position related to the doctoral program in Environmental Studies.

Goals and Objectives for 2007-08

- Meet or exceed enrollment targets for continuing and new programs.
- Successfully market and enroll new FT Ph.D. program for Fall 2008 start.
- As indicated in the new FY 2008–13 campus strategic plan, reorganize continuing education programming with the goal of yielding significant new revenue.

- As suggested in FY 2008 – 13 strategic plan, assess the market and institutional capacity for implementation of online degree programs in partnership with Compass Knowledge Group.
- Complete plan for use of 4,500 sq. ft. in under-utilized northeast wing area.
- Implement a successful Horace Mann Awards event as a fund raising opportunity.
- Create alumni chapters throughout the region to assist in stewardship of alumni.
- Increase alumni participation and overall dollar amount in annual fund.
- Transition from printed to online only format for Student Handbook and Course Listings.
- Successfully implement online registration.

Other Campus Specific Topics

Facility Issues

Antioch New England is facing significant building capacity challenges related to its facility in Keene which currently has 92,000 sq. ft. of finished space. To accommodate current programs and student numbers, we estimate that we are currently operating at 110% to 115% of capacity in the building. There is a shortage of faculty office space, academic department headquarters and staff office space, larger classrooms (25 – 40 seats), and large assembly spaces (75 – 250). Parking on our five acre site is utilized to capacity and on some days above capacity.

Possibilities for expansion within the building footprint include adding a second story possibly to the east wing (approximately 7,500 sq. ft.) and building out the west wing (6,000 to 10,000 sq. ft.). However, the addition of classroom and assembly spaces capacity would require additional parking spaces which cannot be accommodated on the site.

Because of the current over capacity situation and planned future growth in number of programs and students, we are beginning to explore possibilities for relocation within the greater Keene area. Both larger existing buildings and sites for new construction will be studied. This facility capacity issue will be addressed in detail in our 10-year facility master plan.

Enrollment Trends

In order to ensure balanced budget operation, beginning in 2006-07 and continuing for 2007-08, ANE has built its budget on increasingly conservative enrollment targets. Thus, for the coming fiscal year, even though 5 new programs will begin, budgeted target enrollment is up only six students overall. We have begun a thorough review of all expense categories related to program delivery costs and also of campus policies on determining and monitoring faculty teaching load in order to support better allocation of financial resources and effective planning for future academic initiatives.

Faculty Support

We have implemented several new programs to support faculty scholarship and re-designed the procedures for allocating dollars for faculty professional development. A new President's Faculty Scholarship Support Fund of \$10,000 will offer up to \$750 to support individual faculty travel to a professional meeting to present a paper based on their research or

scholarly activities. We have also initiated a new Faculty Mini-Grant Program, funded at \$15,000 for 2007-08, which will offer grants to support research projects of up to \$3,000 using a competitive proposal-based process.

Related to support for faculty professional development, we found that funds were allocated unevenly across departments. Therefore, for 2007-08, professional development support at \$1,000 per person has been removed from department budgets and will be allocated through the Academic Vice President's Office ensuring that each faculty member has access to support at the same level.

David Caruso
President

Antioch University New England 2006-07 Projection & 2007-08 Proposed Budget

	2006-07 Budget	2006-07 Projection	Change From 2006-07 Budget to 2006-07 Projection		2007-08 Proposed Budget	Change From 2006-07 Projection to 2007-08 Proposed Budget	
			\$	%		\$	%
Revenues							
Tuition & Fees	12,030,682	12,123,623	92,941	0.77%	13,236,251	1,112,628	9.18%
Less Tuition Discounts	-184,888	-180,500	4,388	2.37%	-187,905	-7,405	-4.10%
Net Tuition and Fees	11,845,794	11,943,123	97,329	0.82%	13,048,346	1,105,223	9.25%
Gifts	79,995	69,000	-10,995	-13.74%	66,000	-3,000	-4.35%
Grants	1,705,944	1,740,000	34,056	2.00%	852,500	-887,500	-51.01%
Contracts	245,241	376,000	130,759	53.32%	420,288	44,288	11.78%
Other Income	193,373	214,000	20,627	10.67%	107,500	-106,500	-49.77%
Total E&G Revenue	14,070,347	14,342,123	271,776	1.93%	14,494,634	152,511	1.06%
Auxiliary Enterprises		5,000	5,000			-5,000	-100.00%
Released From Restrictions	179,245	178,000	-1,245	-0.69%	124,019	-53,981	-30.33%
Total Revenues	14,249,592	14,525,123	275,531	1.93%	14,618,653	93,530	0.64%

Operating Expenses							
Salaries & Wages	6,971,845	6,892,000	-79,845	-1.15%	7,093,228	201,228	2.92%
Benefits	2,326,171	2,323,000	-3,171	-0.14%	2,576,601	253,601	10.92%
Training & Development	487,292	569,000	81,708	16.77%	449,552	-119,448	-20.99%
Student Aid Services	272,500	287,000	14,500	5.32%	70,409	-216,591	-75.47%
Special Events	35,745	50,000	14,255	39.88%	30,960	-19,040	-38.08%
Supplies	256,457	299,000	42,543	16.59%	224,656	-74,344	-24.86%
Business Operations	1,309,064	1,230,000	-79,064	-6.04%	1,139,833	-90,167	-7.33%
Plant Maintenance	430,509	436,000	5,491	1.28%	402,259	-33,741	-7.74%
Interest Expense	197,954	284,000	86,046	43.47%	197,204	-86,796	-30.56%
Miscellaneous	44,765	104,000	59,235	132.32%	13,050	-90,950	-87.45%
Contingency/Reserves							
Campus Contingency, Mandatory	118,782		-118,782	-100.00%	293,177	293,177	
Overhead							
To the University	1,157,567	1,158,000	433	0.04%	1,300,170	142,170	12.28%
Other (Intercampus Agree & Univ Conf)	65,199	190,000	124,801	191.42%	252,554	62,554	32.92%
Depreciation	573,242	600,000	26,758	4.67%	575,000	-25,000	-4.17%
Total Operating Expenses	14,247,092	14,422,000	174,908	1.23%	14,618,653	196,653	1.36%
Excess Revenue over Expenses	2,500	103,123	100,623	4024.92%	0	-103,123	-100.00%

Annual Budget Conversion to Cash Basis

Capital Expenditures	-371,000	-329,000	42,000	11.32%	-415,000	-86,000	-26.14%
Principal Payments	0	-150,000	-150,000		-160,000	-10,000	-6.67%
Add back Depreciation	573,242	600,000	26,758	4.67%	575,000	-25,000	-4.17%
Total Cash Items	202,242	121,000	-81,242	-40.17%	0	-121,000	-100.00%
Net Cash Basis Budget	204,742	224,123	19,381	9.47%	0	-224,123	-100.00%

ANTIOCH NEW ENGLAND GRADUATE SCHOOL

2007-12 Capital Budget

Antioch University - NewEngland Capital Budget Request For the Period July 1, 2007 - June 30, 2012

	FY08	FY09	FY10	FY11	FY12	Total
New Construction						0
Remodeling	250,000	40,000	40,000	40,000	40,000	410,000
General Equipment	30,000	55,000	15,000	15,000	15,000	130,000
Computer Equipment	95,000	95,000	120,000	115,000	115,000	540,000
Furnishings		50,000				50,000
Library Books	40,000	40,000	40,000	40,000	40,000	200,000
Bond Payments	160,000	165,000	170,000	175,000	180,000	850,000
Other Capital Expenditures		30,000	110,000	110,000	10,000	260,000
						0
Total:	575,000	475,000	495,000	495,000	400,000	2,440,000

While we have filled in the Five-Year Capital Budget Summary grid, it is important here to acknowledge the fact that we have identified needs and potential expense, realizing that replacement and/or upgrade does not easily translate to a specific timetable.

Unless otherwise specified, all capital expenses will be funded by the depreciation reserve.

2007-08 Proposed Expenditures

New Construction: None

Remodeling: Student Service's Mall. \$250,000. Estimated costs of renovating the MC2 space and moving our Student Service support offices into a one stop service area

General Equipment: Security cameras. \$30,000. To purchase and install cameras and video taping equipment to cover all entrances, exits and the perimeter of the building.

Computer Equipment: Computer Hardware replacement. \$ 95,000. We continue to support computer hardware replacement, the purchase of new computers and Network upgrades, as needed. Specific needs include the increased demand for the use of laptops by faculty and staff with field assignments. Computers are being phased in through a 4-5 year upgrade

cycle. Network upgrades are on a three year cycle, although each year there is always a surprise expense.

Furnishings: None

Library books: Maintenance upgrades library collection. \$40,000. To cover the cost of maintaining journal subscriptions, licensing fees, book acquisitions and dissertation abstracts.

Bond Payments: Antioch New England deducts the bond principal as a capital expense. \$160,000.

Other Capital Expenditures: None

2008-09 Proposed Expenditures

New Construction: None

Remodeling: General renovations and improvements to the building. \$40,000. These renovations improve the quality of academic and working life of the community.

General Equipment:

Marriage and Family Therapy Clinic Video and IT equipment. \$40,000. To purchase IT and video equipment to appoint the proposed MFT clinic.

Instructional Technology rooms. \$ 15,000. Only a few classrooms are appointed with technological enhancements and it is our intention to move forward with the goal of having all the classrooms with the appropriate technology.

Computer Equipment: Computer Hardware replacement. \$ 95,000. We continue to support computer hardware replacement, the purchase of new computers and Network upgrades, as needed. Specific needs include the increased demand for the use of laptops by faculty and staff with field assignments. Computers are being phased in through a 4-5 year upgrade cycle. Network upgrades are on a three year cycle, although each year there is always a surprise expense.

Furnishings: Marriage and Family Therapy Clinic: \$50,000. Office equipment and furniture for proposed MFT Clinic.

Library books: Maintenance upgrades library collection. \$40,000. To cover the cost of maintaining journal subscriptions, licensing fees, book acquisitions and dissertation abstracts.

Bond Payments: Antioch New England deducts the bond principal as a capital expense. \$165,000.

Other Capital Expenditures:

Resurface parking lot. \$20,000. The small side lot off Avon Street needs to be resurfaced.

HVAC valve replacement \$10,000. Some of the valves that open and close vents to our heating, ventilation and air conditioning system are wearing out and we need to replace them.

2009-10 Proposed Expenditures

New Construction: None

Remodeling: General renovations and improvements to the building. \$40,000. These renovations improve the quality of academic and working life of the community.

General Equipment: Instructional Technology rooms. \$ 15,000. Only a few classrooms are appointed with technological enhancements and it is our intention to move forward with the goal of having all the classrooms with the appropriate technology.

Computer Equipment: Computer Hardware replacement. \$ 120,000. We continue to support computer hardware replacement, the purchase of new computers and Network upgrades, as needed. Specific needs include the increased demand for the use of laptops by faculty and staff with field assignments. Computers are being phased in through a 4-5 year upgrade cycle. Network upgrades are on a three year cycle, although each year there is always a surprise expense.

Furnishings: None

Library books: Maintenance upgrades library collection. \$40,000. To cover the cost of maintaining journal subscriptions, licensing fees, book acquisitions and dissertation abstracts.

Bond Payments: Antioch New England deducts the bond principal as a capital expense. \$170,000.

Other Capital Expenditures:

First stage of roof replacement. \$100,000. It is time to resurface or replace our roof. We are planning on expensing the project over a two year period.

HVAC valve replacement \$10,000. Some of the valves that open and close vents to our heating, ventilation and air conditioning system are wearing out and we need to replace them.

2010-11 Proposed Expenditures

New Construction: None

Remodeling: General renovations and improvements to the building. \$40,000. These renovations improve the quality of academic and working life of the community.

General Equipment: Instructional Technology rooms. \$ 15,000. Only a few classrooms are appointed with technological enhancements and it is our intention to move forward with the goal of having all the classrooms with the appropriate technology.

Computer Equipment: Computer Hardware replacement. \$ 115,000. We continue to support computer hardware replacement, the purchase of new computers and Network upgrades, as needed. Specific needs include the increased demand for the use of laptops by faculty and staff with field assignments. Computers are being phased in through a 4-5 year upgrade cycle. Network upgrades are on a three year cycle, although each year there is always a surprise expense.

Furnishings: None

Library books: Maintenance upgrades library collection. \$40,000. To cover the cost of maintaining journal subscriptions, licensing fees, book acquisitions and dissertation abstracts.

Bond Payments: Antioch New England deducts the bond principal as a capital expense. \$175,000.

Other Capital Expenditures:

Second stage of roof replacement \$100,000. This is the second year of the two year project.

HVAC valve replacement \$10,000. Some of the valves that open and close vents to our heating, ventilation and air conditioning system are wearing out and we need to replace them

2011-12 Proposed Expenditures

New Construction: None

Remodeling: General renovations and improvements to the building. \$40,000. These renovations improve the quality of academic and working life of the community.

General Equipment: Instructional Technology rooms. \$ 15,000. Only a few classrooms are appointed with technological enhancements and it is our intention to move forward with the goal of having all the classrooms with the appropriate technology.

Computer Equipment: Computer Hardware replacement. \$ 115,000. We continue to support computer hardware replacement, the purchase of new computers and Network upgrades, as needed. Specific needs include the increased demand for the use of laptops by faculty and staff with field assignments. Computers are being phased in through a 4-5 year upgrade cycle. Network upgrades are on a three year cycle, although each year there is always a surprise expense.

Furnishings: None

Library books: Maintenance upgrades library collection. \$40,000. To cover the cost of maintaining journal subscriptions, licensing fees, book acquisitions and dissertation abstracts.

Bond Payments: Antioch New England deducts the bond principal as a capital expense. \$180,000.

Other Capital Expenditures: HVAC valve replacement \$10,000. Some of the valves that open and close vents to our heating, ventilation and air conditioning system are wearing out and we need to replace them

David Caruso
President