

# NOTES

**ANTIOCH  
UNIVERSITY  
SEATTLE**

# ANTIOCH SEATTLE

## 2006-07 YEAR END PROJECTION

### 2007-08 PROPOSED BUDGET

2006-07 has been a challenging year as we have worked to recover financially – and as a campus community – from the large drop in enrollment and resulting revenue losses in 2005-06. Spending controls initiated by the Chancellor and later expanded at the Seattle campus level, combined with our reserves made us confident that we would have a balanced budget. Overall enrollment targets were met for the year, but unexpected low enrollments for Spring in the BA Completion program and Center for Creative Change, combined with unusual and unanticipated expenses incurred at the writing of this report have made a tight financial picture more so. Extreme spending controls have been instituted and every reasonable means will be used to balance the budget. We anticipate that we will bring in a positive (though not large) cash balance and are working to make the operational side of our balance sheet achieve this as well. At this point, we anticipate that there will be no significant remaining balance from the Seattle budget.

#### **Revenue Assumptions**

##### **Total revenues**

Total revenue projection for 2007-08 for Seattle is \$1,616,945 higher than the revenue projected for the 2006-07 budget. Elements of this increase are detailed below. In summary the increased revenue results from a modest growth in enrollment projections, a significant tuition increase, and increases in some fees.

##### **Enrollment**

Seattle's 2007-08 budget is based upon projected enrollment growth in some programs and lower enrollment projections in others. Our MA Psychology, and Psychology Doctorate programs are projecting strong growth while the Education programs expect a slight increase after two years of substantial drops in projections. The BA completion and Center for Creative Change programs are projecting slightly lower enrollments. The total FTE next year is projected at 110 higher than it was in 2006-07. However, with adjustments made to our year-end forecast for the 2006-07 budget, the projection is only 72 higher. These projections are the result of extensive analysis of market and application trends for specific programs. Assumptions of enrollment growth in the programs were based on the actual prospect pool and current applications in hand. Flat or declining enrollments were projected for programs where data about applications and prospects suggests less certainty about enrollments. In the case of the Psy D program, due to its earlier application deadlines, these numbers represent applications and acceptances already in hand in many instances. The MA Psychology program admitted a few more students this spring than originally projected, and this, combined with a large application pool prompted the program faculty to again raise their projections in the fall of the 2007-

08 cycle. In Education, a previously unanticipated MA Ed program was started offsite this spring with a full cohort of 18 full-time students. The size and quality of the cohort exceeds previous experience for that location.

### **Tuition and fees**

The 2007-08 tuition schedule for Seattle includes an average 7.25% increase in tuition. This generated \$744,440 of extra projected revenue in this budget. In addition we raised the price of some of our fees. Most notably we increased the student services fee from \$45 to \$95 and dropped a provision that offered a lower price to part time students. The fee increase added \$156,885 to our revenue projections.

### **Other income**

Revenue from other income sources is down \$213,503 primarily because of the phasing down of the Gates and Kellogg grants. Most of our grant income involves pass-through funding for developing early college programs for native students. Other income sources of over \$5,000 include tenant rents, parking revenues, and room rental fees.

### **Expenses**

With increased revenues, Seattle's proposed expense budget for 2007-08 includes an increase of a little over \$1,000,000 over the 2006-07 budget. Significant changes are detailed below. Some of the largest changes have to do with selectively restoring positions and other expense lines cut while developing last year's budget. There is also, of course, growth in the central administration budget, a shift in computing salaries to the central budget, and an increase in medical insurance expense. The 2007-08 proposed budget includes a 2% raise for both staff and faculty. We also propose to include another 1% salary raise in January 2008 contingent on strong enrollments and available revenue.

### **Significant changes in Continuing operations**

The increase of \$631,836 in salaries and benefits is the result of accommodating growth, restoration of cuts in selective areas, a 2% raise (effective Fall term), and some expense reductions in targeted areas. The Psy D program admits its fourth class of students this fall with expectation for only a few graduates. The program has been budgeted for two additional faculty positions in this budget proposal. Smaller changes scattered throughout Seattle's 2007-08 budget include restoration of faculty (2.24 FTE) and staff (3.42) positions, increases in adjunct and associate faculty expense and returning several reduced positions to full time status (from last year's major cut backs). Moving the computing position salaries to the University computing budget represents a reduction for salaries in the Seattle budget and is part of the increase in overhead that is noted below as an expense increase.

Other major expense increases for continuing operations are medical (\$108,638), University Overhead (\$444,938), and contingencies including liquidity (\$175,114). This budget proposal also includes funds to support the efforts of the standing

committee on diversity (\$30,000) as well as funds for a new program in Psychopharmacology. Marketing funds are also increased by \$48,000. We are committed to increasing marketing monies more each year. However, it should be noted that the increased marketing allocation essentially means that we have restored funding cuts from last year's budget. Finally, additional funds have been allocated in this budget for support of student writing in our Teaching and Learning Coop (\$25,122).

### **Goals and Objectives**

Campus goals for 2007-08 include:

- Effectively introduce our new President to the campus, community, region and Antioch system;
- Support ongoing and new cross-campus initiatives in creating international programs and other enrollment and institution-building activities;
- Begin initiative to increase funding for marketing activities to at least 5% of operating expenses;
- Continue development of strategic plan involving new AUS building in Belltown;
- Explore and develop lab school for Education program on campus or nearby site;
- Continue program improvement, including follow-up from state review of Education programs, development of a weekend or alternative delivery models for the BA Completion Program, and increase marketing and development of the Strategic Communications degree;
- By Fall 2008, begin to offer Domestic Violence Perpetrator Treatment (DV Tx) Certificate program through BA Completion Program, in collaboration with School of Psychology and Continuing Education Programs.
- Enhance writing and other academic support to students through expanded Teaching and Learning Coop, including additional faculty and staff involvement and development of cross-program initiatives;
- Expand use of e-portfolios piloted in Psy D program to include Education and BA Completion Programs;
- Increase clinic contracts with outside agencies, review existing contracts and retain only those with appropriate mission and financial base; and
- Complete conversion of online registration to every program.

**Other Campus Specific Topics**

We anticipate having a new President, and the possibilities for new initiatives, outreach to new communities and new directions are exciting to us. We know that this could also serve to inform new directions and visions for the entire Antioch system.

Mark Hower  
Interim President

## Antioch University Seattle 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	
			\$	%		\$	%
<b>Revenues</b>							
Tuition & Fees	11,285,189	11,067,251	-217,938	-1.93%	12,868,213	1,800,962	16.27%
Less Tuition Discounts	-61,000	-90,086	-29,086	-47.68%	-60,600	29,486	32.73%
<b>Net Tuition and Fees</b>	<b>11,224,189</b>	<b>10,977,165</b>	<b>-247,024</b>	<b>-2.20%</b>	<b>12,807,613</b>	<b>1,830,448</b>	<b>16.68%</b>
Gifts	30,000	10,881	-19,119	-63.73%	20,000	9,119	83.81%
Grants	2,480,643	2,016,988	-463,655	-18.69%	1,998,394	-18,594	-0.92%
Endowment Income		3	3			-3	-100.00%
Contracts		17,045	17,045			-17,045	-100.00%
Other Income	227,638	366,900	139,262	61.18%	180,570	-186,330	-50.78%
<b>Total E&amp;G Revenue</b>	<b>13,962,470</b>	<b>13,388,982</b>	<b>-573,488</b>	<b>-4.11%</b>	<b>15,006,577</b>	<b>1,617,595</b>	<b>12.08%</b>
Auxiliary Enterprises	151,640	143,346	-8,294	-5.47%	143,534	188	0.13%
Released From Restrictions	33,486	42,238	8,752	26.14%	41,400	-838	-1.98%
<b>Total Revenues</b>	<b>14,147,596</b>	<b>13,574,566</b>	<b>-573,030</b>	<b>-4.05%</b>	<b>15,191,511</b>	<b>1,616,945</b>	<b>11.91%</b>

<b>Operating Expenses</b>							
Salaries & Wages	6,698,543	6,670,855	-27,688	-0.41%	7,390,478	719,623	10.79%
Benefits	1,864,289	1,908,885	44,596	2.39%	2,042,562	133,677	7.00%
Training & Development	282,327	287,335	5,008	1.77%	222,899	-64,436	-22.43%
Student Aid Services	96,839	100,845	4,012	4.14%	119,237	18,392	18.24%
Special Events	78,073	68,125	-9,948	-12.74%	78,100	9,975	14.64%
Supplies	176,538	117,992	-58,546	-33.16%	168,172	50,180	42.53%
Business Operations	865,697	889,319	23,622	2.73%	767,127	-122,192	-13.74%
Plant Maintenance	552,064	545,906	-6,158	-1.12%	646,053	100,147	18.35%
Resale Costs	26,499	-5,291	-31,790	-119.97%		5,291	100.00%
Interest Expense	345,642	374,798	29,156	8.44%	316,093	-58,705	-15.66%
Miscellaneous	1,056,620	695,262	-361,358	-34.20%	1,119,250	423,988	60.98%
<b>Contingency/Reserves</b>							
Campus Contingency, Mandatory	120,273		-120,273	-100.00%	262,644	262,644	
Campus Contingency, Discretionary	6,746		-6,746	-100.00%	39,489	39,489	
<b>Overhead</b>							
To the University	1,230,171	1,156,038	-74,133	-6.03%	1,328,297	172,259	14.90%
Other (Intercampus Agree & Univ Conf)	165,096	165,096	0	0.00%	108,440	-56,656	-34.32%
Depreciation	582,185	599,194	17,009	2.92%	582,670	-16,524	-2.76%
<b>Total Operating Expenses</b>	<b>14,147,596</b>	<b>13,574,359</b>	<b>-573,237</b>	<b>-4.05%</b>	<b>15,191,511</b>	<b>1,617,152</b>	<b>11.91%</b>
<b>Excess Revenue over Expenses</b>	<b>0</b>	<b>207</b>	<b>207</b>		<b>0</b>	<b>-207</b>	<b>-100.00%</b>

<b>Annual Budget Conversion to Cash Basis</b>							
Capital Expenditures	-318,000	-273,009	44,991	14.15%	-337,670	-64,661	-23.68%
Principal Payments	-240,000	-240,000	0	0.00%	-245,000	-5,000	-2.08%
Add back Depreciation	582,185	599,194	17,009	2.92%	582,670	-16,524	-2.76%
<b>Total Cash Items</b>	<b>24,185</b>	<b>86,185</b>	<b>62,000</b>	<b>256.36%</b>	<b>0</b>	<b>-86,185</b>	<b>-100.00%</b>
<b>Net Cash Basis Budget</b>	<b>24,185</b>	<b>86,392</b>	<b>62,207</b>	<b>257.21%</b>	<b>0</b>	<b>-86,392</b>	<b>-100.00%</b>

## ANTIOCH SEATTLE 2007-12 Capital Budget

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

	FY08	FY09	FY10	FY11	FY12	Total
New Construction	0	0	0	0	25,000,000	25,000,000
Remodeling	82,000	231,000	102,000	161,000	2,000	578,000
General Equipment	111,870	72,400	48,500	38,000	7,000	277,770
Computer Equipment	76,800	74,000	91,800	73,000	73,000	388,600
Furnishings	57,500	20,000	45,000	30,000	15,000	167,500
Library Books	9,500	11,000	13,500	16,000	16,000	66,000
Bond Payments	245,000	250,000	260,000	265,000	270,000	1,290,000
Other Capital Expenditures	0	0	0	0	0	0
						0
<b>Total:</b>	<b>582,670</b>	<b>658,400</b>	<b>560,800</b>	<b>583,000</b>	<b>25,383,000</b>	<b>27,767,870</b>

No major construction projects are planned for AUS in 2007-08. Most of the building work will be remodeling projects to adjust for changes in academic programs and departments. The 2007-08 budget also includes technological upgrades to address specific needs in the academic departments. In response to the recent unfortunate events at other universities, there will be expansion and improvements to the AUS campus video security system and implementation of a campus-wide public address system. Most of the remainder of the 2007-08 capital budget will cover the ongoing programs of IT, AV, and telecommunications upgrades and replacements. Furniture will be purchased for new employees and for necessary replacements in classrooms and offices.

Mark Hower  
Interim President

# NOTES

**ANTIOCH  
UNIVERSITY  
LOS ANGELES  
&  
SANTA BARBARA**

# ANTIOCH UNIVERSITY LOS ANGELES

## 2006-07 YEAR END PROJECTION

### 2007-08 PROPOSED BUDGET

AULA and AUSB have kept separate books since the departure of the last regional president in November of 2006. By mutual agreement, we have allocated regional expenses on a 2/3 AULA and 1/3 AUSB basis.

With that as context, AULA is pleased to report that enrollment has slightly exceeded goals in fall, winter and spring terms, and that expenses have been very carefully managed since late fall. By our calculations, we expect to finish the FY approximately \$400K in the black for the campus, after taking regional expenses into account.

#### 2007-08 Enrollment and Revenue

AULA's first budget as an independent campus, for FY 08, was also the first developed in collaboration with the AULA Budget Committee, a representative body of faculty and staff, which is advisory to the president. This budget equals 67% of the total budget approved for AUSA for FY 07, and includes the following:

- Conservative revenue and enrollment projections, developed in collaboration with the program chairs and admissions staff
- Flat Tuition Remission for AULA from the prior FY
- A 250% increase in Tuition Discounting from the prior FY
- A 400% increase in IT costs from the prior FY, due primarily to increased expense to support university-wide IT efforts, and secondarily to support the new position of webmaster
- A restructuring of personnel so that the only position to be shared with AUSB (previously regional positions) is the Payroll Coordinator. She is housed at AULA; her salary and benefits will be a shared expense 2/3 AULA and 1/3 AUSB in the new FY.
- Likewise 2/3 AULA and 1/3 AUSB shared expense for remaining personnel settlement costs from FY 07.
- 5% tuition increase across all programs
- Fee increases (Technology, Application, Parking)
- 5% increase in salary and benefits for all benefited employees, effective January 2008; contingent upon meeting or exceeding enrollment projections for fall 2007 and winter 2008
- Two discontinued regional positions (Regional HR Director and Events Coordinator)
- Three new AULA positions: webmaster, librarian and HR administrative assistant.
- Several requested but unfunded positions, including Director of Development and two program coordinators to support new programs.

Neal King  
President

# ANTIOCH UNIVERSITY SANTA BARBARA

## 2006-07 YEAR END PROJECTION

### 2007-08 PROPOSED BUDGET

#### Fiscal Year 2006-07 Year End Projection

The 2006-07 fiscal year began with a rocky start for Antioch University Santa Barbara. Due to the significant deficit left from the previous fiscal year, many of our budgeted line items were cut or zeroed out leading to numerous personnel lay-offs. The campus went into an emergency spending lockdown and placed the President as the sole authorizer of expenses. Because of these measures, we were able to efficiently contain costs and spending in almost all categories and we project our total campus operating costs to be \$4,410,000; \$200,000 below budget. Our enrollment was down throughout the year by an average of 11% and we project total revenue for the Santa Barbara campus to be \$4,966,800; \$570,000 below original estimates. In total, Antioch University was able to produce a net gain of close to \$560,000 in revenue, not including Southern California region costs. As a region, a \$200,000 deficit is projected by the end of this fiscal year.

#### Challenges

The current enrollment at Antioch University Santa Barbara fluctuates from around 270 FTUE to 320 FTUE. The mandate given to the Campus Council by the AUSB President is to be conservative in enrollment projections yet creative and bold when thinking about new programs and activities that fit well with Antioch's mission and that produce significant increases in enrollment and extramural funding. The President has challenged the campus community to:

- Double enrollment over the next five-seven years.
- Concentrate on development/fund raising activities so we aren't solely dependent on tuition dollars.
- Build a small but respectable endowment for purposes of scholarships and new program development.
- Build our reserves.
- Increase significantly our effort to secure outside grants and contracts.
- Secure funding for our own building, with enough room to expand programs and increase student services.

It is our new "philosophy of the budget" that AUSB come face-to-face with its financial challenges and build a budget based on reality. This is tough to do, for it presents us with a number of challenges as we endeavor to grow but, at the same time, control spending. Although we are (presently) the smallest of the Antioch graduate institutions, we fully believe we will rise to this challenge and emerge stronger than ever.

## **Goals and Objectives for 2007-08**

- Restructure the Board of Visitors with an emphasis on philanthropy.
- Complete Strategic Plan.
- Meet or exceed enrollment goals.
- Implement web-based marketing strategies.
- Complete agreements with Allan Hancock Community College and Santa Barbara City College so that AUSB students begin classes on-site in Lompoc, Santa Maria, and Carpinteria by fall/winter, 2007/2008.
- Welcome up to 40 international students to campus fall quarter, 2007. Continue to build this enrollment throughout the year.
- Complete agreement with Cottage Hospital to train first-year nursing students.
- Complete agreement with California First-5 Commission with undergraduate classes in ECE beginning summer and fall of 2007.
- Obtain approval from the California Commission on Teacher Credentialing (application submitted winter/2007) and begin the credential program for special education.
- Continue development of new MFA degree in Writing for Visual Media.
- Continue development of new Doctor of Business Administration degree.
- Continue development of new undergraduate degree in Human-Animal Studies/Anthrozoology and a master's degree in either Anthrozoology (the relationship between human and non-human animals from various theoretical perspectives of anthropology) or Applied Animal Behavior (the intersection of psychology and social work with behavioral theory and training).
- Continue development of new undergraduate degree in Non-violent/Peace Studies in concert with the Gandhi Institute.

## **Enrollments and Revenues for 2007-08**

This is the first year in the history of the AUSB campus that a stand-alone budget has been developed – separate from its sister campus in Los Angeles. This has been quite a challenge, as nearly all of the regional positions were operated out of L.A. The AUSB campus has had to reallocate money and personnel in order to fill critical functions such as HR, fiscal, enrollment management, PR/graphics and more. Now, the only shared position between the two campuses is the Payroll Coordinator.

Working with the President and Academic Dean, AUSB Academic Chairs have attempted to be realistic yet optimistic in their enrollment forecasts, with the following projected increases:

- 4-6 new international BA students.
- 10-15 undergraduate students in Early Childhood Education.
- One 8-student cohort in the intensive MAOM program (July/August/December).

- 10-12 international students in MAOM.
- 10-12 international students in "Pre-DBA MAOM."

In addition, the budget includes:

- A 5% increase in tuition except for PsyD where tuition remains constant.
- A slight decrease in tuition remission.
- 5% increase in salary and benefits effective January, 2008 and contingent upon meeting enrollment projections for summer, fall and winter quarters.
- Budgeting for new positions: Executive Assistant to the President; Director of Human Resources and Institutional Research; Director of Communications.
- Restructuring of Office of Development.
- Several requested but yet unfunded positions including Director of PR/Graphics; Webmaster; and Director of Office Operations (front-desk manager).

### **Facility Issues, Capital Projects**

One of the primary challenges facing AUSB is the fact we are housed in a leased facility containing about half of the space we need to grow. Santa Barbara is famed for its "limited-growth" policy and our current Conditional Use Permit does not allow us to expand beyond our current population. Thus, the President spends significant time looking for opportunities to relocate. The ultimate goal is to secure several major philanthropic gifts through individuals, foundations, and grants so that a facility can be purchased outright, resulting in a savings of close to \$1 million a year in rent. It is estimated that about 40,000 square feet is the minimum amount of space needed. In addition, with a goal of increasing international students, it is highly desirable for the AUSB campus to secure student housing, likely to come in the form of an apartment building or hotel/motel.

AUSB does not have the necessary resources to invest in significant capital projects. Our goal for the next several years is simply to replace furniture, IT and equipment inventories, but not to add to them in any significant way. We do plan to invest \$14,000 this coming fiscal year in the Psychology Library (in anticipation of an APA site visit several years from now) and \$10,000 in the Business Library (in anticipation of a new Doctor of Business Administration degree).

Michael Mulnix  
President

**Antioch University Southern California  
2006-07 Projection & 2007-08 Proposed Budget**

	2006-07 Budget A	SB 2006-07 Projection	LA 2006-07 Projection	Region 2006-07 Projection	Total 2006-07 Projection B	Change From 2006-07 Budget to 2006-07 Projection		SB 2007-08 Proposed Budget	LA 2007-08 Proposed Budget	Total 2007-08 Proposed Budget C	Change From 2006-07 Projection to 2007-08 Proposed Budget	
						=B-A	%				=C-B	%
<b>Revenues</b>												
Tuition & Fees	16,760,513	4,910,000	10,581,322	131,995	15,623,317	-1,137,196	-6.78%	6,241,878	11,106,721	17,348,599	1,725,282	11.04%
Less Tuition Discounts	-135,000	-30,500	-95,000		-125,500	9,500	7.04%	-178,754	-250,000	-428,754	-303,254	-241.64%
<b>Net Tuition and Fees</b>	<b>16,625,513</b>	<b>4,879,500</b>	<b>10,486,322</b>	<b>131,995</b>	<b>15,497,817</b>	<b>-1,127,696</b>	<b>-6.78%</b>	<b>6,063,124</b>	<b>10,856,721</b>	<b>16,919,845</b>	<b>1,422,028</b>	<b>9.18%</b>
Gifts	155,478	34,300	13,000	4,150	51,450	-104,028	-66.91%		30,500	30,500	-20,950	-40.72%
Grants	189,418	51,000	192,219		243,219	53,801	28.40%	193,310	567,056	760,366	517,147	212.63%
Endowment Income	0			3	3	3			0	0	-3	-100.00%
Other Income	17,900	2,000	25,000	7,377	34,377	16,477	92.05%	25,500	13,200	38,700	4,323	12.58%
<b>Total E&amp;G Revenue</b>	<b>16,988,309</b>	<b>4,966,800</b>	<b>10,716,541</b>	<b>143,525</b>	<b>16,826,966</b>	<b>-1,161,443</b>	<b>-6.84%</b>	<b>6,281,934</b>	<b>11,467,477</b>	<b>17,749,411</b>	<b>1,922,546</b>	<b>12.15%</b>
Auxiliary Enterprises	281,000		240,000	0	240,000	-41,000	-14.59%		265,000	265,000	25,000	10.42%
Released From Restrictions	391,880		108,487	3,327	111,814	-280,066	-71.47%		103,379	103,379	-8,435	-7.54%
<b>Total Revenues</b>	<b>17,661,189</b>	<b>4,966,800</b>	<b>11,065,028</b>	<b>146,852</b>	<b>16,179,680</b>	<b>-1,482,509</b>	<b>-8.39%</b>	<b>6,281,934</b>	<b>11,835,856</b>	<b>18,117,790</b>	<b>1,939,110</b>	<b>11.99%</b>

	2006-07 Budget	SB 2006-07 Projection	LA 2006-07 Projection	Region 2006-07 Projection	Total 2006-07 Projection	Change From 2006-07 Budget to 2006-07 Projection		SB 2007-08 Proposed Budget	LA 2007-08 Proposed Budget	Total 2007-08 Proposed Budget	Change From 2006-07 Projection to 2007-08 Proposed Budget	
						=B-A	%				=C-B	%
<b>Operating Expenses</b>												
Salaries & Wages	6,347,634	2,433,481	4,280,439	1,105,585	7,819,505	-528,129	-8.33%	3,033,515	5,175,455	8,208,970	389,465	4.98%
Benefits	2,455,740	779,169	1,362,498	379,954	2,521,621	65,881	2.68%	892,894	1,828,007	2,720,901	199,280	7.90%
Training & Development	269,991	35,000	80,250	79,541	194,791	-75,200	-27.85%	144,326	233,890	378,216	183,425	94.17%
Student Aid Services	238,453	70,000	124,000	3,000	197,000	-41,453	-17.38%	111,222	348,240	459,462	262,462	133.23%
Special Events	225,575	51,882	85,000	60,114	186,996	-28,579	-12.67%	31,250	112,500	143,750	53,246	-27.03%
Supplies	298,962	40,000	195,096	44,820	279,916	-19,046	-6.37%	110,056	232,121	342,177	62,261	22.24%
Business Operations	1,580,563	164,571	504,843	313,818	983,232	-597,331	-37.79%	490,911	669,897	1,160,808	177,576	18.06%
Plant Maintenance	2,108,595	729,774	1,412,028	1,309	2,143,111	34,516	1.64%	784,780	1,500,888	2,285,668	142,557	6.65%
Interest Expense	22,161			47,770	47,770	25,609	115.56%	12,000	45,161	57,161	8,391	19.66%
Resale Costs	212,375		284,000		284,000	71,625	33.79%		156,160	156,160		
Miscellaneous	2,000	80	5,000	399	5,479	3,479	173.95%		1,000	1,000	-4,479	-81.75%
<b>Contingency/Reserves</b>												
Campus Contingency, Mandatory	171,804				0	-171,804	-100.00%	116,000	268,414	384,414	384,414	
Campus Contingency, Discretionary	35,968				0	-35,968	-100.00%			0	0	
<b>Overhead</b>												
To the University	1,382,265	2,500	2,500	1,382,265	1,382,265	5,000	0.36%	519,153	1,133,575	1,652,728	265,463	19.14%
Other (Intercampus Agree & Univ Conf)									11,131	11,131	11,131	
Depreciation	309,080	103,026	206,000		309,026	-54	-0.02%	35,529	119,417	154,946	-154,080	-49.86%
<b>Total Operating Expenses</b>	<b>17,661,186</b>	<b>4,409,483</b>	<b>8,541,654</b>	<b>3,418,575</b>	<b>16,369,712</b>	<b>-1,291,474</b>	<b>-7.31%</b>	<b>6,281,636</b>	<b>11,935,856</b>	<b>18,117,492</b>	<b>1,747,780</b>	<b>10.68%</b>
<b>Excess Revenue over Expenses</b>	<b>3</b>	<b>557,317</b>	<b>2,523,374</b>	<b>-3,271,723</b>	<b>-191,032</b>	<b>-191,035</b>	<b>#####</b>	<b>298</b>	<b>-</b>	<b>298</b>	<b>191,330</b>	<b>100.16%</b>

<b>Annual Budget Conversion to Cash Basis</b>												
Capital Expenditures	0			-47,000	-47,000	-47,000		-80,000	-45,000	-125,000	-78,000	-165.96%
Add back Depreciation	309,080	103,026	206,000		309,026	-54	-0.02%	35,529	119,417	154,946	-154,080	-49.86%
<b>Total Cash Items</b>	<b>309,080</b>	<b>103,026</b>	<b>206,000</b>	<b>-47,000</b>	<b>262,026</b>	<b>-47,054</b>	<b>-16.22%</b>	<b>-44,471</b>	<b>74,417</b>	<b>29,946</b>	<b>-232,080</b>	<b>-88.57%</b>
<b>Net Cash Basis Budget</b>	<b>309,083</b>	<b>660,343</b>	<b>2,729,374</b>	<b>-3,318,723</b>	<b>70,994</b>	<b>-238,089</b>	<b>-77.03%</b>	<b>-44,173</b>	<b>74,417</b>	<b>30,244</b>	<b>-40,750</b>	<b>-57.40%</b>

**ANTIOCH  
UNIVERSITY  
LOS ANGELES**

**ANTIOCH UNIVERSITY LOS ANGELES**  
**2007-12 Capital Budget**

**ANTIOCH UNIVERSITY LOS ANGELES**  
**Capital Budget Request**  
**For the Period July 1, 2007 - June 30, 2012**

	FY08	FY09	FY10	FY11	FY12	Total
<b>New Construction</b>						<b>0</b>
<b>Remodeling</b>	5,000	10,000	10,000			<b>25,000</b>
<b>General Equipment</b>	10,500	6,500	6,500	11,500	6,500	<b>41,500</b>
<b>Computer Equipment</b>	9,500	33,500	40,500	31,500	31,500	<b>146,500</b>
<b>Furnishings</b>	15,000	15,000	20,000	15,000	15,000	<b>80,000</b>
<b>Library Books</b>	5,000	5,000	5,000	5,000	5,000	<b>25,000</b>
<b>Bond Payments</b>						<b>0</b>
<b>Other Capital Expenditures</b>						<b>0</b>
						<b>0</b>
<b>Total:</b>	<b>45,000</b>	<b>70,000</b>	<b>82,000</b>	<b>63,000</b>	<b>58,000</b>	<b>318,000</b>

At this time, AULA does not plan to immediately invest significant funds toward capital projects. Over the next five years, AULA will work to maintain (through replacement projects) furniture and equipment inventories. In year one, AULA plans to invest a small amount of capital into library books. Then in years two and three, AULA will plan to make further investments in this area for furniture and construction costs. Aside from these items, AULA will plan to keep capital expenses to a minimum.

The AULA Community has been engaged in a long-term conversation regarding the possibility of relocating the campus in an effort to begin building equity, secure our identity, and to make a greater impact with stakeholders in the Los Angeles community. As such, AULA plans to retain much of its depreciation over the next 5 years, enabling AULA to add to the AULA Capital Improvement Fund. These reserves, over time, will help to fund a relocation project in future years.

Neal King  
President

**ANTIOCH  
UNIVERSITY  
SANTA BARBARA**

**ANTIOCH UNIVERSITY SANTA BARBARA**  
**2007-12 Capital Budget**

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

	FY08	FY09	FY10	FY11	FY12	Total
New Construction						0
Remodeling						0
General Equipment	25,000	15,000	17,000	20,000	20,000	97,000
Computer Equipment	15,000	20,000	20,000	25,000	25,000	105,000
Furnishings	15,000	17,000	20,000	20,000	25,000	97,000
Library Books	25,000	25,000	30,000	30,000	40,000	150,000
Bond Payments						0
Other Capital Expenditures						0
						0
<b>Total:</b>	<b>80,000</b>	<b>77,000</b>	<b>87,000</b>	<b>95,000</b>	<b>110,000</b>	<b>449,000</b>

General Equipment: Replacement of aging equipment.

Computer Equipment: Replacement of aging equipment.

Furnishings: Replacement furniture and growth.

Library Books: Primarily to build MAOM, DBA, MFA and PsyD collections.

Michael Mulnix  
President

**ANTIOCH  
UNIVERSITY  
McGREGROR**

# ANTIOCH UNIVERSITY MCGREGOR

## 2006-07 YEAR END PROJECTION

### 2007-08 PROPOSED BUDGET

#### Accomplishments and Challenges FY'2007

Antioch University McGregor experienced a year of great achievements and some challenges. They are listed below.

1. Undergraduate Studies (formerly referred to as The Weekend College), saw an upsurge in enrollment. Classes were introduced in the summer of 2006 in a new initiative, the McGregor Institute for Intellectual Development (MIIND), our version of the famed Chautauqua Institution. Some specialized courses were also offered during the year – at night – and under the leadership of Dean Jerry Holt, a groundswell of interest began. Attending MIIND seminars or classes is similar to “kicking the tires” when buying an automobile; it allows potential students to get to know us and current students to attend at new times. Combined with a more tightly run undergraduate program, we began to see both interest and promise for future enrollment growth.
2. While McGregor experienced a decline in enrollments from years ago in Graduate Management, we were pleased to fill our first cohort of a second model labeled “Flex GMP.” This new model responds to the increasing time demands on adults, meeting once a month for a full weekend (versus just Saturdays), coupled with individual and distance learning work in between. It began in January and we anticipate the program is positioned to grow in subsequent years.
3. The Masters in Conflict Resolution and the Individualized Masters held their own with some slight decline. However, CR had a sudden departure of leadership and adjustments were made to existing leadership to bring us through the transition. Work still has to be done on the individualized approach and it is a top priority for the Dean of Liberal Studies. Both programs bring a return on investment, but there are considerable recruiting (costs) and retention issues that must be addressed.
4. The School of Education fell short of planned enrollment due to the State of Ohio changing requirements for degrees in Middle Childhood Education (MCE) and some pressure in other areas. However, a rather remarkable effort was made to make up lost revenue through the introduction of new Reading Endorsement, which did well, and saving on expenses. Despite the near heroic efforts to assure stable enrollment and future growth, the faculty and leadership of that school managed to concomitantly dedicate nearly seven days a week through November to acquiring accreditation from the National Council on Accreditation for Teacher Education (NCATE) and approval of three programs nationally. The NCATE Unit Advisory Board granted Antioch University McGregor full accreditation for five years, with no conditions, on April 19, 2007.

5. The capital campaign continued, bringing in new donors and some "lost" corporate friends who have been disengaged from the University for a very long time. The final steps to achieving the full amount are underway and always challenging as any negative impressions or press certainly impact donations. Although not all donors approached give to the campaign, the growing strong public relations for McGregor will help long-term support. One example, the Turner Foundation, repeatedly pointed out to the McGregor president how they are only giving to Springfield. However, she caught him bragging about McGregor's achievements to another corporate leader who is likely to give in the future!
6. Administrative support was enhanced this fiscal year with the addition of a new Chief Financial Officer.
7. Campus West construction began in late September 2006, and is planned for completion by mid September of this calendar year. The Yellow Springs and Miami Township Community Resources team continues to be a partner and supporter throughout the process.
8. Expenses overall were managed quite carefully; McGregor will end the year with a balanced budget.

#### **FY 2006-07 Year End Projection**

While the fiscal year has a couple months remaining, we have completed the enrollment for the last term and we can now report that Antioch University McGregor exceeded its 2006-07 new student goal by 37 students. Our goal was 372 and we added 409. Of the total, 85 were undergraduates and 324 were graduate students. Unfortunately, the new students were not distributed among the programs as we had projected and this has created a small financial shortfall that we will cover by adjusting our budget.

The undergraduate program met new student enrollment expectations and retention was better than expected. Students registered for more than the average number of credits, and the undergraduate program should end the year about \$50,000 over budget. The ILPS program missed its new student goal by 5 students and will end the year about \$50,000 under. Conflict Resolution also missed its new student target (by 3 students), but improved retention should allow this program to end the year just slightly positive. Overall, the School of Liberal Studies will end the year just over their tuition revenue target, \$2,766,927.

The School of Management is expected to end the year ahead of budget. The Graduate Management program has 3 more new students than budgeted, but the Community College Management program has 3 fewer. Because of different credit loads however, the Management Program will exceed its revenue target by \$28,000.

In the School of Education we bettered our target by one new student in Early Childhood Education (ECE), we were up by 11 new students in Special Education

(EDS), under by 17 new students in Middle Childhood Education (MCE), under by eight new students in Adolescent/Young Adult Education (AYA), over by seven students in M.Ed. in Leadership (MED) and over by six students in Ohio Principal Licensure (OPL). Because we did not make fall numbers in Middle Childhood Education and Adolescent/Young Adult Education, we added a new and unbudgeted Reading Endorsement program that attracted 34 new students. Because this program consists of only two courses rather than an entire program, we could not entirely make up for the MCE and AYA numbers.

As soon as we knew that our fall enrollment would be slightly below target, expense modifications were put into place and positions held open so that Antioch University McGregor will end the year with a balanced budget.

### **Enrollments and Revenues FY'2008**

#### **REVENUE**

The Antioch University McGregor total revenue projection for FY 2007-08 is \$8,286,852, approximately, \$664,765 above the 2006-07 revenue budget of \$7,622,087. Due to fluctuating enrollments in several programs, we have crafted conservative growth goals for 2007-08. The overall enrollment goal for AUM is a total of 2,420 full-time equivalent enrollments in 2007-08.

#### **TUITION & FEES**

Total tuition and fees are projected to increase approximately \$952,757 (averaging 6.34%), to \$8,054,007 in 2007-08 from \$7,101,250 in 2006-07, approximately \$24,697 less than the original revenue projection submitted in February 2007. Student fees are projected to increase by \$200,000, due to the implementation of a general student assessment of \$150 to cover student technology, library, facilities usage and parking services. In summary, 96% of the increase in revenue is due to targeted enrollment, tuition and student fee increases. The following section will contain an explanation of goals and challenges with specific enrollment targets listed. In all cases, our goal was to prepare a safe and fiscally conservative budget with enrollments that should be met based on our research, history and internal planning.

#### **School of Liberal Studies**

School of Liberal Studies budgeted tuition revenue is projected to increase 10% in 2007-08, approximately \$270,915 over 2006-07. Undergraduate studies are targeted to grow to 476 FTE enrollments, an 11% increase over 2006-07. The Masters of Arts in Individualized and Professional Studies and the Masters of Arts in Conflict Resolution are projected to decrease modestly at 305 and 134 FTE enrollments, respectively.

The strength of the undergraduate program will build on offering courses at night and honing in on select majors and certificate programs of interest to this region. Our staffing plan leaves room for filling some positions in the masters program in this

school if enrollment is exceeded. Benchmarks will be set for making decisions on prioritization of "late" hires. We anticipate a full summer of MIIND offerings which is becoming a mainstay of attracting individuals to the undergraduate program and to McGregor. Some blending of ILPS into the teaching loads of undergraduate courses is also under study.

### **School of Management**

School of Management budgeted tuition revenue is projected to increase 24% in 2007-08, approximately \$200,535 over 2006-07. The Masters in Management is experiencing growth in response to implementing the GMP Flex program, which combines classroom and online learning opportunities to students. The Masters in Community College Management program is anticipating modest growth as it, too, has expanded its offerings to include a part-time program. The 2007-08 enrollment targets for Graduate Management and Community College Management are 193 and 79 FTE enrollment, respectively. While the percentage seems high, keep in mind this has become a low enrollment program so it does not take much of an incremental increase to reach these goals. We are examining the best ways to meet the needs of our region through all management offerings and beyond through distance learning.

### **School of Education**

School of Education budgeted tuition revenue is projected to remain at the current 2006-07 level of \$3,750,448 with an enrollment target of 1,234 FTE. As shared in financial reports during the current fiscal year, Education, the largest and fastest growing AUM program continues to experience fluctuations in enrollment as a result of State of Department of Education teaching credential changes. In light of the recent NCATE accreditation accomplishment, the School of Education is repositioning programs (i.e., New Gifted and Talented Endorsement and Mild-to-Moderate Intervention) and identifying revenue expansion opportunities (i.e., Academy for the Teaching Profession).

### **Other Income Categories**

Overall, total other income is projected to decrease slightly, budgeted at \$222,753 in 2006-07 to \$209,890 in 2007-08. The majority is anticipated to come from annual fund donors as we ramp-up development activities on the heels of the successful capital campaign. Further, we will be seeking grants in specialized areas and feel confident there are funds we can access for both MIIND initiatives and those in education.

### **Significant Expense Changes for Continuing Operations**

In 2007-08, continuing operation costs will increase \$450,308, up 5.8% over the \$7,662,544, 2006-07 year-end projection. Our staff union contract calls for a 5% salary increase and we have managed a 2% increase for faculty and administration. Our salaries for faculty must remain a continued focus as they are considerably

below market. Most experienced a "pay decrease" in January due to considerable hikes in their personal portion of the health care program at Antioch. We anticipate losing some employees due to the overall package not becoming more competitive. It is also important to add many of our faculty serves close to 30 students in graduate classes. We run a lean, tight, student-centered institution with considerably less overhead expense than some of our counterparts with similar student populations (or less).

Employee benefits increased \$57,000, as health care costs are up 30% over 2006. Business operations and supplies costs increased \$196,000 and \$30,000, respectively. Our move to Campus West will require us to hire a facility manager and plant/maintenance and utility costs require significant increases of nearly \$100,000. In compliance with central administration's directive to budget 2% of revenue in contingency/reserves, AUM's contingency has increased to \$161,080 in 2007-08, up from \$75,000 in 2006-07.

#### **Goals and Objectives for 2007-08**

- Exceed 2007-08 enrollment and revenue objectives, while managing costs;
- Relocate operations to Campus West site with minimal interruption to business operations;
- Expand evening and day-time course offerings in response to increased classroom availability;
- Significantly increase MIIND offerings beginning summer 2007;
- Expand technology to students and faculty via my.antioch;
- Upgrade website, print collateral and migrate to Colleague (v.18);
- Update the institution's strategic plan and codify marketing plan;
- Continue to shift the portfolio of offerings within the School of Education to meet market demands;
- Take full advantage of a new facility and NCATE accreditation to build "image";

#### **Other Campus-Specific Topics**

In this section, we are directed to mention topics especially important to our campus. While we have spoken above of future opportunities, we do want to state we built the Campus West pro forma based on a lot of research and solid history. If the operations of McGregor changed significantly due to changes within the University – those that may impact *image* or *enrollment* – it may be difficult to meet the goals set. Any significant local press that confuses our students or supporters could have a devastating impact on McGregor. It must be said.

As to opportunities – aside from those mentioned by programs above, we have no doubt the presence of a new facility will be a great asset to the campus, the University and the region. The opportunity to rent space, raise our profile by

presence of a new campus and attract new students and donors is endless. We are thankful for the board's support and will make this work to the university's advantage. The expected opening date is September 2007.

Our key issue with respect to budget is how to find ways to add important positions while paying increased overhead costs and maintaining a new facility. To that end, we have listed positions as "vacant" with no funding in the budget line. It is our extreme hope we can fill some of these positions once we are confident of fall enrollment and any overages. As always, we will continue to run a lean shop and balance our budget. To date, the business model is working.

Barbara Gellman-Danley, Ph.D.  
President

**Antioch University McGregor**  
**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	
			\$	%		\$	%
<b>Revenues</b>							
Tuition & Fees	7,399,334	7,101,250	-298,084	-4.03%	8,054,007	952,757	13.42%
Less Tuition Discounts		-273	-273			273	100.00%
<b>Net Tuition and Fees</b>	<b>7,399,334</b>	<b>7,100,977</b>	<b>-298,357</b>	<b>-4.03%</b>	<b>8,054,007</b>	<b>953,030</b>	<b>13.42%</b>
Gifts	7,000	1,200	-5,800	-82.86%	25,000	23,800	1983.33%
Grants	132,753	87,000	-45,753	-34.46%	173,845	86,845	99.82%
Other Income	13,000	575,000	562,000	4323.08%	13,000	-562,000	-97.74%
<b>Total E&amp;G Revenue</b>	<b>7,552,087</b>	<b>7,764,177</b>	<b>212,090</b>	<b>2.81%</b>	<b>8,286,852</b>	<b>501,675</b>	<b>6.46%</b>
Released From Restrictions	70,000	214,765	144,765	206.81%	21,000	-193,765	-90.22%
<b>Total Revenues</b>	<b>7,622,087</b>	<b>7,978,942</b>	<b>356,855</b>	<b>4.68%</b>	<b>8,286,852</b>	<b>307,910</b>	<b>3.86%</b>

<b>Operating Expenses</b>							
Salaries & Wages	3,824,403	3,821,267	-3,136	-0.08%	3,774,459	-46,808	-1.22%
Benefits	1,362,495	1,450,648	88,153	6.47%	1,419,451	-31,197	-2.15%
Training & Development	103,183	106,203	3,020	2.93%	106,986	783	0.74%
Student Aid Services	101,955	100,477	-1,478	-1.45%	101,955	1,478	1.47%
Special Events	48,550	46,878	-1,672	-3.44%	59,050	12,172	25.97%
Supplies	84,966	76,142	-8,824	-10.39%	105,950	29,808	39.15%
Business Operations	642,951	633,611	-9,340	-1.45%	829,694	196,083	30.95%
Plant Maintenance	200,691	189,795	-10,896	-5.43%	282,200	92,405	48.69%
Interest Expense	14,287	14,871	584	4.09%	15,830	959	6.45%
Miscellaneous	12,363	10,648	-1,715	-13.87%	33,938	23,290	218.73%
<b>Contingency/Reserves</b>							
Campus Contingency, Mandatory	75,000		-75,000	-100.00%	161,080	161,080	
<b>Overhead</b>							
To the University	867,754	867,754	0	0.00%	890,874	23,120	2.66%
Other (Intercampus Agree & Univ Conf)	130,000	164,250	34,250	26.35%	0	-164,250	-100.00%
Depreciation	137,500	180,000	42,500	30.91%	331,385	151,385	84.10%
<b>Total Operating Expenses</b>	<b>7,606,098</b>	<b>7,662,544</b>	<b>56,446</b>	<b>0.74%</b>	<b>8,112,852</b>	<b>450,308</b>	<b>5.88%</b>
<b>Excess Revenue over Expenses</b>	<b>15,989</b>	<b>316,398</b>	<b>300,409</b>	<b>1878.85%</b>	<b>174,000</b>	<b>-142,398</b>	<b>-45.01%</b>

**Annual Budget Conversion to Cash Basis**

Capital Expenditures		-8,358,762	-8,358,762		-5,152,062	3,206,700	38.36%
Principal Payments		-240,214	-240,214		-174,000	66,214	27.56%
Bond Proceeds		8,102,578			4,820,939		
Add back Depreciation	137,500	180,000	42,500	30.91%	331,385	151,385	84.10%
<b>Total Cash Items</b>	<b>137,500</b>	<b>-316,398</b>	<b>-453,898</b>	<b>-330.11%</b>	<b>-173,738</b>	<b>142,660</b>	<b>45.09%</b>
<b>Net Cash Basis Budget</b>	<b>153,489</b>	<b>0</b>	<b>-153,489</b>	<b>-100.00%</b>	<b>262</b>	<b>262</b>	

**ANTIOCH UNIVERSITY McGREGOR**  
2007-08 to 2011-12 Capital Budget

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

	FY08	FY09	FY10	FY11	FY12	Total
New Construction	\$4,522,939	80,000				4,602,939
Remodeling						0
General Equipment						0
Computer Equipment	70,000	140,000	170,000	70,000	110,000	560,000
Furnishings	160,000	180,000	120,000	25,000	25,000	510,000
Library Books	50,000	50,000	50,000	50,000	50,000	250,000
Bond Payments	518,000	518,000	873,950	873,017	876,221	3,659,188
Other Capital Expenditures						0
						0
<b>Total:</b>	<b>5,320,939</b>	<b>968,000</b>	<b>1,213,950</b>	<b>1,018,017</b>	<b>1,061,221</b>	<b>9,582,127</b>

**FACILITIES**

**Campus West 2007-08**

Construction of the new home for Antioch McGregor will be completed in September of 2007 and the construction budget contains funding for furniture, fixtures and equipment of approximately \$1,000,000. This funding will be sufficient to provide the critical equipment necessary to open the building, but there will be equipment needs beyond the items identified in the original capital budget request. Most of the needs identified in the 2007-08 capital budget request, reflect such additional requirements. The current Campus West project budget of \$14,993,458 will cross fiscal years and is anticipated to expend approximately \$4,522,939 in 2007-08.

*Estimated Cost:* \$14,993,458 (Total Cost), \$4,522,939 (2007-08)

**Outdoor Landscaping**

Upon completion of the Campus West structure, it will be necessary to develop the exterior of the location. The original project budget includes funding for basic landscaping; this additional investment will be directed toward exterior landscape enhancements.

*Estimated Cost:* \$80,000 (2008-2009)

**COMPUTER EQUIPMENT**

**Employee Workstation Standardization**

Each year, a portion of the desktop/portable computing technology used by AUM faculty, administration, and staff become obsolete. The computing industry changes so rapidly that equipment acquired a few years ago is no longer capable of handling evolving software applications. This project continues the current computer replacement initiative.

*Estimated Cost:* \$105,000 (\$45,000 in 2008-2009, \$30,000 in 2009-10, \$30,000 in 2011-12)

### **Computer Workstations**

The new building will have instructional labs where computer use can be taught and where students can independently work on computer projects. Initially, these rooms will be equipped with machines that are currently used in our current location. By the time the building opens, these existing machines will need to be replaced.

*Estimated Cost:* \$120,000 (\$60,000 in 2007-08, \$60,000 in 2009-10)

### **Additional A.V. Equipment and Technology Upgrades**

*Estimated Cost:* \$70,000/yr. beginning 2008-2009

### **Network Server Replacement**

*Estimated Cost:* \$25,000 (2008-2009)

### **Network Printer Replacement**

*Estimated Cost:* \$30,000 (\$10,000 in 2008, 2010 and 2012)

## **FURNISHINGS**

### **Outdoor Furnishing**

As a part of Campus West exterior enhancements, outdoor heavy-duty tables and seating are planned to be distributed among wooded areas. This initiative will require some concrete work.

*Estimated Cost:* \$50,000 (2008-09)

### **Library Furniture and Fixtures**

The Reading/Library is expected to be one of the most heavily used areas in the new building. It will serve as the social and academic hub of the campus. This area will require furniture that will accommodate high frequency usage.

*Estimated Cost:* \$30,000 (2007-08)

### **Office Furniture**

Most faculty and staff offices will be equipped with existing furniture from the current building. However, some of the existing furniture is too large for the new space or is, otherwise, unsuitable. In these cases, major new furniture will be purchased with

construction budget funds. There will be some needs that will become apparent after occupancy and these will be met from the capital budget.

The new building has student service areas that do not exist in the current building. These areas will provide enhanced student comfort and privacy, as well as more efficient service delivery; these student service areas will also require new furniture. There will be some built-in furniture in these areas, primarily service counters, but other needs will become apparent as the first year of operations unfolds.

*Estimated Cost:* \$410,000 (\$120,000/yr. 2008, 2009, 2010 and \$25,000/yr. 2011, 2012)

#### **Industrial Shelving**

Heavy-duty, industrial strength shelving is necessary to furnish and support maintenance, receiving, mailroom and storage requirements.

*Estimated Costs:* \$20,000 (\$10,000/yr in 2008 and 2009)

### **LIBRARY BOOKS**

#### **Campus West Library**

This initiative establishes a goal to invest \$250,000 in library holdings over the next five years in the new Campus West library.

*Estimated Cost:* \$250,000 (\$50,000/yr. over the next five years)

### **BOND PAYMENTS**

#### **Campus West Debt Service**

Over the 2007/08 fiscal year, Campus West will remain the primary capital project for McGregor. We predict capital expenditures of \$7,862,364 for the current year and \$4,522,939 in 07/08. For the current fiscal year (06/07), the debt service (\$518,000) on the Campus West project will be completely covered from bond proceeds, and for 07/08, Campus West debt service (\$552,000) will be covered from a combination of bond proceeds (34,000), bond proceeds and interest earnings (\$344,000) and operating budget (\$174,000).

*Estimated Costs:* \$518,000 (2008), \$518,000 (2009), \$875,000 (2010, 2011, 2012)

Barbara Gellman-Danley, Ph.D.  
President